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   2. Diversify product offering
   3. New markets
Passion Gaming
Investment in proprietary platform
Investment in our team

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Revenue
Cost structure
Income statement
Cash flow
Balance sheet

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Rapidly growing online gaming operator
Proprietary gaming platform
Investment in talent
Operate only in regulated and/or legalised markets
Clear growth strategy and proven model
Profitable, highly cash generative, dividend paying
SIGNIFICANT PROGRESS AGAINST OUR OBJECTIVES

Significant growth in RMG

30% YoY RMG growth
3rd largest online UK bingo operator
143 brands

Investment in growth

New content and sites
Predictive analytics
Cloud data science infrastructure
People
Passion Gaming*

Integration of acquisitions

Realising synergies
Increase revenue
Reduced distribution costs
Efficient marketing spend

Expansion into B2B

Stride Together
Aspers Online (aspers.com)

Compliant with regulation

Responsible Gaming
ASA & CAP
Self exclusion

*Post period end
## 2017 HIGHLIGHTS – OUR KPIs

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>£89.9m</td>
<td>£76.4m</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>£20.2m</td>
<td>£16.4m</td>
</tr>
<tr>
<td><strong>Adj. EPS</strong></td>
<td>27.5p</td>
<td>21.3p</td>
</tr>
<tr>
<td><strong>Dividend</strong></td>
<td>2.7p</td>
<td>2.5p</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td>£147m</td>
<td>£117m</td>
</tr>
<tr>
<td><strong>Yield per player</strong></td>
<td>£147</td>
<td>£114</td>
</tr>
<tr>
<td><strong>Funded players</strong></td>
<td>146k</td>
<td>162k</td>
</tr>
<tr>
<td><strong>Mobile/Touch revenue</strong></td>
<td>66.0%</td>
<td>56%</td>
</tr>
</tbody>
</table>

*All figures are on a like-for-like basis*
STRATEGIC & OPERATIONAL REVIEW
ONLINE GAMING MARKET OVERVIEW

• UK remains the world’s largest real-money bingo market – mobile continues to drive growth
• Stride operates >140 sites – approximately one in four brands in the UK

• UK online casino market is 3x larger than online bingo*
• Multi-brand strategy provides differentiated offering in slots segment (B2C and B2B)

• UK is a highly regulated market
• Increased regulation presents opportunities given Stride’s scale and proprietary technology advantage

Source: *Sep 2016 UKGC report shows casino market worth £2.4bn in GGR
** Stride Group estimates

UK ONLINE BINGO-LED MARKET SHARE

Estimated market size = £600m*

Stride now the 3rd largest online operator with a 12% share**
### REGULATION

<table>
<thead>
<tr>
<th>FOCUS</th>
<th>Point of Consumption Tax 2 (POCT2)</th>
<th>IMPACT</th>
<th>Stride’s scale and proprietary technology support potential market share opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOCUS</td>
<td>Advertising Standards Authority (game visuals, day time TV advertising)</td>
<td>IMPACT</td>
<td>Stride’s investment is focused on digital marketing</td>
</tr>
<tr>
<td>FOCUS</td>
<td>Responsible Gaming (self exclusion, KYC, SoF)</td>
<td>IMPACT</td>
<td>Fully compliant and continually evolving best practice in responsible gaming</td>
</tr>
<tr>
<td>FOCUS</td>
<td>Fixed Odds Betting Terminals (FOBT)</td>
<td>IMPACT</td>
<td>Impacts retail operators only</td>
</tr>
<tr>
<td>FOCUS</td>
<td>General Data Protection Regulation (GDPR)</td>
<td>IMPACT</td>
<td>We are on track for introduction in May 2018</td>
</tr>
</tbody>
</table>
OUR VISION AND GROWTH STRATEGY

TO BE A LEADING ONLINE GAMING OPERATOR

1  FOCUS ON OUR CORE
Continue to build scale and grow market share in both the UK bingo and casino markets

2  DIVERSIFY PRODUCT OFFERING
Enter into new verticals such as lottery style games, rummy, instant wins and scratch cards

