RACING AND SPORTS

For personal use only

FY24 RESULTS

# INVESTOR PRESENTATION

AUGUST 2024



# IMPORTANT NOTICE AND DISCLAIMER

For personal use only

This presentation has been prepared by RAS Technology Holdings Limited ACN 650 066 158 (Company or Racing and Sports) and has been authorised for issue by the Board of the Company. This presentation contains summary information about the Company and its subsidiaries (Group) and the business conducted by the Group as at the date of this presentation. The information in this presentation is general information and in summary form and does not purport to be complete or comprehensive. This presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange.

This presentation is not and should not be considered, and does not contain or purport to contain, an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in the Company (Securities) nor does it constitute a financial product or investment advice (nor taxation or legal advice) nor take into account your investment objectives, taxation situation, financial situation or needs. This presentation does not constitute an advertisement for an offer or proposed offer of Securities. Neither this presentation nor anything contained in it shall form the basis of any contract or commitment and it is not intended to induce or solicit any person to engage in, or refrain from engaging in, any transaction nor is it intended to be used as the basis for making an investment decision. Investors should make their own enquiries and investigations in relation to all information in this presentation and before making any investment decision, should consider the appropriateness of the information having regard to their specific investment objectives, financial situation or particular needs and should seek independent professional advice appropriate to their jurisdiction.

The material contained in this presentation may include information, data, estimates and projections derived from publicly available sources or other third-party sources that have not been independently verified by the Company.

No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Estimates and projections involve risks and uncertainties and are subject to change based on various factors.

To the fullest extent permitted by law, no representation or warranty (expressed or implied) is given or made by any person (including the Company) in relation to the accuracy or completeness of all or any part of this presentation and no responsibility for any loss arising in any way (including by negligence) from anyone acting or refraining from acting as a result of the material contained in this presentation is accepted by the Company.

A number of figures, amounts, percentages , estimates and calculations of value in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

All dollar values are in Australian dollars (A$), unless otherwise stated. The operating and historical financial information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on the Group's future performance or condition. You should note that past performance of the Group cannot be relied upon as an indicator of (and provides no guidance as to) future Group performance.

This presentation may contain forward-looking statements with respect to the operations and business of the Group. The assumptions underlying these forward-looking statements involve circumstances and events that have not yet ta ken place, and which are subject to uncertainty and contingencies outside the Company's control. Readers are cautioned not to place undue reliance on any forward-looking statements. The Company does not undertake any obligation to publicly release the result of any revisions to forward-looking statements in this presentation or to otherwise update forward-looking statements, whether as a result of new information, future events, or otherwise, after the date of this presentation, except as required by law.

# VISION STATEMENT




**“To be the global leader in data, analytics and technology for the wagering and racing industries”**

For personal use only

# EXECUTIVE SUMMARY

For personal use only

**ENHANCED INFORMATION SERVICES**

- Leading B2B Data Services
- Advanced form & analytics
- Predictive models & tips

**WAGERING TECHNOLOGY**

- Trading Manager Platform
- Managed Trading Service
- Complete Racing Solution

**DIGITAL & MEDIA**

- Global media services
- High value advertising
- Digital innovation



Significant milestones achieved in FY24, driven by surge in deal activity and successful launch of key initiatives.



Robust revenue and profit growth expected in FY25 following strong finish to FY24, with key deals coming on line.



Positioned for continued success on the back of strategic focus on key product areas and growing momentum in international markets.



Strong and diverse pipeline providing growth opportunities in all business units globally.

# FY24 GROUP HIGHLIGHTS

For personal use only

**$16.2 MILLION**

**GROUP REVENUE**
+38% vs PCP

**$1.9 MILLION**

**EBITDA**
+$1.7m vs PCP
Operating leverage increasing

**$18.9 MILLION**

**ARR[1]**
+43% vs PCP

**$8.3 MILLION**

**CASH**
Stabilisation of cash ensures company is well positioned for growth via organic and strategic opportunities

**$187K**

**Net Profit Before Tax**
+$1,335k
vs PCP
First NPBT since listing

**$2.3MILLION INFLOW**

**CASH FLOW FROM OPERATIONS**
+$2.2m vs PCP

[1]AMRR now recognised as ARR (annual recurring revenue)

# BUSINESS HIGHLIGHTS

Agreement with leading global online casino and sportsbook Stake.com to provide a complete racing solution to their large global customer base which has now launched.

