

Appendix 4C and Quarterly Activities Report

Melbourne, Australia, 29 July 2021 – PointsBet Holdings Limited (ASX:PBH) (“PointsBet” or the “Company”) is pleased to provide its Quarterly Cash Flow Report (Appendix 4C) for the quarter ending 30 June 2021 (“Q4 FY21”)¹.

PointsBet also provides an overview on its trading performance for Q4 FY21 (prior corresponding period being Q4 FY20 (“PCP”)). Due to the seasonal nature of the sports betting industry, quarterly figures are not intended to represent an indication of likely full year performance.

QUARTERLY HIGHLIGHTS

PointsBet reported strong PCP growth across the following key metrics:

Table 1. PointsBet Group – Q4 FY2021 Sports Betting Performance (A\$m) ²				
Key metrics – Sports Betting	Q4 FY2021	Q4 FY2020	Change vs PCP	FY21
Turnover/Handle³	986.1	349.4	+182%	3,781.4
Aus	494.8	302.9	+63%	1,989.0
US	491.3	46.5	+956%	1,792.4
Gross Win Margin	10.0%	12.4%	-2.4pp	9.3%
Aus	13.4%	13.7%	-0.3pp	12.9%
US	6.6%	3.5%	+3.0pp	5.3%
Gross Win⁴	98.7	43.2	+128%	353.1
Aus	66.4	41.6	+60%	257.3
US	32.3	1.6	+1,859%	95.8
Net Win Margin	6.0%	9.6%	-3.6pp	5.5%
Aus	8.7%	10.7%	-2.0pp	8.4%
US	3.3%	2.5%	0.8pp	2.3%
Net Win⁵	59.3	33.5	+77%	207.0
Aus	43.1	32.4	+33%	166.1
US	16.2	1.2	+1,294%	40.9

Table 2. PointsBet Group – Q4 FY2021 Net Win Summary (A\$m) ⁶				
	Q4 FY2021	Q4 FY2020	Change vs PCP	FY21
Net Win – Sports Betting	59.3	33.5	+77%	207.0
Net Win – iGaming	1.5	-	-	1.5
Net Win – Total⁷	60.8	33.5	+81%	208.5

¹ Unaudited and in Australian dollars unless otherwise stated

² The AUD:USD foreign exchange rate used for the figures in the table was the average rate for the specified period

³ Turnover/Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred

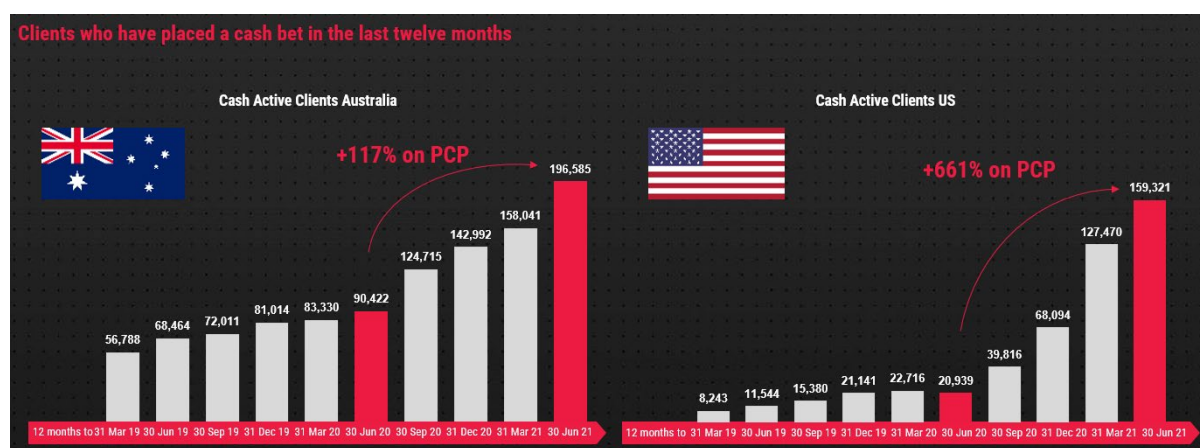
⁴ Gross Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, excluding the cost of pricing promotions

⁵ Net Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, less client promotional costs (the costs incurred to acquire and retain clients through bonus bets, money back offers, early payouts and enhanced pricing initiatives)

⁶ The AUD:USD foreign exchange rate used for the figures in the table was the average rate for the specified period

⁷ Net Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, less client promotional costs (the costs incurred to acquire and retain clients through bonus bets, money back offers, early payouts and enhanced pricing initiatives)

GROUP CASH ACTIVE CLIENT⁸ GROWTH



- For the 12 months to 30 June 2021, the Australian business had 196,585 Cash Active Clients, a 117% increase compared to Cash Active Clients for the 12 months to 30 June 2020.
- For the 12 months to 30 June 2021, the US business had 159,321 Cash Active Clients, a 661% increase compared to Cash Active Clients for the 12 months to 30 June 2020.

