- Type 4 – Controlled skill games as per Regulation 8 of the Gaming Authorisations Regulations. One vertical falls under this type, as follows:

  > Controlled Skill Games – This vertical includes skill games, that are deemed as licensable games, the outcome of which is determined by the use of skill alone or predominantly by the use of skill.

7. Gaming operators are requested to submit to the Authority the GR data as defined by the Gaming Licence Fees Regulations (S.L. 583.03) and the Directive on the Calculation of Compliance Contribution (Directive 4 of 2018), instead of the Gross Gaming Revenue (GGR).

8. In terms of the compliance contribution figures reported in this document, the following should be noted:

- For the land-based sector (excluding the National Lottery), the compliance contribution for 2019 to 2022 included the licence fees and levies and a 5% consumption tax on customers located in Malta, in line with the Gaming Tax Regulations (S.L. 583.10).

- For the National Lottery:

  > For Malta Lotteries Limited (Maltco), the gaming tax was reported in line with the relevant regulations for 2019, 2020, 2021 and 2022 until 4 July 2022.

  > For National Lottery plc, the gaming tax was reported per the relevant regulations effective from 5 July 2022. This changed under the new concession to include compliance contribution, levies, and a 5% consumption tax, in line with the Gaming Tax Regulations (S.L. 583.10).

- For online gaming, the compliance contribution for 2019 to 2022 included the licence fees and a 5% consumption tax on customers located in Malta, in line with the Gaming Tax Regulations (S.L. 583.10).

9. Unless otherwise stated, the employment figures detailed in this report refer to Full-Time Equivalent (FTE) jobs as at the end of each reporting period provided by the gaming operators (including both land-based and online companies holding B2C and B2B licences) in the IPRs submitted to the MGA. The online gaming figures relate to employees working directly on MGA-licensed activities. The methodology for collecting the employment figures for the online gaming sector has been revised from 2018. For this reason, the employment figures should not be compared with those published in previous years since the number of online gaming employees reported before 2018 also includes the number of outsourced/self-employed individuals directly engaged by gaming companies.

10. The direct contribution of the gaming industry to the Maltese economy relates to gambling and betting activities (NACE 92) following the European industrial activity classifications. The economic contribution is derived from the NSO data covering businesses operating in the Maltese territory, which would also include firms the MGA does not license.
At the industry level, gambling and betting activities in Malta comprise land-based casinos, gaming parlours, lotto receivers, the National Lottery operator, and online gaming companies (excluding activities of B2B operators).

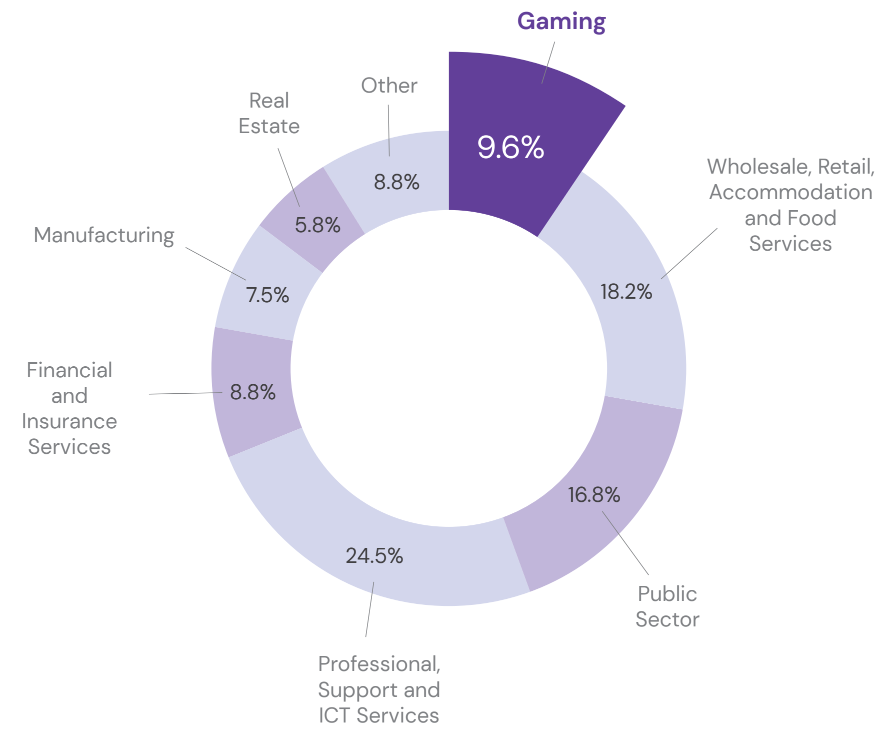
11. The statistical figures reported for the previous periods have been revised to reflect any changes reported after publication. Figures have also been reported for 2019 to facilitate comparison with activities occurring before the COVID-19 pandemic.

Overview of the Maltese Gaming Industry

The gaming industry in Malta sustained its contribution towards the economy's growth during 2022 in the context of headwinds coming from international geopolitical tensions, which disrupted the global economic recovery from the COVID-19 pandemic, and an intensification of regulatory developments across several jurisdictions. The latter impacted the industry's overall activity in Malta, but the growth in the value added to the sector progressed at a steady pace.

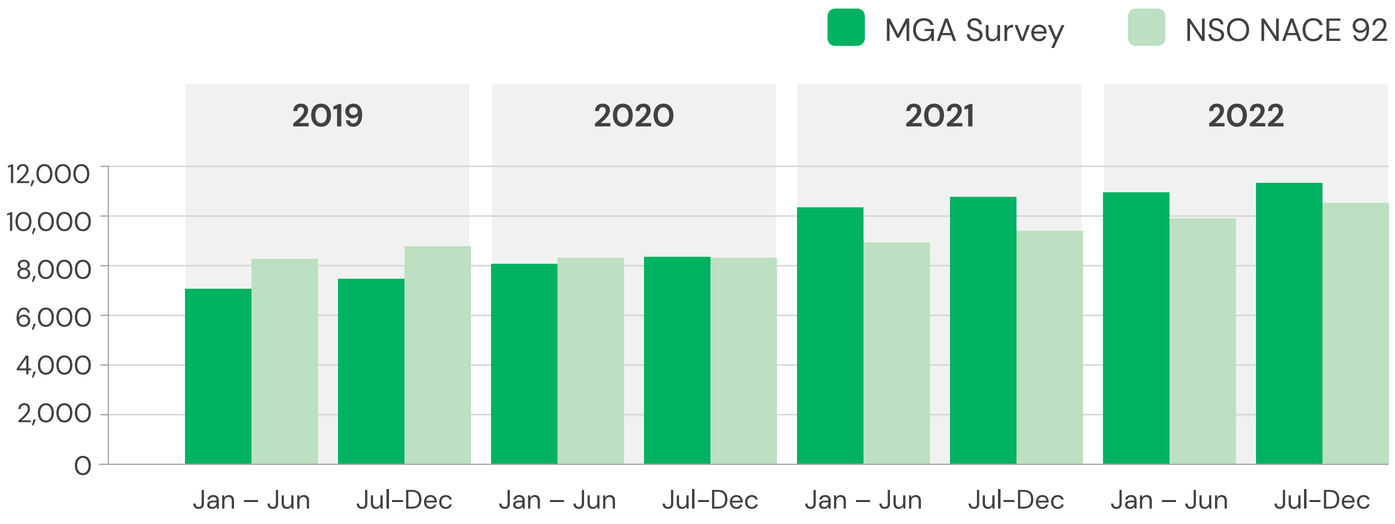
The total Gross Value Added (GVA) generated by the gaming industry during 2022 stood at €1,495 million*, representing around 9.6% of the economy's GVA. When the indirect effects are included, the industry's contribution to the economic value added amounts to just over 12.4%. The gaming industry is estimated to have registered a value growth added equal to 5.8%* compared to 2021.

Furthermore, it is estimated that by the end of December 2022, 11,245 persons were employed with MGA-licensed companies on activities covered by the Authority's licence, with 92.2% of these employees engaged in the online sector. In addition, when considering the employment generated by activities in or associated with the gaming industry, the total employment in the gaming sector in Malta at the end of 2022 is estimated to be 15,774, representing approximately 5.5% of the total workforce*. These indirect activities include FTEs who were working in Malta either on the activities licensed by another jurisdiction, with MGA-licensed firms, or that are employed with companies which service the gaming industry, such as Law Firms, Consultancy Firms, Audit Firms, Data Centres, Translators, Software/IT Companies and Gaming Platforms.



Source: National Statistics Office
Chart 1: Contribution of the Gaming Industry to Value Added

*National Statistics Office



Note: NSO NACE 92 data refers to the mid-point period. MGA survey data refers to the end-of-period point. Enterprise coverage varies slightly between the two sources.

Chart 2: Gaming Industry Employment (FTE)

At the end of 2022, the number of companies licensed by the MGA and operating in Malta – including online and land-based entities – stood at 350. Gaming licences issued by the MGA amount to 358, as well as 329 approvals to offer various types of games under the B2C licence, and 206 approvals to offer services under the B2B licence.

Throughout 2022, the MGA collected €78.7 million in compliance contribution fees, levies, and consumption tax. This represented continued growth over 2021, and especially over 2020, when activity had been affected by the pandemic.

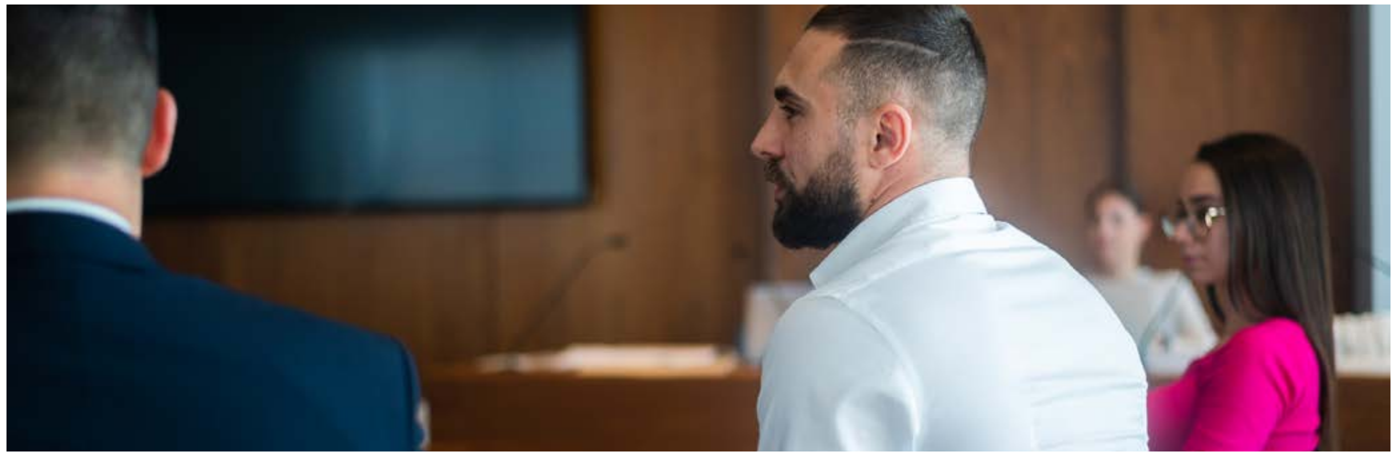
	2019	2020	2021	2022
Number of licences (Note 1)	298	328	351	358
Number of companies in operation (Note 1)	294	323	341	350
Gross Value Added (€m) (Note 2)	1,081	1,247	1,413	1,495
Employment (FTE jobs)	7,417	8,292	10,685	11,245
Online	6,593	7,557	9,919	10,365
Land-Based	824	735	766	880
Compliance contribution, licence fees, levies, and consumption tax (€m)	80.4	73.5	77.9	78.7

Note 1: The number of licences, companies in operation (incl. both online and land-based), and employment figures relate to stock as of the end of December and refer solely to MGA-licensed entities.

Note 2: The GVA figures are being updated in line with the revision made during 2022 in the computation of GVA for NACE 92 by the National Statistics Office.

Table 6: Headline Indicators of Gaming Industry Activity

Gaming Industry Outlook



Despite three years of unprecedented uncertainty, the Maltese gaming industry has continued to register positive performance through the global turmoil. This is witnessed by the steady growth in industry activity during 2022, both in terms of value added and employment. The resilience of the Maltese gaming industry during these challenging times is largely attributed to its ability to remain flexible and adapt to change.

This positive outlook is also reflected in the expectations of online gaming operators, whereby around 65% of those who submitted a valid response in the Industry Performance Return expect gaming revenue to increase in 2023. This share of operators increases to 74% when expressing their expectations for 2024. There are also positive expectations for employment, such that 59% to 60% of operators that provided a valid response indicated that they expect employment within the gaming industry to increase from 2023 to 2024. Nevertheless, most operators also expect a surge in the costs incurred by the industry. Most operators expect to increase costs, including legal and professional expenses and marketing costs. Several operators have continued to engage in mergers and acquisitions to avert such cost pressures and consolidate their performance during 2022.

The increased regulatory and compliance requirements resulting from the wave of national regulation sweeping across Europe and beyond are also likely to contribute to higher consolidation in the industry. The lack of harmonisation in the gaming regulatory landscape has led to a situation where the markets available to operators, particularly B2C casino and sportsbook operators, have become more restricted. This implies that while markets can be accessed, operators would require a licence specifically from the jurisdiction concerned. From a cost perspective, this also forces companies to strengthen their compliance teams, which continues to pressure their margins[1].

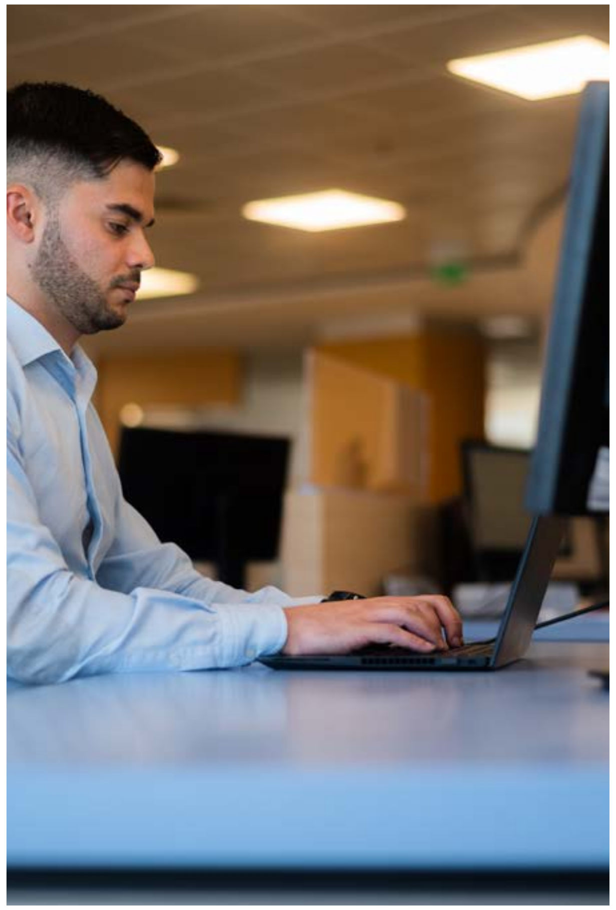
Within the international corporate tax framework, global minimum taxation is set to be introduced in 2024. Large international groups of companies with a combined annual turnover of more than €750 million are subject to a minimum income tax of 15% from 2024. Given that the tax reform is applied globally, the responsiveness of gaming operators in terms of possible relocations to other jurisdictions is projected to be limited. Nevertheless, the MGA has intensified its efforts, together with other national stakeholders, to ensure that a sustainable strategy for the gaming sector is in place to mitigate any potential difficulties and ultimately safeguard Malta's competitiveness as a jurisdiction.

