

8 June 2022

## Jumbo Investor Forum 2022

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Jumbo Interactive Limited (**Jumbo**) is today hosting its inaugural investor forum in Brisbane. The presentation is attached.

A live video webcast will commence at 10:00am AEST. To register for the webcast please click on the following link:

[Jumbo Interactive Limited Investor Forum](#)

A recording and transcript will be made available following the presentation.

**- Ends -**

Authorised for release by the Board of Directors.

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[media@jumbointeractive.com](mailto:media@jumbointeractive.com)

### About Jumbo Interactive

Jumbo is Australia's leading dedicated digital lottery company, making lotteries easier by offering its proprietary lottery software platform and lottery management expertise to the government and charity lottery sectors in Australia and globally, and by retailing lottery tickets in Australia and the South Pacific via ozlotteries.com.

Jumbo was founded in Brisbane in 1995, listed on the ASX in 1999, and has ~190 employees creating engaging and entertaining lottery experiences for its global player base.



# Investor Forum 2022

8 June 2022



# Disclaimer

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All dollar values are in Australian dollars (A\$) unless otherwise stated.



# Today's presenters



**Susan Forrester AM**  
Chair & Non-Executive Director  
Joined September 2020



**Mike Veverka**  
CEO and Founder



**Brad Board**  
Chief Operating Officer  
Joined May 2001



**Xavier Bergade**  
Chief Technology Officer  
Joined January 2000



**David Todd**  
Chief Financial Officer  
Joined October 2007



**Richard Bateson**  
Chief Commercial Officer  
Joined July 2021



**Levi Putna**  
Head of Operations  
Joined July 2012



**Melissa Cowan**  
Principal Growth Marketer  
Joined August 2018

# Agenda

10.00

## Welcome

Susan Forrester AM

10.05

## Introduction and Group strategy

Mike Veverka

10.15

Operating segments

- **Lottery Retailing**
- **Software-as-a-Service**
- **Managed Services**

Mike Veverka

10.40

## Guest speakers – LifeFlight Australia

Steve Francia & Ian McLean

10.50

Core capabilities

- **Lottery management excellence**
- **Powered by Jumbo demo**
- **Best in class lottery software**

Brad Board, Levi Putna, Melissa Cowan,  
Xavier Bergade

11.20

## Creating a blueprint for acquisitions

Brad Board

11.30

## Global lottery opportunities

Richard Bateson

11.40

## Financial update

David Todd

11.50

## Conclusion

Mike Veverka

## Q&A

Executive Management Team

# Welcome



**Susan Forrester**

Chair & Non-Executive Director

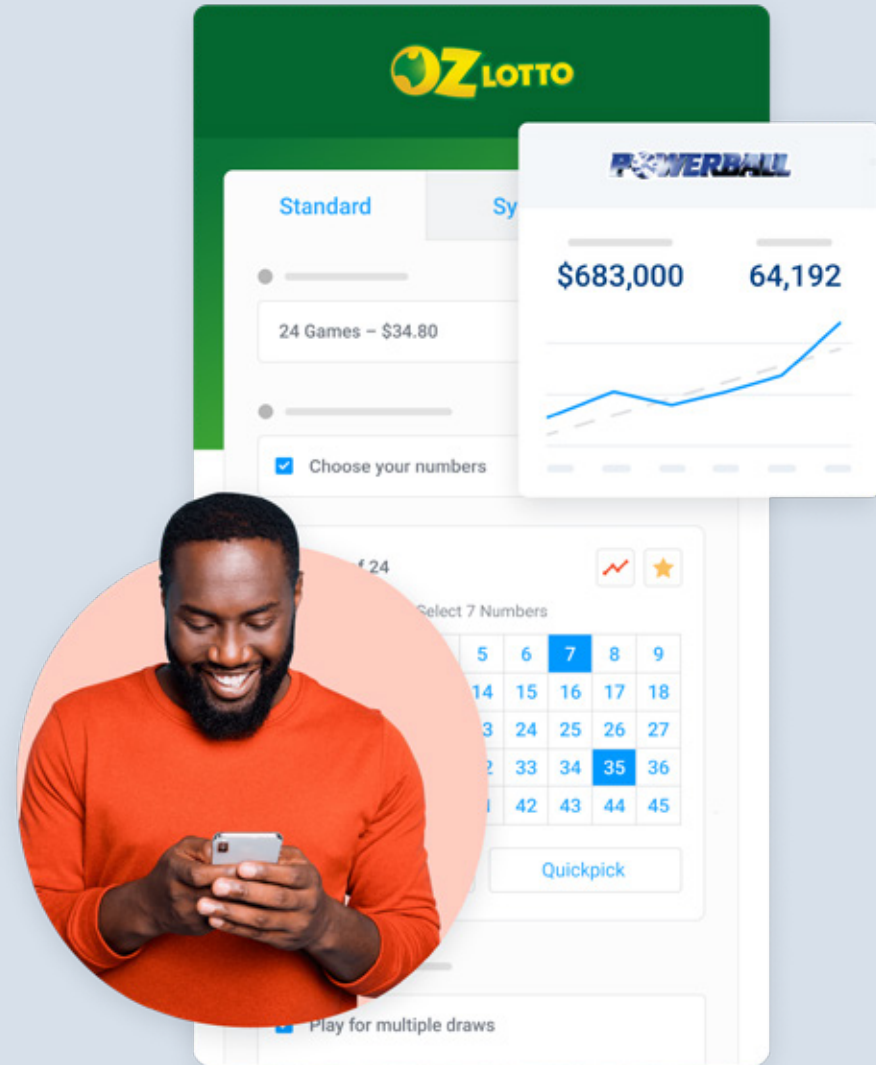
# Introduction and Group strategy



**Mike Veverka**  
CEO and Founder

# We are a digital lottery specialist

Providing our best in class lottery software platform and lottery management expertise to the charity and government lottery sectors in Australia and globally





# We exist to **make lotteries easier** by being the number one choice in digital lottery and services



Founded in 1995  
and listed on the  
ASX in 1999



>2.5 million<sup>1</sup> active  
players across  
Australasia, UK and  
Canada



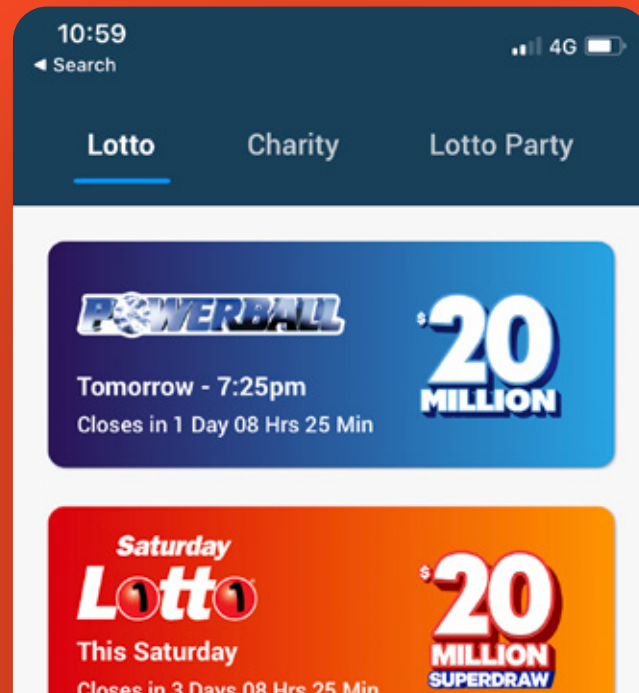
190 employees<sup>1</sup>  
across Australasia,  
UK and Canada

1. Includes Gatherwell in UK and Stride in Canada

# Our **three** operating segments

## Lottery Retailing

Jumbo is a fully accredited retailer of Australian digital lottery tickets through Oz Lotteries.



## Software-as-a-Service (SaaS)

We license our 'Powered by Jumbo' (PBJ) digital lottery platform as a SaaS solution to government and charity lottery operators in Australia and globally.

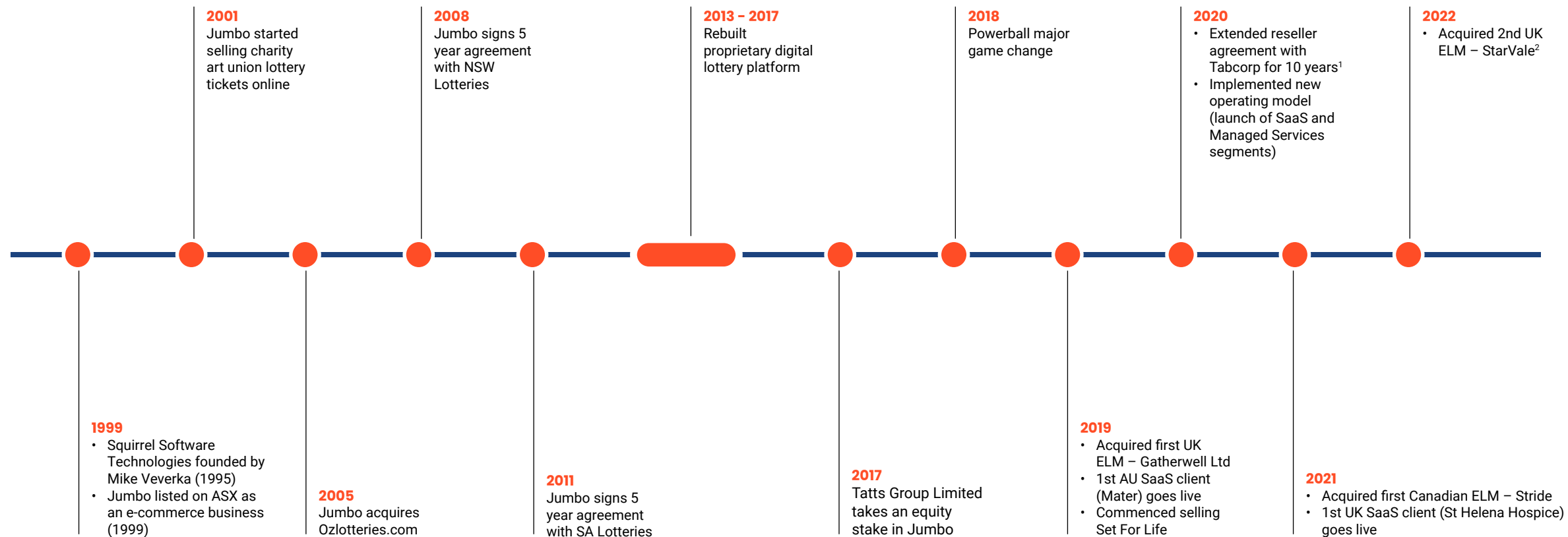


## Managed Services

We provide our lottery platform as well as effective lottery management services to charities and worthwhile causes that are looking to establish a lottery program or enhance an existing program.



# Our history



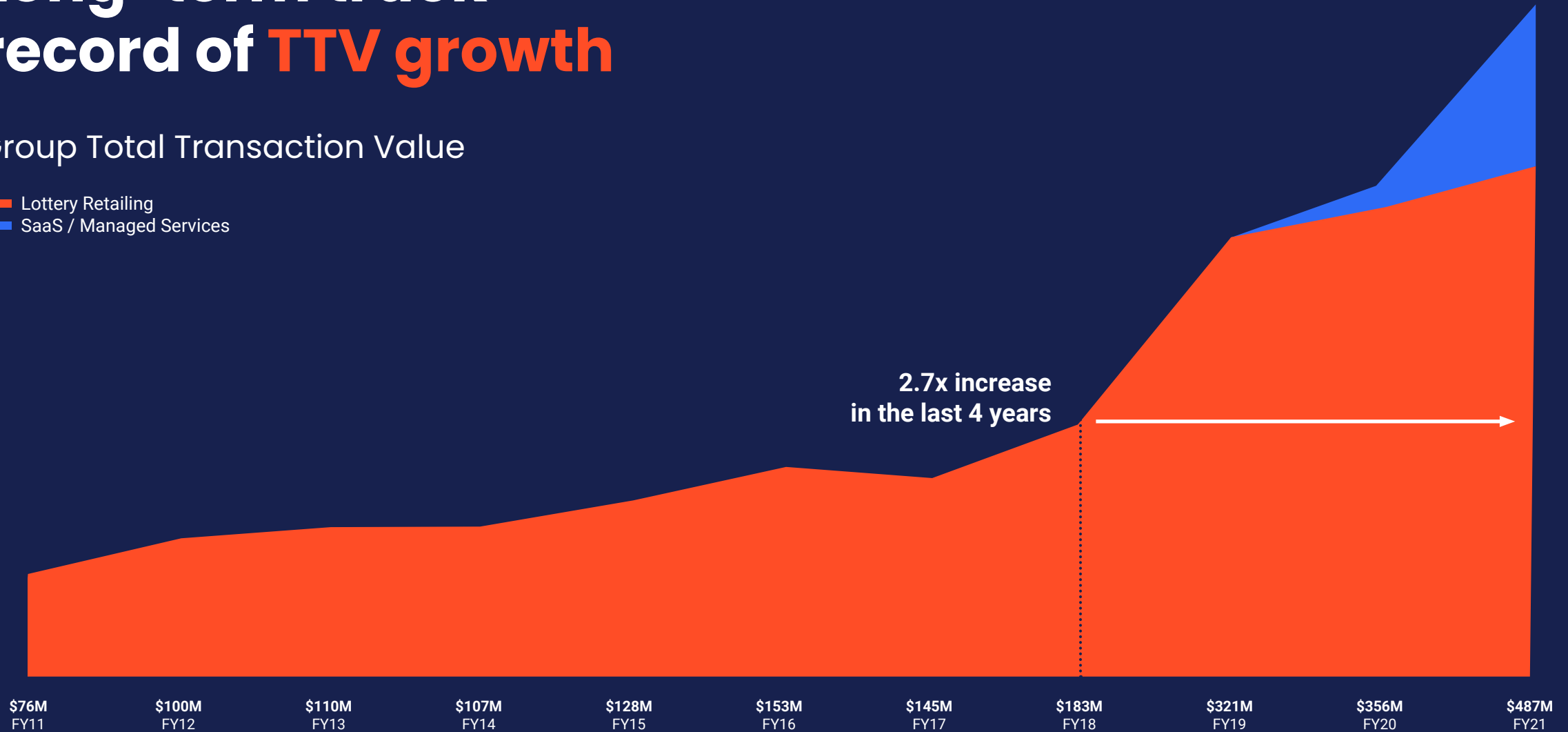
1. Post extension of reseller agreement, Tabcorp sells equity stake in Jumbo

2. Remains subject to regulatory approval

# Long-term track record of TTV growth

## Group Total Transaction Value

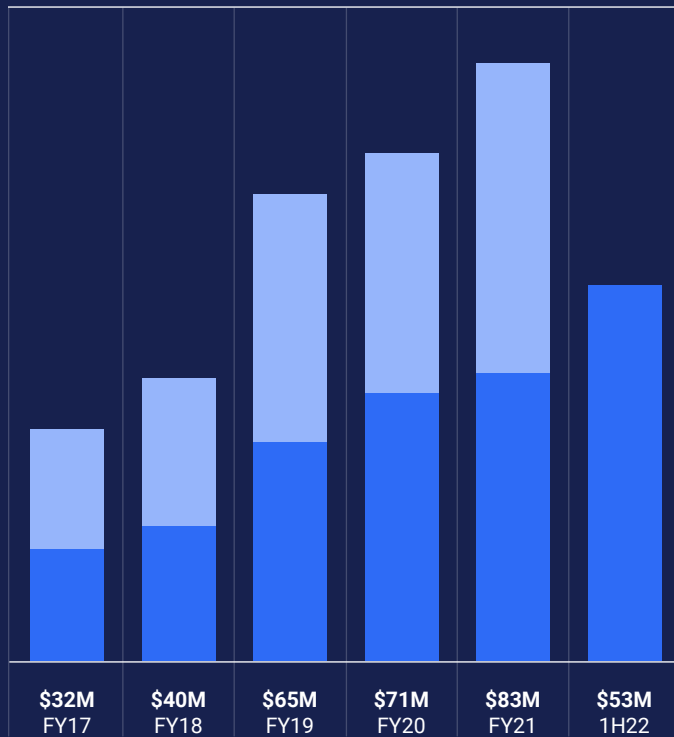
- Lottery Retailing
- SaaS / Managed Services



# Successfully growing earnings and cash generation

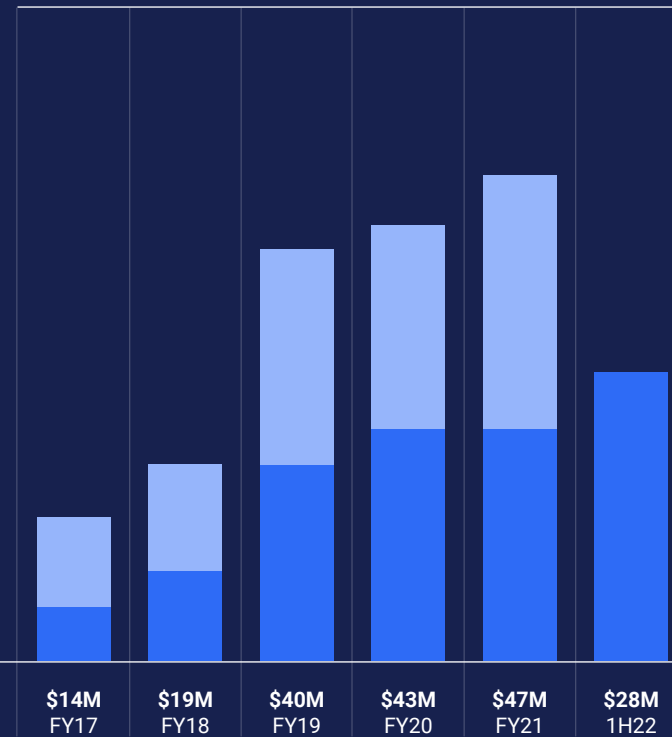
## Revenue

▲ 27% FY17 - FY21 CAGR



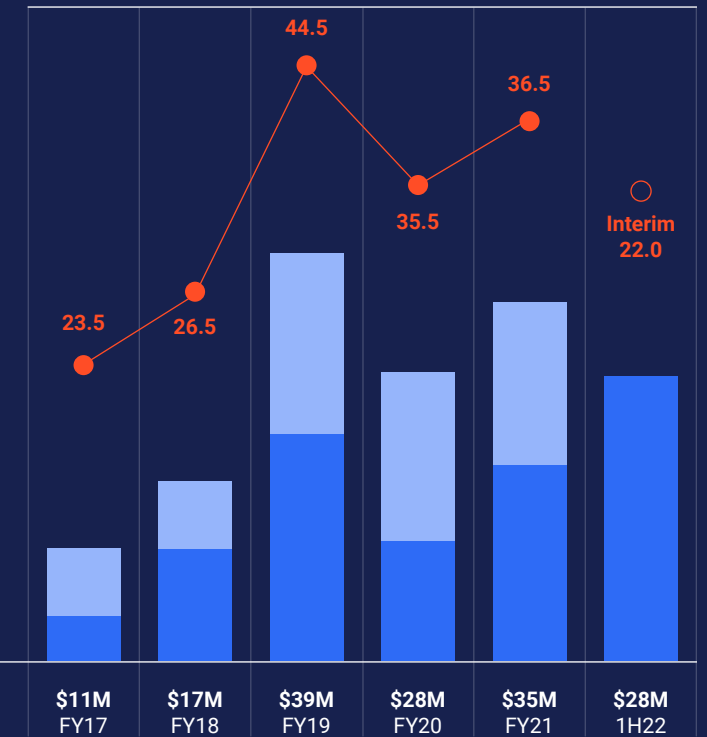
## EBITDA

▲ 35% FY17 - FY21 CAGR



## Operating cashflow

▲ 34% FY17 - FY21 CAGR

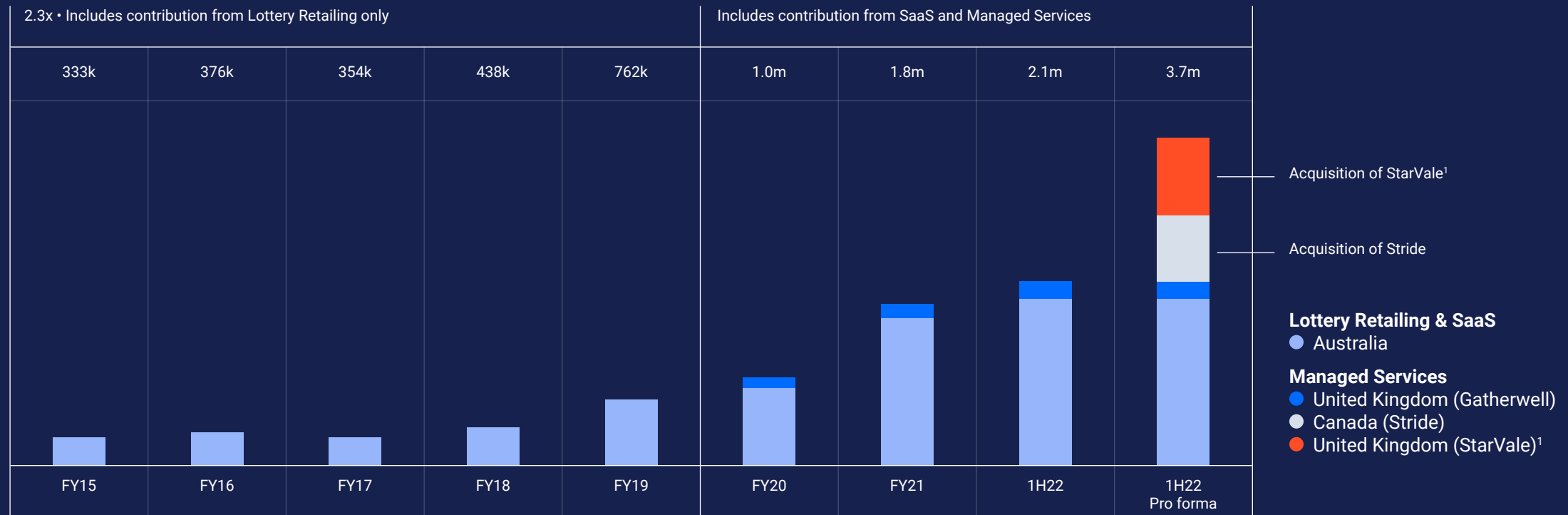


● 1H ● 2H ● Dividend declared (cps)<sup>1</sup>

1. FY17, FY18 and FY19 include special dividends

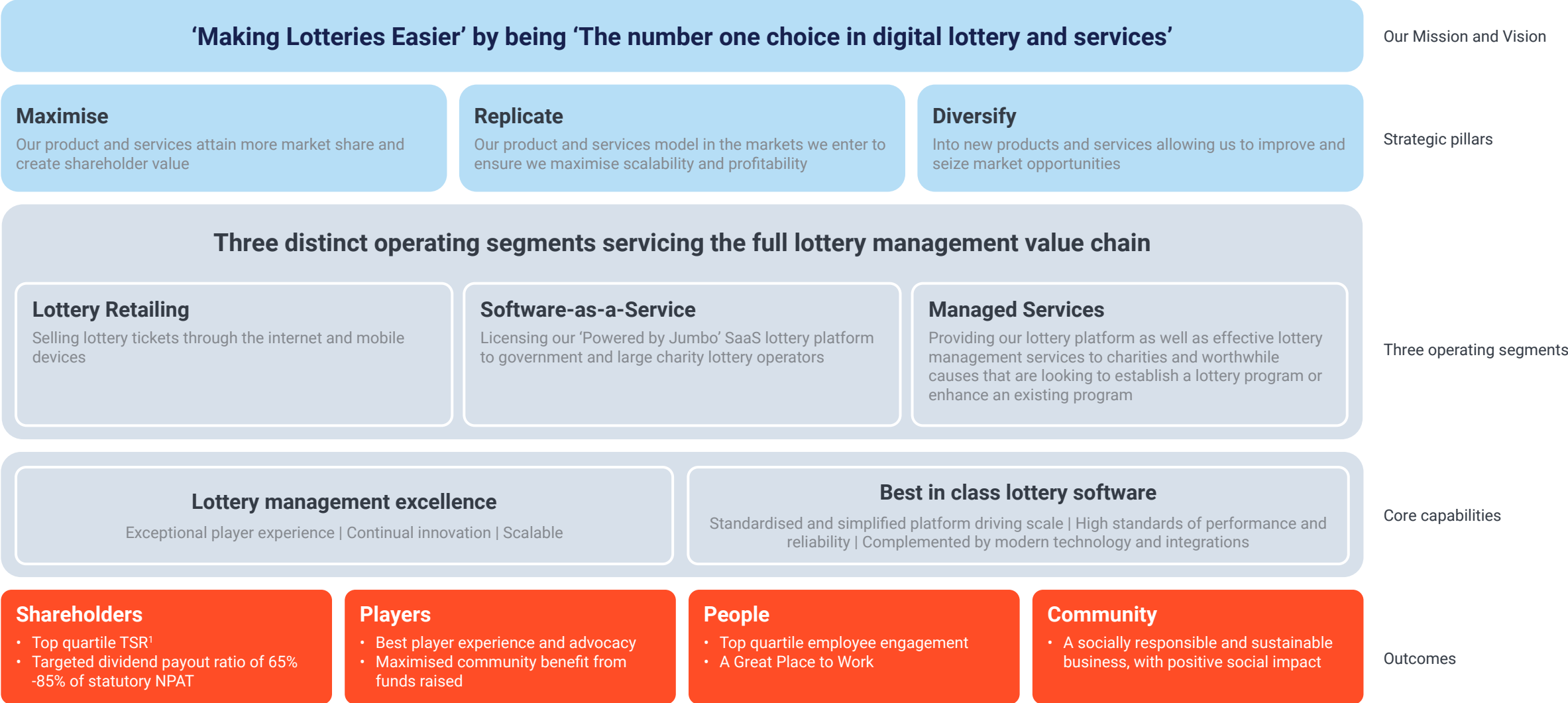
# Active players provide the **foundation** for **future growth**

