



# WEEK 09

## FRIDAY 4 MAR 2022

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### FULL YEAR ROUND-UP: FLUTTER, ENTAIN, IGT AND SJM HOLDINGS

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# WEEK 09

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## FULL YEAR ROUND-UP: FLUTTER, ENTAIN, IGT AND SJM HOLDINGS

### THIS WEEK

- 888 accepts GC fine
  - IGT to sell payments business
- Macau GGR slightly up
  - Major rebrand for Scientific Games
- Everi Holdings posts solid 2021 financials

#### GUEST COLUMNIST:

- Carl DeGiorgio, PressEnter Group

#### GUEST INTERVIEW:

- Marija Hammon, Relax Gaming

Round-up, Round-up:  
Elsewhere in US Gaming ▼

# Flutter™



# IGT®

# Entain



## After a tumultuous year, gaming companies have finally sat down and tallied their earnings; but who has come out on top for 2021?

▶ Covid seems to be in retreat, stateside sports betting continues to grow and varying jurisdictions continue to tweak their regulatory frameworks — but how have these things affected gaming?

Fourth quarter and full year financial reports trickled in over February and continue to do so as we enter March, and while a few heavy hitters have yet to drop their results, enough have that we can start to assess the post-pandemic gaming landscape.

Which companies have performed well, and which companies have performed not so well? As you may expect, big betting operators had a good year, including Irish bookie Flutter Entertainment.

Flutter reported group revenue of £6.04bn (\$8.11bn) in its preliminary results for 2021, representing a 37% year-on-year increase.

However, while several betting operators experienced strong revenue growth, many saw this offset by rising costs — and this applies to Flutter as well.

Group EBITDA declined by 6% to £723m due to increased US investment and international regulatory impacts.

The company reported a loss before tax of £288m, after a £543m charge for non-cash amortisation from acquired intangibles. Meanwhile, net debt as of 31 December 2021 was £2.65bn.

Flutter also provided an outlook for the coming months, noting that trading in the first seven weeks of 2022 has been in line with expectations, with group revenue climbing 2% year-on-year.

The operator added that it expects revenue growth to accelerate as the year progresses.

“2021 was another strong year for the group as we made good progress against our strategic objectives and grew our recreational customer base to over 7.6 million customers,” said Flutter Entertainment Chief Executive Peter Jackson.

“Overall, I am pleased with the progress we have made during 2021 and believe Flutter is exceptionally well positioned for future growth.”

Meanwhile, fellow industry giant Entain has reported revenue of £3.83bn for the year ended 31 December 2021, an 8% increase from the prior-year period.

The group reported gross profit of £2.43bn, and underlying EBITDA of £881.7m, increases of 6% and 5% respectively. Profit after tax amounted to £275.6m.

“Our full year results demonstrate yet again that Entain is a business with growth built into its business model,” said Entain CEO Jette Nygaard-Andersen.

In a similar manner to betting operators, suppliers also experienced considerable growth during 2021, and without incurring the former’s costs.

For example, International Game Technology (IGT) saw its

revenue increase to \$4.1bn for 2021 driven by double-digit growth across all key business segments.

From this, the London-based business produced \$902m in operating income, a new record, supported by strong global lottery operating leverage and company-wide cost savings.

IGT managed to reduce its net debt by \$1.4bn in 2021, while its operating leverage increased to 3.5x, the lowest level in company history and achieving its target a year early.

What’s more, over \$1bn in cash was generated from operations and \$770m in free cash flow in 2021.

Q4, meanwhile, saw IGT’s revenue climb by 19% year-on-year to more than \$1bn, led by global lottery which was responsible for \$687m — nearly two thirds of the fourth quarter’s total.

Likewise, on a whole year basis, global lottery accounted for approximately 69% of IGT’s full year revenue: \$2.8bn.

Global gaming came in a distant second place, generating \$1.1bn, up 33% when compared to 2020’s \$837m, while digital and betting posted third, accounting for only \$165m, though this represents a 44% year-on-year increase.

“Our 2021 financial results reflect the best revenue, profit and cash flow performance in the last four years, meeting or exceeding target levels on strong performance across the portfolio,” added Vince Sadusky, IGT CEO.

“We made important progress on several strategic objectives, and I am excited to be leading IGT in the next chapter of its evolution.

