Gamma FY Results Presentation

Andrew Taylor: Good morning. So, in terms of agenda, I'm going to give a bit of a business update and then I will hand over to Andrew who will take us through the financial highlights. Then, an update of the strategic plan - and Andrew will give a quick update on where we are and what we're doing around ESG - then local business and then hopefully plenty of time to cover the Q/A.

Listen, I think overall, we're very happy with our performance through the year. Andrew will give a bit more detail in terms of the specific results. But, I mean, given the circumstances, I think an excellent financial performance through the year. Again, very happy with how our business units performed. And again, we'll get into a bit more detail on that in a second. It wasn't perfect, but I think in context of what was quite a challenging year, in terms of the economic and the business market implications, I think we've delivered a strong set of results across all our channels. We've made really good progress in terms of execution, not just in terms of our short-term operational commitments, but also around the execution of our long-term strategic objectives. Some really good progress on that and I'll touch on that in a bit more detail in terms of specifically what we've been doing on the technology and product side of things.

Overall, in terms of the marketplace, I think we've seen normal levels of churn. We've seen robust output and we have seen a positive contribution from those new products and services that we took to market. So, they are beginning to be quite a meaningful contribution to our performance both on the product side and in the financial side. We haven't really seen any change in terms of price attrition in the market either saw. So, normal types of levels based on what we talked about at the half year, so I think that's generally positive news. Just as a final point, we've just been getting on and executing really well at base against each of those objectives that we will talk about later and in terms of what we have talked about at the half year.

Overall, just to touch on the business unit performance there was good growth across. We mentioned this in the half year. There is some inorganic growth within our Direct business and at the half year we talked about how in the second half of 2020, we had a slower sales performance because of lockdowns. If you can't go and meet customers to talk to them about buying, the orders are generally a bit slower, so we suffered from that through 2021. That means that the organic growth was a bit lower, I think 2-3% based on what we normally would expect.

On a positive point, as we came out of that period, through 2021, we had a very strong sales performance not just at direct but also indirect. I've got a couple of slides that touch on that but going into 2022, we enter it with a very robust sales performance. With a particularly strong performance on direct sales. I'm sure Andrew will go into that in a bit more detail and as I say low levels of price attrition, low levels of churn and a very positive outlook attachment rate so I'll touch on that in the next couple of slides. In terms of our overall product performance, but looking specifically at UCaaS, I think when you look at this period on period and year on year, we think it's an excellent performance. We're either growing with or I would suggest ahead of the market, and in the UK, we just continue to churn out on gross adds and very strong net adds which churn at normal low levels, so we just manage around that. Then across the cloud products there is 15% growth. If you remember back to the half year, what we do is combine our UK and UK Horizon numbers together to provide a whole UK cloud number, so the actual Horizon net is about 12-13% and collaboration grew to 36% overall sub 15% growth. And in Europe a consistent first half performance. We delivered a strong second half with 12.6% growth.

Andrew will touch on the overall performance of our European businesses, but what's really pleasing is the work that we've been doing on our cloud growth strategies that our partner proposition is taking across the European markets. That’s certainly delivering results and, similar to what we talked about at the half year on SIP, the SIP performance is really strong. It's a bit lumpier based on previous years, you know, because we're selling Microsoft Teams as part of a SIP product. We're selling more SIP, more voice infrastructure to some of the cloud players that come into the UK market. We're doing slightly less SIP into on premise PBX’s because as more companies and more partners move to the cloud, people are doing less on premise. So, it's a bit lumpier than we are used to, but not withstanding that, I saw a very, very strong position.

