Entain

Q2/H1 trading update

8th July 2021

Transcript

Jette Nygaard-Andersen:

Good morning everyone and thank you for dialling in today. I'm joined by our group CFO and Deputy CEO Rob Wood and our Group Director of IR David Lloyd-Seed.

You will have seen in our announcement this morning that we plan to provide an Investor update alongside our Interim Results on 12th of August. I've been in this role for almost 6 months now and I am very excited about the opportunities that lie ahead for us.

We are doing a lot of work internally on what the future looks like and how we'll get there, and I am looking forward to sharing more detail on the opportunities ahead, how our growth strategy will extend into that as well as some other operational updates on the 12th of August.

I'll share a little outline of our thinking this morning, but let's first dig into our trading announcement in a bit more detail, with time for Q&A at the end of the call.

Jette Nygaard-Andersen:

Rob will take you through our second quarter trading in detail, but I'm very pleased to say that our fantastic platform continues to deliver, with yet another quarter of double-digit online growth – we've now done that every quarter for 5 and a half years. Or put it another way we have delivered a compound annual growth rate over 3 years of 20%.

We've said many times before that we have a long runway for growth built into our existing business, with almost all of our NGR coming from markets where we are growing at over 10% per year.

In the United States, we continue to perform strongly with BetMGM firmly cementing its position as the number 2 operator across sports betting and iGaming with a 24% share in the markets in which we operate. In iGaming we are the clear market leader with 29% market share across the whole of the United States.

The strength of our diversified business model has again been demonstrated by the growth during this quarter as easing of lockdowns have been phased differently across our geographies and, with sports more active this year versus last year, we have seen some rebalancing of consumer spend between sports and gaming, as well as between retail and online. Overall, we are pleased with the underlying trends we are seeing.

This performance means that we can upgrade full year expectations such that we now expect EBITDA to be in the range of £850m - £900m, well ahead of current consensus.

I will now hand over to Rob to run through our trading performance and guidance expectations in more detail.

Rob Wood:

Thanks, Jette and good morning everyone.

As Jette mentioned, the business continues to perform strongly, with all our markets trading either in line with, or ahead of our expectations. Pleasingly the momentum that we talked about at our FY and Q1 results has continued for the remainder of the first half, helped in particularly by extended lockdowns around the world, but also reflecting the strength of our platform.

Rob Wood:

Let me start with BetMGM in the US, which continues to go from strength to strength. We are now established as the number 2 operator for Sports betting and iGaming across the US, and the positive momentum continues

Our strength in iGaming remains unrivalled and we're clear market leaders with a 29% market share over the last 3 months to May. Our overall market share including Sports has also grown again. We're now at 24% over the last 3 months in the markets where we operate.

Our market share has benefited slightly in the last couple of months from seasonality in the Sports calendar, so iGaming was a greater piece of the mix but nonetheless we're very pleased to see that our continued operational progress is being rewarded with market share gains.

Looking at Q2 trading, we clearly benefitted from record new customer recruits during March Madness and increased M-Life activations as Covid restrictions have eased, and we've also benefited from further product launches and enhancements.

And that all meant that Q2 NGR was actually ahead of Q1 despite seasonality and we expect NGR for the first half to be around $350M.

Rob Wood:

Turning to markets outside the US. In the second quarter, Online NGR was up 23% in constant currency giving us NGR growth across the first half of 27% in constant currency. If we strip out Germany, where as you know new regulations are re-shaping the market, our Q2 Online NGR was up a really pleasing 32% and across the first half it was up 38%.

The strong performance in growth in the quarter was clearly delivered by Sport given sporting events were limited this time last year but gaming was just as pleasing in absolute terms as both products retained very similar levels of NGR from Q1 into Q2 and both sides are more than 45% larger than Q2 in 2019. Which demonstrates very strong growth across both products.

That said, sports margin gave us a reasonable tailwind in the quarter, and we definitely benefited from extended lockdowns and I'll come back to that shortly.

Rob Wood:

Let me first spend a few minutes going through some of our larger and newer markets:

We saw excellent growth in Q2 in UK Sports brands and also many European markets, especially Italy where the omni-channel operators continued to outperform, and we saw extraordinary growth in Brazil. But, not surprisingly, our Gaming brands, so our casino, poker and bingo brands, they were negative in Q2 given the strong comparative from the prior year.

