

BetMakers Technology Group Ltd

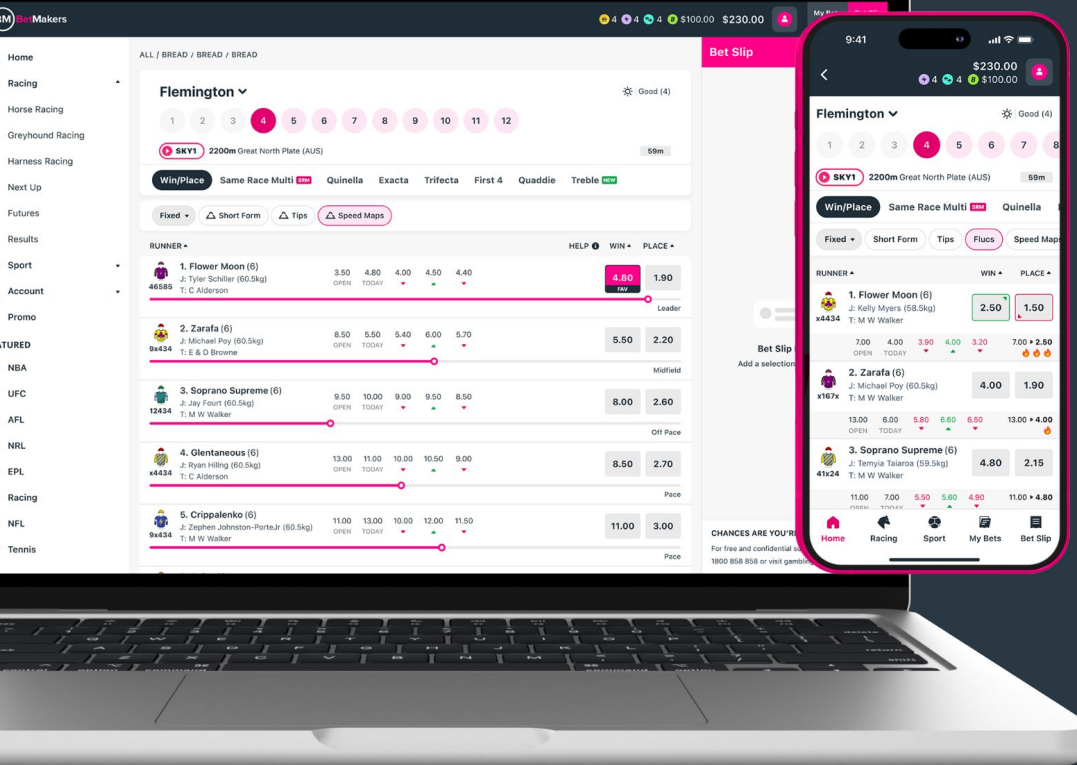
ABN 21 164 521 395



# INVESTOR PRESENTATION

OCTOBER 2024

[www.betmakers.com/investors](https://www.betmakers.com/investors)



**BetMakers delivers world leading B2B technology for tote and fixed odds wagering.**

# A GLOBAL LEADER

BetMakers delivers world leading B2B technology solutions for tote and fixed odds betting on horse racing.



## AN INTERNATIONAL LEADER IN B2B TECHNOLOGY FOR RACING

- We are the only global platform for B2B technology solutions for both Tote and Fixed Odds wagering on racing:
  - 230+ racing partners
  - 45 licences
  - 60+ wagering operators
  - 30+ active countries



## A UNIQUE MIX OF HIGHLY SCALABLE PRODUCTS FOR BOTH TOTE AND FIXED ODDS WAGERING

- We offer wagering operators and industry participants a full suite of highly scalable products for both Tote and Fixed Odds.
- BetMakers is able to provide end-to-end software and hardware solutions, managed trading, and a suite of data and content services.



## TRANSFORMATION STRATEGY UNDERWAY

- BetMakers is actively pursuing a transformation strategy, including initiatives designed to improve gross margin, reduce costs and accelerate growth.
- Next Gen platform is now live.
- Management is incentivised to deliver financial outcomes aligned to the transformation.



