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# Raketech Group Holding Plc (RAKE.SE)

## Q1 2022 Earnings Call

# CORPORATE PARTICIPANTS

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# MANAGEMENT DISCUSSION SECTION

**Operator**: Ladies and gentlemen, welcome to the Raketech's [ph] Audiocast 00:00:15 Teleconference First Quarter 2022. For the first part of this call, all participants will be in listen only mode and afterwards there will be a question-and-answer session.

Today, I am pleased to present CEO, Oskar Mühlbach; and CFO, Måns Svalborn. Please, speakers, begin.

## Oskar Mühlbach
*Chief Executive Officer, Raketech Group Holding Plc*

Thank you, operator. And good morning and welcome, everyone, to the Raketech Q1 report for the year of 2022. This presentation has two main sections, followed by key takeaways, and at the end we will as always make room for questions if you have any. My name is Oskar Mühlbach. I'm the group CEO. And with me, as always, is also Måns Svalborn, our group CFO. Warm welcome, everyone. Let's get started and that's on slide 3, please.

As usual, we'll start with the financial highlights, which once again contains yet another revenue record for Raketech. As a matter of fact, this is our consecutive quarter with growth and our fourth consecutive quarter in which we deliver all time high revenues. We've had and still have solid organic growth as a base. And on top of that, also non-organic growth on strategic markets and within strategic verticals and segments thanks to acquisitions.

Total revenues came in at €12.7 million, which equals an annual growth rate of 53% year-over-year and an organic growth. The organic growth was 7%. Our EBITDA grew more than our revenues equivalent to close to 59% year-over-year. Considering Q1 is a quite modest quarter in the world of online gambling, where revenues typically are lower than those of Q4 due to seasonality, and the fact that Finland has made updates to its marketing laws, which have had negative impact on our clients' appetite to invest in marketing, I'm happy with this performance.

Our largest asset, Casinofeber has been performing slightly under our own expectations, but has to a large extent been offset by strong performance from other assets on the same markets. I think our stability can be attributed much to the fact that Raketech now has a well-diversified portfolio of assets with presence on many markets around the world. This was also precisely what we're aiming for when we initially set our long term strategic goals on which we have delivered and it now gives us a favorable position in which we are not as sensitive to volatility within particular markets or verticals, as we were only a few years ago.

Looking at earnings per share, EPS, we delivered a close to 80% increase year-over-year, corresponding to €0.05 per share. We consider this level to be our baseline from which we hope to increase over time and over quarters as we grow. April revenues came in on the low end of our own expectations almost entirely as a direct effect of a low season for our fixed advisory service in the US. And of course to some extent, also due to continuous headwinds in Finland and continued low performance from Casinofeber.

For the full year of 2022, I, however, want to take the opportunity to reiterate our guidance. Q2 is a quite modest quarter in terms of seasonality, while Q3 and Q4 on the other hand are seasonally significantly stronger. And with the American football season around the corner and the football World Cup in November, we're not only looking forward to a stronger second half of the year from a seasonality perspective, but also stronger thanks to these major events.

Revenues for the full year is expected to land in the span between €50 million and €55 million, with an EBITDA margin between 40% and 44%. At this point, we think it's reasonable to assume revenues in the higher end of this interval and margins in the low end of this interval.

And finally, I – important to point out as well, these projections do not include our latest initiative, the AffiliationCcloud, which, if successful, will be adding revenues and EBITDA on top of these projections. I will be elaborating on the AffiliationCloud in just a few minutes. So, all in all, a solid quarter with somewhat unfavorable market conditions and reiterated guidance for the rest of the year.

Let's go to slide 4 please. All right. Here we have selected operational highlights. And on your right-hand side, you can see that sports as share of total have increased to just under 35% of group total, which is exactly where we hoped it would be and something we have been actively targeting to reach during the last few years. Having a good balance between the different verticals makes us attractive as an affiliate partner, but also lowers the risk with regards to volatility, which is common in the iGaming industry. The sports percentage of total is would offset naturally expected to vary between the quarters depending on the nature of every quarter respectively. Quarters with large sports events will naturally increase this number and vice versa.

In absolute terms, sports grew with over 200% year-over-year, predominantly thanks to our acquisitions. And as a result of this significant sports growth, the US was during Q1, our second largest market, which is a major milestone for us. In total, the US represented 19% of group total, which is perfectly aligned with what we guided it to be in our previous report.

