



**ASX Announcement (ASX:BBT)**

31 July 2024

## **Q4 FY24 Quarterly Results & Investor Presentation**

BlueBet Holdings Limited (ASX:BBT) (**BlueBet** or the **Company**) is pleased to provide the attached Q4 FY24 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 (ASX:BBT) 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 highly scalable proprietary cloud-based technology platform that can also be delivered as a white-labelled technology solution for B2B partners. BlueBet's websites and apps have been developed using a mobile-first strategy, delivering a premium mobile user experience.

On 1 July 2024, BlueBet merged with leading Australian online wagering company, betr, creating a major player in the Australian online wagering market. The company has a world-class board led by prominent Australian wagering industry figures Michael Sullivan and Matthew Tripp, and a highly experienced management team.

***Q4 FY24***  
***INVESTOR PRESENTATION &***  
***APPENDIX 4C***

*July 2024*



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## Authorisation

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# ***TRANSFORMATIONAL MERGER WITH BETR***

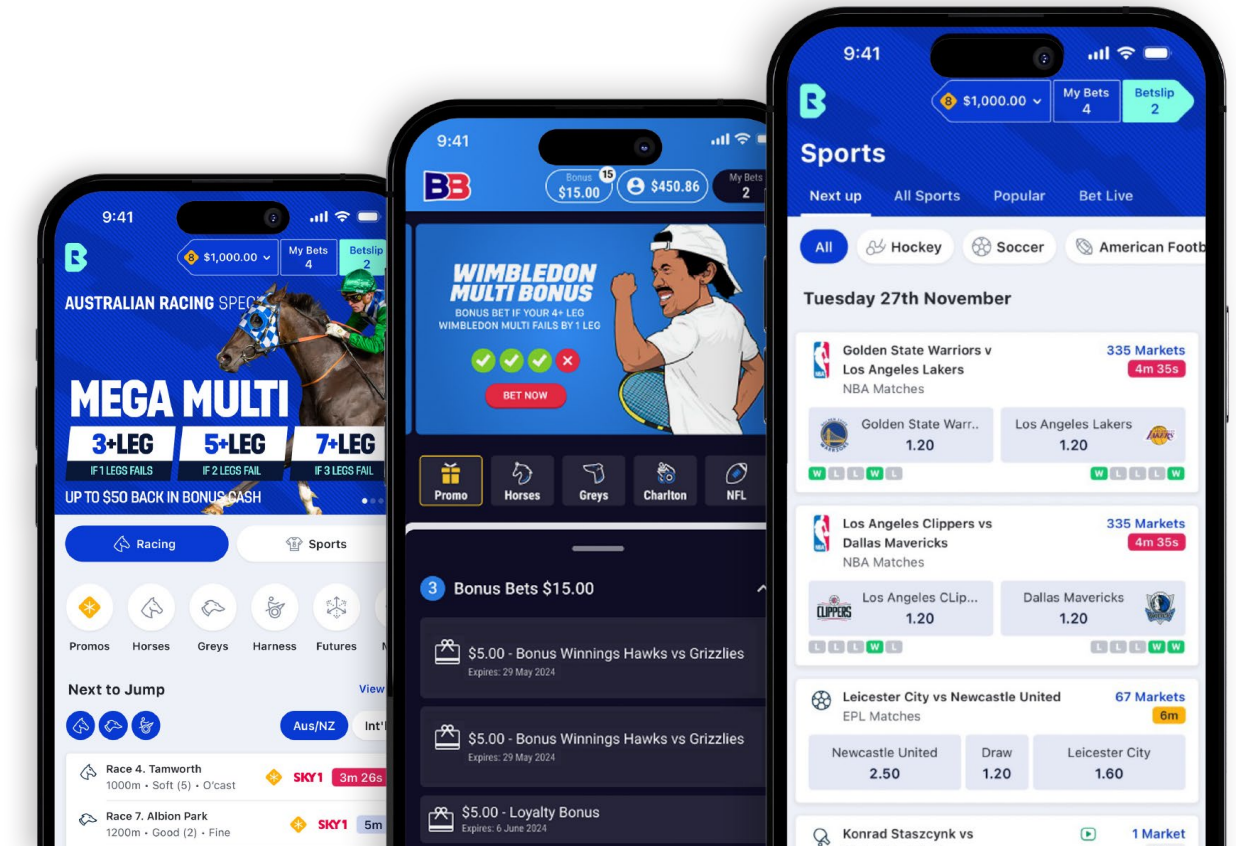


# MERGER AND CUSTOMER MIGRATION OVERVIEW

*Customer Migration on track for Spring Racing Carnival, unlocking the majority of identified cost synergies, simplifying the business and providing a platform for further inorganic growth*

