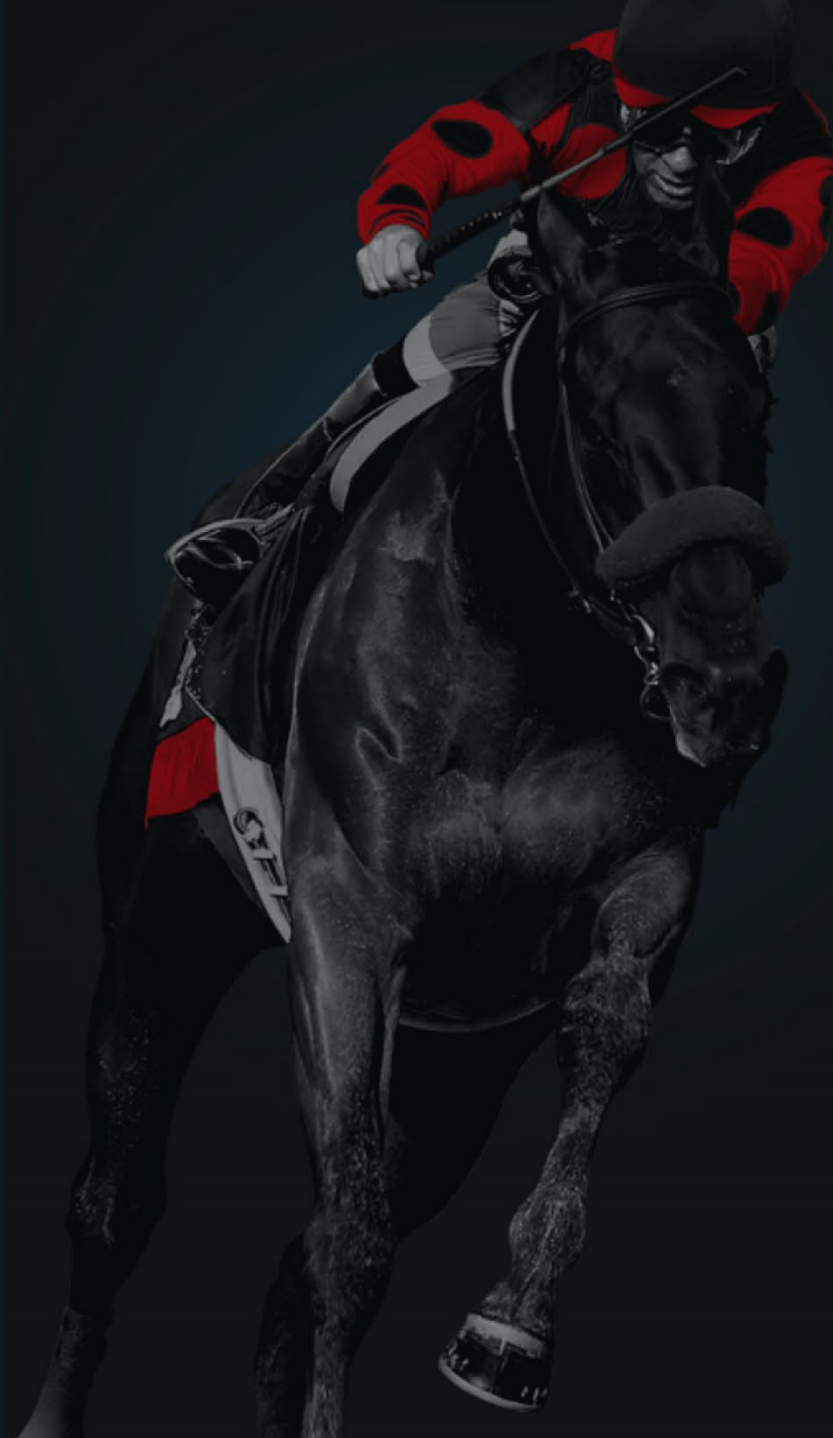


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# ***POINTS*BET**

**FY23 RESULTS PRESENTATION**

31 August 2023



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This presentation has been authorised for lodgement to the ASX by the PointsBet Board of Directors.

# AGENDA

FY23 delivered growth in Net Win, Cash Active Clients, product and technology enhancements as well as the sale of the US Business to Fanatics Betting and Gaming

**SALE OF US  
BUSINESS**  
**RESPONSIBLE  
WAGERING**

**GROUP  
FINANCIAL  
PERFORMANCE**

**OPERATIONAL  
HIGHLIGHTS**

**OPERATIONAL  
PERFORMANCE**

**OUTLOOK &  
GUIDANCE**

## UPDATE ON THE SALE OF THE US BUSINESS TO FANATICS BETTING AND GAMING AND CAPITAL DISTRIBUTION

- Shareholder approval of Sale of the US Business to Fanatics Betting & Gaming on 30 June 2023
- Headline consideration of **US\$225m/AUD\$333m<sup>1</sup>**
- The Company intends to distribute to shareholders the net sale proceeds together with the majority of corporate cash reserves. The current estimate for the **total distributions of capital is approximately A\$1.39 to \$1.44 per share<sup>2</sup>** to be paid to shareholders in FY24.
- The General Meeting seeking shareholder approval for the Proposed Distributions was held on 29 August 2023 and the resolution was carried by the requisite majority.
- The required conditions for Initial Completion of the US Business Sale are tracking as planned, and we anticipate Initial Completion to occur on 31 August 2023 (US Time) in accordance with the terms of the Sale and Purchase Agreement.
- The First Capital Return of \$1 per share will be paid in mid-late September 2023 with the timetable to be communicated to shareholders once the Initial Completion is formally executed.

