ASX Announcement (ASX:BBT)
28 February 2024

H1 FY24 Results & Investor Presentation

BlueBet Holdings Limited (ASX:BBT) (**BlueBet** or the **Company**) is pleased to provide the attached H1 FY24 Results and Investor Presentation.

AUTHORISATION
This announcement has been authorised for lodgement to the ASX by the BlueBet Board of Directors

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About BlueBet (ASX:BBT)
BlueBet is an international online wagering provider and bookmaker listed on the Australian Stock Exchange, with operations in Australia and the United States. BlueBet is powered by a proprietary cloud-based technology platform which is highly scalable and enables BlueBet to scale rapidly, as well as offering the platform as a white-labelled technology solution for B2B partners. BlueBet's customer-facing websites and native apps have been developed using a mobile-first strategy, delivering a premium mobile user experience.

H1 FY24 RESULTS & INVESTOR PRESENTATION

February 2024

BlueBet

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Authorisation
This presentation has been authorised for lodgement to the ASX by the BlueBet Board of Directors.

H1 FY24 HIGHLIGHTS

Continued outperformance and share gains in Australia; ClutchBet now live in three US states

Australia to EBITDA positive in FY24	*Turnover up 13.9% to $319.5m*	*Active Customers[1] up 19.0% to 71,789*	*Robust Net Win of 9.6%*
Australian business on track for EBITDA positive in FY24, driven by market share growth and marketing efficiencies	Record turnover driven by Sports and Thoroughbred racing, where we are outperforming the market	Continued market share gains in Australia, gaining traction in Iowa and Colorado	Group Net Win margin remains robust at 9.6%, with Australia at 10.3% after mix shift to Sports

42.3% increase in AU Sport Turnover	*Significant product investment*	*Making good progress in the US*
Strong growth led by US Sports, NRL, AFL , Cricket and Tennis. Same Game Multi (higher margin) Turnover up 64% and Bet Count up 42%	Continued product enhancement in Australia and the US; BlueBet Global Platform submitted for US approval in Jan-24	Localised marketing strategy gaining traction; first bets taken in 3rd US B2C state Louisiana post-period end

Notes:
1. Customers who have placed a cash bet in the 12 months preceding the relevant period. Iowa and Colorado only live for part of the year

KEY OPERATIONAL HIGHLIGHTS – H1 FY24

Q2 FY23

Oct-2022
Strategic investment in Low6

Oct-2022
New StatWars product launched in Australia

Nov-2022
Record Bet Count for Melbourne Cup – +22.6%

Q3 FY23

Feb-2023
Exhibited at Indian Gaming Tradeshow receiving positive feedback from potential B2B partners

Mar-2023
Australian business returned to operating cashflow positive for the quarter

Q4 FY23

Apr-2023
Launched online sports betting operations in Colorado

Apr-2023
GLI approval of certification of new multi-jurisdictional app

June-2023
Record quarterly Net Win and Active Customers

Q1 FY24

Aug-2023
Brand refresh spearheaded by Brand Ambassador Matt Nable

Aug-2023
HyperLive Micro In-Play Betting launched in US

Aug-2023
Platform submitted to GLI ahead of Louisiana approval

Q2 FY24

Dec-2023
Record Quarterly Turnover and Net Win, continuing to outperform and gain share in Australia

Dec-2023
$3 million loan facility provides additional financial flexibility

Jan-2024
Go-live in third US B2C state, Louisiana (post quarter end)

GROUP[1] KEY METRICS DASHBOARD - H1 FY24

Market share gains driving strong top line growth; trading outperformance delivers robust margins

6.3 million
Bet Count
(+4.8%)

$319.5 million
Turnover
(+13.9%)

$40.9 million
Gross Win
(+13.0%)

$30.6 million
Net Win
(+12.9%)

BlueBet

71,789
Active Customers[2]
(+19.0%)

9.6%
Net Win margin
(-0.1pp)

$346
Cost
per First time Depositor[3]
(-20.7%)

$854
Average Annual
Customer Value[3]
(+3.2% vs Prior Qtr)

1. All comparisons relate to the prior corresponding period (pcp) unless otherwise stated
2. Customers who have placed a cash bet in the 12 months preceding the relevant period. Iowa only live since 29 August 2022 and Colorado from 26 April 2023
3. Australian business only, US excluded given Iowa first bets were August 2022 and Colorado April 2023

