

Kindred Group Press Release

Malta, 22 January 2024

Statement by the Board of Directors¹ of Kindred in relation to the public offer from La Française des Jeux

The Board of Directors of Kindred unanimously recommends the shareholders of Kindred to accept the public offer from La Française des Jeux SA of SEK 130 in cash per share.

This statement is made by the Board of Directors (the “**Board**”) of Kindred Group plc (“**Kindred**” or the “**Company**”) pursuant to Rule II.19 of the Nasdaq Stockholm Takeover Rules (the “**Takeover Rules**”).

Background

La Française des Jeux SA (“**FDJ**”) has today announced a recommended public cash offer to the holders of Swedish Depository Receipts (the “**SDRs**”) in Kindred to tender all their SDRs in the Company at a price of SEK 130 in cash per SDR (the “**Offer Price**” and the “**Offer**”, respectively). The total value of the Offer corresponds to approximately SEK 27,951 million², representing a multiple of 10.9x Kindred’s 2023 underlying EBITDA.³ For the sake of simplicity and because each SDR represents a share in Kindred, the SDRs will also be referred to as “shares” and the holders as “shareholders”.

The Offer represents a premium of:

- approximately 24.4 per cent compared to the closing share price of SEK 104.50 of Kindred’s shares on Nasdaq Stockholm on 19 January 2024, which was the last trading day prior to the announcement of the Offer;
- approximately 34.9 per cent compared to the volume-weighted average trading price of SEK 96.34 of Kindred’s shares on Nasdaq Stockholm during the last 30 trading days prior to the announcement of the Offer;
- approximately 36.3 per cent compared to the volume-weighted average trading price of SEK 95.35 of Kindred’s shares on Nasdaq Stockholm during the last 90 trading days prior to the announcement of the Offer; and
- approximately 40.1 per cent compared to the closing price of SEK 92.80 of Kindred’s shares on Nasdaq Stockholm on 28 November 2023, which was the last trading day prior

¹ The board members James Gemmel and Cédric Boireau, representing shareholders on Kindred’s Board of Directors who have provided an undertaking to accept the Offer (i.e. Corvex Management LLP and Premier Investissement SAS), have not participated in the Board’s handling of or decisions concerning matters relating to the Offer due to a conflict of interest.

² Based on 215,008,190 outstanding shares in Kindred, which excludes 15,117,946 treasury shares held by Kindred. In the event that Kindred should pay any dividend or make any other value transfer prior to the settlement of the Offer, the price per share in the Offer will be reduced correspondingly.

³ Kindred’s reported 2023A underlying EBITDA of £205m.

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to the release of Kindred's Q3 2023 results, that included a statement that Kindred's Board believed shareholder value would be maximised through a third-party transaction.

The acceptance period for the Offer is expected to commence on or around 20 February 2024 and expire on or around 19 November 2024.

The completion of the Offer is conditional upon:

- (i) the Offer being accepted to such an extent that FDJ becomes the owner of shares in Kindred representing more than 90 per cent of the total number of shares in Kindred (on a fully diluted basis)⁴;
- (ii) the receipt of all regulatory, governmental or similar clearances, approvals and decisions that are necessary for the Offer and the acquisition of Kindred in each case on terms which, in FDJ's opinion, are acceptable;
- (iii) no circumstances having occurred which could have a material adverse effect or could reasonably be expected to have a material adverse effect on Kindred's financial position, prospects or operations, including Kindred's licenses and permits, revenues, results, liquidity, solidity, equity or assets;
- (iv) neither the Offer nor the acquisition of Kindred being rendered wholly or partially impossible or significantly impeded as a result of legislation or other regulation, any decision of a court or public authority, or any similar circumstance;
- (v) Kindred not taking any action that is likely to prevent or frustrate the Offer or impair the prerequisites for making or completing the Offer;
- (vi) Kindred's articles of association having been amended to allow for an owner of shares, representing not less than 90 per cent of the outstanding capital of Kindred carrying voting rights, to require all the other shareholders of Kindred to transfer all of their shares in Kindred to the owner; and the terms and conditions for the SDRs having been amended in a way which allows FDJ, having become the owner of not less than 90 per cent of the total number of outstanding SDRs in Kindred, to require all other holders of SDRs to transfer all of their SDRs in Kindred to FDJ for the same price as in the Offer;
- (vii) no information made public by Kindred or disclosed by Kindred to FDJ being materially inaccurate, incomplete or misleading, and Kindred having made public all information which should have been made public by Kindred; and
- (viii) no other party announcing an offer to acquire shares or SDRs in Kindred on terms more favourable to the shareholders of Kindred than the Offer.