### Note::

1. Assumes AUD/USD exchange rate of 0.675. PointsBet funding requirement for the US Business will be capped at approximately US\$21m from the 1 July 2023 to final completion of the US Business sale.

2. The final amount of the Proposed Distribution will be determined by the Board following each completion of the FBG Transaction and will, in part, depend on the final number of shares outstanding post the relevant completion and the finalisation of the net proceeds received or paid following the purchase price adjustments. At the date of this announcement there are 315.4 million ordinary shares outstanding and the maximum number of ordinary shares outstanding post the vesting and exercise of the Company's performance share rights and employee share options is approximately 328.1 million. The estimated distribution of A\$1.39 to A\$1.44 per share has been calculated based on assumptions made regarding: (a) the number of employee options that are likely to be exercised between the date of this announcement and the books close date for the Proposed Distribution; and (b) the number of performance share rights that will vest prior to the Proposed Distribution. The vesting of performance share rights will be determined at the discretion of the Company's Remuneration Committee, as is customary each year.

## ESG: RESPONSIBLE WAGERING FY23 Highlights

**153,000**

12 MONTH GLOBAL UNIQUE VIEWS

RSG Page

Australia

c. 77,000

North America

c. 76,000

**28,000**

12 MONTH NORTH AMERICA

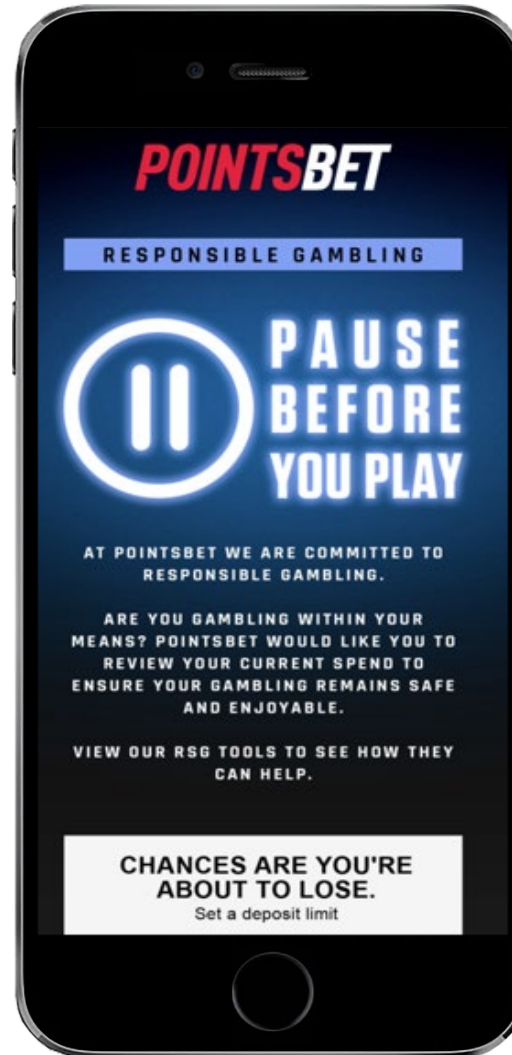
RSG IN-APP MESSAGES

**11,700**

AVERAGE MONTHLY AUSTRALIAN IMPRESSIONS

RSG Social Media Posts

Australia  
Responsible Wagering  
Communications



USA & Canada  
Responsible Wagering  
Communications





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## STATUTORY SEGMENT RESULTS SUMMARY

A\$m <sup>1</sup>	Consolidated	Continuing Operations		Change (%)
	FY23	FY22	FY23	
Australia Trading		195.2	192.1	-2%
Canada Trading		0.2	18.2	10,415%
Technology		-	-	
Corporate		-	-	
<b>Statutory Revenue<sup>2</sup></b>	<b>383.1</b>	<b>195.4</b>	<b>210.3</b>	<b>8%</b>
Australia Trading		7.7	0.1	
Canada Trading		(15.6)	(35.8)	
Technology		(3.3)	(8.4)	
Corporate		(15.0)	(12.8)	
<b>Total Statutory EBITDA</b>	<b>(243.1)</b>	<b>(26.2)</b>	<b>(57.0)</b>	<b>-117%</b>
Foreign exchange	5.8	14.1	6.1	
Performance related share based expense <sup>4</sup>	(33.0)	-	(16.3)	
Other expenses <sup>5</sup>	(9.8)	-	(5.5)	
Depreciation and amortisation expense	(58.6)	(9.8)	(28.0)	
Impairment loss <sup>6</sup>	(15.4)	-	(15.2)	
Net finance costs	(18.5)	1.4	8.0	
Income tax expense	3.0	-	(0.1)	
Net gain on sale	93.3	-	0.0	
<b>Loss for the year</b>	<b>(276.3)</b>	<b>(20.6)</b>	<b>(107.9)</b>	<b>-424%</b>
Basic loss per share (cps)	(90.3)	(8.1)	(35.3)	-337%

