1. Company details

Name of entity:	BlueBet Holdings Ltd
ABN:	19 647 124 641
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	up	19.8%	to	59,505
Loss from ordinary activities after tax attributable to the owners of BlueBet Holdings Ltd	up	149.1%	to	(46,918)
Loss for the year attributable to the owners of BlueBet Holdings Ltd	up	149.1%	to	(46,918)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the Group after providing for income tax amounted to $46,918,000 (30 June 2023: $18,832,000).

For further details refer to the Annual Report and Directors' Report that follows this Appendix 4E.

EBITDA
Earnings before interest, tax, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards (‘AASBs’) and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	Consolidated	
	2024 $'000	2023 $'000
Loss after income tax	(46,918)	(18,832)
Add: Finance costs	1,399	517
Add: Depreciation and amortisation	5,829	2,773
Less: Income tax benefit	(2,725)	(2,736)
Add: Impairment of US operations	27,163	-
EBITDA	(15,253)	(18,278)

	Underlying Australian earnings *	
	2024 $'000	2023 $'000
Revenue from ordinary activities	57,589	49,065
Underlying Australian earnings	(2,554)	(10,194)

* Underlying Australian earnings have been adjusted to exclude the impact of significant non-recurring items and adjustments and capital raise costs. The Group believes that these underlying Australian earnings are the best measure of viewing the performance of the continuing Australian business. Underlying Australian earnings are a non-IFRS measure. See Review of Operations section of the Annual Report for details.

3. Net tangible assets

	Consolidated 2024 $'000	Consolidated 2023 $'000
Net assets	3,428	28,852
Less: Intangible assets (including right-of-use assets)	(3,385)	(25,390)
Net tangible assets	43	3,462

	Number of shares	
Number of ordinary shares on issue	296,344,439	200,201,228

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.01	1.73

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

All entities including foreign entities are presented in compliance with Australian Accounting Standards (AASB).

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of BlueBet Holdings Ltd for the year ended 30 June 2024 is attached.

12. Signed

Signed ___________________________ Date: 29 August 2024

Michael Sullivan
Executive Chairman
Sydney

ANNUAL REPORT

30 June 2024

BlueBet Holdings Ltd
ABN 19 647 124 641

CONTENTS

CORPORATE DIRECTORY

Directors	Michael Sullivan Executive Chairman Nigel Payne Non-Executive Director Matthew Tripp Non-Executive Director Benjamin Shaw Non-Executive Director Tim Hughes Non-Executive Director
Company secretary	Laura Newell
Address	Level 8, 210 George Street Sydney NSW 2000
Notice of annual general meeting	The annual general meeting of BlueBet Holdings Ltd will be held on or about **28 November 2024**. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after despatch. In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the company by **5:00pm (AEST) 25 September 2024**.
Registered office	**BlueBet Holdings Ltd** Level 9, 8 Spring Street Sydney, NSW 2000
Share register	**Boardroom Pty Limited** Level 8, 210 George Street Sydney, NSW 2000
Auditor	**Ernst & Young** 200 George Street Sydney, NSW 2000
Solicitor	**Gilbert + Tobin** Level 35, Tower 2 200 Barangaroo Avenue Barangaroo, NSW 2000
Stock exchange listing	BlueBet Holdings Ltd shares are listed on the Australian Securities Exchange (ASX code: BBT)
Website	www.bluebet.com.au
Business objectives	In accordance with Listing Rule 4.10.19 the company confirms that the Group has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of ASX since its admission to the end of the reporting period in a way that is consistent with its business objectives.
Corporate governance statement	BlueBet Holdings Ltd and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. BlueBet Holdings Ltd has reviewed its corporate governance practices against the Corporate Governance Corporate Governance Council. Principles and Recommendations (4th Edition) published by the ASX. Details of the corporate governance report is available on the company's website at www.bluebetplc.com/corporate-governance

LETTER FROM THE CHAIR

Dear shareholder,

On behalf of the Board of Directors, I am pleased to present BlueBet's 2024 Annual Report, as the Company enters a new era following our transformational merger with betr.

The merger creates a leading Australian wagering operator, bringing together BlueBet's best-in-class technology platform with betr's large and high-quality customer base, with a deeply experienced team and Board setting us up for the next exciting chapter of our growth.

As we enter this new era, I want to reflect on BlueBet's journey as a listed company to date.

We started BlueBet in 2015 as a 'mobile-first' company with a vision to provide innovative wagering products to customers of Australian and international racing and sports.

We listed on the ASX in July 2021, with a plan to be a leading challenger in the Australian online wagering market. BlueBet delivered rapid growth as a parochial challenger brand – 'The True Blue Bookie' – growing to over 76,000 customers and $633 million of annual turnover this year.

Our strong growth in Australia was delivered alongside a phased entry in the nascent US market using a differentiated "Capital Lite" strategy.

At the time of our IPO, the US market showed significant potential, as the world's largest economy with a significantly underdeveloped legal sports wagering market projected to reach up to US$13.5 billion by end 2025[1].

However, the US market has been challenging for all operators since that time. Slower than anticipated regulation, particularly in the iGaming space, has hampered market growth and hindered SaaS B2B deals, which we initially saw as the more attractive opportunity for BlueBet in the US market. Unsurprisingly, the market has become increasingly competitive and concentrated, with consolidation and exits from smaller players having accelerated over the last 12 months.

Alongside the merger, the Board announced a strategic review to evaluate the Company's future direction. In August, following the announcement of the rebrand of our Australian consumer-facing operations to betr, we announced our intention to exit from the US, with the Board determining that the optimal investment of shareholders' funds is to focus our investment and operational effort on growing our core domestic business where we have a sustainable competitive advantage via our technology platform, increased scale and experienced team.

As a result, BlueBet will be the only operator of scale in Australia that is solely focused on the domestic market, and we are highly confident that our investment in Australia will deliver outstanding experiences for our customers and create value for our shareholders.

Our "Capital Lite" market entry strategy limited our investment in the US to a fraction of other players that have since exited the market.

1. *Frost & Sullivan (Prospectus reference)*

Now, as we prepare to enter the next era of our growth as an Australia-focused operator, I am excited by the opportunity ahead of us at an important moment for our industry.

I have worked in this industry for over 30 years and have seen many cycles, and I am confident that high-quality operators who operate responsibly will retain their social licence to operate.

At BlueBet, we are committed to the highest standards of responsible gambling. We participated in the government inquiry into online gambling and continue to prioritise investments in advanced technology solutions to protect our customers. This is a crucial aspect for the long-term sustainability of the industry and we will continue to adapt to the evolving regulatory environment.

I would like to thank the BlueBet team for their contribution over our journey and in FY24. Bringing together two businesses is not easy, and the diligence and dedication shown by both teams is a testament to their quality.

Our team is now led by Andrew Menz, who commenced as CEO on 1 July, taking over from Bill Richmond who became COO. Alongside Darren Holley, who continues as CFO, we have one of the leading executive teams in the industry.

We also benefit from one of the most experienced Boards, with Matthew Tripp, Benjamin Shaw and Tim Hughes having been appointed as Non-Executive Directors.

I have personally known Matthew Tripp for three decades, and his track record as one of our industry's great operators is unquestionable. In January 2025, I will hand over the Chairmanship of the Company to Matthew, and I am certain he will lead the Board with distinction.

On behalf of the Board, I would like to thank Tim Worner and David Fleming, who resigned as directors on completion of the merger, for their contributions to the business. Bill Richmond also stepped down from the Board, and we are fortunate to retain his experience in an executive capacity.

Looking ahead, I am confident that our combined team, market-leading technology and focused strategy positions us strongly for success.

I would like to thank the shareholders of both companies for supporting the merger, which I strongly believe creates a platform for significant future value creation.

Michael Sullivan
Executive Chairman

LETTER FROM THE CEO AND COO

Dear shareholder,

We are pleased to present a co-authored letter from our COO Bill Richmond (who was CEO for the entirety of FY24) and Andrew Menz, who became CEO on 1 July 2024 following the Company's merger with betr.

Before we look ahead to the future, we would like to touch on the company's strong trading performance in FY24.

STRONG FY24 PERFORMANCE

In our final year as a standalone entity, BlueBet delivered another strong performance, with record Turnover and Net Win in Australia as we continued to outperform the market.

Active customers reached 70,456, up 7.7% on FY23. Turnover was up 11.6% to $591.5 million, with Net Win increasing 17.0% to $63.3 million.

We recorded a normalised EBITDA loss of $12.9 million (net of acquisition transaction costs), which included a profit of $3.3 million for the Australian business, which delivered our first EBITDA positive full year result since IPO.

The Company expects to reach monthly EBITDA profitability in H1 FY25 and will be EBITDA positive for FY25, as we rapidly and aggressively deliver the synergies promised by the merger and continue to capture market share and drive profitable growth.

A NEW ERA BEGINS

Having announced the merger in April and completed on 1 July 2024, we have swiftly integrated the two businesses and created the right-sized organisation to fuel our ambitious growth plans.

As at the end of August (two months post completion), our team has;

- successfully migrated betr's customer base onto the BlueBet platform, providing a material uplift in customer experience;
- rebranded the consumer facing "BlueBet" brand to betr, in order to leverage the significant investment in that brand and its younger, sports focussed positioning;
- delivered a material uplift to the look and feel of our native apps and website, with a customer interface that undeniably lives up to customer's expectations in this highly competitive market;
- launched new features, including a personalised promotions engine, offering generosity to customers on near a 1:1 level, enhancing the perception of value and heightening our generosity efficiency and therefore bolstering Net Win percentages;
- finalised and implemented our new organisational design, with one team now fully integrated across Sydney, Darwin and Melbourne, which is right-sized, full of the industry's top talent and which has allowed us to exceed the announced labour synergy target;
- undertaken the US strategic review and prepared a plan for the exit from BlueBet's US business; and
- achieved the vast majority of the technology related synergies ahead of budget and made significant progress as regards the sourcing and procurement synergy target.

SINGLE BRAND

With betr's extraordinary launch campaign having generated strong brand recognition and positive sentiment from Australian punters, in August we announced that we would adopt the betr name and branding for our Australian consumer facing operations.

The single brand strategy will enable us to gain marketing efficiencies, grow brand awareness and provides a clear pathway to sustainable and profitable growth. We believe that the betr brand positioning also provides the ideal platform for us to leverage our inorganic growth strategy to materially grow share in Australia.

TECHNOLOGY

Our market-leading technology will continue to provide us with the platform to deliver a world-class wagering experience, driving greater engagement and monetisation of our customer base.

As has been communicated previously, the technology platform is ripe for innovation and that is evidenced by the rapid development efforts as part of the migration, rebrand and product uplift projects that we have now completed.

Our deeply experienced product and technology teams will now be solely focussed on the Australian market, which is a differentiated position from all of our key competitors. We believe this focus is what will allow us to innovate rapidly and bring new products to market, enabling us to profitably grow share.

> "With betr's extraordinary launch campaign having generated strong brand recognition… in August we announced that we would adopt the betr name and branding for our Australian consumer facing operations.

SYNERGIES

The realisation of cost synergies, expected to be $14.0 million per annum, remains on track, with regulatory and compliance synergies already fully realised and the vast majority of the remaining synergies being realised with completion of the migration.

CUSTOMER MIGRATION

We are extremely proud of the team's efforts to complete the migration of betr's customers move onto the BlueBet platform ahead of the important Spring Racing Carnival period. The process was completed in only eight weeks, which is a record for the sector by a considerable margin and underscores the talent and capability in our business that has been honed over many migrations, to execute future inorganic growth opportunities.

We are excited about the positive changes this migration will bring, as key improvements have already been made, including making the most popular features for betr customers available on the BlueBet platform. The BlueBet platform has undergone a major user experience uplift, and our personalised promotions engine offers us greater efficiency across the entire customer base.

We enter into an exiting period following the customer migration and rebrand, with AFL/NRL finals and spring racing on the horizon. We will leverage all of the enhancements made to the product, together with a highly-targeted, digital marketing campaign to support the retention and growth of our customers over this critical period, whilst continuing to acquire new customers in cost effective channels.

LOOKING TO THE FUTURE

Our focus on the customer experience and investment in our product and technology makes us confident that we are uniquely positioned to attract more customers in Australia and capture an even larger share of the market.

We can also leverage the strengths of a scalable technology platform and experienced leadership team to accelerate the consolidation of the fragmented Australian market. We firmly believe that we are the natural consolidator of this market, with a track record of successful and accretive M&A as has been evidenced in our deliverables since completion of the merger.

We would like to thank our Executive Chair, Michael Sullivan, and the Board for their support and guidance during the merger. Thanks also to the combined team of BlueBet and betr, who have come together united around a purpose to provide a differentiated wagering experience for our customers.

We are genuinely excited with the early success we've had so far and excited at the opportunities ahead of us. We will continue to invest in our business in a disciplined way, with a focus on generating the best returns on capital and maximising value for shareholders.

