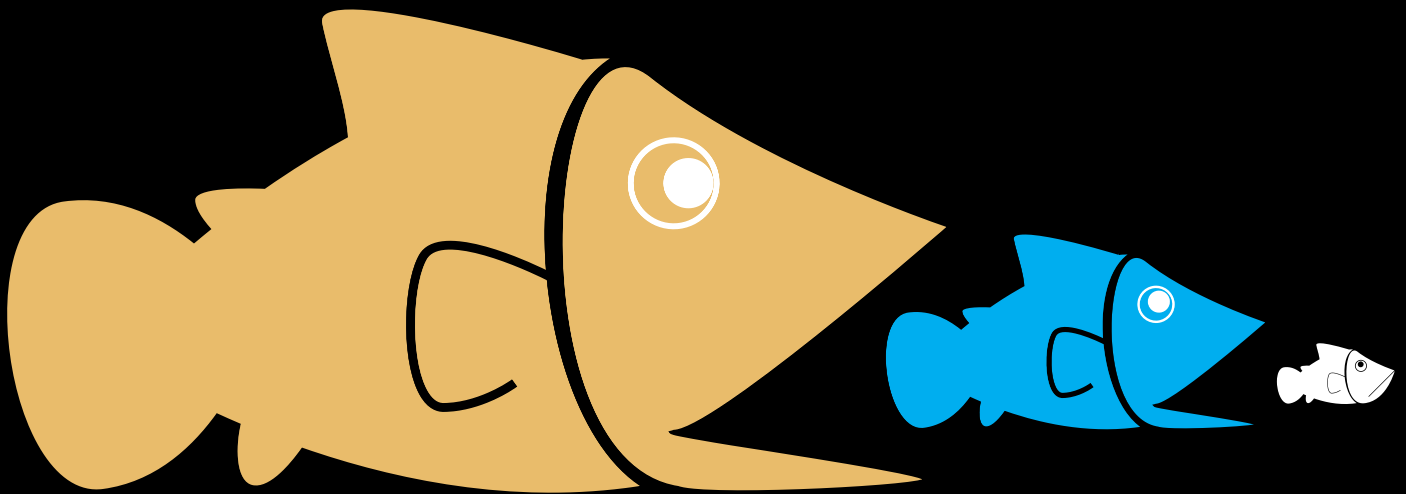
iGB EXECUTIVE

In partnership with



Gaming M&A in 2024

Analysing the drivers of dealmaking in the global gambling industry

written by Robin Harrison-Millan

Gaming M&A in 2024

Published September 2024 © 2024 iGaming Business Ltd All rights reserved. No part of this publication maybe reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the permission of the publisher. The information contained in this publication is believed to be correct at the time of going to press. While care has been taken to ensure that the information is accurate, the publishers can accept no responsibility for any errors or omissions or for changes to the details given. Readers are cautioned that forward-looking statements including forecasts are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified and, consequently, the actual performance of companies mentioned in this report and the industry as a whole may differ materially from those expressed or implied by such forward-looking statements.

Editor and written by: Robin Harrison-Millan
Design: Ogo Ikeogu
Production: Guy Parsons
Published by iGaming Business, part of Clarion Events. Registered office: Bedford House, 69-79 Fulham High Street, London SW6 3JW
Tel: +44 (0) 207 384 7763
Registered number: 3934419

CONTENTS

05 PART 1: M&A BY MARKET: GLOBAL AND LOCAL TRENDS

1. European M&A: Cross sector convergence drives deals
2. North American M&A: Will land-based brands ultimately win out?
3. Latin America M&A: Brazil yet to boom
4. Latin America M&A: Opportunities across the wider region
5. African M&A: Why are operators reticent to embrace the opportunity?
6. Asian and Australian M&A: Outward looking approaches

26 PART 2: M&A BY FUNCTION: B2B AND FINTECH TRENDS

1. B2B M&A: Integration risks and competition
2. Fintech M&A: Regulation is non-negotiable

32 PART 3: INTERVIEW WITH CHRISTIAN TIRABASSI, FICOM LEISURE

36 PART 4: 2024 DEAL TRACKER

iGB EXECUTIVE INTRODUCTION

I am pleased to present Gaming M&A in 2024, an exclusive iGB Executive report brought to you in collaboration with Ficom Leisure.

The gaming industry is constantly shaped and reshaped by waves of consolidation, and in this report we aim to provide a deep dive into the trends that drive dealmaking. It's central to the ethos that underpins iGB Executive, engaging the executive community around the overarching issues that fill our days.

Gaming M&A in 2024 is the first of a series of reports that will roll out over the course of our new 12-month membership programme open to C-suite leaders in the gaming industry. Among other benefits, membership grants you access to exclusive content based on insight and intelligence shared by iGB Executive members to ensure it is tailored to your specific challenges and opportunities.

Our reports are complemented by focused and intimate gatherings, bringing together top executives at key Clarion Gaming events such as ICE and iGB L!VE.

iGB Executive will also be present at other major industry occasions hosting private dinners and offering exclusive experiences.

We are dedicated to maintaining a platform that keeps you informed, connected with peers and empowered to drive your business forward in the ever-evolving gaming landscape. If there's any content you would like to see covered in future reports, or if you have any feedback you'd like to share on this report, please do get in touch.

Happy reading!

Rosie Brewster
Membership director, iGB Executive

EDITOR'S LETTER

Consolidating gains

While multiple waves of consolidation have occurred in the past two decades, we are seeing a fresh tsunami of transformational deals forming that will continue in the coming years.. We have seen the rise (and fall) of multinational online and land-based businesses, but the channels maintained a degree of separation.

Yes, there are strong examples of omnichannel operators across Europe, but gaming expansion in North America is bringing vast land-based operators into the mix. As the likes of MGM Resorts turn to digital to enter areas their casinos can't reach, could we see a market leader emerge across multiple channels?

After all, one of the key drivers of industry M&A has always been convergence. The rapid growth of gaming first created national leaders, then continental champions. Global gaming giants are the logical next step. In this report, we aim to highlight the factors helping create these international behemoths.

Ficom Leisure and iGB have discussed this report for a number of years following conversations about gaming M&A and the underlying factors that drive consolidation in the sector. We're delighted iGB Executive provided us the perfect opportunity to bring it to life.

Robin Harrison, global content director, B2B, Clarion Gaming

Christian Tirabassi, senior partner, Ficom Leisure

PART 1 M&A BY MARKET: GLOBAL AND LOCAL TRENDS

M&A by market: global and local trends

The majority of online gaming's most mature markets are found in Europe, complemented by a strong land-based industry. However it remains highly fragmented, even with leading operators increasingly dominant. What is driving consolidation?

MUCH OF THE INDUSTRY'S attention has focused on unlocking the North American opportunity since 2018, with varying degrees of success. But Europe remains the heartbeat of the online gaming industry – and a major hub for in-person gaming.

However, there is no dominant single European brand, in the way DraftKings and FanDuel are nationally renowned in the US. The prevailing trend is the majority of the market is increasingly concentrated around a shrinking number of multibrand operators, whether that's Flutter Entertainment or Entain. Local operations are run by boots on the ground, not through a centralised structure.

The European gaming market is fragmented and complex

In 2017 the European Commission stopped taking an active role in policing local regulatory regimes. This means there is no European licensing, and the single market does not apply to gambling. In each jurisdiction a local entity applies for a licence to offer its services, and again there is no single licensing regime; instead, certification is split across individual product verticals and channels.

This breaks Europe down member state by member state, then market segment by market segment. Further complexity comes from different licence requirements that vary according to the vertical. Generally, there will be separate licensing for:

- Lottery
- Land-based gaming, including casinos and arcades
- Retail betting
- Bingo halls
- Interactive, which may be split by individual products, with some not permitted in certain markets

So in this fragmented market, how can companies build market share and realise economies of scale?

Convergence is driving European gaming M&A

Operators start out in a single channel, whether that's land-based or online. Casinos Austria began life in brick-and-mortar gaming. William Hill (now part of Evoke plc) was a retail bookmaker. Spain's Cirsa once operated gaming machines for the hospitality sector.

