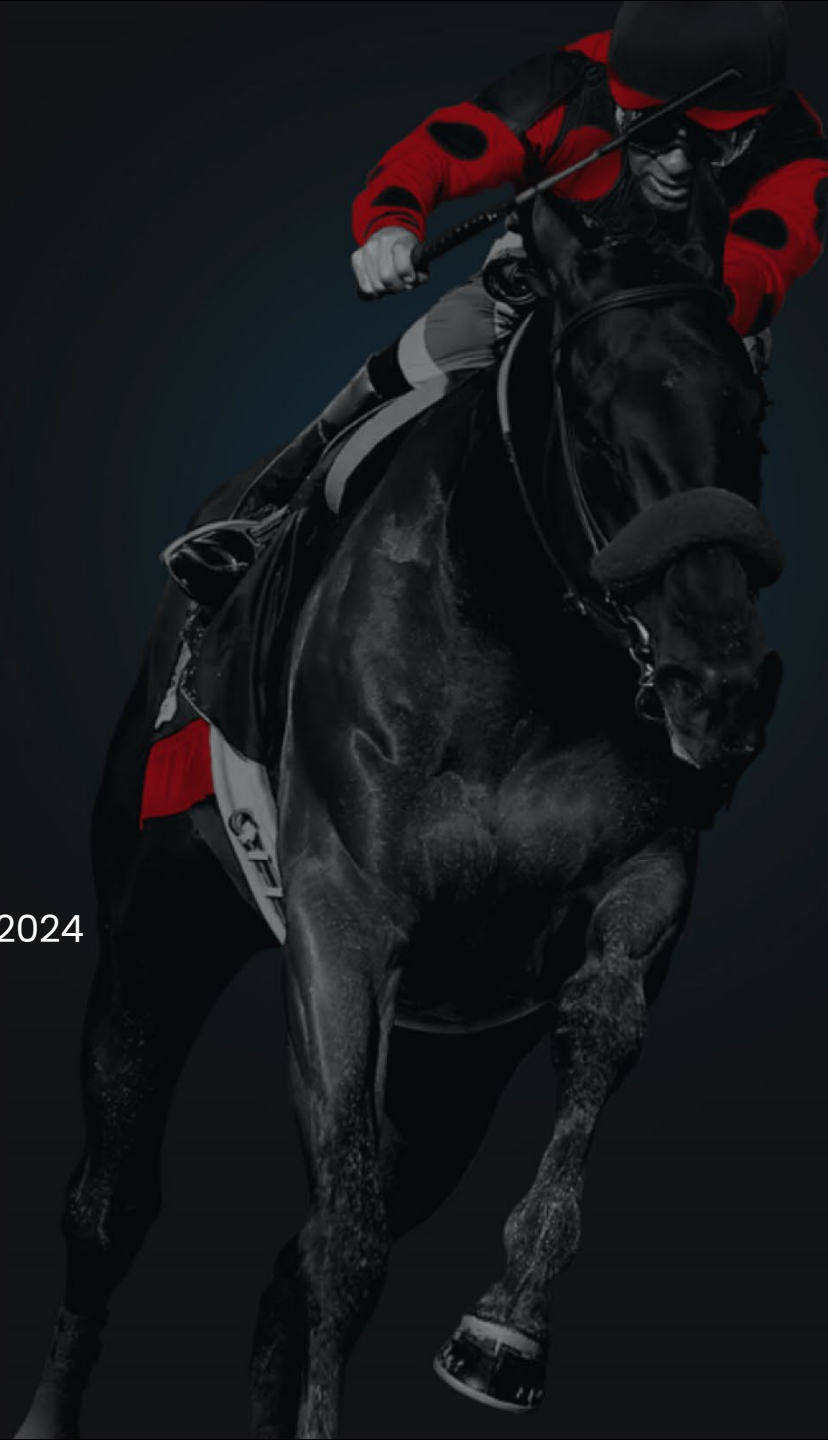


POINTS**BET**

Q3 FY24 : QUARTERLY ACTIVITIES REPORT | April 2024



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US BUSINESS SALE COMPLETION AND SECOND CAPITAL RETURN

Second Capital Return timetable

All figures in A\$

Last day for trading of Shares entitled to participate in Second Capital Return	Monday, 29 April 2024
Ex date	Tuesday, 30 April 2024
Record date	Wednesday, 1 May 2024
Payment date	Thursday, 16 May 2024



Subsequent Completion of sale to Fanatics Betting and Gaming occurred on 4 April 2024, with the Company receiving **US\$50 million**, representing the final installment of the headline purchase price of **US\$225 million**¹



The Company retains its **Australian Trading Business** and **growing Canadian Trading Business**, together with its **proprietary sports wagering, racing, iGaming platform** and **Odds Factory**²



Confirmed **Second Capital Return** of \$127 million, representing **39 cents per share**³



Total aggregate capital return to shareholders of \$442m across First and Second Capital returns