Regards

Andrew Menz (CEO) and Bill Richmond (COO)

> **We continued to outperform the market. Active customers reached 70,456, up 7.7% on FY23. Turnover was up 11.6% to $591.5 million, with Net Win increasing 17.0% to $63.3 million.**

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of BlueBet Holdings Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

DIRECTORS

The following persons were directors of BlueBet Holdings Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michael Sullivan	Executive Chairman
Nigel Payne	Non-Executive Director
Matthew Tripp	Non-Executive Director (appointed on 1 July 2024)
Benjamin Shaw	Non-Executive Director (appointed on 1 July 2024)
Tim Hughes	Non-Executive Director (appointed on 1 July 2024)
William (Bill) Richmond	Director and Chief Executive Officer (appointed on 14 January 2021, resigned as Director on 1 July 2024)
Tim Worner	Non-Executive Director (appointed on 7 June 2021, resigned on 1 July 2024)
David Fleming	Non-Executive Director (appointed on 7 June 2021, resigned on 1 July 2024)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were the offering of sports and racing betting products and services to online and telephone clients, via its innovative online wagering platform and mobile applications.

DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

REVIEW OF OPERATIONS

The loss for the Group after providing for income tax amounted to $46,918,000 (30 June 2023: $18,832,000).

EBITDA

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	CONSOLIDATED	
	2024 $'000	2023 $'000
(Loss) after income tax	(46,918)	(18,832)
Add: Interest expense	1,399	517
Add: Depreciation and amortisation	5,829	2,773
Less: Income tax benefit	(2,725)	(2,736)
Add: Impairment of US operations	27,163	-
EBITDA	**(15,252)**	**(18,278)**

	UNDERLYING AUSTRALIAN EARNINGS[1]	
	2024 $'000	2023 $'000
Revenue	57,589	49,065
Underlying Australian Earnings	**(2,544)**	**(10,374)**

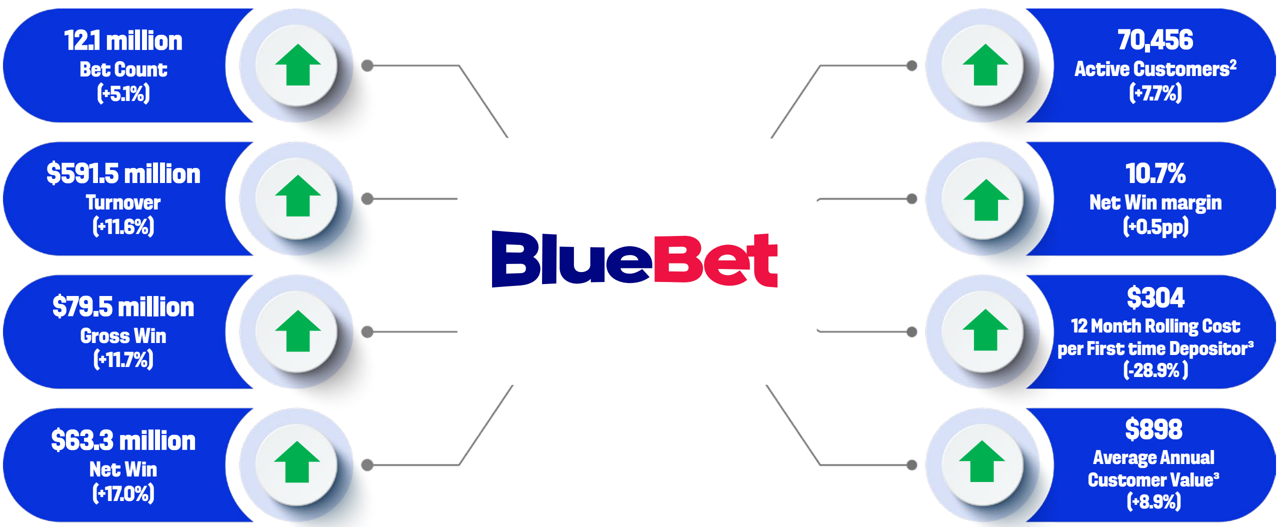
1. *Underlying Australian Earnings have been adjusted to exclude the impact of significant non-recurring items and adjustments and capital raise costs. The Group believes that these underlying Australian earnings are the best measure of viewing the performance of the continuing Australian business. Underlying Australian earnings are a non-IFRS measure. See Review of Operations section of the Annual Report for details.*

OPERATING AND FINANCIAL REVIEW

BlueBet reported strong growth across the following key metrics:

BLUEBET AUSTRALIA – FY24 PERFORMANCE (A$'M)[1]

Finishing FY24 with strong momentum in Australia and growth in all key markets



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.*

KEY PERFORMANCE INDICATORS - AUSTRALIA

BlueBet delivered strong results, driven by continued market share gains with the business outperformaing the market due to sustained product investment and disciplined use of promotons

	FY23	FY24	PCP
ACTIVE CUSTOMERS[1]	65,415	70,456	+7.7%
TURNOVER	$530.0m	$591.5m	+11.6%
GROSS WIN	$71.2m	$79.5m	+11.7%
GROSS WIN (%)	*13.4%*	*13.4%*	-
NET WIN	$54.1m	$63.3m	+17.0%
NET WIN (%)	*10.2%*	*10.7%*	+0.5pp

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

AUSTRALIA

Revenue:	**$57.6m**
EBITDA:	**$3.3m**

Review of Performance

- A Record Revenue result of $57.6 million was achieved, up 17.0% compared with FY23
- Promotional efficiency continued to improve, driving increased net win margins. Promotions as a percentage of Gross Win improved to 20.4% from 24.0% in the PCP
- Segment EBITDA result of $3.3 million compared to ($5.8 million) delivered in FY23 and was the first full year positive EBITDA result since IPO
- EBITDA positive (inclusive of Corporate) in H2 FY24, establishing a platform for profitable future growth
- Strong Q4 metrics show strong momentum leading into FY25 and merger with betr

- Active customers up 7.7% to 70,456 on 40% reduced marketing spend. By focusing on more efficient channels 12 month rolling Cost per First Time Depositor reduced 29% to $304 providing an attractive 3x return to Annual Customer value
- New compliance measures were implemented in FY24 which included:
  - Integration of National Self Exclusion Register
  - Monthly Activity Statements to all active customers
  - Banning credit cards to fund accounts
  - Increased RSG monitoring and intervention

UNITED STATES

Revenue:	**$0.8m**
Normalised EBITDA:	**($10.4m)**

Review of Performance

- Having listed on ASX in 2021 with a plan to enter the US market with a differentiated two stage strategy, BlueBet has announced its exit of the US market post-year end, following the conclusion of a strategic review
- Whilst the Company believes that the long-term opportunity exits in the US market, the Board determined that the best investment of shareholder funds over the short to medium term is in expanding its core Australian operations where the company has a sustainable competitive advantage
- The decision to exit the US comes as slower than expected regulation has hampered total market growth and hindered interest in the Company's B2B SaaS platform, which BlueBet views as a significant opportunity
- Further, the industy dynamics in the US B2C market are such that scale players are currently dominant with smaller operators unable to achieve the necessary unit economics – driving a recent wave of condolidation and exits, which is likely to continue into FY25
- BlueBet's conservative "Capital-Lite" market entry strategy limited its investment in the US market. Excluding one-off costs, this will offer the Company the flexibility to redeploy the $6 million to $8 million per annum in cost savings realised from the US exit to fuel growth in its core Australian operations
- Importantly, the Company maintains ownership of its highly scalable, proprietary international sportsbook technology and will continue to pursue further monetisation of its technology assets in the US and internationally

CORPORATE

- In April 2024, the Company announced the transformational merger wiith betr. This was completed on 1 July 2024 and will create a profitable, leading Australian focused online wagering operator
- Following the announcement of the merger, the Company strengthened its cash position following the successful completion of $20.0 million placement
- The merger brings together BlueBet's best-in-class technology platform with betr's large and high-quality customer base and positions the Company for significant growth in the core Australian market

A NEW ERA BEGINS

Having completed the merger on 1 July 2024, the Company has swiftly integrated the two businesses, including:

- Successfully migrated betr's customer base onto the BlueBet platform, providing a materrial uplift in customer experience. This was successfully executed on 28 August 2024 with migration completed in only 8 weeks
- Rebranded the consumer facing "BlueBet"brand to betr
- Finalised and implemented our new organisational design, with one team now fully integrated across Sydney, Melbourne and Darwin offices
- On track to deliver $14.0 million in annualised cost savings, $11.0 million being realised in FY25 (gross of realisation costs)
- Completed the US Strategic review with that market exit announced so that the Company will be laser focused on growing market share in the Australian market
- Product enhancements will deliver an all-new betting experience with market leading features, including
    - Faster, fresher design delivering speed and ease of use
    - Enhanced Same Game Multi and Live Betting Experience
    - Faster bet and promotions settlement, instant withdrawals
    - Personalised promotions engine providing more choice over customers offers

MATERIAL BUSINESS RISKS TO STRATEGY AND FINANCIAL PERFORMANCE IN FUTURE PERIODS

Identifying and managing risks which may affect the success of the company's strategy and financial prospects for future years is an essential part of the company's governance framework. While the Group has a strong track record of managing a multitude of risks, some inherent risks remain, many of which are not directly within the control of the Group.

The Company's risk management approach involves the ongoing assessment, monitoring and reporting of risks which could impede the company's progress in delivering the company's strategic priorities. As the business continues to grow, the material business risk profile evolves.

The material business risks affecting the Group are set out below. The Group may also face a range of other risks from time to time in conducting its business activities.

1) THE WAGERING INDUSTRY IS HIGHLY REGULATED

The provision of wagering services is subject to extensive laws, regulations, permits and approvals. These Regulations vary from jurisdiction to jurisdiction, but typically address the responsibility, financial standing and suitability of licensed operators, their suppliers and their respective owners, Directors and key employees, locations where licensed operations are permitted, wagering activity, marketing and promotional activity, the payment of fees, reporting of integrity-related matters, the use of personal data, and anti-money laundering and counter-terrorism practices. In addition, compliance costs associated with Regulations are material.

a. Changes to Regulations

Many of the Regulations are subject to change; for example, restrictions on types of betting products, restrictions on deposit methods and the risk of increased regulation or restrictions relating to the advertising of wagering products. Regulatory authorities may also change their interpretation of the Regulations at any time, which may restrict or further regulate the Company's operations in the future. Changes to Regulations may result in additional costs or compliance burden for the Company. Some aspects of compliance may be outside the control of the Company.

b. Breach of Regulations

In addition, any failure by the Company (or BlueBet, as applicable) to comply with relevant Regulations may lead to penalties, sanctions or ultimately the amendment, suspension or revocation of relevant operating licences, approvals or permits and may have an impact on licences, approvals or permits in other jurisdictions. Further, any regulatory investigations or settlements could cause the Company to incur substantial costs (for example, by way of fines and penalties, or because of successful customer claims, and seeking external professional advice and assistance), or require it to change its business practices in a manner materially adverse to its business.

c. *Increases in Product Fees, Levies and Taxes*

BlueBet has commercial and regulatory payment obligations in the jurisdictions in which it operates. These obligations may be owed to a particular sporting body as "product fees" (for example, horse racing conducted in an Australian jurisdiction), payable under a commercial or statutory licence, or otherwise imposed by law as a tax, levy, or fee. Any adverse changes to BlueBet's existing payment obligations, in respect of Product Fees and Taxes (for example, an increase to Product Fees payable in connection with thoroughbred horse racing in a particular state), or the imposition of new payment obligations on BlueBet (for example, the imposition of a fee on BlueBet in respect of the national self-exclusion register) and any new levies, taxes or other duties or charges in any relevant jurisdictions, could materially and adversely affect the Company's Cost of Sales and therefore affect the level of profit generated from operations.

2) SYSTEM DISRUPTIONS AND OUTAGES

BlueBet relies on the constant real-time performance, reliability, and availability of its technology system, including in relation to its website and mobile apps. There is a risk that these systems may fail to perform as expected or be adversely impacted by several factors, some of which may be outside of BlueBet's control. These include data losses, computer system faults, internet and telecommunications or data network failures, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks. This may cause part or all BlueBet's technology systems and/or the communication networks to become unavailable. Like other wagering operators, there is a risk that repeated failures to BlueBet's technology system may result in a decline in the number of customers using BlueBet's wagering platform and have a material adverse effect on the operations and financial performance of the Company.

3) RISKS ASSOCIATED WITH DATA PROTECTION AND CYBER SECURITY

Through the ordinary course of business, BlueBet collects and maintains confidential or personal information about its customers. BlueBet also outsources the collection, storage, and processing of credit card details for customers to an authorised third party. Personal information is segregated to a secure database behind firewall protection and financial data is encrypted and firewall protected. Although BlueBet has cyber-security policies and procedures in place, there is a risk that cyber-attacks may compromise, or breach technology systems used by BlueBet to protect confidential or personal information. Any data security breaches or BlueBet's failure to protect confidential or personal information could cause significant disruption to BlueBet's business and trigger mandatory data breach notification obligations. They may also result in the loss of information integrity, breaches of BlueBet's obligations under applicable laws or agreements, legal complaints and claims by customers, and regulatory scrutiny and fines. Any of these could cause significant damage to BlueBet's reputation, which may affect our ability to retain or attract new customers and have a material adverse impact on the financial position and performance of BlueBet.