And on the Microsoft Teams direct routing side, you know, I think we have carved out a very strong position in the UK marketplace. We’re in a leadership position, as well as bringing in a very predictable level of run rate SIP trunks every week, every month, every quarter. We are also bringing in some very large strategic deals on the Microsoft Teams direct routing side. I think one of the ones that we quoted in the RNS was around a major deal we won with central government. It was funded department of Watson pension, and that was a managed Microsoft Teams deployment of over 100,000 - it was about 110,000 seats. So that's pretty significant. And that's not included in these numbers, I should say. That was one just at the back end of Q4. So, very happy with how things are going across the cloud side, SIP and Microsoft Teams. If you can see that sort of bottom right-hand box, attachment rates for Collaborate against new Horizon sales was 20% and I think that’s pretty good in anybody’s book. The Horizon Contact CcaaS product that we took to market in Q1 is performing very well. We've got a steady run rate of new business coming through there on a weekly, monthly basis and we're seeing an attachment rate of about 10%. So, we’ve got 4000 agents a year to date using Contact with an attachment rate of new business at 10%. And I don't think we've seen that type of success in any other product that we've taken to market through the channel. So, I think we're a pretty good place there.

And I should say, I haven't mentioned the details here but our mobile, broadband, and ethernet products all grew quite well too during the period so there was net growth across every product in the portfolio. So overall really pleased with the product performance. And as you know, this is a leading indicator for us in terms of you know how the markets doing, how the channel is performing. And it's a leading indicator, I suppose, to financial performance as well. And sort of just to touch for a second on the market side of things. So, in previous calls, I've talked about the impact of the pandemic and the structural changes that we saw in the market that we believe were real indicators for future long-term growth. I think what we now acknowledge is that this acceleration of growth was the cloud is now solidified into what we see as long term, sustainable trends and that's, you know, driven by the move towards more flexible and hybrid working, both in terms of homeworking but also how organisations need to organise themselves to provide cloud services to their employees and then how they will use them when they're working in office and at home, but also driven by the connectivity, whether it's the fixed or mobile connectivity that enables those solutions. So, we think these are now long term, well established and solidified trends in the marketplace. Users are going to use those applications and those services whether they’re at the office, whether they’re at home or whether they’re on the move, it's going to be a big focus area for us. And so, what I would say is that the demands that come from end users and customers we've seen increasing over the last two and a half years as a result of COVID are now here to stay which I think is a good sort of positive statement. And I apologise if it's stating the obvious because we're all sort of living and breathing this ourselves.

Just to touch on some of the core foundations that I actually talked about this when I joined Gamma over four years ago now. I just want to reinforce the point that there are some good reasons why Gamma has won at the market and will continue to win in a market which is going to continue to grow. We've always been focused on product technology. Historically, we've sort of become famous in the UK channel for pulling all that together and delivering it in a way that's efficient and really easy for both channel partners and for end users to consume. So that continues to be a main reason why we win and why we will continue to win. Our network quality it's very much by choice that in the UK, and in Europe, when we've acquired businesses in Europe we’ve actually acquired businesses that have got a clear perspective of the cloud and a shift to the cloud but also their networks because we believe that that network element – being able to provide good high quality of service when a customer or end user uses your applications is really important. So, having that reputation for network quality is a key reason why we win. And then I've talked a lot in the past about digital platforms and digital enablement, whether it's how we enable partners to consumer products or how do we enable direct customers to deal with us and do self-serve. This is a big part of why we are successful, and how we enable partners and end customers to be more competitive through the training that we do around our products. Whether it's the salespeople or the operational people. So, there's a lot of effort and a lot of capability around those digital platforms that drive a key reason why partners and end customers use us and then that commercial agility in the people side of things, I think continue to be very important. How we go about doing our job, how we go to market and how we're very flexible open how we do deals with end customers, and with channel partners. As you know we've talked a lot in the past about how Gammas focus on margin is really important and that just has continued in the four years that I've been here and that is a big focus, so we’ll go with flexible and agile commercially. You know, we are one of those few cloud businesses on the planet, that has worked out how to do this and make money while we’re doing it. So, I think all of these are the reasons why we continue and will continue to win in the market.

