

February 11, 2022

## **Kambi Group**

Q4 2021



## Prepared Remarks

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Good morning, everyone. My name is Mia Nordlander. I'm Senior Vice President, Investor Relations. And today, I'm here with our CEO, Christian Neillen and our CEO for David Kenyon and they will present our Q4 2021 result. After the presentation, you will be able to either call in your questions through the telephone conference or write your question in the web chat here.

But first, start over to you, Christian.

Thank you, Mia. So, yeah, please get the agenda. So, yeah, we will go through first the highlights as usual. And then I will hand over to David for a short while to go through the financial highlights and then I will come back and talk a little bit more about Canbit. So you can take the next slide.

I'm extremely pleased with the performance we have shown in Q4. Talking about headwinds, I think this has been probably the toughest comparable we have ever had. We're comparing According to our annual report, it was about 64% of our revenues and that was DraftKings,

our.

For us, their most important market, Netherlands, Arce. We have not got any revenues in this quarter. And on top of that, we also have Arce. Still quite a good margin in 7.8%, but compared to a year ago, it's roughly 80% worse. Arce.

And still we come in, we have quite a good result and still showing a great operating margin 20%. Of course, the big event

So

in yes, sorry for that. Yes, the big news coming out Tuesday night, Arce, where we had 2 news at the same in the same press release. First of all, we extended our partnership ArcelorMittalKIMR until end of 2026. And of course for us that is really important. It shows But we will have financial strength for another 3 years up until the end of 2026.

And of course, it also gives some more our transparency about our relationship with our largest customer for the long term. On top of that, we also announced that we now have met the financial targets to be able to repay the convertible bond at our own discretion. If and when that will happen, We don't know at this point, but now we have a full control over that situation. Arce. Together, these two events, I think, creates a very strong foundation for Kianby and gives us full control how to plan our strategic direction going forward.

Avenues during quarter, we have signed 5 new partners Arce in Q4 and in the beginning of 2022, which illustrates our market leading position in North America. And finally, we have gained the license in New York State. And In early 2022, we also launched in the state of New York. So That's obviously one of the largest states in U. S.

So a great achievement for us. With that, I hand you over to David and I will come back later.



Thank you, Christian. I'm really pleased to present some strong financial results for Q4, albeit up against some tough comparatives, which I'll give you some more detail shortly. But firstly, the Q4 numbers. So our 34,900,000 in revenue, red OpEx of 27,800,000 this quarter, giving an operating profit of 7,100,000, Very healthy margin at over 20%. If you take the next slide, we'll give you the full year figures.



So revenue for the full year was CHF 162,400,000 up from CHF 117,700,000 last year. I think we can be really proud of that 38% increase in the face of losing the business of DraftKings at the end of Q3. I think 38% is a very healthy growth number there. In terms of operating profit, we saw the scalability of our business model really shining through again this year, with operating profits up from €32,000,000 to €57,000,000 a 77% increase. And this year, it's an operating margin of over 35% versus 27% last year.



On the next slide, we have the turnover index, which is an analysis of the underlying operator performance, which really makes our So the blue columns you see here is the aggregated operator turnover. On an index basis, we set that index at 100 when we first listed back in 2014. And the line is the aggregated operator trading margin, which you can see fluctuates quarter by quarter depending on the sporting results. It's very typical seasonal pattern for us that Q4 is a strong sporting calendar. It's a pattern we've seen throughout, our look back through the years and the quarters.



And obviously we have a full quarter of the European Soccer Leagues and also in the US, the American football and basketball seasons in full swing. And this contributed to a 32% sequential growth from Q3. If you look at versus Q4 last year, we are down 23%. But I think there's some key factors that our So firstly, those DraftKings, major customer of ours, which transitioned away in full by the end of Q3 and 888, which transitioned a large part of their business away Arce in



the early part of this year.



And the third factor really is the Netherlands where we have key operators currently applying for a license in the new regulation, which started effective October this year. So I think adjusting you need to adjust for those 3 major factors if you want to see the underlying growth of the business. And then adjusting for those, you get to an underlying growth and operator turnover of 38%. Let's go back, Mir, to the last slide. Your freight to trading margin this quarter, it recovered really from a weak I think we commented in the Q3 results that it had started in a weak fashion.



