

08 September 2022 08:45:00 CEST
PRESS RELEASE

Kambi Group plc acquires front end specialist Shape Games

Kambi significantly strengthens capability to deliver engaging and tailored sports betting experiences through addition of industry leading front end supplier

Kambi Group plc, the industry's trusted sports betting partner, has strengthened its sportsbook proposition with the acquisition of award-winning front end technology specialist Shape Games for an upfront consideration of €38.5 million. The acquisition also includes a performance-related earnout of up to €39.6 million, potentially bringing the total consideration to €78.1 million, all to be paid in cash.

Headquartered in Copenhagen, Denmark, Shape Games is the industry's leading front end provider, focused on driving customer engagement and retention through the delivery of its customisable, fully native frontend technology to leading operators in regulated markets. Shape Games' growing roster of partners includes Danske Spil and Norsk Tipping, as well as Kambi partners BetWarrior and JACK Entertainment, with each operator leveraging Shape Games' technology to offer highly differentiated user experiences.

Transaction highlights and strategic rationale

Shape Games' fully native front end technology complements Kambi's high performance sportsbook and existing front end capabilities, creating a compelling proposition that will significantly enhance Kambi's capabilities in the mobile space where the vast majority of sportsbook turnover originates. Combined, Kambi and Shape Games will empower operators to deliver exciting, tailored sports betting experiences to their players like never before.

The sportsbook front end has become a key tool for operators to effectively differentiate their brand, localise their offering and engage players to increase acquisition and retention. Not only does Shape Games provide a best-in-class front end, but its complementary customer engagement capabilities, which include personalisation, loyalty, statistics, and free-to-play games, provides the ability for operators to drive incremental growth and revenue.

The acquisition builds upon an established partnership between the two companies. Kambi and Shape Games have successfully combined on tender processes to secure turnkey contracts and Kambi believes the closer bond this agreement delivers will ultimately lead to greater commercial success for both parties.

The addition of Shape Games marks another important step in Kambi's strategy, as it extends Kambi's excellence within the sports betting value chain and enables the delivery of the front end through either turnkey or modularised packages. As such, Shape Games will continue to provide its services on a standalone basis to all operators, but a closer technical and commercial integration with Kambi will enable an enhanced service to be offered to Kambi's current and

future partners. In 2021, Shape Games generated revenue of €7.6 million at an EBITDA of €2.8 million, with 2022 forecast to deliver 100% year-on-year growth following several major partner wins.

Kristian Nylén, Kambi Chief Executive Officer and Co-founder said: *“I’ve always been clear on our intention to acquire technology and talent that will complement and enhance our sportsbook proposition, and I have no doubt Shape Games will do just that. Having worked closely with Shape Games and its experienced team over recent years, I have seen first-hand how their technology enables operators to extract the full value of the Kambi sportsbook and provides the level of control operators require to deliver bespoke experiences to their players. While Shape Games will continue to grow and offer services on a standalone basis in line with our plans to offer a suite of modularised products, it is the ability to offer a combination of Kambi’s and Shape Games’ technology to our partners which really excites us and solidifies our position as the clear leader within the sports betting ecosystem.”*

Christian Risom, Shape Games Chief Executive Officer and Co-founder, said: *“We are very happy to join forces with the leading sportsbook provider of the industry. Shape Games and Kambi have been working closely side by side for years now and it is exciting to take this partnership to new levels. Together we will have an unmatched sports betting and casino offering for any market in the world, be it on mobile and web or in retail. Kambi’s modular approach to the market allows us to form a profound and tight-knit integration with their sportsbook all the while pursuing opportunities with other sportsbook partners. From our perspective, this represents the best of both worlds for any customer out there. For me personally, the years we have worked with Kambi were a clear testament to the cultural match between the two organisations as both have a deeply rooted focus on best-in-class technology, customer experience and integrity in everything we do. It has always been great working alongside Kambi as collaborators and I am certain that what lies ahead is even greater.”*

Shape Games was founded in 2018 by Risom, Chief Product Officer Nicolas Linde, and Chief Technical Officers Ole Gammelgaard and Philip Bruce, all of whom will continue to lead the company post-acquisition. Shape Games applies the vast front end experience gained from working with companies such as RedBull, Bang & Olufsen and Credit Suisse to the iGaming industry. Shape Games has since won numerous industry awards and several high-profile clients across Europe, North America, and South America. The company has approximately 80 full-time equivalent employees, with offices in Denmark, Spain, the Isle of Man, and Latvia.

For further information, please contact:

Mia Nordlander
SVP Investor Relations
Mia.Nordlander@kambi.com
Mobile: +44 (0) 7850 910 933
Office: +44 203 318 6279

Chris Stutzman
Investor Relations Analyst
Chris.Stutzman@kambi.com
Office: +1 302 603 5137

About Kambi

Kambi is a provider of premium sports betting services to licensed B2C gaming operators. Our services encompass a broad offering from front-end user interface through to odds compiling, customer intelligence and risk management, built on an in-house developed software platform. Kambi's 40-plus customers include ATG, Churchill Downs Incorporated, Kindred Group, LeoVegas, Penn National Gaming and Rush Street Interactive. Kambi employs more than 1,000 staff across offices in Malta (headquarters), Australia, Philippines, Romania, Sweden, the UK and the United States.

Kambi utilises a best of breed security approach and is ISO 27001 and eCOGRA certified. Kambi Group plc is listed on Nasdaq First North Growth Market under the symbol "KAMBI". The Company's Certified Advisor is Redeye AB.

This information is information that Kambi Group plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2022-09-08 08:45 CEST.

Attachments

[Kambi Group plc acquires front end specialist Shape Games](#)