Just to highlight some of the key customer wins we’ve had in 21. On the left-hand column just split across direct, indirect and Europe are what some of our partners and key customers look like, so we’ve had a really strong year. Some key wins were found across all three segments. It's actually also been a very strong year for the recognition that we'll receive both within the wholesale indirect channel but also on the direct side and I've just highlighted some of the awards that we achieved through 2021. So overall, pretty good performance on the same side, and happy with how we're entering 2022 In terms of contracted backlog and perspective on normal run rates from the product side into q1. So, with that, and I'm sure you've probably got some questions we can, you know, just hold them and we can deal with them on the backend.

Andrew Belshaw: Right let's go through the 2021 financial highlights. The first thing, we quote the adjusted metrics, and it's worth saying because we have the profit from the loop in last year's sort of statutory numbers. Things like PBT, EPS they all seem to have gone down a lot and that seems to be panicking a few retail investors as far as I can tell first thing this morning, when you take the loop profit out from last year and you look at the adjusted numbers, everything's looking pretty good. And we'll break it down a little bit more in a moment. Obviously, you've got a full year of Spain and Germany that we've all kind of partway through the year, revenue up 14% I reckon around 6 / 7% of that is organic, adjusted EBITDA, 21%, EPS 25%. It's all looking pretty good. So, we're very, very proud of those numbers.

Let's dive into the detail a little bit more. So recurring revenues still around 89%. That's a little bit lower than it's been historically, but you'll remember we've got the German mobile business, that's not recurring, and we'll talk about that in a moment. It's called epsilon. It's all kind of spot commissions that we get from selling mobile fields and that just bought the recurring revenue piece down a little bit. What to say about COVID and people tell me COVID was so last year, and we should stop talking about it, but equally, it's still affecting us. So direct had a particularly slow h2. And I think we guided to that because we'd sort of said during 2020, what was happening is we weren't out doing a lot of sales activity. We weren't winning business at that point and that was the business that that should have been coming on, in 2021. So actually, direct had a relatively slow, second half 2021.

Also, we managed to keep the overheads under control in 2021. I'd love to say that's fantastic overhead management from the CFO and it probably is, but also there was a lot of stuff we just couldn't spend, so travel was very low. We weren't going to conferences, so that meant partly travel but also, we weren't kind of paying for large stands at trade fairs and all that sort of stuff. That's going to come back in 2022 so we you know; we do anticipate that kind of overhead coming back. So, most of the op ex growth was really just share-based payments and development spend and the rest of the op ex was pretty static. What else to say, probably just kind of going forward. It's worth just sort of saying a few things on Opex. As you know, three quarters of our overhead is people. That's a big number. And wage inflation is becoming a bit of a thing in a way that it hasn't been for the last four or five years. I know you know this, and I know everybody else is talking about it. I'm not quite sure what that means for us going forward, I think what it does mean is you'll probably see more pressure on our overheads.

I've spoken to many of you individually this morning. Revenue in GP I'm very comfortable with going forward, overhead I can just see a few headwinds on that, not because we're going to spend more in the sense of doing more, but the people that we employ, and particularly in the software development area, we are seeing a bit of wage inflation in that area. Really, really difficult to quantify and early in the year and we don't know if it's going to get better or it's going to get worse. Who knows? But just like that. The other thing to flag going forward is probably tax. as you know, when we get out into 2024, the tax rate is going to go up from sort of 19/ 20% up to sort of 24 / 25% just because the UK headline tax rate is increasing. So, when we're modelling out, you know, the next two three years, we just need to bear in mind unless Rishi says something tomorrow to the contrary, which he may do but I doubt, the UK tax rate is going up.

