

Houlihan  
Lokey



# European Online Gaming and Betting Market

August 2024

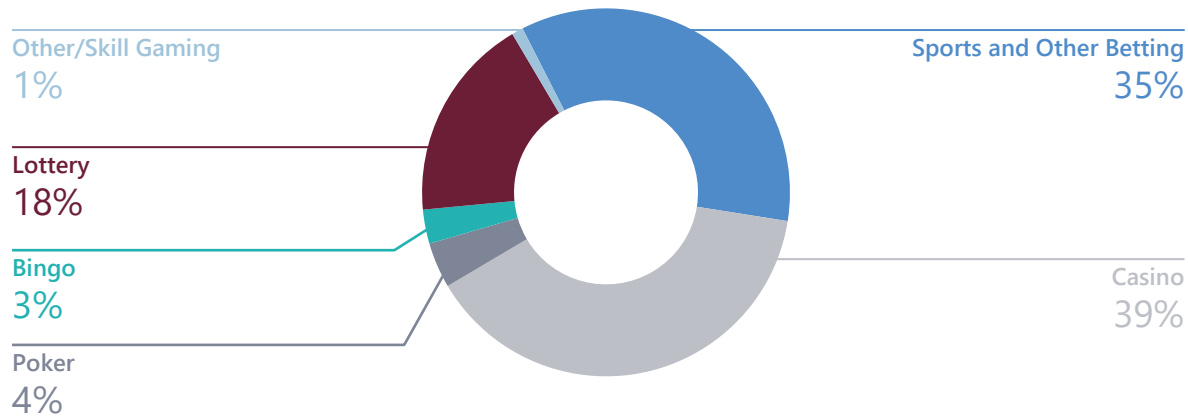
# European Market Overview

Revenue in the European online gaming and betting market is projected to reach €42.73 billion in 2024, growing thereafter at a 4.43% CAGR until 2029.

## Market Overview and Growth Drivers

- In 2023, the European online gaming and betting market reached €38.81 billion in revenue (c. 11% YoY growth). The U.K. is the biggest European revenue contributor, accounting for 30% of revenues, followed by Germany (12%) and France (9%).
- User penetration in Europe increased from 10.9% to 11.7% in 2023 YoY and is expected to reach 14.7% by 2029. The U.K. is the largest market in user penetration (32.4%), followed by Finland (20.6%), Denmark (15.5%), and Greece (14.2%).
- Online lottery is the highest growing segment, growing at a 5.34% CAGR (2024–2029), followed by sports betting (4.97% CAGR) and online casino (3.55% CAGR).
- Average revenue per user is projected to amount to €670 in 2024, mostly driven by online lottery (€1080), followed by online casino (€550) and online sports betting (€420).

## Gross Online Gaming and Betting Revenues, by Activity (2022)



Sources: European Gaming & Betting Association, PitchBook, LSEG (formerly Refinitiv), other publicly available information.

## Industry Trends

<b>Stricter Regulations</b>	<ul style="list-style-type: none"> <li>• European countries are tightening their regulatory framework to ensure responsible gaming, protect consumers, and prevent fraud.</li> </ul>
<b>Responsible Gambling</b>	<ul style="list-style-type: none"> <li>• Operators are adopting tools for self-exclusion, such as deposit limits, to help users manage their gambling habits.</li> </ul>
<b>Mobile Betting</b>	<ul style="list-style-type: none"> <li>• Consumers are shifting towards mobile betting, with an increasing preference for mobile betting apps and mobile-optimised websites.</li> </ul>
<b>Blockchain Technology</b>	<ul style="list-style-type: none"> <li>• Increasing adoption of blockchain technology to guarantee transparent and secure transactions.</li> <li>• Cryptocurrencies rising as a payment method.</li> <li>• Increasing popularity of play-to-earn (P2E) games where players can earn cryptocurrencies and non-fungible tokens (NFTs).</li> </ul>
<b>Sports Betting</b>	<ul style="list-style-type: none"> <li>• E-sports betting is growing rapidly, driven by the increasing popularity of competitive gaming amongst younger audiences.</li> </ul>
<b>Skill Gaming</b>	<ul style="list-style-type: none"> <li>• Rise of new interactive skill-based betting games, such as fantasy sports, where users build virtual sports teams and cash out prizes based on the chosen players' real-life performance.</li> </ul>

## Industry-Focused Investors



# Recent Development and Partnerships

Recent partnerships in Europe are mostly focused on market and portfolio expansion, with some also being driven by product enhancement and audience growth.