I'm speaking about market diversification. To your far right, you can see that our Nordic share on total increased to over 67%. This is also something which I'm very happy about and as this has been on our strategic agenda for some time. We have, as I mentioned on the previous slide, experienced headwinds in Finland and slight underperformance from Casinofeber, but what is most important and more encouraging is that this significant increase is driven much by strong performance in other parts of the world.

And on this topic, growth from the rest of the world and the rest of Europe was during in Q1 in the span of 35% to 85% year-over-year for all of our 2021 acquired assets. And to accelerate growth with the help of our central operations team in acquisitions is, as you know, an essential part of our strategy and concept. And I'm very happy it continues to bear fruit, adding important diversified revenues from outside of the Nordics.

During the quarter, we have been doubling down on our US infrastructure with regards to organization, reporting systems, integrations, etcetera, and I think we're now in a reasonably good place but this work will continue throughout the rest of the year. It's an investment we're making to go into this market, but it's also an investment we are super excited to make as we expect many years of growth ahead. Furthermore, establishing operations on that side of the Atlantic is important for us for future investments into other markets in the same time zone throughout North and South America.

In parallel to this, we have also been identifying synergies between our Picksandparlays and recently acquired A.T.S. acquisitions as they operate within the same space. And with regards to this, the respective team on both of these assets have done a fantastic job and managed to not only cherry-pick technical solutions from one another but also managed to create ways solutions from one another, but also manage to create ways to help each other share potential subscription leads. Also, a new shared asset has been created called [ph] Max Wagers 00:08:01, which the two teams are currently collaborating around.

Lastly, I want to just quickly mention that Raketech was crowned the Affiliate Employer of the Year by IGB second year in a row. In our industry, the fight for talent is fierce. And as you know, we have embraced a fully remote working strategy and it's, therefore, a bit extra encouraging and important for us to receive this particular award.

Next slide, I think that's slide 5. And here is something super exciting, the AffiliationCloud, which is a completely new product and potential future revenue stream that we have been working very hard with behind the scenes for some time. It's a groundbreaking solution that helps affiliates increase traffic monetization while minimizing administration and maximizing site performance. It's basically an easy-to-use interface built on top of Raketech's proprietary, takes back to our affiliates, connect to their assets and instantly get access to the same technology and great commercials, administration automation, and BI analytics tools that we use for our own assets.

As you know, the world of iGaming is becoming more and more complex. Regulations are changing often, and most operators and affiliates operate on multiple markets. Furthermore, the things you can do with data, if analyzed properly, can make the difference between success and failure. The AffiliationCloud is a single log-in, easy-to-use interface where we provide access to functions that smaller affiliates would only dream about, such as data-driven commercial optimization, site performance comparisons, automatic and real-time revenue reporting, drag-and-drop KYC functionality, compliance reminders and updates and much, much more. With one single log-in, you can basically – you basically have access to the same tools as any other Raketech's proprietary assets. And the best part by integrating with our commercials for topless programmatic display, etcetera, it will most certainly boost your revenues from day one. For the operator, we significantly reduce time spent on admin such as KYC, compliance, negotiations, and quality assurance. And with the click of a button, we provide access to new markets and affiliates that simply would not be possible to access without the affiliation club.

The embryo of the affiliation cloud, which we rolled out last year to operators only, was from the affiliate product dimension of the year by [ph] SBC 00:10:33 in Q4 of 2021. We are in the midst of rolling out the affiliation cloud and currently it's by invitation only. We believe it has potential to deliver incremental annual revenues in the region of €10 million or more at 10% to 15% EBITDA margin within two years from launch. And as I just said, the launch is happening now.

Let's move to slide 6, please. Before I hand over to Måns, I want to just quickly recap on our progression with regards to 2022 tactics. The pace in which we are working has never been faster and the pipeline has never been bigger. With that said, we have several exciting growth projects either just launched, being developed or planned. In the top left corner, we, of course, have the US, which as a market is projected to grow with 35% every year for the next few years, driven predominantly by regulations and digitalization. As you might imagine, for us, it is therefore absolute key to get in as early as possible, as much as we possibly can. And please remember, the absolute majority of the US potential is ahead of us. The market is still very immature and non-digital, which makes it extra The market is still very immature on digital which makes it extra exciting. During Q1, we've managed to fill almost all the roles we were looking to fill which means we now have good coverage within all parts of the US operations, sales, product content and so forth.