[1] Gambling Insider: Malta Focus 2022 and iGaming Capital 2023

The MGA also remains committed to safeguarding Malta's reputation internationally. It aims to ensure that a robust regulatory framework is in place to sustain the development of the gaming sector, particularly within the context of the Financial Action Task Force (FATF)'s decision to remove Malta from the grey list in June 2022, which has raised the bar in terms of Malta's pledge to maintain the rigorous standards it has committed itself to. From a policy-making perspective, the Maltese Government continues to strengthen its efforts to ensure that Malta remains attractive compared to other competing jurisdictions.

In recent years, gaming technology has experienced a surge in new trends that are anticipated to impact the market going forward. From a European perspective, the share of Europe's online activity taking place on mobile devices (phones and tablets) continued its growth trend in 2022, with 53% of online bets placed on mobile devices and 47% of online bets placed from desktops[2]. Other key trends which will characterise the coming year include the continued integration of augmented reality and virtual reality in gaming, a greater emphasis on personalisation during gaming experiences, growth in cross-platform gaming and the development of metaverse and blockchain in gaming, where the MGA has similarly positioned itself as a thought leader in the regulatory space by means of its finalised Policy on the use of Distributed Ledger Technology by Authorised Persons.

Overall, the outlook for the Maltese gaming industry remains positive. While industry players are to remain on the lookout for the impacts of international regulatory developments and the trends that will characterise the future of gaming and entertainment, the gaming industry in Malta is expected to continue thriving and evolving, also backed by a strong and balanced regulatory regime as well as the necessary human resources and operational infrastructures.



[2] EGBA (European Gaming and Betting Association), European Online Gambling Key Figures 2022

Detailed Statistical Report on the Land-Based Gaming Activities

Gaming Premises – Distribution of B2B Licences by Game Type

At the end of 2022, all B2B Land-Based licensees were approved to offer Casino games, including Live Casino Setup under Type 1 games[3].

Gaming Premises – Casinos

There are four licensed casinos in Malta: Dragonara Casino, Portomaso Casino, and Casino Malta, located in the central part of the country, and Oracle Casino, located in the north.

Gaming Premises – Casinos: Game Types

The current licensing regime categorises all games the licensees can offer into four game types[4]. An operator can offer one or multiple game types. At the end of December 2022, all casinos had approval to offer Type 1 and Type 3 games, while three of the four casinos had Type 2 approval. Each game type is then classified into the verticals offered for each type, as presented in the table below[5]. To date, no licensed casinos provide games of skill under Type 4.

Type 1	
Casino Games, including Live Casino	4
Type 2	
Fixed Odds Betting, including Live Betting	3
Type 3	
Peer-to-Peer Bingo/Poker	4

Table 7: Gaming Premises - Casinos – Game Types and Verticals (End-Dec 2022)

[3] For more information on the game types, please refer to Point 6 of the Methodology.
[4] For more information on the game types, please refer to Point 6 of the Methodology.
[5] The table shows an abridged list of the gaming verticals to show only those being used. For a full list of the gaming verticals, please refer to Point 6 of the Methodology.

Gaming Premises – Casinos: Number of Gaming Devices

At the end of December 2022, the total number of gaming devices in the casinos stood at 909, including 897 slot-type gaming machines and 12 sports betting terminals.

	End-2019	End-2020	End-2021	End-2022
Slot-type Gaming Devices	937	913	887	897
Sports Betting Terminals	17	17	17	12
Total	954	930	904	909

Table 8: Gaming Premises – Casinos – Number of Gaming Devices

Gaming Premises – Casinos: New Players' Registrations

Casino operators are required to register every new-to-the-casino player who enters their premises. During 2022, licensed operators reported 170,303 registrations in their establishments, representing multiple registrations by a single player in more than one casino.

	2019	2020	2021	2022
Total	175,443	55,676	75,262	170,303

Table 9: Gaming Premises – Casinos – New Players' Registrations

Gaming Premises – Casinos: Players' Visits

The total number of visits to local casinos in 2022 stood at 790,642, an increase of 65.5% compared with the corresponding period of 2021. This marked increase is attributed to the reopening of casinos following the easing of COVID-19 restrictions still in effect during the corresponding period in 2021.

	2019	2020	2021	2022
Total	940,766	471,862	477,776	790,642

Table 10: Gaming Premises – Casinos – Players' Visits

As presented in the chart below, when analysing the number of reported monthly visits, it could be noted that the number of visits recorded during the first two months of 2022 was in line with those recorded during the corresponding months in 2021. Given the pandemic restrictions imposed on casino establishments between March and June of both 2020 and 2021, the number of casino visits recorded from March 2022 onwards can only be compared with those recorded in 2019. Based on this analysis, it could be noted that while the number of visits rose between March and June 2022, these had still not reached the levels recorded before the pandemic. Visits between July and December followed the 2019 fluctuations but did not reach 2019 figures.

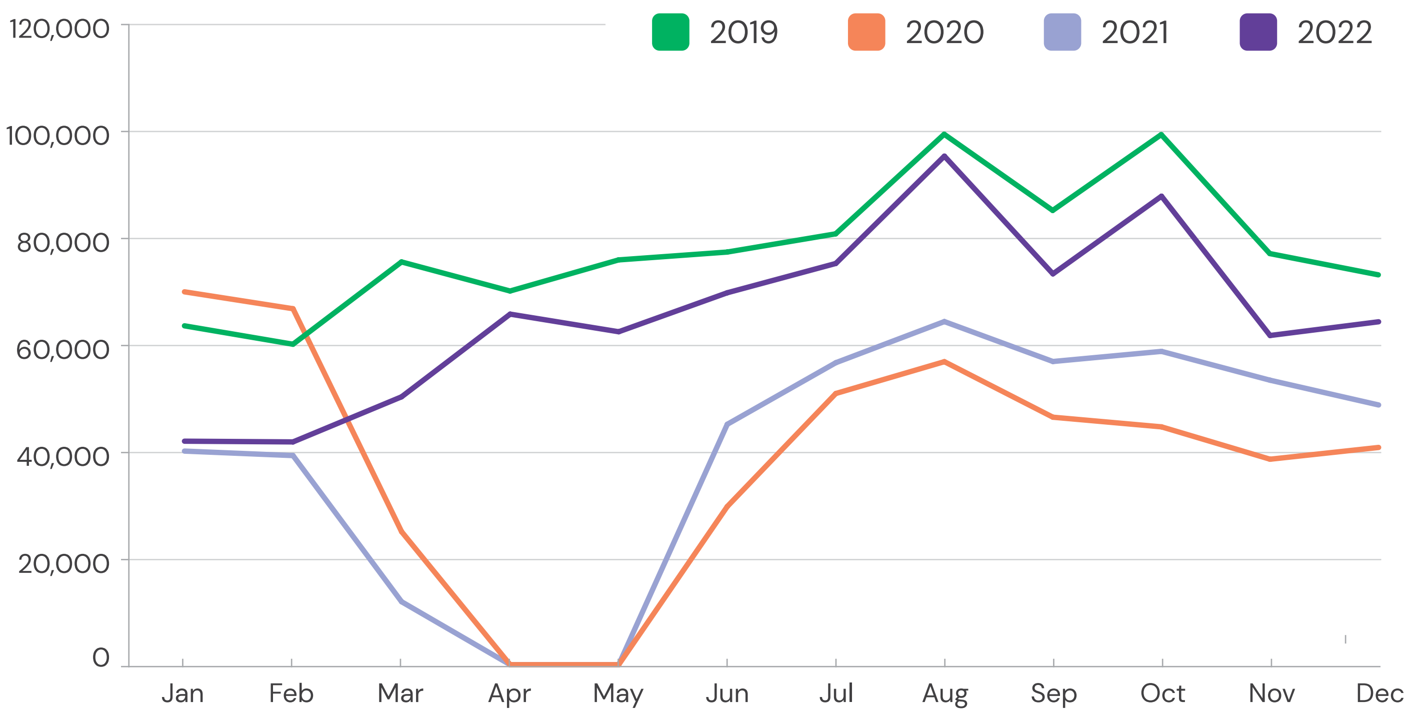


Chart 3: Gaming Premises – Casinos – Players' Visits

Junket Players

During the period under review, local casinos hosted 1,346 junket players[6]. An increase in junket activity could be noted, resulting in figures similar to those reported for 2019. Of all junket players hosted by casinos during the period under review, 31.9% referred to the in-house junkets, whilst the remaining players were brought to the casinos by junket leaders.

	2019	2020	2021	2022
In-house	567	183	190	429
With junket leader	923	459	519	917
Total	1,490	642	709	1,346

Table 11: Gaming Premises – Casinos – Number of Junket Players

[6] The purpose of this arrangement is to induce persons residing outside Malta, selected or approved for participation, to travel and come to a gaming establishment in possession of a concession issued by the Government to play licensable games. To this end, any or all costs of the transportation, food, lodging, and entertainment are directly or indirectly paid for by the authorised person operating the gaming premises.

Gaming Premises – Casinos: Players' Profile

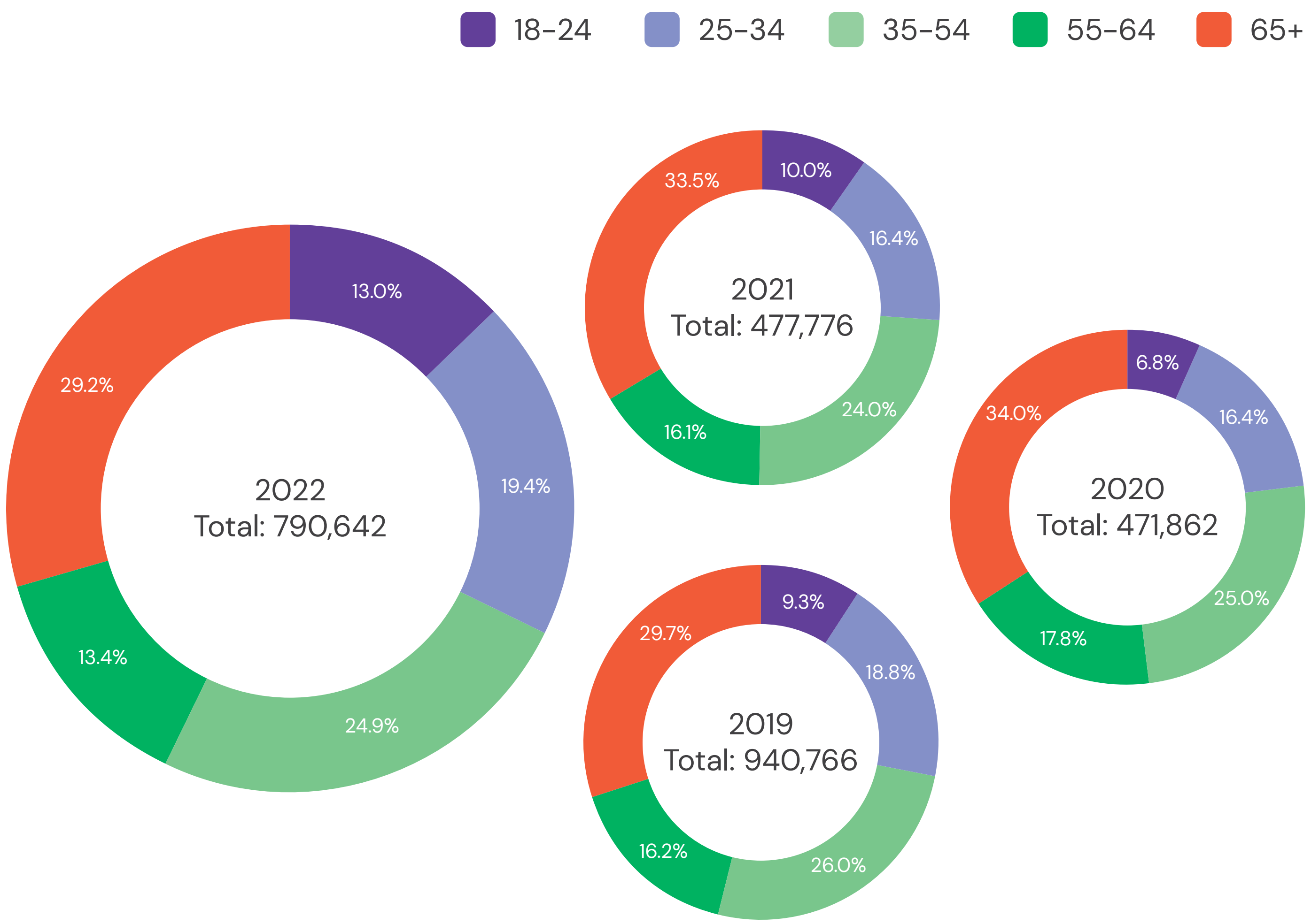
Nationality

Past trends indicate that the casino sector depends on the tourist market since the share of the visits is almost equally split between Maltese and non-Maltese players. During 2022, visits by non-Maltese players accounted for 59.2% of casino visits registered during the period under review. Such a share is in line with the same trend before 2020. This correlates with the increase in junket activity observed in 2022.

Chart 4: Gaming Premises - Casinos - Players' Profile by Nationality

Demographic Group

Visits by players of all age groups increased in line with the overall increase in the number of visits, with the distribution between age groups following that registered in the past reporting periods. Visits by persons aged 65 and over continued to constitute the largest demographic category of visitors to casinos, accounting for 29.3% of the total visits. Visitors from the 35–54 age bracket constituted 24.9% of the visits, with this being the second largest category. Visits by players from the 25–34, 55-64 and 18–24 age brackets accounted for 19.4%, 13.4%, and 13.0% of the total visits, respectively.



Note: The legal age to enter casinos in Malta is 25 for Maltese and 18 for non-Maltese players.