Expanded relationship with RWWA with RAS selected as provider of premium racing content for RWWA's international offering and also won tender to provide digital sample collection platform software.

Signed landmark deal in the UK with platform provider Playbook Engineering, which was a strong endorsement of Company's UK Strategy.

Successfully secured UK and French data rights. This positions RAS well to compete as premium service provider in the UK and European markets.



Strong growth in Digital advertising (revenue up 97% YOY) including the launch of new virtual betting ring odds comparison service on RAS's website.

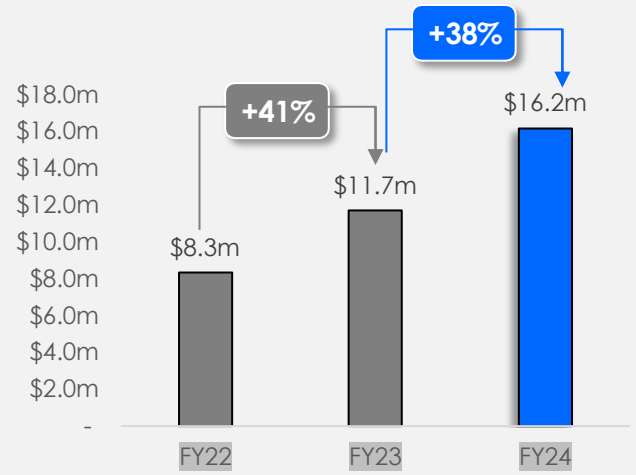
Recent new deals in FY24 include deal extension with Tabcorp, extended agreement with Entain Group and contract extension with Bet365.

