

APPENDIX 4D

Report for the half-year 31 December 2023

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results in accordance with Australian Accounting Standards

Reporting period: for the half year ended 31 December 2023 ("2024 Interim")

Reporting period: for the half year ended 31 December 2022 ("2023 Interim")

| | 2024 Interim \$'000 | 2023 Interim \$'000 | | |
|--|------------------------|------------------------|-------------|-----|
| Consolidated: | | | | |
| Net loss attributable to members after tax | (36,362) | (178,176) | down | 80% |
| From continuing operations: | | | | |
| Revenue from ordinary activities | 117,607 | 101,932 | up | 15% |
| Net loss attributable to members after tax | (32,659) | (53,569) | down | 39% |

| | Normalised Result ¹ | | Statutory Result | |
|--|--------------------------------|------------|------------------|------------|
| | \$'000 | % Movement | \$'000 | % Movement |
| Consolidated: | | | | |
| Net loss attributable to members after tax | (24,601) | (85%) | (36,362) | (80%) |
| From continuing operations: | | | | |
| Revenue from ordinary activities | 117,607 | 15% | 117,607 | 15% |
| Loss before interest, tax, depreciation and amortisation | (13,267) | (71%) | (13,560) | (73%) |
| Net loss attributable to members after tax | (24,601) | (50%) | (32,659) | (39%) |

1. Normalised results have been adjusted to exclude the impact of significant non-recurring items and adjustments. The Group believes that the normalised results are the best measure of viewing the performance of the business. Normalised results are a non-IFRS measure. See *Review of Operations* section of the Interim Report for details.

Dividends Paid and Proposed

| | Amount per Security | Franked Amount per Security at 30% of Tax |
|--------------------------|------------------------|---|
| Ordinary Shares | | |
| 2024 Interim (2023: NIL) | NIL | NIL |
| 2023 Final (2022: NIL) | NIL | NIL |

Dividend Reinvestment Plan

There was no dividend reinvestment plan in operation during the financial year.

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Loss per Share

| | 31 Dec 23 '000s | 31 Dec 22 '000s |
|--|--------------------|--------------------|
| Weighted average number of ordinary shares | 314,249 | 305,544 |
| Consolidated: | | |
| Basic and Diluted (Loss) Per Share (cents) | (11.6) | (58.3) |
| From continuing operations: | | |
| Basic and Diluted (Loss) Per Share (cents) | (10.4) | (17.5) |

Options have been excluded from the above calculations in the current and previous year as their inclusion will be anti-dilutive.

Net Tangible Assets per Share

| | 31 Dec 23 '000s | 31 Dec 22 '000s |
|--|--------------------|--------------------|
| Number of shares | 316,244 | 305,679 |
| Net tangible assets per share ¹ (cents) | 0.36 | 1.16 |

1. 2024 Interim reported net tangible assets per share is reported on a deconsolidated balance sheet due to loss of control from the US and European entities that occurred on 30 June 2023.

Control Gained or Lost Over Entities in the Year

Control lost over US and European entities as detailed in Note 16 of the Financial Statements.

Details of Associates and Joint Venture Entities

Not Applicable.

Commentary on the Results for the Half-Year

Refer to the commentary on the results for the year contained in the *Review of Operations* included within the Director's Report.

The Consolidated Statement of Profit or Loss and Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, and Consolidated Statement of Changes in Equity are included within the Interim Financial Report.

Attachments

The Interim Financial Report for PointsBet Holdings Limited for the year ended 31 December 2023 has been attached.

About PointsBet

PointsBet is a corporate bookmaker with operations in Australia and Canada. PointsBet has developed a scalable cloud based wagering Platform through which it offers its clients innovative sports and racing wagering products and iGaming.

For further information please contact:

For investors

Alister Lui

Chief Financial Officer – Australia and Head of Group Finance
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INTERIM REPORT
FOR THE HALF-YEAR
31 DECEMBER 2023



POINTS BET

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DIRECTORS' REPORT

for the 6 months ended 31 December 2023

The directors present their report together with the financial statements of PointsBet Holdings Limited (the 'Company') and its controlled entities (the 'Consolidated Entity' or the 'Group') for the six months ended 31 December 2023. The financial statements have been reviewed and approved by the directors on the recommendation of the Company's Audit, Risk and Compliance Committee.

This report should be read in conjunction with the 30 June 2023 Annual Financial Report of the Company and any public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

This report is made on 26 February 2024.

DIRECTORS

Except as otherwise stated below, the directors of the Company during the six months under review and up to the date of this report are:

- BWF Paton (Non-Executive Chairman)
- AP Symons (Non-Executive Director)
- PD McCluskey (Non-Executive Director)
- BK Harris (Non-Executive Director)
- K Gada (Non-Executive Director)
- MG Singh (Non-Executive Director)
- WW Grounds (Non-Executive Director)
- SJ Swanell (Executive Director)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year was the offering of innovative sports and racing betting products and services direct to clients via its scalable cloud-based technology platform.

REVIEW AND RESULTS OF OPERATIONS

A review of the operations of the Consolidated Entity for the half-year ended 31 December 2023 is set out in the Review of Operations which forms part of this Directors' Report.

The reported result of the Consolidated Entity attributable to shareholders for the half-year ended 31 December 2023 was a loss of \$36.4 million (six months to 31 December 2022: a loss of \$178.2 million).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 22 September 2023, the Company returned \$315.4 million (representing \$1.00 per share) to shareholders pursuant to a shareholder approved return of capital. During the half-year ended 31 December 2023, the company raised \$582,144 pursuant to the issue of 3,069,095 shares following the exercise of employee options.

There have been no other significant changes in the state of affairs of The Group during the period.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected The Group's operations, results or state of affairs, or may do so in future periods.

ROUNDING OF AMOUNTS

The amounts in this report and in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required by section 307C of the *Corporations Act 2001* (Cth) is included at the end of this report.

This report is made in accordance with a resolution of the directors.