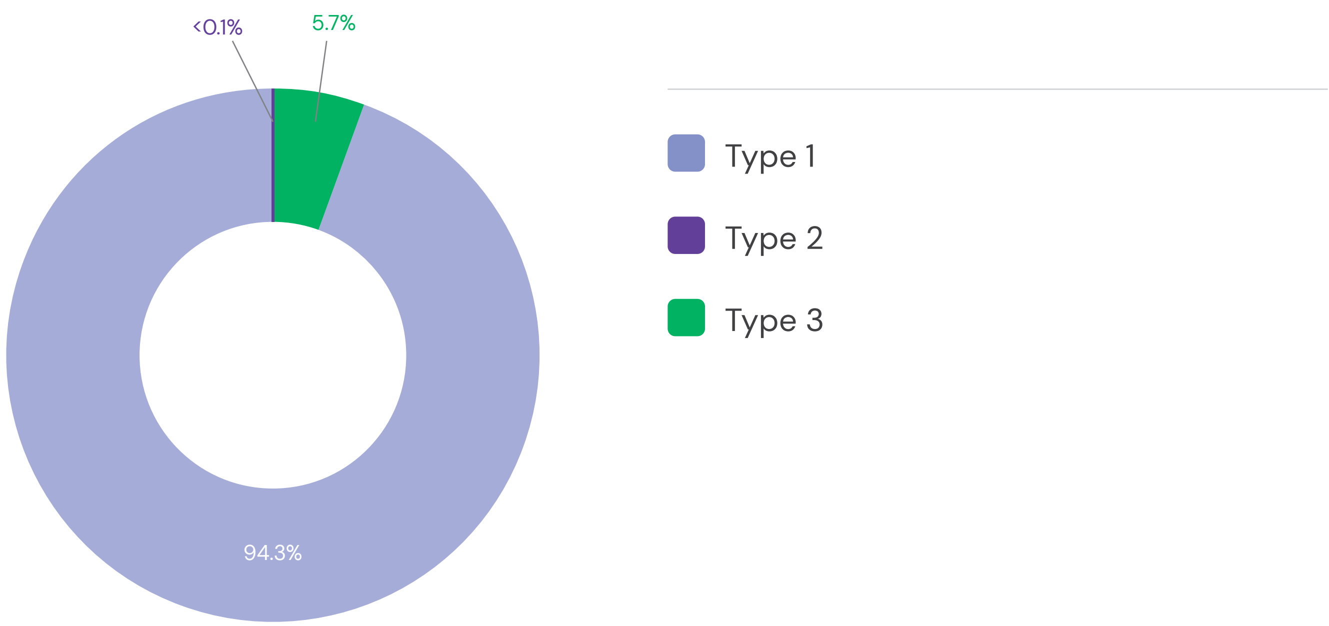
Note: The total percentage does not equal 100% due to the rounding of figures.

Chart 5: Gaming Premises - Casinos - Players' Profile by Age Group Distribution

It is worth noting that visits by female players accounted for 39.4% of all visits, a decrease of 5.2 percentage points compared to the same reporting period of 2021.

Gaming Premises – Casinos: Gaming Revenue

The return of casino operations during 2022 also resulted in a substantial increase in the GR generated by the sector compared with the corresponding period of 2021, which was in line with the figures generated before 2020. Almost the entire GR was generated from Type 1 games, as shown in the chart below.



Note: The total percentage does not equal 100% due to the rounding of figures.

Chart 6: Gaming Premises – Casinos – GR Distribution by Game Type

The GR from the limited junkets activity stood at 12.6% of the total GR reported in 2022. Even though this followed the trends recorded before the COVID-19 pandemic, this is the highest yearly percentage ever reported regarding junket activity.

Average Gaming Revenue per Visit

Despite the increase in both visits and GR, the average GR per visit remained unchanged from the previous year's value, standing at €63.7.

	2019	2020	2021	2022
Total [€]	55.1	63.9	63.7	63.7

Table 12: Gaming Premises – Casinos – Average GR per Visit

Gaming Premises – Casinos: Compliance Contribution

The MGA collected a total of €16.7 million in dues (including compliance contribution, licence fees, levies, and a 5% consumption tax on customers located in Malta) owed by the casino operators.

	2019	2020	2021	2022
Total [€]	17,403,045	10,486,001	10,583,430	16,692,937

Note: The above figures include the compliance contribution fee, licence fees, and 5% consumption tax on customers located in Malta in line with the Gaming Tax Regulations (S.L. 583.10).

Table 13: Gaming Premises – Casinos – Compliance Contribution

Gaming Premises – Casinos: Employment

At the end of 2022, the total number of FTE direct employees working in casinos stood at 533, an increase of 7.5% compared with the figure reported at the end of 2021.

	End-2019	End-2020	End-2021	End-2022
Total	582	489	496	533

Table 14: Gaming Premises – Casinos – Employment (FTE)

The proportion of male employees increased by just under 2.5 percentage points over the figure reported at the end of 2021, reaching 63.9% at the end of December 2022. Furthermore, the share of non-Maltese employees increased by over three percentage points to 69.0% from 65.9%, as reported at the end of 2021.

Gaming Premises – Controlled Gaming Premises

Gaming Premises – Controlled Gaming Premises: Number of Outlets

During 2022, the land-based controlled gaming premises experienced a change in the overall operations of this sub-sector since mid-way through the year, one of the major operators diverted towards offering such gaming activity through a different land-based business model. By the end of the year, it ceased all its business activity. To this end, the results presented for the controlled gaming premises in the following section should not be compared with those of previous years since this data does not capture the business activity of one of the major operators for the entire twelve months under review.

By the end of 2022, the number of approved controlled gaming premises[7] in Malta totalled 28 spread across 17 localities in Malta and Gozo. The highest number of outlets are located in the Northern Harbour and Southern Harbour Districts (as defined in Appendix 1), which have 11 and 10 approved premises, respectively. These regions also feature a relatively high population value and density, and significant commercial activity that is also of a touristic nature.

There are no specific limits on controlled gaming premises per locality, but the Authority ensures that approvals of licences and premises are in line with legal restrictions to safeguard and protect minors and the general public. The following table presents the total number of gaming premises for all the licensed operators.

	End-2019	End-2020	End-2021	End-2022
Total	56	60	64	28

Table 15: Controlled Gaming Premises - Number of Outlets

[7] Controlled gaming premises are premises intended to host or operate one or more gaming devices. These do not include premises in which gaming is carried out in virtue of a concession by the Government, or premises in which the only gaming that is carried out consists of tombola games.

Gaming Premises – Controlled Gaming Premises: Game Types

By the end of 2022, all six licensees operating the controlled gaming premises had approval to offer Type 1, whereas five of the six operators had a Type 2[8] game approval. Furthermore, some of the licensed operators had Type 3 approvals. Each game type is subdivided into verticals, as presented in the table below[9].

Type 1	
Casino including Live Casino Setup	6
Type 2	
Fixed Odd Betting, including Live Betting	5
Type 3	
Peer-to-Peer Bingo/Poker	2

Table 16: Controlled Gaming Premises – Game Types and Verticals (End-Dec 2022)

Gaming Premises – Controlled Gaming Premises: Number of Gaming Devices

The number of licensed gaming devices amounted to 235 at the end of 2022. This brought the average number of gaming devices per outlet to 8.4, the same as reported in the previous year and in line with the regulations limiting the number of devices per outlet to no more than 10.

	End-2019	End-2020	End-2021	End-2022
Total	474	521	540	235
Average per Controlled Gaming Premises	8.5	8.7	8.4	8.4

Table 17: Controlled Gaming Premises - Gaming Devices

[8] For more information on the game types, please refer to Point 6 of the Methodology.
[9] The table shows an abridged list of the gaming verticals, to show only those that are being used. For a full list of the gaming verticals, please refer to Point 6 of the Methodology.

Gaming Premises – Controlled Gaming Premises: Players' Visits

The number of visits to controlled gaming premises decreased by 24.5% compared to 2021's, to stand at 505,013.

	2019	2020	2021	2022
Total	799,420	632,533	668,703	505,013

Table 18: Controlled Gaming Premises – Number of Visits

The chart below presents the monthly visits registered in the gaming parlour sector between 2019 and 2022. One may note that the number of visits between August and December 2022 decreased substantially as one of the leading operators ceased its business through controlled gaming premises and shifted to a different mode of operation.

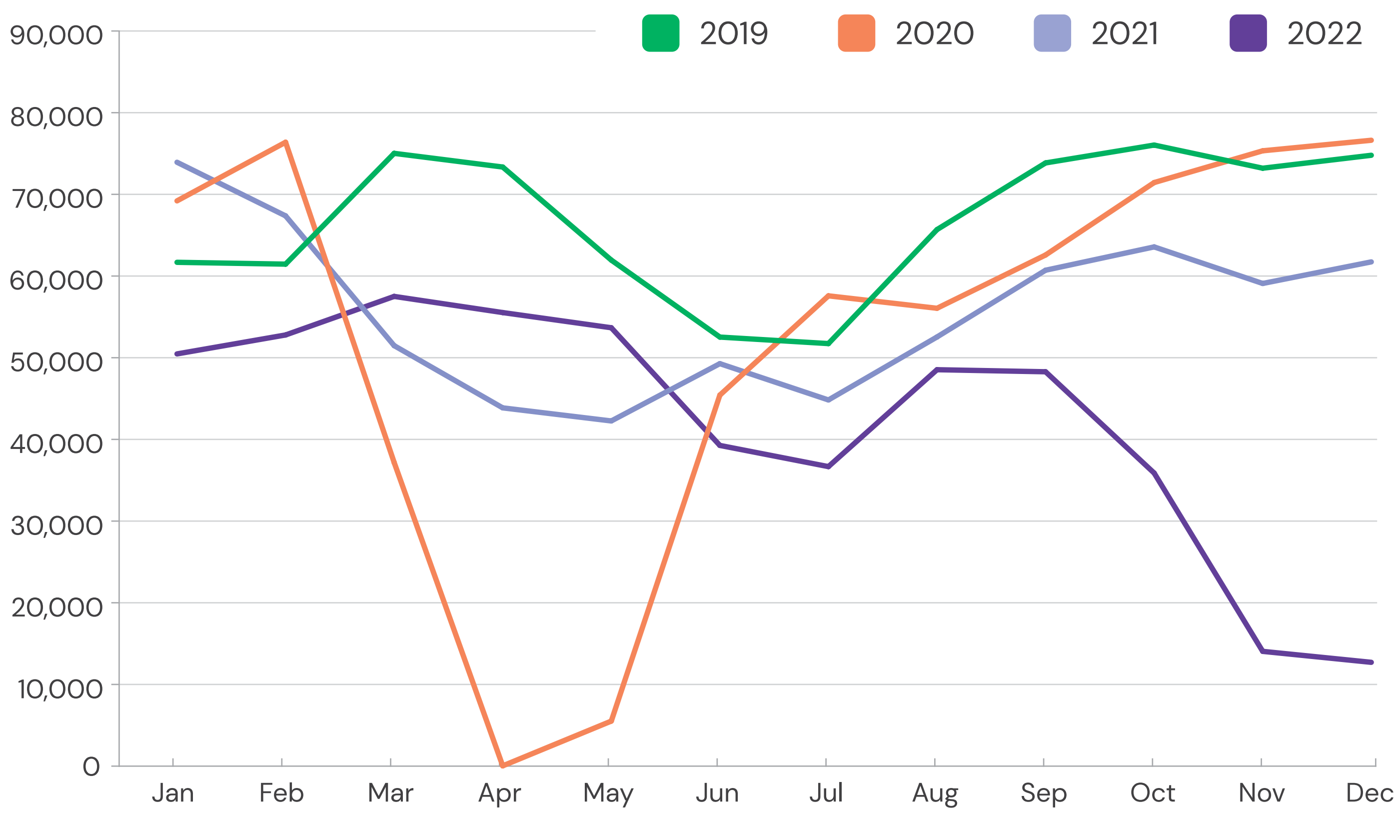


Chart 7: Controlled Gaming Premises – Number of Visits

Number of Visits by Locality
As specified in Appendix 1, for statistical purposes, the Maltese Islands are divided into six districts: Southern Harbour, Northern Harbour, South Eastern, Western, Northern, and Gozo and Comino.

The highest number of players' visits occurred in the Northern Harbour and Southern Harbour districts, accounting for 34.1% and 25.6% of all visits, respectively. These two districts are also characterised by the highest number of outlets, 11 and 10 respectively, which explains the concentration levels of visits. The remaining visits were distributed between the remaining districts, that is, Northern (19.3%), South Eastern (10.9%), Gozo and Comino (6.1%) and Western (4.0%).

Chart 8: Controlled Gaming Premises – Number of Visits by District

Gaming Premises – Controlled Gaming Premises: New Players' Registrations

A total of 7,790 new registrations were recorded at the controlled gaming premises. This marks an increase of 13.5% compared to the same reporting period in 2021.

	2019	2020	2021	2022
Total	8,804	5,601	6,866	7,790

Table 19: Controlled Gaming Premises – New Players' Registrations

Gaming Premises – Controlled Gaming Premises: Players' Profile

Nationality

The share of visits to gaming parlours by Maltese players continued to decline and stood at 48.1% in 2022, resulting in an overall drop of 9.6 percentage points from the level recorded in 2019. This trend reflects the changing demographic composition of the resident population in Malta.

