

ASX ANNOUNCEMENT

Tabcorp

22 February 2024

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

Tabcorp half year results presentation

Attached is the presentation regarding Tabcorp Holdings Limited's (**Tabcorp's**) results for the half year ended 31 December 2023 to be presented by Adam Rytenskild, Managing Director and Chief Executive Officer and Damien Johnston, Interim Chief Financial Officer.

This presentation will be webcast on Tabcorp's website at www.tabcorp.com.au/investors from 10.00am (AEDT) today.

The information contained in this announcement should be read in conjunction with today's announcement of Tabcorp's half year results and Tabcorp's most recent Annual Report.

This announcement was authorised for release by the Tabcorp Board.

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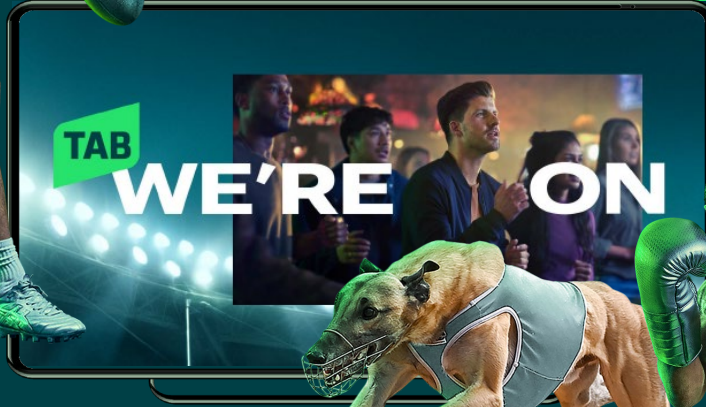
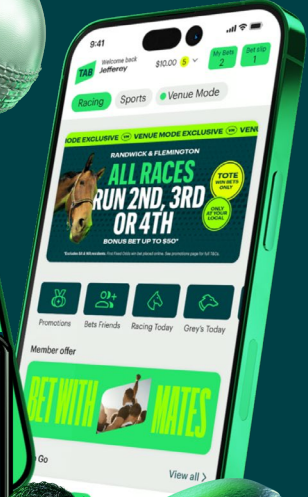
Tabcorp

WE'RE RAISING THE GAME

1H24 RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

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THE LINE UP

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1H24
SUMMARY
AND TAB25
PROGRESS

Tabcorp

01

1H24 SUMMARY

TRANSFORMING TABCORP...

TAB MARKET SHARE GROWTH¹

Total revenue market share 33.7%
(2H23 32.9%)

Digital turnover market share 21.2%
(2H23 20.1%)

Digital revenue market share 24.4%
(2H23 23.9%)

VC MARGIN GROWTH

Licence reform agenda on track

Level playing field on fees and taxes in QLD, ACT, TAS and VIC (from FY25)

NEW VICTORIAN WAGERING LICENCE

Attractive new licence from 16 August 2024, materially accretive to earnings and ROIC²

Step change in scale and quality of earnings under new, modernised licence terms

INTEGRITY SERVICES GROWTH

Integrity Services³ EBITDA +8%

Benefit of diversification from high quality earnings and strong free cashflow

TECHNOLOGY, AI AND DATA TRANSFORMING COMPETITIVENESS

Significant investment since Demerger

Leading the market in speed and product releases versus major competitors

Modernised technology and AI/data capability

DISCIPLINED INVESTMENT

Underlying⁴ opex +1% including growth investments and absorbing inflation

Enabled by successful execution of Genesis program

72% of capex invested in Growth and Transformation initiatives (1H23: 44%)

1. Total market includes digital and cash wagering revenue. Based on data supplied by industry partners which accounts for approximately one-third of the wagering market. All data is before generosities. Digital includes digital and call centre channels in which a customer transacts using their account.

2. Pre-forma FY23 had the licence been awarded for FY23.

3. Comprises Max Regulatory Services and non-monitoring revenue linked to monitoring contracts.

4. Adjusted for insurance proceeds benefit (\$11m) in 1H23.

1H24 RESULT SUMMARY¹

	1H24	1H23	%
Revenue	\$1,210m	\$1,275m	(5.1%)
Variable Contribution	\$486m	\$500m	(2.8%)
Opex²	\$316m	\$303m	4.2%
EBITDA	\$170m	\$197m	(13.6%)
EBIT	\$50m	\$73m	(31.7%)
NPAT before significant items	\$18m	\$47m	(62.8%)
Statutory NPAT	(\$637m)	\$52m	NM

EPS BEFORE
SIGNIFICANT ITEMS
AND DABBLE³

0.9 CPS

FULLY FRANKED
INTERIM DIVIDEND

1.0 CPS

DIVIDEND
PAYOUT RATIO⁴

111%

ROIC⁵

5.0%

1. EBITDA, EBIT and NPAT before significant items and pro-forma referred to throughout this presentation are non-IFRS financial information, exclude significant items, and are unaudited.

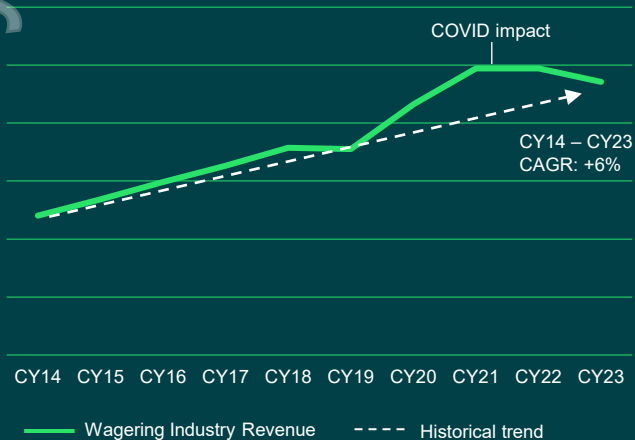
2. Broadcast Rights fees were previously classified across both variable costs (VC) and operating expenses. To better reflect their nature all Broadcast Rights fees are now classified as variable costs. This has the effect of reallocating \$21.9m from opex to VC in 1H24 (1H23: \$20.1m).

3. Significant items (after tax) of \$654.4m comprise impairment of \$731.9m, and ATO dispute settlement benefit (\$47.9m), other tax matters benefit (\$59.0m), transformation costs (\$9.4m), MPS divestment (\$6.2m), VIC licence costs (\$6m) and Demerger costs (\$7.8m).