4) ANTI-MONEY LAUNDERING / COUNTER-TERRORISM FINANCING

The wagering industry is exposed to vulnerabilities such as money laundering and there is a risk that BlueBet's products may be used for those purposes by its customers or employees. In addition, the Company's activities are subject to anti money laundering regulations and anti-corruption laws, which may increase the costs of compliance, limit or restrict the Company's ability to do business or subject the Company to enforcement action that may include civil or criminal actions or proceedings. If applicable anti-money laundering laws or regulations are breached, the Company's business, performance, reputation, prospects, value, financial condition, and results of operations could be adversely affected.

5) RELIANCE ON KEY PERSONNEL

The Company depends on the services of the management team as well as its technical, operational, marketing and management personnel. Competition for suitably qualified personnel is significant. If the Company is not able to retain its key employees and attract appropriate new employees, it may not be able to operate and grow as the Company had planned.

6) COMPETITORS AND NEW MARKET ENTRANTS

The wagering industry is highly competitive. Other more well established, well-resourced companies offer products and services that compete with BlueBet. These competitors may spend more money and time on developing and testing products and services, undertake more extensive marketing campaigns, adopt more aggressive pricing or promotional policies, have greater resources to make acquisitions or enter into strategic partnerships, have larger and more mature intellectual property portfolios, have substantially greater financial, technical, and other resources or otherwise develop more commercially successful products or services and therefore potentially limit BlueBet's growth.

7) THE COMPANY MAY REQUIRE ADDITIONAL CAPITAL TO FUND ITS GROWTH PLANS

The Company may require additional capital in order to support and implement its future inorganic growth plans. The Company's ability to obtain additional capital, if and when required, will depend on its business plans, investor demand, the capital markets, and other factors. If the Company is unable to obtain additional capital when required or is unable to obtain additional capital on satisfactory terms, its ability to continue to support its business growth or to respond to business opportunities, challenges or unforeseen circumstances could be adversely affected.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Group successfully raised $20 million from the issue of additional shares.

There were no other significant changes in the state of affairs of the Group during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 1 July 2024, BlueBet Pty Ltd acquired the business of NTD Pty Ltd ('NTD'), which operated the sports betting brand 'betr' in Australia.

The acquisition included NTD's customer database and brand name. The Group also assumed all non-overdue liabilities including the novation of NTD's operating leases, contracts and the employment of NTD staff.

The fair value of the consideration paid for NTD's business was $50,424,000, paid via the issuance of 265,389,465 shares at $0.19 in BlueBet Holdings Limited. This reflects 47.24% of the voting rights of BlueBet Holdings Limited. Included in the consideration paid for NTD's business was 90,242,070 shares issued to Matthew Tripp, held indirectly via YAST Investments Pty Ltd.

As at the date of signing this report the business combination accounting is incomplete. The Group expects the key identifiable assets and liabilities of the acquisition to relate to intangible assets (such as client database), customer deposits, office leases, and cash and cash equivalents.

Additional to the above, the Group is in the process of exiting the US market which will free up significant cashflow to take further market share in Australia.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information relating to the likely developments in the operations of the Group and the expected results of those operations in future financial years is set out in the review of operations section above and elsewhere in this report.

ENVIRONMENTAL REGULATION

The Group is not subject to any significant environmental regulation under Australian Commonwealth, Australian State or any US law.

INFORMATION ON DIRECTORS

Name:	Michael Sullivan
Title:	Executive Director - Chairman
Qualifications:	Licenced bookmaker since 1988
Experience and expertise:	Michael Sullivan commenced as a bookmaker in Brisbane in 1988 and was the CEO of Sportingbet Australia/William Hill until 2014. During his 13 years as CEO of Sportingbet Australia, Michael grew the company into one of Australia's leading online corporate bookmakers. Michael also served as an adviser to the Sportingbet PLC board as it expanded its international operations. In 2012, Sportingbet acquired competitor Centrebet and integrated Centrebet into its technology platform. Under Michael's leadership, the combined entity generated annual turnover of circa $3 billion, and became the subject of an acquisition from William Hill. The business sold for $660 million in March 2013. Michael remained as CEO of William Hill Australia to oversee the acquisition of tomwaterhouse.com, and following the integration of that business Michael departed William Hill Australia in April 2014 and founded BlueBet, which has repeated the early growth of Sportingbet Australia. Michael's depth of experience in the Australian and international wagering market is invaluable to the success of BlueBet's strategy.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Board
Interests in shares:	88,919,798 ordinary shares
Interests in options:	804,823 options over ordinary shares
Interests in performance rights:	2,673,341 performance share rights

Name:	Nigel Payne
Title:	Non-Executive Director
Experience and expertise:	Nigel Payne has over 30 years' experience as chairman, chief executive, director and non-executive director of some of the United Kingdom's pre-eminent private and quoted businesses both within and outside of the online gambling industry. Nigel is the former CEO of FTSE 250 Listed Sportingbet plc, one of the then largest internet gambling businesses in the world. Nigel has been involved in the listing of 18 businesses on the London Stock Exchange, and is presently the Chairman of UK AIM market-listed law firm Gateley (Holdings) plc and the Chairman of UK Main Market-listed Braemar Shipping Services plc. Nigel is also a non-executive director of UK AIM market listed GetBusy plc, ASX listed Sun International Limited as well as being a non-executive director of Ascot Racecourse Betting and Gaming Limited, and computer games specialists Green Man Gaming Limited and Kwalee Limited. Nigel is the former Chairman of UK AIM market-listed Stride Gaming plc, EG Solutions plc and ECSC Group plc.
Other current directorships:	Sun International Limited, Braemer plc, Gateley plc, GetBusy plc, Ascot Racecourse Betting and Gaming Limited, Green Man Gaming, Kwalee Limited
Former directorships (last 3 years):	None
Special responsibilities:	Chairman and Member of the Audit and Risk Committee Chairman and Member of the Remuneration and Nomination Committee
Interests in shares:	None
Interests in options:	None
Interests in performance rights:	None

Name:	Matthew Tripp
Title:	Non-Executive Director
Experience and expertise:	Matthew Tripp has extensive experience over more than 20 years as an investor, executive and board member across various landmark businesses within the Australian wagering landscape. In 2005, Matthew acquired Sportsbet and was its CEO until the business was sold to Paddy Power in 2011. Subsequently, Matthew founded BetEasy which he grew into one of Australia's largest corporate bookmakers both organically and inorganically, including via the acquisition of William Hill Australia, before divesting to Stars Group. Matthew was the founding shareholder, largest investor and Chairman of betr and is also Chairman of Melbourne Storm and the Sunshine Coast Lightning.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	99,765,879 ordinary shares
Interests in options:	None
Interests in performance rights:	None

Name:	Benjamin Shaw
Title:	Non-Executive Director
Experience and expertise:	Benjamin Shaw has extensive private and listed company board level experience and is Managing Partner of Romana Capital LLP. Benjamin was a founder of the Marwyn Group, a London based investment and advisory business where significant portfolio companies included Entertainment One plc (ETO), Advanced Computer Software plc (ASW) and Breedon Aggregates plc (BREE). In the gaming sector Benjamin was a founder of Talarius plc, the leading UK operator of slot machines, that was listed in London, and which was subsequently acquired by Macquarie Bank and Tattersalls. Benjamin divides his time between London and Melbourne.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee Member of the Remuneration and Nomination Committee
Interests in shares:	None
Interests in options:	None
Interests in performance rights:	None

Name:	Tim Hughes
Title:	Non-Executive Director
Qualifications:	Bachelor of Business, University of Technology, Sydney
Experience and expertise:	Tim Hughes is an experienced corporate executive and company director with a diverse 35-year career spanning media, financial services, wagering and gaming, funds management and marketing and communications. He has previously served as Chairman of Macquarie Media Ltd, Enero Group Ltd and RG Capital Radio Ltd, and as a Director of Grundy Worldwide Ltd, AWA Ltd, Sunshine Broadcasting Ltd, WAM Capital Ltd and Etrade Australia Ltd.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	500,000 ordinary shares
Interests in options:	None
Interests in performance rights:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

The interest in shares, options and performance rights quoted above is as of the date of the Directors' report.

COMPANY SECRETARY

The company secretary is Laura Newell of Boardroom Pty Ltd.

Laura is an experienced Chartered Company Secretary who has worked for a broad range of organisations, both in-house and for corporate secretarial service providers.

Laura has over twelve years of experience in company secretarial and governance management of ASX and NSX listed entities, unlisted public entities and FTSE100 entities. She has worked with Boards and executive management of listed and unlisted companies across a range of industry sectors. Laura manages a team of corporate governance professionals to deliver high quality company secretarial support to a range of clients.

Laura is a Company Secretary of a number of ASX listed and unlisted public companies. She holds a degree with Honours in Law and Criminology and a Masters degree in Law and Corporate Governance. She is an Associate of the Governance Institute of Australia (AGIA).

MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	FULL BOARD		REMUNERATION AND NOMINATION COMMITTEE		AUDIT AND RISK COMMITTEE	
	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD
Michael Sullivan	14	14	3	3	4	4
Bill Richmond	14	14	-	-	-	-
Tim Worner[1]	14	14	3	3	-	-
David Fleming[1]	14	14	-	-	4	4
Nigel Payne	14	14	3	3	4	4

1. *Resigned 1 July 2024*

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

REMUNERATION REPORT (AUDITED)

This remuneration report has been prepared by the Remuneration and Nominations Committee of BlueBet as was in place throughout the financial year ending 30 June 2024 and approved by the Committee chairman at the time, Nigel Payne. Subsequent to the year end and the completion of the merger with betr, Benjamin Shaw has assumed the responsibility for chairing the committee. Following the merger the future remuneration framework is being determined to align with the Group's strategy. Should this review result in remuneration proposals that are outside of the current framework, or should any approvals be required, shareholders will be consulted as appropriate.

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Shares and options issued to directors and key management personnel
- Additional information
- Additional disclosures relating to key management personnel

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Remuneration and Nomination Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration and Nomination Committee. The Remuneration and Nomination Committee may, from time to time, receive advice from independent remuneration consultants to ensure non- executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors are entitled to receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. As set out in the IPO prospectus, the maximum annual aggregate remuneration available to non-executive directors was set at $500,000.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- long-term incentives; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include share-based payments. The company has two share-based payment plans, as described below. Under these plans, options and performance rights are awarded to executives over a period of two, three and four years based on long-term incentive measures and continuous employment. The Remuneration and Nomination Committee reviewed the long-term equity incentives specifically for executives during the year ended 30 June 2024.

BlueBet Long-Term Incentive Plan ('LTIP')

The company established the LTIP to assist in the motivation, retention and reward of certain employees, non-executive directors and key management personnel engaged by the company or any of its subsidiaries ('Participants'). The LTIP is designed to align the interests of participants more closely with the interests of shareholders by providing them an opportunity to receive the benefit of increases in the value of shares in the company through the granting of performance rights, options and/or shares.

BlueBet Employee Equity Incentive Plan

A share incentive plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Remuneration and Nomination Committee, grant performance rights over ordinary shares in the company to certain key management personnel of the Group. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Remuneration and Nomination Committee.

Group performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Group. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Remuneration and Nomination Committee.

Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Remuneration and Nomination Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants

During the financial year ended 30 June 2024, the Group engaged third party remuneration consultants Schubach Model Consultants to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs. The consultants found BlueBet's remuneration policies to be in line with market expectations. Schubach Model Consultants were paid $2,500 for their services.

Voting and comments made at the company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, 97.0% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

DETAILS OF REMUNERATION

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of BlueBet Holdings Ltd:

- Michael Sullivan - Executive Chairman
- Nigel Payne
- Bill Richmond - Chief Executive Officer (resigned as director on 1 July 2024)
- Tim Worner (resigned on 1 July 2024)
- David Fleming (resigned on 1 July 2024)

And the following person:

- Darren Holley - Chief Financial Officer

2024	SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS	LONG-TERM BENEFITS	SHARE-BASED PAYMENTS	
	CASH SALARY AND FEES $	CASH BONUS[1] $	NON-MONETARY[2] $	SUPER-ANNUATION $	LONG SERVICE LEAVE $	EQUITY-SETTLED $	TOTAL $
Non-Executive Directors:							
Tim Worner	80,000	-	-	8,800	-	18,144	**106,944**
David Fleming	80,000	-	-	8,800	-	18,144	**106,944**
Nigel Payne	100,000	-	-	-	-	-	**100,000**
Executive Directors:							
Michael Sullivan	300,000	-	65,324	27,500	-	374,533	**767,357**
Bill Richmond	385,961	150,000	21,000	27,500	-	446,689	**1,031,150**
Other Key Management Personnel:							
Darren Holley	385,962	150,000	(1,500)	27,500	-	453,573	**1,015,535**
	1,331,923	**300,000**	**84,824**	**100,100**	**-**	**1,311,083**	**3,127,930**

1. *Short-term performance based cash bonuses are dependent on meeting defined performance measures. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Remuneration and Nomination Committee. As part of the successful completion of the merger with betr, the Remuneration and Nomination Committee awarded a short-term incentive transaction bonus of $150,000 to each of Bill Richmond and Darren Holley.*
2. *Non-monetary includes accrued and unused annual leave entitlements.*

2023	SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS	LONG-TERM BENEFITS	SHARE-BASED PAYMENTS	
	CASH SALARY AND FEES $	CASH BONUS $	NON-MONETARY $	SUPER-ANNUATION $	LONG SERVICE LEAVE $	EQUITY-SETTLED $	TOTAL $
Non-Executive Directors:							
Tim Worner	80,000	-	-	8,400	-	33,695	**122,095**
David Fleming	80,000	-	-	8,400	-	33,695	**122,095**
Nigel Payne	100,000	-	-	-	-	-	**100,000**
Executive Directors:							
Michael Sullivan	300,000	-	37,352	27,500	-	236,563	**601,415**
Bill Richmond	375,000	64,400	-	27,500	-	265,235	**732,135**
Other Key Management Personnel:							
Darren Holley	335,397	58,284	-	27,500	-	302,279	**723,460**
	1,270,397	**122,684**	**37,352**	**99,300**	**-**	**871,467**	**2,401,200**

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	FIXED REMUNERATION		AT RISK - STI		AT RISK - LTI	
NAME	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors:						
Tim Worner	83%	72%	-	-	17%	28%
David Fleming	83%	72%	-	-	17%	28%
Nigel Payne	100%	100%	-	-	-	-
Executive Directors:						
Michael Sullivan	51%	61%	-	-	49%	39%
Bill Richmond	42%	55%	15%	9%	43%	36%
Other Key Management Personnel:						
Darren Holley	41%	50%	15%	8%	45%	42%

Cash salary and fees includes accrued and unused annual leave entitlements.

