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Monday, 28 October 2019

ASX: PBH

PointsBet announces A\$122.1 million Capital Raising

PointsBet Holdings Limited (**PointsBet** or **Company**) to raise A\$122.1 million through a fully underwritten capital raising comprising an institutional placement to raise A\$60 million (**Placement**) and 1 for 6 accelerated pro rata renounceable entitlement offer with retail entitlements trading to raise A\$62.1 million (**Entitlement Offer**).

PointsBet will undertake a fully underwritten capital raising to raise A\$122.1 million via:

- Placement of new, fully paid ordinary shares (**New Shares**) to raise A\$60 million at A\$3.60 per New Share (**Placement Price**). The Placement Price represents a 13.9% discount to PointsBet's closing price of A\$4.18 on 28 October 2019, and a 14.2% discount to the 5-day VWAP; and
- 1 for 6 Entitlement Offer to eligible shareholders at an offer price of A\$3.20 per New Share (**Entitlement Offer Price**) to raise A\$62.1 million. The Entitlement Offer Price represents a 23.4% discount to PointsBet's closing price of A\$4.18 on 28 October 2019, and a 20.8% discount to the TERP¹ of A\$4.04,

(together, the **Capital Raising**).

New Shares issued under the Capital Raising will rank equally in all respects with existing PointsBet shares.

Further information in relation to the Capital Raising is set out in the Investor Presentation released by PointsBet to ASX on Monday, 28 October 2019. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Capital Raising. Further information regarding the financial performance of the Company for the quarter ending 30 September 2019 is set out in the Appendix 4C also released by PointsBet to ASX today, 28 October 2019.

Use of funds

Proceeds raised under the Capital Raising will be used to support:

- marketing and client acquisition;
- technology and product development;
- US business development comprising:
 - market access and government licensing fees; and
 - sportsbook fit out costs; and
- balance sheet flexibility.

Placement

A total of 16,666,667 New Shares will be issued to institutional investors under the Placement at the Placement Offer Price, which represents a 12.5% premium to the Entitlement Offer Price. Settlement of the Placement is expected to occur on Friday, 8 November 2019 and the New Shares issued under the Placement are expected to commence trading on ASX on Monday, 11 November 2019.

The Placement is being undertaken using the Company's placement capacity under ASX Listing Rule 7.1.

¹ TERP is a theoretical price at which PointsBet shares trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which PointsBet shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to PointsBet's closing price of A\$4.18 on Monday, 28 October 2019.

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Entitlement Offer

Eligible Shareholders under the Entitlement Offer will be able to subscribe for 1 New Share for every 6 shares held (**Entitlements**) at 7:00pm (Melbourne time) on Friday, 1 November 2019 (**Record Date**) at the Entitlement Offer Price.

The Entitlement Offer comprises:

- An **Institutional Entitlement Offer**: Eligible institutional shareholders will be entitled to participate in the Institutional Entitlement Offer which will take place from today, Monday, 28 October 2019 to Wednesday, 30 October 2019. Eligible institutional shareholders can choose to take up all, part or none of their Entitlements. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild on Thursday, 31 October 2019 and any proceeds in excess of the Entitlement Offer Price will be paid to the relevant PointsBet shareholders (net of any withholding tax and expenses).
- A **Retail Entitlement Offer**: Eligible retail shareholders in Australia and New Zealand will be entitled to participate in the Retail Entitlement Offer at the same price as the Institutional Entitlement Offer (A\$3.20 per New Share). Eligible retail shareholders have a number of options under the Retail Entitlement Offer:
 - elect to take up all or part of their Entitlements by the Retail Entitlement Offer closing date of 5:00pm (Melbourne time) on Tuesday, 19 November 2019;
 - sell their Entitlements on ASX between Thursday, 7 November 2019 and Tuesday, 12 November 2019; or
 - do nothing and let their Entitlements be offered for sale through the retail shortfall bookbuild process managed by the Lead Manager, with any proceeds in excess of the Entitlement Offer Price paid to relevant PointsBet shareholder.

Entitlements that would otherwise offered to ineligible retail shareholders will be sold through a retail shortfall bookbuild on Friday, 22 November 2019 and any proceeds in excess of the Entitlement Offer Price will be paid to the relevant PointsBet shareholders (net of any withholding tax and expenses).

A Retail Offer Booklet containing information in respect of the Retail Entitlement Offer, together with a personalised Entitlement and Acceptance Form, will be sent to eligible retail shareholders on Wednesday, 6 November 2019 and will be lodged with ASX. Eligible retail shareholders should read the Retail Offer Booklet in full before deciding whether to subscribe for New Shares or sell their Entitlements.