4. Calculated using NPAT before significant items and equity accounted loss.

5. ROIC is EBIT divided by average invested capital for the last twelve months. ROIC using average invested capital prior to the impairment was 4.4%.

Australian Wagering Industry Revenue¹



The Australian wagering market is an attractive market:

- ➔ Delivering 6% revenue CAGR over the past decade, above GDP growth
- ➔ Resilient through economic cycles
- ➔ History of innovation and product expansion

We are currently seeing a resetting of the market after a period of abnormal growth through COVID

We are confident in the long-term attractiveness of the wagering market and will continue to successfully execute on our strategy, positioning us strongly for when the market returns to growth

Tabcorp is leading the market to reshape it for a sustainable and growing future, and is positively positioned for more consistent regulation

1. Source: Company reports and internal estimates.

WIN THE AUSTRALIAN MARKET: TAB MARKET SHARE¹

	1H24	2H23	
Total Revenue Market Share	⬆️ 33.7%	32.9%	Winning in market through product, offers and customer experience
Digital Turnover Market Share	⬆️ 21.2%	20.1%	Technology and Data transforming competitiveness
Digital Revenue Market Share	⬆️ 24.4%	23.9%	Turnover share growth delivered in both Racing and Sport
			Continued growth in multi products, positive for yield mix. SGM turnover +33% in 1H24

1. Based on data supplied by industry partners which accounts for approximately one-third of the wagering market. All data is before generosities. Digital includes digital and call centre channels in which a customer transacts using their account.

WIN THE AUSTRALIAN MARKET: DATA AND ANALYTICS TRANSFORMING COMPETITIVENESS

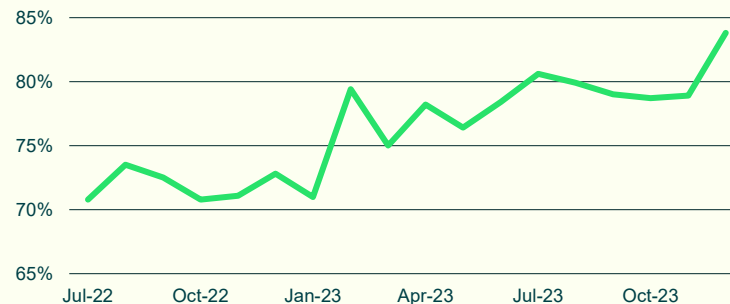
- ✓ Data and Analytics capability significantly higher and continuing to lift
- ✓ Delivering improved customer experience and greater efficiency and effectiveness in marketing and generosity spend
- ✓ Key initiatives delivering value, include:
 - ➔ Generosity efficiency increased to 85% from 70% over last 12 months
 - ➔ AI (Next Lab) use-case development in Customer Care, personalisation, and internal processes
 - ➔ Optimising digital media spend through the Google Marketing Platform

CASE STUDY: GENEROSITY EFFICIENCY

Deeper understanding of Customer Segments delivering improved relevance of offers and promotions

Automated campaign tracking enabling faster decision making

Generosity Efficiency¹



¹ Percentage of generosity to positive revenue customers.

WIN THE AUSTRALIAN MARKET: TECHNOLOGY TRANSFORMING COMPETITIVENESS

DIGITAL PRODUCT DELIVERY



New TAB App and multiple enhancements

Closed digital product gap and leading the market with some features

Increased speed to market and lower development costs

DATA ACCELERATION



Consolidation to a single enterprise data platform, expected completion Q4 FY24

Improving customer engagement through more personalised experiences

FIXED ODDS TRANSFORMATION



Fixed Odds platform to move to market-leading, cloud-based platform, expected completion Q3 FY25

Consolidates over 10 applications to 1 modern platform

Unlimited markets, 65% more bets/minute, 100% uptime, customisable for differentiation

TECHNOLOGY SIMPLIFICATION AND MODERNISATION



Migration to cloud platforms delivering simplicity and speed to market

30% reduction in applications on track by end FY24

Migration to cloud with 72% of wagering applications expected in cloud by end FY24

WIN THE AUSTRALIAN MARKET: BEST WAGERING ENTERTAINMENT EXPERIENCE



NEXT GEN RETAIL UPGRADES

- ✓ 24 venues upgraded in 1H24
- ✓ Mix across QLD, VIC and NSW
- ✓ Positive performance in all States¹



NEXT GEN PERFORMANCE TO 31 DECEMBER 2023¹

- ✓ Turnover +13%
- ✓ DIV Actives +24%
- ✓ DIV Turnover +33%
- ✓ Cash Turnover +11%



MAGIC MILLIONS (MM) 2024

- ✓ Launch of Next Gen venue at Gold Coast Turf Club in January 2024
- ✓ TAB had #1 turnover market share (digital and cash) on Saturday MM Raceday

¹ Average growth above that of non-refurbished venues from date of refurbishment to 31 December 2023, relative to 13 weeks prior to refurbishment.

