

31 May 2023

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Investor Day presentation

Attached is the presentation regarding Tabcorp Holdings Limited's (**Tabcorp**) Investor Day.

This presentation will be webcast on Tabcorp's website at www.tabcorp.com.au from 2.30pm (Adelaide time) today.

This announcement was authorised for release by the Tabcorp Disclosure Committee.

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Tabcorp

INVESTOR DAY

**WE'RE
RAISING
THE GAME**

MAY 2023

31

THE LINE UP

03 DELIVERING TAB25 **ADAM RYTENSKILD**

09 BIG BET: WINNING THE AUSTRALIAN MARKET **JENNI BARNETT**

26 DATA ANALYTICS **DR AMY SHI-NASH**

31 BIG BET: WORLD CLASS BUSINESS PERFORMANCE **DAN RENSHAW**

36 SUMMARY & CONCLUSION **ADAM RYTENSKILD**

TAB25: CREATING A DIFFERENT COMPANY

Reshaping the business to deliver customers market leading offers, pricing, products and customer experience.

A SIMPLE, GROWING,
MORE VALUABLE
BUSINESS FOR
SHAREHOLDERS.

FOUNDATION FOR GROWTH

We are proud of our early achievements since demerger...

DIGITAL PRODUCT

Successful new App launch and 8 product releases since launch. New content partnerships e.g. Racing & Sports

GENESIS

Delivering lean, digital-first company

eBET SALE

Pivot Gaming Services to Integrity Services

CAPABILITY

Retaining top talent; injecting new talent & thinking

QLD

Level Playing Field delivered

...AND WE EMBRACE OUR POSITION IN MARKET

- ✓ Iconic Australian brand
- ✓ Synonymous with Australian horse racing
- ✓ Unique propositions including our integrated retail, media and digital experience
- ✓ Strong Balance Sheet to invest

LEVEL PLAYING FIELD SCORECARD

QLD



ACT



TAS



VIC*



NSW

IN PROGRESS

SA

DISCUSSION COMMENCED

* Post August 2024.

CHANGING MARKET CREATES OPPORTUNITY

CONSUMER CONFIDENCE

Consumer and economic uncertainty

Value conscious consumer

Increase in generosity evident

RISING COST OF CAPITAL

Importance of Balance Sheet

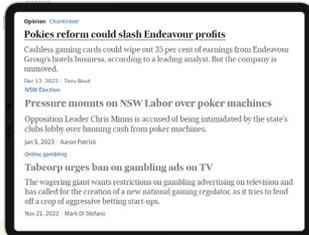
Higher barriers to entry

Fewer M&A transactions

CHANGING REGULATORY & SOCIAL ENVIRONMENT

Regulation of gambling
advertising

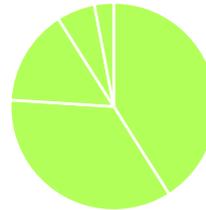
Community sentiment



MARKET CONSOLIDATION

Challenging outlook for
sub-scale operators

Focus on profitability &
sustainable growth



Focus on customer growth –
acquisition & retention

Regulatory harmonisation
to remove structural
disadvantage

Benefits of scale as costs
to compete increase (Incl.
increased POCT)

Increased regulatory emphasis
on social responsibility

Market resilience and growth
over the long term

TAB25

We're creating a simpler and very different looking company. Our targets for FY25 are¹:

WINNING THE GAME

A transformed TAB brand and CX

**30% DIGITAL REVENUE
MARKET SHARE**

A new operating model and
optimised cost base

**REDUCE OPEX TO
\$600-620M²**

SHAPING THE GAME

LEVEL PLAYING FIELD IN EVERY STATE

corporate bookmakers pay the same
taxes and fees as Tabcorp

**PIVOT GAMING SERVICES TO INTEGRITY
SERVICES**

Market leader in

CUSTOMER AND COMMUNITY CARE

CHANGING THE GAME

TARGETED INVESTMENTS

that position Tabcorp for accelerated and
diversified growth

DOUBLE OUR ROIC³ TO 10% IN FY25

1. These forward-looking statements are not guarantees of future performance and actual results may differ.

2. Based on current licence structures and business model.

3. 1H23 ROIC 4.7% calculated using pro forma last 12 months (LTM) EBIT divided by average invested capital. At 1H23 for the purpose of calculating average invested capital, balance sheets from 1 July and 31 December 2022 have been used.