PointsBet expects to announce the outcome of the Institutional Entitlement Offer to ASX prior to the commencement of trading on Friday, 1 November 2019 and will remain in trading halt until this time.

Questions and further information

Any eligible shareholders in Australia or New Zealand who do not receive a copy of the Retail Offer Booklet, or who have questions regarding the Entitlement Offer, should contact the PointsBet Offer Information Line on:

- 1300 855 080 (from within Australia); or
- +61 3 9415 4000 (from outside Australia),

between 8.30am to 5.00pm, Monday to Friday (Melbourne time).

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Indicative timetable

Event	Date ²
Trading halt and announcement of Capital Raising (after-market)	Monday, 28 October 2019
Placement bookbuild and Institutional Entitlement Offer opens (after-market)	Monday, 28 October 2019
Placement and Institutional Entitlement Offer closes	Wednesday, 30 October 2019
Institutional Entitlement Offer shortfall bookbuild	Thursday, 31 October 2019
Trading halt lifted and retail entitlements commence trading on ASX on a deferred settlement basis	Friday, 1 November 2019
Record Date for Entitlement Offer (7:00pm Melbourne time)	Friday, 1 November 2019
Retail Entitlement Offer opens	Wednesday, 6 November 2019
Retail Offer Booklet dispatched	Wednesday, 6 November 2019
Retail entitlements commence trading on ASX on a normal settlement basis	Thursday, 7 November 2019
Settlement of Placement, Institutional Entitlement Offer and Institutional Entitlement Offer shortfall	Friday, 8 November 2019
Allotment date and normal trading of New Shares issued under the Placement, Institutional Entitlement Offer and Institutional Entitlement Offer shortfall	Monday, 11 November 2019
Retail entitlement trading on ASX ends	Tuesday, 12 November 2019
Retail Entitlement Offer closes (5:00pm Melbourne time)	Tuesday, 19 November 2019
Announcement of results of the Retail Entitlement Offer	Friday, 22 November 2019
Retail Entitlement Offer shortfall bookbuild	Friday, 22 November 2019
Announce results of Retail Entitlement Offer shortfall bookbuild	Monday, 25 November 2019
Settlement of Retail Entitlement Offer and Retail Entitlement Offer shortfall	Wednesday, 27 November 2019
Allotment of New Shares issued under the Retail Entitlement Offer and Retail Entitlement Offer shortfall	Thursday, 28 November 2019
New Shares issued under the Retail Entitlement Offer and Retail Entitlement Offer shortfall commence trading on ASX	Friday, 29 November 2019
Dispatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer and Retail Entitlement Offer shortfall	Friday, 29 November 2019

² The above timetable is indicative and subject to variation. PointsBet and the Lead Manager reserve the right to withdraw or amend the Capital Raising or alter the timetable at their absolute discretion and without notice, subject to ASX Listing Rules, the Corporations Act and other applicable law. All dates and times refer to Melbourne, Australia time.

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Conference call

Investors are invited to join a conference call hosted by Sam Swanell, CEO, and Andrew Mellor, CFO, on Tuesday 29 October at 9:30am Melbourne time.

Pre-registration is available via the link below which will provide fast track access to the call:

<https://s1.c-conf.com/diamondpass/pointsbet-10002636-invite.html>

Alternatively, you may dial in with the following details at the scheduled start time:

Conference ID: 10 002 636

Participant dial-in numbers:

Australia Toll Free: 1800 558 698

Australia local: +61 2 9007 3187

Canada/United States: 1 855 881 1339

China Wide: 4001 200 659

Hong Kong: 800 966 806

United Kingdom: 0800 051 8245

India: 0008 0010 08443

Japan: 005 3116 1281

New Zealand Toll Free: 0800 453 055

Singapore: 800 1012 785

Bell Potter Securities Limited is acting as lead manager, bookrunner and underwriter to the Capital Raising.

Flagstaff Partners is acting as PointsBet's financial advisor.

Clarendon Lawyers is acting as PointsBet's Australian legal counsel.

About PointsBet

PointsBet is a corporate bookmaker with operations in Australia and the United States. PointsBet has developed a scalable cloud-based wagering Platform through which it offers its Clients innovative sports and racing wagering products. PointsBet's product offering includes Fixed Odds Sports, Fixed Odds Racing and PointsBetting. PointsBet aims to provide more markets on the major sports than any other bookmaker.



IMPORTANT INFORMATION

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This announcement may include forward-looking statements. These forward-looking statements are based on PointsBet's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of PointsBet, which could cause actual results to differ materially from such statements. PointsBet makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

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