LEVEL THE PLAYING FIELD: NEW VICTORIAN WAGERING LICENCE

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EXCLUSIVE
20 YEAR
LICENCE

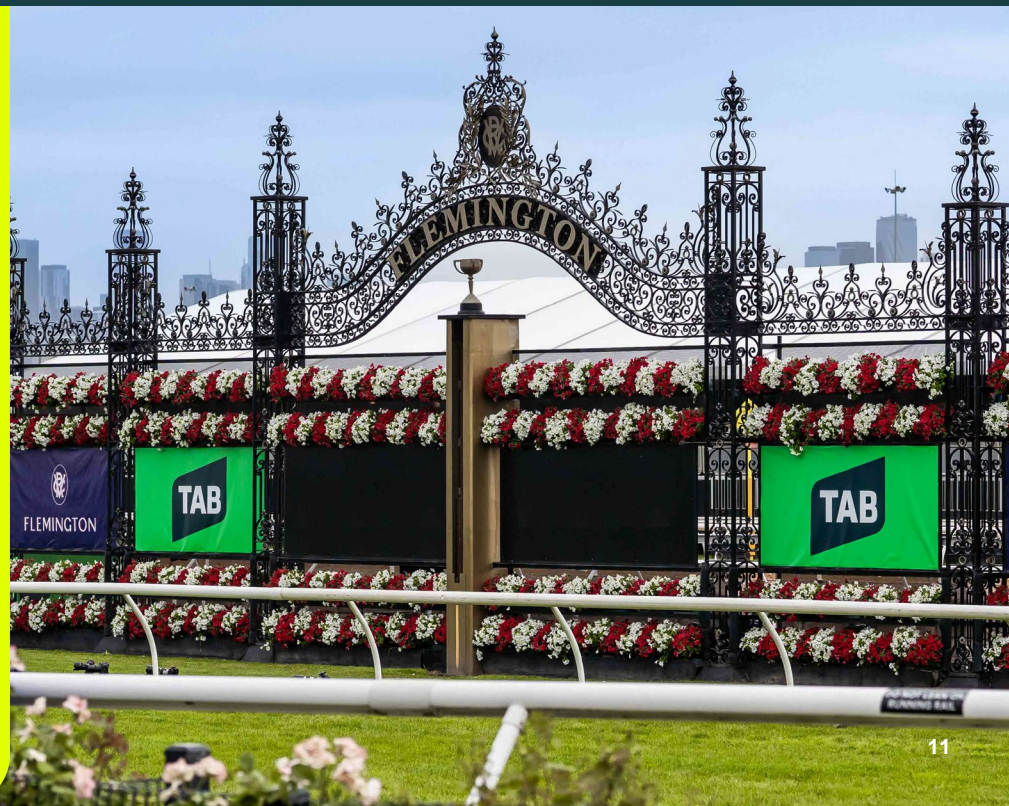
MATERIAL
EARNINGS AND
ROIC ACCRETION

PRO-FORMA FY23
EBITDA UPLIFT OF
\$140M¹

LEVEL PLAYING
FIELD FOR FEES
AND TAXES

GOVERNMENT
COMMITMENT TO
ENSURE RETAIL
EXCLUSIVITY

ENABLES GREATER
COMPETITIVENESS
AND A PLATFORM
TO GROW IN VIC



¹ Includes Victorian revenue uplift of \$344m, and \$83m increase in opex that was previously allocated to the VRI JV.

LEVEL THE PLAYING FIELD: QLD IMPROVED PERFORMANCE POST REFORM

VC MARGIN
GROWTH

+21%

HIGHER TURNOVER
GROWTH¹

+4%

HIGHER ACTIVES
GROWTH¹

+5%

POSITIVE INDICATOR
FOR PERFORMANCE
UNDER A LEVEL
PLAYING FIELD



¹ 1H24 QLD TAB growth vs. TAB wagering ex. QLD.

INTEGRITY SERVICES: HIGH QUALITY EARNINGS STREAM

Integrity Services¹ EBITDA +8%
driven by new Tasmanian licence, higher
monitored EGMs and fee increases

MAX Performance Solutions sold
(completed October 2023)

Delivers earnings diversification
through a soft wagering market



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¹. Comprises Max Regulatory Services and non-monitoring revenue linked to monitoring contracts.

WORLD CLASS BUSINESS PERFORMANCE: GENESIS CREATING CAPACITY TO INVEST

NEXT GENERATION OPERATING MODEL

Enterprise-wide transformation to deliver a lean, fast and digital-first company

Creates financial capacity to invest into product, customer and growth

Strategic decision to continue reinvesting in the business to improve competitiveness for when the market returns to growth

DELIVERED TO DATE

Next Gen Operating model : Reduced net headcount by 15% and contractors by 45%

Reduced senior management roles by 30%

Operations transformation: Closed ~50 unprofitable agencies between 2022 – 2024

Digitisation of customer and operational workflows including 27% reduction in call centre support calls¹

IT, Business Process Outsourcing and Org evolution commenced (reducing ~200 roles through 2H)

Benefits of Genesis absorbing inflation pressures and supporting growth initiatives



INVESTMENT PERFORMING

DABBLE AUSTRALIA¹

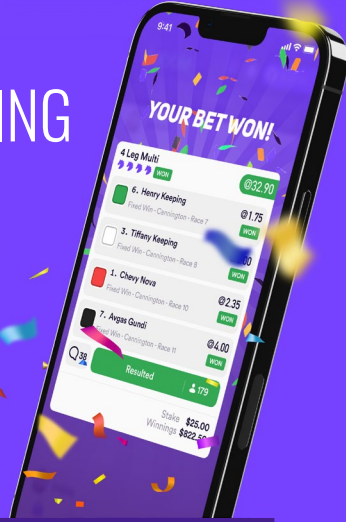
\$33m investment in October 2022 20% equity interest

Continues to grow and scale

Differentiated 'social + betting' product

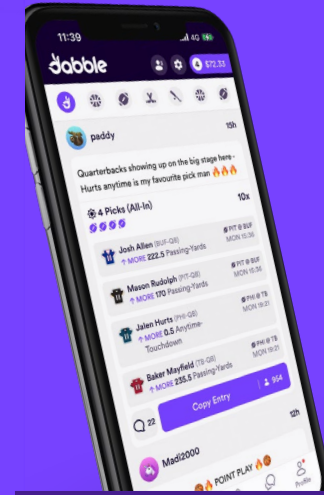
1H24:

- Active Users +6%
- Turnover +74%
- Net win +46%
- 77% of customers used Copy Bet feature



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DABBLE USA²



Tabcorp invested US\$1.75m as part of December 2023 capital raise

21.25% effective equity interest³

Low-cost US entry into Daily Fantasy Sports (DFS) market

Differentiated product leveraging existing IP and technology

Since Oct 2023 launch:

- > 630k registrations
- > 440k active users
- #2 in US App Store 'Sports' in January 2024

1. Information supplied by Dabble Sports Pty Ltd.

2. Information supplied by Dabble Ventures Pty Ltd.

3. When taken together with Tabcorp's holding in Dabble Australia.

FINANCIAL RESULTS

02

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1H24 GROUP RESULTS¹

\$M	1H24	1H23	CHANGE (%)
Revenues	1,209.6	1,274.5	(5.1%)
Variable contribution	485.6	499.7	(2.8%)
Operating expenses	(315.8)	(303.1)	4.2%
EBITDA from continuing operations before significant items	169.8	196.6	(13.6%)
D&A	(119.8)	(123.4)	(2.9%)
EBIT from continuing operations before significant items	50.0	73.2	(31.7%)
Loss from equity accounted investment	(2.8)	(1.2)	>100%
Net interest	(20.9)	(12.9)	62.0%
Tax expense	(8.7)	(11.8)	(26.3%)
NPAT from continuing operations before significant items	17.6	47.3	(62.8%)
Significant items (after tax) ²	(654.4)	4.4	NM
NPAT from continuing operations	(636.8)	51.7	NM
NPAT from discontinued operations ³	-	-	-
Statutory NPAT	(636.8)	51.7	NM
Statutory EPS	(28.2) CPS	2.3 CPS	
EPS (NPAT before significant items and equity accounted loss)	0.9 CPS	2.2 CPS	
DPS (fully franked)	1.0 CPS	1.3 CPS	

1. EBITDA, D&A, EBIT and NPAT before significant items referred to throughout this presentation are non-IFRS measures, exclude significant items, and are unaudited.