TAB25 EXECUTION PLAN

OUR STRATEGY

Our FY25 Targets¹

WIN THE GAME

30% Digital Revenue Market Share

Deliver \$600-620M Opex²

SHAPE THE GAME

Level Playing Field on fees and taxes

Pivot Gaming Services to Integrity Services

Market Leader in Customer & Community Care

CHANGE THE GAME

Targeted investments for accelerated & diversified growth

DOUBLE ROIC³ TO 10% IN FY25

BIG BETS & FIELDS OF PLAY

Areas of focus for the
whole company

WIN THE AUSTRALIAN MARKET

Dominate Racing

Double Down on the Right Sports

Best Social Entertainment Experience

Lead Customer Care & Community

LEVEL THE PLAYING FIELD

Licence Reform

Harmonise Regulations

WORLD CLASS BUSINESS PERFORMANCE

Cost Transformation

Future Operating Model

Execution Excellence

STRATEGIC ENABLERS

ADVANCED DATA & ANALYTICS

GREAT PEOPLE & PARTNERSHIPS

A CULTURE OF HIGH PERFORMANCE

OUR VALUES

SPARK CHANGE

We disrupt and spark change to make it better

PLAY FAIR

We do what's right for our customers, partners, and each other, always

RAISE THE GAME

We bring our passion and have fun doing what we love

¹ These forward-looking statements are not guarantees of future performance and actual results may differ. ² Based on current licence structures and business model. ³ 1H23 ROIC 4.7% calculated using pro forma last 12 months (LTM) EBIT divided by average invested capital. At 1H23 for the purpose of calculating average invested capital, balance sheets from 1 July and 31 December 2022 have been used.

Tabcorp

BIG BET:
WINNING THE
AUSTRALIAN MARKET

A YEAR SINCE JUNE 2022 INVESTOR DAY GOALS WERE SET...

MOVE FASTER, IMPROVE WAYS OF WORKING

Update: **Product, Design and Tech teams brought together under agile model**

APP UPDATES: MOVE FROM ~4 MONTHS TO 4 WEEKS

Update: **8 material App updates since release in Sept-22**

NEW PRODUCT

Update: **Same Race Multi (SRM), Upgraded Same Game Multi (SGM), Bets Friends, Sports Stats Centres**

SHARPEN OUR FOCUS ON CUSTOMER ACQUISITION, CONVERSION AND RETENTION

Update: **Data-driven behavioural segmentation, life-cycle led engagement**

FIX DIGITAL JOURNEYS

Update: **Improvement in onboarding and conversion and early-life cycle engagement through data and analytics and automation**

UPWEIGHT DIGITAL MARKETING AND CONTENT

Update: **Changed creative agencies, upweighted digital content, brand modernisation**

INVEST IN DATA AND INSIGHTS

Update: **Appointment of Dr Amy Shi-Nash. Data Analytics Game Plan now being implemented**

LEVERAGING OUR UNIQUE BETTING ECO-SYSTEM



MARKET SEGMENT PROFILES

PUNTERS: BETTING IS THE GAME



AVI



SEB



ROGER



BAX



BODIE



CASSIE



EVE

FANS: BETTING ADDS TO THE GAME

OCCASIONALS: GAME FOR BETTING

AVID ALL-ROUNDERS

SESSION LOVERS

RACING ROUTINERS

SPORTS BACKERS

SPORTS BOOSTERS

RACING CASUALS

BIG EVENTERS

Sports and racing mad. Astute, competitive and always on.

Loves the thrill and escape of a next-to-go racing betting session.

Habitual, logical and controlled. Study form. Betting is regular entertainment.

Likes to add a bit of extra interest and capitalise on the sports they follow. In it for the win.

A Same Game Multi makes watching the game with friends more exciting.

Knows the basics, likes to dip in now and then when the moment's right for the chance of a win.

Novices who like the fun of joining in for the big events.

