

26 November 2024

Chair and CEO Addresses to 2024 Annual General Meeting

Chair Address

As a technology business, BetMakers has covered significant ground since I joined to chair the board and work directly with the executive team. We have seen material improvements in operating discipline, technology and product deliveries and customer engagement. These results can be clearly seen in metrics such as the improvement in gross profit margin, operating costs and cash consumption.

There is much work yet to be done and our focus is firmly on driving profitable growth over the coming years. We will do this as a company committed to robust governance, capital management and strategic planning. Further, I am a strong believer in the power of incentives and am confident our LTIP is structured to align our incentives with outcomes our shareholders would be pleased to see over the next couple of years.

We operate in a truly international industry with a highly fragmented set of stakeholders and few large, scaled providers. The opportunity for our company to grow, capture market share and build a wonderful business in this global industry is exciting and I look forward to working with our incredible team to deliver those results.

CEO Address

To my fellow shareholders,

Last year, we laid out the three pillars of our strategy to deliver a profitable and more sustainable BetMakers business.

We needed to become a more efficient and disciplined business; one that was leaner and prepared to jump on our opportunities.

We also needed to improve product quality and sharpen our competitiveness.

Finally, we needed to deliver on the opportunities in front of us.

Today I am pleased to share the significant progress we have made delivering against these objectives.

To become a more efficient and disciplined business, we undertook a significant period of cost reductions facilitated by technology developments, infrastructure upgrades, and operational restructuring.



We have now transitioned from an accelerated growth phase where we invested in modernising technology across software and hardware to a more normalised state that allows the business to operate on a much more efficient and stable basis.

Our staff cost base decreased 19.6% from \$64.4 million in FY23 to \$51.8 million in FY24.

We have also significantly reduced overheads from \$23.7 million in FY23 to \$19.8 million in FY24. These cost reductions reflect our improved operational discipline, and I am confident in our expectations that both of these metrics will continue to trend positively in FY25.

To achieve our goal of improved product quality and market competitiveness, BetMakers completed major upgrades to the technologies that process our global racing data, power our global pricing, and process and store critical wagering transactions.

Global Betting Services has deployed our next generation betting solution – branded Apollo™ – to existing fixed odds Embedded Solution and End-to-End Platform clients.

Apollo™ is the foundation for BetMakers' future digital solutions. It offers redesigned user journeys, new products and services, streamlined back office, and enhanced racing data including our RACELAB ProFORM™ betting prompts.

Apollo™ also offers our partners new and better ways to engage with their customers and significantly faster performance. Because it operates on a more efficient infrastructure and technical model, it is allowing BetMakers to lower operating costs as well.

We rolled out DeltaFusor™ to improve our data management and distribution, delivering savings by streamlining data management operations and enhancing data accuracy.

Our Global Tote technology suite is also set to be enhanced with new features, beginning with our tote wagering GTX™ platform for web and mobile, which is expected to launch in the coming quarter. This latest iteration of Global Tote's advance deposit wagering ("ADW") platform offers an improved user experience, tote and fixed odds integrations, RACELAB ProFORM™ betting prompts, and new tools for customer engagement and marketing. Like Apollo™, GTX™ is set to operate our current base of ADW customers at a lower cost base when fully rolled out.

All of these updates have resulted in vastly improved products for our customers, and importantly, all of the products we delivered over the past 12 months experienced 100% uptime during the Spring Racing Carnival, the Breeders' Cup, and Royal Ascot, among other feature racing events.

In last year's AGM message, I referred to the innovative core of BetMakers' DNA and our drive to push boundaries and lead our industry. These product achievements are a strong testament to this and while I am pleased to share what we've achieved so far this year, I'm also excited about what's to come.

We have delivered on key opportunities in recent months, some of which required lengthy developments.



During April and May 2024, our Embedded Racebook terminal solution went live in more than twenty Caesars Entertainment venues where it delivered 100% uptime over the recent busy Breeders' Cup weekend and received strong positive customer feedback.

In addition, our 10-year tote deal with Norsk Rikstoto soft-launched in early November, completing this highly-customised full system replacement project.

Our new Apollo™ platform upgrade launched in September with its first new customer and we have since upgraded eight current customers to this superior product while bringing two new customers into the fold.

Since the end of FY24, BetMakers has signed or extended contracts with clients from across the global business including a new agreement with B2B platform provider Sportingtech to integrate our Embedded Solution into their platform, a new agreement with Club Hípico de Santiago and Hipódromo Chile for Global Tote's SaaS Quantum™ Solution, BetLine terminals, and new ADW platform, and a racing pricing and data services agreement with B2B platform provider Delasport for on-selling into their global customer base.

Looking to 2025, I refer to the three pillars of transformation that I opened my message with; becoming a leaner business, improving product quality and competitiveness, and delivering on opportunities.

In a relatively short timeframe, we have cut costs and streamlined operations globally.

Our technologies have become more robust and more agile, and our commercial team is better positioned to strike when opportunities arise.

We have built a dependable and scalable B2B marketplace for software, data and rightsholder customers in the racing-led wagering sector with a premium suite of technology products, services, data, and content partnerships.

With the work of the broader BetMakers senior management team, I am confident in our expectations that our transformation and growth strategy will begin to deliver value for stakeholders and shareholders in the current financial year. This is evidenced by our current expectation of positive operating cash-flow in H2 FY25.

Finally, I would like to thank all the hard working and dedicated people in the BetMakers business around the world who have all played a critical role in our transformation and look forward to celebrating further wins as a team in FY25.

Thank you.

The Board of BetMakers has authorised the release of this announcement to ASX.



For further information please contact:

Eric Kuret, Automic Group

Investor Relations

investors@thebetmakers.com

+ 61 417 311 335