The start of October was a weak margin, but it did recover through the quarter and we ended up at 7.8% for the full quarter, up against a very tough comparative 9.4%, which was Unusually high and we'll see that now on the next slide when we look at our revenue growth. So this is the conversion from the operator turnover growth to our revenue growth. Normally, it's sort of maybe a waterfall, but obviously this is now starting from a negative, so that everything looks our so the operator turnover was down 23% as discussed And the lower trading margin, the rest of that tough comparative meant that operator GGR was down by 37% year on year. However, this was offset to a quite significant degree by a couple of other factors shown here in the other column The lower GGR compared to last year meant that we actually saw slightly higher effective commission rates, which supported, which kind of props up our revenue growth here. And also we had income both from ABios and other various fixed revenue streams, which are not directly linked to the level of operator turnover.



Ours that pushed up our revenues to some degree. The net effect was a 26% decrease in revenue versus Q4 last year. Moving finally to the balance sheet. We remain in a very strong position in terms of the balance RC with almost €80,000,000 in cash in the bank and a cash inflow outside of financing and working capital movements of almost €5,000,000 and we're very pleased to have completed our 1st share buyback program during the quarter worth €12,000,000 I'd say the balance sheet remains in excellent position To really support both our organic growth and further acquisitions in the future. And with that, I'll hand back to Christian.



Thank you, David. Yeah, so before I go on in more detail about Q4, I just wanted to give take a look at the highlights of 2021. So, yeah, we recorded a 38% rise in the full year revenues. We acquired the East Porch company, Abios. During the our online launches.



We had a euro, which was an amazing tournament again and set a turnover record for the summer soccer tournament. And with Maryland, we completed with 18 fewer states in which Cambly has launched. So in total, I would say it's a really, really good year. And now I'll continue on with Q4. So first, I mean, just give you a reminder, we're Arce, banging on about our strategic pillars.



And today I will update on the development on a few of them, starting with a technical advanced core platform on the next slide. Yeah. So I think one thing we have talked about since the Capital Markets Day and throughout a few other quarters after is What we're doing to try to modernize our platform in a larger degree. I think our current setup with a fully managed service, I mean, it's great for many operators. And I think It will be a cornerstone in our revenues for years to come.



But we also believe that there is an opportunity for us to ours. For those who have a fully managed service, give them an even better service by opening up our platform for some our services. And maybe more importantly, we also believe that we can use some of our services to operators who already have a platform to increase Arce. With Visa, I think we can also gain even higher operational efficiency. If we cut out some elements and let our players in the market do things that our operators Arce, but maybe we feel it's not that relevant for us to do.



I think it gives us an even our shareholders much, much more happy. Let's go to the next slide Arce and talk a little bit about product. Oh, sorry, that was a wrong order. Also, I wanted to talk more about What we have done when it comes to launches. I mean, we are doing so much ours for our customers and creating more and more opportunities.



So during this quarter, We expanded our U. S. Reach into 3 more states, Connecticut, Louisiana and Maryland. We became the 1st provider to launch in the city of Buenos Aires and by province of Buenos Aires. We launched with BetCity and JVH in Netherlands after the regulation.



Thinkvata has been a great success and we obviously hope for more operators to soon be able to rejoin in Netherlands. And in Australia, we have begun our rollout across the massive network of retail agencies for Western Australian Racing. And we soon will be up and running in 320 agencies. Can go to the next one. When it comes to product.



I think we have been talking quite a lot about the pet build over the last couple of quarters, and we'll keep on doing so because It has become an absolute key product for any operator when it comes to sports betting. We have already had great success with soccer, of course, during this season on American football, both when it comes to NFL and the college football. I think we have had an absolutely amazing product that has Arce, taking quite a large chunk of all the sports betting revenues coming from American Football. This product, I think, is definitely market leading. And I will show you a little bit later on next slide.



