



27 July 2022

BETMAKERS TECHNOLOGY GROUP LTD

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Q4 FY22 QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2022

Quarterly highlights

- \$26.2m in cash receipts in Q4 FY22 is +194% versus Q4 FY21
- Cash flow positive from operating activities
- Selected to power wagering tech and trading in new venture with NTD Pty Limited
- Fixed Odds launched in New Jersey
- Update to Managed Trading Services (MTS) agreement
- Selected as a new tote provider in Norway
- Signed deal with PENN National Gaming for data and vision content
- Closing cash balance of \$87.6m

The Board of BetMakers Technology Group Ltd (ASX:BET) ("BetMakers" or the "Company") is pleased to release its Quarterly Cash Flow Statement and Quarterly Activities Report for Q4 FY22, the quarter ending 30 June 2022.

The \$26.2m in reported cash receipts from customers in Q4 FY22 highlights the continued strong performance of the existing business with FY22 cash receipts from customers of \$93.4m.

Net cash from operating activities for the quarter was \$0.4m, which includes approximately \$2.5m in payments not directly related to the normal on-going costs for the period (see attached presentation for further detail).

Q4 FY22 HIGHLIGHTS INCLUDE:

BetMakers to power new wagering venture

BetMakers Technology Group Ltd announced to the market on 21 April 2022 that it had entered into an exclusive 10-year agreement with NTD Pty Limited. BetMakers will provide platform technology and wagering solutions to the new wagering venture and is expected to receive multiple revenue streams over the life of the 10-year contract. The terms include the potential to earn revenue of more than \$300m, with minimum revenues of \$80m, over the initial 10-year contract period.



Fixed Odds launches in New Jersey

On 6 May 2022, Fixed Odds betting on Thoroughbred Racing was successfully launched in New Jersey under the landmark legislation passed on 21 June 2021.

The first Fixed Odds bet was taken on 6 May 2022 and was conducted on the Monmouth Park season launch. The betting was conducted with BetMakers' full end-to-end technology and services solutions.

BetMakers has also been contracted to provide Online Fixed Odds solutions to Monmouth Park.

BetMakers announces updated agreement with the Waterhouse Group

On 20 May 2022, OM Apps Pt Ltd signed an agreement with Tarpin and Rob Waterhouse to continue to host, develop, support and maintain the RobWaterhouse.com platform under revised terms and for an extended period of 5 years which commenced on 1 July 2022.

BetMakers also finalised commitments to Tarpin and Waterhouse in relation to the ongoing services for its Managed Trading Services product.

BetMakers selected as new tote provider in Norway

BetMakers announced on 23 May 2022, its Global Tote Division has secured a 10-year tote technology contract with Norsk Rikstoto to replace pari-mutuel betting solutions in Norway. Full delivery of the SaaS solutions is expected to Go Live during Q4 CY23.

BetMakers signs deal with PENN National Gaming for data and vision content

On 30 June 2022, BetMakers announced it has been awarded the rights to offer PENN National Gaming racing content outside of the US and Canadian markets, for fixed odds bets and exchange wagering.

BetMakers will distribute racing content including data and race vision for over 900 race meetings a year to Penn National Gaming's customer base.

The Company paid Directors \$196,000 for services during Q4 FY22. This included payment to the Chief Executive Officer for employment services.

The Appendix 4C for the quarter ending 30 June 2022 is attached to this announcement.

For further information please contact

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



Disclaimer

This announcement contains “forward-looking statements.” These can be identified by words such as “may”, “should”, “anticipate”, “believe”, “intend”, “estimate”, and “expect”. Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company’s financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company’s financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

BetMakers Technology Group Limited

ABN

21 164 521 395

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	26,216	93,377
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(7,167)	(26,656)
(c) advertising and marketing	(109)	(938)
(d) leased assets	(868)	(2,163)
(e) staff costs	(13,525)	(48,644)
(f) administration and corporate costs	(3,890)	(15,989)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(4)	(109)
1.7 Government grants and tax incentives	-	895
1.8 Other (provide details if material)	(237)	(1,400)
1.9 Net cash from / (used in) operating activities	416	(1,627)

1.2(e) Includes \$1,478,000 in contractor and recruitment costs to accelerate product development

1.8 Relates to funds paid in relation to regulatory licenses, and isolated advisor fees that are not expected to be ongoing in nature.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	(6,554)
	(c) property, plant and equipment	(5,961)	(17,866)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	(15,483)	(15,599)
2.6	Net cash from / (used in) investing activities	(21,444)	(40,019)

2.1 (c) Predominantly relates to funds paid in relation to the development and construction of the new Bet Line betting terminals and other on-track and in-venue hardware (for initial use in the US).

2.5 Includes \$15,000,000 advisory payment in relation to the execution of the NTD consortium wagering venture (see ASX announcement 21 April 2022), \$1,089,000 in relation to costs supporting investment activities, and \$607,000 (inflow) related to the movement in restricted cash held by US operations on behalf of customers. The restricted cash balance is subject to variance as funds are collected and distributed to customers and BetMakers US as fees. The restricted cash balance at 30 June 2022 was \$7.6m.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	8,831
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	(273)
3.10	Net cash from / (used in) financing activities	-	8,558

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	107,777	120,611
4.2	Net cash from / (used in) operating activities (item 1.9 above)	416	(1,627)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(21,444)	(40,019)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	8,558
4.5	Effect of movement in exchange rates on cash held	801	27
4.6	Cash and cash equivalents at end of period	87,550	85,550

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5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	87,550	107,777
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	87,550	107,777

6. Payments to related parties of the entity and their associates

**Current quarter
\$A'000**

6.1 Aggregate amount of payments to related parties and their associates included in item 1

196

6.2 Aggregate amount of payments to related parties and their associates included in item 2

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

**Total facility
amount at quarter
end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

7.1 Loan facilities

-

-

7.2 Credit standby arrangements

-

-

7.3 Other (please specify)

-

-

7.4 **Total financing facilities**

-

-

7.5 **Unused financing facilities available at quarter end**

-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities

\$A'000

8.1 Net cash from / (used in) operating activities (Item 1.9)

416

8.2 Cash and cash equivalents at quarter end (Item 4.6)

87,550

8.3 Unused finance facilities available at quarter end (Item 7.5)

-

8.4 Total available funding (Item 8.2 + Item 8.3)

87,550

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

n/a

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: n/a

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2022.....

Authorised by: The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.