AUSTRALIAN TRADING BUSINESS

AUSTRALIA KEY METRICS - 1H FY24

Strong performance with market share gains and robust Net Win margin

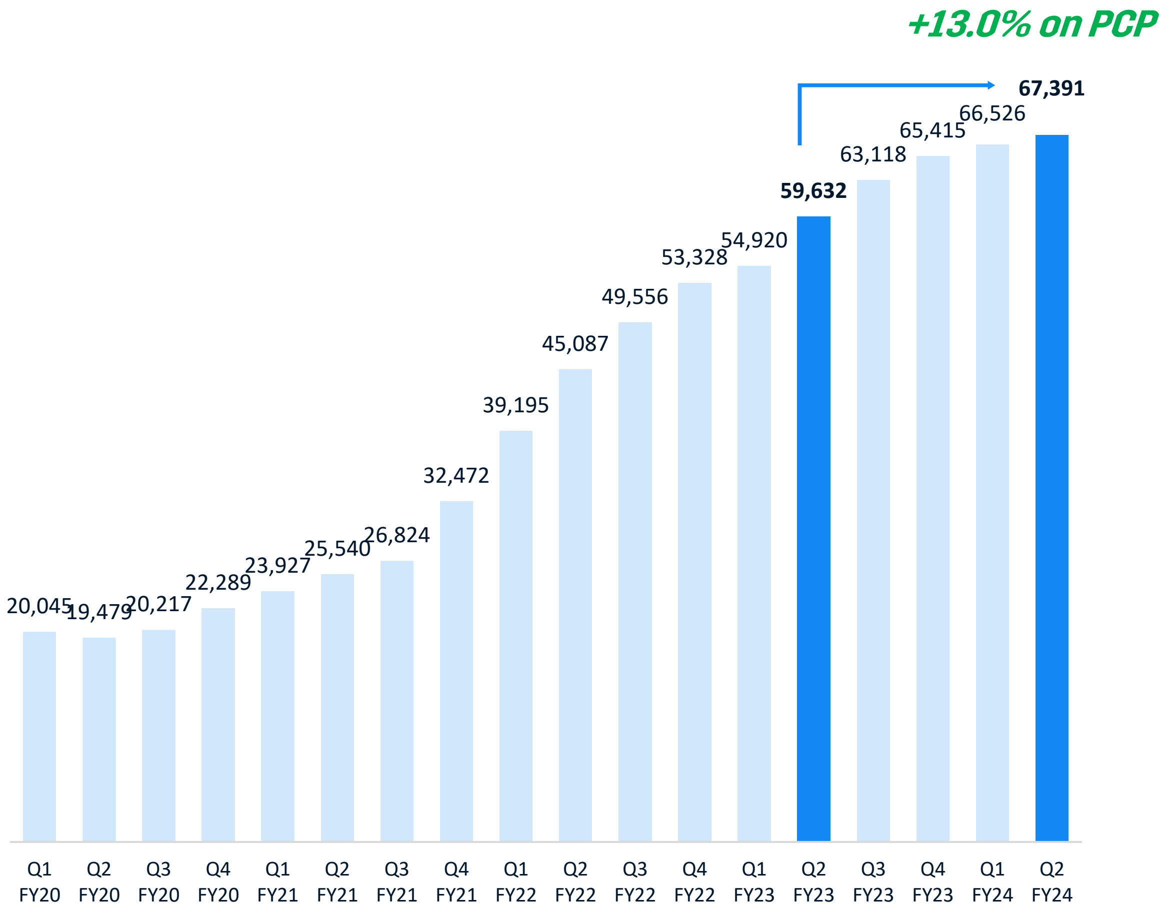
	YTD FY23	YTD FY24	PCP
ACTIVE CUSTOMERS[1]	59,632	67,391	+13.0%
TURNOVER	$279.3m	$298.7m	+6.9%
GROSS WIN	$36.3m	$40.0m	+10.2%
GROSS WIN (%)	13.0%	13.4%	+0.4pp
NET WIN	$27.2m	$30.7m	+12.9%
NET WIN (%)	9.7%	10.3%	+0.6pp

- Turnover up 6.9% to $298.7m, driven by Sports and Thoroughbred Racing where we are outperforming
- Growth in Active Customers driven by refreshed brand strategy and targeted advertising spend
- Disciplined promotional activity at 23.2% of Gross Win (vs. 25.2% PCP)
- Record half year Net Win of $30.7m, up 12.9%
- Net Win Margin remains strong at 10.3% after mix shift to Sport