Active players that made a purchase in the 12-month period (FY15 – 1H22)



1. Acquisition of StarVale announced 27 January 2022 (subject to regulatory approval)

# A clear strategy and operating model to deliver sustained growth



1. vs S&P/ASX 300 Accumulated

# Our priority markets for growth



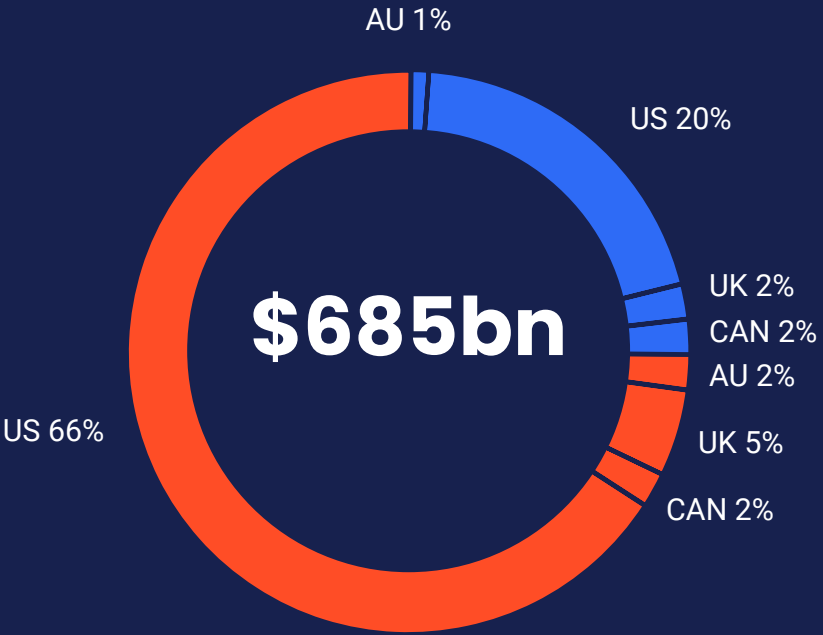
Vertical				
Government	1	2	2	2
Charity	1	1	1	2
Proposition				
Managed Services	1	1	1	2
SaaS	1	1	2	2

● Priority 1 ● Priority 2

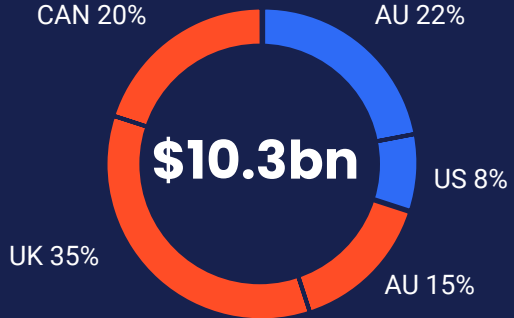


# Large, growing and underpenetrated serviceable available market

Total Addressable Market (TAM)<sup>1</sup>



Serviceable Available Market (SAM)<sup>2</sup>



● Government ● Charity

● Lottery Retailing 20%  
 ● Managed Services 30%  
 ● SaaS 50%

1. Reflects total government lottery market in Australia and the US plus total individual charitable giving in Australia, UK and Canada.  
 2. Reflects the current portion of the market that can be acquired based on our existing business model, including existing product set and capabilities  
 Source: Australian Gambling Statistics, Tabcorp financial reports, Lotterywest Annual Report, ACNC (Australian Charities Report – 7th Edition), Charity Commission For England and Wales, The Giving Report 2022 (Canada), La Fleur’s 2021, The National Philanthropic Trust (which curates statistics from recent studies and reports on charitable giving in the U.S), North American Gaming Almanac 2020-21  
 All figures shown in Australian dollars (A\$1.00 = US\$0.71; £0.56 and C\$0.91)

## **Our ESG focus**

**Jumbo is committed to being a socially responsible and sustainable business with effective governance that positively impacts our people, customers and communities, while delivering long term value for our shareholders.**

# Jumbo's people and culture



**38%** Internal promotions into vacant roles

April 2022 YTD



~**50%** of total staff dedicated to development and maintenance of platform<sup>1</sup>



**91%** employee consensus Great Place To Work certified



**39%** female representation across Group



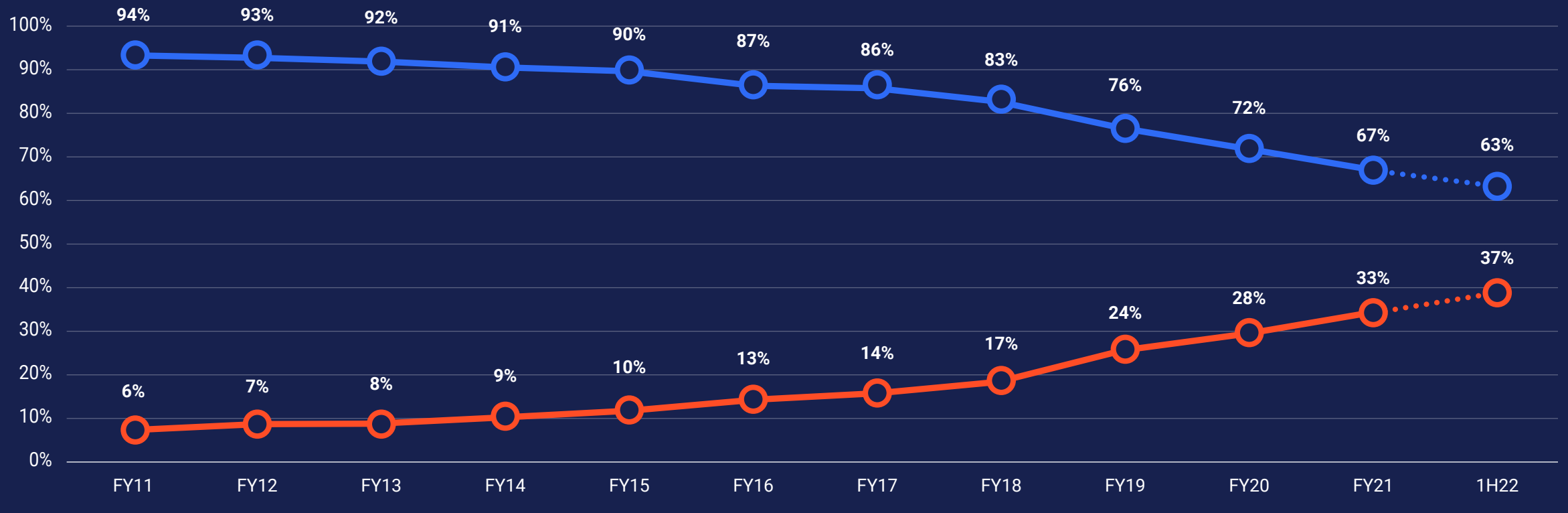
Distributed work place with ~**65%** of staff working from home

1. Exclude Stride.

# Lottery Retailing

# Digital penetration increasing

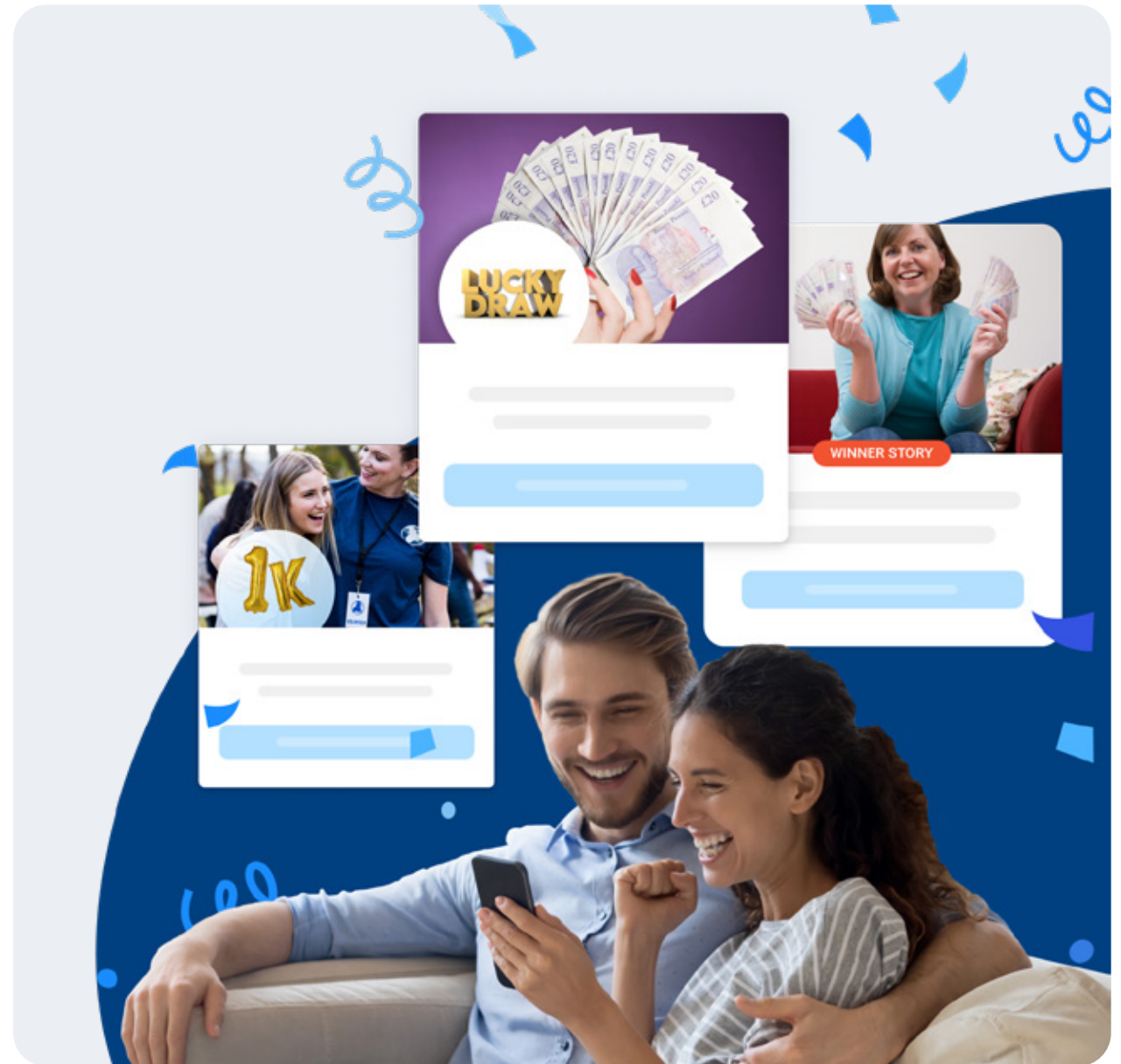
● Retail ● Online



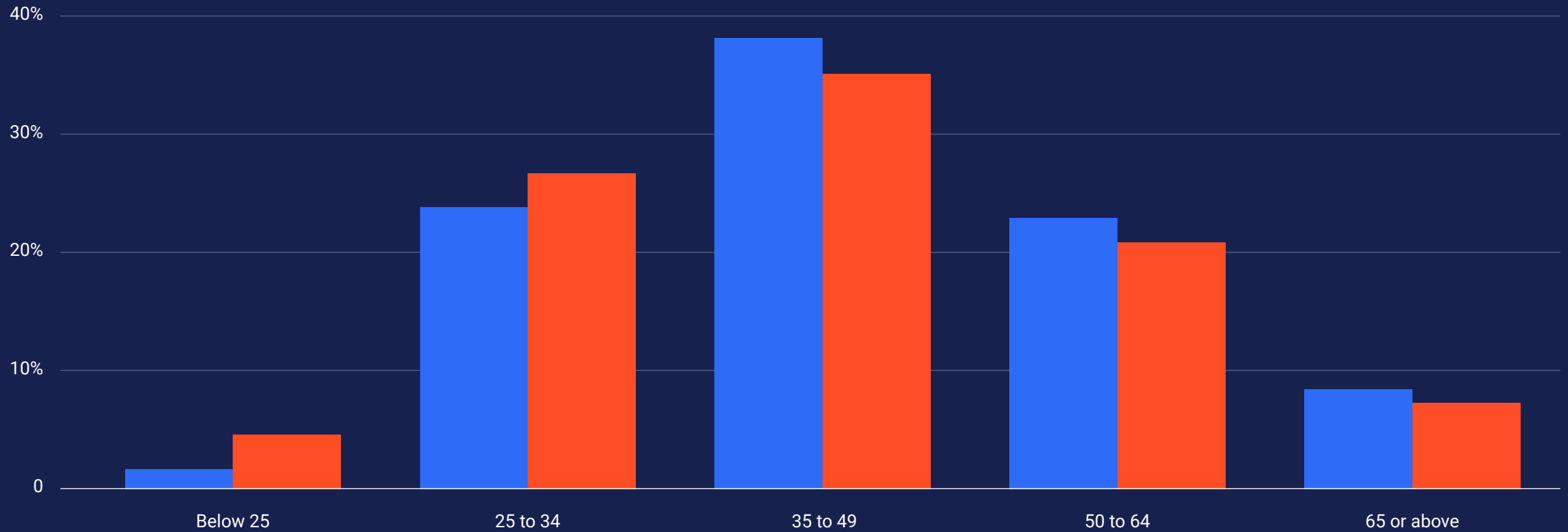
Source: Tabcorp company reports, management estimates

# An unrivalled player experience

- ✓ Best in class user experience
- ✓ More ways to win
- ✓ Innovative ways to play
- ✓ Convenience
- ✓ Player support



# ~70% of our player base is **under 50 years of age**



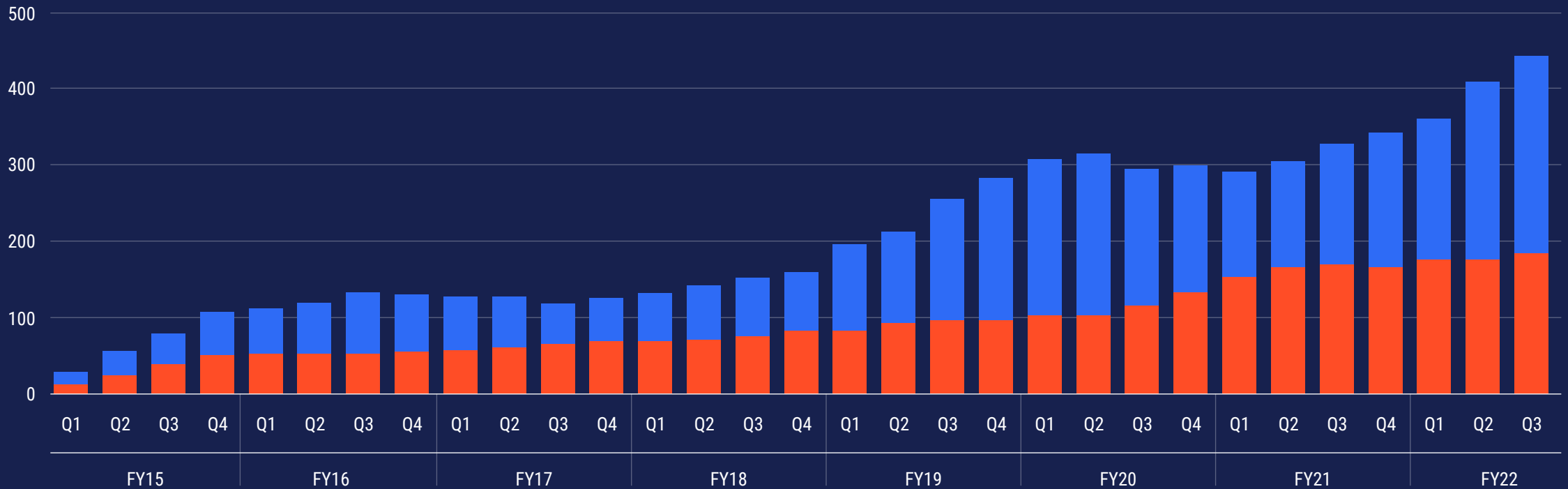
● 2018 ● 2021

# Strong track record of consistent growth

▲ 17% FY16 - FY21 CAGR  
Sales resulting from jackpots ≥ \$15m

▲ 25% FY16 - FY21 CAGR  
Sales resulting from jackpots <\$15m

Oz Lotteries Moving Annual Total (MAT)<sup>1</sup> TTV – by Fiscal Quarter

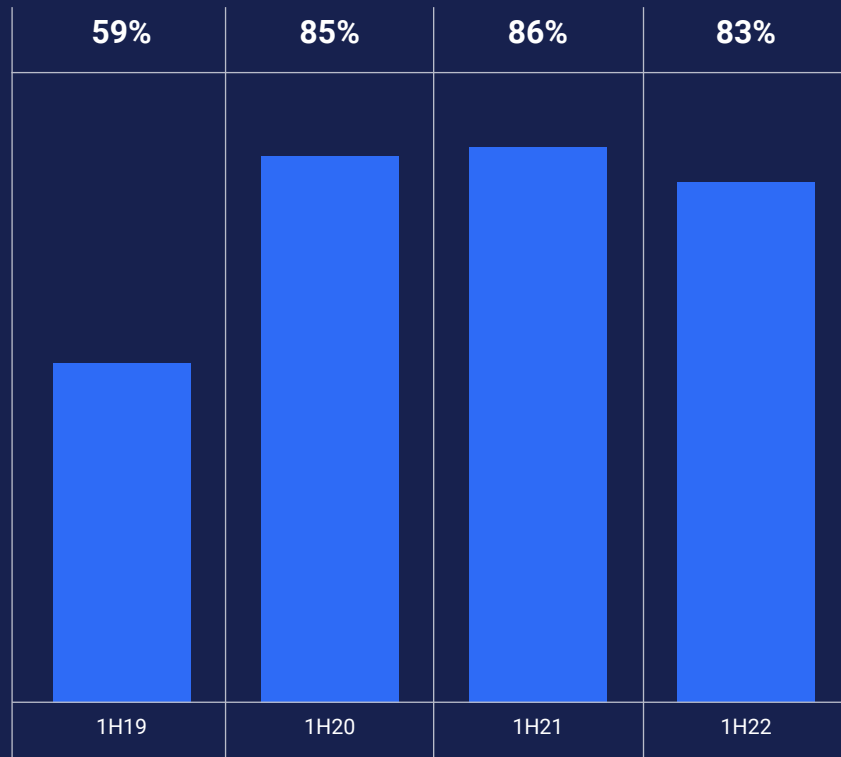


1. Excludes contribution from Western Australia customers transitioned to SaaS (effective 21 December 2020)

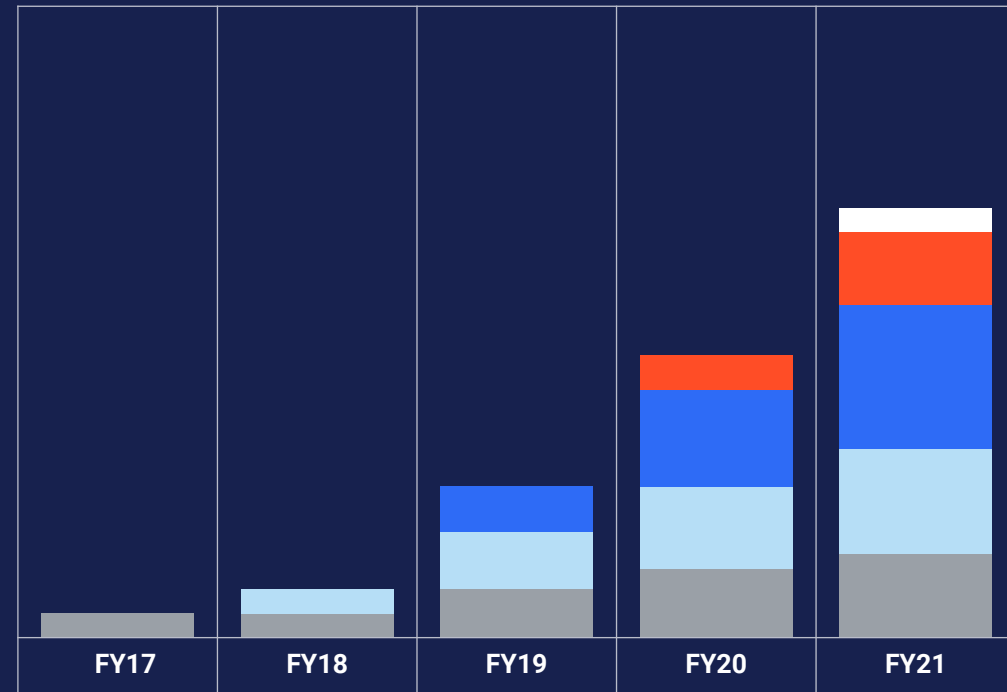


# Player engagement and retention drives **future growth**

Acquisition spend as a % of new player revenue  
(in a six month period)



