



JUMBO INTERACTIVE LIMITED AND ITS CONTROLLED SUBSIDIARIES

ABN 66 009 189 128

APPENDIX 4D HALF-YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2024

This information, given under ASX listing Rule 4.2A, should be read in conjunction with the most recent annual financial report.

Current period:
Prior corresponding period (**pcp**)

1 July 2024 to 31 December 2024
1 July 2023 to 31 December 2023

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the period ended 31 December, the Consolidated Group results are:

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
Revenue from operations	66,130	73,884	(7,754)	(10.5%)
Earnings before interest, tax, and depreciation and amortisation	31,182	35,221	(4,039)	(11.5%)
Earnings before interest and tax	24,705	29,068	(4,363)	(15.0%)
Profit after tax from operations attributable to members	17,860	20,154	(2,294)	(11.4%)
Total comprehensive income for the period attributable to members	21,109	20,033	1,076	5.4%
Profit after tax and before amortisation of acquired intangible assets	19,116	21,069	(1,953)	(9.3%)

DIVIDENDS

A fully franked final dividend of 27.5¢ (twenty-seven and a half cents) per ordinary share for the financial year ended 30 June 2024 (2023: final 20.0¢) was paid on ordinary shares during the half year ended 31 December 2024.

In relation to the half year ended 31 December 2024, a fully franked interim dividend of **24.0¢ (twenty- four cents) per share** (2024: 27.0¢) will be paid on ordinary shares as follows:

- Record date: 28 February 2025
- Payment date: 14 March 2025

NET TANGIBLE ASSETS¹

Cents	31 December 2024	30 June 2024
Net Tangible Assets (NTA) per ordinary share	72.3	74.5

¹ The net tangible asset backing per ordinary share include the value of leased assets as recognised under AASB 16 *Leases*.

CONTROL GAINED OVER ENTITIES

There were no changes in control over entities within the Jumbo Group since 30 June 2024.

LOSS OF CONTROL OVER ENTITIES

There were no changes in control over entities within the Jumbo Group since 30 June 2024.

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Not material as carrying values are nil.

REVIEW

The Interim Financial Report was subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

ATTACHMENTS

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the consolidated Interim Financial Report for the half year ended 31 December 2024. The Interim Financial Report of Jumbo Interactive Limited for the half year ended 31 December 2024 is attached. It should be read in conjunction with Jumbo's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), including the 1H25 Results Media Release, Investor Presentation and ASX trading update for the first six weeks of 2H25.

SIGNED



Susan Forrester
Chair

Brisbane
21 February 2025



Mike Veverka
Managing Director, CEO and Founder

Jumbo Interactive Limited

ABN 66 009 189 128

Interim Financial Report – 31 December 2024

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DIRECTORS' REPORT

The Directors of Jumbo Interactive Limited (the **Company**) present their report on the consolidated entity (**Group**), consisting of Jumbo Interactive Limited and the entities it controlled at the end of, and during, the half year ended 31 December 2024.

DIRECTORS

The Directors of the Company during the whole or part of the half year and up to the date of this Interim Financial Report include:

- Susan Forrester AM (Non-Executive Director and Chair of the Board)
- Mike Veverka (Managing Director, CEO and Founder)
- Sharon Christensen (Non-Executive Director)
- Giovanni Rizzo (Non-Executive Director)
- Michael Malone (Non-Executive Director)¹

¹appointed on 26 September 2024.

COMPANY SECRETARY

On 12 July 2024, Graeme Blackett of Company Matters Pty Ltd retired from his role as Company Secretary. Lauren Osbich of Company Matters Pty Ltd was appointed and held the position of Company Secretary at the end of the half year and at the date of this report.

PRINCIPAL ACTIVITIES

During the financial half year, the principal activities of the Group consisted of the following segments:

- Lottery Retailing which services Business-to-Consumer (**B2C**);
- Software-as-a-Service (**SaaS**) which services Business-to-Business (**B2B**) and Business-to-Government (**B2G**); and
- Managed Services which services **B2B**.

The following summary describes the operations in each of the Group's reportable segments:

Lottery Retailing

Sale of Australian national lottery and charity lottery tickets online and on mobile devices to customers (**B2C**) in Australia and certain overseas jurisdictions.

Software-as-a-Service

Development, supply and maintenance of proprietary software-as-a-service (**SaaS**) for authorised Businesses, Charities and Governments (B2B/B2G) in Australia.

Managed Services

Provision of lottery related services for authorised Businesses and Charities (**B2B**) in the lottery market in the UK and Canada. Services include technology, prize procurement, lottery game design, campaign marketing, and customer relationship and draw management.

REVIEW OF OPERATIONS

A review of the Group's operations for the interim financial period and the results of those operations are set out in the Financial Review as set out on pages 9 to 17 of this Interim Financial Report. The Financial Review forms part of the Directors' Report.

FUTURE DEVELOPMENTS

In the opinion of the Directors, there are no matters or circumstances which have arisen between 31 December 2024 and the date of this Interim Financial Report that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations and the state of affairs of the Group in subsequent financial periods.

ROUNDING OF AMOUNTS

The Group is an entity to which *ASIC Corporations (Rounding in Financial / Directors' Reports Instrument 2016/191* (as amended by *ASIC Corporations (Amendment) Instrument 2023/519*) (**Instrument**) applies, relating to the 'rounding off' of amounts in the Directors' Report and Interim Financial Report. Amounts in the Directors' Report and Interim Financial Report have been rounded off to the nearest thousand dollars in accordance with the Instrument.

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.

The Interim Financial Report is made in accordance with a resolution of Directors.



Susan Forrester
Chair

Brisbane
21 February 2025



Mike Veverka
Managing Director, CEO and Founder



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with confidence**

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Auditor's Independence Declaration to the Directors of Jumbo Interactive Limited

As lead auditor for the review of the half-year financial report of Jumbo Interactive Limited for the half-year ended 31 December 2024, 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 review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Jumbo Interactive Limited and the entities it controlled during the financial period.

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A stylized, handwritten signature of 'Susie Kuo' in black ink.

Susie Kuo
Partner
21 February 2025

FINANCIAL REVIEW

We are a digital lottery software and services business, providing our proprietary lottery software platforms and lottery management expertise to the charity and government lottery sectors in Australia, the UK and Canada.

EXPLANATION OF RESULTS

We report revenue on a net revenue inflow basis when we are acting as an agent such as with the sale of lottery tickets. The gross amount received for the sale of goods and rendering of services is advised as Company Total Transaction Value (**TTV – Company**). In addition, where we act as a licensor of our software platform, the gross amount of third-party lottery ticket sales transacted through our software platform is advised as third-party Total Transaction Value (**TTV – Third-party**). Revenue is generated mainly as a percentage of TTV.

The Lottery Retailing segment continues to be the largest contributor to Group revenue and profits. 1H25 was characterised by a relatively subdued jackpot environment compared to the pcp. As a result, Lottery Retailing TTV and revenue declined by 15.3% and 12.7% respectively. While the financial results remain subject to the volatility of jackpots in the short term, over the long term, lotteries have delivered consistent growth and have proven to be highly resilient to economic downturns and cycles. In addition, digital penetration has steadily increased over time and Jumbo remains well placed to capitalise on this trend. At 1H25, online ticket sales of lottery tickets accounted for 40.4% of overall Australian lottery sales (1H24: 39.6%; FY24: 40.9%).

SaaS segment TTV increased 10.4%, with external revenue up 1.6%. Similar to the Lottery Retailing segment, Lotterywest TTV growth was impacted by the subdued jackpot environment and a strong comparative period. The slower pace of revenue growth reflects the revised license fee structures under the extended agreements with Mater and Lotterywest and portfolio mix.