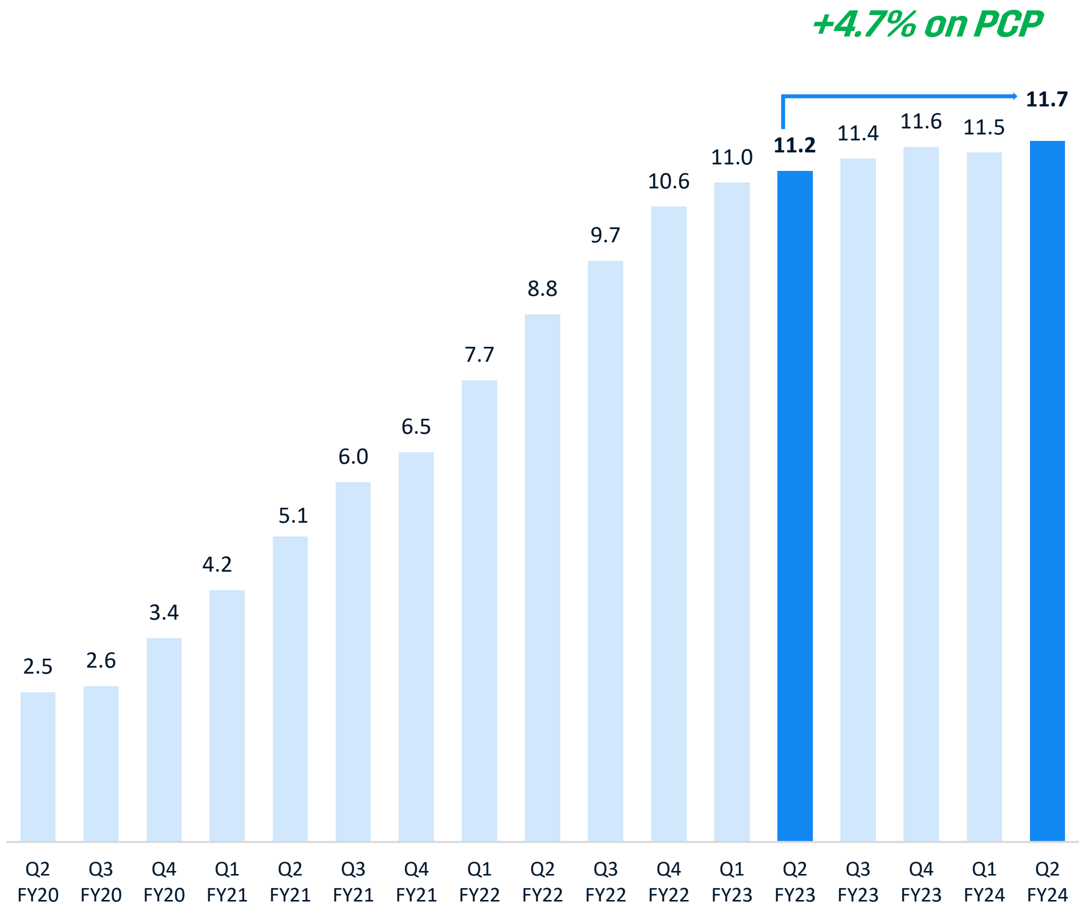
1. *Customers who have placed a cash bet in the 12 months preceding the relevant period*

Record Active customers and bet count[1]