Furthermore, we're continuing to create mechanisms to add affiliation commercials to our subscription assets. And during Q1, approximately 10% of revenues from our PicksandParlays asset was in fact stemming from affiliation. Very encouraging indeed. And something we will keep focusing on.

Looking at the left bottom square, we have increased investments into flagship assets with multiple projects currently being run across the company. Furthermore, and what's perhaps more exciting is that during Q2, finally, we'll be integrating fully with both Casinofeber and Infinileads.

And for those of you who don't know Casinofeber is a comparison website, one of the largest in its category in Sweden. It's still on an earnout and Infinileads is an acquisition we did last year scheduled to be fully integrated shortly as well.

During the integration and takeover period, we are to some extent running these assets with double the amount of resources to secure a successful handover. And once handed over, we expect to see significant earnings and cash flow improvements for the group. The full positive effects expected as from Q1 2023.

On your right hand side, top corner, we have the extended network offering which essentially is the Affiliation Cloud I talked about on the previous slide. I have really high hopes for this but as it's completely new, we've chosen to not give any exact projections on revenues in the short to midterm. To make it long term sustainable and successful, we believe that it's essential that it becomes a great service that both affiliates and operators appreciate, which is why we're focusing on exactly this and nothing else in the short term, and this is also how we would be able to deliver on the long-term ambitions of €10 million worth of incremental revenues in two years.

With those words, over to Måns and the Q4 financials in detail. Next slide, please.

## Måns Svalborn

*Chief Financial Officer, Raketech Group Holding Plc*

Thank you, OsKar. Let's start of slide 8, please. As from this quarter, we are disclosing our split for revenues from affiliation marketing, which represents our traditional affiliation business, network sense, which represents our paid media efforts, and lastly betting tips and subscription, which is our US sport acquisition through ATS Consultants and P&P Vegas Group that was completed during H2 of last year.

As expected, affiliation marketing declined from Q4 of last year. Q1 is generally a seasonally slower quarter and this was primarily evident for the Nordics where we see a decline of around 15% spread across most regions. Historically, this should then start to pick up somewhat from Q2, but more so in Q3 and then peak in Q4.

Additionally, apart from seasonality effects, there were some regulatory headwinds in Finland as most of the big brands lowered their spend or pulled out of the market. We have worked to adapt and readjust these assets. And even though we still believe this will be a challenging market, any further financial impact from what we have seen in Q1 will be limited.

With regards to other regions, Japan is essentially flat compared to Q4, which is strong considering the comparisons were very tough. Our Indian cricket site continues to grow, up 5% from Q4, and our efforts through Infinileads particularly in the rest of Europe have grown 10% from Q4.

Our network sales had a stable quarter and represents in the quarter about 20% of total revenues, which in relative terms is in line with previous quarters and in absolute terms is growing with 11% in Q4 of us last year.

Lastly, and as communicated previously, we have a positive contribution from our newly acquired US sports focused acquisition through our tailor made betting tips and subscription service. This represents 17% of total revenues in the quarter, and they have had a good momentum in the quarter, benefiting from a US sports focused quarter. Worth pointing out is that the US sports season will enter a slower period in Q2 to be picked up again come Q3.

Next slide, please. This slide is showcasing our revenue diversification. We've achieved throughout the last year where we now have significant presence on three continents compared to Q1 of last year, the Nordics is essentially flat. We see the majority of our Swedish assets growing organic growth, however, somewhat offset by a decline in Casinofeber. And this asset will be fully transitioned to our internal resources as the earn-out is coming to an end as of next year. It's an asset we continue to see great potential with and will continue to invest in.

The US, is during the quarter, our second largest market, again driven by an intense sport focused quarter, which is typical for Q1. Rest of Europe and rest of the world is largely represented by our acquisition of Infinileads, QM Media, and Casumba. And we're excited that all of these assets have, compared to the same period of last year, grown by – from 75% to almost double in revenues. And as we pointed out before, this is a great testament that our concept of adding our central expertise to recent acquired asset really does work.

