



**SEPTEMBER 17, 2018**  
**SKY BETTING & GAMING UPDATE**



# CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements and information within the meaning of the Private Securities Litigation Reform Act of 1995 and applicable securities laws, including, without limitation, certain financial and operational expectations and projections, such as certain future operational and growth plans and strategies, including as it relates to Sky Betting & Gaming (“SBG”) and full year 2018 financial guidance. Forward-looking statements and information can, but may not always, be identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “would”, “should”, “believe”, “objective”, “ongoing”, “imply”, “assumes”, “goal”, “likely” and similar references to future periods or the negatives of these words or variations or synonyms of these words or comparable terminology and similar expressions. These statements and information, other than statements of historical fact, are based on management’s current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future plans and strategies, projections, technological developments, anticipated events and trends and regulatory changes that affect The Stars Group Inc. (“TSG” or “The Stars Group”), its subsidiaries, including SBG, and its and their respective customers and industries. Although The Stars Group and management believe the expectations reflected in such forward-looking statements and information are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking statements are inherently subject to significant business, regulatory, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements. Specific risks and uncertainties include, but are not limited to: the heavily regulated industry in which The Stars Group carries on its business; risks associated with interactive entertainment and online and mobile gaming generally; current and future laws or regulations and new interpretations of existing laws or regulations, or potential prohibitions, with respect to interactive entertainment or online gaming or activities related to or necessary for the operation and offering of online gaming; potential changes to the gaming regulatory framework; legal and regulatory requirements; ability to obtain, maintain and comply with all applicable and required licenses, permits and certifications to offer, operate and market its product offerings, including difficulties or delays in the same; significant barriers to entry; competition and the competitive environment within addressable markets and industries; impact of inability to complete future or announced acquisitions or to integrate businesses successfully; The Stars Group’s substantial indebtedness requires that it use a significant portion of its cash flow to make debt service payments; The Stars Group’s secured credit facilities contain covenants and other restrictions that may limit its flexibility in operating its business; risks associated with advancements in technology, including artificial intelligence; ability to develop and enhance existing product offerings and new commercially viable product offerings; ability to mitigate foreign exchange and currency risks; ability to mitigate tax risks and adverse tax consequences, including, without limitation, the imposition of new or additional taxes, such as value-added and point of consumption taxes, and gaming duties; The Stars Group’s exposure to greater than anticipated tax liability; risks of foreign operations generally; protection of proprietary technology and intellectual property rights; ability to recruit and retain management and other qualified personnel, including key technical, sales and marketing personnel; defects in product offerings; losses due to fraudulent activities; management of growth; contract awards; potential financial opportunities in addressable markets and with respect to individual contracts; ability of technology infrastructure to meet applicable demand and reliance on online and mobile telecommunications operators; systems, networks, telecommunications or service disruptions or failures or cyber-attacks and failure to protect customer data, including personal and financial information; regulations and laws that may be adopted with respect to the Internet and electronic commerce or that may otherwise impact The Stars Group in the jurisdictions where it is currently doing business or intends to do business, particularly those related to online gaming or that could impact the ability to provide online product offerings, including, without limitation, as it relates to payment processing; ability to obtain additional financing or to complete any refinancing on reasonable terms or at all; customer and operator preferences and changes in the economy; dependency on customers’ acceptance of its product offerings; consolidation within the gaming industry; litigation costs and outcomes; expansion within existing and into new markets; relationships with vendors and distributors; and natural events; contractual relationships of SBG or The Stars Group with Sky plc and/or its subsidiaries; counterparty risks; failure of systems and controls of The Stars Group to restrict access to its products; reliance on scheduling and live broadcasting of major sporting events; macroeconomic conditions and trends in the gaming and betting industry; bookmaking risks; an ability to realize projected financial increases attributable to acquisitions and The Stars Group’s business strategies; and an ability to realize all or any of The Stars Group’s estimated synergies and cost savings in connection with acquisitions. Other applicable risks and uncertainties include, but are not limited to, those identified in The Stars Group’s annual information form for the year ended December 31, 2017, including under the heading “Risk Factors and Uncertainties”, in the June 21, 2018 prospectus supplement to the short form base shelf prospectus dated January 16, 2018 (the “Prospectus Supplement”) under the heading “Risk Factors”, and in The Stars Group’s management’s discussion and analysis for the three and six months ended June 30, 2018 (the “Q2 2018 MD&A”), including under the headings “Risk Factors and Uncertainties”, “Limitations of Key Metrics, Other Data and Non-IFRS Measures” and “Key Metrics and Non-IFRS Measures”, each available on SEDAR at [www.sedar.com](http://www.sedar.com), EDGAR at [www.sec.gov](http://www.sec.gov) and The Stars Group’s website at [www.starsgroup.com](http://www.starsgroup.com), and in other filings that The Stars Group has made and may make with applicable securities authorities in the future. Investors are cautioned not to put undue reliance on forward-looking statements or information. Any forward-looking statement or information speaks only as of the date hereof, and The Stars Group undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

# TRANSFORMATIVE YEAR

## DIVERSIFIED GLOBAL LEADER

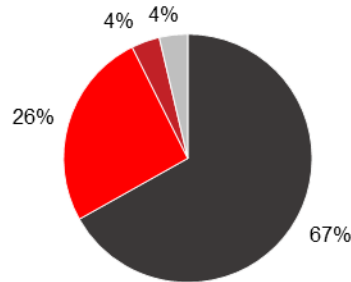


- ★ Acquisitions greatly enhance TSG's business profile bringing diversification across verticals
- ★ Licensed or approved in 19 jurisdictions
- ★ Enhances proportion of revenues from regulated/locally taxed markets
- ★ Combination creates a diverse, mobile-led online gaming leader with a strong growth trajectory

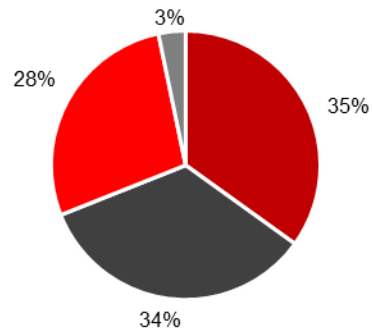


### Revenue by Product

#### Standalone<sup>1</sup>



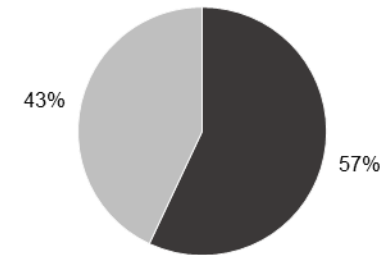
#### Combined<sup>2</sup>



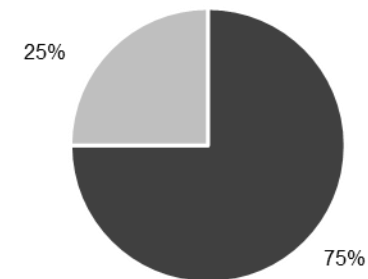
■ Poker ■ Gaming ■ Betting ■ Other<sup>3</sup>

