Meridian Holdings

Second Quarter 2026 Earnings Call

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CORPORATE PARTICIPANTS

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Zoran Milosevic, *Chief Executive Officer,* Meridianbet *Group*

Rich Christensen, *Chief Financial Officer*

CONFERENCE CALL PARTICIPANTS

M. Marin, *Zacks Small Cap Research*

Jack Vander Aarde, *Maxim Group*

Steve Silver, *Argus Research*

Danial Yermakhan, *Freedom Broker*

PRESENTATION

Operator

Good morning everyone and welcome to Meridian Holdings' Second Quarter 2026 Earnings Call. On today's call are William Scott, Chairman and interim Chief Executive Officer of Meridian Holdings; Zoran Milosevic, Chief Executive Officer of Meridianbet Group, a subsidiary of Meridian Holdings and Rich Christensen, Chief Financial Officer of Meridian Holdings.

Following management's prepared remarks, we will conduct a question-and-answer session. At the conclusion of the call, the recording and supporting materials will be available on the Meridian Holdings investor relations website at www.meridian-holdings.com.

As a reminder, today's call will contain forward-looking statements within the meaning of applicable securities laws. These statements are based on various assumptions and subject to risks and uncertainties that could cause actual results to differ materially. For a complete discussion of these factors, please refer to our most recent 10-K and 10-Q filings and other public disclosures available at sec.gov. Non-GAAP financial measures will be discussed on today's call. Reconciliations to the nearest GAAP measures can be found in our earnings press release available on our investor relations website.

I will now turn the call over to William Scott, interim Chief Executive Officer of Meridian Holdings. William?

William Scott

Thank you, and good morning, everyone. We appreciate you joining us for our Second Quarter 2026 earnings call.

Let me start with the headline: we delivered strong revenue, secured a second consecutive quarter of GAAP profitability, grew Adjusted EBITDA, and further strengthened our balance sheet. Furthermore, the first half of 2026 is the first in our Company’s history where revenue crossed $100 million.

In the second quarter specifically, revenue was $50.2 million and net income attributable to Meridian was $2.2 million, or $0.17 per diluted share, against a loss of $0.31 per share a year ago. Adjusted EBITDA grew 43% year-over-year to $5.9 million. And importantly, the balance sheet took another major step forward: net debt fell 65% year-over-year to $9.4 million, marking our sixth consecutive quarter of deleveraging.

I also want to be direct about the one number that came in modestly below our own expectations. While revenue of $50.2 million represented 16% year-over-year growth, the topline landed slightly below the range we guided to last quarter. The reason is well understood across our industry that in certain markets, the World Cup group stages can produce a run of results that are unusually favorable to bettors, compressing sportsbook margins during the period. Zoran will discuss this in greater detail shortly, but the essential point is this: the shortfall came from sporting results, not from customer demand. Wagering volume, deposits, and new customer registrations all set records in the quarter. When volume is at record levels and margin is temporarily below trend, the business is getting stronger, and the margin follows the transactional volume over time.

Beyond the quarter itself, the progression we committed to is on track. A year ago, this business reported a quarterly loss. Today it is profitable for the second quarter running, generating cash at more than three times last year's pace. This is the compounding effect of operating discipline, and it does not depend on any single quarter's sporting calendar. Interest expense is down roughly 80% due to the debt we have retired,

With that, I will walk through a bit more detail on the quarter as well as speak to our operating segment results.

Revenue for the second quarter was $50.2 million, an increase of $6.9 million, or 16%, compared to $43.2 million in the second quarter of last year. Growth was led by Meridianbet, which delivered $35.8 million, up 23% year-over-year, and accounted for 71% of total Company revenue. For the first-half of 2026, revenue was $100.3 million, up 17% year-over-year. This marks the first time that H1 revenue has exceeded $100 million in the Company's history.

Gross profit was $26.9 million, up 10% year-over-year. Gross margin was 53.5%, compared with 56.4% in the prior-year period. The margin movement reflects two factors Zoran will expand on: sportsbook margins compressed by the World Cup results environment, and casino hold that ran below its prior-year rate even as casino wagering volume grew 27%. Both are variance items tied to results and hold, not to pricing, competition or cost structure.

