

## Appendix 4C, Quarterly Activities Report and Trading Update

Melbourne, Australia, 29 January 2021 – PointsBet Holdings Limited (ASX:PBH) (“PointsBet” or the “Company”) is pleased to provide its Quarterly Cash Flow Report (Appendix 4C) for the quarter ending 31 December 2021 (“Q2 FY21”)<sup>1</sup>.

PointsBet also provides an overview on its trading performance for Q2 FY21 (prior corresponding period being Q2 FY20 (“PCP”)) as well as a trading update to 24 January 2021. Due to the seasonal nature of the sports betting industry, quarterly figures are not intended to represent an indication of likely full year performance.

### QUARTERLY HIGHLIGHTS AND TRADING UPDATE

PointsBet reported strong PCP growth across the following key metrics:

Table 1. PointsBet Group – Q2 FY2021 Performance (A\$m) <sup>2</sup>				** Trading Update **	
Key metrics	Q2 FY2021	Q2 FY2020	Change vs PCP	1 to 24 Jan 2021	FY21 YTD <sup>3</sup>
<b>Turnover<sup>4</sup></b>	<b>1,198.2</b>	<b>297.3</b>	<b>+303.0%</b>	<b>237.7</b>	<b>2,127.7</b>
Aus	543.3	184.8	+193.9%	118.5	1,189.4
US	654.9	112.5	+482.4%	119.2	938.3
<b>Gross Win<sup>5</sup></b>	<b>83.4</b>	<b>28.9</b>	<b>+189.2%</b>	<b>32.3</b>	<b>186.1</b>
Aus	75.5	20.7	+264.4%	14.4	150.4
US	7.9	8.1	-2.6%	17.9	35.7
<b>Gross Win Margin</b>	<b>7.0%</b>	<b>9.7%</b>	<b>-2.7pp</b>	<b>13.6%</b>	<b>8.7%</b>
Aus	13.9%	11.2%	+2.7pp	12.1%	12.6%
US	1.2%	7.2%	-6.0pp	15.0%	3.8%
<b>Net Win<sup>6</sup></b>	<b>44.6</b>	<b>18.0</b>	<b>+148.1%</b>	<b>22.9</b>	<b>105.7</b>
Aus	49.8	14.6	+239.7%	9.2	94.0
US	(5.1)	3.4	n.m.	13.7	11.7
<b>Net Win Margin</b>	<b>3.7%</b>	<b>6.1%</b>	<b>-2.3pp</b>	<b>9.7%</b>	<b>5.0%</b>
Aus	9.2%	7.9%	+1.2pp	7.8%	7.9%
US	(0.8)%	3.0%	-3.8pp	11.5%	1.2%
<b>No. Active Clients<sup>7</sup></b>	<b>211.1k</b>	<b>102.2k</b>	<b>+106.6%</b>		
Aus	143.0k	81.0k	+76.5%		
US	68.1k	21.1k	+222.1%		

<sup>1</sup> Unaudited and in Australian dollars unless otherwise stated

<sup>2</sup> The AUD:USD foreign exchange rate used for the figures in the table was the average rate for the specified period

<sup>3</sup> 1 July 2020 to 24 January 2021.

<sup>4</sup> Turnover is the dollar amount wagered by clients before any winnings are paid out or losses incurred

<sup>5</sup> 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

<sup>6</sup> 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)

<sup>7</sup> Clients that have placed a bet in the 12 months preceding the relevant end date

## TRADING UPDATE - TO 24 JANUARY 2021

Due to the nature of the sports betting industry, quarterly figures are not always representative of the Company's longer-term trends.

As the Company looks to grow its business across the United States and utilise its deep sports wagering experience to risk manage those clients whose average bet size is significantly above the median, volatility of Revenues across reporting periods can occur.

