FY24 FINANCIAL RESULTS

Sports Entertainment Group Limited (**SEG**) today announced its financial results for the year ended 30 June 2024 (**FY24**).

1. FY24 RESULTS COMMENTARY

The table below reconciles FY24[1] revenue and underlying EBITDA[2] from continuing operations to the pcp.

($ million)	FY24	FY23	Variance ($)	Variance (%)
Total Revenue	124.6	112.5	12.1	10.8%
Total Expenses	120.2	115.9	4.3	3.7%
Profit Before Tax (Continuing Operations)	**4.4**	**(3.5)**	**7.8**	**(226.2%)**
+ Depreciation & Amortisation	8.2	7.9	0.3	4.1%
+ Finance Costs	2.8	2.6	0.2	6.0%
EBITDA (Continuing Operations)	**15.4**	**7.1**	**8.3**	**117.4%**
+ Restructuring costs / abnormal items	2.0	0.0	2.0	n/a
+ Non-cash loss on impairment of NZ operations	0.0	2.2	(2.2)	n/a
- Gain on divestment of NZ operations	(5.7)	(0.1)	(5.7)	n/a
- Other Income (gain on shareholdings)	(1.1)	0.0	(1.1)	n/a
Underlying EBITDA (Continuing Operations)	**10.5**	**9.2**	**1.3**	**14.2%**
- AASB16 impact	(3.1)	(2.7)	(0.4)	13.3%
Underlying EBITDA (Continuing Ops & Pre AASB16)	**7.4**	**6.5**	**0.9**	**14.6%**

FY24[1] revenue from continuing operations of $124.6m was up 10.8% on the prior corresponding period (**pcp**).

The Australian business' revenue growth was fueled by our complementary services divisions which include sports teams. Combined, these business units grew by 21%, further illustrating the robustness of our business model despite a challenging economy.

Digital audience consumption via the SEN app, www.sen.com.au, podcasts and social media platforms experienced 1.2 million monthly average users. The introduction of the revolutionary SEN Stadium and SEN Sync has increased streaming audience and had a positive impact on revenue.

FY24[1] underlying EBITDA[2] of $7.4m was 14.6% up on the pcp. This excludes the impact of the SENZ audio and digital business which was sold on 29th February 2024. The loss after tax of discontinued operations in FY24 was $1.9m. EBITDA loss from discontinued operations was $2m.

Operational costs for the complementary services divisions fluctuate relative to revenue, which is the main driver of our increased cost base in FY24. We believe the cost base for the media and corporate segments has normalized with further reductions budgeted for FY25. We expect margin to be accretive as revenue continues to grow.

FY24 cash flow from operating activities was $4.3m. Net debt as at 30 June 2024 was $13.3m significantly down from $22.8m at 30 June 2023, with further improvement post FY24-end (see below).

Subsequent to 30 June 2024, SEG:
- completed Stage 1 of the Perth Wildcats sale resulting in $21m of net cash inflows, which will result in a significant profit on sale in the FY25 financial statements.
- reduced our CBA debt facility to $11.5m (from $27m as at 30 June 2023);
- consolidated our group structure with the acquisition of previously issued shares in SEN Teams to once again be a 100% owned subsidiary.

Given the improved financial position of the group post the completion of stage 1 of the Perth Wildcats sale, the SEG board today declared a fully franked special dividend of 2 cents per share payable on 3 October 2024.

