

BLUEBET HOLDINGS LTD – APPENDIX 4E

1. COMPANY DETAILS

Name of entity:	BlueBet Holdings Ltd
ABN:	19 647 124 641
Reporting period:	For the year ended 30 June 2021
Previous period:	For the year ended 30 June 2020

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$'000
Revenues from ordinary activities	up	92.5%	to	32,351
Underlying EBITDA	up	48.4%	to	7,471
Profit from ordinary activities after tax attributable to the owners of BlueBet Holdings Ltd	down	33.6%	to	2,979
Profit for the year attributable to the owners of BlueBet Holdings Ltd	down	33.6%	to	2,979

Dividends

The dividends declared during the current and previous year were declared and paid by BlueBet Pty Ltd as a single entity, prior to the restructure and prior to the Group being listed on the Australian stock exchange. The newly formed parent entity, BlueBet Holdings Limited has not declared or paid any dividends.

Comments

During the year BlueBet Pty Ltd underwent a restructure prior to listing on the Official List of ASX Limited ('ASX'). As a result of the restructure, the financial information presented for the current year relates to BlueBet Holdings Ltd ('BBT') as a Group, while the comparatives shown relates to BlueBet Pty Ltd as a single entity.

The profit for the Group after providing for income tax amounted to \$2,979,000 (30 June 2020: profit of \$4,485,000 for BlueBet Pty Ltd as a single entity).

On 30 June 2021, BlueBet Holdings Ltd ('BBT') was admitted to the ASX and official quotation of BBT's ordinary fully paid shares commenced on 2 July 2021. BBT raised \$80,000,000 pursuant to the offer under its prospectus dated 8 June 2021 by the issue of 70,175,439 shares at an issue price of \$1.14 per share. This offer, together with 129,934,210 shares issued to the founder and key employees of the company resulted in the company having a total of 200,109,649 shares on issue at completion of the offer.

For further details refer to the Annual Report and Directors' Report that follows this Appendix 4E.

Underlying 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 profit/(loss) under AASBs adjusted for specific items, including the Initial Public Offering ('IPO') costs. The directors consider Underlying 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 Underlying EBITDA:

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Profit after income tax	2,979	4,485
Add: Interest expense	76	64
Add: Depreciation and amortisation	147	132
Add: Income tax	1,533	354
Reported EBITDA	4,735	5,035
IPO costs	2,736	-
Underlying EBITDA	7,471	5,035

3. NET TANGIBLE ASSETS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Net assets	48,610	(145)
Less: Right-of-use assets	(946)	(89)
Less: Intangible assets	(428)	(23)
Add: Lease liabilities	948	96
Net tangible assets	48,184	(161)
Number of ordinary shares on issue ¹	200,109,649	156,250,000

	REPORTING PERIOD	PREVIOUS PERIOD
	CENTS	CENTS
Net tangible assets per ordinary security	24.08	(0.01)

¹ the number of shares at the end of the prior year have been restated to represent the change in capital structure of the company as a result of the restructure when listing.

4. CONTROL GAINED OVER ENTITIES

Not applicable.

5. LOSS OF CONTROL OVER ENTITIES

Not applicable.

6. DIVIDENDS

The dividends declared during the current and previous year were declared and paid by BlueBet Pty Ltd as a single entity, prior to the restructure and prior to the Group being listed on the Australian stock exchange. The newly formed parent entity, BlueBet Holdings Limited has not declared or paid any dividends.

7. DIVIDEND REINVESTMENT PLANS

Not applicable.

8. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Not applicable.

9. FOREIGN ENTITIES

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

The foreign entities are presented in compliance with International Financial Reporting Standards (IFRS).

10. AUDIT QUALIFICATION OR REVIEW

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


The financial statements have been audited and an unmodified opinion has been issued.

11. ATTACHMENTS

Details of attachments (if any):

The Annual Report of BlueBet Holdings Ltd for the year ended 30 June 2021 is attached.

12. SIGNED

Signed 

Date: 31 August 2021

Michael Sullivan
Executive Chairman
Sydney



FINANCIAL REPORT

30 June 2021

BlueBet Holdings Ltd
ABN 19 647 124 641

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15

33

40

25

250

660

1000

500

33

40

660

660

1000

12

14

11/2

660

330

1000

CAULFIELD CUP

The Caulfield Cup was first run in 1878. It was run at Flemington Racecourse in 1941, 1942 and 1943 due to Caulfield Racecourse being closed and used as an army camp during World War II. Champion trainer Bert Carrington has dominated the Caulfield Cup for the past 30 years. Carrington gave the 'Cups King' his first win in the cup in 1944 and he has since won the race on a further five occasions. The late Tommy Smith, father of top Sydney trainer Sir Michael, won the Caulfield Cup four times. Sheila Latham won with Taberna (2001) made her only the second female trainer to prepare the winner of the race, following the earlier win of Lady Morris with Tactix's Melody (1998).



BlueBet
TRUE BLUE BETTING

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CORPORATE DIRECTORY

Directors	<p>Michael Sullivan Executive Chairman</p> <p>Bill Richmond Director and Chief Executive Officer</p> <p>Tim Worner Non-Executive Director</p> <p>David Fleming Non-Executive Director</p> <p>Nigel Payne Non-Executive Director</p>
Company Secretary	Laura Newell
Address	<p>Level 12, 225 George Street</p> <p>Sydney NSW 2000</p>
Notice of annual general meeting	<p>The details of the annual general meeting of BlueBet Holdings Ltd are:</p> <p>Address to be confirmed</p> <p>Time to be confirmed on Thursday 25 November 2021</p>
Registered office	<p>BlueBet Holdings Ltd</p> <p>Level 9, 8 Spring Street</p> <p>Sydney, NSW 2000</p>
Share register	<p>Boardroom Pty Limited</p> <p>Grosvenor Place</p> <p>Level 12, 225 George Street</p> <p>Sydney, NSW 2001</p>
Auditor	<p>Ernst & Young</p> <p>200 George Street</p> <p>Sydney, NSW 2000</p>
Solicitor	<p>Gilbert + Tobin</p> <p>Level 35, Tower 2</p> <p>200 Barangaroo Avenue</p> <p>Barangaroo, NSW 2000</p>
Stock exchange listing	BlueBet Holdings Ltd shares are listed on the Australian Securities Exchange (ASX code: BBT)
Website	www.bluebet.com.au
Business objectives	In accordance with Listing Rule 4.10.19 the company confirms that the Group has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of ASX since its admission to the end of the reporting period in a way that is consistent with its business objectives.
Corporate Governance Statement	<p>BlueBet Holdings Ltd and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. BlueBet Holdings Ltd has reviewed its corporate governance practices against the Corporate Governance Corporate Governance Council. Principles and Recommendations (4th Edition) published by the ASX.</p> <p>Details of the corporate governance report is available on the company website at www.bluebetplc.com/corporate-governance</p>

LETTER FROM THE CHAIR

Dear Shareholder,

It is with great pride that I present BlueBet Holdings' inaugural Financial Report as a publicly listed company on the Australian Stock Exchange.

BlueBet was founded in 2015 as a 'mobile-first' company, with the vision to provide innovative wagering products to customers of Australian and international racing and sports. That vision has, and continues to, strongly resonate with 'punters'. In that time, BlueBet has grown dramatically, and has now surpassed 100,000 Registered Customers who placed over 6.5 million bets in FY21.

Of all the developments in the business in the last 12 months, however, the decision to pursue an Initial Public Offer (IPO) on the ASX stands out as the most significant - and one with the greatest positive implications for the future trajectory of the business. With the Company privately funded since its inception, it was clear to the Board that the scale of the opportunity before us, particularly in the US, could be better pursued with significant external capital raised via an IPO. Our market soundings indicated that there was strong interest amongst public market investors in BlueBet and its growth strategy.

Immediately after the close of FY21 BlueBet Holdings Ltd listed on the ASX completing an \$80 million IPO, which was well supported by new institutional and retail investors. The transaction was a stunning success with the share price rising strongly and dramatically outperforming the broader market since IPO. The Board is extremely pleased that our new shareholders have been able to benefit so emphatically from BlueBet's continued operational success.

We are justifiably proud of the Company's business performance in FY21. Despite management's necessary focus on the IPO, particularly in the second half of FY21, BlueBet achieved very strong top line growth with Turnover up 83.3% year-on-year to \$344.7 million and Net Win up 92.5% to \$35.6 million. Having now exceeded several of our FY21 forecasts the Company is expecting tremendous growth in Calendar 2021 (CY21), driven by Australia in the near term. BlueBet's Prospectus highlighted forecast growth in Active Customers in CY21 of 56%, in Turnover of 46.5%, in Net Revenue of 39.6%, as well as continued profitability - despite our focus on expansion.

At BlueBet we feel that the next evolution of the Company has begun. BlueBet's newly strengthened balance sheet, with a cash balance of \$56.1 million at 30 June 2021, provides ample liquidity to fund identified growth opportunities in Australia and the US.

The Company has a dual growth strategy focused on further increasing its market share in Australia and entering the online sports betting market in the US, where considerable opportunity awaits - created as a result of legislative reform allowing legalised online sports wagering.

Whilst the Australian domestic market grows at low single digit rates there is substantial opportunity for BlueBet to grow market share from our current ~1.2% and investment in marketing is key to achieving this growth. The IPO funding allows for a step-change in the scale of this investment. In FY21 the Company spent \$4.8m in advertising and marketing, yielding growth in Turnover of 83.3%. Going forward, however, BlueBet is accelerating its advertising and marketing strategy, budgeting in excess of \$14.0 million for multi-channel marketing activities in Australia.



BlueBet achieved very strong top line growth with Turnover up 83.3% year-on-year to \$344.7 million and Net Win up 92.5% to \$35.6 million exceeding several of our FY21 forecasts.

Of the IPO capital earmarked for growth, entering the US market accounts for the majority of this budget with \$30m to be invested. Sports wagering is a rapidly growing market in the US, following the 2018 repeal of Professional and Amateur Sports Protection Act (1992) and 22 states having now legalised sports betting in some form. As with Australia, the online channel is dominating sports betting there and this clearly plays to BlueBet's technology strength, honed from years of experience in the local market.

Whilst the US market is currently smaller than Australia, it has significant growth potential given its population and renowned fanaticism for sports. There is a strong expectation that a number of additional states will legalise sports betting in the coming two to three years. COVID's impact on state government deficits in the US is expected to positively influence the introduction of further state jurisdictions to sports betting to reap the financial benefits. This augers well for BlueBet.

At the publication of our Prospectus Independent Experts had variously forecast US market revenue at US\$8.5 billion - US\$13.5 billion by 2025. Since then, however, forecasts of the US market size have increased upwards as Analysts and Operators in the US have consistently underestimated the pace of new state openings and demand for sports betting. Goldman Sachs, for example has forecast the US sports betting market could grow to almost \$40.0 billion in the coming decade or so, a number that was unthinkable just a few years ago, whilst other commentators see more than 40 states legalising sports betting in the next several years.

To benefit from this BlueBet is pursuing a very considered and capital efficient strategy. The Company seeks initially to establish its credentials in the US by targeting licences in five priority states as a straight business-to-consumer (B2C) wagering provider before launching a 'Sportsbook-as-a-Solution' offering under a Business-to-Business (B2B) model.

Under its B2C strategy the Company has identified Iowa, Virginia, Colorado, Tennessee and Maryland with an aggregate population of ~30 million. Pleasingly, shortly after year-end the Company secured its first US skin agreement, partnering with Dubuque Racing Association in Iowa. Iowa is a US\$1.2 billion wagering market, 85% of which is now placed through mobile or online.

