



ASX Announcement (ASX:BBT)

31 October 2023

Q1 FY24 Quarterly Activities Report, Appendix 4C & Business Update *Outperforming in Australia and making progress in the US with further product investment*

BlueBet Holdings Limited (ASX:BBT) (**BlueBet** or the **Company**) provides its Quarterly Cash Flow Report (**Appendix 4C**) and Quarterly Activities Report for the quarter ended 30 September 2023 (**Q1 FY24**).

Key Highlights:

- Record Group Turnover of \$150.7 million, up 13.1%
- Continued market share growth in Australia drives Active Customers up 21.1% to 66,526 and Sport Turnover up 53.7%
- Outperforming in Australia, with Turnover up 8.4% to \$143.9 million and Net Win up 7.4% to \$14.5 million
- Marketing efficiencies deliver 21.1% improvement in Cost per First Time Depositor to \$413, delivering an attractive ratio of Annual Client Value to CFTD of 2.0x
- Australian business operating cash flow positive (including corporate costs)
- Strong US B2C momentum continues, with ClutchBet live in two states and Louisiana go-live expected in November 2023
- Product enhancements and localised marketing driving improved uptake, with new HyperLive product proving popular
- Discussions ongoing with potential US B2B partners, with proprietary technology platform a key selling point

BlueBet CEO Bill Richmond said: *“BlueBet delivered another record quarter for Turnover in Q1, as we continue to gain share and outperform the market in Australia with our differentiated brand and product.*

“Our Australian business remained operating cash flow positive, with the team delivering a strong trading performance and robust Net Win Margin of 10.1%, as our disciplined marketing strategy continues to improve customer acquisition efficiency. Looking ahead, we expect the Australian business to be operating cash flow positive for FY24.

“In the US, ClutchBet is gaining traction in Iowa and Colorado, and we expect to be live in Louisiana in November. Our hyper-local marketing strategy continues to deliver results, with new app functionality including ClutchBet Gamezone proving popular with American punters.

“Our significant technology investment continues to differentiate us from our competitors, with the BlueBet Global Platform a key selling point for potential partners for our B2B Sportsbook-as-a-Solution offer, and ready for launch this month.”

Group Performance (A\$m)						
Key Metrics	Q1 FY24	Q1 FY23	vs. PCP	YTD FY24	YTD FY23	vs. PCP
Turnover ²	150.7	133.2	+13.1%	150.7	133.2	+13.1%
Gross Win ³	19.0	17.8	+6.7%	19.0	17.8	+6.7%
Gross Win Margin	12.6%	13.4%	-0.8pp	12.6%	13.4%	-0.8pp
Net Win ⁴	14.4	13.4	+7.5%	14.4	13.4	+7.5%
Net Win Margin	9.6%	10.1%	-0.5pp	9.6%	10.1%	-0.5pp

GROUP PERFORMANCE

BlueBet delivered record quarterly Turnover of \$150.7 million, up 13.1% on the prior corresponding period (PCP), with continued market share gains in Australia and ClutchBet gaining traction in the US. Gross Win was up 6.7% and Net Win was up 7.5%, with a robust Net Win margin of 9.6% given the strong growth of Sport in Australia.

The Company continues to invest significantly towards enhancing its core platform, with five updates released in Australia and four in the US during Q1. This investment is critical to BlueBet's ability to attract and retain customers and is a key selling point for the Group's B2B ambitions in the US market.

BlueBet Australia Performance (A\$m)						
Key Metrics	Q1 FY24	Q1 FY23	vs. PCP	YTD FY24	YTD FY23	vs. PCP
Turnover ²	143.9	133.0	+8.2%	143.9	133.0	+8.2%
Gross Win ³	18.8	17.8	+5.6%	18.8	17.8	+5.6%
Gross Win Margin	13.1%	13.4%	-0.3pp	13.1%	13.4%	-0.3pp
Net Win ⁴	14.5	13.5	+7.4%	14.5	13.5	+7.4%
Net Win Margin	10.1%	10.2%	-0.1pp	10.1%	10.2%	-0.1pp
No. Active Customers ⁵	66,526	54,920	+21.1%			
Key Metrics by Qtr.						
	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	vs. PCP	YTD FY23
Turnover ²	143.9				+8.2%	133.0
Gross Win ³	18.8				+5.6%	17.8
Gross Win Margin	13.1%				-0.3pp	13.4%
Net Win ⁴	14.5				+7.4%	13.5
Net Win Margin	10.1%				-0.1pp	10.2%