Brett Paton

Chairman

26 February 2024

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REVIEW OF OPERATIONS

for the 6 months ended 31 December 2023

HY24

Normalised Results¹

| | 2024 Interim \$'M | Restated 2023 Interim \$'M | Change % |
|--|----------------------|----------------------------------|-------------|
| Continuing operations | | | |
| Normalised Results | | | |
| Revenue | 117.6 | 101.9 | 15% |
| EBITDA loss | (13.3) | (45.9) | (71%) |
| Net loss after tax | (24.6) | (49.1) | (50%) |
| Statutory Results | | | |
| Revenue | 117.6 | 101.9 | 15% |
| EBITDA loss | (13.6) | (50.3) | (73%) |
| Net loss after tax | (32.7) | (53.6) | (39%) |
| Basic and diluted earnings per share (cents) | (10.4) | (17.5) | |
| Balance sheet and Cash flow | | | |
| Closing cash balance | 61.2 | 212.1 | |
| Operating cash flow excluding movements in player cash | (10.3) | (123.1) | |
| Net tangible assets per share (dollars) | 0.36 | 1.16 | |

The HY23 results of the Group comprise the operations from the following segments:

- Australia
- Canada
- Technology
- Corporate

The comparison to the prior half year period relates to the results for the continuing businesses in respect of the six-month period to 31 December 2022 ('PCP').

Significant Items and Adjustments

| | HY24 A\$'M | Variance vs HY23 A\$'M |
|--|---------------|------------------------------|
| Share based payments (non-cash) – employee share option plan ('ESOP') and key employee equity plan ('KEEP') ² | 1.0 | (7.3) |
| Impact of AASB 16 Leases ³ | 0.1 | 0.1 |
| Foreign exchange (gains) ⁴ | 6.9 | 10.7 |
| Other expenses | 0.1 | 0.1 |
| Total significant items and adjustments | 8.1 | 3.6 |

1. Normalised results and operating cash flow are statutory profit (before and after tax) and operating cash flow, excluding the impact of certain significant items and adjustments. Significant items and adjustments are items which are either individually or in aggregate, material to PointsBet and are either outside the ordinary course of business or part of the ordinary activities of the business but unusual due to their size and nature as detailed under the heading Significant Items and Adjustments.

2. Share based payments expense – Employee Share Option Plan (ESOP) and Key Employee Equity Plan (KEEP) – The Group's normalised results include an adjustment for fair value on employee share option plan and key employee equity plan issuances to key management staff.

3. Impact of AASB 16 – The Group's normalised results include an adjustment for the impact of change in accounting standards upon adoption of AASB 16 "Leases".

4. FX (gains)/losses – The Group's normalised results include an adjustment for FX gains/(losses) on USD exposures.

KEY PERFORMANCE INDICATORS

PointsBet reported strong growth across the following key metrics:

PointsBet Group – HY24 Sports Betting Performance (A\$M)¹

| Key metrics – Sports Betting | HY24 | HY23 | Change vs PCP |
|------------------------------------|----------------|----------------|---------------|
| Turnover/Handle² | 1,587.4 | 1,651.8 | (4%) |
| Australia | 1,468.5 | 1,550.5 | (5%) |
| Canada | 118.9 | 101.3 | 17% |
| Gross Win Margin | 10.7% | 10.4% | 0.3pp |
| Australia | 10.9% | 10.7% | 0.1pp |
| Canada | 8.4% | 5.0% | 3.4pp |
| Gross Win³ | 169.7 | 171.6 | (1%) |
| Australia | 159.7 | 166.5 | (4%) |
| Canada | 10.0 | 5.1 | 96% |
| Net Win Margin | 7.5% | 6.5% | 0.9pp |
| Australia | 7.6% | 6.8% | 0.9pp |
| Canada | 5.3% | 2.5% | 2.9pp |
| Net Win⁴ | 118.6 | 107.8 | 10% |
| Australia | 112.2 | 105.3 | 7% |
| Canada | 6.3 | 2.5 | 153% |

PointsBet Group – HY24 Net Win Summary (A\$M)

| | HY24 | HY23 | Change vs PCP |
|--------------------------|--------------|--------------|---------------|
| Net Win – Sports Betting | 118.6 | 107.8 | 10% |
| Net Win – iGaming | 9.5 | 4.2 | 124% |
| Net Win – Total | 128.1 | 112.0 | 14% |

1. The AUD:CAD foreign exchange rate used for the figures in the table is the average rate for the specified period.

2. Turnover/Handle is the dollar amount wagered by clients before any winnings are paid out or losses incurred.

3. Gross Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, excluding the cost of pricing promotions.

4. Net Win is the dollar amount received from clients who placed losing bets less the dollar amount paid to clients who placed winning bets, less client promotional costs (the costs incurred to acquire and retain clients through bonus bets, money back offers, early payouts and enhanced pricing initiatives).

AUSTRALIA

Revenue¹: \$101.7 million – up 7% vs PCP

EBITDA²: \$0.9 million – up \$21.2 million vs PCP

Review of performance

- The Australian business achieved a record Half for Revenue¹ of \$101.7 million, up 7% vs PCP.
- During the Half, Gross Win margin of 10.9% was slightly lower than the long-term average of 12-13%. This can be attributed to the share of Turnover shifting towards Sports, and a lower than expected yield on Sports Turnover in the High Staking Client cohort late in the Half.
- In terms of Net Win contribution, Sports Net Win grew 32% vs PCP, while Racing Net Win was in line with PCP.
- There was strong activity across the core international sports offering of NBA, NFL and Soccer.
- The continued focus on Promotions efficiency led to an improved rate of Promotions as a percentage of Gross Win of 29.7% vs 36.8% in PCP.
- A Gross Profit³ of \$50.1 million was achieved, up 12% vs PCP. The overall efficiency strategy and growth in Sports Net Win in the Half has translated to a record Gross Profit³ in H1, despite increases in Point of Consumption Taxes vs the PCP.
- Gross Profit³ as % of Revenue¹ also improved to 49%, compared to 47% in PCP.
- Marketing expense of \$28.4 million was down 37% on PCP. Despite a lower marketing expense, brand consideration⁴ improved to 37% up from 34% in PCP.
- This was the first EBITDA² positive H1 in the company's history. Segment EBITDA² of \$0.9 million was a material improvement from (\$20.2 million) loss in PCP.

