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Q1 FY21 INVESTOR PRESENTATION

# **POINTS**BET

OCTOBER 2020



**POINTS**BET

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# KEY HIGHLIGHTS



## *SECURED TRANSFORMATIONAL MEDIA PARTNERSHIP*

- ✓ Transformational media partnership secured with NBCUniversal
- ✓ 5-year media partnership providing access to world-leading broadcast and digital assets
- ✓ Expected to drive significant financial benefits
- ✓ Key alignment reinforced with a significant equity subscription



## *STRONG Q1 GROUP PERFORMANCE*

- ✓ Record Net Win in Australia of A\$35.1m, up 178% on PCP
- ✓ Record Net Win in New Jersey of A\$5.5m
- ✓ 6.5% online handle market share in New Jersey<sup>(1)</sup> for the quarter
- ✓ 3.2% online handle market share in Indiana<sup>(2)</sup> for the quarter
- ✓ Active Clients<sup>(3)</sup> in the US up 159% on the PCP and up 90% since 30 June 2020
- ✓ Successful completion of A\$353.2m capital raise



## *CONTINUED US EXPANSION*

- ✓ Launched operations in Illinois in September
- ✓ Re-launched operations in Indiana during the quarter
- ✓ Partnered with Kroenke Sports & Entertainment to be the Official and Exclusive Gaming Partner for the Denver Nuggets, Colorado Avalanche, Colorado Mammoth and the Pepsi Center (now Ball Arena)
- ✓ Partnered with Detroit Tigers, Indiana Pacers, Indianapolis Colts and Chicago Bears
- ✓ Secured iGaming access in New Jersey through partnership with Twin River

Notes: (1) Based on total New Jersey online sports betting handle for the quarter, as reported by the New Jersey Division of Gaming Enforcement ("NJDE"); (2) Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission ("IGC"); (3) Clients that have placed a bet in the 12 months preceding the relevant end date

# STRONG GROWTH ACROSS KEY KPIS

All figures in A\$

	Q1 FY20	Q1 FY21	PCP Increase
<b>TURNOVER</b>	\$235.8m	\$691.9m	↑ 193%
<b>GROSS WIN</b>	\$18.4m	\$70.4m	↑ 282%
<b>GROSS WIN %</b>	7.8%	10.2%	↑ 2.3pp
<b>NET WIN</b>	\$11.8m	\$38.1m	↑ 222%
<b>NET WIN %</b>	5.0%	5.5%	↑ 0.5pp
<b>ACTIVE CLIENTS<sup>(1)</sup> (‘000)</b>	87.4	164.5	↑ 88%

	Q1 FY20	Q1 FY21	PCP Increase
<b>TURNOVER</b>	\$164.4m	\$527.7m	↑ 221%
<b>GROSS WIN</b>	\$17.3m	\$60.5m	↑ 249%
<b>GROSS WIN %</b>	10.6%	11.5%	↑ 0.9pp
<b>NET WIN</b>	\$12.6m	\$35.1m	↑ 178%
<b>NET WIN %</b>	7.7%	6.6%	↓ 1.0pp
<b>ACTIVE CLIENTS<sup>(1)</sup> (‘000)</b>	72.0	124.7	↑ 73%

	Q1 FY20	Q1 FY21	PCP Increase
<b>TURNOVER</b>	\$71.4m	\$164.2m	↑ 130%
<b>GROSS WIN</b>	\$1.1m	\$9.8m	↑ 795%
<b>GROSS WIN %</b>	1.5%	6.0%	↑ 4.4pp
<b>NET WIN</b>	(0.8)	\$3.1m	n.m.
<b>NET WIN %</b>	(1.1%)	1.9%	↑ 2.9pp
<b>ACTIVE CLIENTS<sup>(1)</sup> (‘000)</b>	15.4	39.8	↑ 159%