The Managed Services segment includes Jumbo's subsidiaries in the UK and Canada. In aggregate, Managed Services segment TTV and revenue were down 4.2% and 5.7% respectively with Canada contributing to the negative growth as customer contracts across the lottery value chain were re-evaluated.

The financial position of the Group is sound with strong liquidity. As at 31 December 2024, the Group had general cash reserves of \$65,353,900. At the time of publishing this report, the Group also had access to an additional \$50,000,000 of undrawn debt facilities.

We continue to invest in the three main pillars that support the long-term growth of the Group:

- \$3,256,000 (1H24: \$3,058,000) invested in the proprietary software platform (intangible assets);
- \$3,739,000 (1H24: \$3,772,000) invested in marketing activities primarily to acquire new and retain existing customers; and
- \$13,894,000 (1H24: \$13,426,000) invested in employees who provide the software development and marketing skills, customer support services, and management.

CONSOLIDATED H1 FY2024 FINANCIAL PERFORMANCE IN REVIEW

Result Highlights (Statutory and underlying earnings)

To enhance comparability between 1HY25 and 1HY24 and to provide more insight into the underlying earnings of the Group, equivalent financial information has also been included. Underlying earnings is the primary reporting measure used by management and the Group's chief operating decision maker (the Chief Executive Officer) for the purposes of monitoring and managing the financial performance of the business. Statutory earnings are adjusted by significant non-recurring items to derive underlying earnings.

These significant non-recurring items include:

\$'000	HY Dec 2024	HY Dec 2023
Merger & Acquisition activity costs ¹	389	410
Employee payments ²	123	109
Other ³	(1,085)	(592)
Add/(deduct) significant items (pre-tax)	(573)	(73)
Tax benefit/ (expense)	27	(188)
Add/(deduct) significant items (post-tax)	(546)	(261)

¹ Reflect due diligence costs (consultants & legal) associated with potential acquisitions.

² 1H25 reflects redundancy payments in Australia and Canada; 1H24 expense relates to the retention payment for key Stride management following finalisation of the earnout post 30 June 2023.

³ Other includes:

- i) Following the finalisation of the StarVale earnout, \$830k (£425k) of contingent consideration (held in escrow) was released;
- ii) The de-recognition of a customer liability balance of \$600k as the obligation expired during the period; and
- iii) Fluctuations in the GBP/AUD foreign exchange rate resulted in an unrealised foreign exchange loss of \$339k on an intercompany loan between Australia and the UK.

The key financial metrics are detailed below:

\$'000	Statutory			Underlying		
	HY Dec 2024	HY Dec 2023	Change %	HY Dec 2024	HY Dec 2023	Change %
TTV¹	453,400	484,482	(6.4)	453,400	484,482	(6.4)
TTV – Company	208,258	245,752	(15.3)	208,258	245,752	(15.3)
TTV – Third-Party	245,142	238,730	2.7	245,142	238,730	2.7
Revenue	66,130	73,884	(10.5)	66,130	73,884	(10.5)
EBITDA¹	31,182	35,221	(11.5)	30,609	35,148	(12.9)
EBIT ¹	24,705	29,068	(15.0)	24,132	28,995	(16.8)
NPAT ¹	17,860	20,154	(11.4)	17,314	19,893	(13.0)
NPATA^{1, 2}	19,116	21,069	(9.3)	18,570	20,808	(10.8)
EPS (cps)	28.5¢	32.0¢	(10.9)	27.6¢	31.6¢	(12.7)
EPSA (cps) ^{1,2}	30.4¢	33.5¢	(9.3)	29.6¢	33.1¢	(10.6)
Revenue Margin (%)	14.6%	15.3%	(0.7ppt)	14.6%	15.3%	(0.7ppt)
EBITDA Margin (%)	47.2%	47.7%	(0.5ppt)	46.3%	47.6%	(1.3ppt)
EBIT Margin (%)	37.4%	39.3%	(1.9ppt)	36.5%	39.2%	(2.7ppt)

¹ The following measures: TTV, underlying EBITDA, underlying EBIT, underlying NPAT, and NPATA are not defined under International Financial Reporting Standards (IFRS) and are, therefore, termed "non-IFRS" measures and are not subject to review procedures.

² NPATA/EPSTA is NPAT/EPSTA before tax-effect amortisation expenses in respect of intangible assets acquired through a Business Combination.

Major items impacting performance

- Lottery Retailing – The number of jackpots is an important driver of TTV. 1HY25 was impacted by a subdued jackpot environment relative to the comparative period.
- Lottery Retailing – pursuant to the Reseller Agreements with The Lottery Corporation Limited (**TLC**) dated 25 August 2020, the service fee increased from 1.5% of the subscription price in FY21 to 2.5% in FY22, 3.5% in FY23 and 4.65% in FY24 and thereafter.
- Lottery Retailing – ongoing intersegment software management fee of 7.5% of relevant TTV payable to the SaaS segment for the development, improvement and maintenance of the proprietary lottery software platform and provision of data information and analysis using technology such as Artificial Intelligence (AI) and machine learning.
- Stride's performance was affected by the re-evaluation of customer contracts across the lottery value chain.

The Group's financial performance is presented in the profit and loss summarised below.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV¹	453,400	484,482	(31,082)	(6.4)
Revenue	66,130	73,884	(7,754)	(10.5)
Cost of sales	(10,781)	(12,682)	1,901	(15.0)
Gross profit	55,349	61,202	(5,853)	(9.6)
Other income	1,193	205	988	482.0
Operating expenses	(25,360)	(26,186)	826	(3.2)
EBITDA	31,182	35,221	(4,039)	(11.5)
Depreciation and amortisation	(4,878)	(4,517)	(361)	8.0
EBITA¹	26,304	30,704	(4,400)	(14.3)
Amortisation of acquired intangible assets (IA)	(1,599)	(1,636)	37	(2.3)
EBIT	24,705	29,068	(4,363)	(15.0)
Net interest revenue	1,059	205	854	>100
NPBT	25,764	29,273	(3,509)	(12.0)
Income tax expense	(7,904)	(9,119)	1,215	(13.3)
NPAT	17,860	20,154	(2,294)	(11.4)
Amortisation of acquired IA after tax	1,256	915	341	37.3
NPATA¹	19,116	21,069	(1,953)	(9.3)

¹ These are non-IFRS measures and are not subject to review procedures.

Review of Operations

(a) Lottery Retailing

The Lottery Retailing segment operates the **www.ozlotteries.com** website and sells tickets in:

- The National draw lottery games in all Australian states and territories (excluding QLD and WA) and in certain overseas jurisdictions, under the Reseller Agreements with TLC which run until 25 August 2030; and
- Charity lottery games in Australia under agreements with Australian licenced registered charities.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV – Company¹	208,258	245,752	(37,494)	(15.3)
Revenue	48,773	55,868	(7,095)	(12.7)
Gross profit	24,653	26,705	(2,052)	(7.7)
Operating expenses	(7,563)	(6,215)	(1,348)	21.7
Other income	773	-	773	n/a
EBITDA – Lottery Retailing	17,863	20,490	(2,627)	(12.8)
Revenue / TTV	23.4%	22.7%	0.7pps	n/a
Gross profit / Revenue	50.5%	47.8%	2.7pps	n/a
Operating expenses / Revenue	15.5%	11.1%	4.4pps	n/a
EBITDA / Revenue	36.6%	36.7%	(0.1pps)	n/a

¹ These are non-IFRS measures and are not subject to review procedures.