POINTSBET AUSTRALIA

Table 3. PointsBet Australia – Q4 FY2021 Sports Betting Performance (A\$m)⁹

Key metrics	Q1 FY2021	Q2 FY2021	Q3 FY2021	Q4 FY2021	Q4 FY2020	Increase on PCP	FY21
Turnover/Handle ¹⁰	527.7	543.3	423.2	494.8	302.9	+63%	1989.0
Gross Win Margin	11.5%	13.9%	12.9%	13.4%	13.7%	-0.3pp	12.9%
Gross Win ¹¹	60.5	75.5	54.8	66.4	41.6	+60%	257.3
Net Win Margin	6.6%	9.2%	9.0%	8.7%	10.7%	-2.0pp	8.4%
Net Win ¹²	35.1	49.8	38.2	43.1	32.4	+33%	166.1

The Australian Trading business continued its strong performance, ending the quarter with Turnover of \$494.8 million, up 63% compared to PCP and Net Win of \$43.1 million, up 33% from the PCP. Gross Win Margin and Net Win Margin were an impressive 13.4% and 8.7% respectively continuing the trend of strong quarterly margins. It was particularly pleasing that Net Win grew by 33% compared to the PCP, given the Q4 FY20 industry results were

⁸ Client across all verticals that have placed a cash bet in the 12 months preceding the relevant period end date

⁹ The AUD:USD foreign exchange rate used for the figures in the table was the average rate for the specified period

¹⁰ Turnover/Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred

¹¹ Gross Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to Clients who placed winning bets, excluding the cost of pricing promotions

¹² Net Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, less client promotional costs (the costs incurred to acquire and retain clients through bonus bets, money back offers, early payouts and enhanced pricing initiatives)

significantly boosted due to COVID. As a result the Company expects the industry overall to have experienced negative growth in Q4 FY21 quarter compared to the PCP.

As the Company continues to grow market share in 2021 with a refreshed brand campaign featuring NBA MVP Shaquille O'Neal, the Australian Trading Business' marketing expense¹³ was \$16.9 million in Q4 FY21 as the Company sought to acquire and retain clients during the AFL, NRL and NBA seasons as well as through the continuation of the Autumn Racing Carnival.

For the 12 months to 30 June 2021, the Australian business had 196,585 Cash Active Clients, a 117% increase compared to Cash Active Clients for the 12 months to 30 June 2020.

Compared to the PCP, the Australian Trading business has seen improvement across a number of key KPIs, particularly with respect to customers continuing the trend of movement towards the higher margin multi product. Improvements in marketing tech tools and the refreshed brand campaign also assisted with acquisition and retention compared to the PCP.

When comparing year-on-year figures (i.e. FY2021 v FY2020), improvements were also seen across several key metrics with Turnover up 140%, Gross Win up 155%, Gross Win Margin up 0.8pp and Net Win up 121%.

¹³ Marketing expense includes all direct and indirect marketing costs, including production, agency/placement fees and working media.

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

POINTSBET US

Table 4. PointsBet USA – Q4 FY2021 Performance (A\$m)¹⁴										
Key metrics	New Jersey	Illinois	Michigan	Indiana	Colorado	Iowa	US Q4 FY2021	US Q4 FY2020	Change vs PCP	FY21
Sports Betting Turnover/Handle ¹⁵	204.2	145.0	42.4	43.9	43.7	12.1	491.3	46.5	+956%	1,792.4
Sports Betting Gross Win Margin	6.7%	7.0%	5.8%	6.3%	4.9%	8.5%	6.6%	3.5%	+3.0pp	5.3%
Sports Betting Gross Win ¹⁶	13.7	10.1	2.5	2.8	2.1	1.0	32.3	1.6	+1,859%	95.8
Sports Betting Net Win Margin	4.5%	3.9%	(0.8)%	2.3%	0.8%	3.1%	3.3%	2.5%	+0.8pp	2.3%
Sports Betting Net Win	9.1	5.7	(0.3)	1.0	0.4	0.4	16.2	1.2	+1,294%	40.9
iGaming Net Win	-	-	1.5	-	-	-	1.5	-	-	1.5
Total Net Win¹⁷	9.1	5.7	1.1	1.0	0.4	0.4	17.7	1.2	+1,420%	42.3