Date	Companies	Purpose	Description
7 Jun 2024	 	Market/Portfolio Expansion	<ul style="list-style-type: none"> <li>Wazdan, a developer known for its focus on player-centric gaming experiences, strengthened its foothold in the Romanian market through a strategic partnership with winmasters.</li> <li>winmasters will integrate many of Wazdan's titles into its gaming portfolio.</li> </ul>
5 Jun 2024	 	Market/Portfolio Expansion	<ul style="list-style-type: none"> <li>Booming Games, a slot provider, entered in a partnership with SportBet.it to expand its presence in the Italian market.</li> <li>SportBet.it has now integrated Booming Games' premium gaming content.</li> </ul>
29 May 2024	 	Market Entrance	<ul style="list-style-type: none"> <li>BGaming entered the Slovak market through a content agreement partnership with the state lottery operator, TIPOS.</li> <li>Through this agreement, BGaming has integrated several licensed games into TIPOS' online casino platform.</li> </ul>
28 May 2024	 	Market Entrance	<ul style="list-style-type: none"> <li>Stakelogic Live, a provider of live casino content, has formed a new partnership with Grand Casino Baden, a reputable Swiss casino operator.</li> <li>Under the partnership, Stakelogic will integrate its portfolio of live casino games with Grand Casino Baden's online platform, thus entering the Swiss market.</li> </ul>
21 May 2024	 	Market/Portfolio Expansion	<ul style="list-style-type: none"> <li>B2B gaming supplier Push Gaming expanded its presence in Germany through a partnership with Jokerstar.de, which now offers 20 slot titles from Push Gaming's portfolio.</li> <li>This partnership is the latest in a series of deals for Push Gaming, reflecting its ambitions to grow in Europe.</li> </ul>
14 May 2024	 	Product Enhancement	<ul style="list-style-type: none"> <li>TotalBet entered a partnership with Fast Track, a provider of customer engagement and CRM solutions for iGaming operators.</li> <li>The goal is to improve TotalBet's player engagement and gaming experiences.</li> </ul>
29 Apr 2024	 	Audience Growth	<ul style="list-style-type: none"> <li>BNXT League, the professional basketball league in the Benelux region, and PepperMill Casino entered a collaboration for the 2024–2025 BNXT Belgian Playoffs.</li> <li>The partnership aims to maximise audience growth before restrictions on gambling advertising are implemented in Belgium on 1 January 2025.</li> </ul>
25 Mar 2024	 	Market/Portfolio Expansion	<ul style="list-style-type: none"> <li>bet-at-home, a German betting platform known for its comprehensive sportsbook, entered a partnership with Swintt, a software studio known for its diverse portfolio of slots.</li> <li>Through this partnership, bet-at-home will be able to continue to diversify its slot offering, an effort that the company started over the past year with the goal of capturing a broader audience.</li> </ul>
13 Mar 2024	 	Product Enhancement	<ul style="list-style-type: none"> <li>Superbet has entered into a partnership with GamePLAI, a specialist in automated trading products for the sports betting industry.</li> <li>GamePLAI will enhance Superbet's offerings with detailed analytics and predictive modelling, which will also introduce an expanded player-props portfolio in time for the upcoming Euro 2024. These additions are expected to largely impact Superbet's annual revenue and customer acquisition.</li> </ul>

Source: Publicly available information.