For personal use only

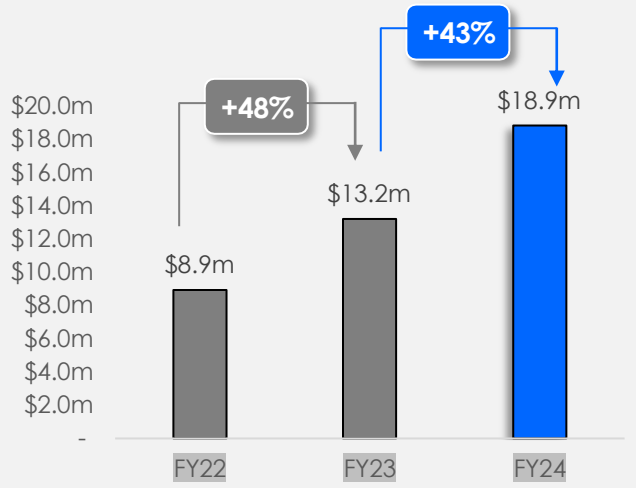
# FINANCIAL PERFORMANCE

For personal use only

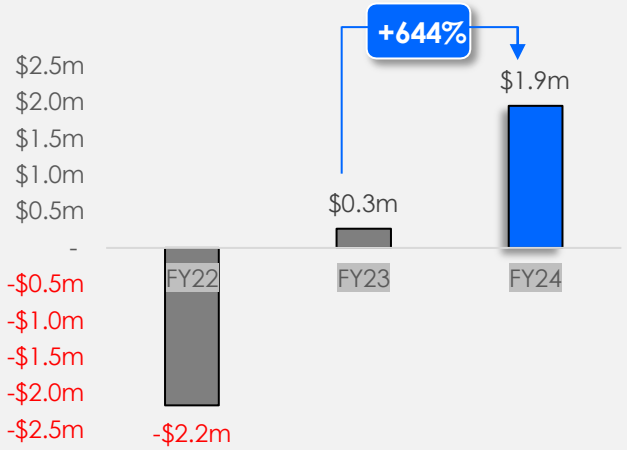
**REVENUE**



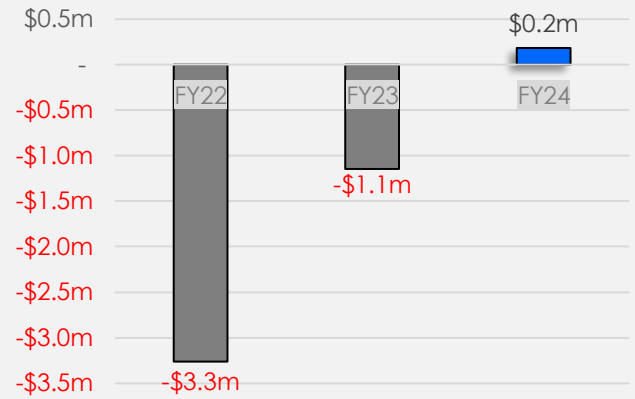

**ANNUAL RECURRING REVENUE**




**EBITDA**




**NPBT**




### Sustained organic revenue growth

- FY revenue has almost doubled since FY22 (same year RTH listed on ASX) and in the same period our ARR has more than doubled.
- Third straight year of c.40% revenue growth.
- Growth in ARR reflects strong momentum generated by deals

### Operating results continuing to improve

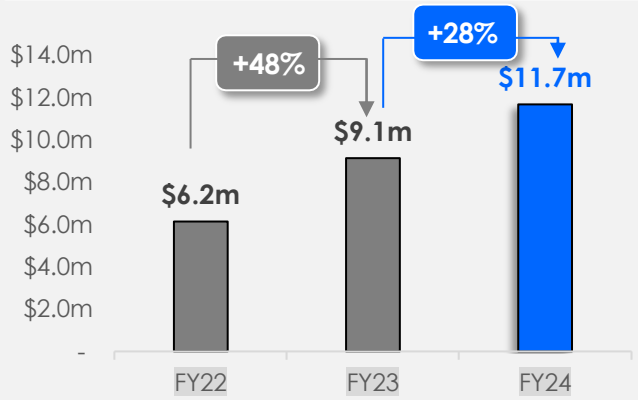
- EBITDA growth continues to accelerate with H2 EBITDA more than double H1 EBITDA.
- First Net Profit Before Tax since IPO, in only the second full year post listing.