We have seen good progress with our operating expenses. Selling, general and administrative expenses were $24.4 million, down 8.5% from $26.7 million in the prior-year quarter, even as revenue grew 16%. As a percentage of revenue, SG&A improved from approximately 62% to close to 49%. That is the operating leverage of this model becoming visible. Income from operations was $2.4 million, compared with an operating loss of $2.3 million a year ago, a swing of $4.7 million.

Interest expense was $0.3 million, down approximately 80% from $1.5 million in the prior-year quarter, a direct result of the deleveraging actions taken over the past eighteen months. Lower financing costs are now flowing through to the bottom line.

Net income attributable to Meridian Holdings was $2.2 million, or $0.17 per diluted share, compared with a net loss of $3.6 million, or a loss of $0.31 per diluted share, in the prior-year period. This is our second consecutive quarter of GAAP profitability. Adjusted EBITDA was $5.9 million, up 43% from $4.1 million, with margin expanding approximately 222 basis points to 11.8%.

Turning to our segments. Meridianbet Group delivered revenue of $35.8 million, up 23% year-over-year, with segment operating income up 91% to $6.1 million. Zoran will cover the operational drivers in a moment.

Our RKings and Classics for a Cause segment delivered combined revenue of $10.8 million, up 4% year-over-year, representing 22% of Company revenue.

Our GMAG reportable segment contributed $3.6 million of revenue, in line with the prior-year period. The segment contains two distinct businesses. The first is our B2B aggregation platform, which deployed 2,382 new games in the quarter, up 13%, and added three new providers. The second is MexPlay, our consumer-facing online casino in Mexico, which is reported within this segment but operates as a separate B2C growth business. MexPlay delivered another strong quarter, with revenue up 31%, registrations up 50% and first-time depositors up 53% year over year.

With that, I will pass it over to Zoran to discuss Meridianbet Group's operational performance and results in detail. Zoran?

Zoran Milosevic

Thank you, William. Good morning, everyone.

Meridianbet delivered revenue of $35.8 million in the second quarter, up 23% year-over-year, with segment operating income up 91%. However, I would like to start with our customer metrics, which provide a clear indication of the trends this quarter.

New customer registrations reached over 516,000, up 37% year-over-year. Additionally, first-time depositors grew 24% and total deposit volume grew 24% to a record level. Betting gross gaming revenue grew 37% on record wagering activity, and casino gross gaming revenue grew 12% on casino wagering volume that was up 27%. By every measure of customer demand, this was the strongest quarter in our history.

As William mentioned, topline revenue in the quarter was modestly below expectations. This was driven by bettor-friendly results during the World Cup group stage. This part of the competition saw many favorites winning as well as high scoring matches. That combination is the least favorable scenario for sportsbook operators, and certain markets and geographies we operate within were particularly affected by these trends.

In our casino operations, hold also ran below its prior-year rate, including the impact of two major casino wins totaling over $1.2 million in the quarter. These are results-driven movements. They compress margin in a given period, and they normalize over time. What they do not do is tell you anything negative about the underlying business, because the underlying business set volume records.

There is another important aspect of the World Cup that I would like to highlight. A tournament of this scale brings a wave of new players onto the platform, and our registration count increasing 37% is a part of that wave. Our job now is conversion and retention, turning tournament-driven sign-ups into long-term customers. That is precisely what our platform is built to do. The cohort we acquired this quarter is an asset that pays back over the quarters ahead.

Turning to Expanse Studios, our proprietary game studio within the Meridianbet Group. Expanse grew revenue 138% and gross gaming revenue 90% year-over-year. The studio now distributes nearly 90 proprietary titles across more than 1,800 active sites. During the quarter we secured new market certifications in Latvia, Colombia, Portugal and Slovenia, entered a North American distribution partnership with Bragg Gaming, went live with Maxbet Serbia, part of Flutter Entertainment, one of the world's largest online gaming operators, and sealed new operator partnerships including Synottip and Joker.lv. We also launched new player-engagement tools during the quarter, including jackpots, tournaments, and our Achievo gamification product. Every new title and every new operator connection compounds the value of this network at minimal incremental cost.

Geographically, growth remained broad. Europe excluding the U.K. grew 19%, Africa grew 55%, and Central and South America grew 10%. Africa continues to be a particular standout, with first-half revenue up nearly 50% year-over-year.

Our priorities for the second half are consistent: convert and retain the customer cohorts we acquired this quarter, continue scaling Expanse distribution, maintain pricing and risk discipline in the sportsbook and keep operating with the cost discipline that produced this quarter's operating leverage.