GROUP Q3 FY24 TRADING AND FINANCIAL METRICS

All figures in A\$		Q3 FY24	Q3 FY23	PCP
SPORTS BETTING	Turnover / Handle ¹	\$676.4m	\$630.8m	+7%
	Gross Win ² Margin %	12.3%	11.8%	+0.6pp
	Gross Win	\$83.4m	\$74.3m	+12%
	Net Win ³ Margin %	9.6%	8.4%	+1.2pp
	Net Win	\$65.1m	\$53.2m	+22%
iGAMING	Net Win	\$5.5m	\$3.6m	+52%
TOTAL	Total Net Win	\$70.6m	\$56.8m	+24%



Combined Australian and Canadian business delivered record Net Win of \$70.6m, up 24% on the PCP, accelerating from the 14% growth delivered in H1



Net cash flow of \$2.0m for the quarter⁴, another first and important milestone in the Company's history



Re-confirm guidance for FY24 Normalised Group EBITDA⁵ loss of (\$9 - \$14)m



The Company confirms it expects to deliver **positive Normalised Group EBITDA⁵ in FY25**

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. Underlying net cash flows excluding movement in player cash accounts, non-recurring investing activities such as proceeds/payments related to the US Business Sale or Discontinued Operations and any proceeds from capital raises.
5. Normalised EBITDA is Earnings before Interest, Tax, Depreciation and Amortisation excluding any US Business Sale transaction related costs, share based payments, discontinued operations and any one-off items.

AUSTRALIA Q3 FY24 TRADING AND FINANCIAL METRICS

All figures in A\$		Q3 FY24	Q3 FY23	PCP
SPORTS BETTING	Turnover / Handle ¹	\$605.5m	\$579.8m	+4%
	Gross Win ² Margin %	12.7%	12.1%	+0.6pp
	Gross Win	\$76.9m	\$70.3m	+9%
	Net Win ³ Margin %	10.0%	8.8%	+1.3pp
	Net Win	\$60.8m	\$50.7m	+20%



Net Win growth of 20% vs the PCP, with continued market share growth



Continued improvement in efficiency of generosity spend: 20.9% vs 27.8% in the PCP



221k Cash Active Clients⁴, up 1% from Q2 FY24



Sport delivered double digit growth in Net Win vs the PCP, with **Racing Net Win** growing vs the PCP



In Q3 FY24, \$26.4M in GST, Point of Consumption Tax, and Product Fee payments to **Australian Governments and Racing and Sports Bodies**, representing **43.4%** 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.

CANADA Q3 FY24 TRADING AND FINANCIAL METRICS¹

All figures in A\$		Q3 FY24	Q3 FY23	PCP
SPORTS BETTING	Turnover / Handle ²	\$70.8m	\$50.9m	+39%
	Gross Win ³ Margin %	9.3%	7.8%	+1.4pp
	Gross Win	\$6.6m	\$4.0m	+64%
	Net Win ⁴ Margin %	6.1%	4.8%	+1.3pp
	Net Win	\$4.3m	\$2.4m	+78%
iGAMING	Net Win	\$5.5m	\$3.6m	+52%
TOTAL	Total Net Win	\$9.9m	\$6.1m	+62%



Strong Net Win of \$9.9m, up 62% vs the PCP



Sports Betting Net Win up 78% vs the PCP, driven by improved trading margin and continued gains in promotions efficiency



iGaming Net Win up 52% vs the PCP



43k Cash Active Clients⁵, up 12% from Q2 FY24



Completed integration with Strive Gaming to accelerate growth in iGaming business

1. Average AUD/CAD rate was 0.8866 for Q3 FY24 and 0.9249 for Q3 FY23.

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.

SUMMARY OF QUARTERLY CASH FLOWS

All amounts in A\$m ¹	Q3 FY24	Q2 FY24
Receipts from customers (inclusive of GST)	70.6	69.9
Cost of sales	(29.7)	(31.6)
Sales and marketing ²	(14.0)	(21.0)
Staff costs	(9.8)	(8.7)
Administration, corporate costs and GST paid on Net Win	(11.9)	(9.4)
Other operating cash flows	0.2	0.9
Net cash inflow/(outflow) from operating activities excluding movement in player cash	5.4	0.1
Change in player cash accounts	(3.0)	(1.3)
Net cash inflow/(outflow) from operating activities	2.4	(1.2)
Purchase of property & equipment	(0.0)	(0.0)
Payments for capitalised software development	(3.3)	(3.9)
Other non-current assets	(0.2)	(0.0)
Proceeds/Payments related to disposal of businesses (Sale of US Business)	(2.8)	(3.9)
Funds received from PointsBet USA Holdings Inc ³	20.5	(0.0)
Net cash inflow/(outflow) from investing activities	14.2	(7.9)
Proceeds from exercise of share options	0.3	0.1
Return of Capital	(0.0)	(0.0)
Other financing cash flow	(0.2)	(0.2)
Net cash inflow/(outflow) from financing activities	0.1	(0.2)
Cash and cash equivalents at beginning of the period	61.2	71.8
Net cash flow excluding movement in player cash	19.7	(8.0)
Net cash flow	16.7	(9.3)
Effect of movement in exchange rates on cash held	1.2	(1.3)
Cash and cash equivalents at end of the period⁴	79.1	61.2
Corporate Cash at end of the period	67.2	46.3
Adjusted Corporate Cash at end of the period⁵	74.7	74.3

