

## 1. Company details

Name of entity:	BlueBet Holdings Ltd
ABN:	19 647 124 641
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

## 2. Results for announcement to the market

				\$'000
Revenues from ordinary activities	up	12.8%	to	27,935
Loss from ordinary activities after tax attributable to the owners of BlueBet Holdings Ltd	up	4.7%	to	(10,363)
Loss for the half-year attributable to the owners of BlueBet Holdings Ltd	up	4.7%	to	(10,363)

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The loss for the Group after providing for income tax amounted to \$10,363,000 (31 December 2022: \$9,901,000).

### EBITDA

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$'000	\$'000
Loss after income tax	(10,363)	(9,901)
Add: Interest expense	469	22
Add: Depreciation and amortisation	2,415	889
Less: Income tax benefit	(1,752)	(1,467)
<b>EBITDA</b>	<b>(9,231)</b>	<b>(10,457)</b>

### 3. Net tangible assets

	Consolidated	
	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Net assets	19,823	28,852
Less: Intangible assets (including right-of-use assets)	(24,309)	(25,390)
Net tangible assets	<u>(4,486)</u>	<u>3,462</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Number of ordinary shares on issue at period end	201,098,780	200,201,228
	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	<u>(2.23)</u>	<u>1.73</u>

### 4. Control gained over entities

Not applicable.

### 5. Loss of control over entities

Not applicable.

### 6. Dividend reinvestment plans

Not applicable.

### 7. Details of associates and joint venture entities

Not applicable.

### 8. Foreign entities

#### Details of origin of accounting standards used in compiling the report:

All entities including foreign entities are presented in compliance with Australian Accounting Standards (AASB).

### 9. Audit qualification or review

#### Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.


## **10. Attachments**

### **Details of attachments (if any):**

The Interim Report of BlueBet Holdings Ltd for the half-year ended 31 December 2023 is attached.

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## **11. Signed**

Signed   
\_\_\_\_\_

Date: 28 February 2024

Michael Sullivan  
Executive Chairman  
Sydney



***BlueBet Holdings Ltd***

**ABN 19 647 124 641**

***Interim Report - 31 December 2023***

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of BlueBet Holdings Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

### **Directors**

The following persons were directors of BlueBet Holdings Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Michael Sullivan	Executive Chairman
Bill Richmond	Director and Chief Executive Officer
Tim Worner	Non-Executive Director
David Fleming	Non-Executive Director
Nigel Payne	Non-Executive Director

### **Principal activities**

The principal activities of the company during the financial year were the offering of sports and racing betting products and services to online and telephone clients, via its innovative online wagering platform and mobile applications.

### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

### **Review of operations**

The loss for the Group after providing for income tax amounted to \$10,363,000 (31 December 2022: loss of \$9,901,000).

### **EBITDA**

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	<b>Consolidated</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss after income tax	(10,363)	(9,901)
Add: Interest expense	469	22
Add: Depreciation and amortisation	2,415	889
Less: Income tax benefit	(1,752)	(1,467)
<b>EBITDA</b>	<b>(9,231)</b>	<b>(10,457)</b>

### **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Group during the financial half-year.

### **Rounding of amounts**

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

**BlueBet Holdings Ltd**  
**Directors' report**  
**31 December 2023**



This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Michael Sullivan".

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Michael Sullivan  
Executive Chairman

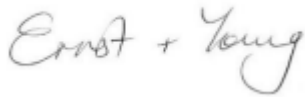
28 February 2024

## **Auditor's independence declaration to the directors of Bluebet Holdings Limited**

As lead auditor for the review of the half-year financial report of Bluebet Holdings Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bluebet Holdings Limited and the entities it controlled during the financial period.



