



ASX Announcement (ASX:BBT)

31 August 2023

BlueBet makes significant strategic progress in FY23

Strong trading performance in Australia with continued market share growth and live in two states in the US under the ClutchBet brand

Mobile-first online wagering provider, BlueBet Holdings Ltd (ASX:BBT) (BlueBet or the Company), is pleased to announce its full year financial results for the 12 months to 30 June 2023.

A \$ Million	FY23	FY22	Change %
Turnover	536.6	511.9	+4.8%
Wagering Revenue (Net Win)	53.9	54.6	-1.3%
Gross Profit	24.8	27.0	-8.1%
EBITDA	(18.3)	(5.5)	
(Loss) / Profit after Income Tax	(18.8)	(6.1)	
Net Cash from Operations (before tax & interest)	(14.8)	1.5	

Key highlights¹:

- Top line growth, with Turnover up 4.8% to \$536.6 million, Net Win down 1.3% to \$53.9 million and Gross Profit down 8.1% to \$24.8 million, with net margin remaining robust at 10.0%, impacted by a mix shift to Sport and an increase in investment in promotions. Margin normalised above 10% in H2 on reduced competition which is expected to remain at those levels in FY24
- Continuing to gain market share in Australia despite increased competition, with Group Active Customers up 25.5% to 66,929
- Significant technology progress in both Australia and the US has positioned BlueBet for continued market share growth in FY24. The investment in the BlueBet Global Platform will drive scalability and operational efficiencies when launched in FY24
- Australia delivered strong growth in Sports, with Turnover up 34.8% with higher margin Same Game Multi up 52%
- Good progress in the US with Iowa (August 2022) and Colorado (April 2023) live. Louisiana and Indiana approvals are progressing with LA go-live expected October 2023 and IN January 2024

¹ All comparisons relate to the prior corresponding period (pcp) unless otherwise stated.

- The Australian business returned to Operating Cashflow positive in H2 after making additional seasonal and tactical marketing investments in H1 FY23.
- Completed strategic investment in Low6 and launched our first Free to Play game in the US for the NFL Super Bowl
- BlueBet Global Platform (phase 1 to be delivered Q1 FY24) will enable the business to scale efficiently and facilitate B2B opportunities
- Significant interest in B2B Sportsbook-as-a-Solution model and discussions underway with a number of potential partners

BlueBet Chief Executive Officer, Bill Richmond, commented: “FY23 was a year of strategic execution and laying platforms for long-term growth in Australia and the United States.

“BlueBet was founded by career bookmakers that understand providing bettors with market leading product is essential. Product is BlueBet’s key differentiator and the primary reason for impressive market share expansion in Australia and the driver of our early success in the US. The enhancements in our core product will set the business up for efficient and sustainable growth in Australia and the US.

“We won market share despite facing increased competition and a challenging economic environment which is testament to our dedication to Product and tactical approach to media and marketing spend.

“We were delighted to take bets in Colorado and Iowa during the period, and we’re looking forward to doing the same in Louisiana and Indiana in FY24. When all markets are live, we will have access to over 20 million American consumers and alongside our multi-jurisdictional proprietary technology, BlueBet is in ongoing discussions with potential partners for Phase 2 of our US market entry, delivering our SportsBook-as-a-Solution offering.

“The scale provided by securing B2B partners will accelerate our path to profitability in the US.

“We entered the US with a clearly defined, staggered, strategy and I am pleased with the results to date. We are well positioned to grow with the market in the US and share our expertise as we commence phase 2 of our B2B strategy in the US to complement our B2C channels.

“In FY23 we successfully scaled our business and won market share while maintaining strong margins and generating cash. We remain focused on running a capital efficient and nimble company that wins customer loyalty through product and innovation.”

AUTHORISATION

This announcement has been authorised for lodgement to ASX by the BlueBet Board of Directors

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About BlueBet

BlueBet is an international online wagering provider and bookmaker listed on the Australian Stock Exchange, with operations in Australia and the United States. BlueBet is powered by a proprietary cloud-based technology platform which is highly scalable and enables BlueBet to scale rapidly, as well as offering the platform as a white-labelled technology solution for B2B partners. BlueBet's customer-facing websites and native apps have been developed using a mobile-first strategy, delivering a premium mobile user experience.