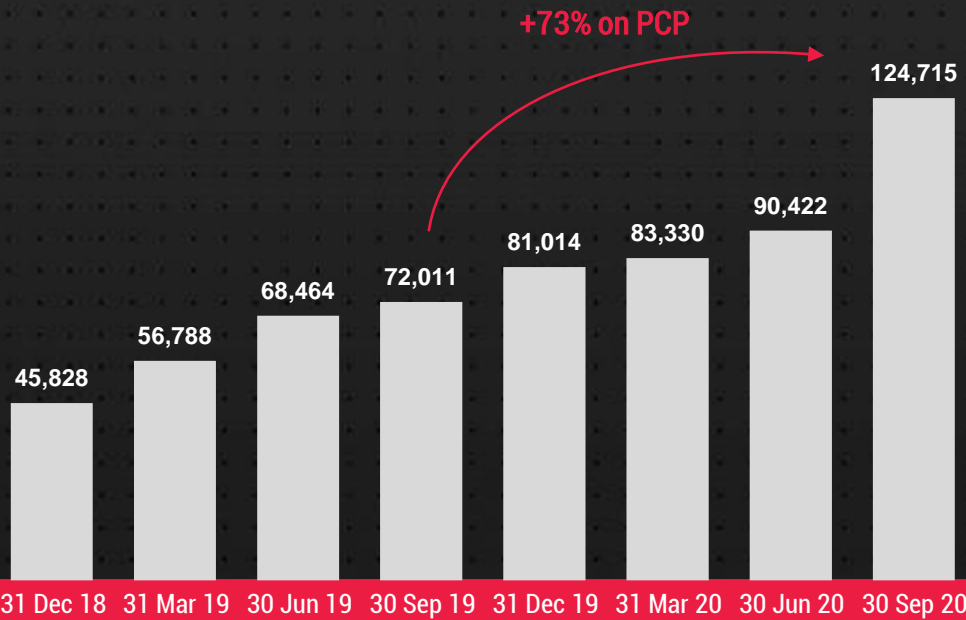
Notes: (1) Clients that have placed a bet in the 12 months preceding the relevant end date; (2) Average AUD / USD FX rate 0.7155



