

***POINTS*BET**

Q1 FY25 : QUARTERLY ACTIVITIES REPORT | October 2024



IMPORTANT NOTICE AND DISCLAIMER

This document and any oral presentation accompanying it has been prepared in good faith, however, no express or implied representation or warranty is given as to the accuracy or completeness of the information in this document, in any accompanying presentation or in any other written or oral communication transmitted or made available to any investor or potential investor (collectively, the "Other Materials"). Nothing in this document, in any accompanying presentation or in any Other Materials is, or shall be relied upon as, a promise or representation. All statutory representations and warranties are excluded, and any liability in negligence is excluded, in both cases to the fullest extent permitted by law. No responsibility is assumed for any reliance on this document or the accompanying presentation or any Other Materials.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in any jurisdiction.

Without limiting the above, this document, any accompanying presentation and any Other Materials may contain forecasts, forward looking statements or statements as to future affairs which are based on estimates, assumptions and expectations of PointsBet Holdings Limited or its subsidiaries (collectively, the "Company") (some or all of which may not be satisfied or may not occur) that, while used in good faith, necessarily involve (i) subjective judgments; (ii) inherent uncertainties; and (iii) significant contingencies, many of which are beyond the Company's control or reflect future business decisions which are subject to change. Any forecast or financial information presented in this presentation, any accompanying presentation or any Other Materials must not be taken as a representation as to future matters.

Therefore, there can be no assurance that such forecasts, forward looking statements or statements as to future affairs will be realised or that the Company's actual or future results, or subsequent forecasts, will not vary significantly from such forecasts, forward looking statements and statements as to future affairs. The actual results may vary from the anticipated results and such variations may be material. Any and all forecasts and financial information in this document, in any accompanying presentation and in any Other Materials are not, and shall not be relied upon as, a promise or representation as to future matters. The Company accepts no responsibility or liability in relation to the accuracy or completeness of any forecasts, forward looking statements or statements as to future affairs, or whether they are achievable. The Company does not assume any obligation to revise or update this document, any accompanying presentation, any Other Materials or any of the estimates, assumptions or expectations underlying such forecasts, forward looking statements and statements as to future affairs. No representations or warranties are made as to the accuracy or reasonableness of such estimates, assumptions or expectations or the forecasts, forward looking statements or statements as to future affairs based thereon. Certain data included herein has been obtained from alternative external sources and as such may be inconsistent given differing underlying assumptions and sources.

Any discrepancies between totals and sums of components in tables and figures contained in this presentation are due to rounding. Tables and figures contained in this presentation have not been amended by the Company to correct immaterial summation differences that may arise from this rounding convention.

Disclosures in this document, any other accompanying presentation or any Other Materials are not investment advice and are not intended to be relied upon as advice to investors or potential investors and do not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with independent professional advice when deciding if an investment is appropriate.

The information contained in this document (including tables) has not been audited in accordance with the Australian Auditing Standards.

This document remains the property of the Company and the Company reserves the right to require the return of this document (and any copies or extracts hereof) at any time.

The receipt of this document by any investor or potential investor shall constitute such investor's or potential investor's acceptance of the foregoing terms and conditions.

All amounts disclosed in this document are presented in Australian dollars unless otherwise noted.

GROUP Q1 FY25 TRADING METRICS

All figures in A\$		Q1 FY25	Q1 FY24	PCP
SPORTS BETTING	Turnover / Handle ¹	\$626.8m	\$611.0m	+3%
	Gross Win ² Margin %	12.6%	12.3%	+0.3pp
	Gross Win	\$79.3m	\$75.3m	+5%
	Net Win ³ Margin %	9.7%	9.0%	+0.7pp
	Net Win	\$60.7m	\$55.1m	+10%
iGAMING	Net Win	\$4.6m	\$3.0m	+50%
TOTAL	Total Net Win	\$65.3m	\$58.2m	+12%

- ✓

Gross Profit increased by 15% vs PCP, outpacing the 12% increase in Net Win
- ✓

287.4k Cash Active Clients⁴, up 5% from prior quarter
- ✓

iGaming Net Win up 50% vs the PCP, driven by higher actives, higher turnover and efficient generosity spend
- ✓

Improved Sports Betting Net Win margin of 9.7% as a result of strong Gross Win margin and efficient use of gratuities

1. Turnover / Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred.
2. 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.
3. 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).
4. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end.