3  NEW MARKETS
Extend brands and products to new attractive markets outside of the UK

VALUE FOR SHAREHOLDERS

INVESTMENT IN PROPRIETARY PLATFORM

INVESTMENT IN OUR TEAM

COMPLIANCE WITH REGULATION
FOCUS ON OUR CORE – Organic growth drivers

Technology and people
Unique content
- Multi-brand strategy
- Business Intelligence
Increased monetisation and engagement
Efficient Marketing spend

INCREASED PROFITABILITY
FOCUS ON OUR CORE – Realising synergies in acquired businesses

Reduction in distribution costs due to enhanced efficiencies

Rise in yield per player is driven by proprietary technology and business intelligence
FOCUS ON OUR CORE – Realising synergies in acquired businesses

Highly successful acquisitions already delivering earnings enhancing synergies
DIVERSIFY PRODUCT OFFERING

- Launched 29 new sites
- Developed and launched 17 new proprietary slots and instant win games
- Entered B2B vertical via Stride Together
  - Signed JV with Aspers Group
- Entry into Rummy market through strategic investment in Passion Gaming (*post period end*)
NEW MARKETS

• Diversification opportunities supported by scale, infrastructure and platform
• Appraise attractive, growing, regulated markets
• Pan European focus with global opportunities

Current markets
In process
Strategic investment in Passion Gaming

**About Passion**

New entrant to the online Rummy market in India where gambling is legalised

Excellent management team that has build a solid brand since inception in 2015

**Investment details**

Investment of $3.75m for a 51% stake including full ownership of intellectual property

No earn out or cash delivered to shareholders

Passion Gaming’s directors are aligned to Stride’s objectives and long-term vision

**Strategic rationale**

Investment gives Stride a solid positioning in a fast growing online market and diversification of revenues

Stride is contributing cash into the business and will leverage its technical know-how and marketing expertise to accelerate growth

The Indian games of skill market is expected to reach $3.6 billion by 2022* - high growth market with huge potential

Regulation of Rummy and other gaming verticals expected in India in the near term

Source: “Research and Markets “The Indian Games of Skill Market Analysis and Forecast, 2016-2022”
INVESTMENT IN PROPRIETARY PLATFORM

**INVESTMENT IN TECHNOLOGY**

- Innovative content
- Multi-brand
- Diversification into new verticals
- B2B
- Entry into new markets
- Integrated business intelligence
- Highly scalable, robust payment processing and back office
- Disaster recovery solutions
- Cyber security
- Fully compliant with regulation
INVESTMENT IN OUR TEAM

- Increased proprietary platform development team by 30%
- Appointed CTO and heads of CRM, Product, Development and Business Analytics
- Increased Retention and Marketing talent on proprietary platform by 50%
- Headcount increased by 51 to 370
- Competitive employee benefits
- Continued investment in working environment
- Streamlined onboarding and employee communication
- Corporate social responsibility events
- Empowerment of team members
- Internal and external training courses such as Leadership Training
FINANCIAL REVIEW
2017 FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (NGR)</td>
<td>£76.4m</td>
<td>£89.9m</td>
</tr>
<tr>
<td>Adj EBITDA</td>
<td>£16.4m</td>
<td>£20.2m</td>
</tr>
<tr>
<td>Adj earnings</td>
<td>£14.3m</td>
<td>£18.5m</td>
</tr>
<tr>
<td>Dividend</td>
<td>2.5p</td>
<td>2.7p</td>
</tr>
</tbody>
</table>