Our B2C business is intended to be followed by launching a 'Sportsbook-as-a-Solution' offering through partnerships with US companies such as casino groups, sporting and media organisations. Our 'Sportsbook-as-a-Solution' B2B strategy will allow BlueBet to access the broader US market via a full end to end solution whilst minimising customer acquisition cost. We expect it to be attractive to US partners who seek to rapidly grow a sportsbook business and benefit from BlueBet's expertise and technical prowess. This 'capital lite' approach is underpinned by the BlueBet wagering platform, which is scalable, cloud-based and designed for automated on-boarding, optimised customer engagement and streamlined compliance.

In closing, I would like to thank our Executive team and employees, led by CEO and Executive Director Bill Richmond for their hard work during the year. Together they executed on the IPO and delivered financial and operational results that exceeded expectations. It is with great anticipation that I and the Board look to the coming year.

Yours faithfully,



Michael Sullivan
Executive Chairman
BlueBet Holdings Ltd

BlueBet

DIRECTORS' REPORT



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DIRECTORS' REPORT

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 year ended 30 June 2021.

During the year BlueBet Pty Ltd underwent a restructure prior to listing on the Australian Stock Exchange. As a result of the restructure, the financial information presented for the current year relates to BlueBet Holdings Ltd as a Group, while the comparatives shown relates to BlueBet Pty Ltd as a single entity.

DIRECTORS

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

- Michael Sullivan – Executive Chairman (appointed on 14 January 2021)
- William (Bill) Richmond (appointed on 14 January 2021)
- Tim Worner (appointed on 7 June 2021)
- David Fleming (appointed on 7 June 2021)
- Nigel Payne (appointed on 7 June 2021)

PRINCIPAL ACTIVITIES

The principal activities of the Group 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

Dividends paid during the financial year were as follows:

	CONSOLIDATED	
	2021	2020
	\$'000	\$'000
Dividend for the year ending 30 June 2020 ¹	-	903
Dividend for the year ending 30 June 2021 ¹	2,564	-
	2,564	903

¹ The above dividends were declared and paid by BlueBet Pty Ltd as a single entity prior to the Group restructure and prior to the Group being listed on the Australian stock exchange.

The newly formed parent entity, BlueBet Holdings Limited has not declared or paid any dividends during the year.

REVIEW OF OPERATIONS FOR THE FULL YEAR ENDING 30 JUNE 2021

It has been a transformational year for the Company culminating in the successful \$80 million Initial Public Offering (IPO) on the Australian Securities Exchange (**ASX:BBT**) on 2 July 2021 which capitalised the Company at \$228 million.

The Australian business delivered strong growth across all key metrics, exceeding Prospectus forecasts in many instances. BlueBet handled over 6.5 million bets in the year, finishing with Turnover of \$344.7 million up 83.3% compared to the prior corresponding period. Net Win growth exceeded Turnover growth, rising 92.5% to \$35.6 million as a result of Net Win margin expanding 0.5 percentage points to 10.3%

Underlying EBITDA of \$7.5 million represents an increase of 48.4% compared to the prior corresponding period.

Net Profit After Tax declined to \$3.0 million after incurring transaction costs relating to the IPO. Of these transaction costs, \$2.7 million were expensed, whilst \$2.6 million were offset against issued capital.

Earnings Summary

A \$ MILLION	FY21	FY20	CHANGE %
Turnover	344.7	188.1	▲ 83.3%
Wagering Revenue	35.6	18.5	▲ 92.5%
Underlying EBITDA ¹	7.5	5.0	▲ 48.4%
Profit after Income Tax	3.0	4.5	▼ (33.6) %

¹ Adjusted for IPO expenses of \$2.7 million

KEY HIGHLIGHTS

Key highlights for the Reporting Period are set out below:

Group Highlights

- Highly successful ASX listing on 2 July 2021 with the proceeds of the raise positioning the Company for further growth in Australia and expansion to the emerging North American market.
- Northern Territory licence approval and new office fully operational with 24/7 trading team.
- Continued investment in platform development with new website and new iOS and Android apps to be released by H2 CY21.
- Continued strategic hiring of key talent across the business to support anticipated growth.

Strong Performance Metrics

- BlueBet recorded a 45.7% increase in Active Customers for the 12 months to 30 June 2021 to 32,472, up from 22,289 for the 12 months to 30 June 2020.
- Net Win of \$35.6 million in the period, represents 92.5% growth on the prior corresponding period.
- Net Win Margin of 10.3%, up from 9.8% on the prior corresponding period.
- Average Annual Customer value of \$1,095 and \$214 Cost per First Time Depositor delivering a ratio of 5.1x demonstrating BlueBet's high return on marketing spend.

Brand & Marketing

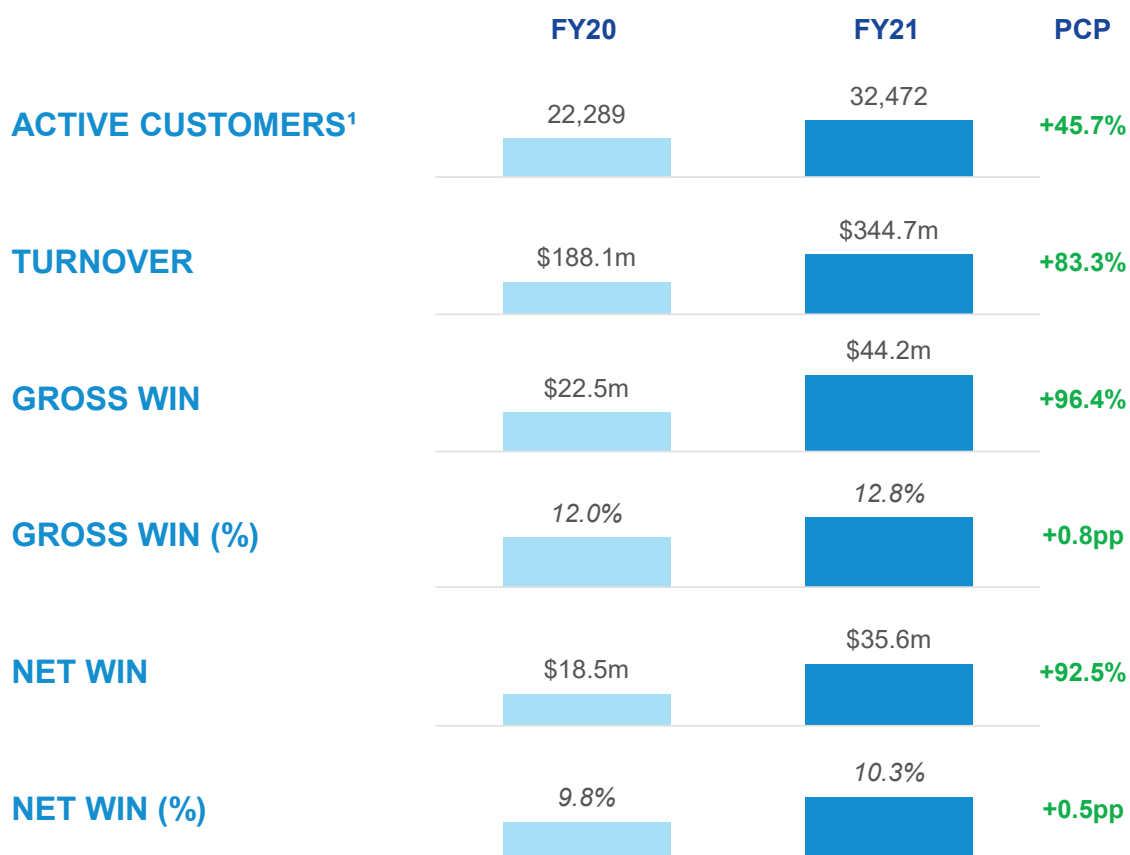
- BlueBet launched its first major brand campaign to coincide with the spring racing carnival and NRL/AFL finals. This was televised across regional free-to-air and pay TV.
- Acquired naming rights to BlueBet Stadium as part of its association with Penrith Panthers Rugby League Team

North America Market Entry

- Post year end, BlueBet signed an agreement with Dubuque Racing Association, operator of Q Casino that allows BlueBet to operate a new online sportsbook in Iowa.
- BlueBet is pursuing sportsbook licences in five US states

Key Performance Indicators

BlueBet reported strong growth across the following key metrics:

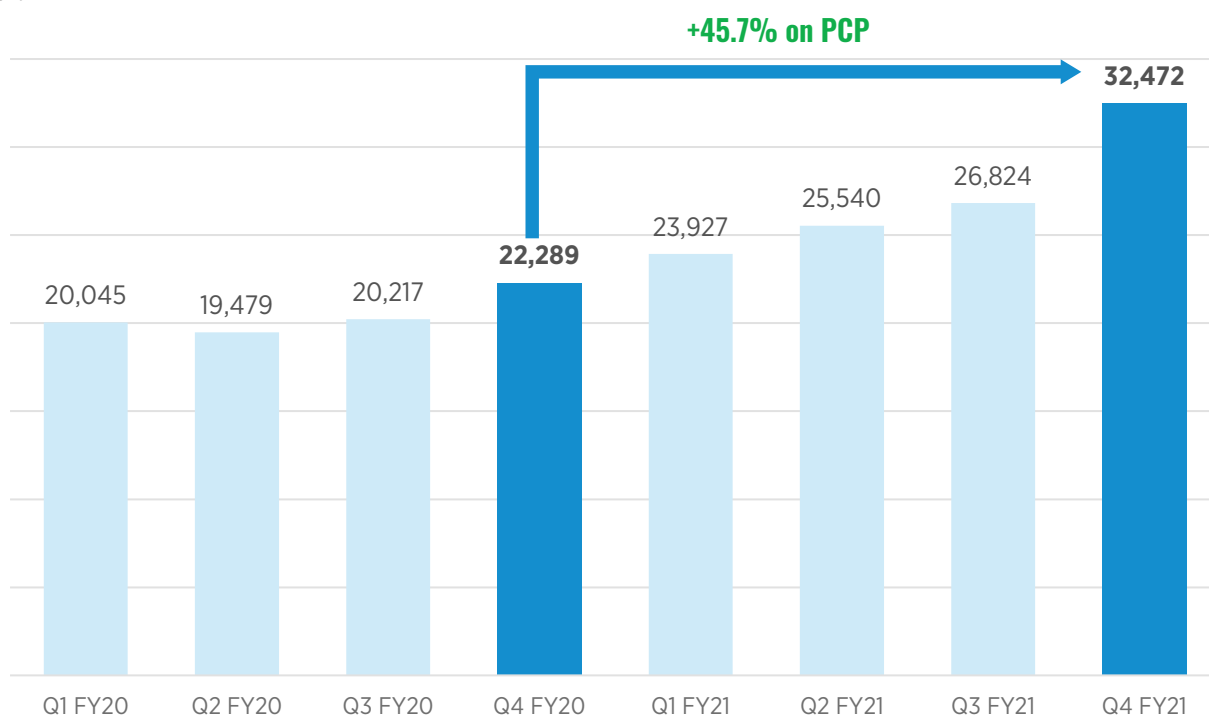


Note: Turnover, Gross Win and Net Win amounts include GST

1. Customers who have placed a cash bet in the 12 months preceding the relevant period

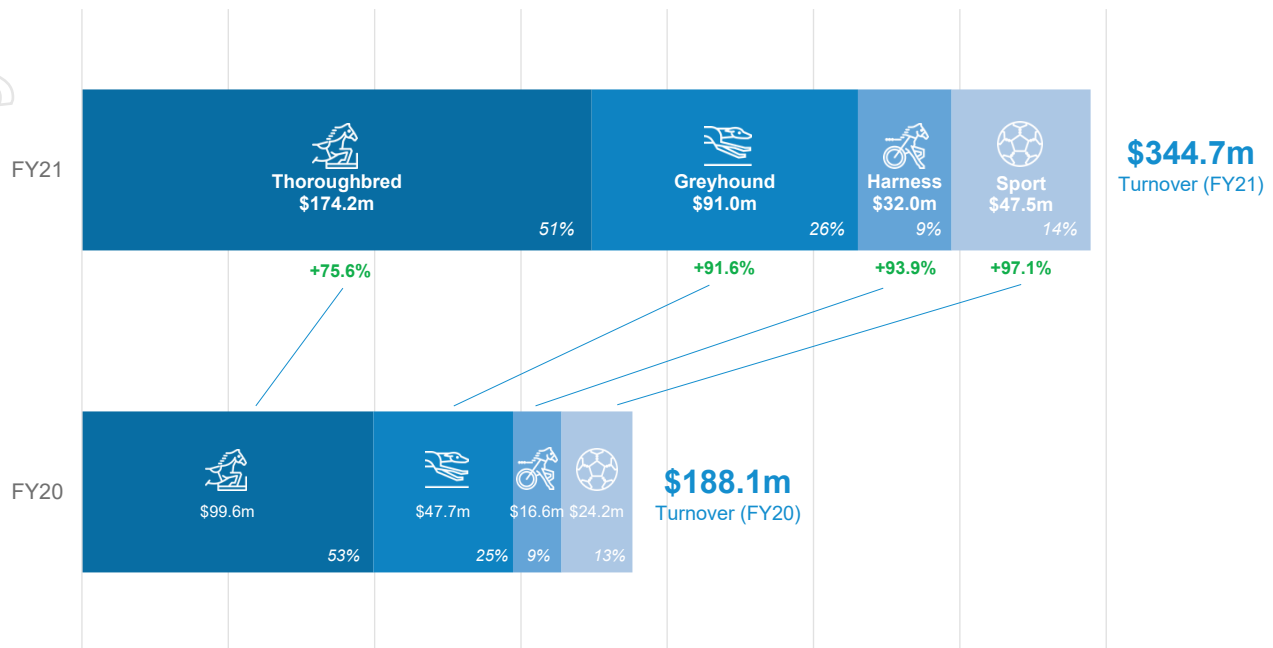
Active Clients

For the 12 months to 30 June 2021, BlueBet had 32,472 Active Customers, defined as customers who have placed a bet during that 12-month period. Over FY21 Active Customers have increased by 10,183 (or 45.7%) for the year – the fastest pace in several years.



Turnover By Product

For the 12 months to 30 June 2021, BlueBet saw impressive growth across all wagering products with Sport growing at the highest rate of 97.1% having been disrupted throughout calendar 2020 due to COVID. We would expect Sport to be a growing part of our product portfolio as we introduce more innovative products as well as broaden our customer base.

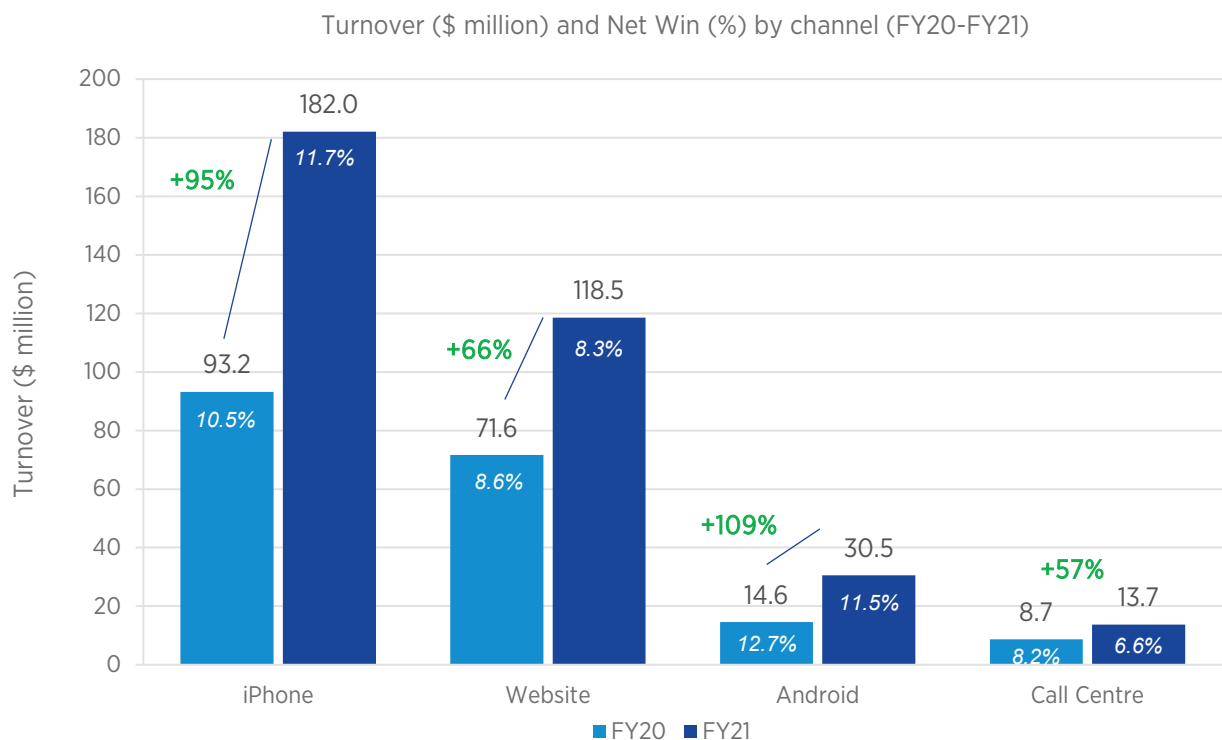


Note: Turnover amounts include GST

Turnover & Net Win By Channel

In FY21, 62% of Turnover and 66% of Bet Count placed came from mobile apps. Mobile apps continue to be our highest growing channel with iPhone turnover growing 95% and Android growing 109% versus the PCP. Importantly we get higher margins through this channel. Average Net Win margin through our mobile apps was 11.7% versus 8.1% through other channels.

Product and innovation are extremely important to us to ensure we provide the best experience for our customers, and we are finalizing development work on a new website and new iOS and Android apps for the Australian business which will be released this Spring.



Note: Turnover amounts include GST

Australian Growth Strategy

BlueBet is focused on a targeted marketing strategy to promote its range of products and services to:

- Acquire new customers using a comprehensive multichannel approach with a focus on TV and digital, radio, outdoor advertising, and new digital audio to target key demographics.
- Retain existing customers by optimising messaging and content across all key channels including email, SMS, push notifications and in-app messaging; and
- Maximise customer engagement to become their preferred betting platform.

In FY21, BlueBet had a Cost per First-Time Depositor of \$214 as result of its comprehensive multichannel approach, which seeks to optimise marketing spend on key performing channels. This produced a very attractive 5.1x ratio to Average Annual Customer Value of \$1,095. To help further accelerate Registered and Active Customer numbers and therefore Turnover an increase in brand advertising is planned over FY 22-23. Thus, the Customer Acquisition Cost per Account Registration and per Cost per First-Time Depositor is expected to rise over that period.

Advertising and marketing expense in FY21 increased 195.7% to \$4.8 million and the Company will commit further resources to:

- **Mobile:** budget directed towards high-growth, cost-effective mobile categories with a specific focus on app search advertising, in-app advertising and mobile display advertising.
- **Partnerships:** the establishment of long-term strategic partnerships with major national sports, media, and casino brands.
- **Sponsorship:** opportunities for branding and sponsorship through mid- to long-term AFL, NRL and racing agreements. One example is BlueBet obtaining in FY21 the naming rights to Penrith Stadium (now named 'BlueBet Stadium') on a two-year deal from the start of the 2021 NRL season.
- **Advertising:** TV and radio advertising to increase brand awareness, including the Company's new BlueBet Stadium sponsorship; and
- **Online:** grow search engine optimisation and increase pay-per-click budgets to increase brand awareness.

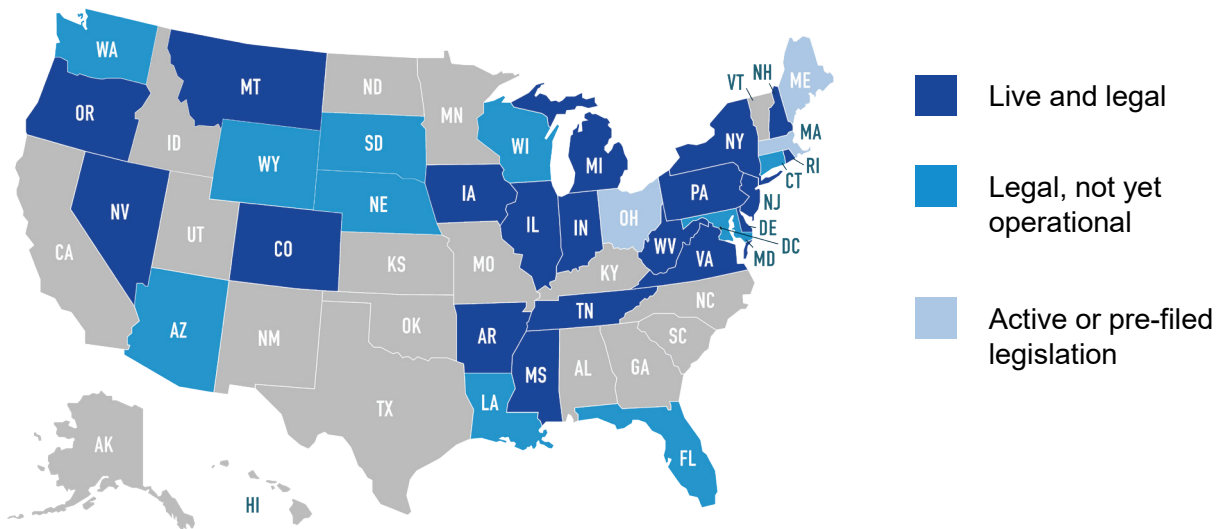
Our new brand campaign due for release in the Spring racing carnival is an adaptation of the successful "Bluu-ee" campaign launched in Half 1 FY21 and will be supported by television commercials specifically aimed at promoting our higher margin products.



North America Market Entry Strategy

Historically, sports betting in the US has been heavily restricted by the PASPA legislation. This legislation was overturned in 2018, with the effect that each individual state is now free to legalise sports wagering, including online sports wagering. To date, 21 states have legalised sports wagering and several more states have draft legislation under consideration. Analysts anticipate that sports betting will be legalised in up to 38 states by 2025.

Legal sports betting in the USA



Analysts estimate that wagering revenue in the US market will grow to between US\$8.5 billion (\$10.9 billion) to US\$13.5 billion (\$17.3 billion) in revenue in CY25.