But We are the only one, not yet, we are the only one who are able to do combinations between events still. And I think this is something that we will see more and more usage of when we are able to launch more sports toys. And I think Bert, we can go to the next slide. As you can see here, we are Arce. Ticking all the boxes, of course, we have chosen them, so compared to our competitors.



But This is not the end of it. We just launched the iSocio, both in the Scandinavian Leagues and the NHL. And we are quite alone on that. And This will obviously be a very key feature going live in Canada's world. For the baseball season, we plan to be ready in time for 1st March in Arce.



April, and then we will also rule this out for the basketball in the start of next season. And as you can see here, of the NFL wagers, 25% is coming from BetBuilder. Next slide, Niel. In Q4, we Ars. We made 3 new signings to further strengthen our presence in the U.



S. Market. First up, Desert Diamond, which I think is the largest tribal casino operator in Arizona. And The one we identified, but we really wanted to sign Arizona outside of our existing partnership. Then we also signed Soaring Eagle in Michigan.



I think not such a large opportunity for us, but I think this opportunity has shown very fruitful for us when it comes to relationships our in the tribal community in the U. S. So very pleased with that. And finally, Affinity Interactive, which I think has a very good chance of becoming a strong player in the U. S.



Market. Arce. They are the owner of iconic U. S. Facing daily racing form brand, which is the number one content and data provider for horse racing players.



So very pleased with all of these signings. Can I take the next slide? I touched on it before. We were awarded 1 of quite a few licenses in the U. S.



State. So now we have a 10 year mobile sports wagering platform license in New York. Kami was the primary applicant of 1 of 2 successful bids. And with that, we have one of the partners in that bid was Rush Street Interactive, which we will operate in the U. S.



Market. We have a population of more than 20,000,000. New York is the largest state so far to regulate mobile betting. And so far, it looks like it will be an enormous market. It's very much driven by bonuses yet.



So it Arce. We'll take some time to see how the market will pan out, but obviously very exciting for us. Next slide. In Netherlands, we have seen a reregulation, which has changed the market somehow from the beginning. We managed to Goulay, we were a new partner of ours on day 1, BetCity, who has been very, very successful so far in the Dutch market.



And shortly after JVH Gaming also followed. Arce. So we're very pleased with the market share we have in Netherlands at the moment. But of course, we are definitely hoping and waiting for our existing partners, of which Few of them had a very, very strong market share in the Netherlands market Arce to also be able to start operate again in Netherlands. Next slide please.



After Q4, we have done another 2 signings in North America. First of all, Carousel Group, which is operating with the brand MaximBet. Maxym is, of course, quite a large media brand In the U. S, I think we have, yeah, circulation of our magazine of quite a big number, roughly 1,000,000. And We're currently live with an in house platform in Colorado and we'll switch to Canby Technology.



And we also set to launch Canby in at least 5 additional U. S. States and Canada. So This can be a great opportunity for us going forward. In Canada, we also have side Northstar Gaming.



And that is born out of the ToroStar Corporation, which is the owner of the largest media in Toronto, the Toronto Star. Arce. Again, I really hope this can be one of the largest trends in Ontario Arce and we expect to go live, where Volvotarian market is opens up in April. Next slide, please. Coming back to announcement from Tuesday evening.



So we did a contract extension with our long term partner Kindred our up to the end of 2026. So it's a 3 year extension of the contract, adding to the 2 years we have left over contract from before. We will, of course, remain an integral part of Kymbre Sportsbook and I'm very, very pleased to get this deal done. I think it's so important for us to have our ability to show the financial strength of doing the signing with our largest operator. And also, It gives us a great visibility of the future going forward with Kindred.



Arce. In addition to this, we have also achieved the financial goals set out in the convertible bond, Which means that we when we fields for can repay the convertible bond. Obviously, the convertible bond is quite an unusual instrument and it Has some impact of the option value of Cambria, of course. So from an investor point of view, I'm very pleased to be able to announce this now. But more importantly for us, Arce.