# FY24 ARR TRENDS

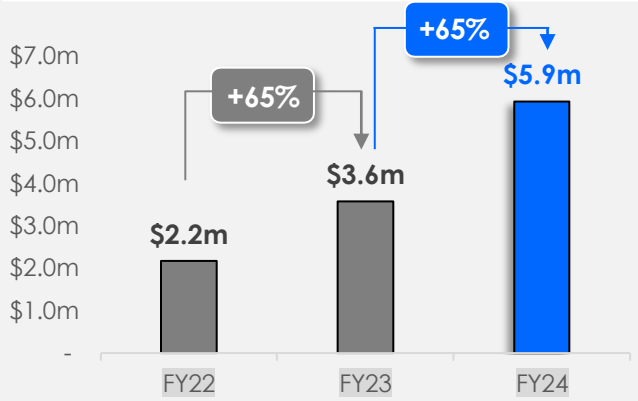
For personal use only

## ENHANCED RECURRING REVENUE BASE, DRIVEN BY CONTINUED SALES MOMENTUM AND KEY STRATEGIC DEALS COMING ONLINE

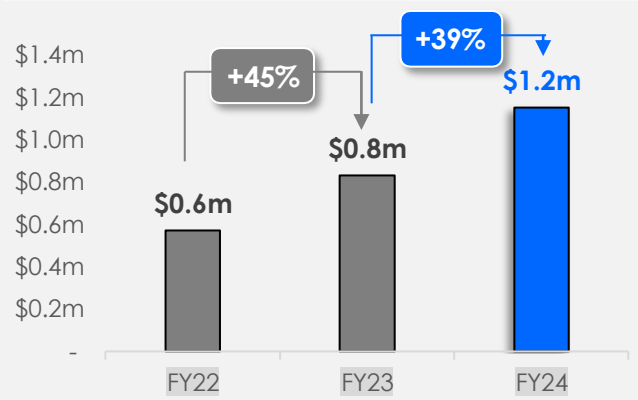
### ENHANCED INFORMATION SERVICES



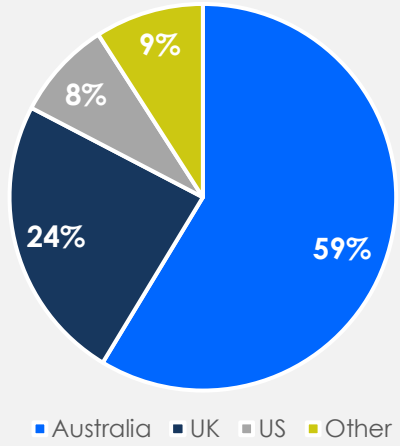

### WAGERING TECHNOLOGY



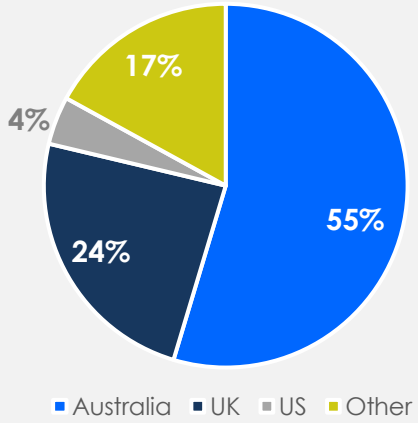

### DIGITAL & MEDIA




### ARR BY JURISDICTION FY23




### ARR BY JURISDICTION FY24



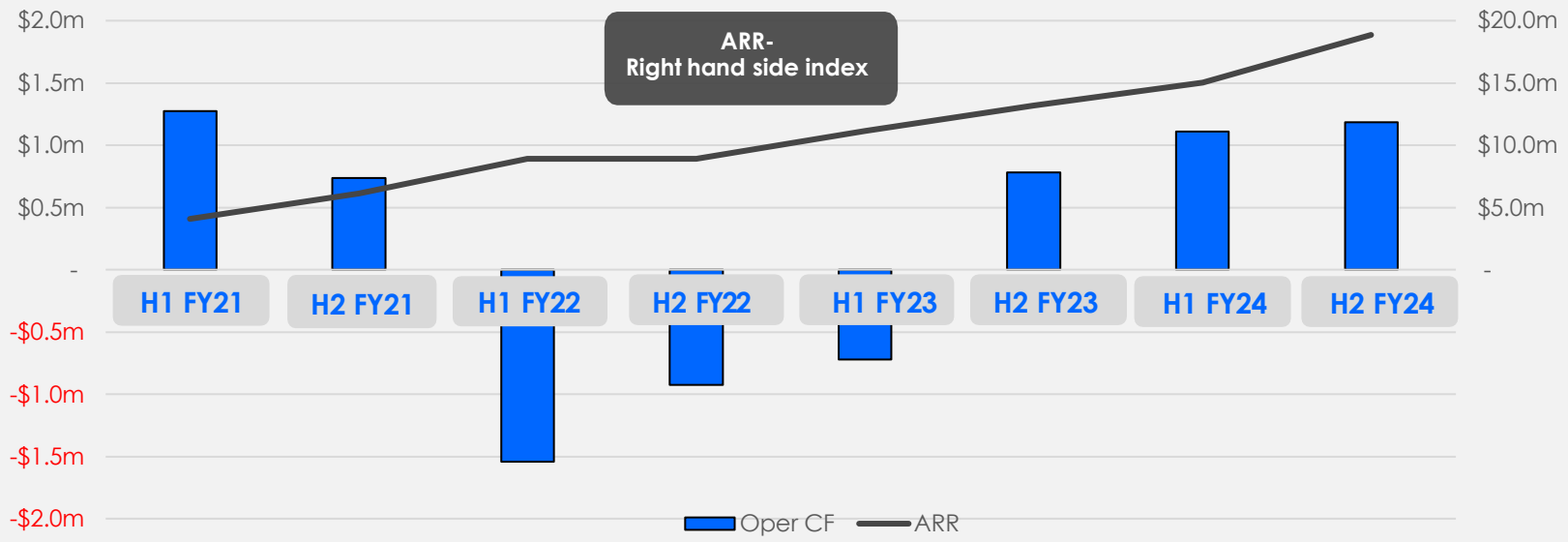

### MAJOR GROWTH MARKETS

- Australian ARR grew 33% YOY.
- UK ARR grew 43%, aided by Playbook Engineering
- Other international markets grew strongly, up 167%, which included Stake.com
- UK and Other international markets are expected to continue being major growth drivers

# RETURN TO PROFITABILITY

For personal use only

## Operational Cashflows FY21-FY24




**Profitable in private environment**

**Investing for rapid growth post IPO**

**Returning to growing and sustainable profits**

Continued strong improvement in ARR and operating cashflow.