“We have set aggressive but achievable multi-year goals and we have a focused strategy to maximise value for all stakeholders.”

But if anyone lost out last year, it was land-based gaming operators. Brick-and-mortar casinos continued to feel Covid’s impact in 2021, though many are on the — admittedly bumpy — road to recovery, as evidenced by Macau’s SJM Holdings.

The company announced losses of HK\$4.144bn (US\$530.3m) for the year ended 31 December 2021, despite a 31.5% increase to net gaming revenue.

SJM’s losses mark a year-on-year decrease, with debts racking up an additional 37% (HK\$1.12bn) from the year ended 2020.

There was a slight improvement in adjusted EBITDA, with an increase of 24.3% on 2020, although losses still stood at HK\$1.58bn.

The most significant positives for SJM came in net gaming revenue, with an increase of 31.5% on 2020; with revenue of HK\$9.61bn.

SJM’s The Grand Lisboa Palace, its flagship venue, incurred pre-opening costs of HK\$1m when it opened its doors to the public on 30 July 2021. This has added to total opening costs of the hotel, which have risen to HK\$38.2bn.

Nonetheless, the Grand Lisboa Palace had average occupancy rates of 48.7%, a considerable increase from a Covid-19-struck 2020.

# THIS WEEK IN NUMBERS

**\$580m** 

Scientific Games  
2021 Q4 revenue

**\$574m**



Record January  
handle for  
Colorado betting

**100,000**

Member milestone  
for Penn National  
Gaming



**\$485.5m**



Record breaking  
handle for Virginia's  
sportsbooks

**6%**

Year-on-year increase  
in Macau's gross  
gaming revenue  
for February



## ROUND-UP, ROUND-UP: ELSEWHERE IN US GAMING

► **MGM Resorts International** and its sports betting arm **BetMGM** have partnered with the National Council on Problem Gambling as part of their ongoing commitment to promote responsible gaming throughout March; the US' problem gambling awareness month. MGM Resorts and BetMGM have doubled down on their efforts to ensure players are making healthy and safe betting decisions.

And **BetMGM** has also been busy on its iGaming platform, too, adding **Aspire Global's** title **Wizard Games** to its offering. Wizard Games includes such perennial favorites as Rumble Rhino and Dragons of the North. These games will be available through Pariplay's Fusion platform, the fruits of a distribution agreement that Pariplay and BetMGM reached in November 2021. Wizard Games already has quite a reach: the over 120 titles on the platform are available in at least 15 regulated markets across regions as diverse as Europe, North America and Latin America.

More widely, **Nevada** has decided to further deliberate on a programme seeing increased usage in the US, the 'jackpot intercept' programme. The programme itself was created by the state's legislation along with Massachusetts' three gaming licensees. From there, they partnered with the commission's Investigations and Enforcement Bureau. In Massachusetts, players have their name and Social Security number run through the Department of Revenue. From there, the Investigations and Enforcement Bureau steps in and looks for any back taxes or back child support.

There is legislative news on the East Coast, where the **New York State Senate** has received a bill to legalise iGaming. Once approved, both the Empire State and authorised retailers would benefit from the change, according to Senator Addabbo. Addabbo has long been an advocate of legalising online sports betting in the Empire State. And, according to the proposed bill, online casino gaming revenue exceeded \$1bn during 2021 in both New Jersey and Pennsylvania,

generating close to \$120m in tax revenue for each of those states. This is something Abbaddo wants for New York.

In other US news, **Elys Game Technology's** joint petition with Atlantic City's Ocean Casino Resort to begin sportsbook operations has been approved by the New Jersey Division of Gaming Enforcement (NJDE). Elys will be operating its sportsbook through its subsidiary, USBookmaking effective immediately. Players can place bets in Ocean Casino Resort's temporary lounge. The petition was granted on a six-month term and is subject to continued approval of NJDE's Technical Service Bureau for all product submissions, including new product development.

**Quixant** has revealed a rebrand, citing a "new focus" as cause for the move. The gaming tech supplier has offered a new support platform, Quixant Hub. The rebrand will also include a new logo, a visual identity and an enhanced product. Quixant said the new brand is designed to reflect its position as a specialist technology provider to the gaming industry, and a company that is constantly enhancing its product, service and support offering.

**Real Luck Group** has appointed Benn Timbury as new COO. This move for Real Luck Group is in an effort to ramp up player acquisitions and expand into other markets. Timbury will aim to bring his skillset of scaling up iGaming businesses to Real Luck Group.