- \$14 million annualised cost synergies identified and bankable
- Product and Technology uplift will enhance customer experience, unlocking the monetisation of the large betr database to drive organic share growth
- Single brand strategy to be announced in mid-August to customers and in place by customer migration
- Repeatable Integration and Technology model will enable the Company to aggressively pursue further inorganic growth opportunities

**The Company to reach monthly EBITDA profitability in H1 FY25 and will be EBITDA positive for FY25**



# SIGNIFICANT OPERATING EFFICIENCIES

*Annualised synergy realisation remains on track with remaining synergies to be achieved upon completion of customer migration by September*

		Status	
1.	<b>IT / technology platform</b> <ul style="list-style-type: none"><li>On track to realise technology platform synergies in September</li></ul>	● On track	\$7.5m
2.	<b>Labour</b> <ul style="list-style-type: none"><li>Labour synergies are on track for September with the implementation of a single management team and removal of overlapping roles</li></ul>	● On track	\$3.0m
3.	<b>Sourcing and procurement</b> <ul style="list-style-type: none"><li>On track to realise synergies as per previous guidance</li></ul>	● On track	\$2.2m
4.	<b>Regulatory &amp; compliance costs</b> <ul style="list-style-type: none"><li>Executed on a rationalisation of licensing and compliance costs from Completion</li></ul>	● Completed	\$1.3m
<b>Expected annualised cost synergies (\$11.0m in FY25)</b>		● On track	\$14.0m
<ul style="list-style-type: none"><li>Savings from moving to one brand (single brand to be announced mid-August) to be reinvested</li><li>Additional revenue synergies (not quantified) have commenced to be realised but will be enhanced moving forward with optimal engagement of the entire customer base leveraging BlueBet's technology platform and shared learnings across CRM, data and trading</li></ul>			
<b>Estimated one-off costs to achieve cost synergies</b> <ul style="list-style-type: none"><li>Comprises migration and decommissioning betr's existing technology platform, redundancies and IT investment</li></ul>		● On track	\$4.0m

*Q4 FY24*  
*BLUEBET GROUP UPDATE*



# Q4 FY24 HIGHLIGHTS

*Strong performance in final quarter before transformational merger with betr*

## ***Transformational merger with betr***

Creation of a profitable, leading Australian wagering operator

## ***Turnover up 19.8% to \$162.5m***

Record quarterly turnover driven by strong market share gains in all product categories

## ***Active Customers<sup>2</sup> up 14.0% to 76,300***

Gaining market share in Australia, with further traction in US B2C markets entering the summer

## ***Strong Net Win margin of 10.9%***

Ongoing outperformance with Group Net Win margin 10.9% driving record Quarterly net win; Australia healthy at 11.3% driven by improved promotion efficiency

## ***US Strategic Review ongoing***

Strategic review progressed with outcome expected to be communicated ahead of FY24 annual results presentation

## ***Second consecutive cashflow positive Qtr for Australia***

Accelerated growth and focus on profitability deliver second cash flow positive quarter

## ***Cash position strengthened***

Successful completion of \$20.0m placement

1. Group is on track to be cashflow neutral in H2 FY24, excluding one-off costs in relation to the betr merger and even without the previously planned cost reduction initiatives which were not enacted in anticipation of the betr transaction
2. Customers who have placed a cash bet in the 12 months preceding the relevant period. Colorado & Louisiana only live for part of the year



# GROUP<sup>1</sup> KEY METRICS DASHBOARD - Q4 FY24

*Continued market share gains and trading performance drives record key metrics in Q4 FY24*