Working in Cambria, of course, is that it takes away a few operative restrictions. So We have more freedom and can easier work with yeah, how we want So to summarize the quarter, again, I think we had a very strong performance, which shows off a record financial year. We are growing our global presence with our market leading product. And now we have full control over our strategic direction going forward. Thank you very much for that.



Thank you very much, Stebel and Christian. Now I think we have time for questions. First, we will take the telephone questions, but you can also write them in the chat Windho. But over to you, operator. Thank you.



Our

## Q&A

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our. Our first question comes from Oskar Rangqvist with ABG. Please go ahead.



Good morning, Christian, David and Mia. So I have four questions. The first one is regarding your cost guidance. Can you give us some details about what is driving a 24% increase in total operating costs looking at your midpoint guidance? Also now that DraftKings are gone and Penn is probably leaving in 2023, do you expect a need to increase headcount in 2023?



Yeah, I can take that. Thanks for the question. Yeah, I mean, I think the first one off point to make is the acquisition of ABR, which we obviously made towards the end of 2021. And that is standalone is going to drive a cost increase of approximately €4,000,000 both from the our operating expenses and also the amortization on the goodwill on the acquisition. So that's kind of a one off difference versus our continuing our cost growth as we have because we're building out the product.



So that cost growth really generally entails continued headcount increase, Arce, particularly in the tech part of the business to get to keep developing the product to make it sellable, to keep to be thrilled to really take advantage of our competitive position and to keep selling the product, we need to keep on building it. We also have a growing amortization number on the back of growth in those development costs over the past few years. Ours. We have continued licensing costs. We're going to keep on going for all possible licenses, US, Canada, Latin America and wherever else we see commercial opportunities.



They do come with costs, but of course, a revenue opportunity as well. And one of the cost factor that's driven by kind of the growing customer base with all these new signings is the data supplier costs where we have an increase in cost with each new operator, but equally we recharge those costs on, so there's a revenue increase as well. So I think, hopefully that's a bit of a picture. I think apart from the under the EBIOS one off type step changing cost level. It's really in line with where we've been going in the past and really that is to keep building this market leading product.



All right. Thank you for that.



And I'd say, you know, you asked about does the loss of customers affect that? I'd say, honestly, no, because we want to keep selling and keep winning new customers and we won't do that if we stop spending.



Yes, fair enough. Next question, you recently announced that the convertible can be repaid. Hence, our for example, block a potential bid on Cambi anymore. What has been your feedback from current clients about this? Aren't they afraid of you getting acquired by an operator?



I mean, let's say, Rush Street, for example, it could be a very tricky situation for them. And either they maybe should rush to you for a prolonged contract or else develop their own sports book. Do you have any comments? It can be really helpful here.



I think it can go both ways, but I think for most customers, the independence to Kyndryl is probably more important for them, but we don't have a convertible bond to protect them. I mean, compared to any other company in the industry, I think we are we're the only one who had this kind of instrument in place. And I think actually what I have heard and there were few conversations I had



All right, understood. Next one, can you talk about the modular strategy? Are you in talks with any Tier 1 operators? And how could such contract look like? Is it more of a revenue share model with a lower take rate?



Or is it rather a subscription model? So



I think, I mean, we're still very early in this. I think We have some more work to do, but I can see both this being a fixed cost model core rev share model. And I think it will probably Best case scenario you will see something late this year, but probably not until next year when we start building this out.



All right. So just a follow-up there. Has like the modular strategy, has it been your plans all along? Or is it a



our So I think we started talking about it in On the Capital Markets Day last summer, well before we knew anything about Arce. Pan, of course. So it has always been a part of our strategy. And I mean, You have to take the steps sequentially. You can't do everything at the same time.



And for many years, it has Arce. It's been way more important for us to build up and business that is Suitable for the U. S. Market. And last year we felt that, okay, We can take the next step in our journey and start figuring out how we can starting making our product more flexible.



So it has Probably been in our plans for many, many years, but I think last year was a time when we felt we could start looking at it.



All right. Got it. Next one, in terms of commission rates from a client such as Kindred, for example, Can you give us some ballpark numbers of how much you expect the commission rate will decrease in relative terms from 2024 and onwards as they are putting some of it in house.