¹ Unaudited and in Australian dollars unless otherwise stated

² Turnover is the dollar amount wagered by customers before any winnings are paid out or losses incurred

³ Gross Win is the dollar amount received from customers who placed losing bets less the dollar amount paid to customers who placed winning bets, excluding the cost of pricing promotions

⁴ Net Win is the dollar amount received from customers who placed losing bets less the dollar amount paid to customers who placed winning bets, less customer promotional costs (the costs incurred to acquire and retain customers through bonus bets, money back offers, early pay-outs and enhanced pricing initiatives)

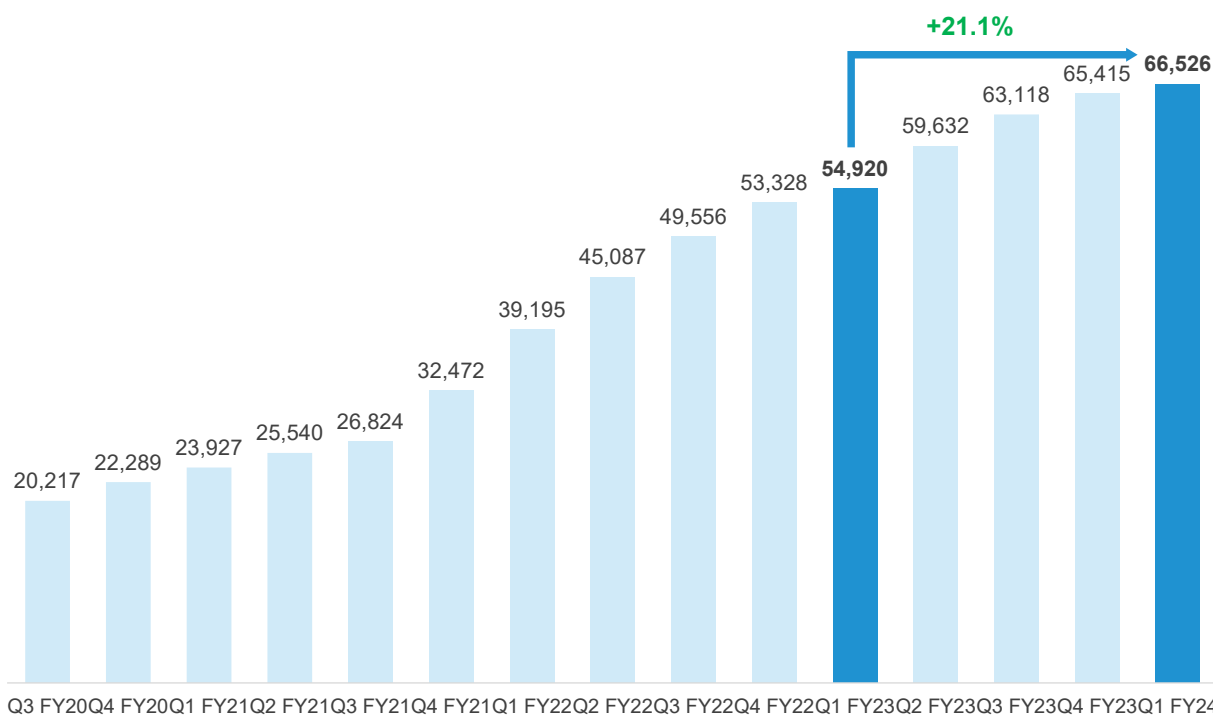
⁵ Customers that have placed a cash bet in the 12 months preceding the relevant period end date

AUSTRALIAN BUSINESS

BlueBet's strong momentum in Australia continued in Q1 as the business continues to outperform and take market share, with Active Customers up 21.1% and Turnover up 8.2% to 143.9 million.

In Q1, BlueBet launched a new brand campaign, "Home Grown Bookie", featuring well-known media and sports personality Matt Nable, alongside refreshed branding including a new logo, brand design, campaign assets and website and app front-end design. The launch drove record search impression growth, with a 76% increase in unique visitors and page views.

ACTIVE CUSTOMER¹ GROWTH



At 30 September 2023, BlueBet Australia had 66,526 Active Customers, up 21.1% on the PCP, demonstrating BlueBet’s ability to attract and retain quality clients.