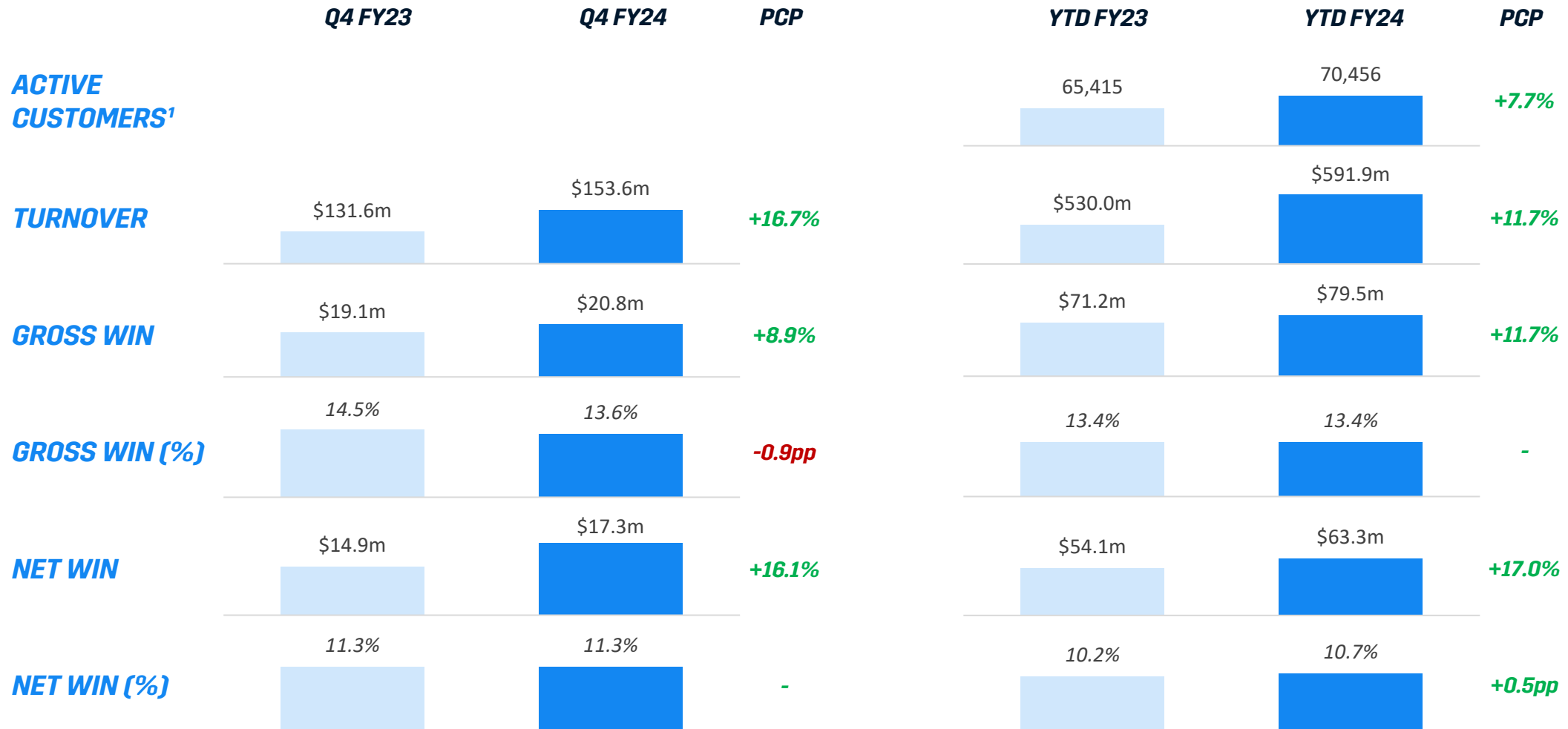


1. All comparisons relate to the prior corresponding period (pcp) unless otherwise stated. Group is BlueBet only (i.e. excludes betr acquisition which completed on 1 July 2024)
2. Customers who have placed a cash bet in the 12 months preceding the relevant period. Iowa only live since 29 August 2022, Colorado from 26 April 2023 and Louisiana from 30 January 2024
3. Australian business only, US excluded given Iowa first bets were August 2022, Colorado April 2023 and Louisiana January 2024