Illustrative cumulative revenue contribution from new player cohorts

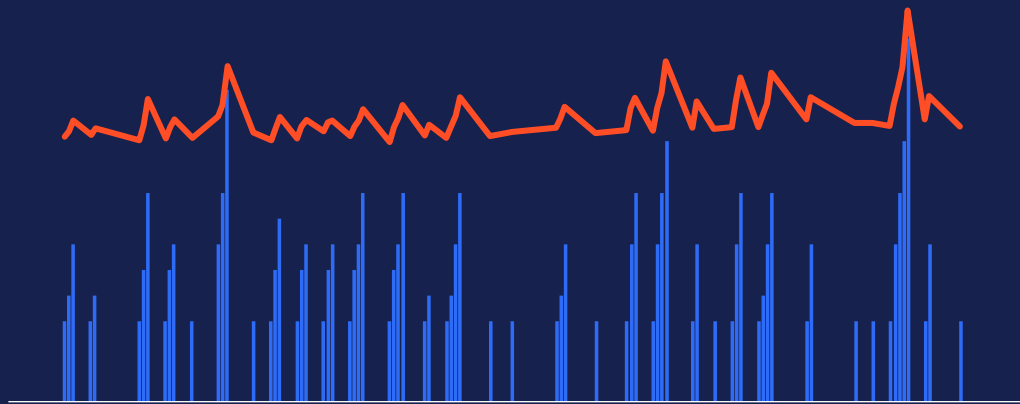


● FY17 ● FY18 ● FY19 ● FY20 ● FY21

# Previous changes have been **positive for growth**

## OzLotto price change – November 2016

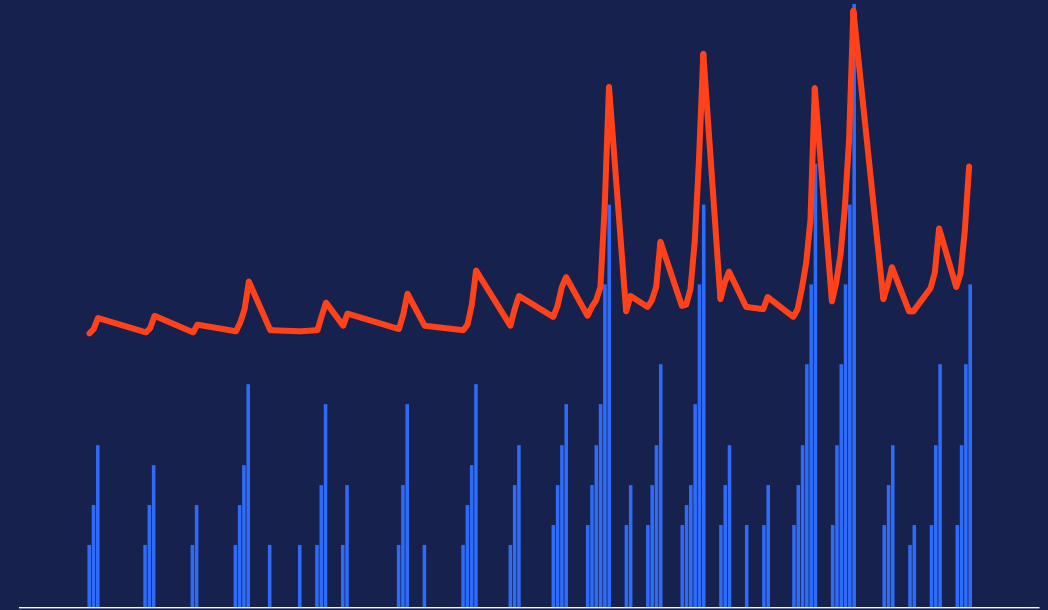
+9% in base price  
+46% average TTV per large jackpot<sup>1</sup>



● Jackpot Level ● Ticket sales

## Powerball game change – April 2018

+72% in Division 1 odds  
+29% in base price  
+186% average TTV per large jackpot<sup>1</sup>



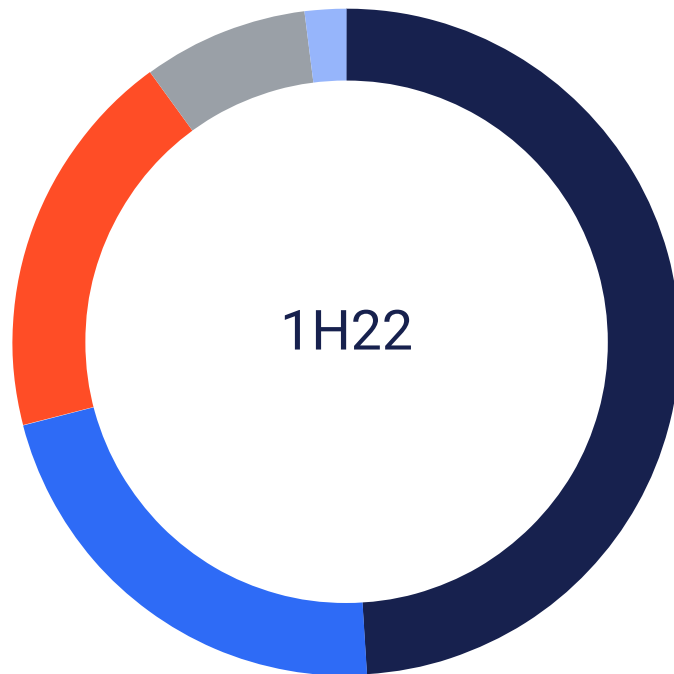
● Jackpot Level ● Ticket sales

1. Reflects increase in aggregate TTV for the two year period post change vs the two years pre change (for jackpots  $\geq$  \$15m)

# OzLotto game change 2022

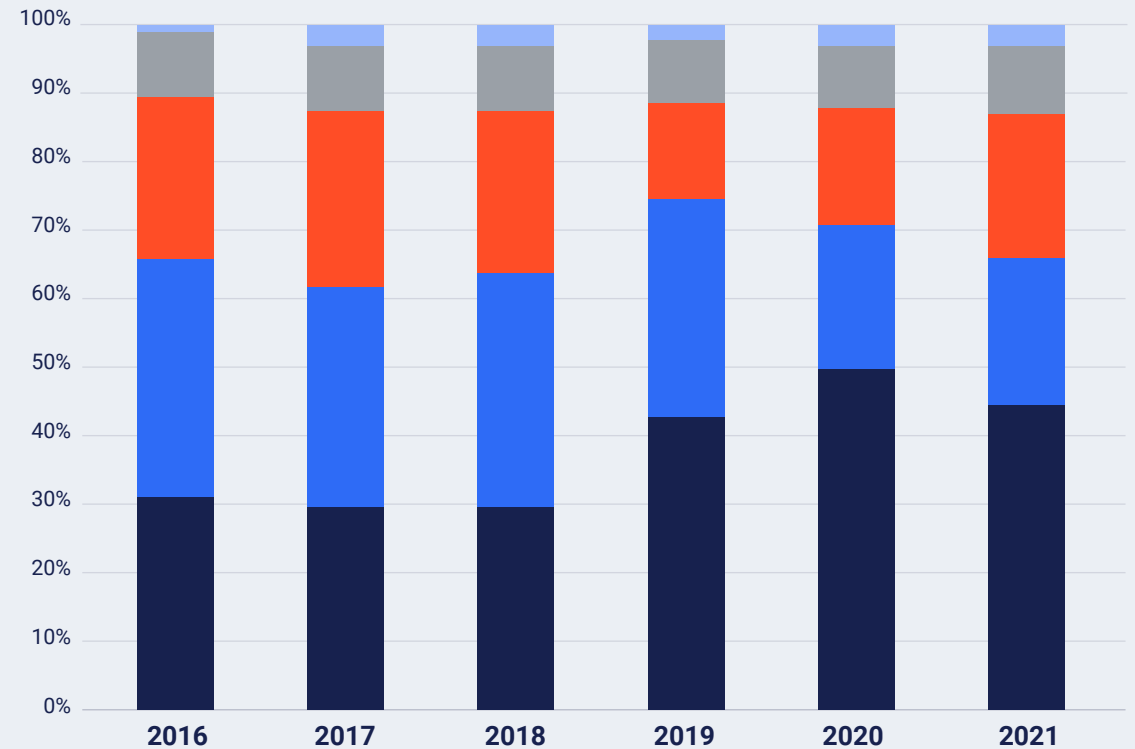
- Base price (excludes agents commission) increase of 10 cents
- Jumbo increased price a further 5 cents, atop of the base price increase (effective 10 May 2022)

Portfolio mix (TTV %)



- Powerball 49%
- Oz Lotto 19%
- Saturday Lotto 22%
- Other 8%
- Charities 2%

Evolution of portfolio mix



# Our key priorities



## Player acquisition

Optimising marketing spend and ROAS dynamics



## Engagement and retention

Increasing energy in player engagement and retention through personalisation and use of data and AI



## Enhanced governance

Process re-engineering, improving our core product, operations and product governance



## Best practice

Exporting our learnings and creating playbooks so our subsidiaries can leverage our IP



## New opportunities

Exploring retail opportunities for our SaaS and Managed Services clients



## Responsible Play

Providing a safe and trusted environment for our players

# SaaS

# Software-as-a-Service

We license our 'Powered by Jumbo' software platform as a SaaS solution to lotteries globally



## Our clients



Government, Australia



Charities, Australia



Charities, Australia



Charities, Australia



Charities, United Kingdom

# Powered by Jumbo — Powerful, Scalable, Flexible and Complete lottery management platform



Digital-native solution; enabling accelerated digital transformation



Proven to operate in the most challenging circumstances; uptime, speed, responsiveness, capacity, performance under load



Integrated with a suite of best-in-breed marketing, data & analytics and customer engagement tools, enabling greater insights around player behaviour and the ability to develop bespoke marketing plans to drive player growth



Interoperable with core gaming systems and as part of a broader gaming environment / lottery ecosystem



Proven track record of delivering strong and sustainable growth in ticket sales



# Powered by Jumbo — Secure, Compliant and Efficient



Strong governance, unique and proven lottery expertise in scaling lottery programmes and Jumbo's collaborative and innovative partnership approach



ISO 27001 certified with the highest standard of security and player protection



Automation of manual and time-consuming activities, enabling organisations to optimise operating costs and re-direct resources to value-adding activities



Funds raised through these lotteries are all for a good cause and the benefit of the community

# Our strategic approach



## Our target markets and clients

- Government – providing a digital solution as part of a broader lottery technology ecosystem ('best in breed' lottery solution). Priority markets are Australia followed by US
- Charity / not-for-profit – lottery operators generating > ~A\$5m in TTV. Priority markets are Australia, UK and Canada
- Opportunistic approach to peripheral markets where SaaS solution fits and economics are attractive



## Competitive dynamics

- Government sector dominated by established global players who provide the central gaming system
- Jumbo is one of a few operators that offers a pure digital solution
- Charity sector typically uses bespoke lottery solutions from niche players or have elected to build in-house solutions
- Jumbo considered a leader with a comprehensive and sophisticated lottery platform and first mover advantage



## Revenue model

- Base fee calculation as a % of annual ticket sales / player spend (typically 2-4%)
- Add-on components across tooling and services e.g. data and analytics services, marketing integrations

# Overview of Lotterywest opportunity

Location

**Western Australia**

Ownership

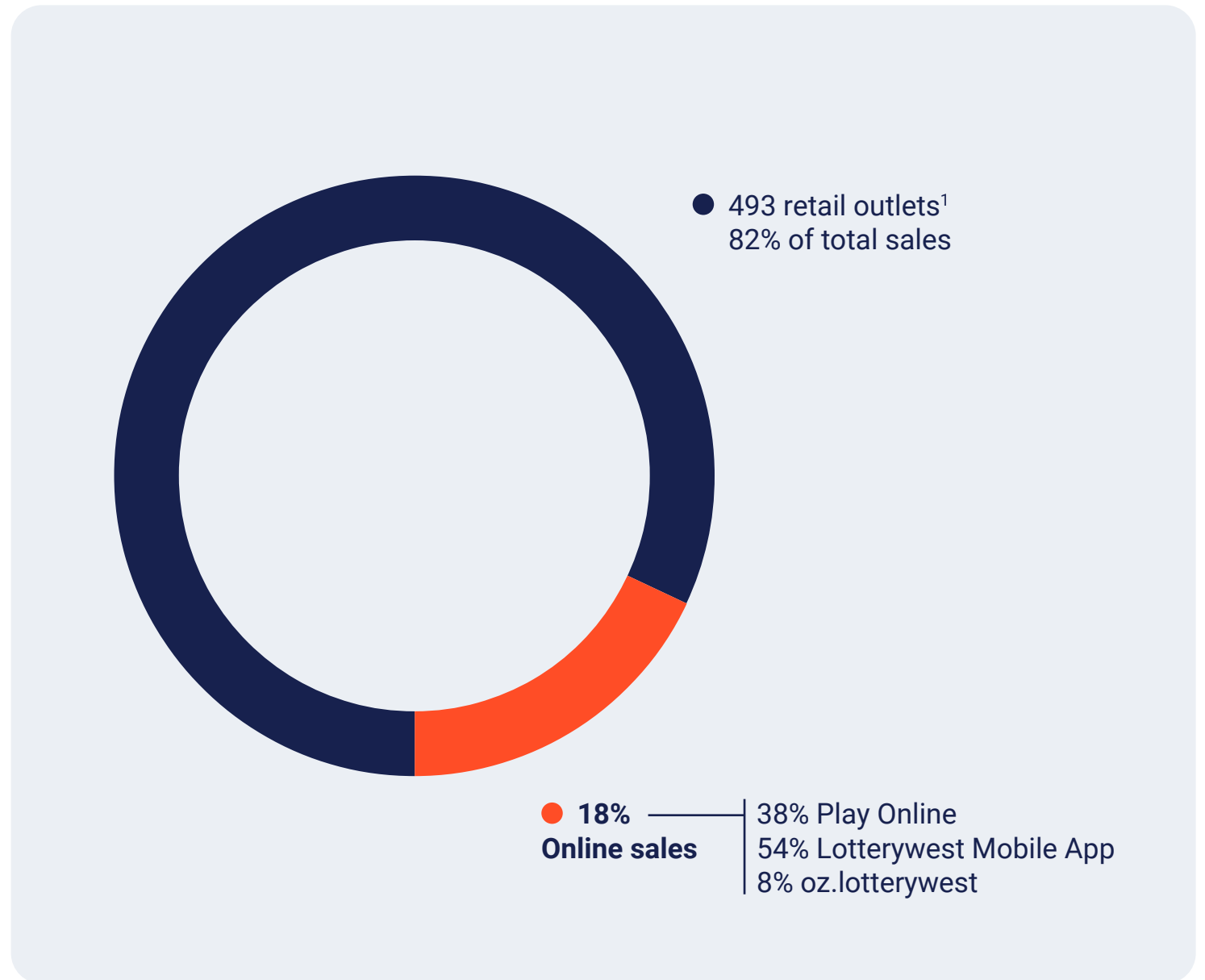
**WA Government  
(Lotterywest)**

Total Lottery sales

**\$1.1bn** (FY21)

1. Retail outlets trading at 30 June 2021

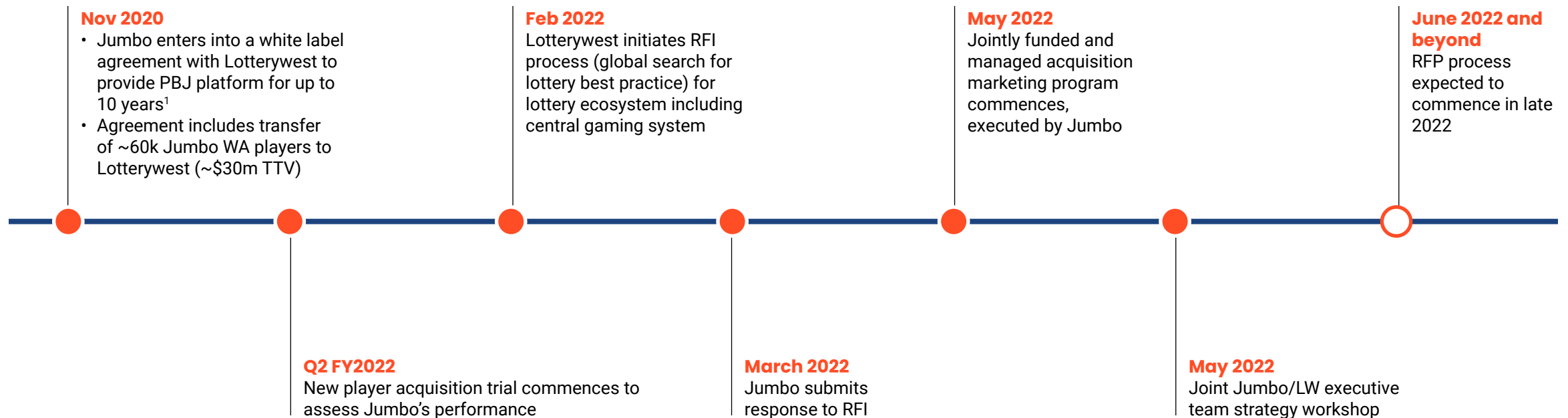
2. The term is to be a three-year initial term with an option for a further three and four years (3+3+4). Extension options are at the discretion of Lotterywest.



# A strong and collaborative partnership approach

“The Jumbo team has worked brilliantly with Lotterywest to create an opportunity for shared growth, it’s the sort of creativity and collaboration that underpins our growing partnership in WA.”

— **Ralph Addis, CEO Lotterywest**



1. The term is to be a three-year initial term with an option for a further three and four years (3+3+4). Extension options are at the discretion of Lotterywest.

# Managed Services

## **Managed Services**

**We provide our lottery platform as well as effective lottery management services to charities and worthwhile causes that are looking to establish a lottery program or enhance an existing program**

# Managed Services

## Software



- Administration (draw set up, ticket management, EOD etc)
- Sales channels (web, app, operator, POS)
- Player account management (CRM)
- Integrations (marketing automation, analytics, tools)



## Services



### Program development

- Lottery brand / campaign structure (frequency)
- Product (raffle, lottery)
- Duration
- Prize selection and procurement
- Ticket (number, pricing, bundling)
- Marketing plan



### Marketing

- Execution of marketing plan across multiple channels
- Digital first approach
- Combination of in-house and outsourced via external parties




### Draw Management

- Regulatory compliance (permits, EOD reporting)
- EOD management (draw scoring using RNG, winner management, EOD financial and regulatory reporting)
- Payment processing (merchant management, fees)
- Partner management
- Player support (email, phone)

# ELM acquisitions



Acquisition date	Nov 2019	Aug 2021 <sup>1</sup>	Jan 2022 <sup>2</sup>
Location			
Active players	~174k	~750k	~850k
Future growth potential	<ul style="list-style-type: none"> <li>• Increase penetration of schools and local government authorities</li> <li>• Expand into Northern Ireland</li> <li>• Expand into adjacent sectors</li> <li>• Leverage PBJ platform and growth marketing capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Significant opportunity to expand into other provinces e.g. Ontario and British Columbia</li> <li>• Leverage PBJ platform and growth marketing capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• New client wins from enhanced business development / brand awareness</li> <li>• Leverage PBJ platform and growth marketing capabilities</li> <li>• Payment opportunities in the fund-raising sector</li> </ul>

1. Acquisition completed following regulatory approval on 1 June 2022  
 2. Remains subject to regulatory approval  
 Please see supplementary information for further detail on each subsidiary