With that, I will turn the call to Rich to discuss our current financial position. Rich?

Rich Christensen

Thank you, Zoran. And good morning, everyone.

During the second quarter, we greatly strengthened our balance sheet. At quarter-end, cash and cash equivalents were $17.3 million and total debt was $26.7 million, down 45% year-over-year and down 62% from its peak at the end of 2024. Net debt was $9.4 million, down 65% year-over-year, and net debt leverage now stands at 0.39x annualized Adjusted EBITDA, down from 0.53x last quarter. This is the sixth consecutive quarter in which we have reduced debt.

Our operating cash flow was $7.8 million in the quarter, more than triple the $2.4 million generated in the prior-year period. For the first half, operating cash flow was $13.0 million, up 28% year-over-year. That

cash generation funded $2.8 million of debt repayment in the quarter and continued investment in our technology and operations, without any capital raises.

One further point on capital structure. Shares outstanding were essentially flat in the quarter, increasing 0.23%, entirely from the vesting of previously granted employee awards. No new equity awards were granted. No shares were sold and no repurchases were required. We intend to report these share count metrics to you every quarter as a standing part of our disclosure.

As our balance sheet continues to strengthen, we are actively evaluating the right mix of capital allocation, from high-return growth investments to further strengthening the balance sheet, and we intend to make that decision with the same discipline that has guided every dollar we have deployed to date.

Turning to our outlook for the balance of the year. For the second half of 2026, we expect constant currency revenue growth of approximately 8% to 10% year-over-year. Consistent with our historical seasonality, we expect the fourth quarter to be our strongest of the year, reflecting the concentration of major sporting events and holiday-period wagering activity.

With that, I will turn the call back to William for closing remarks.

William Scott

Thank you, Rich.

Before we open the line for questions, let me summarize the quarter plainly. We delivered a second consecutive quarter of GAAP profitability, saw first half revenue above $100 million for the first time in our Company’s history and drove a 43% increase in Adjusted EBITDA. Furthermore, operating cash flow more than tripled and we were able to reduce net debt by 65%, helping bring net leverage down to 0.39x and marking six consecutive quarters of deleveraging as we brought interest expense down 80%.

Our focus for 2026 has not changed. We remain focused on operational discipline in every market, converting the customer growth this quarter delivered, continuing the balance sheet trajectory and communicating with you clearly and consistently every quarter.

To every shareholder, analyst and partner on this call, thank you for your continued support. With that, we will open the call for questions. Operator?

Operator

Thank you. At this time, if you would like to ask a question, it is the star and one on your touch tone telephone. If at any point you find your question has been answered, you may remove yourself from the queue by pressing star two. Again, that is the star and one to ask a question.

We'll take our first question from M. Marin with Zacks. Please go ahead. Your line is open.

M. Marin

Thank you. I think that the new customer registrations represents a very strong metric, and I think, going into the quarter, it's consistent with what you had sort of laid out in terms of what you were hoping for from the World Cup games. As you said earlier in your scripted remarks, now your goal is conversion and retention of a large number of those new customer registrations. Can you give us a little bit more color on how the platform basically approaches that? Also whether recent promotional events, such as your new brand ambassador in Brazil ahead of the FIFA games and the upcoming UFC event in Serbia, whether those also play into the goal of conversion and retention? Thank you.

William Scott

I think I'm going to hand this question to Zoran because he knows the system the best. Zoran?

Zoran Milosevic

Thank you, William, and thank you for the question. As we predicted, the World Cup was by far the biggest sport event we ever experienced in terms of customers' activities, in every single segment, from the number of the bets that have been placed, turnovers which we achieved, customer registrations, and so on. In terms of profitability, as we said, we were neutral and mildly positive. That was our position before the World Cup, only because there is low number of matches and basically every country where we operate that has national team participating will face a lot of emotional betting involved where it's almost impossible to manage the risk.

Overall, it was better than we predicted. Our internal forecast was from 2% to 4% margin. That was the best outcome. Actually, we achieved over 6%. It was 6.2% margin overall, which we are really happy with. It is, of course, below what regular football betting is. Regular football betting is approximately 10% to 11%, but it's actually for the World Cup, better than we expected.