### Note:

1. Average AUD / USD FX rate 0.6736 for FY23 and 0.7258 for FY22; Average AUD / CAD rate 0.9016 for FY23 and 0.9183 for FY22; Average AUD / EUR rate 0.6441 for FY23 and 0.6642 for FY22.
2. Revenue is measured at the fair value of the consideration received or receivable from Clients less GST, free bets, promotions, bonuses and other fair value adjustments
3. Continuing Operations Net Revenue is expected to grow 10%-20% in FY24
4. The Fair Value of the outstanding equity (Performance Share Rights (PSRs)) issued under the Key Employee Equity Plan (KEEP), as a result of the sale of the US business under accounting standards, was deemed to have been cancelled and any expense not yet recognized was accelerated into the FY23 statement of income
5. These are other transaction related expenses with respect to the sale of the US business whereby the Board has, during FY23, exercised its discretion under KEEP Rules: (i) to determine that certain outstanding PSRs will vest at Subsequent Completion of the sale of the US business and; (ii) to ensure KEEP participants are not materially disadvantaged with respect to the planned capital return scheduled for Sep 2023
6. An impairment charge of \$15.2 million was recognised in the period related to the Group's internally developed betting platform which specifically supported the US business which has been classified as a discontinued operation. Although the Group will continue to own the sports wagering and iGaming technology platform there are specific assets which were created related to the US business which it is not considered probable that future economic benefit will be attributable to these assets and as such have been impaired to nil value

### AUSTRALIAN TRADING SEGMENT

- **IN FY23:**
  - REVENUE FELL 2% VS FY22
  - EBITDA FELL VS FY22 DUE TO INCREASED POINT OF CONSUMPTION TAX AND SLIGHTLY HIGHER OPERATING EXPENSES
- **IN FY24 THE COMPANY EXPECTS:**
  - NET REVENUE GROWTH VS FY23<sup>3</sup>
  - MARKETING EXPENSES TO DECREASE BY 15-20% VS FY23
  - AUSTRALIAN TRADING BUSINESS POSITIVE EBITDA TO SIGNIFICANTLY OFFSET EBITDA LOSSES FROM THE CANADIAN TRADING BUSINESS

### CANADA TRADING SEGMENT

- **IN FY23**
  - REVENUE OF \$18.2m IN FIRST FULL FINANCIAL YEAR
  - FY23 EXPECTED TO BE MAXIMUM EBITDA LOSS YEAR
- **IN FY24 THE COMPANY EXPECTS:**
  - NET REVENUE GROWTH VS FY23<sup>3</sup>
  - MARKETING EXPENSES TO DECREASE BY 15-20%
  - THE CANADIAN TRADING BUSINESSES FY24 EBITDA LOSSES TO BE SIGNIFICANTLY LOWER THAN FY23

### TECHNOLOGY SEGMENT

- **IN FY24 THE COMPANY EXPECTS** THE TECHNOLOGY SEGMENT WILL BE AT OR CLOSE TO EBITDA BREAKEVEN

### CORPORATE SEGMENT

- **IN FY24 THE COMPANY EXPECTS** THE CORPORATE SEGMENT EBITDA LOSS TO REDUCE BY APPROXIMATELY 35% - 45% VS FY23

# NORMALISED<sup>3</sup> CONTINUING OPERATIONS & CONSOLIDATED RESULTS

All amounts in A\$m <sup>1</sup>	Consolidated FY23	Continuing Operations	
		FY22	FY23
Net revenue	383.1	195.4	210.3
Cost of sales	(220.4)	(94.9)	(104.6)
<b>Gross profit</b>	<b>162.7</b>	<b>100.5</b>	<b>105.7</b>
Other income <sup>2</sup>	0.7	0.2	-
Sales and marketing expense	(224.1)	(74.2)	(90.3)
Employee benefits expense	(111.4)	(28.8)	(39.0)
Product and technology expense	(35.4)	(10.4)	(14.6)
Administrative and other expenses	(23.3)	(8.7)	(10.8)
<b>Total operating expenses</b>	<b>(394.1)</b>	<b>(122.2)</b>	<b>(154.7)</b>
<b>EBITDA</b>	<b>(230.6)</b>	<b>(21.4)</b>	<b>(49.0)</b>

Met Consolidated FY23 Normalised EBITDA guidance of (\$227) million – (\$232) million

## NET REVENUE<sup>4</sup>

Net Revenue in FY23 increased by 7.6% over the PCP. **Net Revenue is expected to grow 10%-20% in FY24**

## GROSS PROFIT

Gross profit margin of 50.2%, slightly down on the PCP. **FY24 gross profit margin expected to be c. 50%.**