**Steve Francia**

Head of Foundation

**Ian McLean**

GM Business Management

**LifeFlight**



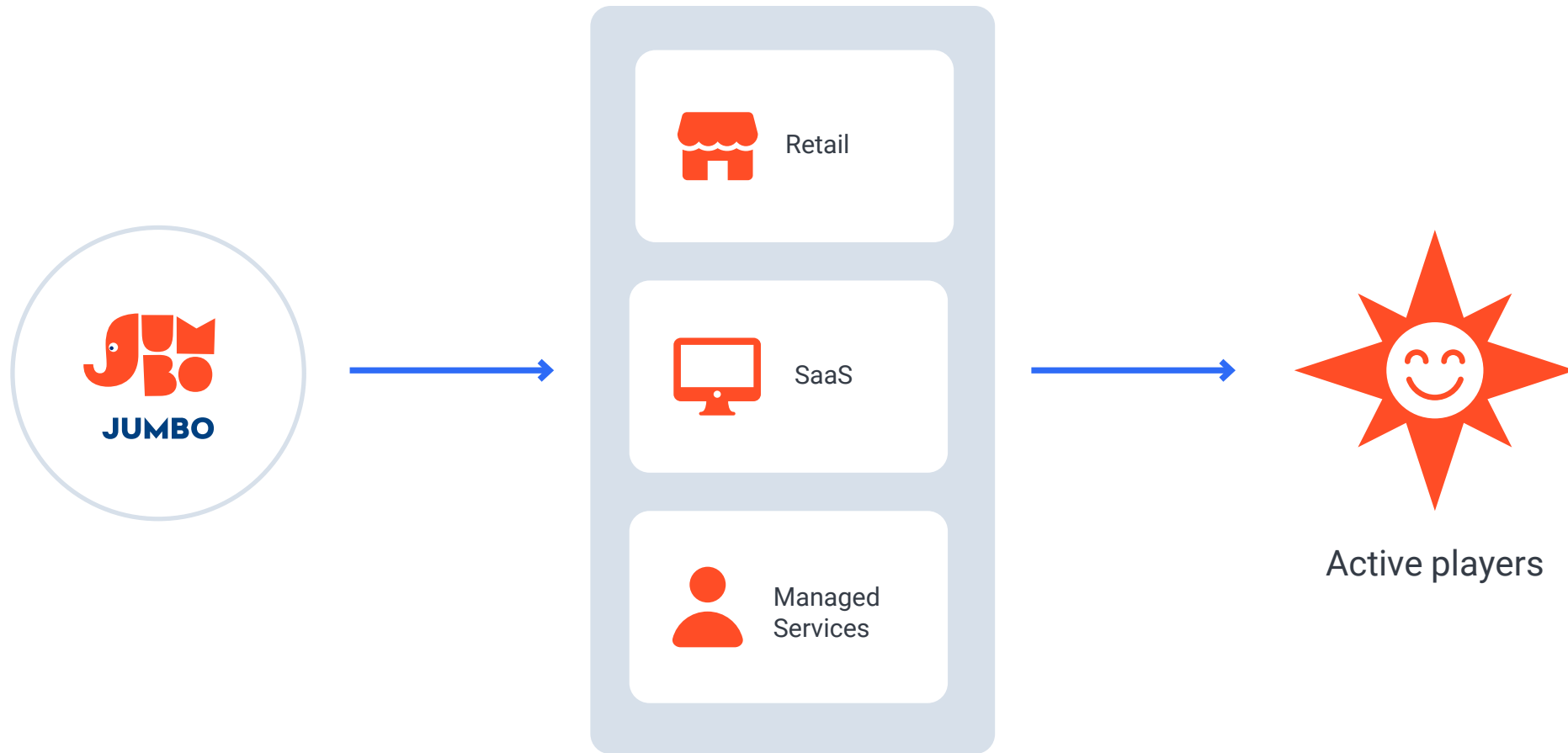
# Lottery Management Excellence



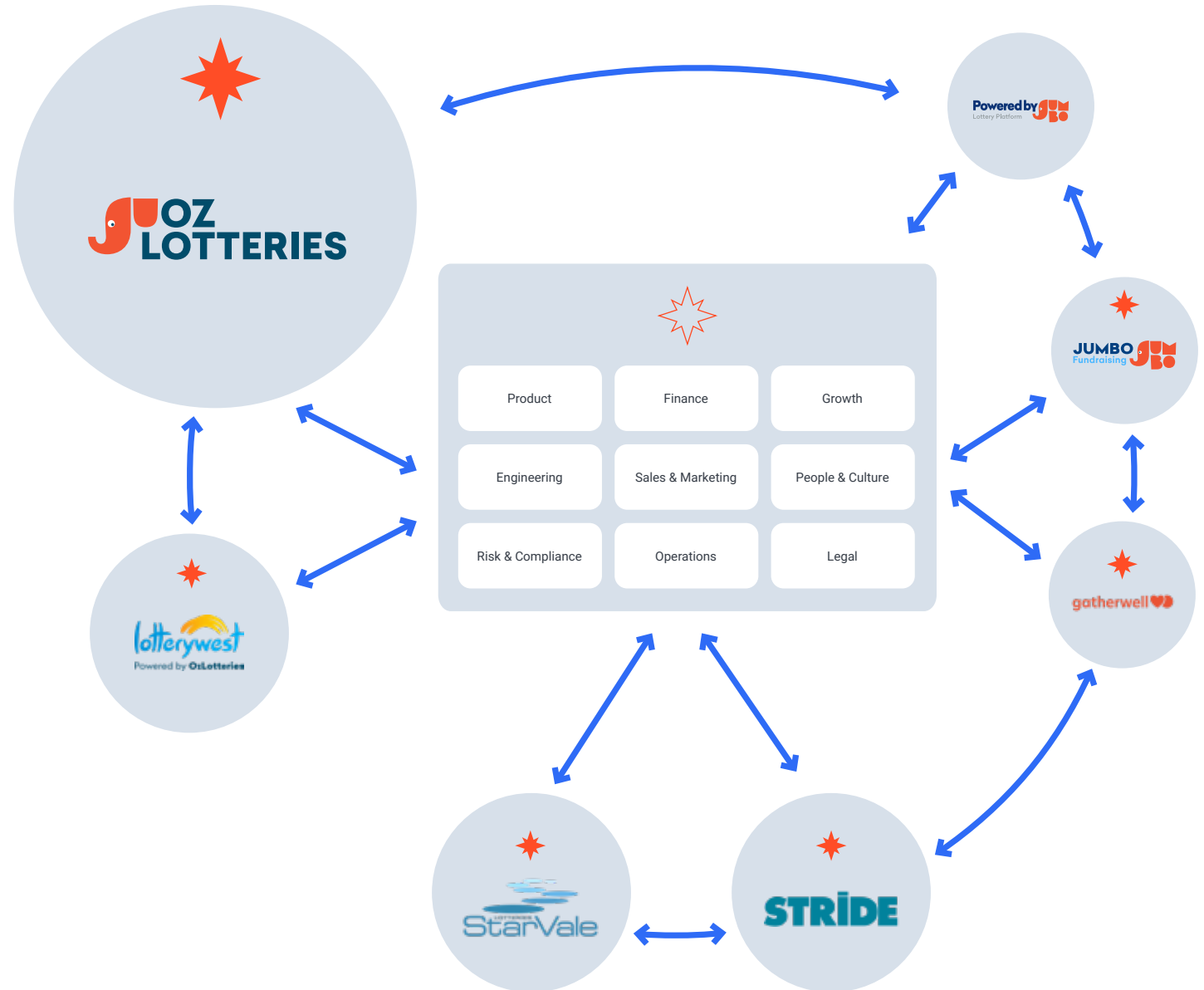
**Brad Board**

Chief Operating Officer

# Vision



# Strong Foundations



# Modern Tech Culture



Data led, player focused



Sustainable growth loops



Insight driven development & iteration



Opinionated but agnostic

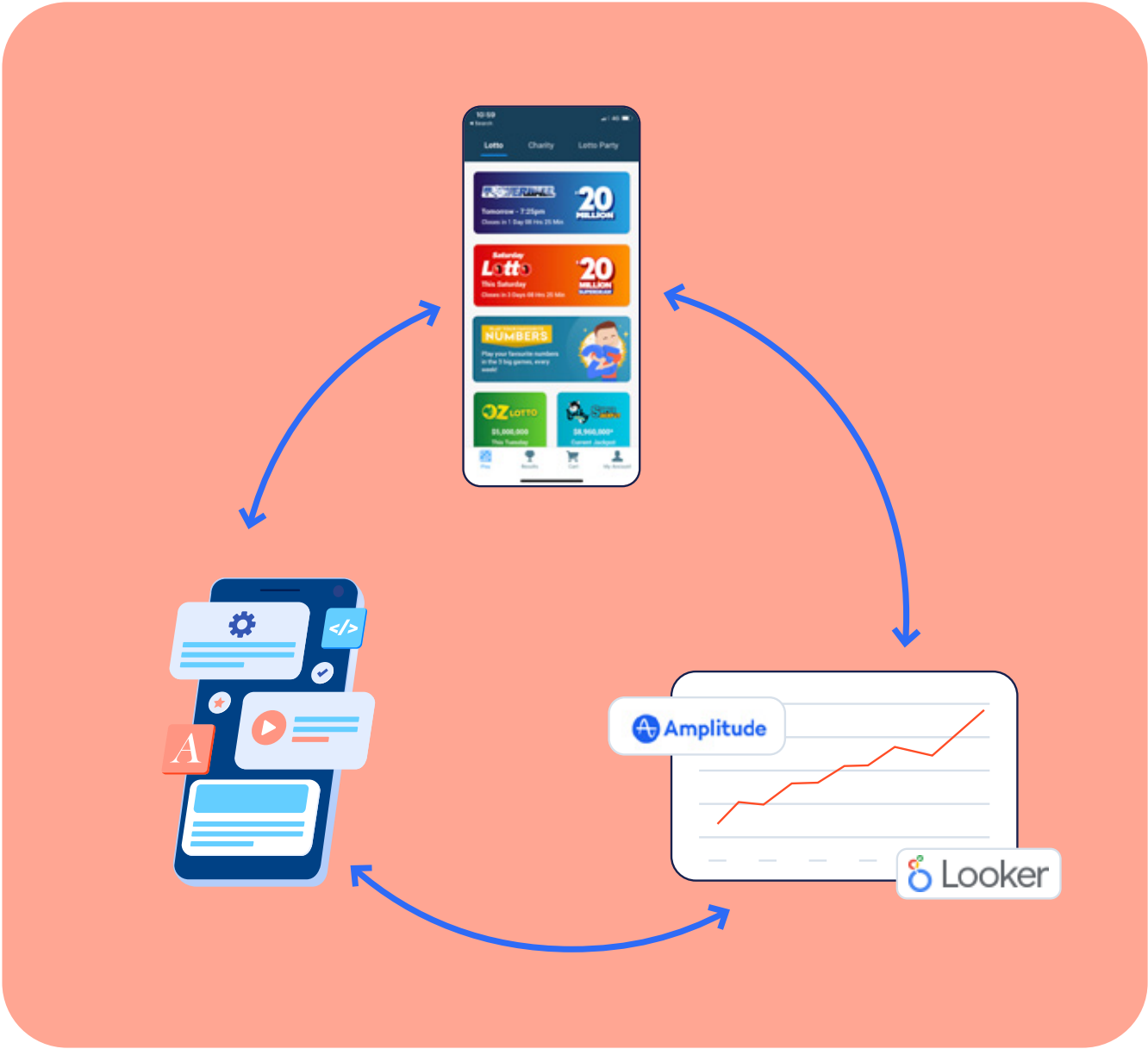


Scalable



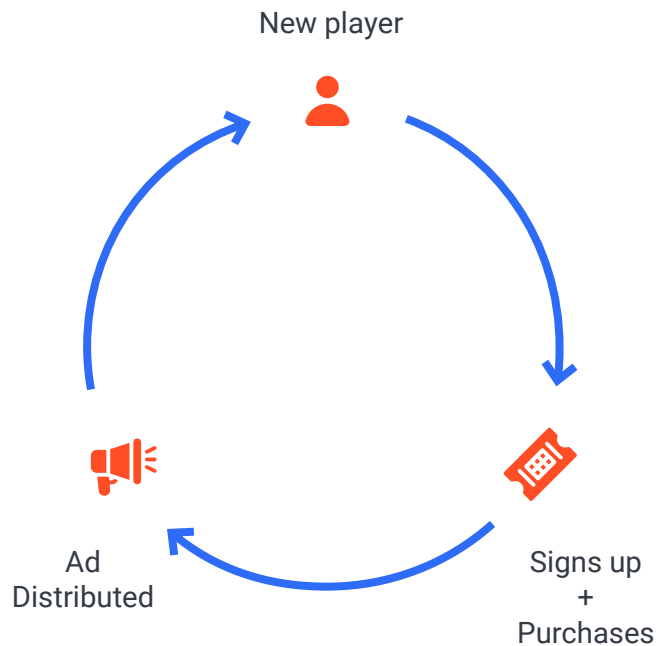
Remote work

# Data led, player focused

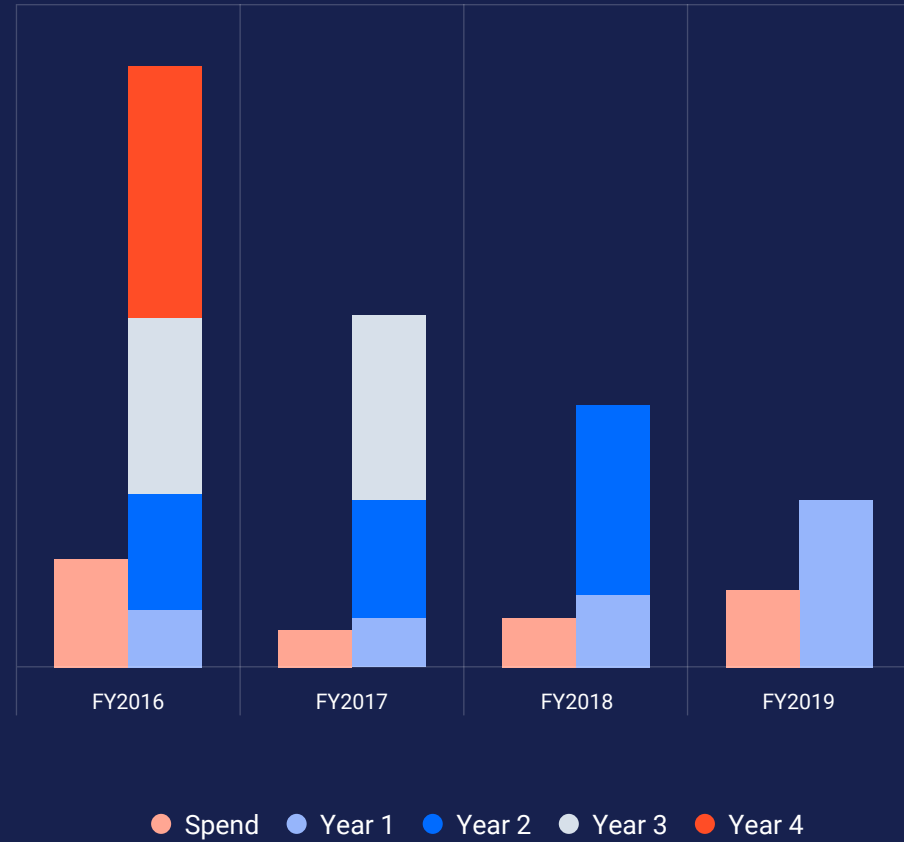


## Modern tech culture

# Sustainable growth Loops



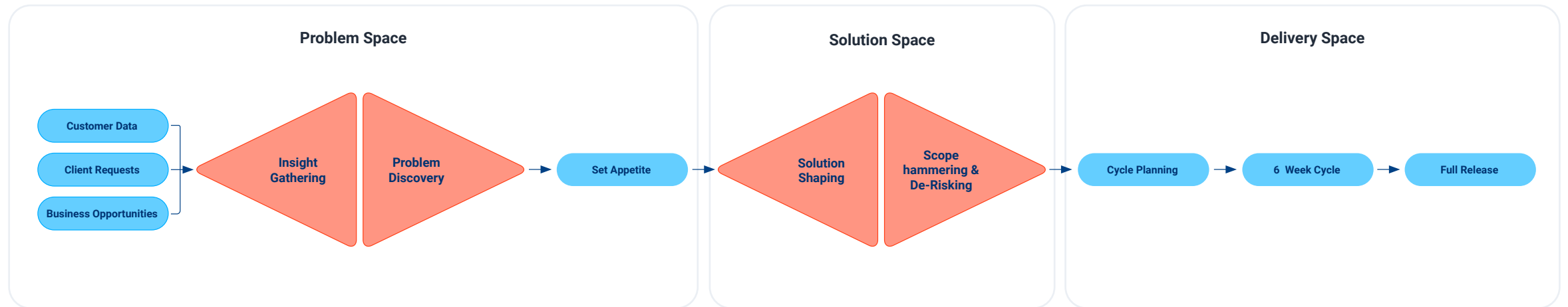
Illustrative cumulative revenue from new players (\$)





