

Appendix 4C

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

Name of entity

BlueBet Holdings Limited

ABN

19 647 124 641

Quarter ended ("current quarter")

31st December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers ¹	50,179.0	91,711.5
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs ²	(8,765.0)	(13,728.4)
(c) advertising and marketing	(4,256.2)	(8,872.7)
(d) leased assets ³	(102.2)	(213.8)
(e) staff costs	(3,622.9)	(6,603.4)
(f) administration and corporate costs ⁴	(5,395.2)	(10,269.8)
1.3 Dividends received (see note 3)		
1.4 Interest received	20.6	118.2
1.5 Interest and other costs of finance paid ⁵	(202.8)	(469.2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other – Payments to customers ⁶	(35,561.4)	(62,384.0)
1.9 Net cash from / (used in) operating activities	(7,706.1)	(10,711.6)

¹ Reflects customer deposits during the period.

² Reflects Cost of Sales.

³ Represents repayments of lease liabilities per AASB 16 "Leases" accounting standard..

⁴ Includes GST collected & paid relating to Australian Net Win.

⁵ Represents interest costs of lease liabilities per AASB 16 "Leases" accounting standard.

⁶ Reflects customer withdrawals during the period. Note Net Win is derived from 1.1 & 1.8, less changes in customer balances. Net Win is identified separately in the accompanying presentation.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(8.0)	(32.3)
(d) investments		
(e) intellectual property ⁷	(523.4)	(3,154.1)
(f) other non-current assets		
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(531.4)	(3,186.4)

⁷ Includes capitalised website & app development costs.

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities ⁸		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		

⁸ Relates to transaction costs paid associated with the IPO.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
3.9	Other bonds paid for new office premises		
3.10	Net cash from / (used in) financing activities	(0.0)	(0.0)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,697.3	23,171.1
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,706.1)	(10,711.6)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(531.4)	(3,186.4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0.0	0.0
4.5	Effect of movement in exchange rates on cash held	(326.1)	(139.4)
4.6	Cash and cash equivalents at end of period	9,133.7	9,133.7

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	9,133.7	17,697.1
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (cash on hand)	0.2	0.2
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,133.9	17,697.3

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	275.0
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><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></p> <p>During the quarter, the company made payments to Executive & Non-Executive Directors relating to Salaries & Wages (inclusive of superannuation and applicable taxes withheld) and Directors Fees on normal commercial terms.</p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements	362.0	22.6
7.3 Other (please specify)		
7.4 Total financing facilities	362.0	22.6
7.5 Unused financing facilities available at quarter end		339.4
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.		
<p>NAB Corporate Credit Card Facilities \$112,000 Limit. Interest rate: 18.5%</p> <p>American Express Corporate Charge Card \$250,000 Limit.</p> <p>Unsecured A\$3 million loan facility finalised post quarter end with Executive Chairman, Michael Sullivan (currently undrawn); Interest rate 10.0% and maturity is 2 years after drawdown</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(7,706.1)
8.2 Cash and cash equivalents at quarter end (item 4.6)	9,133.9
8.3 Unused finance facilities available at quarter end (item 7.5)	339.4
8.4 Total available funding (item 8.2 + item 8.3)	9,473.3
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.2
<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>	
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?	
<p>Answer: H1 FY24 was impacted by significant one-off cash outflows for the Group that are not expected to re-occur in H2 FY24. The Group was cash flow neutral in January 2024 and is expected to remain so throughout H2, with technology development and marketing expenditure to be significantly lower than in H1.</p>	
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?	
<p>Answer: BlueBet has obtained a new unsecured loan facility of A\$3m, providing the Group with additional financial flexibility and strategic optionality.</p>	

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: Yes. As per the response to in 8.6.1, the Group expects to be cash flow neutral throughout H2 FY24, with additional financial flexibility provided by a new \$3 million loan facility. BlueBet is expected to continue its operations and meet its objectives while strategic discussions⁹ remain ongoing.

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.

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 January 2024

Authorised by: Board of Directors
(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.

⁹ See announcement made to ASX dated 5 January 2024 titled "Response to media speculation" and the December 2023 Quarterly Report Investor Presentation.