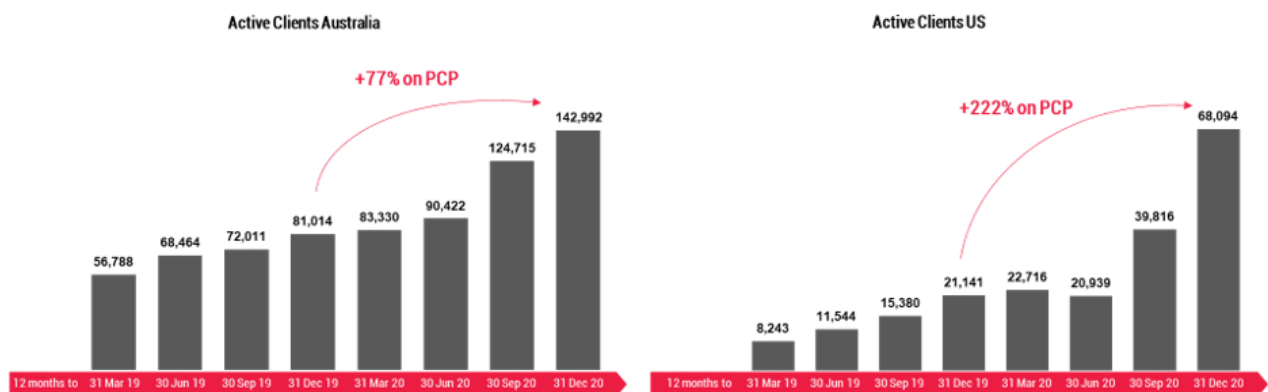
As set out in Table 1, the trading update seeks to address the volatility across reporting periods by showing the Company's full year trading performance to 24 January 2021.

The Global business had a strong start to Q3 FY21. For the period 1 January 2021 to 24 January 2021, the Global business achieved a Net Win of \$22.9 million, which delivered a Global year to date (1 July 2020 to 24 January 2021) (YTD) Net Win of \$105.7 million.

The United States reversed the aggregate H1 FY21 negative Net Win of (\$2.0) million to record a FY21 YTD Net Win to 24 January 2021 of \$11.7 million.

The Australian business recorded FY21 YTD Net Win to 24 January 2021 of \$94.0 million.

## GROUP ACTIVE CLIENT GROWTH



- For the 12-months to 31 December 2020, the Australian business had 142,992 Active Clients, a 76.5% increase compared to Active Clients for the 12-months to 31 December 2019.
- For the 12-months to 31 December 2020, the US business had 68,094 Active Clients, a 222.1% increase compared to Active Clients for the 12-months to 31 December 2019.

## POINTSBET AUSTRALIA

Table 2. PointsBet Australia – Q2 FY21 Performance (A\$m)				**Trading update**	
Key metrics	Q2 FY2021	Q2 FY2020	Change vs PCP	1 to 24 Jan 2021	FY21 YTD <sup>8</sup>
Turnover	543.3	184.8	+193.9%	118.5	1,189.4
Gross Win	75.5	20.7	+264.4%	14.4	150.4
Gross Win Margin	13.9%	11.2%	+2.7pp	12.1%	12.6%
Net Win	49.8	14.6	+239.7%	9.2	94.0
Net Win Margin	9.2%	7.9%	+1.2pp	7.8%	7.9%

As previously communicated, the Company is pursuing a strategy to increase its market share as a result of the recent structural changes in the Australian online wagering market, including brand consolidation (BetEasy, previously the third largest brand in the Australian market merging with SportsBet during the previous quarter) and a continued shift from retail (venue) to online wagering.

For the 12-months to 31 December 2020, the Australian business had 142,992 Active Clients, a 76.5% increase compared to Active Clients for the 12-months to 31 December 2019.

The Australian Trading business continued its strong performance, achieving record Net Win in each of October, November and December 2020, ending the quarter with Net Win of \$49.8 million, up 239.7% from the PCP. Net Win Margin of 9.2% increased from 7.9% in the PCP, despite the Company increasing promotional spend as a percentage of Gross Win across the Spring Racing Carnival.

Q2 FY21 saw an increase in the percentage of Turnover that was bet on the higher margin multi segment compared to the prior corresponding period. The launch of Same Game Multi for NFL and NBA in September and December respectively further contributed to higher overall margins. In time, the Company will be able to lower the levels of promotional spend to attract and retain clients as our product offering continues to strengthen.

As the Company seeks to grow its Net Win market share in 2021, building on the structural changes in the market during 2020, the Australian Trading Business' marketing spend was \$9.7 million in Q2 FY21 as the Company sought to acquire and retain clients during the important Spring Racing Carnival.

Q2 FY21 Turnover of \$543.3 million almost tripled compared to Q2 FY20, up 193.9%. Further, quarter on quarter Turnover growth evidences the Company's continued ability to acquire and retain clients at significant scale.