**Bragg Gaming** has obtained a supplier licence in the Bahamas. The company hopes gaining access to this demographic will create opportunities for further US licensing. This is the latest in a series of approvals for Bragg. The company has gained licensing in several other regulated markets worldwide during the past 12 months, including the UK, Switzerland and the Czech Republic.

Finally, **PlayUzu** has readied itself for a media blitz in Mexico. Advertisements will be both online and on TV, with the new campaign following a theme similar to the one used for PlayOjo. PlayOjo adverts have been successful in other markets, including the UK and Spain.

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70%

Landing International  
is expected to  
record a significant  
increase in  
consolidated revenue  
for 2021

136%



Kings Entertainment  
Group's registration  
percentage increase  
following successful marketing  
campaigns in January



60

In celebration of 60  
years of its Pools  
Panel, The Football  
Pools is adding  
three new experts to its  
line-up, including Michael Owen

## 888 ACCEPTS SOCIAL RESPONSIBILITY AND ANTI-MONEY LAUNDERING PUNISHMENT FROM GAMBLING COMMISSION

888 Holdings has accepted the £9.4m (\$12.6m) fine from the Gambling Commission relating to the company's safer gambling and anti-money laundering policy failures.

The Gambling Commission today published a statement saying 888 has, along with the fine, received an official warning and will undergo extensive independent auditing.

888 has accepted the statement and says it took immediate action to improve its internal policies and procedures following the Gambling Commission investigation, which concluded in October 2020.

Actions taken by the operator included implementing additional customer source of funds checks and loss limits, reducing the thresholds in its in-house developed customer behaviour monitoring technology, investing in its safer gambling and compliance team, and strengthening its assessment of the anti-money laundering risks facing

the business.

"888 is entirely committed to making gambling safer and has engaged proactively and openly with the GC throughout the investigation process," a statement from the company read. "The GC stated in its findings to the group that it gained reassurance from the information provided by 888, including the insights and lessons learnt as set out in its correspondence with the GC."

888 has also launched the Control Centre, a customer-focused interface that allows customers to monitor their gambling activity through real-time data.

**GI Verdict:** 888 Holdings' guilt is undeniable. The GC's ruling acts as a warning to other sportsbooks and casinos, that safer gambling regulations are here to stay and be fully respected. 888's half-hearted, flippant commitment to social responsibility is an aspect of business that must be achieved pro-actively; something 888 will surely learn, and other sportsbooks should surely take heed of.

## THE WEEK IN QUOTES

*“I think we should applaud how the industry has responded to an unprecedented event, from individuals to companies offering support.”*

**Industry analyst and regular Trafficology contributor Mark McGuinness has commented on the gaming industry's response to the Russian invasion of Ukraine**

*“For the Government to not consider further changes which they previously supported is concerning and disappointing, and a missed opportunity to support charities.”*

**Clara Govier, People's Postcode Lottery Managing Director, expressing her disappointment at the DCMS decision to further delay charity lottery reform**

## IGT TO SELL ITALIAN PROXIMITY PAYMENT BUSINESS TO POSTEPAY FOR €700M

International Game Technology (IGT) has announced that its wholly owned subsidiary IGT Lottery S.p.A. has signed a definitive agreement to sell its Italian proximity payment business to PostePay S.p.A. – Patrimonio Destinato IMEL for €700m (\$781m).

IGT's Board of Directors has approved the transaction. The deal remains subject to customary closing conditions, including regulatory approvals, and is expected to take place during the third quarter of 2022.

Under the terms of the agreement, IGT will sell LIS Holding S.p.A. and indirectly LISPAY S.p.A., the two wholly owned subsidiaries that conduct the group's proximity payment business.

The total transaction price of €700m represents an enterprise value of €630m, together with approximately €70m of net unrestricted cash. IGT noted that it will use net proceeds from the sale primarily to reduce debt.

The group also noted that the business being sold generated around €228m and €40m in gross revenue and EBITDA in 2021.

UBS AG will act as lead financial advisor and fairness opinion provider to IGT, with UniCredit S.p.A. acting as financial advisor to the group. Advant-Nctm is acting as legal advisor to the company, and KPMG is acting as financial due diligence and tax advisor to the company.