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures as described below in the section *'Service Agreements*. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Remuneration and Nomination Committee.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	CASH BONUS PAID/PAYABLE		CASH BONUS FORFEITED	
NAME	**2024**	**2023**	**2024**	**2023**
Executive Directors:				
Bill Richmond	71%	32%	29%	68%
Other Key Management Personnel:				
Darren Holley	71%	32%	29%	68%

SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements that were in place as at the date of this report and appropriate for this remuneration report are set out below:

Name:	Michael Sullivan
Title:	Executive Director - Chairman
Agreement commenced:	1 March 2021
Term of agreement:	Under Mr Sullivan's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Sullivan's employment contract contains post-employment restraints.
Details:	**Fixed annual remuneration:** $330,000 (including superannuation). **Short-term incentive (STI):** N/A. **Long-term incentive (LTI):** Mr Sullivan is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 804,823 options immediately following completion under the proposed LTIP grant. Mr Sullivan (or nominee) is eligible to receive performance share rights equal to 100% of his fixed annual remuneration (664,622 rights). The performance rights are issued at the discretion of the company and are issued after an evaluation of his performance in the exercise of his duties as Executive Chairman. **Other benefits:** Mr Sullivan also receives the benefit of two asset loan agreements (for two motor vehicles) entered into by BlueBet Pty Ltd, which the Board has determined form part of his reasonable remuneration.

Name:	Bill Richmond
Title:	Chief Executive Officer (resigned as Chief Executive Officer on 1 July 2024)
Agreement commenced:	1 March 2021
Term of agreement:	Under Mr Richmond's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Richmond's employment contract contains post-employment restraints.
Details:	**Fixed annual remuneration:** $420,000 (including superannuation). **Short-term incentive (STI):** Mr Richmond is eligible to receive a cash bonus of up to 50% of his fixed annual remuneration inclusive of superannuation. The cash incentive is paid at the discretion of the company and is calculated after an evaluation of his performance in the exercise of his duties as Chief Executive Officer and the extent to which the company achieves its financial targets and forecasts. **Long-term incentive (LTI):** Mr Richmond is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 804,823 options immediately following completion under the proposed LTIP grant. Mr Richmond (or nominee) is eligible to receive performance share rights equal to 100% of his fixed annual remuneration (817,996 rights). The performance rights are issued at the discretion of the company and are issued after an evaluation of his performance in the exercise of his duties as Chief Executive Officer.

Name:	Darren Holley
Title:	Chief Financial Officer
Agreement commenced:	1 February 2021
Term of agreement:	Under Mr Holley's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Holley's employment contract contains post-employment restraints.
Details:	**Fixed annual remuneration:** $420,000 (including superannuation). **Short-term incentive (STI):** Mr Holley is eligible to receive a cash bonus of up to 50% of his fixed annual remuneration inclusive of superannuation. The cash incentive is paid at the discretion of the company and is calculated after an evaluation of his performance in the exercise of his duties as Chief Financial Officer and the extent to which the company achieves its financial targets and forecasts. **Long-term incentive (LTI):** Mr Holley is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 1,207,235 options immediately following completion under the proposed LTIP grant. Mr Holley (or nominee) is eligible to receive performance share rights equal to 100% of his fixed annual remuneration (715,746 rights). The performance rights are issued at the discretion of the company and are issued after an evaluation of his performance in the exercise of his duties as Chief Financial Officer.

Name:	Andrew Menz
Title:	Chief Executive Officer
Agreement commenced:	1 July 2024
Term of agreement:	Under Mr Menz's employment contract, either he or BlueBet may terminate his employment by giving the other party twelve months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Menz's employment contract contains post-employment restraints.
Details:	**Fixed annual remuneration:** $600,000 (including superannuation). **Short-term incentive (STI):** 100% of fixed remuneration (in the form of 50% cash / 50% restricted shares with 12 month tenure to grant) **Long-term incentive (LTI):** 100% of fixed remuneration (in the form of performance share rights fully vested over 3 years subject to certain performance goals set and agreed by the Board under the Company's Equity Incentive Plan)

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

SHARES AND OPTIONS ISSUED TO DIRECTORS AND KEY MANAGEMENT PERSONNEL

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options

The terms and conditions of each grant of options granted by BlueBet Holdings Ltd over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

NAME	NUMBER OF OPTIONS GRANTED	GRANT DATE	VESTING DATE AND EXERCISABLE DATE	EXPIRY DATE	EXERCISE PRICE	FAIR VALUE PER OPTION AT GRANT DATE
Michael Sullivan	804,823	29-Jun-2021	Various[1]	29-Jun-2028	$1.14	$0.39
Bill Richmond	804,823	29-Jun-2021	Various[1]	29-Jun-2028	$1.14	$0.39
Tim Worner	241,447	29-Jun-2021	Various[1]	29-Jun-2028	$1.14	$0.39
David Fleming	241,447	29-Jun-2021	Various[1]	29-Jun-2028	$1.14	$0.39
Darren Holley	1,207,235	30-Jun-2021	Various[1]	30-Jun-2028	$1.14	$0.39

1. *In relation to the vesting of these options, one-third vests 24 months after the grant date, one-third vests 36 months after the grant date and the remaining third vests 48 months after the grant date, based on the director or employee maintaining continual service to the Group.*

Options granted carry no dividend or voting rights.

Performance share rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

NAME	NUMBER OF RIGHTS GRANTED	GRANT DATE	VESTING DATE AND EXERCISABLE DATE	EXPIRY DATE	FAIR VALUE PER RIGHT AT GRANT DATE
Michael Sullivan	168,831	29-Nov-2021	Various[1]	N/A	$1.55
Bill Richmond	207,792	29-Nov-2021	Various[1]	N/A	$1.55
Darren Holley	181,818	23-Dec-2021	Various[1]	N/A	$1.47
Michael Sullivan	664,622	29-Nov-2022	Various[2]	N/A	$0.42
Bill Richmond	817,996	29-Nov-2022	Various[2]	N/A	$0.42
Darren Holley	715,746	29-Nov-2022	Various[2]	N/A	$0.42
Michael Sullivan	1,839,888	30 Nov-2023	Various[3]	N/A	$0.21
Bill Richmond	2,261,235	30 Nov-2023	Various[3]	N/A	$0.21
Darren Holley	2,261,235	30 Nov-2023	Various[3]	N/A	$0.21

1. *In relation to the vesting of these performance share rights into ordinary shares, 20% vest at 30 June 2022, 30% vest at 30 June 2023, and 50% vest at 30 June 2024, based on the director or employee maintaining continual service to the Group and providing a satisfactory level of performance.*

2 *In relation to the vesting of these performance share rights into ordinary shares, 20% vest at 30 June 2023, 30% vest at 30 June 2024, and 50% vest at 30 June 2025, based on the director or employee maintaining continual service to the Group and providing a satisfactory level of performance.*

3 *In relation to the vesting of these performance share rights into ordinary shares, 20% vest at 31 August 2024, 30% vest at 31 August 2025, and 50% vest at 10 August 2026, based on the director or employee maintaining continual service to the Group and providing a satisfactory level of performance.*

Performance rights granted carry no dividend or voting rights.

Values of performance rights over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2024 are set out below:

NAME	VALUE OF RIGHTS GRANTED DURING THE YEAR	VALUEOF RIGHTS EXERCISED DURING THE YEAR	NUMBER OF RIGHTS VESTED DURING THE YEAR	REMUNERATION CONSISTING OF RIGHTS FOR THE YEAR
Michael Sullivan	1,839,888	-	132,924	54%
Bill Richmond	2,261,235	225,937	163,599	53%
Darren Holley	2,261,235	143,149	143,149	54%

ADDITIONAL INFORMATION

The earnings of the Group for the five years to 30 June 2024 are summarised below:

	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
Wagering revenue	58,350	49,022	49,668	32,351	16,808
(Loss)/profit after income tax	(46,918)	(18,832)	(6,071)	2,979	4,485

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022	2021
Share price at financial year end ($)	0.19	0.18	0.50	1.14
Basic earnings per share (cents per share)	(21.99)	(9.41)	(3.03)	1.90
Diluted earnings per share (cents per share)	(21.99)	(9.41)	(3.03)	1.80

ADDITIONAL DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	BALANCE AT THE START OF THE YEAR	PERFORMANCE RIGHTS EXERCISED	ADDITIONS	DISPOSALS/ OTHER	BALANCE AT THE END OF THE YEAR
Ordinary shares					
Michael Sullivan	84,157,894	-	4,761,904	-	88,919,798
Bill Richmond	16,283,334	225,937	-	-	16,509,271
Tim Worner	21,930	-	-	-	21,930
David Fleming	237,719	-	-	-	237,719
Darren Holley	80,224	143,149	-	-	223,373
	100,781,101	**369,086**	**4,761,904**	**-**	**105,912,091**

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	BALANCE AT THE START OF THE YEAR	GRANTED	EXERCISED	EXPIRED/ FORFEITED/ OTHER	BALANCE AT THE END OF THE YEAR
Options over ordinary shares					
Michael Sullivan	804,823	-	-	-	804,823
Bill Richmond	804,823	-	-	-	804,823
Tim Worner	241,447	-	-	-	241,447
David Fleming	241,447	-	-	-	241,447
Darren Holley	1,207,235	-	-	-	1,207,235
	3,299,775	**-**	**-**	**-**	**3,299,775**

The number of options that have vested and are exercisable at the end of the financial year are 2,199,850.

Performance rights holding

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	BALANCE AT THE START OF THE YEAR	GRANTED	VESTED AND EXERCISED	EXPIRED/ FORFEITED/ OTHER	BALANCE AT THE END OF THE YEAR
Performance rights over ordinary shares					
Michael Sullivan	833,453	1,839,890	-	-	2,673,343
Bill Richmond	984,230	2,261,235	(225,937)	-	3,019,528
Darren Holley	861,200	2,261,235	(143,149)	-	2,979,286
	2,678,883	**6,362,360**	**(369,086)**	**-**	**8,672,157**

This concludes the remuneration report, which has been audited.

SHARES UNDER OPTION

Unissued ordinary shares of BlueBet Holdings Ltd under option at the date of this report are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER UNDER OPTION
29-Jun-2021	29-Jun-2028	$1.14	4,651,877
30-Jun-2021	30-Jun-2028	$1.14	4,265,563
27-Jan-2022	27-Jan-2029	$1.12	1,000,000
1-Jul-2022	30-Jun-2029	$0.49	60,000
1-Jan-2023	31-Dec-2029	$0.37	30,000
			10,007,440

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

SHARES UNDER PERFORMANCE RIGHTS

Unissued ordinary shares of BlueBet Holdings Ltd under performance rights at the date of this report are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER UNDER OPTION
29-Nov-2021	Various [1]	$0.00	335,065
26-Jan-2022	Various [1]	$0.00	357,030
29-Nov-2022	Various	$0.00	4,268,567
17-Oct-2023	Various	$0.00	8,592,232
1-Dec-2023	Various	$0.00	4,101,124
			17,654,018

1. *Performance rights vest on an annual basis over the years ended 30 June 2022, 30 June 2023 and 30 June 2024*

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the company or of any other body corporate.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of BlueBet Holdings Ltd issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

SHARES ISSUED ON THE EXERCISE OF PERFORMANCE RIGHTS

The following ordinary shares of BlueBet Holdings Ltd were issued during the year ended 30 June 2024 and up to the date of this report on the exercise of performance rights granted:

DATE PERFORMANCE RIGHTS GRANTED	EXERCISE PRICE	NUMBER OF SHARES ISSUED
19-Jul-2023	$0.00	60,031
07-Nov-2023	$0.00	304,473
21-Nov-2023	$0.00	88,550
08-Dec-2023	$0.00	163,599
10-Jan-2024	$0.00	7,563
		624,216

INDEMNITY AND INSURANCE OF OFFICERS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

INDEMNITY AND INSURANCE OF AUDITOR

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year are as follows:

	CONSOLIDATED	
	2024	2023
	$	$
Audit services - Ernst & Young		
Audit or review of the financial statements	463,000	322,125
Other services - Ernst & Young		
Advisory services	190,000	139,872
Tax compliance	195,500	-
	848,500	**461,997**

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 27 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF ERNST & YOUNG

There are no officers of the company who are former partners of Ernst & Young.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001. On behalf of the directors

Michael Sullivan
Executive Chairman
29 August 2024

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of BlueBet Holdings Limited

As lead auditor for the audit of the financial report of Bluebet Holdings Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of BlueBet Holdings Limited and the entities it controlled during the financial year.