How, then, do they expand?

Essentially, the channels converge. To expand into a new channel or vertical, the business has to acquire assets and bring on board expertise. It's the preferred route of travel for land-based to online gaming, a consistent pattern that stretches back years.

> *"Increasingly, a larger business will acquire a majority stake, retain local management and keep them motivated with a multiyear earnout"*

Examples of land-based to online in Europe

However, the mirror image is also true. Pure online operators are acquiring land-based assets to strengthen their hands in target markets. It's not in their DNA, but in some territories in-person gaming is necessary to feed their online business. A player acquired through a betting shop or gaming hall can be cross-sold into an interactive business under a shared brand.

Currently, that need for an omnichannel presence is talked up in the Central and Eastern Europe region, as western operators such as Entain (STS in Poland; SuperSport in Croatia) and Flutter Entertainment (Serbia's MaxBet) expand eastwards. But it's a trend seen everywhere on the continent – just at different stages.

This was happening in the UK in 1999, when betting shop chain Coral acquired Eurobet, incidentally Ficom Leisure's first transaction as Coral's adviser. In Spain, 25 years later, land-based businesses such as Cirsa are acquiring interactive assets including Apuesta Total in Peru and Mexico's Ganabet. In Italy this trend was seen in the early 2000s, with deals including Sisal's purchase of Matchpoint. CEE M&A is just the latest iteration of an ongoing trend of convergence.

But as regulatory controls tighten across Europe, this convergence plays a second key role.

Regulation's role in cross-channel M&A

Advertising restrictions are increasingly prevalent in Europe. Italy's so-called Dignity Decree prohibits any form of gambling advertising. The Netherlands restricts "untargeted" (above the line) advertising. Spain enacted a ban in all but name in 2020. An April 2024 Supreme Court ruling rolled back certain measures, including YouTube advertising and celebrity endorsements, but the industry expects these to be reimposed by the government.

And for online operators, if the public has no connection to their brand, how do they reach new customers?

Italy's total ban effectively incentivises online brands to acquire in-person assets. Otherwise it will be very tough to acquire players, effectively accelerating this trend.

How are these deals structured?

M&A is much simpler than setting up a retail business from scratch. This could be an outright acquisition where one business acquires 100% of another. But increasingly, a larger business will acquire a majority stake, retain local management and keep them motivated with a multiyear earnout.

Joint ventures are also possible. While it moved in the other direction – land-based to online – Playtech and William Hill's William Hill Online joint venture is arguably the best-known example.

Essentially, it boils down to a very simple motivation: convergence. Whether that's moving between channels or moving into new markets, different sectors converge to drive industry consolidation.

But how far can consolidation go?

Consolidation: The big get bigger

Europe may be a major hub for gambling, but there are a finite number of markets and finite room to grow.

The key limitation to M&A activity on the continent is size. As regulation tightens and competition increases, the cost of doing business grows, especially as multibrand, multimarket operators such as Entain or Flutter shore up dominant positions.

In other words, size matters. The biggest operators represent 80% of the market in the UK, and Italy, Europe's second largest, is moving in a similar direction.

Consolidation tends to focus on acquisitions such as The Stars Group snapping up Sky Betting & Gaming, then Paddy Power Betfair acquiring that enlarged business to form Flutter Entertainment. But it's not necessarily limited to the biggest deals, as we have seen from bolt-on acquisitions.

Here, a larger company may acquire smaller businesses to add new customers, different approaches to offering products, or even to shore up certain verticals. It's one of the largest examples, but Flutter acquiring Tombola, a bingo-focused operator which limited slot stakes to £2, is worth noting. That acquisition occurred as it became apparent the UK market faced a cap on slot stakes from the Gambling Act review. Flutter took charge of a business already operating a cap – and successfully.

Consolidation can therefore be a protective move. Equally, Entain acquiring BetCity in the Netherlands helped it jump the queue for a licence after its core business was shut out in September 2021 thanks to the regulator's cooling-off period.

This will ultimately shrink the competitive landscape, and Europe will reach a point where most of the continent's markets will be controlled by around six or seven companies.

Central and Eastern Europe is the continent's most fragmented region, but consolidation is coming. Entain CEE, the joint venture between the operator and Emma Capital, aims to acquire local market leaders as it builds its presence.

It could be that within five years, the market as we know it today is over. Smaller operators will be squeezed out unless they have some sort of regulatory protection, as their businesses will be unsustainable. Many will be bought, whether that's a small cluster of independent betting shops, an innovative online brand with a first-class management team or interesting product proposition – even a single-property casino operator.

For the biggest, some of these deals will be a rounding error that barely even registers on their balance sheet. But if they don't do the deal, a competitor may snap it up.

What happens when the European gaming market is at maturity?

But when the bigger companies are at their biggest, and the small bolt-ons have been screwed into place, what follows then?

M&A is essentially driven from the top of the market by leaders such as Entain, Flutter or Evoke – even middle to higher tier operators such as Betsson or Betclic Everest Group.

Then it's driven from the bottom, by people with no presence deciding the continent offers room to grow. The brands involved at this level may have a huge presence in other regions, but little profile in Europe.

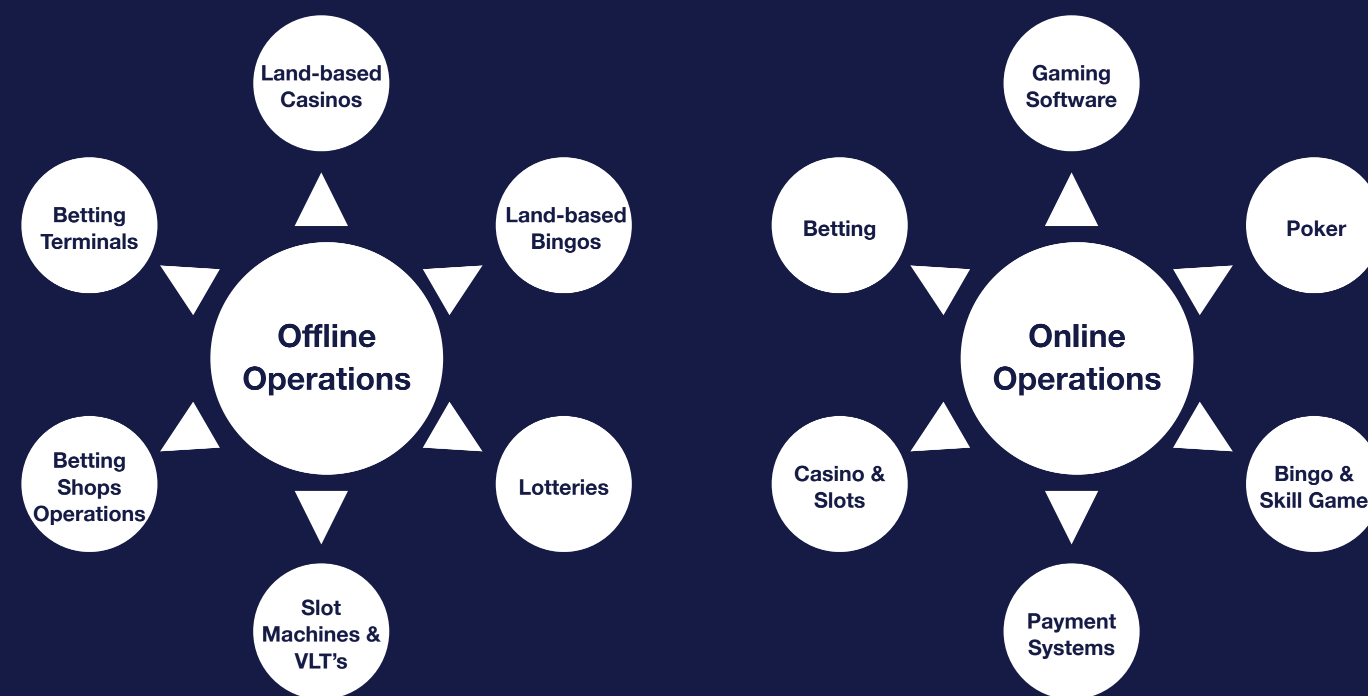
If they decide to move in, as MGM Resorts has done by acquiring LeoVegas and Push Gaming, the whole market could be disrupted. Gaming is a global industry broken down regional lines. The next phase of consolidation could see the regional giants connected into a global entity.