- **At 31 March 2024**, the Company had \$67.2 million of statutory Corporate Cash, with **Adjusted Corporate Cash⁵ of \$74.7 million**
- **Company received US\$50.0 million post Subsequent Completion on 4 April 2024⁶**
- **First positive net cash flow⁷ quarter** in the Company's history of **\$2.0 million**
- Cash inflow from operating activities⁸ was \$5.4 million. **The Company expects total operating cash flows⁸ for Q4 FY24 to be positive**
- **Net cash from investing activities during the quarter was \$14.2 million.** This included full repayment of loan from PointsBet USA Holdings Inc, offset by additional payments related to the US Business Sale

1. End of period AUD/CAD FX rate 0.8828.

2. Sales and Marketing payments includes all direct and indirect marketing costs, including production, agency/placement fees and working media incurred during the period, including net working capital relating to the settlement of payables/accruals from prior periods and unpaid marketing expenses at the end of the period.

3. Represents an amount held by PointsBet USA Holdings Inc at 30 September 2023 as required to operate the US Business until Subsequent Completion. This amount has been transferred back to PointsBet Holdings Limited.

4. Cash and cash equivalents at end of the period includes \$11.9 million in player cash accounts.

5. Adjusted Corporate Cash is Corporate Cash of \$67.2m adjusted for an amount of \$7.5 million being a reimbursable US Business Sale related payment, paid in Q4 FY23 that will be re-imbursed at Subsequent Completion.

6. Plus any agreed completion adjustments.

7. Underlying net cash flows excluding movement in player cash accounts, non-recurring investing activities such as proceeds/payments related to the US Business Sale or Discontinued Operations and any proceeds from capital raises.

8. Excluding movement in player cash accounts.

Appendix

RELATED PARTY TRANSACTIONS AS PER ASX LISTING RULE 4.7C.3 – \$1.15m

- Payments of \$0.95m 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 \$0.20m 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.

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")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	70,565	198,627
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs (Cost of Sales)	(29,662)	(83,339)
(c) advertising and marketing	(14,038)	(56,378)
(d) leased assets	-	-
(e) staff costs	(9,798)	(30,937)
(f) administration and corporate costs and GST ¹	(11,883)	(34,885)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	264	2,183
1.5 Interest and other costs of finance paid ²	(57)	(205)
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 ³	(3,012)	(3,250)
1.9 Net cash from / (used in) operating activities	2,379	(8,184)

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

2. Includes interest costs on lease liability upon adoption of AASB 16 "Leases" accounting standard from 1 July 2019.

3. Represents Net Movement in Player Cash Accounts.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses – Sale of US Business ⁵	(2,843)	(6,730)
(c) property, plant and equipment	(1)	(66)
(d) investments	-	-
(e) intellectual property ⁴	(3,309)	(11,515)
(f) other non-current assets	-	(62)
2.2 Proceeds from disposal of:		
(g) entities	-	-
(h) businesses – Sale of US Business	-	220,488
(i) property, plant and equipment	-	-
(j) investments	-	-
(k) intellectual property	-	-
(l) other non-current assets	-	36
2.3 Cash flows from loans to other entities ⁶	20,545	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material) Global Business Development (Market Access, licensing costs)	(162)	(246)
2.6 Net cash from / (used in) investing activities	14,230	201,905

⁴. Includes Capitalised Development Costs.

⁵. Includes additional costs incurred in the completion of the US Business Sale and transaction costs such as legal, tax and financial advisor fees.

⁶. Represents an amount held by PointsBet USA Holdings Inc at 30 September 2023 as required to operate the US Business until Subsequent Completion. This amount has been transferred back to PointsBet Holdings Limited.

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	275	857
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid / Return of Capital	-	(315,406)
3.9	Other (provide details if material) Principal repayment of Lease Liability	(196)	(827)
3.10	Net cash from / (used in) financing activities	79	(315,376)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	61,188	212,052
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,379	(8,184)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	14,230	201,905
4.4	Net cash from / (used in) financing activities (item 3.10 above)	79	(315,376)
4.5	Effect of movement in exchange rates on cash held	1,218	(11,303)
4.6	Cash and cash equivalents at end of period	79,094⁷	79,094⁷

⁷. Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of **\$11.94M**.

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	54,733	36,827
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) Term Deposits	24,361	24,361
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	79,094	61,188

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	1,146
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7. Financing facilities <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>	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	2
7.3 Other (please specify)	-	-
7.4 Total financing facilities	35	2
7.5 Unused financing facilities available at quarter end		33
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)	2,379
8.2 Cash and cash equivalents at quarter end (item 4.6)	79,094 ⁸
8.3 Unused finance facilities available at quarter end (item 7.5)	33
8.4 Total available funding (item 8.2 + item 8.3)	79,127
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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 . Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of \$11.94M . Excluding the Player Cash Accounts the balance is \$67.16M .	
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

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: 24 April 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.