The Company continued its national broadcast role as the exclusive Channel 7 Victorian odds integration partner for their Spring Racing Carnival coverage. This is a long term strategic media asset and was particularly important in Q2 FY21 given the current brand consolidation and reduced attendance at racetracks, pubs and clubs over the Spring Racing Carnival.

<sup>8</sup> 1 July 2020 to 24 January 2021.

The performance of the Australia Trading Business remains an excellent blueprint for our aspirations in the United States. Our ability to operate a growing, profitable business in the advanced and competitive Australian market, backed by continually improving product and growing brand recognition, provides confidence in the continued execution of our US strategy.

On 25 January 2021, PointsBet announced the appointment of professional basketball champion and three-time Finals MVP, Shaquille O’Neal, as its Australian brand ambassador.

Shaquille O’Neal will headline the Company’s new 2021 Australian brand campaign, which will roll out across television, digital, mobile, and social media. U.S. sports, particularly professional basketball, continues to be the fastest-growing betting sport in Australia, and therefore aligning with Shaquille O’Neal is particularly exciting for the business.

## POINTSBET US

Table 3. PointsBet United States – States Q2 FY2021 Performance (A\$m)					
Key Metrics	Turnover	Gross Win	Gross Win Margin	Net Win	Net Win Margin
New Jersey	453.5	(5.0)	(1.1)%	(9.3)	(2.1)%
Iowa <i>(in person registration)</i>	7.3	0.8	10.8%	0.6	8.8%
Indiana	33.4	2.5	7.5%	(0.2)	(0.6)%
Illinois	154.9	9.3	6.0%	4.2	2.7%
Colorado <i>(from 17 Nov 2020)</i>	5.8	0.3	4.6%	(0.5)	(7.9)%
<b>Total US Q2 FY21</b>	<b>654.9</b>	<b>7.9</b>	<b>1.2%</b>	<b>(5.1)</b>	<b>(0.8)%</b>
Total US Q2 FY20	112.5	8.1	7.2%	3.4	3.0%
Versus on PCP	482.4%	-2.6%	-6.0pp	n.m.	-3.8pp

**Trading update**					
<b>1 to 24 Jan 2021</b>	<b>119.2</b>	<b>17.9</b>	<b>15.0%</b>	<b>13.7</b>	<b>11.5%</b>
<b>FY21 YTD<sup>9</sup></b>	<b>938.3</b>	<b>35.7</b>	<b>3.8%</b>	<b>11.7</b>	<b>1.2%</b>

The US business achieved a quarterly Gross Win of \$7.9 million, compared to Gross Win of \$8.1 million on the PCP, with a Net Win loss of \$5.1 million, compared to Net Win of \$3.4 million for the PCP. As noted above, due to the nature of the sports betting industry, quarterly figures are not always representative of the Company’s longer term trends.

This is evidenced by the United States business’ strong start to H2 FY21, reversing the aggregate H1 FY21 negative Net Win of (\$2.0) million to record a FY21 YTD Net Win to 24 January 2021 of \$11.7 million.

<sup>9</sup> 1 July 2020 to 24 January 2021

Q2 FY21 saw the continuation of the National Basketball Association (NBA) (completing the 2019/20 season in October and commencing the 2020/21 season in late December), the National Football League (NFL) and the Major League Baseball (MLB) (completing the 2020 season in October).

As a result, PointsBet continued its targeted marketing investment in New Jersey, Indiana and Illinois assisted by the NBC Sports media assets and launched operations (including targeted marketing investment) in Colorado in November 2020. PointsBet continued to not make any significant marketing investment in Iowa during Q2 FY21, however increased targeted spend in that State from 1 January 2021 when in person registration was replaced by online registration.

Given the continuation of the major US sports leagues and PointsBet's increased investment in marketing during Q2 FY21 of US\$18.2 million, the US business saw Active Clients during the 12 months to 31 December 2020 increase by 222.1% to 68,094 compared to the 12 months to 31 December 2019.

On 22 January 2021, PointsBet launched online sports betting operations in Michigan as part of the first wave of operators to launch in that state.

PointsBet is now operational in New Jersey, Iowa, Indiana, Illinois, Colorado and Michigan. Michigan will also see the inaugural launch of PointsBet's iGaming product in H2 FY21.

On 27 January 2021, PointsBet announced the appointment of Paige Spiranac as a global brand ambassador. The former professional golfer and social media influencer has built a following of nearly three million followers on Instagram and seven million across all social platforms, the largest of any golf personability in the world.