Ficom Leisure
Advisory & Investments

Strategic and M&A Advisory Services for the International Online and Land-based Betting and Gaming Industry

Ficom Leisure is an M&A advisory and strategy consultancy firm specialising in the land-based and online betting & gaming industry since 1996.

With over 80 years of combined experience and expertise, Ficom Leisure covers all segments of the B2B and B2C international gambling industry, including betting, casino, lottery, live casino, bingo, poker, skill games, fintech, social gaming and esports for land-based, online and mobile.



We provide strategic and corporate advisory services, as well as sell-side and buy-side investment services, from our offices in London, Rome, Madrid, Cyprus and Miami.

The team at Ficom Leisure and its Senior Advisors have deep knowledge of the gambling industry across Europe, North America, Africa, India and LatAm, with a strong current focus on the emerging Brazilian market.

info@ficomleisure.com | www.ficomleisure.com

North American M&A: Will land-based brands ultimately win out?

In North America brands play a huge role in who ultimately wins in the gaming industry. But after legacy daily fantasy operators raced ahead in sports betting, will the land-based giants be willing to make the investment to disrupt that sector?

SINCE THE SUPREME Court determined US states had the power to decide on sports betting regulation in 2018, North America has been a focal point for the gambling industry. Throw in a dominant land-based casino sector across commercial and tribal gaming, Canada's provincial gaming market opening up to competition in Ontario and Alberta, and North America offers huge potential.

However, it has also proved incredibly expensive, and with the exception of Flutter, thanks to its acquisition of FanDuel, no international brand has cracked the US. Evoke, Kindred, Tipico and William Hill have tried and either pulled out or sold off assets after eye-watering investment failed to yield leading positions.

While Europe started out fragmented and consolidated, North America started out consolidated and has not shown much sign of fragmenting. Essentially there are two clusters: land-based gaming and legacy daily fantasy sports operators (DraftKings and FanDuel). There is some crossover and omnichannel competitors – Caesars Entertainment and the Entain-MGM Resorts joint venture BetMGM, for example – but in effect, it's an online sector and a land-based sector without too much crossover today.

These two industries may well converge in the coming years. But before we outline what will drive that convergence, it's worth looking at the core assets needed to succeed in the region.

Building a brand

First and foremost, to be successful an operator needs to be an established brand. The cost of building a brand in the US is astronomical. The sports betting market has spent heavily on brand-building and customer acquisition, but DraftKings and FanDuel's efforts pre-PASPA mean they had a significant lead. No matter what post-PASPA innovations and acquisitions have ensued, they maintain those podium positions.

"The sports betting market has spent heavily on brand-building and customer acquisition, but DraftKings and FanDuel's efforts pre-PASPA mean they had a significant lead"

As DFS operators they built significant databases, giving them the raw materials to build thriving sportsbook businesses. They were able to do so largely unencumbered by the state-by-state regulatory framework rolled out from 2018.

You might think a leading land-based operator in MGM Resorts with its huge database, properties across the US and an instantly recognisable brand (in both its land-based incarnation and its BetMGM digital offshoot) would manage the same sort of success, but you'd be wrong – even with Entain's technology, a stellar lineup of executives and huge reach through various partnerships including Marriott Bonvoy.

Similar to Europe, there is no US market and regulations differ state to state. What differentiates the US and by extension North America, is brands cross (state) borders.

Therefore, while the omnichannel strategies pushed by Caesars and MGM haven't yet borne fruit, the land-based sector is likely to aggressively pursue interactive expansion.

Hunter becomes the hunted: Could DraftKings or FanDuel become M&A targets?

As we have seen in Europe, growth is driven by the convergence of different channels and verticals. In the US, this could mean brick-and-mortar operators expanding online.

After all, there is finite room to grow for land-based, and some operators have to be selective as they only build properties of significant scale, such as MGM, Wynn Resorts and Las Vegas Sands. Does this mean mega-billion M&A is on the way?

Let's look at the underlying factors. First, DraftKings and FanDuel may be strong brands, but the likes of MGM, Caesars, Hard Rock or Wynn are iconic names. In some cases, such as Caesars Palace, even the individual property brands carry huge weight.

Second, these are established businesses with some dating back over 50 years. They comply with stringent regulatory conditions across multiple states and therefore have a strong connection to not only local regulators but also local communities. They are big tax contributors and have managed to build trust decade after decade.

Changing face of casino companies

That also means these are mature businesses. The days of the casino tycoon, of industry titans such as Sheldon Adelson, Steve Wynn or Kirk Kerkorian, are in the past. Instead, casino operator shareholders are financial investors who want to preserve the power of their brand and the success of their assets.

They are aware they need to be competing effectively across multiple states and channels. And they have arguably done similar pre-work to DraftKings and FanDuel, investing billions to build their brand, but also in real estate.

However, sports betting is almost a closed shop, with the podium positions taken. Igaming regulation continues to move slowly. Does this mean when states such as California or Texas open up, or if Florida expands its market beyond Hard Rock Digital and the Seminole Tribe, land-based operators will aim to be among the first movers?

Cutting the tethers?

Because in the first phase of US sports betting, casino operators have predominantly been the supporting act. Their main act was to serve as master licensees, with betting licensing and market access tethered to states' land-based industry.

Even those that have moved into expansion products such as sports betting or online casino have relied on third parties. They didn't have the expertise, the people or the technology, but where this has spurred M&A in Europe, deals in North America either haven't been as successful or are yet to yield results.

Caesars, for example, is still to secure a podium position following its acquisition of William Hill. Penn Entertainment is facing investor pressure after billions of investment in Barstool Sports, theScore and now ESPN Bet failed to move the dial. And the less said about Bally's Corporation's trolley dash for interactive assets – almost all now written off – the better.

Are MGM Resorts' interactive plans a sign of things to come?

In the case of Entain and BetMGM, recent moves by MGM Resorts suggest the casino giant feels it can go it alone. After its Entain takeover approach was rebuffed, many expected the European operator's struggles to prompt another attempt.

Instead, MGM appears to be going it alone. It has the brand, the licences, the credibility and the database. But instead of seeing a joint venture as the fuel for a successful online push, it is taking a decidedly European approach to M&A.

It needed a platform and expertise, so it acquired LeoVegas. It needed technology allowing it to develop unique content, so it acquired Push. Neither LeoVegas nor Push is necessarily a sportsbook specialist, but in acquiring Tipico's US platform, it has that technology in house.

MGM has the profile to attract talent, whether that's from the gaming industry or from big tech such as Google or Facebook. Both management and investors have seen how the US has played out, so they are aware of the margin involved in building a podium position in the market.

> ***"The days of the casino tycoon, of industry titans such as Sheldon Adelson, Steve Wynn or Kirk Kerkorian, are in the past. Instead, casino operator shareholders are financial investors who want to preserve the power of their brand and the success of their assets"***

Essentially it becomes an M&A-driven push, complemented by B2B partnerships such as the recent MGM Live agreement, bringing live dealer gaming to the casino floor of the Bellagio and MGM Grand.

Others may follow suit. Caesars already started this trend by acquiring William Hill for the technology. Could this mean some of the upper to mid-tier European operators, whether that's Betsson or Betclic Everest, becoming targets?

Or will we see similar deals to DraftKings' purchase of Golden Nugget Online Gaming to shore up its icasino business, or Jackpocket to move into lottery brokerage, where online operators plug strategic holes in their offerings?

For land-based operators, there is a secondary consideration. A region such as Europe doesn't offer space or regulatory conditions for large-scale integrated resorts. It's the same story in Latin America. MGM Resorts CEO Bill Hornbuckle has already suggested the growing interactive business will be at the forefront of expansion in markets where a brick-and-mortar property isn't possible.