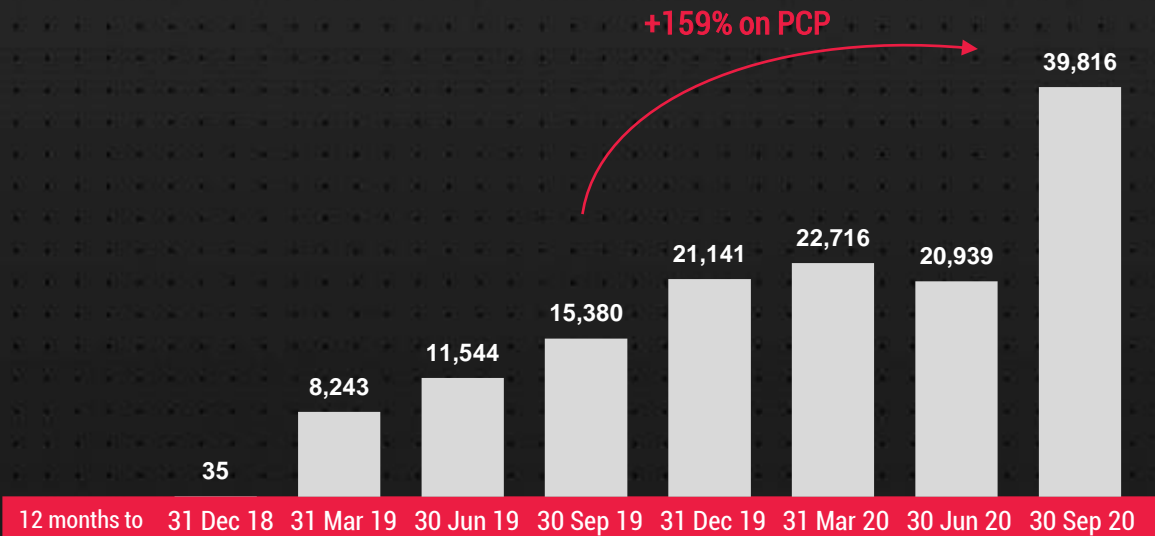
# ACTIVE CLIENTS<sup>(1)</sup>

Clients who have bet in the last twelve months

### Active Clients Australia

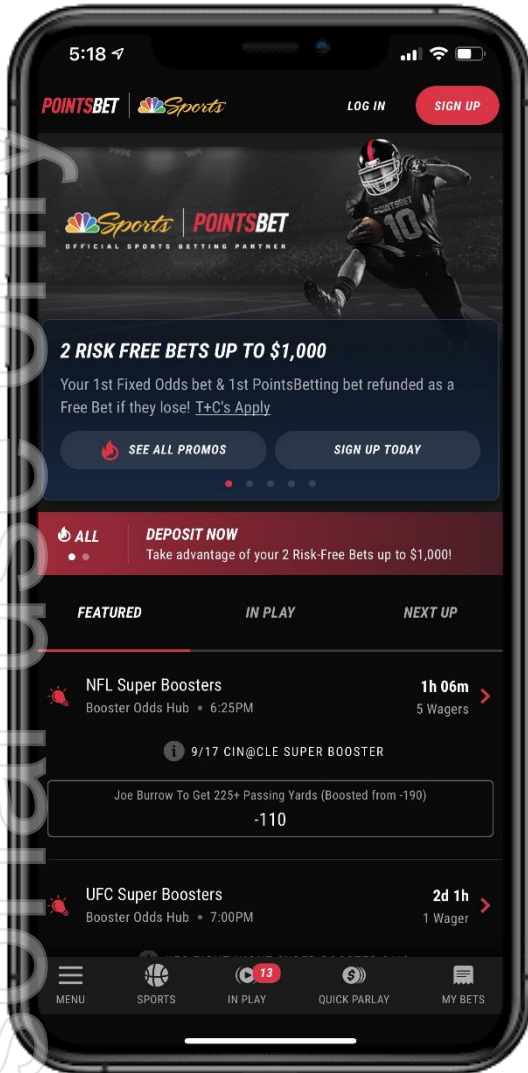


### Active Clients US



Notes: (1) Active clients are clients that have placed a bet in the 12 months preceding the relevant end date

# NBC SPORTS INTEGRATION



**ODDS TO WIN U.S. OPEN**  
VIA POINTSBET SPORTSBOOK

**POINTS BET**  
[ SPORTSBOOK ]

DUSTIN JOHNSON	+900
JON RAHM	+1000
JUSTIN THOMAS	+1300
XANDER SCHAUFFELE	+1600
COLLIN MORIKAWA	+1600
RORY McILROY	+1900
WEBB SIMPSON	+2500
BRYSON DeCHAMBEAU	+2800

+ \$10 BET WOULD WIN \$90

120TH U.S. OPEN WINGED FOOT  
TD: 23H:25M

**Deposit \$20, GET \$100 IN FREE BETS**

**SIGN UP NOW**

- SIGN UP**  
Register an account and make your first deposit
- DEPOSIT**  
Deposit match in free bets
- PLAY**  
Take advantage of the best promotions

Excellent  
★★★★★  
I enjoy sportsbet they keep it fresh...  
August 22

CINTAS WINGED FOOT HOLE 13 31

**SPORTS SUNDAY**

5 CHICAGO

**POINTS BET**  
[ SPORTSBOOK ]

SUNDAY NIGHT AFTER NBC 5 NEWS

**STORY LINES**  
POWERED BY POINTSBET [ SPORTSBOOK ]

**STORY LINES**  
Twins: -455 White Sox: +400 Indians: +1500

**POINTS BET**



# NBC SPORTS PARTNERSHIP LAUNCHED IN SEPTEMBER

PointsBet and NBC Sports began work immediately on the integration of PointsBet within NBC's media properties