## MARKETING EXPENSE

- Australia: A\$61.0 million for the Reporting Period, which was flat versus the PCP and **expected to be 15%-20% lower in FY24**
- Canada: A\$29.3 million (C\$26.4 million) for the Reporting Period, which was up 129% vs the PCP, and **expected to be 15%-20% lower in FY24**

## EMPLOYEE BENEFITS EXPENSE

Increase from FY22 mainly as a result of the Canadian employee benefits expense first full year of recognition

## PRODUCT AND TECHNOLOGY EXPENSE

Increased vs FY22 as a result of Canada being operational for its first full year and some global technology costs allocated to continuing operations

## OPERATING EXPENSES

FY24 normalised operating expenses are **expected to be between \$60 million – \$70 million**

### Note:

- Average AUD/USD FX rate was 0.6736 for FY23 and 0.7258 for FY22. Average AUD/CAD FX rate was 0.9016 for FY23 and 0.9183 for FY22.
- Other income relates to R&D income.
- For detail on normalisation adjustments, please see slide 24.
- For reconciliation of Net win to Net revenue, please see slide 25. Net Revenue comprises Net Win from sports betting and iGaming of \$230M adjusted for Australian goods and services tax and fair value adjustments.



## BALANCE SHEET

All amounts in A\$m<sup>1</sup>

	FY22	FY23 <sup>2</sup>
Cash and cash equivalents	519.6	212.1
Investments held at fair value	-	340.9
Right-of-use assets	14.7	3.5
Intangible assets	212.5	41.6
Other assets	214.3	8.7
<b>Total assets</b>	<b>961.1</b>	<b>606.8</b>
Trade and other payables	46.2	59.1
Lease liabilities	17.7	3.6
Player cash accounts	46.9	17.5
Financial liabilities	84.8	2.0
Contract liabilities	12.3	-
Other liabilities	16.9	23.1
<b>Total liabilities</b>	<b>224.7</b>	<b>105.3</b>
<b>Net assets</b>	<b>736.4</b>	<b>501.5</b>
<b>Total equity</b>	<b>736.4</b>	<b>501.5</b>

## Note:

1. End of period AUD/USD FX rate was 0.6623 for FY23 and 0.6888 for FY22. End of period AUD/CAD FX rate was 0.8778 for FY23 and 0.8894 for FY22. End of period AUD/EUR FX rate was 0.6106 for FY23 and 0.6604 for FY22

2. FY23 balance sheet for continuing operations

3. Adjusted Corporate Cash is Corporate Cash of \$194.6 million adjusted for reimbursable US Business sale-related payments of \$7.5 million paid in Q4 FY23 that will be reimbursed at the second close of the US Business sale

4. As part of the transaction, PointsBet will retain ownership of its proprietary sports wagering, racing, and iGaming platform and a perpetual, royalty-free license to exploit the Company's Banach technology assets, with optionality to utilise these assets into geographic regions outside the US.

5. An impairment charge of \$15.2 million was recognised in the period related to the Group's internally developed betting platform which specifically supported the US business which has been classified as a discontinued operation. Although the Group will continue to own the sports wagering and iGaming technology platform there are specific assets which were created related to the US business which it is not considered probable that future economic benefit will be attributable to these assets and as such have been impaired to nil value.

## CASH AND CASH EQUIVALENTS

At the 30 June 2023, the Company had \$194.6 million in corporate cash, with Adjusted Corporate Cash<sup>3</sup> of \$202.1 million.

## NET ASSETS MOVEMENTS

Driven primarily by the deconsolidation of the Group's US and Ireland operations which was effective from the shareholder approval date of the US business sale, 30 June 2023, as control over the operations were deemed to be lost and operations discontinued. The key balance sheet movements include:

- Recognition of Investment Held at Fair Value of \$340.9m, represents the deferred cash consideration from the sale expected to be received over two tranches in FY24
- Intangible Assets<sup>4</sup> reduced by \$170.8 million which included the investments in US licenses and market access fees, and capitalised software development costs related to the Ireland operations which was deconsolidated
- Intangible Assets<sup>4</sup> at year end of \$41.6 million post impairment<sup>5</sup> represent the net value of PointsBets proprietary technology platform which will be developed further by continuing operations technologists and quantitative analysts in Australia, India and Canada
- Other Assets reduced by \$205.6 million, which included the significant NBC related marketing prepayments
- All other US and Ireland related working capital items balances have been deconsolidated as at year end