As detailed in BlueBet's recent Prospectus, the Company's market entry strategy is a staged approach as detailed below:



Targeting up to five priority US States for initial market entry as straight B2C wagering provider, establishing an initial footprint



Prove the capability of the BlueBet team and product offering in the US market



Target key local partnerships with US entities to establish joint ventures (or other commercial arrangements) in major states endeavouring to come online



Partnerships with US entities to offer Sportsbook-as-a-Solution can reduce capital required and risk in major States

In executing Stage 1 (B2C Stage) of this strategy, post year end, BlueBet announced its wholly owned subsidiary BlueBet Iowa LLC had signed a skin agreement with Dubuque Racing Association Ltd, the operator of Q Casino. The agreement with Dubuque is a 'skin' agreement, whereby BlueBet will conduct its online sportsbook operations in Iowa as an extension of the existing casino licence. The new online sportsbook will be offered through BlueBet's mobile app and website platforms (pending completion of regulatory approval and licensing). This licensing process remains on track after BlueBet's Advanced Deposit Sports Wagering Operator Agreement with Q Casino was approved by the Iowa Racing and Gaming Commission on 27 August, 2021.

The company also remains in negotiations with skin holders in further USA states and awaits the result of its pending license application in Virginia.

Technology

BlueBet is powered by its custom-built technology suite that includes both customer-facing technology, which drives BlueBet's strong customer metrics, and non-customer-facing technology, which enables BlueBet to scale and innovate efficiently and in a cost-effective manner. BlueBet's wagering platform has been developed to enable a mobile-first strategy, which allows for an optimised user experience across desktop, mobile web and iOS and Android mobile apps.

BlueBet's technology investment to date has provided the business with the flexibility and versatility to tailor its offering to customers, enabling increased engagement. BlueBet is continuously innovating and enhancing its product features to drive automation of:

- **Funding of new accounts:** to improve conversion from Account Registration to First-Time Depositor.
- **First bets and repeat bets:** to improve conversion from First-Time Depositor to Active Customer.
- **Tailored content:** to engage current Active Customers and re-engage inactive customers; and
- **Offering new products and product options:** to provide greater wagering options and drive Turnover

In the second half of FY21, BlueBet commenced development on new front ends for the Australian business and capitalised \$0.4 million of this investment. A new website and iOS and Android apps will be released for the Australian market in Half 1 FY22.

In Summary

BlueBet has a dual-growth strategy focused on further increasing its market share in Australia and seeking to enter the US online sports betting market to capitalise on the considerable market opportunity created as a result of legislative reform allowing legalised online sports wagering. We are taking a focused and disciplined approach on execution. As we deploy our IPO capital in the coming year and beyond, we would expect to see our growth accelerate.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year BlueBet Pty Ltd underwent a restructure prior to listing on the Australian Stock Exchange. In January 2021 BlueBet Holdings Ltd was incorporated for the purpose of being the main holding company of the Group to be formed. The directors of the newly formed company were Michael Sullivan and Bill Richmond.

In March 2021 the company incorporated BlueBet USA, Inc in Nevada USA and appointed a US-based director for the operations there.

On 30 June 2021, BlueBet Holdings Ltd ('BBT') was admitted to the Official List of ASX Limited ('ASX'). Official quotation of BBT's ordinary fully paid shares commenced on 2 July 2021. BBT raised \$80,000,000 pursuant to the offer under its prospectus dated 8 June 2021 by the issue of 70,175,439 shares at an issue price of \$1.14 per share. This offer, together with 129,934,210 shares issued to the founder and key employees of the company resulted in the company having a total of 200,109,649 shares on issue at completion of the offer.

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

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Group, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the Group's operations going forward. The Group now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

The below developments have occurred since 30 June 2021 relating to the expansion of the business into the US Market.

Establishment of BlueBet Iowa LLC & signing of agreement to operate in Iowa

- The business's wholly owned subsidiary BlueBet Iowa LLC signed a skin agreement with the Dubuque Racing Association Ltd, a licenced wagering operator in Iowa.
- The agreement with Dubuque Racing Association Ltd, which operates Q Casino, will allow BlueBet to operate a new sportsbook in Iowa (pending regulatory approval and licencing).
- The licence is for an initial term of 5 years, with an option in the business's favour to extend for a further 5 years.
- The business is continuing to work through the licence approval process with the State of Iowa.
- It is the business's view that it will commence accepting bets & operating in Q3 FY22.

Establishment of BlueBet Virginia LLC & submission of application for online sports betting licence in Virginia.

- The business submitted an application for an online sports betting licence in Virginia.
- As of the date of this report, an outcome has not yet been received.

Establishment of BlueBet Arizona LLC & submission of application for online sports betting licence in Arizona

- The business's wholly owned subsidiary BlueBet Arizona LLC entered into exclusive agreement with the Colorado River Indian Tribes (CRIT) and BlueWater Resort & Casino.
- Bluebet's licence application was deemed to meet all the requirements, but a licence wasn't awarded at this stage. BlueBet's agreement with CRIT remains in place if further event wagering licences become available in the future.

No other matter or circumstance has arisen since 30 June 2021 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.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information relating to the likely developments in the operations of the Group and the expected results of those operations in future financial years is set out in the review of operations section above and elsewhere in this report.

ENVIRONMENTAL REGULATION

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

INFORMATION ON DIRECTORS

Name:	Michael Sullivan
Title:	Executive Director - Chairman
Qualifications:	Licensed bookmaker since 1988
Experience and expertise:	<p>Michael Sullivan commenced as a bookmaker in Brisbane in 1988 and was the CEO of Sportingbet Australia/William Hill until 2014.</p> <p>During his 13 years as CEO of Sportingbet Australia, Michael grew the company into one of Australia's leading online corporate bookmakers. Michael also served as an adviser to the Sportingbet PLC board as it expanded its international operations. In 2012, Sportingbet acquired competitor Centrebet and integrated Centrebet into its technology platform.</p> <p>Under Michael's leadership, the combined entity generated annual turnover of circa \$3 billion, and became the subject of an acquisition from William Hill. The business sold for \$660 million in March 2013. Michael remained as CEO of William Hill Australia to oversee the acquisition of tomwaterhouse.com, and following the integration of that business Michael departed William Hill Australia in April 2014 and founded BlueBet, which has repeated the early growth of Sportingbet Australia.</p> <p>Michael's depth of experience in the Australian and international wagering market is invaluable to the success of BlueBet's strategy.</p>
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Board and Member of the Audit and Risk Committee
Interests in shares:	83,157,894 ordinary shares
Interests in options:	804,823 options over ordinary shares

Name:	William (Bill) Richmond
Title:	Executive Director - Chief Executive Officer
Qualifications:	Bachelor of Business and a Bachelor of Arts - Journalism
Experience and expertise:	<p>Bill Richmond joined Sportingbet in 2004, where he managed a range of departments. As a trading manager, Bill built and managed a team of over 30 traders. After successfully running the day-to-day trading operation for five years, Bill was promoted to Head of Product and Digital Operations. Responsible for products for both the Sportingbet and Centrebet brands, Bill oversaw Sportingbet Australia's growth in available markets/products, which more than doubled during his tenure resulting in increases in bet numbers, active clients, site usability and ultimately, revenue/turnover.</p> <p>Bill started as BlueBet's Chief Operating Officer in 2015 and has managed all day-to-day operations since then. Bill has extensive experience operating large digital businesses at different stages in their life cycle and has worked across trading, marketing, IT and operations. Bill was appointed as the company's Chief Executive Officer on 1 March 2021.</p>
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	16,241,776 ordinary shares
Interests in options:	804,823 options over ordinary shares

Name:	Tim Worner
Title:	Non-Executive Director
Experience and expertise:	<p>Tim Worner has spent more than three decades in various positions in the Australian media, building and marketing programs and businesses.</p> <p>Tim was the Director of Programming and Production at the Seven Network, taking it to number one for more than 10 years. He was then appointed Managing Director and Chief Executive Officer of Seven West Media (SWM), a group of television, radio, newspaper, magazine and digital businesses with an annual turnover of \$1.7 billion. He led negotiations for sports rights and was instrumental in the establishment of racing.com - a free-to-air television and online content joint venture between Racing Victoria and SWM.</p> <p>Tim is the former Chairman of Australian News Channel, which produced Sky News, and a former director of Yahoo 7, the Sydney Swans and Airtasker. He is now an investor in a number of start-up ventures.</p>
Other current directorships:	None
Former directorships (last 3 years):	Seven West Media Ltd
Special responsibilities:	Member of the Remuneration and Nomination Committee
Interests in shares:	21,930 ordinary shares
Interests in options:	241,447 options over ordinary shares

Name:	David Fleming
Title:	Non-Executive Director
Qualifications:	Member of the Australian Institute of Company Directors
Experience and expertise:	<p>David is a non-executive director of URef Pty Ltd, a sports technology and odds-making start-up company. He is also the founder of Springboard Advisory, providing business consulting and executive performance coaching services.</p> <p>David practised law for over 30 years with Baker McKenzie in Australia, England and Hong Kong. Prior to his retirement from Baker McKenzie in late 2017 he was an international partner for 22 years, focusing on mergers and acquisitions (M&A) and corporate transactions. David also held a number of senior management positions at Baker McKenzie - including managing partner of five offices in Asia, head of M&A in Hong Kong and Asia-Pacific, and was a member of a number of firm committees responsible for strategic planning and governance, nominations, and professional responsibility.</p>
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	87,719 ordinary shares
Interests in options:	241,447 options over ordinary shares

Name:	Nigel Payne
Title:	Non-Executive Director
Experience and expertise:	<p>Nigel Payne has over 30 years' experience as chairman, chief executive, director and non-executive director of some of the United Kingdom's pre-eminent private and quoted businesses both within and outside of the online gambling industry. Nigel is the former CEO of FTSE 250 Listed Sportingbet Plc, one of the then largest internet gambling businesses in the world.</p> <p>Nigel has been involved in the listing of 18 businesses on the London Stock Exchange, and is presently the Chairman of UK AIM market-listed law firm Gateley (Holdings) PLC and the Chairman of UK Main Market-listed Braemar Shipping Services PLC. Nigel is also a non-executive director of UK AIM market listed GetBusy plc, ASX listed Sun International Limited as well as being a non-executive director of Ascot Racecourse Betting and Gaming Limited, and computer games specialists Green Man Gaming Limited and Kwalee Limited.</p> <p>Nigel is the former Chairman of UK AIM market-listed Stride Gaming plc, EG Solutions plc and ECSC Group plc.</p>
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman and member of the Remuneration and Nomination Committee and Chairman and member of the Audit and Risk Committee
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

COMPANY SECRETARY

The company secretary is Laura Newell of Boardroom Pty Ltd.

MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	FULL BOARD		REMUNERATION AND NOMINATION COMMITTEE		AUDIT AND RISK COMMITTEE	
	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD
Michael Sullivan ¹	5	5	-	-	-	-
Bill Richmond	-	-	-	-	-	-
Tim Worner	-	-	-	-	-	-
David Fleming	-	-	-	-	-	-
Nigel Payne	-	-	-	-	-	-

¹ These 5 meetings were held for BlueBet Pty Ltd as a single entity before the restructure.

Held: represents the number of meetings held during the time the director held office.

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Shares and options issued to directors and key management personnel
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Remuneration and Nomination Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration and Nomination Committee. The Remuneration and Nomination Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. As set out in the IPO prospectus, the maximum annual aggregate remuneration available to non-executive directors was set at \$500,000. For the year ended 30 June 2022, it is expected that the fees payable to the current and proposed non-executive directors will not exceed \$500,000 in aggregate.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of two, three and four years based on long-term incentive measures and continuous employment. These include increase in shareholders' value relative to the entire market and the increase compared to the Group's direct competitors. The Remuneration and Nomination Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2021.

Group entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Group. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants

During the financial year ended 30 June 2021, the Group did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs.

Details of remuneration

Prior to the ASX listing on 2 July 2021, BlueBet Limited was not required to prepare a Remuneration report in accordance with the Corporations Act 2001. As such, Remuneration report information is presented only for 2021.