### Revenue by Regulation/Local Taxation<sup>4</sup>

#### Standalone<sup>1</sup>



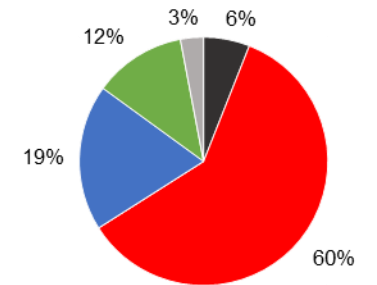
#### Combined<sup>2</sup>



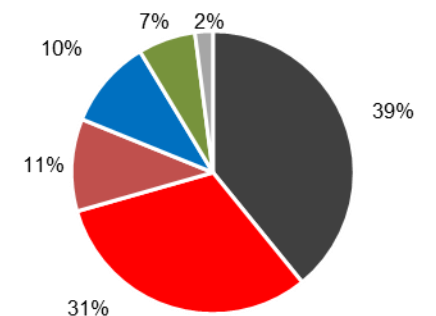
■ Regulated/Locally Taxed ■ Other

### Revenue by Geography<sup>4</sup>

#### Standalone<sup>1</sup>



#### Combined<sup>2</sup>



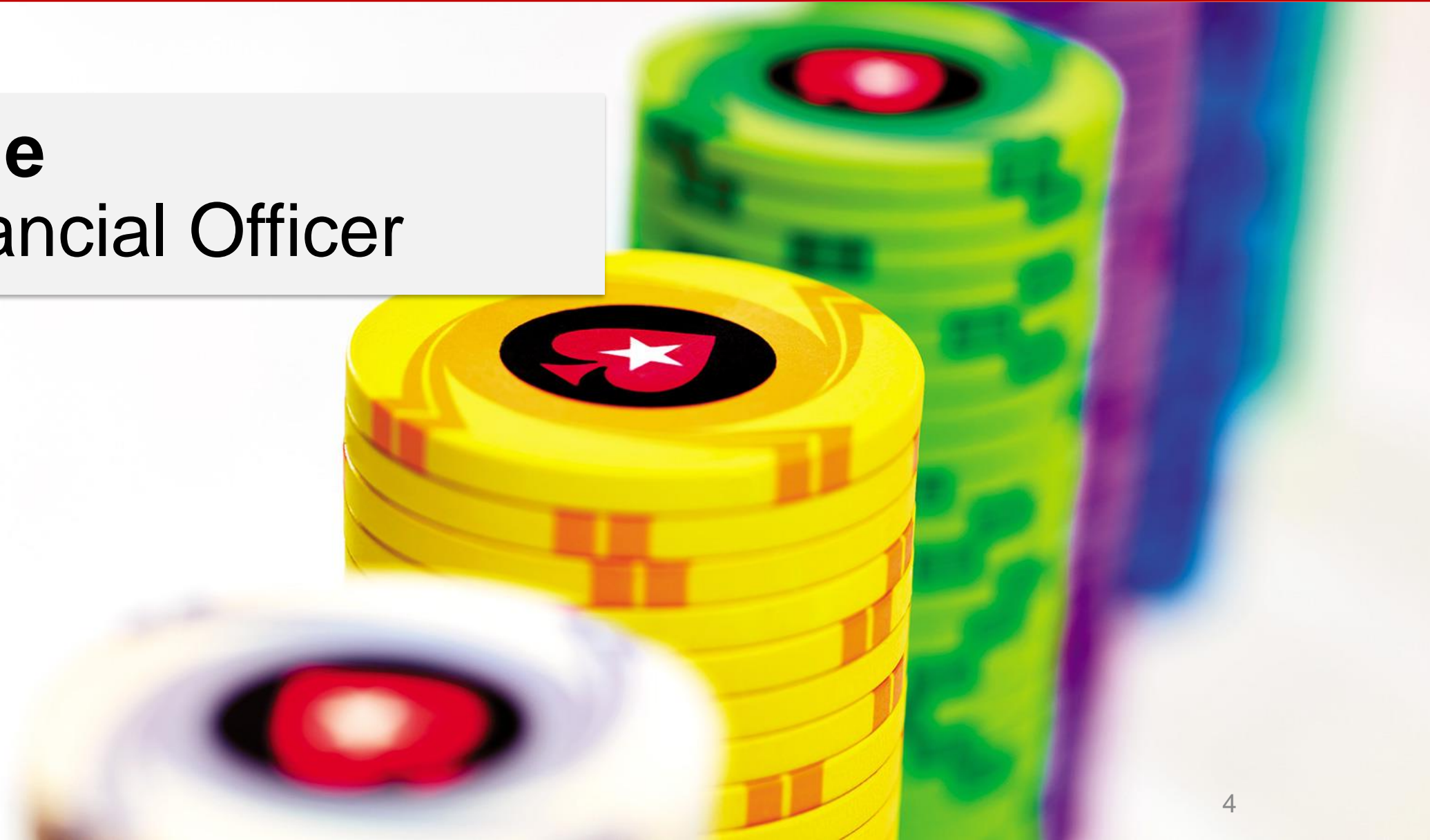
■ UK & Ireland ■ Other EU ■ Australia ■ Other Europe ■ Americas ■ RoW

1. TSG revenue by product (based on calendar year 2017), revenue by regulation/local taxation (based on calendar Q4 2017), and revenue by geography (based on calendar Q4 2017) are not pro forma for the acquisitions of BetEasy (CrownBet and William Hill Australia) or SBG  
 2. Combined TSG, SBG and BetEasy figures for calendar Q2 2018  
 3. Includes Other revenues from TSG's International segment and Other revenue for SBG  
 4. Based on real-money online betting and gaming revenues; excludes Other revenues from TSG's International segment and Other revenues from SBG

# INTEGRATION UPDATE



**Brian Kyle**  
Chief Financial Officer



# INTEGRATION UPDATE



- ★ **Consolidated financials from July 10, 2018**
- ★ **U.K. Competition and Markets Authority process formally commenced August 23, 2018 with the filing of a merger notice**
- ★ **Expected cost synergies of at least USD \$70 million**

# TSG OUTLOOK for 2018



	Original 2018 guidance pre acquisitions	Proforma acquired businesses <sup>1</sup>	Proforma 2018 Guidance <sup>2</sup>	Reaffirmed 2018 Guidance	H1 2018 Proforma (Actual) <sup>3</sup>	H2 2018 Proforma Guidance <sup>2</sup>
<b>Revenue (USD \$ Millions)</b>	1,390 - 1,470	1,147 - 1,217	2,537 - 2,687	1,995 - 2,145	1,315	1,222 - 1,372
<b>Adjusted EBITDA (USD \$ Millions)</b>	625 - 650	272 - 302	897 - 952	755 - 810	477	420 - 475
<b>Adjusted Net Earnings (USD \$ Millions)</b>	487 - 512	NMF <sup>4</sup>	NMF <sup>4</sup>	485 - 545	-	-
<b>Adjusted Diluted Net Earnings Per Share (USD \$)</b>	2.33 - 2.47	NMF <sup>4</sup>	NMF <sup>4</sup>	1.99 - 2.22	-	-
<b>Capital Expenditures (USD \$ Millions)</b>	-	-	-	110 - 150	-	-

<sup>1</sup> Proforma acquired businesses reflects the expected full year 2018 results of SBG and BetEasy. Complete supporting assumptions are detailed within the Appendix of this presentation (slide 24)

<sup>2</sup> Proforma 2018 guidance assumes that SBG and the Australian acquisitions were consolidated from January 1, 2018. Complete supporting assumptions are detailed within the Appendix of this presentation (slide 24)

<sup>3</sup> Includes H1 2018 results for SBG and BetEasy

<sup>4</sup> NMF means "not a meaningful figure"

# **SBG FINANCIAL UPDATE**

## **FINANCIAL YEAR ENDED JUNE 2018**



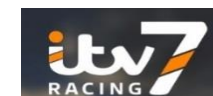
**Richard Flint**  
SBG Chief Executive Officer

**Ian Proctor**  
SBG Chief Financial Officer

# FINANCIAL YEAR SUMMARY - 2018



- ★ Record results in all segments, with 30% revenue growth to £670 million and 43% Adjusted EBITDA growth to £209 million
- ★ Strong underlying key metrics, with a further boost to reported results due to unusually operator favorable sporting results
- ★ Consolidated position as the #1 UK online betting and gaming brand based on number of customers, and the market leader in mobile betting and gaming based on revenue
- ★ Leading the industry with safer gambling initiatives
- ★ Encouraging start to the new European football season (post year-end) from an operational perspective, with double digit growth in active uniques, stakes and gaming revenue



# SUMMARY FINANCIALS – FINANCIAL YEAR



## Financial Year (June year end)

In millions of Pound Sterling

(except for percentages or otherwise noted)

