

Kindred Group Press Release

Malta, 16 October 2017

Kindred Futures and Cockroach Labs Partner to Build a Next Generation Global Online Gaming Platform

Kindred Futures, the innovation arm of Kindred Group (previously Unibet Group), today announces a partnership with Cockroach Labs to develop a world leading database solution. This will allow Kindred to greatly improve the experience for its 20 million customers.

As Kindred Group continues to grow its active customer base around the world, the distance from each customer's device to the datacentres increases, resulting in potentially lower speeds, performance and reliability. By collaborating with Cockroach Labs to develop a state-of-the-art database solution, Kindred will be able to greatly improve the customer experience across all Kindred brands.

Kindred Futures will collaborate with CockroachDB to investigate specific challenges for Kindred, and drive the product development. As a rapidly expanding business operating in a regulated industry with strict data privacy and technical requirements, Kindred offers an ambitious use-case to help shape the development of CockroachDB. Outside of Google, there is no solution like this, and Cockroach's unique approach offers a great partnership opportunity for Kindred Futures.

Cockroach Labs are the company behind CockroachDB, the world's first open source distributed database built to replicate itself around the world and survive even datacentre outages. Founded in 2015 by three ex-Google employees, Cockroach Labs were inspired by the Google Spanner database platform, but sought to make this technology available for businesses around the world. Cockroach Labs recently released CockroachDB 1.1 and closed a \$27m Series B round of funding.

Marcus Smedman, CTO of Kindred Group, commented "CockroachDB is exactly the product and team we've been seeking as we look for better ways to serve our growing base of global customers. Countries are becoming more protective of their citizens' data, and we need a partner that can help us to better serve global users while remaining compliant with domestic regulations."

Spencer Kimball, CEO and Co-Founder of Cockroach Labs, commented "Working with Kindred has been instrumental in helping us refine our product market fit. The real genius in the partnership is its mutual benefit: Kindred helps us build a product better suited to its needs, and they remain at the forefront of technological innovation."

To find out more about Kindred Futures, visit <http://www.kindredgroup.com/kindred-futures/>

For more information

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About Kindred Group

Kindred Group is listed on Nasdaq Stockholm Large Cap, and is one of Europe's largest online gambling operators. Kindred Group is home to 13 brands, which serve over 20 million customers worldwide. Kindred Group is a member of the European Gaming and Betting Association (EGBA) and founding member of ESSA (sports betting integrity). Kindred Group is audited and certified by eCOGRA for compliance with the 2014 EU Recommendation on Consumer Protection and Responsible Gambling (2014/478/EU). Read more on www.kindredgroup.com.

About Kindred Futures

Kindred Futures is Kindred Group PLC's innovation arm which launched in 2016 to connect with startups and early stage businesses. Acting as a value-adding partner for startups, Kindred Futures aims form mutually beneficial partnerships to explore strategically interesting opportunities arising from technological developments or customer trends. Kindred Futures is committed to seeking out the most interesting companies and entrepreneurs to transform the future of gambling. For more information please visit www.kindredfutures.com

About Cockroach Labs

Cockroach Labs is the company behind CockroachDB, the SQL database for building global cloud services. With a mission to Make Data Easy, Cockroach Labs is led by a team of former Google engineers who have had front row seats to nearly two decades of database evolution. The company is headquartered in New York City and is backed by an outstanding group of investors including Benchmark, G/V, Index Ventures, Redpoint, and Sequoia. For more information, visit us at cockroachlabs.com.

Notes for Editor

We interviewed Spencer Kimball, CEO of Cockroach Labs, and Marcus Smedman, CTO of KindredGroup plc to add some context and background to the press release

Spencer, tell us about Cockroach?

Spencer Kimball - CockroachDB is the first open source NewSQL database. NewSQL combines the mission-critical guarantees and familiar API of traditional SQL databases with a cloud-native architecture that provides both elastic scale and high availability.

Cockroach Labs is building the world's first "**pangeaic** database". Pangea is a term coined to describe the ancient supercontinent and is from Greek, literally meaning "all-earth". With increasingly global customer bases, and the explosion of data privacy regulations, companies must build global data architectures which store data near each customer – an intractable problem with existing database solutions.

I started working with my two co-founders at Google in 2002, where we spent the next decade helping to build Google's distributed cloud storage systems. What Google needed in 2007 to accommodate scale and rapid application development and deployment, the world requires today. Google internally launched Spanner in 2012, just as we left to found a photo sharing startup. Outside of Google and unsatisfied with existing database products, we set out to build something new and better, that anyone

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could run. Of course it had to be open source, because we wouldn't use a closed source database product ourselves, and we wanted to bring the technology to as wide an audience as possible.

Marcus, how did you first meet Cockroach? What made them stand out?

Marcus Smedman - We first met Cockroach a couple of years ago. They immediately stood out because they were trying to solve a problem that we were increasingly facing but for which no suitable solution existed in the marketplace. They are pretty much unique in their approach and capabilities.

What does the Cockroach product/approach do for Kindred? What problem is it solving or capability is it delivering?