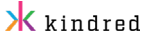




















# Selected Recent European Funding Rounds

Announced	Target	Target Description	Transaction Type	Amount Raised (€M)	Post-Money Valuation (€M)	Deal Size/ Revenue	EV/ Revenue	EV/ EBITDA
19 Apr 2024	 DeGaming	• Developer of a decentralised casino platform.	Early-Stage VC	€3.8	NA	NA	NA	NA
19 Mar 2024	 ZKosino	• Developer of a decentralised gambling platform that eliminates the need for KYC procedures, user sign-ups, and traditional deposits or withdrawals.	Series A	€24.1	€322.3	NA	NA	NA
1 Mar 2024	 STRIVE GAMING	• U.K. developer of an iGaming platform designed to provide automation for U.S. gaming operators. The company offers a fully configurable platform that supports multiple verticals and gaming products.	Early-Stage VC	€6.9	€51.9	NA	NA	NA
9 Feb 2024	 pawaTech	• Developer of sports betting and gaming products.	Later-Stage VC	€7.7	€125.5	NA	NA	NA
1 Jan 2024	 BETFORMETRICS Next Generation Sports Trading Analytics	• Trading analysis platform that provides analytics-as-a-service to the sports betting industry.	Series A	€4.4	€13.5	NA	NA	NA
12 Dec 2023	 HONORE GAMING	• B2B iGaming platform designed to provide online and retail gambling operators with a comprehensive suite of services to manage their businesses.	Angel	€32.6	NA	1.00x	NA	NA
10 Oct 2023	 raffolux Online Raffle Platform	• Operator of an online raffling platform intended to provide prizes by winning online competitions hosted by the business.	Later-Stage VC	€2.7	€13.8	NA	NA	NA
31 Aug 2023	 Midnite	• Developer of an e-sports-based betting platform designed to let users bet on football matches and players.	Series B	€6.2	€12.6	NA	NA	NA
28 Jul 2023		• Blockchain-based B2B casino platform focusing on user deposit control.	Seed	€5.5	€55.2	0.02x	0.20x	3.45x
12 May 2023	 BETMATE	• Developer of a social betting platform designed for users to place bets against one another on various games.	Early-Stage VC	€1.5	€7.9	NA	NA	NA
19 Apr 2023		• Compliance-as-a-service platform designed to provide insights into users' bank accounts related to money spent on gambling.	Early-Stage VC	€0.6	€8.1	NA	NA	NA
2 Nov 2022	 LEBOM	• Developer of a football predictor game designed to let friends compete against each other for a pot of money.	Crowdfunding	€0.6	€7.7	NA	NA	NA
30 Sep 2022	 LiveScore GROUP	• Developer of a real-time sports scores platform intended to serve sports and gaming industries. The company offers air live streams and sportsbook betting opportunities with high reward returns.	Seed Round	€67.2	€786.1	NA	NA	NA
30 Jun 2022	 royaltiz	• Developer of a betting platform intended to offer a gambling experience through a digital platform.	Early-Stage VC	€7.0	€31.4	1.59x	7.12x	NA
28 Mar 2022	 Iaguinda	• Developer of a lottery gaming application intended to insure the taxes resulting from the prize, allowing the winner to receive the full amount of their lottery ticket.	Early-Stage VC	€3.3	€17.7	NA	NA	NA
19 Jan 2022	 LOWR	• Developer of sports betting and gamification platforms intended to deliver fully customisable, innovative games for brands to acquire and connect with their fans.	Later-Stage VC	€9.5	€24.9	9.47x	24.86x	NMF

Sources: PitchBook, other publicly available information.