Creating operating leverage with revenue scaling over a relatively fixed cost base.

Proactive and ongoing management of this trend will deliver increasing revenue, EBITDA and profit.

Balancing growth in profits while maintaining investment to support favourable long-term growth.

Stake.com and Playbook deals only commenced in May/June, providing only a minimal contribution to operating cashflow in FY24.

# CUSTOMERS

For personal use only

## ENHANCED INFORMATION SERVICES

### WAGERING OPERATORS

Tabcorp, bet365, betfair, PADDYPOWER., POINTS, neds, Flutter, Ladbrokes, Entain, BlueBet, TVG, TABtouch, sportsbet

### WAGERING & DATA

PLAYBOOK ENGINEERING, xb net

### DATA PARTNERS

Greyhound Board of Great Britain, TIMEFORM, RACING AUSTRALIA

## DIGITAL & MEDIA

### DIGITAL & MEDIA

香港賽馬會 The Hong Kong Jockey Club, Australian Turf Club, SKY CHANNEL, SKY RACING WORLD, Tabcorp, Racing Victoria, VICTORIA RACING CLUB, betfair, bet365, Ladbrokes, TABtouch, neds

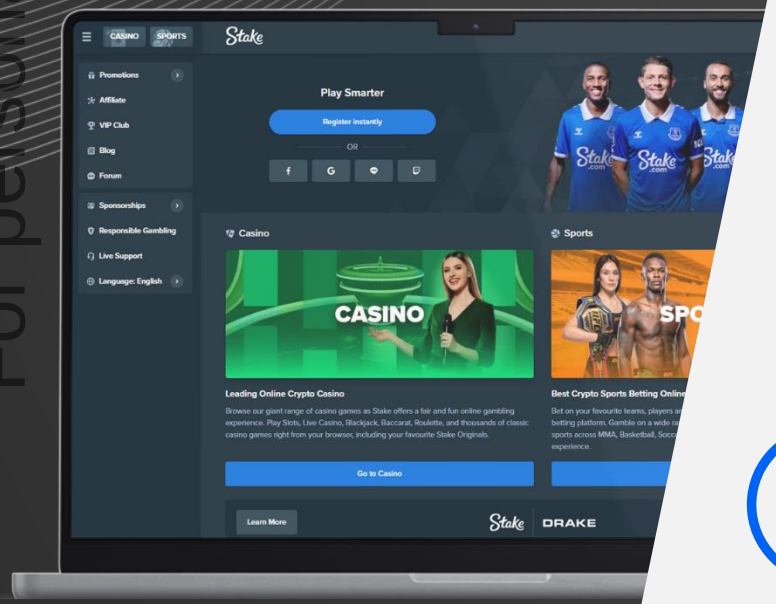
## WAGERING TECHNOLOGY

### WAGERING TECHNOLOGY

xb net, Picklebet, Greyhound Board of Great Britain, bet365, PRAGMATIC PLAY, Stake, PLAYBOOK ENGINEERING

# STAKE.COM

## MULTI-YEAR DEAL BRINGING GLOBAL HORSE RACING TO NEW INTERNATIONAL CUSTOMER BASE




### SUCCESSFUL LAUNCH

New racing offer to Stake.com's entire customer base successfully launched in June, with results in line with expectations.

### SERVICE COVERAGE

RAS providing full turnkey solution, including market-leading racing data and enhanced content, trading manager platform, full risk management services, sophisticated customer & generosity management tools.

### EXPANDED OFFERING

Offering already expanded, with Stake.com committed to further enhancing content with a substantial increase in quality racing fixtures still to be added across various jurisdictions as well as building on minimal MVP bet types.

