

Stockholm, 21 February 2017

## LeoVegas acquires Italian gaming operator

LeoVegas today carried out the first acquisition in the Group's history. The acquisition of Winga.it, an Italian gaming operator with a licence in the Italian market, gives LeoVegas an established position in Italy, Europe's largest regulated market. LeoVegas is acquiring 100% of the company, which had revenue of EUR 8.0 m in 2016. The acquisition is being made for a cash consideration of EUR 6.1 m.

*"This is yet another milestone in LeoVegas' development," comments Gustaf Hagman, LeoVegas' Group CEO. "The acquisition of Winga.it will enable rapid expansion in Italy, as we are acquiring a company with local knowledge and an established position. LeoVegas' expansion strategy is to grow in markets that are either regulated or in the process of being regulated. Our focus on mobile gaming and our proprietary, flexible technology platform create the conditions for a successful acquisition."*

### The Italian gaming market

Italy is Europe's largest regulated gaming market, according to data from H2 Gambling Capital. Consumers in Italy spend more money on gaming than what consumers do in, for example, the UK. However, with a very small share of this gaming conducted online or in mobile devices, we see great opportunities for strong growth in the years ahead. This, combined with the fact that the Italian telecom market is facing an interesting development phase in connection with a major upgrade of its telecom networks, makes the timing for LeoVegas to take a position as Italy's leading mobile gaming company extra interesting.

### Winga

Winga has an organisation comprising 33 employees and offers customers a full product offering. Fifty per cent of Winga's revenue is generated from live casino, both from a studio environment as well as from their unique product that is broadcast live on Italian TV and Sky TV.

Winga had EUR 8.0 m in revenue in 2016. Winga is currently showing a negative result, and LeoVegas has identified a number of factors that will bring the company into a positive result.

With LeoVegas as new owner, Winga will benefit from LeoVegas' data-driven approach in marketing, its strengths on the product side and the mobile technology around the customer experience will contribute significant value added to the business. The LeoVegas brand will be gradually introduced in the Italian market.

The seller of Winga is Paf (Ålands Penningautomatförening). The purchase price will be paid in two parts, and possession is expected to be transferred on 1 March 2017. The transaction is subject to certain customary conditions and approval by the Italian authorities.

With this acquisition LeoVegas now has gaming licences in the following jurisdictions: Malta, the UK, Denmark, Ireland and Italy.

### Strategic acquisitions

During the past year LeoVegas has evaluated a dozen or so acquisition opportunities, and with a cash position of more than EUR 55 m, the company has resources to make additional strategic acquisitions going forward.

The information in this release is such that LeoVegas AB (publ) is required to make public in accordance with the EU Market Abuse Regulation. The information was submitted, by the agency of the contact persons below, for publication at 08:00 (CET) on 21 February 2017.

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### For further information, please contact:

Gustaf Hagman, Group CEO and co-founder: +46 70-880 55 22, [gustaf.hagman@leovegas.com](mailto:gustaf.hagman@leovegas.com)

Viktor Fritzen, Group CFO: +46 73-612 26 67, [viktor.fritzen@leovegas.com](mailto:viktor.fritzen@leovegas.com)

Philip Doftvik, Head of Corporate Finance and Investor Relations: +46 73 512 07 20, [philip.doftvik@leovegas.com](mailto:philip.doftvik@leovegas.com)

Visitors address: Sveavägen 59, Stockholm

Corporate identity number: 556830-4033

### About the LeoVegas mobile gaming group

*LeoVegas' vision is to create the ultimate mobile gaming experience and be number one in mobile casino. The business is distinguished by award-winning innovation and strong growth. LeoVegas' technical development is conducted in Sweden, while operations are based in Malta. The Swedish parent company LeoVegas AB (publ) invests in companies that offer gaming via mobile devices and desktop computers along with companies that develop related technologies. LeoVegas has attracted major international acclaim and has won numerous awards, including "Nordic Operator of the year", "Mobile Marketing Campaign of the year", and "Innovation in Mobile and Tablet of the Year" at the international EGR Awards. LeoVegas bases its development on "Mobile First" and is at the forefront of using state-of-the-art technology in the mobile gaming market. With a foundation in a great gaming experience, long-term customer relationships and establishment of a strong brand, the company has attracted a steadily growing customer base through innovative, effective and data-driven marketing. Since its start, the mobile gaming company LeoVegas has shown strong quarter-on-quarter growth. LeoVegas' shares are listed on Nasdaq First North Premier. Avanza Bank AB is the company's Certified Adviser. For more about LeoVegas, visit [www.leovegasgroup.com](http://www.leovegasgroup.com) or [www.leovegas.com](http://www.leovegas.com).*