Table 5. PointsBet United States – Sportsbook Market Share By State (Online Handle)					
New Jersey¹⁸	Illinois¹⁹	Michigan²⁰	Indiana²¹	Colorado²²	Iowa²³
7.8%	7.8%	4.9%	5.5%	5.0%	3.1%

¹⁴ The AUD:USD foreign exchange rate used for the figures in the table was the average rate for the specified period.

¹⁵ Turnover/Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred

¹⁶ Gross Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, excluding the cost of pricing promotions

¹⁷ Net Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, less client promotional costs (the costs incurred to acquire and retain clients through bonus bets, money back offers, early payouts and enhanced pricing initiatives)

¹⁸ Based on total New Jersey online sports betting handle for the quarter, as reported by the New Jersey Division of Gaming Enforcement

¹⁹ Based on total Illinois online sports betting handle for April and May 2021, as reported by the Illinois Gaming Board. June 2021 market share data had not been released

²⁰ Based on total Michigan online sports betting handle for the quarter, as reported by the Michigan Gaming Control Board

²¹ Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission

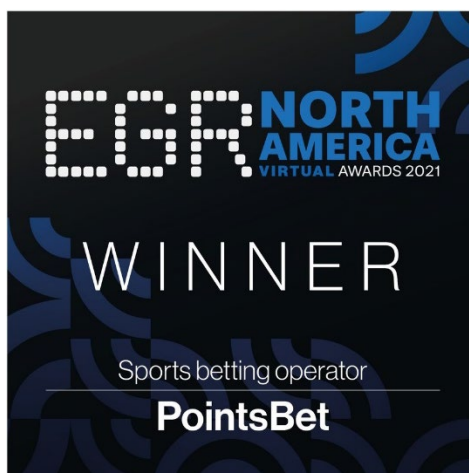
²² Based on total Colorado online sports betting handle for the quarter, as reported by the Colorado Department of Revenue – Division of Gaming.

²³ Based on total Iowa online sports betting handle for the quarter, as reported by the Iowa Racing and Gaming Commission

The US business achieved quarterly sports betting Gross Win of \$32.3 million, a 1,859% increase compared to Gross Win of \$1.6 million in the PCP, with a quarterly sports betting Net Win of \$16.2 million, a 1,294% increase compared to Net Win of \$1.2 million for the PCP. It should be noted that Q4 FY20 was impacted by COVID resulting in a majority of key US sporting codes postponing or delaying their seasons. The US business achieved a quarterly sports betting Gross Win Margin of 6.6% and a quarterly sports betting Net Win Margin of 3.3%.

The Company's US quarterly marketing expense²⁴ of US\$26.3 million resulted in Cash Active Clients²⁵ for the 12 months to 30 June 2021 increasing to 159,321, a 661% increase on the 12 months to 30 June 2021.

In May 2021, PointsBet was honoured by eGaming Review (EGR) as the top sports betting operator at the EGR North America Awards 2021, winning the award for the second consecutive year. PointsBet was also recognised as displaying 'the best innovation in sports betting' and the 'top affiliate marketing campaign' by the EGR.



On 10 June 2021, PointsBet entered into a multi-year agreement with The Riverboat on-the-Pontomac ("Riverboat Group") to provide online and retail sports wagering in the State of Maryland, subject to the receipt of necessary regulatory approvals and licensure.

On 20 July 2021, PointsBet entered into an agreement with Cliff Castle Casino Hotel to pursue online sports betting market access in Arizona. The exclusive agreement involves PointsBet and the Yavapai-Apache Nation partnering to pursue a 'first skin' licence to operate online sports betting in Arizona via PointsBet's mobile app and website platforms pending final licensure. The agreement expands PointsBet's United States sportsbook market access footprint to 17 states (subject to the passing of enabling legislation and licensure).