IGT CEO Vince Sadusky commented: “This transaction provides us with an opportunity to monetise IGT's market leadership in the Italian proximity payment business at an attractive value as we continue to execute our long-term strategy.

“Streamlining our products and solutions portfolio enables us to focus our efforts and resources on our core and strategic assets, as we position IGT for industry leadership and increased shareholder value.”

**GI Verdict:** IGT selling to PostePay looks a shrewd move, particularly as part of a long-term strategy to build revenue following the Covid-19 pandemic. Fourth quarter and full-year results were hugely positive for IGT, which achieved record operating income for the year and reduced net debt by \$1.4bn.

# ΩMEGA SYSTEMS

## PLATFORM MANAGEMENT SOFTWARE



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*"[We] will give more weight to illegal online games of chance and in any case all illegal online games of chance up to eight years ago will be taken into account."*

**Comments from the Dutch Gaming Authority on the expiration of "cooling off" periods for unlicensed iGaming sites**

*"These clubs play a vital role in the community, promoting health and wellbeing. The initiatives being supported by the Trident Community Fund show the true meaning of Pitching In and will further strengthen the bonds between the clubs and their communities."*

**Stuart Pearce on the partnership between Entain and Pitching In to provide grants for 19 non-league football clubs in the UK**

## MACAU FEBRUARY REVENUE UP 6% TO HK\$7.76BN

Macau's February 2022 gross gaming revenue is up 6% from the same period last year.

Casino revenue totalled HK\$7.76bn (\$992m), a 22% increase on January, in which takings reached a meager HK\$6.34bn.

Despite this significant improvement on the previous month, accumulated revenue still sits at a variance of -8% from the same period in 2021. This is a vast improvement on January's year-on-year variance, though, which slumped to -20.9% from the same period in January 2021.

Although these short-term gains are encouraging, Macau is still a far cry from its pre-Covid-19 international dominance. Last month, we spoke about Macau's struggles up against a resurgent Las Vegas and these struggles remain in place, for the most part.

But February does present budding green shoots of hope for a full Macanese recovery, particularly as the region remains locked under stringent Covid measures. Yesterday, Ho lat Seng refuted

calls to end social distancing measures in Macau's current climate, dashing hopes of a significant economic recovery next month.

Current uncertainty surrounding junkets may also be playing a detrimental part in Macau's profiteering enterprises, with arrests and legal cases continuing to whirl and fizz over the Soda Port.

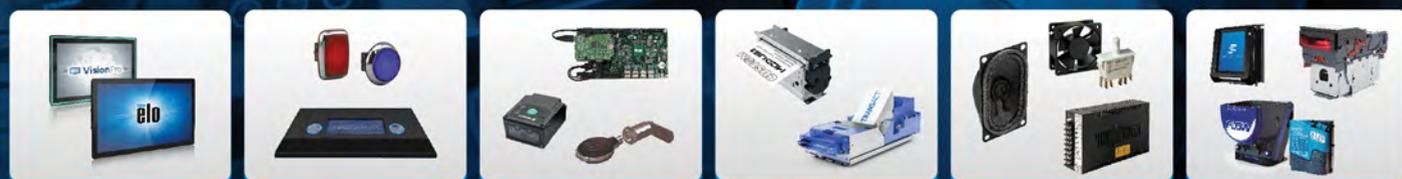
Yet Macau could reasonably be expected to sustain its slow incremental gains, provided no further measures are introduced. International travel remains largely restricted, although travel from Hong Kong has been authorised as of 21 February.

**GI Verdict:** Macau has made a much better fist of things in February, compared to January this year, given the Covid-related circumstances. With limited regions being granted readmittance this month, including Hong Kong, one can assume the direction of travel is only up for Macau. Still, Macau's revenues were once world-topping, greater than Vegas even, so there is a long way to go to reclaim its pre-Covid powerhouse status.

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**Entain**  
1,566 GBp  0%

**Flutter Entertainment**  
8,904 GBp  12%

**Bally's**  
34.66 USD  4%

**DraftKings**  
23.19 USD  6%

**888 Holdings**  
210.60 GBp  11%

## SCIENTIFIC GAMES CORPORATION BECOMES LIGHT & WONDER

Company name changes are often considered synonymous with success but there's most definitely a fine line you don't want to cross. You can make a subtle alteration without any drama or fuss (think KFC or HSBC) or you can cause a decades-long outcry such as when Unilever changed one letter in Jif to make it Cif. Or even more confusingly for the Brits when Dime became Daim.