# ***AUSTRALIAN TRADING BUSINESS***

# AUSTRALIA KEY METRICS – Q4 FY24

Accelerating growth momentum and strong Net Win Margin

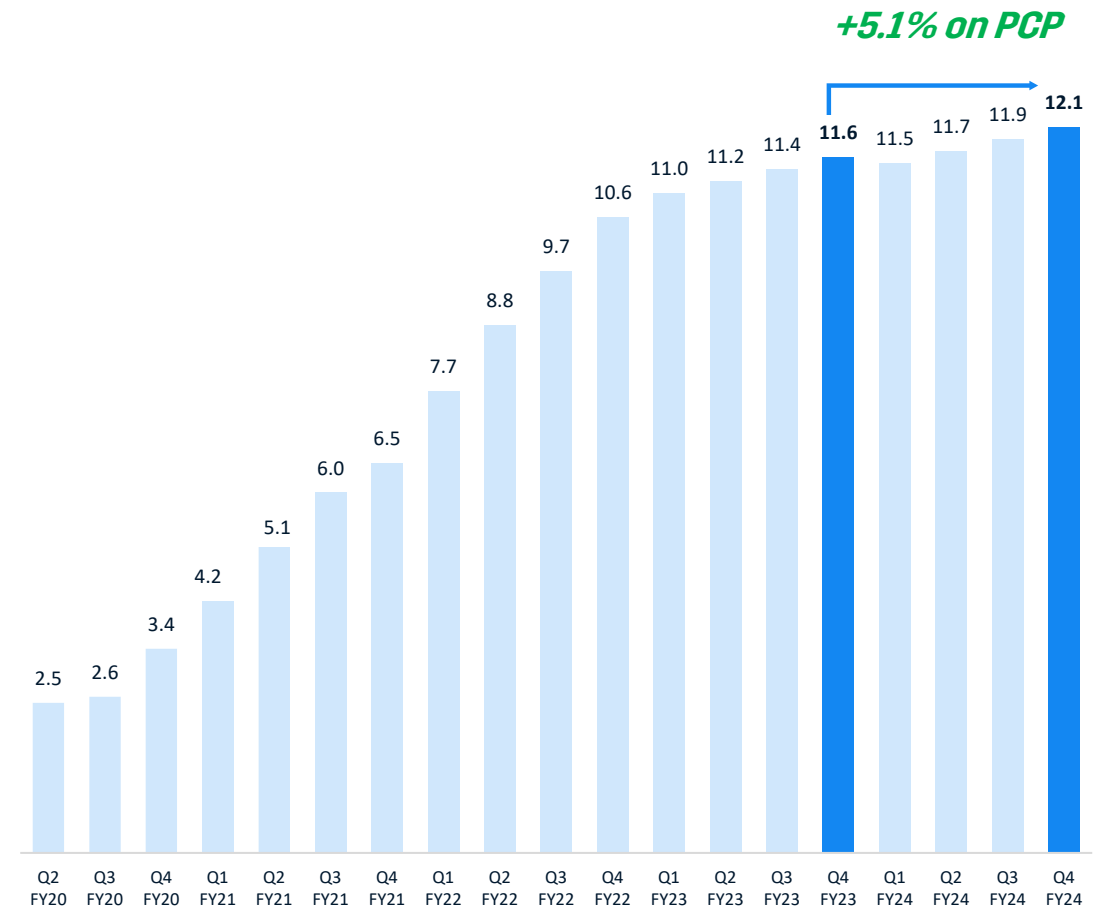
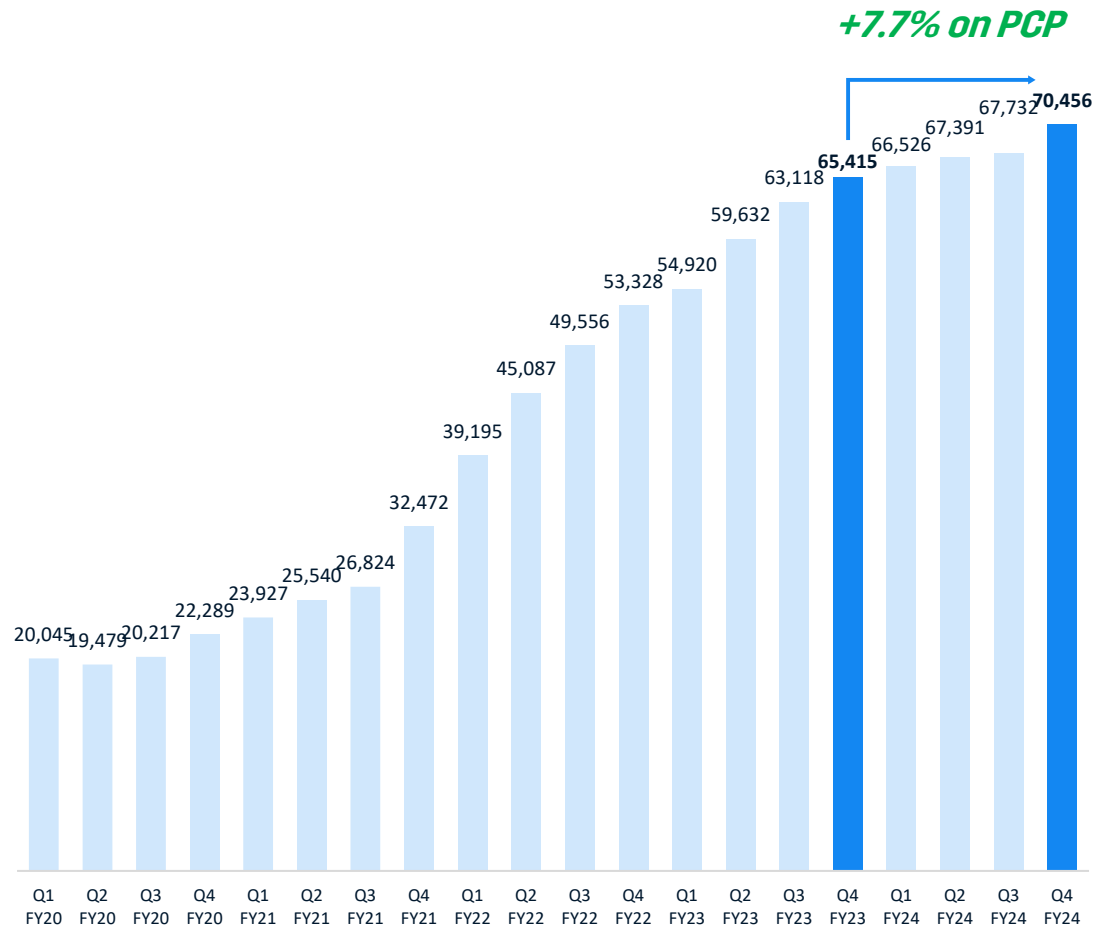