On 8 July 2021, PointsBet announced that NFL all-time great Drew Brees officially joined the PointsBet team. Brees, who this season is transitioning to a broadcasting career with NBC Sports (PointsBet's official sports betting partner) will deepen the NBC Sports and PointsBet relationship as the Company continues to expand and realise the growing North American online sports betting and iGaming opportunity in 2021 and beyond.

²⁴ Marketing expense includes all direct and indirect marketing costs, including production, agency/placement fees and working media.

²⁵ Client across all verticals that have placed a cash bet in the 12 months preceding the relevant period end date

Brees joins PointsBet's existing ambassador Paige Spiranac and will star in and help develop original content for PointsBet, provide sports betting education and commentary, host events, and steer marketing and promotional concepts, among other areas.

In addition to Drew Brees becoming a PointsBet global brand ambassador, the PointsBet/NBC Sports partnership continued to break new ground as it reached the final quarter of the first year of the deal. PointsBet was integrated into coverage in or around NHL Playoffs, NBA Playoffs, US Open Golf, and the Indy 500. This allowed PointsBet to reach sports fans during peak events, helping it further grow its brand awareness.

PointsBet on air talent Teddy Greenstein and Jay Croucher continue to be integrated further into NBC content. Integrations into NBC content include:

- US Open coverage on Golf Channel and Edge
- "Bet The Edge" powered by PointsBet podcast, a 5x per week show that is hosted by Sara Perlman and Drew Dinsick (high-profile guests in the quarter have included Peter King and Eddie Olczyk)
- Bulls BetCast, a betting-themed linear simulcast aired for the Bulls/Hornets matchup on 22 April. The BetCast followed suit from the PGA Waste Management Phoenix Open BetCast in February, providing fans with an alternate PointsBet branded experience (inclusion of odds, live markets, product features, etc.)



New Jersey

New Jersey recorded a quarterly sports betting Gross Win of \$13.7 million, at a Gross Win Margin of 6.7% and a sports betting Net Win of \$9.1 million, at a Net Win Margin of 4.5%.

PointsBet achieved 7.8% market share in New Jersey for online sports betting handle during the quarter²⁶.

On 23 July 2021, PointsBet launched iGaming in New Jersey, representing the Company's second US iGaming operation.

Illinois

Illinois recorded a quarterly sports betting Gross Win of \$10.1 million, at a Gross Win Margin of 7.0% and a sports betting Net Win of \$5.7 million, at a Net Win Margin of 3.9%.

PointsBet achieved 7.8% market share for online sports betting handle²⁷.

During the quarter, this Governor of Illinois did not renew Executive Order 2020-41 which mandated remote registration. From 4 April 2021, new clients of all online sports wagering operators in Illinois were required to register in-person at the relevant licensed partners' physical locations before placing online wagers.

As previously noted, PointsBet's strategic retail sportsbook locations, including Hawthorne Race Course located just 8.5 miles from Downtown Chicago and three (3) off track betting shops in the Chicago metropolitan area (two of which are also operational), provide a competitive advantage in an in-person registration environment.

Image: Hawthorne Race Course Sportsbook



²⁶ Based on total New Jersey online sports betting handle for the quarter, as reported by the New Jersey Division of Gaming Enforcement

²⁷ Based on total Illinois online sports betting handle for the April and May 2021, as reported by the Illinois Gaming Board. June 2021 market share data had not been released

Michigan

Michigan recorded a sports betting quarterly Gross Win of \$2.5 million, at a Gross Win Margin of 5.8% and a sports betting Net Win loss of \$(0.3) million, at a negative Net Win Margin of (0.8)%.

PointsBet achieved 4.9% market share for online sports betting handle during the quarter²⁸.

On 5 May 2021, PointsBet launched iGaming operations in Michigan offering 17 games across slot games, video poker games and table games.

Michigan recorded an iGaming Net Win for the quarter of \$1.5 million.

Indiana

Indiana recorded quarterly sports betting Gross Win of \$2.8 million, at a Gross Win Margin of 6.3% and a sports betting Net Win \$1.0 million, at a Net Win Margin of 2.3%.

In Indiana, PointsBet achieved 5.5% market share for online sports betting handle²⁹ during the quarter, ranking as the fourth largest operator by sports betting handle in June³⁰.

Colorado

Colorado recorded quarterly sports betting Gross Win of \$2.1 million, at a Gross Win Margin of 4.9% and a sports betting Net Win of \$0.4 million, at a Net Win Margin of 0.8%.