Taking a similar step is Scientific Games Corporation, which will now operate as Light & Wonder, Inc; the notion being that it will enable a seamless player experience across all platforms. There has been a recently popular name-changing trend in gambling companies such as Paddy Power Betfair, which now works as Flutter Entertainment, and GVC becoming Entain. But it has appeared to be a fruitful move with share prices increasing as a result.

This name change to Light & Wonder follows a series of strategic moves made by the company across the last several months. Its aim is to become a leading cross-platform global gaming company

and has plans to sell off parts of its lottery and sports betting businesses. The new name was achieved through the company's strategic plan as well as from input from key stakeholders. It is also a reflection on creating new content, hardware and systems that connect game titles across any channel or location.

Light & Wonder's CEO Barry Cottle said: "We are thrilled to introduce the world to Light & Wonder. We already have a world-class team powered by the brightest game creators in the business and in transforming into a growth company who invests in our people and products, we will serve our players even better wherever and whenever they play."

As part of the transformation, the company's new website will include iGaming and land-based products, technology and services such as player account management and hardware. Light & Wonder will operate under an assumed name until a legal name change is complete in Spring 2022.



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## EVERI HOLDINGS REPORTS \$660.4M IN REVENUE FOR 2021

Everi Holdings has published its fourth quarter and full year 2021 financial results, reporting a 51% rise in revenue for Q4.

The Las Vegas-based provider capped off last year in style, posting a record \$180.4m in quarterly revenue, up from Q4 2020's \$119.6m.

This likewise drove Everi's full-year total to new heights, which rose 72% year-on-year to \$660.4m, beating 2019's prior record-breaking revenue by 24%, or \$127.2m.

Adjusted EBITDA, meanwhile, increased 45% to \$88.8m for Q4 and by 97% to \$347.2m for 2021 as a whole, both new records.

Net income for the fourth quarter similarly climbed to an all-time high, amounting to \$89.4m, as did Everi's full year net income, which rose to \$152.9m, a significant improvement over 2020's net loss of \$81.7m — and \$136.4m higher than 2019's sum.

"Our record fourth quarter 2021 results capped a year in which we delivered record-setting annual financial



performance across our business," said Michael Rumbolz, Everi's CEO.

"Driven by significant successes in both our games and fintech segments, we achieved new all-time full-year records for revenue, net income, adjusted EBITDA and free cash flow.

"This performance reflects our strategic focus on growing our recurring revenue and our continued investment in the development of new and enhanced products that help our customers grow revenue and manage their business more effectively."

Randy Taylor, Everi's President and

Chief Operating Officer, added: "Our fourth quarter financial results reflect the successful alignment and execution of our operating initiatives.

***"Despite a year that began with substantial impacts, our games business achieved records"***

"Despite a year that began with substantial pandemic impacts, our games business achieved record gaming machine unit sales and ended the year with a record-high gaming operations installed base."

**GI Verdict:** Everi Holdings' Q4, full-year results reaffirm the post-Covid-19 boom experienced in Vegas throughout 2021. Beating a pre-Covid FY revenue record by 24% is particularly astounding given the trepidation with which other US and international markets have emerged following the pandemic.

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## LV REVENUE, VISITATION RISE

Nevada generated \$1.079bn in gaming revenue in January, growing 41.58% over last year.

While slightly lower than December, that marks 11 straight months of plus-\$1bn gaming revenue for the state.

The Las Vegas Strip soared 76.41% to \$567.214m on triple-digit growth

for baccarat and blackjack, with blackjack benefiting from much higher hold this year.

Blackjack would have grown 43% with the same hold both years. Sports betting handle jumped 71.81% to \$1.111bn.

