

16 July 2021

WATERHOUSE DEAL GENERATES OVER \$6.2M IN REVENUE**Highlights**

- In partnership with the Waterhouse Group, BetMakers has provided data and technology for two significant wagering products – tomwaterhouse.com betting application and MTS Global.
- The two products built and operated for the Waterhouse Group, not only contributed to BetMakers' revenue growth over the last year but also helped establish BetMakers as one of the leading B2B technology providers for the racing industry.
- Revenues received by the Company during the Class A Performance Right vesting period exceeded \$6.2M.
- Waterhouse VC has elected to exercise 34,564,921 Options immediately having exceeded the minimum revenue threshold.
- Waterhouse VC has paid \$6,221,685.78 to BetMakers on exercise of the Options.

BetMakers Technology Group Limited (ASX:BET) (**BetMakers** or the **Company**) is pleased to announce that the Company has recorded relevant revenues of \$6,221,685.70 under the conditional commercial agreements (**Commercial Agreements**) with the Waterhouse Group¹ from the commencement of the Commercial Agreements on 22 May 2020 through to 30 June 2021 (**Vesting Period**).²

The Company is also pleased to announce that, as a result, the Class A Performance Right issued to Waterhouse VC Pty Ltd (**Waterhouse VC**) vested and was converted into 34,564,921 options (**Options**) exercisable into ordinary shares in the Company (**Shares**) with an exercise price of \$0.18 and an expiry date of 16 July 2023. Waterhouse VC has elected to exercise the 34,564,921 Options and, accordingly, the Company has today issued 34,564,921 Shares for a total aggregate exercise price of \$6,221,685.78. A cleansing statement in respect of the Shares is set out below and an Appendix 2A in relation to the quotation of Shares will be lodged separately today.

Tom Waterhouse, CEO of Waterhouse VC, commented: "BetMakers is an attractive investment proposition in global racing, with unique access to valuable race data and bespoke pricing through their Managed Trading Service platform. Waterhouse VC is delighted to convert its first

¹ The 'Waterhouse Group' comprises Tom Waterhouse Punting Pty Ltd, Waterhouse VC Pty Ltd and Tarpin Finance Pty Ltd.

² For further information, please refer to the announcements released on 28 January 2020, 2 April 2020 and 27 May 2020, and the notice of general meeting dated 17 April 2020.



tranche of Performance Rights to provide further funding to this exciting business. We look forward to our ongoing relationship with BetMakers over the years to come.”

BetMakers CEO, Todd Buckingham commented: “As a result of the Company’s exceptional performance over the period, we’re extremely pleased to be able to issue Waterhouse VC with the first tranche of Shares. The deal with the Waterhouse Group not only contributed to BetMakers’ growth revenues over the past year but also has helped BetMakers develop these unique products and establish itself as one of the leading B2B technology providers for the racing industry.

We are also looking forward to updating the market with further results and updates in the coming weeks.”

As announced to the market on 28 January 2020, BetMakers agreed to terms to provide technology, data and services in conjunction with the Waterhouse Group for:

- **tomwaterhouse.com betting application** to be offered to the tomwaterhouse.com 80,000 members and designed for dual purposes of offering punters access to Australian bookmakers, delivering the best price(s) in the Australian wagering market from the one application, while at the same time providing wagering operators with a low-cost customer acquisition platform.
- **Waterhouse global pricing and trading desk – a B2B Managed Trading Services (“MTS”)** solution for wagering operators that are looking to outsource their trading operations. It intends to allow any wagering operator to have an outsourced Waterhouse team, powered by BetMakers technology, manage day-to-day bookmaking across hundreds of races with a solution aimed to reduce costs for the operators with minimal risk. The Waterhouse Group can provide ‘Pricing and Trading’ services along with ‘Minimum Guaranteed Returns’ to wagering operators that use the B2B service.

As set out in BetMakers’ notice of general meeting dated 17 April 2020, the Company’s auditor reviewed the revenue received in connection with the Commercial Agreements over the Vesting Period and produced an audit opinion confirming the amount. Accordingly, the audit opinion from PKF is attached to this announcement.

Issue of Shares on exercise of unlisted options

BetMakers further advises that today it has also issued 47,267 Shares as a result of the exercise of 50,000 Options pursuant to the cashless exercise facility under the Company’s long term incentive plan (LTIP). An Appendix 2A in relation to the quotation of Shares will be lodged separately today.

The Company advises that it is not required to issue a cleansing statement under section 708A(5)(e) of the Corporations Act 2001 (Cth) on the basis that the Options were issued under the LTIP in accordance with the relief provided under ASIC Class Order [CO14/1000].

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Todd Buckingham, Managing Director of BetMakers, authorised the release of this announcement to ASX.

Cleansing Statement for Waterhouse VC Shares

In respect of the issue of 34,564,921 Shares, the Company hereby notifies ASX under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Act**) that:

- (a) today the Company completed the issue and allotment of 34,564,921 Shares;
- (b) the Company issued the Shares without disclosure under Part 6D.2 of the Act;
- (c) the Company provides this notice under section 708A(5)(e) of the Act;
- (d) as at the date of this notice:
 - (i) the Company has complied with the provisions of Chapter 2M and section 674 of the Act as they apply to the Company; and
 - (ii) other than as set out in this announcement, there is no information that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules and that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the Shares.

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2 July 2021

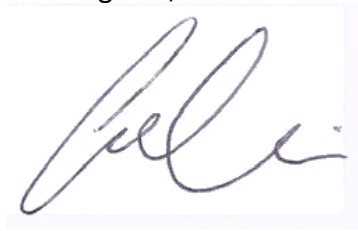
To whom it may concern,

We refer to the agreement between BetMakers Technology Group Ltd (“BetMakers”), Tom Waterhouse Punting Pty Ltd and Waterhouse VC Pty Ltd, dated 28 January 2020.

Under the terms of this agreement, we confirm that the revenue recorded by BetMakers in relation to the Class A vesting period ended 30 June 2021 is \$6,221,685.70.

For your reference, and that of the market, based on the terms outlined in the Notice of General Meeting (17 April 2020), the Class A Performance Right will convert into 34,564,921 options (with an exercise price of \$0.18 per option).

Kind regards,



Anthony Pullin
CFO, BetMakers Technology Group Ltd

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BETMAKERS TECHNOLOGY GROUP LIMITED

Report on the Statement of Revenues

We have reviewed the attached Statement for the Tom Waterhouse App clients, Managed Trade Services clients and Rob Waterhouse Managed Trade Services for the year ended 30 June 2021.

The Statement has been prepared by Betmakers Technology Group Limited, to confirm the revenues recorded in regards to the Class A vesting period ended 30 June 2021.

Directors' Responsibility for the Statement

The directors' of the Company are responsible for the preparation of Statement and has determined that the methodology used is appropriate to the needs of the users. This responsibility includes establishing and maintaining internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the Statement based on our review. We conducted our review in accordance with Standard on Review Engagements ASRE 2405 *Review of Historical Financial Information Other than a Financial Report* in order to state whether anything has come to our attention that causes us to believe that the Statement is not prepared, in all material respects, in accordance with the accounting policies used. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the users.

ASRE 2405 requires us to comply with the requirements of applicable code of professional conduct of a professional accounting body.

A review 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 would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statement for the Tom Waterhouse App clients, Managed Trade Services clients and Rob Waterhouse Managed Trade Services for the Year Ended 30 June 2021 is not prepared, in all material respects, in accordance with the accounting policies used.



PKF



PAUL PEARMAN
PARTNER

14 JULY 2021
SYDNEY, NSW