PointsBet achieved 5.0% market share for online sports betting handle during the quarter³¹.

Iowa

Iowa recorded quarterly sports betting Gross Win of \$1.0 million, at a Gross Win Margin of 8.5% and a sports betting Net Win of \$0.4 million, at a Net Win Margin of 3.1%.

PointsBet achieved 3.1% market share for online sports betting handle during the quarter³².

PointsBet also extended its agreement for sports betting (retail and online) as well signing a new agreement to provide iGaming in the State of Iowa, subject to the receipt of necessary licensure. Both of these agreements will run until 31 December 2030.

iGaming Update

PointsBet has assembled a highly experienced iGaming team which has built an in-house proprietary iGaming platform and administrative tools. Owning and controlling in-house iGaming technology stack will become an increasingly important strategic advantage.

PointsBet's priority is to provide a fast and immersive client experience. The Company has licensed third-party iGaming content from premium content suppliers, including live-dealer solutions.

On 5 May 2021, PointsBet launched iGaming operations in Michigan offering 17 slot, video poker and table games. The Company will bolster this offering in H1 FY22 with the offering of additional strategically selected slot games, live dealer table games and other innovative initiatives.

²⁸ Based on total Michigan online sports betting handle for the quarter, as reported by the Michigan Gaming Control Board

²⁹ Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission

³⁰ Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission

³¹ Based on total Colorado online sports betting handle for the quarter, as reported by the Colorado Department of Revenue – Division of Gaming

³² Based on total Iowa online sports betting handle for the quarter, as reported by the Iowa Racing and Gaming Commission

Since the launch, PointsBet has had no technical issues related to iGaming.

PointsBet launched iGaming in New Jersey on 23 July 2021 with plans to launch in Pennsylvania and West Virginia in FY22 (pending regulatory approval).

PointsBet has also secured iGaming access in Ohio, Indiana, Missouri, Louisiana and Iowa pending the passing of enabling legislation.

On 19 July 2021, PointsBet announced the hiring of industry heavyweight Aaron O'Sullivan as Vice President of Online Casino Revenue, set to oversee North American operations. O'Sullivan will bring to PointsBet nearly 15 years of international iGaming experience.

O'Sullivan's previous experience comes via large global brands, like bet365, as well as start-ups. Having led product development, operations, and marketing teams, his broad range of expertise has developed in him a firm understanding of what makes a successful casino operation, as well as a passion for meeting the needs of the customer. O'Sullivan has used this knowledge to successfully deliver casino experiences to customers across multiple global regulated markets, such as the U.K., Spain, Italy, New Jersey, and more.

ACQUISITION OF BANACH TECHNOLOGY

On 16 March 2021, PointsBet announced the acquisition of Banach Technology Limited. Completion of the acquisition occurred on 21 April 2021. Banach brought across a team of 40 technology and product staff with deep experience creating products for use in mature and sophisticated sports wagering markets.

Since completion, Banach (now known as PointsBet Europe) has attracted a steady stream of market leading European technology and gaming talent keen to join PointsBet and be part of the next phase of the Company's growth.

The PointsBet Europe team are market leaders in pre-game and in-play sports wagering markets.

This acquisition will position PointsBet as a leader of in-play sports wagering in the United States, as in-play wagering is expected to grow exponentially. Within the next three years, in-play wagering is expected to represent c. 75% of all sports wagering activity in the United States.

This acquisition accelerates PointsBet's technology roadmap and places the Company in a prime position to take advantage of this growth in sports betting activity in the United States. Additionally, through highly sophisticated risk management algorithms and deep trading experience, PointsBet Europe's technology will allow PointsBet to grow trading margins and offer a superior experience to its customers.

NORTH AMERICAN RACING OPPORTUNITY

Racing has a unique role to play alongside sports wagering and iGaming in the United States. The racing industry in the U.S. generates over US\$12 billion in turnover (handle) annually. PointsBet aims to be at the centre of innovation and growth in U.S. horseracing.

On 9 July 2020 PointsBet entered into an agreement with BetMakers Technology Group Limited to offer fixed odds betting on horse racing to clients in New Jersey, initially on races held at Monmouth Park, with scope to expand to additional tracks and jurisdictions, subject to

receipt of all necessary regulatory and other approvals. On 21 June 2021, the New Jersey state Senate and General Assembly voted to approve fixed odds wagering for horse races.