## APPROACHING PROFITABILITY

- Realisation of benefits from lower operating costs and implementation of further efficiencies.
- The operational focus is on enabling positive cash-flow during FY25.



**MATT DAVEY**  
President and Executive Chairman

Matt Davey possesses extensive expertise in the gaming and wagering industry within the United States. Previously, he served as the Chief Executive Officer of NYX Gaming Group, a company that was subsequently acquired by Scientific Games (NASDAQ: SGMS). During his tenure as CEO at NYX Gaming Group, Matt Davey demonstrated exceptional leadership by formulating and implementing a highly successful corporate strategy, resulting in substantial revenue growth. Furthermore, he spearheaded the acquisition of ten companies, including OpenBet, a renowned provider powering one of the largest volumes of online sports bets worldwide. This strategic move contributed significantly to NYX Gaming Group's emergence as a leading supplier of digital gaming content and cutting-edge technology.



**JAKE HENSON**  
Chief Executive Officer

Jake Henson has been a key member of BetMakers across various commercial and operational roles since 2013. Jake holds over 15 years experience in the sports, technology and wagering industries. In his tenure at BetMakers, Jake has overseen the integration of BetMakers' strategic acquisitions and assets such as DynamicOdds, Global Betting Services, the former Sportech Racing, RACELAB Global, and Punting Form as well as spearheading the recent upgrades to key technology and operational functions that are re-setting the business cost base moving forward.



**CARL HENSCHKE**  
Chief Financial Officer

Carl Henschke joined BetMakers in 2024 with over 17 years of experience in financial and legal sectors. Carl brings to the role of CFO his deep expertise in financial planning and analysis, strategy, capital management, and M&A, as well as a keen understanding of high growth technology companies. Beginning his career as a solicitor, Carl has since worked as an investment banker, where he focused on software and digital businesses, including those in the wagering and betting sector.

BUSINESS STRATEGY

# LEADERSHIP TEAM



## BUSINESS STRATEGY

# GLOBAL FOOTPRINT

30+

active countries

60+

online wagering operators

230+

racing partners

45+

regulatory licenses

376

employees  
(at June 30, 2024)

↑ from 568

8

worldwide offices

↑ from 11

## EUROPE

United Kingdom and Ireland, France, Germany, The Netherlands, Spain, Cyprus, Denmark, Norway and Finland

## ASIA

South Korea, Hong Kong, Macau, Vietnam and Malaysia

## AMERICAS

United States and Canada, Puerto Rico, West Indies and Dominican Republic, Peru, Argentina and Chile

## AFRICA

South Africa

## OCEANIA

Australia and New Zealand



## BUSINESS STRATEGY

# OPERATING MODEL

From Fixed Odds alone, BetMakers Marketplace performs over 2 billion data checks and validations each day.

BetMakers has built a reliable and scalable B2B marketplace for software, data and rightsholder partners for the racing-led wagering sector.

### DATA AND CONTENT PROVIDERS



### PRODUCTS

- Quantum™ Tote Engine
- Tote Hosting
- International Tote Pooling
- Interface Management
- Venue Services

Global Tote



BetMakers

GBS

### PRODUCTS

- Fixed Odds Pricing & Managed Trading Services
- Data, Form & Content
- Racing Vision
- Reporting & Analysis
- Rights Partnerships
- Official Price & Integrity

### GLOBAL WAGERING OPERATORS



## BUSINESS STRATEGY

# PRODUCTS BY DIVISION

BetMakers' unique mix of products supports both Tote and Fixed Odds Wagering on racing globally.