CANADA

Revenue¹: \$15.9 million – up 138% vs PCP

EBITDA²: (\$12.0 million) – down \$7.5 million vs PCP

Review of performance

- The Canadian business delivered strong growth and momentum across both Sports Betting and iGaming.
- Total Sports Betting Turnover reached an impressive \$118.9 million, up 17% vs the PCP with growth across all core sports.
- Sports Betting Gross Win amounted to \$10.0 million (up 96% vs the PCP) and Net Win of \$6.3 million (up 153% vs the PCP). This growth was driven both by improved trading margin on a higher overall mix of multi bets and continued gains in customer generosity efficiency, demonstrating the strength of PointsBet's product offering.
- The iGaming vertical delivered a Net Win of \$9.5 million. In the latter part of the Half, PointsBet announced a strategic partnership with Strive Gaming which will transform its iGaming offering and accelerate growth in this critical market.
- Combining both verticals (i.e. Sports Betting and iGaming), Total Net Win in Canada of \$15.8 million was up 135% vs the PCP.
- Revenue¹ of \$15.9 million was an increase of 138% compared to the PCP.
- Gross Profit³ was up 149% vs the PCP, due to improved efficiency in Cost of Sales as the Canadian business continues to scale.
- Despite the marketing expense of C\$12.3 million being down 10% on PCP, Cash Active Clients⁵ were up 86% vs PCP.
- The Canadian business is on a path to achieve or be close to achieving break-even EBITDA² in FY25 with the H1 segment EBITDA² loss reducing to \$12.0 million vs \$19.4 million in PCP.

1. Revenue in Australia is Net Win less GST.

2. EBITDA is Earnings before Interest, Tax, Depreciation and Amortisation.

3. Gross Profit is Revenue less Cost of Sales.

4. Internal company research commissioned comparing the 3 months ending 30 November 2023 to the 3 months ending 30 November 2022.

5. Cash Active Clients are clients that have placed a cash bet in the 12 months preceding the relevant period end.

CORPORATE

Review of performance

Corporate administrative costs (Board, Finance, Legal, Human Resources, Property and other central functions) are costs that cannot be readily allocated to individual operating segments and are not used by the CODM ('Chief Operating Decision Maker') for making operating and resource allocation decisions.

- On 30 June 2023, the sale of PointsBet's US business to Fanatics Betting and Gaming ('FBG') was approved for US\$225 million.
- The FBG Transaction incorporates a two-stage completion, with US\$175 million (including the full US\$75 million increase in headline cash consideration) to be received at the Initial Completion and US\$50 million to be received at the Subsequent Completion.
- On 31 August 2023, the Company has received US\$175 million (plus agreed adjustments), representing the initial instalment of the headline purchase price of US\$225 million.

IN-HOUSE PRODUCT AND TECHNOLOGY DEVELOPMENT

- Improved Sports and Enhanced the Player Experience
 - Launched Live Bet Tracker for NFL.
 - Built an NHL model in Odds Factory increasing market offering as well as introducing NHL SGM.
 - Launched NBL Same Game Multi offering.
 - Introduced event reminders and notifications.
 - Improvement in player and market groupings.
- Improved Racing
 - Increased coverage of and quality of form across all racing types. Basic form such as Bios, Last Starts, Career Stats as well as Speed Maps, Runner Comments, Tips and Ratings have all improved in coverage and quality.
 - Improved Racing Multis with Quick Same Race Multi contextual pre-packaged Same Race Multi bets.
- Upgraded Gratuities
 - New bonusing capability, with event-based payback tokens, and continuous improvement in merchandising, automation, and personalisation capability.
 - Cash-out on Same Game Multi bets in Australia.
 - Launched SGM Tokens in Canada.
- Enhanced the underlying bet engine
 - Went live with a new Bet Slip.
 - Launched Same Game Multi + in Australia.
- More Payment Gateways
 - Launch of Google Pay in Australia.
 - Launch of PayTo instant banking in Australia.
 - Launch of Interac Send Money in Canada.

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AUDITOR'S INDEPENDENCE DECLARATION



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of PointsBet Holdings Limited for the half year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM AUSTRALIA PARTNERS

A L WHITTINGHAM
Partner

Dated: 26 February 2024
Melbourne, Victoria

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year 31 December 2023

| | Notes | 31 December 2023 \$'000 | Restated 31 December 2022 \$'000 |
|--|-------|-------------------------------|---|
| Continuing operations | | | |
| Revenue | 3 | 117,607 | 101,932 |
| Cost of sales | | (59,098) | (53,724) |
| Gross profit | | 58,509 | 48,208 |
| Other income/(expense) | 4 | (6,944) | 3,800 |
| Expenses | | | |
| Marketing expenses | | (42,415) | (60,707) |
| Employee benefits expenses | 5 | (21,529) | (29,573) |
| Information technology costs | | (3,443) | (6,729) |
| Administration expenses | | (2,209) | (2,443) |
| Consulting expenses | | (389) | (723) |
| Occupancy expenses | | (590) | (454) |
| Other expenses | | (1,247) | (659) |
| Travel and accommodation expenses | | (310) | (563) |
| Depreciation and amortisation | 5 | (13,686) | (8,294) |
| Total Expenses | | (85,818) | (110,145) |
| Finance income | 4 | 1,748 | 4,602 |
| Finance expenses | 4 | (148) | (34) |
| Finance income – net | | 1,600 | 4,568 |
| Loss before income tax | | (32,653) | (53,569) |
| Income tax expense | | (6) | – |
| Loss after income tax for the period from continuing operations | | (32,659) | (53,569) |
| Loss after tax for the period from discontinued operations | 16 | (3,703) | (124,607) |
| Total loss for the period | | (36,362) | (178,176) |
| Other comprehensive income: | | | |
| Exchange differences on translation of foreign operations | | (650) | 4,013 |
| Total comprehensive loss for the period | | (37,012) | (174,163) |
| Loss for the period attributable to: | | | |
| Owners of PointsBet Holdings Limited | | (36,362) | (178,176) |
| Total comprehensive loss for the period is attributable to: | | | |
| Owners of PointsBet Holdings Limited | | (37,012) | (174,163) |
| Loss per share for loss attributable to the owners of PointsBet Holdings Limited: | | | |
| From continuing operations | | | |
| Basic and Diluted (loss) per share (cents) | 14 | (10.4) | (17.5) |
| Total attributable to ordinary shareholders of PointsBet Holdings Limited | | | |
| Basic and Diluted (loss) per share (cents) | 14 | (11.6) | (58.3) |