TTV decreased 15.3% compared to the pcg, due to a subdued jackpot environment relative to the comparative period. Revenue decreased 12.7% with the reduction in TTV partially offset by a 0.7ppt increase in the revenue margin due to portfolio mix. EBITDA decreased 12.8% reflecting the above factors. Marketing costs of \$3,540,000 (1H24: \$3,356,000) were equivalent to 1.7% of TTV (1H24: 1.4%). The increase in operating expenses by 21.7% includes the investment in the Daily Winners loyalty program.

The number of large jackpots (Division 1 pool ≥\$15m) is an important driver of TTV. The TTV and large jackpot trend over the last three half-year periods is summarised below:

		HY Dec 2024	HY Jun 2024	HY Dec 2023
TTV – Company¹	\$'000	208,258	298,067	245,752
Revenue – Lottery Retailing	\$'000	48,773	67,536	55,868
OZ Lotto/ Powerball Division 1 (\$15m or more)				
Aggregate large jackpots ¹	\$'000	810,000	1,365,000	1,000,000
Number of large jackpots ¹	jackpots	24	27	28
Average large jackpot ¹	\$'000	33,750	50,556	35,714
Peak jackpot ¹	\$'000	100,000	200,000	100,000

¹ These are non-IFRS measures and are not subject to review procedures.

TTV generated from outside the TLC reseller agreements (Charities / Other) was equivalent to 3.2% of total Lottery Retailing TTV. The increase in Charities/ Other TTV compared to the pcg was mainly due to the launch of the Daily Winners premium loyalty program during the half year.

\$'000	HY Dec 2024		HY Dec 2023		Change	Change %
Lotteries TTV ¹	201,652	96.8%	239,971	97.6%	(38,319)	(16.0%)
Charities / Other TTV ¹	6,606	3.2%	5,781	2.4%	825	14.3%
Total TTV – Company¹	208,258		245,752		(37,494)	(15.3%)

¹ These are non-IFRS measures and are not subject to review procedures.

The Group invests extensively in online marketing to grow and activate the customer database that transacts via its website (www.ozlotteries.com) and associated mobile apps (iOS & Android). An amount of \$3,540,000 (1H24: \$3,356,000) was invested in marketing activities during the period primarily to acquire new and engage existing customers. These costs were fully expensed through the profit and loss.

The following key performance indicators (**KPIs**) are used to track the effectiveness of online marketing campaigns:

- Number of new online accounts established in a given period (these may potentially become active online customers).
- Cost per lead (**CPL**) is defined as the total cost to acquire these new accounts divided by the number of new accounts in a given period.
- Number of active online customers is defined as customers who have spent money on tickets in a given period.
- Average spend per active online customer is defined as the total spent by active online customers divided by the number of active online customers in a given period.

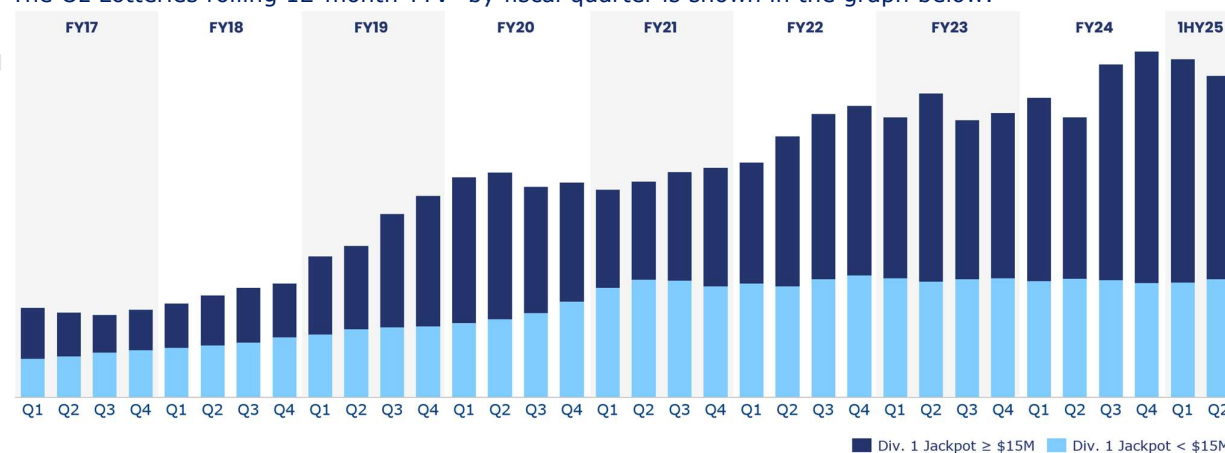
The following table summarises the Marketing KPIs:

	HY Dec 2024	HY Dec 2023
Number of new online accounts (6-month period)	81,177	167,657
CPL (6-month period)	\$29.49	\$16.77
Number of active online customers (12-month period)	1,035,700	887,182
Average spend per active online customer (12-month period)	\$489.86	\$480.63

The decline in new online accounts reflects a combination of the subdued jackpot environment where aggregate large jackpots decreased 19% from \$1 billion to \$810 million and heightened competition for customers. The number of active players increased due to the large jackpots in the second half of financial year 2024, which included a record \$200 million Powerball.

The underlying business remains solid as evidenced by the stable TTV contribution from jackpots lower than \$15 million.

The Oz Lotteries rolling 12-month TTV¹ by fiscal quarter is shown in the graph below:



¹ Excludes contribution from Western Australia customers transitioned to SaaS (effective 21 December 2020).

(b) Software-as-a-Service (SaaS)

The SaaS segment licenses the Jumbo lottery software platform, Powered by Jumbo (**PBJ**) to several customers, including to ozlotteries.com, and develops, improves, and maintains the Jumbo proprietary platform.

Software licence fees range between ~3% and ~10% of TTV.

An intersegment fee of 7.5% is charged to the Lottery Retailing segment as:

- PBJ has been developed for this internal customer over many years at a significant investment compared to other customers who receive an adapted version of PBJ at a lower development cost; and
- The internal customer has a significantly higher usage of other services such as data analytics and marketing tools. The level of this fee falls within the arm's length upper/lower interquartile range based on international benchmarking undertaken by an independent third party.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV - Third-party¹	124,439	112,730	11,709	10.4
Revenue	20,458	23,332	(2,874)	(12.3)
– External	5,041	4,962	79	1.6
– Internal	15,417	18,370	(2,953)	(16.1)
Gross profit	20,302	23,179	(2,877)	(12.4)
Operating expenses	(6,861)	(9,070)	2,209	(24.4)
Other income/(loss)	(75)	-	(75)	n/a
EBITDA – SaaS	13,366	14,109	(743)	(5.3)
<i>External Revenue / TTV – Third-party</i>	<i>4.10%</i>	<i>4.40%</i>	<i>(0.3pps)</i>	<i>n/a</i>
<i>Gross profit / Revenue</i>	<i>99.2%</i>	<i>99.3%</i>	<i>(0.1pps)</i>	<i>n/a</i>
<i>Operating expenses / Revenue</i>	<i>33.5%</i>	<i>38.9%</i>	<i>(5.4pps)</i>	<i>n/a</i>
<i>EBITDA / Revenue</i>	<i>65.3%</i>	<i>60.5%</i>	<i>(4.8pps)</i>	<i>n/a</i>

¹ These are non-IFRS measures and are not subject to review procedures.

TTV increased 10.4%, while revenue decreased 12.3%. External revenue grew at a slower pace than TTV mainly due to a contraction in the revenue margin which reflects a lower contribution from Lotterywest (due to subdued jackpot environment) and the revised license fee structure under the extended Mater and Lotterywest SaaS agreements.