BIG BET

WIN THE AUSTRALIAN MARKET

“Play to the
strength of our
Australian Brand”

FIELDS OF PLAY

Dominate Racing

Double Down on the Right
Sports

Best Social Entertainment
Experience

Leading Customer Care &
Community

**1.
ACQUIRE**



**2.
RETAIN**



**3.
ARPU**



FIELDS OF PLAY DOMINATE RACING

AMBITION



We bring the most comprehensive content, form and insights to create the best betting and entertainment experience



SEB

CUSTOMER SEGMENT

✓ **ACQUIRE**

✓ **RETAIN**

✓ **ARPU**

DRIVE ARPU FROM
CURRENT PUNTERS

✓ Racing Routiners

✓ Session Lovers

✓ Avid All Rounders

ACQUIRE FANS WHO
BET ON SPORTS

✓ Sports Boosters

✓ Sports Backers

ACQUIRE PUNTERS WHO
ARE USING COMPETITORS

✓ Racing Routiners (switch)

STRATEGIC INITIATIVES

The best Form and Tips in
market

Scale Personalisation

Real time alerts / offers

Differentiated & Desirable
Content

Generosity Efficiency

Strategic Partnerships

FIELDS OF PLAY DOUBLE DOWN ON THE RIGHT SPORTS

AMBITION

- ✓ Synonymous with Australian Sports and destination for the right US Sports



CUSTOMER SEGMENT

- ✓ ACQUIRE
- ✓ RETAIN
- ✓ ARPU

ACQUIRE NEW SPORTS FANS

- ✓ Sports Boosters
- ✓ Sports Backers

DRIVE ARPU FROM IN-VENUE / STADIUM SPORTS FANS

- ✓ Sports Boosters
- ✓ Avid All Rounders
- ✓ Big Eventers

ACQUIRE PUNTERS WHO ARE USING COMPETITORS

- ✓ Sports Boosters (switch)
- ✓ Sports Backers (switch)
- ✓ Avid All Rounders (switch)

STRATEGIC INITIATIVES

Fuel Fandom

Unique Partnerships

Digital Product acceleration

Scale Personalisation

Real time alerts / offers

Maximise Generosities

FIELDS OF PLAY BEST SOCIAL ENTERTAINMENT EXPERIENCE

AMBITION

- ✓ We provide our customers with a fun, connected and immersive social experience
- ✓ Our venues will be destinations for our customers, helping them form connections and communities



CUSTOMER SEGMENT

- ✓ **ACQUIRE**
- ✓ **RETAIN**
- ✓ **ARPU**

RETAIN AND DRIVE ARPU FROM CURRENT PUNTERS

- ✓ ✓ Racing Routers
- ✓ ✓ Session Lovers
- ✓ ✓ Avid All Rounders

RETAIN AND DRIVE ARPU FROM CURRENT SPORTS FANS

- ✓ ✓ Sports Boosters
- ✓ ✓ Sports Backers
- ✓ ✓ Big Eventers

ACQUIRE PUNTERS FROM COMPETITORS

- ✓ Avid All Rounders (switch)
- ✓ Sports Boosters (switch)
- ✓ Sports Backers (switch)
- ✓ Session Lovers (switch)

STRATEGIC INITIATIVES

Reimagined venue
experience

Venue Mode reset

Modernised Brand

Differentiated &
Desirable Content

FIELDS OF PLAY LEADERSHIP IN CUSTOMER CARE & COMMUNITY

AMBITION

- ✓ We are the trusted Australian brand. We are setting the agenda on best practice
- ✓ We focus on proactive care

CUSTOMER SEGMENT

ALL CUSTOMER
SEGMENTS

- ✓ ACQUIRE
- ✓ RETAIN
- ✓ REPUTATION



STRATEGIC INITIATIVES

Lead in intervention
& detection

Proactive harm
minimisation

Community stance
(e.g., leadership on
advertising)