## Modern tech culture

# Insight driven development & iteration



## Modern tech culture

# Opinionated but agnostic



### Discovery

We understand as much as possible before making large commitments



### Innovative Thinking

We build in scope for failure & quick learning



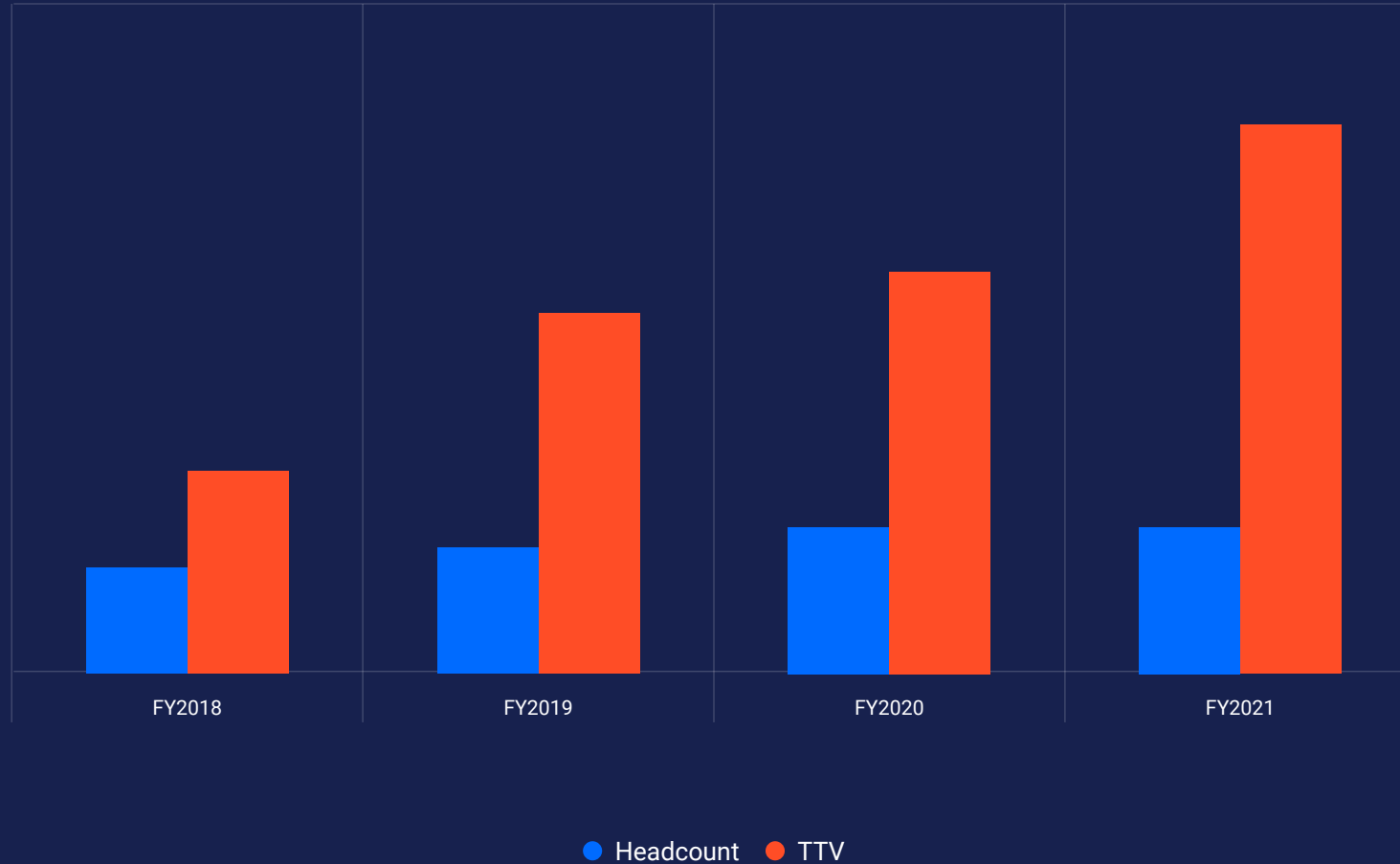
### Test Everything

Research is great, but real world execution is what counts



Modern tech culture

# Scalable



Modern tech culture

# Remote work



18 Cities



3 Continents



6 Timezones

# Lottery Platform **Demo**

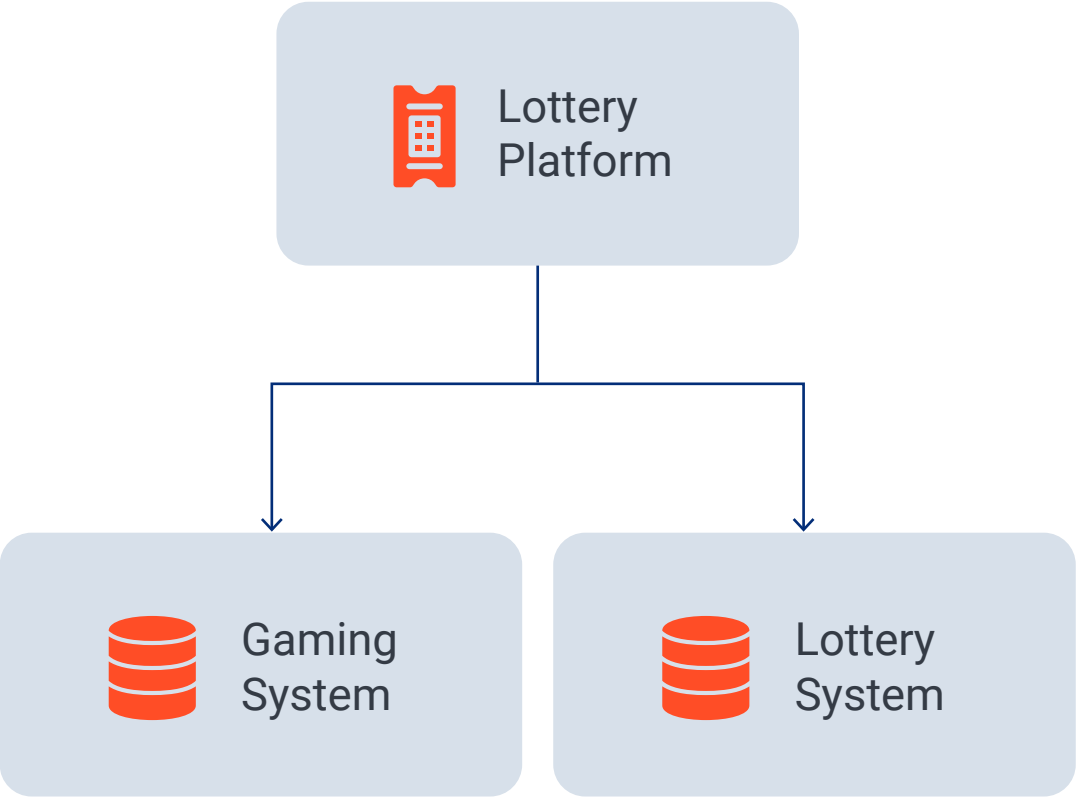


**Levi Putna**

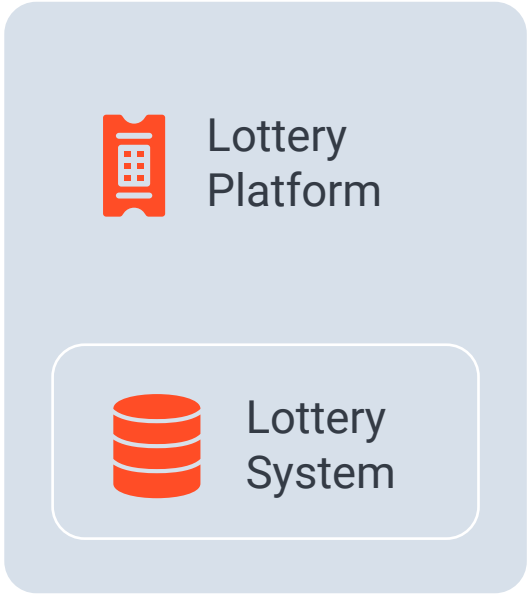
Head of Operations

# Different configuration options

## Retail, Reseller



## Managed Services, SaaS



# Different configuration options

Retail, Reseller



J OZ  
LOTTERIES

The Lottery Corporation



Gaming System

Managed Services, SaaS



mater  
lotteries



Gaming System

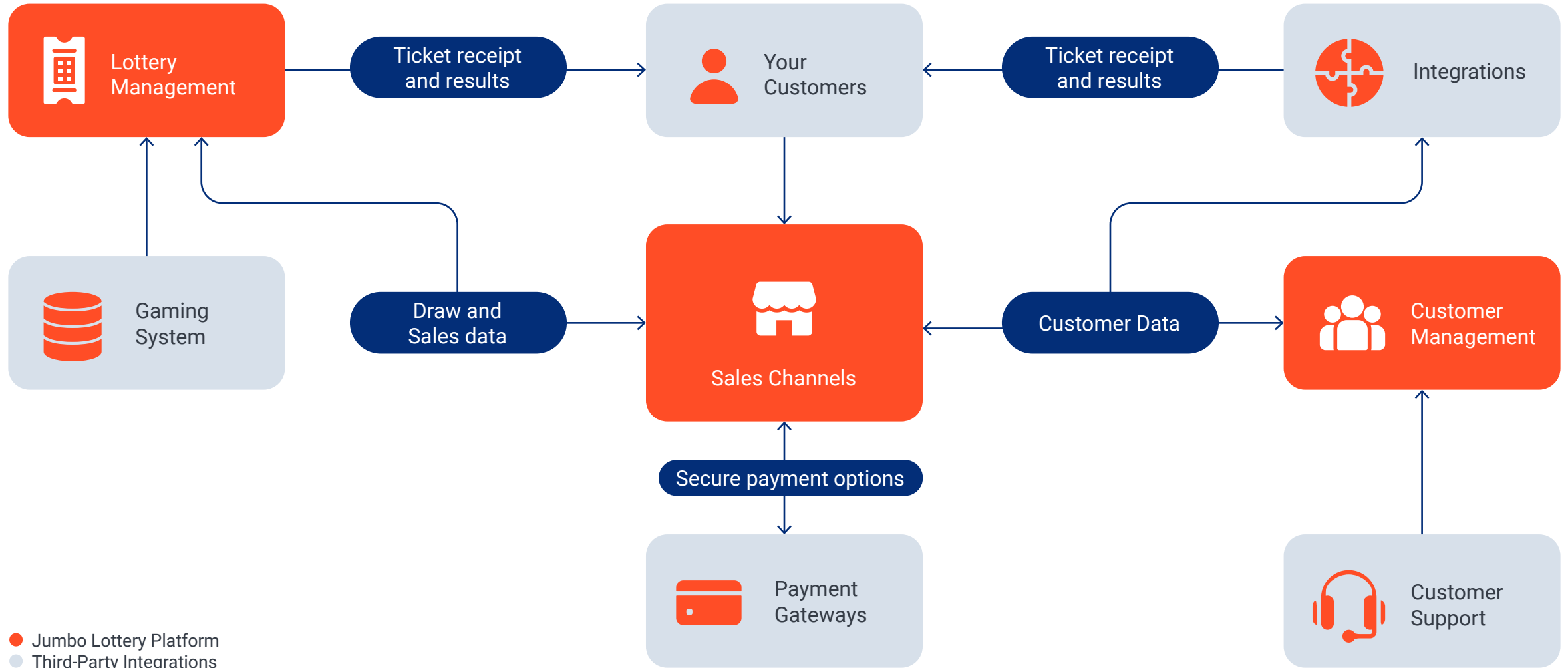


Life Flight  
LOTTERIES



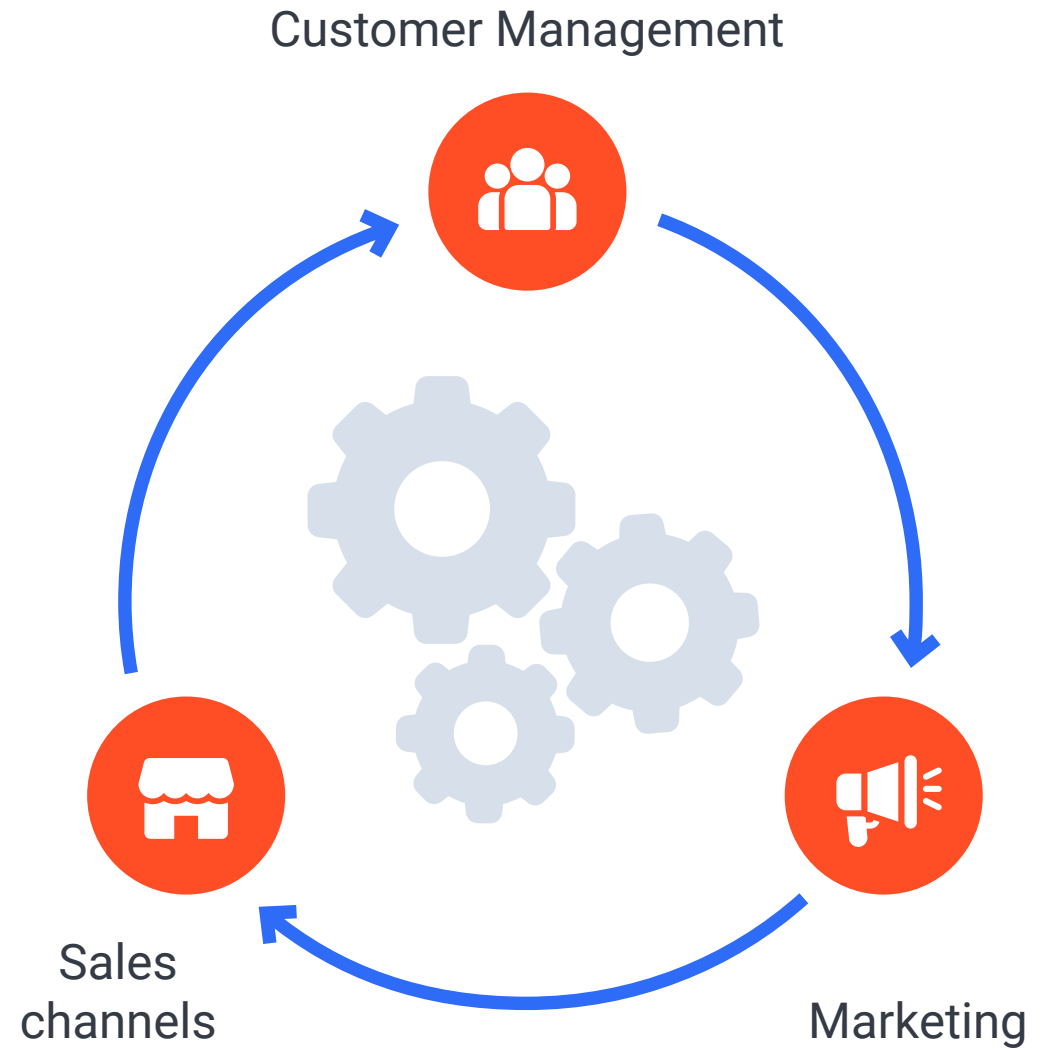
Gaming System

# Different configuration options

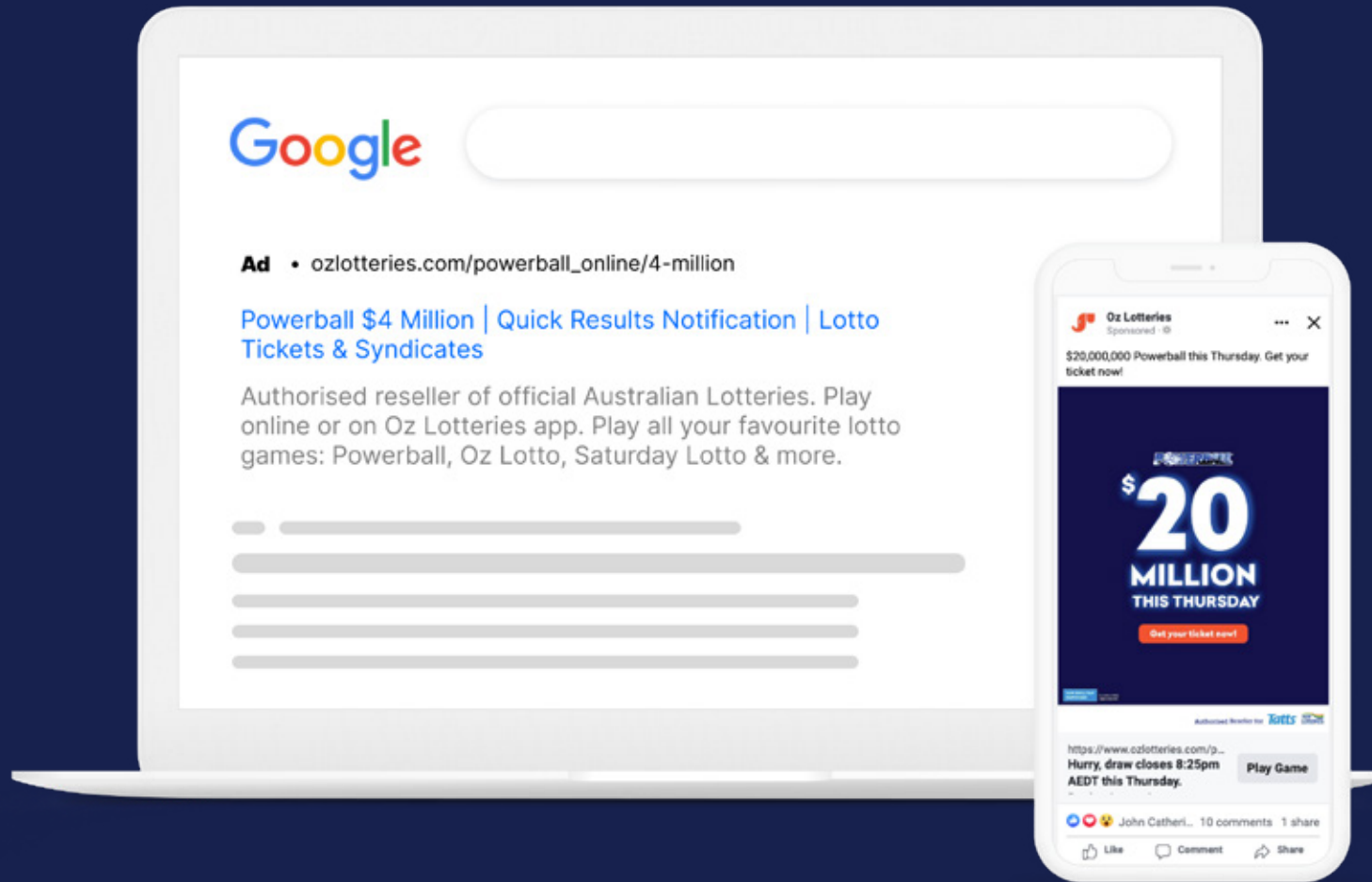




**Building an engine  
for growth is the  
secret to our success**



# Facebook, Google Ads



# Lottery Platform Demo

## Acquisition

Acquiring players

facebook

Google

## Nurture

Engaging players

*braze*

 Amplitude

fullstory

## Nature

Retaining players

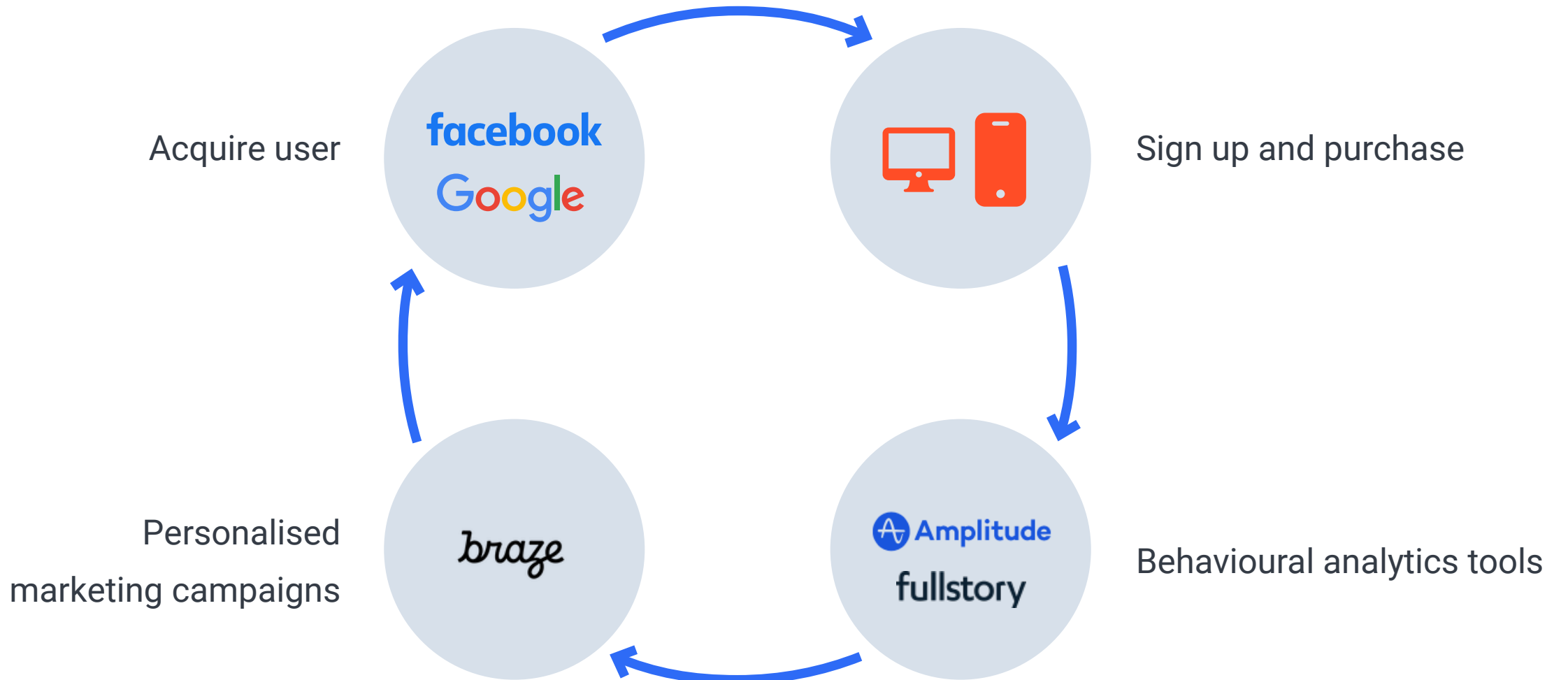
*braze*

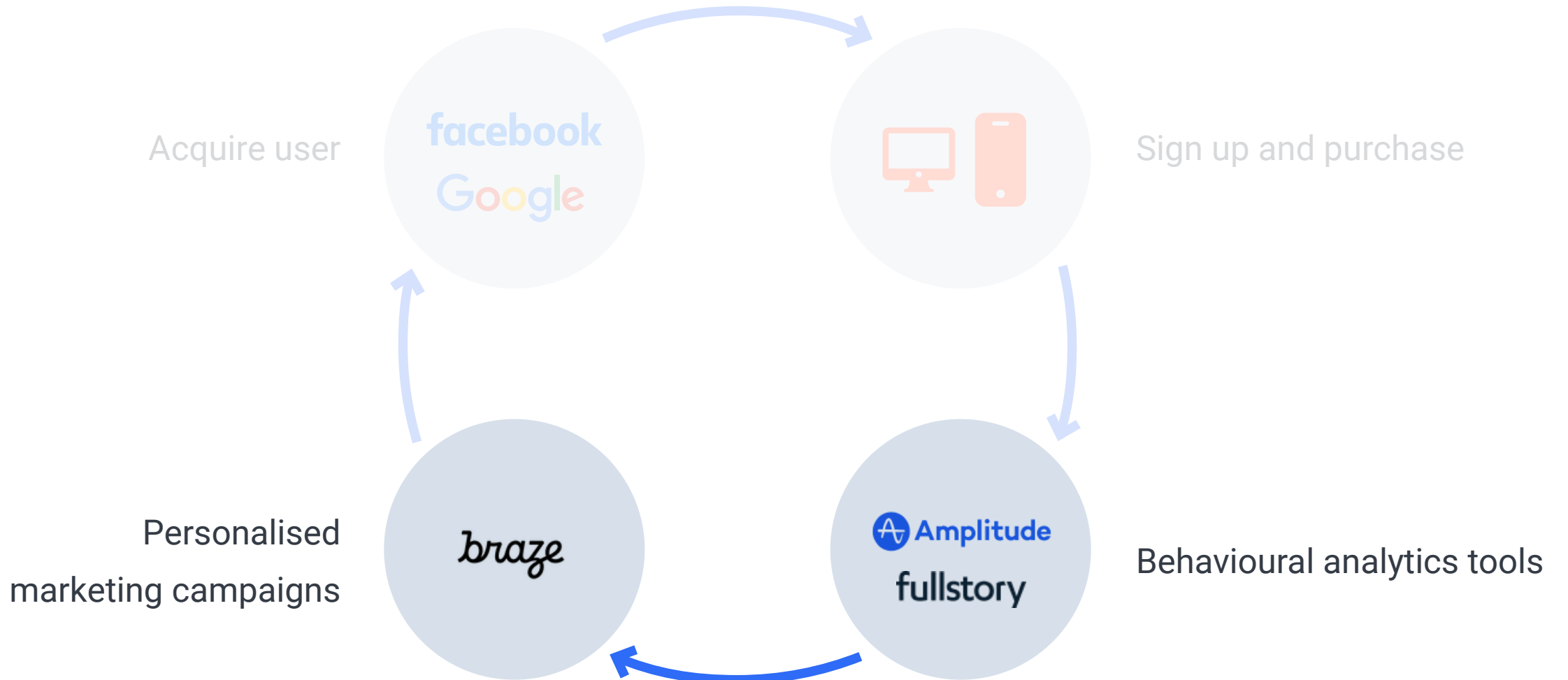
 Amplitude

fullstory

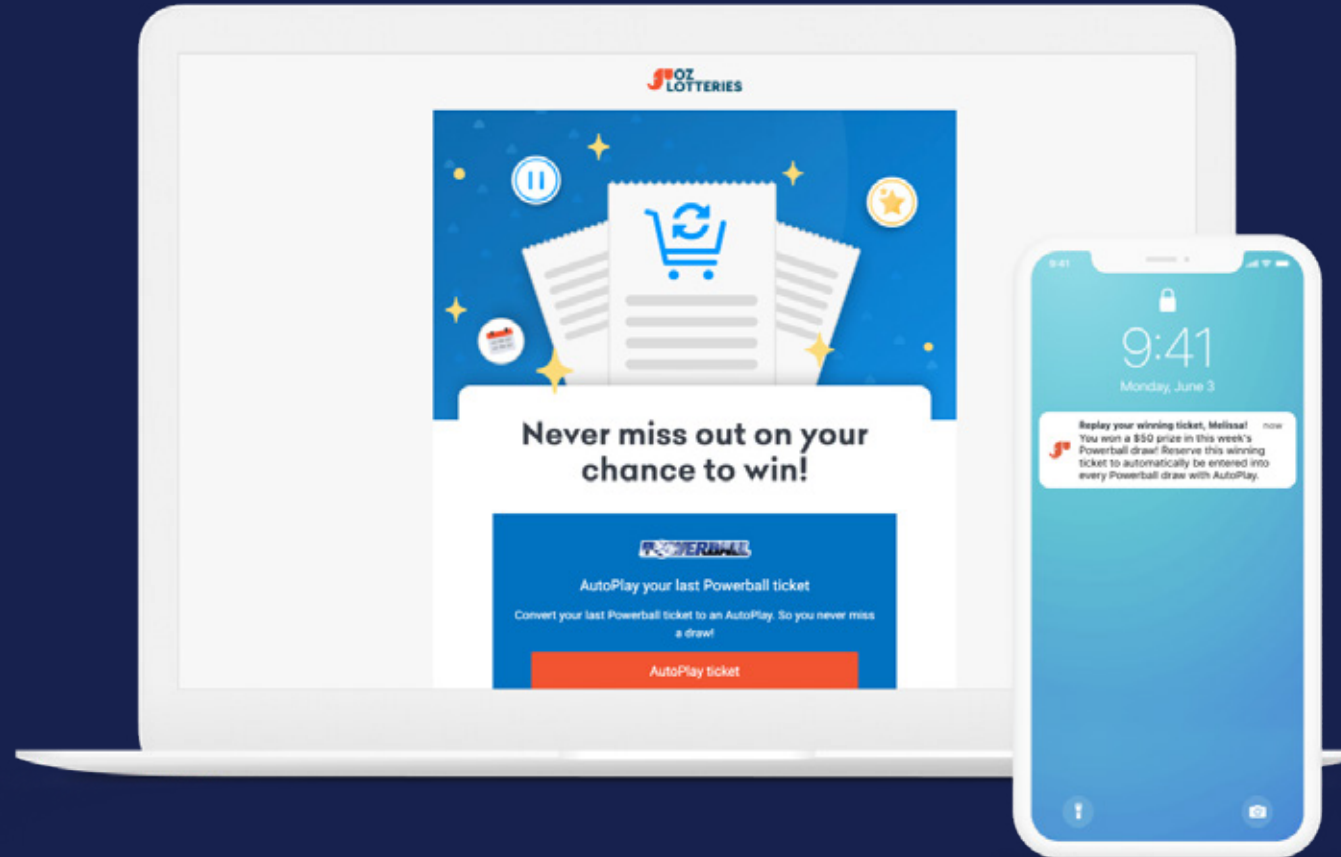


**Monthly Active Players**

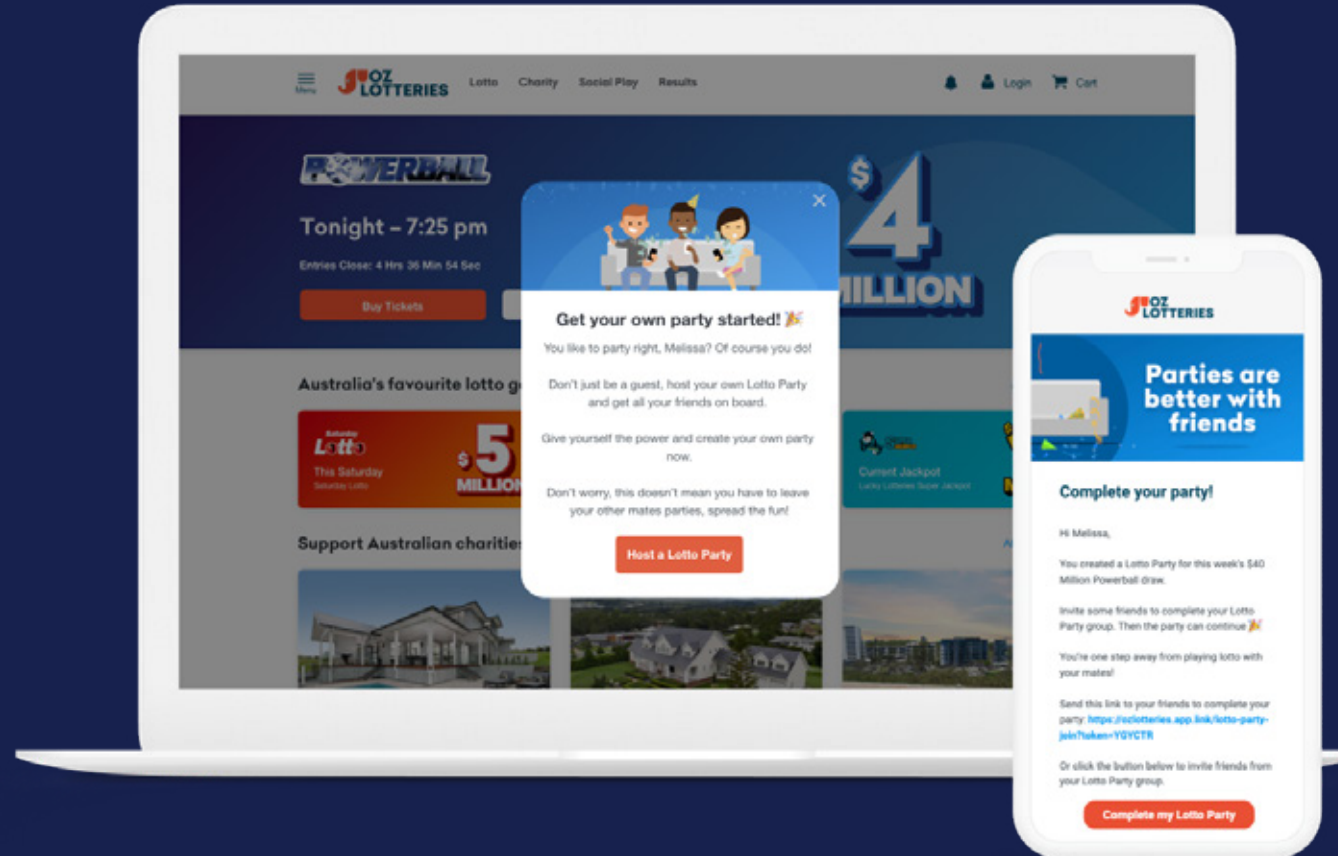




# AutoPlay



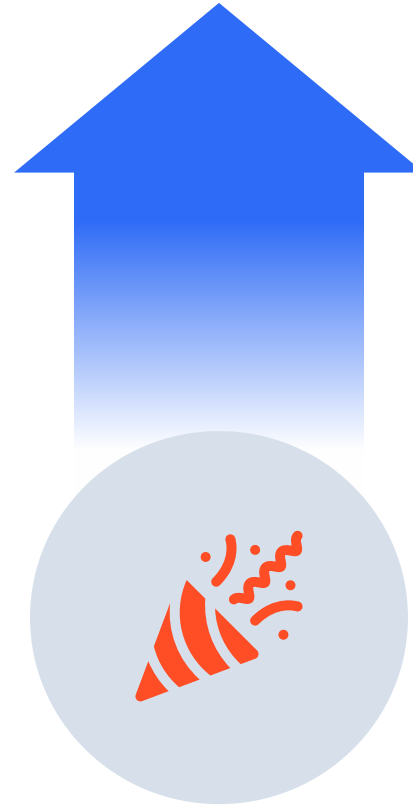
# Lotto Party



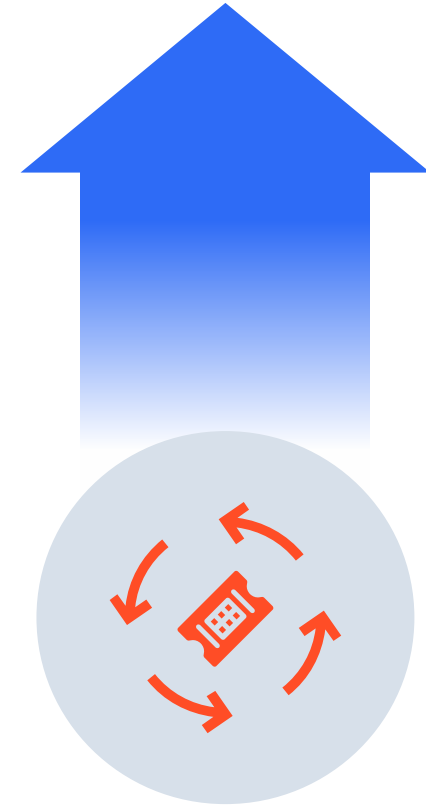




Retention



Lotto Party



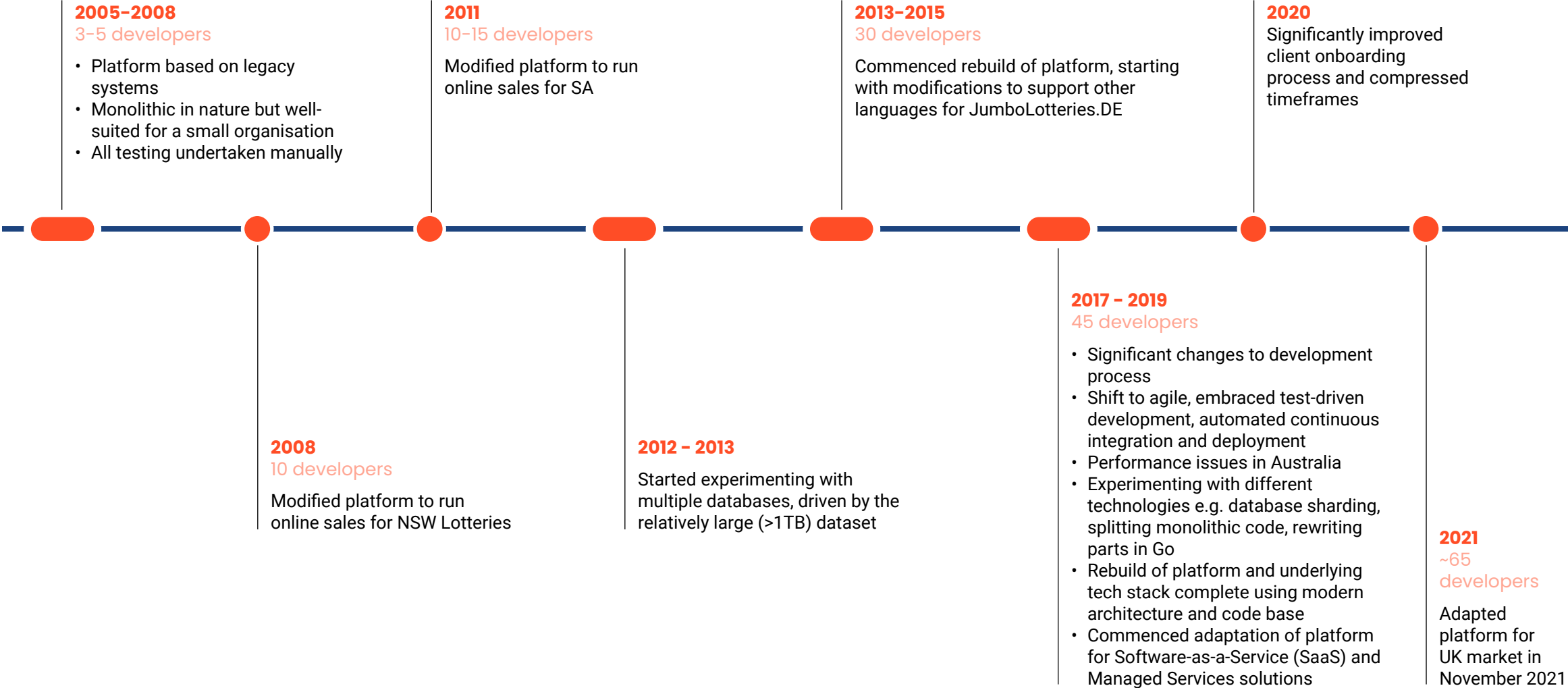
AutoPlay

# Best in class lottery software



**Xavier Bergade**  
Chief Technology Officer

# Platform evolution



# Key stats from last \$120m Powerball

(Feb-22)



**684,612 tickets**  
sold



**100% uptime** over  
the draw event (full  
service availability)



**>5 signups/second**  
during peak (55k  
new signups within  
24 hours)



**>40% sales**  
**compared to**  
\$150m draw in  
2019



**>18.52**  
**checkouts/second**  
during peak



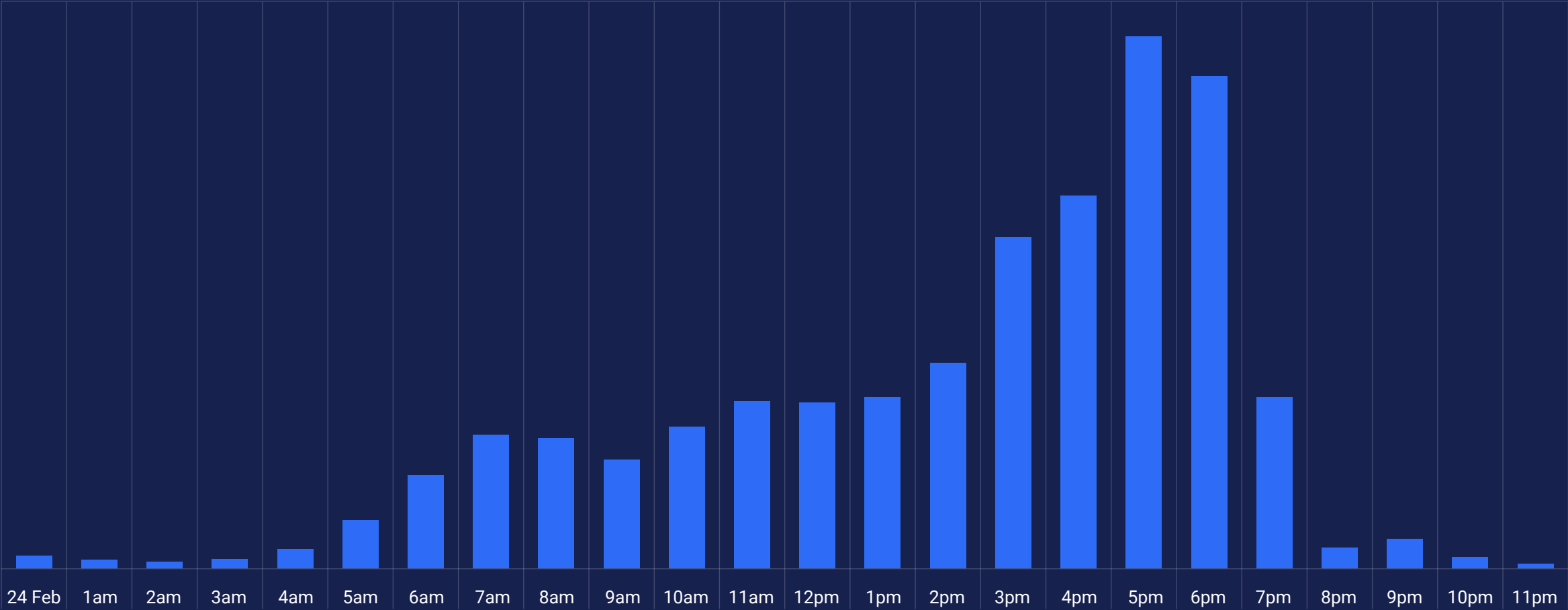
**>22.6 tickets**  
**sold/second**  
during peak



**>2800 support**  
**interactions** on  
draw day; for 98.7%  
satisfaction

# Ticket sales during last day of Powerball \$120m

(Feb-22)



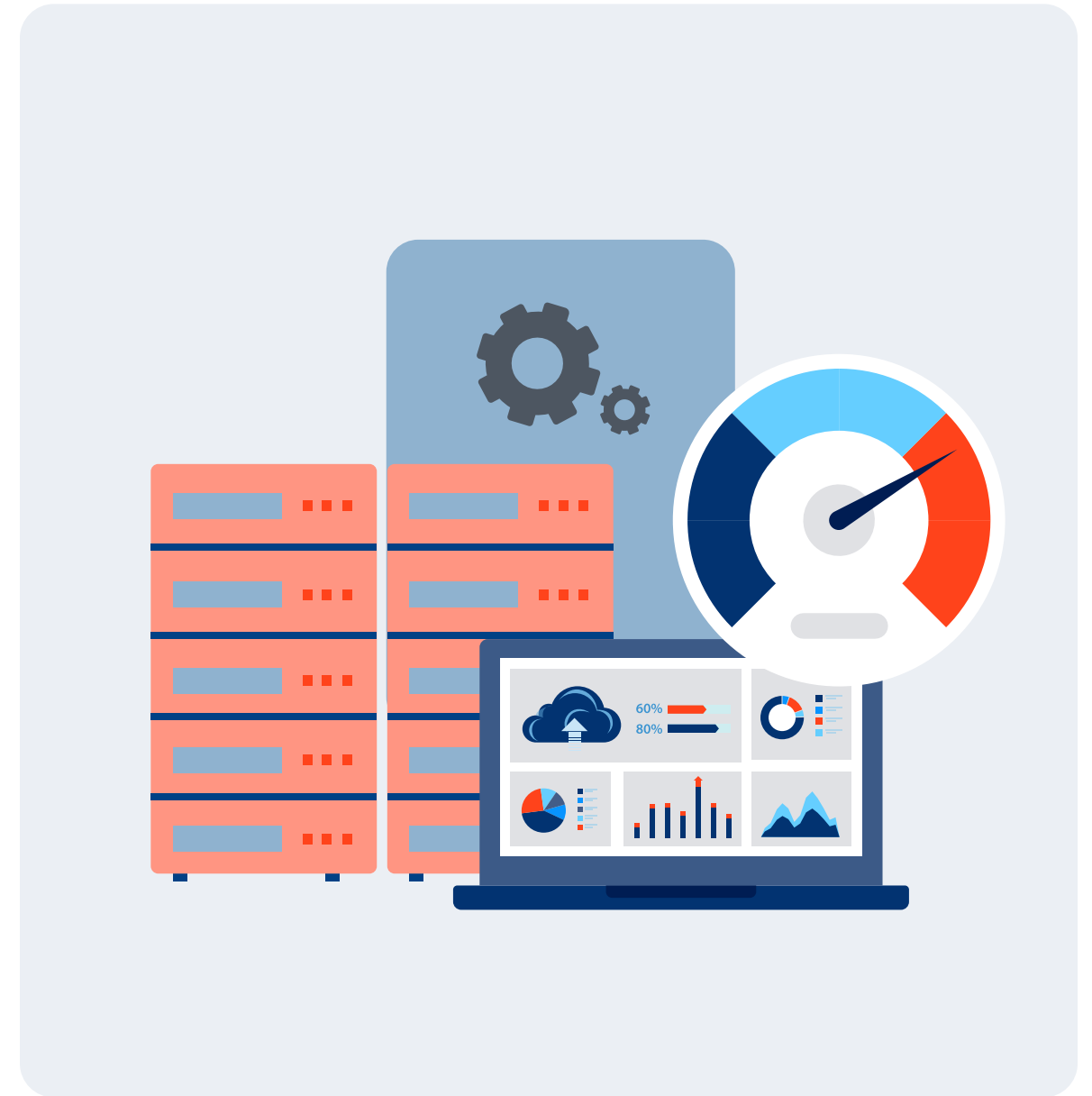
# A secure platform, built for performance

- ✓ Platform operations & development managed under our ISO 27001 certified Information Security Management System (ISMS)
- ✓ Redundancy and failover systems ready in case of disaster
- ✓ Regular security scanning and penetration testing of systems
- ✓ Zero data breaches or major security incidents
- ✓ PCI DSS level 2 compliant
- ✓ OzLotteries and Australian SaaS hosted in tier 3 data centre



# A secure platform, built for performance

- ✓ Ability to scale our platform to meet the tidal demands of lottery jackpot cycles
- ✓ Platform architecture allows us to easily expand system capacity to meet a growing player base
- ✓ Daily performance monitoring provides feedback of system's capacity
- ✓ Flexibility to host either on-prem or in cloud
- ✓ Redundant backup is cloud hosted



# Supporting our appetite for change and continuous improvement



**>90% of engineering** effort is working directly on the product roadmap, research and development



Small incremental releases occur **~20 times a day** to all SaaS clients simultaneously



Microservice architecture supports **multiple development teams** working across the platform at any given time



**Agile development processes** and development metrics deliver continuous learnings back into teams



Platform development **spend of \$6 - \$7m p.a.**