### REMUNERATION MODEL

Remuneration model structured around a percentage of net gaming revenue generated through Stake.com's racing offer.

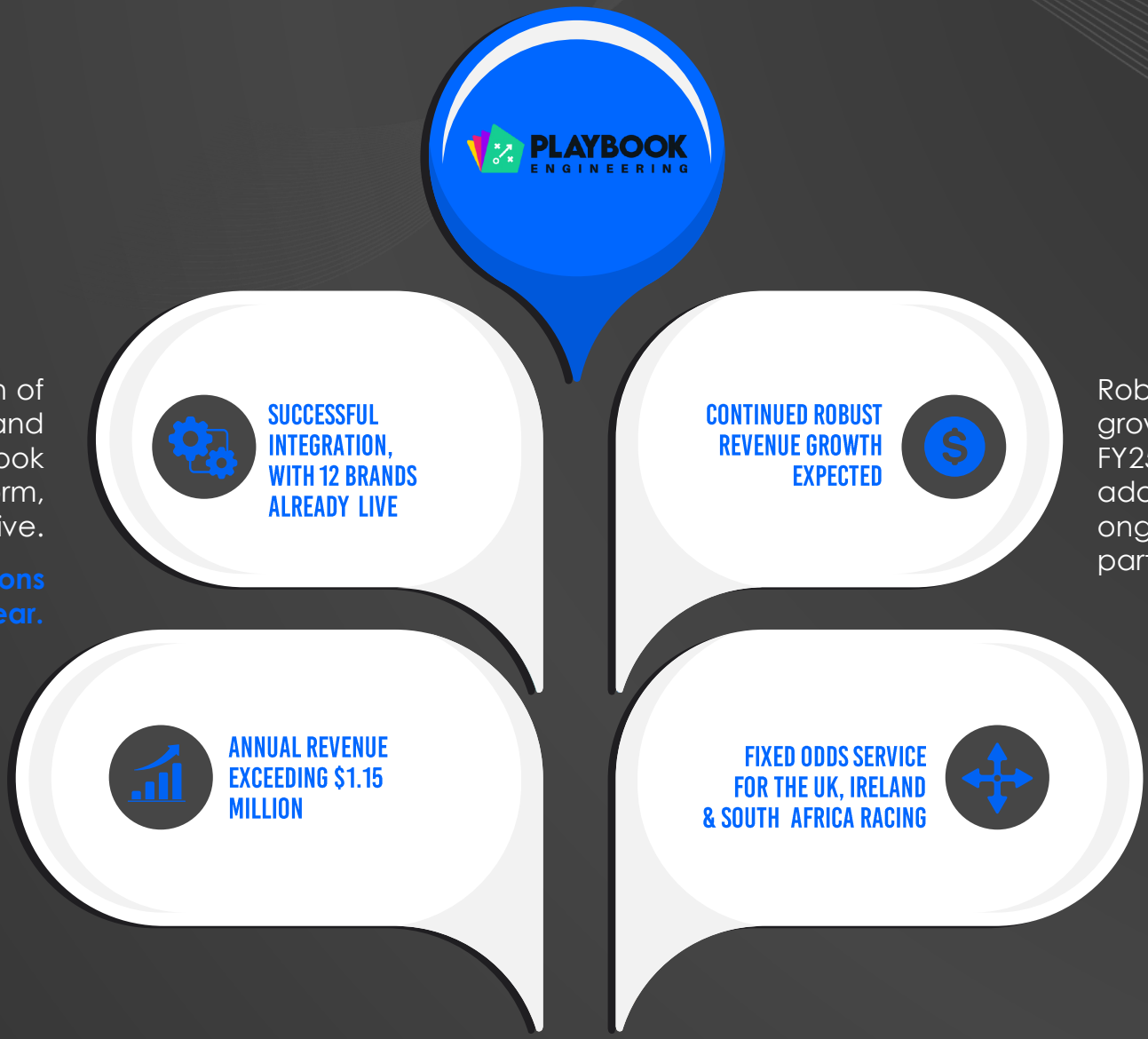
### SIGNIFICANCE OF DEAL

Deal has the potential to be RAS's most significant to date.