It has already launched BetMGM in the UK and the Netherlands and will soon deploy the brand in Brazil thanks to a recent partnership with local media giant Grupo Globo. That opens up a new front – rather than becoming a market leader in North America, what about becoming a leading brand across the Americas?

Latin America M&A: Brazil boom just beginning

Brazil is poised to become a crucial market for the gaming industry when sports betting and igaming launches in January next year. As the launch approaches and applications are filed, is M&A activity about to take off?

IF NORTH AMERICA, specifically the US, has dominated operators' thoughts since 2018, then Brazil is poised to usurp that region as gaming's major market when legal sports betting and igaming launches from 1 January 2025. Brazil's casinos were shuttered in the 1940s but decades-old legislation was resurrected last year, and land-based gaming including casinos, bingo halls and racetracks could soon return.

In short, Brazil will be a huge market. M&A activity, joint ventures and strategic investments are likely to be accelerate in the coming years.

The value of localisation

It's also a market that requires local know-how. That's down to language barriers, a player base for which lottery was the only widespread form of legal gambling for years, market-specific payment solutions such as Pix and a large, thriving grey market.

International businesses looking to move in have accepted they need a local partner. It's even enshrined in law; an operator must have a shareholder holding at least 20% of the Brazilian entity's share capital.

That local know-how is especially crucial because Brazil may have hallmarks of Western European markets, such as the prevalence of soccer as the most popular sport. But any brand attempting to import a business model tends to fail, as the US shows.

Federal licences incoming, but market already fragmenting

But how does an operator find its partner? Brazil separates into two clusters; first there are offshore operators active in the market, building brand recognition through sports sponsorship. While the corporate entity is located offshore, all operations are based in the country. These entities, which are applying for federal licences, are essentially unregulated businesses in the country today.

Second, there are existing licensees. Thanks to Brazil's lottery model, which allows state lotteries to issue approvals to operators for sports betting and gaming, Rio de Janeiro's Loterj, Paraná's Lottopar and LOTEP in Paraíba have issued licences to multiple companies. Acquiring one of these entities would be like buying a regulated company. There may also be an element of 'passporting' where the certification

process in the individual states contributes to federal applications.

Initially it did not look as if there would be any sort of cooling-off period, where those active in the market ahead of regulation are shut out. That would defeat the purpose of channelling gambling into the regulated market. And while 114 companies have applied for federal licences, the market has already been whittled down to 89 companies already active in Brazil.

The start of the M&A boom

The passing of the 20 August deadline, which guaranteed applicants a licence decision before the market launch on 1 January 2025, sounded the starting gun for M&A in Brazil. A late change then mandated any operator that had not filed their federal licence application by 1 October – and were not already operating in the country – had to withdraw until they received a licence. That cut the market to 89 operators, with 93 other applicants waiting for approval to launch.

This guarantees legal certainty, which in turn will encourage approaches and discussions between buyers and sellers.

For the local operators, the lottery licences could be a crucial first step – provided they have taken steps to create a viable corporate structure. Being able to show there is a robust C-suite overseen by a board of directors and viable compliance functions is crucial, as are provisions for anti-money laundering and local payment processors.

Those applying for a federal licence from the off require the same, but arguably start a step further back than the lottery licensees.

The big deals are already happening, most notably Flutter's deal for a majority stake in Betnacional operator NSX Group. A valuation of $625m represents an EBITDA multiple of around 18.4x. Three other high profile brands have engaged Ficom Leisure to seek buyers.

But who are the potential acquirers?

Global interest in Brazil acquisitions

There are currently three clusters eyeing up the Brazilian market.

First are the European competitors, such as Entain, Betsson and Flutter, which are either active or planning to launch.

The American brands, including MGM Resorts, are positioning themselves for entry through a deal with media giants Grupo Globo. More may be eyeing up casino developments.

Then there is an interest from Asia, broken down into two groups: black market operators looking to reinvest cash in regulated markets, and listed companies from markets including the Philippines and Singapore eyeing up international development opportunities. Latin America appears to be more interesting than Europe for these operators.

Latin America M&A: Opportunities across the wider region

Peru and Mexico are front of mind for the industry, thanks to strong existing industries and scope for online growth

ACROSS THE WIDER Latin America region, recent M&A has been driven by Betsson in particular in recent years. It acquired Suaposta in Brazil as far back as 2019, following this with deals for Colbet in Colombia (2020) and Inkabet in Peru (2021). In the three months ending 30 June, Latin America's contribution was up 21.8% year-on-year at €62.6m – an all-time high – making up 23% of group revenue.

Others may be following suit, but Betsson was an early mover in buying up local expertise. It has also been adept at picking out targets with well-established corporate structures, local licences and a team in place.

These companies may have lacked knowledge of industry best practices, not to mention financial resources, making them a strong fit for acquisitive international operators. Aside from offices in São Paulo and Porto Alegre in Brazil, Betsson is establishing a LatAm hub in the Colombian capital Bogota.

Which markets are driving M&A activity outside of Brazil?

Colombia is an established market, but when it comes to regulation, Peru and Mexico are the big opportunities for dealmaking in Latin America today. Peru is in the process of regulating its online market, complementing an established retail sector, while Mexico is up and running albeit with a tethering system similar to the US.

In Peru, Cirsa's deal for a 70% stake in local market leader Apuesta Total (with a put and call option for the remaining 30%) follows a similar trajectory.

"Outside of Brazil, Colombia is an established market, but when it comes to regulation, Peru and Mexico are the big opportunities for dealmaking in Latin America today"

Apuesta Total is an established omnichannel operator with GGR passing €100m in 2023. Cirsa's stake, which gives it a presence in a new market across two channels and multiple product verticals, shows that the same convergence factors are driving M&A in Latin America.

Mexico requires a deal with a land-based operator to enter the online market. Again, Betsson has been an early mover, partnering Big Bola to launch. There is a very strong local incumbent in Caliente, but the consensus is the market is big enough for multiple brands to carve out a share.

Similar to Grupo Globo pairing up with MGM to enter betting and gaming in Brazil, local Mexican media brands are striking joint venture agreements to move into gambling. Bet365, for example, entered through TV Azteca's gambling subsidiary Ganador Azteca.

B2B platforms are optimising their products for Mexico, and affiliates are targeting the country. That suggests increasing interest from operators looking to move in.

Other territories in the region, such as Chile, are moving towards online regulation but progress is slower. Argentina, meanwhile, is held back by a weak currency and inconsistent regulations between Buenos Aires City and Province, its most populous and richest regions.

With opportunities in Ecuador, Paraguay and Uruguay appearing to have stalled, Peru is driving M&A activity outside of Brazil. Elsewhere, Mexico may soon heat up, as LatAm begins the shift from an emerging to an established region for gambling.

African M&A: Why are operators hesitant to embrace the opportunity?

Africa has long been considered a market with huge potential for gambling. However, there is not yet a huge appetite for M&A on the continent

IF LATIN AMERICA is breaking out of the emerging category to become a key region, Africa continues to be one for the future. Enough has been written about technical limitations, though internet penetration is growing and infrastructure is improving.

As in Latin America, local know-how is key, though it remains a tough sell for prospective buyers, despite many local success stories including Bet9ja, BetKings, Betpawa, Betika and Sportpesa. International brands such as Betway and Parimatch have made some progress.

But few would call Africa a priority region for expansion. So what's holding it back?

The case for African M&A

First, it's worth noting many African markets have established regulatory frameworks, South Africa being the biggest and most successful example.

The market is also evolving. Previously it was sports dominated, but gaming is moving outside of land-based venues and growing online. Payments infrastructure also facilitates money movements to underpin online growth.

Local operators are also growing at pace, increasing market share and revenue.

The case against African M&A

On the other hand, these regulatory frameworks are occasionally opaque, inconsistently enforced or subject to sudden change.