# Relevant Recent M&A Transactions

## B2C M&A Transactions

Announced	Target	Acquirer	Target Description	Enterprise Value (€M)	EV/Revenue	EV/EBITDA	
22 Jan 2024	 kindred		• Kindred Group Plc operates an online gambling business in Europe, North America, and Australia. The company offers sports betting (including horse racing, casino and games, and poker and other gambling products), such as bingo, through various brands. It also supplies online gambling products to gambling operators.	€2,474.1	1.75x	10.36x	
2 Nov 2023		LOTTOmatica	• SKS365 Malta Ltd. provides book-making and online sports betting services.	€639.0	2.13x	8.64x	
27 Sep 2023	Max Bet d.o.o. Novi Sad		• Max Bet d.o.o. Novi Sad operates as an omnichannel gaming and betting company that provides gaming and betting services in Southeast Europe.	€258.8	1.78x	8.09x	
15 Jun 2023		betsson	• Sagevas Ltd. operates in the locally regulated internet gaming market, offering sports betting and dice games.	€120.0 <sup>(1)</sup>	2.34x	12.00x	
13 Jun 2023			• STS Holding S.A. operates as a sports betting company in Poland and Europe. The company offers sportsbooks, virtual sports, online casino, live dealer games, and a range of e-sports betting.	€823.1	ND	ND	
22 May 2023			• Paf-Consulting Abp acquired the Latvian business of 888.com, a developer of online gaming software focused on delivering digital gambling products to players globally.	€32.5 <sup>(2)</sup>	3.11x	11.32x	
5 Apr 2023			• 365Scores Ltd. develops and operates as online sports update platform.	€146.1 <sup>(3)</sup>	NA	NA	
17 Nov 2022			• ZEturf Ltd. operates an online betting website on horse racing. It provides access to parimutuel service on French and international horse races to its members.	€175.0	c. 3.50x	NA	
16 Nov 2022		LOTTOmatica	• BetFlag S.p.A. provides online entertainment and gaming services.	€360.0 <sup>(4)</sup>	NA	10.00x	
11 Aug 2022			• SuperSport owns and operates an online gaming and betting portal.	€920.0	NA	9.60x	
14 Jun 2022			• BetEnt B.V. operates as an online sports betting and gaming operator under the name BetCity.	€850.0 <sup>(5)</sup>	NA	NA	
2 May 2022			• LeoVegas AB operates as a mobile gaming company in the Nordic countries, rest of Europe, and internationally.	€585.2	1.49x	12.19x	
7 Feb 2022	AVID GAMING		• Avid International Ltd. develops and provides an online betting platform, gaming products, and services for gambling companies.	€207.1	3.95x	16.67x	
				<b>Median</b>	<b>€360.0</b>	<b>2.34x</b>	<b>10.8x</b>
				<b>Mean</b>	<b>€584.0</b>	<b>3.94x</b>	<b>11.8x</b>

Sources: S&P Capital IQ, PitchBook, LSEG (formerly Refinitiv), other publicly available information.

Notes: Enterprise values were converted to EUR, using FX rate as of the announcement date. ND refers to non-disclosable values. Values can impact the median/mean.

(1) Includes earn-out of €3.0 million.

(2) Includes earn-out of €4.3 million.

(3) Includes earn-out of €9.1 million.

(4) Includes earn-out of €10.0 million

(5) Includes earn-out of €550.0 million.

# Relevant Recent M&A Transactions (cont.)

## B2B M&A Transactions

Announced	Target	Acquirer	Target Description	Enterprise Value (€M)	EV/Revenue	EV/EBITDA	
9 May 2024	 (1)		• PlayAGS, Inc., designs and supplies gaming products and services for the gaming industry in the U.S. and internationally.	€983.5	2.87x	6.36x	
5 May 2023	Wargraphs S.A.S.		• Wargraphs S.A.S. operates as a gaming services provider and in-game application developer that provides players with statistics and data for games.	€50.0 <sup>(2)</sup>	4.07x	5.95x	
17 Jul 2023	 ANGSTROM		• ASF Ltd. develops a sports forecasting and data analytics platform designed to facilitate sports pricing.	€236.4 <sup>(3)</sup>	NA	NA	
14 May 2023			• NeoGames S.A. develops and distributes iLottery solutions worldwide, allowing lottery operators to distribute lottery products via online sales channels.	€1,119.1	6.02x	18.36x	
19 Dec 2022			• Exacta Systems, LLC, provides horse racing pari-mutuel gaming systems.	€235.7	NA	NA	
8 Sep 2022			• Shape Games A/S operates a digital B2B platform and provides services to the iGaming industry.	€78.1 <sup>(4)</sup>	10.28x	27.89x	
22 Jun 2022			• Developer of an online gaming software. The company's platform offers a variety of casino games for mobile, tablet, and desktop devices.	€340.0 <sup>(5)</sup>	ND	ND	
11 Apr 2022			• ISBT Holdings Ltd. provides casino software and games development services.	€166.0 <sup>(6)</sup>	5.53x	20.75x	
28 Mar 2022	 (1)		• Pala Interactive LLC develops and operates an online gaming platform for real money and social gaming.	€154.9	NA	34.00x	
3 Mar 2022		Alphachoice Services Ltd.	• Intralot Integrated Lottery Systems and Services S.A. supplies integrated gaming and transaction processing systems, game content, sports betting management, and interactive gaming services to state-licensed gaming organisations in Greece and internationally.	€576.7	1.39x	5.22x	
17 Jan 2022			• Aspire Global plc provides iGaming solutions to operators in the Nordic countries, the U.K., Ireland, rest of Europe, and internationally.	€362.0	2.30x	11.91x	
				<b>Median</b>	<b>€236.4</b>	<b>4.80x</b>	<b>13.70x</b>
				<b>Mean</b>	<b>€391.1</b>	<b>5.36x</b>	<b>16.02x</b>

