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Half Year Results Presentation

For the half year ended 31 December 2020

AGENDA

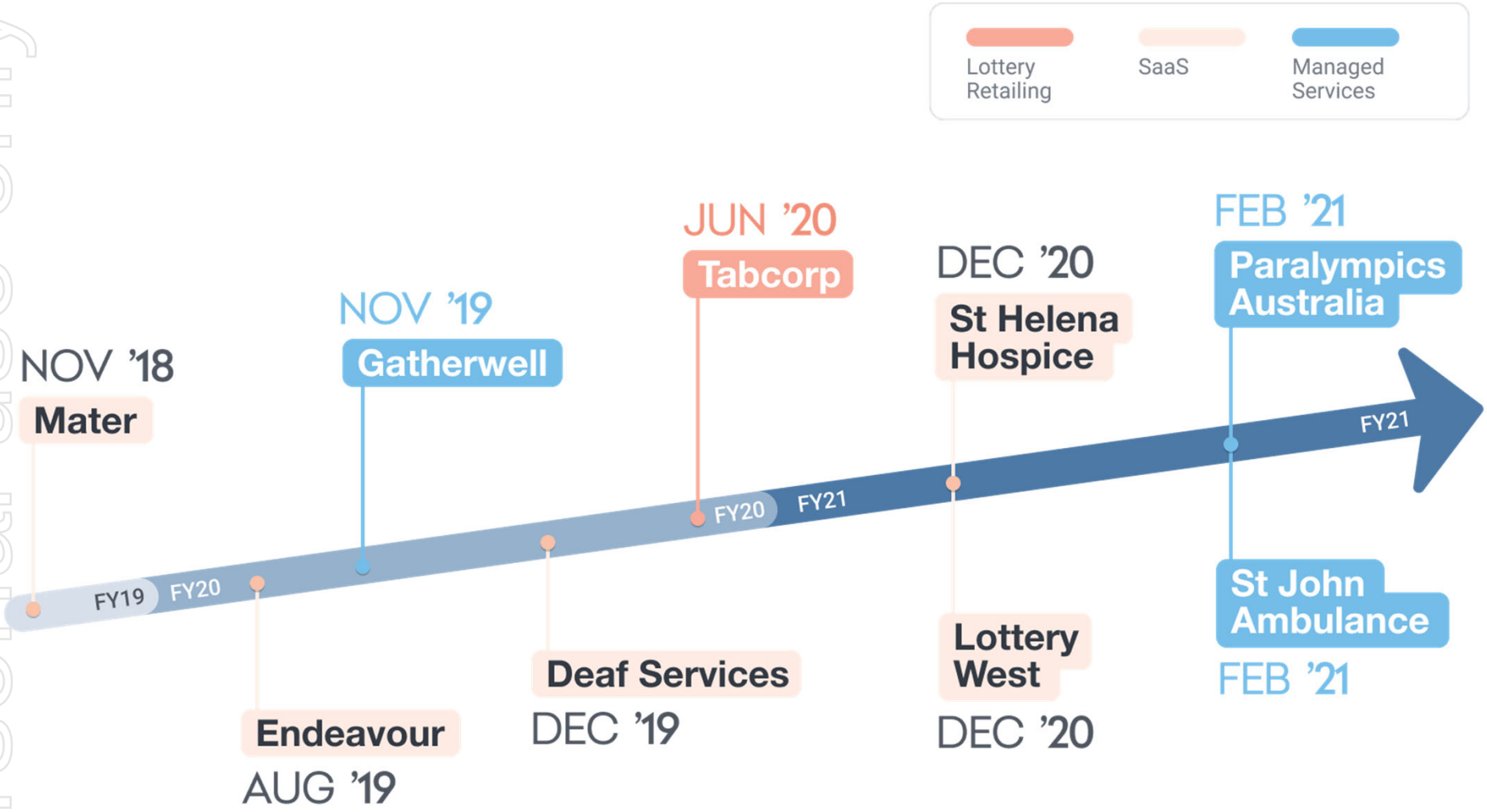
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EXPANDING THE BUSINESS

BUILDING GROWTH AND RESILIENCE



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RESULT OVERVIEW AND HIGHLIGHTS

JUMBO

KEY FINANCIALS

- **Group Revenue up 9% to $40.9m ($32.6m pcp) despite only 15 large jackpots (23 pcp)**
  - Number of large Jackpots down 35% to 15 (23 pcp)
  - Aggregate Division 1 Jackpots down 52% to $510m ($1,070m pcp)
  - Group TTV up 26% to $233m as SaaS partners go live
- **EBITDA underlying up 3% to $24.1m**
  - Incorporates new Service Fee to Tabcorp
  - SaaS business contributing
  - Establishing new business segment (Managed Lottery Services)

Group ($'000s)	H1FY2021	H1FY2020	Change
TTV	$232,776	$185,303	↑ 25.6%
REVENUE	$40,939	$37,554	↑ 9.0%
EBITDA – underlying	$24,135	$23,283	↑ 3.7%
NPAT – underlying	$13,953	$14,806	↓ 5.8%
NPATA – underlying	$16,345	$16,270	↑ 0.5%
EBITDA/Rev margin	59.0%	62.0%	↓ 300bps
Interim ordinary dividend	18.0¢	18.5¢	↓0.5¢

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GROUP STRUCTURE - 3 BUSINESS SEGMENTS

JUMBO

LOTTERY RETAILING	SaaS	MANAGED SERVICES
Sale of Lottery tickets through internet and mobile devices.	Providing a Software-as-a-Service lottery platform to operators globally.	Providing lottery management to operators. (prize procurement, game design, campaign marketing, customer relationship and draw management)
Established business underpinned by long term contracts.	% of TTV revenue model, including digital and non-digital channels.	% of TTV revenue model, including digital and non-digital. Higher % for greater involvement model.
OzLotteries.com - Powerball, OzLotto, etc - Charity Lotteries	- LotteryWest - Mater Foundation - Endeavour Foundation - Deaf Services - St Helena Hospice UK	- Gatherwell UK Limited - Paralympics Australia - St John Ambulance (VIC)
LOTTERY MANAGEMENT EXCELLENCE 20 years lottery experience – Continual Innovation – Digital lottery culture		
PROPRIETARY LOTTERY TECHNOLOGY STACK Developed over 25 years – High performance and reliability – Over 50% of employees are engineers		

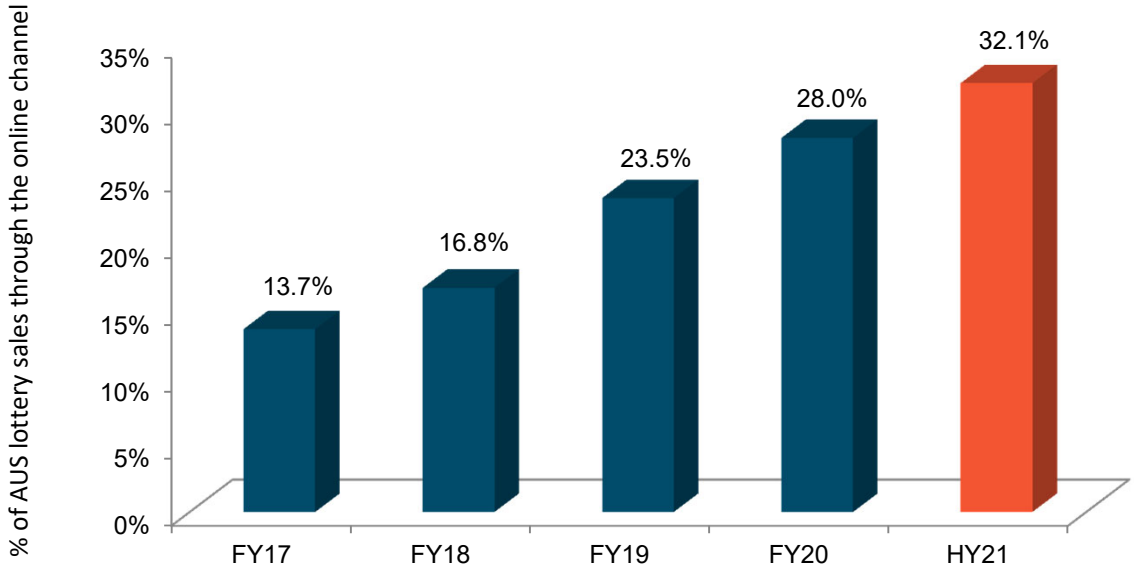
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1 - LOTTERY RETAILING