Take Kenya, for example, where a battle with the government over a 20% tax on player stakes prompted market leader Sportpesa to withdraw from the market. While it ultimately returned, the government again attempted to impose that 20% tax, even after a lower 7.5% levy on stakes was signed into law.

In Nigeria, federal and state regulators continue to fight over which regulatory framework supersedes the other.

South Africa may have the largest market on the continent, but random number generator games remain outlawed, despite an opposition party motion to enact legislation that would allow products such as online slots and table games. In short, regulation is in place, but could be improved.

Further, the market remains predominantly land-based still, even as casino operators face a slow recovery from Covid-19 lockdowns.

That land-based dominance did prompt some convergence-driven M&A, with South Africa's Tsogo Sun acquiring a majority stake in online betting operator Betcoza in 2020. Sun International, another South African operator, snapped up casino and sportsbook operator Peermont in December 2023.

What could spur African gambling M&A?

But for international operators to take the plunge, 888 Africa may provide the blueprint. Essentially a joint venture between 888 Holdings (now Evoke) and an international management team, with the operator providing startup capital and brand rights, the business is reportedly growing strongly.

Evoke CEO Per Widerström described 888 Africa's growth trajectory as a "fantastic story" after reporting the operator's results for the six months to 30 June. Revenue grew threefold in the first half of 2024, he said, and the business

> "If a business originates from a Francophone market, it will tend to target other French-speaking territories. The same is true of Portuguese and English-speaking markets. But there is likely to be a tipping point where businesses start to expand across multiple markets, regions and languages"

would be a key source of value for the operator.

888 Africa is currently licensed in Kenya, Tanzania, Mozambique and Zambia. It acquired BetLion – established by igaming pioneer Victor Chandler in 2017 – in August last year to strengthen its presence in Kenya and Zambia while adding a Democratic Republic of Congo licence to its footprint.

Other operators may start in a more mature market such as South Africa and expand from there.

Pan-African gaming brands

That multiple-market presence highlights another key factor that may drive future M&A. Previously operators would establish a presence in a single market, with limited ability to expand into other jurisdictions. But as operators transition from one market to the next, this suggests economies of scale are possible.

This is organic growth rather than M&A, but it builds an operator's profile and potentially makes it an acquisition target.

There are some limitations, however. If a business originates from a Francophone market, it will tend to target other French-speaking territories. The same is true of Portuguese and English-speaking markets. But there is likely to be a tipping point where businesses start to expand across multiple markets, regions and languages.

Africa, therefore, remains one for the future. With the industry's attention trained on Latin America and particularly Brazil, very few companies will be looking to grow aggressively on more than one front.

Asian and Australian M&A: Outward-looking approaches

There are fewer examples of M&A in the Asian and Australian markets due to strict regulatory frameworks and limited opportunities. But there are examples of companies looking to regulated international markets as they transition from grey to white

M&A WITHIN THE Asian market is less prevalent, with regulation still very limited. The land-based sector is established in territories such as Macau, Singapore and the Philippines, with scope to expand though planned projects such as Japan – though these have faced major delays. Disruption in Thailand could also derail promising integrated resorts plans.

For online, the legal market is particularly small, and will be smaller still when a ban on Philippine Offshore Gaming Operators (POGOs) comes into force at the end of 2024.

There is, however, a lucrative unregulated market. Some of the operators in this sector, which are more conglomerates than traditional gambling operations, are showing a desire to buy assets in other sectors, or expand into western markets.

This tends to succeed on the B2B side. These entities do not have the right structure to acquire businesses. Even if they have the funds, they don't have a vehicle that enables an acquisition. The rationale is simple: they have cash flow but not assets.

Australian M&A: Quiet after a burst of activity

After a flurry in the 2010s where international operators moved into the market, Australian M&A has quietened down. Of the brands active in that market, one of the oldest acquisitions, Flutter's deal for Sportsbet, remains the most successful. The operator (then Paddy Power) acquired a 51% stake in 2009, with the remaining shares acquired in full by 2011.

Recent M&A activity tends to skew online for smaller betting

operators. However, the notable exception was Blackstone's $8.87bn acquisition of Crown Resorts, in the wake of the operator's legal struggles and significant deficiencies in anti-money laundering and player safety processes.

With other operators including Star Entertainment facing similar scrutiny, the operator or its properties could be up for sale.

Stake.com becomes increasingly acquisitive

One Australian business actively seeking out M&A opportunities is crypto betting operator Stake.com. Founded by Ed Craven and Bijan Tehrani, Stake has invested heavily in building its profile across multiple markets including an endorsement deal with Canadian musician Drake worth over $100m a year.

It operates under a Curaçao licence but is looking to acquire assets in regulated markets. A November 2023 deal for Betfair Colombia gave Stake a foothold in Latin America's most mature igaming market, and in August this year it moved into Italy, acquiring IdealBet. Closer to home, Craven and Tehrani are building a significant shareholding in Australia's PointsBet. By May this year, they had increased their holding to 16 million shares, or 5% of the operator's share capital.

Considering its global operations, Stake has a significant customer database that spans multiple countries, aided by a rumoured $300m investment in marketing. How it leverages this customer base in regulated markets – if it can – remains to be seen.

iGB EXECUTIVE

Unlock industry insights, bespoke reports and exclusive gatherings.

For more information, go to igamingbusiness.com/igb-executive

BECOME A MEMBER TODAY!

Indian M&A: A sleeping giant?

The country's well documented love of cricket and fantasy sports may provide the impetus for real-money gaming businesses to enter the region

INDIA'S REAL-MONEY gambling industry is held back by a lack of land-based properties. Its online market is hindered by the 28% Goods and Services Tax (GST) being applied to player stakes rather than operators' gross revenue.

This has prompted Betway to withdraw from the Indian market, though there is an outside chance the GST Council could revise the way that tax applies. Early discussions about potential casino resorts are also ongoing.

Online operators have even dabbled in M&A in India. Stride Gaming, later acquired by Rank Group, purchased a controlling stake in Passion Gaming as far back as 2017, though the founders bought out the operator earlier this year.

More recently Flutter acquired a majority stake in skill gaming specialist Junglee Games in 2021, the same year that Sportradar bought cricket data specialist InteractSport with an eye on India.

Similarly, affiliate M&A suggests performance marketers see scope for growth. In 2021 Raketech acquired QM Media AB, including its Onlinecricketbetting.net site, which generates most of its traffic from India.

Further, India remains a key hub for technology talent, with Entain's IvyTech base in Hyderabad employing more than 2,500 people.

A long-term bet?

Considering India has huge enthusiasm for sports such as cricket, similar M&A activity to take an early-stage investment in companies could establish international operators in the market. There is also a strong fantasy sports player base, rummy is hugely popular and poker is even played in some states. So could this be the perfect base to develop a real-money gaming business?

These emerging companies tend to be run by young, dynamic digital marketers. Today they may be selling poker or fantasy sports, but they could transition to sports betting or casino games when regulations and tax obligations permit.

Ultimately that marketing expertise could see local operators grow in a similar way to DraftKings and FanDuel in the US. By building a database to cross-sell into real-money gaming, there could be scope to create a similar local behemoth for India. That means the quality of the management team, and the strength of these operators' databases, will be key factors for potential acquirers.

Should the GST Council resolve the tax issue for gaming, there could soon be huge scope for growth.

PART 2 M&A BY FUNCTION: B2B AND FINTECH TRENDS

B2B M&A: Integration risks and competition

M&A on the supply side of gaming is healthy but driven by massive pressure on incumbents in the sector. With a range of cautionary tales from botched acquisitions in the sector, how can suppliers ensure they strike a successful deal?

IN THE B2B space, Apollo Global swooping in to acquire IGT's gaming business and Everi, superseding a previously agreed combination, shows there is still scope for multibillion supplier transactions.

However, B2B M&A also brings up cautionary tales, whether that is IGT acquiring Entraction early in 2012, and shuttering its poker network by the end of that year. There was also Scientific Games' deal to acquire a range of assets including OpenBet which ultimately saw the business whittle down its offering to a (now thriving) gaming business, selling off the sports and lottery segments to deleverage.