Tote betting represents more than 70% of regulated betting on horse racing in the world.<sup>1</sup>

## GLOBAL TOTE ///™

### PRODUCTS

Quantum™ Tote Engine

Tote Hosting

International Tote Pooling

Interface Management

Venue Services

### CUSTOMERS



UK TOTE GROUP



TOTE ENGINE, HOSTING, POOLING AND INTERFACING

## GLOBAL BETTING SERVICES ///™

### PRODUCTS

Fixed Odds Pricing & Managed Trading Services

Data, Form & Content

Racing Vision

Reporting & Analysis

Rights Partnerships

Official Price & Integrity

### CUSTOMERS

Ladbrokes sportsbet®

TABtouch

RMG

William HILL

ENABLEMENT PRODUCTS THAT SPAN BOTH DIVISIONS

PLATFORMS, FORM AND DATA FOR FIXED ODDS WAGERING

<sup>1</sup>Based on data provided by the World Tote Association (<https://world-tote.org/>).

# GLOBAL BETTING SERVICES (NEXT GEN)



<sup>1</sup>A reference in this presentation to SaaS refers to Software as a Service revenues, that are periodic (typically monthly) recurring fees paid to BetMakers.





## BUSINESS STRATEGY

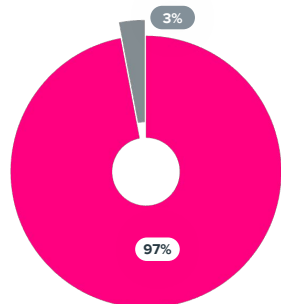
# GLOBAL TOTE



# FY24 REVENUE COMPOSITION

Our revenues are contracted, diversified, and allow BetMakers to participate in the value generated by our products.

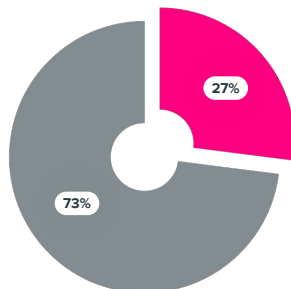
## CONTRACTED REVENUES



● Contracted Beginning of the Year ● Not contracted of the Year

97% of FY24 Revenue was derived from customers who had contracts in place at the beginning of the year.<sup>1</sup>

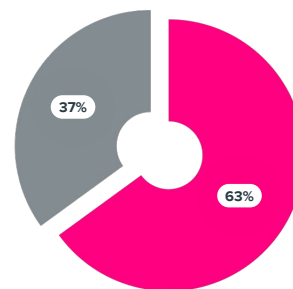
## CUSTOMER CONCENTRATION



● Other Customers ● Top 10 Customers

Top 10 Customers are only 27% of FY24 Revenue  
No customer greater than 5% of revenue.

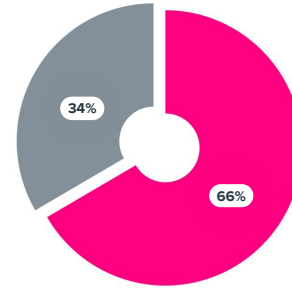
## REVENUE MODEL



● Fixed ● Variable

A mix of fixed and variable fees allows BetMakers to participate in the value generated by our products.

## GROUP GEOGRAPHICAL SPLIT



● Domestic ● International

BetMakers' revenue is distributed across a diverse and global client base.

<sup>1</sup>All figures on this slide are based on FY24 Revenue, of \$88.8m, which excludes any revenue from betr.

# EBITDA IMPROVING

**Adjusted EBITDA loss reduced by 74% to \$7.2m (FY24 vs FY23).**

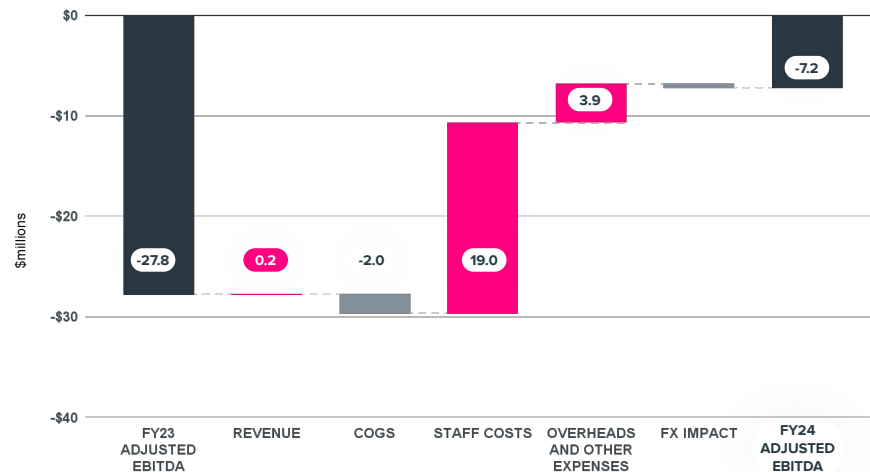
→ Adjusted EBITDA, was -\$7.2m vs -\$27.8m in the pcp (an improvement of \$20.6m).

