

GVC Holdings plc

Q3 trading update

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Transcript



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Operator: Hello and welcome to this morning's GVC Holdings Quarter Three Update. I'm now delighted to hand over to Shay Segev, CEO of GVC, who will begin the presentation.

Shay Segev: Good morning, everyone, and thank you for dialling in today. I'm joined by our group CFO, Rob Wood, and our director of IR, David Lloyd-Seed. Hopefully, you've already seen our announcement this morning, so I will keep this short, and then we can move on to questions. We have delivered yet another excellent quarter right across the group, with total NGR up 14% in constant currency. This is our 19th quarter of double digit online growth in a row with a market share gains in all our major territories. So, quite an achievement.

With sport returning and shops reopening, a more normal trading balance is returning to our business. Let me start by talking about our performance in the US, then I will take you through the core business and we will finish with some words on responsible gambling. In the US, BetMGM goes from strength to strength. It is on track to become market leader as we open in more states and leverage our partnerships, affiliates, and leading technology. We are now live in eight states and expect to be in 11 by the end of this year.

Based on the current regulatory outlook for 2021, we anticipate being in at least 20 states by the end of next year. We went live with sport betting in Indiana and West Virginia earlier this year. We were one of the first operators to go live in Colorado. During this quarter, we added igaming in West Virginia, where we offer the widest range of own brand products at launch. It has only been a couple of months since the return of sports, and we are already achieving 15 to 20% market share in these markets.

In New Jersey, we have double our sport betting market share since the start of the year to just under 10% in August, and we lead the market with 22% in iGaming and 24% in retail sports. In aggregate, we estimate that in the eight states in which we operate, our overall share of sports and iGaming is around 17%.

We continue to see real momentum as customers respond to BetMGM investment in marketing, superior customer experience, broader range of products, and leading technology. The single app is being deployed this week and we've added new innovative features, such as Easy Parlay and Parlay Generator, which will help drive even greater customer acquisition and engagement. BetMGM has begun to integrate with MLife. MLife customers can now earn points with BetMGM, and we are seeing positive engagement with MLife top tier members. BetMGM has also built an integrated experience for Yahoo fantasy sports customers.

Shay Segev:

In Q3, we signed a number of new partnership deals, including becoming the first betting partner of the Tennessee Titans, as well as signing with the Denver Broncos, Detroit Red Wings, Detroit Lions, and Las Vegas Raiders. BetMGM is also the official betting partner of the PGA and NASCAR. Finally, BetMGM's new campaign is King of Sportsbooks, led by Jamie Foxx, really differentiates us, and will further strengthen the brand in the US.

All in all, BetMGM is performing even better than we expected, and is now on course to deliver net revenues this year between \$150 and \$160 million. With growing revenues and higher marketing investment, we anticipate our share of the losses this year to be approximately £60 million.

Onto our core business, online NGR was up 28% in constant currency in Q3, and our year to date NGR was up 23% in constant currency. Q3 was exceptional, as sport tournaments, particularly football caught up with their seasons, and the volumes of wagers was up 25% year on year. This will likely normalise in Q4 as the sporting schedule tends to normal.

Online gaming has continued to be strong with volumes still up around 20% versus pre-COVID levels. Across our retail estates, customers have clearly liked being back in our shops. We are seeing volumes within 10% of pre-COVID levels. At our interims, I talked about significant opportunity for growth in regulated markets where we do not currently have a presence. I'm delighted that we can announce today that we have agreed to acquire Bet.pt in Portugal.

Portugal is a recently regulated markets and Bet.pt was the one of the earliest entrants, obtaining its sports betting license in 2016 and a casino license in 2017. The sport and gaming market in Portugal is growing rapidly and is expected to more than double to €450 million by 2023. As one of the leaders in that market, Bet.pt delivered an EBITDA of €6 million on gross gaming revenues of €37 million in 2019.

We are paying an initial €50 million, with an additional €10 million being subject to certain conditions over the next two years. We see an opportunity to more than double this business within the next 24 months through cost and revenue synergies, including rolling out our wide range of games content, as well as leveraging of technology and digital marketing skills.

