



ASX Announcement (ASX:BBT)

29 August 2024

FY24 Results Investor Presentation

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

—END—

AUTHORISATION

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

For further information, please contact:

Investor enquiries

Darren Holley

CFO

investor@bluebet.com.au

Media enquiries

Jack Gordon

Sodali & Co

jack.gordon@sodali.com

About BlueBet (ASX:BBT)

BlueBet (ASX:BBT) is an international online wagering provider and bookmaker listed on the Australian Stock Exchange, with operations in Australia and the United States.

BlueBet is powered by a highly scalable proprietary cloud-based technology platform that can also be delivered as a white-labelled technology solution for B2B partners. BlueBet's websites and apps have been developed using a mobile-first strategy, delivering a premium mobile user experience.

On 1 July 2024, BlueBet merged with leading Australian online wagering company, betr, creating a major player in the Australian online wagering market. The company has a world-class board led by prominent Australian wagering industry figures Michael Sullivan and Matthew Tripp, and a highly experienced management team. From 14 August 2024, BlueBet adopted the betr brand for its Australian consumer facing operations.



FY24 Results Investor Presentation

29 Aug 2024

IMPORTANT NOTICE & DISCLAIMER

Acceptance

This presentation has been prepared by BlueBet Holdings Ltd (ACN 647 124 641) (BlueBet). By accepting, accessing or reviewing this presentation, you acknowledge and agree to the terms set out in this Important Notice and Disclaimer.

Summary of information

This presentation has been provided to you solely to convey information about BlueBet and its related entities, and their activities, for the 12-month period ended 30 June 2024. The information in this presentation is general in nature and does not purport to be complete, nor does it contain all the information which a prospective investor may require in evaluating a possible investment in BlueBet. It has been prepared by BlueBet with due care, but other than as required by law, no representation or warranty, express or implied, is provided in relation to the accuracy, fairness or completeness of the information. Statements in this presentation are made only as of the date of this presentation, unless otherwise stated, and the information in this presentation remains subject to change without notice. None of BlueBet, its representatives or advisers is responsible for updating, or undertakes to update, this presentation. Items depicted in photographs and diagrams are not assets of BlueBet, unless stated. This presentation should be read in conjunction with BlueBet's Results Announcement for the 12-month period ended 30 June 2024, as well as other periodic and continuous disclosure information lodged with the ASX, which are available at www.asx.com.au and the BlueBet Investor Centre accessible via www.bluebetplc.com.

Industry data

Certain market and industry data cited or used in the preparation of this presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of BlueBet, its representatives or advisers have independently verified any such market or industry data provided by third parties or industry or general publications, nor have those third parties or industry or general publications authorised or approved the publication of this presentation.

Not financial product advice or offer

This presentation is for information purposes only and is not a prospectus, product disclosure statement, pathfinder document for the purposes of section 734(9) of the Corporations Act or other disclosure document under Australian law or the law of any other jurisdiction. It is not, and should not be considered as, an offer, invitation, solicitation, advice or recommendation to buy or sell or to refrain from buying or selling any securities or other investment product or to enter into any other transaction in any jurisdiction. It has been prepared without accounting for any person's individual objectives, financial or tax situation or any particular needs. Readers should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs, make their own enquiries and investigations regarding all information in this presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of BlueBet and the impact that different future outcomes may have on BlueBet, and seek legal and taxation advice appropriate for their jurisdiction.

Financial data

Investors should note that this presentation contains historical financial information. The historical information, provided in this presentation is for illustrative purposes only and is not represented as being indicative of BlueBet's views on its future financial condition and/or performance. Investors should be aware that certain financial measures included in this presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' and are not recognised under Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS). The non-IFRS financial information/non-GAAP financial measures include EBITDA, net debt and others. Such non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non IFRS financial information may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS.