**The restructure is delivering, the business is more efficient.**

- Key driver is reduction in operating expenses from \$88.2m in FY23 to \$65.3m<sup>1</sup> in FY24.
- Well positioned for improved operating leverage in FY25 and future periods.

**Management's focus is on realising further efficiency gains and continuing to improve margins.**

Adjusted EBITDA



**BetMakers' Adjusted EBITDA loss reduced from \$27.8m in FY23 to \$7.2m in FY24.**

<sup>1</sup>FY24 operating expenses of \$65.3m are after the capitalisation of \$6.3m of staff costs relating to Next Gen. There were no staff costs capitalised in FY23.

# TRANSFORMATION & GROWTH STRATEGY

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Shaping the future of global racing.

## TRANSFORMATION & GROWTH

# TRANSFORMATION STRATEGY

Betmakers has developed a strategy to support its long term goal<sup>1</sup> of transforming the business into a “Rule of 40”<sup>2</sup> Company.

### HORIZON ONE

*Focus on delivering an improved operating model to assist in achieving positive cash-flow*

- Deliver a market leading technology platform for both Fixed Odds and Tote.
- Complete the optimisation of the global operating model including integration of all technology, commercial and corporate functions.
- Establish strategic partnerships to support future growth.
- Working towards achieving positive operating cash-flow.

**TARGETING COMPLETION IN FY25**

### HORIZON TWO

*Leverage market position to work towards profitable growth*

- Move focus to generating profitable growth.
- Roll-out scalable products to international markets.
- Leverage strategic partnerships and improved market position.
- Maintain operational discipline.
- Explore new product opportunities.

### HORIZON THREE

*Accelerated growth*

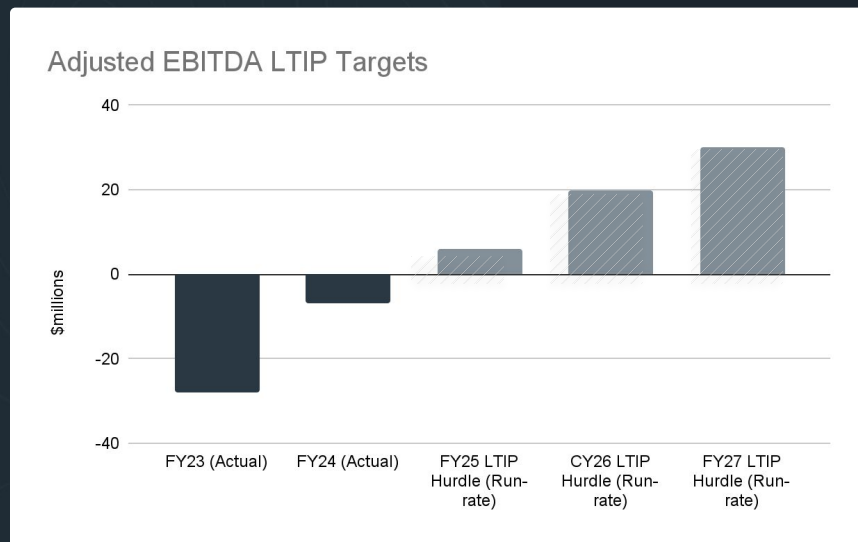
- Strategic focus on accelerating growth.
- Explore opportunities for transformative M&A.
- Leverage strategic partnerships and global footprint - chasing the “network effect”.