RSN Linear Pre/Post Integrations

National Linear Integrations

Digital Integrations

Custom Digital Videos

NBC Sports Predictor

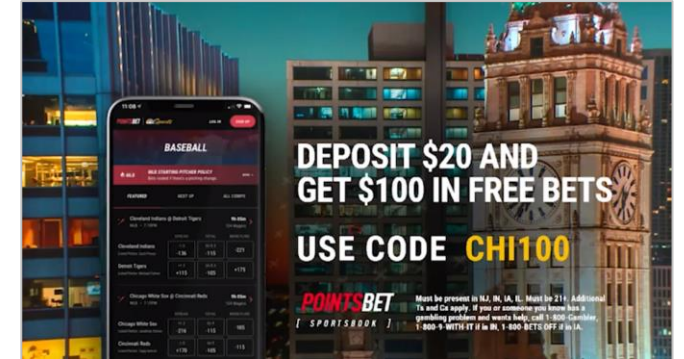
Email

GolfNow/GolfPass

Podcasts

Linear Spot Media and Billboards

Digital Video and Display Ads



# NBC SPORTS PARTNERSHIP ACCELERATES STRATEGY TO BUILD A MARKET LEADER

Path to 1mm+ U.S. Active Clients and 10% market share

## STEP 1

MARKETING EFFICIENCY AT SCALE  
+  
LEADING IN HOUSE PRODUCT  
AND TECHNOLOGY

## STEP 2

INCREASED ACTIVE CLIENTS  
+  
MARKET SHARE GAINS

# OUTCOME

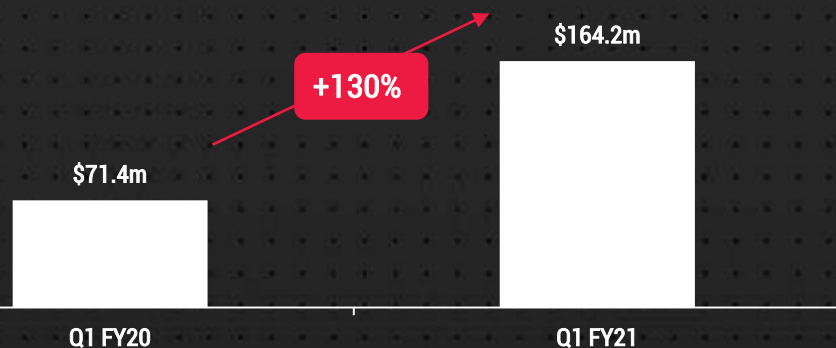
CREDENTIALS  
IMPROVED MARGINS  
SPEED TO PROFITABILITY





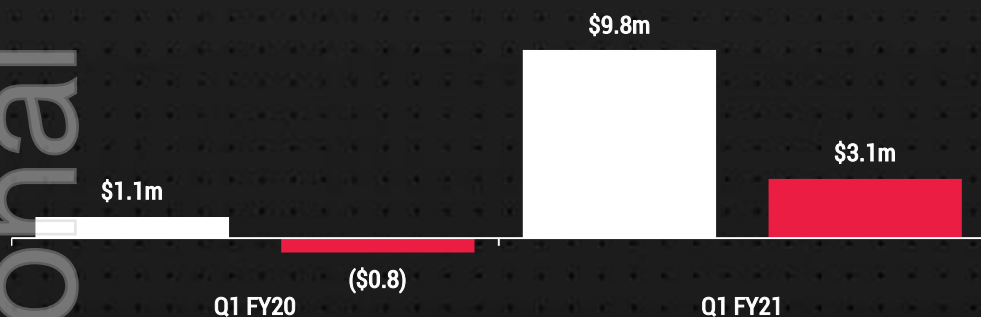
# YEAR ON YEAR GROWTH IN THE US

POINTSBET US – TURNOVER (A\$)<sup>(1)</sup>



POINTSBET US – GROSS WIN AND NET WIN (A\$)<sup>(1)</sup>

● Gross win  
● Net win



POINTSBET US – PCP PERFORMANCE (A\$M)<sup>(1)</sup>

Key metrics	Q1 FY20	Q1 FY21	Change
Turnover	\$71.4m	\$164.2m	130%
Gross Win	\$1.1m	\$9.8m	795%
Gross Win Margin	1.5%	6.0%	+4.4pp
Net Win	(\$0.8m)	\$3.1m	n.m.
Net Win Margin	(1.1%)	1.9%	+2.9pp

- Strong Gross Win and Net Win growth in the US, achieving Gross Win of A\$9.8m and Net Win of A\$3.1m for Q1 FY21
- Net Win growth in New Jersey, achieving Net Win of A\$5.5m. This was offset by expected negative Net Win results recorded in Illinois and Indiana as PointsBet ran a high promotion strategy to acquire clients in the opening weeks and months of operations
- Marketing expense in the US of US\$11.8m, contributing to strong Turnover and Active Client growth, with 39,816 Active Clients as at 30 September 2020, up 159% on PCP<sup>(2)</sup>
- Market share of 6.5% recorded in New Jersey<sup>(2)</sup> and 3.2% in Indiana for the quarter<sup>(3)</sup>
- Another strong quarter of strategic partnerships, with agreements made with the Detroit Tigers, Indiana Pacers, Indianapolis Colts, Chicago Bears and Kroenke Sports Entertainment
- Secured the ability to provide iGaming products in New Jersey with an agreement reached with Twin River Management Group

Notes: (1) Average AUD / USD FX rate 0.7155; (2) Active clients are clients that have placed a bet in the 12 months preceding the relevant date; (3) Based on total New Jersey online sports betting handle for FY20, as reported by the New Jersey Division of Gaming Enforcement ("NJDE"); (4) Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission ("IGC")