Although BlueBet believes these non-IFRS financial measures provide useful information to investors in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this presentation. The non-IFRS financial information in this presentation has not been audited or reviewed in accordance with AAS. All currency figures in this presentation are in Australian dollars (\$) or A\$) unless stated otherwise.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

Past performance

Past performance of BlueBet, including past share price performance, cannot, and should not, be relied upon as an indicator of (and provides no guidance as to) future BlueBet performance. Nothing contained in this presentation, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

Future performance and forward-looking statements

This presentation contains forward-looking statements, forecasts, estimates, projections, beliefs and opinions (Forward-Looking Statements). Forward-Looking Statements can be identified by the use of terminology, including, without limitation, the terms 'believes', 'estimates', 'anticipates', 'expects', 'projects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. Forward-Looking Statements reflect expectations as at the date of this presentation. However, they are not guarantees or predictions of future performance or events or statements of fact. They involve known and unknown risks, uncertainties and other factors, many of which are beyond BlueBet's control, and which may cause actual results to differ materially from anticipated results, performance or achievements expressed or implied by the Forward-Looking Statements contained in this presentation. Other than as required by law, although they believe there is a reasonable basis for the Forward-Looking Statements, neither BlueBet nor any other person (including any director, officer or employee of BlueBet or any related body corporate) gives any representation, assurance or guarantee (express or implied) as to the accuracy or completeness of each Forward-Looking Statement or that the occurrence of any event, results, performance or achievement will actually occur. Except as required by applicable laws or regulations, BlueBet does not undertake to publicly update or review any Forward-Looking Statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

No representations or warranties


No representation or warranty, expressed or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of BlueBet and its related bodies corporate, or their respective directors, employees or agents, nor any other person accepts liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability from fault or negligence.

Authorisation

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


FY24 HIGHLIGHTS

A step change in growth trajectory, underpinned by strong fundamentals




Transformational merger with betr completed

First step in inorganic growth journey, providing brand and tech for profitable growth




Positive Australian trading momentum

Record quarterly metrics show continued momentum in Australian trading and evidence attractive unit economics



Improved financial performance

Ongoing Australian business records first EBITDA positive year

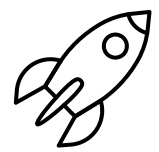


US Exit

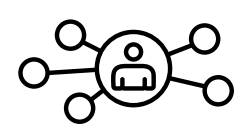
US exit follows Strategic Review with flexibility to redeploy \$6m to \$8m to fuel the Australian business

RAPID REBRAND, MIGRATION AND SYNERGY REALISATION

The Company has made swift progress since Completion to maximise the value of the combination



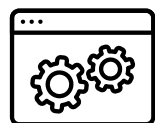
Successfully migrated betr's customer base onto the BlueBet platform, providing a material uplift in customer experience



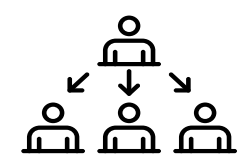
Rebranded the consumer facing "BlueBet" brand to betr in order to leverage the significant investment in that brand and its younger, sports focused positioning



Delivered a material uplift to the look and feel of our native apps and website with a customer interface that undeniably lives up to customers' 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



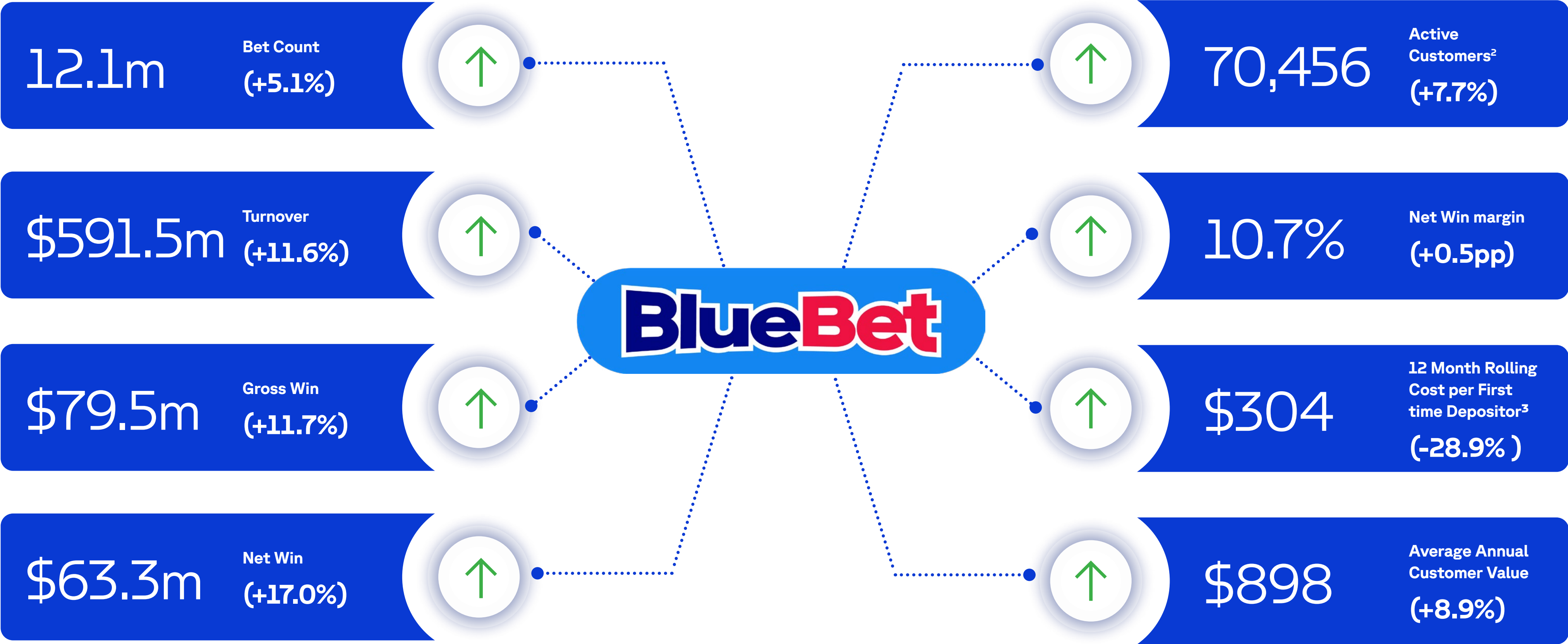
Finalised the US strategic review and prepared a plan for the exit from BlueBet's US business