## CONSOLIDATED CASH FLOWS <sup>1</sup>

A\$m <sup>2</sup>	FY22	FY23
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	328.2	402.2
Payments to suppliers and employees (inclusive of GST)	(541.2)	(628.5)
	<b>(213.0)</b>	<b>(226.3)</b>
Interest received	1.1	8.5
Interest paid on lease liabilities	(0.9)	(1.0)
Net increase in player cash accounts	15.3	(30.1)
<b>Net cash (outflow) from operating activities</b>	<b>(197.5)</b>	<b>(248.9)</b>
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	(3.7)	(2.2)
Payments for capitalised software development	(31.8)	(41.1)
Payments for market access intangibles	(53.0)	(6.6)
Rental bond	(0.6)	(0.9)
Payments for funds held in escrow	(3.8)	(2.0)
Payments to acquire businesses (net of cash acquired)	(0.3)	(0.0)
<b>Net cash (outflow) from investing activities</b>	<b>(93.2)</b>	<b>(52.8)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares (net of share issue cost)	483.7	(0.3)
Option exercises	35.4	1.0
Repayment of leases	(3.8)	(5.2)
<b>Net cash inflow from financing activities</b>	<b>515.3</b>	<b>(4.5)</b>
<b>Net increase in cash and cash equivalents</b>	<b>224.6</b>	<b>(306.2)</b>
Cash and cash equivalents at the beginning of the financial year	276.2	519.6
Effects of exchange rate changes on cash and cash equivalents	18.8	(1.4)
<b>Cash and cash equivalents at end of year<sup>4</sup></b>	<b>519.6</b>	<b>212.1</b>
<b>Corporate cash at end of the period</b>	<b>472.7</b>	<b>194.6</b>

**Note:**

1. FY23 Cashflow Statement includes cashflows from Discontinued Operations (PointsBet US and Europe operations).
2. End of period AUD/USD FX rate was 0.6623 for FY23 and 0.6888 for FY22. End of period AUD/CAD FX rate was 0.8778 for FY23 and 0.8894 for FY22. End of period AUD/EUR FX rate was 0.6106 for FY23 and 0.6604 for FY22
3. FY23 Cash deconsolidated for continuing operations
4. On the 28 July 2023, the Company reported cash and cash equivalents of \$232.8 million. The difference to \$212.1 million represents the US client cash balances being deconsolidated. There was no change in corporate cash previously reported.

At the 30 June 2023, the Company had \$194.6 million in corporate cash, with Adjusted Corporate Cash<sup>3</sup> of \$202.1 million.

- Total cash receipts from customers was \$402.2 million, which included \$391.1 million from Sportsbook and iGaming. The balance of \$11.1 million includes cash receipts from PointsBet's European B2B operations, US Advance Deposit Wagering business
- Net operating outflows excluding movement in player cash accounts was (\$218.8) million, slightly higher than (\$212.8) million in the PCP
- Net investing outflows were (\$52.8) million as the business continued to invest in the development of the betting platform
- Net cash outflows excluding movements in player cash accounts for FY23 was (\$276.1) million.

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## KEY OPERATIONAL HIGHLIGHTS FOR CONTINUING PERFORMANCE

**01**

**Retained our #3 ranking in Eilers & Krejcik's app testing** for the 5<sup>th</sup> consecutive quarter

**02**

**Enhancements through Oddsfactory** of live betting products drove Canadian in-play sportsbook handle as a % of total handle to 63% in FY23, up from 53% in FY22

**03**

**Net Win growth in key Australian sports**

AFL + NRL increased 86% in FY23 vs PCP  
Tennis + Soccer increased 53% in FY23 vs PCP

**04**

**iGaming in Canada**

iGaming Net Win represented 62% of the Canadian Total Net Win



**TOTAL NET WIN**

**+ 7%**

to \$230.0m



**CASH ACTIVES<sup>1</sup>**

**+ 9%**

to 269,047

**Note:**

<sup>1</sup>. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end;

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## GROUP FY23 TRADING METRICS<sup>1</sup>



### Continuing Operations



### Discontinued Operations

### Group

All figures in A\$

FY22

FY23

PCP

FY22

FY23

PCP

FY22

FY23

YoY

SPORTS  
BETTING

Turnover / Handle

\$2,552.4m

\$2,827.3m

+11%

\$2,454.0m

\$2,917.2m

+19%

\$5,006.3m

\$5,744.6m

+15%

Gross Win Margin %

13.3%

11.4%

(1.9pp)

6.5%

6.7%

+0.2pp

9.9%

9.0%

(1.0pp)

Gross Win

\$339.1m

\$321.4m

(5%)

\$158.7m

\$194.5m

+23%

\$497.8m

\$516.0m

+4%

Net Win Margin %

8.4%

7.7%

(0.7pp)

3.0%

4.0%

+1.0pp

5.8%

5.8%

+0.1pp

Net Win

\$214.9m

\$218.5m

+2%

\$74.1m

\$117.3m

+58%

\$289.1m

\$335.8m

+16%

iGAMING

Net Win

\$0.7m

\$11.5m

+1,652%

\$19.7m

\$43.8m

+122%

\$20.4m

\$55.3m

+172%

TOTAL

Total Net Win

\$215.6m

\$230.0m

+7%

\$93.9m

\$161.1m

+72%

\$309.4m

\$391.1m

+26%

Note:  
1. Average AUD/USD FX rate was 0.6736 for FY23 and 0.7258 for FY22. Average AUD/CAD FX rate was 0.9016 for FY23 and 0.9183 for FY22.



