

Betsson Posts Strong Q2 Earnings Amid Market Uncertainty

July 19, 2025

— Categories: *Crypto*



Download IPFS

Betsson Group delivered solid financial results in the second quarter of 2025, yet the market responded with a surprising drop in the company's share price. While revenues and profits rose steadily, driven by Latin American growth, concerns over European regulatory challenges and competitive pressures weighed heavily on investor sentiment.

Founded in 1963 as AB Restaurang Rouletter, Betsson has transformed from a small Swedish slot machine operator into a global digital gaming powerhouse. Now operating across 25 countries with more than 2,200 employees, Betsson runs over 20 online gaming brands, including Betsson, Betsafe, NordicBet, and betFIRST. Its offerings range from online casinos and poker to sports betting and bingo. The company is headquartered in Malta for legal purposes but maintains its operational base in Stockholm, Sweden, and is publicly listed on the Nasdaq Stockholm Large Cap List.

In Q2 2025, Betsson reported group revenue of €303.7 million, marking an 11.9% year-on-year increase and approximately 16% organic growth. The core of its revenue came from casino operations, contributing €212.4 million, while sports betting brought in €90 million, both showing healthy double-digit growth. EBITDA rose to €84.1 million with a margin of 27.7%, while net income reached €49.2 million, or €0.36 per share. This performance aligned with analyst expectations and reflected efficient operations, yet failed to impress a market sensitive to external risks.

The standout region for Betsson was Latin America, where revenue jumped 35.4% to €84.7 million. Argentina and Peru were top performers, supported by localised marketing strategies and strategic partnerships, such as those with prominent football clubs Boca Juniors and Racing Club. In March 2025, Betsson expanded its regional presence with a new office in Buenos Aires, reflecting a commitment to long-term growth in sports-driven markets.

However, challenges in Europe tempered investor enthusiasm. In the Nordic region, particularly Sweden and Finland, increasing regulatory scrutiny and taxation have constrained growth. Germany's turnover tax on online slots and the Netherlands' rising gambling tax, from 30.5% in 2025 to a planned 37.8% in 2026, have raised operational costs. Chief Executive Officer (CEO) Pontus Lindwall criticised these policies, arguing that overly burdensome regulations risk pushing consumers to unregulated platforms, ultimately harming both legitimate operators and tax revenues.

Betsson's competitive landscape also includes global giants such as Flutter Entertainment, the parent company of FanDuel and DraftKings, both of which have significantly larger market capitalisations and aggressive growth targets. Meanwhile, Betsson's market value stands at around €2.38 billion. Despite its smaller size, Betsson leverages a flexible technology platform optimised for mobile, which now accounts for over 80% of gaming

revenue. Its scalability has enabled rapid deployments in emerging markets such as Georgia, Lithuania, and Belgium.

Betsson's share price fell around 15% following the Q2 earnings release, yet analysts highlight its attractive valuation, with a forward P/E ratio of 9.7 and a dividend yield of approximately 5.4%. The company approved a €104.4 million dividend for fiscal 2024, including a €0.10 per share special dividend, demonstrating continued shareholder returns even amid market uncertainty.

Looking forward, Betsson remains focused on strengthening its presence in high-growth markets, with Brazil set to play a critical role following its license acquisition in early 2025. As the global sports betting market is projected to grow to \$187.39 billion by 2030, Betsson's combination of technological adaptability, localised market strategies, and fiscal discipline positions it well for sustainable expansion, even as European challenges persist.