Light & Wonder, the gaming specialist formed in the wake of those divestments, is now a single-vertical operator. And chief executive Matt Wilson believes it is performing strongly precisely for that reason: it's a master of one vertical, not an average performer across many.

The supplier continues to seek out bolt-on M&A opportunities, albeit only in the gaming vertical, even using its aggregation platform as a talent spotting solution.

Strengthening the core product vs speculative investment

Light & Wonder's focus means it looks to strengthen its core offering by adding new games such as live dealer products.

Previously its approach could be described as speculative: spending to expand into new verticals, integrate products into the core offering and increase share of client wallet by unlocking new revenue streams. A one-stop shop, essentially.

M&A, aka the pursuit of growth, is driven by two factors. One is to add new products, the other is to add new jurisdictions.

Adding new products

As Light & Wonder shows, adding new products doesn't necessarily mean expanding into new verticals.

Deals such as Playzido, or strategic investments in automation platform Flows and marketing specialists House Advantage were all struck by Light & Wonder over the past two years, and all complement the core product.

Similarly, Evolution has continually augmented its live dealer offering in recent years. It has bought into slots through deals for NetEnt (including Red Tiger) and Nolimit City, as well as adding products and features through the acquisitions of Arcadia Gaming Solutions, Livespins, Big Time Gaming, DigiWheel and Galaxy Gaming. To add after par above: Aristocrat went one step further, acquiring first Roxor Gaming then NeoGames to strengthen its online presence, similar to IGT's for iSoftBet. In each example, the land-based business can then repurpose years of content for digital play.

Deals for studios are especially prevalent; the founders tend to build to sell, and full ownership of strong content is far more profitable than aggregating content through a Remote Games Server (RGS).

Adding new jurisdictions

M&A can also be driven by a push into new jurisdictions, similar to the B2C space outlined in section one. A supplier could acquire a new sports betting platform rather than embark on expensive reconfiguration to meet compliance requirements in a newly regulated market, for example.

This reflects the stringent regulatory requirements emerging across the industry.

Take Italy. It has the most difficult communication standard with the regulator in the world, with a real-time monitoring system. Every spin, every bet must be sent to the Agenzia delle dogane e dei Monopoli (ADM), where it is approved and sent back in milliseconds.

This places a significant development burden on the supplier. Spain has a similar (though not real-time) system in place. Rather than embarking on a costly and time-consuming development project, acquiring a company already integrated removes that issue.

Similarly, in Brazil the leading local brands are already live and operating on third-party platforms. For international suppliers to build up market share, they could acquire, as platform migrations come with huge risks. Recent licensees launching amid a new wave of competition are unlikely to take that gamble as the market opens.

Instead, the international suppliers could buy the local suppliers, and add their revenue to their balance sheets.

"As land-based operators expand online, they are most likely to turn to the companies they have worked with for decades – the likes of Light & Wonder, IGT, Aristocrat or Ainsworth. If they can't offer them anything, they turn to the online-only competitors"

Integration risks for supplier M&A

This could create a supplier with a business spread across multiple platforms and technology stacks, however. That could ultimately hold back B2B M&A, with companies unwilling to take on the risk of an expensive integration process.

For example, a CTO will most likely argue an external solution is inferior to an in-house product or will propose developing a similar solution internally. That is a tough argument for a CEO to have.

Further, any proposal to acquire a business most likely highlights synergies. If a business acquired for 10x EBITDA can be brought down to a 7x multiple through post-acquisition synergies, it makes a more compelling story for shareholders. But to achieve those synergies the acquired asset must be integrated.

That may not always be the best move. Crucially, it is important not to disrupt the service delivered by the acquired asset. Acquisitions tend to be viewed as failures when integrations in pursuit of synergies effectively destroy a team that was performing well previously.

The factors that may limit B2B M&A

The stakes are undoubtedly high when it comes to supply side dealmaking. It's a sector where size matters; the pursuit of growth means companies are constantly looking to grow, driving consolidation in the sector. But to support a very large business, a supplier needs very large clients.

This means competition for deals with market-leading operators is especially fierce, and there is always a risk the deal will abruptly die. The largest operators tend to bring technology in house, whether that's the player account management (PAM) or the betting engine. That could be DraftKings acquiring SBTech, Penn Entertainment spending $2bn on theScore for its platform – even before development was complete – or Kindred building a sportsbook in-house.

Furthermore, operators are now acquiring studios, cutting out third-party costs and looking to build out differentiation.

Crucially, the entity that owns the end users owns the value. This tends to mean operators are the most valuable link, though arguably affiliates could even be considered the true owner of the player.

That puts B2B at the back of the queue. This is likely to squeeze smaller and mid-tier suppliers; they are chasing growth and new clients but find their options limited.

For online, there is further pressure coming from traditionally land-based businesses. Much like land-based casinos may soon become power players in the US sports betting market, land-based providers are belatedly shoring up their online capabilities.

Take Aristocrat. While its overtures to Playtech ultimately came to nothing, it has now bought its way into interactive with deals for Roxor Gaming and NeoGames. This affects valuations, as the multiple for land-based supply side is dwarfed by interactive multiples.

The rationale is easy to see. As land-based operators expand online, they are most likely to turn to the companies they have worked with for decades – the likes of Light & Wonder, IGT, Aristocrat or Ainsworth. If they can't offer them anything, they turn to the online-only competitors.

The risk is they could miss out on major new revenue streams, especially when there is huge runway for online casino in regions such as North America. This means the major online B2B providers may soon find themselves targeted by land-based entrants – or risk losing market share to these companies.

Fintech M&A: Regulation is non-negotiable

It underpins the gaming sector, so it's important to consider the trends driving financial technology M&A. Key to this is approval from central banks; without this certification, solutions are not yet viable to roll out across the market

WHILE FINTECH IS ancillary to the gaming industry, it is worth looking at some trends in the sector. After all, payments are the lifeblood of the gaming industry, especially for online.

As with B2C and B2B gaming, fintech M&A is driven by new market opportunities. But unlike B2C and B2B, there is much less scope for organic growth. Payments for the most part are governed by a central bank or a national regulatory authority.

The importance of licensing

Providers therefore must be licensed, and that comes with particularly invasive due diligence processes, not to mention restrictions related to foreign capital. All of which means it is much simpler to acquire a locally licensed business.

However, the buyer must do some in-depth due diligence on what it is acquiring and be patient. There will be a long gap between signing and closing, because the deal must be rubber stamped by the country's regulator.

Essentially, the licence to offer payments is everything.

Nuvei, for example, recently acquired Pay2All Instituição de Pagamento Ltda in Brazil, a payments institution licensed by the Central Bank of Brazil. By all accounts it has acquired a business with no clients or operation, only a licence.

But that licence facilitates Nuvei's entry to a market that will grow rapidly and with huge operator investment in the coming years. The deal allows it to start targeting customers in the market. It is likely a second acquisition will follow, especially one that brings in clients and more corporate structure to build around, all facilitated by the Central Bank's approval. We expect other payment providers such as Worldpay, Shift4 and Paysafe to pursue similar acquisitions.

"Brazil provides an example through Pix, the instant payment system created by the Central Bank of Brazil. That provides a new way for operators to transact with players and is trusted by players to the extent credit and debit card penetration is declining"

Cryptocurrency questions

In terms of other new technologies, cryptocurrencies are often raised as a potential growth vertical for fintech companies. However crypto remains unregulated – even if Donald Trump has pledged to regulate it should he win the 2024 presidential election.

It is a sector with enormous potential, of course, and there is a thriving crypto gambling sector. However, until it is regulated by a central bank, it remains on the outskirts of fintech.

It's very simple. Unless a solution is regulated by a central bank, it does not become a viable M&A target in fintech.

Where there is room for growth is in disruptive local solutions, and again Brazil provides an example through Pix, the instant payment system created by the Central Bank of Brazil. That provides a new way for operators to transact with players and is trusted by players to the extent credit and debit card penetration is declining.

Similar systems, providing instant money transfers with no transaction costs, will be particularly attractive to fintech companies and operators alike.