The legislation is now waiting on the New Jersey Governor for final approval.

On 10 May 2021, PointsBet announced it had entered into a binding agreement to acquire Premier Turf Club, LLC ("Premier Turf Club"), an active pari-mutuel Advance Deposit Wagering (ADW) operator.

Premier Turf Club is licensed in Oregon by the Oregon Racing Commission and is set to situate PointsBet within the growing US online racing market (thoroughbreds, harness and greyhounds) as the Company continues its rapid expansion across the United States.

The combination of Premier Turf Club's excellence in the space with PointsBet's mature market Australian racing expertise favourably positions PointsBet as it prepares to enter the U.S. horseracing market with both pari-mutuel and fixed odds betting.

CANADA UPDATE

On 22 June 2021, the Canadian Senate passed bill C-218, legalising single event sports betting (previously only parlay sports betting was allowed).

Regulatory details will be worked through at the Provincial level with Ontario (population of 15 million people) anticipated to go live in late 2021 with an open licensing system. Ontario represents the fifth largest North American jurisdiction.

The combined online sports betting and iGaming opportunity for Canada has revenue estimates reaching US\$3 billion by 2030³³.

On 3 June 2021, PointsBet announced that it had hired gaming industry veteran and Toronto native, Nic Sulsky as Chief Commercial Officer for PointsBet Canada. Sulsky is the former president of Monkey Knife Fight, the third largest daily fantasy sports operator in the US. Previously, Sulsky co-founded InGamer, an innovative in-game fantasy platform, which launched in 2010 in partnership with CBC's Hockey Night in Canada.

On 13 July 2021, PointsBet announced that it had appointed gaming and sports betting industry lawyer Chantal Cipriano as Vice President, Legal, Compliance & People for PointsBet Canada. A native Canadian and long-time Toronto resident, Cipriano joins PointsBet from Mazooma, where she was Senior Director of Legal & Compliance, helping guide the fintech company in providing real-time, bank account level data intelligence and bank-verified payment processing for licensed online gaming and sports betting operators in regulated U.S. markets.

On 21 July 2021, PointsBet appointed Scott Vanderwel as Chief Executive Officer for PointsBet Canada. Vanderwel previously served as Senior Vice President for Rogers Communications, where he oversaw corporate strategy, operational improvement, and digital operations. Prior to his time with Rogers, Vanderwel led the Canadian practice for Monitor Group, a global business strategy consultancy, later acquired by Deloitte. He is the current chair of the Ivey Alumni Network Board.

Under Vanderwel's leadership, PointsBet will build a truly Canadian platform that will not only provide a range of diverse jobs in an exciting industry, but also offer Canadian fans an entertaining and engaging experience like no other.

³³ Goldman Sachs state Canada could represent a US\$3bn opportunity

CORPORATE & FINANCIAL UPDATE

Cashflow

At 30 June 2021, the Company's Corporate Cash balance was \$245.5 million.

The Company has no corporate borrowings.

Receipts from customers, totalled \$62.5 million. Receipts from customers, including Net Win from Sportsbook and iGaming verticals, also includes B2B revenues post the acquisition of Banach Technology and ADW revenues in the US post the acquisition of Bet PTC.

Net cash used in operating activities in the quarter ending 30 June 2021, was \$43.0 million.

Cash outflows during the quarter included cost of sales of \$26.9 million, non-capitalised staff costs of \$12.7 million, marketing costs of \$49.3 million and administration, corporate costs and GST on Australian Net Win of \$16.2 million.

Net cash used in investing activities in the quarter ending 30 June 2021 was \$37.5 million.

During the quarter the Company completed the acquisition of Banach Technology and BetPTC. The cash payments (net of cash acquired) were \$31.8 million.

The costs of capitalisation of our technology and product staff was \$4.8 million.

Estimated cash available for future operating activities

The Company continues to be well funded to achieve its strategic objectives and planned activities.