Active Customers up 13.0% to 67,391



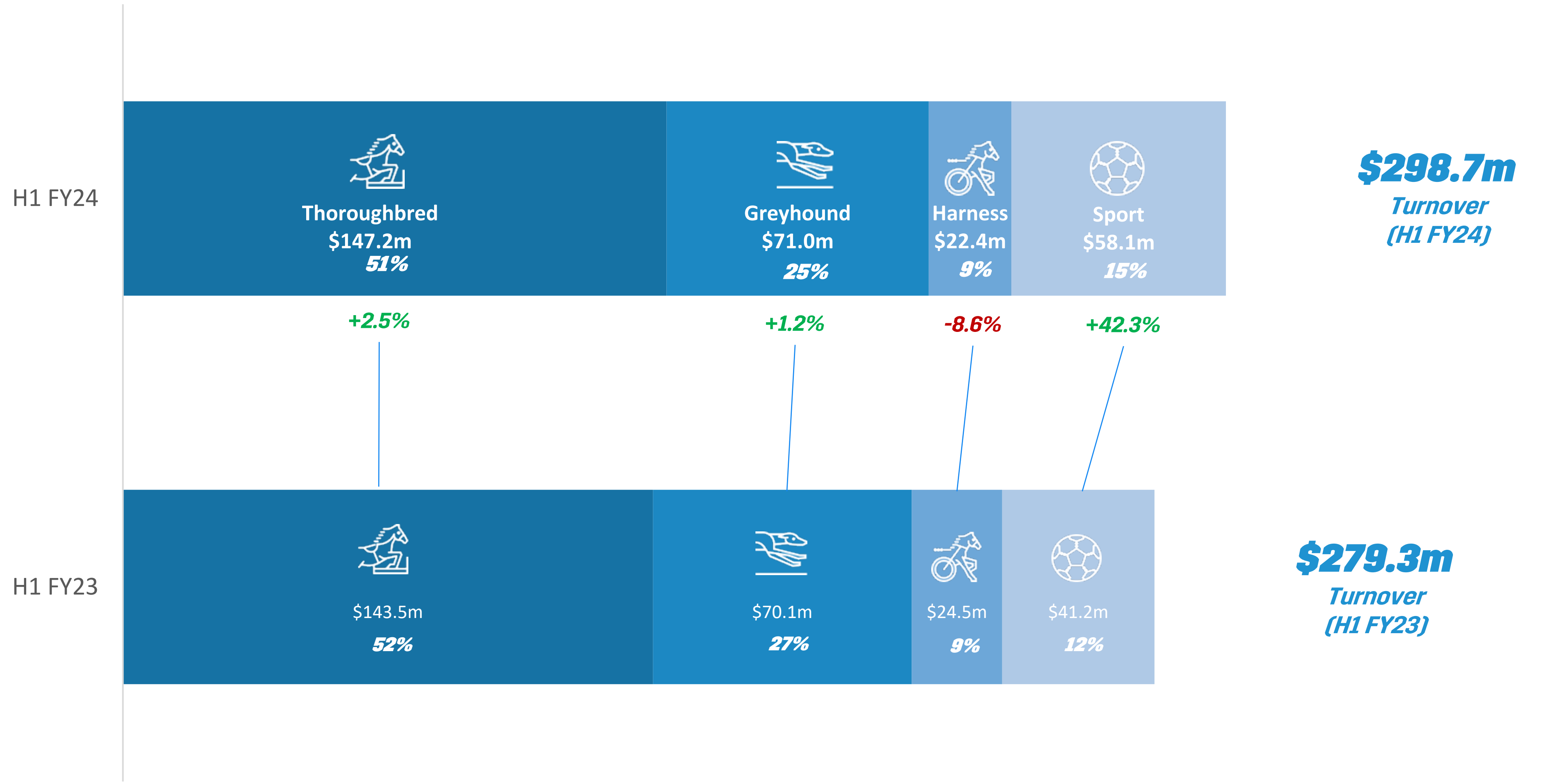
12-month rolling Bet Count over 11.7m



1. *Australian trading business*

TURNOVER BY PRODUCT - AUSTRALIA

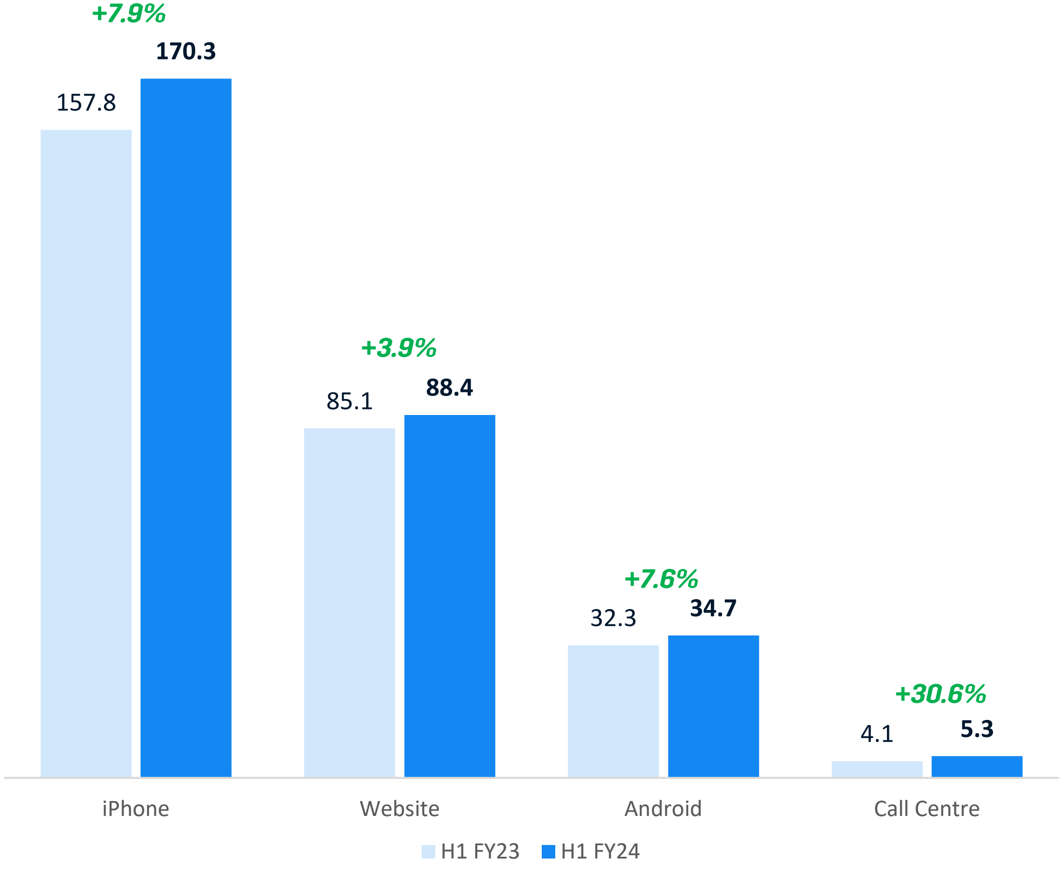
Outperforming the market with Turnover up 6.9% to $298.7m driven by strong growth in Sport