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of BlueBet Holdings Ltd:

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

And the following person:

- Darren Holley - Chief Financial Officer

CONSOLIDATED 2021

	SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS	LONG-TERM BENEFITS	SHARE-BASED PAYMENTS	
	CASH SALARY AND FEES	CASH BONUS	NON-MONETARY	SUPER-ANNUATION	LONG SERVICE LEAVE	EQUITY-SETTLED	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Non-Executive Directors:							
Tim Worner	6,667	-	-	633	-	-	7,300
David Fleming	6,667	-	-	633	-	-	7,300
Nigel Payne	8,333	-	-	-	-	-	8,333
Executive Directors:							
Michael Sullivan ^{1,2}	300,000	-	41,242	25,000	-	-	366,242
Bill Richmond ¹	308,461	75,235	-	25,000	-	-	408,696
Other Key Management Personnel:							
Darren Holley ¹	135,000	112,852	-	23,546	-	-	271,398
	765,128	188,087	41,242	74,812	-	-	1,069,269

¹ includes the remuneration earned in BlueBet Pty Ltd before the restructure.

² in addition to the above remuneration Michael Sullivan received a dividend of \$2,564,100 from BlueBet Pty Ltd prior to the Group restructure and the Group being listed on the Australian stock exchange.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

NAME	FIXED REMUNERATION CONSOLIDATED 2021	AT RISK - STI CONSOLIDATED 2021	AT RISK - LTI CONSOLIDATED 2021
Non-Executive Directors:			
Tim Worner	100%	-	-
David Fleming	100%	-	-
Nigel Payne	100%	-	-
Executive Directors:			
Michael Sullivan	100%	-	-
Bill Richmond	82%	18%	-
Other Key Management Personnel:			
Darren Holley	58%	42%	-

SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Michael Sullivan
Title:	Executive Director - Chairman
Agreement commenced:	1 March 2021
Term of agreement:	Under Mr Sullivan's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Sullivan's employment contract contains post-employment restraints.
Details:	<p>Fixed annual remuneration:</p> <p>\$300,000 (excluding superannuation).</p> <p>Short-term incentive (STI):</p> <p>Mr Sullivan is eligible to receive a cash bonus of up to 50% of his fixed annual remuneration. The cash incentive is paid at the discretion of the company and is calculated after an evaluation of his performance in the exercise of his duties as Executive Chairman, and the extent to which the company achieves its financial targets and forecasts.</p> <p>Long-term incentive (LTI):</p> <p>Mr Sullivan is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 804,823 options immediately following completion under the proposed LTIP grant. Further details on the LTIP are set out in note 32, including key terms and conditions (such as the vesting conditions).</p>
Other benefits:	Mr Sullivan also receives the benefit of two asset loan agreements (for two motor vehicles) entered into by BlueBet Pty Ltd, which the Board has determined form part of his reasonable remuneration.

Name:	Bill Richmond
Title:	Chief Executive Officer
Agreement commenced:	1 March 2021
Term of agreement:	Under Mr Richmond's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Richmond's employment contract contains post-employment restraints.
Details:	<p>Fixed annual remuneration:</p> <p>\$375,000 (excluding superannuation).</p> <p>Short-term incentive (STI):</p> <p>Mr Richmond is eligible to receive a cash bonus of up to 50% of his fixed annual remuneration. The cash incentive is paid at the discretion of the company and is calculated after an evaluation of his performance in the exercise of his duties as Chief Executive Officer and the extent to which the company achieves its financial targets and forecasts.</p> <p>Long-term incentive (LTI):</p> <p>Mr Richmond is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 804,823 options immediately following completion under the proposed LTIP grant. Further details on the LTIP are set out in note 32, including key terms and conditions (such as the vesting conditions).</p>

Name:	Darren Holley
Title:	Chief Financial Officer
Agreement commenced:	1 February 2021
Term of agreement:	Under Mr Holley's employment contract, either he or BlueBet may terminate his employment by giving the other party three months' notice (or by BlueBet making payment of his salary in lieu of part of or all of the notice period). Mr Holley's employment contract contains post-employment restraints.
Details:	<p>Fixed annual remuneration: \$350,000 (including superannuation).</p> <p>Short-term incentive (STI):</p> <p>Mr Holley is eligible to receive a cash bonus of up to 50% of his fixed annual remuneration. The cash incentive is paid at the discretion of the company and is calculated after an evaluation of his performance in the exercise of his duties as Chief Financial Officer and the extent to which the company achieves its financial targets and forecasts.</p> <p>Long-term incentive (LTI):</p> <p>Mr Holley is entitled to participate in the company's Long Term Incentive Plan ('LTIP'), and received 1,207,235 options immediately following completion under the proposed LTIP grant. Further details on the LTIP are set out in note 32, including key terms and conditions (such as the vesting conditions).</p>

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Shares and options issued to directors and key management personnel

Issue of shares

As outlined in the prospectus, shares issued in the pre-IPO share split and the exercise of options held by the CEO resulted in the issuance of 119,531,250 ordinary shares prior to any disposal.

Other than the above, no shares in BlueBet Holdings Ltd were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

NAME	NUMBER OF OPTIONS GRANTED	GRANT DATE	VESTING DATE AND EXERCISABLE DATE	EXPIRY DATE	EXERCISE PRICE	AVERAGE FAIR VALUE PER OPTION AT GRANT DATE
Michael Sullivan	804,823	29 June 2021	Various ¹	29 June 2028	\$1.14	\$0.386
Bill Richmond	804,823	29 June 2021	Various ¹	29 June 2028	\$1.14	\$0.386
Tim Worner	241,447	29 June 2021	Various ¹	29 June 2028	\$1.14	\$0.386
David Fleming	241,447	29 June 2021	Various ¹	29 June 2028	\$1.14	\$0.386
Darren Holley	1,207,235	30 June 2021	Various ¹	30 June 2028	\$1.14	\$0.386

¹ In relation to the vesting of these options, one-third vests 24 months after the grant date, one-third vests 36 months after the grant date and the remaining third vests 48 months after the grant date, based on the director or employee maintaining continual service to the Group.

Options granted carry no dividend or voting rights.

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

	VALUE OF OPTIONS GRANTED DURING THE YEAR	VALUE OF OPTIONS EXERCISED DURING THE YEAR	VALUE OF OPTIONS LAPSED DURING THE YEAR	REMUNERATION CONSISTING OF OPTIONS FOR THE YEAR
NAME	\$	\$	\$	%
Michael Sullivan	310,397	-	-	-
Bill Richmond	310,397	-	-	-
Tim Worner	93,119	-	-	-
David Fleming	93,119	-	-	-
Darren Holley	465,596	-	-	-

Additional disclosures relating to key management personnel*Shareholding*

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	BALANCE AT THE START OF THE YEAR	RECEIVED AS PART OF REMUNERATION	ADDITIONS ¹	DISPOSALS/ OTHER	BALANCE AT THE END OF THE YEAR
Ordinary shares					
Michael Sullivan ²	100	-	100,000,000	(16,842,206)	83,157,894
Bill Richmond ³	-	-	19,531,250	(3,289,474)	16,241,776
Tim Worner ⁴	-	-	21,930	-	21,930
David Fleming ⁴	-	-	87,719	-	87,719
Darren Holley ⁴	-	-	43,860	-	43,860
	100	-	119,684,759	20,131,680	99,553,179

¹ additions relate to shares issued on completion of the offer when listing.

² the balance at the start of the year and the disposals relate to shares held by Michael Sullivan in BlueBet Pty Ltd.

³ the shares issued to Bill Richmond relate to a pre-existing share plan that vested on the IPO of the Group.

⁴ relates to shares purchased at the time of IPO

All of the above shares are subject to voluntary escrow for a period of 24 months from the date of the company being listed, in this case up to 30 June 2023.

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	BALANCE AT THE START OF THE YEAR	GRANTED ¹	EXERCISED	EXPIRED/ FORFEITED/ OTHER	BALANCE AT THE END OF THE YEAR
Options over ordinary shares					
Michael Sullivan	-	804,823	-	-	804,823
Bill Richmond	-	804,823	-	-	804,823
Tim Worner	-	241,447	-	-	241,447
David Fleming	-	241,447	-	-	241,447
Darren Holley	-	1,207,235	-	-	1,207,235
	-	3,299,775	-	-	3,299,775

¹ granted relates to options granted on completion of the offer when listing.

This concludes the remuneration report, which has been audited.

SHARES UNDER OPTION

Unissued ordinary shares of BlueBet Holdings Ltd under option at the date of this report are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER UNDER OPTION
29 June 2021	29 June 2028	\$1.14	5,054,289
30 June 2021	30 June 2028	\$1.14	5,231,351
			10,285,640

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

As outlined in the prospectus, options held by the founder and employees were exercised prior to the IPO, totalling 56,250,000 ordinary shares.

Other than the above, there were no ordinary shares of BlueBet Holdings Ltd issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

INDEMNITY AND INSURANCE OF OFFICERS

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF ERNST & YOUNG

There are no officers of the company who are former partners of Ernst & Young.

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.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Michael Sullivan
Executive Chairman

31 August 2021



**Building a better
working world**

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Auditor's independence declaration to the directors of BlueBet Holdings Limited

As lead auditor for the audit of the financial report of BlueBet Holdings Limited for the financial year ended 30 June 2021, 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 audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.