As for our vertical split, we came in at the higher interval with regards to sports revenue with 34% of total revenues coming from sports. This is again driven by our newest acquisition as well as good development within our cricket site and increased sports from network sales. Casino revenues have increased as well in absolute terms with, as I mentioned earlier, positive growth through Casinofeber and Infinileads.

Next slide, please. Compared to Q1 of last year, there is an expected decline in number of NDCs. This decrease relates primarily to Sweden and the temporary gambling restrictions that were implemented in July 2020, which triggered players to open several accounts with different operator and this still affecting the comparisons.

In addition, we have from last year continuously actively prioritized operators that we assessed to generate high-value leads ahead of high converting ramps with low player value. This also means a lower NDC accounts but higher average revenue per lead. And lastly, the challenges in Finland, which have resulted in a further slight decline in NDCs.

Compared to Q4 of last year, we're down 13%, similar to what I covered in the revenue development. This is largely an effect by seasonality. On the positive side, we are seeing increased NDCs from the rest of Europe.

Next slide, please. With regard to our cash flow bridge, Q4 versus Q1 of this year, our net cash from operations is strong and has increased with improved profitability or cash conversion for this quarter was 107%, a strong outcome largely due to catch-up effect from prior quarters. Investing activities relate largely to paid earn-out for Casinofeber and the deferred payment from Infinileads during the quarter. And under financing activities, we have a smaller amount of paid interest and lease payments.

Worth pointing out as well from a cash flow perspective is that the Lead Republik earn-out had its final payout now in May and the Casinofeber earn-out will have its end in the beginning of 2023, and we realize from that point an increase in free cash flow. We will, as we get closer to the end of the earn-out for Casinofeber, quantify the effect of this positive cash flow contribution.

Next slide, please. This slide illustrates our margin in Q1 compared to Q4 of last year. From a line item perspective, we've seen an increase in direct costs relating to our network sale. This correlates with our positive revenue development within this area. But since it's a lower margin product, there's no risk to group margin slightly on the hook.

The increase in other direct costs entering expenses is primarily an effect of added costs due to recent acquisition of A.T.S. Consultants, our betting tips and subscription service, but we have also increased our head count in the US, so they will support and grow this part of the business which has driven costs somewhat. Other operating expenses, on the other hand, are slightly lower in the quarter, primarily an effect of lower external consultancy cost having a positive effect on our margin.

As a general comment and looking ahead primarily Q2, it's important to highlight that our US betting tips and subscription model will enter a slower seasonal period simply as the US sports will be less active in the upcoming quarter. And even though the cost base for this operation, to some extent, is variable, a large part is stable, and thus the EBITDA margin will come down with low revenues. We do, therefore, expect the group EBITDA margin to be lower for Q2.

As the sports season, however, starts to pick up through Q3 and Q4, we expect the EBITDA margin to bounce back and our full-year guidance of an EBITDA margin of 40% to 44% [indiscernible] 00:21:52. And within that interval, we, at this point, expect to come in towards the lower end of that stand.

Thank you, and back to Oscar on slide 13, please.

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## Oskar Mühlbach

*Chief Executive Officer, Raketech Group Holding Plc*

Thank you, Måns. That was the last slide for today. But before we move on to Q&A, let me wrap things up. Financials first. Q1 revenues totaled €12.7 million, which is yet another all-time high for Raketech. Growth year-over-year was 53% and quarter-over-quarter 7.2%. Organically, we grew 6.8% and our EBITDA came in at €5.1 million, corresponding to a margin of just over 40%, which equals an annual EBITDA growth of 59%.

With regards to other milestones and events, the US sports here in Q1, our second largest market and represented 19% of group total, in line with expectations. Our non-Nordic revenues also took a jump, of course, driven by the US expansion but also by good performance from previous acquisitions into other parts of the world. The – for us, it's so important, sports share of total reached all-time high with 34% of group total, which is a comfortable level in line with our own strategic ambitions.

On the negative side, we saw a decline in Finland affecting both revenues and margins, but it seems like this market has stabilized somewhat, and we do not project additional negative effects for the rest of the year. Looking ahead, April is slow season – April, which is slow season, got us off to an okay start, which stands – what stands out most.

It's the snow season for the tipster advisory service in the US, and that's A.T.S. advisory. And as Q2 generally is seasonally slower quarter compared to Q3 and Q4, even outside of the US tipster service, we expect margins to decline temporarily during the quarter. However, and this is important to point out, this is the second bullet in the list, so you're right. We do reiterate our 2022 guidance once again and look forward to seeing effects from investments and a strong season during the second half of this year.