Ernst + Young

Ernst & Young

Simon Hannigan
Partner
29 August 2024

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS - CONTENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

		CONSOLIDATED	
	NOTE	2024 $'000	2023 $'000
Revenue			
Wagering revenue	5	58,350	49,022
Cost of wagering services		(27,290)	(24,199)
Gross margin		**31,060**	**24,823**
Other income		956	101
Interest revenue calculated using the effective interest method		199	528
Expenses			
Employee benefits expense		(17,599)	(14,463)
Advertising and marketing expense		(13,568)	(19,224)
Licensing, platform and subscriptions		(3,709)	(3,206)
IT expense		(5,522)	(2,916)
Administration expense		(1,210)	(1,204)
Depreciation and amortisation expense	6	(5,829)	(2,773)
Impairment of US operations	6, 15	(27,163)	-
Acquisition costs	7	(2,309)	-
Other expenses		(3,550)	(2,717)
Finance costs	6	(1,399)	(517)
Loss before income tax benefit		**(49,643)**	**(21,568)**
Income tax benefit	8	2,725	2,736
Loss after income tax benefit for the year attributable to the owners of BlueBet Holdings Ltd		**(46,918)**	**(18,832)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value loss on equity investment designated at fair value through other comprehensive income		(839)	-
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		212	152
Other comprehensive income for the year, net of tax		(627)	152
Total comprehensive loss for the year attributable to the owners of BlueBet Holdings Ltd		**(47,545)**	**(18,680)**
		CENTS	CENTS
Basic earnings per share	36	(21.99)	(9.41)
Diluted earnings per share	36	(21.99)	(9.41)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

		CONSOLIDATED	
	NOTE	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	9	24,490	22,695
Trade and other receivables	10	951	363
Income tax refund due	8	44	46
Other assets	12	1,506	597
Total current assets		**26,991**	**23,701**
Non-current assets			
Investments	11	-	839
Property, plant and equipment	13	411	729
Right-of-use assets	14	238	720
Intangible assets	15	3,147	24,670
Deferred tax asset	8	6,632	3,907
Other assets	12	90	526
Total non-current assets		**10,518**	**31,391**
Total assets		**37,509**	**55,092**
Liabilities			
Current liabilities			
Trade and other payables	16	11,579	10,039
Borrowings	17	33	31
Lease liabilities	18	406	414
Employee benefits	19	2,070	1,200
Client deposits on hand	20	5,235	4,454
Total current liabilities		**19,323**	**16,138**
Non-current liabilities			
Trade and other payables	16	14,460	9,427
Borrowings	17	141	174
Lease liabilities	18	-	391
Employee benefits	19	157	110
Total non-current liabilities		**14,758**	**10,102**
Total liabilities		**34,081**	**26,240**
Net assets		**3,428**	**28,852**
Equity			
Issued capital	21	67,143	47,806
Reserves	22	7,836	5,679
Accumulated losses		(71,551)	(24,633)
Total equity		**3,428**	**28,852**

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

CONSOLIDATED	ISSUED CAPITAL $'000	RESERVES $'000	ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2022	47,806	3,361	(5,801)	**45,366**
Loss after income tax benefit for the year	-	-	(18,832)	**(18,832)**
Other comprehensive income for the year, net of tax	-	152	-	**152**
Total comprehensive income for the year	-	152	(18,832)	**(18,680)**
Share-based payments (note 22)	-	2,166	-	**2,166**
Balance at 30 June 2023	**47,806**	**5,679**	**(24,633)**	**28,852**

CONSOLIDATED	ISSUED CAPITAL $'000	RESERVES $'000	ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2023	47,806	5,679	(24,633)	**28,852**
Loss after income tax benefit for the year	-	-	(46,918)	**(46,918)**
Other comprehensive loss for the year, net of tax	-	(627)	-	**(627)**
Total comprehensive loss for the year	-	(627)	(46,918)	**(47,545)**
Contributions of equity, net of transaction costs (note 21)	19,287	-	-	**19,246**
Share-based payments (note 22)	-	2,784	-	**2,784**
Shares issued for services rendered	50	-	-	**50**
Balance at 30 June 2024	**67,143**	**7,836**	**(71,551)**	**3,428**

The above statement of changes in equity should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

		CONSOLIDATED	
	NOTE	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers (Client deposits)		195,209	142,035
Payments to customers (Client withdrawals)		(131,905)	(88,631)
Payments to suppliers and employees (inclusive of GST)		(75,452)	(67,909)
Interest received		199	528
Interest and other finance costs paid		(1,399)	(517)
Income taxes refunded/(paid)		-	546
Net cash used in operating activities	**33**	**(13,348)**	**(13,948)**
Cash flows from investing activities			
Payments for investments		-	(839)
Payments for property, plant and equipment	13	(44)	(123)
Payments for intangibles	15	(3,283)	(9,542)
Net cash used in investing activities		**(3,327)**	**(10,504)**
Cash flows from financing activities			
Proceeds from issue of shares (net of transaction costs)	21	19,246	-
Payment for guarantee deposits		(536)	-
Payment of principal portion of lease liabilities		(452)	(272)
Net cash used in financing activities		**18,258**	**(272)**
Net (decrease)/increase in cash and cash equivalents		1,583	(24,724)
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		212	151
Cash and cash equivalents at the end of the financial year	**9**	**24,490**	**22,695**

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

The financial statements cover BlueBet Holdings Ltd as a Group consisting of BlueBet Holdings Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is BlueBet Holdings Ltd's functional and presentation currency.

BlueBet Holdings Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9, 8 Spring Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on   August 2024. The directors have the power to amend and reissue the financial statements.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations have been adopted from 1 July 2023:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules

GOING CONCERN

For the year ended 30 June 2024, the Group incurred a loss after tax of $46,918,000 (30 June 2023: $18,832,000) and had net operating cash outflows of $13,348,000 (30 June 2023 : outflows of $13,948,000). Further, the Group has net current assets of $7,668,000 at 30 June 2024 (30 June 2023: net current assets of $7,563,000), as well as net assets position of $3,428,000 (30 June 2023: net assets of $28,852,000).

The directors believe that the funds available from existing cash reserves will provide the Group with sufficient working capital to carry out its stated objectives for at least the next 12 months from the date of signing these financial statements.

The financial statements have been prepared on the going concern basis for the above reasons. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared on a going concern basis and under the historical cost basis except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value through profit or loss ('FVTPL') and financial assets measured at fair value through other comprehensive income.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

PARENT ENTITY INFORMATION

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 31.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of BlueBet Holdings Ltd ('company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. BlueBet Holdings Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of businesses (whether or not housed in a legal entity) is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in acquisition costs.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

OPERATING SEGMENTS

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

FOREIGN CURRENCY TRANSLATION

The financial statements are presented in Australian dollars, which is BlueBet Holdings Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

REVENUE RECOGNITION

The Group recognises revenue as follows:

Wagering revenue

Wagering revenue is recognised as the residual value after deducting the return to customers from betting turnover. Return to customers includes payouts owing from free bets placed. Fixed odds betting revenue is classified as revenue and recognised as the net win or loss on an event. Amounts received from clients are presented as a financial liability (client deposits on hand). When a bet is placed on an event, the amount is reclassified to another category of financial liability (trade and other payables - pending bets). When the outcome of the event is determined, the revenue is brought to account. Open fixed odds betting positions are carried at fair value and gains and losses arising on these positions are recognised in revenue. Variable odds betting revenue is recognised when the uncertainty associated with the variable consideration is subsequently resolved, which is when the event is complete.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Wagering levies and point of consumption taxes

The Group is subject to wagering levies and point of consumption taxes incurred by each state and territory of Australia, in addition to sporting bodies. Wagering levies and point of consumption taxes are based on a percentage of revenue or turnover, and expensed by the Group at the point in time that the relevant measure is incurred.

INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate in Australia adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Accordingly, the Group considers the utilisation of a deductible temporary difference or tax loss probable, if the Group's forecasts indicate the loss will be utilised within a five year time frame from balance date.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

INVESTMENTS AND OTHER FINANCIAL ASSETS

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets desingated at fair value through other comprehensive income

Financial assets designated at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition. Such a classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at fair value through other comprehensive income are not subject to impairment. The Group elected to classify irrevocably its non-listed equity investment in Low6 under this category (refer note 11).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

The loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

PROPERTY, PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment	2 to 10 years
Motor vehicles	8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

INTANGIBLE ASSETS

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed at least annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website and apps (research and development)

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when: it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 to 5 years.

Patents and trademarks

Costs associated with patents and trademarks are treated as indefinite life intangible assets. Management considers that the useful lives of patents and trademarks are indefinite because there are no foreseeable limits to the cash flows these assets can generate. They are tested at least annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Licencing

An intangible asset representing each of the Group's US licences is initially recognised at the fair value of the contingent payments at acquisition, and a financial liability is recognised at the same value. This intangible asset is treated as a definite life intangible in accordance with the associated licencing agreements and amortised accordingly over the period of their expected benefit, being their finite life of 5 to 10 years.

Subsequently the financial liability is measured at amortised cost. The carrying amount of the financial liability is adjusted to reflect the Group's best estimate of the net present value of amounts payable under the licence agreements. Presently, minimum amounts payable under licencing agreements represent the Group's best estimate of amounts payable in respect of these licences. Subsequent changes in the measurement of the financial liability are recognised in profit or loss.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets not yet available for use or that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

FINANCE COSTS

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

EMPLOYEE BENEFITS

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the share price or the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

FAIR VALUE MEASUREMENT

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

ISSUED CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of BlueBet Holdings Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

GOODS AND SERVICES TAX ('GST') AND OTHER SIMILAR TAXES

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The adoption of these Accounting Standards and Interpretations is not expected to have any significant impact on the Group's financial statements.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The main standards are listed below:

- AASB 18 Presentation and Disclosure in Financial Statements, effective for annual reporting periods beginning on or after 1 January 2027.
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities, effective for annual reporting periods beginning on or after 1 January 2024.

The Group intends to adopt these new and amended standards when they become effective. Management is in the process of assessing the impact of these new and amended standards to determine the impact they will have on the Group's financial statements.

NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

IMPAIRMENT OF NON-FINANCIAL ASSETS OTHER THAN GOODWILL AND OTHER INDEFINITE LIFE INTANGIBLE ASSETS

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

RECOVERABILITY OF DEFERRED TAX ASSETS

The Group considers the utilisation of a deductible temporary difference or tax loss probable if the Group's forecasts indicate the loss will be utilised within a five-year time frame from balance date. Accordingly, in making these assessments, the Group considers and takes into account current and future performance, the tax base of the Group's balance sheet, and relevant regulatory and taxation changes, among other factors.

SHARE-BASED PAYMENT TRANSACTIONS

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

ESTIMATION OF CONTINGENT CONSIDERATION – US LICENCE LIABILITIES

The Group recognises a financial liability to reflect the Group's best estimate of the net present value of amounts payable under the licence agreements. Presently, minimum amounts payable under licencing agreements represent the Group's best estimate of amounts payable in respect of these licences. The Group considers future revenue and turnover forecasts, as relevant to minimum amounts payable under each respective licence agreement, in estimating contingent consideration.

CAPITALISATION OF WEBSITE AND APPS DEVELOPMENT COSTS

Website and apps development costs are capitalised on the basis that: the project will be a success considering its commercial and technical feasibility; the entity's ability to use or sell the asset; the entity has sufficient resources and intent to complete the development; and that the costs can be measured reliably. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. To the extent that capitalised costs are determined not to be recoverable in the future, they are written off in the period in which this determination is made.

NOTE 4. OPERATING SEGMENTS

IDENTIFICATION OF REPORTABLE OPERATING SEGMENTS

The Group is organised into three operating segments being Australia, North America and Corporate. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

MAJOR CUSTOMERS

There was no customer that contributed more than 10% of revenues (2023: nil customers).