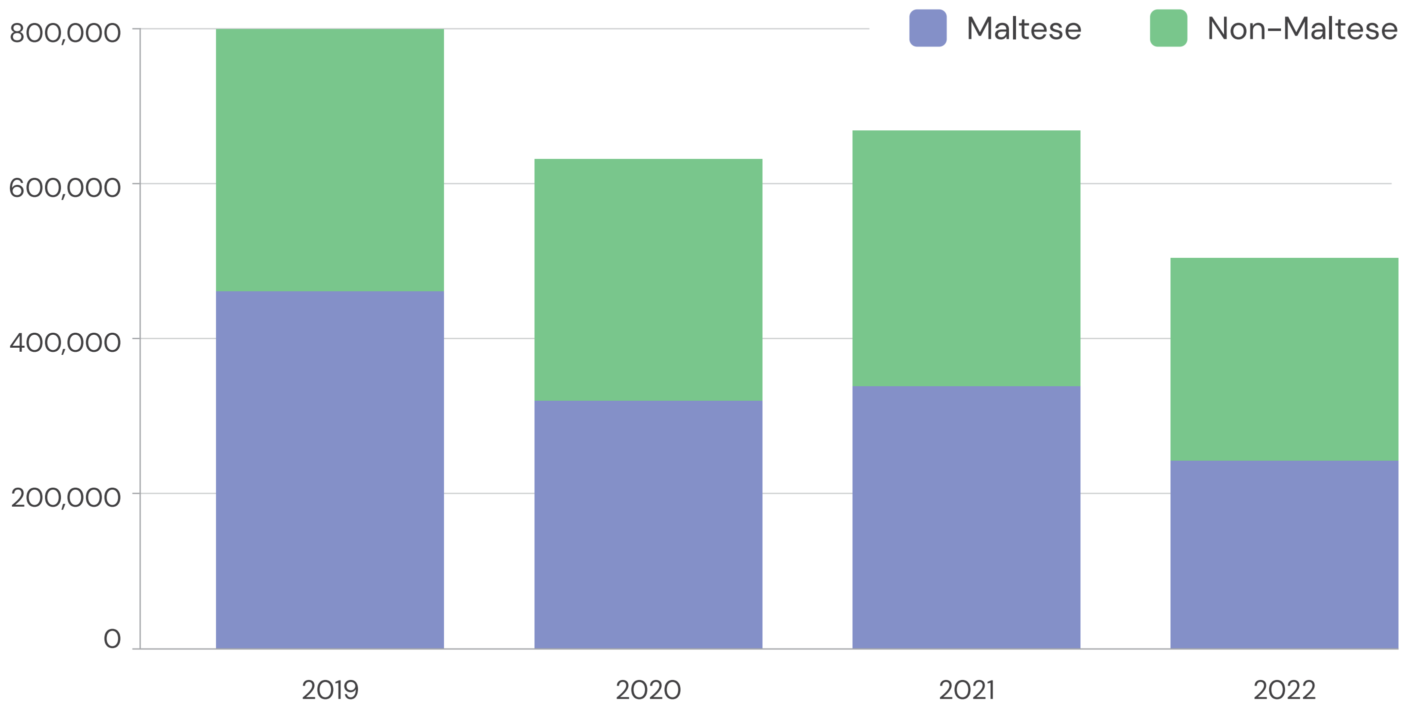
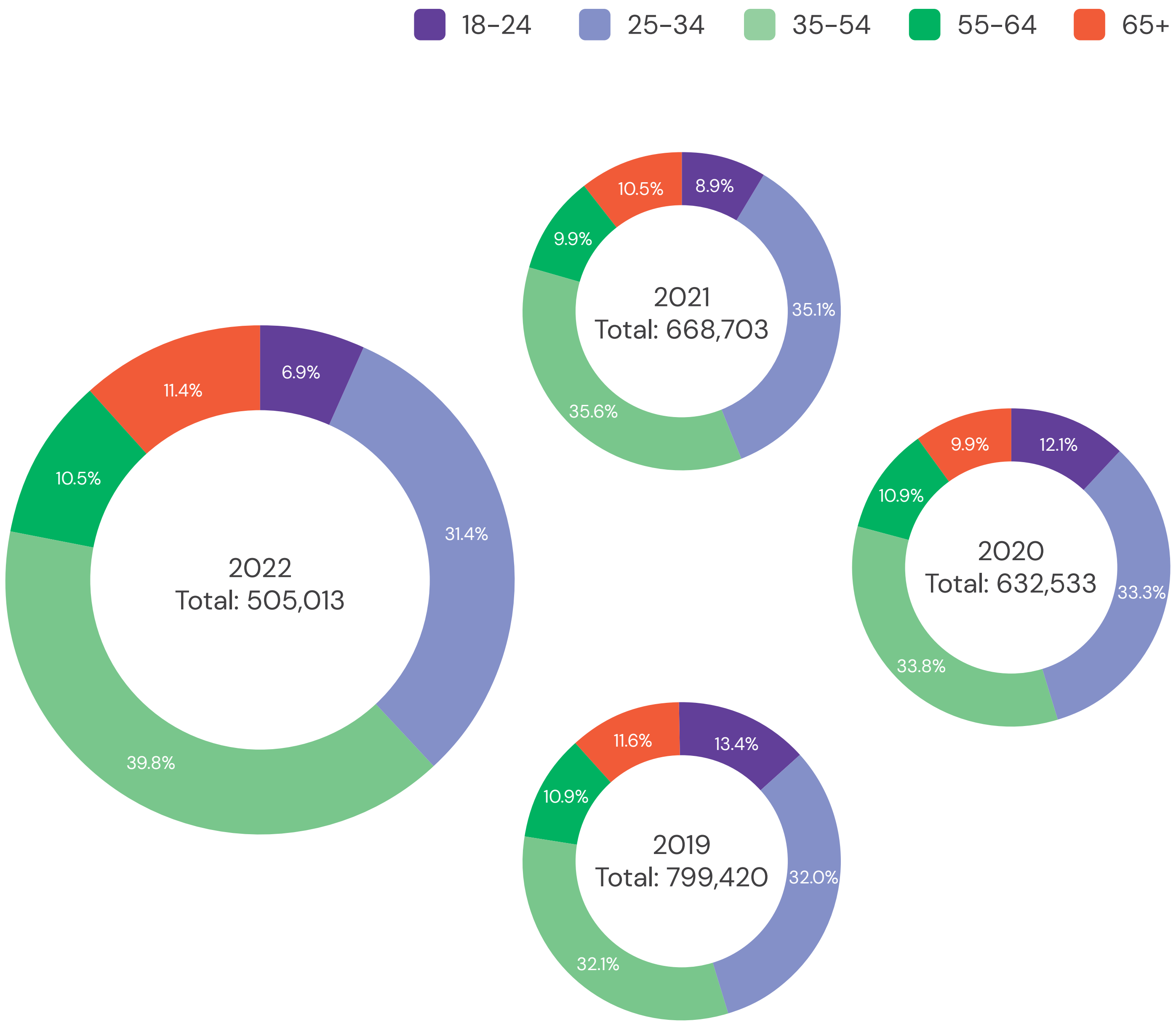


Chart 9: Controlled Gaming Premises – Players' Profile by Nationality

Demographic Group

Visits by players from the 35-54 and 25-34 age brackets continued to constitute the largest demographic category of visitors to gaming premises, accounting for 39.8% and 31.4% of all visits, respectively. Visits by players from the 65+, 55-64 and 18-24 age brackets accounted for 11.4%, 10.5% and 6.9% of the total visits registered in 2022, respectively.



Note: The total percentage does not equal 100% due to the rounding of figures.

Chart 10: Controlled Gaming Premises – Players' Profile by Age Group Distribution

Furthermore, controlled gaming premises are mostly popular with males, whose visits accounted for 91.2% of the total visits registered during 2022.

Gaming Premises – Controlled Gaming Premises: Gaming Revenue

The GR generated by controlled gaming premises reported an increase of 9.3% compared to the same period in 2021, notwithstanding that the number of visits has experienced a decline. This can be attributable to the fact that players have increased their average spending, which could, in this case, reflect, to some extent, a change in the demographic composition of players, which in turn reflects population movements caused by the COVID-19 event. Out of the total GR generated during 2022, 57.6% was generated from Type 1 games, 41.5% from Type 2 games, and 0.9% from Type 3 games.

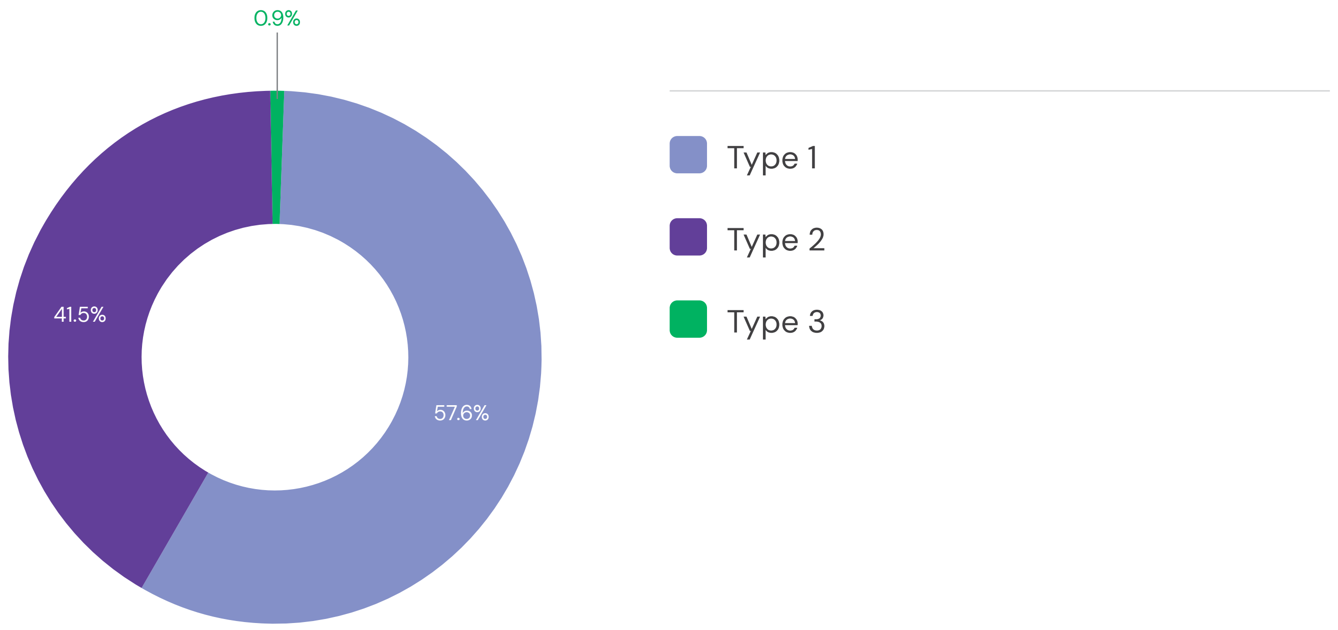


Chart 11: Controlled Gaming Premises – GR Distribution by Game Type

Average Gaming Revenue per Visit

The average GR per visit to controlled gaming premises stood at €20.3, with the increase in the average GR per visit reflecting the higher average spend by players visiting controlled gaming premises.

	2019	2020	2021	2022
Total [€]	16.6	15.5	13.7	20.3

Table 20: Controlled Gaming Premises – Average GR per Visit

Gaming Premises – Controlled Gaming Premises: Compliance Contribution

The MGA collected a total of €2,526,350 (including compliance contribution, licence fees, levies, and a 5% consumption tax on customers located in Malta) from the operators of controlled gaming premises.

	2019	2020	2021	2022
Total [€]	3,228,577	2,441,156	2,375,831	2,526,350

Note: The above figures include the compliance contribution fee, licence fees, and 5% consumption tax on customers located in Malta in line with the Gaming Tax Regulations (S.L. 583.10).

Table 21: Controlled Gaming Premises – Compliance Contribution

Gaming Premises – Controlled Gaming Premises: Employment

By the end of 2022, the number of FTE direct employees working in the controlled gaming premises amounted to 83. This decrease is mainly due to the change in operations of one of the leading operators.

	End-2019	End-2020	End-2021	End-2022
Total	144	153	177	83

Table 22: Controlled Gaming Premises – Employment (FTE)

At the end of 2022, 54.5% of all controlled gaming premises' employees were male, a decrease of 14.1 percentage points when compared to the ratio reported in December 2021. On the other hand, the ratio between Maltese and non-Maltese employees decreased by 16.8 percentage points when compared with the figures reported in December 2021, with the figure for Maltese employees standing at 62.5% at the end of 2022.

Gaming Premises – Commercial Bingo

Gaming Premises – Commercial Bingo: Number of Establishments

Four commercial bingo halls had an MGA licence during the period under review, located in Birkirkara, Qawra, Valletta, and Paola.

Gaming Premises – Commercial Bingo: Game Types

At the end of 2022, all commercial bingo licensees were approved to offer peer-to-peer bingo/poker under Type 3 games[10].

Gaming Premises – Commercial Bingo: New Players' Registrations

The commercial bingo sector reported 1,232 new registrations, a considerable increase over the figure reported in the previous year. This was expected since commercial bingo halls were temporarily closed during the first half of 2021.

	2019	2020	2021	2022
Total	2,887	719	647	1,232

Table 23: Gaming Premises – Commercial Bingo – New Players' Registrations

Gaming Premises – Commercial Bingo: Players' Visits

From January to December 2022, the number of players' visits to commercial bingo halls increased by 37.0% compared with the corresponding period of 2021. This increase is attributed to the reopening of commercial bingo halls following the easing of COVID-19 restrictions which were still in effect during the corresponding period in 2021. However, players' visits have not reached the levels recorded before 2020.

	2019	2020	2021	2022
Total	166,562	89,734	83,160	113,899

Table 24: Gaming Premises – Commercial Bingo – Number of Visits

[10] For more information on the game types, please refer to Point 6 of the Methodology.

For a better comparison, the chart below presents the number of visits by month registered in the commercial bingo sector between 2019 and 2022.

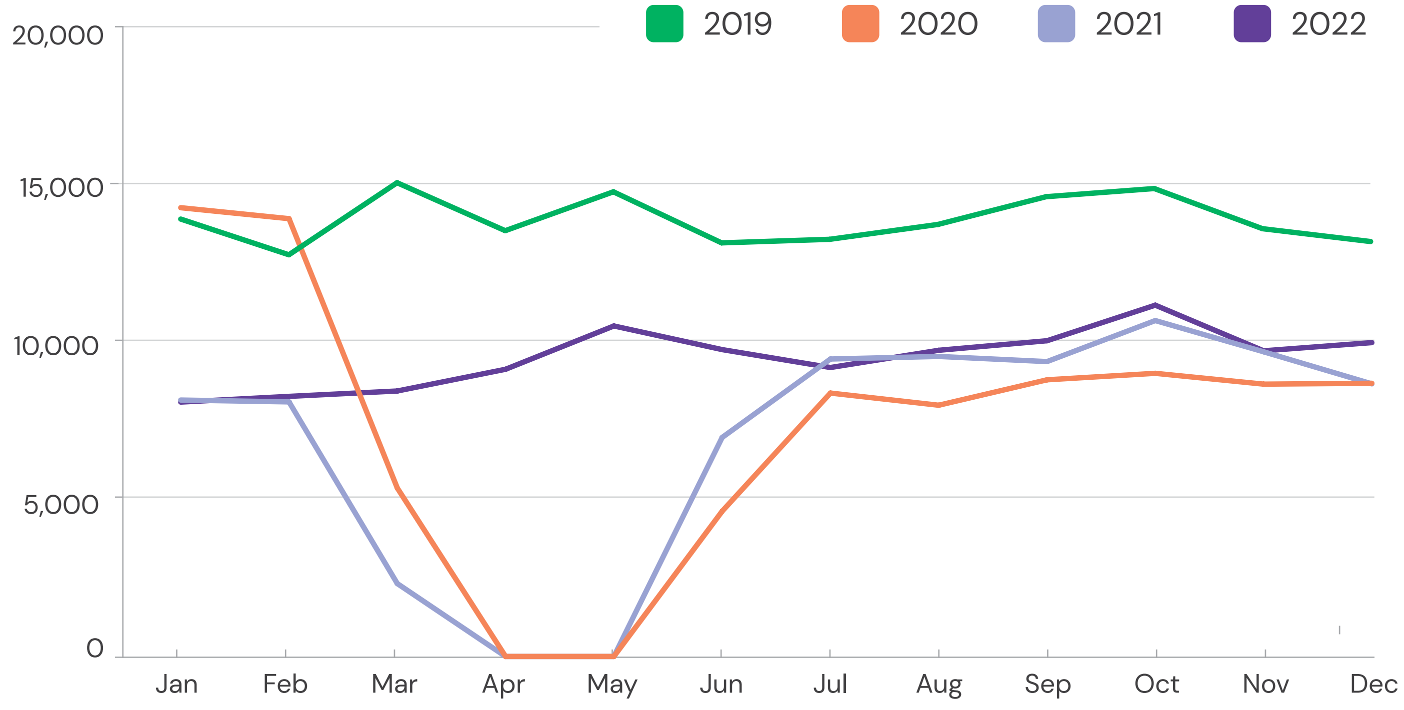


Chart 12: Gaming Premises – Commercial Bingo – Number of Visits

Gaming Premises – Commercial Bingo: Players' Profile

Nationality

Visits to commercial bingo halls were predominantly made by Maltese residents, constituting 97.8% of the total visits reported. This is in line with the trends observed in the previous reporting periods.