### **New Jersey**

PointsBet achieved 13.5% market share in New Jersey for online handle during the quarter<sup>10</sup>, on the back of increased activity from clients whose average bet size is significantly above the median. The Company continues to target a long-term market share of 10%.

New Jersey recorded a quarterly Gross Win loss of \$5.0 million, at a Gross Win Margin of (1.1)% and a Net Win loss of \$9.3 million, at a Net Win Margin of (2.1)%. This was primarily driven by timing and a correction from short term variance of results. Early results in New Jersey in H2 FY21 have favoured the Company resulting in YTD to 24 January 2021 positive Net Win in the state.

### **Illinois**

In Illinois, for October 2020<sup>11</sup>, PointsBet achieved 14.7% market share for online handle<sup>12</sup>. Whilst we are very pleased with this result, PointsBet acknowledged that the IGB recorded a online bet count market share of 3.6% during October as the Company risk managed clients who whose average bet size is significantly above the median. The Company continues to target a long-term market share of 10%.

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<sup>10</sup> Based on total New Jersey online sports betting handle for the quarter, as reported by the New Jersey Division of Gaming Enforcement

<sup>11</sup> As at 29 January 2021, the Illinois November and December 2020 market share data had not been released

<sup>12</sup> Based on total Illinois online sports betting handle for the October 2020, as reported by the Illinois Gaming Board

Illinois recorded a quarterly Gross Win of \$9.3 million, at a Gross Win Margin of 6.0% and a Net Win of \$4.2 million, at a Net Win Margin of 2.7%.

Illinois remains a remote registration environment due to the Emergency Order extending remote registration in Illinois until at least 6 February 2021.

On Friday, 22 January 2021, PointsBet launched operations at its first Off Track Betting shop (OTB) at Crestwood.

### **Indiana**

In Indiana, PointsBet achieved 4.2% market share for online handle during the quarter<sup>13</sup>, ranking as the fourth largest operator by handle in December.

Indiana recorded quarterly Gross Win of \$2.5 million, at a Gross Win Margin of 7.5% and a Net Win loss of \$0.2 million, at a Net Win Margin of (0.6)%. Given the early stage of this competitive State, the Company continued to focus on acquiring and retaining clients which resulted in promotions exceeding Gross Win.

### **Colorado**

Between launch on 17 November and 31 December 2020, Colorado recorded quarterly Gross Win of \$0.3 million, at a Gross Win Margin of 4.6% and a Net Win loss of \$0.5 million, at a Net Win Margin of (7.9)%. Noting the Company launched in mid-November, the online handle market share for November and December was 1.0%.

Given the Company's recent launch in this market, PointsBet continues to focus on acquiring and retaining clients which resulted in promotions exceeding Gross Win.

In H2 FY21, PointsBet will continue to leverage partnership with Kroenke Sports & Entertainment as the exclusive gaming partner of the Denver Nuggets of the NBA, Colorado Avalanche of the NHL, Colorado Mammoth of the National Lacrosse League, and the Ball Arena in downtown Denver.

### **Iowa**

On 1 January 2021, Iowa moved to remote registration and in H2 FY21 PointsBet has increased its marketing spend in line with its strategy of achieving a 10% market share.

Iowa recorded quarterly Gross Win of \$0.8 million, at a Gross Win Margin of 10.8% and a Net Win of \$0.6 million, at a Net Win Margin of 8.8%.

PointsBet achieved 2.2% market share for online handle during the quarter<sup>14</sup> (the last quarter of in person registration).

### **NBC Partnership Update**

NBCUniversal is and remains the perfect partner for PointsBet as we execute on our US media, customer acquisition and retention strategy.

As previously communicated, NBCUniversal reaches 100% of all US households, with their digital platforms having over 60 million monthly active users.

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<sup>13</sup> Based on total Indiana online sports betting handle for the quarter, as reported by the Indiana Gaming Commission

<sup>14</sup> Based on total Iowa online sports betting handle for the quarter, as reported by the Iowa Racing and Gaming Commission

NBCUniversal has a diverse media mix across local, regional and national platforms. This allows PointsBet the ability to geotarget and customise local, regional and national marketing campaigns.

NBCUniversal has an incredible array of rights to live sports broadcasts, with their diverse and market leading portfolio including the NFL, PGA TOUR, NHL, English Premier League and NASCAR, to name just a few.