This acquisition enables us to become the leading player in yet another exciting market and is the sort of acquisition that GVC has a strong track record of executing well to deliver added value.

And so, with a continuous strong momentum across the group, we can confidently raise our expectation for EBITDA this year by £50 million so that we now expect EBITDA to be between £770 to £790 million.

Shay Segev: The growth and growth opportunity that I have summarised today are there because we have world-leading proprietary technology and data analytics. Our technology enables us to lead in term of product portfolio and customer experience. And crucially, it enables us to lead in player protection. It is my belief that a responsible business is a sustainable business. Protecting our customer is not only the right thing to do, it is the best way of guaranteeing long-term success for our customers, colleagues, and shareholders.

That is why we announced our proactive player protection during the lockdown, and that is why we continue to invest in and improve our products so that we can identify problem play before it escalates. We should not forget that, first and foremost, we are an entertainment business, providing products for customer entertainment. We want people to enjoy our products safely.

COVID remain with us, and so we remain cautious in our outlook, but as we have demonstrated, we are able to manage our business through these challenges. We have good momentum in our core business. We are delivering in the US, and also entering new markets. We have exciting future ahead, and I would like to share with you some of our plans on the 12th of November. I hope you'll be able to join us. With that, we can move over to questions.

Operator: Thank you, ladies and gentlemen. If you now wish to ask your question, can you please press star two on your telephone keypad? That's star two on your telephone keypad. There will be a brief pause while questions are being registered. We'll take our first question from Michael Mitchell of Davy. Michael, your line's open. Please, go ahead.

Michael Mitchell: Yes, good morning, gentlemen. Thanks for taking my questions, three, if I could. The first two on gaming, please. I wonder if, first of all, could you speak about some of the gaming trends you saw through the quarter? Are you seeing activity levels track the state of COVID restrictions in key markets, or has it been more steady state than that? Secondly and linked again on gaming, if you just give some more detail, if you could please, around the performance of your various broader gaming products, maybe casino, poker, bingo, et cetera?

And then thirdly, turning to the US, I wonder, could you talk a little bit about your experience in Colorado, almost five months since launch, how that compared to your experience in New Jersey, the influence being obviously that you were obviously earlier to enter the Colorado market than you were in New Jersey? Thank you.

Shay Segev: Good morning, Michael. Good morning, everybody. Pleased to report a good set of results. Rob, should you take the first two and I take the third?

Rob Wood: Yep, happy to. Good morning, Michael. Gaming trends, clearly there was a slow down versus Q2. As we were beneficiaries from lockdowns, we were mid-forties Q2, and into mid-twenties, Q3. That slow down is continuing. But I have to say, we're delighted with how much of the upside we've held on to so far. And I absolutely, as I said at the interims, expect us to be permanent beneficiaries and hold onto a material amount of that upside. And we're still running at 20% ahead of pre-COVID levels across all of gaming, and primarily actives driven. So, very pleased with that, but it is still slowing.

Looking at product details in particular, poker is below that average. That has continued to slow through the summer. On the bingo side, that's still really strong, and I spoke a little bit before about how a channel shift has been particularly prevalent in UK bingo. And that continues to be the case. Looking ahead to Q4, I'm not sure we necessarily post the growth number in gaming, starting with a two, but we'd be very confident of hitting double digits and maybe then mid to high teens on gaming.

Shay Segev: As for Colorado, let's remember that Colorado has been launched in the 1st of May. And then through the COVID period, there hasn't been a long period where sports have been available, I mean, probably two months. Overall, we are very pleased with our result in Colorado. It's in the range of what we've been discussing, 15% to 20%. We've seen it at least for July and August. And so we're actually getting the target that we put in terms of market share in Colorado. Good engagement with sport market. And our brands and our product well received there.

So we're quite pleased. Probably one of the first markets, we've been first to market, is Colorado. Which our intention is to continue to do it for any other new markets in the US. Like we did in West Virginia with gaming. And we're planning to do with the rest, Tennessee is an example. So, yeah, we are very pleased with the trends we've seen. Again, just remember it's been since May, and there have been no sport for some time. So very positive early numbers, and we are optimistic about Colorado.