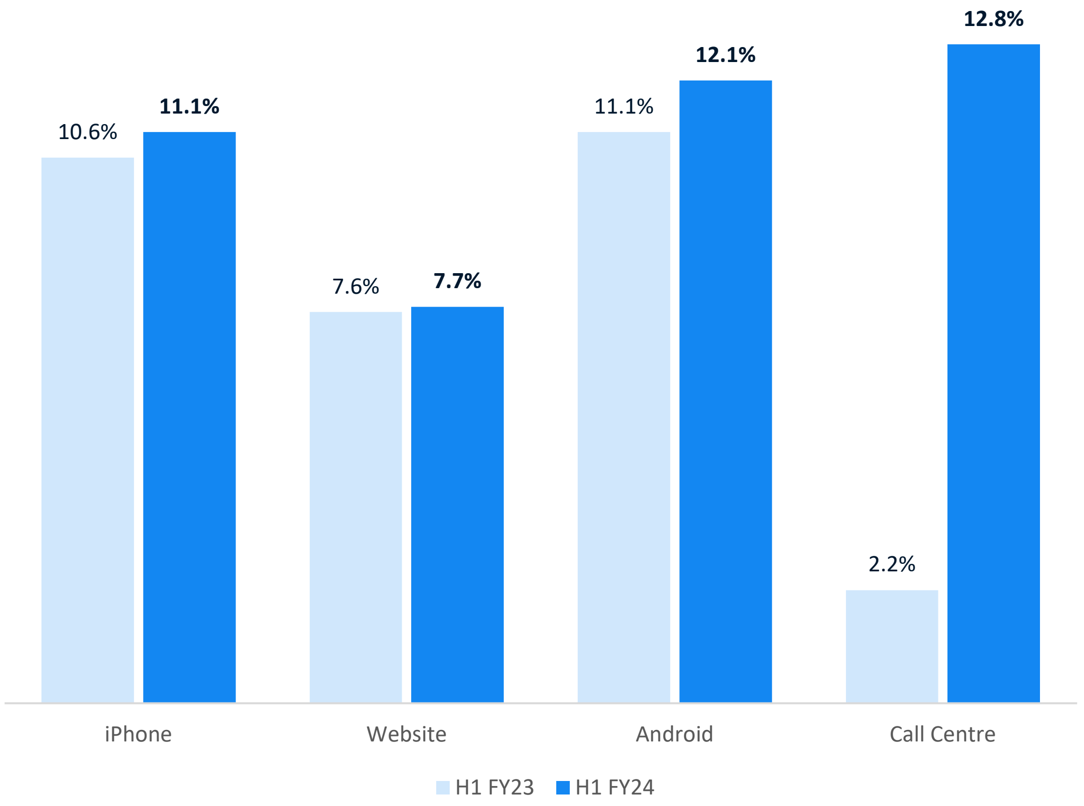
MOBILE FIRST FOCUS - AUSTRALIA

Mobile Turnover up to 69% of total, with Mobile margin remaining strongest at 11.3%

Turnover ($ million) by channel (H1 FY23 – H1 FY24)



Net Win Margin % by channel (H1 FY23 – H1 FY24)



FY24 MARKETING PRIORITIES

Launched new brand campaign, refreshed brand design and focus on customer value driving initiatives

Driving customer value through

- Enhanced CRM
- Better promotional targeting
- Focus on quality paid digital acquisition channels
- Product enhancements to reduce churn
- Improved brand equity

- **Launch of new brand campaign** featuring well-known media and sports personality Matt Nable
- **Refreshed BlueBet** logo, brand design, campaign assets and website and app front end design
- **Targeted media investment –** moving from metro linear TV to focus on high ROI targeted BVOD, digital video and rich mobile formats
- **Salesforce personalisation** to deliver personalised site, offers and promotional experiences (Q1)
- **Enhance channel performance / ROI** from Marketing Cloud Intelligence (Q2)

AUSTRALIAN REGULATORY ENVIRONMENT

BlueBet is well positioned ahead of potential regulatory change impacting the Australian online wagering industry

Parliamentary enquiry into online wagering	Launch of BetStop	Safer Gaming
Federal government enquiry into online wagering made 31 recommendations across wagering advertising, staff training, regulatory consolidation and responsible wagering frameworks. Recommendations are provisional and under consultation with stakeholders. BlueBet is well positioned, having already moved to a targeted acquisition media strategy.	National Self-Exclusion Register (BetStop) launched on 21 August 2023. BetStop enables individuals to self-exclude themselves from every licenced Australian wagering operator through a single portal. BlueBet has integrated with BetStop to offer a range of pre-commitment tools for customers.	BlueBet has made additional enhancements to CRM interface to provide insights into customer wagering activity and enable improved account analysis and management alongside existing transaction monitoring program.

US MARKET UPDATE

CURRENT STATE OF PLAY IN US

CLUTCHBET

Legal online sports betting expected to be available in >40 states by end 2023[1] and to 96% of US population by 2025[2]