# REVENUE BY US STATE

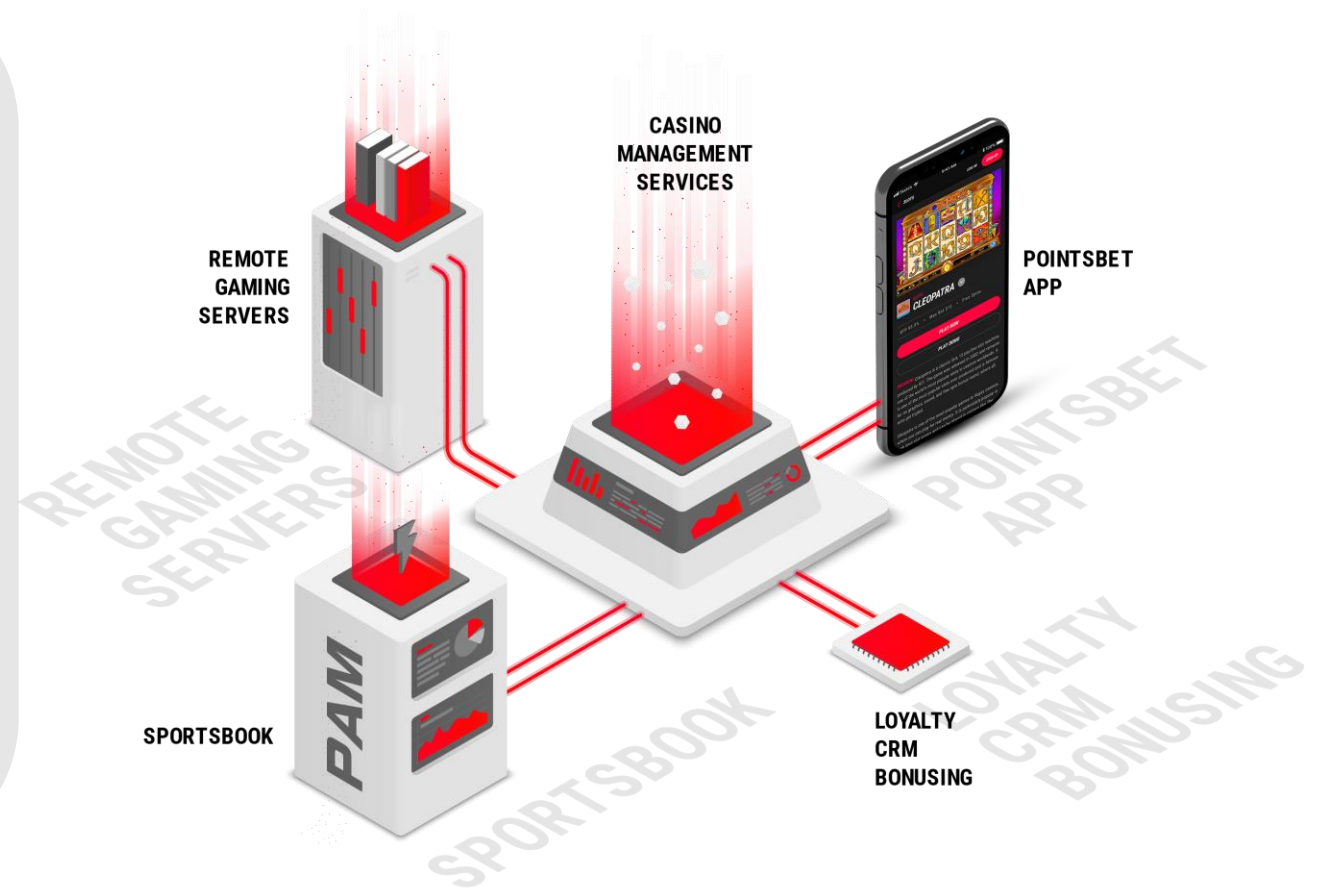
## PointsBet US – State-by-state Q1 FY21 Performance (A\$m)

Key metrics	New Jersey	Iowa	Indiana <sup>(1)</sup>	Illinois <sup>(2)</sup>	Total US Q1 FY21	Total US Q1 FY20	Increase on PCP
Turnover	134.8	4.9	14.3	10.2	164.2	71.4	+130%
Gross Win	9.1	0.3	0.4	0.0	9.8	1.1	+795%
Gross Win Margin	6.8%	6.1%	2.6%	0.3%	6.0%	1.5%	+4.4pp
Net Win	5.5	0.2	(1.3)	(1.4)	3.1	(0.8)	n.m.
Net Win Margin	4.1%	4.3%	(9.0%)	(13.6%)	1.9%	(1.1%)	+2.9pp

Notes: (1) Re-launch of Indiana operations occurred in July 2020; (2) Illinois operations launched in September 2020