Michael Mitchell: Super. Many thanks.

Operator: Thank you. Our next question is from Simon Davies of Deutsche Bank. Simon, your line is open, please go ahead.

Simon Davies: Morning. Firstly, just on the US, you're talking about a big ramp up in terms of the number of states you launch into next year. Can you talk a bit about the marketing spend that is going to go behind those state launches. And give any feel for likely joint venture losses in 2021? Secondly, very sensible looking at bolt on acquisition in Portugal, what's the pipeline looking in terms of potential M&A? And finally, with regulation coming in in Germany, what percentage of online revenues going forward are going to be from fully regulated markets?

Shay Segev: Morning, Simon. Rob, you want to take the US ramp up and Germany. And I will take the M&A.

Rob Wood: Sure. In the US, we're certainly spending more on marketing than was envisaged last time we updated, which was specifically early July. And that's fundamentally because sports have returned more quickly and more fully than we anticipated at the start of the summer. That's one of the main reasons why NGR is up as well. So sports coming back sooner. But actually outperformed versus expectations as well does mean that losses are higher in 2020 as a result. I suspect we'll spend somewhere in the region of \$150 million on marketing in 2020.

And in 2021, as you alluded to with the states ramping up, inevitably that marketing number will be higher. And you'd have to assume that the loss will be higher as well. And we'll give further details on that in due course.

On M&A pipeline, were you going to take that one, Shay, and also regulated mix?

Shay Segev: So on M&A, the deal we announced today with Portugal fits very well to our strategy. This is clearly the type of deals which GVC has a strong, proven track record. It also fits very well to our strategy to focus on regulated markets. I mean, Portugal is a lucrative market which still has growth in front of it. And with our technology, brands, marketing expertise we think we create further value.

In terms of pipeline, we mentioned in our interim results that we had quite exciting pipeline ahead of us this year. Through the pandemic, we had to park a lot of it. And I'm pleased we can announce Portugal today and we're looking into other bolt-ons. But this will be the type of deals we're looking at this point of time. And enter new markets and new audiences as well.

Rob Wood: In terms of regulated mix, we're at around 96% now across the whole business. Which obviously for a global operator, that must be one of the highest numbers out there. So 96% regulated and regulating revenues.

Simon Davies: Brilliant. Thank you very much.

Operator: Lovely. Thank you. Our next question is from the line of Gavin Kelleher at Goodbody. Gavin, your line is open, please go ahead.

Gavin Kelleher: Morning, Shay, morning, Rob. Just three from me please. Just on the US, the single app launch that you say is happening this week. Is that happening across all eight states? Is it pretty quickly happening across all eight states? And just on Yahoo, you noted that, DFS, has started to push players through that and an integration. Can you give any sort of, I know it's very early days, but any sort of insight on the success of that. And then I've two other questions on online and retail, but maybe start off with the US.

Shay Segev: Yeah. Okay. So let me take these two questions. US, yeah, we're rolling out this week. We're starting to roll out the single app. I would assume it will take the next probably two to three weeks to roll it out. And this will be all states. Nevada probably will be in November. Just because all the regulatory certification process take a bit longer, but pretty much from a tech perspective, everything is ready. Somewhere in November, you will have the BetMGM customers being able to download single app while they're visiting Nevada or New Jersey or Colorado or Indiana or West Virginia. And using the same app when they are in other states as well. So this is great progress. And again, showing the strength of our technology.

In terms of Yahoo, again, it's early stages as you mentioned, and again, I suspect that Yahoo is going to be a journey. I mean, the relationship and the motivation, both in terms of Verizon Group, who own Yahoo and BetMGM is very well. We work very closely with the Yahoo team. We expect to have even more integrated journeys, which I think I mentioned in the past, between Yahoo and BetMGM apps. I mean, something that we work together, which hopefully we'll share some information about it soon.

And we are quite optimistic about the potential of the cross sell from Yahoo, sports and DFS, et cetera. So I think this, again, it's a journey, it's progressing well. But I think it's too early to talk about numbers.