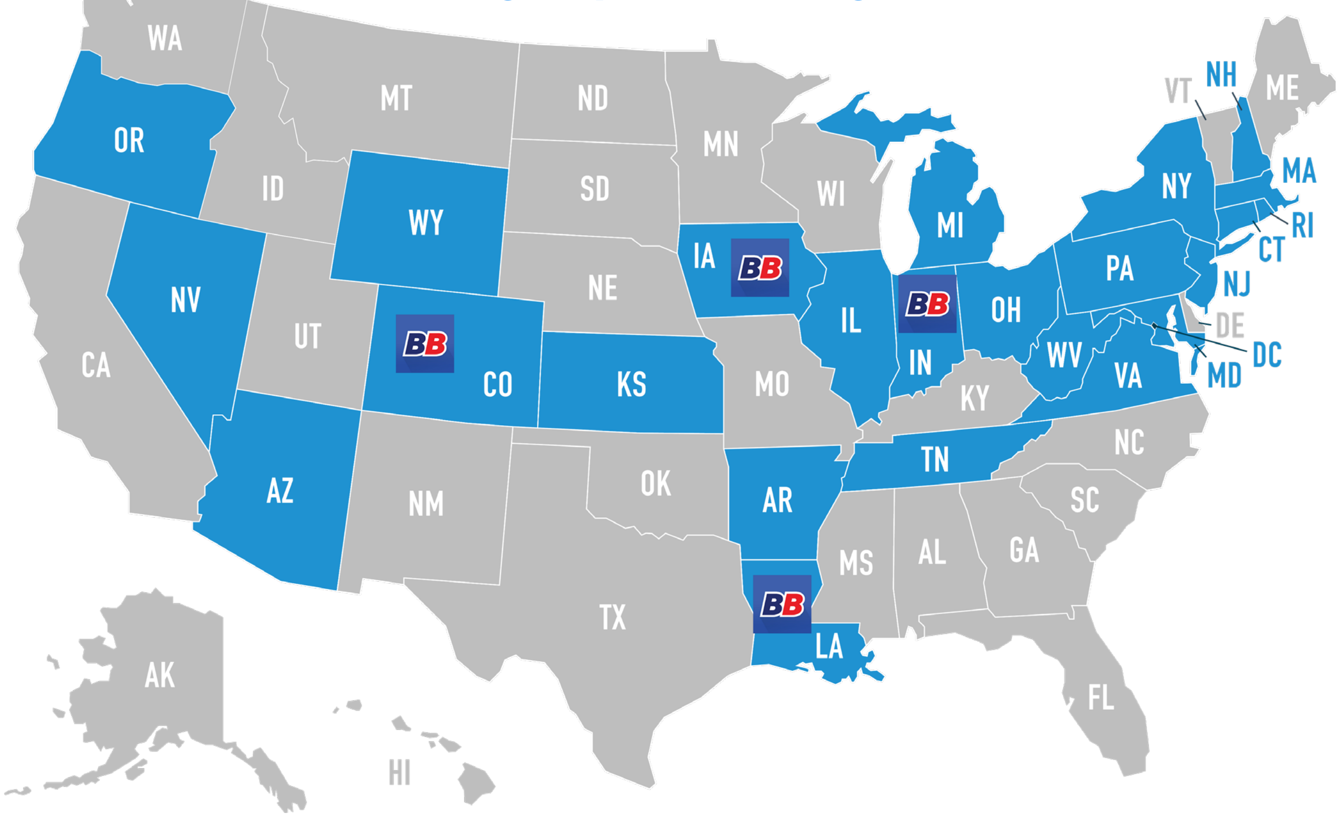
Now **23 states** with full mobile betting

4 states with limited mobile betting

10 states with in-person retail only

2 states pending

Legal sports betting in the US



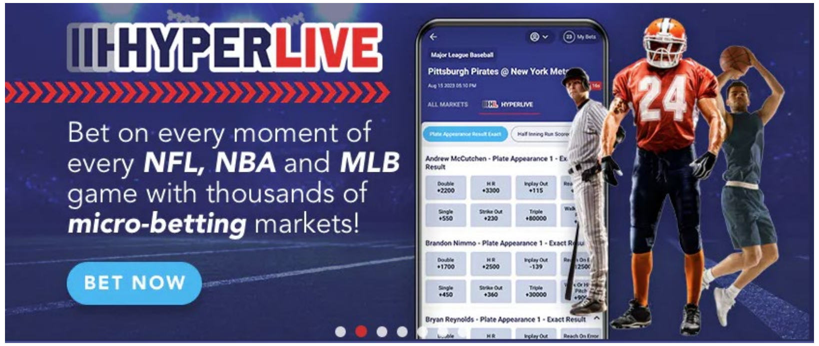
[1] https://www.actionnetwork.com/news/legal-sports-betting-united-states-projections
[2] BETZ ETF June 2021 Presentation

US MARKET ENTRY

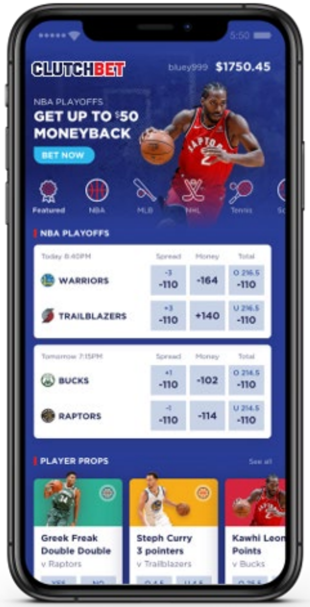
CLUTCHBET

ClutchBet gaining traction in Iowa and Colorado with Louisiana going live in January 2024

AUD $m	H1 FY24	H1 FY23
Turnover/Handle	**20.7**	1.8
Gross Win	**1.0**	0.1
Net Win	**0.1**	(0.1)
Active Customers	**4,398**	696
Bet Count	**112,714**	7,753