Achieved the vast majority of the technology related synergies ahead of budget and made significant progress on all other synergies targets

FY24 KEY METRICS DASHBOARD - AUSTRALIA¹

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



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.

Financials

GROUP RESULTS

- INCOME STATEMENT

- **Group Turnover up 18%** vs. PCP, driven by growth in Active Customers and bet count
- **Gross Profit % increased 2.6pp** to 53.2% driven by disciplined use of generosities, more than offsetting increases in taxes
- Australian trading business delivers **first normalised EBITDA positive full year result**

NORMALISED EBITDA		
	FY24	FY23
AUS	\$3.3m	(\$5.8m)
US	(\$10.4m)	(\$8.1m)
Corp	(\$5.9m)	(\$4.4m)

\$000's	FY24	FY23
Turnover (gross of GST)	632,982	536,647
Payouts (gross of GST)	-550,915	-465,055
Gross Revenue	82,067	71,592
Promotions given (gross of GST)	-17,958	-17,664
GST	-5,759	-4,906
Wagering Revenue¹	58,350	49,022
Cost of Sales	-27,290	-24,199
Gross Profit	31,060	24,823
Employee benefits expense (ex SBP)	-14.95	-12,422
Share Based Payments expense	-2,649	-2,041
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
Other Expenses	-3,550	-2,717
Other Revenue	956	101
Interest received	199	528
Normalised EBITDA	-12,943	-18,278
Transaction Costs	-2,309	-
EBITDA	-15,252	-18,278
Depreciation and amortisation expense	-5,829	-2,773
Impairment of US Operations	-26,163	-
Finance costs	-1,399	-517
Loss before income tax expense	-49,643	-21,568
Income tax expense	2,725	2,736
Profit/(loss) after income tax	-46,918	-18,832
Fair value loss on equity investment designated at fair value through other comprehensive income	-839	-
Foreign Currency Translation	212	152
Total comprehensive (loss) / income	-47,545	-18,680

¹Wagering Revenue is also referenced as Net Revenue and is equal to Net Win less GST

NORMALISED EBITDA RECONCILIATION

Strong Australian performance to outperform the market supports investment in marketing, technology and headcount to underpin future growth

- Gross Profit increased 25.1%, driven by Australian Turnover growth of 11.7% with Net Win margin expanding 0.5pp, more than offsetting recent tax increases
- Australian Employee costs increased \$2.0m driven by reduced capitalisation of headcount
- Efficient and effective marketing investment saw Active Customers grow 7.7% to 70,456 on 40% less spend
- Additional IT spend as a result of accelerated betr platform build ahead of migration
- Increased US expenses of \$3.0m driven by IT investment and additional marketing with the launch of Louisiana

EBITDA FY23		-18,278
Key FY24 movements		
Gross Profit		6,237
AU Employee expenses		-1,958
AU Advertising and marketing		6,858
AU IT Expense		-1,781
AU Other		538
Corporate		-1,511
US expenses		-3,048
Normalised EBITDA FY24		-12,943