These rights are distributed across national broadcast and cable networks (including the Spanish language Telemundo network), regional sports networks, local television stations and expansive digital platforms. Key digital platforms to note include Peacock, a direct-to-consumer streaming service inclusive of live sports, RotoWorld, a sports betting news and information subscription service, and GolfNow, the largest online tee-time marketplace in the world.

We are thrilled with the progress we have made to date under this partnership. Both teams are aligned to the opportunities ahead and are working at feverish pace to unlock value and execute on PointsBet's brand strategy. December was the strongest month of the partnership in terms of First Time Bettors (FTB) acquired via NBC, with January poised to perform even better.

PointsBet advertising units have been deployed via NBC's national, regional and local sports networks (RSNs), including throughout all Bulls, Blackhawks, Sixers, and Flyers games on linear and live streaming via the NBC Sports mobile application. In addition, PointsBet markets and offers have been promoted throughout all pre-game and post-game coverage, when applicable.

From a national perspective, PointsBet has featured in NHL and EPL pre-game coverage and ticker integrations, together with running order integrations during NASCAR and IndyCar races.

In addition, PointsBet has garnered significant coverage as part of NBC's Golf Channel's Morning Drive and Golf Central programs, focused on odds for upcoming events with brand inclusion and coverage.

As announced earlier in the week, in collaboration with NBC Sports and the PGA Tour, PointsBet will power a first of its kind golf betting companion "BetCast" during the upcoming Waste Management Open at TPC Scottsdale's Stadium Course, one of the largest PGA tour events.

BetCast provides a distinct betting version of this major sporting broadcast, with PointsBet having exclusive integrations with our odds, unique markets and promotions. BetCast will be distributed via Peacock - the NBC direct to consumer platform and air for 2.5 hours each day, being 10 hours total. BetCast will aim to lay the framework for future activations of its kind with PointsBet and NBC.

As previously mentioned, PointsBet has been able to leverage our technology capabilities to integrate into NBC digital products and platforms.

Effectv has launched PointsBet "Voice Plus" ads in November which leverages the capabilities of the Xfinity X1 voice remote. A text overlay during the ad tells users to "Say PointsBet to get 2 risk-free bets up to \$1,000", and when spoken triggers an SMS message direct to the customer with a unique signup code.

Similarly, PointsBet has integrated with the NBC "free to play" Predictor mobile app, including exclusive PointsBet branding, odds integration and promotional messaging for users to easily engage with sign up offers that drive directly to PointsBet for a seamless conversion process.

Further, in 2021, PointsBet and NBC will co-promote bundling offers aimed to drive further partnership association of NBC and PointsBet and provide fans with discounted rates for NBC products after placing a first-time bet with PointsBet. This is in addition to the PointsBet signup offers which are shared multiple times per week via e-mail communication to NBC's marketing databases.

## **CORPORATE & FINANCIAL UPDATE**

### **Cashflow**

At 31 December 2020, the Company's Corporate Cash balance was \$359.1 million, with the quarterly AUD:USD FX movement resulting in an unfavourable movement of \$8.9 million during the reporting period as the Company held part of its corporate cash in US Dollars.

The Company has no corporate borrowings.

Receipts from customers, or Net Win for the quarter totalled \$44.6 million.

Net cash used in operating activities in the quarter ending 31 December 2020, was \$38.7 million. Excluding movement in player cash accounts, net cash used in operating activities was \$47.5 million. The US business had negative Net Win of \$5.1 million for the quarter which impacted net cash used in operating activities.

It should be noted that the Q2 FY21 short-term variance of US trading results turned positive in January 2021, resulting in a Group Net Win FY21 year to date to 24 January of \$105.7 million.

Cash outflows during the quarter included cost of sales of \$29.0 million, non-capitalised staff costs of \$9.4 million, marketing costs of \$43.2 million and administration, corporate costs and GST on Australian Net Win of \$10.5 million.

The strong performance of the Australian business led to an increase in Australian cost of sales payments in Q2 FY2021. US cost of sales payments also increased quarter on quarter as we were operational in 5 States.

US marketing expense payments grew quarter on quarter as the Company executed marketing investments for the full quarter in New Jersey, Illinois, Indiana and Iowa, and also launched marketing investments in early November in Colorado. There continued to be pre-payments of some US marketing obligations.

