

STOCKHOLM, 27 NOVEMBER 2020

LEOVEGAS CONTEMPLATES TO ISSUE A SENIOR UNSECURED BOND AND COMMUNICATES A LEVERAGE TARGET

LeoVegas AB (publ) ("LeoVegas") has mandated SEB and Swedbank as joint bookrunners to arrange investor meetings commencing on 30 November 2020 to explore the conditions to issue a senior unsecured bond with an expected volume of SEK 500m, within a framework of SEK 1,200m with a tenor of three years. Subject to market conditions, a capital markets transaction may follow. The proceeds from the potential bond issue will be used to facilitate LeoVegas' expansion strategy, refinance existing debt and for potential acquisitions. In conjunction with the transaction, LeoVegas also enters into a new three-year revolving credit facility agreement of EUR 40m.

FINANCIAL TARGETS – LEVERAGE TARGET INTRODUCED

In conjunction with the transaction, LeoVegas publishes that the leverage ratio (net debt to adjusted EBITDA) shall not, over the long term, exceed 1.0x. However, LeoVegas may, under certain circumstances, choose to exceed this level during short time periods in connection with, for instance, larger acquisitions or other strategic initiatives.

LeoVegas' existing long-term financial targets are unchanged which include:

- Long-term organic growth that outperforms the online gaming market
- Long-term EBITDA margin of at least 15 percent, under the assumption that 100% of the revenue is generated in locally regulated markets where gaming tax is paid
- To pay dividend, over time, of at least 50 percent of the profit after tax

"With this, we ensure a long-term and stable financing for LeoVegas. We strengthen the company's financial flexibility and diversify our financing with the combination of a bond and new bank loans. This enables us to continue to deliver on our expansion strategy where we focus on regulated markets and markets soon to become regulated. Further, we continuously evaluate strategic and complementary acquisitions that may fit into the LeoVegas Group", Gustaf Hagman, Group CEO

This information is such that LeoVegas AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation 596/2014. The information in this press release has been published through the agency of the contact persons set out below, at the time stated by LeoVegas AB's (publ) news distributor Cision, upon publication of this press release. The persons indicated below can also be contacted for further information.

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