Ernst & Young



Simon Hannigan  
Partner  
28 February 2024

**BlueBet Holdings Ltd**  
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**31 December 2023**



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**BlueBet Holdings Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2023**



	Note	Consolidated 31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Revenue</b>			
Wagering revenue		27,817	24,670
Cost of wagering services		(13,142)	(11,604)
Gross profit		14,675	13,066
Interest revenue calculated using the effective interest method		118	92
<b>Expenses</b>			
Employee benefits expense		(8,502)	(7,744)
Advertising and marketing expense		(8,327)	(11,400)
Licencing, platform and subscriptions		(2,279)	(1,643)
IT expense		(2,942)	(1,143)
Administration expense		(885)	(424)
Depreciation and amortisation expense		(2,415)	(889)
Other expenses		(1,089)	(1,261)
Finance costs		(469)	(22)
<b>Loss before income tax benefit</b>		(12,115)	(11,368)
Income tax benefit		1,752	1,467
<b>Loss after income tax benefit for the half-year attributable to the owners of BlueBet Holdings Ltd</b>		(10,363)	(9,901)
<b>Other comprehensive (loss)/income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(61)	38
Other comprehensive (loss)/income for the half-year, net of tax		(61)	38
<b>Total comprehensive loss for the half-year attributable to the owners of BlueBet Holdings Ltd</b>		(10,424)	(9,863)
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	11	(5.17)	(4.95)
Diluted earnings per share	11	(5.17)	(4.95)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**BlueBet Holdings Ltd**  
**Statement of financial position**  
**As at 31 December 2023**



	Note	Consolidated 31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		8,567	22,695
Trade and other receivables		528	363
Income tax refund due		-	46
Other assets		1,365	597
<b>Total current assets</b>		<b>10,460</b>	<b>23,701</b>
<b>Non-current assets</b>			
Investments		839	839
Property, plant and equipment		645	729
Right-of-use assets		518	720
Intangibles	5	24,309	24,670
Deferred tax asset		5,658	3,907
Other assets		526	526
<b>Total non-current assets</b>		<b>32,495</b>	<b>31,391</b>
<b>Total assets</b>		<b>42,955</b>	<b>55,092</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		7,329	10,039
Borrowings		32	31
Lease liabilities		416	414
Employee benefits		1,654	1,200
Client deposits on hand		3,388	4,454
<b>Total current liabilities</b>		<b>12,819</b>	<b>16,138</b>
<b>Non-current liabilities</b>			
Trade and other payables		9,854	9,427
Borrowings		158	174
Lease liabilities		175	391
Employee benefits		126	110
<b>Total non-current liabilities</b>		<b>10,313</b>	<b>10,102</b>
<b>Total liabilities</b>		<b>23,132</b>	<b>26,240</b>
<b>Net assets</b>		<b>19,823</b>	<b>28,852</b>
<b>Equity</b>			
Issued capital	6	47,856	47,806
Reserves	7	6,963	5,679
Accumulated losses		(34,996)	(24,633)
<b>Total equity</b>		<b>19,823</b>	<b>28,852</b>

The above statement of financial position should be read in conjunction with the accompanying notes

**BlueBet Holdings Ltd**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2023**



<b>Consolidated</b>	<b>Issued capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2022	47,806	3,361	(5,801)	45,366
Loss after income tax benefit for the half-year	-	-	(9,901)	(9,901)
Other comprehensive income for the half-year, net of tax	-	38	-	38
Total comprehensive (loss)/income for the half-year	-	38	(9,901)	(9,863)
<b>Transactions with owners in their capacity as owners:</b>				
Share-based payments (note 12)	-	1,297	-	1,297
Balance at 31 December 2022	<u>47,806</u>	<u>4,696</u>	<u>(15,702)</u>	<u>36,800</u>

<b>Consolidated</b>	<b>Issued capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2023	47,806	5,679	(24,633)	28,852
Loss after income tax benefit for the half-year	-	-	(10,363)	(10,363)
Other comprehensive loss for the half-year, net of tax	-	(61)	-	(61)
Total comprehensive loss for the half-year	-	(61)	(10,363)	(10,424)
<b>Transactions with owners in their capacity as owners:</b>				
Share-based payments (note 12)	-	1,345	-	1,345
Shares issued for services rendered	50	-	-	50
Balance at 31 December 2023	<u>47,856</u>	<u>6,963</u>	<u>(34,996)</u>	<u>19,823</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