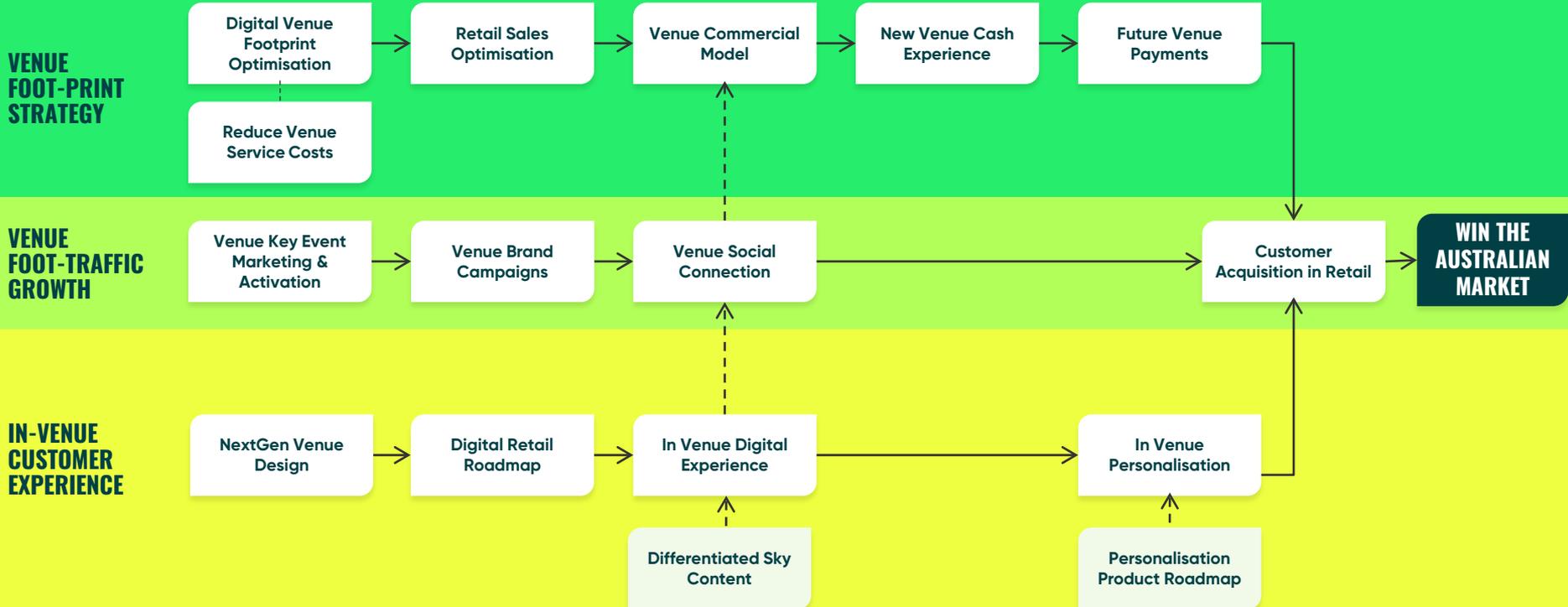
Inclusive Brand

EXECUTION RIGOUR

WIN THE AUSTRALIAN MARKET: INITIATIVES AND PROJECT BUILD



INTEGRATED IN-VENUE EXPERIENCE VENUE EXECUTION



INTEGRATED IN-VENUE EXPERIENCE

MARQUEE EXPERIENCE



DISCOVERY STORE



INTEGRATED VENUES



TAB POP-UPS



INTEGRATED VENUES – ESSENTIALS

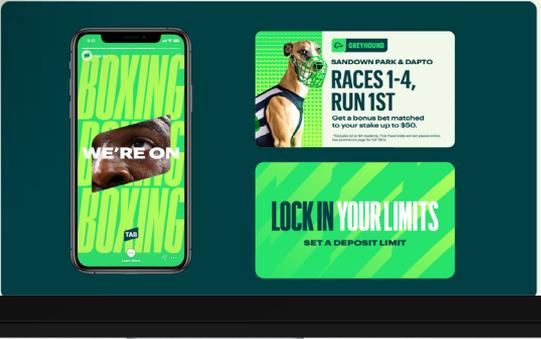


The logo consists of a dark teal, rounded rectangular shape with a white border, tilted slightly to the right. Inside this shape, the word "TAB" is written in a bold, white, sans-serif font. The background of the entire image is a solid, vibrant green color.

TAB

MODERNISING THE BRAND

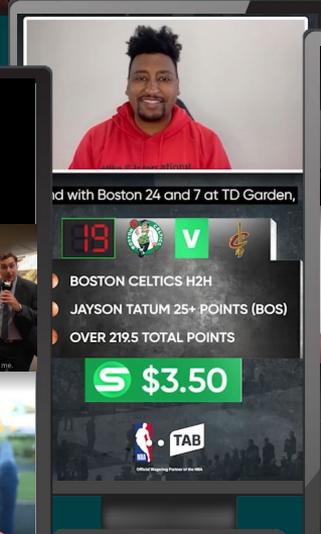
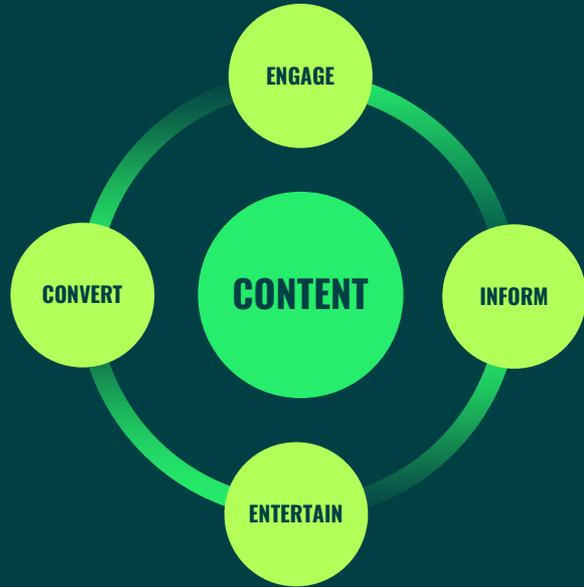
TAB