CERTAINTY TO 2030

- **Extending 15 year relationship**
  - Binding Term Sheet signed 28 June 2020
  - Long Term Reseller Agreements signed 25 Aug 2020
  - Certainty provides ability to continue growing sales in Australia over the long term
  - 32.1% of tickets sold online in Australia (FY20 28.0%)[1]
  - Long term focus necessary to grow the SaaS and Managed Services business segments



[1] Source: Tabcorp Holdings Limited public filings

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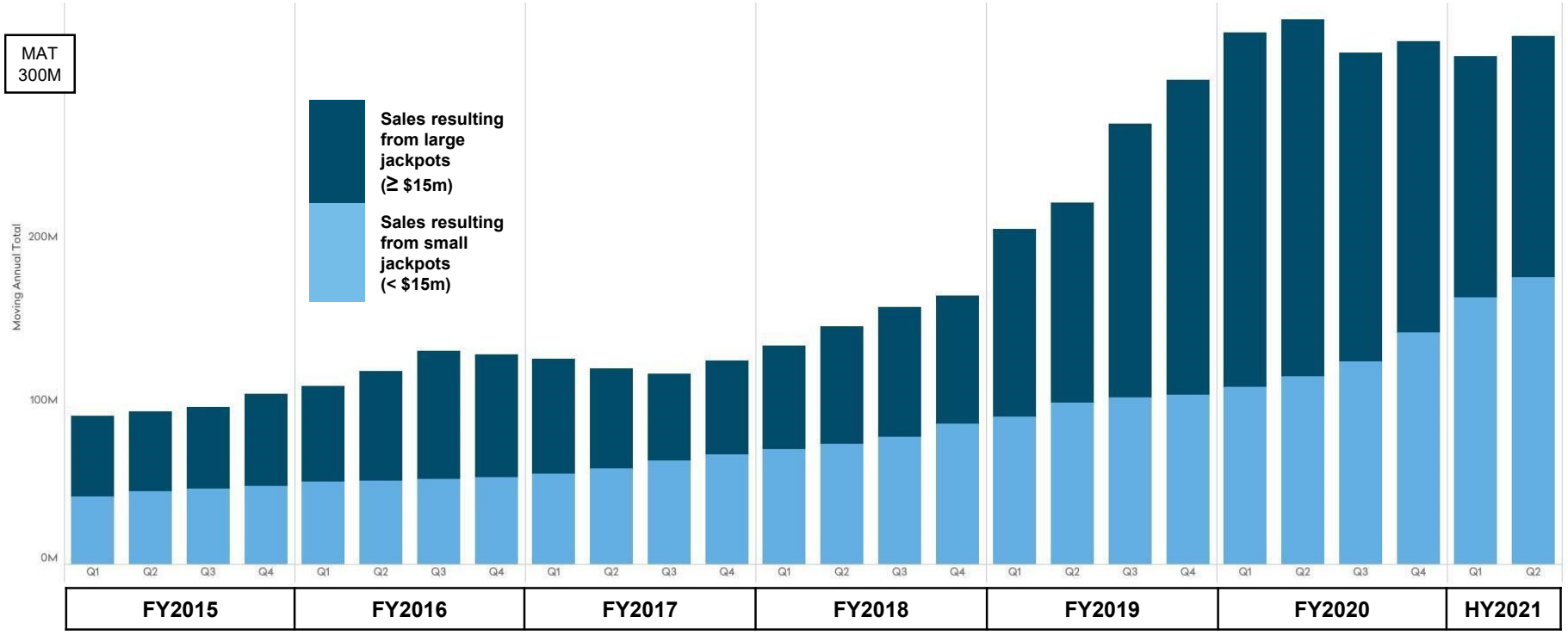
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1 - LOTTERY RETAILING

STRONG UNDERLYING BUSINESS

- **Moving Average Total (MAT) - TTV**
  - Consistent growth in TTV for small Jackpots under $15m (Light Blue)
  - TTV in large Jackpots dependent on the frequency of those large Jackpots (Dark Blue)
  - 17.1% 5-year CAGR to 31 December 2020
  - Business well place for higher large jackpot activity

Oz Lotteries Moving Annual Target – by Fiscal Quarter



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2 - Software-as-a-Service (SaaS) – "Powered by Jumbo"

SaaS BUSINESS MODEL

- Providing a lottery software platform to Australian and International lottery operators in the Government and Charity sectors
- TAM: A$25 Billion[1]

LOTTERYWEST

- First Government Partner launched – site live at www.oz.lotterywest.com
- 25 August 2020 – Tabcorp 10-year agreements signed with WA extension period confirmed
- 29 September 2020 – Term sheet signed
- 13 November 2020 – Agreement signed
- 22 December 2020 – White-label website operational

SaaS PARTNERS – Australia and UK

- **13 November 2018 – Agreement signed with Mater Foundation**
  - Foundation partner for the launch of "Powered by Jumbo" SaaS business
  - Live July 2020
- **16 August 2019 – Agreement signed with Endeavour Foundation Limited**
  - Live October 2020
- **5 December 2019 – Agreement signed with Deaf Services Limited**
  - 50% live. Fully live by March 2021
- **26 November 2020 – Secured UK Gambling Commission Software License**
- **23 December 2020 – Agreement signed with St Helena Hospice UK**
  - First UK partner. Scheduled to go live July 2021

[1] Total TAM of $25bn equates to TAM by region of: UK $1.6bn; US $22bn; and Canada $1.3bn

UK TAM of $1.6bn: The UK Gambling Commission reports TTV for sector of £775m (Sept 2019) applying a 5-year CAGR of +14% and/or PY rise of 8% gives a range of £837m to £884m in sector growth (to Sept'20). Using 6-month average GBP £1 to AUD $1.89, this leaves forecast TTV between $1.67bn and $1.58bn (Reference UKGC Annual Report18/19)

2018 US lottery sales were USD77bn. Draw games were USD28bn. With 50% iLottery penetration forecast in next 5 years (23 US lotteries). Management has modelled 25% of draw game sales likely to be converted to digital, this coupled with a doubling of sales with the upsell of Instant Win Games, Management forecasts the iLottery market to be worth $14.6bn (3% growth adjustment) USD $1 to AUD $1.50 equating to a TAM of $21.9bn

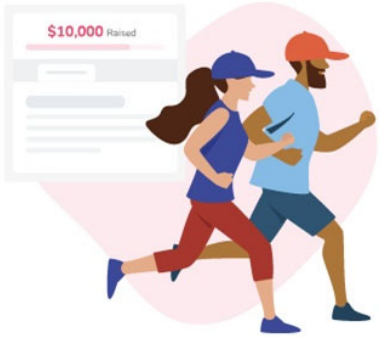
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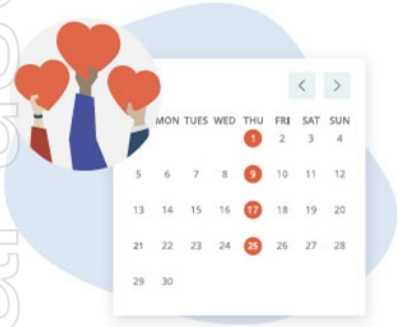
3 - MANAGED SERVICES

THE CHALLENGE FACING CHARITIES DUE TO COVID-19

Event-based fundraising is struggling.

79% of charitable organisations have had to postpone or cancel events. Fundraising from events has declined by 72%, as participation rates are halved.



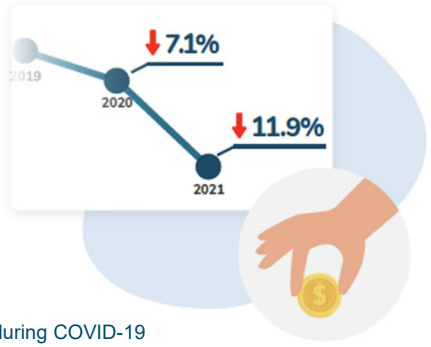


Regular Giving acquisition is declining.

In June 2020, overall Regular Giving acquisition decreased by 38% compared to the previous year. Face-to-face acquisition fell by 76%, and telemarketing acquisition was down by 7%.

A downward trend in giving that's expected to continue.[1]

Charitable giving in Australia was estimated to have dropped 7.1% in 2020, and is expected to drop a further 11.9% in 2021.