1. Customers who have placed a cash bet in the 12 months preceding the relevant period

# RECORD ACTIVE CUSTOMERS AND BET COUNT<sup>1</sup>

Active Customers up 7.7% to 70,456

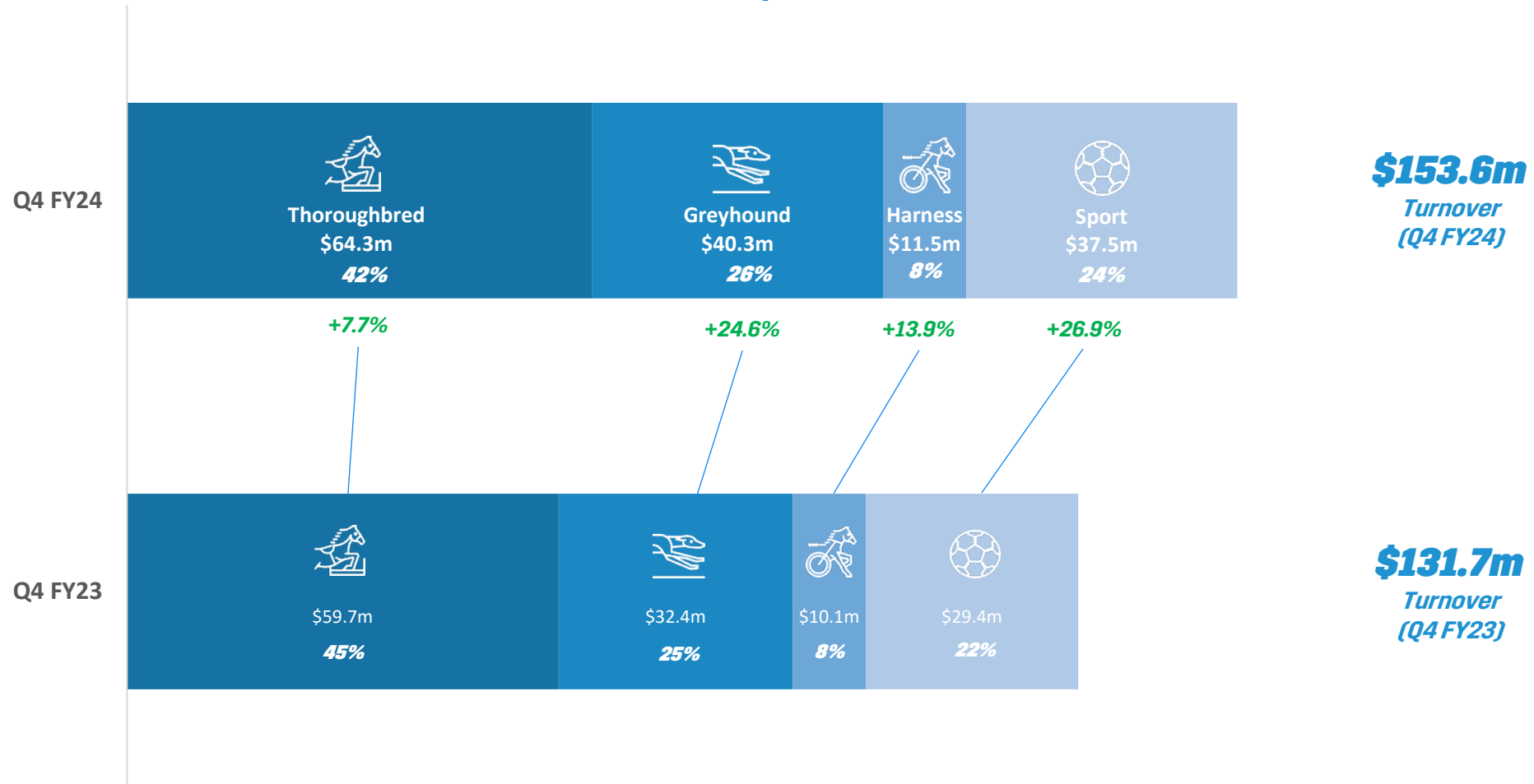
12-month rolling Bet Count over 12.1m



1. Australian trading business

# TURNOVER BY PRODUCT<sup>1</sup>

*Outperforming the market with Turnover up 16.7% to \$153.6m, driven by strong growth across all products*