+18% Revenue (NGR)
+24% Adj EBITDA
+29% Adj earnings
+7% Dividend
## INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>Audited FY2017</th>
<th>Pro-forma FY2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Gaming Revenue (NGR)</strong></td>
<td>89,923</td>
<td>76,430</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Cost of Sale (POCT)</strong></td>
<td>11,621</td>
<td>9,054</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Distribution cost</strong></td>
<td>15,948</td>
<td>16,719</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Marketing costs</strong></td>
<td>22,659</td>
<td>17,600</td>
<td>29%</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>39,694</td>
<td>33,058</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Administrative expenses</strong></td>
<td>19,446</td>
<td>16,692</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>20,248</td>
<td>16,366</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Net margin</strong></td>
<td>23%</td>
<td>21%</td>
<td></td>
</tr>
</tbody>
</table>
## Revenue Bridge

- **Proprietary Platform**: £33,186, 39%
- **Social Gaming**: £8,108, 9%
- **Total**: £48,628

## Revenue Split

- **Proprietary Platform**: £89,923, 54%
- **Non Proprietary Platform**: £39,341, 37%
- **Social Gaming**: £8,108, 9%
COST STRUCTURE

- Cost / Revenue ratio at 77% (2016: Pro-forma 79%)
- Increased cost only in Marketing +2% and POCT +0.9%
- Reduced Distribution -4% and administration costs ratio kept stable

FY2016 EBITDA margin : 21%

- 23% POCT
- 22% Distribution costs
- 22% Marketing costs
- 12% Admin expenses

FY2017 EBITDA margin : 23%

- 18% POCT
- 25% Distribution costs
- 22% Marketing costs
- 12.9% Admin expenses
## INCOME STATEMENT

<table>
<thead>
<tr>
<th>£’000</th>
<th>Audited FY 2017</th>
<th>Pro-forma FY 2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>20,248</td>
<td>16,366</td>
<td>24%</td>
</tr>
<tr>
<td>Adj EBITDA margins</td>
<td>23%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Share-based payments</td>
<td>1,759</td>
<td>1,912</td>
<td></td>
</tr>
<tr>
<td>Acquisition costs</td>
<td>-</td>
<td>1,090</td>
<td></td>
</tr>
<tr>
<td>Amortisation of Intangible</td>
<td>8,374</td>
<td>8,374</td>
<td></td>
</tr>
<tr>
<td>Contingent remuneration</td>
<td>14,295</td>
<td>3,987</td>
<td></td>
</tr>
<tr>
<td>Contingent consideration</td>
<td>10,797</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>9,987</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>261</td>
<td>137</td>
<td></td>
</tr>
<tr>
<td>Operating (loss) / profit</td>
<td>(25,224)</td>
<td>866</td>
<td></td>
</tr>
<tr>
<td>Net Finance expenses</td>
<td>1,525</td>
<td>672</td>
<td></td>
</tr>
<tr>
<td>PBT</td>
<td>(26,749)</td>
<td>194</td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>(1,126)</td>
<td>732</td>
<td></td>
</tr>
<tr>
<td>Loss after tax</td>
<td>(25,624)</td>
<td>(538)</td>
<td></td>
</tr>
<tr>
<td>Adjusted Earnings</td>
<td>18,508</td>
<td>14,332</td>
<td>29%</td>
</tr>
<tr>
<td>Adjusted basic EPS</td>
<td>27.5p</td>
<td>21.3p</td>
<td>29%</td>
</tr>
</tbody>
</table>

(1) **Contingent remuneration**

Related to the 8ball and Infiapps earnouts. £5m in cash and £9m in shares paid in Sep 17

(2) **Contingent consideration**

Related to the Tarco earnout. EBITDA performance has been ahead of the initial plan which increased the earnout liability to £17.4 million

(3) **Impairment**

Impairment of Social Gaming vertical as result of a weaker outlook of its performance
## CASH FLOW

<table>
<thead>
<tr>
<th>£’000</th>
<th>Audited FY17</th>
<th>Pro-Forma FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated from operations*</td>
<td>16,804</td>
<td>12,436</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>83%</td>
<td>76%</td>
</tr>
</tbody>
</table>