[1] Source: JBWere, Where to from here? The outlook philanthropy during COVID-19

THE JUMBO SOLUTION – "MAKING LOTTERIES EASIER"

Provide a full Lottery Managed Service

- Targeting Charities without a lottery
- Provides a more sustainable and regular source of funds for Charities

onelottery

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3 - MANAGED SERVICES

- **Expanding the scope of potential partners**
  - Large number of smaller partners
  - Large TAM
  - Higher fee (~20% TTV – Gatherwell)

TAM – Total Addressable Market

- **Australia $10.5 billion**
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform
  - 58,000 registered charities
  - Consumer engagement – 18% of respondents purchased a raffle or lottery ticket
- **UK $18.8 billion**
  - 194,000 registered charities (England, Wales, and Scotland)
  - Consumer engagement – 37% of respondents purchased a raffle or lottery ticket
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform
- **Canada $13.1 billion**
  - 85,000 registered charities
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform

Sources:
Australia $10.5 billion - ACNC (Australian Charities and Not-for-profits Commission) Report 2018
UK $18.8 billion – CAF (Charities Aid Foundation) Report UK Giving 2019, www.oscr.org.uk, https://www.gov.uk/government/statistics/charity-register-statistics/recent-charity-register-statistics-charity-commission
Canada $13.1 billion – JIN Research – independent consultant

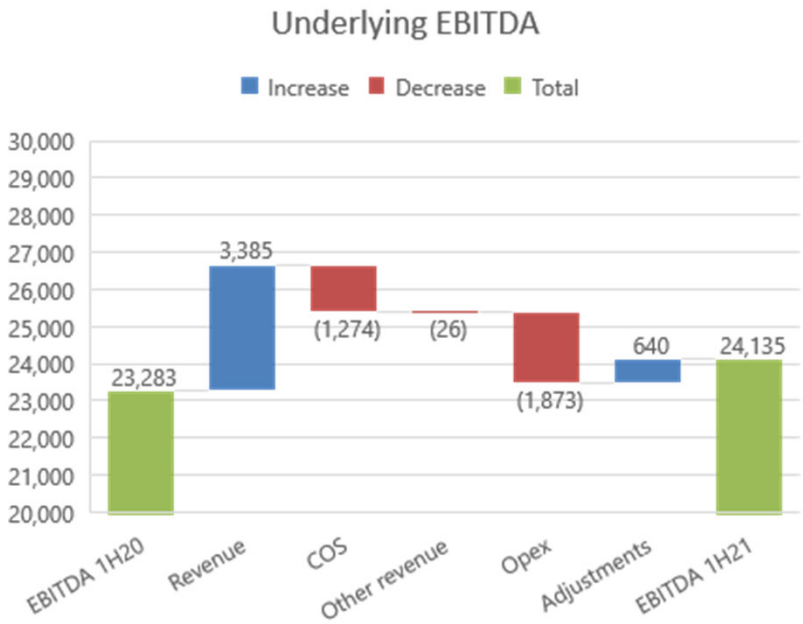
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FINANCIALS

CONSOLIDATED UNDERLYING EBITDA ($'000)

- Revenue up $3,385k
  - Lottery Retailing up $996k or 2.7% notwithstanding lower large jackpots
  - SaaS up $1,093k or 200.1% as the busines scales
  - Managed Services up $1,296k or 654.5% with Gatherwell contributing 6 months
- Cost of sales up $1,274k
  - Tabcorp Agreement service fee 1.5% on ticket purchases
- Opex up $1,873k
  - Lower large jackpots; Tabcorp Agreement, Gatherwell 6 months
- Adjustments for non-recurring, non-operating items up $640k
- Underlying EBITDA up $852k
- Depreciation and amortisation up $1,421k
  - Tabcorp Agreement extension fee, Gatherwell intangible assets on acquisition, investment in software



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FINANCIALS

LOTTERY RETAILING

- OzLotteries.com – Australian Powerball, OzLotto, Charity Games

Lottery Retailing ($'000)	H1FY2021	H1FY2020
TTV	$185,684	$183,800
REVENUE	$37,807	$36,811
GROSS PROFIT	$20,056	$34,020
EBITDA	$15,377	n/a
EBITDA/Revenue	40.7%	n/a

- 7.5% licence fee paid to SaaS operating segment
- Service fee stepping-up to FY2024 will put downward pressure on the EBITDA margin then expected to increase
- Stability with 10-year Tabcorp Agreement to August 2030
- Potential referral revenue from Managed Services operating segment
- Business is well placed for growth

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FINANCIALS

SaaS

- PoweredByJumbo (PBJ) and Other software (lightningpayroll.com)
- Margins range from ~3% to ~9.5% of ticket sales (TTV) for PBJ
- Provides software to the Lottery Retailing business Segment (ozlotteries.com) at 7.5% of TTV
- Provides software to Lotterywest (oz.lotterywest.com)
- UK software licence 26 November 2020
- Provides software to UK partners – St Helena Hospice

SaaS ($'000)	H1FY2021	H1FY2020
TTV	$39,934	$3,026
REVENUE - external - internal	$15,482 - $1,638 - $13,844	$545 - $545 - $0
EBITDA	$10,408	n/a
EBITDA/Revenue	67.2%	n/a

- 31 December 2020 TTV run-rate ~$120m p.a.
- St Helena Hospice UK expected to be live June 2021 with TTV ~$10m
- Potential revenue from Managed Services operating segment
- Strong growth prospects

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FINANCIALS

MANAGED SERVICES

- Providing full lottery management in addition to software – Jumbo Fundraising and External Lottery Manager. Includes prize procurement, game design, campaign marketing, and customer relationship and draw management.
- Gatherwell in UK – 6 months trading compared to 1 month in pcp
- Paralympics and St John Ambulance (VIC) in Australia February 2021

GATHERWELL UK PROGRESSING WELL

- 9 November 2020 – Gatherwell UK achieves first earn-out milestone

MANAGED SERVICES ($'000)	H1FY2021	H1FY2020
TTV	$7,158	$958
REVENUE	$1,494	$198
EBITDA	$464	$45
EBITDA/Revenue	31.1%	22.7%

- Gatherwell like-for-like half year Revenue up 26%, Revenue up 34% and EBITDA up 107%
- Strong growth prospects

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BALANCE SHEET

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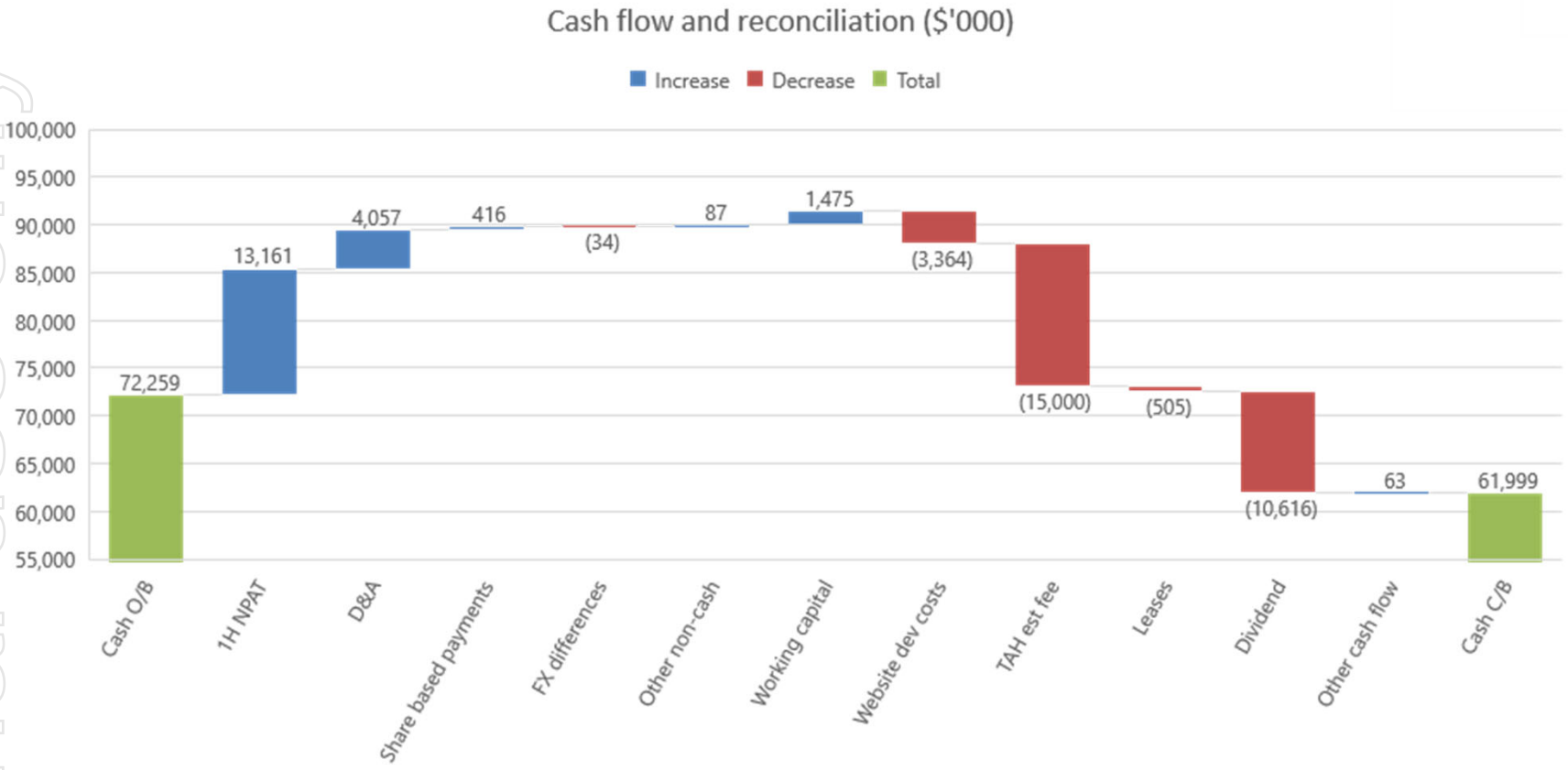
BALANCE SHEET