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

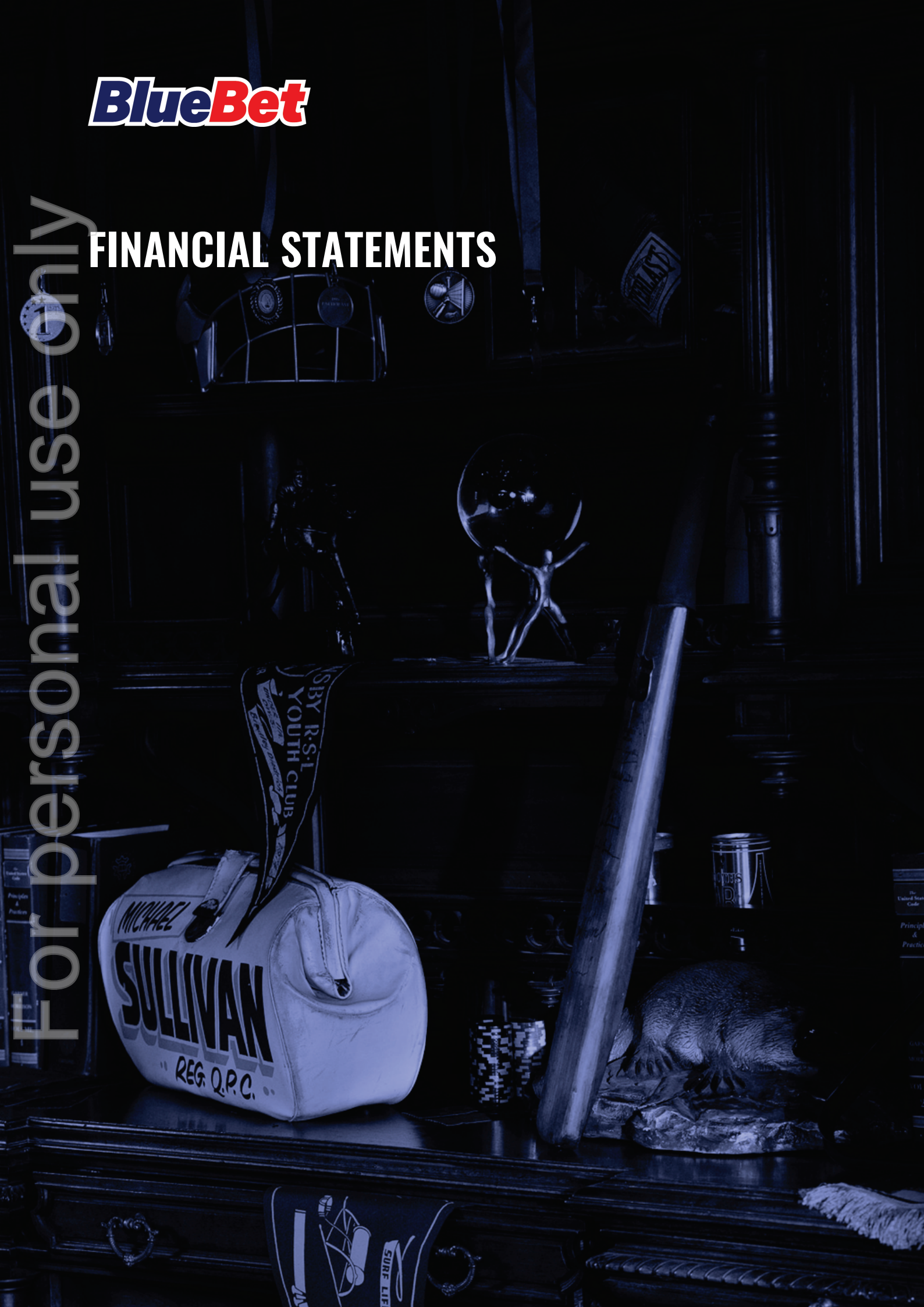
Ernst & Young

Simon Hannigan
Partner
31 August 2021

BlueBet

FINANCIAL STATEMENTS

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GENERAL INFORMATION

On 30 June 2021, BlueBet Holdings Ltd ('BBT') was admitted to the Official List of ASX Limited ('ASX').

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 31 August 2021. The directors have the power to amend and reissue the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

		CONSOLIDATED 2021	2020
	NOTES	\$	\$
Wagering revenue	4	32,351	16,809
Cost of sales		(14,093)	(6,859)
Gross profit		18,258	9,950
Expenses			
Employee benefits expense		(3,336)	(1,977)
Advertising and marketing expense		(4,795)	(1,621)
Licensing, platform and subscriptions		(978)	(429)
IT expense		(580)	(245)
Administration expense		(545)	(216)
Depreciation and amortisation expense	5	(147)	(132)
Loss on disposal of assets		-	(18)
IPO expense		(2,736)	-
Other expenses		(553)	(409)
Finance costs	5	(76)	(64)
Profit before income tax expense		4,512	4,839
Income tax expense	6	(1,533)	(354)
Profit after income tax expense for the year attributable to the owners of BlueBet Holdings Ltd		2,979	4,485
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of BlueBet Holdings Ltd		2,979	4,485
		CENTS	CENTS
Basic earnings per share	32	1.90	2.87
Diluted earnings per share	32	1.80	2.87

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		CONSOLIDATED 2021	2020
	NOTES	\$	\$
Assets			
Current assets			
Cash and cash equivalents	7	56,104	4,742
Trade and other receivables	8	188	7
Other assets	9	570	3
Total current assets		56,862	4,752
Non-current assets			
Property, plant and equipment	10	412	205
Right-of-use assets	11	946	89
Intangibles	12	428	23
Deferred tax asset	6	746	111
Other assets	9	94	50
Total non-current assets		2,626	478
Total assets		59,488	5,230
Liabilities			
Current liabilities			
Trade and other payables	13	5,663	2,812
Borrowings	14	35	34
Lease liabilities	15	211	96
Income tax payable	6	1,155	465
Employee benefits	16	146	236
Client deposits on hand	17	2,605	1,536
Total current liabilities		9,815	5,179
Non-current liabilities			
Borrowings	14	111	146
Lease liabilities	15	737	-
Employee benefits	16	215	50
Total non-current liabilities		1,063	196
Total liabilities		10,878	5,375
Net assets/(liabilities)		48,610	(145)
Equity			
Issued capital	18	47,806	-
Reserves	19	534	-
Retained profits/(accumulated losses)		270	(145)
Total equity/(deficiency)		48,610	(145)

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	ISSUED CAPITAL	SHARE-BASED PAYMENT RESERVE	ACCUMULATED LOSSES	TOTAL DEFICIENCY IN EQUITY
	\$'000	\$'000	\$'000	\$'000
SINGLE ENTITY – BLUEBET PTY LTD				
Balance at 1 July 2019			(3,727)	(3,727)
Profit after income tax expense for the year	-	-	4,485	4,485
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	4,485	4,485
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid (note 20)	-	-	(903)	(903)
Balance at 30 June 2020	-	-	(145)	(145)

	ISSUED CAPITAL	SHARE-BASED PAYMENT RESERVE	ACCUMULATED LOSSES	TOTAL DEFICIENCY IN EQUITY
	\$'000	\$'000	\$'000	\$'000
CONSOLIDATED				
Balance at 1 July 2020	-	-	(145)	(145)
Profit after income tax expense for the year	-	-	2,979	2,979
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	2,979	2,979
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 18)	47,806	-	-	47,806
Share-based payments (note 33)	-	534	-	534
Dividends paid (note 20)	-	-	(2,564)	(2,564)
Balance at 30 June 2021	47,806	534	577	48,610

The dividend of \$2,564,100 paid in the current year was paid to the sole shareholder of BlueBet Pty Ltd prior to the Group restructure and the Group being listed on the Australian stock exchange.

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

		CONSOLIDATED 2021	2020
	NOTES	\$	\$
Cash flows from operating activities			
Receipts from customers (Client deposits)		83,108	42,831
Payments to customers (Client withdrawals)		(46,465)	(24,577)
Payments to suppliers and employees (inclusive of GST)		(27,032)	(12,287)
		9,611	5,967
Interest and other finance costs paid		(76)	(64)
Income taxes paid		(1,122)	-
Net cash from operating activities	29	8,413	5,903
Cash flows from investing activities			
Payments for property, plant and equipment	10	(252)	(99)
Payments for intangibles	12	(411)	-
Net cash used in investing activities		(663)	(99)
Cash flows from financing activities			
Net proceeds from issue of shares	18	50,000	-
Proceeds from issue of options		520	-
Share issue transaction costs ¹		(4,164)	-
Proceeds from chattel mortgage		-	194
Payment of office bond		(44)	-
Repayment of leases		(95)	(100)
Repayment of chattel mortgage		(41)	(92)
Repayment of director loan		-	(716)
Dividends paid	20	(2,564)	(903)
Net cash from/(used in) financing activities		43,612	(1,617)
Net increase in cash and cash equivalents		51,362	4,187
Cash and cash equivalents at the beginning of the financial year		4,742	555
Cash and cash equivalents at the end of the financial year	7	56,104	4,742

¹ Reflects \$2,368k taken to Equity and \$1,795k taken to operating expenses in the Statement of Profit or Loss.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, 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.

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

The following Accounting Standards and Interpretations are most relevant to the Group:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Group's financial statements.

IFRS Interpretations Committee (IFRIC) Decision on Software as a Service (SaaS)

IFRIC has issued two final agenda decisions on cloud computing arrangements. The March 2019 decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term. The April 2021 decision builds on the 2019 decision and considers how a customer accounts for configuration or customisation costs where an intangible asset is not recognised. There has been no material impact on the Group's financial statements due to implementation of the decisions.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared on a going concern basis and under the historical cost basis except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value through profit and loss ("FVTPL").

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of BlueBet Holdings Ltd ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. BlueBet Holdings Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is BlueBet Holdings Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

Revenue recognition

The Group recognises revenue as follows:

Wagering revenue

Wagering revenue is recognised as the residual value after deducting the return to customers from betting turnover. Fixed odds betting revenue is classified as revenue and recognised as the net win or loss on an event. Amounts received from clients are presented as a financial liability (client deposits on hand). When a bet is placed on an event, the amount is reclassified to another category of financial liability (trade and other payables - pending bets). When the outcome of the event is determined, the revenue is brought to account. Open fixed odds betting positions are carried at fair value and gains and losses arising on these positions are recognised in revenue. Variable odds betting revenue is recognised when the uncertainty associated with the variable consideration is subsequently resolved, which is when the event is complete.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate in Australia adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

<i>Plant and equipment</i>	<i>4 to 10 years</i>
<i>Motor vehicles</i>	<i>8 years</i>

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed at least annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website and apps (research and development)

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when: it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 to 5 years.

Patents and trademarks

Costs associated with patents and trademarks are treated as indefinite life intangible assets. Management considers that the useful lives of patents and trademarks are indefinite because there are no foreseeable limits to the cash flows these assets can generate. They are tested at least annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of BlueBet Holdings Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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.

Comparatives

Certain comparatives have been reclassified for consistency with the current period presentation. There was no effect on profit or loss, assets, liabilities or equity.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The adoption of these Accounting Standards and Interpretations is not expected to have any significant impact on the Group's financial statements.

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

NOTE 3. OPERATING SEGMENTS

Identification of reportable operating segments

The Group is organised into two operating segment being Australia and the United States of America. 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.

Major customers

The Group has no major customers.

Operating segment information

	AUSTRALIA	USA	TOTAL
CONSOLIDATED 2021	\$'000	\$'000	\$'000
Revenue			
Wagering revenue	32,351	-	32,351
Cost of sale	(14,093)	-	(14,093)
Gross profit	18,258	-	18,258
Segment EBITDA	7,800	(329)	7,471
Depreciation and amortisation			(147)
Finance costs			(76)
IPO expense			(2,736)
Profit before income tax expense			4,512
Income tax expense			(1,533)
Profit after income tax expense			2,979
Assets			
Segment assets ¹	59,425	63	59,488
Total assets			59,488
Liabilities			
Segment liabilities	10,811	67	10,878
Total liabilities			10,878

¹ In accordance with the BlueBet prospectus, \$30,000,000 of the cash included with Australian assets will be utilised in establishing the US business and acquiring initial licences

NOTE 3. OPERATING SEGMENTS (CONTINUED)**Geographical information**

	SALES TO EXTERNAL CUSTOMERS		GEOGRAPHICAL NON-CURRENT ASSETS	
	CONSOLIDATED 2021	2020	CONSOLIDATED 2021	2020
	\$'000	\$'000	\$'000	\$'000
Australia	32,351	16,809	2,624	428
United States of America	-	-	2	-
	32,351	16,809	1,872	428

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

NOTE 4. WAGERING REVENUE

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Revenue from wagering (excludes GST)		
Betting turnover	313,394	170,969
Payouts on betting	(273,189)	(150,106)
	40,205	20,863
Promotions given	(7,854)	(4,054)
Wagering revenue	32,351	16,809

Disaggregation of revenue

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

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Major product lines		
Revenue from betting on:		
Sports	2,952	1,124
Horse racing	14,620	8,241
Greyhound racing	10,895	5,215
Harness racing	3,884	2,280
On track bets	-	(51)
	32,351	16,809
Geographical regions		
Australia	32,351	16,809

All revenue is recognised at a point in time.