	FY18	FY17	% change
Stakes	3,859	3,417	+13%
<b>Betting Revenue</b>	<b>407</b>	<b>297</b>	<b>+37%</b>
<i>Betting Net Win Margin (%)</i>	10.5%	8.7%	1.8ppts
<b>Gaming Revenue</b>	<b>239</b>	<b>201</b>	<b>+19%</b>
Average QAUs (Betting & Gaming) (millions)	1.8	1.5	+17%
Average QNY (Betting & Gaming) <sup>1</sup> (£)	93	83	+12%
<b>Total Revenue (Betting &amp; Gaming)</b>	<b>646</b>	<b>498</b>	<b>+30%</b>
<b>Other Revenue<sup>2</sup></b>	<b>25</b>	<b>17</b>	<b>+42%</b>
<b>Total Revenue</b>	<b>670</b>	<b>516</b>	<b>+30%</b>
Adjusted EBITDA <sup>1</sup>	209	146	+43%
<i>Adjusted EBITDA Margin<sup>1</sup> (%)</i>	31%	28%	2.8ppts
<b>Net Cash From Operating Activities</b>	<b>201</b>	<b>142</b>	<b>+42%</b>
Capital Expenditure	28	33	-14%

- ★ Betting revenue growth boosted by sporting results in the quarter ended December 2017
- ★ Growth in QAUs across betting and gaming
- ★ Adjusted EBITDA Margin increased primarily due to the impact of sporting results in betting and due to some operating leverage
- ★ Continued investment across the business
- ★ Strong cash generation

<sup>1</sup> Non-IFRS financial measure, please refer to the Appendix of this presentation

<sup>2</sup> Other revenue includes International and Oddschecker

# SUMMARY FINANCIALS – QUARTER ENDED JUNE 2018



## Financial quarter ended June

In millions of Pound Sterling

(except for percentages or otherwise noted)

	2018	2017	% change
Stakes	1,022	1,068	-4%
<b>Betting Revenue</b>	<b>104</b>	<b>88</b>	<b>+18%</b>
<i>Betting Net Win Margin (%)</i>	10.2%	8.3%	1.9ppts
<b>Gaming Revenue</b>	<b>63</b>	<b>58</b>	<b>+8%</b>
QAUs (Betting & Gaming) (millions)	2.0	1.7	+16%
QNY (Betting & Gaming) <sup>1</sup> (£)	83	85	-2%
<b>Total Revenue (Betting &amp; Gaming)</b>	<b>166</b>	<b>146</b>	<b>+14%</b>
<b>Other Revenue<sup>2</sup></b>	<b>8</b>	<b>6</b>	<b>+29%</b>
<b>Total Revenue</b>	<b>174</b>	<b>152</b>	<b>+15%</b>
Adjusted EBITDA <sup>1</sup>	52	52	-1%
<i>Adjusted EBITDA Margin<sup>1</sup> (%)</i>	30%	35%	-4.6ppts

- ★ Stakes dropped due to a lower average bet size following sustained run of operator-favorable sports results
- ★ Gaming revenue grew by 8% year-over-year with strong underlying performance impacted by lower cross-sell from betting
- ★ Growth in QAUs across betting and gaming
- ★ Adjusted EBITDA was relatively flat, with a lower Adjusted EBITDA Margin, primarily due to marketing investments for the World Cup

<sup>1</sup> Non-IFRS financial measure, please refer to the Appendix of this presentation

<sup>2</sup> Other revenue includes International and Oddschecker

# SUSTAINABILITY OF GROWTH UNDERPINNED BY RECURRING REVENUE

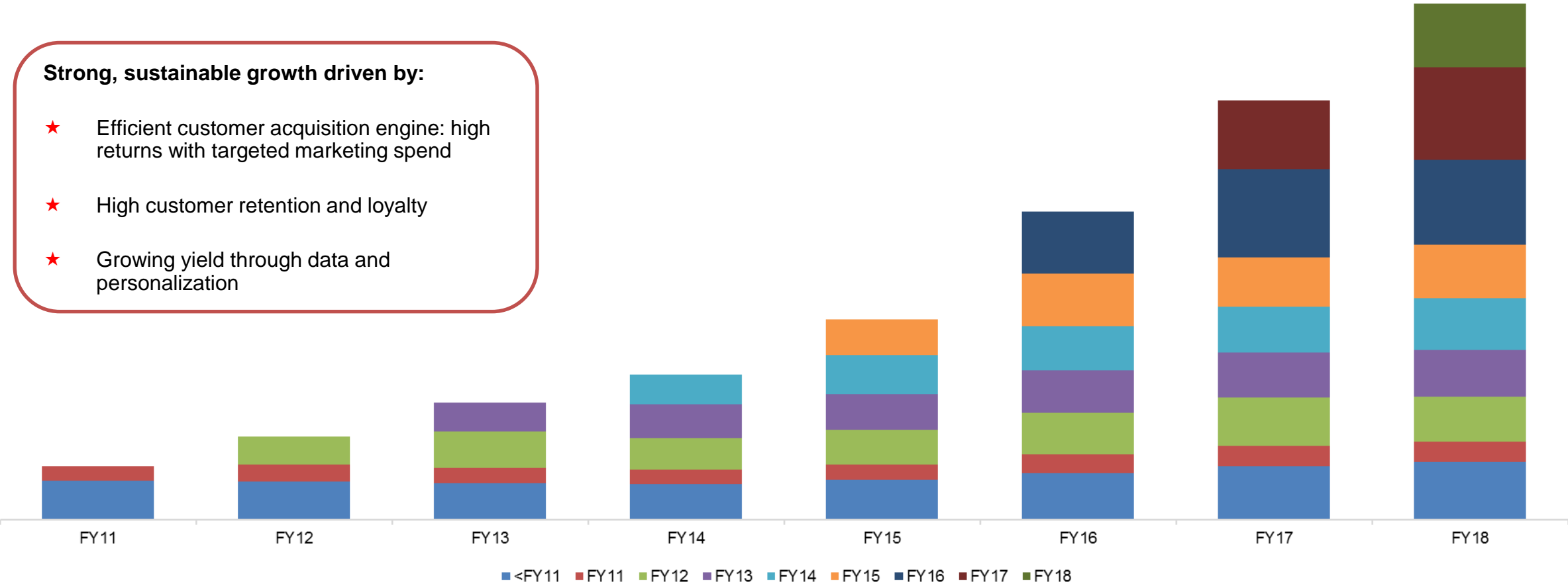


Revenue from every cohort of customer registrations has grown

Revenue\* by Year of Customer Registration (£ millions)

- Strong, sustainable growth driven by:**

  - ★ Efficient customer acquisition engine: high returns with targeted marketing spend
  - ★ High customer retention and loyalty
  - ★ Growing yield through data and personalization