BALANCE SHEET

\$000's	30 JUN 2024	30 JUN 2023
Assets		
Current assets		
Cash and cash equivalents	24,490	22,695
Trade and other receivables	951	363
Income Tax refund due	44	46
Other assets	1,506	597
Total current assets	26,991	23,701
Non-current assets		
Investments	-	839
Property, plant and equipment	411	729
Right-of-use assets	238	720
Intangibles	3,147	24,670
Deferred tax asset	6,632	3,907
Other assets	90	526
Total non-current assets	10,518	31,391
Total assets	37,509	55,092
Liabilities		
Current liabilities		
Trade and other payables	11,579	10,039
Borrowings	33	31
Lease liabilities	406	414
Employee benefits	2,070	1,200
Client deposits on hand	5,235	4,454
Total current liabilities	19,323	16,138
Non-current liabilities		
Borrowings	141	174
Trade and other payables	14,460	9,427
Lease liabilities	-	391
Employee benefits	157	110
Total non-current liabilities	14,758	10,102
Total liabilities	34,081	26,240
Net assets/(liabilities)	3,428	28,852
Equity		
Issued capital	67,143	47,806
Reserves	7,836	5,679
Retained profits/(accumulated losses)	-71,551	-24,663
Total equity/(deficiency)	3,428	28,852

SUMMARY OF CASH FLOWS

- Net Cash used in operating activities was (\$13.3m) with H2 FY24 being an outflow of (\$2.6m) which was a significant improvement on H1 FY24 as the Australian business returned to Operating Cashflow positive

\$000's	FY24	FY23
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)	-75,432	-67,909
	-12,148	-14,505
Interest received	199	528
Interest and other finance costs paid	-1,399	-517
Income taxes refunded / (paid)	-	546
Net cash from operating activities	-13,348	-13,948
Cash flows from investing activities		
Payments for property, plant and equipment	-44	-123
Investments	-	-839
Payments for intangibles	-3,283	-9,542
Net cash used in investing activities	-3,327	-10,504
Cash flows from financing activities		
Net proceeds from issue of shares	19,246	-
Payment of principal portion of lease liabilities	-452	-272
Payment for guarantee deposits	-536	-
Net cash from/(used in) financing activities	18,258	-272
Net increase / (decrease) 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	24,490	22,695

A New Era Begins

TRANSFORMATIONAL MERGER OF BLUEBET & BETR

BlueBet and betr to combine to create a profitable, leading Australian wagering operator



1. | Materially enhanced scale and increased sustainable base of recreational customers
2. | Maximising use of BlueBet's proprietary technology platform
3. | Significant operating efficiencies, with the Combined Business expecting to reach monthly EBITDA profitability in 1H FY25 and be EBITDA profitable in FY25¹
4. | Experienced and credentialed Board and management team
5. | Platform for further inorganic growth

1. Including synergies, excluding one-off transaction and synergy realisation costs.

US EXIT TO DELIVER LASER FOCUS ON AUSTRALIA

Focusing on our core Australia market where we have a sustainable competitive advantage



US market dynamics have changed

- Slower than expected regulation has hampered market growth and hindered SaaS B2B deals
- Market has become increasingly competitive and concentrated, with consolidation having accelerated in last 12 months



Strategic review

- As a result, the Board announced a strategic review to determine BlueBet's future direction
- In August, following the rebrand of Australian consumer-facing operations to betr, we announced our intention to exit from the US
- The Board determined the optimal investment of capital and operational focus is on growing our core domestic business where we have a sustainable competitive advantage via our technology platform, increased scale and experienced team