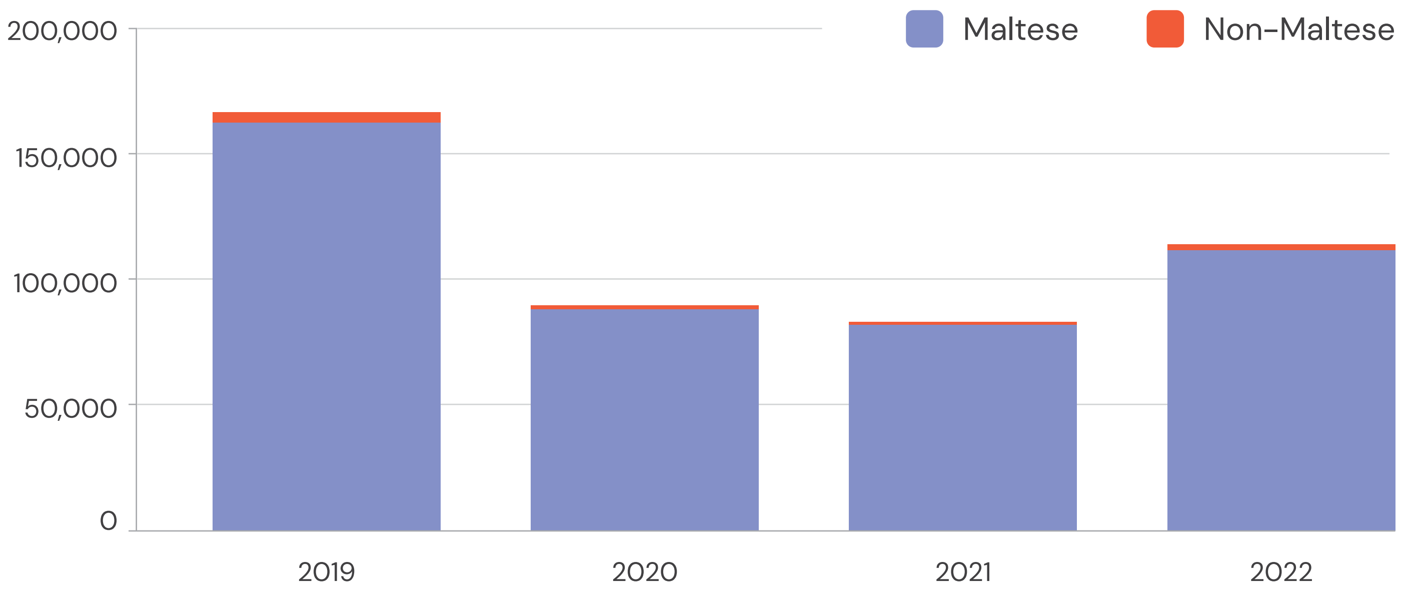
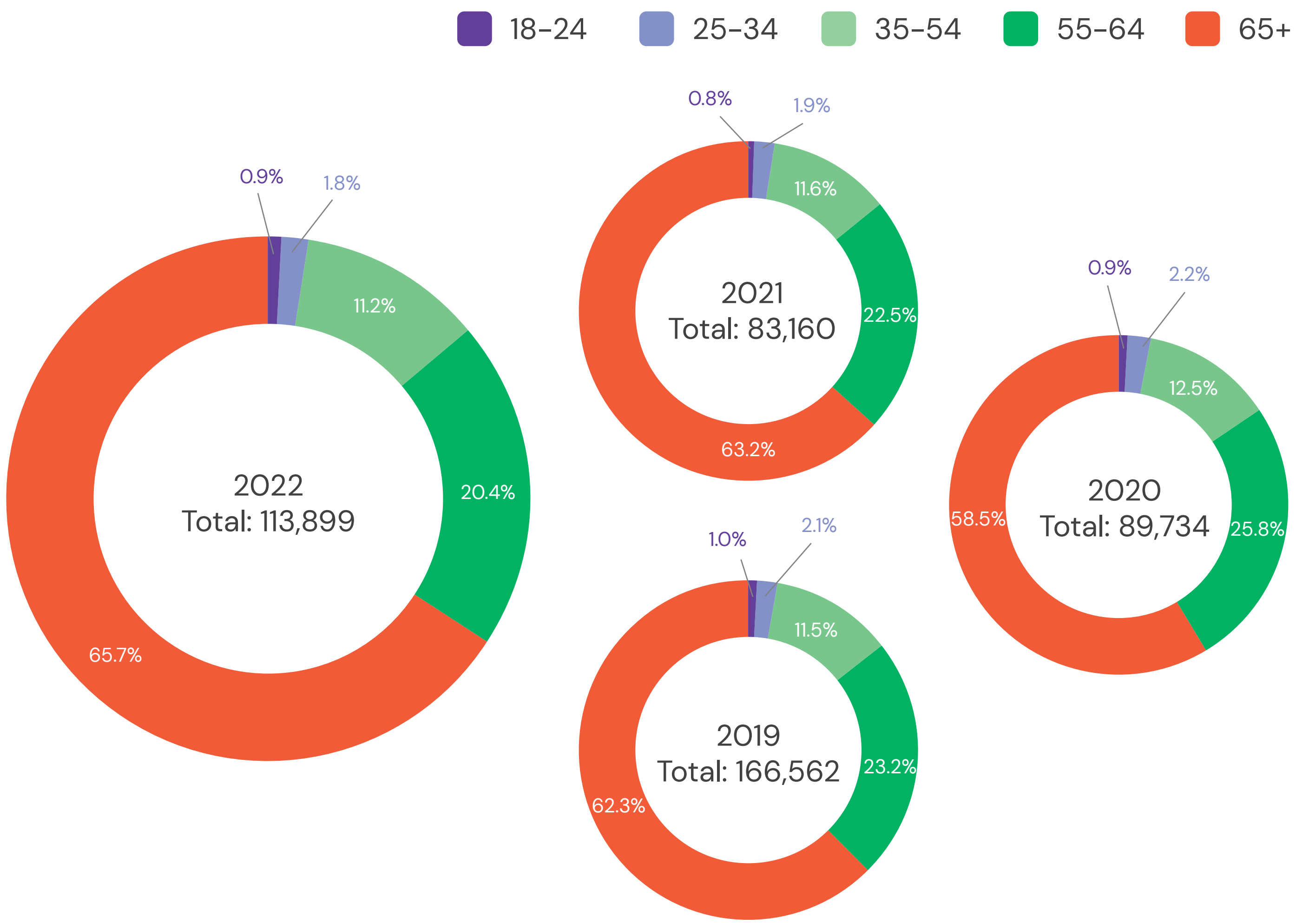


Chart 13: Gaming Premises – Commercial Bingo – Players' Profile by Nationality

Demographic Group
Visits by players aged 65 years or over continued to represent the highest share (65.7%) of the total visits registered by the commercial bingo sector. Visits by players from the 18–24, 25–34, 35–54 and 55–64 age brackets accounted for 0.9%, 1.8%, 11.2% and 20.4% of total visits registered during the reporting period, respectively.



Note: The total percentage does not equal 100% due to the rounding of figures.

Chart 14: Gaming Premises – Commercial Bingo – Players' Profile by Age Group Distribution

Similar to what was recorded in previous reporting periods, most players who visited commercial bingo halls during this reporting period were women, accounting for 88.4% of all the visits made.

Gaming Premises – Commercial Bingo: Gaming Revenue

During the period under review, the GR of the commercial bingo sector increased by 41.2% compared with the corresponding period of 2021. This is mainly due to the increase of 38.7% in the number of players' visits to commercial bingo halls. However, it has not reached the levels recorded before 2020.

Average Gaming Revenue per Visit
The average GR per visit from January to December 2022 increased slightly from €15.0 in 2021 to €15.5 in 2022.

	2019	2020	2021	2022
Total [€]	13.2	15.9	15.0	15.5

Table 25: Gaming Premises – Commercial Bingo – Average GR per Visit

Gaming Premises – Commercial Bingo: Compliance Contribution

The MGA collected a total of €351,070 by way of dues (including compliance contribution, licence fees, levies, and a 5% consumption tax on customers in Malta) owed by the commercial bingo hall operators in terms of the applicable legislation.

	2019	2020	2021	2022
Total [€]	448,353	294,050	249,784	351,070

Note: The above figures include the compliance contribution fee, licence fees, and 5% consumption tax on customers located in Malta in line with the Gaming Tax Regulations (S.L. 583.10).

Table 26: Gaming Premises – Commercial Bingo – Compliance Contribution

Gaming Premises – Commercial Bingo: Employment

By the end of December 2022, the commercial bingo sector directly employed 29 FTE employees.

	End-2019	End-2020	End-2021	End-2022
Total	40	32	33	29

Table 27: Gaming Premises – Commercial Bingo – Employment (FTE)

At the end of 2022, 75.8% of all commercial bingo hall employees were female, an increase of 2.8 percentage points compared to the figures reported at the end of 2021. The ratio of Maltese nationals employed in the bingo sector went down to 66.7%, 6.3 percentage points less than that recorded at the year-end of 2021.

National Lottery

In 2022, there was a change in the National Lottery Operator. Malta Lotteries Limited (Maltco Lotteries) ceased its operations as of 4 July 2022, while National Lottery plc started its operations as of 5 July 2022.

For statistical purposes, the two entities will be taken into account separately. The first section presents the data for the entire operations of Maltco Lotteries until 4 July 2022, and the second section presents data for National Lottery plc as of 5 July 2022 up until end of year.

All data quoted in the following section covers the period 1 January – 4 July 2022, the latter being the last day of operations for Maltco Lotteries.

Maltco: Points of Sale

Maltco offered its services through an extensive network of lotto booths (Points of Sale) where one can participate in games. By the end of its operations, the number of Points of Sale amounted to 202 outlets spread across the Maltese Islands.

	End-2019	End-2020	End-2021	As at 4 Jul 2022
Total	215	203	206	202

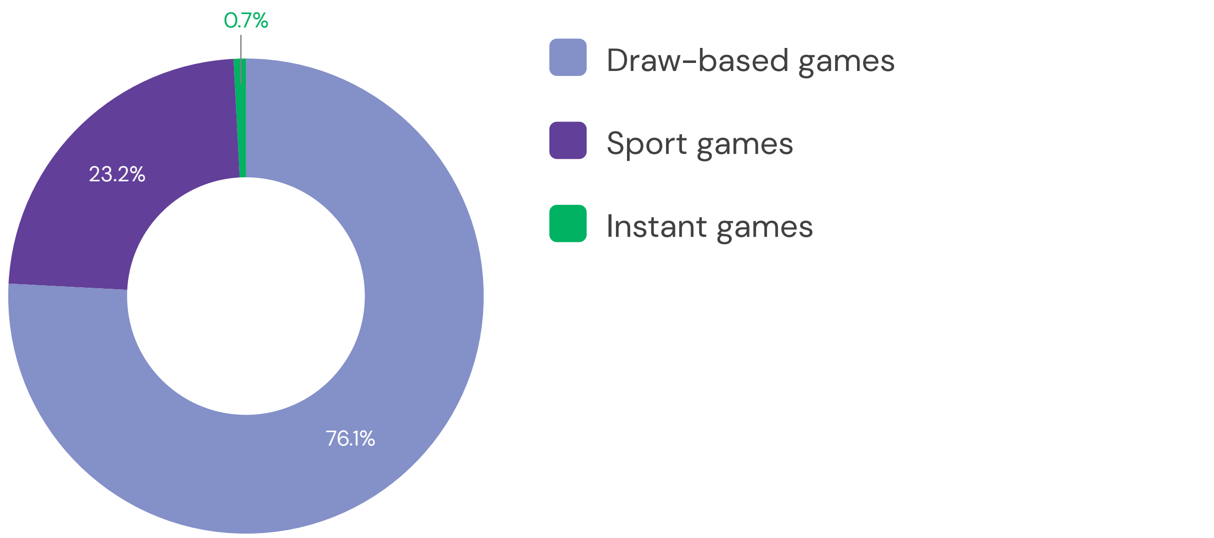
Table 28: Maltco – Points of Sale

Maltco: Turnover by Game Category

The total turnover of Maltco stood at €43.7million, measured in sales across three game categories: draw-based, instant, and sports. This also encompasses the turnover made through the online games offered to online players for Super 5, Lotto and Quaterno+, SUPERSTAR, and Quick Keno. The turnover made through the online website stood at just above 1% of the total turnover stated above.

Compared to the same period in 2021, an overall decrease of 5.3% was reported. Turnover from draw-based games increased by 2.7%, while that from sports games and instant games decreased by 22.4% and 56.6%, respectively.

When analysing the split in turnover between the three game categories, sales of draw-based games accounted for 76.1% of Maltco's total sales, sports games accounted for 23.2%, whilst instant games accounted for 0.7% of the total sales.



Source: Maltco Lotteries Limited

Chart 15: Maltco - Turnover by Game

Maltco: Tax

The total gaming tax payable by Maltco during 2022 stood at €5.5 million.

	2019	2020	2021	Jan-Jul 2022
Total [€]	11,923,090	10,018,111	12,254,589	5,542,862

Table 29: Maltco - Gaming Tax

Contribution to the Social Causes Fund

In addition to gaming tax, per law and concession conditions, Maltco contributed to the Social Causes Fund, which during the period under review amounted to €340,987.

	2019	2020	2021	Jan-Jul 2022
Total [€]	712,205	573,919	853,980	340,987

Table 30: Maltco - Contribution to the Social Causes Fund

All data quoted in the following section covers the period 5 July – 31 December, the former being National Lottery plc's first day of operations.

National Lottery: Number of Outlets

At the end of the reporting period, the total number of National Lottery Outlets (NLOs) across Malta and Gozo stood at 198. Before 5 July, the previous operator referred to these as Points of Sale (POS).

	End-2022
Total	198

Table 31: National Lottery - Outlets

National Lottery: Game Types

As at the end of 2022, National Lottery was in possession of an approval to offer Type 1, Type 2 and Type 3[11] games. Each game type is subdivided into verticals, as presented in the table below[12].

Type 1	
Lotteries	1
Type 2	
Fixed Odd Betting, including Live Betting	1
Type 3	
Pool Betting, including Betting Exchange	1

Table 32: National Lottery – Game Types and Verticals

National Lottery: Number of Gaming Devices

As at the end of December 2022, the total number of gaming devices at NLOs stood at 458, including 211 sports-betting terminals and 247 electronic gaming machines.

	End-2022
Sports Betting Terminals	211
Electronic Gaming Machines	247

Table 33: National Lottery - Number of Gaming Devices

[11] For more information on the game types, please refer to Point 6 of the Methodology.
[12] The table shows an abridged list of the gaming verticals, to show only those that are being used. For a full list of the gaming verticals, please refer to Point 6 of the Methodology.

National Lottery: Gaming Revenue

Out of the total GR generated since its inception, 82.6% was generated from Type 1 games such as Lottery games and Casino Type games, while the remaining 17.4% was generated from Type 2 games.