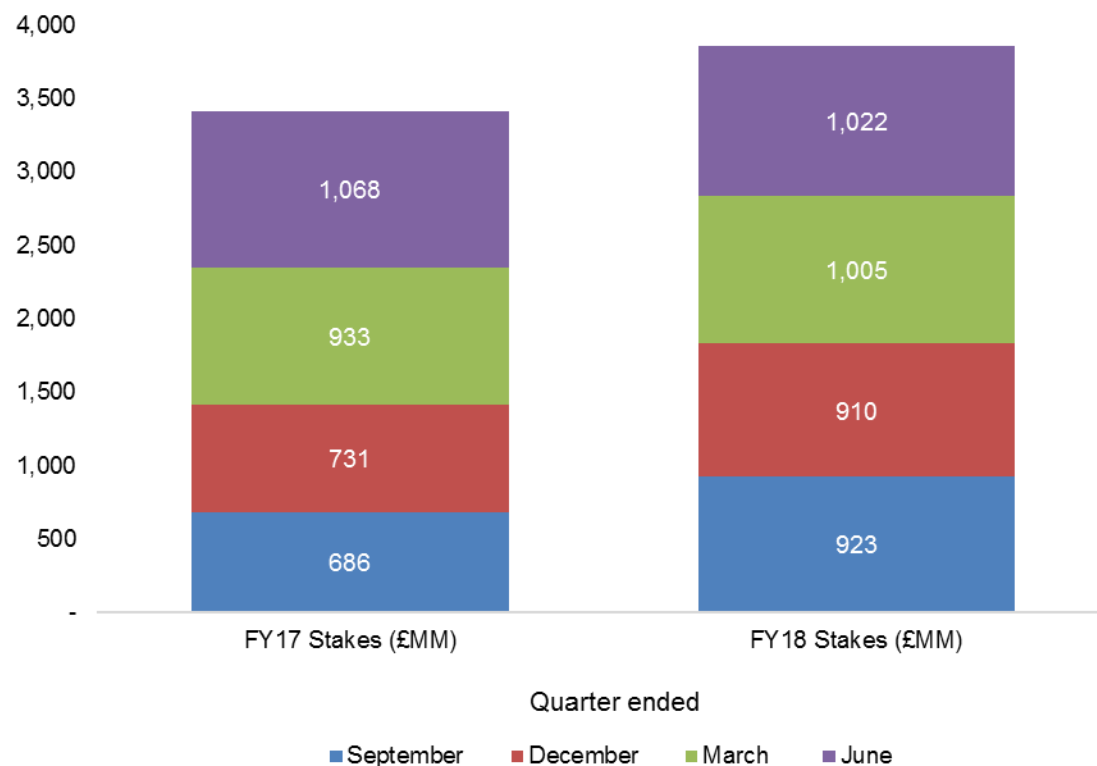


\*Revenues before the exclusion of certain offsets, incentives and promotions.

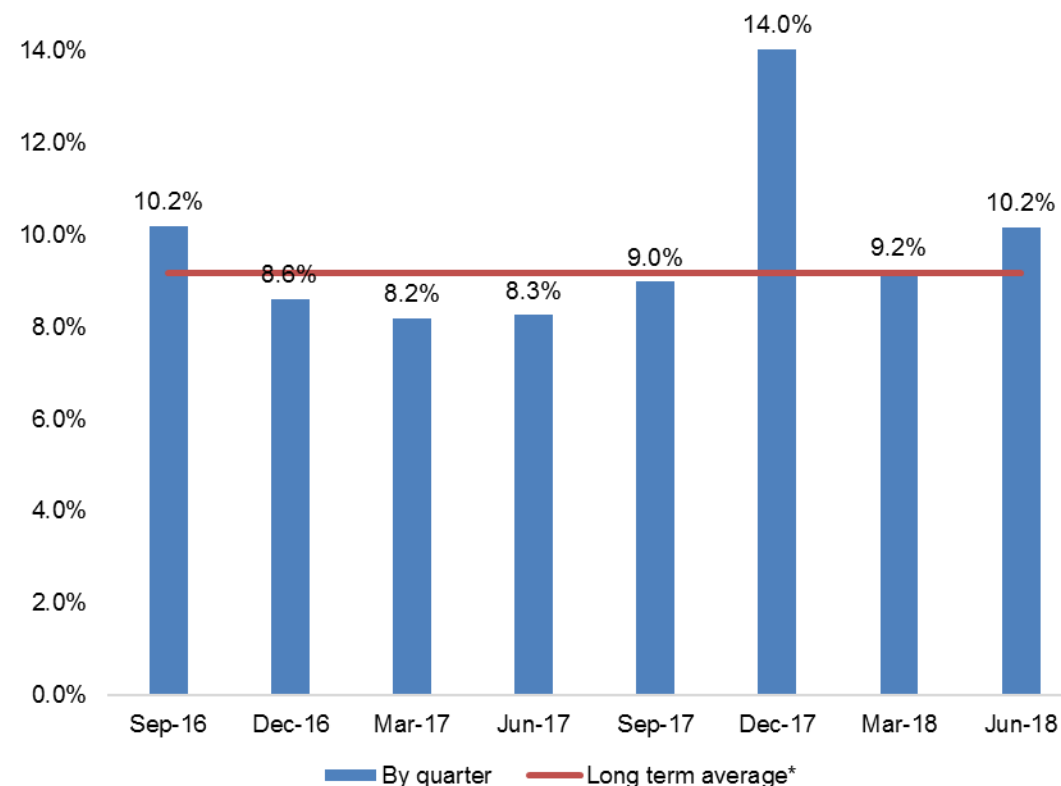
# QUARTERLY PERFORMANCE - BETTING



## Betting Stakes



## Betting Net Win Margin (%)

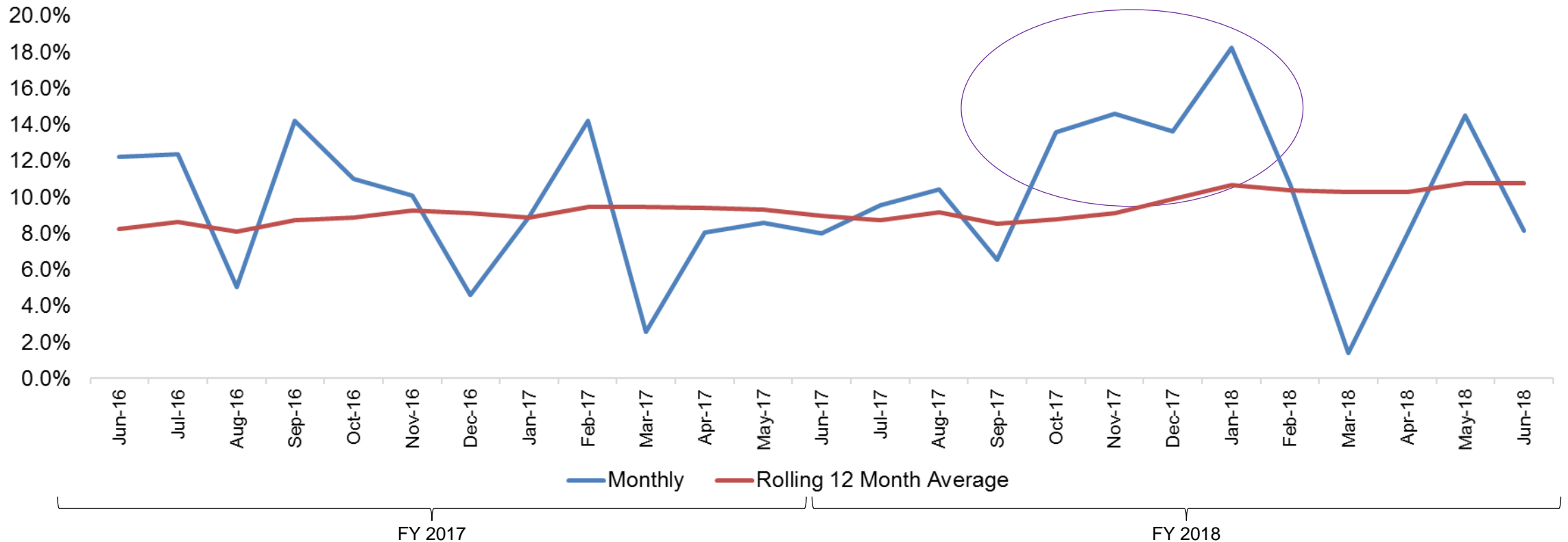


- ★ The quarter ended December 2017 saw a Betting Net Win Margin of 14%, almost 5ppts higher than the long term average achieved due to the sustained run of operator-favorable sports results.