1 Continuing operations basis i.e. excluding NZ media and including Perth Wildcats

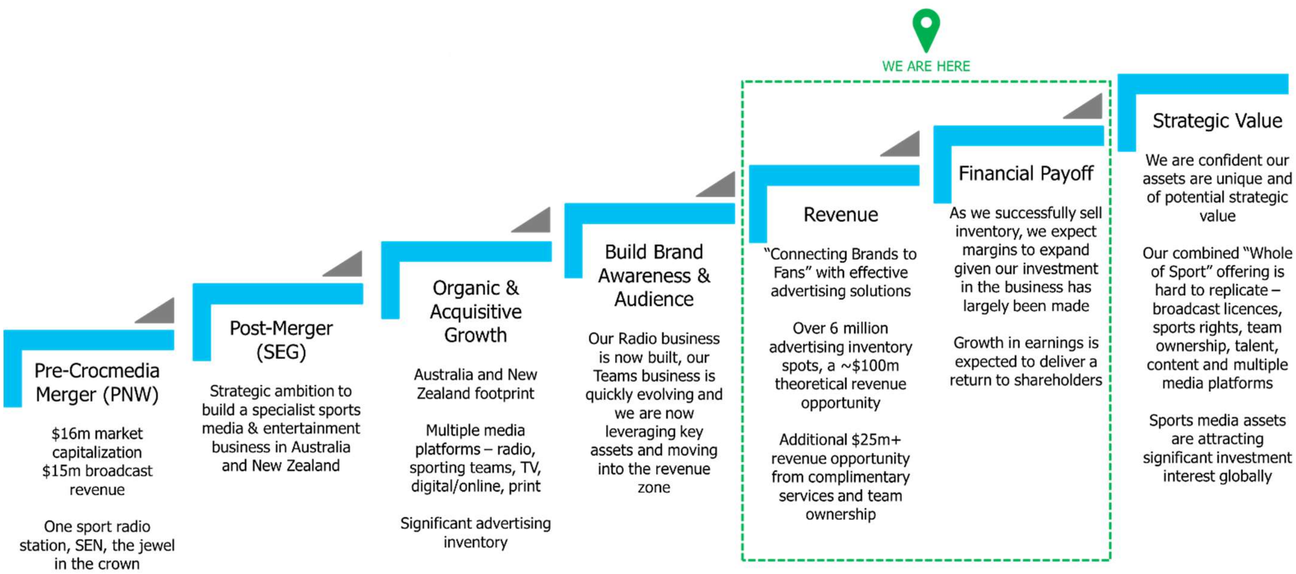
2 Pre-AASB16 and excluding restructuring, transaction and abnormal costs on a continuing operations basis

2. STRATEGIC INITIATIVES UPDATE

In line with our strategic journey outlined below, we continued to build our asset base through FY24 with minor acquisitions and new inventory unlocked. As we move into FY25, with a reduced debt position and stronger balance sheet, we are well positioned to expand margin and grow our earnings.

We do not envisage significant new asset purchases in FY25 unless opportunities that are aligned to our broader strategy exist and we will maintain a strong focus on cost governance.

Despite a softening of the economy and headwinds around inflation, we are confident that we have built a group that is able to navigate those headwinds. Our whole of sport offering is hard to replicate and taps into Australia's love for sport.



Sports Team Ownership

During FY24 we successfully integrated the Melbourne Mavericks into our stable of teams. Pleasingly despite the short runway and FY24 being season 1 for the franchise, the Mavericks were able to make a positive EBITDA contribution to the group. SEG currently administers the management of the Perth Lynx Basketball club, who play in the WNBL. As part of the management agreement, SEG holds the rights to purchase the franchise. These rights are valid up to 31 March 2025.

The staged sale of the Perth Wildcats, that valued the franchise at $40m, provides further evidence that the suite of assets we have created in the Teams business will continue to provide long term strategic value to our group and create equity value. As can be seen internationally and domestically, sports teams continue to attract significant investment interest.

3. TRADING UPDATE AND OUTLOOK COMMENTARY

July 2024 was a strong month for the group. Revenue growth was up 2% on pcp, pleasingly EBITDA was $1m better than pcp driven by our ability to convert revenue at improved margins and several initiatives targeting costs are beginning to come to fruition.

Our current forecasts remain positive with the AFL & NRL finals expected to be stronger than previous periods and the expectation that Q1 will outperform pcp by double digits. We are forecasting FY25 underlying EBITDA to grow by single digits.

Approved for release by the Board.

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