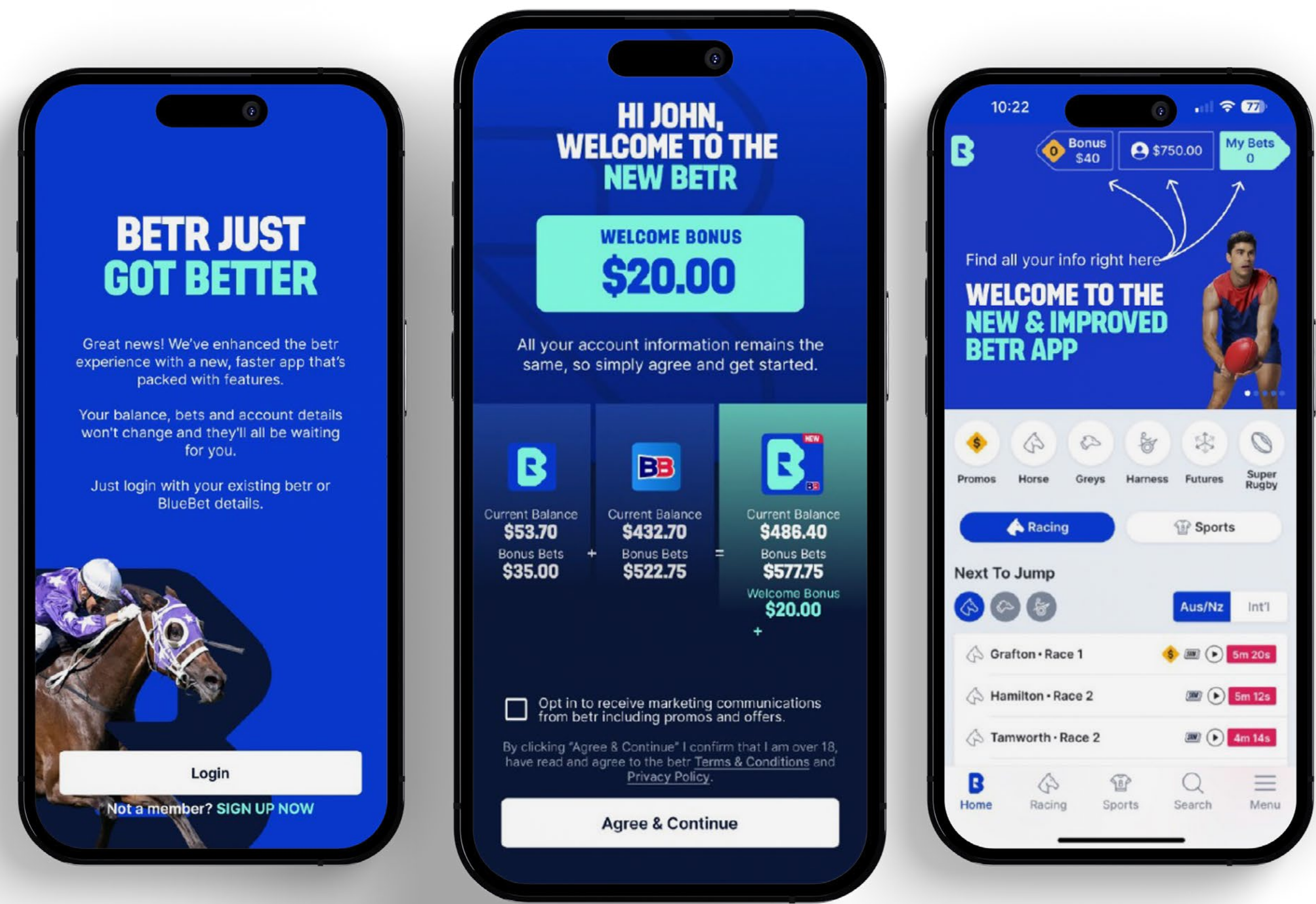


Creating a leading, Australia-focused operator

- Ambition to grow market share via organic and inorganic growth
- Confident that our focus on Australia will deliver outstanding experiences for our customers and create value for our shareholders