2. Refer to appendix for breakdown of significant items.

3. Refer to Note C2 in the financial statements for the half year ended 31 December 2023.

1H24 RESULTS: IMPAIRMENT

Non-cash impairment charge of \$731.9m after tax relating to certain assets in the NSW and SA Wagering businesses, and goodwill relating to the Wagering and Media Segment

Reflects:

- ② softness in the Australian wagering market observed through the six months to 31 December 2023 driven by higher inflation and interest rates which has impacted consumer spending on wagering activity;
- ② the impact of higher interest rates on discount rates; and
- ② higher taxes in NSW following the end of transitional payments to Tabcorp which had been in place following the previously announced increase in the NSW Point of Consumption Tax (POCT) rate in June 2022. The EBITDA impact of the higher NSW taxes is estimated to be approximately \$10m in FY24 and an additional \$6m in FY25¹

Does not reflect any potential benefits of licence reform. NSW and SA remain unlevel playing fields on fees and taxes, in contrast to QLD and VIC (post August 2024)

We continue to have constructive discussions with relevant stakeholder regarding reform

¹ Actual financial impact subject to many variables, including but not limited to market conditions, the POCT rate and overall revenue performance.

GROUP EBITDA (\$M)

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FY24

1H24 underlying opex growth +1%¹ including TAB brand relaunch

Genesis program helping to offset inflationary pressures including regulatory and compliance costs

Strategic decision to invest through the cycle to position us for growth

Expect 2H24 opex growth of ~1% and to be at the top end of the current FY24 opex guidance range

	1H24	FY24
Opex - prior	338	630-640
Broadcast Rights re-classification ²	(22)	(43)
Opex - new	316	587-597

	FY25
TAB25 target	600-620
Broadcast Rights re-classification ²	(43)
VIC JV impact ³	83
TAB25 target - adjusted	640-660

1. Adjusted for insurance proceeds benefit (\$11m) in 1H23.

2. Broadcast Rights fees were previously classified across both variable costs (VC) and operating expenses. To better reflect their nature all Broadcast Rights fees are now classified as variable costs. This has the effect of reallocating \$21.9m from opex to VC in 1H24 (1H23: \$20.1m).

3. Increase in opex that was previously allocated to the VRI Joint Venture.

CAPITAL EXPENDITURE

1H24 CAPEX
\$76M

Higher growth and transformation investment

72%
(1H23: 44%)

Maintenance spend lower

17%
(1H23: 37%)

Sustainability and Risk

11%
(1H23: 19%)

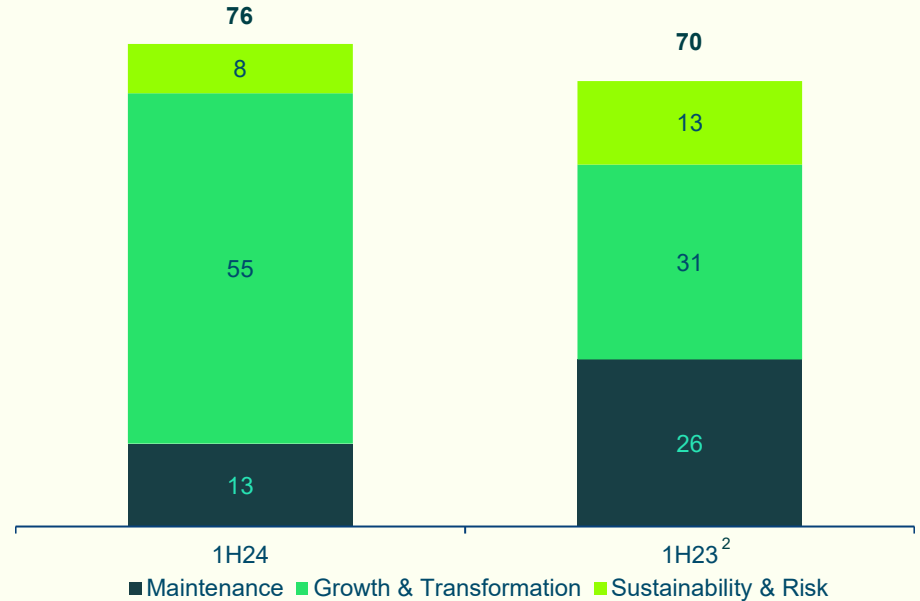
Forecast FY24 CAPEX

UP TO \$150M

Forecast FY24 D&A¹

\$220M-\$230M

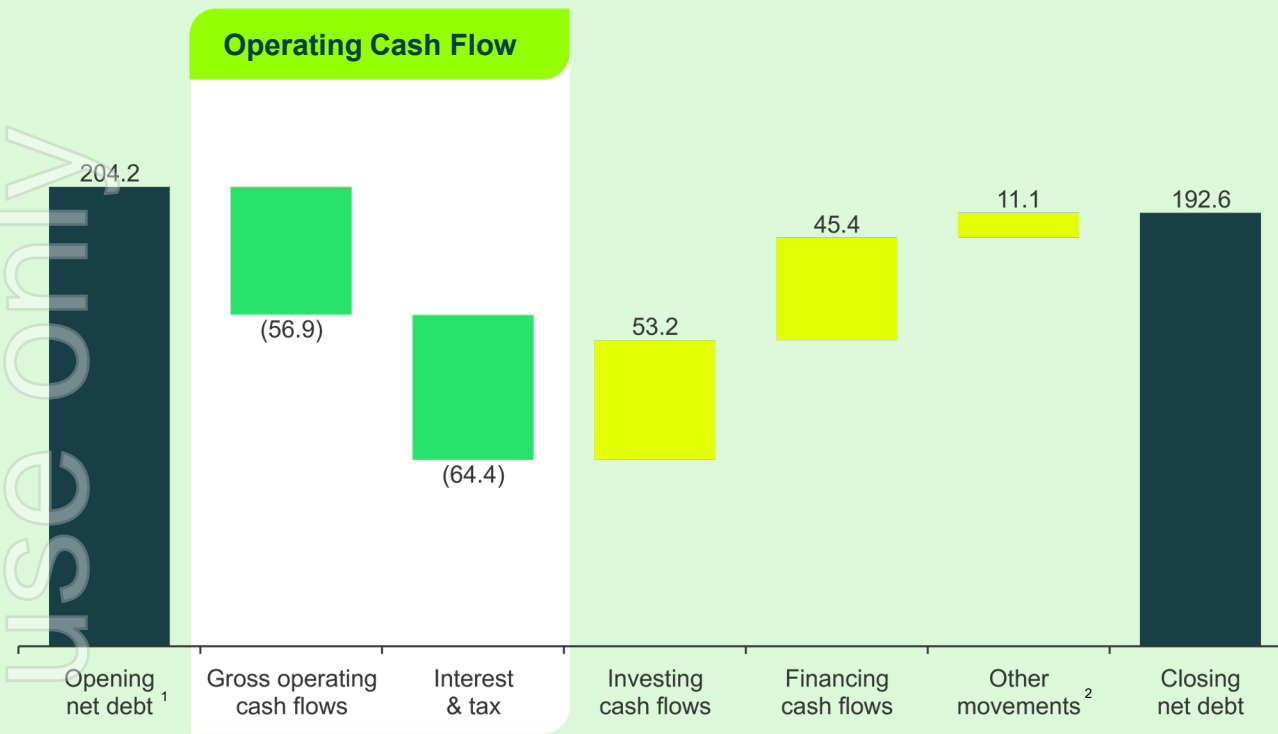
Capital Allocation (\$M)