GROUP ($'000)	31 December 2020	30 June 2020
Cash	$61,999	$72,259
Other current assets	$3,498	$3,749
Non-current assets	$45,823	$33,520
Total Assets	$111,320	$109,528
Current liabilities	$24,378	$23,574
Non-current liabilities	$5,083	$7,035
Total liabilities	$29,461	$30,609
Net assets/Equity	$81,859	$78,919

- $15,000k cash payment for the Tabcorp Agreement
- $3,364k increased website development costs
- $1,806k first earnout payment to Gatherwell vendors
- $11,435k FY2020 final dividend payment
- Capital management reviewed continually

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CASH FLOW



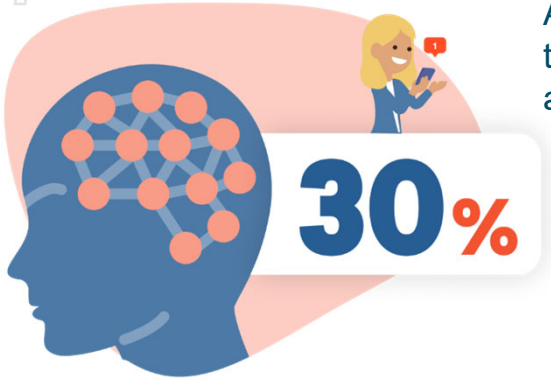
- $15,000k cash payment for TAH extension fee
- $3,364k increased website development costs
- $10,616k FY2020 final dividend payment

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TECHNOLOGY AND INNOVATION

PROVIDING BENEFITS TO ALL 3 BUSINESS SEGMENTS



AI (Artificial Intelligence) improved the likelihood of a customer adding a suggested product to their cart



UX (User Experience) streamlining resulted in 8% faster checkout times with 63% of users completing the checkout in under 30 sec



PayPal is now native resulting in an increase in PayPal conversions from 89.9% to 96%



Jumbo lottery apps are expected to be available on Google Play in March 2021

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KEY MANAGEMENT

Brad Board
Chief Operating Officer



David Todd
Chief Financial Officer



Xavier Bergade
Chief Technology Officer



Richard Bateson
Chief Commercial Officer



Nikki Searby
Legal Counsel and
Board Secretariat



Lauren Hook
Risk, Compliance and
Internal Audit Manager



Abby Perry
Head of Human Resources



Brenda Melville
Head of Ozlotteries



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BOARD

Mike Veverka
Executive Director and CEO



Susan Forrester AM
Chair and Non-executive Director



Giovanni Rizzo
Non-executive Director and Committee Chair, Audit and Risk Management Committee



Sharon Christensen
Non-executive Director and Committee Chair, People and Culture Committee



Bill Lyne
Non-executive Director[1]



[1] Retiring 31 March 2021

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SUMMARY AND OUTLOOK

GROWTH IN ALL DIVISIONS

- **LOTTERY RETAILING**
  - 17% 5-year CAGR to 31 December 2020
  - Promising start to the second half
  - Covid-19 tailwind
  - Improvements to technology
- **SaaS (Software as a Service)**
  - New partners in Australia, UK
  - Growth in existing partners in Australia (Lotterywest, Mater, Endeavour, Deaf Services)
  - Launch of existing partners in UK (St Helena Hospice)
  - Improvements to technology
- **MANAGED SERVICES**
  - Growth in Gatherwell UK with new partners
  - Launch of Paralympics Australia and St John Ambulance (VIC)
  - New partners in Australia
  - Gatherwell model in Australia

CAPITAL MANAGEMENT

- **UNDER REVIEW**
  - Dividend policy 85% Statutory NPAT

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This presentation contains summary information about the current activities of Jumbo Interactive Limited (Jumbo). It should be read in conjunction with Jumbo's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), including the Half Year Report and Accounts, and associated media release, released 23 February 2021 is available at www.asx.com.au.

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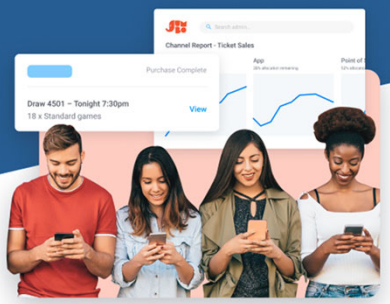
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Questions?

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Half Year Results Presentation

For the half year ended 31 December 2020

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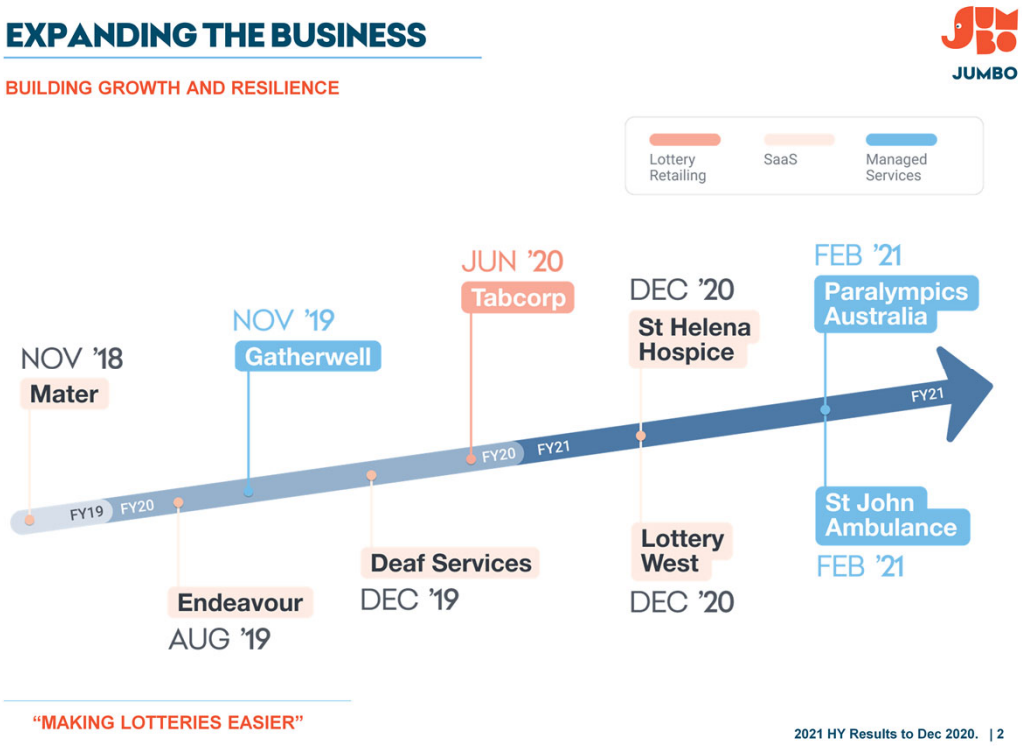
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"MAKING LOTTERIES EASIER"

Hello all.

I am here at Jumbo's Brisbane head office with David Todd, our CFO, to present our half year results.

I assume you've all had a chance to look at the presentation, so David and I plan to spend a short while highlighting some key issues, and then move to Q & A.