PART 3 INTERVIEW: CHRISTIAN TIRABASSI, FICOM LEISURE

M&A: A seller's guide

For more than 25 years, Christian Tirabassi of Ficom Leisure has played a key role in industry dealmaking. Having run through the underlying trends across key regions and verticals, here he outlines what sellers need to know before they engage with potential buyers

"I believe the M&A market is in a healthy place, and it will continue for a number of years"
Christian Tirabassi, Ficom Leisure

"I BELIEVE THE M&A market is in a healthy place, and it will continue for a number of years," Christian Tirabassi says.

In Europe the expansion of dot. country markets gave rise to 'local heroes', operators that thrived in their native markets. They quickly became targets for leaders in mature markets, either as a market share acquisition or as channel integration.

"In the markets that are regulating, we're seeing a similar dynamic as a way to enter a specific country and potentially to gain a local partner." Tirabassi says.

"We scout local companies that can be a target for bigger players. This is replicated in a number of regions, including Latin America, Africa and potentially India." Also, Europe is experiencing a level of M&A that Tirabassi expects to continue in the next five to seven years. These deals drive a consolidation of the different channels of the industry, also as convergence to create or increase the size of omnichannel betting and gaming operators.

"Often our clients are surprised by the fact that they are ready to be acquired and the potential valuation that they could obtain as part of this investment paradigm."

How then do companies embark on the sale process? "That's where we come into play," Tirabassi says. "We present to our clients the sell-process and the different tasks that they need to comply with to execute a successful sale. A key element, in this initial phase, is to be able to engage with the shareholders and their management teams in their own language, where we are able to manage the preparation of the process with the client in Italian, French, Spanish and Portuguese."

Starting with the why

This starts by explaining why.

"We speak with the shareholders to describe what's going on in the market and why their company could be a target," he explains.

If they are a B2B supplier, interest generally comes because of their technology, games or the clients signed up. For B2C operators, it could be the countries they operate in or a strong local brand.

"Selling to a strategic buyer would allow our client to grow faster and become a local leader, which often is considered very attractive and leads to further M&A. While they may be attracted by this idea, they need to be ready to engage with the market."

Preparing for sale

This requires a lot of preparation, Tirabassi says. "In many cases it could take up to two or three months of work before we go to market, because we need to help the company ourselves. We advise our client and prepare them to engage with buyers and buyers' advisors."

Ficom clients need to engage with a legal advisor that can assist them on four main areas: regulatory, corporate structure, due diligence and M&A. In many cases, the companies also need to engage with a corporate advisor to review and help in financial reporting, the building of a Databook and the preparation for due diligence in a virtual data room (VDR). "This is where the Ficom Leisure team is very dedicated to coordinate the work done across all advisors – legal, corporate, regulatory, etc. as it is the base for the company to be able to enter the sale process," Tirabassi says.

This puts the seller in a totally different position to engage with the market and the buyers.

"You have a data book. You have solid financials and business plan, reporting, a clear corporate structure. We are able to put all these into a memorandum for the buyer making it much easier for them to evaluate the opportunity, and offering a level of comfort even when it's a complicated deal or a company in an emerging market."

The sale process

Now that the business is in a position to engage with buyers, Ficom runs a sale process, approaching a number of buyers with whom Ficom Leisure has built long-lasting relations, through its 25-plus years of experience, allowing it to position Ficom Leisure clients in the right cluster of buyers, as well as setting expectations for the seller.

The deep knowledge of the market, of the players and their strategies allows Ficom Leisure to identify the relevant potential buyers for each specific target.

"We assist the client during the different phases of the process, including the management Q&A, terms negotiation and due diligence with one or more buyers at the same time, which is the essence in maximizing the value for the shareholders." Tirabassi explains.

Giving buyers confidence in the deal

But the smooth running of the deal execution, once the terms have been negotiated, and due diligence hinges on having the right advisors.

"Ficom's role is the main M&A advisor and it always coordinates the legal team as well as the corporate advisors." Tirabassi says. "We have built strong relationships with legal and corporate advisors and their respective teams and professionals that are specialised in the industry from offices in key markets in Europe, LatAm, etc."

Assessing the cultural fit

Ficom almost always represents the sell side. If the buyer is looking for targets to help fulfil a strategic objective, such as entering a new market, it could be on the hunt for an opportunistic deal to accelerate progress. That still requires a target that fits both with its strategy and the culture of the company.

"We help our clients to engage with large corporations and go through the acquisition process where in many cases they remain for a certain earnout period to execute the agreed market strategy," Tirabassi explains. This gives the buyer the comfort to successfully integrate the business and run it effectively in an unfamiliar market – or pursue a strategy distinct to its own.

"As an alternative, some deals let sellers retain a stake, incentivising them to continue for a number of years, where our role, together with the legal team, is to ensure a shareholder agreement that provides for the customary minority protections, in order for our clients to continue participating and contributing to the business growth."

What's most important is the buyer can demonstrate the acquisition takes them closer to a key strategic goal. They seek out companies that have been active across a number of years, growing the business in that time. Being able to highlight that trajectory, and how it gives the buyer a stronger position, makes for a compelling case.

"We are always talking about growth," Tirabassi says. "We don't sell things that are decreasing in value. The beauty of this business is it's all about profitability and growth."

The greatest hits

That doesn't make every deal simple, and Tirabassi says the transactions he's most proud of are the ones that on paper seemed "almost impossible".

It's easy to do a deal where Ficom's only task is to connect the buyer and seller, he says. Those deals almost close themselves.

"We have done deals where the profile of the buyer and seller were very different from a cultural point of view, an organisational point of view and from an experience point of view," Tirabassi explains. "However, we are most proud of the deals where we have successfully navigated negotiation for our client, with a more established and larger buyer. I have to admit this is a situation we come across often. It's the most challenging but it's where we bring the highest value."

PART 4 DEAL TRACKER: 2022-2024

M&A: Acquisition trail

Ficom Leisure round up the major gaming sector deals over the past 34 months, from Nazara's deal for Moonshine Technology in September to Entain's snapping up of Klondaika in 2022