**BlueBet Holdings Ltd**  
**Statement of cash flows**  
**For the half-year ended 31 December 2023**



	<b>Consolidated</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (Client deposits)	91,712	74,602
Payments to customers (Client withdrawals)	(62,384)	(47,599)
Payments to suppliers and employees (inclusive of GST)	(39,751)	(35,609)
Interest received	118	92
Interest and other finance costs paid	(469)	(33)
Income taxes paid	-	(45)
<b>Net cash used in operating activities</b>	<b>(10,774)</b>	<b>(8,592)</b>
<b>Cash flows from investing activities</b>		
Payments for investments	-	(839)
Payments for property, plant and equipment	(32)	(70)
Payments for intangibles	(2,878)	(5,473)
<b>Net cash used in investing activities</b>	<b>(2,910)</b>	<b>(6,382)</b>
<b>Cash flows from financing activities</b>		
Repayment of leases	(289)	(181)
Repayment of chattel mortgage	(15)	(11)
<b>Net cash used in financing activities</b>	<b>(304)</b>	<b>(192)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(13,988)</b>	<b>(15,166)</b>
Cash and cash equivalents at the beginning of the financial half-year	22,695	47,268
Effects of exchange rate changes on cash and cash equivalents	(140)	57
<b>Cash and cash equivalents at the end of the financial half-year</b>	<b>8,567</b>	<b>32,159</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

## **Note 1. General information**

The financial statements cover BlueBet Holdings Ltd as a Group consisting of BlueBet Holdings Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is BlueBet Holdings Ltd's functional and presentation currency.

BlueBet Holdings Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9, 8 Spring Street  
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2024. The directors have the power to amend and reissue the financial statements.

## **Note 2. Material accounting policy information**

### **Basis of preparation**

These general purpose condensed financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose condensed financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **Going concern**

During the half-year ended 31 December 2023, the Group incurred a loss after tax of \$10,363,000 (31 December 2022: \$9,901,000) and had net operating cash outflows of \$10,774,000 (31 December 2023: \$8,592,000). Further, the Group has a net current assets deficiency of \$2,359,000 at 31 December 2023 (30 June 2023: net current asset surplus of \$7,563,000), as well as net assets position of \$19,823,000 (30 June 2023: \$28,852,000).

The directors believe that the funds available from existing cash reserves will provide the Group with sufficient working capital to carry out its stated objectives for at least the next 12 months from the date of signing these financial statements.

The financial statements have been prepared on the going concern basis for the above reasons. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

### Note 3. Operating segments

#### Identification of reportable operating segments

The Group is organised into three operating segment being Australia, North America and Corporate. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

#### Operating segment information

<b>Consolidated - 31 Dec 2023</b>	<b>Australia \$'000</b>	<b>North America \$'000</b>	<b>Corporate * \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>				
Wagering revenue	27,948	(131)	-	27,817
Cost of wagering services	(12,883)	(259)	-	(13,142)
Gross margin	15,065	(390)	-	14,675
Interest revenue	-	-	118	118
<b>Total revenue</b>	<b>15,065</b>	<b>(390)</b>	<b>118</b>	<b>14,793</b>
<b>Segment EBITDA</b>	<b>(662)</b>	<b>(6,358)</b>	<b>(2,211)</b>	<b>(9,231)</b>
Depreciation and amortisation				(2,415)
Finance costs				(469)
<b>Loss before income tax benefit</b>				<b>(12,115)</b>
Income tax benefit				1,752
<b>Loss after income tax benefit</b>				<b>(10,363)</b>
<b>Assets</b>				
Segment assets	27,378	15,577	-	42,955
<b>Total assets</b>				<b>42,955</b>
<b>Liabilities</b>				
Segment liabilities	11,002	12,130	-	23,132
<b>Total liabilities</b>				<b>23,132</b>

\* Corporate segment expenses include KMP and director remuneration (inclusive of KMP and director share based payments expenses), Director fees, listed company costs (incorporating audit fees, investor relations, Group-wide insurance and company secretarial costs) and a component of the employment benefits of certain other head office based management.