So, let's get into each of the individual business units. Indirect, probably not an awful lot to say. The indirect channel, apart from at the very beginning of COVID, wasn't hugely affected. You can see there all the graphs kind of just nicely go up half on half. revenue growth 9% - that's entirely organic. We didn't buy anything that's added to the indirect revenue channel. And it's SIP and Cloud PBX and as Andrew said, it's all the new things we're getting things like Collaborate and Cloud Contact with decent attachment rates, and that's driving the revenue in those areas quite nicely. And the recurring revenue in indirect stays around sort of 93- 94%. Margins again, we've been guiding with margins will flatten in this business just as the mix flattens and that's happening and if you look over the last 12-18 months margins have been around sort of 50 to 53- 54% and we would anticipate that carrying on.

On direct, we no longer split out the SME part of direct, it's not really that material but direct is all driven by enterprise and public sector and a lot of the new logo wins that Andrew highlighted on the slide a few moments ago. This isn't entirely organic. Mission Labs is in here. It's not desperately material, but the organic revenue growth indirect is only around 2 to 3%, when you correct it. The loop was in last year and it's not in this year. Mission Labs wasn't in last year but is in this year. As I say I think the growth is around 2 to 3%. And the reason that's a little bit lower as he says it's that sales effort in 2020. We weren't winning new business in 20 and then we didn't put it on in 21. But as we go into 22, the pipeline is growing and growing again, and we're expecting a very good 22. What could stop that? Well again, we do need to just kind of call out this business to do with hardware, in direct.

So, one of the first things that we often do, particularly if it's a data deal, or data forms part of the deal, is we need to go and install hardware routers on customer premises. Depending on the make and model of router that we need to install, they can be quite hard to get hold of purely because of the global chip shortage. So, what you end up doing is probably paying a little bit more for slightly better routers that we can get hold of because it's better for us to do that than let stuff drift to the right. if we really can't get hold of routers that do the job for us, projects drift to the right. So, directors, we sit here, we are comfortable and we're confident, but there is just that sort of risk that we can't get hold of hardware and some of the deals that we've won, they just begin to drift to the right and that means we obviously can't start billing until everything has been installed. Again, margins sort of high 40s and we don't sort of see that particularly changing going forward.

I'll say a little bit more about Europe, and I've got another slide. So obviously all of the European growth is largely inorganic. As I said before, we had a full year of Spain in Germany in 2021. Trading EBITDA for the years was 9.4 million. It grew quite a lot in the second half for reasons that I'll come on to and I wouldn't say that second half 5.3 million is necessarily the run rate going into h1. Why is that? Well, let's just have a look at the next slide, where we tried to split down the European revenue and break down a little bit more what's actually going on in Europe. So, what would I say about European revenue? The first point to pull out is actually that line about halfway down the slide where it says Epsilon. Epsilon is our mobile business in Germany, and we earn revenue by going out selling a mobile deal. We take commission from the MNO, and then we pay the vast majority of that commission to the partner that's done the deal with us and we make about 15-20 points margin on it. As you can see, because it's spot revenue, it's gone 14.7 second half of last year, 12.1, back up to 15.2. I wouldn't say it's seasonal, I wouldn't necessarily say you know, it's driven towards the second half of the year, I think it just fluctuates depending on when people are buying mobile phones and that means it's actually quite difficult to model. And, as I say, the margins on that are quite low but actually that sort of 12 in the first half going up to 15 in the second half, that's obviously another 3 million you can do that in your head. 15- 20% margin is about 600,000 of GP and that just goes straight to the bottom line. There's no overhead associated with that. So maybe the second half run rate for EBITDA for Europe isn't what we'll see in the first half of this year. 600,000 of the EBITDA, we had in the second half of 21 was just driven by that sort of, you know, supernormal revenue in Epsilon. So, we'll probably split that out going forward, it makes life a little bit harder to model.