# iGAMING PROGRESS

- Highly experienced iGaming development team
- Building our in-house proprietary iGaming platform, remote game server, and administrative tools
- Licensing third-party iGaming content from content suppliers, including live-dealer solutions
- Focus on innovation with both sports and iGaming platforms custom built for the US market
- Inaugural launch in Michigan in Q3 FY21, followed by New Jersey in H2 FY21





# THE OPPORTUNITY – ACHIEVING 10% ONLINE MARKET SHARE IN AUSTRALIA BY 2025

## PointsBet is shifting gear in the Australian wagering market

Key structural tailwinds in the Australian wagering market present an opportunity to increase PointsBet's online market share:

1. Consolidation of competitors
2. Trend of offline wagering to online wagering to continue



PointsBet now aims to achieve 10% online market share in 2025

## Australia is currently a A\$3bn+ online Total Addressable Market

### FY21 COMPETITIVE LANDSCAPE

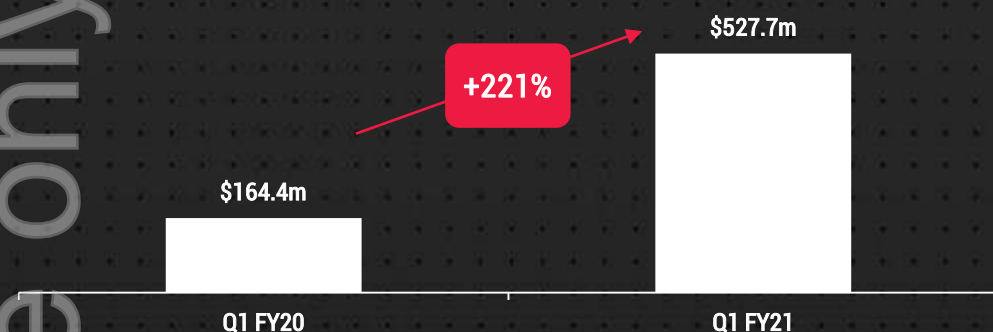


**Tabcorp commits to core tech upgrade as digital gambling takes over**

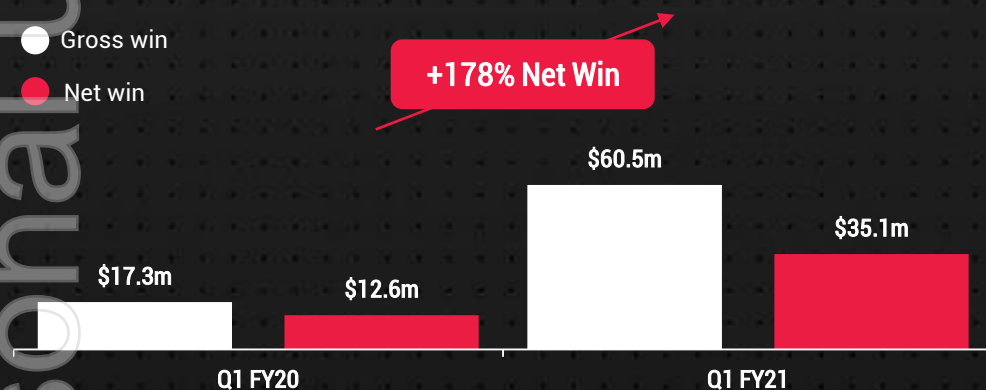
Australian Financial Review – July 2020

# AUSTRALIA – AN EXCITING OPPORTUNITY

POINTS BET AUSTRALIA – TURNOVER (A\$)



POINTS BET AUSTRALIA – GROSS WIN AND NET WIN (A\$)



Notes: (1) Active clients are clients that have placed a bet in the 12 months preceding the relevant date

POINTS BET AUSTRALIA – PCP PERFORMANCE (A\$M)

Key metrics	Q1 FY20	Q1 FY21	Change
Turnover	\$164.4m	\$527.7m	221%
Gross Win	\$17.3m	\$60.5m	249%
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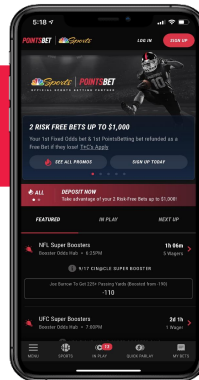
- Record Net Win for the quarter of \$35.1m, up 178% on the PCP
- Reduced Net Win Margin of 6.6% compared to 7.7% in the PCP reflecting the increased investment in client promotions as the Company seeks to take advantage of the structural changes in the Australian market
- Marketing expense of \$11.3m in Q1 FY21 reflecting the leadup to the Spring Racing Carnival and as the Company seeks to take advantage of the structural changes in the Australian market
- Promotion and marketing investment reflected in Turnover and Active Client growth, with 124,715 Active Clients to 30 September, an increase of 73% on the PCP<sup>(1)</sup>