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 2023

| | Notes | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|--------------------------------------|-------|-------------------------------|---------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 61,188 | 212,052 |
| Investments held at fair value | 16 | 76,763 | 340,941 |
| Trade and other receivables | 8 | 29,237 | 2,085 |
| Other current assets | 9 | 12,020 | 4,849 |
| Total current assets | | 179,208 | 559,927 |
| Non-current assets | | | |
| Plant and equipment | | 390 | 474 |
| Intangible assets | 7 | 37,263 | 41,623 |
| Other non-current assets | 9 | 1,125 | 1,262 |
| Right-of-use assets | | 2,799 | 3,483 |
| Total non-current assets | | 41,577 | 46,842 |
| Total assets | | 220,785 | 606,769 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 10 | 46,714 | 59,089 |
| Employee benefit obligations | | 3,237 | 3,250 |
| Provisions | | 238 | 22,344 |
| Pending bets | | 1,578 | 1,973 |
| Other current liabilities | 11 | 14,828 | 14,454 |
| Lease liabilities | | 875 | 1,340 |
| Total current liabilities | | 67,470 | 102,450 |
| Non-current liabilities | | | |
| Employee benefit obligations | | 559 | 551 |
| Lease liabilities | | 2,127 | 2,251 |
| Provisions | | 19 | 62 |
| Total non-current liabilities | | 2,705 | 2,864 |
| Total liabilities | | 70,175 | 105,314 |
| Net assets | | 150,610 | 501,455 |
| EQUITY | | | |
| Share capital | 13 | 893,862 | 1,204,351 |
| Other reserves | 13 | 85,690 | 89,683 |
| Accumulated losses | | (828,942) | (792,579) |
| Total equity | | 150,610 | 501,455 |

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

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year 31 December 2023

| | Notes | Share capital \$'000 | Other reserves \$'000 | Accumulated losses \$'000 | Total equity \$'000 |
|--|-------|-------------------------|--------------------------|---------------------------------|------------------------|
| Balance at 1 July 2022 | | 1,197,010 | 88,249 | (548,904) | 736,355 |
| Loss for the period | | - | - | (178,176) | (178,176) |
| Other comprehensive income | | - | 4,013 | - | 4,013 |
| Total comprehensive income/(loss) for the period | | - | 4,013 | (178,176) | (174,163) |
| Transactions with owners in their capacity as owners: | | | | | |
| Exercise of options | | 2,390 | (1,956) | - | 434 |
| Issued Capital | | 144 | - | - | 144 |
| Vested performance rights | | 1,831 | (1,831) | - | - |
| Less: Share issue costs | | (109) | - | - | (109) |
| Share based payments expense for the period | | - | 15,112 | - | 15,112 |
| Total for the period | | 4,256 | 11,325 | - | 15,581 |
| Balance at 31 December 2022 | | 1,201,266 | 103,587 | (727,080) | 577,773 |
| Balance at 1 July 2023 | | 1,204,351 | 89,683 | (792,579) | 501,455 |
| Loss for the period for continuing operations | | - | - | (32,659) | (32,659) |
| Loss for the period for discontinued operations | | - | - | (3,703) | (3,703) |
| Other comprehensive loss | | - | (650) | - | (650) |
| Total comprehensive income/(loss) for the period | | - | (650) | (36,362) | (37,012) |
| Transactions with owners in their capacity as owners: | | | | | |
| Exercise of options | 13 | 4,917 | (4,339) | - | 578 |
| Return of Capital | 13 | (315,406) | - | - | (315,406) |
| Share based payments expense for the period | 13 | - | 996 | - | 996 |
| Total for the period | | (310,489) | (3,342) | - | (313,831) |
| Balance at 31 December 2023 | | 893,862 | 85,690 | (828,942) | 150,610 |

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year 31 December 2023

| | Notes | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
|--|-------|-------------------------------|-------------------------------|
| Cash flows from operating activities | | | |
| Receipts from customers (inclusive of GST) | | 128,063 | 187,394 |
| Payments to suppliers and employees (inclusive of GST) | | (140,158) | (313,888) |
| | | (12,095) | (126,494) |
| Interest received | | 1,918 | 3,840 |
| Interest paid | | (149) | (491) |
| Net (decrease)/increase in player cash accounts | | (237) | 19,550 |
| Net cash outflow from operating activities | 15 | (10,563) | (103,595) |
| Cash flows from investing activities | | | |
| Payments for plant and equipment | | (65) | (1,603) |
| Payments for capitalised software development | | (8,204) | (21,544) |
| Payments for market access intangible | | (84) | (6,040) |
| Payments for deposits and rental bond | | (26) | (1,686) |
| Net proceeds for sale of discontinued operations | 16 | 196,055 | - |
| Net cash inflow/(outflow) from investing activities | | 187,676 | (30,873) |
| Cash flows from financing activities | | | |
| Proceeds from issues of shares (net of share issue cost) | | - | (109) |
| Option exercises | | 582 | 434 |
| Repayment of leases | | (631) | (2,333) |
| Return of capital | | (315,406) | - |
| Net cash outflow from financing activities | | (315,455) | (2,008) |
| Net decrease in cash and cash equivalents | | (138,343) | (136,476) |
| Cash and cash equivalents at the beginning of the financial year | | 212,052 | 519,596 |
| Effects of exchange rate changes on cash and cash equivalents | | (12,521) | 4,100 |
| Cash and cash equivalents at end of period | 6 | 61,188 | 387,220 |

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year 31 December 2023

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. MATERIAL ACCOUNTING POLICY INFORMATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the *Australian Accounting Standards Board* ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. SEGMENT INFORMATION

A. Description of segments

The consolidated entity has determined that its operating segments are its reportable segments. The Group's reportable segments are as follows:

- Australian Trading;
- Canadian Trading;
- Technology; and
- Corporate.