6+ LEGS
2 LEG FAILS



DIGITAL CONTENT ENGAGEMENT DRIVING CONVERSION



TAB IS LEADING THE SECTOR IN VOLUME OF FEATURES RELEASED TO CUSTOMERS SINCE Q2

- ✔ FIRST TO MARKET
- ✔ TAB FOLLOWING COMPETITOR
- ✔ FEATURES

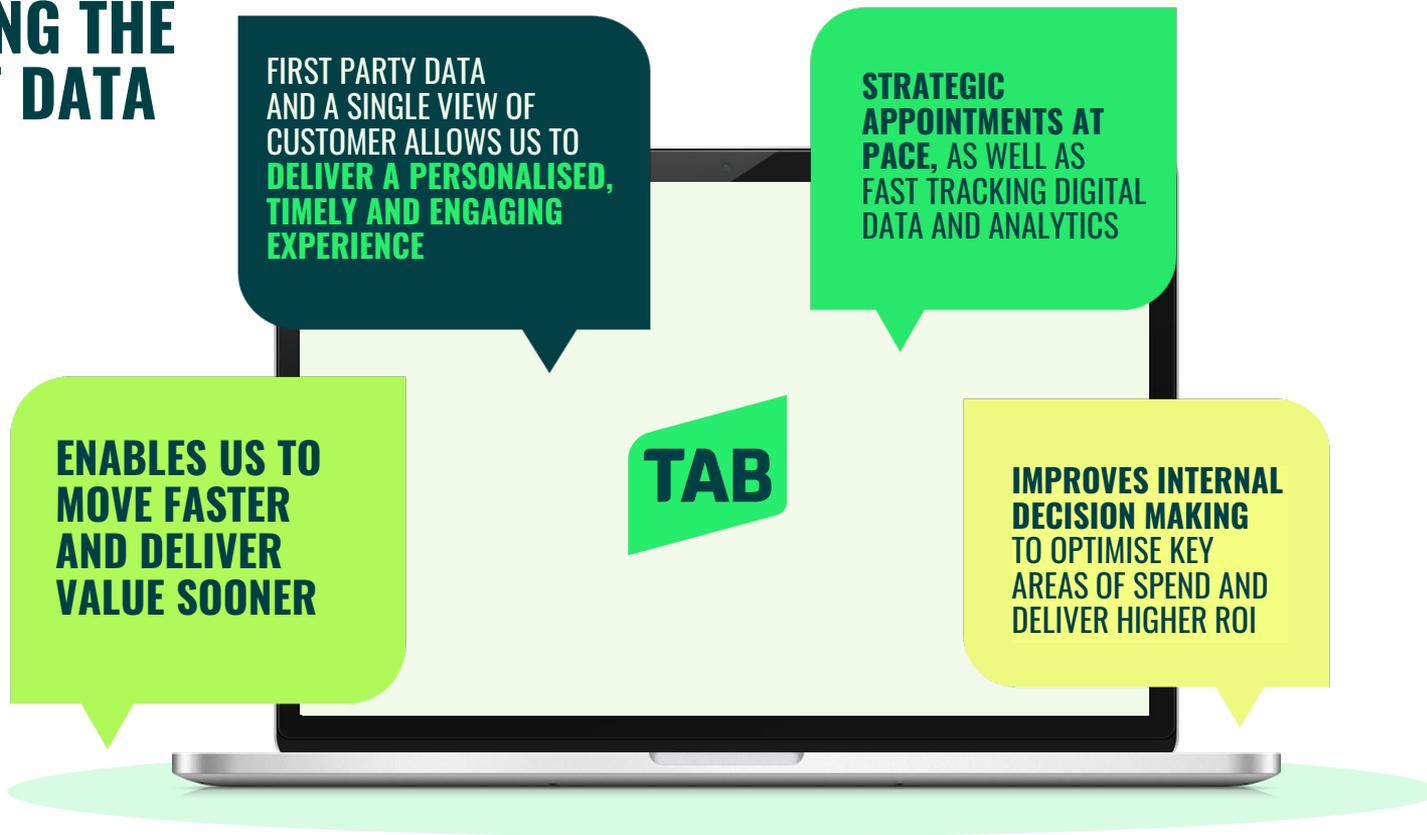
TAB APP FEATURES

- ✔ Featured Racing Replays (Play Central)
- ✔ FIFA 2022 World Cup Hub
- ✔ NBA/NRL/AFL Integrated Stats
- ✔ NBA/AFL/NRL Stats Centre
- ✔ Popular Same Game Multis
- ✔ Blackbook Notifications
- ✔ Popular Same Race Multi
- ✔ Enhanced 'My Bets' Experience
- ✔ Bets Friends
- ✔ Share & Copy Bets
- ✔ Race Reminders
- ✔ Payment Authentication (3Ds2)
- ✔ Same Race Multi
- ✔ Quaddie Tracker
- ✔ Same Game Multi Upsell
- ✔ Bet Slip Deposit
- ✔ Activity Statements
- ✔ SGM Market expansion

OTHER NON – APP TAB FEATURES

- ✔ Retail 3rd party ATM Pilot
- ✔ First Australian World Pool (Flemington Lightning Stakes Day)
- ✔ All 3 tote pools now live with Hong Kong Jockey Club on HKJC race meets