Overall revenue was also impacted by a lower intersegment fee from Lottery Retailing, as a result of the contraction in TTV. EBITDA decreased 5.3% reflecting the above factors partially offset by lower operating expenses.

(c) Managed Services

The Group's Managed Services segment provides lottery management services including prize procurement, lottery game design, campaign marketing, and customer relationship and draw management. The segment includes Gatherwell Ltd (**Gatherwell**) and StarVale Group of companies (**StarVale**) as External Lottery Managers (**ELM**) in the UK and Stride Management Corp. (**Stride**) as an **ELM** for charity lotteries in Canada.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV - Third-party¹	120,703	126,000	(5,297)	(4.2)
Revenue	12,316	13,054	(738)	(5.7)
Gross profit	10,394	11,318	(924)	(8.2)
Operating expenses	(7,731)	(8,162)	431	(5.3)
EBITDA - Managed Services	2,663	3,156	(493)	(15.6)
Revenue / TTV	10.2%	10.4%	(0.2pps)	(1.9pps)
Gross profit / Revenue	84.4%	86.7%	(2.3pps)	(2.7pps)
Operating expenses / Revenue	62.8%	62.5%	0.3pps	0.5pps
EBITDA / Revenue	21.6%	24.2%	(2.6pps)	(10.7pps)

¹ These are non-IFRS measures and are not subject to review procedures.

TTV decreased 4.2%, while revenue decreased 5.7%. The lower TTV and revenue was primarily driven by the Canadian operations as customer contracts across the lottery value chain were re-evaluated. The UK EBITDA was lower due to the investment in Jumbo WIN (**B2C** proof of concept). While operating costs have also fallen during the period, this has not been sufficient to offset the revenue/gross profit decline.

United Kingdom

The UK operates as an **ELM** and provides lottery management services to over 14,000 causes and ~45 medium to large charities.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV - Third-party¹	89,621	79,962	9,659	12.1
Revenue	8,878	8,706	172	2.0
Gross profit	8,180	8,477	(297)	(3.5)
Operating expenses	(5,787)	(5,788)	1	n/a
EBITDA	2,393	2,689	(296)	(11.0)

¹ These are non-IFRS measures and are not subject to review procedures.

Canada

The Stride business in Canada operates as a Project Manager and provides services, including lottery operations, ticket fulfilment and marketing, to charity lotteries.

\$'000	HY Dec 2024	HY Dec 2023	Change	Change %
TTV - Third-party¹	31,082	45,472	(14,390)	(31.6)
Revenue	3,438	4,246	(808)	(19.0)
Gross profit	2,214	2,762	(548)	(19.8)
Operating expenses	(1,944)	(2,266)	322	(14.2)
EBITDA	270	496	(226)	(45.6)

¹ These are non-IFRS measures and are not subject to review procedures.

(d) Other items (Corporate)

Other items are corporate expenses including costs in respect of the Directors, Chief Executive Officer, Chief Financial Officer, corporate advertising, promotion and marketing, corporate investment costs and finance, tax, audit, risk, governance, strategic project costs, and share-based payments.

\$'000	HY Dec 2024	HY Dec 2023	Change %
Operating expenses	(3,205)	(3,464)	(7.5)
Fair value movement on financial liabilities	-	725	n/a
Other items (Corporate)	(3,205)	(2,739)	17.0

A focus on cost management have resulted in a decrease in operating expenses from the prior period.

(e) Reconciliation of statutory EBITDA

\$'000	Reference	HY Dec 2024	HY Dec 2023
EBITDA - Lottery Retailing	(a)	17,863	20,490
EBITDA - SaaS	(b)	13,366	14,109
EBITDA - Managed Services	(c)	2,663	3,156
Other items (Corporate)	(d)	(3,205)	(2,739)
Other income (Corporate)		495	205
Group EBITDA		31,182	35,221

CHANGES IN FINANCIAL POSITION

Changes in the financial position of the Group for the financial half year were as follows:

	HY Dec 2024
	\$'000
Cash generated by operating activities ¹	15,636
Cash used in other investing activities ¹	(7,625)
Payment of lease liabilities in financing activities ¹	(705)
Cash (invested in) / returned from term deposits	10,764
Proceeds / (repayment) of insurance financing facility	(625)
Dividends paid ¹	(17,296)
Cash paid for on-market buy back of shares	(4,649)
Cash paid for on-market purchase of shares for Non-Executive Director rights converted	(39)
Total increase / (decrease) in cash²	(4,539)
	\$'000
Investment in website development costs net of amortisation	118
Changes in other non-current assets	(196)
Amortisation of right of use assets	(643)
Amortisation of customer contracts & relationships	(1,347)
Amortisation of software and other intangible assets	(264)
Foreign exchange impact of intangible assets acquired	2,348
Total increase / (decrease) in non-current assets	16
	\$'000
Trade and other payables ³	(6,933)
Proceeds / (repayment) of insurance financing facility	(625)
Contingent consideration at fair value	(3,432)
Current tax liability	(1,382)
Other liabilities ⁴	(811)
Total increase / (decrease) in current liabilities	(13,183)
	\$'000
Lease liabilities	(77)
Deferred tax liabilities	(125)
Changes in other non-current liabilities ⁴	(161)
Total increase / (decrease) in non-current liabilities	(363)

¹ Refer to Statement of Cash Flows for further details

² Before foreign exchange differences of \$914,000

³ Timing of weekly payment for ticket purchases payable in arrears

⁴ Refer to Statement of Financial Position for further details

**Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024**

		Consolidated half-year ended	
	Note	31 December 2024 \$'000	31 December 2023 \$'000
Revenue	3	66,130	73,884
Other income	4	1,496	-
Other gains / (losses)	4	(303)	205
Fair value gain /(loss) on financial liabilities		-	725
Commissions and fees		(9,740)	(11,123)
Employee benefits expense	4	(13,894)	(13,426)
Advertising and marketing expense		(4,663)	(4,758)
Depreciation and amortisation expense	4	(6,477)	(6,153)
Technology expense		(2,083)	(2,055)
Consultancy and legal expenses		(563)	(1,003)
Impairment of receivables		(50)	(50)
Other expenses	4	(5,148)	(7,087)
Profit before income tax and net finance costs		24,705	29,159
Finance income	4	1,347	353
Finance costs	4	(288)	(239)
Profit before income tax expense		25,764	29,273
Income tax expense		(7,904)	(9,119)
Profit after income tax expense for the half-year attributable to the owners of Jumbo Interactive Limited		17,860	20,154
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		3,249	(121)
Other comprehensive income for the half-year, net of tax		3,249	(121)
Total comprehensive income for the half-year attributable to the owners of Jumbo Interactive Limited		21,109	20,033
		Cents	Cents
Basic earnings per share	5	28.45	32.01
Diluted earnings per share	5	28.35	31.88