This is based on the internal management reports that are reviewed by the Chief Executive Officer (who is identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Australian Trading includes revenue from online sports and online fixed odds racing betting services provided to Australian customers. The Group reports the gains and losses on all betting positions as revenue, which is measured at the fair value of the consideration received or receivable from customers less free bets, promotions, bonuses and other fair value adjustments net of GST.

The Canadian Trading segment derives revenue from online sports betting and iGaming services provided to Canadian customers. The Group reports the gains and losses on all betting positions as revenue, which is measured at the fair value of the consideration received or receivable from customers less free bets, promotions, bonuses and other fair value adjustments.

The Technology segment derives its internal revenue from licensing fees charged to the Australian Trading and Canadian Trading segments.

Corporate administrative costs (Board, Finance, Legal, Internal Audit, Human Resources, Property and other central functions) cannot be readily allocated to individual operating segments and are not used by the CODM for making operating and resource allocation decisions. Hence, these are shown in the reconciliation of reportable segments to group totals.

Intersegment transactions

Transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the CODM. The CODM is responsible for the allocation of resources to the operating segments and assessing their performance.

Major customers

There are no major customers that represented more than 10% of the segment revenue.

B. Segment results

The CODM primarily uses a measure of earnings before interest, tax, depreciation and amortisation (EBITDA, see below) to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue on a monthly basis. Assets and liabilities information is reported internally in total and not by reportable segment and, accordingly, no information is provided in this note on assets and liabilities split by reportable segment.

| | Australian Trading \$'000 | Canada Trading \$'000 | Technology \$'000 | Corporate \$'000 | Total \$'000 |
|--|---------------------------------|-----------------------------|----------------------|---------------------|-----------------------------|
| 31 December 2023 | | | | | |
| Segment revenue | 101,727 | 15,880 | – | – | 117,607 |
| Inter-segment revenue | – | – | 10,245 | – | 10,245 |
| Elimination of intersegment sales | – | – | (10,245) | – | (10,245) |
| Revenue from external customers | 101,727 | 15,880 | – | – | 117,607 |
| SEGMENT EBITDA | 945 | (11,955) | 1,510 | (4,060) | (13,560) |
| Finance costs | | | | | (148) |
| Interest revenue | | | | | 1,748 |
| Depreciation and amortisation | | | | | (13,686) |
| Net foreign exchange | | | | | (6,944) |
| Other expenses | | | | | (63) |
| Income tax benefit | | | | | (6) |
| Total loss for the period | | | | | (32,659) |
| | | | | | |
| | Australian Trading \$'000 | Canada Trading \$'000 | Technology \$'000 | Corporate \$'000 | Restated Total \$'000 |
| 31 December 2022 | | | | | |
| Segment revenue | 95,269 | 6,663 | – | – | 101,932 |
| Inter-segment revenue | – | – | 8,957 | – | 8,957 |
| Elimination of intersegment sales | – | – | (8,957) | – | (8,957) |
| Revenue from external customers | 95,269 | 6,663 | – | – | 101,932 |
| SEGMENT EBITDA | (20,210) | (19,430) | (3,870) | (6,831) | (50,341) |
| Finance costs | | | | | (34) |
| Interest revenue | | | | | 4,602 |
| Depreciation and amortisation | | | | | (8,294) |
| Net foreign exchange | | | | | 3,800 |
| Performance share based expense | | | | | (3,302) |
| Total loss for the period | | | | | (53,569) |

3. REVENUE

Revenue disaggregated by geographic region and revenue type.

| 31 December 2023 | Australia \$'000 | Canada \$'000 | Total \$'000 |
|---|-----------------------------|--------------------------|-------------------------|
| Sportsbetting | 101,727 | 5,872 | 107,599 |
| iGaming revenue | – | 10,008 | 10,008 |
| Total revenue from continuing operations | 101,727 | 15,880 | 117,607 |

| 31 December 2022 | Australia \$'000 | Canada \$'000 | Restated Total \$'000 |
|---|-----------------------------|--------------------------|--------------------------------------|
| Sportsbetting | 95,269 | 2,293 | 97,562 |
| iGaming revenue | – | 4,370 | 4,370 |
| Total revenue from continuing operations | 95,269 | 6,663 | 101,932 |

4. OTHER INCOME AND EXPENSE ITEMS

A. OTHER INCOME/(EXPENSE)

| | 31 December 2023 \$'000 | Restated 31 December 2022 \$'000 |
|-------------------------------------|--|---|
| Net foreign exchange (losses)/gains | (6,944) | 3,800 |
| Total other income/(expense) | (6,944) | 3,800 |

The net foreign exchange difference includes the impact of forward contracts taken out to hedge the USD proceeds from the Sale of the US Business. This includes an unrealised portion for the forward contract taken out on the Subsequent completion proceeds which has been recognised on the balance sheet (Note 9).

B. FINANCE INCOME AND COSTS

| | 31 December 2023 \$'000 | Restated 31 December 2022 \$'000 |
|-------------------------|--|---|
| Interest income | 1,748 | 4,602 |
| Finance income | 1,748 | 4,602 |
| Interest expense leases | (148) | (34) |
| Finance costs | (148) | (34) |

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5. EXPENSES

| | 31 December 2023 \$'000 | Restated 31 December 2022 \$'000 |
|--|--|---|
| <i>Employee benefits expenses</i> | | |
| Salaries | 17,098 | 17,392 |
| Superannuation | 1,705 | 1,559 |
| Share based payments expense | 996 | 8,289 |
| Other employee costs | 1,730 | 2,333 |
| Total employee benefits expenses | 21,529 | 29,573 |
| <i>Depreciation and amortisation</i> | | |
| Depreciation | 144 | 402 |
| Amortisation | 13,542 | 7,892 |
| Total depreciation and amortisation | 13,686 | 8,294 |

6. CASH AND CASH EQUIVALENTS

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|--|--|------------------------------------|
| Current assets | | |
| Cash at bank and in hand | 22,253 | 137,438 |
| Player cash accounts | 14,573 | 17,404 |
| Term deposits | 24,362 | 57,210 |
| Total cash and cash equivalents | 61,188 | 212,052 |

Player cash accounts represent cash deposited by a customer to be used on betting activities and the Company maintains separate bank accounts to segregate players funds held from the Group bank accounts and Group funds. The Group funds are unrestricted and available for use by the Group. The balance of the player cash accounts held is sufficient to settle the player cash liability disclosed in Note 11.