NEVADA	JANUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Nevada	\$1.079 bn	+41.58
Las Vegas Strip	\$567.214	+76.41
Clark County	\$928.716	+50.43
Downtown LV	\$67.685	+38.43
North LV	\$22.285	+6.02
Laughlin	\$42.140	+25.83
Boulder Strip	\$85.047	+28.51
Mesquite	\$14.550	+10.80
Balance of County	\$129.795	+14.72
Las Vegas Locals Market	\$237.127	+18.36
Washoe County	\$74.268	+8.06
Reno	\$52.303	+8.06
Sparks	\$12.074	+3.07
North Lake Tahoe	\$2.328	+16.93
Balance of County	\$7.563	+14.23
South Lake Tahoe	\$17.067	-4.39
Elko County	\$31.775	-0.01
Wendover	\$21.658	-1.57
Balance of County	\$10.118	+3.52
Carson Valley Area	\$9.964	+1.89
Other Areas	\$16.971	+3.53

MAJOR STRIP SEGMENTS:	WIN PERCENTAGE 2022	2021
Blackjack	17.23	10.26
Baccarat	8.93	8.25
<b>Total Games</b>	<b>11.31</b>	<b>11.7</b>
<b>Total</b>	<b>8.57</b>	<b>8.14</b>

IGAMING	JAN 2022 (M)	JAN 2021 (M)	PERCENT CHANGE
Blackjack	\$477.319	\$334.288	+42.79
Baccarat	\$702.620	\$342.255	+105.29
<b>Total Games</b>	<b>\$2.247bn</b>	<b>\$1.221bn</b>	<b>+84.02</b>
<b>Slots</b>	<b>\$3.653bn</b>	<b>\$2.195bn</b>	<b>+66.44</b>

	WIN PERCENTAGE 2022	2021
Race Book	15.65	16.54
<b>Total Sports Book</b>	<b>4.50</b>	<b>8.10</b>

MAJOR STRIP SEGMENTS:	JANUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Blackjack	\$82.242	+139.79
Baccarat	\$62.744	+122.21
<b>Total Games</b>	<b>\$254.142</b>	<b>+77.88</b>
<b>Total Slots</b>	<b>\$313.071</b>	<b>+75.24</b>

RACE BOOK AND SPORTS POOL NEVADA	JANUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Race Book	\$2.498	+9.71
Total Sports Book	\$49.997	-4.55
Sports Book Handle	\$1.111bn	+71.81

## GUEST COLUMNIST



**CARL DEGIORGIO,**  
*COO, PRESSENER GROUP*

*DiGiorgio discusses the role of blockchain and NFTs in revolutionising iGaming over the next year*

For the past few years, the online gambling industry has flirted with cryptocurrencies but has never truly embraced them. This is something that will change over the next 12 months as consumer demand for the use of Bitcoin, Ethereum, etc continues to rise.

Cryptocurrencies present upsides to gambling operators and can help overcome some of the challenges we face when it comes to key areas such as transparency, anonymity, security and fairness. They can also solve the largest cross-border issue of them all, and that is payments.

In addition to cryptocurrencies, we are quickly moving to a point where NFTs (non-fungible tokens) will be used in the online gambling space for the first time. Again, there are opportunities on the table for operators willing to put themselves at the cutting edge.

Before talking more about cryptocurrencies and NFTs, and how they will reshape the online gambling industry and provide new and unique player experiences, it is worth quickly defining both terms.

### **Defining cryptocurrencies and NFTs**

Most industry stakeholders will be aware of cryptocurrencies, but for those that are not they are simply digital currencies. Popular cryptocurrencies include Bitcoin, Ethereum and USDC and allow holders to purchase items in the same way they would with fiat currencies.

But there are some differences. Digital currencies are based on a network and are distributed across a large number of computers. Transactions are verified and recorded on a decentralised system using cryptography and the most common system is blockchain.

NFTs are digital assets that represent real-world objects such as art, music, in-game items and videos. They are bought and sold

online through platforms such as OpenSea.

While they have been around since 2014, they are becoming an increasingly popular way for consumers to buy and sell digital artwork, as well as a means to buy access to exclusive clubs and even part ownership in a business.

### **The problems that crypto can solve**

Perhaps the biggest impact cryptocurrencies can have is on payments – an area that operators have and continue to struggle with.

Ultimately, crypto provides a number of instant payment solutions when it comes to processing digital currencies, because there is no middleman. It also provides high levels of clarity and trust when combined with a gaming platform powered by blockchain.

Of course, there are some hurdles standing in the way of its widespread adoption by the sector. There is an ongoing debate with regulators and industry leaders trying to tackle concerns when it comes to AML, as for many years crypto has been associated with illicit activities.

But this applies to fiat currencies as well and, indeed, the added benefit of crypto is that every transaction is on the blockchain; which makes the whole transaction history fully traceable, thus providing greater levels of accountability and monitoring.