Gavin Kelleher: Okay. And just moving to online. On marketing in online, obviously revenue was well ahead of expectations in Q3, how has marketing panned out in online in the period in absolute terms. And then as a percentage of net revenue for H2? Can you give any sort of guidance on that?

Rob Wood: I would just say obviously we're only half way through the second half. We gave guidance at the interims. We expect to spend 22-23% in H2. Which is more than we would normally spend in the second half of the year. And that guidance remains really. And so I would stick with those kind of figures. EPS NGR has been ahead of expectations in Q3, for sure. So there was probably more pressure on the upside to that range. But I would stick there for now.

Gavin Kelleher: Perfect. Thanks Rob. And just finally on UK retail. Given you're within 10% of pre-COVID levels, just given the state of the UK high street, and how weak it is as at the moment. And all what we're seeing. And you notice SSBTs. Is there anything else on the retail performance that you can kind of point out that would show the reasons behind it being so resilient at the moment?

Rob Wood: Sure. Shall I take that, Shay? So, I mean, the first thing I'd point to, and I know I talked about it a little bit at the interims, is this concept of passing trade versus regulars. And we're absolutely sure that footfall on UK high streets is still some 20 plus percent off where it would have been pre-COVID. And therefore we are still suffering a little bit from lost passing trade. But in the main, our regulars are back. And in our sector, you make more of the contribution from your regulars than passing trade. And therefore we're better than the high street averages. And into minus 10.

The only other bit of flavour I could give. One, is that the last remaining material restrictions were Scottish machines. And that was lifted in August. And that has helped us. And people still have to wear masks and there are still some distancing requirements, but nothing that's materially impacting the UK retail estate any more.

And we did touch on SSBTs in the commentary, but they do remain strong. By the end of this year or early next we'll have 10,000 fresh cabinets into the estate. We continue to invest. And the strategic relevance of that business remains exactly as it was. So yes, strong performance from SSBTs, partly through density, but partly on a like-for-like basis as well.

Gavin Kelleher: That's perfect. Thanks a million, Rob. Thanks, Shay.

Operator: Thank you. Well, now a question from Stuart Gordon of Berenberg. Stuart, your line's open, please go ahead.

Stuart Gordon: Thank you. Morning guys. Just a couple from me. Firstly, if we start thinking about 2021, it's obviously it'll be very difficult to think about comparables using 2020, given the year that we're having. If we sort of take a step back and look at where you were in 2019. Are you still very confident in the trajectory of online, that it's going to drive a sort of double digit figure over the period 2019 to 2021?

And secondly, with the US, and obviously you're getting into states that open up much quicker now. Would you say that you're very confident that you will not see your market share fall below the 15% to 20% target range in the US as these new states open. Thanks.

Shay Segev: Thanks. Rob, you take the first one. I take the second one.

Rob Wood: Sure. Morning Stuart. So are we confident on 10% CAGR over 20 and 21? Yes, we've obviously posted years of double digit growth in the online environment. And we would continue to have expected to do that, even absent COVID. Now in the new world that we are, there are some opposing pressures. German tolerance policy, that'll take revenue back 3% or 4% next year. But on the plus side, online has been a beneficiary of the pandemic offset to any others. And therefore that's a nice counter balance. But we're still somewhat cautious on the outlook from a sort of macro perspective. Very aware that job retention schemes are still alive in many of our territories. To answer your question specifically, yes, I think we can still do double digits over the two years.

Shay Segev: And for the US, yeah, we are very comfortable with the target we put ourselves, 15% to 20%. We mentioned today, that aggregated on the current state we operate, we are now on 17%. And again, confident coming from the fact that, as we mentioned in the past, there was a lot of investment we made in our infrastructure, in the product, in the tech, in building the team, knowledge. And I think this is now all starting to pay back. You're starting to see our numbers getting better and better. And as we launch states like Colorado, West Virginia, Indiana, and more to come. And we're also gaining market share in New Jersey.