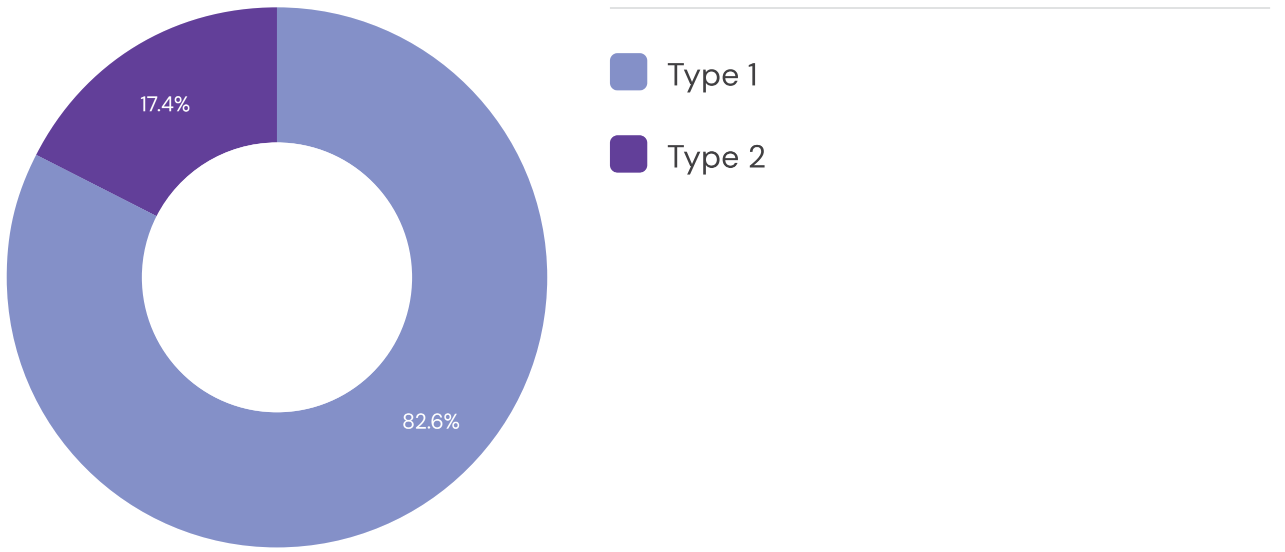


Chart 16: National Lottery – GR by Game

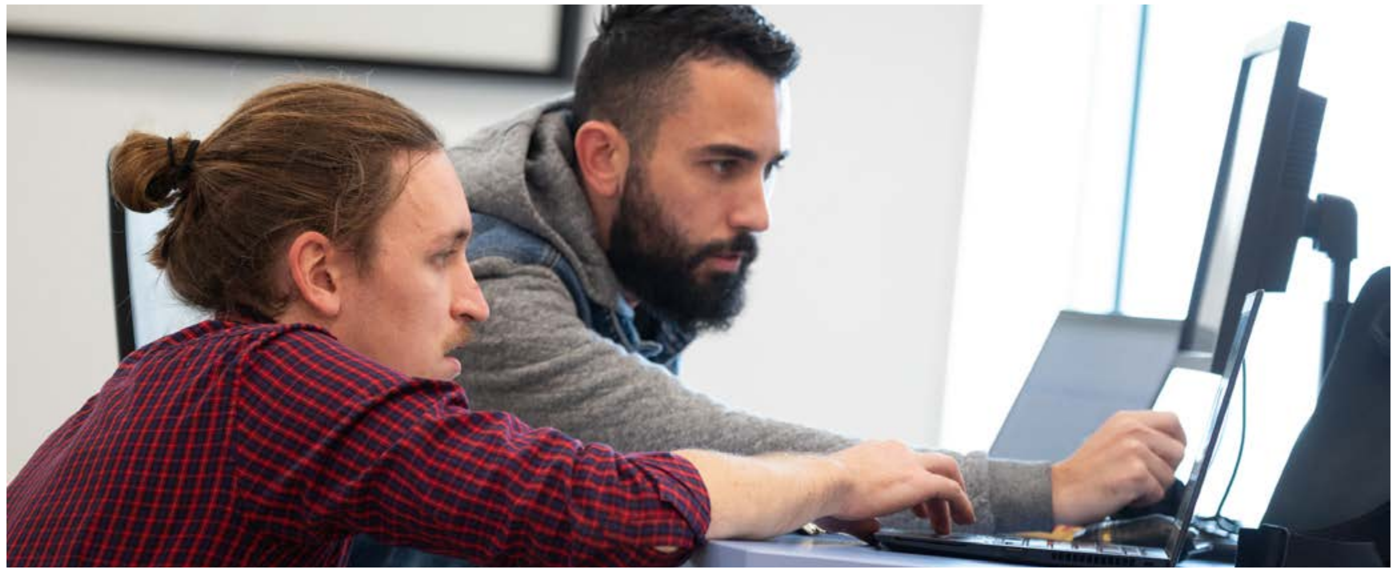
National Lottery: Taxation

The MGA collected a total of € 6.7 million by way of dues (including compliance contribution, licence fees, levies, as well as a 5% consumption tax on customers located in Malta) owed by the National Lottery operator in terms of the applicable legislation.

	End-2022
Total [€]	6,704,979

Note: The above figures include the compliance contribution fee, licence fees, and 5% consumption tax on customers located in Malta in line with the Gaming Tax Regulations (S.L. 583.10).

Table 34: National Lottery – Taxation



Contribution to the Social Causes Fund

In addition to gaming tax, per law and concession conditions, National Lottery plc also contributes to the Social Causes Fund, which during the period under review amounted to €190,914.

	End-2022
Total [€]	190,914

Table 35: National Lottery – Contribution to the Social Causes Fund

National Lottery: Employment

As at the end of 2022, the total number of FTE direct employees working in National Lottery plc stood at 235.

	End-2022
Total	235

Table 36: National Lottery – Employment (FTE)

The proportion of male employees reached 63.1% as at the end of December 2022. Furthermore, the share of Maltese employees stood at 85.9%.

Land-Based Gaming: Self-Exclusion

The legislative framework enables players to voluntarily exclude themselves from gambling activities for an indefinite or definite period. Players who avail themselves of the self-exclusion programme will be refused services in land-based casinos, commercial bingo halls, or controlled gaming premises for the applicable self-exclusion period.

Those players who opt to exclude themselves for a definite period, either six months or a full year, can re-engage in gambling activities upon the expiry of the pre-set period. However, players who are confirmed as pathological gamblers by competent medical professionals are self-excluded indefinitely. Such self-exclusion can only be revoked if a medical certificate is presented, indicating that the person is no longer a pathological gambler.

Number of Self-Exclusion Requests

In 2022, 1,531 players requested to be excluded from land-based outlets, an increase of 284 (22.8%) from the previous year. This increase may be partially explained by the closure of commercial bingo halls and casinos between 11 March and 7 June 2021 to combat the spread of COVID-19.

	2019	2020	2021	2022
6 months	780	577	509	659
12 months	819	680	738	871
Indefinite	3	1	0	1
Total	1,602	1,258	1,247	1,531

Table 37: Land-Based - Number of Self-Exclusion Requests

Of the 1,531 players who requested a self-exclusion, 59.2% opted for a one-year period, while 40.8% applied for an exclusion period of six months. A single player requested an indefinite self-exclusion period.

When considering the age demographics of players who requested to be self-excluded, the most common bracket remained the 35-54 age group, constituting 38.2% of all requests. The 55-64 age group rose to 33.9%, an increase of 15.5% from 2021. Of the age groups, 23.1% were between 25 and 34, 3.3% between 18 and 24, and 1.6% were above 65. Regarding the genders of those who requested self-exclusion, the vast majority remained men, with 75.5% of all requests.

Other Land-Based Games

Low-Risk Games

The regulatory framework classifies non-profit, commercial communication, and limited commercial communication games as low-risk, per the Fifth Schedule of the Gaming Authorisations Regulations 2018. Low-risk games require a permit valid only for a singular event and expires when the event is concluded.

Non-Profit Games

A non-profit game is a licensable game wherein the stake cannot exceed €5 per player, and over 90% of the net proceeds are forwarded to an entity with a charitable, sporting, religious, philanthropic, cultural, educational, social, or civic purpose.

	2019	2020	2021	2022
Non-profit lottery	34	6	16	18
Non-profit tombola	1,830	867	743	1,312

Table 38: Non-Profit Games - Permits Issued

Notably, non-profit tombolas organised by political candidates' during the first half of 2022, before the General Election, did not require authorisation due to the exemption granted through Directive 1 of 2021, 'The Non-Profit Games during Political Events Ruling'. This could have contributed to the lower number of permits issued during 2022 compared to 2019.

Commercial Communication Games

A commercial communication game is a game that does not cumulatively exceed €100,000 in prizes during any calendar month and not more than €500,000 during any calendar year. The game is organised to promote or encourage the sale of goods or services and does not constitute an economic activity in its own right.
Any payments required of the participant serve only to acquire the promoted goods or services and not to participate in the game, although it may be a condition that a person purchases the promoted goods or services to participate in the game. In 2022, the MGA issued 57 certificates for commercial communication games.

Limited Commercial Communication Games

A limited commercial communication game is a game that includes a stake and a prize. For a game to qualify as a limited commercial communication game, the value of the stake cannot exceed €2 per player. The MGA has not received any permit applications for such games yet.

Detailed Statistical Report on the Online Gaming Activities

Online Gaming: Number of Companies

As at the end of December 2022, the number of gaming companies offering online services stood at 338, as shown in the following table. In 2018, the Gaming Act introduced the concept of a corporate group licence, which allows multiple companies to be covered by one group licence. Entities falling under a corporate licence are jointly considered by the Authority to be one licensed entity and, for the purposes of these statistics, are considered one operating company. At the end of 2022, 44 companies held corporate group licences, with 134 entities forming part of the respective groups.

	2019	2020	2021	2022
Number of companies	284	314	332	338
Additional companies falling under the Corporate Group Licence	86	141	165	134

Table 39: Online Gaming - Number of Companies

Online Gaming: Distribution of Licences by Category

Under the current licensing regime, operators do not require multiple licences to offer different games unless they wish to offer both B2C and B2B services. As at the end of December 2022, the B2C group of licences accounted for 53.9% of the total licence base.

Out of the 44 corporate group licences active up to the end of 2022, 29 referred to B2C-related operations, whilst the remaining 15 were for B2B-related activity.

	2019	2020	2021	2022
B2C – Gaming Service Licence	195	196	197	187
of which are the B2C – Corporate Licences	14	24	27	29
B2B – Critical Supply Licence	92	122	144	160
of which are the B2B – Corporate Licences	9	11	13	15

Table 40: Online Gaming - Distribution of Licences by Category

Online Gaming: Distribution of B2C Licences by Game Type

The current licensing regime categorises all the games the licensees can offer into four game types[13]. An operator can offer one or multiple game types. Each game type is further subdivided into several game categories, known as verticals. The following table shows that operators most commonly offer Type 1 and Type 2 games, as in previous years.

	2019	2020	2021	2022
Type 1	152	164	167	155
Type 2	118	118	125	117
Type 3	41	38	47	44
Type 4	12	10	13	13

Table 41: Online Gaming - B2C - Game Types

[13] For more information on the game types, please refer to Point 6 of the Methodology.

Online Gaming: Distribution of B2C Licences by Game Type and Vertical

The following chart indicates the game-type approvals and verticals possessed by the B2C licensees at the end of 2022. A licensee may occupy approval to offer services of more than one vertical within a game type. The number of verticals reported under each type does not represent a share of the total type approvals but rather the frequency of the vertical that falls under that type.

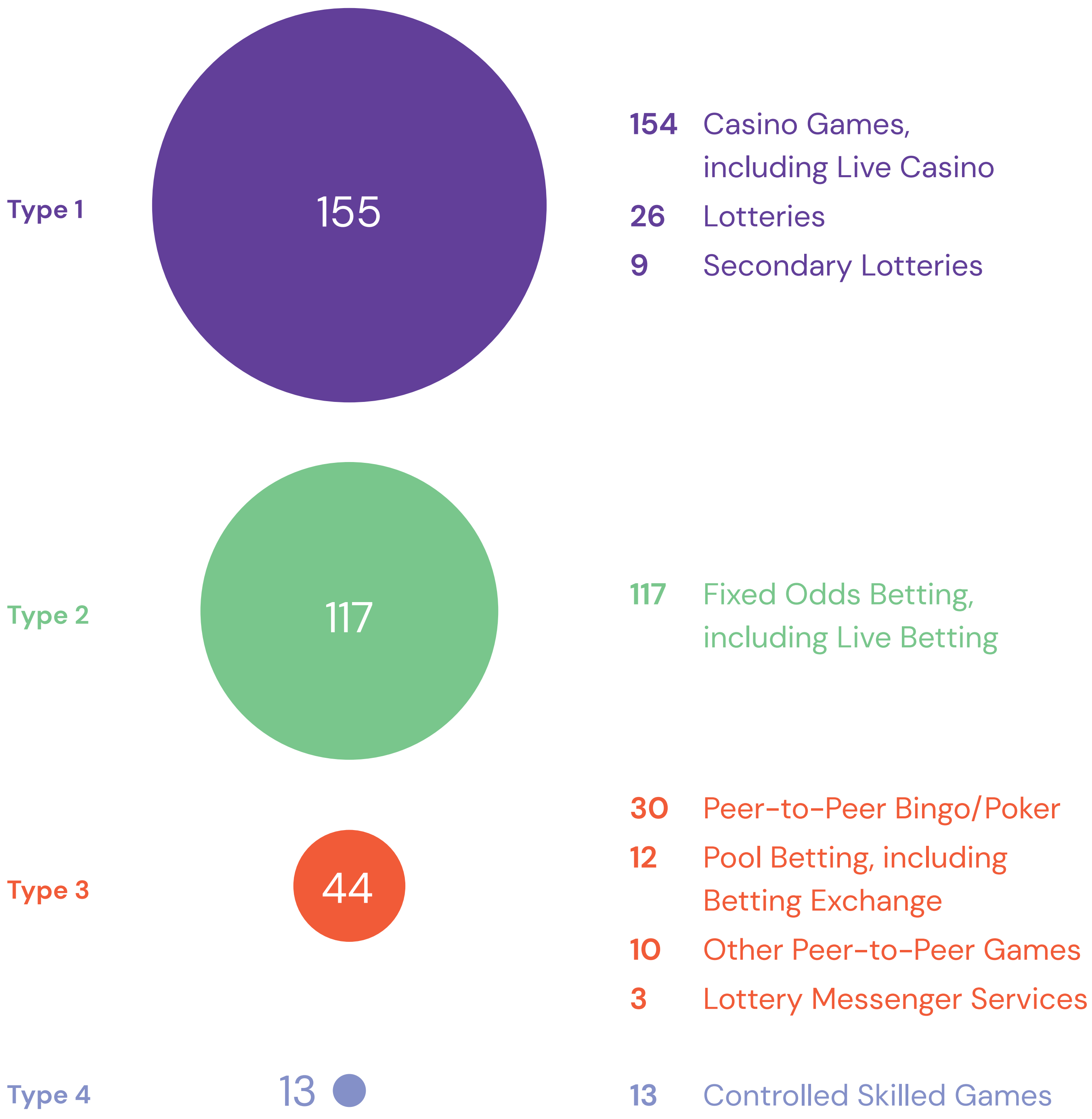


Chart 17: Online Gaming - B2C - Game Types and Verticals as at End 2022

Online Gaming: Distribution of B2B Licences by Game Type and Vertical

The following chart indicates the game-type approvals and verticals the B2B licensees possessed at the end of 2022. A licensee may occupy approval to offer services of more than one vertical within a game type. The number of verticals reported under each type does not represent a share of the total type approvals but rather the frequency of the vertical that falls under that type.

Chart 18: Online Gaming - B2B - Game Types and Verticals as at End 2022

Online Gaming: Customer Accounts

Active Player Accounts

The number of active player accounts registered on the websites licensed by the MGA grew by 2.6% compared to 2021, reaching an unprecedented 36.4 million accounts.

