



Ainsworth Game Technology Ltd

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ASX Release

ASX Code : AGI

AINSWORTH GAME TECHNOLOGY LIMITED (AGT OR COMPANY)

Business update – six months ending 31 December 2024

Trading Update

AGT advises, that based on preliminary management forecasts, subject to period end closure and audit procedures, it expects to report a Profit before Tax (excluding currency and one-off items) in the range of \$8 million - \$10 million, for the second half of the financial year ending 31 December 2024 (H2CY24).

These results reflect the positive momentum achieved across the business with revenue expected to show an estimated growth of 12% compared to the \$121.4 million reported in the first half year ended 30 June 2024 (H1CY24). All geographical regions experienced solid growth in the period apart from the digital segment which suffered an initial decline following the reduced contributions from Game Account Network Limited (GAN) following the acceleration of revenue arising from the termination of exclusivity arrangements reflected in H1CY24.

The Company noted that gross margins however were negatively impacted compared to H1CY24, which was the primary factor contributing to the lower profitability experienced in the period. The full year margin is expected to be approximately 62% compared to the reported margin in H1CY24 of approximately 67%. The forecasted margin has been adversely affected by a range of factors, including product mix of products sold within LATAM, competitive market conditions and the under recovery of production variances expensed in the current period.

AGT also noted that cost control initiatives previously implemented had ensured overheads were maintained in H2CY24 to similar levels in H1CY24, despite the increased revenue expected to be achieved.

AGT's Chief Executive Officer Mr Harald Neumann, commented "I am encouraged by the growth in revenue in the period and expect growth to continue in coming periods as we release the next suite of game offerings across our global markets. The development initiatives previously undertaken are having progressive improvements in game performance within our markets. Additional game releases and hardware initiatives are expected to maintain the growth experienced in coming periods".

Cybersecurity incident

The Company also wishes to advise that it has experienced a cybersecurity incident which is currently under investigation and assessment. Despite some disruptions experienced in internal business systems and operations, through cautionary measures implemented, it is currently not expected that this incident will have any material adverse impact on the forecasted results for H2CY24 as outlined above in the trading update.

For the purposes of ASX Listing Rule 15.5, this document is authorised for lodgment with the ASX by the Board.

Ends

For further information, please contact:

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