Sources: S&P Capital IQ, PitchBook, LSEG (formerly Refinitiv), other publicly available information.

Note: Enterprise values were converted to EUR, using FX rate as of the announcement date. ND refers to non-disclosable values. Values can impact the median/mean.

(1) PlayAGS, Inc., and Pala Interactive LLC are headquartered in the U.S. but operate globally, with significant business in Europe.

(2) Includes earn-out of €25.0 million.

(3) Includes earn-out of €142.1 million.











































(4) Includes earn-out of €39.6 million.

(5) Includes earn-out of €140.0 million.

















































(6) Includes earn-out of €166.0 million.

# European Competitor Landscape

## B2B Service Providers

Software Providers	              
Game Designers	        
Sports Betting Analytics and Forecasting	     
Marketing	    
Compliance, Security, and Payments	      

## B2C Online Betting Platforms

Platform Operators	                  
Peer-to-Peer Betting	     
E-Sports-Betting-Focused	    
Blockchain-Based Platforms and Operators	        
Skill-Based Games	         

Sources: S&P Capital IQ, PitchBook, LSEG (formerly Refinitiv), other publicly available information.

# Leading Independent, Global Advisory Firm

## Corporate Finance

2023 M&A Advisory Rankings  
All Global Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>352</b>
2	Rothschild & Co	349
3	Goldman Sachs & Co	300
3	JP Morgan	300
5	Morgan Stanley	253

Source: LSEG (formerly Refinitiv).  
Excludes accounting firms and brokers.

**No. 1**  
Global M&A  
Advisor

**Leading**  
Capital Markets  
Advisor Raising  
Approx. \$25 Billion  
Over the Past  
Two Years

## Financial Restructuring

2023 Global Distressed Debt &  
Bankruptcy Restructuring Rankings

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>73</b>
2	PJT Partners Inc	64
3	Rothschild & Co	51
4	Lazard	37
5	Evercore Partners	27

Source: LSEG (formerly Refinitiv).

**No. 1**  
Global Restructuring  
Advisor

**\$3.5**  
Trillion of Aggregate  
Transaction Value  
Completed

## Financial and Valuation Advisory

1999–2023 Global M&A  
Fairness Advisory Rankings

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>1,247</b>
2	JP Morgan	1,035
3	Duff & Phelps, A Kroll Business	977
4	UBS	884
5	Morgan Stanley	716

Source: LSEG (formerly Refinitiv).  
Announced or completed transactions.

**No. 1**  
Global M&A  
Fairness Opinion  
Advisor Over the  
Past 25 Years

**2,000+**  
Annual Valuation  
Engagements

## Financial Sponsors Coverage

2023 Most Active Investment Banks to  
Private Equity – Globally

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>217</b>
2	Lincoln International	156
3	William Blair & Co	112
4	Lazard	96
5	Raymond James Financial	85

Source: PitchBook. Excludes accounting firms and brokers.

**No. 1**  
Global Private  
Equity M&A  
Advisor

**1,300+**  
Sponsors  
Covered  
Globally

## CONTACTS

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