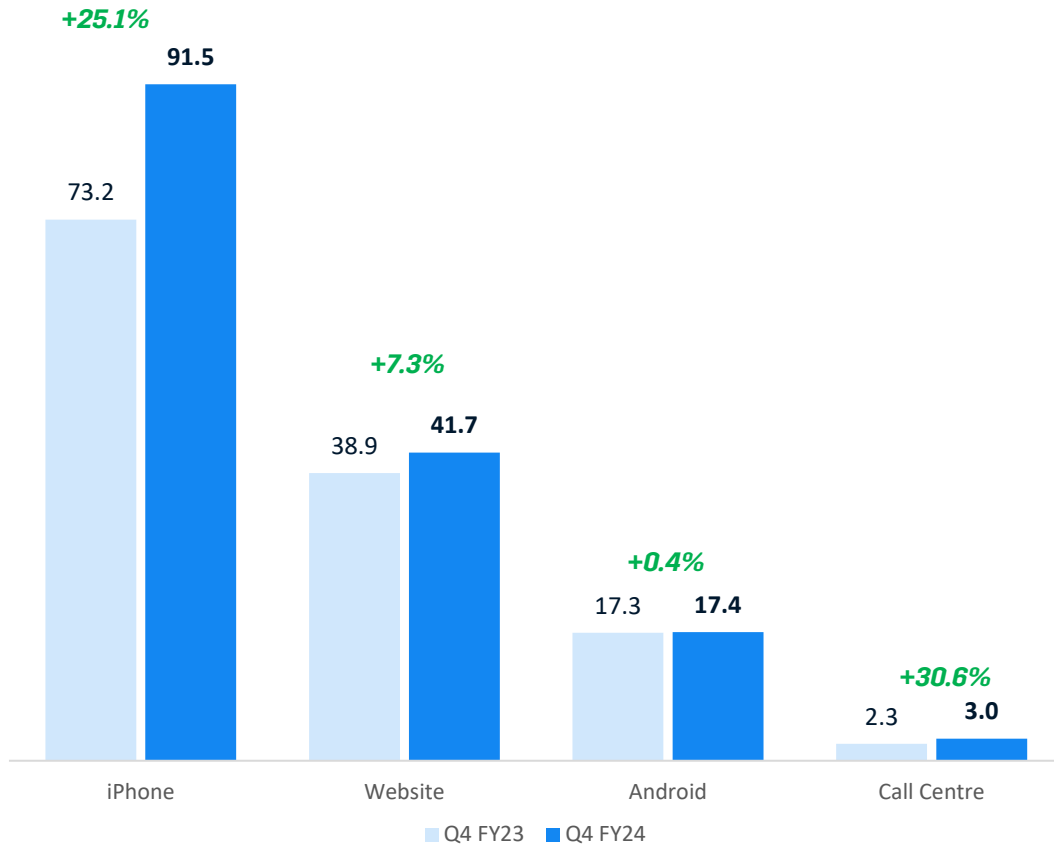


1. Australian trading business

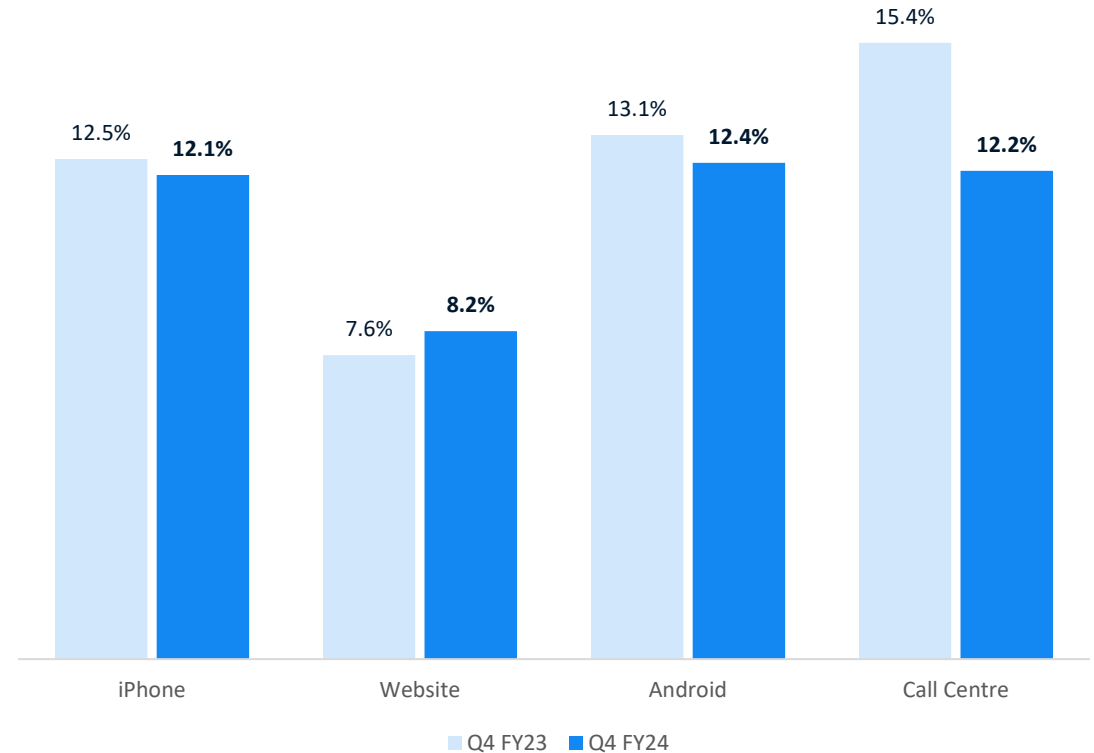
# MOBILE-FIRST FOCUS<sup>1</sup>

*Mobile Turnover 71% of total; margin increasing to 12.2%*

Turnover (\$ million) by channel  
(Q4 FY23 – Q4 FY24)



Net Win Margin % by channel  
(Q4 FY23 – Q4 FY24)



1. Australian trading business

# AUSTRALIAN MARKETING ACTIVITY

## Q4 FY24 Highlights:

Significant improvements in CPA & marketing efficiencies