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

**Consolidated statement of financial position
As at 31 December 2024**

		Consolidated	
	Note	31 December 2024 \$'000	30 June 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	6	65,354	68,979
Trade and other receivables		7,547	7,264
Inventories		16	89
Current tax asset		233	288
Other current assets	8	2,415	12,956
Total current assets		<u>75,565</u>	<u>89,576</u>
Non-current assets			
Property, plant and equipment		959	637
Intangible assets	7	69,317	68,285
Right-of-use assets		1,632	2,214
Other non-current assets		8,369	9,125
Total non-current assets		<u>80,277</u>	<u>80,261</u>
Total assets		155,842	169,837
Liabilities			
Current liabilities			
Trade and other payables	9	29,963	36,896
Employee benefits		877	1,003
Lease liabilities		761	1,357
Borrowings	10	-	625
Current tax liability		1,892	3,274
Provisions		474	563
Other current liabilities	13	-	3,432
Total current liabilities		<u>33,967</u>	<u>47,150</u>
Non-current liabilities			
Employee benefits		371	532
Lease liabilities		1,043	1,120
Deferred tax		5,752	5,877
Total non-current liabilities		<u>7,166</u>	<u>7,529</u>
Total liabilities		<u>41,133</u>	<u>54,679</u>
Net assets		<u>114,709</u>	<u>115,158</u>
Equity			
Issued capital	12	74,582	79,231
Reserves		12,011	8,375
Retained profits		28,116	27,552
Total equity		<u>114,709</u>	<u>115,158</u>

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

Consolidated statement of changes in equity
For the half-year ended 31 December 2024

Consolidated Group	Contributed equity \$'000	Share-based payments reserve \$'000	Foreign currency translation reserve \$'000	Financial assets reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2023	79,807	6,664	2,041	(2,302)	13,779	99,989
Profit after income tax expense for the half-year	-	-	-	-	20,154	20,154
Other comprehensive income for the half-year, net of tax	-	-	(121)	-	-	(121)
Total comprehensive income for the half-year	-	-	(121)	-	20,154	20,033
Transactions with owners in their capacity as owners:						
Issue of shares (note 12)	-	(44)	-	-	-	(44)
Share buy-back	(576)	-	-	-	-	(576)
Share-based payments	-	496	-	-	-	496
Dividends paid (note 11)	-	-	-	-	(12,580)	(12,580)
Balance at 31 December 2023	<u>79,231</u>	<u>7,116</u>	<u>1,920</u>	<u>(2,302)</u>	<u>21,353</u>	<u>107,318</u>
Balance at 1 January 2024	79,231	7,116	1,920	(2,302)	21,353	107,318
Profit after income tax expense for the half-year	-	-	-	-	23,195	23,195
Other comprehensive income for the half-year, net of tax	-	-	971	-	-	971
Total comprehensive income for the half-year	-	-	971	-	23,195	24,166
Transactions with owners in their capacity as owners:						
Issue of shares (note 12)	-	-	-	-	-	-
Share buy-back	-	-	-	-	-	-
Share-based payments	-	670	-	-	-	670
Dividends paid (note 11)	-	-	-	-	(16,996)	(16,996)
Balance at 30 June 2024	<u>79,231</u>	<u>7,786</u>	<u>2,891</u>	<u>(2,302)</u>	<u>27,552</u>	<u>115,158</u>

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

Consolidated statement of changes in equity
For the half-year ended 31 December 2024

Consolidated Group	Contributed equity \$'000	Share-based payments reserve \$'000	Foreign currency translation reserve \$'000	Financial assets reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2024	79,231	7,786	2,891	(2,302)	27,552	115,158
Profit after income tax expense for the half-year	-	-	-	-	17,860	17,860
Other comprehensive income for the half-year, net of tax	-	-	3,249	-	-	3,249
Total comprehensive income for the half-year	-	-	3,249	-	17,860	21,109
Transactions with owners in their capacity as owners:						
Issue of shares (note 12)	-	(39)	-	-	-	(39)
Share buy-back	(4,649)	-	-	-	-	(4,649)
Share-based payments	-	426	-	-	-	426
Dividends paid (note 11)	-	-	-	-	(17,296)	(17,296)
Balance at 31 December 2024	74,582	8,173	6,140	(2,302)	28,116	114,709

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

Consolidated statement of cash flows
For the half-year ended 31 December 2024

	Note	Consolidated half-year ended	
		31 December 2024 \$'000	31 December 2023 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		74,804	82,254
Payments to suppliers and employees (inclusive of GST)		(50,637)	(38,343)
		24,167	43,911
Interest received		1,347	353
Interest and other finance costs paid		(242)	(171)
Interest on lease liabilities		(46)	(68)
Income taxes paid		(9,590)	(9,154)
Net cash from operating activities		15,636	34,871
Cash flows from investing activities			
Payments for property, plant and equipment		(649)	(95)
Payments for intangibles	7	(3,433)	(3,074)
Release of contingent consideration		(3,543)	-
Investment in terms deposits		10,764	-
Net cash from/(used in) investing activities		3,139	(3,169)
Cash flows from financing activities			
Payments for share rights for non-executive directors		(39)	(44)
Proceeds from borrowings		-	2,084
Payments for share buy-backs		(4,649)	(576)
Repayment of borrowings		(625)	(208)
Principal payment of lease liabilities		(705)	(679)
Dividends paid	11	(17,296)	(12,580)
Net cash used in financing activities		(23,314)	(12,003)
Net increase/(decrease) in cash and cash equivalents		(4,539)	19,699
Cash and cash equivalents at the beginning of the financial half-year		68,979	53,190
Effects of exchange rate changes on cash and cash equivalents		914	92
Cash and cash equivalents at the end of the financial half-year		65,354	72,981

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

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

About this report

Jumbo Interactive Limited is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX: **JIN**), and is a for-profit entity for the purposes of preparing the financial statements. The consolidated half-year financial statements are for the consolidated entity consisting of Jumbo Interactive Limited (the Company) and its subsidiaries and together are referred to as the Group or Jumbo.

The consolidated half-year financial statements were approved for issue in accordance with a resolution by the Directors on 21 February 2025. The Directors have the power to amend and reissue the consolidated half-year financial statements.

The consolidated half-year financial statements are general purpose financial statements which:

- have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and International Financial Reporting Standards (**IFRS**) issued by the International Financial Standards Board;
- have been prepared under the historical cost convention;
- are presented in Australian dollars (**A\$**), with all amounts being rounded off in accordance with the requirements of ASIC Corporations (Rounding in Financial/Directors' Reports) *Instrument 2016/191* issued by the Australian Securities and Investments Commission to the nearest thousand dollars, unless otherwise indicated;
- where necessary, comparative information has been restated to conform with changes in presentation in the current half-year period; and
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group effective for reporting periods beginning on or after 1 July 2024.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 1. Basis for preparation of half-year report

These general purpose financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated Group as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by Jumbo Interactive Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared with the most recent annual financial statements, except for the new and amended accounting standards and policies stated below.

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to its operations and effective for the current half-year reporting period. Where the adoption of these new and revised Standards and Interpretations had a material financial impact on the amounts recognised in the half-year financial statements of the Group for the current or prior periods, this has been disclosed below.

New or amended accounting standards and interpretations adopted

There are no new or amended mandatory accounting standards and interpretations effective 1 July 2024 that have a material impact to the Group.

Note 2. Operating segments

The Group determines and presents operating segments on a product and geographic basis as this is how the results are reported internally to the Chief Executive Officer (**CEO**), being the chief operating decision maker, and how the business is managed. The Chief Executive Officer assesses the performance of the Group based on the earnings before interest, tax, and depreciation and amortisation (**EBITDA**) amongst other key metrics and key performance indicators.

(a) Description of segments

The following summary describes the operations each of the Group's reportable segments:

Lottery Retailing

Sales of Australian national lottery and charity lottery tickets through the internet and mobile devices to customers (**B2C**) in Australia and certain overseas jurisdictions.

Software-as-a-Service (SaaS)

Development, supply and maintenance of proprietary software-as-a-service (**SaaS**) for authorised businesses, charities and governments (**B2B/B2G**) mainly in the lottery market in Australia.

Managed Services

Provision of lottery management services for authorised Businesses and Charities (**B2B**) in the lottery market on an international basis. Services include prize procurement, lottery game design, campaign marketing, and customer relationship and draw management.