In terms of customer acquisition, this is the record number of customers we ever registered. Actually, the record number of accounts we ever registered. It's like 519,000. Now we are busy turning them into customers. If there was not a World Cup, we would probably register 350,000, around that. 520,000 approximately, this is additional value that we got from World Cup. You can count it, 170,000 customers were registered because of the marketing surrounding World Cup. World Cup is by far the biggest when it comes to marketing. What we are doing, we are trying to get integrated marketing approach. Because we operate in many countries, we try to use some marketing opportunities in one country to try to replicate this into another country, making this excitement much bigger and of course, lowering our marketing expenses.

That is what we did with UFC and with our new ambassador in Brazil, which is a very famous Brazilian football star, but actually he is of Serbian origin, and he was playing for Red Star Belgrade, that is the biggest football club in the region. That approach made a big impact in the region of Southeast Europe and in Brazil as well. Also, when it comes to UFC, UFC is, in terms of sports currently, maybe the biggest brand by far. We use this opportunity to become a sponsor of this event, which will happen on Saturday in Belgrade. This is the first time when a UFC is coming to Belgrade. Can you imagine that all tickets have been sold in 22 minutes? Arena is like 18,000 visitors, you can imagine what kind of excitement that brings. Also, this is very important for our teams in the region because this is actually a regional event. Even this is happening in Serbia. People that will come to this event will come from all over Southeast Europe. This kind of marketing approach we are undertaking, as much as possible to have integrated approach to marketing.

M. Marin

Okay. Thank you. I have a follow-up housekeeping question on that event, the UFC event. I think in the press release, you talked about what some of the promotional benefits will be for the brand. I think one thing is signage and also logo placement within the octagon. That event will be broadcast internationally or available via pay-per view. Will the logo and the brand be visible internationally as well when that event is shown in other markets?

Zoran Milosevic

Yes. That is per our contract. Also to add to that, two fighters that are participating are also, even before UFC events, they were our ambassadors as well, and one of the fighters is from Brazil. The only Brazilian participant is actually sponsored by Meridian, and that sponsorship was made before the event. Also, one of the most famous fighters from Montenegro is also sponsored by Meridian. This brings that situation, as

I said, to the point of integrated marketing. It's not event only, it's also the fighters which are coming, which are sponsored by us.

Meridian is very well known to be early supporter of MMA, despite this situation with the UFC. We started sponsoring MMA fights 10 years ago, even more than 10 years ago. At some point, Meridian, before corona, let's say, we were sponsoring 100% of all events in this part of Europe, and almost 80%, 90% of all fighters have been sponsored by us, at some point, of course. Now we are still number one when it comes to number of events we sponsor and number of fighters we sponsor as well in this part of Europe. Actually, number one by far. I think we cumulatively have more sponsorships than all others combined.

M. Marin

Okay. Got it. Thank you. One last question from me. I guess this would be for Rich. In terms of the balance sheet. Leverage went down and your debt ratios went down. Is the strategy to continue to reduce debt in absolute terms or as EBITDA grows, and relative leverages, leverage ratios go down, is that where you feel more comfortable?

Rich Christensen

Thanks for the question, Marla. We're really pleased with the debt and how it's come off over the past, we'll say 18 months. We're down 62% since year-end 2024. What you're seeing with the leverage ratio is really the two things. In absolute terms, debt's coming down, net debt's down to $9.4 million. Our adjusted EBITDA. The current calculation is effectively year-to-date x2 adjusted EBITDA and seasonality. The last half of the year is much more profitable than the first half of the year. As we see EBITDA continue to expand, we'll see that ratio to continue to come off. From how we view debt is we don't like it, right? We'll continue to pay down debt because we're opportunistic.

In the future, as we see opportunities, debt, we can re-leverage for exciting opportunities, but it's not something that we want to carry just for the sake of carrying. We are down to a level that we're extremely comfortable. I mean, a quarter or, excuse me, 40 basis points on a turn is pretty negligible. We're happy with the deleveraging that we've done. We have a fortress balance sheet at this point, so we can be opportunistic when we need to. That's kind of how we look at it.

M. Marin

Thank you.

Operator

Thank you. We'll go next to Jack Vander Aarde with Maxim Group. Please go ahead.