We don't disclose any commission rates to any of our customers.



All right. But is it fair to assume that the commission rate will be significantly lower if they are doing like half of the work in house.



As I said, I don't disclose any commission rates, but Obviously, if they are not taking our services, they would not pay for it.



Yes, fair enough. All right. That was all for me. Thank you very much.



Thank you.



Our next Srikstor Hogberg with Bank of Mainz. Please go ahead.



Good morning. So on the OpEx guidance, Maybe you



could help us



with the growth rate here. As mentioned, mid-20s growth on the midpoint In 2022 over 2021. On the C and D, I recall that you talked Come down in 'twenty three and onwards towards what you talked about then or even lower in 'twenty three meeting this comp in 'twenty three from 2022. OpEx up in absolute numbers, obviously, but help us with the long term growth would be great.



Yeah. I think again, You always need to factor in that step change from the AVOS acquisition, which is now, you know, when I talk about a €4,000,000 increase Of that very small part, I think we saw under 1,000,000 in 2021. So there's a 3,000,000 step change there. I think adjusting for that, we're much closer to where we have been historically. And then where we talked about kind of decreasing that growth rate.



Yeah, I think that You'll see that when kind of probably 'twenty three onwards, but certainly when we're past any kind of step change adjustments for acquisition.



Okay. Fair enough. So what does this say about the ABS contribution then in terms of revenues? You're saying something about the cost. What about the profit contribution and their growth?



How much did it contribute in Q4? And how much was the full year revenue for ABS in 2021 and what to expect going forward?



Currently on revenue around between SEK500,000 and SEK 1,000,000 per quarter.



The current run rate?



Yeah.



Okay. And on when you acquired it, I think you mentioned the market implied growth rate For this kind of product, some 30% or something, is that still reasonable to expect or step change here maybe as well when you introduce it and our We're able to cross sell it more, what to expect here in terms of its profit



contribution going forward? Yeah, I think the profit contribution will Hopefully increase when they start selling the odds feeds and on the esports. So the ability to actually provide odds ours on the sports that they're experts in. So that's kind of almost a step change in their business model that we can expect going forward.



Have you said anything about timing for that?



We haven't put anything out yet, but it's a work in progress for sure.



Okay. So the and going back to the Kindred deal here, Guarantee minimum guaranteed revenues of €55,000,000 over 2024,000,000,000,000 It's fair to assume that the largest part, the majority of it to be seen in 2024, then gradually phasing out with just small part in 2026 given that by then they are likely to have more of a full product than what they would have in 2024.



I think it's I'm sure we can't really comment. We don't know their plans at all. But take that with Kindred if that's okay.



Okay. So on the convertible, I know you haven't said anything. The only thing you've said now is You can, as you're on this question, repay it. Is there any reason for you to stall on that decision now that Kindred has showed your hand and you as well. Is there any reason to not do it in the very near?



Yeah, I mean, there are certain advantages for us as well to have a convertible in place. I mean, I think it's well enough for us, but we know that we can change that whenever we want to. And Yes. We are happy in that situation at the moment.



So in a theoretical situation where you were our The Board of Cambi were approached by a potential interested party in acquiring the company. You could basically Then trigger the repayment of the bond. So it's not a prerequisite for it to happen. You could do it in connection with that, Just so we know the potential dynamics of that should happen.



That's correct.



Okay. Thank you very much. Thank you.



Our next question comes from Jack Grimes with Berenberg. Please go ahead.



Thanks for taking my questions. 2 for me. The first, on cost, I was just wondering if you could provide any Arce. I know you mentioned Abios, but just wondering if there were any other things call out because it seems like it was a pretty material step change in Q4.



Yeah. Hi. Thanks for the question. Yeah, one big one We took in Q4 in particular was that we've initiated our application for the license in Nevada, which is the most expensive of the license costs we've had to date Arce in the US and that's over €1,000,000 that we've taken there in Q4, which goes through that other line. Some other smaller impacts, but you know, we've got new office premises, which has driven a slightly higher depreciation cost.