On this page I present a timeline of recent milestones we have achieved at Jumbo. It will help you understand why we have now moved to presenting our results along three segment lines, which are:

- Lotteries Retailing
- Software-as-a-Service (SaaS)/PBJ; and
- Managed Services

I will have more to say about this as we move through the presentation, but when you look at this timeline, you will see we began to diversify our business towards a SaaS business model over two years ago, by partnering with the Mater Foundation in 2018 to support its charitable activities, and have added valuable SaaS partners consistently since then, which will underpin the growth of this segment of the business.

And with the acquisition of Gatherwell in November 2019, we began to support our partners with Managed Services, initially just in the UK, but now, since our announcement yesterday of our partnerships with Paralympics Australia and St John Ambulance Australia (VIC), we are beginning to grow this business domestically as well.

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RESULT OVERVIEW AND HIGHLIGHTS

JUMBO

KEY FINANCIALS

- **Group Revenue up 9% to $40.9m ($32.6m pcp) despite only 15 large jackpots (23 pcp)**
  - Number of large Jackpots down 35% to 15 (23 pcp)
  - Aggregate Division 1 Jackpots down 52% to $510m ($1,070m pcp)
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Interim ordinary dividend	18.0¢	18.5¢	↓0.5¢

"MAKING LOTTERIES EASIER"

2021 HY Results to Dec 2020. | 3

But before I expand on these developments in later slides, here are our Group results presented in the usual manner.

In Lotteries Retailing, the random jackpot cycle was not kind to the Australian lottery market with only 15 large jackpots compared with 23 in the previous corresponding period, a decline of 35%. Despite this significant headwind, Jumbo achieved a 25% increase in Group TTV and a 9% increase in Group revenue, assisted by our evolving SaaS and Managed Services businesses.

Underlying items are statutory figures adjusted for significant non-recurring, non-operating items.

Underlying EBITDA grew 3.7% to $24.1 million, slower than TTV and revenue, mainly owing to several one-off factors, which David will address is in more detail later. However, I would like to highlight the dampening impact on EBITDA for this half, compared with the pcp, of the new Service Fee we pay under the Tabcorp Agreement in exchange for a 10-year licence to resell its product.

Underlying NPAT was down 5.8% on the pcp, which includes the negative impact of lower interest rates on our significant cash balances, and of course the new and material - but non-cash - drag of amortisation connected with the Tabcorp Agreement, and intangible assets on the Gatherwell acquisition. After adjusting for this, NPATA (NPAT before amortisation) was up 0.5% on the pcp.

Once again, our strong underlying result and robust cash position allows us to declare an 18cps interim ordinary dividend.

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GROUP STRUCTURE - 3 BUSINESS SEGMENTS

JUMBO

LOTTERY RETAILING	SaaS	MANAGED SERVICES
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LOTTERY MANAGEMENT EXCELLENCE 20 years lottery experience – Continual Innovation – Digital lottery culture		
PROPRIETARY LOTTERY TECHNOLOGY STACK Developed over 25 years – High performance and reliability – Over 50% of employees are engineers		

"MAKING LOTTERIES EASIER"

This is a new slide I have inserted to help explain our evolving business.

You will notice firstly that our activities are underpinned by our world class and proprietary lottery technology stack, developed and enhanced over the 25 years we have been in business.

Secondly, we are now acknowledged globally, as well as in our region, as offering world class lottery management services.

Thirdly, we now report on our businesses internally, and for the first time externally today, as being comprised of three profitable and growing segments, each leveraging our competitive advantages in technology and lotteries, to deliver great outcomes for our customers and partners.

In the next slides, I will spend some time explaining each of the businesses.

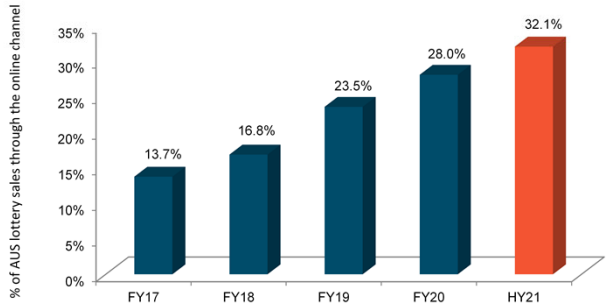
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1 - LOTTERY RETAILING

JUMBO

CERTAINTY TO 2030

- **Extending 15 year relationship**
  - Binding Term Sheet signed 28 June 2020
  - Long Term Reseller Agreements signed 25 Aug 2020
  - Certainty provides ability to continue growing sales in Australia over the long term
  - 32.1% of tickets sold online in Australia (FY20 28.0%)[1]
  - Long term focus necessary to grow the SaaS and Managed Services business segments



[1] Source: Tabcorp Holdings Limited public filings

"MAKING LOTTERIES EASIER"

On this slide I take a closer look at Lottery Retailing, which is a business we have been in now for 20 years, since we sold our first RSL lottery ticket in 2000.

And while the lotteries sequence went against us in the first half, there are significant growth prospects for the business, with just under 7 out of 10 tickets still sold through traditional outlets. I also note that plans are underway to refresh the OzLotto game, which is something we look forward to, as we continue our profitable partnership under the renewed Tabcorp Agreement which now extends to 2030.

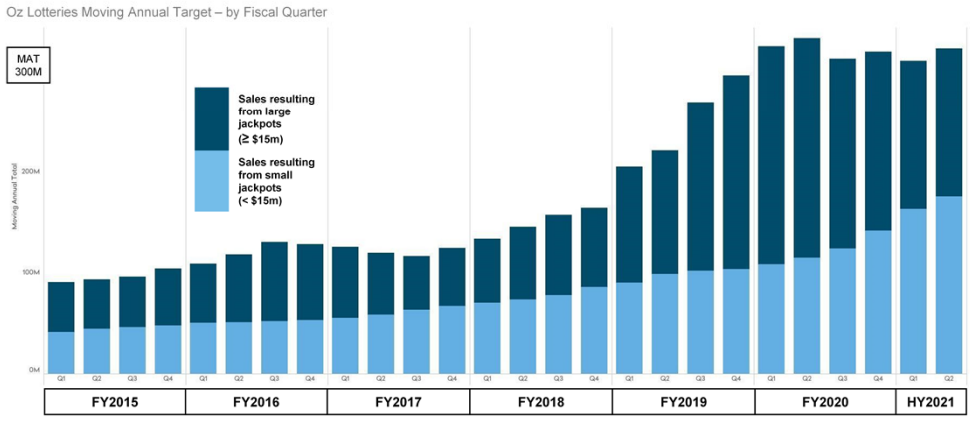
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1 - LOTTERY RETAILING

JUMBO

STRONG UNDERLYING BUSINESS

- **Moving Average Total (MAT) - TTV**
  - Consistent growth in TTV for small Jackpots under $15m (Light Blue)
  - TTV in large Jackpots dependent on the frequency of those large Jackpots (Dark Blue)
  - 17.1% 5-year CAGR to 31 December 2020
  - Business well place for higher large jackpot activity

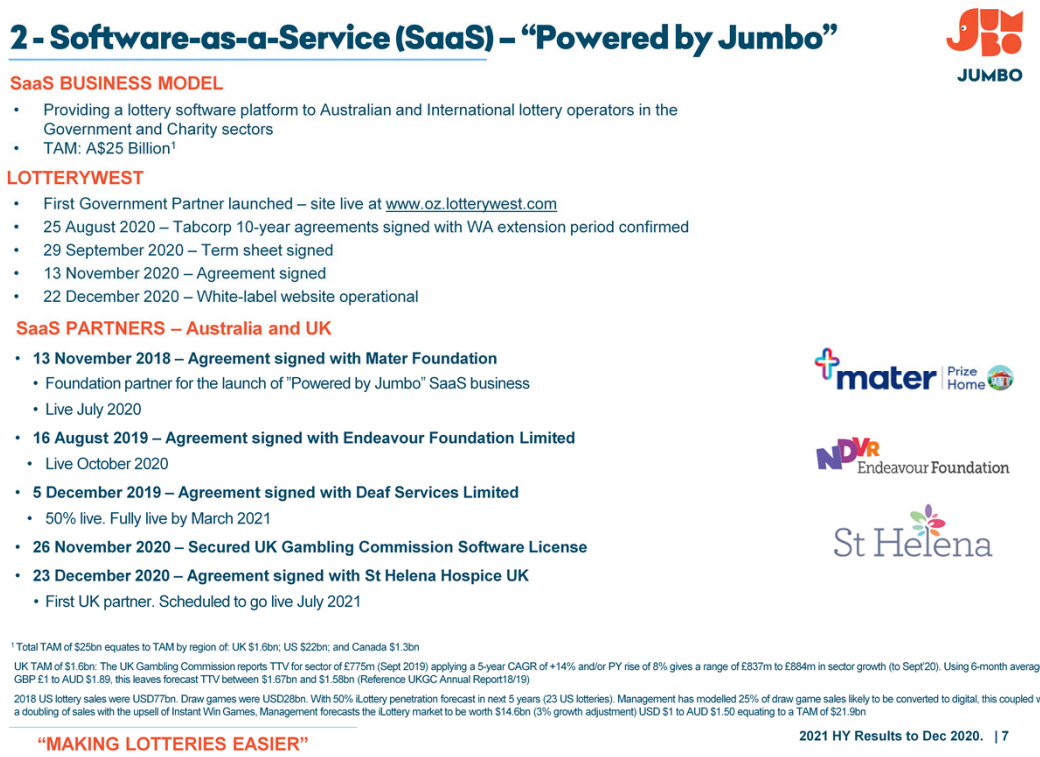


"MAKING LOTTERIES EASIER"

This is another new chart I wanted to show, because it demonstrates the continual growth of Jumbo's TTV from low jackpots (under $15 million) over the past 6 years.