Jack Vander Aarde

Good morning, guys. Congrats on the profitable results and continued debt reduction. Thanks for taking my questions. I guess William and Zoran maybe for both of you, it sounds like the revenue is a little bit softer due to favorable player outcomes, which is a good thing in the grand scheme of things because the wagering was up, I believe. It was also the strongest revenue quarter despite that in your company history, as far as I can see. Just, I guess, how much of a driver was the World Cup for 2Q? Kind of a two-part question here. How much of a driver was the World Cup in 2Q? Then do you expect that same kind of similar player outcomes for July World Cup betting when we were in the final stages of the tournament, which should impact 3Q?

Zoran Milosevic

Thank you for the question. Basically, World Cup was approximately one-quarter of total revenues. The split between casino and betting was like 53% for casino, 47% sports betting, roughly. Within sports betting, 56% or 57% was World Cup. Majority of money came from World Cup. As you said, it is below what we usually achieve on football, 30% below, but far more, 50%, 60% more than we expected that we will achieve.

We achieved approximately 6.2% margin. Normally, we achieve on football like 10%, but we expected 2%-4% with this World Cup. That's basically it. It had huge impact when it comes to revenues. Quarter of the revenue was basically stacked into World Cup betting only. June was particularly bad. The margin in June was lower. It was like 4% because many favorites were winning, usually when you have qualifications, like any qualifications, there are many goals have been scored. Whenever you have many goals, that means that betting companies are losing, everything improved in July.

In July where a lot of bet, teams that obviously were not on the level that they compete went out and more or less same strength teams remained, that actually became much more exciting for us and improved a lot. From our core countries, actually, almost not a single country where we operate actually had national team within quarterfinals, semifinals, and so on. That made our life easier in that segment.

Jack Vander Aarde

Okay, great. It sounds like July was actually probably less favorable player outcomes, but still elevated wagering levels which is a good thing for the business. Excellent to hear. I guess maybe for Rich, on the second half revenue guidance. Constant currency, good to hear, 8%-10% up year-over-year with a more stronger fourth quarter as usual. Can you maybe speak to that year-over-year revenue growth trends, at the segment level, just between the three segments you report? Are you expecting similar growth across all three segments year-over-year? Are some going to be more flat than others? Maybe down? Any color would be helpful.

Rich Christensen

Yeah, sure. I'm going to kind of structure my answer around a constant currency look, right? Just to take some of the FX noise out of it. We have seen the US dollar strengthen recently, weaken prior to that. It tends to have some of these more violent moves since it is a bit of a petro currency, at least acting as that currently.

If you pull back the layers of this onion and you look underneath, what you're going to see is you're going to see Meridian continue to outpace the growth that we're expecting, primarily in some of the smaller raffle ticket businesses. When we talk about that 8%-10% constant currency growth, our expectation is that Meridian is going to do roughly about 30%-40% higher than that. Those other business will do about 30% or 40% lower than that. What that really drives is it's a favorable mix shift, right? Because Meridian has about a 70% gross profit, and those other businesses are in the mid to high 20s. It becomes more profitable on the income statement and you get some operating leverage as you move forward. That's important to really tease out of even our current results.

If you look at Q2, and you just look at our historical performance on the income statement, Meridian was short roughly about, call it 400 bips of gross profit due to all the reasons that Zoran has described to you. There was some favorable casino outcomes of about $1.2 million. There's about the same amount of headwinds that we saw because of the World Cup, those favorable outcomes that we mentioned. Then there was even some FX headwinds against our forecast of roughly about $700,000.

If you move those back in and you get to more of a run rate gross profit for Meridian, we had a phenomenal quarter. We're really excited about the customer registrations being up 37% and even seeing what that is

doing for our Q3 results so far. Anyway, that's what we're seeing in Q3, Q4, that mix shift and helping you piece together what that means as far as the income statement moving forward. Anything else, Jack?

Jack Vander Aarde

Maybe one more question for the whole team, I guess. Any comments, because it has been a buzz topic in the space lately, is just on the prediction side of the emerging vertical globally now. Any strategic comments on prediction markets or the opportunity there and how Meridian fits in? I know you've been involved with this for quite some time, but might as well ask you. Thanks.

William Scott

That is the most interesting question because everyone's got a very interesting debate with regards to it. Betfair was one of the first guys to do it, and Betfair, unfortunately, didn't come up with the great name called “prediction markets” and they made it more towards a sophisticated player. I remember meeting them years ago saying, "Call it something simpler instead of a lay, et cetera, and you'll be more successful."