ANNOUNCEMENT DATE	ACQUIRER	TARGET	SECTOR	ENTERPRISE VALUE (M)	EV/ EBITDA
Sep 24	Nazara	Moonshine Technology (PokerBaazi)	B2C	€187.2	
Sep 24	Flutter	NSX (Betnacional)	B2C	€564.3	18.4
Sep 24	Flutter	Snai	B2C	€2,300	9
Sep 24	Interblock	Zuum	B2B	N/A	N/A
Sep 24	Signing Day Sports	Swifty	B2B	N/A	N/A
Sep 24	EveryMatrix	Fantasma Games	B2B	€18.5	N/A
Aug 24	Nuvei	Pay2All	Fintech	N/A	N/A
Aug 24	DraftKings	Simplebet	B2B	N/A	N/A
Aug 24	Evoke	Winner	B2C	€19.6	N/A
Aug 24	Betsson	Sporting Solutions	B2B	N/A	N/A
Jul 24	Stake	iDealBet	B2C	N/A	N/A
Jul 24	Musburger Media	Vegas Sports Infromation Network	B2C	N/A	N/A
Jul 24	Cirsa	Apuesta Total	B2C	N/A	N/A
Jun 24	LeoVegas	Tipico US Platform	B2C	N/A	N/A
Jun 24	Caesars	ZeroFlucs Group	B2B	N/A	N/A
Jun 24	EveryMatrix	FSB	B2B	N/A	N/A
Jun 24	Apollo	Everi/IGT PlayDigital	B2B	$6,300	N/A
Jun 24	Sega Sammy	StakeLogic	B2B	€130	N/A
May 24	Brightstar	AGS	B2B	$1,100	6.9
May 24	SuperGroup	Apricot Software Technology	B2B	€140	N/A
Apr 24	DraftKings	SportsIQ	B2B	N/A	N/A
Apr 24	BetMarkets Technology Group	Racelab Global Assets	B2B	€0.9	N/A
Mar 24	HardRock Digital	888 US Assets	B2C	N/A	N/A
Feb 24	Everi	IGT Global Gaming/PlayDigital	B2B	$4,000	7.1
Feb 24	FanDuel	BeyondPlay	B2B	N/A	N/A
Feb 24	Draft Kings	Jack Pocket	Lottery	$750	N/A
Feb 24	Evolution	Livespins	B2B	€5	N/A
Feb 24	Allwyn	Instant Win Gaming	Lottery	N/A	N/A
Feb 24	Light & Wonder	Flows	B2B	N/A	N/A
Jan 24	SharpLink Gaming	SportsHub	B2C	$22.5	N/A
Jan 24	FDJ	Kindred	B2C	€2,600	10.9
Dec 23	Sun International	Peermont	B2C	€363.2	5.76
Nov 23	Lottomatica	SKS365	B2C	€639	8.6
Nov 23	DigiPlus Interactive	Gamemaster Integrated	B2C	$2.2	N/A
Nov 23	Undisclosed	Catena Media Italy Assets	Affiliate	€19.8	5.8
Nov 23	Stake	Betfair Colombia	B2C	N/A	N/A
Nov 23	GiG	Kafe Rocks	Affiliate	€35	3.6
Nov 23	Sega Sammy	GAN	B2B	$107.6	N/A
Nov 23	LiveScore	Wonderlabz	B2B	N/A	N/A
Nov 23	Better Collective	Playmaker Capital	Affiliate	€176	N/A
Sep 23	OKTO	Flexia Payments	Fintech	N/A	N/A
Sep 23	Flutter	MaxBet	B2C	€276.5	8.6
Sep 23	Better Collective	Tipsbladet	Affiliate	€6.5	N/A
Sep 23	Better Collective	Torcedores.com	Affiliate	N/A	N/A
Aug 23	Better Collective	Everysport Group Swedish sports media brands	Affiliate	€3.7	N/A
Aug 23	Light & Wonder	SciPlay	Social	$2,100	N/A
Aug 23	888 Africa	BetLion	B2C	N/A	N/A
Aug 23	Playtika	Azerion	Social	€81.3	N/A
Jul 23	FDJ	Premier Lotteries Ireland	Lottery	€350	N/A
Jul 23	Glitnor Group	PlayStar	B2C	N/A	N/A
Jul 23	Interblock	Aruze Gaming Electronic Table Games Assets	B2B	N/A	N/A
Jul 23	PlaySynergy	Aruze Gaming Slots Portfolio	B2B	N/A	N/A
Jul 23	Better Collective	Playmaker HQ	Affiliate	$23	N/A
Jul 23	Entain	Angstrom Sports	B2B	€234.2	N/A
Jul 23	Raw iGaming	Funfair Games	B2B	N/A	N/A
Jun 23	Entain	STS	B2C	€806	13.2
Jun 23	Betsson	Betfirst	B2C	€120	10

ANNOUNCEMENT DATE	ACQUIRER	TARGET	SECTOR	ENTERPRISE VALUE (M)	EV/ EBITDA
Jun 23	Fanatics	PointsBet	B2C	$225	N/A
May 23	Paf	888 Latvia	B2C	€28.25	9.8
May 23	Betr	Chameleon Gaming Platform	B2B	$7.4	N/A
May 23	Aristocrat	Neogames	B2B	$1,200	15
May 23	MGM Resorts	Push Gaming	B2B	€150	N/A
Apr 23	Sega Sammy	Rovio	Social	€706	13.1
Apr 23	Savvy Games Group	Scopely	Social	$4,900	N/A
Apr 23	Entain	365 Scores	Affiliate	€137	N/A
Apr 23	Better Collective	Skycon	Affiliate	€49.9	N/A
Mar 23	Entain	Sportsflare	B2B	$13.3	N/A
Feb 23	Parthenon Capital	Global Payments Gaming Division	Fintech	$415	N/A
Feb 23	Games Global	Digital Gaming Corporation (part of Super Group)	B2B	N/A	N/A
Feb 23	Elys Game Technology	Engage IT Services	B2B	N/A	N/A
Jan 23	Greentube	Alteatec	B2B	N/A	N/A
Jan 23	Golden Matrix Group (GMG)	Meridianbet	B2C	€276.3	14.3
Jan 23	Double Down Interactive	SuprNation	B2C	€33	N/A
Dec 22	Betsperts	Bleacher Nation	Affiliate	N/A	N/A
Dec 22	Greentube	Flamingocatz	B2B	N/A	N/A
Dec 22	GiG	AskGamblers	Affiliate	€45	4
Dec 22	IMG Arena	Leap	B2B	N/A	N/A
Nov 22	Luckbox	Undisclosed Asia-Pacific igaming platform	B2B	€0.5	N/A
Nov 22	Allwyn	Camelot	Lottery	N/A	N/A
Nov 22	Lottomatica	Betflag	B2C	€310	8.6
Nov 22	Novomatic	HBG	B2C	N/A	N/A
Oct 22	Betsson	Kickertech	B2B	€17.5	13.5
Oct 22	BetMarkets	Punting Form	B2B	€12.9	N/A
Oct 22	Playmaker Capital	Wedge Traffic	Affiliate	$31.2	10.1
Oct 22	Seven Star Digital	Moneta	Affiliate	N/A	N/A
Oct 22	Acroud	Undisclosed	Affiliate	€9.8	2.5
Oct 22	Greentube	Present Creative	B2B	N/A	N/A
Oct 22	GameCo	Green Jade Games	B2B	N/A	N/A
Oct 22	Keystar	ZenSports	B2C	N/A	N/A

ANNOUNCEMENT DATE	ACQUIRER	TARGET	SECTOR	ENTERPRISE VALUE (M)	EV/ EBITDA
Oct 22	Light & Wonder	House Advantage	B2B	N/A	N/A
Oct 22	Everi	Venuetize	B2B	$26	N/A
Oct 22	Aristocrat	Roxor Gaming	B2B	N/A	N/A
Oct 22	IG Acquisition Corp	PlayUp	B2C	$350	N/A
Oct 22	Kambi	Shape Games	B2B	€78.1	13.9
Sep 22	SharpLink Gaming	SportsHub	Affiliate	N/A	N/A
Aug 22	Entain	SuperSport	B2C	€920	9.6
Jul 22	Endeavor	OpenBet	B2B	$800	13.3
Jun 22	Susquehanna International Group	PointsBet	B2C	$509.4	N/A
Jun 22	Entain	Betcity	B2C	€450	N/A
Jun 22	Oaktree Capital	Interblock	B2B	N/A	N/A
May 22	Pegasus Enterpreneurial Acquisition Company	FL Entertainment (Betclic Everest and Banijay Group)	B2C	€7,200	11.8
May 22	MGM Resorts	Leo Vegas	B2C	€576.6	12.9
May 22	Light & Wonder	Playzido	B2B	N/A	N/A
Apr 22	Sazka Entertainment	Kaizen Gaming	B2C	€136.1	N/A
Apr 22	Better Collective	Futbin	Affiliate	€105	N/A
Mar 22	BOYD	Pala Interactive	B2B	$170	34
Mar 22	IGT	iSoftBet	B2B	€160	20
Mar 22	Entain	Totolotek S/A.	B2C	N/A	N/A
Feb 22	Entain	Avid Gaming	B2C	N/A	N/A
Jan 22	Emma Capital	Super Sport d.o.o.	B2C	N/A	N/A
Jan 22	Neogames	Aspire Global	B2B	€417.6	16.8
Jan 22	SharpLink Gaming	FourCubed LLC	Affiliate	$8.2	N/A
Jan 22	Fanatics	Topps Company (name and sports and entertainment division)	B2C	$500	N/A
Jan 22	Entain	Klondaika	B2C	N/A	N/A

Ficom Leisure
Advisory & Investments for the Gaming Industry

iGB EXECUTIVE

In partnership with

iGaming Business
Fulham Green, Bedford House
69-79 Fulham High Street
London, SW6 3JW
Tel: +44 (020) 7384 7700

igamingbusiness.com