Today, we also publicly launched what we call the AffiliationCloud, which is a unique portal or a marketplace where we help external affiliates and operators to maximize their business – businesses by leveraging on this proprietary technology by an easy to use digital platform. Revenues from this initiative is not included in future revenue or EBITDA projections at this time. AffiliationCloud is by invitation only at this stage. But if you're an affiliate in any part of the world and you're listening to this call, please don't hesitate to reach out and we'll make sure to keep you in the loop. And with those words, that was it for today. Thank you all for calling in.

Let's move to the next slide and see if we have any questions.

# QUESTION AND ANSWER SECTION

**Operator**: Ladies and gentlemen, we are now ready to take your question. [Operator Instructions] The first question comes from Marlon Värnik from Nordea. Please go ahead.

**Marlon Värnik**
*Analyst, Nordea Bank ABP*

Q

Hi, Oskar. Hi, Måns. Can you hear me?

A

Good morning, Marlon. Loud and clear.

**Marlon Värnik**
*Analyst, Nordea Bank ABP*

Q

Good morning. Perfect. So, first, the question here in this market, I mean, it obviously result a slight decline here in the quarter despite the COVID-19 regulations lifted here in mid-November. Can you just dig into the sort of what's behind this development? And have you seen any negative reopenings [indiscernible] 00:25:47 with them?

A

Yeah. Thanks for the question. It's been a quite stable quarter, I'd say, in Sweden on a general basis. We see solid and quite good growth actually on basically all assets in Sweden because they were left alone. So, all in all, a stable performance from Sweden, but potentially with a bit of variance between [indiscernible] 00:26:15 and the rest of our assets in Sweden for the quarter. But no major – other macro effects besides the fact that Q1 generally is a slower quarter than Q4.

Q

Yeah. Okay. And on the trading update here, I mean, I understand we enter a week season when it comes to activity levels. What's trading up is still a bit softer in the start of Q2. How should we view the activity trend throughout the quarter? What drop to expect [indiscernible] 00:26:47 in two months, the month of April, for example? And if you have any sort of comments on the Q2 EBITDA, group EBITDA margin, it would be appreciated. Thank you.

A

Yeah. Thank you. I can start maybe mostly comment on the EBITDA margin. So, this is – I understand that this is the question of interest. I would say that the start, the slow start of the quarter is predominantly relating to a slow start in the US fixture service. So, this is also an area which is new to us. So, we're also learning about the seasonality effects, but the fixture services very much relating to the league starts and the leagues during this particular time, there is a bit of a slow activity in the US. So, that is predominantly what is happening the slow start for Q2. If we look at general performance from other assets, we're seeing solid, stable performance across the line. So, that is basically what is coming up.

A

Yeah. Go ahead. Go ahead.

A

No. And I'm turning up to you as well the second part of the question.

A

Yeah. And with regards to the EBITDA margin, I can't really elaborate on that a lot more than what I did in the presentation, but we do expect the EBITDA margin to come down a little bit in Q2 compared to Q1. It's not really an effect of us increasing significantly the cost base, but it's sort of a method connected to the expected slower seasonality effect from primarily the US side of things. But then, as I pointed out is that we do expect it to bounce back in Q3 and Q4.

Q

And looking – going back to Europe and the Netherlands, I mean, most of these operators, Unibet, [indiscernible] 00:28:44 so on are expected to go live here in the Dutch market in second half of 2022. I know your Dutch exposure is pretty minor today, but how do you see the growth opportunities here going forward given the entrance of Unibet [indiscernible] 00:28:58 and so on? And what can you expect from Holland in the medium term here?

A

Yeah. Holland is a super interesting market, of course. I think we also discussed this during the last report on the call. It's a market that we keep a close eye on, of course. But as you just also mentioned, we don't have a significant presence in Holland. We do however have a few growth initiatives that we're currently running showing good progression, but they're not significant or material to that point that we can disclose any projections on disclose any – any projections on Holland for the midterm. But of course, in the long – long term, Holland is a super interesting market for us. I would say that to make a significant presence in Holland, however, we would then be looking at long term acquisitions to enter that market rather than building something from scratch, which – which takes quite a few years to do.