I think it's going to be part of the mix, coming out, and I know that we're obviously constantly looking at that. I know Zoran will add some more comment to that. Clearly, it's very difficult to guess how successful it'll be outside of the U.S. because, in the U.S., it's very successful because there’s California and Texas where there's no sports betting, firstly. It's interesting where it happens, but I think it does have a place.

Everyone seems to think it has an interesting place in the market, whether it's going to be significant outside of the U.S. or not. From the U.S. perspective, one doesn't know. As it became a huge market with one individual at the CFTC, I don't know, CFTC, I think it is, the Futures Exchange, at the same time, it could become totally irrelevant if someone changes the rules. It'll either be too big that it can't fail, or it'll get too big and someone will make sure it fails. It's very difficult to tell. Zoran, what's your view?

Zoran Milosevic

Thank you, William. Meridian has been involved in prediction markets for many years, and we run it currently in three countries where it's regulatorily allowed. We are currently improving our product, and we are very quite bullish on it.

In terms of profitability and volumes, in our system, it's still quite low, but it's a great marketing tool. This is the most effective marketing tool that exists because it's customer-driven marketing content. What kind of ideas customers have on what they want to bet, it's like something that actually cannot be made up by even the best marketing team by far. That is current state of prediction markets in Meridian. We use it, we have it in three countries. It's very small, but it's a great marketing tool. We are on the track to improve it a lot.

Jack Vander Aarde

Okay, excellent. Well, Zoran, William, Rich, I appreciate the time. Congrats, and look forward to tracking the story.

William Scott

Thanks, Jack.

Operator

Thank you. We'll take our next question from Steve Silver with Argus Research. Please go ahead.

Steve Silver

Thanks, operator. Thanks for taking my questions, and congratulations on the continued delevering the balance sheet and the operating cash flow expansion. You guys mentioned the strong registration growth ahead of the World Cup. Just curious as to whether there were any standout markets that you view as really the key opportunities for cross-selling opportunities to casino moving forward, or whether their registration expansion was more broad based?

Zoran Milosevic

Thank you for the question. We see the trends when it comes to cross-sell everywhere. I couldn't basically take any market particularly, which I would highlight. What is happening is that there is some kind of delay in terms of revenue split between casino and sports betting. For example, Western Europe, majority of customers migrated to casino, not 10, but maybe five years ago, since COVID happened. Eastern Europe is breaking even, I think, in one or two years from now. It's still like 52% sports betting, 48% casino. Africa also is, let's say, 60% sports betting, 40% casino. Central Latin America, we have majority casino customers. They migrated already. These trends are happening everywhere.

We can say that the trend percentage of migration is more or less similar, but the only difference is the region where the position of sports betting is in certain region. Sometimes we see delays, like we see delays in Eastern Europe or we see delays in Africa, in terms that sports betting is still dominant, but you see that it's a losing battle. It's just a question if when, as I said, in Eastern Europe, it will happen in one, two years at most. In Africa, two to three years at most when casino will take over. That is basically with the influence of younger generations. Younger generations just want faster outcomes, and casino provides them that, and that's basically the whole theory behind it.

William Scott

Yeah. I think from an overall perspective, I think the World Cup, through the significantly additional games or the additional teams, but even the controversy amongst it, et cetera, made it quite exciting. Obviously, I was slightly biased, hit by more than most countries. I live in Spain clearly were celebrating significantly with their results. Yeah, I think there's a lot of excitement from it, and got a lot of attention everywhere.

Steve Silver

Great. One more, if I may. You guys have been investing to scale operations for some time, you increased investment leading into the World Cup. Now that the World Cup has passed and the company has been achieving GAAP profitability over the last couple of quarters, I'm curious as to where you see the company's position just in terms of the overall investment cycle, and what are some of the key areas for ongoing investment?

William Scott

I'll leave the detail to Zoran on where we've made the investments but the reality is that this is a journey, not a destination. We constantly have to keep improving the product to keep ahead of the competitors. Obviously, we've built the Atlas system, which is a significant investment. We have to constantly continue to invest to deliver in a highly competitive environment where the competition is continuing to invest. Zoran can give you greater feel on where the actual investment in board batch will be. Obviously, he does speak about prediction markets. Zoran?