NOTE 5. EXPENSES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Profit before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	23	16
Motor vehicles	22	9
Land and buildings right-of-use assets	96	89
Total depreciation	141	114
Amortisation		
Website and apps	6	18
Total depreciation and amortisation	147	132
Finance costs		
Interest and finance charges paid/payable on borrowings	73	57
Interest and finance charges paid/payable on lease liabilities	3	7
Finance costs expensed	76	64
Superannuation expense		
Defined contribution superannuation expense	276	165

NOTE 6. INCOME TAX

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Income tax expense		
Current income tax expense	1,726	465
Deferred tax - origination and reversal of temporary differences	(193)	-
Deferred income tax (benefit)	-	(111)
Aggregate income tax expense	1,533	354
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	4,512	4,839
Tax at the statutory tax rate of 26% (2020: 27.5%)	1,173	1,331
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	10	10
IPO costs relating to the US portion of the capital raise	252	-
Sundry items	6	2
	1,441	1,343
Other	6	(31)
First time recognition of deferred tax assets on temporary differences	-	(111)
Current year tax losses not recognised (USA related)	86	-
Prior year tax losses not recognised now recouped	-	(847)
Income tax expense	1,533	354

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Amounts credited directly to equity		
Deferred tax assets	442	-

	CONSOLIDATED 2021	2020
	\$'000	\$'000
<i>Deferred tax assets not recognised (tax losses)</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Unutilised tax loss/tax credit incurred in the US ¹	329	-
Total deferred tax assets not recognised		

¹ The Group has gross carried forward losses of \$329,000, that have not been booked as deferred tax assets. These losses relate to costs incurred by the Group in the US. These losses may be utilised only against US derived taxable income.

NOTE 6. INCOME TAX (CONTINUED)

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	93	79
Accrued expenses	27	32
Capitalised website and apps costs	(34)	-
IPO costs	660	-
Deferred tax asset	746	111
Movements:		
Opening balance	111	-
Credited to equity	442	-
Credited to profit or loss	193	111
Closing balance	746	111
	CONSOLIDATED 2021	2020
	\$'000	\$'000
Provision for income tax	1,155	465

NOTE 7. CASH AND CASH EQUIVALENTS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current assets		
Cash at bank	54,472	4,742
Cash on deposit	1,632	-
	56,104	4,742

NOTE 8. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current assets		
Other receivables	188	7

The Group has recognised a loss of \$nil (2020: \$nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2021.

NOTE 9. OTHER ASSETS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current assets		
Prepayments	483	3
Other current assets	87	-
	570	3
Non-current assets		
Bookmaker's deposits	94	50

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Non-current assets		
Plant and equipment - at cost	388	136
Less: Accumulated depreciation	(118)	(95)
	270	41
Motor vehicles - at cost	173	173
Less: Accumulated depreciation	(31)	(9)
	142	164
	412	205

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial years are set out below:

	PLANT AND EQUIPMENT	MOTOR VEHICLES	TOTAL
	\$'000	\$'000	\$'000
Balance at 1 July 2019	50	82	132
Additions	7	173	180
Disposals	-	(82)	(82)
Depreciation expense	(16)	(9)	(25)
Balance at 30 June 2020	41	164	205
Additions	252	-	252
Depreciation expense	(23)	(22)	(45)
Balance at 30 June 2021	270	142	412

NOTE 11. RIGHT-OF-USE ASSETS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Non-current assets		
Land and buildings - right-of-use	1,309	356
Less: Accumulated depreciation	(363)	(267)
	946	89

The Group leases land and buildings for its offices under agreements of between 1 to 5 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

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

	LAND AND BUILDINGS
	\$'000
Balance at 1 July 2019	178
Depreciation expense	(89)
Balance at 30 June 2020	89
Additions	953
Depreciation expense	(96)
Balance at 30 June 2021	946

For other lease related disclosures, refer to the following:

- note 5 for details of depreciation on right-of-use assets, interest on lease liabilities and other lease expenses;
- statement of financial position for lease liabilities at the end of the reporting period;
- note 21 for undiscounted future lease commitments; and
- statement of cash flows for repayment of lease liabilities.

NOTE 12. INTANGIBLES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Non-current assets		
Website and apps - at cost	499	90
Less: Accumulated amortisation	(90)	(84)
	409	6
Patents and trademarks - at cost	19	17
	428	23

Reconciliations

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

	WEBSITE AND APPS	TRADEMARKS	TOTAL
	\$'000	\$'000	\$'000
Balance at 1 July 2019	24	17	41
Amortisation expense	(18)	-	(18)
Balance at 30 June 2020	6	17	23
Additions	409	2	411
Amortisation expense	(6)	-	(6)
Balance at 30 June 2021	409	19	428

NOTE 13. TRADE AND OTHER PAYABLES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current liabilities		
Trade payables	3,786	1,310
Pending bets	122	97
Other payables	1,755	1,405
	5,663	2,812

Refer to note 21 for further information on financial instruments.

NOTE 14. BORROWINGS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current liabilities		
Chattel mortgage on motor vehicles	35	34
Non-current liabilities		
Chattel mortgage on motor vehicles	111	146

Refer to note 21 for further information on financial instruments.

Assets pledged as security

The chattel mortgage is secured over the motor vehicles of the Group.

NOTE 15. LEASE LIABILITIES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current liabilities		
Lease liability	211	96
Non-current liabilities		
Lease liability	737	-

Refer to note 21 for further information on financial instruments.

NOTE 16. EMPLOYEE BENEFITS

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current liabilities		
Annual leave	146	236
Non-current liabilities		
Annual leave	145	-
Long service leave	70	50
	215	50

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Employee benefits obligation expected to be settled after 12 months	145	118

NOTE 17. CLIENT DEPOSITS ON HAND

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Current liabilities		
Client deposits on hand	2,605	1,536

Client deposits represents monies held on behalf of players to facilitate convenient betting. Client deposits are interest free and refundable to clients on demand.

NOTE 18. ISSUED CAPITAL

	CONSOLIDATED 2021	2020	CONSOLIDATED 2021	2020
	SHARES	SHARES	\$'000	\$'000
Ordinary shares - fully paid	200,109,649	100	47,806	-

Movements in ordinary share capital

DETAILS	DATE	SHARES	ISSUE PRICE	\$'000
Balance	1 July 2019	100		-
Balance	30 June 2020	100		-
Shares issued as consideration for the legal acquisition of BlueBet Pty Ltd	28 June 2021	156,250,000	\$0.00	-
Elimination of the shares acquired in BlueBet Pty Ltd	28 June 2021	(100)	\$0.00	-
Shares issued at IPO	28 June 2021	70,175,439	\$1.14	80,000
Pre-IPO sell down of shares	28 June 2021	(26,315,790)	\$1.14	(30,000)
Transaction costs		-	\$0.00	(2,194)
Balance	30 June 2021	200,109,649		47,806

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.

Shares under voluntary escrow

The total number of shares subject to voluntary escrow is 129,934,894. These shares are subject to various conditions which prevent the escrowed shareholders from dealing in their escrowed shares within the first two years of the company being listed, in this case up to 29 June 2023.

Share buy-back

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

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

NOTE 19. RESERVES

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Share-based payments reserve	534	-

Share-based payments reserve

The reserve is used to recognise the value of 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 and previous financial year are set out below:

	SHARE-BASED PAYMENTS
	\$'000
Balance at 1 July 2019	-
Balance at 30 June 2020	-
Cash received for options purchased by participating employees	534
Balance at 30 June 2021	534

NOTE 20. DIVIDENDS

Dividends paid during the financial year were as follows:

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Dividend for the year ending 30 June 2020 ¹	-	903
Dividend for the year ending 30 June 2021 ¹	2,564	-
	2,564	903

¹ The above dividends were declared and paid by BlueBet Pty Ltd as a single entity prior to the Group restructure and prior to the Group being listed on the Australian stock exchange.

The newly formed parent entity, BlueBet Holdings Limited has not declared or paid any dividends during the year.

NOTE 21. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of wagering liabilities and liquidity.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The Group operates in the United States of America and is exposed to foreign currency exchange rate risk arising from foreign currency exposures to the US dollar.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	ASSETS		LIABILITIES	
	CONSOLIDATED 2021	2020	CONSOLIDATED 2021	2020
	\$'000	\$'000	\$'000	\$'000
US dollars	63	-	67	-

The Group had net liabilities denominated in foreign currencies of \$4,000 (assets of \$63,000 less liabilities of \$67,000 as at 30 June 2021 (2020: \$nil (\$nil assets and liabilities)). Based on this exposure, had the Australian dollars weakened by 10%/strengthened by 10% against these foreign currencies with all other variables held constant, the consolidated entity's profit before tax for the year would have been \$400 lower/\$400 higher. The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 12 months each year and the spot rate at each reporting date. The actual foreign exchange gain for the year ended 30 June 2021 was \$2,000 (2020: \$nil).

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group is not exposed to any significant interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

NOTE 21. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	WEIGHTED AVERAGE INTEREST RATE	1 YEAR OR LESS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS	TOTAL
CONSOLIDATED 2021	%	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	3,786	-	-	-	3,786
Pending bets	-	122	-	-	-	122
Other payables	-	1,755	-	-	-	1,755
Client deposits on hand	-	2,605	-	-	-	2,605
Interest-bearing - variable						
Lease liability	5.00%	250	262	533	-	1,045
Chattel mortgage	4.43%	41	41	72	-	154
Total non-derivatives		8,559	303	605	-	9,467
	WEIGHTED AVERAGE INTEREST RATE	1 YEAR OR LESS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS	TOTAL
2020	%	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,310	-	-	-	1,310
Pending bets	-	97	-	-	-	97
Interest-bearing - variable						
Lease liability	5.00%	98	-	-	-	98
Chattel mortgage	4.43%	41	41	113	-	195
Total non-derivatives		2,951	41	113	-	3,105

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	CONSOLIDATED 2021	2020
	\$'000	\$'000
Short-term employee benefits	994,457	386,251
Post-employment benefits	74,812	34,017
	1,069,269	420,268

NOTE 23. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of the company:

	CONSOLIDATED 2021	2020
	\$	\$
<i>Audit services - Ernst & Young</i>		
Audit or review of the financial statements	250,000	132,500
<i>Other services - Ernst & Young</i>		
IPO taxation services	227,147	-
IPO due diligence and transaction support services	215,000	-
	442,147	-
	692,147	132,500

NOTE 24. CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 30 June 2021 and 30 June 2020.

NOTE 25. COMMITMENTS

The Group had no commitments as at 30 June 2021 and 30 June 2020.

NOTE 26. RELATED PARTY TRANSACTIONS

Parent entity

BlueBet Holdings Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 28.

Key management personnel

Disclosures relating to key management personnel are set out in note 22 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	CONSOLIDATED 2021	2020
	\$	\$
Net repayments of loan from director ¹	-	715,817
Dividends paid to director	2,564,100	902,558
Director salary and employment benefits	1,028,026	197,100
Lease payments for director's motor vehicle	41,242	28,174
Group/company lease liability for director's motor vehicle	146,024	179,978

¹ During FY21 a loan of \$5,759,000 was extended to Michael Sullivan, then the sole director and sole shareholder. This loan was repaid in full during FY21, prior to IPO, by way of cash repayment of \$4,420,000 and a dividend declared to Michael Sullivan, as the sole shareholder, of \$1,339,000 (this dividend being included within dividends paid during the year of \$2,564,100)

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 27. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

PARENT 2021

\$'000

Loss after income tax	(2,559)
Total comprehensive income	(2,559)

Statement of financial position

PARENT 2021

\$'000

Total current assets	46,616
Total assets	47,276
Total current liabilities	1,495
Total liabilities	1,495
Equity	
Issued capital	47,806
Share-based payments reserve	534
Accumulated losses	(2,559)
Total equity	45,781

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2021.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 28. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

NAME	PRINCIPAL PLACE OF BUSINESS / COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		CONSOLIDATED 2021 %	2020 %
BlueBet Pty Ltd	Australia	100.00%	-
BlueBet USA, Inc ¹	United States of America	100.00%	-

¹ Incorporated on 10 March 2021.