And as expected Australia moved into negative territory in Q2 as lockdowns had largely passed and government subsidies came to an end and of course we're mainly a Racing business over there and, unlike other Australian sports, Racing continued throughout Q2 last year.

In Germany, the impact from the new regulatory environment continues to be broadly in line with our original estimates but the mix continues to be different. With sports ahead, because some of the proposed restrictions are not yet fully implemented and gaming is behind because of the current lack of robust regulatory oversight is causing an uneven playing field.

Lastly Enlabs and Bet.pt joined the group at the start of the quarter and both have made a positive contribution to the Group performance, adding around 4ppts to NGR for the quarter.

Rob Wood:

A few words on Retail now and Retail has re-opened steadily through the quarter and now every shop in the estate is back open. Overall, we're pleased with the performance and our customers are clearly returning.

In the UK, where shops have been open the longest, we're already broadly at our target of getting back to 10% below pre-Covid levels. We're actually the right side of that 10% on gaming machines but probably still benefitting from some pent-up demand and we estimate that we're a little behind that 10% on Sports, but with an improving trend.

In Europe, it's too early to gauge where we are because shops have only been back open for a few weeks, and we really need to get past the Summer and back to the regular Football season to get a good feel for it but it's fair to say volumes so far are pretty consistent with expectations.

Rob Wood:

Lastly from me, a few words on guidance because I appreciate it's not easy to interpret trends at the moment.

So first you can see we've had a very good first half, particularly in Online, and our Q2 online NGR growth was significantly ahead of expectations for Q2 when I guided in March to "low-single digit" growth for the year.

But it's really clear that the number one driver of that outperformance in Q2 is those extended lockdowns around the world. For example, entirely as expected, the super trends that we were seeing in the UK stepped down significantly in the latter part of the quarter and as I mentioned earlier, Australia was negative across Q2

So, we therefore don't expect further outperformance in the second half of the year compared to our previous guidance, but banking the Q2 upside still leaves us with a new NGR growth target for the year of approximately 10%, including Enlabs and Bet.pt.

That Online NGR outperformance puts us on track to deliver EBITDA this year in the range of £850m - £900m. And that's around £50m more, at the midpoint, than consensus today.

There are some other ups and downs vs our March guidance, for example we've taken a hit from a slower than expected re-opening in Retail, but the ups and downs broadly net out and I'll take you through the detail at our interims in a few weeks

Rob Wood:

Just thinking ahead to 2022 now and because we operate in growth markets and because our platform is set up to deliver market leading growth, we're comfortable that current market assumptions for growth in 2022 can be based off this new higher revenue expectation for 2021, which should therefore drive EBITDA upgrades next year of approximately £50m.

So good news there and we remain excited and as confident as ever in Entain's longer term opportunities, which Jette will outline now ahead of a more in-depth session at the Investor event in August.

Back to you Jette

Jette Nygaard-Andersen:

Many thanks Rob.

As you can see, and as I said at the full year, Entain is good at growth. With three year CAGR of online NGR growth of 20% we've clearly proven our ability to grow ahead of the markets in which we operate.

But we also have plenty of runway for growth in our existing markets with 97% of our NGR growing at 10% or more and with internet penetration still low in most of our markets.

We are also good at M&A with a strong track record of value creation. We've demonstrated our ability to enter into partnerships to leverage new market opportunities and provide new opportunities for growth, such as in the United States with BetMGM. We have a business that is a leader, or building leadership positions, in all of our markets

We have a diversified product portfolio and a diversified geographic mix to our business. With our approach to sustainability and responsibility, particularly through our ARC programme and the fact that 99% of our NGR is in regulated or regulating markets, we provide shareholders with the highest quality revenue streams in our industry.

Our extensive database and data analytics capabilities enable us to understand and interact with customers in new ways that capture their engagement and provide them with little moments of excitement. In delivering on that we have created a strong business and technology platform that enables and powers our growth opportunities.

Jette Nygaard-Andersen:

As we look forward, we can see that this platform provides us with fantastic opportunities to deliver more excitement for our customers and to grow into new and larger markets.

In order to do that we are evolving the 'Entain in a box' product driven model and we are putting the customer at the centre of everything we do. And what we do know about the customers is that they are demanding more adjacent products and experiences from us. That ranges from content to social interaction, to other experiences such as events - both real and virtual.