The light blue bottom section is the Moving Average Total (MAT) TTV for small jackpots (under $15 million) and the dark blue top half is the MAT for large jackpots ($15 million and higher).

Notice how the top half spikes up during years of high jackpots and flattens in years of low jackpots. Yet underneath, the sales from the week-in-week-out, smaller jackpots are steadily growing. This shows the strong footings and growth potential of the Lotteries Retailing segment of our business, which from time-to-time also receives a welcome boost from high jackpots as they occur.



Moving on to discuss the SaaS business on slide 7, where a number of key milestones were reached in the first half.

Our first government partner - LotteryWest - was successfully launched and the site is live at oz.lotterywest.com, and our team continues to work with the LotteryWest team to explore further ways to grow ticket sales.

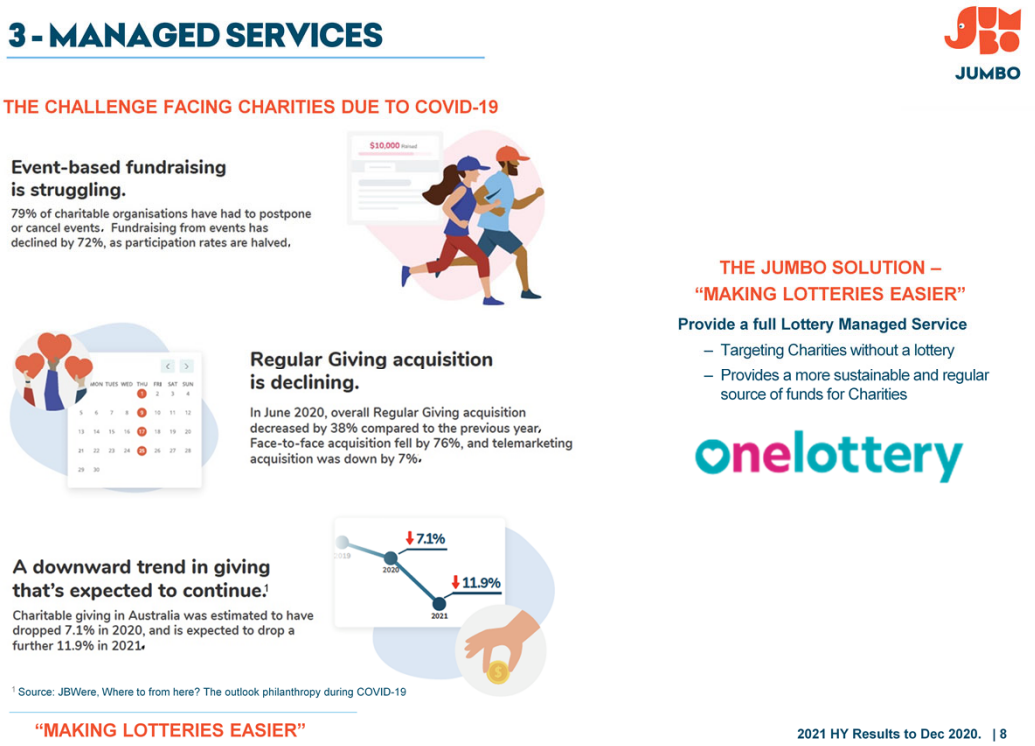
Our two major charity partners (Mater and Endeavour) are now fully live and contributing EBITDA to the group, while Deaf Services is live and has migrated about half of its customers onto our platform, with the other half due to migrate next month.

Jumbo has also signed its first UK partner in the SaaS business - St Helena Hospice - which is due to go live in July 2021. This opens the door to a larger market for the SaaS business in the UK, and potentially elsewhere.

We believe our SaaS business has a long runway, not just in Australia but overseas, and estimate the total addressable market, just for this segment of our business, is in the vicinity of A$25 billion in the UK and Canada and the USA.

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The third segment of our business, Managed Services, supports charities which do not yet have their own lottery.

These charities have typically relied on traditional and relatively expensive fundraising activities, as well as donations and government grants, which are now under pressure for a range of reasons, but particularly from the impact of COVID-19.

Jumbo has identified this key structural shift in the industry, and leveraging its superior technology, has quickly provided a solution by "Making Lotteries Easier" for these charities, as they shift their fundraising efforts from offline, to online.

3 - MANAGED SERVICES

- **Expanding the scope of potential partners**
  - Large number of smaller partners
  - Large TAM
  - Higher fee (~20% TTV – Gatherwell)

TAM – Total Addressable Market

- **Australia $10.5 billion**
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform
  - 58,000 registered charities
  - Consumer engagement – 18% of respondents purchased a raffle or lottery ticket
- **UK $18.8 billion**
  - 194,000 registered charities (England, Wales, and Scotland)
  - Consumer engagement – 37% of respondents purchased a raffle or lottery ticket
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform
- **Canada $13.1 billion**
  - 85,000 registered charities
  - Larger TAM than SaaS business as a lot more charities need managed services in addition to the software platform

Sources:
Australia $10.5 billion - ACNC (Australian Charities and Not-for-profits Commission) Report 2018
UK $18.8 billion – CAF (Charities Aid Foundation) Report UK Giving 2019. www.oscr.org.uk. https://www.gov.uk/government/statistics/charity-register-statistics/recent-charity-register-statistics-charity-commission
Canada $13.1 billion – JIN Research – independent consultant

"MAKING LOTTERIES EASIER"

In this last slide before I hand over to David to run through the financials, I have aimed to demonstrate the scale of the market for our Managed Services segment, which we estimate to be in the region of A$42billion. In addition, a higher fee (~20% of ticket sales) is appropriate for the larger scope of services provided by Jumbo.

I will now hand over to David Todd to take you through the financials.

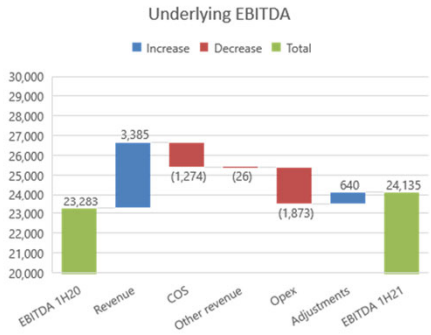
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FINANCIALS

CONSOLIDATED UNDERLYING EBITDA ($'000)

- Revenue up $3,385k
  - Lottery Retailing up $996k or 2.7% notwithstanding lower large jackpots
  - SaaS up $1,093k or 200.1% as the busines scales
  - Managed Services up $1,296k or 654.5% with Gatherwell contributing 6 months
- Cost of sales up $1,274k
  - Tabcorp Agreement service fee 1.5% on ticket purchases
- Opex up $1,873k
  - Lower large jackpots; Tabcorp Agreement, Gatherwell 6 months
- Adjustments for non-recurring, non-operating items up $640k
- Underlying EBITDA up $852k
- Depreciation and amortisation up $1,421k
  - Tabcorp Agreement extension fee, Gatherwell intangible assets on acquisition, investment in software



"MAKING LOTTERIES EASIER"

Thanks Mike and hello everyone.

As Mike mentioned, we have re-aligned the organisation structure to support our growth strategy, which has resulted in a change to how we present our financial results.

So I will look at the Group results first and then each of the new operating segments, with comparable information provided where possible.

The Group underlying EBITDA increased by $852k or 3.7%, which is summarised in the waterfall chart on the slide.

