

## Stride Update

Jumbo Interactive Limited (**Jumbo**) has today provided an update on the acquisition arrangements relating to Stride Management Corp (**Stride**), Jumbo’s Canadian subsidiary acquired in June 2022.

As part of the strategic rationale for acquiring Stride, a key priority for Jumbo is the expansion of the Stride business into the Canadian provinces of British Columbia and Ontario. As a first step to executing against this strategy, Jumbo is pleased to announce that Stride has been granted a Gaming Services Provider licence in British Columbia and an application to the Alcohol and Gaming Commission of Ontario has been submitted.

Jumbo CEO and Founder, Mike Veverka said *“With over three times the population of Alberta and Saskatchewan, Ontario and British Columbia represent a compelling growth opportunity for Stride to expand its client base.”*

Under the updated acquisition arrangements, Stride’s President, Dean Faithfull, will retire from his roles as a Director, President and as an employee of Stride, effective 31 December 2022. These amended acquisition arrangements will allow Jumbo to accelerate its expansion strategy for Stride from 1 January 2023, six months earlier than the originally planned date of 1 July 2023. In consideration for this early transition from Dean Faithfull to Jumbo management, the total maximum consideration for the Stride acquisition has been varied and the final earn-out payment restructured as follows:

CAD	Previous consideration	Revised consideration
Closing payment	\$7.7m (paid)	\$7.7m (paid)
First earn-out payment	\$1.65m (paid)	\$1.65m (paid)
Second earn-out payment <sup>1</sup>	\$1.65m (contingent)	\$0.65m (contingent)
One-off payment (treated as part of the acquisition price)	n/a	\$1.125m <sup>2</sup>
<b>Total maximum consideration</b>	<b>\$11.0m</b>	<b>\$11.125m</b>

Mike Veverka said *“I would like to thank Dean for his leadership and significant contribution to Stride over the last two decades. I am also very pleased to announce the appointment of Shane Simmons to replace Dean. Shane has been with Stride for 11 years and has managed the day-to-day operations of the business as Stride’s Chief Business Officer. He brings a deep understanding of the Canadian charity lottery market and will facilitate a smooth transition which has already been in progress for some time.”*

**- Ends -**

Authorised for release by the Board of Directors.

<sup>1</sup> Subject to achievement of the NPBT target for the 12-month period to 30 June 2023.

<sup>2</sup> \$0.625m to be paid within 5 business days of 1 January 2023 and \$0.5m to be paid within 5 business days of 1 April 2023.



# ASX announcement

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## About Jumbo Interactive

Jumbo is Australia's leading dedicated digital lottery company, making lotteries easier by offering its proprietary lottery software platform and lottery management expertise to the government and charity lottery sectors in Australia and globally, and by retailing lottery tickets in Australia and the South Pacific via [ozlotteries.com](http://ozlotteries.com).

Jumbo was founded in Brisbane in 1995, listed on the ASX in 1999, and has ~255 employees creating engaging and entertaining lottery experiences for its global player base.