# SPORTSBOOK MARGINS



Monthly Betting Net Win Margin (%)

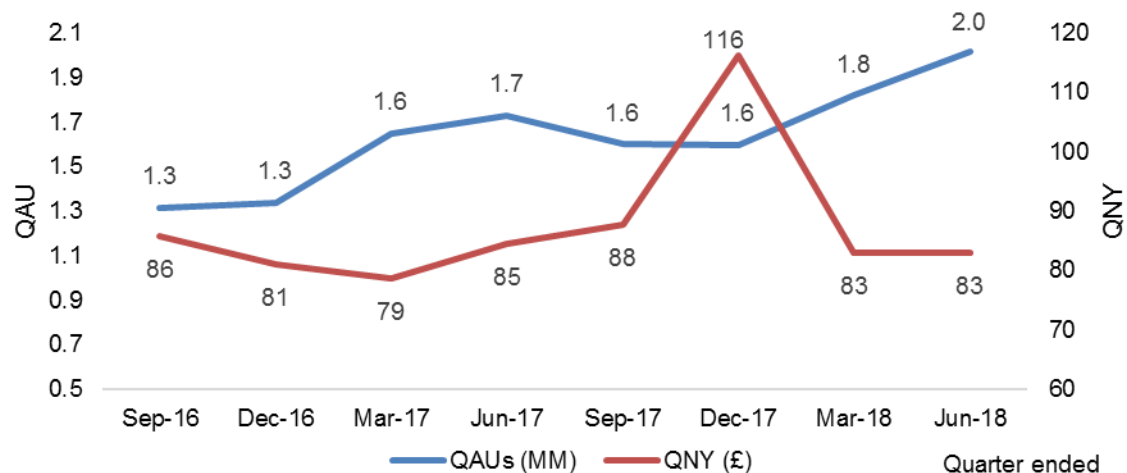


- ★ The monthly Betting Net Win Margin is mainly impacted by the outcome of major sporting events, particularly the top European football matches
- ★ Historically SBG has not seen much variance in the Betting Net Win Margin over the course of a rolling 12-month period

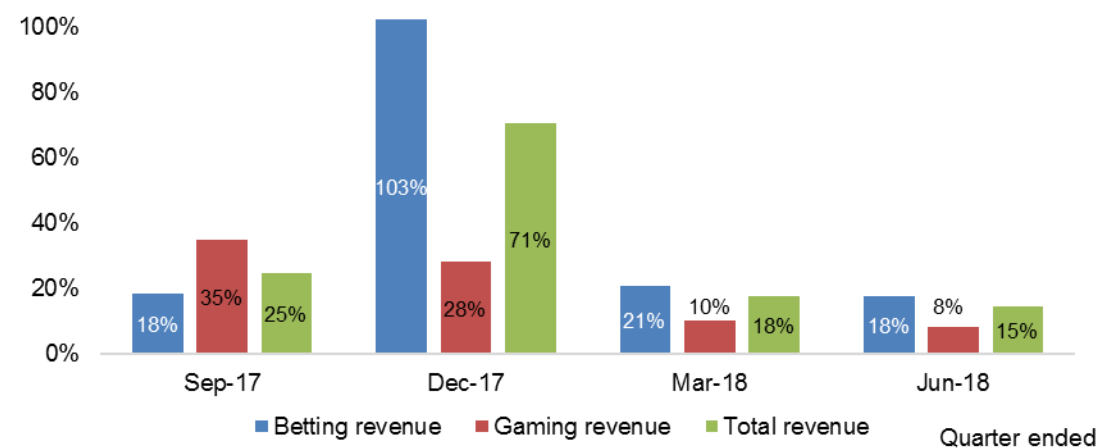
# QUARTERLY PERFORMANCE



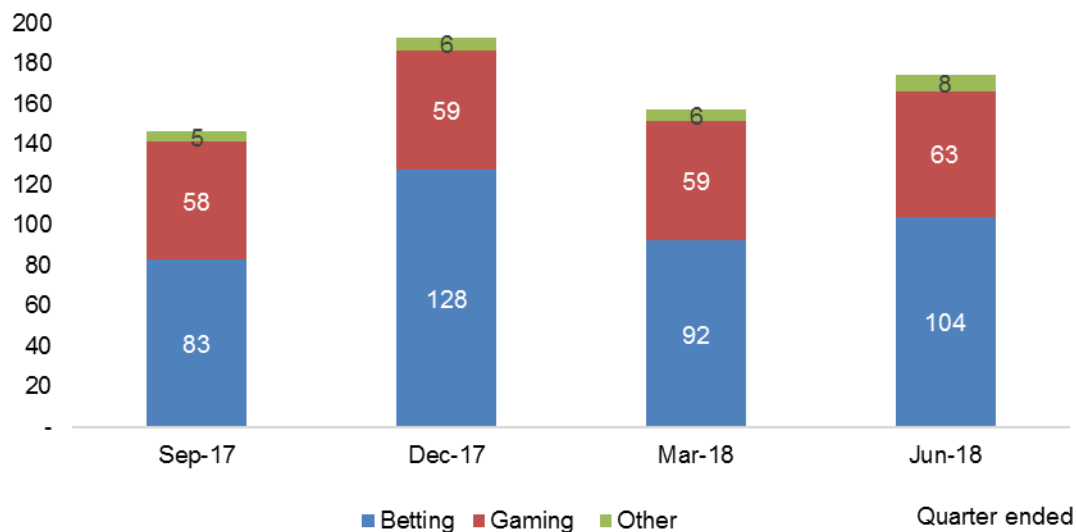
## QAUs and QNY (Betting and Gaming)



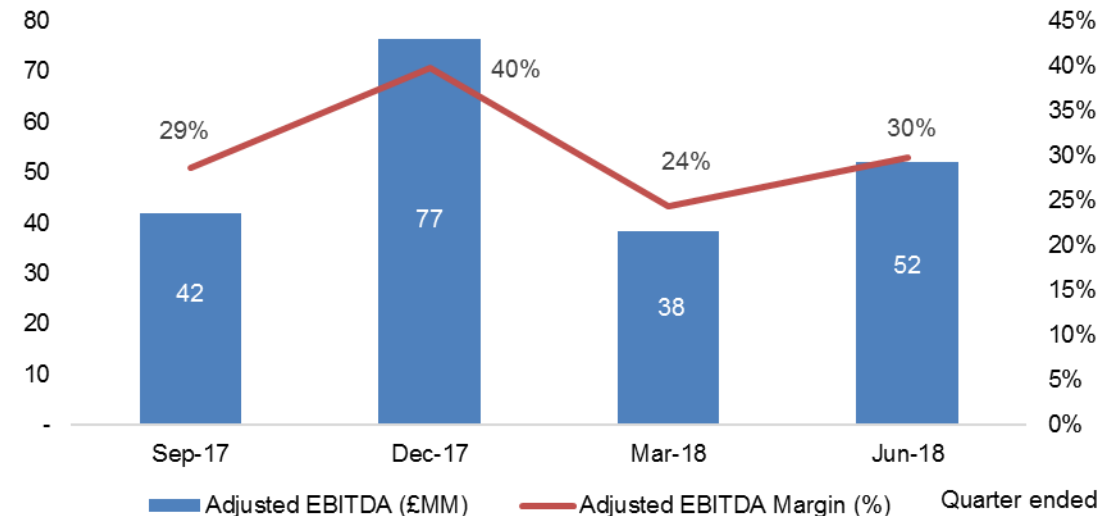
## Revenue Growth (YoY%)