And let's remember that there is quite a lot of assets for us still to monetize, like the MLife program. Which we really believe that this can be a real strong, competitive advantage for us for the long term. Technology, again, we announced today about some innovative and single app that we're doing. And there is quite an exciting pipeline there.

So again, if you put everything to the mix and with GVC track record and knowledge, that MGM has, the tech, the MLife, our market access, et cetera, I think we are very comfortable to target the 15% to 20%.

Stuart Gordon: Okay, perfect. Thank you very much.

Operator: A question now from James Rowland-Clark of Barclays. James, your line is open, please go ahead.

James: Good morning everyone. Just a few questions please. Around your NGR growth in the third quarter, very impressive number and your call out Australia being over 60% of the quarter. Can you just give a little bit of colour on a few other regions, particularly in the UK, third quarter, particularly in sports and gaming. And whether you can give any slightly lower staking levels as a result of coming off the oddschecker platform.

James: And then on the US, you say you're leveraging Mlife customers more recently. Can you just talk about the behaviour of those customers when you cross sell them between sports and gaming. Perhaps even expected ARPU on those customers. And just one more on the US. Obviously growing very nicely in terms of market share in new states are going into. How would you split that between M Life customers, DFS customers, cross sold, and any other customers you've acquired not through those two channels? Thank you.

Shay Segev: Okay. Rob, you take the first one. I'll take the second one.

Rob Wood: Sure. So the question was around Q3 online NGR growth. Yes, Australia, stand out performer. Last few weeks in Australia have cooled off a little bit. So I wouldn't necessarily expect those kind of numbers going into Q4. Although obviously Australia is heading into its busiest period. October's always a massive month with the spring carnivals. And it's got two of the major sporting finals as well. So still confident in Australia's performance.

Other stand out performers. Italy, high thirties. Brazil, sixties. UK was in the twenties. So really, I guess, the main message is nowhere underperformed. It's fairly consistent trends across both sports and gaming, pretty much all around the world.

The call out on sports, and I've not really emphasised it yet, so I'll do it now. Is that we did have an unusual program over the summer from a year on year perspective. I know everybody gets that. But it is worth stressing it. Because if you look at September numbers, for example, pretty much every territory was, in terms of year on year growth was lower than July and August. So in other words, the exit rate for the quarter is lower. I think the only exception to that was Brazil. And that's really just because of the later starting of the football league there. So hopefully that gives you some more colour on the Q3 numbers.

Oh, you also asked about Oddschecker as well. Let me take that one. Sorry, Shay. The simple answer is no. No, we have not seen any impact from that. And hence, comfortable with the decision that the team in Gibraltar made.

Shay Segev: As for the MLife, I mean, we mentioned in the past, I mean, again, I mentioned it just earlier. I think it's one of the strong assets that BetMGM have access to, MLife. With 34 million customers registered on this program. With few millions of high value customers as well. Who are on the top tier. We are on a journey to access these customers. The journey that we're looking at is to make BetMGM fully integrated with MLife. So basically when a customer becomes an MLife customer, by definition is a BetMGM customer and vice versa. So it become one single program. This is a journey.

Shay Segev:

We see positive early signs. I will hope that later this year, we can share more KPIs about it. Which we tend to do. We don't want to do it too early. Because we want to be very correct and make sure that we're sharing information that we feel very comfortable and very confident about that.

I will just add as well in terms of M Life. Beside the fact that it's 34 million customers on this database. It's also an active database. Meaning every year more and more customers joining to the MLife program through the MGM resort. And again, it's something which is not only a competitive advantage now, but will continue to become a competitive advantage for the future as well. So it's quite important.

In terms of what we see now, I mean, the thing I can share, and I think we mentioned it before, is that we know that MLife customers who are playing on BetMGM has a higher value than other customers. So it's much more loyal, higher value customers. We have this similar experience also from UK business with the Coral and Ladbrokes shops. So this is something which is quite positive. Clearly their CPAs are much lower as well. Which making it quite appealing.

And in term of mix, you asked about the mix. Again, it's a bit too early to discuss mix. But I think we are seeing early positive signs. And I will hope we'll be able to show more details about it later this year.

James:

That's great. Thank you.