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7. INTANGIBLE ASSETS

| | Licences and market access \$'000 | Betting platform \$'000 | Total \$'000 |
|---|---|-------------------------------|-----------------|
| At 30 June 2023 | | | |
| Cost | 114 | 95,798 | 95,912 |
| Accumulated amortisation | (114) | (54,175) | (54,289) |
| Net book amount | – | 41,623 | 41,623 |
| Half-year ended 31 December 2023 | | | |
| Opening net book amount | – | 41,623 | 41,623 |
| Additions | 111 | 8,462 | 8,573 |
| Amortisation charge | (101) | (12,832) | (12,933) |
| Closing net book amount | 10 | 37,253 | 37,263 |
| Half-year ended 31 December 2022 | | | |
| Cost | 225 | 104,260 | 104,452 |
| Accumulated amortisation | (215) | (67,007) | (67,189) |
| Net book amount | 10 | 37,253 | 37,263 |

8. TRADE AND OTHER RECEIVABLES

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|--|-------------------------------|---------------------------|
| Receivable from discontinued operations | 27,106 | – |
| Other receivables | 2,131 | 2,085 |
| Total trade and other receivables | 29,237 | 2,085 |

The receivable from discontinued operations includes a loan balance of AUD \$20.6 million provided to PointsBet USA Holdings Inc as required to operate the US Business until Subsequent Completion. The remaining balance relate to invoices charged by the continuing operations to the PointsBet USA Holdings Inc for shared operational costs.

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9. OTHER ASSETS

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|-----------------------------------|--|------------------------------------|
| Current assets | | |
| Prepayments | 8,160 | 4,849 |
| Forward contracts | 3,860 | – |
| Total other current assets | 12,020 | 4,849 |

Forward contract relates to the foreign exchange forward contract taken out on the final settlement of the sale of the US business which is expected to occur at the end of March 2024 with the Group receiving USD funds for the sale. The balance is the difference in the AUD/USD rate at which the cash was hedged as compared with the AUD/USD rate at balance sheet date. The forward contract is at a USD/AUD spot rate of 0.65 and for a value of USD \$54.5 million. At 31 December 2023 given the exchange rate position is a gain has been recognised in the profit and loss and an asset booked for the same amount.

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|---------------------------------------|--|------------------------------------|
| Non current assets | | |
| Rental bonds and deposits | 1,125 | 1,262 |
| Total other non-current assets | 1,125 | 1,262 |

10. TRADE AND OTHER PAYABLES

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|---------------------------------|--|------------------------------------|
| Trade payables | 11,071 | 7,703 |
| Accrued expenses | 33,707 | 48,692 |
| Other payables | 1,936 | 2,694 |
| Trade and other payables | 46,714 | 59,089 |

11. OTHER CURRENT LIABILITIES

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|----------------------------------|--|------------------------------------|
| Player cash accounts | 13,066 | 12,872 |
| Reward points liability | 1,762 | 1,582 |
| Other current liabilities | 14,828 | 14,454 |

12. FAIR VALUE MEASUREMENT

The following table provides the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Recurring fair value measurements

| | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|------------------------------------|-------------------|-------------------|-------------------|-----------------|
| At 31 December 2023 | | | | |
| Financial assets | | | | |
| Forward contract | – | 3,860 | – | 3,860 |
| Investment held at fair value | – | 76,763 | – | 76,763 |
| Total financial assets | – | 80,623 | – | 80,623 |
| Financial liabilities | | | | |
| Pending bets | – | – | 1,578 | 1,578 |
| Total financial liabilities | – | – | 1,578 | 1,578 |
| At 30 June 2023 | | | | |
| Financial assets | | | | |
| Investment held at fair value | | 340,941 | | 340,941 |
| Total financial assets | | 340,941 | | 340,941 |
| Financial liabilities | | | | |
| Pending bets | – | – | 1,973 | 1,973 |
| Total financial liabilities | – | – | 1,973 | 1,973 |

Disclosed fair values

There were no transfers between levels during the period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. Pending bets have been valued based on the amount of unsettled bets at period end, adjusted for the average net win in each open market.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

The following table presents the changes in level 3 items for the half-year ended 31 December 2023:

| Details | Pending bets \$'000 |
|--|------------------------|
| Balance at 30 June 2023 | 1,973 |
| Bets placed | 169,672 |
| Bets settled | (169,996) |
| Fair value gains recognised in revenue | (71) |
| Balance at 31 December 2023 | 1,578 |

13. EQUITY

A. Share Capital

| | 31 December 2023 Shares '000 | 30 June 2023 Shares '000 | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|-----------------|---------------------------------------|-----------------------------------|-------------------------------|---------------------------|
| Ordinary shares | | | | |
| Fully paid | 316,244 | 307,078 | 893,862 | 1,204,351 |

B. Movements in ordinary shares

| Details | Share price \$ | Number of shares '000 | Total \$'000 |
|--------------------------------------|-------------------|-----------------------------|-----------------|
| Balance 30 June 2023 | | 307,078 | 1,204,351 |
| Exercise of options – ESOP | 1.60 | 3,069 | 4,917 |
| Vested KEEP rights | – | 6,097 | – |
| Less: Return of capital ¹ | – | – | (315,406) |
| Balance 31 December 2023 | | 316,244 | 893,862 |

1. On 22 September 2023, the initial capital return of AUD \$1.00 per share was completed by the business after initial completion of the sale of the US business (Note 16).

C. Reserves

The following table shows a breakdown of the consolidated statement of financial position line item 'other reserves' and the movements in these reserves during the period. A description of the nature and purpose of each reserve is provided below the table.

| Details | Share-based payments \$'000 | Foreign currency translation \$'000 | Total other reserves \$'000 |
|--|-----------------------------------|---|-----------------------------------|
| At 30 June 2023 | 89,450 | 233 | 89,683 |
| Exchange differences on translation of foreign operations | – | (650) | (650) |
| Transactions with owners in their capacity as owners: | | | |
| Share-based payment expense | 996 | – | 996 |
| Option exercises | (4,339) | – | (4,339) |
| At 31 December 2023 | 86,107 | (417) | 85,690 |

Nature and purpose of other reserves

Share-based payments

The share-based payments reserve is used to recognise:

- the grant date fair value of options issued to employees under the ESOP plan but not yet vested and/or not yet exercised.
- the grant date fair value of performance share rights issued to employees but not yet vested.
- the grant date fair value of listed options and traded on the ASX not exercised.