[indiscernible] 00:29:58 perfect.

Q

Yeah. Thank you. That's all for me.

**Operator**: Thank you. The next question comes from Rikard Engberg from Erik Penser Bank. Please go ahead.

**Rikard Engberg**
*Analyst, Erik Penser Bank AB*

Q

Morning, guys.

A

Good morning, Rikard.

**Rikard Engberg**
*Analyst, Erik Penser Bank AB*

Q

So, my first question is regarding the guidance on EBITDA margin, how – how do you see the gross margin develop during the coming quarters?

A

The gross margins were expected to be quite similar to what we've seen so far. That one tends to correlate quite good actually with the revenue development currently and significant changes to the gross margin.

**Rikard Engberg**
*Analyst, Erik Penser Bank AB*

Q

Okay. So it – okay, so downturn short term in EBITDA – EBITDA margin is mostly related to the cost – cost base spend and the revenues being a bit lower.

A

Exactly.

**Rikard Engberg**
*Analyst, Erik Penser Bank AB*

Q

Okay.

A

So, your other wraparound and the [indiscernible] 00:31:02.

**Rikard Engberg**
*Analyst, Erik Penser Bank AB*

Q

Okay, good. And my next question is regarding the affiliate – Affiliation Cloud Initiative. If that were to develop well and reach the long term sales target, would you consider it – consider divesting it or will it be a part of the group?

A

That's a great question, Rikard. We're so early into this initiative So I would have to pass on that question. I think it serves a good purpose to keep internally, of course, because it's a way of leveraging on the – we're basically squeezing out a lot of benefits of scale by doing this and also allowing others to benefit from that. It's not unreasonable to believe that this could be something that eventually in the future someone would like to divest, but it's not part of the plan at this point.

Q

Okay. Thank you. That was all for me.

**Operator**: Thank you. [Operator Instructions] There's another question from Marlon Värnik from Nordea. Please go ahead.

**Marlon Värnik**
*Analyst, Nordea Bank ABP*

Q

Yeah. Hi, guys. I got just another question here with a more long-term EBIDTA margin. I mean, looking beyond 2022, you have a target of 50% plus with outlook for 2022 roughly 42%. Given that more markets are regulating here, US, Canada, Brazil and so on coming with the higher cost base, can you just walk us through how and when we can expect you to reach the EBITDA margin target of 50% plus?

A

Yeah. We – that's an interesting observation at all. We haven't given any actual time for that. As I said in the last report, we are maximizing the growth opportunities that we have now currently with the US opening up and the high level of digitalization. So we have chosen not to give any specific time on that. But if you isolate the parts of our business that is the more traditional affiliation, we are running that at roughly on the financial targets with just under 50%, in some quarters over 50. So, depending on – if you would isolate that type of business. And once we get out of the investment phase, it's likely that we would reach well above that and then in combination with the other parts of the network and affiliation sold potentially in the future. It's not unrealistic to think that we would reach 50%. But exactly when that is, it's really hard to say, and I would rather not commit to any specific time. I think it's important for to maximize shareholder value, to really go for the growth opportunity that we have and that is three years or five years. It's really hard to say at this point.

Q

Yeah. Clear. And just another, last question from my side here on the picks service assets here in the US. Can you share any color or exposure you have with the US tipsters? What types of tips that you have on your platform that filters through towards NFL, hence the activity drop here in Q2 and any player that you could share with [indiscernible] 00:34:30 .

A

Yeah. It's actually quite well spread across most sports in the US. But what may be interesting to know is that it's very high, high-tilted towards high value players. So, the biggest segment would be, what in Europe is normally referred to as VIP players. So, players that are very committed into betting and are betting some are professionally at large sums. So, it's a very interesting segment, something the world's working on, trying to package and get operators in the US to create tailor-made offers for because they're not the typical affiliation customer potentially going after the bonuses but rather the service and the ads. So that's basically the favor I think you have at this point.

Q

Clear. Thank you. Thank you, Måns. Thank you, Oskar.

A

Thank you.

**Operator**: Thank you. [Operator Instructions] Thank you. There are no further questions. Dear speakers, back to you.

## Unverified Participant

All right. Thank you, everyone, for joining the presentation today. We look forward to talking to you again in connection with the Q2 report in August. Until then, have a great summer.