We are also seeing new opportunities emerge as gaming, media and entertainment worlds converge. One of the most obvious examples of that is one we have discussed before - e-sports. As we grow into that convergence, the wider ecosystems around that, will open up many avenues of growth for us which will see us double or even triple the size of our business in the years ahead.

Jette Nygaard-Andersen:

So, on the 12th of August we'll set out in more detail what we mean by this, how we will evolve our strategy to get there, what we think the value opportunity is and how we can build a network for customer engagement.

We'll provide a deeper dive into our technology platform and how that powers Entain today and tomorrow. And we'll also report on our efficiency program, initiated late last year, and our investments in innovation.

A lot of exciting opportunities. I won't go into more detail on this in Q&A today, but I do look forward to sharing more with you on the 12th.

Jette Nygaard-Andersen:

With that I'd like to hand over the call for Q&A on our trading performance today.

Operator:

Thank you. Ladies and gentlemen, if you now wish to ask a question, can you please press star two on your telephone keypad, that's star two on your telephone keypad. To ask a question via your PC, please press the keypad button to access the virtual telephone keypad and then press star two. If at any point you wish to retract your question, then please press star three. There will now be a brief pause while questions are being registered.

Operator:

Our first question today is from the line of Ed Young at Morgan Stanley. Ed, your line's open, so please go ahead.

Ed Young:

Thank you. Thank you for taking my questions.

First of all, on geographic colour, if possible, you said there was some good growth across some regions, and I wonder if you could perhaps quantify a couple just to give a flavour of what it looked like across some of the UK and European markets.

Second of all, on the UK, you made a comment about a rebalancing of product and spend through both product and channel. And you said there was a slowdown in line with your expectation around the leaving of lockdowns. One of your peers made a comment about a very large sequential slowdown after lockdowns finished in the UK. Is that a number you recognise, or can you help guide us in terms of how that's changed for you?

And then the third, on the in-house studio investment, how much extra CapEx or OpEx is that? And perhaps you could talk a little bit more broadly around the direction you're going in with your content strategy. Thanks.

Jette Nygaard-Andersen:

Thanks, Ed, and good morning. All good questions.

So why don't I start off with talking a little bit about what we are doing in terms of exclusive content, maybe put a comment on our geographies and then hand over to Rob then for more colour on that and retail.

So, to your last questions around our increased investment into exclusive content and our game studios. You're absolutely right; so, for us, this is really an opportunity to bring more exciting and exclusive content to our customers. We already today have three studios where we are producing content, but what we can see when we roll them out is that there are really a lot of uptake from the customers in the US. We see that Bet MGM customers, 70% of them actually play our exclusive content.

So, what we've said is we're doubling our head count. So, this is not about a lot of CapEx investment going into the business, it's really to get higher throughput. And so that's how you should look at that. And we'll give more detail into what our next steps are in this area when we speak on August 12th.

In terms of geography, I mean, we are extremely pleased, and as we said in the beginning, all major markets are actually growing double digits, excluding Germany, of course. So, we're seeing very, very high growth coming from markets like Brazil, but also UK of course, Italy has been very strong, Crystalbet has shown very strong performance. So, it's really across the board. Also, our two new markets, so Enlabs and Bet.pt has grown more than we expected. So very, very positive from first half.

Rob, can I hand over to you on the retail and the product mix?

Rob Wood:

Yeah, absolutely. And perhaps I'll just add that Belgium in response to the sponsorship of the Jupiler League has been fantastic, more than doubled there. Enlabs was a record Q2 for us. Also really happy with the UK gaming brands numbers in Q2. You might've expected year on year decline with the boost to bingo brands in Q2 of last year, but actually they were up single digits positive, which was great. And so, all brands really, just Australia was negative in Q2, still double digit positive across H1, but Australia negative in Q2, but all as expected.

And really, that's the same theme with your question on the UK, Ed, as expected.

So, I mentioned it in my opening remarks, we did see a stepdown post 17th of May on UK sports stakes, and also a little bit in bingo, but not gaming, so and not casino, not slots. So, we did see a step down though, not to the extent of the competitor number that you referenced, but really in line with expectation. And part of it, of course, was just because that coincided with the end of the regular football season. So, we expected to step down partly because of natural seasonality, also warmer weather, but more importantly, the step-down that we did see as a result of retail reopening was as we expected too. So, no surprises for us.

Ed Young:

Great. Thanks very much.

Operator:

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

Simon Davies:

Yeah, morning. Three from me, please.