Foreign currency translation

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

14. LOSS PER SHARE

A. BASIC AND DILUTED LOSS PER SHARE

| | 31 December 2023 cents | 31 December 2022 cents |
|---|------------------------------|------------------------------|
| From continuing operations attributable to the ordinary equity holders of the Company | (10.4) | (17.5) |
| From discontinuing operations attributable to the ordinary equity holders of the Company | (1.2) | (40.8) |
| Total basic and diluted loss per share attributable to the ordinary equity holders of the Company | (11.6) | (58.3) |

B. RECONCILIATIONS OF LOSSES USED IN CALCULATING LOSS PER SHARE

| | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
|---|-------------------------------|-------------------------------|
| <i>Basic loss per share</i> | | |
| Loss attributable to the ordinary equity holders of the company used in calculating basic loss per share: | | |
| From continuing operations | (32,659) | (53,569) |
| From discontinuing operations | (3,703) | (124,607) |
| | (36,362) | (178,176) |

C. WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

| | 31 December 2023 Number of shares | 31 December 2022 Number of shares |
|--|--|--|
| Weighted average number of ordinary shares used as the denominator in calculating basic loss per share | 314,249 | 305,544 |
| Adjustments for calculation of diluted earnings per share: | | |
| Options | 2,631 | 74,530 |
| Performance Share Rights | 10,500 | 17,237 |
| Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted loss per share¹ | 314,249 | 305,544 |

1. As the Group is loss making the effect of share options and rights is anti-dilutive and therefore they have not been included in the calculation of diluted loss per share.

15. RECONCILIATION OF LOSS FOR THE HALF-YEAR TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
|--|-------------------------------|-------------------------------|
| Continuing operations loss for the period | (32,659) | (53,569) |
| Discontinuing operations loss for the period | (3,703) | (124,607) |
| Loss for the period | (36,362) | (178,176) |
| Adjustments for: | | |
| Depreciation and amortisation | 13,686 | 22,570 |
| Share option expense | 996 | 16,762 |
| Net exchange differences | 6,944 | (3,613) |
| R&D income | – | (115) |
| Interest expenses on financial liability | – | 3,371 |
| Fair value loss on financial liability | – | (1,729) |
| Net loss on disposal of discontinued operations | 3,703 | – |
| Income tax benefit | – | (1,448) |
| Transaction costs utilised in investing activities | 20,763 | – |
| <i>Change in operating assets and liabilities</i> | | |
| (Increase) in trade and other receivables | (46) | (4,166) |
| (Increase)/decrease in other assets | (7,034) | 1,485 |
| Increase/(decrease) in trade and other payables | (13,172) | 21,548 |
| Increase in other financial liabilities | – | 5,832 |
| Increase/(decrease) in player cash accounts | (237) | 14,416 |
| (Decrease) in deferred tax liability | – | (519) |
| Increase/(decrease) in provisions | 196 | 187 |
| Net cash outflow from operating activities | (10,563) | (103,595) |

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16. DISCONTINUED OPERATIONS

A. Description

On 15 May 2023, the Group publicly announced the sale of PointBet's US and Ireland operations with the unanimous support of the Board of Directors.

On 30 June 2023, the shareholders of the Company approved the plan to sell the business for USD \$225 million (AUD \$340.9 million). The sale of the US business was expected to be completed within a year from the shareholders approval date and as of the shareholder approval date control of operations was deemed to be lost and the US and Ireland operations were reported as discontinued.

At 30 June 2023, the US operations were classified as discontinued operations and deconsolidated from the results.

As at 31 December 2023, USD \$175 million of the proceeds was received as part of the initial completion process on 31 August 2023. The remaining sale proceeds of USD \$50 million (AUD \$74.6 million) is considered as investment held at fair value as the legal ownership remains with PointsBet at reporting date.

B. Financial performance and cash flow information

Financial information relating to the discontinued operation for the period to reporting date is set out below.

The comparable period's financial performance and cash flow information presented reflects the operations for the six months ended 31 December 2022 and subsequent adjustments to the consideration.

For further information about the discontinued operation, please refer to Note 31 in the Group's annual financial statements for the year ended 30 June 2023.

| | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
|--|-------------------------------|-------------------------------|
| Discontinuing operations | | |
| Revenue | – | 76,140 |
| Cost of sales | – | (54,508) |
| Gross profit | – | 21,632 |
| Other losses (includes revaluation of consideration) | (3,703) | (73) |
| Total expenses | – | (145,530) |
| Finance (costs)/income – net | – | (2,084) |
| Loss before income tax | (3,703) | (126,055) |
| Income tax expense | – | 1,448 |
| Loss for the period | (3,703) | (124,607) |
| Other comprehensive income/(loss) | | |
| Exchange differences on translation of foreign operations | – | – |
| Total comprehensive (loss) for the period | (3,703) | (124,607) |
| | | |
| | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
| Cash flows from/(used in) discontinued operations | | |
| Net cash flows (used in) operating activities | – | (78,199) |
| Net cash flows from/(used in) investing activities | 196,055 | (9,962) |
| Net cash flows from financing activities | – | 111,689 |
| Net cash flows for the period | 196,055 | 23,528 |
| | | |
| | 31 December 2023 | 31 December 2022 |
| Loss per share | | |
| Loss per share for the period from discontinued operations (cents) | (1.2) | (40.8) |

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C. Details of the sale of the subsidiary

| | 31 December 2023 \$'000 |
|--|--|
| Sales proceeds outstanding (USD \$50 million) | 73,418 |
| Other net consideration receivable | 3,345 |
| Fair value of contingent consideration held as investment at fair value | 76,763 |
| Revaluation of disposal of discontinued operations | (3,703) |

The total net consideration changes as a result of target net working capital and during the period changes to the expected net working capital have been estimated resulting in a \$3.7 million decrease in the total net consideration receivable.