# OUR IN-HOUSE TECHNOLOGY PLATFORM

## DELIVERING CONTINUOUS IMPROVEMENTS TO PRODUCT

- Owing and controlling in-house technology stack will become an increasingly important strategic advantage
- PointsBet has complete control over its product roadmap, unlike some competitors that are reliant on B2B services
- PointsBet's priority is to provide a fast and immersive client experience
- 1 of 3 providers to offer Single Game Parlay in the US

2x faster than the average US sportsbook<sup>(1)</sup>



Notes: (1) Page Speed Insights, 2020



# SUMMARY OF QUARTERLY CASH FLOWS

All amounts in A\$m<sup>(1)</sup>

Q1 FY21

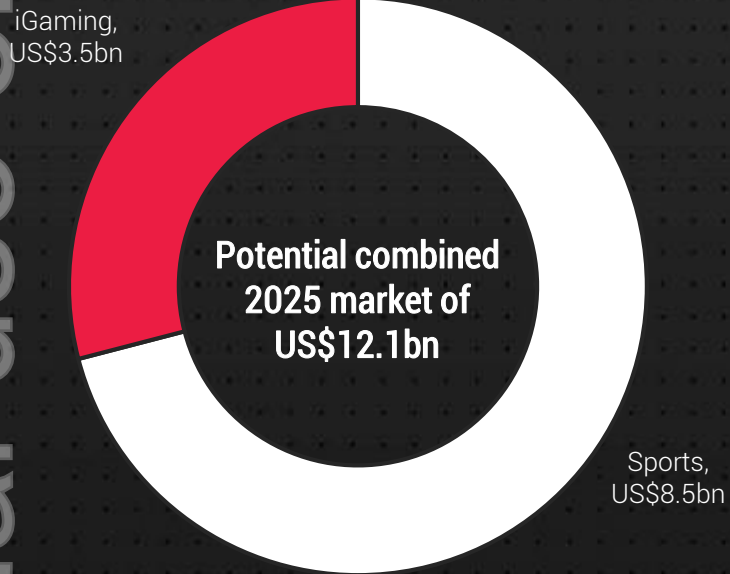
Receipts from Customers	38.1
Cost of Sales	(19.0)
Sales and Marketing	(28.6)
Staff Costs	(6.4)
Administration and Corporate Costs	(5.8)
Change in Player Cash Accounts	11.6
Other operating cash flow	(0.0)
<b>Net cash from / (used in) operating activities</b>	<b>(10.0)</b>
Capex	(15.3)
<b>Net cash from / (used in) investing activities</b>	<b>(15.3)</b>
Proceeds from issues of shares	353.1
Proceeds from exercise of share options	0.3
Transaction costs related to issues of shares, convertible notes or options	(11.2)
Other financing cash flow	(0.1)
<b>Net cash from / (used in) financing activities</b>	<b>342.1</b>
<b>Cash and cash equivalents at beginning of Quarter / Year to Date</b>	<b>144.3</b>
<b>Net cash flow</b>	<b>316.8</b>
<b>Effect of movement in exchange rates on cash held</b>	<b>(4.1)</b>
<b>Cash and cash equivalents at end of quarter</b>	<b>457.1</b>

Total Corporate Cash and Cash equivalents at end of the quarter was \$436.5m

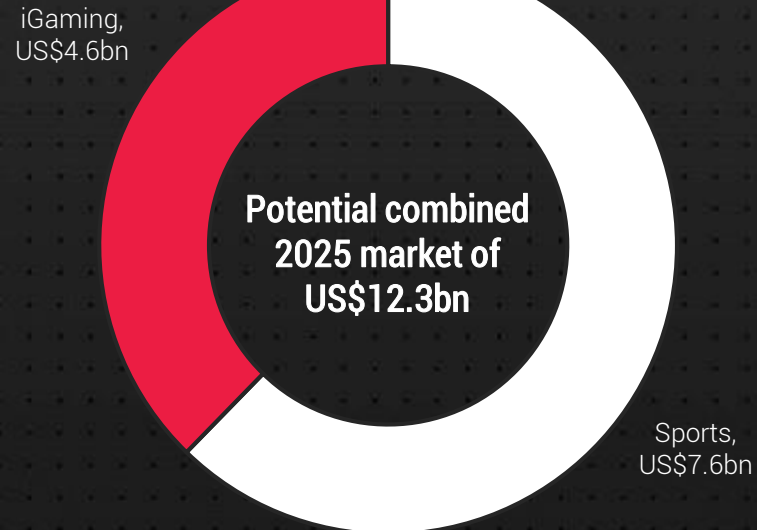
Note: (1) End of period AUD / USD FX rate 0.7137