Firstly, just on M&A who you said earlier on this week that you had a healthy pipeline of M&A opportunities. Can you flesh out that a little under the bolt-on deals, broaden out your geographic spread or taking you into new product areas?

Secondly, in terms of gross win margin; it keeps getting better, how much of that is permanent, do you think? i.e. down to more favourable mix and improvement in trading capabilities, and what do you think a normal gross win margin now looks like?

And finally, can you comment a bit on the Euros. It feels like it's panning out particularly well for the bookies in terms of semi-final draws etc. Has that played out as you expected, and what kind of benefits should we reap in the current year?

Jette Nygaard-Andersen:

Sure. And good morning, Simon.

So, I'll take the first one, and Robert, you can take win margins. And actually, I think I'll also hand over questions on the Euro to Rob, being a Dane. So, I'm still recovering from last night.

But to your question on M&A, so I think we already talked about some of the regions that we are interested in expanding into. And we are looking, as we talked about before, to LATAM, we're also interested in Central Eastern Europe. We also are looking at where to invest into businesses that can drive new content verticals for us. So that's something we'll talk about on the 12th of August. And finally, we are looking at investing into technologies that can further accelerate some of the growth that we both have in existing markets, but also potential new growth.

So, it's absolutely true that we have a very healthy pipeline, but when it comes to geographies, which I think you alluded to, much of the focus is around LATAM at the moment, Central Eastern Europe. But listen, we are always opportunistic. So, we look at all opportunities that come across our table.

Rob, win margins, and then not too much on the Euros, but if you will.

Rob Wood:

I'll do a little bit on the win margin and a lot on the Euros.

Yes, we've had a strong margin in the first half of the year. It's come out around 13%. Whereas if you look pre COVID, so across all of 2019, it was just over 11%. So that's a material step up. Now, of that move from 11 to 13, we continue to think that the majority of that move is two things.

One, it's the change in customer mix that we've seen during COVID. So, this concept of increased retail type betting in the online platforms. And then secondly, favourable results, we have been on a good run.

Rob Wood:

That said, though, there have been some structural improvements versus 2019. So, on an underlying basis, I'd be expecting nearer 12 than 11 going forwards.

What are those structural improvements? Things like we're ever more increasingly recreational. So, some of the unwanted customers are no longer with us, and all our marketing is really focused on the mass market. And that plays through to margin advantage.

We are consistently trying to develop new and innovative and exciting forms of multiples betting, so things like five a side in Ladbrokes or build a bet, get a prize, same race Multi, all these kinds of things are driving higher margins.

We continually invest in trader tools and trading enhancements. And I know, for instance, in Australia and Italy they're deploying new capabilities at the moment, and that all contributes. And there have been some structural changes in pricing with UK racing being the obvious example. So, all in all, I would say we were around 11, perhaps structurally we're nearer 12, but is 13 the new norm? Definitely not. That would be my view on that.

Rob Wood:

And then onto the Euros. So, it's been a good tournament for us, not just England's progression, we're on track to take more bets, take more stakes, make more money than the last tournament, which is great. From a margin perspective, it didn't start off very well. We were certainly down versus the punters going into the England-Scotland game. That nil-nil sort of brought us back to level terms. And then we've definitely moved ahead with so many of the knockout games being level at 90 minutes, that that's been very helpful for us. And again, last night, it's strong margins on yesterday's numbers.

All in all, though, how material is it to the group's performance across a full year? Let's remember, tournaments typically add something like 2% of group NGR across a full year. So, it's very helpful, but it doesn't make or break a year. What's often more relevant is the customer acquisition period of the tournament and how valuable those customers prove to be across the second half of the year.

Rob Wood:

It's obviously too early to get a read on that, but nonetheless, we're certainly pleased with the way things are going, pleased to see such a good mix of bets being on Bet Builder type markets, five a side, request a bet, that sort of thing. That's been good to see. And now that we're a global business, we don't have the exposure to any one team winning, which is great. So obviously in the UK, for our UK sports brands, England winning the tournament is going to be pretty painful. But we have such a balanced book these days because if you look outside of the UK, England were the fifth or sixth most backed team. And clearly, therefore, we get that balancing effect across the group.

Hopefully that gives enough colour for you, Simon.

Simon Davies:

Yeah. Thanks a lot.

Operator:

Thank you. For our next question. We'll go to Michael Mitchell at Davy. Michael, your line is open. Please go ahead.