### Net cash from Investment activities

<table>
<thead>
<tr>
<th>Description</th>
<th>£’000</th>
<th>£’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of Intangibles, PPE</td>
<td>(679)</td>
<td>(849)</td>
</tr>
<tr>
<td>Capitalised development costs</td>
<td>(1,355)</td>
<td>(1,028)</td>
</tr>
<tr>
<td>Contingent Remuneration</td>
<td>(3,953)</td>
<td>-</td>
</tr>
<tr>
<td>Cash held in escrow</td>
<td>(1,929)</td>
<td>(3,000)</td>
</tr>
<tr>
<td>Net cash used for Investment activities</td>
<td>(7,916)</td>
<td>(4,877)</td>
</tr>
</tbody>
</table>

### Net cash from Financing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>£’000</th>
<th>£’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank borrowing</td>
<td>7,905</td>
<td>8,000</td>
</tr>
<tr>
<td>Borrowing repayment</td>
<td>(1,500)</td>
<td>-</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(565)</td>
<td>(555)</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>(1,752)</td>
<td>(564)</td>
</tr>
<tr>
<td>Repayment of related party borrowings</td>
<td>(8,000)</td>
<td>(1,083)</td>
</tr>
<tr>
<td>Net cash from Financing activities</td>
<td>(3,912)</td>
<td>5,798</td>
</tr>
</tbody>
</table>

Net increase in cash and cash equivalents: 4,976 (13,357)

Cash and cash equivalents at beginning of year: 21,080 (7,388)

Exchange gains on cash and cash equivalents: 118 (335)

**Cash and cash equivalents at end of year:** 26,174 (21,080)

---

**High cash conversation**

*Working capital* - net movement of acquired working capital (8ball/Tarco in August 2015) affected the cash from operations.

**Capitalisation costs**: £1.4m (1.5% of NGR) – invested in mobile, new content and regulation.

**Social gaming earnout** - full earnout payment of £4.8m (Inc. £0.9m cash in escrow).

**Debt facility** of £8m refinanced with Barclays at Libor + 3.6% amortized over 4 years.

**Dividend** - payment of final FY16 dividend of £0.9m and FY 17 interim £0.8m.

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*After adjusting the Infiapps earnout payment of £3.9m from the movement in working capital to investment activities.*
<table>
<thead>
<tr>
<th></th>
<th>Audited FY17</th>
<th>Audited FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property plant and equipment</td>
<td>661</td>
<td>662</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>57,756</td>
<td>73,566</td>
</tr>
<tr>
<td>Other Non current assets</td>
<td>2,693</td>
<td>4,443</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61,110</strong></td>
<td><strong>78,671</strong></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>10,344</td>
<td>5,995</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>26,175</td>
<td>21,080</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36,519</strong></td>
<td><strong>27,075</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>97,629</strong></td>
<td><strong>105,746</strong></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>2,619</td>
<td>10,480</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>4,443</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,062</strong></td>
<td><strong>10,480</strong></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>33,677</td>
<td>18,080</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>1,975</td>
<td>8,000</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>35,652</strong></td>
<td><strong>26,080</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>42,714</strong></td>
<td><strong>36,560</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>54,915</strong></td>
<td><strong>69,186</strong></td>
</tr>
</tbody>
</table>

**Solid working capital position**

**Cash position**
Strong gross cash position **£26.1m** that includes player liability of **£2.5m**

**Intangible assets**
Reduced due to the impairment of **£9.9m** of assets in the social gaming vertical.
Proprietary developed software: **£1.3m**
New content and software investment: **£0.4m**

**Trade and payables**
Deferred remuneration: **£5m** (8ball and Infiapps earnouts)
Deferred consideration: **£17.4m** (Tarco earnout) due to reassessment of improved EBITDA performance

**Low debt leverage (6%)** to gross assets

**Well positioned for future growth**
Continue to invest in team and proprietary technology

Deliver growth opportunities in core UK RMG market – organic and acquisition

B2B launch offers new growth opportunities

Strategic investment in Passion Gaming – new market and product

Confident of further growth and achieving market expectations
Q&A

THANK YOU