Because of this, I believe regulators will ultimately embrace cryptocurrencies once they fully understand the upsides they provide. When they do, they will then roll out more stringent requirements for operators that will make the crypto space safer and even more transparent.

In addition to this, there are several compliant payment providers such as MoonPay and Utorg that are leading the way to ensure all of the necessary compliance obligations operators must meet – such as KYC and source of wealth – can indeed be met.

This means operators can process crypto payments while ensuring they are fully compliant with the requirements set by their licensing jurisdictions and in the markets they operate.

### **The role of NFTs**

Once we see the widespread adoption of cryptocurrencies in the online gambling space, it won't be long before NFTs hit the mainstream, too. Operators will need to educate players on the value of the NFT they hold; but once they do, they have the

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potential to transform the player experience.

For example, an operator could release different types of NFTs that hold different utility values. This could include a VIP-status NFT that would grant the player access to premium services, or a prize that is distributed during a competition with the reward being a share of the casino's annual profit.

***“In addition to cryptocurrencies, we are quickly moving to a point where NFTs (non-fungible tokens) will be used in the online gambling space for the first time”***

#### **How crypto and NFTs improve the player experience**

Ultimately, crypto has the power to significantly improve the way players deposit into and withdraw from online gambling sites. But they also offer a way for players to become more involved with the casino.

DOA (Decentralised Autonomous Organisation) casinos could improve the customer experience by leveraging the thriving crypto community through the use of voting. This will allow

operators to give players a voice to influence and be a part of the casino brands they love.

Blockchain also has the ability to deliver a state-of-the-art platform where the player can be the house by providing liquidity to the casino through pools and NFTs. Earnings, rewards and fees can be shared across the user pool, which is an open and unique way of operating a casino.

For me, this is one of the greatest upsides presented by cryptocurrencies, blockchain and NFTs.

They allow gambling operators to target new audiences and demographics that would traditionally not engage with online sports betting and casino with an exciting product that appeals to them.

Not only that, but they can be used as a powerful differentiator to allow operators and their brands to stand out in what is becoming an increasingly crowded market. Of course, for financially savvy operators crypto and blockchain will significantly reduce fees for instant payouts globally.

That being said, work still needs to be done to improve the perception of crypto and NFTs, especially when it comes to their use in nefarious activities. This is currently a major hurdle to both becoming more widely adopted. It will happen, but it will take time.

Despite this, there is a new generation of online gambling on the horizon, and I truly believe it will be powered by cryptocurrencies, blockchain and NFTs.



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## GUEST INTERVIEW



**MARIJA HAMMON,**  
*HEAD OF MARKETING,  
RELAX GAMING*

*Hammon discusses her promotion to Head of Marketing at Relax Gaming, and the company's focus for the future*

**Congratulations on your appointment. What are you looking forward to most about your new duties?**

It is difficult to pinpoint one element here when there is such an array to choose from. Plans for team growth are already in full swing, both in terms of personal development for those already within it, and also physical expansion too. We are in an exciting position where we have a phenomenal pipeline in place for 2022, which will be supported by high energy and an innovative angle across all marketing touchpoints. Expect big things from us this year.

**What will your biggest focus be, personally, in 2022?**

Driving all go-to-market efforts globally with the highest level of dedication to every opportunity secured, ensuring that Relax

Gaming continues to represent a benchmark within the iGaming industry in general, and also in terms of B2B marketing. The challenge to stand out in a crowded digital space and strive for unique ways to truly be distinguished is one to embrace.

**How about Relax Gaming, what are the company's highest priorities this year?**

Our focus for the year is continued growth through market expansion for a more global position, strengthening game releases even further, and also innovating our offering with a first-of-its-kind product launch in May which we are all incredibly excited about. As both the industry and Relax itself evolves, our aim remains to continuously strive for industry leading standards showcasing technical excellence, powerful collaborations and, of course, driving differentiation.

**Finally, will Relax Gaming be attending ICE London and, if so, what does the firm have planned for the show?**

We have representation across numerous departments attending ICE '22, along with meeting rooms secured for the duration of the show; therefore there will certainly be a Relax presence there. The team thoroughly looks forward to meeting both current and prospective operator, studio and media partners, and enjoying F2F time with all those we haven't been able to meet in person for some time – due to the various Covid restrictions that were in place.

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