



ASX Announcement (ASX: BBT)

28 November 2024

BlueBet 2024 AGM Addresses

Chair's address

Good morning fellow shareholders.

On behalf of the Board of Directors, it is my pleasure to welcome you to the Company's 2024 Annual General Meeting.

Much has happened since this time last year, and the BlueBet of today has meaningfully evolved as a company, having completed our transformational merger with betr on 1 July 2024.

Most importantly, the team's rapid and decisive execution since the merger has resulted in the business being on track to achieve monthly EBITDA profitability before the end of H1 FY25. November MTD trading is materially ahead of prior year. Pleasingly, as we have previously indicated, the Company is well positioned to be normalised EBITDA-positive for FY25 as we continue to drive efficiencies and synergies from the merger, enhancing our customer offering and taking share.

The merger has created a leading Australian wagering operator, combining BlueBet's industry-leading technology platform with betr's strong customer base and we have already seen the benefits of the combination in our performance over the Spring Racing Carnival following a rapidly executed customer migration.

We are now poised to deliver the next chapter of our growth, with a world-class team and Board that bring invaluable expertise and experience to the table.

As we reflect on our journey to date, I think it's important to take stock of how far we've come.

Since listing on the ASX in 2021, BlueBet has delivered rapid growth. From our beginnings as "The True Blue Bookie" we grew to having more than 76,000 Active Customers and Turnover of \$633 million in FY24. This growth was accompanied by a great level of discipline and focus on customer value, highlighted by our Australian Net Win Margin of 10.7% in FY24, which was 0.5pp above the prior year.

Our staged entry into the US was differentiated by its hyper-focused and 'Capital Lite' nature, which allowed us to explore the opportunity without incurring the heavy losses that have been sustained by other operators. Our decision to exit that market following a Strategic Review allows us to redeploy \$6 million to \$8 million per annum to pursue profitable growth in our core

market, and we were able to release an \$11.2 million provision for exit costs following positive commercial negotiations with key partners as we exited the US. Critically, we retain our proprietary technology built for the North American market and we will continue efforts to commercialise the platform globally.

Our technology, scale, and expertise uniquely position us to succeed in the local market and we are confident this strategic shift to focus solely on the Australian market will unlock significant value for our shareholders.

We have evolved our leadership team, with Andrew Menz becoming our CEO on 1 July. Bill Richmond has transitioned to the role of Chief Operating Officer, and alongside our CFO, Darren Holley, we now have what I consider is the strongest executive team in the industry, which has been vital in unlocking the value – in terms of realising synergies and maximising business momentum – from our merger with betr.

I would like to acknowledge the wealth of experience within our Board. We are fortunate to have a group of directors who are second to none in this industry. This includes Matthew Tripp, Nigel Payne, Benjamin Shaw, and Tim Hughes, who have brought invaluable insights, experience and perspective.

I have personally known Matthew 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.

The deep experience and expertise of our Board strengthens BlueBet's corporate governance, which is critical for the long-term sustainability of the business and our industry. We are committed to continuing to lead positive change in our industry and we are well placed to adapt to changes in our regulatory environment.

I would like to touch on the evolving regulatory environment in Australia and BlueBet's commitment to responsible wagering.

BlueBet has a strong commitment to responsible wagering to ensure our customers have a safe and enjoyable wagering experience.

This commitment is brought to life through our use of data, products and promotion to ensure our customers remain in control of their gambling, and through our support for all reasonable and evidence-based measures to minimise the potential for gambling harm. We strongly supported the implementation of BetStop, the National Self Exclusion Register and promote this alongside a wide range of pre-commitment and other responsible gambling tools.

We recognise and share the community's view about the prevalence of gambling advertising, particularly that which is viewable by children. This is why we pursue a targeted marketing strategy that does not rely on linear television advertising, and why we are supportive of proposals that respond to the community's wish to see fewer advertisements in these time slots. Accordingly, we believe BlueBet is well positioned to continue its sustainable growth trajectory following the announcement and implementation of these recommendations.

We see Australia as a vibrant and attractive market, and as a challenger brand with significant local pedigree, we remain committed to playing our role in ensuring Australia has the highest standards of consumer protection globally.

Finally, I would like to thank Tim Worner and David Fleming, who resigned from the Board upon completion of the merger. Their contributions have been vital to the company's success. We also thank Bill Richmond for his time on the Board, and we are fortunate to retain his expertise in an executive capacity. I would also like to take this opportunity to thank the entire BlueBet team. As we look ahead, I am confident that BlueBet's market-leading technology, dedicated team, and laser focus on the Australian market position the Company strongly for future success.

I am grateful for the continued support of our shareholders. The successful merger has laid the foundation for significant future value creation, and I am excited by the opportunities in front of us.