FORWARD-LOOKING STATEMENTS

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of PointsBet. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

FOR FURTHER INFORMATION

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ABOUT POINTSBET

PointsBet is a corporate bookmaker with operations in Australia and the United States. PointsBet has developed a scalable cloud-based wagering platform through which it offers its clients innovative sports and racing wagering products. PointsBet's product offering includes Fixed Odds Sports, Fixed Odds Racing, PointsBetting and iGaming.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

PointsBet Holdings Limited

ABN

68 621 179 351

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows
**Current quarter
\$A'000
(30 June 2021)**
**Year to date (12
months)
\$A'000
(30 June 2021)**
1. Cash flows from operating activities

1.1	Receipts from customers	62,490	210,170
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs (Cost of Sales)	(26,897)	(100,040)
	(c) advertising and marketing	(49,265)	(166,194)
	(d) leased assets	(236)	(503)
	(e) staff costs	(12,687)	(38,158)
	(f) administration, corporate costs and GST ¹	(16,226)	(44,202)
1.3	Dividends received (see note 3)		
1.4	Interest received	66	798
1.5	Interest and other costs of finance paid ²	(189)	(640)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	Net increase/(decrease) in Player Cash Accounts ³	(15)	19,628
1.9	Net cash from / (used in) operating activities	(42,959)	(119,141)

- Includes GST paid to the ATO, including GST collected and paid on Receipts from Customers relating to Australian Net Win.
- Represents interest costs on lease liability upon adoption of AASB 16 "Leases" accounting standard from 1 July 2019.
- Represents Net Movement in Player Cash Accounts.

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
(a)	entities	-	-
(b)	businesses (net of cash acquired) ⁴	(31,831)	(31,831)
(c)	property, plant and equipment ⁵	(778)	(4,926)
(d)	investments	-	-
(e)	intellectual property ⁶	(4,784)	(14,157)
(f)	other non-current assets ⁷	-	(12,269)
2.2	Proceeds from disposal of:		
(a)	entities	-	-
(b)	businesses	-	-
(c)	property, plant and equipment	-	-
(d)	investments	-	-
(e)	intellectual property	-	-
(f)	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other (provide details if material)		
	US Business Development (Market Access, licensing and Retail Sportsbook fitout costs)	(129)	(14,596)
2.6	Net cash from / (used in) investing activities	(37,522)	(77,779)

⁴ During the quarter the Company completed the acquisition of Banach Technology and BetPTC.

⁵ Payments to acquire property, plant and equipment includes a receipt of a fit-out contribution of \$1.3 million received in FY21

⁶ Includes Capitalised Development Costs

⁷ Relates primarily to deposit made to an escrow facility in relation to marketing commitments.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	353,230
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	39	391
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(15)	(12,133)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-

Quarterly cash flow report for entities subject to Listing Rule 4.7B

3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
	Principal repayment of Lease Liability	(1,478)	(2,056)
3.10	Net cash from / (used in) financing activities	(1,454)	339,432

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	356,634	144,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(42,959)	(119,141)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(37,522)	(77,779)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,454)	339,432
4.5	Effect of movement in exchange rates on cash held	1,459	(10,693)
4.6	Cash and cash equivalents at end of period	276,158⁸	276,158⁹

^{8/9}. Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of **\$30,619,650**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	276,158	317,820
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	Term Deposits (various tenors less than 3 months)	-	38,814
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	276,158	356,634

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
673
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Payments to related entities

- Salaries and Wages (inclusive of Superannuation and applicable taxes withheld) and of Executive Directors and Non-Executive Directors Fees.
- Payments of \$14.2k AUD to Clarendon Lawyers. Non-Executive Director Anthony Symons, is Managing Director and majority beneficial owner, for legal advisor services during the period.
- Payments of \$301.9k AUD (\$232.5k USD) to Arete Security Inc. dva DruvStar the company's managed security provider. Non-Executive Director Manjit Gombra Singh is the founder, owner and director of Druvstar. Manjit receives no compensation from Druvstar, has no operational day-to-day control of the business and transacts on an arms-length basis with the company.

7. Financing facilities

Note: the term 'facility' includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
50	31
-	-
50	31

7.5 Unused financing facilities available at quarter end

19

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Unsecured Commonwealth Bank Corporate Credit Card Facility. Interest rate:17.57%

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(42,959)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	276,158 ⁹
8.3	Unused finance facilities available at quarter end (Item 7.5)	19
8.4	Total available funding (Item 8.2 + Item 8.3)	276,177
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	6.43

⁹. Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of **\$30,619,650**. Excluding the Player Cash Accounts the balance is **\$A245,538,656**. The estimated quarters of funding available excluding the Player Cash Accounts is **5.72**.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 July 2021

Date:

Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been

prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.