1. Forecast FY24 D&A has been adjusted for the impacts of the impairment charge recognised against the carrying value of assets in NSW and SA.

2. Excludes Demerger capex (\$5m).

NET DEBT: STRONG BALANCE SHEET PROVIDING FLEXIBILITY



Cash Flow impacts

- ➔ One off payment to TLC related to ATO settlement (\$42.6m)
- ➔ Impact of significant items on gross operating cash flows

Adjusting for these, underlying conversion is 70%

- ➔ Working capital timing impacts in 1H24, expected to reverse in 2H24

1. Excludes lease liabilities and restricted cash. Net debt is a non-IFRS measure and has not been subject to audit or review.

2. Changes in restricted cash balances and non-cash movements in USPP debt.

CAPITAL AND DEBT: STRONG BALANCE SHEET PROVIDING FLEXIBILITY

1H24 NET DEBT¹
/ EBITDA

0.9x

TARGET NET DEBT¹
/ EBITDA

1.0-1.5x

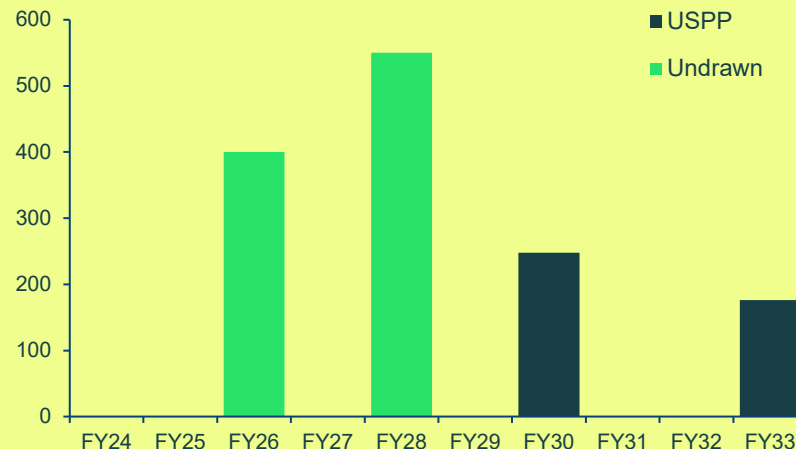
AVG. DEBT
MATURITY (YEARS)

4.2

1H24 ROIC²

5.0%
(1H23 4.7%³)

Debt Maturity Profile (\$M)



Average effective interest rate on drawn debt in 1H24: 8.1%

1. Net debt (including lease liabilities but excluding restricted cash) / LTM EBITDA.

2. ROIC is EBIT divided by average invested capital for the last twelve months. ROIC using average invested capital prior to the impairment was 4.4%.

3. Calculated using pro-forma LTM EBIT divided by average invested capital. For the purpose of calculating average invested capital, balance sheets from 1 July and 31 December 2022 were used.

