

## WAP announcement – anticipated release date of Monday 14<sup>th</sup> February

Greyhound Racing SA Limited (GRSA) advises participants that unfortunately for the second month in a row there will be no Wagering Activity Payment (WAP). GRSA's net wagering revenue has fallen to its lowest level this financial year [\$1.85M for January] and was 26% lower than the September high of \$2.5M.

While this result is disappointing it is important to note that the WAP model is still working. The model guarantees participants a minimum return of 50% of net wagering revenue. For the month of January participant returns were 50.2% of net wagering revenue and they were 52.8% for the month of December. GRSA will continue to monitor wagering trends and will update participants as relevant information comes to hand.

Despite the fact that no WAP is payable, the calculation for the month is provided for the sake of transparency:

	<u>Current Month</u>	
<b>Net Wagering Revenue *</b>	<b>\$1,852,000</b>	
<i>Multiplied by</i>	<b>X</b>	
<b>WAP Benchmark Return (50%)</b>	<b>50%</b>	
<i>equals</i>	<b>=</b>	
<b>Payout</b>	<b>\$926,000</b>	
<i>less</i>		
<b>Prizemoney ^</b>	\$760,000	-
<b>Trainer Fees</b>	\$81,000	
<b>Breeder bonuses</b>	<u>\$88,000</u>	
<b>Total payments to Participants</b>	<b>\$929,000</b>	<b>\$929,000</b>
<i>Equals</i>	<b>=</b>	
<b>WAP for the month</b>	<b>Less than zero</b>	

\* **Net Wagering Revenue** is the combination of all corporate race field fees and Tabcorp product fees, less the fees associated with the generation of Tabcorp product fee from wagering on interstate racing product.

^ **Prizemoney** includes payments to winners, places und unplaced of all South Australian races. Following feedback from participants in December 2020, additional money for feature races is averaged over the year.

The table below shows the total WAP position for the year to date.

Month	Indexed Net Wagering Revenue (NWR)	NWR x 50%	Returns (ex WAP)	WAP	WAP YTD
	A	B	C	B less C	
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Jul 21	2,224	1,112	870	242	242
Aug 21	2,326	1,163	973	190	432
Sep 21	2,488	1,244	968	276	708
Oct 21	2,436	1,218	912	306	1,014
Nov 21	1,890	945	861	84	1,095
Dec 21	1,912	956	1,010	-	1,095
Jan 22	1,852	926	929	-	1,095

Distribution between Trainers and Owners

GRSA would like to remind all participants who receive a WAP that the payment is the equivalent of prizemoney. If you are currently responsible for distributing prizemoney to another party (eg owners) then the same approach applies to WAP payments.

From GRSA’s perspective, the position in relation to third parties is reflective of OzChase records and is as follows:

- If GRSA have been notified of an ownership split [which is recorded in OzChase] then you **DO NOT** need to make a payment to owners for the WAP because GRSA will do this automatically, however;
- If you ordinarily forward on payments to owners of your own accord, then you **DO** need to do the same for the WAP. Each remittance will include the name of the dog for which the WAP is being made.

Comparison table showing the impact of WAP on a selection of prizemoney levels

Month	Category 1 Meetings GRADE 5 530m	Category 2 Meetings GRADE 5 531m	Category 3 Meetings GRADE 5 512m	Category 2 Meetings GRADE 5 400m	Category 3 Meetings GRADE 5 400m
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Base stakemoney levels excluding WAP: [Minimum paid out to participants].

Base	\$3,585	\$1,645	\$1,005	\$1,430	\$880
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Final stakemoney levels paid out including WAP:

Jul 21	\$4,886	\$2,242	\$1,370	\$1,949	\$1,199
Aug 21	\$4,524	\$2,076	\$1,268	\$1,805	\$1,111
Sep 21	\$5,098	\$2,339	\$1,429	\$2,033	\$1,251
Oct 21	\$5,216	\$2,393	\$1,462	\$2,081	\$1,280
Nov 21	\$4,073	\$1,869	\$1,142	\$1,624	\$1,000
Dec 21	\$3,585	\$1,645	\$1,005	\$1,430	\$880
Jan 22	\$3,585	\$1,645	\$1,005	\$1,430	\$880

Example to help participants understand the WAP they receive

It is not uncommon for GRSA to receive requests for more information in relation to how the WAP is calculated for their particular dogs(s). The example below is provided to assist in the general understanding of the calculation.

**Assumptions:**

In this example, assume the owner/trainer received **\$1,000** in prizemoney for any/all races for the month.

		<u>EXAMPLE</u>
<b>Net Wagering Revenue</b>		<b>\$1,800,000</b>
<i>Multiplied by</i>		<b>X</b>
<b>WAP Benchmark Return (50%)</b>		<b>50%</b>
<i>equals</i>		<b>=</b>

<b>Payout</b>		<b>\$900,000</b>
<i>less</i>		
<b>Prizemoney</b>	\$700,000	-
<b>Trainer Fees</b>	\$80,000	
<b>Breeder bonuses</b>	\$70,000	
<b>Total payments to Participants</b>	<b>\$850,000</b>	<b>\$850,000</b>
<i>Equals</i>		=
<b>WAP for the month</b>		<b>\$50,000</b>

In this the total prizemoney (paid to all participant) is **\$700,000**.

In this example, the total WAP is **\$50,000**.

In this example, the owner/trainer would receive a WAP of **\$71.43**, calculated as:

$$\text{\$1,000} \div \text{\$700,000} \times \text{\$50,000} = \text{\$71.43}$$

Participants should note that:

- WAP is **not payable** for any prizemoney received in relation to feature races [where total stakes are above \$5,000];
- Trainers' fees and other bonus payments are not included in the calculation of the share of the WAP; and
- It is a requirement that a greyhound has to have raced and received prizemoney during a month to be eligible to receive the WAP payment for that month.