I will now hand over to Andrew to provide further commentary on FY24 and the business's focus moving forward before we commence the formal business of the meeting.

Thank you.

Michael Sullivan
Executive Chairman

CEO's address

Thank you, Michael, and good morning shareholders.

It is a pleasure to address you at my first AGM as CEO of the Company.

Since completion of the merger, we have made rapid progress towards unlocking the synergies envisaged by the combination and becoming a leading Australia-focused, digital wagering operator. This has been a period of swift decision making and rapid execution and I am very proud of what we have been able to achieve in a short space of time. Our rebrand, synergy realisation, customer migration, US exit, product uplift and Spring Carnival execution merely lay the foundations for realising our ambitions in FY25 and beyond.

We remain on track to achieve monthly EBITDA profitability in H1 FY25 and expect to be EBITDA-positive for FY25,

Our Company is built on very solid foundations, with FY24 a transformational year with record turnover, gross and net win, and most importantly, laying the foundations for the future.

Progress since Completion

In only our second quarter since completing the combination with betr, it is important to recap the period of swift decision making and rapid execution that has built a right-sized, high-performance organisation capable of executing our ambitious growth plans and growing shareholder value through profitability.

- We have successfully transitioned betr's customer base to the BlueBet platform, driving immediate scale and momentum, and delivering material efficiencies by moving to betr's brand which resonates strongly with our target audience;
- We are strategically reactivating the betr customer base, immediately uplifting the Net Win profile of migrated customers due to the strength and efficiency of the Company's proprietary technology and the betting intelligence that exists within our team;
- We have upgraded our identified synergies target by more than 20% to a total of \$16.9 million and are at, or ahead, of the realisation timetable outlined when the combination was announced;
- The strong momentum we announced in Q1, and particularly the post-Migration performance of the Company in September, has continued into Q2;
- This includes a strong Melbourne Cup Carnival where we achieved a Net Win Margin of 15.8% across the four days at Flemington which we understand, from public reports and competitive data, outstripped our major competitors and the overall market.

The culmination of all of this is that we remain on track to achieve monthly EBITDA profitability in H1 FY25 and expect to be EBITDA-positive for FY25, with all of this driven by our operational discipline and the efficiencies enabled by our market-leading technology platform.

Looking forward

The customer migration and rebranding projects have already demonstrated the capabilities of our people, processes and platform, and we are just getting started.

You will have seen that we were able to overhaul our wagering experience, add new capabilities like a personalised promotions engine, and migrate the betr customer base on to the BlueBet platform, all at once, and all in a record 59 days since Completion.

This is a testament to the experience and capability that exists within the Company, Board and Management who can identify and deliver complex, high value priorities with a record of swift decision making and rapid execution.

Combined with a laser focus on the Australian market, we are uniquely placed to continue our path of organic and inorganic growth in this market.

As we move into the next phase, our vision for the business is clear; we will be the leading, independent Australian wagering operator, focused entirely on the domestic market. We are confident that our technology, brand strength, and customer-first approach will enable us to continue to capture market share, expand our customer base, and drive profitable growth as we embark on our goal of capturing 10% market share via organic and inorganic growth.

We are also deeply committed to caring for our customers and to ensuring that we are using all of our tools and resources to assist customers ensure that they are in control of their wagering activities. All of our employees – from the CEO down – have a portion of their at-risk remuneration based on the Company achieving its safer gambling goals. We will continue to use our data, intelligence and product capabilities to promote safer gambling for all of our customers.

None of our achievements would have been possible without the tireless effort of our team, the strategic vision of our leadership, and the ongoing support from our shareholders.

I want to extend a thank you to the Board for their unwavering support throughout the merger process. I would also like to express my gratitude to the combined team who have come together under a shared vision to provide an exceptional wagering experience for our customers.

Finally, I want to acknowledge the unparalleled contribution of our Chairman, Michael Sullivan, to the Company. There are few people with a greater understanding of the punter and the ever-evolving Australian wagering market than Michael, and he has been an incredible leader of the BlueBet business since its inception. He has the respect of punters, administrators, regulators, peers and our people. In my short time with the Company, I've quickly come to value Michael's wise counsel, advice given without fear or favour and his unwavering commitment to growing shareholder value. I look forward to continuing to work closely with Michael as he transitions to a Non-Executive Director role and a key strategic advisor to me and the broader team.

We are very excited about the future of our business, the strength of the industry and the growth ahead of us. We are well-positioned to build on our recent successes and continue to deliver value to our customers and for our shareholders.

Thank you for your continued trust and support.

I will now hand back to the Chairman for the formal business of the meeting.

Andrew Menz
Chief Executive Officer

This announcement has been approved for release by the Board of BlueBet Holdings Limited.

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