SUCCESSFUL CUSTOMER MIGRATION & REBRAND

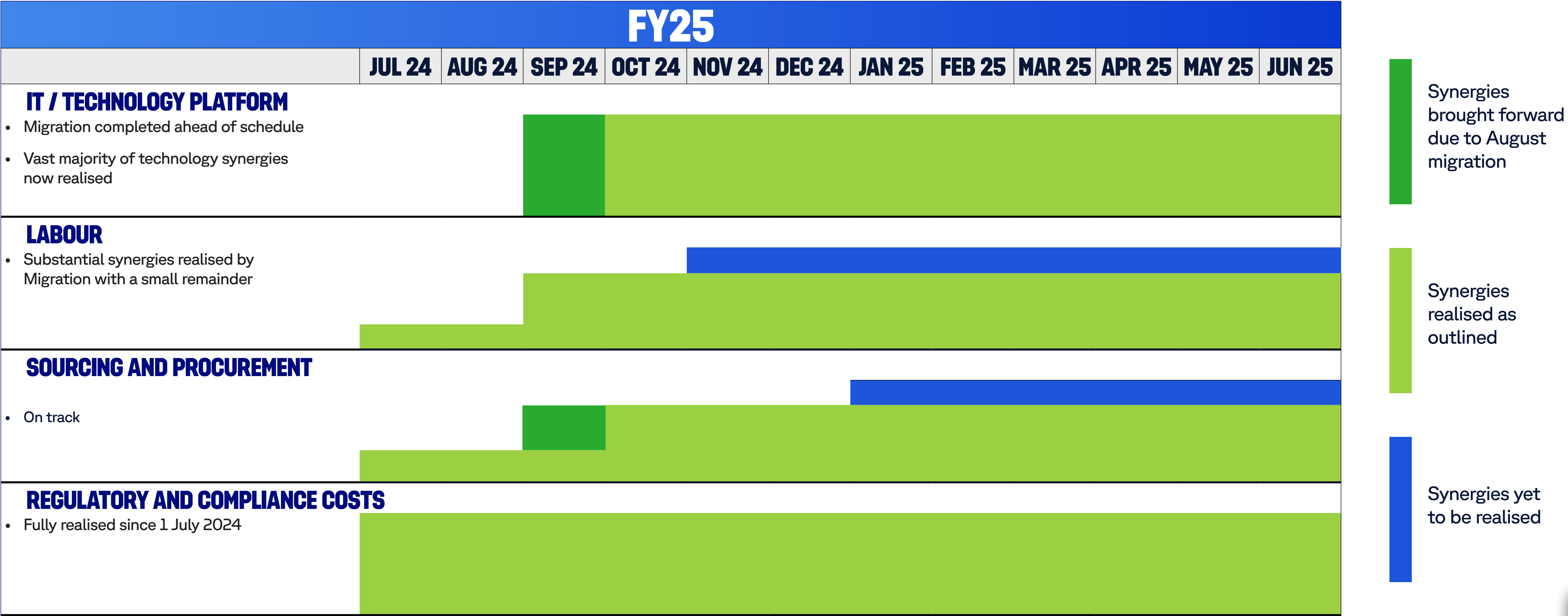
Completed in only 59 days - record time for Australian market



- ✓ Rebrand and Migration successfully executed on 28 August
- ✓ betr brand leverages significant investment and younger, sports focused brand positioning
- ✓ All-new app and wagering experience built on market-leading BlueBet technology platform
- ✓ Repeatable model and reusable tech provides platform for future inorganic growth