WAGERING AND MEDIA

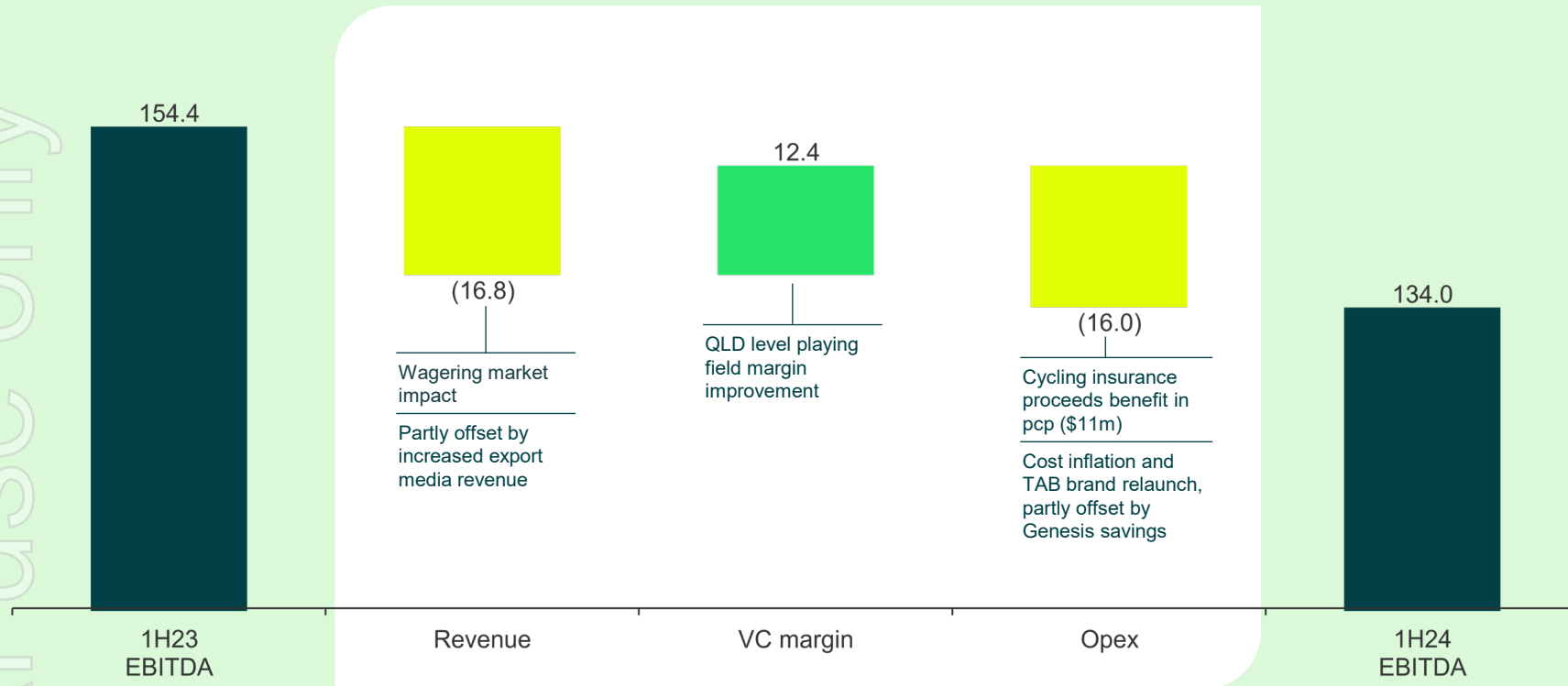
03

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WAGERING AND MEDIA EBITDA (\$M)

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1H24 RESULTS: WAGERING AND MEDIA

\$M	1H24	1H23	CHANGE (%)
Digital wagering revenue	473.4	493.0	(4.0%)
Cash wagering revenue	420.6	437.4	(3.8%)
Wagering revenue	894.0	930.4	(3.9%)
Media & International revenue	222.6	235.3	(5.4%)
Wagering & Media revenue	1,116.6	1,165.7	(4.2%)
Wagering & Media VC	393.9	398.3	(1.1%)
Operating expenses	(259.9)	(243.9)	6.6%
EBITDA	134.0	154.4	(13.2%)
D&A	(100.7)	(96.5)	4.4%
EBIT	33.3	57.9	(42.5%)
VC / Revenue %	35.3%	34.2%	1.1%
Opex / Revenue %	23.3%	20.9%	(2.4%)
EBITDA / Revenue %	12.0%	13.2%	(1.2%)

Wagering revenue down 3.9% reflecting current wagering market conditions

Media and International revenue down 5.4% driven by impact of wagering market on turnover-linked digital distribution revenues

VC margin improved 110bps reflecting QLD level playing field reforms

Underlying opex +2% adjusting for \$11m insurance benefit in pcip

1H24 WAGERING REVENUE AND KPI'S

WAGERING REVENUE (\$M)	1H24	1H23	CHANGE (%)
------------------------	------	------	------------

DIGITAL

Active users ('000) ¹	786	797	(1.4%)
Digital turnover ²	4,731.2	4,920.5	(3.8%)
Gross yield	16.5%	16.4%	0.1%
Net yield	12.1%	12.2%	(0.1%)
Net digital revenue pre VRI share ³	572.9	599.2	(4.4%)
Other ⁴	(99.5)	(106.2)	(6.3%)
Digital revenue	473.4	493.0	(4.0%)

CASH

Cash turnover ²	2,732.4	2,839.0	(3.8%)
Gross/Net yield	16.8%	16.6%	0.2%
Net cash revenue pre VRI share ³	458.1	471.9	(2.9%)
Other ⁴	(37.5)	(34.5)	8.7%
Cash revenue	420.6	437.4	(3.8%)

WAGERING TURNOVER ² (\$M)	1H24	1H23	CHANGE (%)
--------------------------------------	------	------	------------

Racing	6,120.1	6,500.8	(5.9%)
Sport	1,343.5	1,258.7	6.7%
Total	7,463.6	7,759.5	(3.8%)
<i>Digital in venue⁵</i>	<i>362.5</i>	<i>414.1</i>	<i>(12.5%)</i>

1. Wagering active users measured on a rolling 12-month basis.
2. Includes Victorian Racing Industry interest.
3. Revenues earned from Victorian operations are subject to a 50/50 Joint Venture with the Victorian Racing Industry.
4. Includes Victorian Racing Industry share adjustment and non-betting revenues.
5. Now includes interstate and generosity linked turnover previously excluded.

GAMING SERVICES

04

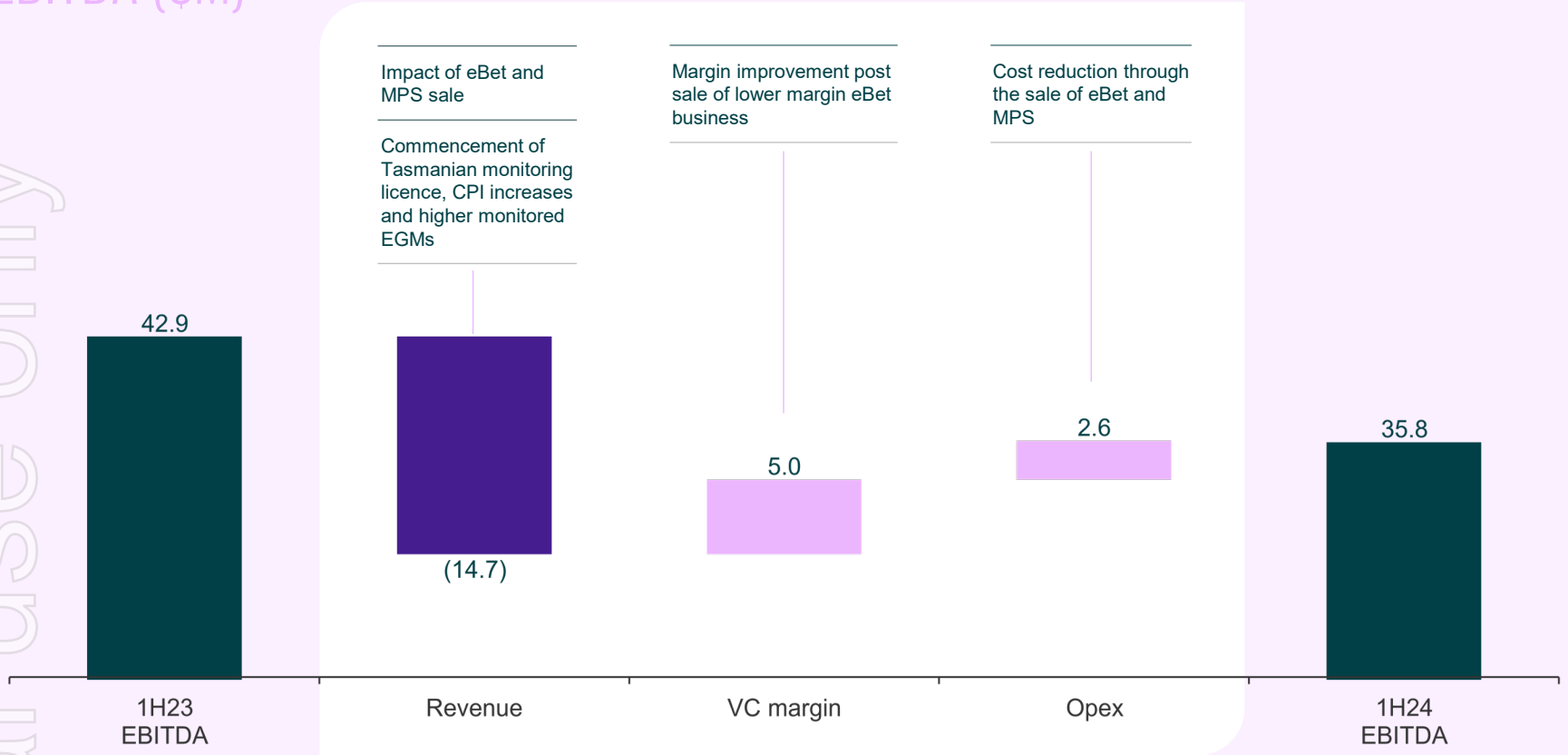
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GAMING SERVICES