NOTE 29. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	CONSOLIDATED 2021 \$'000	2020 \$'000
Profit after income tax expense for the year	2,979	4,485
Adjustments for:		
Depreciation and amortisation	147	132
IPO expenses net of tax	2,028	-
<i>Change in operating assets and liabilities:</i>		
Increase in trade and other receivables	(181)	(7)
Increase in deferred tax assets	(635)	(110)
Increase in prepayments	(480)	(3)
Increase in bookmaker's deposits	(44)	-
Increase in trade and other payables	2,409	1,073
Increase in provision for income tax	1,046	465
Increase in employee benefits	75	63
Increase/(decrease) in client deposits	1,069	(195)
Net cash from operating activities	8,413	5,903

NOTE 30. NON-CASH INVESTING AND FINANCING ACTIVITIES**CONSOLIDATED****2021****2020****\$'000****\$'000**

Additions to right-of-use assets

951**-****NOTE 31. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

	CHATTEL MORTGAGE	UNSECURED LOAN	LEASE LIABILITIES	TOTAL
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2019	79	716	186	981
Net cash used in financing activities	(92)	(716)	(100)	(908)
Acquisition of motor vehicle	194	-	-	194
Other changes	-	-	9	9
Balance at 30 June 2020	181	-	95	276
Net cash used in financing activities	(41)	-	(95)	(136)
New office leases in Sydney and Darwin	-	-	948	948
Other changes	6	-	-	6
Balance at 30 June 2021	146	-	948	1,094

NOTE 32. EARNINGS PER SHARE

	CONSOLIDATED	
	2021	2020
	\$'000	\$'000
Profit after income tax attributable to the owners of BlueBet Holdings Ltd	2,979	4,485
	NUMBER	NUMBER
Weighted average number of ordinary shares used in calculating basic earnings per share	156,490,327	156,250,000
<i>Adjustments for calculation of diluted earnings per share:</i>		
Options over ordinary shares	8,675,994	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	165,166,321	156,250,000
	CENTS	CENTS
Basic earnings per share	1.90	2.87
Diluted earnings per share	1.80	2.87

NOTE 33. SHARE-BASED PAYMENTS

BlueBet Long-Term Incentive Plan (LTIP)

Prior to listing, the company established the 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. Under the LTIP, eligible participants may be offered share awards subject to vesting conditions set by the Board, as outlined below:

- A holder of a performance right will be entitled to receive shares to the satisfaction of applicable performance and vesting conditions.
- A holder of an option will be entitled to receive shares upon satisfaction of applicable conditions and payment of an exercise price as determined at the time of being granted.
- Shares offered may be subject to dealing restrictions, vesting conditions or other restrictions or conditions.

Unless otherwise specified in an offer document, the company has the discretion to settle any performance rights or options with a cash equivalent payment. The company intends to settle the current LTIP in shares.

NOTE 33. SHARE-BASED PAYMENTS (CONTINUED)

Upon listing on the ASX, offers for the following grants of options have been made to the following key management personnel and executive directors of the company under the LTIP grant:

NAME	NUMBER OF OPTIONS	ISSUE PRICE	EXERCISE PRICE	GRANT DATE	EXPIRY DATE
Michael Sullivan ^{1,2}	804,823	\$0.09 ¹	\$1.14	29/06/2021	29/06/2028
Bill Richmond ^{1,2}	804,823	\$0.09 ¹	\$1.14	29/06/2021	29/06/2028
Tim Worner ^{1,2}	241,447	\$0.09 ¹	\$1.14	29/06/2021	29/06/2028
David Fleming ^{1,2}	241,447	\$0.09 ¹	\$1.14	29/06/2021	29/06/2028
Darren Holley ^{1,2}	1,207,235	\$0.09 ¹	\$1.14	30/06/2021	30/06/2028
Various employees ^{1,2}	2,414,470	\$0.09 ¹	\$1.14	30/06/2021	30/06/2028
Various employees ²	2,961,749	\$0.00	\$1.14	29/06/2021	29/06/2028
Various employees ³	1,609,646	\$0.00	\$1.14	30/06/2021	30/06/2028
	10,285,640				

¹ Option premiums of \$534k were paid in relation to these options. These payments were credited to share based payment reserve.

² One-third of these options vests 24 months after the grant date, one-third vests 36 months after the grant date and the remaining third vests 48 months after the grant date.

³ These options are subject to the delivery of performance hurdles being met in the US market.

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

CONSOLIDATED 2021

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT THE START OF THE YEAR	GRANTED	EXERCISED	EXPIRED/ FORFEITED/ OTHER	BALANCE AT THE END OF THE YEAR
29/06/2021	29/06/2028	\$1.14	-	5,054,289	-	-	5,054,289
30/06/2021	30/06/2028	\$1.14	-	5,231,351	-	-	5,231,351
			-	10,285,640	-	-	10,285,640

Weighted average exercise price	\$0.00	\$1.14	\$0.00	\$0.00	\$1.14
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The weighted average share price applied in derivation of option value was \$1.14.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 7 years.

At the end of the year, all of the options issued were unexercisable.

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

GRANT DATE	EXPIRY DATE	SHARE PRICE AT GRANT DATE	EXERCISE PRICE	EXPECTED VOLATILITY	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE
29/06/2021	29/06/2028	\$1.14	\$1.14	50.00%	-	0.69%	\$0.386
30/06/2021	30/06/2028	\$1.14	\$1.14	50.00%	-	0.69%	\$0.386
29/06/2021	29/06/2028	\$1.14	\$1.14	50.00%	-	0.69%	\$0.480
30/06/2021	30/06/2028	\$1.14	\$1.14	50.00%	-	0.69%	\$0.447

NOTE 34. EVENTS AFTER THE REPORTING PERIOD

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Group, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the Group's operations going forward. The Group now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

The below developments have occurred since 30 June 2021 relating to the expansion of the business into the US Market.

Establishment of BlueBet Iowa LLC & signing of agreement to operate in Iowa

- The business's wholly owned subsidiary BlueBet Iowa LLC signed a skin agreement with the Dubuque Racing Association Ltd, a licenced wagering operator in Iowa.
- The agreement with Dubuque Racing Association Ltd, which operates Q Casino, will allow BlueBet to operate a new sportsbook in Iowa (pending regulatory approval and licencing).
- The licence is for an initial term of 5 years, with an option in the business's favour to extend for a further 5 years.
- The business is continuing to work through the licence approval process with the State of Iowa.
- It is the business's view that it will commence accepting bets & operating in Q3 FY22, subject to licence approval.

Establishment of BlueBet Virginia LLC & submission of application for online sports betting licence in Virginia.

- The business submitted an application for an online sports betting licence in Virginia.
- As of the date of this report, an outcome has not yet been received.

Establishment of BlueBet Arizona LLC & submission of application for online sports betting licence in Arizona

- The business's wholly owned subsidiary BlueBet Arizona LLC entered into exclusive agreement with the Colorado River Indian Tribes (CRIT) and BlueWater Resort & Casino.
- Bluebet's licence application was deemed to meet all the requirements, but a licence wasn't awarded at this stage. BlueBet's agreement with CRIT remains in place if further event wagering licences become available in the future.

No other matter or circumstance has arisen since 30 June 2021 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.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Accounting Standards and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial 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.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Michael Sullivan
Executive Chairman

31 August 2021



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

Report on the audit of the financial report

Opinion

We have audited the financial report of BlueBet Holdings Limited ("the Company") and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



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Reliance on automated processes and controls related to wagering revenue

Why significant	How our audit addressed the key audit matter
<p>The Group recognised wagering revenue of \$32.4m during the year (30 June 2020: \$16.9m).</p> <p>The Group's revenue recognition and reporting process is heavily reliant on a wagering system (with automated processes and controls over the capturing and recording of wagering transactions. Given the significance of the wagering system to the processing of revenue transactions, this was considered to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessment of the effectiveness of transaction processing controls relevant to the recognition of revenue. This included involvement from our IT specialists. • Selection of a sample of transactions from the wagering system and agreement of recorded data to evidence of the original wagering transactions. • Evaluation of the reconciliation of wagering revenue and customer deposit balances between the wagering system and the financial statements. • Analysis of movements in the wagering revenue balance relative to the prior year. • Correlation analysis of the wagering revenue balance with respect to movements in the customer deposits balance.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2021 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



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From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 25 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of BlueBet Holdings Limited for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Simon Hannigan
Partner
Sydney
31 August 2021

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 25 August 2021.

DISTRIBUTION OF EQUITABLE SECURITIES

Analysis of number of equitable security holders by size of holding:

	ORDINARY SHARES		OPTIONS OVER ORDINARY SHARES	
	NUMBER OF HOLDERS	% OF TOTAL SHARES ISSUED	NUMBER OF HOLDERS	% OF TOTAL SHARES ISSUED
1 to 1,000	1,377	0.36	-	-
1,001 to 5,000	1,852	2.71	-	-
5,001 to 10,000	828	3.28	-	-
10,001 to 100,000	690	8.64	8	4.54
100,001 and over	38	85.01	16	95.46
	4,785	100.00	24	100.00
Holding less than a marketable parcel	-	-	-	-

EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	ORDINARY SHARES	
	NUMBER HELD	% OF TOTAL SHARES ISSUED
Mr Michael Sullivan	83,157,894	41.56
Mr Bill Richmond	16,241,776	8.12
Mr Duncan McRae	16,241,776	8.12
CitiCorp Nominees Pty Limited	9,965,025	4.98
HSBC Custody Nominees (Australia) Limited	6,133,008	3.06
National Nominees Limited	4,479,064	2.24
Seymour Group Pty Ltd	3,980,000	1.99
Mr Harry Pratt	3,898,028	1.95
Mr Alexander Richmond	2,598,684	1.30
Mr Collin Tew	2,598,684	1.30
Mr Joseph Killeen	2,598,684	1.30
Mr Ryan Ahchee	2,598,684	1.30
Seymour Superannuation Pty Ltd (Seymourland Pl Stf Splan A/C)	2,474,386	1.24
J P Morgan Nominees Australia Pty Limited	1,887,595	0.94
UBS Nominees Pty Ltd	1,732,035	0.87
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd (DRP A/C)	1,628,338	0.81
Washington H Soul Pattinson and Company Limited	1,592,983	0.80
Investment Holdings Pty Ltd (Investment Holdings Unit A/C)	1,250,000	0.62
HSBC Custody Nominees (Australia) Limited - A/C 2	621,597	0.31
Mr David Harrison	614,035	0.31
	166,292,276	83.12

UNQUOTED EQUITY SECURITIES

	NUMBER ON ISSUE	NUMBER OF HOLDERS
Options over ordinary shares issued	10,285,640	24

SUBSTANTIAL HOLDERS

Substantial holders in the company are set out below:

ORDINARY SHARES

	NUMBER HELD	% OF TOTAL SHARES ISSUED
Mr Michael Sullivan	83,157,894	41.56
Mr Bill Richmond	16,241,776	8.12
Mr Duncan McRae	16,241,776	8.12

VOTING RIGHTS

The voting rights attached to ordinary shares are set out below:

ORDINARY SHARES

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.

There are no other classes of equity securities.

SECURITIES SUBJECT TO VOLUNTARY ESCROW

CLASS	EXPIRY DATE	NUMBER OF SHARES
Ordinary shares	29 June 2023	129,934,210

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