FDJ has reserved the right to waive the conditions for completion of the Offer. The Offer is not conditional upon financing.

Kindred intends, through a separate press release to be issued later today, to convene an extraordinary general meeting in order to amend Kindred's articles of association. Following the successful amendment of Kindred's articles of association, Kindred means to amend the

⁴ Excluding any treasury shares held by Kindred (currently 15,117,946).

terms and conditions of the SDRs in a way which allows FDJ, having become the owner of not less than 90 per cent of the total number of outstanding SDRs in Kindred, to require all other holders of SDRs to transfer all of their SDRs in Kindred to FDJ for the same price as in the Offer.

The Board has, at the written request of FDJ, permitted FDJ to carry out a due diligence review of Kindred in connection with the preparation of the Offer. In connection with such review, FDJ has received certain preliminary financial information regarding Kindred's fourth quarter 2023. Kindred will today announce this information through a separate press release. Except as set out above, FDJ has not received any inside information in connection with such review.

FDJ has obtained irrevocable undertakings to accept the Offer and to vote in favor of an amendment of the articles of association in accordance with condition (vi) of the Offer from the Company's shareholders, Corvex Management LP, Premier Investissement SAS, Eminence Capital, Veralda Investment and Nordea, representing in total approximately 27.9⁵ per cent of the outstanding shares in Kindred. The irrevocable undertakings apply irrespective of whether a higher competing offer is made.

PJT Partners (UK) Limited, Morgan Stanley & Co. International plc and Canaccord Genuity Limited are financial advisors and White & Case is legal advisor to Kindred in connection with the Offer.

The Board has engaged Jefferies GmbH ("**Jefferies**") to issue a so-called fairness opinion regarding the Offer Price from a financial point of view. The fairness opinion is attached to this statement. Jefferies will receive a fixed fee for providing the opinion, which is not contingent on the size of the Offer consideration, the acceptance level of the Offer or whether it is completed.

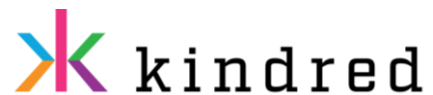
The strategic review process conducted by the Board

On 26 April 2023, the Board announced its decision to initiate a review of strategic alternatives for the Company in order to maximize shareholder value. As part of the strategic review process, the Board has explored a multitude of options, including operational initiatives, a merger or sale of the Company, and other possible strategic transactions. Following the announcement of the strategic review process, the Company has solicited, and attracted inbound interests, from several parties. As described in this statement the Board is of the opinion, following careful and exhaustive evaluation of alternative options including standalone long-term growth prospects of Kindred, that the Offer represents the most attractive outcome for shareholders of Kindred of the strategic review.

The Board's recommendation

Founded in 1997 to provide customers with a better and safer way to place a bet in the modern digital world, Kindred built a reputation as a disrupter and innovator, quickly gaining a loyal customer base around the world. Over the past 25 years, Kindred has transformed gambling

⁵ Corvex Management LP, 16.6%. Premier Investissement SAS, 4.0%. Eminence Capital, 3.5%. Veralda Investment, 2.3%. Nordea, 1.5%.



by investing in new technology, existing products, and its people. Kindred is today one of the world's leading online gambling operators, offering over 30 million customers across 9 brands a great form of entertainment in a safe, fair and sustainable environment. Kindred has a track record of strong profitability and cash flow generation and is a leading online gambling operator with revenue from a brand, product and geographical perspective, with technology as a key differentiator. Through the Unibet brand, the Company has market leadership in attractive European markets that offer stable regulated revenues and has a history of outgrowing its core markets.

In assessing the merits of the Offer, the Board has considered the Company's 2024 full-year guidance as communicated in November 2023 and long-term growth prospects, as well as the risks and uncertainties associated with executing against these prospects. These risks and uncertainties include possible negative impacts on the Company and its business as a result of the highly competitive markets in which the Company operates, as well as the potential impacts from adverse regulatory or other changes in the Company's locally regulated and .com markets, which alone or in combination can cause the actual revenue growth or underlying profitability to deviate from the forecasted growth or profitability and, therefore, impact the Company's ability to deliver value to the shareholders.

