

STOCKHOLM, 17TH MARCH 2020

IMPACT OF COVID-19 ON LEOVEGAS

The effects of COVID-19 are difficult to overlook and conditions change daily. Among other things, sports events are cancelled or moved forward in time. LeoVegas therefore chooses to update on actions taken and potential effects related to the situation that has arisen.

HOW LEOVEGAS HANDLES DAILY OPERATIONS

LeoVegas monitors the course of events surrounding the spread of the virus and follows the authorities' recommendations. In practical terms, this means, among other things, a call for the company's staff to work from home and a travel ban.

LeoVegas has offices in many countries and is accustomed to working across departments with the help of conferencing systems and other technical tools. At present the recommendation that employees work from home has only a minor impact on efficiency, and business is continuing as usual.

FOCUS ON CASINO

During the fourth quarter of 2019, 91 percent of the company's revenue was generated from its casino business, and the remaining 9 percent from sports betting. In connection with major sporting events, LeoVegas usually tends to note higher activity among customers, but this does not have a major positive effect on LeoVegas' revenues on the whole. The leagues and sport events that have now been cancelled and postponed are expected to result in a substantial short-term reduction in revenue from sports betting. For LeoVegas' casino business, operations are continuing as normal without any noticeable disruptions.

"The health of our employees and their families is of absolute top importance, and with the measures we have taken, we are exercising our responsibility as an employer," comments Gustaf Hagman, LeoVegas' Group CEO. "We are closely monitoring the situation and continue to be well prepared for the unique situation that has arisen. Of course it is sad to see many sporting events cancelled along with the festivities surrounding them. This is expected to lead to lower revenue for LeoVegas in the sports betting segment, but given our strong position in casino, we can mitigate this effect to some extent by shifting the focus even more to our casino product."

The situation is very unpredictable, and at this stage LeoVegas cannot quantify the impact of COVID-19. The next financial update is scheduled to be made in connection with the first quarter interim report, which will be presented on 6th May 2020.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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