Further Growth in Customer Value

Leverage brand partnerships to drive acquisition – Dolphins & Podcast partners

Product development – Personalised Promotion Engine

Greater personalisation of campaigns and promos

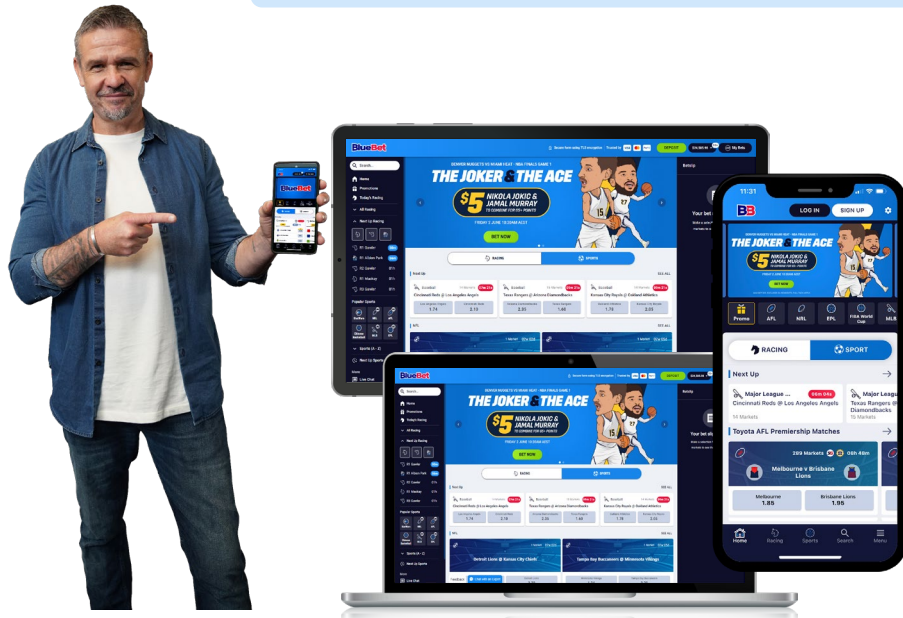
## Focus for Q1 FY25

### Maintain active customer growth

- Customer acquisition via paid social, search, programmatic and affiliates.
- Direct to customer communications to focus on retention – promos and re-activation offers