## Revenue (£MM)

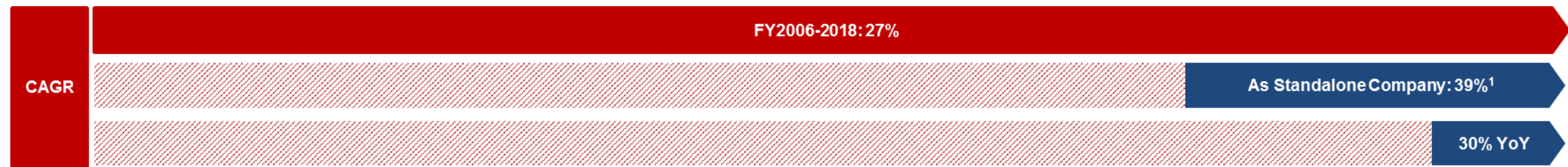


## Adjusted EBITDA

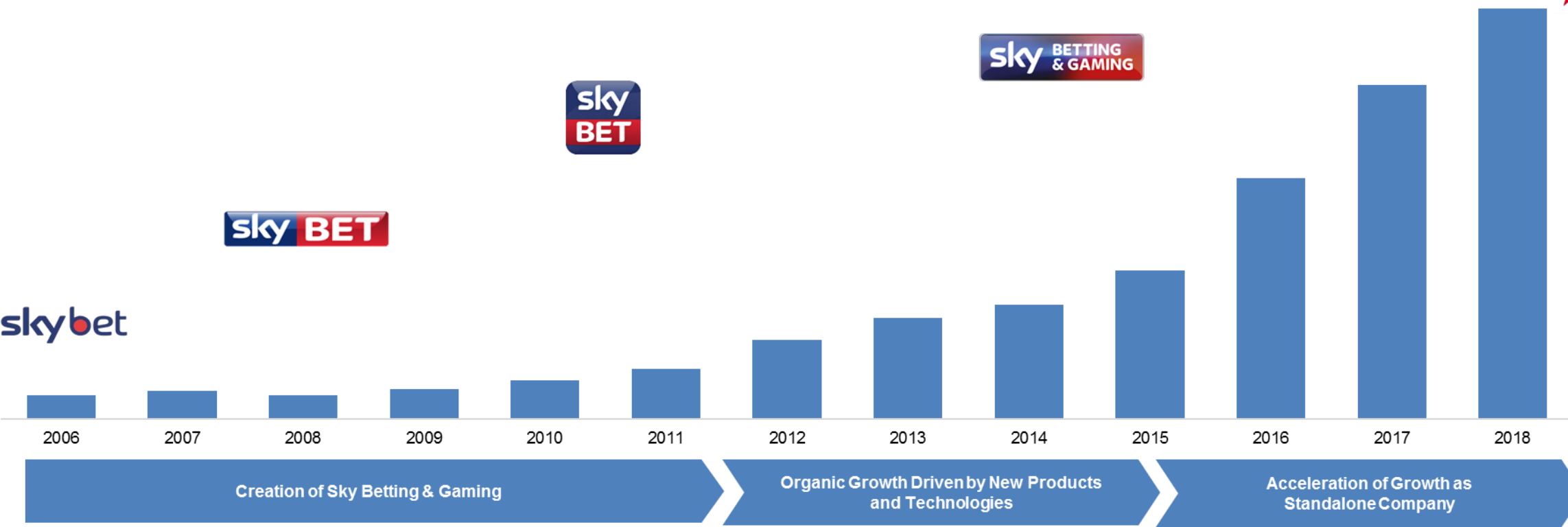


# **OPERATIONAL HIGHLIGHTS**

# TRACK RECORD FROM START-UP TO SECTOR LEADER



Revenues (£ millions)<sup>2</sup>

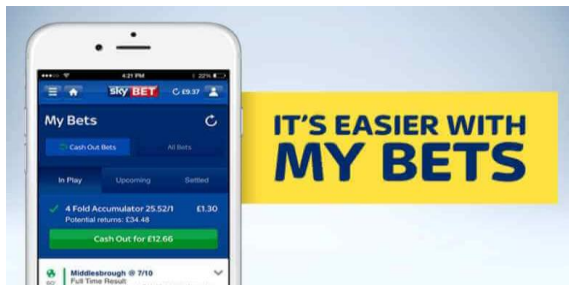


<sup>1</sup> Since FY2015.  
<sup>2</sup> Financial year (FY) ending June

# OPERATIONAL HIGHLIGHTS



- ★ Increased focus on consumer data
- ★ Continued investment in innovative products to enhance user experience
- ★ Underpinned by stable technology platform and agile approach to development
- ★ Continued investment in people and the regional economy
- ★ Launched fully integrated safer gambling campaign



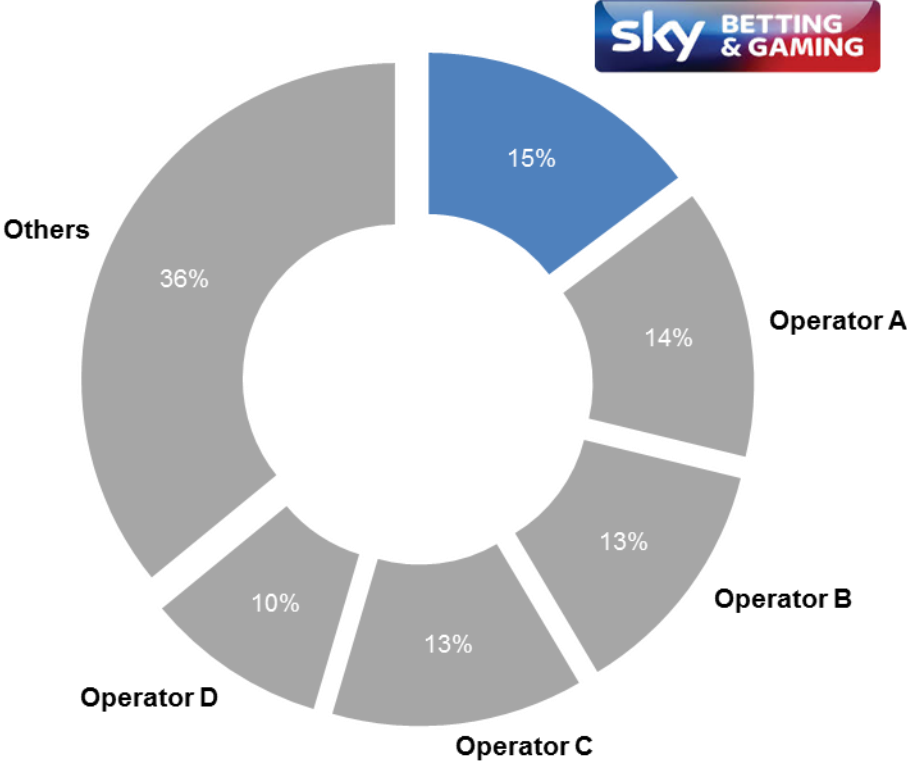
IT'S EASIER WITH  
**MY BETS**



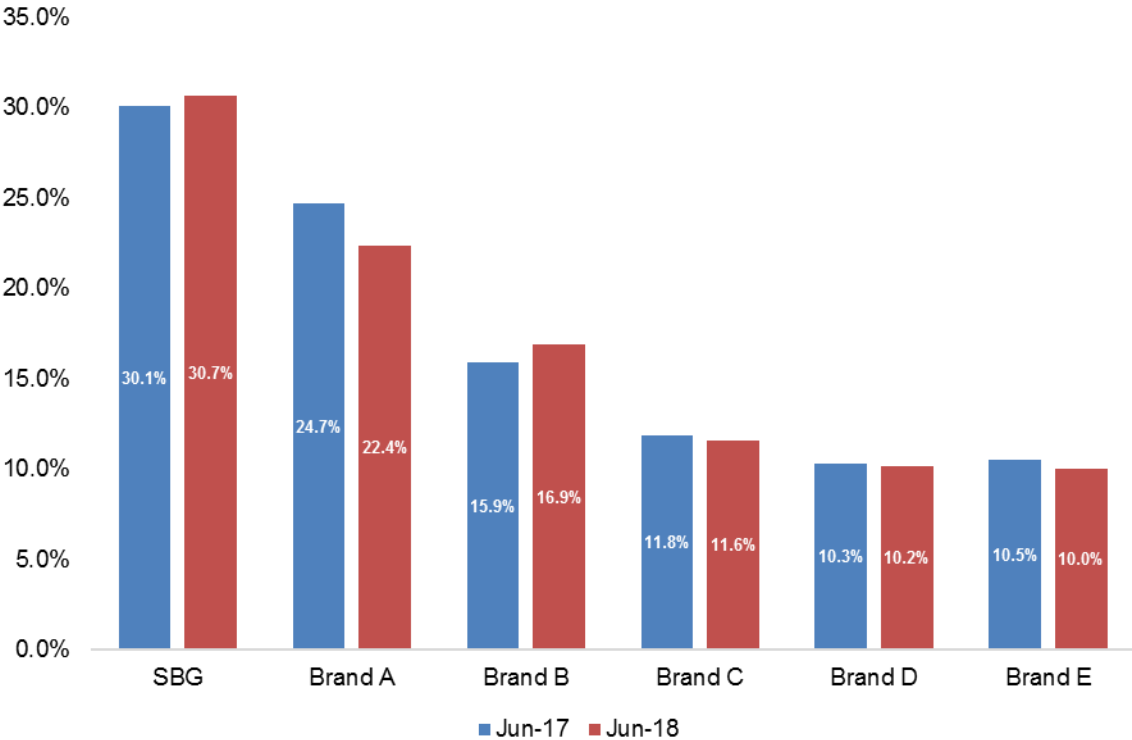
# MARKET TRENDS



## #1 UK Mobile Market Share<sup>1</sup>



## #1 Brand Penetration<sup>2</sup>



<sup>1</sup> Kantar Betscope (CY 2017)  
<sup>2</sup> Regulus Partners (Q1 2018), based on calendar year 2017 revenue.  
<sup>3</sup> Brand penetration in monthly (or more often) players. Source: Kantar Betscope (Q2 2018).