- **Capital-lite strategy well progressed** and nearing completion of first-stage
- **ClutchBet goes live in Louisiana** January 2024 and has taken first bets
- **Multi-jurisdictional capability of the** BlueBet Global Platform **provides scalability benefits and enables faster B2B rollouts in each new market**
- Progress made toward second stage of US market entry as discussions are underway regarding potential partners for the B2B Sportsbook-as-a-solution
  - The platform provides a path to drive BlueBet's **profitable growth** in the US over the long-term



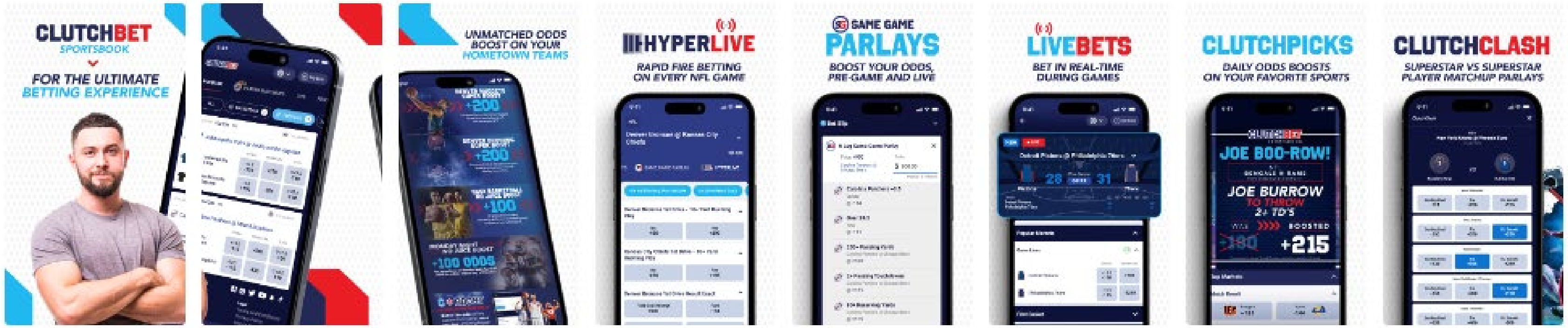
FY24 US MARKETING PRIORITIES CLUTCHBET

Differentiated brand and product with hyper localised marketing strategy gaining traction

Driving customer value through

- Product enhancements to grow margin
- Targeted “below the line“ promotional spend
- Expansion of Affiliate Acquisition strategy
- Growth in Social Influencer and Content Marketing campaigns
- Continued execution of local sponsorships and activations

- **Focus on local partnerships and delivering efficiencies** through stronger brand awareness, scale in paid search and affiliates. With our local sponsors and venues, transition to more event-based field marketing campaigns
- **Targeted promotional strategy** by tailoring our new player bonus offer and transition retention and reactivation promotional spend to high value targeted player segments. Launch of real-time, personalised push notification campaigns which feature live game updates and wagering markets
- **Content marketing to grow our accessible audiences** by expanding free to play offerings via our Low6 partnership and provide diversified content offerings across our sports blog, ClutchBuzz which is delivering 1,000+ new organic customers each month



ClutchBet Partners

Altitude sports

XTREAM ARENA POWERED BY Mediacom

SWITCHBACKS

RUGBYTOWN USA

COLORADO EAGLES

FINANCIALS

GROUP RESULTS – INCOME STATEMENT

H1 highlights

- Turnover up 13.9% vs. PCP, driven by market share growth in Australia and US
- Gross Profit up 12.3% vs. PCP with Gross Profit margin at 52.8%
- EBITDA result improved by 12.4% vs. PCP
- Australia on track to be EBITDA positive in FY24, driven by market share growth and marketing efficiencies

Segment EBITDA

AUS	($0.6m)
US	($6.4m)
Corp	($2.2m)

$000'S	H1 FY24	H1 FY23
Turnover (gross of GST)	**319,483**	**280,512**
Payouts (gross of GST)	(278,544)	(244,287)
Gross Revenue	**40,939**	**36,225**
Promotions given (gross of GST)	(10,326)	(9,088)
GST	(2,796)	(2,467)
Wagering Revenue[1]	**27,817**	**24,670**
Cost of Sales	(13,142)	(11,604)
Gross Profit	**14,675**	**13,066**
Employee benefits expense (ex SBP)	(7,157)	(6,448)
Share Based Payments expense	(1,345)	(1,296)
Advertising and marketing expense	(8,327)	(11,400)
Licencing, platform and subscriptions	(2,279)	(1,643)
IT expense	(2,942)	(1,143)
Administration expense	(885)	(424)
Other Expenses	(1,089)	(1,261)
Interest received	118	92
EBITDA	**(9.231)**	**(10,457)**
Depreciation and amortisation expense	(2,415)	(889)
Finance costs	(469)	(22)
Profit before income tax expense	**(12,115)**	**(11,368)**
Income tax expense	1,752	1,467
Profit/(loss) after income tax	**(10,363)**	**(9,901)**
Foreign Currency Translation	(61)	38
Total comprehensive (loss) / income	**(10,424)**	**(9,863)**