UNLOCKING THE VALUE OF DATA



DATA ANALYTICS GAME PLAN

UPLIFT MATURITY



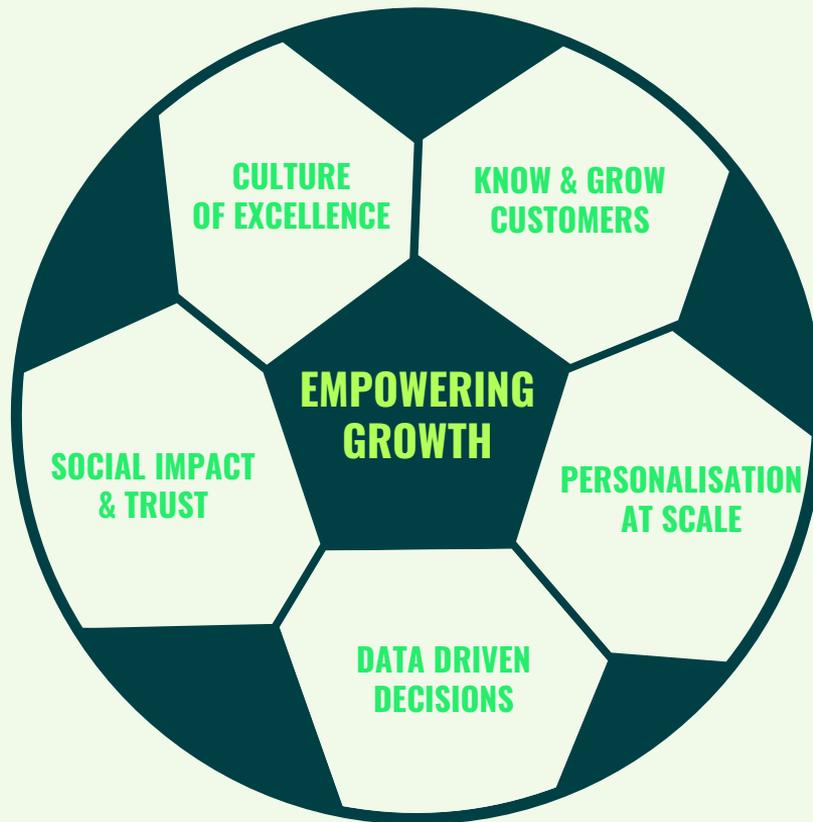
Accelerate data & tech



Experiment & learn



Invest in next gen
game changer



DATA ANALYTICS **KNOW & GROW CUSTOMERS**

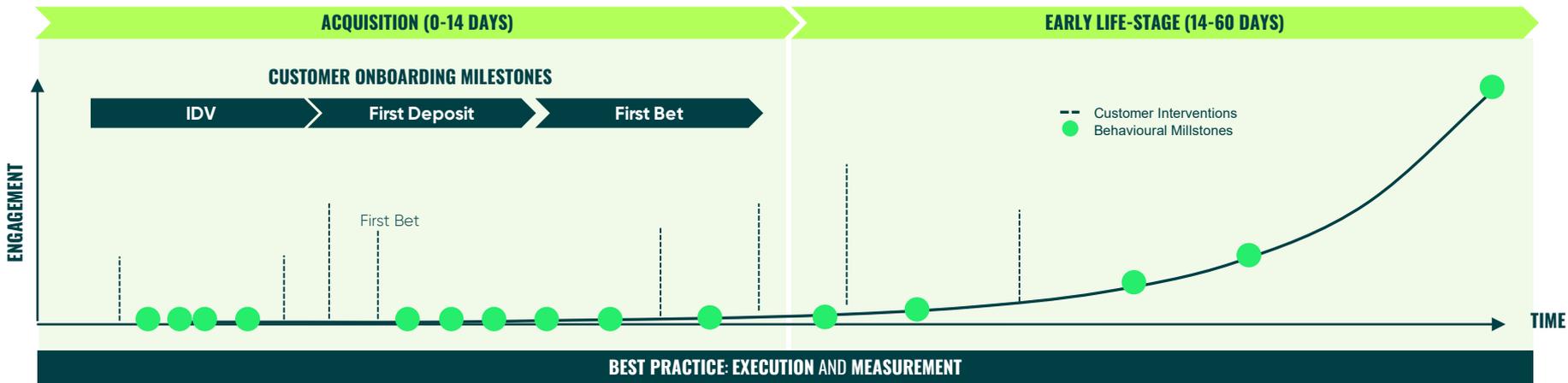
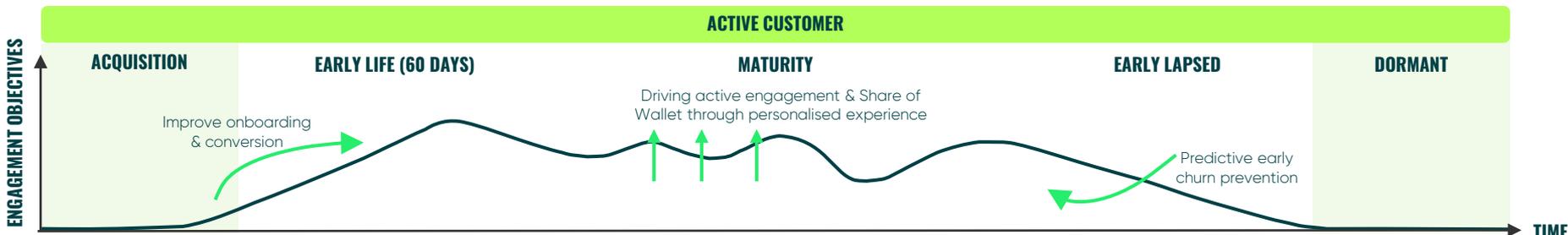
**LIFETIME VALUE
BY SEGMENT**

**FY23 ACTIVE
CUSTOMERS**

DIGITAL REACH

**DIGITAL IN-VENUE
(DIV) CUSTOMER
VALUE**

DATA ANALYTICS: LIFECYCLE-LED ENGAGEMENT



DATA ANALYTICS EFFICIENCY & OPTIMISATION

DISCIPLINED DATA DRIVEN FRAMEWORK



Personalisation



Automation



Measurement

GENEROSITY



MASS GENEROSITY, SUB-OPTIMAL PERFORMANCE

- Generic offers to everyone
- High % to non-profitable customers
- FOMO



PERSONALISED OFFERS AT SCALE, HIGHER ROI AND EFFICIENCY

- Right Segment
- Right Value
- Right Channel (e.g. sms/email/social/banner)