Intersegment eliminations

The SaaS segment licences the lottery software platform to the Lottery Retailing segment at a licence fee of 7.5% of relevant lottery ticket sales.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 2. Operating segments (continued)

Expenses

Direct costs are included in expenses of operating segments and indirect costs are allocated to operating segments based on the headcount assigned to each operating segment.

Reconciling items

Other reconciling items are corporate expenses including costs in respect of the Directors, CEO, Chief Financial Officer, corporate advertising, promotion and marketing, corporate investment and finance, tax, audit, risk, governance, share-based payments, and strategic projects.

(b) Segment information

The segment information provided to the CEO is as follows:

	Lottery Retailing	SaaS	Managed Services	Intersegment Eliminations	Corporate/ Other	Total
Half-year ended 31 December 2024						
Total segment sales revenue from external customers	48,773	5,041	12,316	-	-	66,130
Intersegment sales revenue	-	15,417	-	(15,417)	-	-
Total segment sales revenue	48,773	20,458	12,316	(15,417)	-	66,130
Cost of sales	(24,120)	(156)	(1,922)	15,417	-	(10,781)
Gross Profit	24,653	20,302	10,394	-	-	55,349
Employee benefits expense	(2,593)	(4,876)	(5,009)	-	(596)	(13,074)
Director's remuneration	-	-	-	-	(308)	(308)
Share-based payments	-	-	-	-	(426)	(426)
Consultancy and legal expenses	(14)	-	(5)	-	(544)	(563)
Advertising and marketing expenses	(3,540)	(10)	(185)	-	(4)	(3,739)
Corporate expenses	-	-	9	-	(363)	(354)
Technology expense	(853)	(608)	(528)	-	(38)	(2,027)
Office expenses	(54)	(156)	(179)	-	-	(389)
Other expenses	(509)	(1,211)	(1,834)	-	(926)	(4,480)
Operating expenses	(7,563)	(6,861)	(7,731)	-	(3,205)	(25,360)
Other income/(loss) items	773	(75)	-	-	495	1,193
EBITDA	17,863	13,366	2,663	-	(2,710)	31,182
Consolidated EBITDA						31,182
Depreciation and amortisation						(6,477)
Consolidated EBIT						24,705
Net finance income/(cost)						1,059
Consolidated net profit before tax						25,764
Income tax expense						(7,904)
Consolidated net profit after tax (see profit or loss)						17,860

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 2. Operating segments (continued)

	Lottery Retailing	SaaS	Managed Services	Intersegment Eliminations	Corporate/ Other	Total
Half-year ended 31 December 2023						
Total segment sales revenue from external customers	55,868	4,962	13,054	-	-	73,884
Intersegment sales revenue	-	18,370	-	(18,370)	-	-
Total segment sales revenue	55,868	23,332	13,054	(18,370)	-	73,884
Cost of sales	(29,163)	(153)	(1,736)	18,370	-	(12,682)
Gross Profit	26,705	23,179	11,318	-	-	61,202
Finance costs	-	-	-	-	(91)	(91)
Employee benefits expense	(1,702)	(5,893)	(4,238)	-	(686)	(12,519)
Director's remuneration	-	-	-	-	(245)	(245)
Share-based payments	-	-	-	-	(496)	(496)
Consultancy and legal expenses	(12)	(149)	(188)	-	(654)	(1,003)
Advertising and marketing expenses	(3,356)	(257)	(134)	-	(25)	(3,772)
Corporate expenses	-	(2)	(131)	-	(379)	(512)
Technology expense	(109)	(1,362)	(483)	-	(32)	(1,986)
Office expenses	(96)	(215)	(219)	-	(10)	(540)
Other expenses	(940)	(1,192)	(2,769)	-	(846)	(5,747)
Operating expenses	(6,215)	(9,070)	(8,162)	-	(3,464)	(26,911)
Other income/(loss) items	-	-	-	-	205	205
Fair value movement on financial liabilities	-	-	-	-	725	725
EBITDA	20,490	14,109	3,156	-	(2,534)	35,221
Consolidated EBITDA						35,221
Depreciation and amortisation						(6,153)
Consolidated EBIT						29,068
Net finance income/(cost)						205
Consolidated net profit before tax						29,273
Income tax expense						(9,119)
Consolidated net profit after tax (see profit or loss)						20,154

The cost of sales consists of the following expenses disclosed in the respective financial statement line items in the consolidated statement of profit and loss and other comprehensive income:

	Consolidated half-year ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Commissions and fees	9,740	11,123
Employee benefits expense	86	166
Advertising and marketing expense	924	986
Technology expense	56	69
Other expenses	(25)	338
	<u>10,781</u>	<u>12,682</u>

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 3. Revenue

The Group reports revenue from the sale of lottery tickets and related services on a net revenue inflow basis where it considers that it acts more as an agent than as a principal such as with the sale of lottery tickets.

	Consolidated half-year ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
<i>Sales revenue</i>		
Revenue from sale of goods ¹	11	431
Revenue from rendering of services ¹	66,119	73,453
	<u>66,130</u>	<u>73,884</u>

¹The Group derives revenue from the transfer of goods and services at a point-in-time.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by main geographic markets, customer type and main products and services. The table includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

Half-year ended 31 December 2024	Lottery Retailing	SaaS	Managed Services	Intersegment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Main geographic markets					
Australia (domicile)	48,306	20,458	-	(15,417)	53,347
United Kingdom	-	-	8,878	-	8,878
Canada	-	-	3,438	-	3,438
Fiji	132	-	-	-	132
Other	335	-	-	-	335
	<u>48,773</u>	<u>20,458</u>	<u>12,316</u>	<u>(15,417)</u>	<u>66,130</u>
Customer type					
B2C	48,773	-	-	-	48,773
B2B	-	18,671	12,316	(15,417)	15,570
B2G	-	1,787	-	-	1,787
	<u>48,773</u>	<u>20,458</u>	<u>12,316</u>	<u>(15,417)</u>	<u>66,130</u>
Main products and services					
Draw lottery games	44,537	-	-	-	44,537
Charity lottery games	3,703	-	-	-	3,703
Software licensing fees	-	20,458	-	(15,417)	5,041
Lottery management services	-	-	12,316	-	12,316
Miscellaneous	533	-	-	-	533
	<u>48,773</u>	<u>20,458</u>	<u>12,316</u>	<u>(15,417)</u>	<u>66,130</u>

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 3. Revenue (continued)

Half-year ended 31 December 2023	Lottery Retailing \$'000	SaaS \$'000	Managed Services \$'000	Intersegment Eliminations \$'000	Total \$'000
Main geographic markets					
Australia (domicile)	54,997	23,135	102	(18,370)	59,864
United Kingdom	-	197	8,706	-	8,903
Canada	-	-	4,246	-	4,246
Fiji	541	-	-	-	541
Other	330	-	-	-	330
	<u>55,868</u>	<u>23,332</u>	<u>13,054</u>	<u>(18,370)</u>	<u>73,884</u>
Customer type					
B2C	55,868	-	-	-	55,868
B2B	-	21,213	13,054	(18,370)	15,897
B2G	-	2,119	-	-	2,119
	<u>55,868</u>	<u>23,332</u>	<u>13,054</u>	<u>(18,370)</u>	<u>73,884</u>
Main products and services					
Draw lottery games	52,967	-	-	-	52,967
Charity lottery games	1,938	-	-	-	1,938
Instant win games	431	-	-	-	431
Software licensing fees	-	23,332	-	(18,370)	4,962
Lottery management services	-	-	13,054	-	13,054
Miscellaneous	532	-	-	-	532
	<u>55,868</u>	<u>23,332</u>	<u>13,054</u>	<u>(18,370)</u>	<u>73,884</u>

Recognition and measurement

The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods and/or Rendering of Services

Revenue from sale of goods and/or rendering of services is recognised when control of the goods or services is transferred to the buyer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and/or services. Control is the ability of the customer to direct the use of, and obtain substantially all of the remaining benefits from, an asset. Indicators that control has passed includes that the customer has (i) a present obligation to pay, (ii) physical possession of the asset(s), (iii) legal title, (iv) risk and rewards of ownership, and (v) accepted the asset(s).