## AUSTRALIA FY23 TRADING METRICS

All figures in A\$

All figures in A\$		FY22	FY23	YoY
SPORTS BETTING	Turnover / Handle	\$2,536.4m	\$2,632.6m	+4%
	Gross Win Margin %	13.3%	11.7%	(1.6pp)
	Gross Win	\$338.4m	\$309.1m	(9%)
	Net Win Margin %	8.5%	8.0%	(0.5pp)
	Net Win	\$215.4m	\$211.7m	(2%)

- Turnover increased 4% compared to the PCP, with Sports turnover increasing by 47% compared to the PCP, offsetting declines in Racing turnover
- Promotions efficiency in FY23 continued to improve at 31.5% of Gross Win vs 36.3% in PCP
- Net Win decreased 2% compared to the PCP. Improvements in Promotion efficiency offset the decline in Gross Win of 9% vs the PCP
- Net Win growth in key sports in FY23 – AFL & NRL, up +86% vs PCP; Tennis & Soccer, up +53% vs PCP, enabled by product enhancements and more targeted promotional capability at an event and customer level
- Mass market client base delivered Net Win growth of 15% compared to the PCP, offsetting the volatile VIP segment
- Cash Active Clients<sup>1</sup> were 238,624 at 30 June 2023, flat vs FY22
- FY23 marketing expense<sup>2</sup> was \$61m, flat vs FY22

**Note:**

**1.** Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end;

**2.** Marketing expense includes all direct and indirect marketing costs, including production, agency/placement fees and working media, expensed as incurred during the period including amounts unpaid at the end of the period.

CANADA FY23 TRADING METRICS<sup>1</sup>

*All figures in A\$*

		FY22	FY23	YoY
SPORTS BETTING	Turnover / Handle	\$16.0m	\$194.8m	+1,120%
	Gross Win Margin %	4.2%	6.4%	+2.2pp
	Gross Win	\$0.7m	\$12.4m	+1,758%
	Net Win Margin %	(3.0%)	3.5%	+6.5pp
	Net Win	(\$0.5m)	\$6.8m	n.m
iGAMING	Net Win	\$0.7m	\$11.5m	+1,652%
TOTAL	Total Net Win	\$0.2m	\$18.3m	+10,415%

- Total sportsbook turnover was \$194.8 million driven primarily by NBA, NFL, Tennis, MLB, NHL and FIFA World Cup
- In-play mix of sportsbook handle grew to 63% in FY23, up from 53% in the PCP
- Sports betting trading margin in FY23 improved to 6.4% supported by growing mix of parlay handle
- FY23 marketing expense<sup>2</sup> was C\$26.4m included launch of brand campaign "Play On" which has helped increase brand awareness and considerations relative to peers
- Cash Active Clients<sup>3</sup> reached 30,423 as at 30 June 2023, up 320% from the PCP<sup>4</sup>

**Note:**

1. Average AUD/CAD FX rate was 0.9016 for FY23 and 0.9183 for FY22.

2. Marketing expense includes all direct and indirect marketing costs, including production, agency/placement fees and working media, expensed as incurred during the period including amounts unpaid at the end of the period.

3. Cash Active Clients are clients across all verticals that have placed a cash bet in the 12 months preceding the relevant period end date.

4. Cash active clients at 30 June 2022 were 7,239, with only 3 months of market activity (Ontario launched on April 4 2022).

## US FY23 TRADING METRIC – DISCONTINUED OPERATIONS<sup>1</sup>

All figures in A\$		FY22	FY23	YoY
SPORTS BETTING	Turnover / Handle	\$2,454.0m	\$2,917.2m	+19%
	Gross Win Margin %	6.5%	6.7%	+0.2pp
	Gross Win	\$158.7m	\$194.5m	+23%
	Net Win Margin %	3.0%	4.0%	+1.0pp
	Net Win	\$74.1m	\$117.3m	+58%
iGAMING	Net Win	\$19.7m	\$43.8m	+122%
TOTAL	Total Net Win	\$93.9m	\$161.1m	+72%

- Promotions efficiency continued to improve, falling to 39.7% of Gross Win in FY23 vs 53.3% of Gross Win in PCP
- Cash Active Clients<sup>2</sup> were 276,875 at 30 June 2023, up 4% from the PCP
- FY23 marketing expense<sup>3</sup> was US\$90m, down 24% vs FY22
- Launched the PointsBet Racing App and Same Game Parlay Combo
- Retained our #3 ranking in Eilers & Krejciek's US app testing for the 5<sup>th</sup> consecutive quarter

**Note:**

1. Average AUD/USD FX rate was 0.6736 for FY23 and 0.7258 for FY22.

2. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end

3. Marketing expense includes all direct and indirect marketing costs, including production, agency/placement fees and working media, expensed as incurred during the period including amounts unpaid at the end of the period

## AGENDA

**SALE OF US  
BUSINESS  
RESPONSIBLE  
WAGERING**

**GROUP  
FINANCIAL  
PERFORMANCE**

**OPERATIONAL  
HIGHLIGHTS**

**OPERATIONAL  
PERFORMANCE**

**OUTLOOK &  
GUIDANCE**

## POINTSBET 2.0 – MOMENTUM INTO FY24

### AUSTRALIA

- Clear path to secure top 4 position
- Tier 1 sports betting and racing product
- Strong brand recognition
- Well positioned to manage evolving regulatory environment