For personal use only

# PLAYBOOK ENGINEERING

For personal use only




Successful integration of Racing and Sports data and content onto the Playbook Engineering platform, with 12 brands already live.

**Further brand integrations anticipated throughout the year.**

Robust revenue growth expected throughout FY25, driven by increased adoption of services and ongoing expansion of partnership.

Annual revenue exceeding $1.15 million by 30 June 2024 (11 brands live at this date).

Services already extended to include a fixed odds service for the UK, Ireland, and South Africa racing.

# TRADING UPDATE

For personal use only

- Data and Content multi-year deal signed with **Pointsbet**.
- New agreement with **Pragmatic Play**, leading sportsbook, casino and slots provider to the iGaming industry. Partnership will leverage RAS's trading solutions as well as provision of RAS's comprehensive racing data and editorial content. Launched with initial brand DAZN Bet with more brands expected to come.
- Several Tier 1 customer renewals nearing completion
- Bespoke greyhound service for leading global wagering operator
- Digital and Media sales momentum continuing in FY25 with several deals signed with Tier 1 operators.
- Agreement formed to provide digital sample collection platform software for RWWA.
- Picklebet is transitioning from the MTS solution to our in-house Trading Manager platform from September. RAS will continue to provide Picklebet with an extensive racing solution including RAS's trading SaaS, data and content, betting and racing innovations. This change is not expected to significantly impact the bottom line (given that the service will now be delivered entirely on RAS's technology platform and will no longer require a delivery partner) but may impact annual revenue and ARR to the extent that RAS is not able to replace the value of these services through another source.
- Signed several new data and content deals with rights holders, wagering operators and other clients.

POINTSBET PRAGMATIC PLAY™ Picklebet RACING AND WAGERING WESTERN AUSTRALIA

# WATERHOUSE VC

## STRATEGIC GROWTH PARTNERSHIP

- Waterhouse VC and RAS have formed a strategic global partnership to accelerate growth and expand the pipeline and opportunities for Racing and Sports.

- Waterhouse VC will provide RAS access to their extensive global network led by Tom Waterhouse.

- Opportunities that Waterhouse VC and RAS will pursue will be focused on existing RAS premium products and services and potentially new opportunities.

- Waterhouse VC and RAS will strategically seek out opportunities across various international jurisdictions and business types to accelerate our global growth.




For personal use only

# STRATEGIC OUTLOOK

For personal use only

Well positioned for continued robust revenue and profit growth in FY25 after strong finish to FY24.

Strategic partnership with Tom Waterhouse VC Fund is expected to accelerate global growth.

Major opportunities in the UK, Europe and beyond including growing revenue from platform providers.

Global demand rising for complete racing solutions.

Record pipeline of business opportunities.

Target strategic acquisitions that will create synergies and increased scale.

# APPENDIX



For personal use only

# PROFIT AND LOSS STATEMENT

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

For personal use only

| | Jun 2024 $'000 | Jun 2023 $'000 |
|---|---|---|
| **Revenue** | | |
| Revenue from contracts with customers | 16,181 | 11,720 |
| Other income | 1,696 | 1,573 |
| | | |
| **Expenses** | | |
| Data and processing expenses | (1,399) | (859) |
| Sales commission expense | (1,666) | (724) |
| Employee benefits expenses | (8,791) | (7,201) |
| Depreciation and amortisation expense | (1,644) | (1,343) |
| Impairment of assets | (57) | - |
| Finance costs | (57) | (70) |
| Occupancy expenses | (97) | (88) |
| Administration expenses | (2,207) | (2,409) |
| Technology expenses | (344) | (486) |
| Outsourced services | (1,427) | (1,262) |
| | | |
| **Profit/(loss) before income tax expense** | **187** | **(1,149)** |
| | | |
| Income tax expense | (568) | (148) |
| | | |
| **Loss after income tax expense for the year attributable to the owners of RAS Technology Holdings Limited** | **(381)** | **(1,297)** |

Note: Other income includes the receipt of R&D grants from the Federal Government. When RTH exceeds revenue of $20 million, new R&D grant receipts will be received as a non-refundable tax offset rather than directly as income.