AUSTRALIA Q1 FY25 TRADING METRICS

For personal use only

All figures in A\$		Q1 FY25	Q1 FY24	PCP
SPORTS BETTING	Turnover / Handle ¹	\$557.5m	\$566.9m	(2%)
	Gross Win ² Margin %	13.2%	12.6%	+0.5pp
	Gross Win	\$73.5m	\$71.6m	+3%
	Net Win ³ Margin %	10.2%	9.3%	+0.8pp
	Net Win	\$56.6m	\$52.8m	+7%

- ✓

Net Win growth of 7% vs the PCP – continued market share gains
- ✓

238.4k Cash Active Clients⁴, up 5% from prior quarter
- ✓

Strong Gross Win margin performance of 13.2% – stable racing and improving sport margins as customer preference shifts to higher margin products (e.g. SGM)
- ✓

Generosity efficiency improved 3.3p.p – generosity spend to non-genuine clients⁵ down 27% vs PCP
- ✓

Gross Profit Margin remained stable versus the PCP at 52.4%, despite an increase in VIC Point of Consumption Tax Rate
- ✓

In Q1 FY25, **\$26.9M** in Taxation and Product Fee payments – representing 47.6% of Net Win

1. Turnover / Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred.
2. 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.
3. 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).
4. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end.
5. Non-Genuine Clients are Cash Active Clients whose activity is disproportionately skewed to client promotions.

AUSTRALIA GROWTH IN MULTIS AND SAME GAME MULTI PRODUCTS

For personal use only



Growth in Sports Activity continues to head to high margin, lower staking recreational products

- 67% of actives are Sports Preferred Actives¹, up from 58% in the PCP

Total Multi and Same Game Multi (SGM) performance improvement vs the PCP

- Turnover grew 24%
- Bet Count grew 44%
- Gross Win Margin up 4.3pp
- Net Win grew 116%
- 16% saving in generosity spend

Driven by combination of

- Consumer preference
- Product development (e.g. Bet Tracker and 5 for \$25 for AFL)
- Generosity personalization



SGM Case Study: 2024 AFL and NRL Grand Finals

	AFL Grand Final 2024 vs 2023	NRL Grand Final 2024 vs 2023
Total Actives	+ 43%	+ 23%
SGM Actives	+ 68%	+ 35%
SGM Turnover	+ 72%	+ 26%
	AFL Grand Final 2024	NRL Grand Final 2024
SGM Actives as % of all Actives	81%	80%
SGM Turnover as % of all Turnover	44%	43%



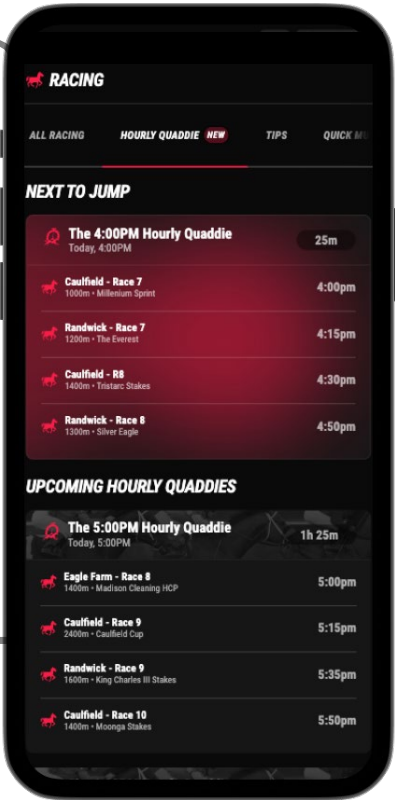
Strong trendline has continued into start of NFL and NBA seasons

1. Sports Preferred Actives are defined as cash active clients that either bet exclusively or predominately on Sports compared to Racing.