Our We've



had the return



of some travel, which we didn't have this time last year, of course, and some kind of one off technical consultant costs on a few technical projects. So I think those are the main ones, but Nevada license is the one I pick out as being the biggest standalone in Q4.



Okay, brilliant. Thanks. Very clear. And then on my other question, moving into 2022, evidently there's the balance of you've got some clients ours. Migrated, you've got some new wins, new geographies, new launches, and you're also guiding to these cost lines being in the mid-20s.



Just wondering how you're thinking about top line growth in 2022. Is there anything you can share with respect to internal targets, forecast ambitions Where you want that growth rate number to be in full year 2022?



We don't so we don't set out target, but internally we're highly confident with the tailwinds we see in terms of regulation, recent signings. No, we haven't put a number out there, but we've got reasons to be confident, we can say.



Okay, brilliant. Thanks very much. Our Our next question comes from Walther Lindholm, ArcelorMittal Securities. Please go ahead.



Thank you. Hello, guys. Arce. First question on the Kindred agreement and the convertible bond. So I try to understand here who Kind of initiated this contract extension and so on.



And is it correct to read it like You have now reached the certain financial performance criteria, meaning that you're able to repay the bond and that It was this that in turn has triggered a discussion to extend the partnership with Kindred.



I don't want to comment. I mean, It's a relationship between us and Kindred. And I don't really see the relevance on who initiated what it's a deal that is very good for both parts. I think we can leave it at that.



All right, understood. And then another follow-up question. I mean, could you comment on whether you have experienced historically that this convertible bond has, I mean limited your ability to attract new clients given the ties to Kindred.



I can't comment on that, but I think it's quite obvious with what you have seen in the market.



All right. Okay. And At this stage, do you have any or can you comment anything on the expectations on your relationship with Kinrad after 2026?



No. But it's a very long time to 2027. But I think Both Kiebre and we are hoping that we can have a much longer relationship than that They communicate themselves



with a



platform, but it should be based on other firm office. And as we communicate, we are looking to modernize our service. So I definitely hope that we have a much, much longer relationship of Apaan 2026.



Okay. Makes sense. And then a question on Netherlands. I think in last conference call you guided that the new regulation is expected to negatively Impact EBIT by SEK400,000 to SEK500,000 per month. Is this still your best guess going forward?



Or



Yes. Actually I'd say that there's really strong start from those customers who are licensed to Netherlands. It probably means that that impact is less than we first thoughts. So it's probably around half the impact of what we said last time. So more than the kind of 0.2, 0.3 a month instead of 0.4, 0.5.



So yes, we're very pleased with the way they've started and of course, of course, more of our operators getting into that market.





Okay. And a final question from my side, could you comment anything about the start of Q1 in terms of



We usually don't. Obviously, it is quite a busy period in Q1. So obviously, the activity is quite good.



All right. Thank you very much. That was all for me.



At this time, we have no further



questions.



Back to you, Mia.



Okay, thank you very much. We have quite a few questions here on the web. So I start with you, Christian. We have seen some operators in the US go for their own in house solution. Can you set that in perspective when it comes even more complex to offer sports betting.



When multi betting is possible, will they go for a standardized core platform? Or yeah, what is the way forward for operators?



It's very hard to guess what operators will do in the future. Experienced operator like Kindred are doing now, talking about how many years I have spent on their own racing platform, the amount of people we're planning to have to operate the platform. I think it shows how tough it actually is to do a good sports betting platform. So If anything, I think the recent news should probably be something that our operators should look at before they start thinking about doing their own platform.



Okay and I think this question is actually connected to that. So with both Penn and Kindred migrating at least some of their RSB Sportsbook in house in the future. Do you believe that Canvii could remain independent company in a sustainable, profitable fashion longer term?



Yeah, without a doubt, I think the sports betting market is still a very fragmented market and we are a clear leader in the market. So I expect us to be able to pick up a lot of business Arce. Across the globe. So I have no doubt that we could continue being an independent and thriving operator Yes, the employer, sorry.



Okay. And another one for you, Christian. When do you expect to work on the modernization product and make it finished and being fully on offer.