The total remaining net consideration of \$76.8 million (AUD) is to be received at final completion expected in the next half of the financial year which includes the remaining sales proceeds of USD \$50 million (AUD \$73.4 million).

17. COMMITMENTS AND CONTINGENCIES

The Group had no contingent liabilities and no contingent assets as at 31 December 2023 (2022: nil).

The Group has no commitments as at 31 December 2023 (2022: nil).

18. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

DIRECTORS' DECLARATION

for the half-year ended 31 December 2023

In the Directors' opinion:

- a. the financial statements and notes set out on pages 8 to 24 are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and
- b. there are reasonable grounds to believe that the PointsBet Holdings Limited will be able to pay its debts as and when they become due and payable.

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



Brett Paton
Chairman

26 February 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of PointsBet Holdings Limited

Conclusion

We have reviewed the accompanying half-year financial report of PointsBet Holdings Limited which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 PointsBet Holdings Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *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*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of PointsBet Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors' for the Financial Report

The directors of the PointsBet Holdings Limited 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 is free from material misstatement, whether due to fraud or error.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2023 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.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads 'A L Whittingham'.

A L WHITTINGHAM
Partner

Dated: 26 February 2024
Melbourne, Victoria

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CORPORATE DIRECTORY

Directors

BWF Paton
Non-Executive Chairman

SJ Swanell
Group Chief Executive Officer and Managing Director

PD McCluskey
Non-Executive Director

AP Symons
Non-Executive Director

BK Harris
Non-Executive Director

K Gada
Non-Executive Director

M Gombra-Singh
Non-Executive Director

WW Grounds
Non-Executive Director

Company Secretary

AJ Hensher

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Australia

Canada

315 Queen Street West
Toronto Ontario M5V 2H1
Canada

Investor Contacts

Share Registry

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford Victoria 3067
Australia

Telephone: 1300 555 159 (Australia) and
+61 3 9415 4062 (Overseas)

Website: <https://www-au.computershare.com/investor/>

Auditor

RSM Australia
Level 21
55 Collins Street
Melbourne VIC 3000

Australia Stock Exchange Listing

PointsBet Holdings Limited Ordinary shares are listed on the
Australian Securities Exchange

CODE: PBH (OTCQX:PBTHF)

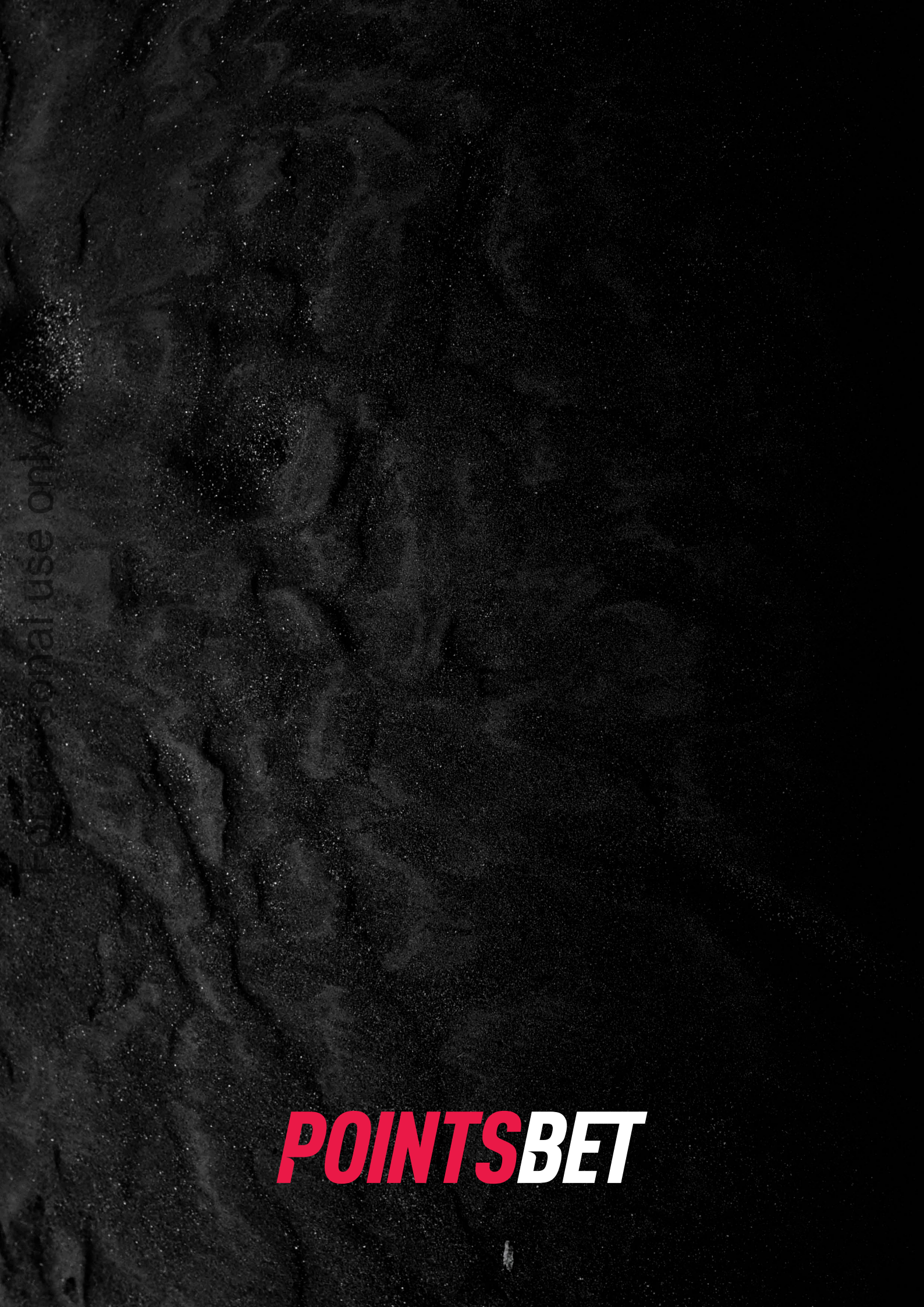
Internet Site

investors.pointsbet.com.au

Investor Email Address

Investors may send email queries to: investors@pointsbet.com

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