	2019	2020	2021	2022
Total	30,647,212	36,196,001	35,459,498	36,388,607

Table 42: Online Gaming – Active Player Accounts

New Active Player Accounts

The estimated number of new active player accounts stood at 18.1 million, representing a growth of 9.7% when compared to 2021.

	2019	2020	2021	2022
Total	13,797,091	15,938,919	16,498,630	18,095,980

Table 43: Online Gaming – New Active Player Accounts

Contrastingly, the number of new registrations decreased yearly by 3.7% from 2021.

Online Gaming: Players' Profile

Demographic Group

As in previous years, the 25-34 age group constituted the largest category of players, accounting for 37.9% of the players using websites regulated by the MGA in 2022. The 35-54 and 18-24 age groups also constituted a significant amount, with 31.3% and 24.0% respectively. Players aged between 55 and 64 comprised 4.6% of players, while the 65+ group represented 2.2% of the population.

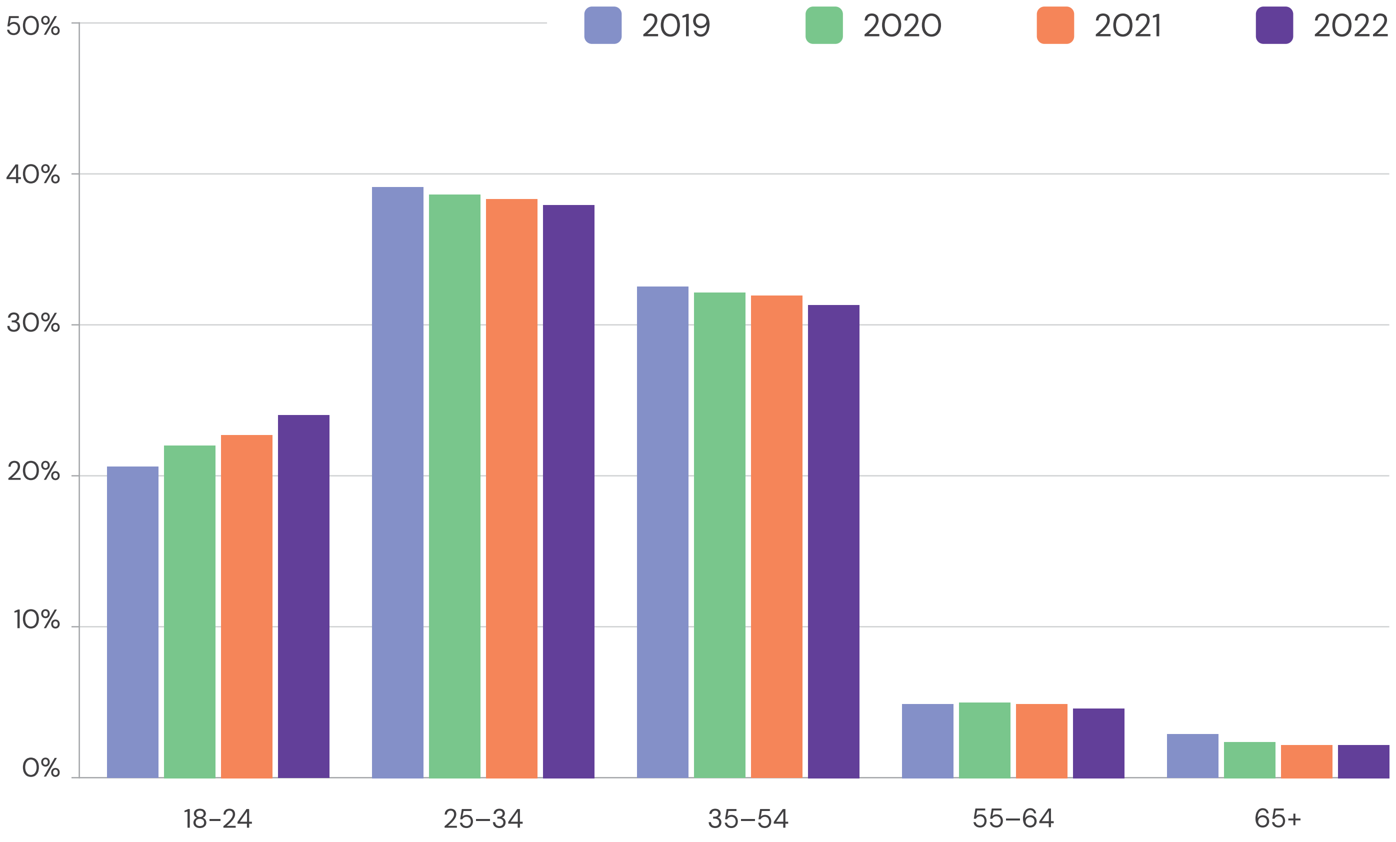


Chart 19: Online Gaming – Players' Profile by Age Group Distribution

Regarding gender distribution, males continued to constitute the majority of players, accounting for 71.4% of the total player base.

Number of Self-Exclusion Requests

All B2C licensees are obliged to have systems in place which offer online gamblers the possibility to self-exclude themselves for a definite or indefinite period. While requests can be made by the players within the online gaming market, there is the possibility that exclusions are imposed on a player by the operator itself, particularly in cases where there are sufficient reasons to indicate that the player may have gambling issues.

The estimated number of self-exclusion requests (sign-ups) by online players amounted to more than 1.9 million, part of which may represent the self-exclusion of a single player across multiple websites. The number of exclusions imposed on a player by the online licensees amounted to 1 million.

The number of exclusions imposed by the B2C licensees increased significantly by 148.8% since 2021. The total number of self-exclusion requests (sign-ups) by online players continued to decrease, dropping by 24.1% in 2022.

Contrary to previous years, the largest portion of players opted for an indefinite exclusion period (34.1%). Of those who chose a definite period, the most popular time period was up to one month, constituting 33.5% of all self-exclusions. During 2022, 6.1% of players requested a reversal or cancellation of their self-exclusion request, not accounting for the instances where the self-exclusion was removed upon the expiry of the exclusion term.

In the case of those exclusions imposed by the online operator, the absolute majority (91.8%) were imposed indefinitely, in line with previous trends.

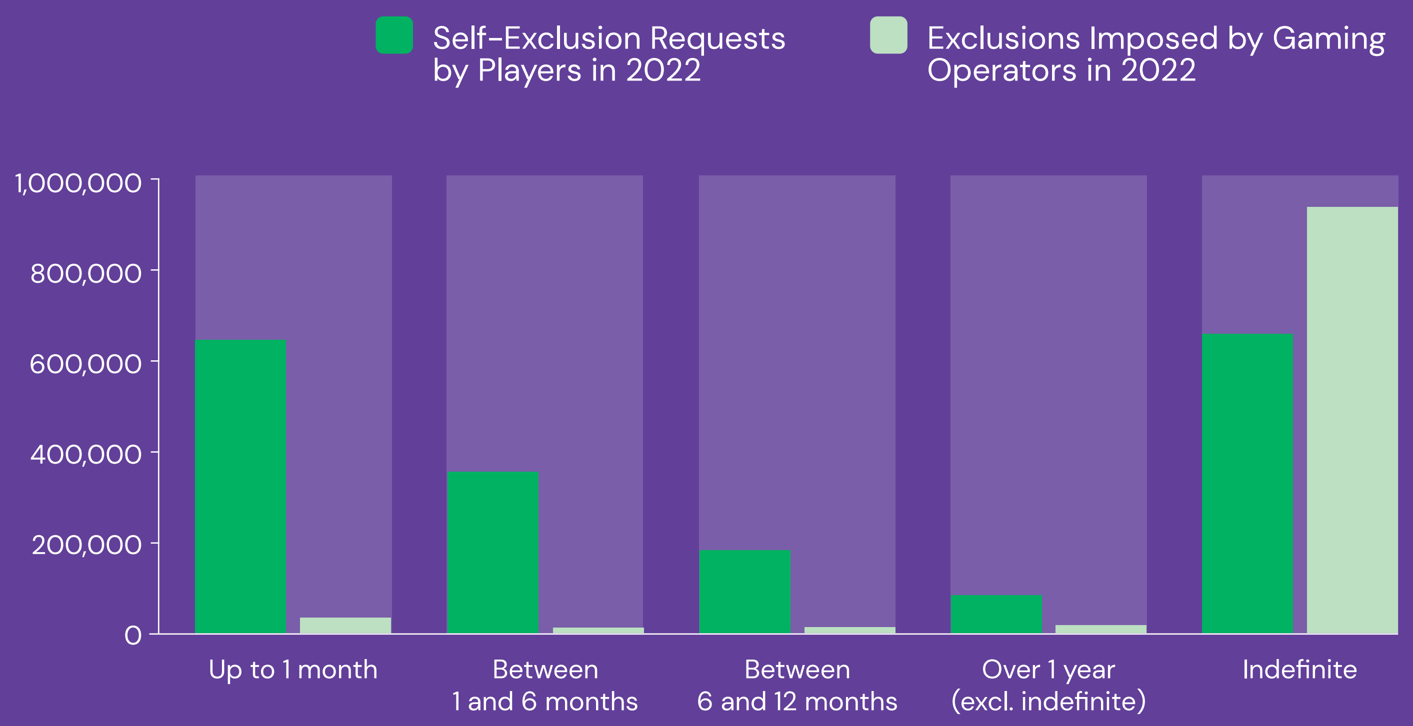


Chart 20: Online Gaming - Number of Self-Exclusion Requests

Number of Limits Set and Hit

Players can impose limits on their gaming activity as a form of additional responsible gambling measure to reduce gambling addiction and further protect themselves. Any limit set can only be amended or removed upon the relevant player's request or upon the set duration's expiry. These measures are intended to empower players by granting them increased control over time or money spent on gaming activities.

In 2022, the total number of limits set by players surpassed 13.3 million, with the majority (92.0%) being deposit limits. Of these 13.3 million limits set, 1.1 million were hit, amounting to 8.1%.

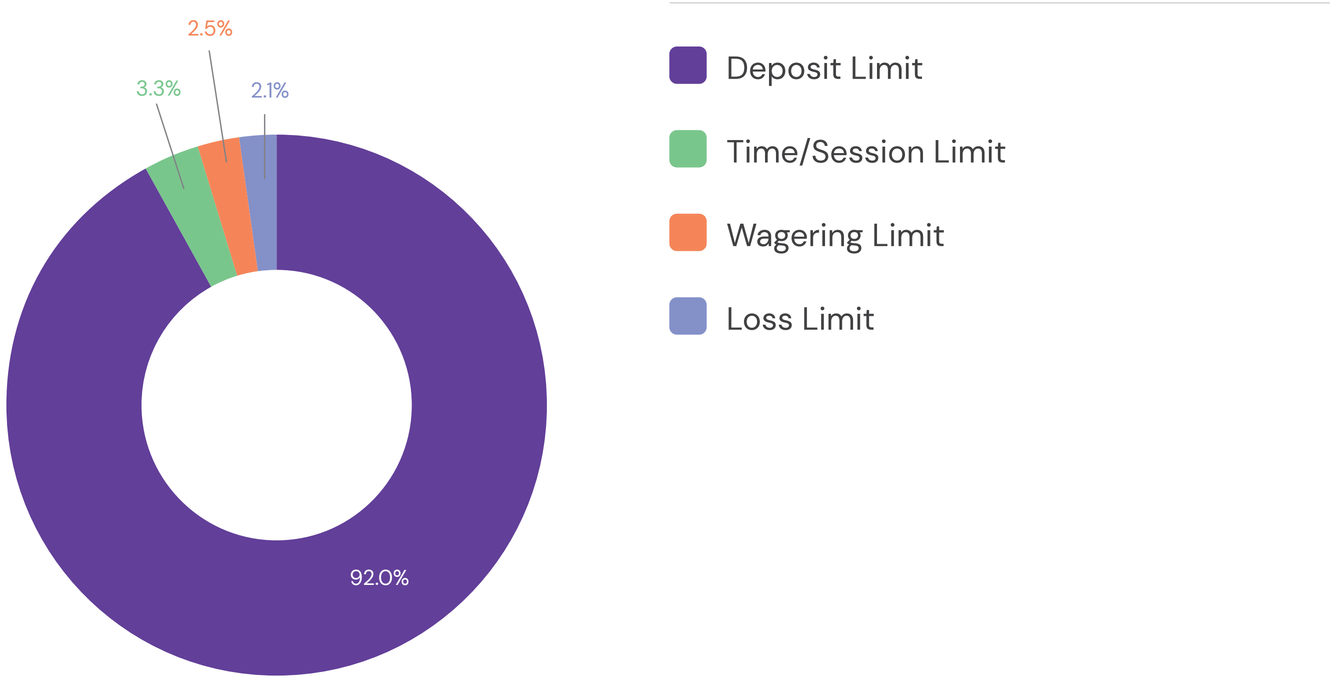


Chart 21: Online Gaming - Limits Set Distribution

Methods of Deposits

Accounting for 47.1% of all deposit methods, bank transfers continued to be the most common deposit method used by clients of MGA-licensed companies. For comparison, deposits made through credit/debit cards accounted for 29.7% of all payments and deposits made through e-wallets and online accounts constituted 12.4% of the total deposits. 10.7% of payments were made through other methods.

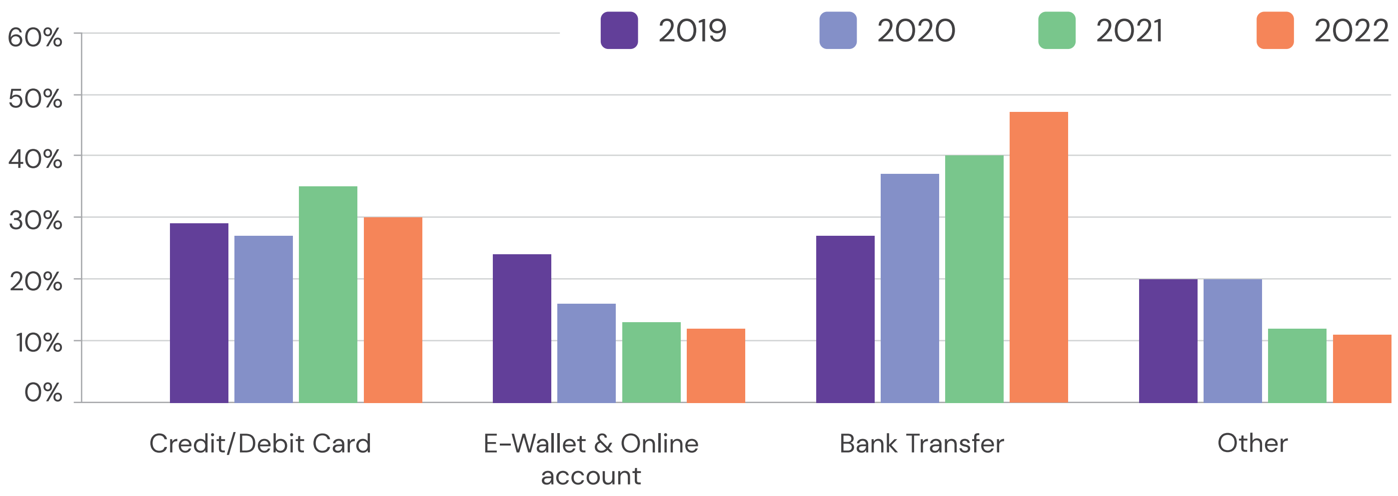


Chart 22: Online Gaming – Methods of Deposits

Methods of Withdrawal

As with methods of deposits, bank transfers were the preferred means of withdrawal in 2022, constituting 69.0% of all withdrawals. Online gaming operators indicated that e-wallets, online accounts, and credit/debit cards were the chosen method for 14.3% and 13.3% of withdrawals, respectively. All other methods of withdrawal accounted for 3.3%.