US BUSINESS

Ongoing investment in BlueBet’s proprietary technology platform continues to underpin the Company’s US expansion. In Q1, four new releases delivered product enhancements to improve the user experience, including biometrics, new payment options, ClutchClash, an extended bet boost offering and live scoreboards. The newly-launched HyperLive feature is proving very popular and drove a 62% increase in Live Wagers being placed in Q1.

ClutchBet is now live in Iowa and Colorado, with licensing plans well advanced to go live in Louisiana in November 2023 and Indiana expected to follow in January 2024.

CASH FLOW

- At 30 September 2023, the Company’s cash balance was \$17.7 million, including customer deposits of \$4.6 million
- Net Win from customers for the quarter ended 30 September 2023 totalled \$14.4 million
- Net cash used from operating activities in the quarter ended 30 September 2023 was \$3.0 million, with the Australian business remaining cash flow positive (including Corporate costs), offset by a cash outflow of \$2.9 million in the US.
- Cash outflows during the quarter included cost of sales of \$5.0 million, staff costs of \$3.0 million, marketing costs of \$4.6 million, and administration, corporate costs, including GST on Australian Net Win of \$4.9 million
- Net cash used in investing activities in the quarter ending 30 September 2023 was \$2.7 million, resulting from capitalisation of technology costs of \$1.4 million for website and mobile app development and investment in the BlueBet Global Platform and licencing and market access fees for Louisiana of \$1.1 million

¹Australian Customers who have placed a cash bet in the 12 months preceding the relevant period end date

- Payments to related parties totalled \$0.2 million and relate to payments to Executive & Non-Executive Directors for Salaries & Wages (inclusive of superannuation and applicable taxes withheld) and Director Fees on normal commercial terms

ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES

The Company is well funded to achieve its strategic objectives and planned activities. The table below shows the use of funds from the date of admission to the ASX on 2 July 2021 to 30 September 2023.

Use of Funds 2 Jul 2021 to 30 June 2023	Amount allocated (\$m)	Amount utilised (\$m)	Commentary
Marketing Spend in Australia	10.0	10.0	Fully utilised with additional marketing to be allocated through growth in the Australian business
Establish US business and acquire initial licences	30.0	16.1	In line with expectations.
Technology and platform development	4.7	14.4	As previously indicated in FY22 Results presentation, the business is reinvesting in Product Innovation and BlueBet Global Platform
Costs of the Offer	5.3	5.4	All costs of the offer have been paid and the total was \$0.1m above Prospectus value because of additional costs incurred following submission of the Prospectus
Proceeds to Existing Securityholders	30.0	30.0	In line with expectations
TOTAL	80.0	75.8	

AUTHORISATION

This announcement has been authorised for lodgement to the ASX by the BlueBet Board of Directors

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About BlueBet (ASX:BBT)

BlueBet is an international online wagering provider and bookmaker listed on the Australian Stock Exchange, with operations in Australia and the United States. BlueBet is powered by a proprietary cloud-based technology platform which is highly scalable and enables BlueBet to scale rapidly, as well as offering the platform as a white-labelled technology solution for B2B partners. BlueBet's customer-facing websites and native apps have been developed using a mobile-first strategy, delivering a premium mobile user experience.

FUTURE PERFORMANCE AND FORWARD-LOOKING STATEMENTS

This ASX release contains forward-looking statements, forecasts, estimates, projections, beliefs and opinions (**Forward-Looking Statements**). Forward-Looking Statements can be identified by the use of terminology, including, without limitation, the terms 'believes', 'estimates', 'anticipates', 'expects', 'projects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology.

Forward-Looking Statements reflect expectations as at the date of this release. However, they are not guarantees or predictions of future performance or events or statements of fact. They involve known and unknown risks, uncertainties and other factors, many of which are beyond BlueBet' control, and which may cause actual results to differ materially from anticipated results, performance or achievements expressed or implied by the Forward-Looking Statements contained in this presentation.

Other than as required by law, although they believe there is a reasonable basis for the Forward-Looking Statements, neither BlueBet nor any other person (including any director, officer or employee of BlueBet or any related body corporate) gives any representation, assurance or guarantee (express or implied) as to the accuracy or completeness of each Forward-Looking Statement or that the occurrence of any event, results, performance or achievement will actually occur. Except as required by applicable laws or regulations, BlueBet does not undertake to publicly update or review any Forward-Looking Statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.