Operator:

Thank you. Now a question from Ed Young of Morgan Stanley. Ed, your line's open, please go ahead.

Ed Young:

Thank you. Most of mine have been asked. But two, if I could, please. First of all, can you just give a little more colour on the acquisition? You've mentioned it's a very fast growing market. But can you give anything else about the brand, the operations, the positioning that has in terms of what GVC can do with it, that attracted you to the asset? And how we should think about how that translates to other assets you might look at?

And then the second one. On the US side, I mean, very impressive market share numbers you've talked about there. If I look at the Indiana numbers, they look like they were a little bit below that 15% to 20% range. But they've been accelerating for months now. So to what extent does that reflect a continued market share growth there?

And to take the other side of the coin, I guess, it means that your market share in Colorado and West Virginia must be probably higher than that average. So is there anything to read into the dynamics of the market shares there. Thanks.

Shay Segev: Yeah. Okay. I will take both. In terms of the acquisition, Bet.pt, it's an operator in Portugal. It's relatively a small team. Built quite attractive small business. Team based in Lisbon in Portugal. It fits very well with our strategy: regulated market, digital, growing. We have potential, as I said, to more than double this business. I mean, I think we can even triple this business over the next two to three years. And this would be in the mix of using the GVC marketing assets as well as our technology, games content. And this fits very well, I mean, again, financially. And strategically. You take a business which makes six, maybe, on EBITDA. The overall consideration, as we mentioned, 60. If we make it around triple it, you make it from 10 times to three times pretty much. And this is pretty much our intention. We did this as well with other acquisitions.

It's also a very interesting market because the market itself is growing. So it also fits very well to our overall digital strategy of double digit growth. Regulated, so it tick all the boxes, make sense for us. And we're looking forward to do more of this. And the team itself, we feel that, culturally, would fit very well with us as well.

In term of US, Indiana, yes. I mean, you're right, I mean, we were very pleased with our market share both in Colorado and West Virginia. We have, yes, in Colorado, it's again, it's too early to talk about numbers because it's been only a few months since the market is launched in May. But we see more than 15% market share in Colorado. Which is very encouraging for us. And we see a good trend there as well.

Our brands and our products is well-received there. And we see further potential in West Virginia as well. We were one of the first one to launch in August in iGaming, West Virginia. And we have a superior product in iGaming, with more gaming content leveraging our proprietary games. And we see good engagement. And in West Virginia, in iGaming, we have even seen more than 30% market share on West Virginia gaming. Which fits very well to our gaming position with Bet MGM. And yeah, exciting. And we're looking forward to continue replicating success. And I'm sure that Indiana will come up as well.

Ed Young: Thanks very much.

Operator: Thank you. Our next question is from Nick Roope from Barings. Nick, your line is open. Please go ahead.

Nick Roope: Thanks guys. Apologies, my line cut-out right when you were talking about Germany. So apologies if you answered this. Could you, from your announcements a couple of weeks ago, could you just roughly quantify what the EBITDA impact in Germany was as a percentage of that business?

Shay Segev: Sure.

Rob Wood: Should I take that? I mean, just to be super clear, we don't measure EBITDA on a territory basis because of all the shared technology and operating costs. But if I think about it on a contribution basis, then the loss equates to around 30 to 35%.

Nick Roope: Thanks, that's clear. Thank you.

Operator: Thank you. Before we go to the next line, can I remind anybody still wishing to ask a question to please press star two on my telephone keypad. That's star two on your telephone keypad. We'll now take a question from the line of Richard Stuber of Numis. Richard, your line is open. Please go ahead.

Richard Stuber: Hi, morning. Just a sort of high level question. I was wondering what your views are in terms of the potential ramifications post US election? Whether you think that will lead to potentially more States opening up or a slowdown? And whether you think the iGaming markets going to be even bigger than it is at the moment? Thank you.

Shay Segev: To be honest I haven't given it much thought. But I think the US regulatory trend is moving to one direction I think it's clear. I mean, you see the pipeline for next year. Whether it has potential to accelerate even further? Yes, I think so. And yeah, it's very likely. But, other than that, I don't have any strong view of the election-wide impact, or not impact, accelerating there. But, in general, we see quite a lot of states moving to the right direction.