So that's the sort of first thing to pull out. Second thing to pull out is UCaaS revenue in Europe is slightly different to the UK. In the UK, as you know we bundle calls. So, we go out, we sell a seat, that's the revenue, it’s pretty easy to model. In Europe, they go out they sell a seat, that's great, they get the revenue from the seat, but then also they get call revenue on top of that, and that can fluctuate a lot. Particularly in times of COVID when people are in the office, they're out of the office and calling patterns change quite quickly. So, what you're seeing actually in all of the European countries to a greater or lesser degree, particularly in the Netherlands, where revenues kind of gone backwards, is we're selling more seats. So as Andrew said earlier on, we've sold 13% more seats or sorry at the end of 21 we have 13% more seats than beginning of 2021. So, we're getting more seats on, we're getting more seat revenue.

What we're not necessarily getting is the call revenue, and that just kind of fluctuates around and you kind of see over the period you're getting growth if you compare 2021 to 2020, but particularly in the Netherlands as you can see that revenue where it's 4 million second half of 2021, was 4.3 million 2nd half of 2020 - that is call revenue. The actual seat revenue has increased, what's pulled it down is people just making fewer calls. So again, you know that's another feature. I would just sort of say in passing, Netherlands has actually had a pretty strong year. It is doing very well in mobile; it is a multitalented business. We bought a business called Nimsys and that's doing very well. The Schiphol business is beginning to pick up as air travel picks up as well, so the underlying Dutch business is okay, the number of cloud seats is growing, but just optically you've got that UCaaS revenue coming off.

Germany again had a very good year. We've talked about Epsilon, the number of cloud seats increasing, SIP trunks are increasing. And you know, over time we'll see that come through on the revenue.

Spain again, you can see the UCaaS revenue increases and slightly comes off again just because of this call volume. The other thing just to call out in Spain is we had a couple of businesses, Seconda Media and VozTelecom Andalucia, that the Spanish guys bought, or we acquired. The Spanish businesses weren't doing so well throughout 21. Those businesses are now just beginning to pick up again a little bit so they were a bit of a drag on Spanish growth in 21, but kind of growing into 22. So what does all of that mean? I think it means fundamentally guiding and therefore modelling Europe is going to be a little bit harder. Epsilon is going to kind of move around a little bit, but as we put more seats on in Europe, and we are putting more seats on in Europe, and as that rate of seat growth increases, which it will do in Europe, as we said at the capital market’s day, it may take a little while but it will increase, you will see that European revenue begin to grow. So hopefully that’s a bit more of a granular look at the revenue. Hopefully that's helpful just to kind of explain what's going on throughout the European business.

To move on to the balance sheet. I haven't got very much to say on the balance sheet or cash flow other than to say, balance sheet remains very strong, cash just under 53 million, net cash just under 50 million, which is very, very similar numbers to the ones that we had this time last year. If you feel contingent consideration should come off net cash that's in the bottom right hand corner of the slide. And if you feel the IFRS 16 liability should come off as well we give you that number, but by the measures I would use, net cash is around about 50 million. As you know, we keep that on the balance sheet to fund M&A.

So, cash flow, probably just to talk a little bit about guidance. Cash conversion - so this is adjusted EBITDA turned into operating cash flow, was 94%. I think historically I'd sort of said that was going to be between 85 and 90%. Sorry, that was between 80 and 85% when we move to IFRS 15. It's been creeping up to 85 and 90%. I think I've been sort of hinting that we probably change the guidance to 85 to 90%. I think you know, we have enough data now, that clearly that is the sort of level of cash generation and clearly in the last year we've done really well getting it over 90%. So maybe we're guiding it's 85 to 90, possibly even a little bit higher in some years. So, we're pretty happy with cash conversion.

Tax is a bit lower in the year just because of the quarterly instalments, and when they fell and the QIPs regime just changing. Capex guidance are not changing. We’re spending 16 to 18 million at the moment. I would see that happening for the next few years, barring acquisitions.