Revenue is up $3,385k or 9.0% from increases in all operating segments.

Cost of sales is up $1,274k or 45.2% mainly due to the introduction of a service fee ($1,876k) under the Tabcorp Agreement entered into in August 2020, which is 1.5% of TTV in FY21, stepping up to 2.5% in FY22, 3.5% in FY23 and topping out at 4.65% in FY24.

Operating expenses are up $1,873k or 15.5%, including an increase in one-off expenses of $640k. Excluding these items, the Group opex increase would be $1,233 or 10.6%. Within that, I mention the following items:

- $993k increase in employee expenses primarily due to Gatherwell contributing 6 months, compared to 1 month in the pcp;
- $850k increase in consultancy and legal fees mostly from one-off expenses of $867k relating to the Tabcorp Agreement;
- $524k increase in technology expenses for data analytic software to improve our service offering to our partners and customers;
- $298k increase in insurance premiums with increased cover and premiums for a growing business;

and decreases in operating expenses:

- $749k in marketing expenses, which reflects lower customer acquisition costs in line with the lower large jackpot activity; and
- $281k decrease in travel and accommodation owing to our more flexible working model since COVID 19, including from travel restrictions and staff working from home.

Adjustments for significant non-recurring, non operating items mainly relate to the Gatherwell acquisition and the 10-year Tabcorp Agreement.

Global government employment retention schemes had no bearing on Group results, other than $16k received in the UK.

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FINANCIALS

LOTTERY RETAILING

- OzLotteries.com – Australian Powerball, OzLotto, Charity Games

Lottery Retailing ($'000)	H1FY2021	H1FY2020
TTV	$185,684	$183,800
REVENUE	$37,807	$36,811
GROSS PROFIT	$20,056	$34,020
EBITDA	$15,377	n/a
EBITDA/Revenue	40.7%	n/a

- 7.5% licence fee paid to SaaS operating segment
- Service fee stepping-up to FY2024 will put downward pressure on the EBITDA margin then expected to increase
- Stability with 10-year Tabcorp Agreement to August 2030
- Potential referral revenue from Managed Services operating segment
- Business is well placed for growth

"MAKING LOTTERIES EASIER"

Turning now to our important Lottery Retailing segment.

TTV is up $1,884k or 1% on the pcp, notwithstanding lower large jackpot activity (15 v 23) and $560m or 52% less in aggregate value ($510m v $1,070m).

And although not reflected in this slide, I also note that the TTV from Lotteries Retailing lifted from $156m in the previous half (2H20), to $186m in this period, or around 20%, on a similar number of large jackpots, (16 v 15); this should give you a better sense of the underlying top line growth for the half.

Revenue is up $996k or 2.7%, with a slightly higher revenue margin of 20.4% (2019: 20.0%), mainly due to product mix.

Cost of sales is up $14,960k largely due to an intersegment software licence fee $13,844k paid to our new SaaS operating segment at 7.5% of ticket sales, and the service fee to Tabcorp at 1.5% of subscriptions.

The intersegment software licence fee at 7.5% of ticket sales sits towards the top of the mid range of fees we charge to our other external SaaS partners and customers (see next slide), reflecting the significant investment in the PBJ software which has been customised for Oz lotteries over the years, plus the higher use of some of our unique AI and data analytics features used by the Oz lotteries business, compared with other customers.

Again, and reflecting on the structure diagram on slide 4, we have begun now to consider our Lottery Retailing business as just another, albeit obviously very important, customer of the Group, leveraging the Group's lottery management excellence and our proprietary lottery technology stack.

There is no comparative EBITDA for Lotteries Retailing due to the change in organisational structure, but for the half I note the EBITDA/Revenue margin for the segment, of 40.7%. If jackpot sequences do revert to the mean again, as we expect they will, then we expect to harvest higher TTV, revenue and

EBITDA from this segment, in line with that trend as it re-emerges.

However, I also again draw attention to the structure of the new service fee payable under the Tabcorp Agreement, which is a headwind to the EBITDA margin for this segment as the fee steps up to FY2024, and constant beyond then to 2030 at 4.65%.

Offsetting this headwind though are some attractive features of the Lottery Retailing business, including most obviously the preference of consumers to increasingly transact via digital channels, and the

- 17.1% 5-year CAGR of TTV to 31 December 2020;
- Likelihood that jackpot sequences do revert to the mean again, when we would expect to earn higher TTV, revenue and EBITDA from this segment;
- Potential referral revenue from the Managed Services operating segment; and
- A relatively stable fixed cost structure

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FINANCIALS

JUMBO

SaaS

- PoweredByJumbo (PBJ) and Other software (lightningpayroll.com)
- Margins range from ~3% to ~9.5% of ticket sales (TTV) for PBJ
- Provides software to the Lottery Retailing business Segment (ozlotteries.com) at 7.5% of TTV
- Provides software to Lotterywest (oz.lotterywest.com)
- UK software licence 26 November 2020
- Provides software to UK partners – St Helena Hospice

SaaS ($'000)	H1FY2021	H1FY2020
TTV	$39,934	$3,026
REVENUE - external - internal	$15,482 - $1,638 - $13,844	$545 - $545 - $0
EBITDA	$10,408	n/a
EBITDA/Revenue	67.2%	n/a

- 31 December 2020 TTV run-rate ~$120m p.a.
- St Helena Hospice UK expected to be live June 2021 with TTV ~$10m
- Potential revenue from Managed Services operating segment
- Strong growth prospects

"MAKING LOTTERIES EASIER"

Now turning to the SaaS operating segment, which is the first time we have split this out separately, even though we trace its origins back at least to our association with the Mater Foundation, which became a customer over two years ago, in November 2018.

In the latter part of the first half we welcomed Lotteries WA as an important customer of this business, for an initial 3-year period, with 4+4 year options, as well as, in the UK, St Helena Hospice, which we expect to go-live in July 2021.

TTV for this segment was up $36,908k from external customers alone, with a run rate at 31 December 2020 of ~$120,000k.

Revenue from external customers is up $1,093k at a revenue margin of 4.1% (2019: 18.0%) with the majority of 2019 revenue from lightningpayroll.com which has a 100% revenue margin.

Internal revenue is the intercompany licence fee paid by Lottery Retailing, discussed with the previous slide.

There is no comparative EBITDA due to the change in organisational structure, but I draw attention to the 67.2% margin of EBITDA/Revenue, which we will seek to improve as we grow this business.

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FINANCIALS

JUMBO

MANAGED SERVICES

- Providing full lottery management in addition to software – Jumbo Fundraising and External Lottery Manager. Includes prize procurement, game design, campaign marketing, and customer relationship and draw management.
- Gatherwell in UK – 6 months trading compared to 1 month in pcp
- Paralympics and St John Ambulance (VIC) in Australia February 2021

GATHERWELL UK PROGRESSING WELL

- 9 November 2020 – Gatherwell UK achieves first earn-out milestone

MANAGED SERVICES ($'000)	H1FY2021	H1FY2020
TTV	$7,158	$958
REVENUE	$1,494	$198
EBITDA	$464	$45
EBITDA/Revenue	31.1%	22.7%

- Gatherwell like-for-like half year Revenue up 26%, Revenue up 34% and EBITDA up 107%
- Strong growth prospects

"MAKING LOTTERIES EASIER"

Now turning to the Managed Services segment, which again is the first time we have split this out, which we are now able to do since our acquisition of the Gatherwell business in the UK, in November 2019.

Overall, the Gatherwell business is running in line with our acquisition expectations, and delivered a TTV increase of $6,200k, and Revenue is up $1,296k. The pcp only included one month of Gatherwell but this business is still growing strongly on a like-for-like half year comparison.

The Revenue Margin is in line with expectations at 20.9% (2019: 20.7%), while TTV, Revenue and EBITDA are all up on the pcp, off a very small base.

The segment has also signed its first two customers for Jumbo Fundraising, and while it's still very early days, we remain optimistic about the growth prospects for this new segment of the Group, especially as we continue to roll-out the successful Gatherwell charity and community group fund raising model more broadly across the jurisdictions in which we operate.

BALANCE SHEET

JUMBO

BALANCE SHEET

GROUP ($'000)	31 December 2020	30 June 2020
Cash	$61,999	$72,259
Other current assets	$3,498	$3,749
Non-current assets	$45,823	$33,520
Total Assets	$111,320	$109,528
Current liabilities	$24,378	$23,574
Non-current liabilities	$5,083	$7,035
Total liabilities	$29,461	$30,609
Net assets/Equity	$81,859	$78,919

- $15,000k cash payment for the Tabcorp Agreement
- $3,364k increased website development costs
- $1,806k first earnout payment to Gatherwell vendors
- $11,435k FY2020 final dividend payment
- Capital management reviewed continually

"MAKING LOTTERIES EASIER"

Now turning to one of the enduring strengths of the Group, our Balance Sheet.