OPERATING SEGMENT INFORMATION

CONSOLIDATED - 2024	AUSTRALIA $'000	NORTH AMERICA $'000	CORPORATE[1] $'000	TOTAL $'000
Revenue				
Wagering revenue	57,589	761	-	**58,350**
Cost of wagering services	(26,804)	(486)	-	**(27,290)**
Gross margin	**30,785**	**275**	**-**	**31,060**
Unallocated revenue:				
Other income				261
Interest revenue				199
Total revenue				**31,768**
Segment EBITDA	**(3,316)**	**(10,390)**	**(8,179)**	**(15,253)**
Impairment		(27,163)		**(27,163)**
Depreciation and amortisation				**(5,829)**
Finance costs				**(1,399)**
Loss before income tax benefit				**(49,644)**
Income tax benefit				**2,725**
Loss after income tax benefit				**(46,919)**
Assets				
Segment assets	35,911	1,597	-	**37,508**
Total assets				**37,508**
Liabilities				
Segment liabilities	16,066	18,013	-	**34,079**
Total liabilities				**34,079**

1. *Corporate segment expenses include KMP and director remuneration (inclusive of KMP and director share based payments expenses), Director fees, listed company costs (incorporating audit fees, investor relations, Group-wide insurance and company secretarial costs), capital raise and acquisition costs, and a component of the employment benefits of certain other head office based management.*

CONSOLIDATED - 2023	AUSTRALIA $'000	NORTH AMERICA $'000	CORPORATE[1] $'000	TOTAL $'000
Revenue				
Wagering revenue	49,066	(44)	-	49,022
Cost of wagering services	(24,117)	(82)	-	(24,199)
Gross margin	**24,949**	**(126)**	**-**	**24,823**
Unallocated revenue:				
Other income				101
Interest revenue				528
Total revenue				**25,452**
Segment EBITDA	**(5,835)**	**(8,084)**	**(4,359)**	**(18,278)**
Depreciation and amortisation				(2,773)
Finance costs				(517)
Loss before income tax benefit				**(21,568)**
Income tax benefit				2,736
Loss after income tax benefit				**(18,832)**
Assets				
Segment assets	37,209	17,883	-	55,092
Total assets				**55,092**
Liabilities				
Segment liabilities	13,314	12,926	-	26,240
Total liabilities				**26,240**

1. *Corporate segment expenses include KMP and director remuneration (inclusive of KMP and director share based payments expenses), Director fees, listed company costs (incorporating audit fees, investor relations, Group-wide insurance and company secretarial costs), capital raise and acquisition costs, and a component of the employment benefits of certain other head office based management.*

Geographical information

	SALES TO EXTERNAL CUSTOMERS		GEOGRAPHICAL NON-CURRENT ASSETS	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Australia	57,589	49,066	10,451	12,660
North America	761	(44)	66	14,733
	58,350	**49,022**	**10,517**	**27,393**

The geographical non-current assets above are exclusive of, where applicable, financial instruments and deferred tax assets.

NOTE 5. WAGERING REVENUE

	CONSOLIDATED	
	2024 $'000	2023 $'000
Revenue from wagering		
Betting turnover (gross of GST)	632,982	536,647
Payouts on betting (gross of GST)	(550,915)	(465,055)
	82,067	**71,592**
Promotions given (gross of GST)	(17,958)	(17,664)
GST	(5,759)	(4,906)
Wagering revenue	**58,350**	**49,022**

DISAGGREGATION OF REVENUE

The disaggregation of revenue from contracts with customers is as follows:

	CONSOLIDATED	
	2024 $'000	2023 $'000
Major product lines		
Revenue from betting on:		
Sports	9,829	6,191
Horse racing	25,554	20,741
Greyhound racing	18,225	16,481
Harness racing	4,742	5,609
	58,350	**49,022**
Geographical Regions		
Australia	57,589	49,066
North America	761	(44)
	58,350	**49,022**

All wagering revenue is recognised at a point in time when the outcome of all events to which a bet is related is known.

NOTE 6. EXPENSES

	2024 $'000	CONSOLIDATED 2023 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	163	170
Motor vehicles	37	23
Land and buildings right-of-use assets	393	391
Total depreciation	**593**	**584**
Amortisation		
Website and apps	390	1,467
Licencing	1,846	722
Total amortisation	**5,236**	**2,189**
Total depreciation and amortisation	**5,829**	**2,773**
Impairment		
US operations (note 15)	27,163	-
Finance costs		
Interest and finance charges paid/payable on US licences	1,368	466
Interest and finance charges paid/payable on lease liabilities	31	51
Finance costs expensed	**1,399**	**517**
Net foreign exchange loss	-	
Net foreign exchange loss	**10**	**1**
Net loss on disposal		
Net loss on disposal of property, plant and equipment	**-**	**5**
Superannuation expense		
Defined contribution superannuation expense	**1,093**	**860**
Share-based payments expense		
Share-based payments expense	**2,784**	**2,166**

NOTE 7. ACQUISITION COSTS

	2024 $'000	CONSOLIDATED 2023 $'000
Acquisition costs	2,309	-

These costs relates to post year end business combination costs that were expensed in FY24. Refer note 38 for additional details of the business combination.

NOTE 8. INCOME TAX

	CONSOLIDATED	
	2024 $'000	2023 $'000
Income tax benefit		
Current income tax expense/(benefit)	(1,757)	421
Deferred tax - origination and reversal of temporary differences	(968)	(3,157)
Aggregate income tax benefit	**(2,725)**	**(2,736)**
Deferred tax included in income tax benefit comprises:		
Increase in deferred tax assets	**(2,725)**	**(3,157)**
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	**(49,643)**	**(21,568)**
Tax at the statutory tax rate of 30% (2023: 25%)	(14,893)	(5,392)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	40	42
Share-based payments	795	510
Adjustment to capitalised development cost tax base	-	399
Sundry items	-	71
	(14,058)	**(4,370)**
Adjustment to deferred tax balances as a result of change in statutory tax rate	(781)	-
Current year tax losses not recognised and non deductible expenses (USA related)	12,114	1,634
Income tax benefit	**(2,725)**	**(2,736)**

	CONSOLIDATED	
	2024 $'000	2023 $'000
Deferred tax assets not recognised (tax losses)		
Deferred tax assets not recognised comprises:		
Unutilised tax loss/tax credit related to the US[1]		
Opening balance	2,270	636
Incurred during the year	4,132	1,634
Total deferred tax assets not recognised	**6,402**	**2,270**

1 *The Group has gross carried forward, revenue related losses of $20,307,000 (2023: $6,534,000), that have not been booked as deferred tax assets. These losses relate to costs incurred by the Group in the US and may only be utilised against future taxable income derived in the US. These tax losses are revenue in nature and can be carried forward indefinitely.*

	2024 $'000	CONSOLIDATED 2023 $'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Tax losses	6,176	4,419
Employee benefits	763	416
Accrued expenses	32	29
Capitalised website and apps costs	(776)	(1,321)
IPO and capital raise costs	381	317
Share based payments	56	47
Deferred tax asset	**6,632**	**3,907**
Movements:		
Opening balance	3,907	750
Credited to profit or loss	2,725	3,157
Closing balance	**6,632**	**3,907**

	2024 $'000	CONSOLIDATED 2023 $'000
Income tax refund due	44	46

NOTE 9. CASH AND CASH EQUIVALENTS

	2024 $'000	CONSOLIDATED 2023 $'000
Current assets		
Cash at bank[1]	18,490	21,265
Cash on deposit	6,000	1,430
	24,490	**22,695**

1. *The Group maintains separate bank accounts to segregate client funds held for betting activities from the Group bank accounts and Group funds (refer note 20)*

Cash at bank earns interest at floating rates based on daily bank deposit rates. Cash on deposit are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates (between 4.65% and 5.05%).

NOTE 10. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current assets		
Trade receivables	635	219
Other receivables	316	144
	951	**363**

The Group has recognised a loss of $nil (2023: $nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

NOTE 11. INVESTMENTS

	CONSOLIDATED	
	2024 $'000	2023 $'000
Non-current assets		
Low6 investment	-	839

Low 6 Limited ("Low6") is a UK-based sports gamification platform provider. The investment is a financial asset, and at the Group's election, is classified and measured at fair value through other comprehensive income.

The fair value of this investment was determined to be $nil as at 30 June 2024. The fair value loss for the year has been presented in other comprehensive income (refer note 22). The Group has not recognised the deferred tax asset on the temporary difference arising from the remeasurement.

NOTE 12. OTHER ASSETS

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current assets		
Prepayments	455	446
Security deposits[1]	1,010	75
Other current assets	41	76
	1,506	**597**
Non-current assets		
Security deposits	40	476
Bookmaker's deposits	50	50
	90	**526**

1. *Includes a bank guarantee of $972,000 provided whilst the fitout of betr's Melbourne office is completed. This bank guarantee will be released upon completion in October 2024.*

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

	2024 $'000	CONSOLIDATED 2023 $'000
Non-current assets		
Plant and equipment - at cost	721	842
Less: Accumulated depreciation	(512)	(391)
	209	**451**
Motor vehicles - at cost	236	304
Less: Accumulated depreciation	(34)	(26)
	202	**278**
	411	**729**

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the current and previous financial years are set out below:

CONSOLIDATED	PLANT AND EQUIPMENT $'000	MOTOR VEHICLES $'000	TOTAL $'000
Balance at 1 July 2022	535	216	**751**
Additions	76	201	**277**
Disposals	-	(120)	**(120)**
Exchange differences	10	4	**14**
Depreciation expense	(170)	(23)	**(193)**
Balance at 30 June 2023	**451**	**278**	**729**
Additions	35	5	**40**
Impairment of assets	(114)	(44)	**(158)**
Depreciation expense	(163)	(37)	**(200)**
Balance at 30 June 2024	**209**	**202**	**411**

NOTE 14. RIGHT-OF-USE ASSETS

	2024 $'000	CONSOLIDATED 2023 $'000
Non-current assets		
Land and buildings - right-of-use	975	1,438
Less: Accumulated depreciation	(737)	(718)
	238	**720**

The Group leases land and buildings for its offices under agreements of between 1 to 5 years. In some cases, the Group has options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	LAND AND BUILDINGS $'000	CONSOLIDATED TOTAL $'000
Balance at 1 July 2022	1,097	1,097
Exchange differences	14	14
Depreciation expense	(391)	(391)
Balance at 30 June 2023	**720**	**720**
Additions	23	23
Impairment of assets	(112)	(112)
Depreciation expense	(393)	(393)
Balance at 30 June 2024	**238**	**238**

For other lease related disclosures, refer to the following:

- note 6 for details of depreciation on right-of-assets, interest on lease liabilities and other lease expenses;
- note 18 for lease liabilities at the end of the reporting period;
- note 24 for undiscounted future lease cash flows; and
- statement of cash flows for repayment of lease liabilities.

NOTE 15. INTANGIBLE ASSETS

	CONSOLIDATED 2024 $'000	2023 $'000
Non-current assets		
Website and apps - at cost	15,975	12,332
Less: Accumulated amortisation	(5,273)	(1,883)
Less: Impairment	(7,581)	-
	3,121	**10,449**
Patents and trademarks - at cost, net of impairment	26	44
Licencing - at cost	21,859	14,897
Less: Accumulated amortisation	(2,566)	(720)
Less: Impairment	(19,293)	
	-	**14,177**
	3,147	**24,670**

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

CONSOLIDATED	WEBSITE AND APPS $'000	TRADEMARKS $'000	LICENSING $'000	TOTAL $'000
Balance at 1 July 2022	4,467	44	1,309	**5,820**
Additions	7,449	-	13,537	**20,986**
Exchange differences	-	-	53	**53**
Amortisation expense	(1,467)	-	(722)	**(2,189)**
Balance at 30 June 2023	**10,449**	**44**	**14,177**	**24,670**
Additions	3,643	-	6,990	**10,633**
Exchange differences	-	-	(28)	**(28)**
Impairment of assets	(7,581)	(18)	(19,293)	**(26,892)**
Amortisation expense	(3,390)	-	(1,846)	**(5,236)**
Balance at 30 June 2024	**3,121**	**26**	**-**	**3,147**

IMPAIRMENT OF US LICENCING

During the financial year, the Group commenced a strategic review of the US operations. Management identified the underlying loss making performance of the US operations as an impairment indicator.

Each US state that the Group operates in is a cash-generating unit ("CGU"). These CGUs are within the North America operating segment. The assets for each CGU comprises licencing costs (capitalised market access minimum payments, upfront license activation costs), US-specific platform development costs, property, plant and equipment and right-of-use assets.

The recoverable amount of each CGU was determined based on the higher of value in use and their fair value less costs of disposal. Based on cash flow projections and external sources of information such as recent market transactions in the industry, management determined the recoverable amount of each CGU and allocated the impairment loss to the assets of each CGU pro rata on the basis of the carrying amount of each asset in the CGU. A total impairment loss of $27,162,000 has been recognised in profit or loss during the financial year, attributable wholly to the North America operating segment. The impairment loss recognised during the financial year relates to Website and apps ($7,581,000), Patents ($18,000), Licencing ($19,293,000), Right-of-use assets ($112,000) and Property, plant and equipment ($158,000).

NOTE 16. TRADE AND OTHER PAYABLES

		CONSOLIDATED
	2024 $'000	2023 $'000
Current liabilities		
Trade payables	8,240	5,953
Pending bets	288	475
US licence payments	1,615	1,735
Other payables	1,436	1,876
	11,579	**10,039**
Non-current liabilities		
US licence payments	14,460	9,427

Refer to note 24 for further information on financial instruments.

US LICENCE PAYMENTS

US licence payments consists of the net present value of minimum amounts payable under licence agreements in Iowa, Colorado and Louisiana. Minimum amounts represent the Group's best estimate of amounts payable in respect of these licences. The amounts are unsecured, interest free and are payable over periods of 4-9 years (2023: 5-10 years), depending on the specific terms of each arrangement. During the year, the financial liability associated with the Colorado licence agreement was modified, the remeasurement of the financial liability was recognised as other income ($695,000).