Establishment of **“JumboLabs”** - a dedicated Visioning team tasked with continual and rapid new business discovery and concept validation



# Creating a blueprint for **acquisitions**



**Brad Board**

Chief Operating Officer

# Success is not a lottery



Goals



Principles



Playbook



Progress



Observations



Priorities

# Integration goals



Uncover and execute growth opportunities



Continuous two way value exchange



New teams align with Jumbo Core Values



Best of breed compliance, risk & player welfare standards



Confidence we're empowering with the best technology

# Guiding principles

- ✓ Players first
- ✓ Group led best practice
- ✓ Data over opinions
- ✓ Do things right, no shortcuts
- ✓ Outcomes over outputs
- ✓ Iterative, incremental changes
- ✓ Respect the Brand

## Evolution, not revolution



# Developing our **playbook**

## Pre-close

- BAU
- Leverage due diligence material
- Management introduction meetings
- Governance / performance oversight

## Phase 1

🕒 Typically Month 1-6

- In-depth two way discovery
- Two way knowledge transfer and cultural familiarisation
- Vision sharing
- Easy wins & value add implementations
- Data/Insights integrations
- Brand alignment e.g. “A Jumbo Company”

## Phase 2

🕒 Typically Month 7-12

- Invest for growth and new tooling
- Platform POC preparation (where applicable)
- Implement group led processes - P&C, Risk, S&M

## Phase 3


🕒 Typically Month 12-18


- Platform POC & “marketing stack” execution
- Seller succession complete
- Execution of longer term growth plans

# Our journey to date

May 2005

**JOZ  
LOTTERIES**


 **\$19.1m**  
TTV

 **\$4.2m**  
Consideration


**The  
model for  
success**

Nov 2019

**gatherwell**   
A JUMBO COMPANY

 **111k**  
Active Players


 **£1.5m**  
Revenue

 **£5.0m**  
Consideration


- 2 year earn out restricted influence
- Phase 2 nearing Phase 3
- Healthy growth to date

Aug 2021

**STRIDE**

 **~750k**  
Active Players


 **C\$6.2m**  
Revenue

 **C\$11.0m**  
Consideration


- Healthy progress on succession prior to CoC
- Phase 1 commenced following completion on 1 June 2022

Jan 2022

  
**StarVale**

 **~850k**  
Active Players

 **£5.1m**  
Revenue

 **£16.5m**  
Consideration

- Changes made to UK division to expedite/enhance
- Phase 1 to commence on completion of acquisition

# Early observations



New clients / network effects



Filling gaps in client spectrum



Faster / shared learnings



Better tooling access



Faster Product Market Fit



Incremental / BAU investment

# Key integration priorities



- ✓ OneLottery on PBJ
- ✓ Investment in growth loops (sales, digital)
- ✓ Focus - grassroots focus, SaaS proposed to move to StarVale



- ✓ Platform Discovery & POC
- ✓ Data access & tooling
- ✓ P&C alignment
- ✓ New territory expansion
- ✓ Investment to enable more client growth
- ✓ Peer alignment/learning with StarVale



- ✓ Platform Discovery & POC
- ✓ Data access & tooling
- ✓ P&C alignment
- ✓ Investment to enable more client growth
- ✓ Peer alignment/learning with Stride
- ✓ Investment in DDPay
- ✓ Cross Sell with Gatherwell and PBJ SaaS



# Global lottery opportunities

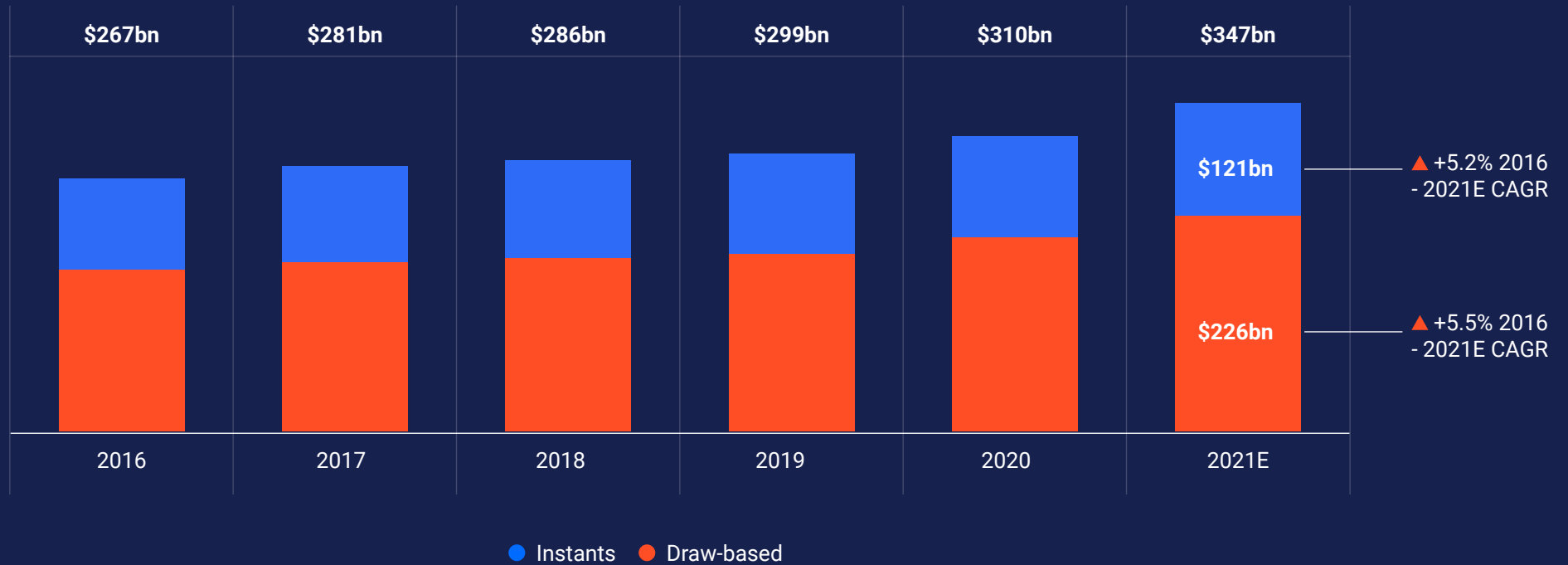


**Richard Bateson**  
Chief Commercial Officer

## GLOBAL LOTTERY MARKET

# Total sales ~US\$350bn in 179 jurisdictions

▲ +5.4% 2016 - 2021E CAGR



# Global lottery trends and outlook



Changing customer preferences



Increasing pressure to innovate



COVID-19 accelerating digital



Incumbency advantage dissipating



Heightened focus on ESG

# A closer look at the US iLottery market

## US LOTTERY MARKET

# ~US\$100bn in total lottery sales

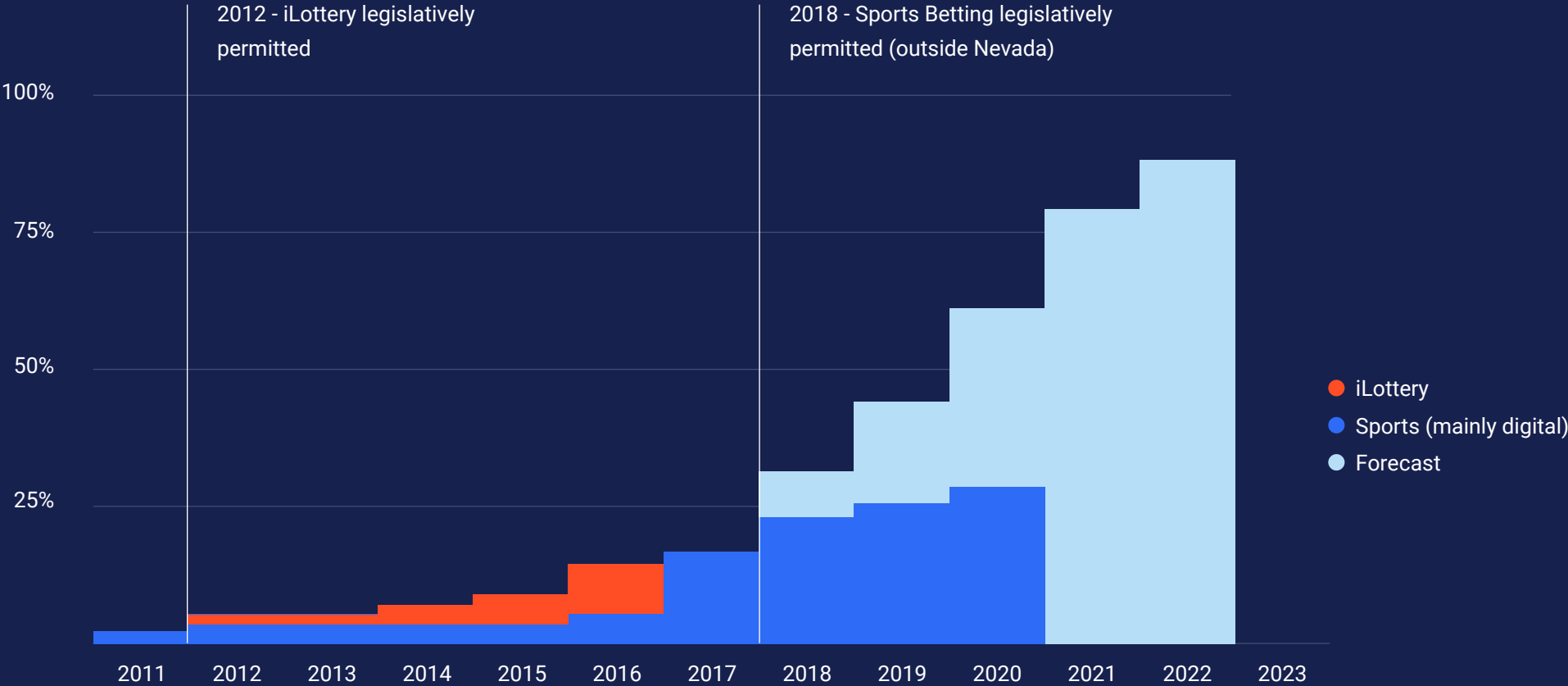
iLottery sales estimated at US\$5bn in 2021 although remains an under-developed segment of the market