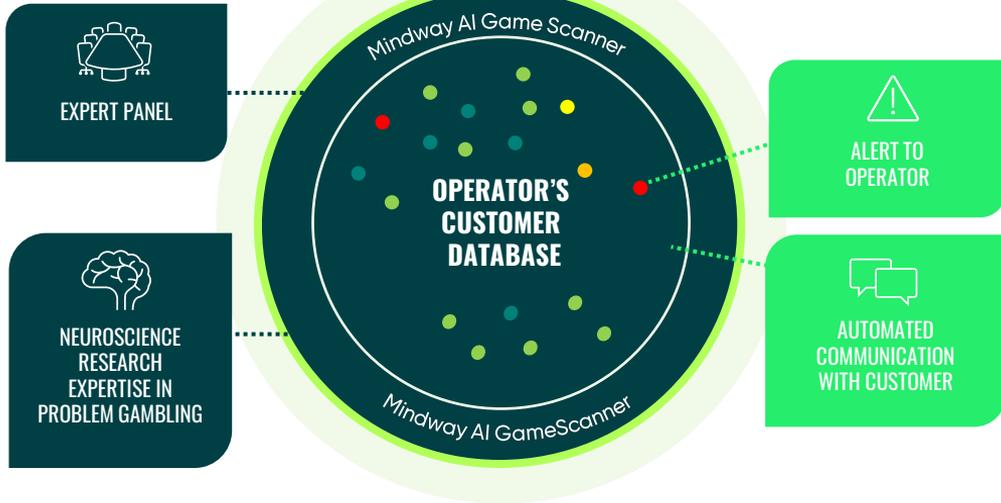


CONTEXTUAL EXPERIENCE THAT CUSTOMERS LOVE

- Right location
- Right time (Real-time)
- Right Message (Welcome/Celebration)
- Right offer (Creative, just for you)

DATA ANALYTICS PROACTIVE CUSTOMER CARE

mindway AI
YOU BET WE CARE



Very low risk Low risk Medium risk High risk Very high risk

LEADERSHIP

Continue to grow and improve our capability to ensure we remain an industry leader in customer care

UNIQUE

World leading technology using a unique combination of neuroscience, AI and expert assessments to identify potential problematic behaviour and assist at an earlier stage

BEST IN CLASS

Proactive approach targeting early detection and right moment for intervention

Tabcorp

**BIG BET:
WORLD CLASS
BUSINESS
PERFORMANCE**

RESHAPING THE BUSINESS FOR GROWTH

TAB25

BIG BET #1: Winning the Australian Market



BIG BET #2: Level the Playing Field ("LPF")

GROW
VC \$M



BIG BET #3: World Class Business Performance

COSTS
REDUCE
(% OF
REVENUE)

CAPITAL
DISCIPLINE



DOUBLE ROIC

EBIT GROWS
FASTER THAN
INVESTED
CAPITAL

ROIC
EXPANDS



SHAREHOLDER
VALUE
INCREASES

GENESIS



**FUTURE
OPERATING
MODEL & WAYS
OF WORKING**



**INTEGRATED
VENUE
TRANSFORMATION**



**CORE OPERATIONS
COST-EFFICIENT
GROWTH**



**OPTIMISE REVENUE
PRODUCTION &
DIGITISE CX**



**TECHNOLOGY
TRANSFORMATION
& SIMPLIFICATION**



**OPTIMISE
PROCUREMENT,
PROPERTY &
INVESTMENTS**

GROUP OPEX



1. Based on current licence structures. Forward-looking statements are not guarantees of future performance and actual results may differ.

2. Assuming 4% per annum cost growth.

GENESIS INTEGRATED VENUE TRANSFORMATION

**AGENCY
NETWORK
OPTIMISATION**

**COST-
TO-SERVE**

**DIGITAL RETAIL
VENUES**

**COMMERCIAL
MODEL**



CAPITAL DISCIPLINE

Inclusion of ROIC in TAB25 and management incentives drives capital discipline. E.g. WA TAB, NZ TAB

Capital rigour and change in mix toward growth, provides for TAB25 investment within current capex envelope

CAPEX

FORECAST FY23 CAPEX

UP TO \$150M

CAPEX MIX



Tabcorp

**SUMMARY &
CONCLUSION**

SUMMARY & INVESTMENT CASE

SOLID BUSINESS FOUNDATION

TAB

Iconic brand

Unique integrated retail, media and digital offering

Balance Sheet strength

CLEAR GROWTH STRATEGY AND KPIS (TAB25)



DEMONSTRATED ABILITY TO DELIVER ON WHAT WE SAY WE WILL DO



Successful launch of new APP and 8 new product launches in 8 months

Stabilised 1H23 digital revenue market share in challenging market conditions

Regulatory reform – levelling the playing field in QLD, TAS, ACT, VIC (post Aug-24) and NSW (in progress)

Gaming Services pivoted to Integrity Services

GENESIS PROGRAM DELIVERING DISCIPLINED COST MANAGEMENT AND OPERATIONAL EFFICIENCY



WELL POSITIONED TO DELIVER GROWTH AND ATTRACTIVE SHAREHOLDER RETURNS



Tabcorp

Q&A

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Tabcorp



**WE'RE RAISING
THE GAME**