GROUP EBITDA RECONCILIATION

Strong Australian performance supports technology investment; marketing efficiencies to support future growth

EBITDA H1 FY23	**(10,457)**
Key H1 FY24 movements	
Gross Profit	1,609
Global IT Expense	(1,799)
AU Advertising & Marketing	3,762
AU Other	(170)
US Advertising & Marketing	(689)
US Other	(1,487)
EBITDA H1 FY24	**(9,231)**

- Gross profit up 12.3%, driven by growth in Active Customers (+19.0%) and Turnover (+13.9%)
- Global IT expense increased by $1.8m due to lower capitalization rate. Total IT spend (incl. capex) down 6.4% vs. PCP
- Marketing efficiencies in Australia delivered 13.0% growth in Active Customers from $3.8m less spend
- US marketing up $0.7m due to Colorado being live for only 2 months in PCP
- Increased US expenses of $1.5 million reflect employee headcount cost annualization ($0.3m), IT expense ($0.3m), licence fees ($0.2m) and data/odds feeds ($0.3m)

GROUP RESULTS – BALANCE SHEET

$000'S	31 DEC 2023	30 JUN 2023
Assets		
Current assets		
Cash and cash equivalents	8,567	22,695
Trade and other receivables	528	363
Income Tax refund due	-	46
Other assets	1,365	597
Total current assets	**10,460**	**23,701**
Non-current assets		
Investments	839	839
Property, plant and equipment	645	729
Right-of-use assets	518	720
Intangibles	24,309	24,670
Deferred tax asset	5,658	3,907
Other assets	526	526
Total non-current assets	**32,495**	**31,391**
Total assets	**42,955**	**55,092**
Liabilities		
Current liabilities		
Trade and other payables	7,329	10,039
Borrowings	32	31
Lease liabilities	416	414
Employee benefits	1,654	1,200
Client deposits on hand	3,388	4,454
Total current liabilities	**12,819**	**16,138**
Non-current liabilities		
Trade & Other Payables	9,854	9,427
Borrowings	158	174
Lease liabilities	175	391
Employee benefits	126	110
Total non-current liabilities	**10,313**	**10,102**
Total liabilities	**23,132**	**26,240**
Net assets/(liabilities)	**19,823**	**28,852**
Equity		
Issued capital	47,856	47,806
Reserves	6,963	5,679
Retained profits/(accumulated losses)	(34,996)	(24,633)
Total equity/(deficiency)	**19,823**	**28,852**

GROUP RESULTS – CASH FLOWS

- Net Cash used in operating activities was ($10.7m) after investing ($7.6m) in US
- Australian business expected to return to operating cash flow positive in H2, with marketing seasonally front-loaded in H1
- Product development spend has peaked after providing strong platform for next phase of revenue and earnings growth

$000'S	31 DEC 2023	31 DEC 2022
Cash flows from operating activities		
Receipts from customers (Client deposits)	91,712	74,602
Payments to customers (Client withdrawals)	(62,384)	(47,599)
Payments to suppliers and employees (inclusive of GST)	(39,660)	(35,609)
	(10,332)	**(8,606)**
Interest received	118	92
Interest and other finance costs paid	(469)	(33)
Income taxes paid	-	(45)
Net cash from operating activities	**(10,683)**	**(8,592)**
Cash flows from investing activities		
Payments for property, plant and equipment	(32)	(70)
Investments	-	(839)
Payments for intangibles	(2,878)	(5,473)
Net cash used in investing activities	**(2,910)**	**(6,382)**
Cash flows from financing activities		
Share issue transaction costs		-
Repayment of leases	(289)	(181)
Repayment of chattel mortgage	(15)	(11)
Net cash from/(used in) financing activities	**(304)**	**(192)**
Net increase / (decrease) in cash and cash equivalents	(13,988)	(15,166)
Cash and cash equivalents at the beginning of the financial year	22,695	47,268
Effects of exchange rate changes on cash and cash equivalents	(140)	57
Cash and cash equivalents at the end of the financial year	**8,567**	**32,159**

FY24 PRIORITIES

H2 FY24 PRIORITIES

Strategic execution to achieve scale in Australia and US and continue strong business momentum

- Outperform market and grow share
- Embed BlueBet Global Platform to drive scale and operational efficiencies
- Continue to unlock marketing efficiencies whilst delivering scale
- Australian business to be EBITDA and operating cash flow positive in FY24

- Continue B2C progress by scaling 3 live states
- Product enhancements to enhance margins
- Disciplined marketing investment with hyper-local approach
- Secure initial B2B partner to kick off stage 2 of US market entry

UPDATE ON STRATEGIC INITIATIVES

- BlueBet continues to demonstrate strong trading performance, with H2 Net Win to 25 February +35.1% vs PCP. Existing cash reserves and loan facility provide financial flexibility, with further levers to pull if required.
- As disclosed on 5 January 2024, BlueBet remains in ongoing strategic discussions with third parties, with the Group retaining significant optionality. These discussions continue to progress constructively.
- Board remains committed to maximising value for BlueBet shareholders.


BlueBet