### Launch Personalised Promotion Engine

- Personalised Promotion Engine to launch on BlueBet product imminently



# ***US MARKET ENTRY***



# UPDATE ON US OPERATIONS

# CLUTCHBET

*Gaining traction in Iowa & Colorado with Louisiana launched in January 2024*

AUD \$m	Q4 FY24	Q4 FY23
Turnover/Handle	8.9	4.0
Gross Win	0.5	0.2
Net Win	0.4	-
Bet Count	55,294	14,660

**Continued product enhancements** with introduction of a new “Parlay Hub” product providing pre-built parlays to ClutchBet players. The investment in product has the business well positioned to expand its B2B offering and white label solution

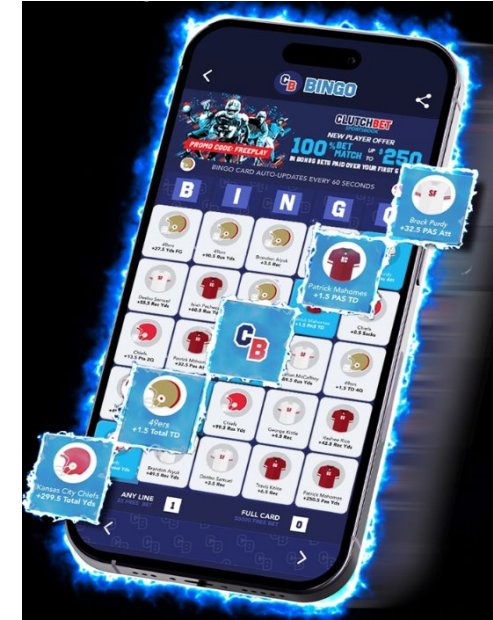
## Strong growth in Louisiana

- Turnover up 190% since launch in FY24Q3
- Turnover per Active Customer up 73% QoQ in FY24Q4

## Drove significant marketing efficiencies across all states

- Full review and optimisation of affiliate partners, reducing affiliate CPA by 30% QoQ in Q4
- 16% reduction in total bonus expenses per Active Customer QoQ in Q4

**Indiana market access terminated and strategic review of US operations underway**



# ***FINANCIALS***

# SUMMARY OF QUARTERLY CASH FLOWS

*Well positioned to execute the transformational merger of betr*

## Q4 cash flow highlights

- Successful completion of \$20m placement
- Net cash from operating activities was an outflow of \$1.5m, with \$1.8m generated in Australia (incl. Corporate costs) offset by (\$3.3m) in the US. The US cash outflow was impacted by phasing of payments from Q3 supporting the NFL season and not reflective of run rate
- Q4 FY24 marketing spend was \$2.2m for Australia and \$0.7m in the US
- The Australian business continued to perform, delivering its second consecutive positive operating cashflow quarter (inclusive of Corporate costs) driven by continued share gains and marketing efficiencies
- On 30 June 2024 the Company's cash balance was \$26.0m, including customer deposits of \$5.0m

\$000'S	Q4 FY24
<b>Cash flows from operating activities</b>	
Receipts from customers (Client deposits)	55,097.0
Payments to customers (Client withdrawals)	(36,827.0)
Payments to suppliers and employees (inclusive of GST)	(19,460.9)
	<b>(1,190.9)</b>
Interest received	76.9
Interest and other finance costs paid	(400.9)
Income taxes refunded / (paid)	-
<b>Net cash used from operating activities</b>	<b>(1,514.9)</b>
<b>Cash flows from investing activities</b>	
Payments for property, plant and equipment	-
Investments	-
Payments for intangibles	(770.1)
<b>Net cash used in investing activities</b>	<b>(770.1)</b>
<b>Cash flows from financing activities</b>	
Proceeds from issues of equity securities	20,000.0
Transaction costs related to issue of equity securities	(1,687.6)
<b>Net cash from/(used in) financing activities</b>	<b>18,312.4</b>
Net increase / (decrease) in cash and cash equivalents	16,027.4
Cash and cash equivalents at the beginning of the quarter	9,896.1
Effects of exchange rate changes on cash and cash equivalents	84.6
<b>Cash and cash equivalents at the end of the quarter</b>	<b>26,008.1</b>

# ***WRAP UP AND QUESTIONS***

## ***IN CONCLUSION***

- Combined business to be EBITDA positive in FY25, delivering first positive monthly EBITDA month in H1 FY25
- Cost synergies to be delivered and on \$14m annualised run rate by January 2025
- Significant product and technology uplift to monetise the betr database
- Single brand to be announced mid-August ahead of customer migration
- US Strategic Review to be finalised at FY24 annual results presentation
- Well positioned to aggressively pursue further inorganic opportunities

**BlueBet**