▲ +6.2% 2016 - 2021E CAGR



Source: La Fleur's 2021

# US iLottery market



Source: Internal analysis

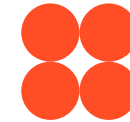
# US lottery market dynamics



Evolving regulation



Increasing competition



Increased standardisation and expectations of 'digital first'



Fragmentation of traditional vendors - emergence of content only



Government Relations

# US lottery vendor landscape

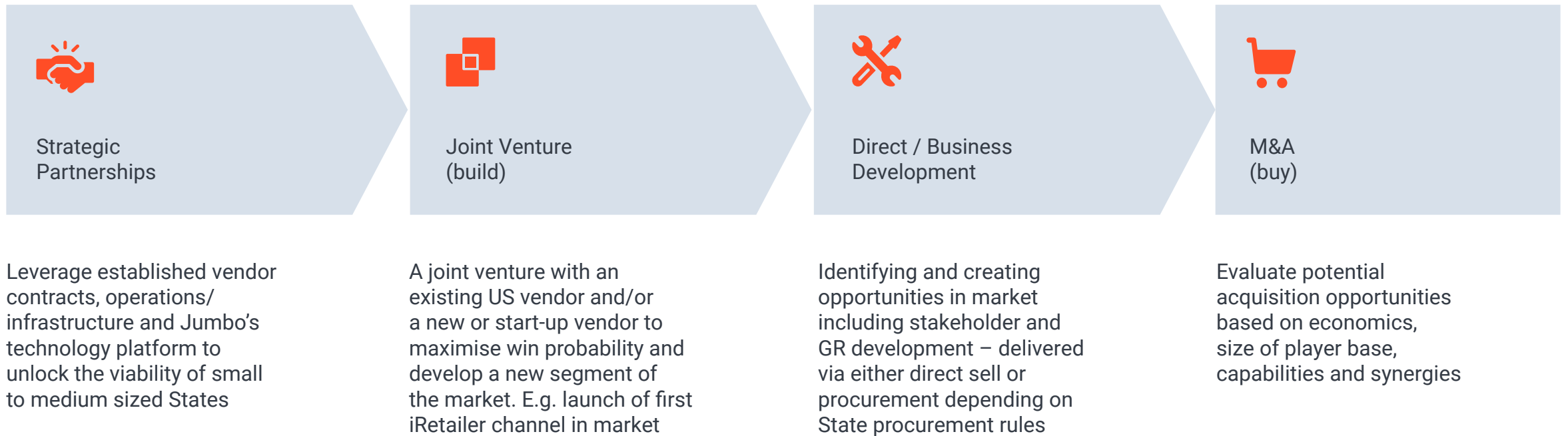
	Private Manager / Operators	Central systems	Instants (scratchcards)	iLottery platforms	eInstants / Digital Content	Courier	Synthetic lottery / insurance
<b>Dominant</b> <ul style="list-style-type: none"> <li>• Largest share of market</li> <li>• Core capability</li> <li>• Market leader</li> <li>• Mature growth potential</li> </ul>	V1, V2	V1	V2	V4	V2, V6	V9	V8
<b>Established</b> <ul style="list-style-type: none"> <li>• Significant share of market</li> <li>• Developed capability</li> <li>• Credible position to grow</li> <li>• Medium growth potential</li> </ul>	V7	V2, V12	V1, V3	V1, V2	V1, V4	V10	
<b>Challenger</b> <ul style="list-style-type: none"> <li>• Established but minority share of market</li> <li>• Evolving capability</li> <li>• Developing market position</li> <li>• High growth potential</li> </ul>				V3, V5, V7, V12	V3, V5, V7, V12	V11	

 Vendor

Source: Management assessment / internal analysis



# Jumbo's path to market



# Our value proposition



Speed and agility



A lower economically viable entry point and higher ROI



Unique experience and proven capability in the iRetailer model



Proven growth marketing and player experience capability

# International lottery **credentials and experience**



**Mike Veverka**

CEO and Founder

- Highly regarded within WLA and APLA and credited for the success of OzLotteries



**Richard Bateson**

Chief Commercial Officer

- 20+ years lottery experience working in the UK for Camelot UK, and internationally across US, EMEA and Australasia
- Formerly president of EuroMillions
- Won B2B contracts in 6 US states and in UK/Ireland/Europe



**Steve Davidson**

Head of Corporate Strategy

- 25+ years lottery experience in B2C and B2B including roles in Instants and Draw products, insight, brand, commercial partnerships, strategy and corporate development
- Operated across UK, European and US markets

# Financial Update



**Dave Todd**

Chief Financial Officer

# Financial framework and P&L drivers

	Lottery Retailing	Software-as-a-Service	Managed Services	Corporate
<b>A Revenue</b>	% of TTV	<ul style="list-style-type: none"> <li>% of third party TTV</li> <li>Intersegment fee: % of relevant Lottery Retailing TTV<sup>2</sup></li> </ul>	% of TTV <sup>4</sup>	
<b>B COGS</b>	<ul style="list-style-type: none"> <li>Tabcorp service fee - % of subscription ticket costs<sup>1</sup></li> <li>Intersegment fee – % license fee of relevant Lottery Retailing TTV<sup>2</sup></li> <li>Merchant fees - % of TTV</li> <li>Other includes scratch ticket production costs for Fiji</li> </ul>	Merchant fees - % of TTV <sup>3</sup>	Merchant fees - % of TTV	
<b>C Opex</b>	<ul style="list-style-type: none"> <li>Marketing costs</li> <li>Employee costs</li> <li>Other expenses include general &amp; administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>Technology costs</li> <li>Employee costs</li> <li>Other expenses include general &amp; administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>Employee costs</li> <li>Other expenses include general &amp; administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>Sovereign costs e.g. Directors' fees, CEO/CFO costs, share-based payments, consulting &amp; legal costs, insurance etc</li> </ul>
<b>EBITDA</b>	<b>A – B – C</b>			
<b>Underlying EBITDA</b>	EBITDA excluding significant one-off items (non-operating/non-recurring expenses)			

1. Effective 13 July 2020, a service fee was introduced under the 10 year agreement with Tabcorp (signed August 2020). The service fee is based on the cost of ticket purchases from Tabcorp at 1.5% for FY21 purchases, 2.5% for FY2022 purchases, 3.5% for FY2023 purchases and 4.65% for FY2024 onward purchases. If the cost of ticket purchases exceeds \$400,000,000 in any applicable year then a service fee of 4.65% applies to the excess amount

2. Lottery Retailing pays a license fee (equivalent to 7.5% of relevant Lottery Retailing TTV) to SaaS, recognised in Lottery Retailing cost of sales and SaaS' internal revenue. This is netted off through an intersegment elimination on consolidation.

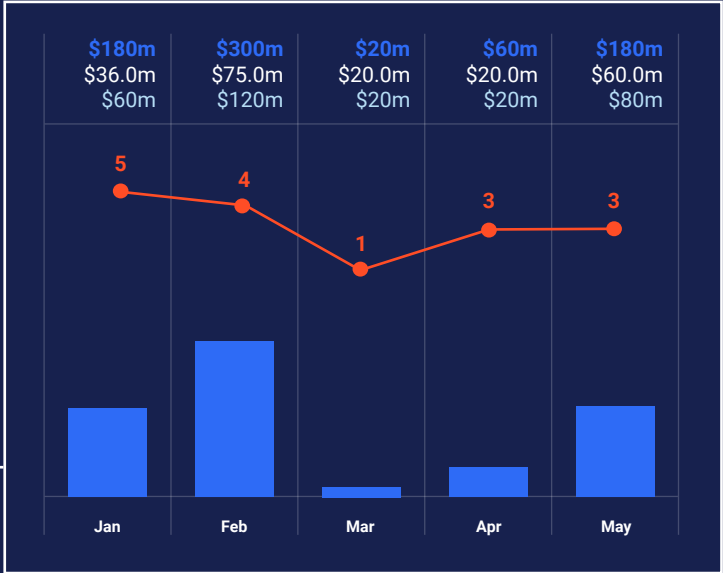
3. Merchant fees incurred for Lotterywest only, equivalent to ~0.95% of Lotterywest TTV.

4. FY21 principally reflects Gatherwell. Following completion of Stride and StarVale, the blended revenue margin will be lower in FY23 – revenue generated from these businesses reflects the contractual arrangements in place and services provided rather than a % of TTV revenue model.

# Weaker jackpots post Feb \$120m Powerball



- Aggregate Div. 1 Jackpots
- Avg. value per jackpot
- Peak Div. 1 Jackpot
- Jackpots



# Stride and StarVale Update

## Stride

Actuals for year ended 30 September 2021 <sup>1</sup>	CAD (\$m)	AUD (\$m) <sup>2</sup>
TTV (est)	115	128
Revenue	6.2	6.9
NPBT	2.3	2.6
Revenue margin	5.4%	
NPBT margin	37.1%	
Transaction details (NPBT multiple of ~4.8x)	Total consideration of C\$11.0m funded entirely from cash with 70% (\$7.7m) payable on completion and the remaining 30% (C\$1.65m) to be paid in two equal instalments in FY22 and FY23 subject to earning hurdles being met.	

- Acquisition completed on 1 June 2022
- FY23 will reflect full 12 months earnings contribution

1. Based on management accounts (unaudited)

2. Based on exchange rate of \$0.90 = A\$1.00 and £0.58 = A\$1.00

3. The total consideration (excluding surplus cash funds of ~£5 million to be acquired) represents an implied enterprise multiple of approximately 7.3x StarVale's expected NPBT for the year ended 30 June 2023 (edited)

4. Excluding government grants (~£90k)

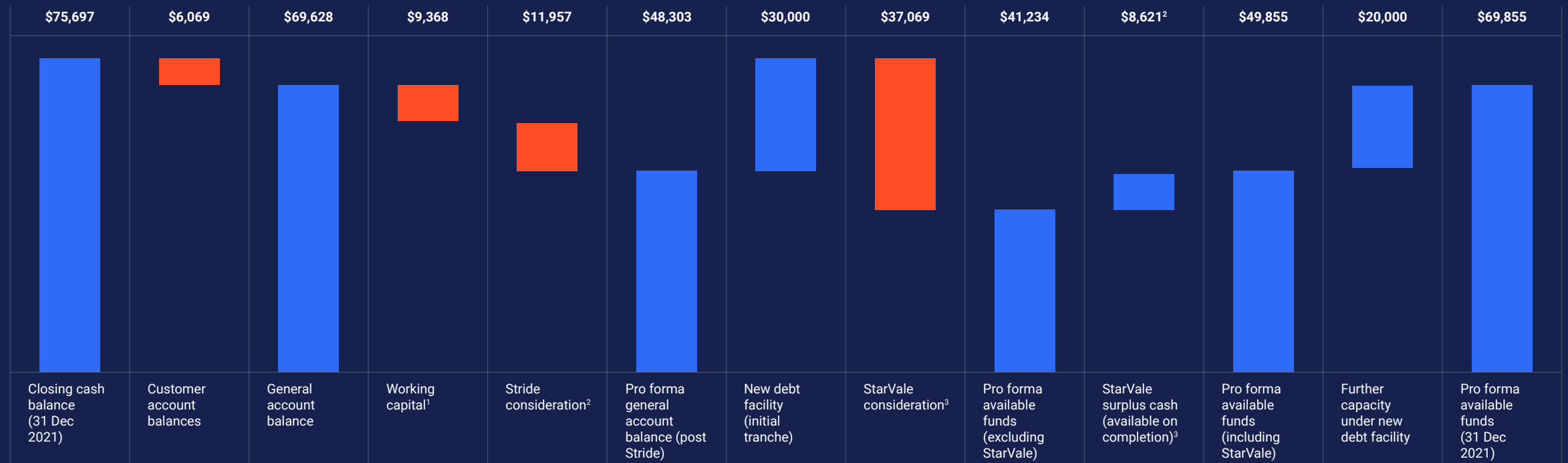
## StarVale

Actuals for year ended 31 December 2021 <sup>1</sup>	GBP (£m)	AUD (\$m) <sup>2</sup>
TTV (est)	67	115
Revenue	5.4	9.3
NPBT <sup>4</sup>	2.1	3.6
Revenue margin	8.1%	
NPBT margin	38.9%	
Transaction details (NPBT multiple of ~7.3x)	Total consideration comprises an upfront payment of ~£12.0m and up to £4.0 to £4.5m of deferred consideration, payable following 30 June 2023 and subject to achieving certain earnings hurdles.	

- Regulatory approval anticipated by end of Q4 2022

# Balance sheet strength

Pro forma cash position (\$m)



1. Timing impact from subscription payment (weekly in arrears) to Tabcorp (\$40m NYE draw on Friday 31 December 2021 and \$30m Powerball draw on Thursday 30 December 2021)

2. Based on exchange rate of C\$0.92 = A\$1.00

3. Based on exchange rate of £0.53 = A\$1.00 and excluding surplus cash funds of ~£5m



# Conclusion



**Mike Veverka**  
CEO and Founder

# Jumbo investment highlights

Profitable and global growth underpinned by yield and positive sector dynamics



Pure play digital lottery specialist with best in class lottery software and digital marketing expertise



Capital light business model, with strong balance sheet



Growth underpinned by structural shift to digital lotteries



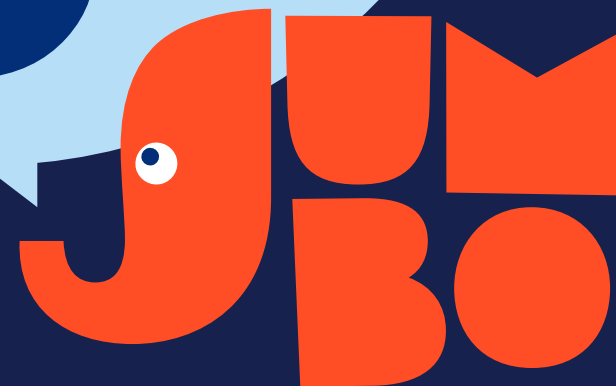
Founder-led, with experienced board and executive team with deep technology and lottery experience



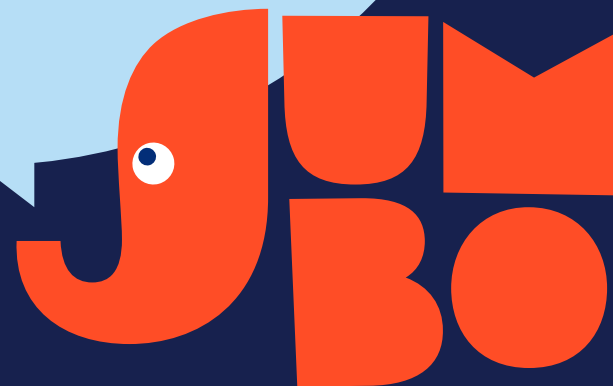
Scalable financial model, attractive unit economics and cash generation



Unique culture, with an unrelenting focus on creating an unrivalled player experience



**Thank  
you**



# Supplementary Information

# Responsible Play

How 'hard' the game is



Source: Capuchin Behavioural Science, March 2021

Typically, two types of gambling are considered from a structural perspective: 'hard' gambling, which is considered to carry greater potential risks than others, usually because of the high or rapid staking associated with it (e.g., roulette, blackjack, fruit machines, instant scratchcards); and 'soft' gambling, such as lotteries (Griffiths, 1997; Home Office, 1996).

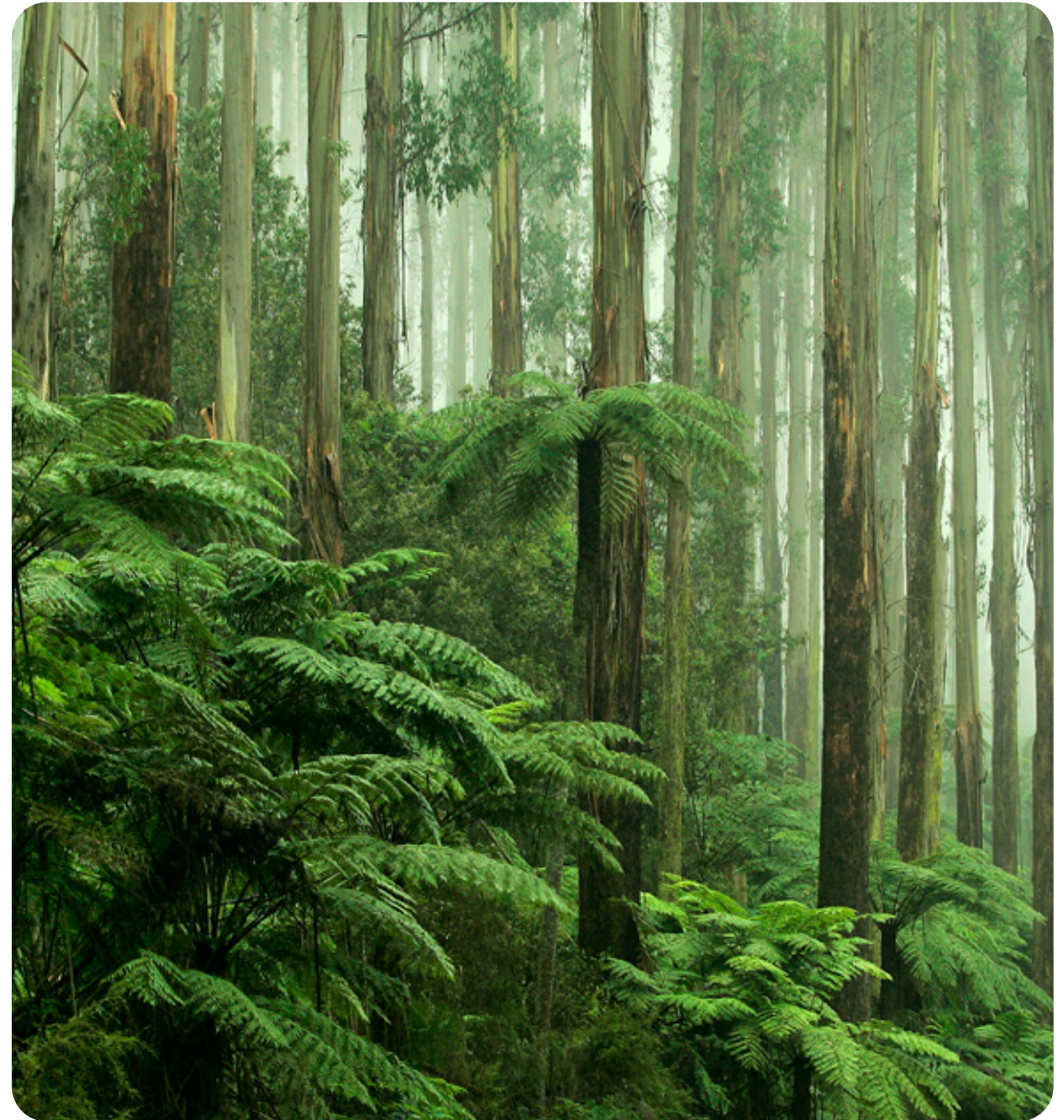
# Key Responsible Play Safeguards

- ✓ Real-time monitoring of ticket sales
- ✓ Responsible Gambling policy
- ✓ Mandatory and regular staff training to identify problem gambling
- ✓ Immediate support for vulnerable players
- ✓ Player ID verification
- ✓ Automatic safeguards to deny purchase of further lottery tickets
- ✓ Self-service tools e.g. spend limits, self-exclusion requests, self assessment, Responsible Gambling Account Statements



# Environmental

- ✓ Carbon footprint baselining in progress, assessing scope 1, 2 and 3 GHG emissions in Australia
- ✓ Expand carbon baselining to international operations in FY23
- ✓ Targeting carbon neutral emissions at Group level by 30 June 2023
- ✓ Develop emissions reduction roadmap in FY23







# Social

- ✓ Responsible Play – supporting our players and ensuring the player experience is fun and safe
- ✓ Best in class player experience, retention and engagement
- ✓ Empowering charities to create a sustainable future
- ✓ Investing in our talent and enhancing our culture with a focus on diversity, collaboration and new ways of working
- ✓ Signatory to HESTA 40:40 Vision
- ✓ Implemented Reflective Reconciliation Action Plan

# Governance

- ✓ Created a Sustainability Council with CEO sponsorship and Board oversight
- ✓ Undertaken a materiality assessment engaging a wide group of internal and external stakeholders
- ✓ Establishing ESG priority areas of focus, implementing initiatives, improving disclosures and setting ESG targets as part of the FY23 remuneration scorecard
- ✓ Increased resourcing to enhance risk management capability and culture



# Investing In Our Talent

- ✓ Competitive **remuneration and benefits** providing our employees with financial, health, social, physical and career wellbeing
- ✓ Top-tier **tools and technology enhancing productivity** and driving business performance
- ✓ Dedicated career development platform to provide transparent **career pathways**, accelerating career advancement, boosting **engagement** and productivity
- ✓ Established **Graduate program**, setting the foundations for bright careers and bolstering our future **talent pool**
- ✓ Formal **leadership** coaching for people managers and 1:1 performance coaching for employees