**Note 3. Operating segments (continued)**

	Australia \$'000	North America \$'000	Corporate * \$'000	Total \$'000
<b>Consolidated - 31 Dec 2022</b>				
<b>Revenue</b>				
Wagering revenue	24,741	(71)	-	24,670
Cost of wagering services	(11,581)	(23)	-	(11,604)
Gross margin	13,160	(94)	-	13,066
Interest revenue	-	-	92	92
<b>Total revenue</b>	<b>13,160</b>	<b>(94)</b>	<b>92</b>	<b>13,158</b>
<b>Segment EBITDA</b>				
Depreciation and amortisation	(4,469)	(3,885)	(2,103)	(10,457)
Finance costs				(889)
				(22)
<b>Loss before income tax benefit</b>				<b>(11,368)</b>
Income tax benefit				1,467
<b>Loss after income tax benefit</b>				<b>(9,901)</b>
<b>Consolidated - 30 Jun 2023</b>				
<b>Assets</b>				
Segment assets	37,209	17,883	-	55,092
<b>Total assets</b>				<b>55,092</b>
<b>Liabilities</b>				
Segment liabilities	13,314	12,926	-	26,240
<b>Total liabilities</b>				<b>26,240</b>

\* Corporate segment expenses include KMP and director remuneration (inclusive of KMP and director share based payments expenses), Director fees, listed company costs (incorporating audit fees, investor relations, Group-wide insurance and company secretarial costs) and a component of the employment benefits of certain other head office based management.

**Geographical information**

	Sales to external customers		Geographical non-current assets	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Australia	27,948	24,741	12,957	12,660
North America	(131)	(71)	13,880	14,733
	<b>27,817</b>	<b>24,670</b>	<b>26,837</b>	<b>27,393</b>

The geographical non-current assets above are exclusive of, where applicable, financial instruments and deferred tax assets.

**Note 4. Wagering revenue**

	<b>Consolidated</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Revenue from wagering</i>		
Betting turnover (gross of GST)	319,483	280,512
Payouts on betting (gross of GST)	(278,544)	(244,287)
	<u>40,939</u>	<u>36,225</u>
Promotions given (gross of GST)	(10,326)	(9,088)
GST	(2,796)	(2,467)
	<u>27,817</u>	<u>24,670</u>

**Disaggregation of revenue**

The disaggregation of revenue from contracts with customers is as follows:

	<b>Consolidated</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Major product lines</b>		
Revenue from betting on:		
Sports	542	2,194
Horse racing	15,295	10,577
Greyhound racing	9,370	8,842
Harness racing	2,610	3,057
	<u>27,817</u>	<u>24,670</u>
<b>Geographical regions</b>		
Australia	<u>27,817</u>	<u>24,670</u>

All wagering revenue is recognised at a point in time when the outcome of all events to which a bet is related is known.

**Note 5. Intangibles**

	<b>Consolidated</b>	
	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current assets</b>		
Website and apps - at cost	14,240	12,332
Less: Accumulated amortisation	(3,410)	(1,883)
	<u>10,830</u>	<u>10,449</u>
Patents and trademarks - at cost	44	44
Licencing - at cost <sup>1</sup>	14,791	14,897
Less: Accumulated amortisation	(1,356)	(720)
	<u>13,435</u>	<u>14,177</u>
	<u>24,309</u>	<u>24,670</u>



**Note 5. Intangibles (continued)**

<sup>1</sup> Relates to US licences.