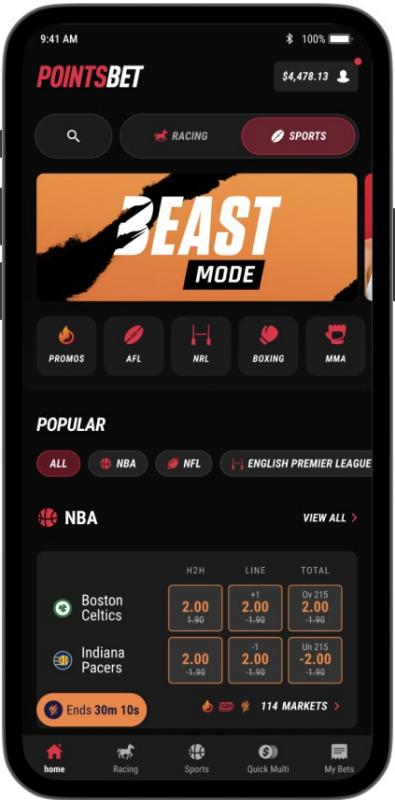
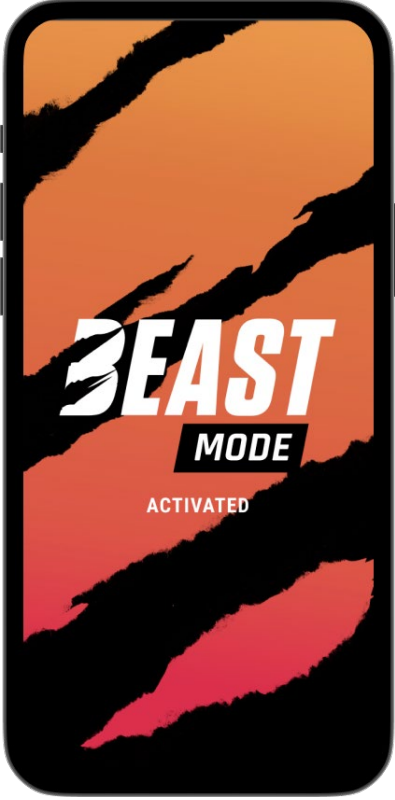
AUSTRALIA/GLOBAL NEW FEATURES RELEASED IN Q1

For personal use only

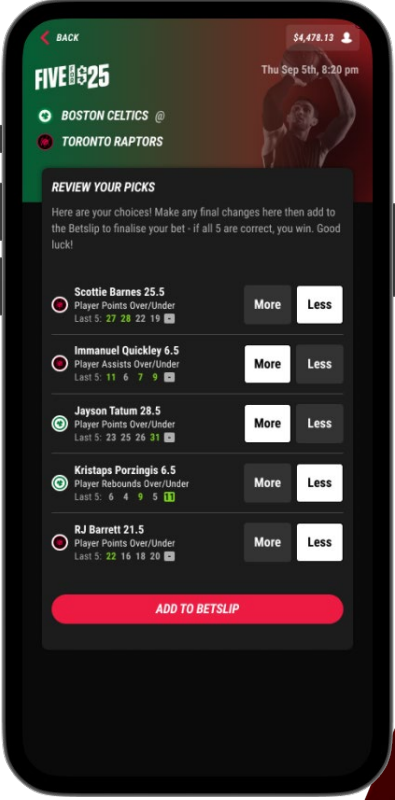
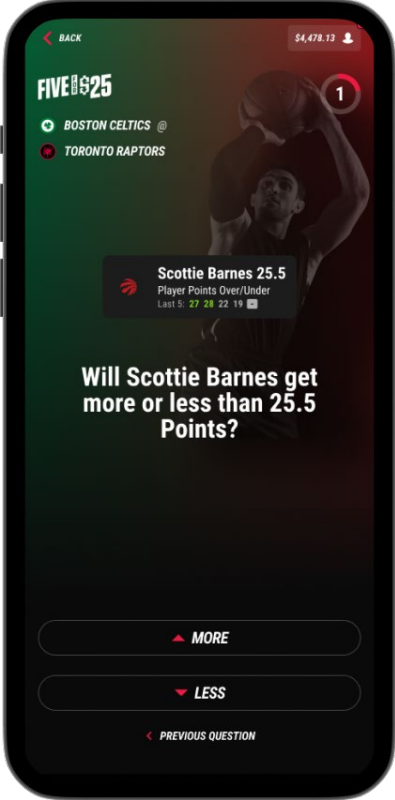
Hourly Quaddie