In its assessment of the Offer, the Board has applied methods normally used in evaluating public offers for listed companies, including Kindred's valuation relative to comparable listed companies and comparable precedent transactions, analysts' and the stock market's expectations regarding the development of Kindred, the Company's share price, premiums in previous public offers, as well as the Board's view on Kindred's long-term value based on expected future cash flows for the Company based on internal financial forecasts prepared by its management. The Board has also taken into account that the Offer comprises cash consideration, which, subject to completion of the Offer, provides the shareholders of Kindred with an opportunity to realise value from their investment in cash in the near future and at a meaningful premium to the current price of the Kindred share as well as a premium to the price of the Kindred share before the board announced its decision to initiate a review of strategic alternatives for the Company on 26 April 2023.

The Company's financial advisers PJT Partners (UK) Limited, Morgan Stanley & Co. International plc and Canaccord Genuity Limited have assisted the Board in its evaluation of the Offer. Further, the Board has considered the fairness opinion from Jefferies according to which the Offer Price, in Jefferies' opinion, is fair to Kindred's shareholders from a financial point of view (subject to the assumptions and considerations set out in the fairness opinion).

The Board also notes that Corvex Management LP, Premier Investissement SAS, Eminence Capital, Veralda Investment and Nordea, whose shareholdings in Kindred represent in aggregate approximately 27.9 per cent of the total number outstanding shares in the Company, have undertaken to accept the Offer.

Having concluded this assessment, the Board believes that the terms of the Offer recognise Kindred's long-term growth prospects, taking into account the risks and uncertainties associated with the realisation of those prospects. The Board therefore unanimously recommends the shareholders of Kindred to accept the Offer.

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Effects on Kindred and its employees

Under the Takeover Rules, the Board shall, based on the statements made by FDJ in the Offer press release issued earlier today, present its opinion regarding the impact that the implementation of the Offer will have on Kindred, particularly in terms of employment, and its opinion regarding FDJ's strategic plans for Kindred and the effects it is anticipated that such plans will have on employment and on the places in which Kindred conducts its business. In this respect, the Board notes that FDJ has stated that FDJ values the skills and talents of Kindred's management and employees and intends to continue to safeguard the excellent relationship that Kindred has with its employees. Based on FDJ's current operations and the current regulatory environment, FDJ does not intend to materially alter the operations of Kindred following the implementation of the Offer, other than the exit from the Norwegian market and those other non-regulated markets with no ongoing path to regulation. Other than relating to such exit, there are currently no decisions on any material changes to Kindred's or FDJ's employees and management or to the existing organization and operations, including the terms of employment and locations of the business. The Board assumes that this description is correct and has no reason to take a different view in this respect.

This statement shall in all respects be governed by and construed in accordance with Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts.

Malta, 22 January 2024

Kindred Group plc

The Board of Directors

This disclosure contains information that Kindred Group is obliged to make public pursuant to the EU Market Abuse Regulation (EU No. 596/2014). The information was submitted for publication, through the agency of the contact person, on 22-01-2024 07:20 CET.

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About Kindred Group

Kindred Group is one of the world's leading online gambling operators with business across Europe, North America and Australia, offering over 30 million customers across 9 brands a great form of entertainment in a safe, fair and sustainable environment. The company, which employs approximately 2,500 people, is listed on Nasdaq Stockholm Large Cap and is a member of the European Gaming and Betting Association (EGBA) and founding member of IBIA (International Betting Integrity Association). Kindred Group is audited and certified by eCOGRA for compliance with the 2014 EU Recommendation on Consumer Protection and Responsible Gambling (2014/478/EU). Read more on www.kindredgroup.com.

Nasdaq Stockholm, KIND-SDB

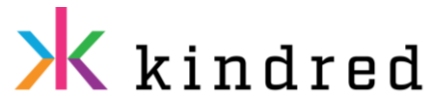
IMPORTANT INFORMATION

PJT Partners (UK) Limited ("PJT Partners") is acting as financial advisor to the Board of Directors of Kindred and to no one else. PJT Partners is authorized and regulated by the Financial Conduct Authority (Ref No. 678983) and is a Company registered in England and Wales (No. 9424559). In connection with the matters described in this announcement and any other matter referred to herein, neither PJT

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