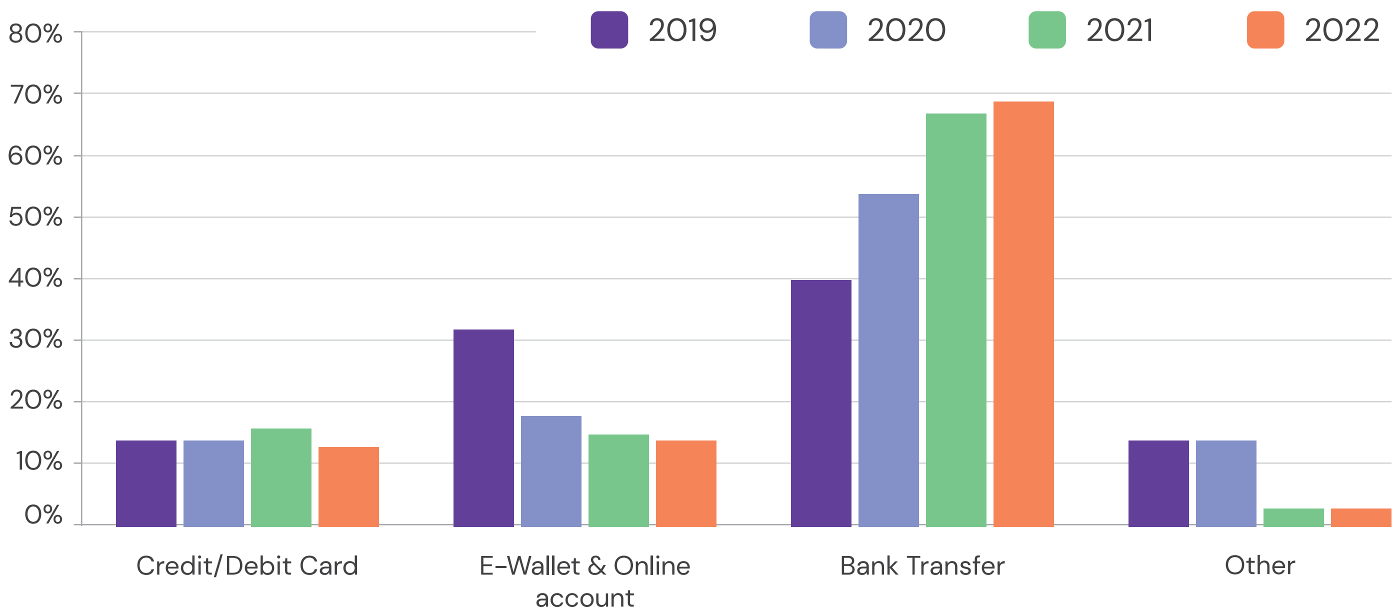


Chart 23: Online Gaming – Methods of Withdrawals

Online Gaming: Gaming Revenue from Customer Gaming Activities

Yet again, the percentage of gaming revenue generated from Type 1 games continued to increase, constituting 73.0% of the total gaming revenue generated by B2C licensees in 2022. In comparison, the percentage of GR generated from Type 2 and Type 3 continued to shrink, from 22.3% to 20.5% and from 7.1% to 6.5%, respectively.

The activity reported for the controlled skill games classified under Type 4 was minimal compared to other game types and accounted for less than 1% of the total GR generated in 2022.

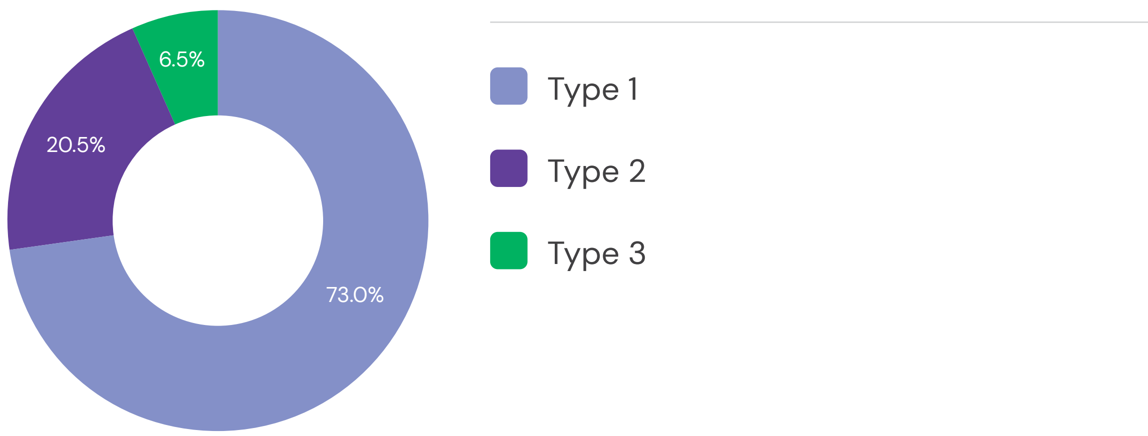


Chart 24: Online Gaming – GR Distribution by Game Type

The shift towards Type 1 games described above can be seen more evidently in the chart below. COVID-19 intensified this shift in 2020 due to the complete cancellation of national leagues and major sporting events during that time, causing players to shift their interest to different game types.

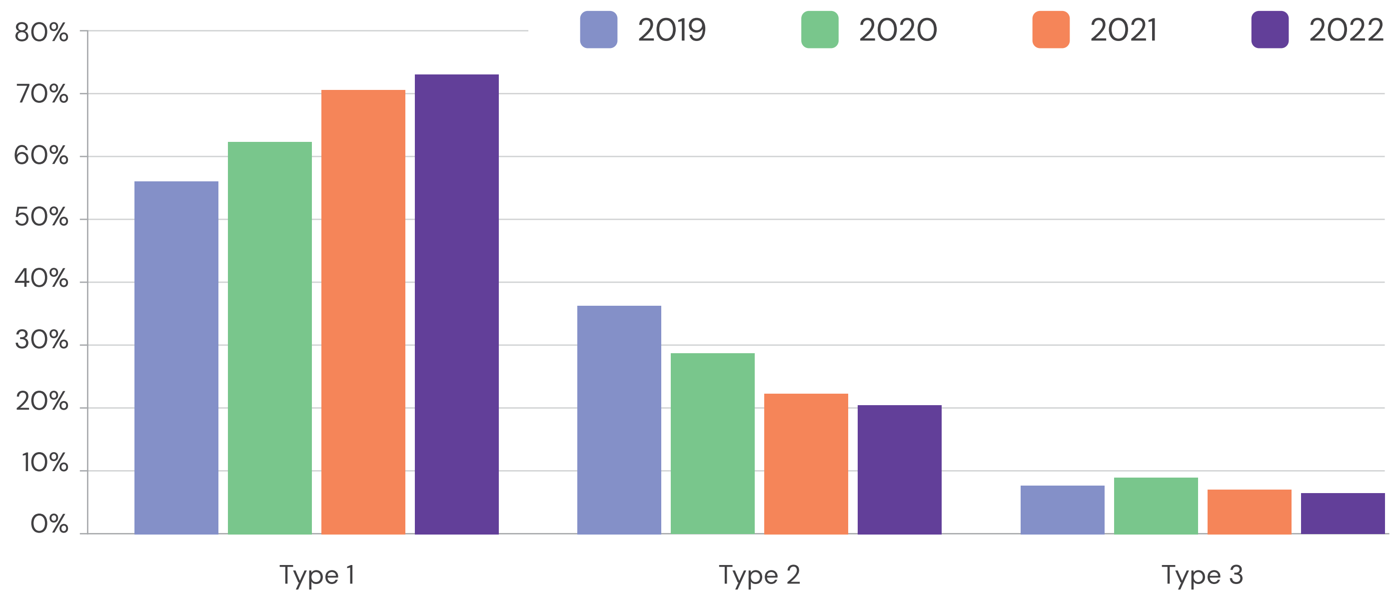


Chart 25: Online Gaming – GR Distribution by Game Type

Type 1 Games

Regarding GR generated through Type 1 games, 80.5% was attributed to slot games, whilst 13.7% was generated through table games. The remaining 5.8% of the GR for the Type 1 group was generated through other games, the most popular of which were secondary lotteries and virtual sports games.

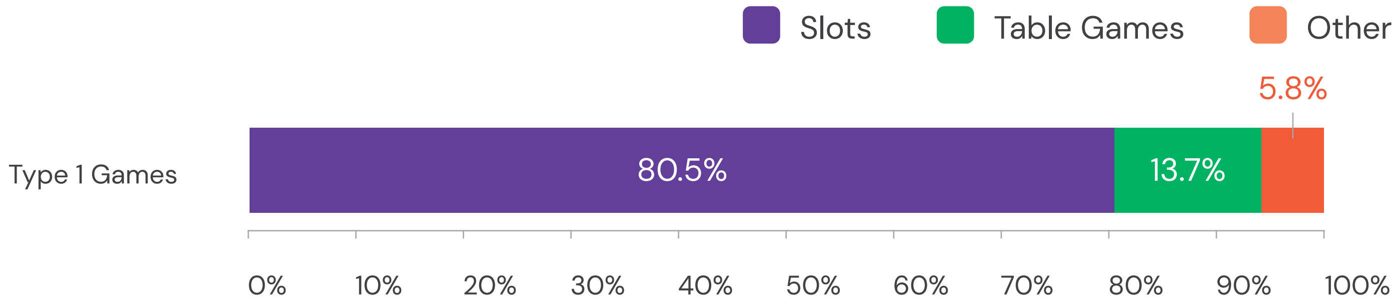


Chart 26: Online Gaming – Type 1 Games – GR Distribution

Type 2 Games

When considering the GR generated from Type 2 game categories, the most popular type of sports remained football, generating the vast majority of GR from Type 2 games, standing at 70.2%. Tennis accounted for 7.3% of the GR from Type 2 games, followed by 6.1% from basketball. Cricket bets generated 5.4% of the GR, while the remaining 11.0% was generated through other bets, including esports, betting on horses, golf and motorsports.

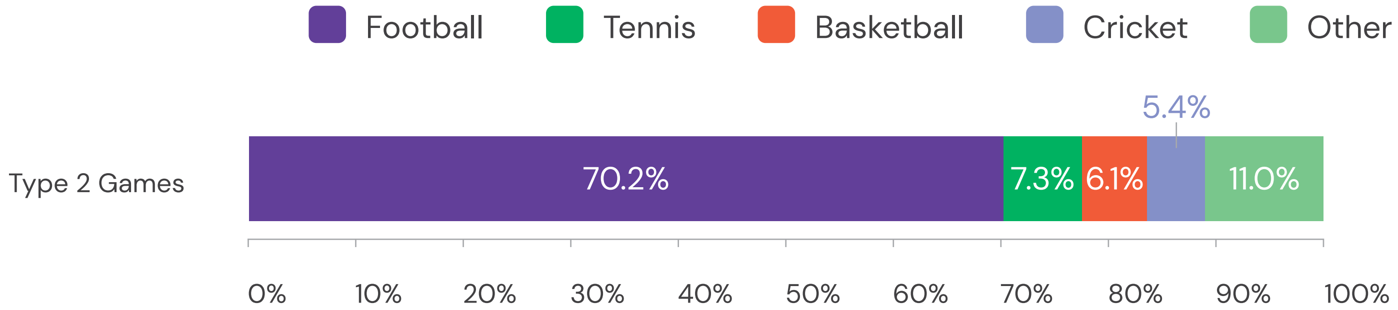


Chart 27: Online Gaming – Type 2 Games – GR Distribution

Type 3 Games

Peer-to-peer (P2P) poker once again generated the highest GR of all Type 3 games, covering 84.1%. Betting Exchange was again the second highest, generating 9.1% of all Type 3 gaming revenue. Lottery Messenger and P2P Bingo generated 3.5% and 2.8%, respectively, while the remaining 0.5% was generated through other Type 3 games.

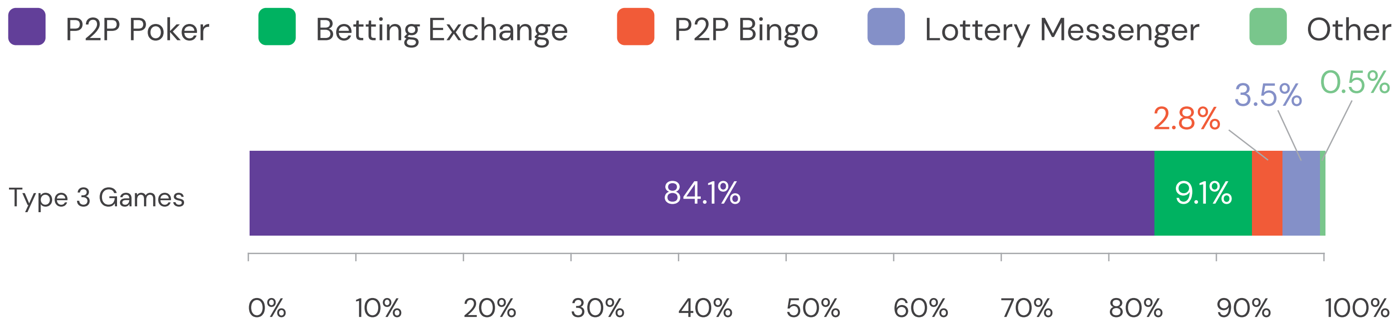


Chart 28: Online Gaming – Type 3 Games – GR Distribution

Online Gaming: Compliance Contribution

The amount of compliance contribution payable by the operators depends on the approval the Authority issued, and it is strictly correlated with the GR generated during the licence period. The MGA collected dues owed in terms of the applicable legislation, which amounted to €46.8 million for 2022.

	2019	2020	2021	2022
Total [€]	47,255,180	50,103,870	52,304,032	46,767,079

Note: The above figures include the compliance contribution fee, licence fees, and 5% consumption tax on customers located in Malta in line with the Gaming Tax Regulations (S.L. 583.10).

Table 44: Online Gaming – Compliance Contribution

Online Gaming: Employment

The number of FTE employees directly working with online gaming companies licensed by the MGA on the activities covered by the Authority's licences at the end of December 2022 stood at 10,365[14].

	2019	2020	2021	2022
Total	6,593	7,557	9,919	10,365

Table 45: Online Gaming – Employment (FTE)

Similar to the levels reported in previous reporting periods, as at the end of December 2022, 58.1% of all employees within the online gaming industry in Malta were male. Of all the employees in the gaming sector, 70.0% of the workers are non-Maltese, further highlighting the need for expatriate workers to sustain the industry's growth.

[14] This number refers to direct employees working on MGA-licensed activities. Kindly refer to Point 9 of the Methodology for more information.