EBITDA (\$M)

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1H24 RESULTS: GAMING SERVICES

(\$M)	1H24	1H23	CHANGE (%)
Integrity Services ¹	63.9	57.9	10.4%
Other Venue Services ²	29.1	50.9	(42.8%)
Gaming Services Revenue	93.0	108.8	(14.5%)
Integrity Services	63.5	57.0	11.4%
Other Venue Services	28.2	44.4	(36.5%)
Gaming Services VC	91.7	101.4	(9.6%)
Integrity Services	28.8	26.7	7.9%
Other Venue Services	7.0	16.2	(56.8%)
Gaming Services EBITDA	35.8	42.9	(16.6%)
Integrity Services	(17.3)	(14.9)	16.1%
Other Venue Services	(1.8)	(12.0)	(85.0%)
Gaming Services D&A	(19.1)	(26.9)	(29.0%)
Integrity Services	11.5	11.8	(2.5%)
Other Venue Services	5.2	4.2	23.8%
Gaming Services EBIT	16.7	16.0	4.4%
EBITDA / Revenue %	38.5%	39.4%	(0.9%)
<i>Integrity Services</i>	<i>45.1%</i>	<i>46.1%</i>	<i>(1.0%)</i>
Integrity Services Capex	7.3	8.7	(16.1%)

Integrity Services monitored EGMs

MONITORED EGMs	DEC-23	DEC-22	CHANGE
NSW	92,240	91,110	1,130
QLD	29,300	28,660	640
TAS	2,250	-	2,250
NT	1,560	1,520	40
Total	125,350	121,290	4,060

Max Performance Solutions (MPS) and EBET

SM	1H24			1H23		
	MPS	EBET	TOTAL	MPS	EBET	TOTAL
Revenue	12.7	-	12.7	24.5	11.3	35.8
EBITDA	4.5	-	4.5	10.3	3.7	14.0
EBIT	3.5	-	3.5	0.4	2.4	2.8

1. Comprises MAX Regulatory Services and non-monitoring revenue linked to monitoring contracts.

2. Comprises MAX Venue Services less non-monitoring revenue linked to monitoring contracts. Includes MPS and eBet.

SUMMARY AND TRADING

05

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SUMMARY AND TRADING

Successfully executing our TAB25 strategy and winning in the market with increased market share and a higher VC margin

The new Victorian Licence will deliver a step-change in earnings and competitiveness from August 2024, and we continue to pursue level playing fields nationally

Remain confident in the long-term growth outlook for the Australian wagering market, and ability to continue growing our share

JANUARY 2024 TRADING¹

- Continuing to compete strongly in the Australian wagering market
- Group Revenue -3.9%
- Wagering Turnover -5.4%. Improved yields and generosity efficiency benefiting wagering net revenue performance with Wagering and Media revenue -2.3%

¹. Amounts derived from unaudited company accounts and therefore may be subject to change. Movement is compared to prior corresponding period (January 2023).



TAB

APPENDICES

06

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SIGNIFICANT ITEMS

Impairment

Non-cash impairment charges relating to NSW and SA wagering assets, and goodwill relating to the Wagering and Media Segment.

ATO dispute settlement

Tabcorp resolved eight disputes with the ATO in relation to the tax treatment of payments for various licences and authorities.

Other tax matters

Includes net tax benefits in relation to other tax matters. Tabcorp has recognised a tax benefit in respect of the \$150.0m Racing Queensland settlement payments made during 2023.

Transformation costs

Genesis program costs, including redundancies and one-off core transformation investments.

Demerger costs

Costs incurred to separate Tabcorp and The Lottery Corporation (TLC) into two standalone companies. These costs exclude certain Technology related separation costs which are recharged from TLC.

MPS divestment

Tabcorp completed the sale of the MPS business on 31 October 2023 and recognised a loss on the divestment.

VIC Licence costs

Costs associated with the new Victorian Wagering Licence.