Michael, we can't hear you. I'm not sure if you're on mute.

While we try and resolve the issue with Michael's line, we'll take our next question from Kiranjot Grewal at the Bank of America. Your line's open. Please go ahead.

Kiranjot Grewal:

Hey. Morning, guys. Just two questions from me.

Online gaming was incredibly resilient, despite the tough comp, especially when I consider your comments that casinos were resilient even after reopening. What's driving this performance exactly? Is it a larger customer base that you've held on to, or are people spending more time and more money gaming?

And the second one is around that EBITDA upgrade this morning. That was really nice to see, but could you offer some more colour around the breakdown of that? Should we be booking that slowly through H1, or as you sort of commented on some of the revenues holding on into 2022, should we expect some of that upgrade to flow into H2 as well? Thank you.

Jette Nygaard-Andersen:

Thank you. Good questions. Rob, do you want to talk about the upgrade and the trading?

Rob Wood:

Sure. Yep.

So why don't I start with the performance during Q2. And to your first question, very much actives driven, again, is the answer. So, whether you look at sports or gaming in isolation or the aggregate, in each case, spend per head is down a little in Q2. So therefore, all of the growth is actives driven. So that's good to see. It's also good to see that, we had a real bumper Q4 you might remember, with most of the world being in lockdown, but if you look at NGL per day, I mentioned on our Q1 call that we really carried those numbers into Q1, which was fantastic. But again, benefiting from lockdown. We've now carried very similar numbers into Q2. So, so far, we've held on to that same bumper Q4 sort of absolute run rates. But of course, Q2 benefited from lockdowns in most territories for most of the quarter.

Rob Wood:

So, the question mark becomes what happens in Q3 and Q4. We haven't changed our expectation of Q3 and Q4.

Little data points like Australia dropping into negative territory in Q2, entirely as expected. And UK sports stakes run rate coming off, again, entirely as expected. So, we're maintaining our view for the second half of the year.

But what it does mean, therefore, to answer your question around where the EBITDA upgrade is coming from, it is primarily Q2 actual. So, it's banking the uplift that we've seen in Q2 online, and therefore playing into the full year guidance.

Rob Wood:

Your question around 2022 is a really interesting one because obviously we ask ourselves, well, what does this mean for 2022 and beyond?

The message that we'd like to leave you with is, when we look at growth expectations in the market for 2022, which is around 7%, we're comfortable that we can still deliver that sort of growth on top of an elevated 2021 base. So therefore, the same upgrades flowing into otter years as well. And why are we comfortable? Well, we're seeing market growth all around the world. So, 7% isn't daunting in the context of market growth, and clearly, at Entain we aim to beat the market in every single territory where we operate. And therefore, we can be confident of beating that sort of growth level, even on top of a higher 2021 baseline.

Rob Wood:

The only other thing I'd say in terms of flavour for Q2 numbers worth pointing out that our sort of marketing our customer KPIs, if you'd like also painting a good picture for us.

We had another strong quarter of FTDs. We actually had more FTDs in Q2 than we did in Q1, which was a pleasant surprise. So really good growth rates in FTDs. We're also seeing investment in marketing just kicking down as well, which is improving the economics. So, things like CPAs or bonus spend per head or marketing as a percent of NGR and they're all sort of just trending ever so slightly in the right direction. So, a healthy set of customer metrics on top of healthy NGR metrics in Q2 as well.

Kiranjot Grewal:

That’s perfect. Thank you very much.

Rob Wood:

Okay.

Operator:

Thank you. Before we take our next question, which will be from James Rowland-Clarke at Barclays, can I just remind anybody still wanting to ask a question to please press star two on their telephone keypad. That's star two on your telephone keypad.

We'll now take James Rowland-Clark. Your question, please go ahead.

James Rowland-Clarke:

Hi. Morning, everyone.

Just a couple, please. I wonder if you can provide an update on the progress of the live trials of ARC and what you think, at this point, I realise it's very early days, but what you think this might have in terms of an impact on the top line, depending on what you decide to implement.

And then secondly, on marketing, I wonder if you could just discuss a little bit your expectations about the marketing outlook. You've obviously just mentioned that it's been trending down slightly in terms of marketing spend, but the outlook for Q3 when football leagues return in Europe. And then turning to the US, how you think about marketing ahead of the NFL season, particularly given the medium size players who have all positioned themselves for launches ahead of that season. Thank you.