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Website and apps \$'000</b>	<b>Patents and trademarks \$'000</b>	<b>Licensing \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2023	10,449	44	14,177	24,670
Additions	1,908	-	1,081	2,989
Disposals	-	-	(732)	(732)
Exchange differences	-	-	(456)	(456)
Amortisation expense	(1,527)	-	(635)	(2,162)
Balance at 31 December 2023	<u>10,830</u>	<u>44</u>	<u>13,435</u>	<u>24,309</u>

**Note 6. Issued capital**

	<b>Consolidated</b>			
	<b>31 Dec 2023 Shares</b>	<b>30 Jun 2023 Shares</b>	<b>31 Dec 2023 \$'000</b>	<b>30 Jun 2023 \$'000</b>
Ordinary shares - fully paid	<u>201,098,780</u>	<u>200,201,228</u>	<u>47,856</u>	<u>47,806</u>

**Movements in ordinary share capital**

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$'000</b>
Balance	1 July 2023	200,201,228		47,806
Exercise of performance share rights	19 July 2023	60,031	\$0.00	-
Issue of shares for services rendered	1 September 2023	280,899	\$0.18	50
Exercise of performance share rights	7 November 2023	304,473	\$0.00	-
Exercise of performance share rights	21 November 2023	88,550	\$0.00	-
Exercise of performance share rights	8 December 2023	163,599	\$0.00	-
Balance	31 December 2023	<u>201,098,780</u>		<u>47,856</u>

**Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and any proceeds attributable to shareholders should the company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**Share buy-back**

There is no current on-market share buy-back.

**Note 7. Reserves**

	Consolidated	
	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Foreign currency reserve	328	389
Share-based payments reserve	6,635	5,290
	6,963	5,679

**Foreign currency reserve**

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

**Share-based payments reserve**

The reserve is used to recognise the value of unvested equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

**Movements in reserves**

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Foreign currency translation \$'000	Share-based payment \$'000	Total \$'000
Balance at 1 July 2023	389	5,290	5,679
Foreign currency translation	(61)	-	(61)
Share-based payments	-	1,345	1,345
Balance at 31 December 2023	328	6,635	6,963

**Note 8. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Note 9. Fair value measurement**

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Assets</b>				
Investments at fair value through other comprehensive income	-	-	839	839
Total assets	-	-	839	839

**Note 9. Fair value measurement (continued)**

Consolidated - 30 Jun 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Assets</b>				
Investments at fair value through other comprehensive income	-	-	839	839
Total assets	-	-	839	839

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature with the exception of long term trade and other payables, which are discounted to their present value applying an incremental borrowing rate.

**Note 10. Contingent liabilities**

The Group is currently subject to charges made by the Victorian Gambling and Casino Control Commission (VGCCC) against the Group for which the maximum penalties may amount to \$954,187.

The matter was heard by the Victorian Magistrates Court on 22 February 2024, with the Court reserving its decision, which is to be handed down on 9 April 2024.

The Directors consider it likely that the outcome of this matter will result in a significantly reduced number of VGCCC charges being upheld by the court (if any), and accordingly a significantly reduced penalty (if any). Whilst the Directors have recorded a provision representing their best estimates of the likely outcome of this matter, they acknowledge the uncertainties in relation to this matter and accordingly the existence of a contingent liability of up to a maximum of \$954,187. A charge amount of this quantum would arise only in the less than probable event of full incursion of penalties on the Group by the VGCCC.

**Note 11. Earnings per share**

	Consolidated 31 Dec 2023 \$'000	31 Dec 2022 \$'000
Loss after income tax attributable to the owners of BlueBet Holdings Ltd	(10,363)	(9,901)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	200,573,716	200,109,649
Weighted average number of ordinary shares used in calculating diluted earnings per share	200,573,716	200,109,649
	Cents	Cents
Basic earnings per share	(5.17)	(4.95)
Diluted earnings per share	(5.17)	(4.95)

As at the reporting date, the Group had 10,007,440 potential ordinary shares in the form of escrowed and non-vested ordinary shares and 16,930,627 potential ordinary shares in the form of performance rights that could potentially dilute basic earnings per share in the future. These were excluded from the calculation of diluted earnings per share because they were anti-dilutive.