<sup>1</sup>Long term goal refers to 3 to 5 years.

<sup>2</sup> The Rule of 40 is a principle that states that a technology company's combined growth rate and EBITDA margins should exceed 40%.

# TRANSFORMATION PLAN

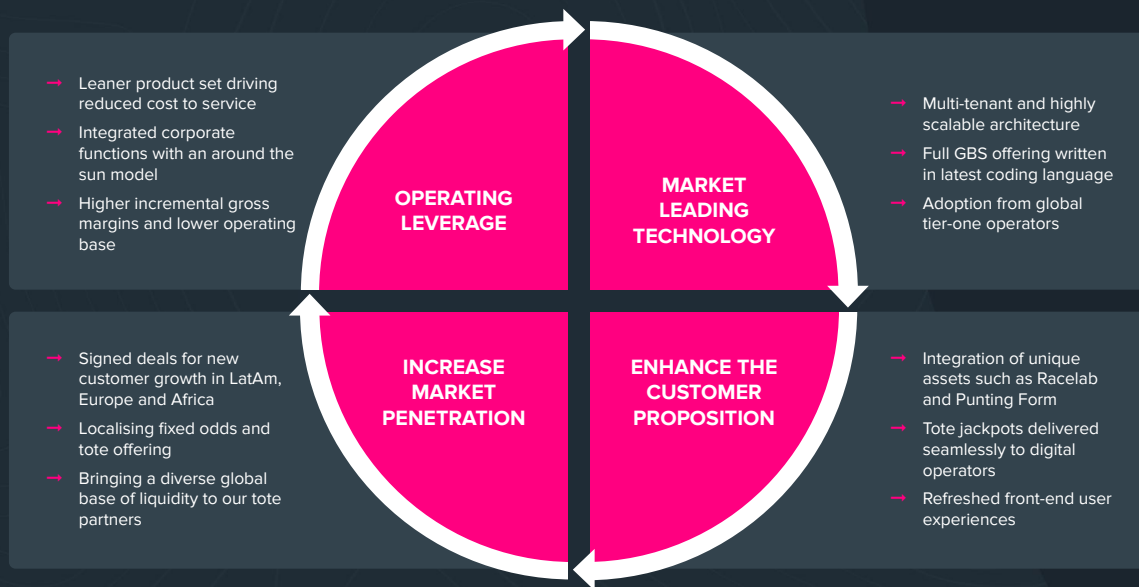
BetMakers is pursuing an aggressive financial transformation, designed to deliver long term value for shareholders.



The LTIP Performance Hurdles<sup>1</sup> are not financial guidance, but are ambitious targets designed to incentivise management to execute on the transformation.

<sup>1</sup>For further information on the LTIP please see the announcement released in conjunction with this presentation

# GROWTH FLYWHEEL



**BetMakers is leveraging its technology platform to drive new growth opportunities.**

This is supported by a leaner and more efficient business model that is designed to continue to deliver improved operating leverage from incremental revenue.



## TRANSFORMATION & GROWTH

# GROWTH FOCUS

**BetMakers has various growth opportunities, leveraging its position as a leading B2B marketplace for technology that powers racing-led wagering.**

### INTERNATIONAL EXPANSION

Providing turn-key and bespoke solutions for both emerging markets and established international operators.

### UPGRADING TOTE TECHNOLOGY

Delivering upgraded Tote technology for established operators globally.

### IMPROVING PRODUCT AND DIVERSIFYING CONTENT

Delivering improved data, software and content for wagering operators both in Australia and internationally.

### IMPROVING LIQUIDITY FOR TOTES, GLOBALLY

Utilising the BetMakers network to bring additional liquidity to existing tote pools via connectivity with customers.

### NORTH AMERICAN FIXED ODDS

Leveraging existing NJ partnership, BetMakers is in a strong position to benefit from further opportunities throughout North America.

### STRATEGIC PARTNERSHIPS

BetMakers is well placed to partner with key industry participants to meet the evolving needs of racing's global customer base.





# DISCLAIMER

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This shareholder update is dated 24 October 2024.

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