Zoran Milosevic

Yeah. Thank you for the question. I fully agree with William. On every single front, we are investing. From improving our gaming systems, and especially, we have investments when it comes to marketing software, Everything related to CRMs. Of course, we are also all the time looking for new opportunities to make some

acquisitions of our B2B partners, That is something what is always on the table. I cannot, of course, disclose anything but we are constantly looking and investing into these areas.

Steve Silver

Great. Thank you for taking the questions. Good luck in the second half.

Operator

As a reminder, if you'd like to ask a question, it is star and one. We'll take our next question from Danial Yermakhan with Freedom Brokers. Please go ahead.

Danial Yermakhan

Hey, guys. Hey, William, Zoran, and Rich. Congrats again with greater than expected results in the World Cup.

Zoran, you mentioned that you gained a big cohort of new customers, how would you assess their retention rate? Are these customers willing to stay more than the regular customers? From which country are these customers from? Are they from Brazil or Europe or Africa?

Zoran Milosevic

When we were talking about this 519,000, they came from all countries. Basically, our churn rate and retention rate depends on the market. In the mature market where we are present for decades, our retention rate is higher and churn rate is lower, and vice versa. In the markets where we are new, basically, it's very hard. It's not actually hard to acquire a customer, but let's say to get new registrations, this is not a difficult thing.

What is hard is to get the first deposit and especially to get a second deposit in the countries where we are new, when there is no particular brand awareness and so on. It's basically usual marketing headaches which we need to solve. In the new countries, we need to develop a lot of brand awareness, which will enable us to have high retention rates. That is basically what we are busy with.

Danial Yermakhan

Okay, thanks. Well, basically, most of the knockout games and the final games were in July. Just briefly, can you describe was it favorable on your side or any expectation on that?

Zoran Milosevic

Yeah. For us, this World Cup, when it reached to finals, it was easy because as I said, we didn't have any national team from the countries where we operate participating. If Brazil won the World Cup, we would probably close the company. I'm joking, of course, but it would be a headache. Spain, England, France, whoever was a participant, we don't operate there, so there was no emotional betting. For us, it was easy. When we reached the finals, we were very happy. Any outcome was good for us. We didn't have that problem like companies operating in Spain. Companies that are operating in Spain are demolished in July.

William Scott

Yeah. The very strange part is the Argentinians aren't very popular in Latin America. The only people supporting, that's a bit of a joke, but the only country supporting Argentina was Argentina. The fellow countries on the continent didn't want to support them. They were supporting Spain.

Zoran Milosevic

Actually, that was the biggest headache we had was bets in Brazil against Argentina. Everyone was just like, I think 99% of all bets were against Argentina. But the good thing is that once your national team is out, interest for World Cup decreases for 80%, 90%. Basically, even if in some country they bet against another country, if their national team is not involved, that's a relaxed situation for us. The biggest problem, if you have your national team participating and winning constantly, that's a losing situation for every betting company, including us as well.

Danial Yermakhan

Just one more quick question. In the U.S., soccer wasn't really popular before. Is there any expectations about the U.S. clients you gain? Do you expect them to keep betting on soccer events in the future?

Zoran Milosevic

Look, we are not operating in U.S., so I can just tell you my opinion about it, but it's opinion-based. This was record level attendance in U.S. This is by far the biggest sporting event, and basically, a lot of private companies are making major investments when it comes to soccer. I expect soccer will be very popular in U.S., five, 10 years. Already it's popular among female population. As you know, I think U.S. was fourth time consecutive world champions in FIFA World Cup because there is a FIFA World Cup for women as well. U.S. were 4x consecutive champions. It's actually quite popular in terms of female population. Not yet there when it comes to male population, but it'll get there. I don't have a doubt.

William Scott

I agree with Zoran. I think that soccer is going to gain traction there from a betting perspective. In the U.S., it's not like they needed another sport to follow. They've got big sports already. It will gain an importance. There's still NFL and Hockey League and basketball, et cetera

Danial Yermakhan

Okay. Yeah. Thanks. Congrats again.

Operator

At this time, we have no further questions in queue. I'd like to turn it back over to our speakers for any closing remarks.

William Scott

Firstly, I want to congratulate everyone who works for Meridian for all the hard work they put in, particularly, obviously, Zoran and Rich who helped it. We fight every single day to make sure that we're focused on delivery. That's all we think about every day. Thank you very much for being supportive shareholders.

Operator

We'd like to thank everybody for their participation on today's conference. Please feel free to disconnect your line at any time. Have a great day.