# NBC SPORTS DEAL ALIGNS WITH 2025 US\$12 BILLION OPPORTUNITY

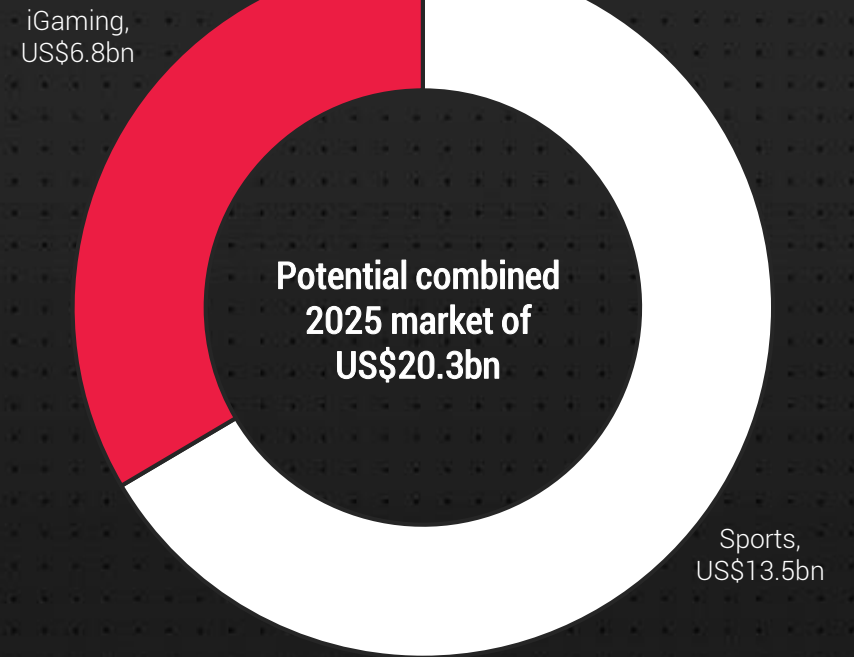
**MORGAN STANLEY<sup>(1)</sup>**



**JP MORGAN<sup>(2)</sup>**



**GVC<sup>(3)</sup>**

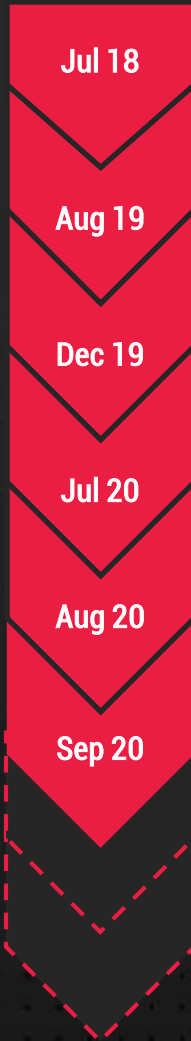


Sources: Morgan Stanley, 'All In on Best-in-Breed Sports Betting' report on DraftKings (30 April 2020); JP Morgan 'US Sports Betting and iGaming: The Biggest Gaming Opportunity Since Riverboats in the Early '90s' report (13 August 2020); GVC Holdings PLC 2020 Interim Results presentation

Notes: (1) 2025 sports wagering revenue and iGaming revenue projection as per Morgan Stanley report; (2) 2025 sports wagering revenue and iGaming revenue projection as per JP Morgan report; (3) 2025 sports wagering revenue and iGaming revenue projection as per GVC Holdings PLC Interim Results presentation

# DELIVERING ON OUR OBJECTIVES

ersonal use only



- ✓ Access secured in New Jersey – first market access agreement with New Meadowlands Racetrack LLC
- ✓ Significant market access deal with Penn National Gaming – 5 further states
- ✓ First of 7 consecutive positive EBITDA months for Australian Trading Business in FY20
- ✓ Re-launch of Indiana operations
- ✓ Market leading media deal with NBCUniversal
- ✓ Launch of Illinois operations
- Launch Colorado in November 2020 and Michigan in Q3 FY21
- Launch of iGaming product in Michigan in Q3 FY21 and New Jersey in H2 FY21