Lottery Retailing revenue includes agent commission received under the Reseller Agreements with The Lottery Corporation Limited (TLC) and administration fees received from customers at the time an entry is purchased by the customer in Draw Lottery Games, Charity Lottery Games and Instant Win Games. Revenue is derived at a point-in-time with payment terms ranging between immediate payment to seven days payment.

SaaS revenue includes the development, supply and maintenance of proprietary software-as-a-service (SaaS) for authorised Business, Charity and Government lotteries and is recognised as the software licence fee received from customers once the service has been rendered. Revenue is derived at a point-in-time with payment terms of 14 days after invoice date.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 3. Revenue (continued)

Managed services revenue is recognised as the commission or service fee received from customers when the official draw for each lottery is completed or once the service has been rendered, including the provision of SaaS-related services in the lottery market on an international basis. This includes Gatherwell using their proprietary lottery software platform to provide 'lottery-in-a-box' lottery management services to society lotteries in the UK, StarVale providing a full range of weekly lottery, raffle and prize draw services in the UK, and Stride using their proprietary lottery software platform and digital payments solution to provide lottery project management services to charities in Canada. Revenue is derived at a point-in-time with payment terms of between date of invoice to 14 days after invoice date.

Note 4. Other income and expense items

	Consolidated half-year ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
(a) Other income		
Expense recovery	23	-
Warranty claim income	830	-
Other income	643	-
	<u>1,496</u>	<u>-</u>
(b) Other gains / (losses)		
Foreign exchange (losses)/gains	(303)	205
	<u>(303)</u>	<u>205</u>
(c) Employee benefits expense		
Employee benefits	11,692	11,567
Non-executive directors' remuneration	308	245
Share-based payments expense	426	496
Defined contribution superannuation expense	1,468	1,118
	<u>13,894</u>	<u>13,426</u>
(d) Depreciation and amortisation expense		
Amortisation on leased assets	643	627
Amortisation of intangible assets	4,749	4,663
Amortisation of TLC costs capitalised	756	750
Depreciation expense of property, plant and equipment	329	113
	<u>6,477</u>	<u>6,153</u>
(e) Other expenses		
Insurance costs	1,007	1,089
Postage costs	869	824
Taxes and duties	784	755
Office expenses	389	540
Corporate expenses	354	512
Other expenses	1,745	3,367
	<u>5,148</u>	<u>7,087</u>

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 4. Other income and expense items (continued)

	Consolidated half-year ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
(f) Finance income and costs		
<i>Finance income</i>		
Interest income	1,347	353
	<u>1,347</u>	<u>353</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	(44)	(77)
Interest and finance charges paid/payable on lease liabilities	(46)	(68)
Other costs of finance	(198)	(94)
	<u>(288)</u>	<u>(239)</u>
Net finance income/(cost)	<u>1,059</u>	<u>114</u>

Recognition and measurement

Interest income

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Note 5. Earnings per share (EPS)

	Consolidated half-year ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Profit after income tax attributable to the owners of Jumbo Interactive Limited	17,860	20,154
	Number	Number
Weighted average number of ordinary shares used in calculating basic EPS	62,787,675	62,953,242
Adjustments for calculation of diluted EPS:		
- Rights over ordinary shares	212,979	261,626
Weighted average number of ordinary shares used in calculating diluted EPS	<u>63,000,654</u>	<u>63,214,868</u>
	Cents	Cents
Basic earnings per share	28.45	32.01
Diluted earnings per share	28.35	31.88

All outstanding performance rights were included in the number of weighted average number of ordinary shares used to calculate diluted earnings per share because they are currently 'in-the-money'.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 6. Cash and cash equivalents

	Consolidated 31 December 2024 \$'000	30 June 2024 \$'000
Current assets		
Cash and cash equivalents	65,354	68,979
Included in the above balance:		
General account balances	50,428	51,401
Online lottery customer account balances (note 9)	14,926	17,578
	65,354	68,979

Online lottery customer account balances represent deposits and prize winnings held for payment to customers on demand. The balance as at 31 December 2024 includes \$1,368,000 deposits paid by online lottery customers, but not yet received into bank account at year end date (30 June 2024: \$2,420,000).

Recognition and measurement

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.

	Consolidated half-year ended 31 December 2024 \$'000	31 December 2023 \$'000
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit for the period after income tax	17,860	20,154
Non-cash flows		
Amortisation	6,148	6,040
Depreciation	329	113
Fair value movement on contingent consideration	-	(725)
Share option expense	426	496
Net foreign exchange effects - (gain)/loss	(156)	(162)
Changes in operating assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease/(increase) in trade receivables	262	(2,290)
Decrease/(increase) in other receivables	(545)	-
Decrease/(increase) in inventories	73	4
Increase/(decrease) in trade payables	121	15,442
Increase/(decrease) in other payables	(7,054)	(3,975)
Increase/(decrease) in employee benefits	(287)	(154)
Increase/(decrease) in provisions	(89)	-
Increase/(decrease) in deferred tax liabilities	(125)	(1,260)
Increase/(decrease) in provision for income tax	(1,327)	1,188
Cash flow from operations	15,636	34,871

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 7. Intangible assets

	Consolidated 31 December 2024 \$'000	30 June 2024 \$'000
Goodwill - at cost	33,240	31,812
Less: Impairment	(855)	(855)
	<u>32,385</u>	<u>30,957</u>
Website - at cost	64,411	61,813
Less: Accumulated amortisation	(49,048)	(46,568)
	<u>15,363</u>	<u>15,245</u>
Customer contracts - at cost	26,824	25,640
Less: Accumulated amortisation	(7,279)	(5,626)
	<u>19,545</u>	<u>20,014</u>
Software - at cost	2,832	2,711
Less: Accumulated amortisation	(1,866)	(1,535)
	<u>966</u>	<u>1,176</u>
Domain names - at cost	991	931
Less: Impairment	(62)	(62)
	<u>929</u>	<u>869</u>
Other	166	48
Less: Accumulated amortisation	(37)	(24)
	<u>129</u>	<u>24</u>
	<u>69,317</u>	<u>68,285</u>

(a) Significant judgements and estimates

Impairment assessment of goodwill and domain names

A key judgement by management with regards to the (i) Lottery Retailing Cash Generating Unit (**CGU**) is that the reseller agreements with The Lottery Corporation will continue, (ii) Software-as-a-Service CGU is that software licence agreements with customers will continue, and (iii) Managed Services CGU is that the lottery management agreements with customers will continue. The key assumptions used for value-in-use calculations are discussed further in note 7b). Goodwill and domain names are tested for impairment half-yearly.

Impairment assessment of other intangible assets

The group considers half-yearly whether there have been any indicators of impairment and then tests whether non-current assets have incurred any impairment in accordance with the accounting policy.

Estimated useful life of website development costs

Management estimates the useful life of intangible assets-website development costs based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions.