Beast Mode



Five For \$25



Proprietary technology & OddsFactory



Personalised Generosity Capability



Focused sports led "Built Different" proposition



Competitive advantage to successfully launch innovative products to market

CANADA Q1 FY25 TRADING METRICS

All figures in A\$ ¹		Q1 FY25	Q1 FY24	PCP
SPORTS BETTING	Turnover / Handle ²	\$69.3m	\$44.2m	+57%
	Gross Win ³ Margin %	8.3%	8.3%	+0.1pp
	Gross Win	\$5.8m	\$3.6m	+59%
	Net Win ⁴ Margin %	5.9%	5.3%	+0.7pp
	Net Win	\$4.1m	\$2.3m	+77%
iGAMING	Net Win	\$4.6m	\$3.0m	+50%
TOTAL	Total Net Win	\$8.7m	\$5.4m	+62% ⁶

✓ **Sports Betting Net Win up 77% vs the PCP**, driven by higher turnover and improved generosity efficiency

✓ **In-Play as a % of Total Turnover at 76%** vs 68% in the PCP

✓ **Total Net Win up 69% in CAD** – outpacing total Ontario market growth

✓ **Excellence in in-play betting product drove Cash Active Clients⁵ to 48.9k**, up 9% from Q4FY24

1. Average AUD/CAD rate was 0.9139 for Q1 FY25 and 0.8780 for Q1 FY24.
2. Turnover / Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred.
3. 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.
4. 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).
5. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end.
6. When comparing the PCP change in CAD, Total Net Win increased by +69%.

CANADA CASINO UPDATE

For personal use only



Q3-Q4 FY24

- Building out the operating team
- Completing the migration



Q1-Q2 FY25

- Launched 3 new content providers
- Increased games by 50%
- Improved coverage of top performing titles and higher margin slots



Q2-Q4 FY25

- Expand promotional tools and capabilities
- Improve loyalty programs to strengthen retention

SUMMARY OF QUARTERLY CASH FLOWS

All amounts in A\$m ¹	Q1 FY25
Receipts from customers (inclusive of GST)	65.2
Cost of sales	(29.8)
Sales and marketing	(16.5)
Staff costs	(12.5)
Administration, corporate costs and GST paid on Net Win	(12.1)
Other operating cash flows	0.1
Net cash (outflow) from operating activities excluding movement in player cash	(5.6)
Change in player cash accounts	2.9
Net cash (outflow) from operating activities	(2.7)
Purchase of property & equipment	(0.0)
Payments for capitalised software development	(5.6)
Other non-current assets	(0.0)
Net cash (outflow) from investing activities	(5.6)
Proceeds from issues of shares	-
Proceeds from exercise of share options	-
Other financing cash flow	(0.2)
Net cash (outflow) from financing activities	(0.2)
Net cash flow excluding movement in player cash	(11.4)
Cash and cash equivalents at beginning of the period	42.2
Net cash flow	(8.5)
Effect of movement in exchange rates on cash held	(0.1)
Cash and cash equivalents at end of the period²	33.6
Corporate Cash at end of the period	16.7

- **At 30 September 2024**, the Group had **\$16.7** million of Statutory Corporate Cash.
- Net Cash outflows from operating activities FY25 was \$(5.6) million.
 - Total cash receipts of \$65.2 million, including \$60.6 million from Sportsbook and \$4.6 million from iGaming.
 - Sales and marketing of \$(16.5) million, reflecting the beginning of the peak acquisition periods in Australia and Canada; and
 - Non-capitalised staff costs of \$(12.5) million, which includes FY24 annual performance payments
- Net cash outflows from investing activities were \$(5.6) million, including:
 - Capitalised software development payments including FY24 annual performance payments. These payments will normalise lower for the rest of the financial year.