And just on M&A, in the year we’ve spent 40 million on Mission Labs, and paid about another six and a half million of that further consideration. Going forward we've got about 13 million to pay - that’s undiscounted. Some of the figures you'll see in the accounts are discounted because that's what you have to do these days, but that 13 million is our best guess at cash figure, and we think that 6.1 million of that's paid for in 22 and the rest of that is largely payable in 23 with a tiny bit payable in 24. I think that is me done. So, I shall hand you back to Andrew to talk about strategic planning and what we're going to do with all of that cash.

Andrew Taylor: So, a bit of a reminder on where we are in terms of our strategic priorities, and in particular the progress that we'll be making on the product. So, building on what we talked about at the capital markets day and at the half year. So, these continue to be the strategic priorities that are driving execution as a business. We did undertake quite a bit of work actually over the last 12 months looking at both testing and validating our planning hypotheses and also the market data that was supporting our strategy. We did a big piece of work on that and developed a new five-year planning Horizon, and the good news is that we think that these objectives are valid and looking forward to 2026, which is our new planning Horizon, we’ve got a very clear view on where our priorities are. There’s an enormous amount of detail underneath this so I’m keeping it high level. So, I mean, this is all about building a strong and sustainable position in both the UCaaS and the CCaaS - the cloud Contact centre market - with a continued focus on SMEs. It's not that we don't also cover the requirements of enterprise and public sector, through our direct activities, but overall, as a business we are completely strategically focused on building a sustainable UCaaS and CCaaS capability targeted at that SME market which is really our core market.

What's slightly changed, I would say, over the last 12-24 months compared to previously is this real focus that we have on the end customer - the user of the service. A lot of the product development and product marketing work that we do is designed around ensuring that we've got products surprisingly, that users will really be able to use well in that business environment. So, our continued focus on that, and of course, both solidifying and broadening our routes to market and a good example of what we've be doing on this over the last couple of years, is opening that digital channel. A new digital channel on the basis that we believe in the future end users and businesses are going to consume these products digitally over the web as opposed to coming directly or through an indirect partner. So, it's a new route to market which isn't new in other market segments but in our segment where the products that are consumed are quite complex, we see this as a key area for the medium. And actually, it’s delivering some pretty positive results and we're making good headway in that area.

A big focus for the business over the last couple of years and moving forward is how we help existing customers transition to our full UCaaS and CCaaS propositions in the business. You’re seeing some of that with the new products that we've launched and the cross selling and upselling that we're doing with existing customers through partners and directly so that's a big feature for us as we develop new technology and new products. There are some very clear and exciting transitions for existing customers. We are doing all of this through our group operating model to ensure that there are people in the company today and new people who join the business organically or perhaps through acquisition, and that we have a very clear way of working, and clear operating model. That's what we’ve been implementing over the last six to 12 months. There are some very clear priorities for the business moving forward based on those initial 2023 strategic objectives.

This is just a reminder of the focus that we have in terms of adding software platform capability to the existing network strengths. So, this has been something that we’ve been very focused on over the last few years and you know, building that capability from the centre towards those core products that we're taking to market and both the devices and the channels that we use to enable those products to be consumed. Just a reminder, we’re covering multiple business segments through multiple channels with multiple products and services. I mean, you could turn this slide on its head as well it would say the same thing. So, a big focus on SME enterprise and micro - addressing those business segments through very different channels and then an exciting set of UCaaS, CCaaS and connectivity products and services that we target into those different channels. If you're really interested in that stuff, if you look back at our capital markets day, there are some good slides that sort of support us and they get down into a bit more detail. So, we're really happy with where we are from the product side, the direction of travel, and how we're addressing those channels, both in the short term but also this is about building strong foundations to deliver medium to long-term growth. And if you flick over, this is a bit of a historical slide now, building on what we said in H1. So really good progress with a bit of a drift around Collaborate 2.0. We plan to launch that into the market in Q4. That’s now going to be launched in March. There’s been a lot of testing internally within Gamma and with partners and customers. We’ve just launched it fully throughout Gamma, we're really excited about it and during 2022 we will be embedding that both across our existing customers and selling it to new customers that come onto our collaborative platform.