- ★ #1 UK online brand by customer numbers in calendar year 2017<sup>3</sup>
- ★ #1 UK mobile market share in calendar year 2017<sup>1</sup>
- ★ #1 brand penetration in the UK through the quarter ended June 2018<sup>2</sup>

# SUMMARY AND OUTLOOK FOR SBG



- ★ Continued strong organic growth in FY18 driven by market growth and market share
- ★ Sustained run of operator-favorable sporting results in the quarter ended December 2017 increased betting revenues and Adjusted EBITDA, but dampened Stakes in the subsequent periods
- ★ Consolidated position as the #1 UK online betting and gaming brand<sup>1</sup>
- ★ Successfully delivered innovative products and user experience enhancements with a strong FY19 pipeline
- ★ Led the industry with safer gambling initiatives

## Outlook

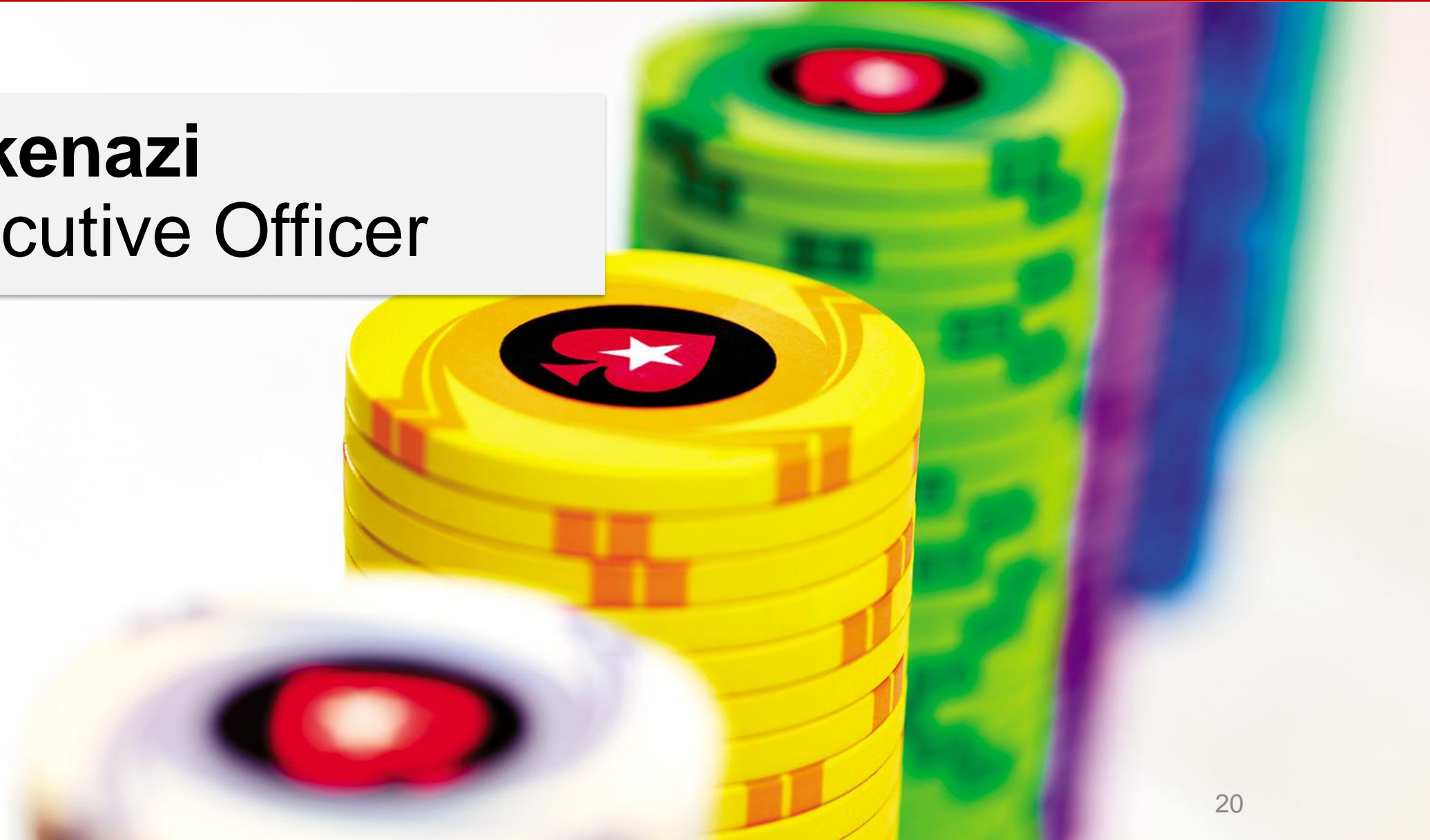
- ★ We are pleased with the start of the European football season, with double digit growth in active users. Revenue growth has been held back by lower Betting Net Win Margins, but overall trading is currently in line with our expectations
- ★ Tough year-over-year comparatives for the remainder of 2018, due to a high Betting Net Win Margin in the prior year, so we currently expect Adjusted EBITDA to be lower year-over-year for this period
- ★ We believe that SBG is well positioned to continue growing in the UK online betting and gaming market

<sup>1</sup> By active customers (Kantar Research, calendar year 2017)

# TSG CLOSING REMARKS



**Rafi Ashkenazi**  
Chief Executive Officer



# REALIZING OUR VISION



**Significant progress** has been made this year against our vision:

- ★ Completed the transformative acquisitions of SBG and BetEasy
- ★ Refinanced our debt at attractive rates
- ★ Raised equity to help fund the acquisitions and de-risk the balance sheet
- ★ Converted the outstanding convertible preferred shares
- ★ Launched our first US sports betting business
- ★ Continued to expand our poker offering

**Becoming the world's favorite iGaming destination**



# APPENDIX

# NON-IFRS RECONCILIATIONS FOR SBG FY2018 RESULTS



	Quarter ended September		Quarter ended December		Quarter ended March		Quarter ended June	
In millions of Pounds Sterling	2017	2016	2017	2016	2018	2017	2018	2017
<b>Operating profit</b>	<b>23.7</b>	<b>22.2</b>	<b>58.1</b>	<b>5.5</b>	<b>19.5</b>	<b>13.2</b>	<b>(14.5)</b>	<b>27.7</b>
Add back:								
Depreciation and amortization	18.2	16.3	18.4	17.7	18.8	18.5	17.8	18.4
Impairment	-	-	-	-	-	-	-	6.3
Transaction-related costs	-	-	-	-	-	-	48.8	-
<b>Adjusted EBITDA<sup>1</sup></b>	<b>41.9</b>	<b>38.5</b>	<b>76.5</b>	<b>23.2</b>	<b>38.2</b>	<b>31.7</b>	<b>52.0</b>	<b>52.4</b>

<sup>1</sup> Fiscal Year 2018 includes disposals of £1.9.