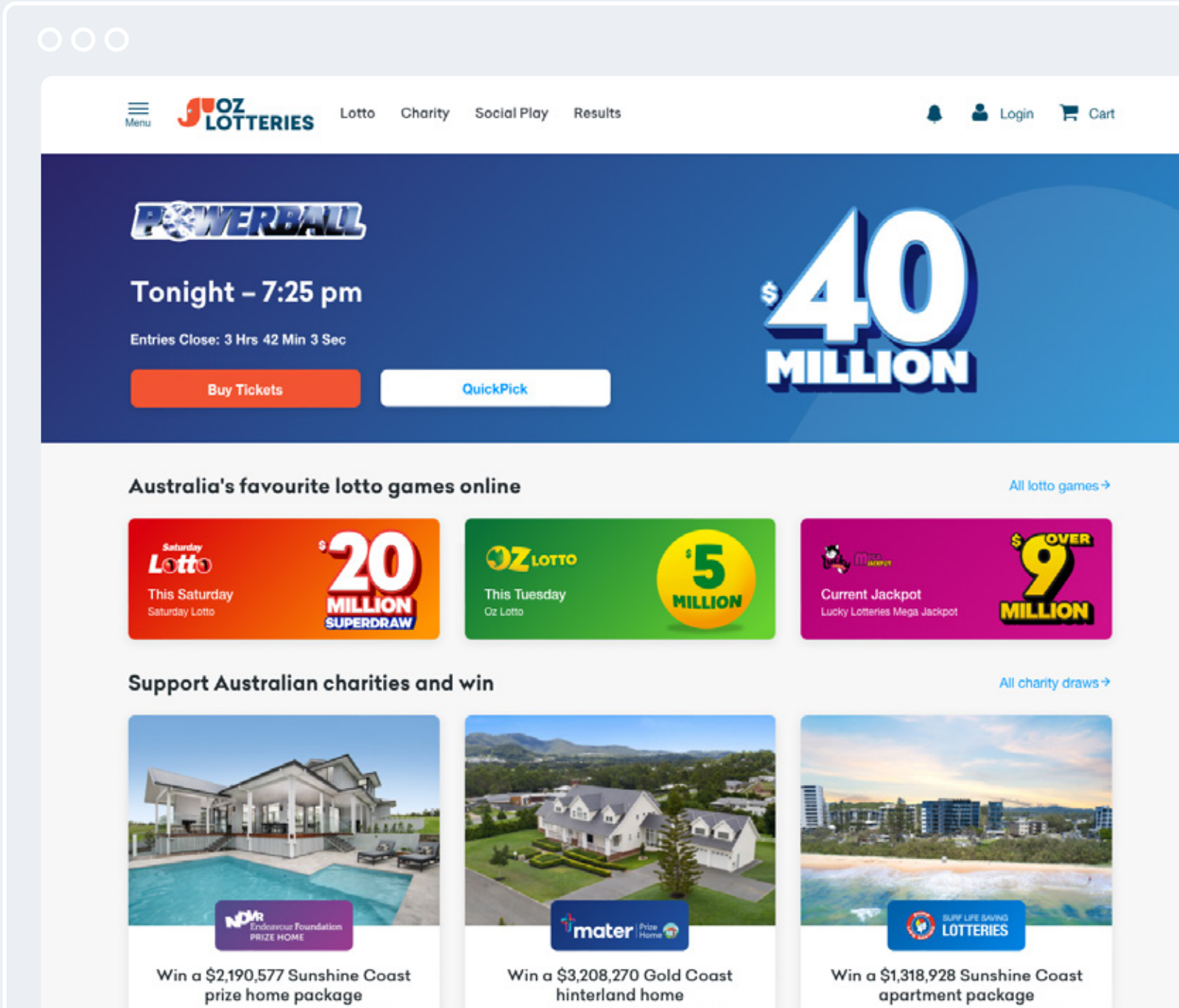


## Enhancing our culture

- ✓ Certified as a **Great Place to Work** in Australia with 91% employee consensus
- ✓ Raising **cultural awareness** through the celebration and promotion of cultural events and a Reconciliation Action Plan
- ✓ Dedicated **employee communication platform** and **Town Halls** to keep employees informed of company news and to celebrate successes
- ✓ Encouraging **global mobility** to share knowledge and expertise, build relationships and strengthen cultural ties

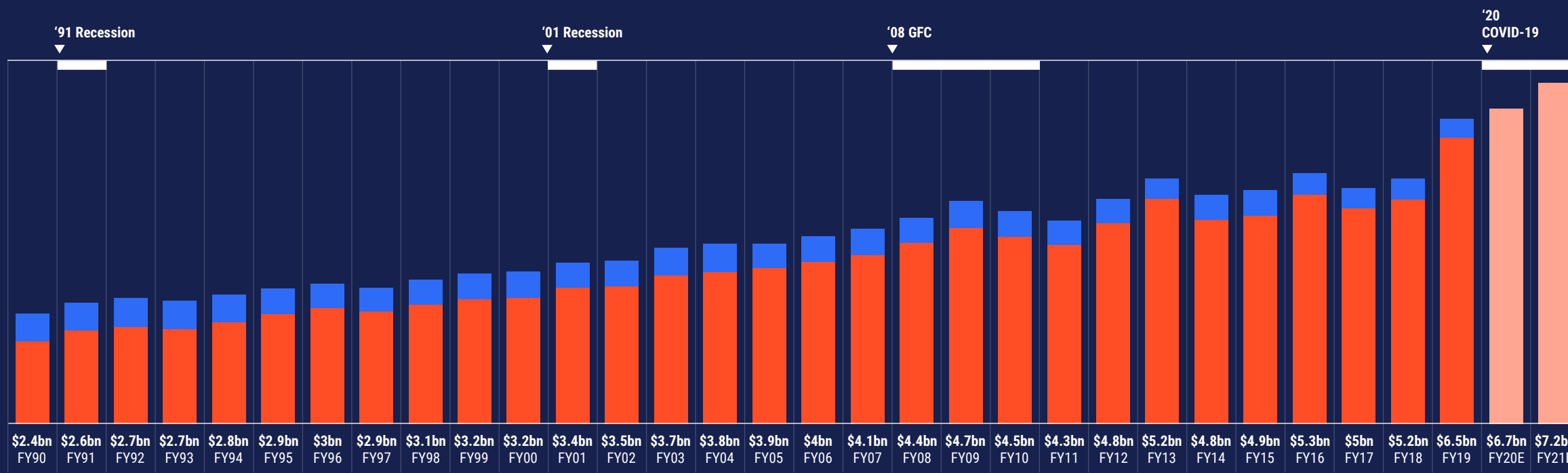
# Lottery Retailing

Jumbo is a fully accredited retailer of Australian digital lottery tickets through Oz Lotteries



# Lottery in Australia has delivered **CAGR 3.7% p.a. growth** over the long-term

Australian lotteries sales over time (\$bn)<sup>1,2</sup>

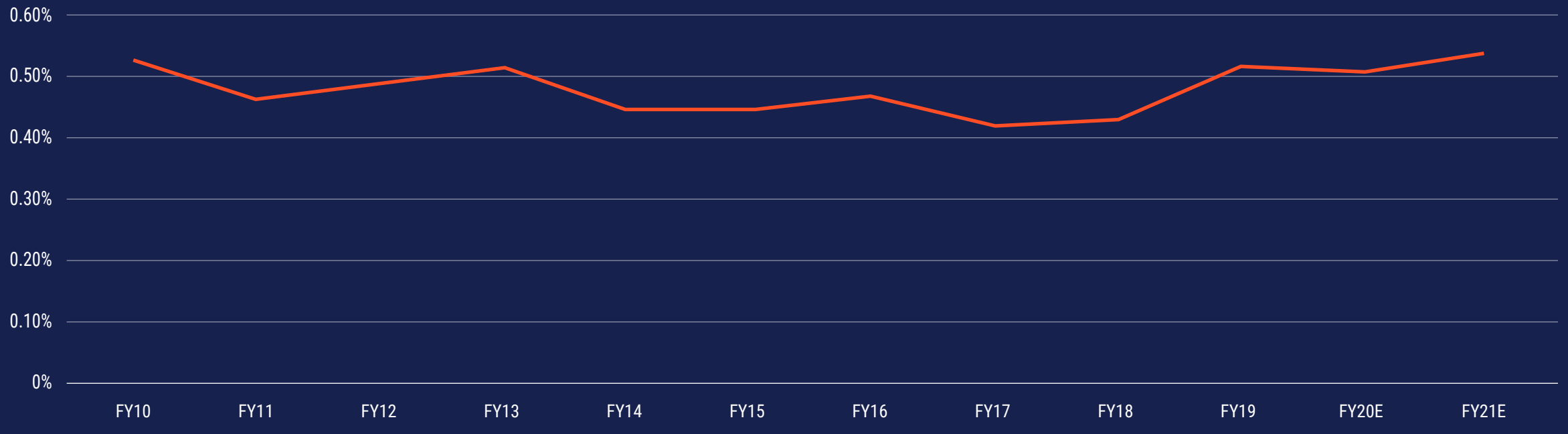


● Instant ● Draw Games

Source: Australian Gambling Statistics, Tabcorp financial reports  
 1. FY90 – FY19; excludes commission, June year end  
 2. FY20E & FY21E: estimated based on Tabcorp revenue growth

# Lottery's share of household spend **relatively stable**

Lottery Turnover as % of HDI



Source: Australian Gambling Statistics, ABS

## Portfolio of games<sup>1</sup>

Lottery Retailing

The logo for Powerball, featuring the word "POWERBALL" in a bold, blue, sans-serif font. The letter "O" is replaced by a stylized globe showing continents in white and oceans in blue.The logo for Oz Lotto, featuring a stylized green and yellow globe on the left, followed by the word "LOTTO" in a bold, yellow, sans-serif font. Below "LOTTO" is the tagline "BIG. AUSSIE. FUN." in a smaller, black, sans-serif font.The logo for Monday & Wednesday Lotto, featuring the text "Monday & Wednesday" in a black, sans-serif font, followed by the word "Lotto" in a bold, black, sans-serif font. The two "o"s in "Lotto" are replaced by red circles with white numbers "1" inside.The logo for Saturday Lotto, featuring the text "Saturday" in a black, sans-serif font, followed by the word "Lotto" in a bold, black, sans-serif font. The two "o"s in "Lotto" are replaced by red circles with white numbers "1" inside.The logo for Set for Life, featuring the text "Set for LIFE" in a stylized, bubbly font. "Set" is in orange, "for" is in blue, and "LIFE" is in white with a blue outline.The logo for Lucky Lotteries, featuring a cartoon illustration of a black and white cat's face on the left. To the right, the text "Lucky Lotteries" is written in a stylized, black, sans-serif font. Above it, "SUPER JACKPOT" is written in a blue banner, and below it, "MEGA JACKPOT" is written in a pink banner.

<sup>1</sup>Jumbo is an authorised reseller of lottery tickets via an agreement with Tabcorp. In August 2020, Jumbo extended its long running re-seller agreement with Tabcorp for a further 10 years to August 2030. The agreement does not cover the states of Queensland (due to small business restrictions limiting lottery agencies to businesses that employ less than 50 FTE) and Western Australia (where Jumbo has entered into a SaaS agreement to provide our proprietary lottery software platform and services for up to 10 years). The above trademarks are licensed to Jumbo under the agreement with Tabcorp.



Charity games

Lottery Retailing



# Lottery Retailing financials

Lottery Retailing

FY21



TTV

**\$365.4m**

\$153.3m (FY16)

▲ 19% 5-year CAGR



Active players

**806k**

376k (FY16)

▲ 16% 5-year CAGR



Average spend  
per player

**\$423.11**

\$335.27 (FY16)

▲ 5% 5-year CAGR



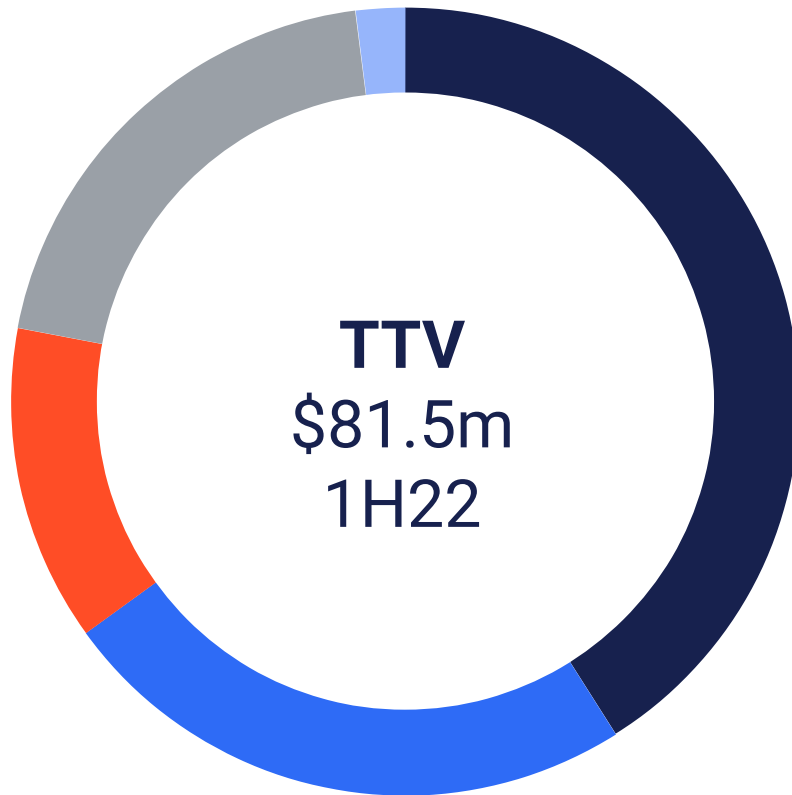
Cost per lead

**\$20.31**

\$15.13 (FY16)

▲ 6% 5-year CAGR

# SaaS at a glance



● Client 1 ● Client 2 ● Client 3 ● Client 4 ● Client 5

# Characteristics of the SaaS model



Significant barriers to entry given specialised nature of lottery software and regulation



Platform deployment getting cheaper and faster over time and can be done remotely



Platform gets better over time and benefits from the unique insights from Lottery Retailing



Platform is high margin and scalable, exhibiting strong unit economics



Revenue streams are sticky and recurring, with a shared incentive to grow

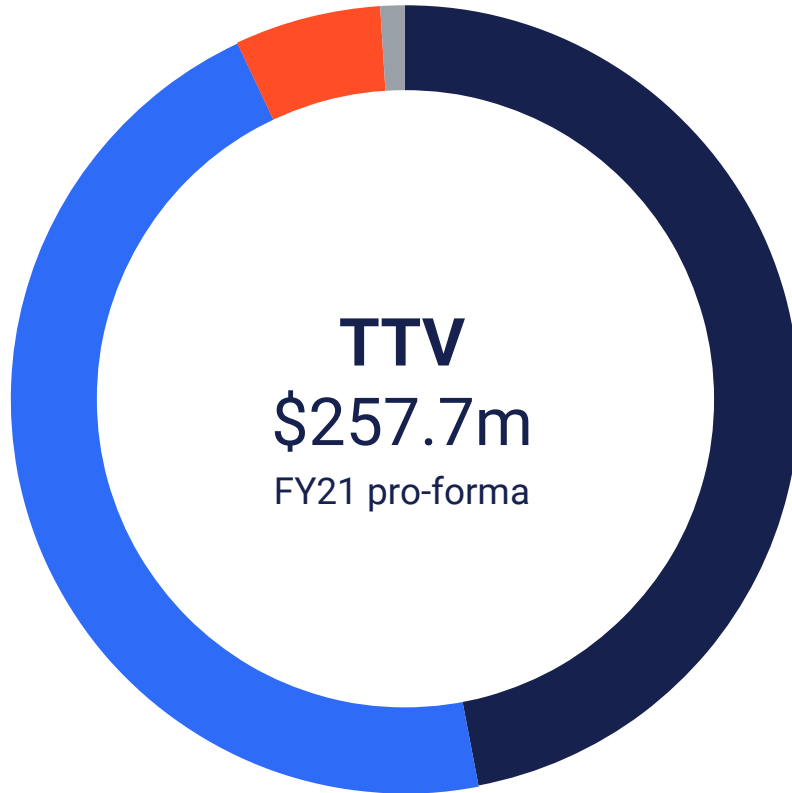


Scope to deliver additional services based on lottery management expertise



Funds raised are for a good cause and community benefit

# Managed Services at a glance



● StarVale<sup>1</sup> ● Stride ● Gatherwell ● Australia

1. Remains subject to regulatory approval

## Managed Services

# Overview of Gatherwell

- UK External Lottery Manager focused on the micro lottery sector and good causes (schools, local government authorities)
- Largely weekly lotteries ,<£250k TTV p.a.
- 100% digital
- >10k good causes
- >170k active players
- 2019 Lottery operator of the year
- 16 staff (fully remote)

### Market positioning

- 2k out of ~30k schools
- >100 out of ~400 LGAs
- >10k causes out of 160k+

### Technology

- Proprietary digital lottery platform
- Developed in-house

### Revenue model

- ~17%-18% of TTV

### Financials

- FY21 TTV: £9.3m (+40% vs pcp)
- FY21 EBITDA: £0.7m (36.0% margin)

### Competitive advantage

- Exclusive position in LGAs and schools
- Efficient technology platform
- Leading customer satisfaction (2021: 94%) and advocacy (2021: +60 NPS vs industry average of +39)

### Future growth opportunities

- Significant opportunity to increase penetration of schools and LGAs
- Potential expansion into Northern Ireland
- Expand into adjacent sectors e.g. sports clubs
- Expand product proposition to Raffles
- Leverage PBJ platform and growth marketing capabilities

## Managed Services

# Overview of Stride

- A leading Canadian External Lottery Manager focused on providing a full service offering to organisations seeking to fundraise via a charitable lottery or a fully managed raffle product
- Founded in 1997
- >750k active players
- Operates in two Canadian provinces (Alberta and Saskatchewan)
- 30 full-time staff with up to 75 rostered part-time call centre staff

### Market positioning

- ~10% market share nationally
- ~40% share in Alberta and Saskatchewan
- Competitors include SO Asher, Pollard, MNP, Ascend

### Technology

- Industry leading Proprietary Electronic Raffle System (ERS) and certified by all provisional regulators where Stride operates
- Best in class project management software/tools

### Revenue model

- Revenue margin (currently ~5.4%) is an outworking of fees charged for services provided

### Financials

- FY21 TTV1: C\$115m
- FY21 NPBT1: C\$2.3m (37.1% margin)

### Competitive advantage

- 30 years of managed and ticket fulfillment experience
- Stable and senior management team with decades of NFP experience
- Leading customer satisfaction, advocacy and retention (>90% of Managed Services clients have been clients for ~20 years)
- Leading project coordination skills

### Future growth opportunities

- New client wins
- Significant opportunity to expand into other provinces e.g. Ontario and British Columbia
- Leverage PBJ platform and growth marketing capabilities

1. For the 12 months ended 30 September 2021 (based on unaudited management accounts)

## Managed Services

# Overview of StarVale

- A leading UK External Lottery Manager and a digital payments company, providing a full range of Society Lottery (weekly lottery & raffle) and prize draw services. This includes devising, planning, building, managing, administering and maintaining weekly Society Lotteries.
- Founded in 1999
- >850k active players
- > 45 charity and not-for-profit client relationships
- 50/50 remote vs non-remote
- 72 full-time staff
- 9.5m direct debit transactions (~£54m in transaction value) via wholly-owned subsidiary DDPay Ltd

### Market positioning

- ~20% share of Society Lottery market<sup>1</sup>
- Competitors include Sterling and Towers

### Technology

- Proprietary lottery technology platform, developed in-house
- Bespoke digital services offered to clients e.g. website development
- Digital payments software, developed in-house

### Revenue model

- Four service levels ranging from technology platform only up to full service including lottery administration, marketing and ticket sales.
- Revenue model is a combination of fixed fees and variable fees for services provided, depending on the contractual arrangement in place.
- Revenue model for payment services is variable fees based on payment processing volumes.
- Revenue margin (currently ~8.1%) is an outworking of fees charged for services provided

### Financials

- FY21 TTV2: £67m
- FY21 NPBT2: £2.1m (38.9% margin)

### Competitive advantage

- >25 years of managed services experience in the not-for-profit sector
- High quality client base with long-standing client relationships
- Digital payments capability via DDPay Ltd

### Future growth opportunities

- New client wins through enhancing business development / brand awareness
- Leverage PBJ platform and growth marketing capabilities
- Payments opportunities in the fundraising sector
- International expansion

1. Excluding People's Postcode Lottery

2. For the 12 months ended 31 December 2021 (based on unaudited management accounts)



## Financial framework and P&L drivers FY21

	Lottery Retailing	Software-as-a-Service	Managed Services	Corporate	Intersegment elimination	Group
	<b>TTV</b>	\$365.4m	\$104.8m	\$16.7m		\$486.9m
a	<b>Revenue</b>	% of TTV 20.5% / \$75.1m	% of third party TTV 4.7% / \$4.9m Intersegment fee: % of relevant Lottery Retailing TTV <sup>3</sup> 7.5% / \$27.1m	% of TTV <sup>5</sup> 19.8% / \$3.3m	Intersegment fee: % of relevant Lottery Retailing TTV <sup>3</sup> 7.5% / \$(27.1)m	17.1% / \$83.3m
b	<b>COGS</b>	Tabcorp service fee - % of subscription ticket costs <sup>1</sup> 1.1% <sup>2</sup> / \$(4.0)m <sup>2</sup>  Intersegment fee – % license fee of relevant Lottery Retailing TTV <sup>3</sup> 7.5% / \$(27.1)m  Merchant fees - % of TTV ~0.95% / \$(3.4)m  Other includes scratch ticket production costs for Fiji \$(0.5)m	Merchant fees - % of TTV ~0.95% of TTV <sup>4</sup> / \$(0.1)m <sup>4</sup>	Merchant fees - % of TTV ~2.3% of TTV / \$(0.3)m	Intersegment fee – % license fee of relevant Lottery Retailing TTV <sup>3</sup> 7.5% / \$27.1m	\$(8.3)m
c	<b>Opex</b>	Marketing costs \$(5.4)m (equivalent to 1.5% of Lottery Retailing TTV)  Employee costs \$(2.8)m (direct [XX FTE] and indirect)  Other expenses include general & administrative costs \$(1.5)m	Technology costs \$(1.4)m  Employee costs \$(6.5)m (direct [XX FTE] and indirect)  Other expenses include general & administrative costs \$(2.1)m	Employee costs \$(1.5)m (direct [XX FTE] and indirect)  Other expenses include general & administrative costs \$(0.5)m	Sovereign costs e.g. Directors' fees, CEO/CFO costs, share-based payments, consulting & legal costs, insurance etc \$(6.4)m	\$(28.1)m
D = A - B - C	<b>EBITDA</b>	\$30.4m	\$21.9m	\$0.9m	(\$6.4m)	\$47.3m <sup>6</sup>
	<b>Underlying EBITDA</b>	EBITDA – significant one-off items (non-operating/non-recurring expenses)				\$48.9m

- Effective 13 July 2020, a service fee was introduced under the 10 year agreement with Tabcorp (signed August 2020). The service fee is based on the cost of ticket purchases from Tabcorp at 1.5% for FY21 purchases, 2.5% for FY2022 purchases, 3.5% for FY2023 purchases and 4.65% for FY2024 onward purchases. If the cost of ticket purchases exceeds \$400,000,000 in any applicable year then a service fee of 4.65% applies to the excess amount
- 1.5% pro-rated for FY21
- Lottery Retailing pays a license fee (equivalent to 7.5% of relevant Lottery Retailing TTV) to SaaS, recognised in Lottery Retailing cost of sales and SaaS' internal revenue. This is netted off through an intersegment elimination on consolidation.
- Merchant fees incurred for Lotterywest only, equivalent to ~0.95% of Lotterywest TTV.
- FY21 principally reflects Gatherwell. Following completion of Stride and StarVale, the blended revenue margin will be lower in FY23 – revenue generated from these businesses reflects the contractual arrangements in place and services provided rather than a % of TTV revenue model.
- Includes other revenue of \$0.4m

# Future Opportunities: Europe

- ✓ With c.65 lotteries across Europe, coupled with average contract durations of 5-8 years, we estimate that 5-6 contracts will come to market per annum
- ✓ Most recently, Ireland launched an RFI for iLottery
- ✓ Population of 1.1 billion
- ✓ Total lottery sales estimated at ~A\$150 billion (~34% of global lottery sales)



# Future Opportunities: Asia & South America

- ✓ Opportunities are likely to arise given the network and reputation of Jumbo in the wider Lottery sector
- ✓ c.30 lotteries spread across Asia, Middle East, South America and the Carribean
- ✓ Total lottery sales of ~A\$138 billion (~32% of global lottery sales)
- ✓ Jumbo's membership of APLA and WLA will be leveraged using Management's experience and track record