**Note 12. Share-based payments**

The share based payment expense for the period amount to \$1,345,000. This is represented by an increase in the share based payment reserve of the same amount.

**Note 12. Share-based payments (continued)**

**BlueBet Long-Term Incentive Plan (LTIP)**

The company has established a LTIP to assist in the motivation, retention and reward of certain employees, Non-Executive Directors and key management personnel engaged by the company or any of its subsidiaries ('Participants'). The LTIP is designed to align the interests of participants more closely with the interests of shareholders by providing them an opportunity to receive the benefit of increases in the value of shares in the company through the granting of performance rights, options and/or shares.

Set out below are summaries of options granted under the plan:

	Number of options 31 Dec 2023	Weighted average exercise price 31 Dec 2023	Number of options 31 Dec 2022	Weighted average exercise price 31 Dec 2022
Outstanding at the beginning of the financial half-year	10,007,440	\$1.13	11,285,640	\$1.14
Granted	-	\$0.00	510,000	\$0.49
Outstanding at the end of the financial half-year	<u>10,007,440</u>	\$1.13	<u>11,795,640</u>	\$1.13
Exercisable at the end of the financial half-year	<u>3,421,719</u>		<u>-</u>	

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 4.5 years (31 December 2022: 5.6 years).

**BlueBet Employee Equity Incentive Plan**

A share incentive plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Remuneration and Nomination Committee, grant performance rights over ordinary shares in the company to certain key management personnel of the Group. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Remuneration and Nomination Committee.

Set out below are summaries of performance rights granted under the plan:

	Number of rights	
	31 Dec 2023	31 Dec 2022
Outstanding at the beginning of the financial half-year	4,960,662	800,131
Granted	12,693,356	4,653,876
Forfeited	(106,738)	-
Exercised	(616,653)	(91,579)
Outstanding at the end of the financial half-year	<u>16,930,627</u>	<u>5,362,428</u>
Exercisable at the end of the financial half-year	<u>359,413</u>	<u>68,447</u>

**Note 12. Share-based payments (continued)**

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

<b>Grant date</b>	<b>Vesting date</b>	<b>Share price at grant date</b>	<b>Exercise price</b>	<b>Fair value at grant date</b>
20/09/2023	31/08/2024	\$0.22	\$0.00	\$0.22
20/09/2023	31/08/2025	\$0.22	\$0.00	\$0.22
20/09/2023	31/08/2026	\$0.22	\$0.00	\$0.22
30/11/2023	31/08/2024	\$0.21	\$0.00	\$0.21
30/11/2023	31/08/2025	\$0.21	\$0.00	\$0.21
30/11/2023	31/08/2026	\$0.21	\$0.00	\$0.21

**Note 13. Events after the reporting period**

In addition to the charge by the Victorian Gambling and Casino Control Commission (VGCCC) mentioned in note 10 'Contingent liabilities', an unsecured loan facility of \$3 million was finalised post quarter end with the Executive Chairman, Michael Sullivan at an interest rate of 10%. This loan facility is currently undrawn.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**BlueBet Holdings Ltd**  
**Directors' declaration**  
**31 December 2023**



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Michael Sullivan".

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Michael Sullivan  
Executive Chairman

28 February 2024

## Independent auditor's review report to the members of BlueBet Holdings Limited

### Conclusion

We have reviewed the accompanying half year financial report of Bluebet Holdings Limited (“the Company”) and its subsidiaries (collectively “the Group”), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (“ASRE 2410”)*. Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

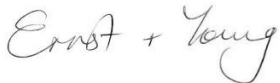
The directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is

substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



Simon Hannigan  
Partner  
Sydney  
28 February 2024