### CANADA

- Tier 1 sports betting product
- Growing position in a market with attractive unit economics
- In-play and iGaming
- Regulated TAM expansion on the horizon

### TECHNOLOGY

- Tier 1 global platform
- OddsFactory formerly Banach, market leading in-play, multi/parlay and cash out
- Proven in highly regulated markets
- iGaming platform and games supported by IGT, Light & Wonder & Evolution
- Scalable infrastructure

### • TOP LINE GROWTH

### • REDUCED COSTS

### • CLEAR PATH TO GROUP PROFITABILITY IN FY25

### • WELL CAPITALISED POST US SALE AND CAPITAL DISTRIBUTION

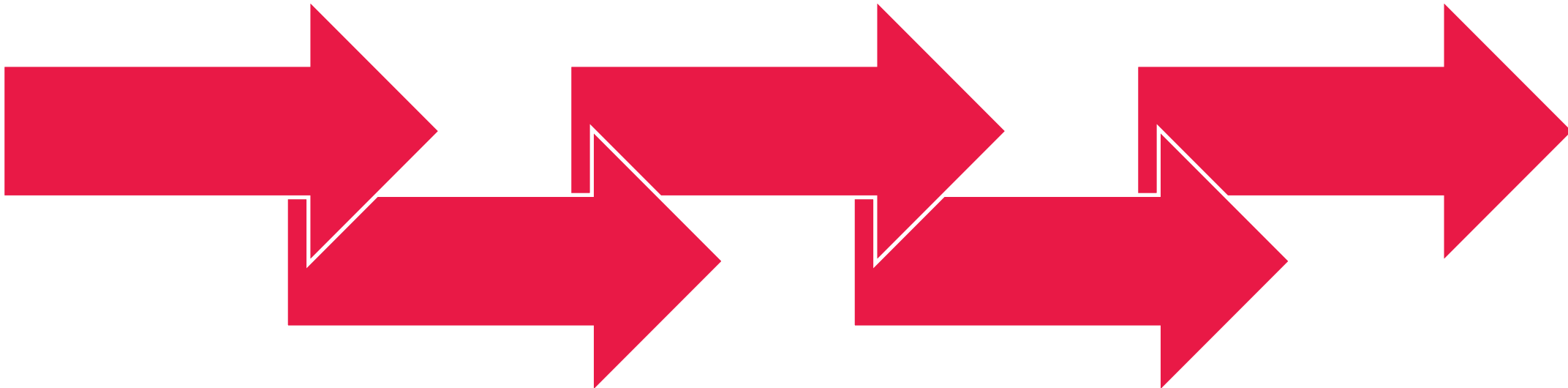
## POINTSBET 2.0 – AUSTRALIA & CANADA: OUTLOOK & GUIDANCE

**THE COMPANY ANTICIPATES TO DELIVER POSITIVE GROUP EBITDA IN FY25**

THE COMPANY EXPECTS **FY24 TOTAL NET WIN<sup>1</sup>** TO BE **10%–20% HIGHER** THAN FY23

THE COMPANY EXPECTS **FY24 TOTAL MARKETING EXPENSE<sup>2</sup>** TO BE **15% – 20% LOWER** THAN FY23

THE COMPANY EXPECTS **GROUP EBITDA** TO BE **AT OR CLOSE TO BREAK-EVEN** FROM APRIL 2024



THE COMPANY EXPECTS **GROSS PROFIT MARGIN<sup>4</sup>** IN FY24 TO BE **c. 50%**

THE COMPANY EXPECTS **FY24 NORMALISED OPERATING EXPENSES<sup>3</sup>** (EXCL. MARKETING EXPENSE) TO BE **BETWEEN \$60 MILLION – \$70 MILLION**

**Note:**

1. FY23 total net win for Australia and Canada was \$230 million
2. FY23 total marketing expense for Australia and Canada was \$90.3 million
3. FY23 normalised operating expenses for continuing operations was \$64.4 million
4. FY23 group gross profit margin was 50.3%



# Q&A

# Appendix

## STATUTORY P&L

A\$m <sup>1</sup>	FY22 Restated	FY23
Revenue <sup>2</sup>	195.4	210.3
Cost of sales	(94.9)	(104.6)
<b>Gross profit</b>	<b>100.5</b>	<b>105.7</b>
(Other expense)/other income	14.3	6.1
<b>Expenses</b>		
Marketing expenses	(74.2)	(90.3)
Employee benefits expenses	(33.4)	(64.9)
Information technology costs	(9.8)	(14.0)
Administration expenses	(6.0)	(5.5)
Consulting expenses	(1.5)	(1.7)
Occupancy expenses	(0.7)	(0.8)
Other expenses	(0.9)	(6.4)
Travel and accommodation expenses	(0.4)	(0.8)
Depreciation and amortisation	(9.8)	(28.0)
Impairment expense	0.0	(15.2)
<b>Total Expenses</b>	<b>(136.7)</b>	<b>(227.6)</b>
Finance income	1.5	8.1
Finance expenses	(0.1)	(0.2)
<b>Finance (costs)/income - net</b>	<b>1.4</b>	<b>8.0</b>
<b>Loss before income tax</b>	<b>(20.6)</b>	<b>(107.8)</b>
Income tax expense	0.0	(0.1)
<b>Loss after income tax for the year from continuing operations</b>	<b>(20.6)</b>	<b>(107.9)</b>
<b>Discontinued Operations</b>		
Net gain on sale	0.0	93.3
Loss after tax for the year from discontinued operations	(247.1)	(261.7)
<b>Net loss after tax for the year from discontinued operations</b>	<b>(247.1)</b>	<b>(168.4)</b>
<b>Total loss for the year</b>	<b>(267.7)</b>	<b>(276.3)</b>