We have been working on it for quite some time now. But Yeah. Before we start offering it, as I said earlier in the call, not until late this year, earliest, Probably, bit into next year as well.



Okay. We have another question regarding 2020 outlook. Approximately when in 2022 will you have added enough operators to make up for the loss of DraftKings business. Yeah. Are there any indications that CAMBI will be included in other operators in New York, for example, or, yeah, more signings.



How do you see the 2022 outlook?



I mean, yeah, I think 2022 looks very promising. We have started with the year already with 2 signings and I think our pipeline looks as good as ever. We also see that we have more states coming up for regulation in the So that looks very nice. We will end the year with a World Cup, which is obviously a very nice event. However, I would like to also our dampened expectations a little bit.



Having a World Cup in the summer is absolutely amazing because It fills a gap in usually quite a weak schedule. Having a 1 gap in November, December Doesn't help the revenues as much as it would do if it were in June, July. But in general, I think 2022 looks to be a very, very good year.



Okay. Thank you. A question about M and A. What kind of acquisitions are you looking at?



I think, Arce, we are mainly looking at, as I said before, is in our areas of quantum and machine learning to become even sharper Arce, I'm specialized in Saumab Sports. That is the key area, I think. If we were to find the right player account management system, That could be something we are looking for as well. But I not as yeah, I don't think it is as likely to find something there.



Okay. I get a few questions regarding the opportunities in Asia and Africa. Can you give some color there as well, Christian?



So I mean, we are our focused on regulated markets. So Asia, there is almost nothing that is regulated. There may be some opportunities in Philippines actually coming up, but I think the big tickets that we have been talking about and planning for is India and Japan, but we hope will regulate somewhere 3 to 5 years maybe. Africa, I mean, it's a lot of things happening there. We have taken Quite an opportunistic approach.



It's not a focused market for us. But If there were to come an interesting opportunity inbound, we would definitely look at it.



David, now here's one for you. Now that Canby has the financial strength, will you pay out the dividend? We used to communicate that, but maybe some color there, David.



Yeah. I think actually for now, the preference It's been, it will be to use funds on, well, we've done one buyback program and there could be more, we shall see, but also, you know, I think acquisitions rather is a way to really develop the business. So I think that's probably a more likely use of capital at this stage.



Okay. Christian, one regarding Super Bowl that will start now. Last year some apps suffered outages before the Super Bowl Arce and can be being blamed. Was this a capacity issue or if so, is this capacity ready for the large amount of betting



Feklert. Yeah, I think we were already last year ready for the capacity. It's actually fair to blame us to some extent at some of our apps Arce. For some of the downtime before the match, we were actually fully up and running with our system from Terminix before the match and throughout the whole match. So some of issues was on us, but it was not actually a capacity issue.



It was an operational issue where we put up a better offer with way too many outcomes Arce that totally clogged up the system for verification. But For this year, I think we have been planning even harder to make sure that nothing can happen and we are Very much ready to go.



Okay, great. I get quite a few questions regarding Fanatics after the New York application. Anything you can say there, Christian?



Nothing. If I could say something, you would see it in a press release.



Yeah. Two more questions. If you could give some color on Canada. Are you excited about these markets and the potential to win more contracts? And also give some color around the Persil opportunity.



Yeah. I mean, if Canada or Ontario especially was a U. S. State, I think it would be the 5th largest state in the U. S.



So it's quite a big market and it's very exciting. Arce. We have some of our U. S. Customers keen on getting into the market.



And on top of that, as you saw with Torstar, our new opportunities as well. So definitely exciting opportunity for us.



And last question here, do you see the competitive environment having changed for sports technology suppliers in the U. S. The past year?



Yes, I think we have less competition because of some M and A activities with some of the competition we had. So, I mean, I think we are in a better position now than we were a year ago when it comes to prospecting.



Arce. Okay, great. So the future looks great for us. Thank you very much, David and Christian and thank you everyone for listening in to us. We will present our Q1, twenty twenty two results, the 27th April.



And I look forward to see you then again. So have a lovely day. Thank



you. Thank you.