The amortisation period relating to the website developments costs is five years.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 7. Intangible assets (continued)

Estimated useful life of customer contracts and relationships

Management estimates the useful life of intangible assets-customer contracts and relationships based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including any changes in customer contract terms and conditions, customer net attrition, and changes in legal and economic conditions.

The amortisation period relating to customer contracts and relationships is ten years.

(b) Reconciliations

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

Consolidated 2024	Goodwill \$'000	Website development costs \$'000	Customer contracts and relationships \$'000	Software \$'000	Domain names \$'000	Other \$'000	Total \$'000
Balance at 1 July 2024	30,957	15,245	20,014	1,176	869	24	68,285
Additions internally generated	-	3,256	-	-	60	117	3,433
Exchange differences	1,428	-	878	42	-	-	2,348
Amortisation expense	-	(3,138)	(1,347)	(252)	-	(12)	(4,749)
Balance at 31 December 2024	<u>32,385</u>	<u>15,363</u>	<u>19,545</u>	<u>966</u>	<u>929</u>	<u>129</u>	<u>69,317</u>

Note 8. Other current assets

	Consolidated 31 December 2024 \$'000	30 June 2024 \$'000
Deposits in escrow in relation to acquisitions (note 13)	-	3,432
Short-term deposits	2,245	9,460
Other current assets	170	64
	<u>2,415</u>	<u>12,956</u>

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 9. Trade and other payables

	Consolidated 31 December 2024 \$'000	30 June 2024 \$'000
Trade creditors	3,224	3,103
GST payable	1,312	1,700
Sundry creditors and accrued expenses	8,750	12,657
Employee benefits	1,751	1,858
Customer funds payable (note 6)	14,926	17,578
	<u>29,963</u>	<u>36,896</u>

Note 10. Borrowings

(a) Facilities with Banks

	Consolidated 31 December 2024 \$'000	30 June 2024 \$'000
Total facilities		
Commercial credit cards	300	300
Bank loans	50,000	44,000
Bank guarantees	5,000	3,250
	<u>55,300</u>	<u>47,550</u>
Drawn down at the reporting date		
Commercial credit cards	80	110
Bank loans	-	-
Bank guarantees	4,698	643
	<u>4,778</u>	<u>753</u>
Un-drawn at the reporting date		
Commercial credit cards	220	190
Bank loans	50,000	44,000
Bank guarantees	302	2,607
	<u>50,522</u>	<u>46,797</u>

The facilities are provided by Australia and New Zealand Banking Group Limited subject to general and specific terms and conditions being set and met periodically.

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 10. Borrowings (continued)

(b) Facilities with other financial institutions

	Consolidated	
	31 December 2024 \$'000	30 June 2024 \$'000
Current liabilities		
Insurance funding	-	625

In November 2023 the Group entered into insurance financing arrangement for a loan facility maturing on 30 August 2024 and repayable in equal instalments of \$208,423 per month over a ten-month period commencing on 30 November 2023.

(c) Assets pledged as security

The bank facilities are secured by a fixed and floating charge over all the Australian assets of the Group.

(d) Defaults and breaches

There have been no defaults or breaches during the half-year ended 31 December 2024.

Note 11. Dividends

	Consolidated half-year ended	
	31 December 2024 \$'000	31 December 2023 \$'000
Final fully franked ordinary dividend of 27.5 cents (2024: 20.0 cents) per ordinary share franked at the tax rate of 30% (2024: 30%)	17,296	12,580
Total dividends paid or provided for in cash	17,296	12,580

Note 12. Issued capital

	Half-Year			
	31 December 2024 Shares	31 December 2023 Shares	31 December 2024 \$'000	31 December 2023 \$'000
Ordinary shares - fully paid	62,623,721	62,948,655	74,582	79,231

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 12. Issued capital (continued)

(a) Movements in ordinary share capital

Details	Date	Shares	\$'000
Balance	1 July 2024	62,968,330	79,231
On-market share buy-back	1 July 2024 - 31 December 2024	(344,609)	(4,649)
Balance	31 December 2024	<u>62,623,721</u>	<u>74,582</u>

Issued capital represents the amount of consideration received for securities issued or paid for securities bought back by the Company.

Costs directly attributable to the issue of new shares or options are deducted from the consideration received, net of income taxes. On various dates during the period, the share buyback was completed on-market.

Note 13. Business combinations

There were no new acquisitions in the half-year ended 31 December 2024.

Contingent consideration

StarVale acquisition

The contingent consideration arrangement required the Group to pay up to an additional undiscounted amount of \$7,929,093 (£ 4,500,000) in cash to the StarVale vendors if certain Profit targets are met. The escrow deposit is denominated in British pounds. In accordance with the terms of the sale and purchase agreement any interest income earned on funds in escrow are retained by the Group.

The fair value of the contingent consideration arrangement of \$7,641,429 (£4,088,469) was estimate by calculating the face value of the estimated earnout payable based on the assumed probability-adjusted profit in StarVale for the 12-month period to 30 June 2023.

During the year ended 30 June 2024, the Group settled \$4,363,975 (£2,288,469) of the contingent consideration. The remaining balance of \$3,432,747 (£1,800,000) was recognised as a liability and presented as contingent consideration at fair value in the consolidated statement of financial position at 30 June 2024. The corresponding funds remaining in escrow account of \$3,432,747 (£1,800,000) were included in other current assets in the consolidated statement of financial position at 30 June 2024.

In September 2024 the Group reached the final agreement with the seller and remaining contingent consideration of \$3,543,307 (£1,800,000) was released from the escrow account.

As part of final agreement, the Group received from the seller \$830,000 (£425,000) in settlement of a warranty claim. This amount is recognised as other income in the consolidated statement of profit or loss for the half-year ended 31 December 2024.

In addition, on the release of the escrow fund, interest earned by the Group on funds held in escrow represented \$232,000 (£118,000) and has been recognised as finance income in the consolidated statement of profit or loss for the half-year ended 31 December 2024.

The movements in the balance for contingent consideration at fair value and funds in escrow since 30 June 2024, considering foreign exchange currency impact is as follows:

**Notes to the consolidated financial statements for the half-year ended
31 December 2024**

Note 13. Business combinations (continued)

\$'000

Contingent consideration at FVTPL

As at 30 June 2024	3,432
Contingent consideration settled	(3,543)
Unrealised foreign exchange currency (gain)/loss through other comprehensive income	111

As at 31 December 2024

-

\$'000

Other current assets - Deposits in escrow

As at 30 June 2024	3,432
Funds settled	(3,543)
Interest earned	232
Interest transferred to bank	(232)
Unrealised foreign exchange currency gain/(loss) through other comprehensive income	111

As at 31 December 2024

-

Note 14. Events after the reporting period

Apart from the interim dividend determination announced on 21 February 2025 and the Board's decision to continue the on-market share buy-back, there are no matters or circumstances that have arisen that have significantly affected, or may significantly affect, the operations of the Group in the financial period subsequent to 31 December 2024.

DIRECTORS' DECLARATION

The Directors of the group declare that:

- (1) The consolidated financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, and accompanying notes, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the Group financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
- (2) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Directors.



Susan Forrester
Chair of the Board



Mike Veverka
Managing Director, CEO and Founder

Brisbane, 21 February 2025



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with confidence**

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Independent auditor's review report to the members of Jumbo Interactive Limited

Conclusion

We have reviewed the accompanying condensed half-year financial report of Jumbo Interactive Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 31 December 2024, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

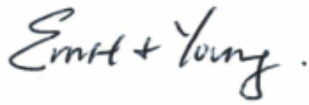
Directors' responsibilities for the half-year financial report

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

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



Susie Kuo
Partner
Brisbane
21 February 2025