Note:

1. Average AUD / USD FX rate 0.6736 for FY23 and 0.7258 for FY22; Average AUD / CAD rate 0.9016 for FY23 and 0.9183 for FY22; Average AUD / EUR rate 0.6441 for FY23 and 0.6642 for FY22.

2. Revenue is measured at the fair value of the consideration received or receivable from Clients less GST, free bets, promotions, bonuses and other fair value adjustments, B2B revenues and ADW revenues in the US.

## RECONCILIATION TO STATUTORY P&L

A\$m <sup>1</sup>	FY23 Normalised	Adjustments	FY23 Statutory
Revenue <sup>3</sup>	210.3	-	210.3
Cost of sales	(104.6)	-	(104.6)
<b>Gross profit</b>	<b>105.7</b>	<b>-</b>	<b>105.7</b>
Other income	-	-	0.0
Sales and marketing expense	(90.3)	-	(90.3)
Employee benefits expense	(39.0)	(9.5)	(48.5)
Product and technology expense	(14.6)	0.6	(14.0)
Administration and other expenses	(10.8)	0.9	(9.8)
<b>Total operating expenses</b>	<b>(154.7)</b>	<b>(7.9)</b>	<b>(162.7)</b>
<b>EBITDA</b>	<b>(49.0)</b>	<b>(7.9)</b>	<b>(56.9)</b>
Foreign exchange	-	6.1	6.1
Performance related share expense <sup>4</sup>	-	(16.3)	(16.3)
Other expenses <sup>5</sup>	-	(5.5)	(5.5)
Depreciation and amortisation expense	(26.6)	(1.4)	(28.0)
Impairment loss <sup>6</sup>	-	(15.2)	(15.2)
Net finance costs	8.1	(0.2)	8.0
Income tax expense	(0.1)	-	(0.1)
<b>Loss for the year after tax</b>	<b>(67.6)</b>	<b>(40.3)</b>	<b>(107.9)</b>

**Note:**

1. Average AUD / USD FX rate 0.6736 for FY23 and 0.7258 for FY22; Average AUD / CAD rate 0.9016 for FY23 and 0.9183 for FY22; Average AUD / EUR rate 0.6441 for FY23 and 0.6642 for FY22.

2. An individual significant adjustment may impact multiple P&L line items;

3. Revenue is measured at the fair value of the consideration received or receivable from Clients less GST, free bets, promotions, bonuses and other fair value adjustments, B2B revenues and ADW revenues in the US.

4. The Fair Value of the outstanding equity (Performance Share Rights (PSRs)) issued under the Key Employee Equity Plan (KEEP), as a result of the sale of the US business under accounting standards, was deemed to have been cancelled and any expense not yet recognized was accelerated into the FY23 statement of income

5. These are other transaction related expenses with respect to the sale of the US business whereby the Board has, during FY23, exercised its discretion under KEEP Rules: (i) to determine that certain outstanding PSRs will vest at Subsequent Completion of the sale of the US business and; (ii) to ensure KEEP participants are not materially disadvantaged with respect to the planned capital return scheduled for Sep 2023

6. An impairment charge of \$15.2 million was recognised in the period related to the Group's internally developed betting platform which specifically supported the US business which has been classified as a discontinued operation. Although the Group will continue to own the sports wagering and iGaming technology platform there are specific assets which were created related to the US business which it is not considered probable that future economic benefit will be attributable to these assets and as such have been impaired to nil value.

A\$m <sup>1</sup>	FY23 <sup>2</sup>
Share based payments (non-cash) - employee share option plan and key employee equity plan (KEEP)	9.5
Impact of AASB 16 Leases	(0.1)
Unrealised FX (gains)/losses	(6.1)
Impairment Loss	15.2
Performance related shares expense (non-cash)	16.3
Other expenses	5.5
<b>Total significant items and adjustments</b>	<b>40.3</b>

## RECONCILIATION OF NET WIN TO NET REVENUE

A\$m <sup>1</sup>	FY23 RemainCo
Net Win (inclusive of Goods and Services Tax)	230.0
Deduction for Goods and Services Tax	(19.2)
Fair Value adjustments and B2B / ADW revenue streams	(0.5)
<b>Total Reported Revenue</b>	<b>210.3</b>

**Note:**

1. Average AUD / USD FX rate 0.6736 for FY23 and 0.7258 for FY22; Average AUD / CAD rate 0.9016 for FY23 and 0.9183 for FY22; Average AUD / EUR rate 0.6441 for FY23 and 0.6642 for FY22.