# GUIDANCE ASSUMPTIONS



These unaudited expected results reflect management's view of current and future market and business conditions, including assumptions of

- (i) expected Betting Net Win Margin of between 8.0% and 10.5%,
- (ii) continued negative operating conditions in Poland and potential negative operating conditions in Russia resulting from prior regulatory changes, including constraints on payment processing,
- (iii) no other material regulatory events or investments associated with the entry into new markets,
- (iv) no impact from the gaming advertising ban in Italy, and
- (v) no material foreign currency exchange rate fluctuations, particularly against the Euro, Great Britain pound sterling and Australian dollar.

Such guidance is also based on a Euro to U.S. dollar exchange rate of 1.17 to 1.00, a Great Britain pound sterling to U.S. dollar exchange rate of 1.32 to 1.00 and an Australian dollar to U.S. dollar exchange rate of 0.74 to 1.00, and the Proforma 2018 Guidance includes pre-acquisition actual results using historical foreign exchange rates and forward guidance post-acquisition for each of the three acquisitions using the foreign exchange rates in the assumptions above. Such guidance is also based on Diluted Shares of between 241,000,000 and 243,000,000 for the high and low ends of the Adjusted Diluted Net Earnings per Share range, respectively, and certain accounting assumptions.

Capital Expenditures include estimated spend on intangible assets, property, plant and equipment and certain development costs.

# NON-IFRS MEASURES



This presentation references non-IFRS financial measures with respect to SBG, including QNY, Adjusted EBITDA and Adjusted EBITDA Margin, and with respect to The Stars Group, including Adjusted EBITDA, Adjusted Net Earnings and Adjusted Diluted Net Earnings Per Share. The Stars Group believes these non-IFRS financial measures will provide investors with useful supplemental information about the financial performance of its and SBG's business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business. Although management believes these financial measures are important in evaluating The Stars Group and SBG, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. They are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. These measures may be different from non-IFRS financial measures used by other companies, including between SBG and The Stars Group, limiting its usefulness for comparison purposes. Moreover, presentation of certain of these measures is provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on The Stars Group's and/or SBG's operating results. In addition to QNY, which is defined below under "Key Metrics and Other Data", The Stars Group provides the following non-IFRS measures in this presentation, in each case as they relate solely to SBG:

*Adjusted EBITDA* means profit/(loss) for the period attributable to equity shareholders before tax expense/(credit), finance costs, investment income, revaluation of financial instruments measured at fair value, depreciation, amortization, impairment and exceptional items (being transaction-related costs which are adjusted for in this presentation but are not adjusted for in SBG's audited financial statements for its fiscal year ended June 30, 2018). See the reconciliation table presented in the Appendix within this presentation for additional information.

*Adjusted EBITDA Margin* means Adjusted EBITDA as a proportion of total revenue.

For additional information on SBG's non-IFRS measures, see elsewhere in this presentation and the Prospectus Supplement, including under the headings "Cautionary Note Regarding Use of Non-GAAP Measures" and "Management's Discussion and Analysis of Sky Betting & Gaming".

The Stars Group provides the following non-IFRS measures in this presentation, in each case as they relate solely to The Stars Group on a consolidated basis and as it relates to full year 2018 financial guidance provided in this presentation:

*Adjusted EBITDA* means net earnings before financial expenses, income taxes expense (recovery), depreciation and amortization, stock-based compensation, restructuring, net earnings (loss) on associate and certain other items.

*Adjusted Net Earnings* means net earnings before interest accretion, amortization of intangible assets resulting from purchase price allocations following acquisitions, deferred income taxes, stock-based compensation, restructuring and certain other items.

# NON-IFRS MEASURES (CONT.)



*Adjusted Diluted Net Earnings per Share* means Adjusted Net Earnings attributable to the shareholders of The Stars Group divided by Diluted Shares. *Diluted Shares* means the weighted average number of common shares of The Stars Group (“Common Shares”) on a fully diluted basis, including options, other equity-based awards, warrants and preferred shares. The effects of anti-dilutive potential Common Shares are ignored in calculating Diluted Shares. For the purposes of the full year 2018 financial guidance provided in this presentation, Diluted Shares equals between 241,000,000 and 243,000,000 for the high and low ends of the Adjusted Net Earnings per Diluted Share range, respectively.

For additional information on The Stars Group’s non-IFRS measures, see elsewhere in this presentation and the Q2 2018 MD&A, including under the headings “Management’s Discussion and Analysis”, “Limitations of Key Metrics, Other Data and Non-IFRS Measures” and “Key Metrics and Non-IFRS Measures”.

With respect to SBG, reconciliations of Adjusted EBITDA, and Adjusted EBITDA Margin, to the nearest IFRS measures are provided in this Appendix. The Stars Group does not provide a reconciliation for the numerator of QNY as the revenue components thereof (i.e., Betting and Gaming) are set forth in this presentation.

With respect to The Stars Group, it has not provided a reconciliation of the non-IFRS measures to the nearest IFRS measures included in its full year 2018 financial guidance provided in this presentation, including Adjusted EBITDA, Adjusted Net Earnings and Adjusted Diluted Net Earnings Per Share, because certain reconciling items necessary to accurately project such IFRS measures, particularly net earnings (loss), cannot be reasonably projected due to a number of factors, including variability from potential foreign exchange fluctuations impacting financial expenses, and the nature of other non-recurring or one-time costs (which are excluded from non-IFRS measures but included in net earnings (loss)), as well as the typical variability arising from the audit of annual financial statements, including, without limitation, certain income tax provision accounting, and related accounting matters. For additional information on The Stars Group’s non-IFRS measures, see the Q2 2018 MD&A, including under the headings the Corporation’s non-IFRS measures and limitations related to the use of such non-IFRS measures, see the information presented under the heading “Management’s Discussion and Analysis”, “Limitations of Key Metrics, Other Data and Non-IFRS Measures” and “Key Metrics and Non-IFRS Measures”.

## Key Metrics and Other Data

The Stars Group provides the following key metrics in this presentation, in each case as they relate solely to SBG:

*QAUs* means active unique customers (online, mobile and desktop client) who have settled a stake on any betting or gaming product within the relevant period. SBG defines unique as a customer who played at least once on one of its real-money offerings during the period, and excludes duplicate counting, even if that customer is active across more than one vertical (betting and gaming). QAUs are disclosed in this presentation on a combined basis for SBG's real-money online gaming and betting brands. The average QAU numbers provided in this presentation reflect a simple average for the respective periods presented.

*QNY* is calculated by dividing quarterly betting and gaming revenue (total revenue less other revenue generated by SBG's Oddschecker and international divisions) generated by SBG by the number of active customers in the period indicated. QNY is a non-IFRS measure.

*Stakes* means betting amounts wagered on SBG's online betting product offerings, and is also an industry term that represents the aggregate amount of funds wagered by customers within the Betting line of operation for the period specified.

*Betting Net Win Margin* is calculated as Betting revenue as a proportion of Stakes.

*Capital Expenditure* for SBG specifically means the purchase of property, plant and equipment and the purchase of intangible assets.

For additional information on SBG's key metrics and other data, see the Prospectus Supplement, including under the heading "Management's Discussion and Analysis of Sky Betting & Gaming".

## Currency

Unless otherwise noted, all references to "\$", "US\$" and "USD" are to the U.S. dollar and "£" and "Pound Sterling" are to Great Britain pound sterling.

## Industry and Market Data

Unless otherwise indicated, information contained in this presentation concerning The Stars Group's industry and the markets in which it and SBG operate, including its general expectations and market position, market opportunity and market size, is based on information from various sources, on assumptions that it has made that are based on such data and other similar sources and on its knowledge of the markets for its and SBG's respective products and services. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The Stars Group has not independently verified any third-party information and cannot assure you of its accuracy or completeness. While The Stars Group believes the market position, market opportunity and market size information included in this presentation is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of The Stars Group's and SBG's future performance and the future performance of the industry in which The Stars Group and SBG operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "Cautionary Note Regarding Forward Looking Statements" in this presentation. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by The Stars Group or SBG.



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