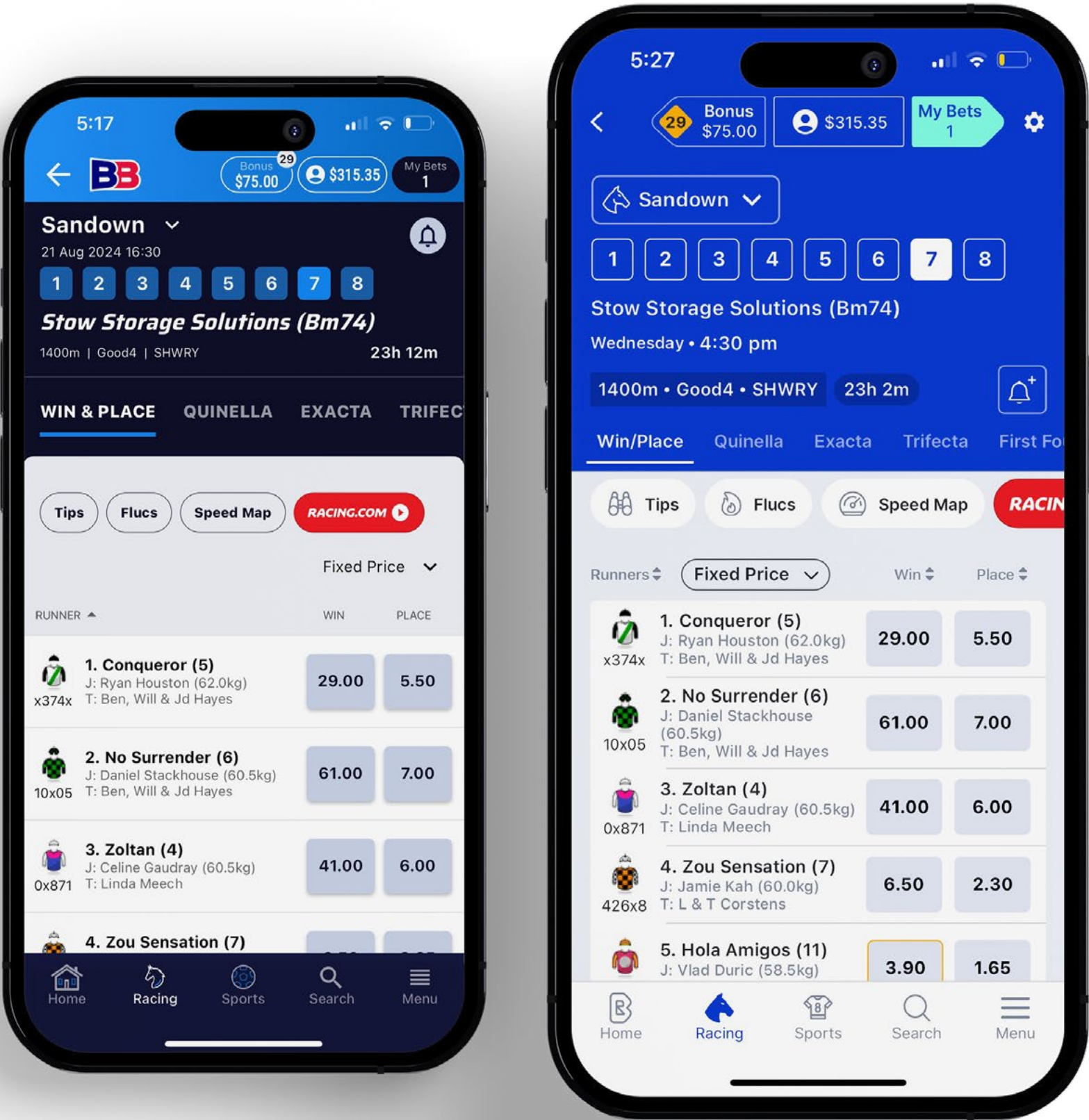
MIGRATION CONFIRMS SYNERGY REALISATION TIMETABLE

Successful customer migration in August has allowed earlier realisation of material synergies



ALL-NEW BETTING EXPERIENCE

Rapid product development since Completion has delivered an uplifted experience for all customers



Faster, fresher design delivering speed and ease of use



Delivers 8 of the top 9 most-desired enhancements for customers on betr platform



Enhanced Same Game Multi and Live Betting experience



Faster bet and promotion settlement, instant withdrawals

Unique Promos

Improving the App

Real-time withdrawals

Withdrawal speed

Improving the website

Live Vision

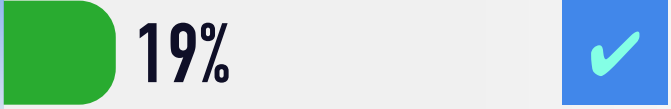
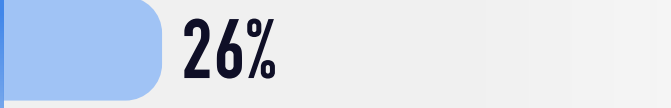
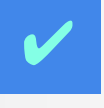
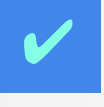
Improve Same Game Multi

See Popular bets

More expert tips / content



69%




New platform delivers betr customers 8 of their top 9 most-desired enhancements

betr customer research (March '24, n=1218)
Finally, how important do you think it is for betr to focus on the following?

PERSONALISED PROMOTIONS & GENEROSITIES

The right offer, to the right customer,
at the right time

EXCLUSIVE OFFERS



BET BACK SPECIALS

THOROUGHBREDS

MON TUE WED THU FRI SAT SUN


RUN 2ND OR 3RD ANY RACE

1 1 4 1 1 8 1

GREYHOUNDS

RUN 2ND - ANY RACE

4 BET BACKS AVAILABLE DAILY



DAILY MULTI SPECIALS

SAME GAME MULTI	ANY MULTI
3-LEG SGM 1 LEG FAILS	4-LEG MULTI 1 LEG FAILS
4-LEG SGM 1 LEG FAILS	6-LEG MULTI / UP TO 2 LEGS FAIL