Richard Stuber: Okay. Thank you.

Operator: Your question now from Alberto Truccolo from Tikehau Capital. Please go ahead. Your line is open.

Alberto Truccolo: Thank you very much for the presentation. I have a follow-up question on the regulation in Germany. So, more than the restrictions that you mentioned in your latest update, do you think it's possible there will be further restrictions by 2021? Or this should be pretty much it?

Rob Wood: Good morning Alberto. Shall I take that? Yeah. So I would say on the gaming side, you'd like to think that it's potential upside from the numbers that we put out, rather than any further downside. I say that for two reasons. One, because there is discussion around, potentially, the ability to raise deposit limits based on certain criteria. And, secondly, as it stands we've had to turn off all casino table games. But the expectation is that when the new industry treaty comes in, that we'll be able to, in some States at least, partner with local operators. Or find ways to re-enter that market. So on the gaming side, you would think there's more upside than downside to come.

Rob Wood: On the sport side, of course, we're still in the middle of this process of issuing sports betting licenses. And whilst the tolerance policy did include some small restrictions on sports, it was nothing material. But there is the potential that, at some point, there are staking restrictions associated with sports. So on the sports side, I would say there's more downward pressure. But on the gaming side, I'd say more upward pressure.

Alberto Truccolo: Thank you.

Operators: Thank you. Our next question is from Monique Pollard of Citi. Monique, your line is open. Please go ahead.

Monique Pollard: Morning, everyone. Just three questions from me, if I could. First one was just, if you could give an update, if there is one, on your current thoughts on whether to return the furlough money to the government given retail trading seems to have been strong since everything reopened, and obviously post the acquisition announced in Portugal. Second, on the US obviously you get combined sports and gaming market shares, now at 17% in your states. Are you able to give a breakdown of that in terms of sports market share and gaming market share? And then, finally, Australia obviously really strong results there. But you also mentioned that you're taking share in that market. I'd just be interested if you could give a little bit of colour as who you're taking share from.

Shay Segev: Okay. Good morning there, Monique. So I take the first two and Rob, you take the third. Yeah. So in terms of furlough money, I mean, clearly the government presented the scheme which help us to preserve 14,000 retail employees in our group. And make sure they are fully paid during this period. It's something that clearly would start internally. And when we'll have time to update on that we will be updating. At this point of time we don't have anything else to say on furlough.

In terms of US market share. Yeah, I mean again, New Jersey numbers, I think, are public. I mean, we are now on 22% market share on iGaming in New Jersey. And almost 10% on sports on Colorado. Indiana is getting it's public as well. In terms of Colorado, it's between 15 to 20% market share. Again, depends how you look. I think again, August was a good, strong month for us. West Virginia we see good progress as well. I mean, iGaming, I mentioned it, iGaming is more than 30% market share for us in West Virginia. And their sport, again, is around 15% as well. So again, overall, we're very pleased with our progress in the US. Rob, you want to take Australia?

Rob Wood: Yes, sure thing. It's been interesting to see across H1, both ourselves and Flutter posted very similar levels of growth market leading for sure. Specifically, where is that out-performance versus the market coming from. The biggest under-performer, you'd say, is TAB. And therefore we do think we continue to take share from that business, that online business.

Rob Wood: Be interesting to see what happens in the second half of the year, following the collapse of the two Flutter brands. A little bit too early to say whether, or how to quantify the upside, that we might see from that. I think it was 8th of September that Bet Easy was stopped taking bets. So a bit too early. But perhaps that gives us an advantage in the second half of the year. But I think, yeah, TAB is, is definitely the under-performer relative to ourselves, and Flutter, through the first half of the year, certainly.

Monique Pollard: Understood. Thanks all.

Operator: And so that concludes Q&A on today's call. I'd like to hand the call back to Shay for any closing comments.

Shay Segev: Thank you everybody for joining this morning. And I hope to have you there as well on our call on 12th of November. Thank you.

ENDS.