Marcus - As Kindred continues to grow rapidly, gaining customers from across the globe, we need to ensure that we can still deliver the optimum experience – wherever our customers are in the world. The further they were from our data centres the more lag they would experience – which is not only frustrating but a deal breaker if trying to bet on fast moving in-play betting markets. By working with Cockroach we expect to be able to operate multiple active data centres – all perfectly synchronised with each other. This will allow us to offer the fastest possible performance of our products and services.

How did the partnership come about?

Marcus - It developed slowly actually, we took the time to learn about Cockroach and their approach, and in parallel they learned about us and our particular challenges. As we both learnt more about each other it became apparent that there was the potential for considerable mutual benefit if we worked closely together, as partners. The strong foundation we built during that deliberately slow learning period is paying dividends through a really close fit – in terms of product direction and team dynamics.

Spencer - Kindred approached us with a use case so interesting that it has since shaped our product roadmap. Kindred is in the vanguard of companies undergoing rapid international expansion, who also care deeply about building products with strict guarantees around availability, latency, and data privacy. They were initially drawn to two key capabilities: survivability, allowing CockroachDB to tolerate even datacenter-scale outages, and geo-replication, allowing consistent reads and writes from geographically diverse locations. After working with them for a week in Stockholm, we collectively discovered that a proposed capability in CockroachDB to facilitate data sovereignty could help tackle challenges they faced around both latency and data privacy. This new capability is called "geo-partitioning", slated for our 1.2 release, and serves as the basis for building **global** data architectures.

Marcus, why were you looking for a partner or new tool / solution? What are your plans that current tech providers wouldn't be the right choice?

Marcus – Outside Google, there is no solution like this available anywhere. We had a well understood problem, and needed to find the right people to solve it with us. Cockroach have repeatedly shown themselves to be that ideal partner.

Why a partnership, rather than a standard operator/supplier relationship? What does this partnership entail? What do you expect to achieve with this partnership?

Marcus – This is no off the shelf product, or it wasn't when we started working together. Through close collaboration we hope to help shape or influence the development of the solution, a least a little bit anyway, although we are quick to acknowledge that they are bringing all the expertise! This close collaboration simply would not happen in a standard operator / supplier relationship, where we would have to simply fit into a predetermined product roadmap that was not designed around our needs. With Cockroach we have what feels like the opposite. Ultimately we would like to have a great solution to our particular challenge and at the same time, we would like to see Cockroach go on to great things, becoming a hugely successful international company. If our partnership can contribute to their success in any way, then we will be really happy..

Spencer, what benefits do you see in having Kindred as a partner, rather than 'just' a customer?

Spencer - Interactions with customers are typically uni-directional, whereas a partnership means that Cockroach Labs is able to benefit substantially from Kindred's business perspective. This has been particularly true with regard to product development. Kindred has taken a thoughtful approach to working with us; they spent time building a meaningful relationship, which has allowed us to refine our product market fit and even market segmentation strategy. The real genius in the structure is its mutual benefit: Kindred not only gets a product better suited to its needs, but by working with us and other fast-moving startups, it's able to stay at the forefront of technological innovation.

Working with a start up/early stage company. What specific benefits and/or challenges does that bring? How well does Kindred understand the particular pressures a start up faces, and how well do you think Cockroach understood your particular challenges as a much larger listed company

Marcus - The 2 companies are of course different in many ways, with very different technical, cultural and structural set ups. Part of being partners is understanding each other's ways of working, and any particular priorities and constraints there might be. I'm sure at times our internal processes - pretty much inevitable for a medium size company - have meant we have moved a little slower than Cockroach would have been able to, as a smaller more agile company but they understood that and were happy to move at our pace. Equally we had to understand they were working on a brand new product, learning as they went, growing fast. We are more used to working with established companies with well defined processes, but were happy to flex that approach to accommodate the startup journey they are working though.

And Spencer, how do you find working with a company like Kindred, clearly a quite different size/structure etc? What are the challenges? Did you feel that Kindred understood the pressures you as a start up would be under?

Spencer - Working with Kindred has been a pleasure – somewhat surprising, considering they're in Stockholm and we're in New York City. They move fast when we need them to, and take a hands off approach when we're in crunch mode. Even though

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they're a much larger company than we are, they've consistently made the right people available at each step of the way, from Marcus (the CTO), to their chief architects and DBAs. To overcome the significant timezone challenge, they sent an amazing team to work with us in New York City, and I've visited them twice in Stockholm. We look forward to continuing this close collaboration.

Next steps? How do you both see the partnership developing further, and how does this fit into the Cockroach company plans?

Marcus - CockroachDB is still in its early days with version 1.1 released. The future release plans are really exciting and are integral components of solving our global performance challenge. We hope to see this partnership continue to grow and strengthen, delivering ever increasing benefit to both parties.

Spencer – With increasingly global customer bases, and the explosion of data privacy regulations, companies must build global data architectures which store data near each customer – an intractable problem with existing database solutions. Because CockroachDB is a distributed database which can host nodes in diverse geographies, we are further developing it to handle the additional complexities of transparently domiciling data near each customer. Kindred has been an invaluable development partner in identifying and then specifying this product use case. We expect the process to continue, as we develop successively more advanced data sovereignty and compliance features.

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