The main change has been in cash and non-current assets, largely with the cash payment of the $15,000k extension fee under the Tabcorp Agreement, which is capitalised and amortised over the term of the agreement. Company cash has declined from $61,300k to $50,600k at 31 December.

Meanwhile, we have continued to invest heavily in our technology stack, which has contributed to the sharp increase in non-current assets.

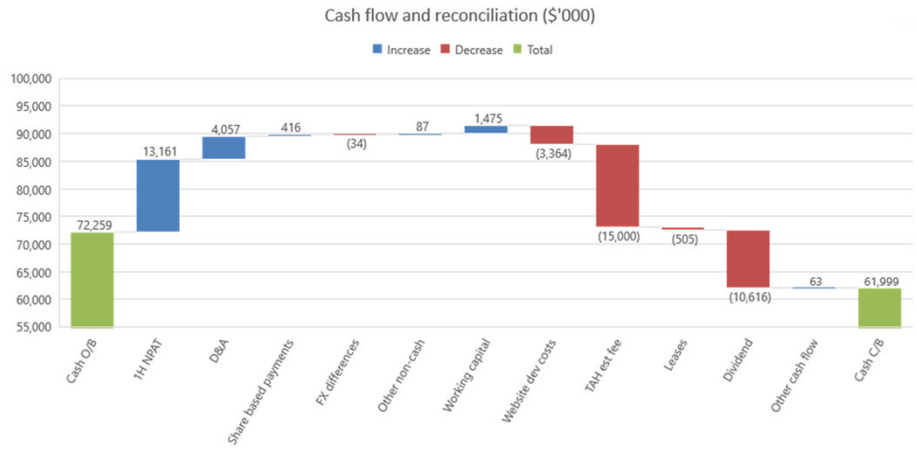
The first Gatherwell earnout payment has reduced both non-current assets and non-current liabilities.

Capital management is constantly under review, and Mike will have more to say about this shortly, although I remind you that our current dividend policy is to pay out 85% of statutory NPAT.

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CASH FLOW



- $15,000k cash payment for TAH extension fee
- $3,364k increased website development costs
- $10,616k FY2020 final dividend payment

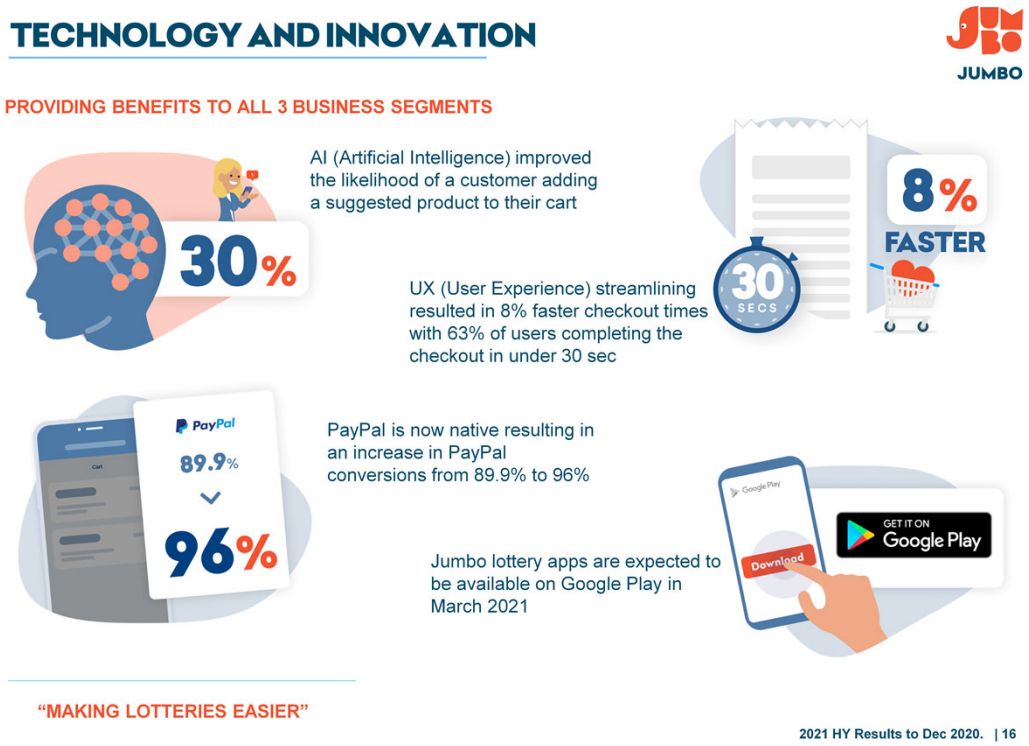
"MAKING LOTTERIES EASIER"

Finally, turning to our cash and cash flow, you can see a snapshot of the key moving parts in this waterfall slide, which are:

- Organic net profit contribution of $13,161k
- D&A of $4,057k;
- Website development investment of $3,364k;
- The $15,000k payment to Tabcorp connected with putting our Lotteries Retailing business on a secure footing for 10 years; and
- Our final dividend for FY20 of $10,616k.

We continue to regard our balance sheet and cash flow as among our key competitive strengths as we grow the business domestically and globally, and on that note I will now hand back to Mike.

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Thanks David.

Technology and innovation have always been key to Jumbo's competitive advantage, and they underpin everything we do.

For example, we continue to push the technology envelope as we invest heavily in Artificial Intelligence and focus on improving the user experience. Which means that now, for the first time, AI is being deployed to improve the likelihood of a Jumbo customer adding a suggested product to their cart.

Other improvements to the user experience have also streamlined the checkout process and made PayPal native, thereby boosting customer numbers.

The important thing to note is that all the technological improvements we undertake benefit all three of our business units, which is a feature of our business I captured in the new business structure slide 4. This means we can leverage the benefit of our heightened investment in technology across each of our businesses, in each of the markets in which we operate.

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KEY MANAGEMENT

JUMBO

Brad Board
Chief Operating Officer



David Todd
Chief Financial Officer



Xavier Bergade
Chief Technology Officer



Richard Bateson
Chief Commercial Officer



Nikki Searby
Legal Counsel and
Board Secretariat



Lauren Hook
Risk, Compliance and
Internal Audit Manager



Abby Perry
Head of Human Resources



Brenda Melville
Head of Ozlotteries



"MAKING LOTTERIES EASIER"

Our key management are predominately in our head office is Brisbane while Richard is resident in North America.

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BOARD

JUMBO

Mike Veverka
Executive Director and CEO



Susan Forrester AM
Chair and Non-executive Director



Giovanni Rizzo
Non-executive Director and Committee Chair, Audit and Risk Management Committee



Sharon Christensen
Non-executive Director and Committee Chair, People and Culture Committee



Bill Lyne
Non-executive Director[1]



[1] Retiring 31 March 2021

"MAKING LOTTERIES EASIER"

During the first half, Susan Forrester was appointed as our new Chair, and we farewell Bill Lyne at the end of March and thank him for over 10 years of service to Jumbo.



Which brings me to the Summary and Outlook.

Summary

We have reshaped our business into three profitable segments which each have significant growth runways, as they leverage our lottery management excellence and our world class and proprietary technology stack.

Our powerful Lotteries Retailing division will continue to thrive as it harvests very strong domestic industry tailwinds, while our still relatively new SaaS and Managed Services business are making meaningful contributions to our TTV, Revenue and EBITDA, and have strong prospects for growth in deep markets.

Our resilient balance sheet is a competitive advantage as we go about making lotteries easier for our customers and partners, and as we continue to assess organic and inorganic growth options both domestically and overseas.

Outlook

The expansion of our business that David and I have touched on today means that prudent capital management, including Jumbo's dividend policy, is now more important than ever, and we will have more to say about this as the year progresses.

Meanwhile, although we have made a promising start to the current half year, especially in our Lotteries Retailing segment, the macro environment we face is more uncertain than ever, which makes it difficult to make any financial forecasts for the financial year with any conviction.

However, I am confident that with the suite of businesses that we own, coupled with the likely growth of the markets within which they operate domestically and overseas, that we are well positioned to deliver superior returns to all our stakeholders over the medium to long term.

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On that note, David and I are happy to take questions.

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Questions?

"MAKING LOTTERIES EASIER"