Jette Nygaard-Andersen:

Thank you. And good morning to you, James.

So just to clarify your marketing question, was that for our Entain international business or was it for Bet MGM?

James Rowland-Clarke:

It's both actually, please.

Jette Nygaard-Andersen:

Okay. So why don't I start with ARC, and I can talk a little bit about Bet MGM, and Rob, maybe you'll talk about the Entain side.

So on ARC, as you rightly said, listen, we are undertaking our preliminary trials now for one of our brands in the UK. And this is really for us to learn what works, what are the right questions and answers that we're getting, and how is the model looking like?

So we will evolve those trials over time, and when we are ready or when we feel comfortable, we'll roll them out to our other UK brands. And this will likely be later in the year. So, during Q3 and Q4. And then after that, we'll start thinking about international markets.

Jette Nygaard-Andersen:

Now, in terms of the implications from ARC on revenue and cost, at cost, we talked a little bit about that when we had our update in November. So, when it comes to CapEx and IT, it's not exceptional. In November last year, we talked about approximately 20 million impact from our sustainability charter. So that's really where we are with the overall cost at the moment.

When it comes to revenue, listen, it is simply too early to say, I mean, the whole idea is, of course, that hopefully ARC will be a way for us to progress to have longer and healthier relationship with customers, and then by the end of the day, more quality of earnings. So that's really what we are getting, you could say, input on now when we're doing all these trials.

But the long-term goal here is very clear. It is really about making sure that, you can say, we progress our CRM model with the customers and thereby also the quality of earnings and the relationships with them.

Jette Nygaard-Andersen:

When it comes to Bet MGM and marketing, well, listen, I mean, it's still a very competitive market here. So, we continue to invest, of course, in marketing and in bonuses as we acquire customers.

And when we spoke to investors in April with Bet MGM Capital Market Day, we have our target around a blended long term CPA around the $250, and we're still comfortable with that. And the team has the flexibility to target their marketing where it makes more sense. And they also have the discipline and are data driven around it.

But listen, the CPAs, they fluctuate. It depends on seasonality and activities. And therefore, also the overall marketing will depend on new states and how and when we launch a new state, what's the competitive position and so forth. So we are still, you could say, of course, investing both in marketing and bonusing, but our long term view on the blended CPA is still the $250.

Does that answer your question for US before I hand you over to Rob?

James Rowland-Clarke:

Yes, thank you.

Jette Nygaard-Andersen:

Good. Rob, do you want to talk about Entain and marketing?

Rob Wood:

Yeah, absolutely.

So, you're right, I just mentioned that it's ticking down that 1%, just because more because NGR is outperforming rather than any changing commitment to marketing spend in pound note terms.

So, when I look at where we are six months into the year, run rates, what we expect to spend in the second half of the year, we expect to spend across the group at a similar level to where we were previously in absolute terms. But when expressed as a percentage of NGR, it feels like it's going to be around a point lower than our previous guidance.

We guided previously in March to 21%, I suspect we're nearer 20%, but I'll reaffirm those numbers at our interims on August the 12th.

A note of caution; if you push that through your models, that 1% reduction, that's great. But remember, certainly compared to where a lot of people are in the market, in Q2 retail EBITDA is off expectations because of the delayed reopening in European retail.

And then also in the UK, even though we opened on 12th of April, the first five weeks were really subdued with the extensive COVID restrictions. So, it was only really once we got past 17th of May that retail numbers started improving.

So, what that means is that there's probably £30 or 40 million of negative one-time EBITDA impact on retail in Q2 that really sort of offsets the potential marketing upside if we do spend at a rate of around 20% across the full year. So therefore, those wash each other out, and the big move for the EBITDA guidance for the year is that online NGR out-performance in Q2 that we spoke about earlier.

James Rowland-Clarke:

Thank you.

Operator:

Lovely. So, ladies and gentlemen, I think that concludes questions on today's call.

I would now like to pass the call back to Jette for any closing comments. Please go ahead.

Jette Nygaard-Andersen:

Thank you. And thank you all for dialing in and listening in today.

As you've heard, Entain continues to go from strength to strength. There is excellent momentum in both our core business and in the United States through Bet MGM.

Pillars of growth from new markets also continue to progress, and we have an exciting future ahead, which you'll hear more about on the 12th of August.

If you have any other questions, do get in touch with David and the IR team, and then I'll just wish you all a nice summer, and thank you, and goodbye.