As previously stated the Company expects to be cash flow break even in FY25 and finish the financial year with circa \$28 million.

1. End of period AUD/CAD FX rate 0.9360.

2. Cash and cash equivalents at end of the period includes \$16.9 million in player cash accounts.

GUIDANCE | FY25 GUIDANCE – STRONG REVENUE GROWTH OFF ESTABLISHED COST BASE

For personal use only

All figures in A\$	FY25	Guidance Assumptions
REVENUE	\$280M – \$290M	• Australia – Continue to outperform the market and grow market share • Canada – Continue to outperform the market and grow market share towards medium term targets
EBITDA ¹	\$11M – \$16M	• Absorb VIC POCT increase to maintain 50%+ gross profit margins • Maintain marketing and product investment to drive growth • Maximise operating leverage of fixed cost base

CONTINUE TO EXPECT TO BE CASH FLOW BREAKEVEN IN FY25

1. Normalised EBITDA excludes any US business sale transaction related costs, share based payments, discontinued operations, and any one-off items.

Q&A

Appendix

RELATED PARTY TRANSACTIONS AS PER ASX LISTING RULE 4.7C.3 – \$1.14m

- Payments of \$0.82m for Salaries and Wages (inclusive of Superannuation and applicable taxes withheld) of Key Management Personnel and of Executive Directors and Non-Executive Directors Fees.
- Payments of \$0.32m to Arete Security Inc. d/va 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 and transacts on an arms-length basis with the company.
- Payment of \$0.004m to Mills Oakley Lawyers the company's legal advisor. Non-executive Director Anthony Symons is a Partner of the firm and all transactions with the company are on an arms-length basis.

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 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	65,221	65,221
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs (Cost of Sales)	(29,835)	(29,835)
	(c) advertising and marketing	(16,522)	(16,522)
	(d) leased assets	-	-
	(e) staff costs	(12,453)	(12,453)
	(f) administration and corporate costs and GST ¹	(12,088)	(12,088)
1.3	Dividends received	-	-
1.4	Interest received	173	173
1.5	Interest and other costs of finance paid	(41)	(41)
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 ²	2,882	2,882
1.9	Net cash from / (used in) operating activities	(2,663)	(2,663)

1. Includes GST paid to the ATO, including GST collected and paid on Receipts from Customers relating to Australian Net Win.

2. Represents Net Movement in Player Cash Accounts.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(6)	(6)
	(d) investments	-	-
	(e) intellectual property ³	(5,567)	(5,567)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other (provide details if material) Global Business Development (Market Access, licensing costs)	-	-
2.6	Net cash from / (used in) investing activities	(5,573)	(5,573)

^{3.} Includes Capitalised Development Costs.

3.	Cash flows from financing activities		
3.1	Proceeds related to issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds related to exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid / Return of Capital	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.9	Other (provide details if material) Principal repayment of Lease Liability	(248)	(248)
3.10	Net cash from / (used in) financing activities	(248)	(248)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	42,176	42,176
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,663)	(2,663)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,573)	(5,573)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(248)	(248)
4.5	Effect of movement in exchange rates on cash held	(109)	(109)
4.6	Cash and cash equivalents at end of period	33,583⁴	33,583⁴

⁴. Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of **\$16.92M**.

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	32,116	41,721
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) Term Deposits	1,467	455
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	33,583	42,176

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	1,144
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	35	7
7.3 Other (please specify)	-	-
7.4 Total financing facilities	35	7
7.5 Unused financing facilities available at quarter end		28
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)	(2,663)
8.2 Cash and cash equivalents at quarter end (item 4.6)	33,583 ⁵
8.3 Unused finance facilities available at quarter end (item 7.5)	28
8.4 Total available funding (item 8.2 + item 8.3)	33,611
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	12.62
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
⁵ . Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of \$16.92M . Excluding the Player Cash Accounts the balance is \$16.66M .	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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	
8.6.2 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	
8.6.3 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	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 31 October 2024

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.