	PRE TAX (\$M)	TAX (\$M)	POST TAX (\$M)
Impairment	(852.0)	120.1	(731.9)
ATO dispute settlement	7.7	40.2	47.9
Other tax matters	-	59.0	59.0
Transformation costs	(13.5)	4.1	(9.4)
Demerger costs	(11.1)	3.3	(7.8)
MPS divestment	(7.5)	1.3	(6.2)
VIC Licence costs	(6.0)	-	(6.0)
Total significant items	(882.4)	228.0	(654.4)

1H24 GROUP RESULTS RECONCILIATION¹

CONSOLIDATED SM CONTINUING OPERATIONS	STATUTORY	IMPAIRMENT	ATO DISPUTE SETTLEMENT	OTHER TAX MATTERS	TRANSFORMATION COSTS	DEMERGER COSTS	MPS DIVESTMENT	VIC WAGERING LICENCE	OTHER	BEFORE SIGNIFICANT ITEMS
Revenues	1,209.6	-	-	-	-	-	-	-	-	1,209.6
Taxes, levies, commissions and fees	(723.6)	-	-	-	-	-	-	-	(0.4)	(724.0)
Net operating expenses	(354.3)	-	-	-	13.5	11.1	7.5	6.0	0.4	(315.8)
EBITDA	131.7	-	-	-	13.5	11.1	7.5	6.0	-	169.8
Depreciation, amortisation and impairment	(971.8)	852.0	-	-	-	-	-	-	-	(119.8)
EBIT	(840.1)	852.0	-	-	13.5	11.1	7.5	6.0	-	50.0
Equity accounted loss	(2.8)	-	-	-	-	-	-	-	-	(2.8)
Net finance costs	(13.2)	-	(7.7)	-	-	-	-	-	-	(20.9)
Profit/(loss) before tax	(856.1)	852.0	(7.7)	-	13.5	11.1	7.5	6.0	-	26.3
Income tax	219.3	(120.1)	(40.2)	(59.0)	(4.1)	(3.3)	(1.3)	-	-	(8.7)
Profit/(loss) after tax	(636.8)	731.9	(47.9)	(59.0)	9.4	7.8	6.2	6.0	-	17.6

1. Reconciliation of Statutory loss after tax from continuing operations to profit after tax before significant items. Statutory before significant items are non-IFRS financial information, exclude significant items, and are unaudited.

GROUP AND BUSINESS RESULTS¹

SM	WAGERING AND MEDIA			GAMING SERVICES			GROUP		
	1H24	1H23	CHANGE	1H24	1H23	CHANGE	1H24	1H23	CHANGE
Revenues	1,116.6	1,165.7	(4.2%)	93.0	108.8	(14.5%)	1,209.6	1,274.5	(5.1%)
Variable contribution	393.9	398.3	(1.1%)	91.7	101.4	(9.6%)	485.6	499.7	(2.8%)
Operating expenses	(259.9)	(243.9)	6.6%	(55.9)	(58.5)	(4.4%)	(315.8)	(303.1)	4.2%
EBITDA	134.0	154.4	(13.2%)	35.8	42.9	(16.6%)	169.8	196.6	(13.6%)
D&A	(100.7)	(96.5)	4.4%	(19.1)	(26.9)	(29.0%)	(119.8)	(123.4)	(2.9%)
EBIT	33.3	57.9	(42.5%)	16.7	16.0	4.4%	50.0	73.2	(31.7%)
VC / Revenue %	35.3%	34.2%	1.1%	98.6%	93.2%	5.4%	40.1%	39.2%	0.9%
Opex / Revenue %	23.3%	20.9%	(2.4%)	60.1%	53.8%	(6.3%)	26.1%	23.8%	(2.3%)
EBITDA / Revenue %	12.0%	13.2%	(1.2%)	38.5%	39.4%	(0.9%)	14.0%	15.4%	(1.4%)
EBIT / Revenue %	3.0%	5.0%	(2.0%)	18.0%	14.7%	3.3%	4.1%	5.7%	(1.6%)
Capex²	62.3	51.7	20.5%	13.2	18.2	(27.5%)	75.5	69.9	8.0%

1. All amounts are before significant items, non-IFRS and unaudited. Business results may not aggregate to Group total due to intercompany eliminations and unallocated items.

2. Excludes Demerger capex (1H23: \$5m).

GLOSSARY

1H/2H	Six months ended 31 December/30 June of the relevant financial year
1Q/2Q/3Q/4Q	Three months ended 30 September / 31 December / 31 March / 30 June of the relevant financial year
AAS	Australian Accounting Standards
ACT	Australian Capital Territory
A&P	Advertising and promotion
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Tax Office
Board	The Company's Board of Directors
BPS	Basis points
CAGR	Compound Annual Growth Rate
CAPEX	Capital expenditure
Company or Tabcorp	Tabcorp Holdings Limited (ABN 66 063 780 709)
COVID-19	A disease caused by a new strain of coronavirus. 'CO' stands for corona, 'VI' for virus, and 'D' for disease
CPI	Consumer Price Index
CPS	Cents per share
Demerger	The Demerger of the Group's former Lotteries and Keno business that is now operated by the ASX listed company The Lottery Corporation Limited
DIV	Digital in venue
D&A	Depreciation, Amortisation and impairment
DPS	Dividends Per Share
EBIT	Earnings before interest and tax (before significant items)
EBITDA	Earnings before interest, tax, depreciation, amortisation and impairment (before significant items)
EGM	Electronic Gaming Machine
EPS	Earnings Per Share
Financial year / FY	The Group's financial year is 1 July to 30 June
GAAP	Generally accepted accounting principles
Gaming Services (GS)	The Group's business that provides services to licensed gaming venues and EGM monitoring services
GDP	Gross Domestic Product
Genesis	Tabcorp's cost optimisation program
Group	The Tabcorp group of companies
Integrity services	Monitoring electronic gaming machines (EGMs) under licence and the provision of other regulated and approved services, which vary by jurisdiction.
IFRS	International Financial Reporting Standards

JV	Joint Venture
KPI	Key Performance Indicator
LTM	Last twelve months
MAX	The Group's Gaming Services brand
MPS	Max Performance Solutions
NM	Not meaningful
NPAT	Net profit after tax
NSW	New South Wales
NT	Northern Territory
OPEX	Operating expenses net of other income
PCP	Prior corresponding period
PGI	Premier Gateway International Limited
Pro-forma (PF)	Pro-forma financial information has been derived from Tabcorp financial information and adjusted for additional stand-alone operating costs to reflect the Demerger having effect pro-forma period presented
POCT	Point of Consumption Tax
QLD	Queensland
ROI	Return on investment
ROIC	Return on invested capital
SA	South Australia
SGM	Same Game Multi
Sky Racing	Part of the Group's Media business, broadcasting racing and sport throughout Australia and internationally
TAB	The Group's wagering brand
TAH	The ASX ticker code used to identify Tabcorp
TAS	Tasmania
The Lottery Corporation (TLC)	Post Demerger is a stand-alone company listed on the ASX, holding the Lotteries and Keno businesses
Turnover	Turnover is gross amount wagered by customers. It is a non-IFRS measure
USPP	US Private Placement
VC	Variable Contribution
VIC	Victoria
VRI	Victorian Racing Industry
Wagering and Media (W&M)	The Group's business that operates fixed odds and pari-mutuel betting products and services on racing, sport and novelty products, and racing and sports broadcasting

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