1 BET BACK DAILY AVAILABLE ON EACH OF THE ABOVE

9:41

Bonus \$125

\$750.00

My Bets 0

MEGA MULTI

3-LEG 5-LEG 7-LEG

IF 1 LEGS FAILS IF 2 LEGS FAIL IF 3 LEGS FAIL

UP TO \$50 BACK IN BONUS CASH

Promos Horse Greys Harness Futures Super Rugby

Racing Sports

My Exclusive Promotions

Bonus Bets \$125.00

\$10.00 - Bonus Bet Expires: 29 May 2024 10:30PM Split

\$5.00 - Bonus Bet Expires: 29 May 2024 10:30PM

Rewards 5

Boosts 12

11:55

Bonus \$75.00

\$315.35

My Bets 1

Sandown

1 2 3 4 5 6 7 8

Stow Storage Solutions (Bm74)

Today • 4:30 pm

1400m • Good4 • OCAST 4h 34m

Win/Place Same Race Multi Quinella Exacta

1. Conqueror

Sandown R7

Fixed win 16.00

Stake \$ 0.00

Win & Place Payout \$0.00

Bonus Tokens Boost

+ Add to Betslip

+5 +10 +20 +50 +100

1 2 3 4 CE

5 6 7 8 x

9 0 . Place bet

11:41

\$315.35

1 Betslip

Exotic Bets

Quinella Bet

VIC - Sandown R1

1st 1,2,4

Stake \$ 10.00

333.33 %

Combos: 3 Per Combo \$3.33

Bonus Tokens

Sandown Race 1-8 | 21/8/24 | Quinella

20% Bonus - up to \$200 as Bonus Bets

+5 +10 +20 +50 +100

1 2 3 4 CE

5 6 7 8 x

9 0 . Place bet



Tokenised generosity
delivered to BlueBet
platform in August



Gives customers personalised
promotions and more choice
over their offers



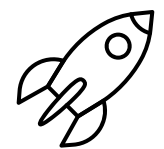
Improves Net Win % by
decreasing untargeted
promotion cost

FY25 H1 OUTLOOK

	JUL	AUG	SEP	OCT	NOV	DEC
KEY FOCUS AREAS	Cash preservation – preparation for migration <ul style="list-style-type: none">Legacy betr platform has ~3x higher promotional cost to reactivate than BlueBet platformDeliberate strategy to limit inefficient spend to conserve cashPrepare for customer migration including plan to reactivate large betr customer base with better unit economics		Drive increased engagement and momentum <ul style="list-style-type: none">Period of heavy investment to migrate betr customers to BlueBet platform and maintain strong BlueBet customer momentumTargeted investment in retention and reactivation focused on key events in peak wagering periodSupported by highly targeted, digital-first, marketing campaign to grow awareness and protect market share		Emerging profitability at scale <ul style="list-style-type: none">Retaining valuable customers, with product enhancements and tokenisation to unlock spend efficienciesApproaching normal run-rate marketing investmentAggressively innovate with products customers love to increase retention	
WAGERING EVENTS			AFL & NRL FINALS SPRING RACING CARNIVAL THE EVEREST		MELBOURNE CUP CARNIVAL	
RESULTS	<div><div>↓</div>Lower activity on legacy betr platform</div> <div><div>↑</div>Improved cash position via optimised Net Win margin</div>		<div><div>↑</div>Enlarged customer base drives higher Turnover</div> <div><div>↓</div>Strategic generosity investment temporarily reduces Net Win margin</div>		<div>All of this will deliver, in line with our commitments, EBITDA positivity by end of 1H FY25</div>	
	JUL	AUG	SEP	OCT	NOV	DEC

IN CONCLUSION

The Company closes FY24 with record performance in the ongoing Australian business and a compelling platform for growth



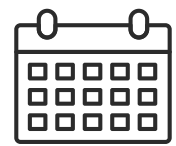
- **Completed our transformational merger with betr** as the first major step in our ambitious inorganic growth agenda



- **Delivered a successful Customer Migration and Rebrand** in a market record 59 days and on to the younger, sports focused betr brand



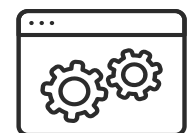
- **Demonstrated our repeatable Migration model** with key skills and reusable technology a compelling platform for further inorganic growth



- **Confirmed the synergy realisation timetable** with the successful Customer Migration realising the vast bulk of remaining identified synergies



- **Announced US market exit** with flexibility to redeploy \$6m to \$8m to fuel the Australian business



- **Uplifted our technology and wagering apps** ahead of Migration as a platform for further rapid product innovation

BlueBet | **B**etr