NOTE 17. BORROWINGS

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current liabilities		
Chattel mortgage on motor vehicles	33	31
Non-current liabilities		
Chattel mortgage on motor vehicles	141	174

Refer to note 24 for further information on financial instruments.

ASSETS PLEDGED AS SECURITY

The chattel mortgage is secured over the related motor vehicles of the Group.

NOTE 18. LEASE LIABILITIES

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current liabilities		
Lease liability	406	414
Non-current liabilities		
Lease liability	-	391

Refer to note 24 for further information on financial instruments.

NOTE 19. EMPLOYEE BENEFITS

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current liabilities		
Annual leave	1,009	700
Employee benefits	1,061	500
	2,070	1,200
Non-current liabilities		
Long service leave	157	110

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees may be entitled to pro-rata payments in certain circumstances.

NOTE 20. CLIENT DEPOSITS ON HAND

	CONSOLIDATED	
	2024 $'000	2023 $'000
Current liabilities		
Client deposits on hand	5,235	4,454

Client deposits represents monies held on behalf of customers to be used by them on betting activities. Separate bank accounts are maintained to segregate client deposits from the Group bank accounts and Group funds (refer note 9). Client deposits are interest free and refundable to clients on demand.

NOTE 21. ISSUED CAPITAL

CONSOLIDATED	2024 SHARES	2023 SHARES	2024 $'000	2023 $'000
Ordinary shares - fully paid	296,344,439	200,201,228	67,143	47,806

MOVEMENTS IN ORDINARY SHARE CAPITAL

DETAILS	DATE	SHARES	ISSUE PRICE	$'000
Balance	1-Jul-2022	200,109,649		47,806
Exercise of performance share rights	25-Jul-2022	8,514	$0.00	-
Exercise of performance share rights	2-Aug-2022	1,943	$0.00	-
Exercise of performance share rights	16-Aug-2022	81,122	$0.00	-
Balance	**30-Jun-2023**	**200,201,228**	**-**	**47,806**
Exercise of performance share rights	19-Jul-2023	60,031	$0.00	-
Issue of shares for services rendered	1-Sep-2023	280,899	$0.18	50
Exercise of performance share rights	7-Nov-2023	304,473	$0.00	-
Exercise of performance share rights	21-Nov-2023	88,550	$0.00	-
Exercise of performance share rights	8-Dec-2023	163,599	$0.00	-
Exercise of performance share rights	10-Jan-2024	7,563	$0.00	-
Issue of shares	22-Apr-2024	49,925,461	$0.21	10,484
Issue of shares	7-Jun-2024	45,312,635	$0.21	9,516
Transaction costs		-	$0.00	(713)
Balance	**30-Jun-2024**	**296,344,439**	**-**	**67,143**

ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and any proceeds attributable to shareholders should the company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

SHARE BUY-BACK

There is no current on-market share buy-back.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

NOTE 22. RESERVES

	Consolidated 2024 $'000	2023 $'000
Financial assets at fair value through other comprehensive income reserve	(839)	-
Foreign currency reserve	601	389
Share-based payments reserve	8,074	5,290
	7,836	**5,679**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME RESERVE

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

FOREIGN CURRENCY RESERVE

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

SHARE-BASED PAYMENTS RESERVE

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

MOVEMENTS IN RESERVES

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Financial assets at FV through OCI $'000	Foreign currency translation $'000	Share-based payments $'000	Total $'000
Balance at 1 July 2021	-	237	3,124	3,361
Foreign currency translation	-	152	-	152
Share-based payments	-	-	2,166	2,166
Balance at 30 June 2022	**-**	**389**	**5,290**	**5,679**
Revaluation – gross	(839)	-	-	(839)
Foreign currency translation	-	212	-	212
Share-based payments	-	-	2,784	2,784
Balance at 30 June 2023	**(839)**	**601**	**8,074**	**7,836**

NOTE 23. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 24. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of wagering liabilities and liquidity. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign currency risk and aging analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

MARKET RISK

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The Group operates in the United States of America and is exposed to foreign currency exchange rate risk arising from foreign currency exposures to the US dollar.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

		ASSETS		LIABILIITES
CONSOLIDATED	**2024**	**2023**	**2024**	**2023**
US dollars	1,463	2,796	17,514	12,926

The Group had net liabilities denominated in foreign currencies of $16,051,000 (assets of $1,463,000 less liabilities of $17,514,000 as at 30 June 2024 (2023: net liabilities of $9,950,000 ($2,976,000 assets less liabilities of $12,926,000)). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 10% against these foreign currencies with all other variables held constant, the Group's other comprehensive income for the year would have been $1,605,000 lower/$1,605,000 higher (2023: $995,000 lower/$995,000 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 12 months each year and the spot rate at each reporting date being 0.6624 at 30 June 2024 and 0.6630 at 30 June 2023 The Group has $10,000 foreign exchange loss recognised in profit or loss for the year (2023: $1,000). A 10% weakening/strengthening in the Australian dollar would have a $1,000 impact on the current year profit or loss (2023: $nil).

Price risk

The Group is exposed to price risk in respect of its investment in Low6 (see note 11). This has not been significant in the current year.

Interest rate risk

The Group is not exposed to any significant interest rate risk.

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

LIQUIDITY RISK

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

CONSOLIDATED - 2024	WEIGHTED AVERAGE INTEREST RATE %	1 YEAR OR LESS $'000	BETWEEN 1 AND 2 YEARS $'000	BETWEEN 2 AND 5 YEARS $'000	OVER 5 YEARS $'000	TOTAL $'000
Non-interest bearing						
Trade payables	-	8,240	-	-	-	**8,240**
Pending bets	-	288	-	-	-	**288**
Other payables	-	1,436	-	-	-	**1,436**
Client deposits on hand (on demand)	-	5,235	-	-	-	**5,235**
US licence payments	-	1,615	2,204	10,142	9,602	**23,563**
Interest-bearing - variable						
Lease liability	5.00%	669	-	-	-	**669**
Chattel mortgage	5.83%	42	107	45	-	**194**
Total non-derivatives		**17,525**	**2,311**	**10,187**	**9,602**	**39,625**

CONSOLIDATED - 2023	WEIGHTED AVERAGE INTEREST RATE %	1 YEAR OR LESS $'000	BETWEEN 1 AND 2 YEARS $'000	BETWEEN 2 AND 5 YEARS $'000	OVER 5 YEARS $'000	TOTAL $'000
Non-interest bearing						
Trade payables	-	5,953	-	-	-	**5,953**
Pending bets	-	475	-	-	-	**475**
Other payables	-	1,876	-	-	-	**1,876**
Client deposits on hand (on demand)	-	4,454	-	-	-	**4,454**
US licence payments	-	1,735	1,825	5,430	6,913	**15,903**
Interest-bearing - variable						
Lease liability	5.00%	445	401	-	-	**846**
Chattel mortgage	5.83%	42	42	152	-	**236**
Total non-derivatives		**14,980**	**2,268**	**5,582**	**6,913**	**29,743**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

NOTE 25. FAIR VALUE MEASUREMENT

FAIR VALUE HIERARCHY

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

CONSOLIDATED - 2024	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Assets				
Investments designated at fair value through other comprehensive income	-	-	-	-
Total assets	**-**	**-**	**-**	**-**

CONSOLIDATED - 2023	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Assets				
Investments designated at fair value through other comprehensive income	-	-	839	839
Total assets	**-**	**-**	**839**	**839**

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature with the exception of long term trade and other payables, which are discounted to their present value.

VALUATION TECHNIQUES FOR FAIR VALUE MEASUREMENTS CATEGORISED WITHIN LEVEL 2 AND LEVEL 3

The investment was written-off during the year and the loss is included in other comprehensive income.

NOTE 26. KEY MANAGEMENT PERSONNEL DISCLOSURES

COMPENSATION

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

		CONSOLIDATED
	2024 $	2023 $
Short-term employee benefits	1,716,747	1,430,433
Post-employment benefits	100,100	99,300
Share-based payments	1,311,083	871,467
	3,127,930	**2,401,200**

NOTE 27. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of the company:

	2024 $	CONSOLIDATED 2023 $
Audit services - Ernst & Young		
Audit or review of the financial statements	463,000	322,125
Other services - Ernst & Young		
Advisory services	190,000	139,872
Tax compliance	195,500	-
	848,500	**461,997**

NOTE 28. CONTINGENT LIABILITIES

On 8 August 2022, the Victorian Gambling and Casino Control Commission (VGCCC) charged the Group for allegedly unlawfully displaying three gambling advertisements on billboards in prohibited locations during FY23.

The Group recorded a provision that represented their best estimate of the ultimate outcome of this matter of $190,000 within 2023's financial statements. The Group was found guilty of the charges brought against it on 16 April 2024. The Group was fined $50,000 which concluded the matter.

NOTE 29. COMMITMENTS

BlueBet has signed market access agreements in a number of US states, namely Iowa, Colorado and Louisiana. Subject to regulatory approval being received in each state, the market access agreements allow the Group to operate online sportsbooks with terms of 10 years in Colorado and Louisiana, and 5 years in Iowa (with a further 5 year option at the Group's election). Regulatory approval was obtained in Louisiana during the year, and accordingly the Group has recognised the liabilities detailed in note 16 'Trade and other payables'.

	LESS THAN 1 YEAR $'000	1 TO 5 YEARS $'000	GREATER THAN 5 YEARS $'000	TOTAL $'000
Year ending 30 June 2024				
Sponsorships	837	2,200	-	**3,037**
Market agreements	1,615	12,347	9,601	**23,563**
	2,452	**14,546**	**9,601**	**26,600**
Year ending 30 June 2023				
Sponsorships	1,050	3,037	-	**4,087**
Market agreements	2,283	24,527	13,917	**40,727**
	3,333	**27,564**	**13,917**	**44,814**

Sponsorships relate to future commitments made by the Group in exchange for branding and advertising rights granted by sporting organisations.

NOTE 30. RELATED PARTY TRANSACTIONS

PARENT ENTITY

BlueBet Holdings Ltd is the parent entity.

SUBSIDIARIES

Interests in subsidiaries are set out in note 32.

KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the directors' report.

TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

		CONSOLIDATED
	2024	2023
	$	$
Director salary and employment benefits	2,070,147	1,640,388
Lease payments for director's motor vehicle	42,248	37,352
Group/company lease liability for director's motor vehicle	174,367	205,000
Participation in capital raise by director[1]	1,000,000	-

1. *Executive Chairman Michael Sullivan participated in the Company's capital raise in April 2024, acquiring 4,761,904 shares at $0.21.*

RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

At 30 June 2024, the Group had a payable to the Executive Chairman of $22,000 (2023: $22,000), relating to the reimbursement of costs incurred by the Executive Chairman on behalf of the Group. This is interest free and repayable on demand.

The Group also provided a $972,000 term deposit backed bank guarantee on behalf of betr, whilst the fitout of betr's melbourne office is completed. This bank guarantee will be released upon completion in October 2024.

LOANS TO/FROM RELATED PARTIES

There were no loans to or from related parties at the current and previous reporting date.

TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 31. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		PARENT
	2024 $	2023 $
Loss after income tax	(31,770)	(17,506)
Total comprehensive income	**(10,753)**	**(17,506)**

STATEMENT OF FINANCIAL POSITION

		PARENT
	2024 $	2023 $
Total current assets	15,971	24,841
Total assets	**19,719**	**29,413**
Total current liabilities	1,829	328
Total liabilities	**1,897**	**369**
Equity		
Issued capital	67,143	47,806
Financial assets at fair value through other comprehensive income reserve	(839)	-
Foreign currency reserve	-	734
Share-based payments reserve	8,074	5,290
Accumulated losses	(56,557)	(24,786)
Total equity	**17,821**	**29,044**

GUARANTEES ENTERED INTO BY THE PARENT ENTITY IN RELATION TO THE DEBTS OF ITS SUBSIDIARIES

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

CONTINGENT LIABILITIES

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

CAPITAL COMMITMENTS - PROPERTY, PLANT AND EQUIPMENT

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 32. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		OWNERSHIP INTEREST	
NAME	PRINCIPAL PLACE OF BUSINESS / COUNTRY OF INCORPORATION	2024 %	2023 %
BlueBet Pty Ltd	Australia	100.00%	100.00%
BlueBet IP Pty Ltd	Australia	100.00%	100.00%
BlueBet USA, Inc	United States of America	100.00%	100.00%
BlueBet Colorado, LLC	United States of America	100.00%	100.00%
BlueBet Indiana, LLC	United States of America	100.00%	100.00%
BlueBet Iowa, LLC	United States of America	100.00%	100.00%
BlueBet Arizona, LLC	United States of America	100.00%	100.00%
BlueBet Louisiana, LLC	United States of America	100.00%	100.00%
BlueBet Missouri, LLC	United States of America	100.00%	100.00%
BlueBet Canada (Holdings) Ltd	Canada	100.00%	100.00%
BlueBet Ontario Ltd	Canada	100.00%	100.00%

NOTE 33. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	CONSOLIDATED	
	2024 $	2023 $
Loss after income tax benefit for the year	(46,918)	(18,832)
Adjustments for:		
Depreciation and amortisation	5,829	2,773
Share-based payments	2,784	2,166
Foreign exchange differences	132	71
Impairment	27,163	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(553)	(136)
Decrease in income tax refund due	3	967
Decrease/(increase) in deferred tax assets	(2,725)	(3,156)
Decrease in prepayments	(9)	275
Increase in other operating assets	-	(39)
(Decrease)/increase in trade and other payables	(753)	1,092
(Decrease)/increase in employee benefits	917	25
Increase/(decrease) in client deposits	782	846
Net cash used in operating activities	**(13,348)**	**(13,948)**