So, it’s a real strategic initiative for us because it provides that user interface for all our products moving forward. A big focus in 2022, just building on the work of 2021 around new products that we're taking to market. I suppose two or three key messages here: one we've got a big focus on building on the work that we did in 2021, ensuring that we're executing against our feature and our product roadmap against those products that have already launched, so Horizon Contact and Phoneline+ are good examples of that. Secondly, around taking new products and services into new geographies is something that we've talked about some time ago. So, in Q2, we're going to be taking Operator Connect into the Netherlands and in Q3 we’re planning to take Telsis, which is our Cloud Contact Centre solution into Spain. And then we're going to be launching a digital product Circle Loop into Germany and the Netherlands. So those of you who have been working with Gamma for quite a long period of time you will recognise how critical some of these deliverables are because this is what we'll be working towards in the background so we're really quite proud of where we are but a lot of work around the execution during this next 9-12 months. For those of you who have talked a bit about mobile in the past, we've completely deployed the platform last year. And through this year we're going to be migrating all users over to the new Gamma Mobile platform. We're very pleased with how this has launched into the market. The cross selling and upselling that we've be doing in direct has been really impressive and we haven't talked about some of the big wins that we've had in the deck here, but we've had some very big mobile wins. I hope that the decisions we've made historically on mobile and partnering with Three will come good in the medium to long term. The short-term signals are positive.

Andrew Belshaw: I was going to say I won't say much about ESG, but there's much to be said about Gamma' s ESG journey and, particularly, on the E the environment, we've done an awful lot of work this year. Really just to put out one or two bullets because we haven't got time to go through all of them. So, we are committing to be net zero by 2042 and the annual report which went on the web this morning has got sort of three or four pages explaining how we're going to do that. So, I won't kind of go into all the things that you would expect me to be talking about, but I won't run through it now and we will be TCFD compliant by next year. We probably are this year, but we sort of timed out getting the annual report out, so we didn't have time to get the audit done. But we kind of think we're compliant and I won't say we're compliant until we've had the audit done, which we will get done very shortly. Probably not much else to say on there. Lots and lots of good stuff going on. Governance, as you know, we've always sort of tried to apply the main market code even though we're sitting on AIM. If you do have anything else on ESG we can maybe pick it up on Q&A, but I shall hand back to Andrew and I'll keep doing the slides.

Andrew Taylor: So just in summary, looking at outlook, I think over the next year you know it's been it's been mixed because of the market, the impact on the economy and the business segment as a result COVID. I think we've traded very well through that; there have been small parts of the company that have struggled a bit just as a result of lockdowns. But I think given the business model and given our product performance as a key leading indicator, I've been pretty amazed with how we've traded through both 2020 and 2021 actually. Really happy with how we're executing on our own IP technology product strategy. I think we made great progress in 2021 in terms of new products to market. And we've got some big milestones in Europe in 2022 about building on that strategy to enable these European markets to be able to deliver the growth that Gamma has delivered over the medium to short term. I think we're building really strong technology foundations there as part of a journey that's going to enable foundations that will enable us to deliver long term growth. long term shareholder value and growth in the future. So, I think the structural changes that we've seen in the market are favourable, despite the potential for some economic headwinds as a result of what's going on in Ukraine. You know, we just have to wait and see. We're not feeling that at the moment as a business, but we feel very positive that the structural changes around the market are in our favour and we're in a growth market. Wwe believe it's going to continue to grow. The question is how fast it is going to grow, but I think we're in the right place and feeling pretty positive for a good start to 2022. When I look at the product performance as a leading indicator, we have that strong performance from 2021 to 2022. So that is good news. It's a good leading indicator and we just have to keep our heads down and do what we have done in the past and deliver strong results coming in for 2022.