## COMMENTS

- Overall net profit before tax of $187k, first before tax profit since listing on the ASX.
- Strong revenue growth of 38%, underpinned by Data, Wagering and Digital Media.
- Operating expense growth rate has slowed to 12% YOY.
- Income tax expense impacted by IPO black hole expenses and non-deductible expenses relating to R&D grants.

# STATEMENT OF FINANCIAL POSITION

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

| | Jun 2024 $'000 | Jun 2023 $'000 |
|---|---|---|
| Assets | | |
| **Current assets** | | |
| Cash and cash equivalents | 8,348 | 8,683 |
| Trade and other receivables | 3,611 | 2,199 |
| Contract assets | 291 | 403 |
| Other assets | 237 | 232 |
| **Total current assets** | **12,487** | **11,517** |
| | | |
| **Non-current assets** | | |
| Property, plant and equipment | 349 | 476 |
| Deferred tax asset | 965 | 1,151 |
| Intangibles | 4,999 | 3,927 |
| Right-of-use assets | 669 | 973 |
| **Total non-current assets** | **6,982** | **6,527** |
| **Total assets** | **19,469** | **18,044** |
| | | |
| **Liabilities** | | |
| **Current liabilities** | | |
| Trade and other payables | 2,341 | 1,909 |
| Current tax liabilities | 275 | 14 |
| Contract liabilities | 484 | 129 |
| Deferred grant revenue | 458 | 370 |
| Employee benefits | 925 | 674 |
| Lease liabilities | 331 | 305 |
| **Total current liabilities** | **4,814** | **3,401** |
| | | |
| **Non-current liabilities** | | |
| Deferred tax liabilities | 503 | 397 |
| Contract liabilities | 10 | 35 |
| Deferred grant revenue | 872 | 670 |
| Employee benefits | 93 | 50 |
| Lease liabilities | 454 | 786 |
| Provisions | 127 | 125 |
| **Total non-current liabilities** | **2,059** | **2,063** |
| **Total liabilities** | **6,873** | **5,464** |
| | | |
| **Net assets** | **12,596** | **12,580** |
| | | |
| **Equity** | | |
| Issued capital | 13,442 | 13,424 |
| Reserves | 575 | 615 |
| Accumulated losses | (1,421) | (1,459) |
| **Total equity** | **12,596** | **12,580** |

For personal use only

## COMMENTS

- Cash balance of $8.3m, cash burn has slowed significantly with a cash outflow of $334k for the year.
- Net assets have remained stable at $12.6m with continued re-investment into the business to develop core and new innovative products.
- Receivables and payables have grown in line with the overall growth of the business.

# CASHFLOW STATEMENT

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

For personal use only

| | Jun 2024 $'000 | Jun 2023 $'000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Receipts from customers (inclusive of GST) | 16,678 | 11,731 |
| Payments to suppliers and employees (inclusive of GST) | (15,859) | (12,771) |
| Receipts from government grants - R&D | 1,215 | 872 |
| Interest received | 350 | 306 |
| Income tax paid | (16) | (4) |
| Finance costs | (55) | (70) |
| **Net cash from operating activities** | **2,313** | **64** |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (70) | (148) |
| Payments for intangible asset | (2,273) | (1,850) |
| Proceeds from disposal of property, plant and equipment | - | 86 |
| **Net cash used in investing activities** | **(2,343)** | **(1,912)** |
| **Cash flows from financing activities** | | |
| Principal repayment of lease liabilities | (305) | (236) |
| **Net cash used in financing activities** | **(305)** | **(236)** |
| Net decrease in cash and cash equivalents | (335) | (2,084) |
| Cash and cash equivalents at the beginning of the financial half-year | 8,683 | 10,767 |
| Cash and cash equivalents at the end of the financial half-year | 8,348 | 8,683 |

## COMMENTS

- Cashflow from Operating activities continued to grow strongly since H1 with full year inflows of $2.3 million.
- Investing activities, have seen further investment of $2.3 million into Intangibles to maintain and extend market leading position of core products and development of new innovations for future growth.
- Financing activities, minimal activity with cash outflows relating to the Canberra head office.

For personal use only

RACING AND SPORTS

# THANK YOU

investor@racingandsports.com.au
www.racingandsports.com.au