NOTE 34. NON-CASH INVESTING AND FINANCING ACTIVITIES

	CONSOLIDATED	
	2024 $	2023 $
Additions to right-of-use assets	23	-
Additions to property, plant and equipment	-	154
Additions to US licensing intangible (note 15)	6,938	13,537
	6,961	**13,691**

NOTE 35. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

CONSOLIDATED	CHATTEL MORTGAGE $'000	LEASE LIABILITIES $'000	TOTAL $'000
Balance at 1 July 2022	**111**	**1,172**	**1,283**
Net cash used in financing activities	(125)	(435)	(560)
Acquisition of motor vehicles	214	-	214
Interest expense	5	51	56
Exchange differences	-	17	17
Balance at 30 June 2023	**205**	**805**	**1,010**
Net cash used in financing activities	(46)	(430)	(476)
Interest expense	11	31	42
Balance at 30 June 2024	**170**	**406**	**576**

NOTE 36. EARNINGS PER SHARE

	CONSOLIDATED	
	2024 $	2023 $
Loss after income tax attributable to the owners of BlueBet Holdings Ltd	(46,918)	(18,832)

	NUMBER	NUMBER
Weighted average number of ordinary shares used in calculating basic earnings per share	213,679,431	200,109,649
Weighted average number of ordinary shares used in calculating diluted earnings per share	213,679,431	200,109,649

	CENTS	CENTS
Basic earnings per share	(21.99)	(9.41)
Diluted earnings per share	(21.99)	(9.41)

As at the reporting date, the Group had 10,007,440 potential ordinary shares in the form of options and 16,923,064 potential ordinary shares in the form of performance rights that could potentially dilute basic earnings per share in the future. These were excluded from the calculation of diluted earnings per share because they were anti-dilutive.

Please refer to Note 38 for further detail on the shares issued post 30th June as part of the acquisition of NTD Pty Ltd.

NOTE 37. SHARE-BASED PAYMENTS

BLUEBET LONG-TERM INCENTIVE PLAN ('LTIP')

The company established the LTIP to assist in the motivation, retention and reward of certain employees, non-executive directors and key management personnel engaged by the company or any of its subsidiaries ('Participants'). The LTIP is designed to align the interests of participants more closely with the interests of shareholders by providing them with an opportunity to receive the benefit of increases in the value of shares in the company through the granting of performance rights, options and/or shares.

These options were granted in 2021 aligning with the IPO of the Group. The vesting conditions of these options was 33.33% in June 2023, 33.33% in June 2024, and 33.33% in June 2025, conditional on tenure of the participant.

Set out below are summaries of options granted under the plan:

	NUMBER OF OPTIONS 2024	WEIGHTED AVERAGE EXERCISE PRICE 2023	NUMBER OF OPTIONS 2024	WEIGHTED AVERAGE EXERCISE PRICE 2023
Outstanding at the beginning of the financial year	10,007,440	$1.13	11,285,640	
Granted	-	-	540,000	$0.48
Expired	-	-	(1,818,200)	$0.00
Outstanding at the end of the financial year	**10,007,440**	**$1.13**	**10,007,440**	**$1.13**
Exercisable at the end of the financial year	**3,421,719**		**2,992,480**	

The weighted average remaining contractual life of options outstanding at the end of the financial year was 4 years (2023: 5 years).

BLUEBET EMPLOYEE EQUITY INCENTIVE PLAN

A share incentive plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Remuneration and Nomination Committee, grant performance rights over ordinary shares in the company to certain key management personnel of the Group. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Remuneration and Nomination Committee.

Set out below are summaries of performance rights granted under the plan:

		NUMBER OF RIGHTS
	2024	2023
Outstanding at the beginning of the financial year	4,960,662	800,131
Granted	12,693,356	4,653,876
Forfeited	(106,738)	-
Exercised	(624,216)	(91,579)
Expired	-	(401,766)
Outstanding at the end of the financial year	**16,923,064**	**4,960,662**
Exercisable at the end of the financial year	**359,413**	**-**

For the performance rights granted during the current financial year, the fair value at the grant date is based on the share price at grant date.

GRANT DATE	EXPIRY DATE	SHARE PRICE AT GRANT DATE	EXERCISE PRICE	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE
20/09/2023	31/08/2024	$0.22	$0.00	$0.22	20/09/2023	31/08/2024
20/09/2023	31/08/2025	$0.22	$0.00	$0.22	20/09/2023	31/08/2025
20/09/2023	31/08/2026	$0.22	$0.00	$0.22	20/09/2023	31/08/2026
30/11/2023	31/08/2024	$0.21	$0.00	$0.21	30/11/2023	31/08/2024
30/11/2023	31/08/2025	$0.21	$0.00	$0.21	30/11/2023	31/08/2025
30/11/2023	31/08/2026	$0.21	$0.00	$0.21	30/11/2023	31/08/2026

NOTE 38. EVENTS AFTER THE REPORTING PERIOD

On 1 July 2024, BlueBet Pty Ltd acquired the business of NTD Pty Ltd ('NTD'), which operated the sports betting brand 'betr' in Australia.

The acquisition included NTD's customer database and brand name. The Group also assumed all non-overdue liabilities including the novation of NTD's operating leases, contracts and the employment of NTD staff.

The fair value of the consideration paid for NTD's business was $50,424,000, paid via the issuance of 265,389,465 shares at $0.19 in BlueBet Holdings Limited. This reflects 47.24% of the voting rights of BlueBet Holdings Limited. Included in the consideration paid for NTD's business was 90,242,070 shares issued to Matthew Tripp, held indirectly via YAST Investments Pty Ltd.

As at the date of signing this report the business combination accounting is incomplete. The Group expects the key identifiable assets and liabilities of the acquisition to relate to intangible assets (such as client database), customer deposits, office leases, and cash and cash equivalents.

Additional to the above, the Group is in the process of exiting the US market which will free up significant cashflow to take further market share in Australia..

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 30 JUNE 2024

ENTITY NAME	ENTITY TYPE	COUNTRY OF INCORPORATION	%	TAX RESIDENCY
BlueBet Holdings Limited	Body corporate	Australia	N/A	Australia[1]
BlueBet Pty Ltd	Body corporate	Australia	100.00%	Australia[1]
BlueBet IP Pty Ltd	Body corporate	Australia	100.00%	Australia
BlueBet USA, Inc	Body corporate	United States of America	100.00%	United States of America
BlueBet Colorado, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Indiana, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Iowa, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Arizona, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Louisiana, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Missouri, LLC	Body corporate	United States of America	100.00%	United States of America
BlueBet Canada (Holdings) Ltd	Body corporate	Canada	100.00%	Canada
BlueBet Ontario	Body corporate	Canada	100.00%	Canada

1. *BlueBet Holdings Limited (the 'head entity') and its wholly-owned Australian subsidiary BlueBet Pty Ltd have formed an income tax consolidated group under the Australian tax consolidation regime.*

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Accounting Standards and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement as required by section 295(3A) of the Corporations Act is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Michael Sullivan
Executive Chairman

29 August 2024

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the members of BlueBet Holdings Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of BlueBet Holdings Limited (the Company) and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Building a better working world

Reliance on automated processes and controls related to wagering revenue

Why significant	How our audit addressed the key audit matter
The Group's revenue recognition and reporting process is heavily reliant on a wagering system which utilises automated processes and controls over the capturing and recording of wagering transactions. Given the significance of the wagering system to the processing of revenue transactions, this was considered to be a key audit matter.	Our audit procedures included the following: • Assessment of the effectiveness of transaction processing controls relevant to the recognition of revenue. This included involvement from our IT specialists. • Selection of a sample of transactions from the wagering system and agreement of recorded data to evidence of the original wagering transactions. • Evaluation of the reconciliation of wagering revenue and customer deposit balances between the wagering system and the financial statements. • Analysis of movements in the wagering revenue balance relative to the prior year. • Correlation analysis of the wagering revenue balance with respect to movements in the customer deposits balance.

US Operations and related valuation of intangibles

Why significant	How our audit addressed the key audit matter
At 30 June 2024, the Group's consolidated statement of financial position included intangible assets amounting to \$3,147k (30 June 2023: \$24,670k), representing 8.4% (30 June 2023: 44.8%) of total assets. As disclosed in Note 15 to the financial statements, the Directors have assessed cash generating units and intangible assets for impairment at 30 June 2024. An impairment charge of \$26,892k was recorded against intangible assets in relation to Iowa, Colorado, Indiana and Louisiana CGUs (collectively "the US CGUs").	Our audit procedures included the following: • Assessment as to whether the models used in impairment testing of the carrying values of intangible assets met the requirements of Australian Accounting Standards. • Evaluation of the determination of each CGU based on whether independent cash inflows are generated by the CGU. • Understanding of the Group's objectives and plans for the markets in which each of the CGUs operate in. • Testing the mathematical accuracy of the models and that the calculated

Why significant	How our audit addressed the key audit matter
This assessment involved significant accounting estimates and assumptions, based upon conditions existing as at 30 June 2024, specifically concerning factors such as forecast cashflows, discount rates and terminal growth rates. The estimates and assumptions relate to future US operation plans, future performance, market and economic conditions which are inherently subjective. Changes in certain assumptions can lead to significant changes in the recoverable amount of these assets. Accordingly, we considered the impairment testing of the CGUs and intangible assets to be a key audit matter.	impairment charge was appropriately recorded in the financial statements. • Assessment of the underlying assumptions applied in deriving future cash flows used in the models by comparing these to the Board approved business plans • Assessment of the historical accuracy of the Group's cash flow forecasting. • Assessment of the adequacy of the disclosures included in the Notes to the financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- ► The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- ► The consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 29 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Bluebet Holdings Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst + Young

Ernst & Young

Simon Hannigan
Partner
Sydney
29 August 2024

SHAREHOLDER INFORMATION

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 18 July2024.

DISTRIBUTION OF EQUITABLE SECURITIES

Analysis of number of equitable security holders by size of holding:

	ORDINARY SHARES		OPTIONS OVER ORDINARY SHARES	
	NUMBER OF HOLDERS	% OF TOTAL SHARES ISSUED	NUMBER OF HOLDERS	% OF TOTAL SHARES ISSUED
1 to 1,000	1,629	0.15	-	-
1,001 to 5,000	1,642	0.78	-	-
5,001 to 10,000	510	0.71	-	-
10,001 to 100,000	827	4.81	-	-
100,001 and over	173	93.55	-	-
	4,781	100.00	-	-
Holding less than a marketable parcel	-	-	-	-

EQUITY SECURITY HOLDERS

TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

The names of the twenty largest security holders of quoted equity securities are listed below:

	ORDINARY SHARES	
	NUMBER HELD	% OF TOTAL SHARES ISSUED
YAST Investments Pty Ltd (Yast Investment A/C)	99,765,879	17.76
Majestic Equity Pty Ltd (Catherine Tripp A/C)	90,242,070	16.06
Mr Michael Sullivan	83,157,894	14.80
Bondi B Limited	69,840,064	12.43
HSBC Custody Nominees (Australia) Limited	32,444,834	5.78
Mr William Barnes Richmond	16,241,776	2.89
Mr Duncan McRae	16,241,776	2.89
Bond Street Custodians Limited (Salter - D79836 A/C)	10,080,698	1.79
Cydex LLC	6,157,235	1.10
John McDonald (John McDonald Family No2 A/C)	5,829,408	1.04
MD Sullivan Investments Pty Ltd (MD Sullivan Family A/C)	5,261,904	0.94
Investment Holdings Pty Ltd (Investment Holdings Unit A/C)	4,380,952	0.78
Seymour Group Pty Ltd	3,980,000	0.71
Mr Harry Pratt	3,898,028	0.69
Bond Street Custodians Limited (RSalte - D62375 A/C)	3,571,429	0.64
Citicorp Nominees Pty Limited	3,351,031	0.60
Somerset Trading Pty Ltd (Carthom A/C)	3,078,618	0.55
Mr Joseph Paul Killeen	2,598,684	0.46
Mr Alexander Richmond	2,598,684	0.46
Mr Collin Tew	2,598,684	0.46
	465,319,648	**82.83**

UNQUOTED EQUITY SECURITIES

	NUMBER ON ISSUE	NUMBER OF HOLDERS
Options over ordinary shares issued	-	-
Performance share rights	-	-

SUBSTANTIAL HOLDERS

Substantial holders in the company are set out below:

	ORDINARY SHARES	
	NUMBER HELD	% OF TOTAL SHARES ISSUED
YAST Investments Pty Ltd (Yast Investment A/C)	99,765,879	17.76
Majestic Equity Pty Ltd (Catherine Tripp A/C)	90,242,070	16.06
Mr Michael Sullivan	83,157,894	14.80
Bondi B Limited	69,840,064	12.43
HSBC Custody Nominees (Australia) Limited	32,444,834	5.78

VOTING RIGHTS

The voting rights attached to ordinary shares are set out below:

ORDINARY SHARES

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

BlueBet

betr