Net cash used in investing activities in the quarter ending 31 December 2020 was \$20.1 million. The \$11.9 million of non-current asset payments is primarily related to an escrow deposit relating to marketing commitments. Market access payments were \$3.5 million and the costs of capitalisation of our technology and product staff was \$3.1 million.

### **Estimated cash available for future operating activities**

Following the completion of the Placement and Accelerated Pro Rata Renounceable Entitlement Offer in September 2020, the Company is well funded to achieve its strategic objectives and planned activities.



## FORWARD-LOOKING STATEMENTS

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of PointsBet. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

## FOR FURTHER INFORMATION

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## 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.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

PointsBet Holdings Limited

**ABN**

68 621 179 351

**Quarter ended ("current quarter")**

31 December 2020

**Consolidated statement of cash flows**

		<b>Current quarter \$A'000 (31 December 2020)</b>	<b>Year to date (6 months) \$A'000 (31 December 2020)</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	44,602	82,697
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs (Cost of Sales)	(28,977)	(47,952)
	(c) advertising and marketing	(43,203)	(71,818)
	(d) leased assets	(110)	(164)
	(e) staff costs	(9,438)	(15,791)
	(f) administration, corporate costs and GST <sup>1</sup>	(10,543)	(16,315)
1.3	Dividends received (see note 3)		
1.4	Interest received	377	555
1.5	Interest and other costs of finance paid <sup>2</sup>	(159)	(296)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	Net increase/(decrease) in Player Cash Accounts <sup>3</sup>	8,717	20,317
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(38,734)</b>	<b>(48,767)</b>

1. Includes GST paid to the ATO, including GST collected and paid on Receipts from Customers relating to Australian Net Win.

2. Represents interest costs on lease liability upon adoption of AASB 16 "Leases" accounting standard from 1 July 2019.

3. Represents Net Movement in Player Cash Accounts.

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(1,562)	(3,411)
	(d) investments	-	-
	(e) intellectual property <sup>4</sup>	(3,139)	(5,803)
	(f) other non-current assets <sup>5</sup>	(11,924)	(11,924)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received ( )	-	-
2.5	Other (provide details if material)		
	US Business Development (Market Access, licensing and Retail Sportsbook fitout costs)	(3,506)	(14,271)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(20,131)</b>	<b>(35,409)</b>

<sup>4</sup> Includes Capitalised Development Costs

<sup>5</sup> Relates primarily to deposit made to an escrow facility in relation to marketing commitments.

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	149	353,230
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	3	253
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(963)	(12,115)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

3.9	Other (provide details if material) Principal repayment of Lease Liability	(104)	(204)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(915)</b>	<b>341,164</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	<b>457,053</b>	<b>144,339</b>
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(38,734)	(10,032)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20,131)	(15,279)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(915)	342,078
4.5	Effect of movement in exchange rates on cash held	(8,928)	(4,053)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>388,345<sup>5</sup></b>	<b>457,053<sup>6</sup></b>

<sup>6/7</sup>. Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of \$29,238,937.

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter</b> <b>\$A'000</b>	<b>Previous quarter</b> <b>\$A'000</b>
5.1	Bank balances	349,531	400,355
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) Term Deposits (various tenors less than 3 months)	38,814	56,698
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>388,345</b>	<b>457,053</b>

**6. Payments to related parties of the entity and their associates**

6.1	Aggregate amount of payments to related parties and their associates included in item 1	<b>580</b>
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter**  
**\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

**Salaries and Wages (inclusive of Superannuation and applicable taxes withheld) and of Executive Directors and Non-Executive Directors Fees.**

- Effective 17 November 2020, Nicholas Fahey retired from the board and his Executive duties. His Salaries and Wages (inclusive of Superannuation and applicable taxes withheld) has been pro-rated from 1 October 2020 to 17 November 2020.
- Effective 17 November 2020, Manjit Gombra Singh was elected to the board as an Executive Director. His Salaries and Wages (inclusive of Employer taxes (ER) has been pro-rated from 17 November 2020 to 31 December 2020.

**Payments to related entities**

- Payments of \$255k AUD to Clarendon Lawyers Pty Ltd, the company's legal advisor. Non Executive Director Tony Symons is Managing Director and majority owner of Clarendon Lawyers Pty Ltd.

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	50	18
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>50</b>	<b>18</b>

7.5 **Unused financing facilities available at quarter end** **32**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Unsecured Commonwealth Bank Corporate Credit Card Facility. Interest rate: 17.57%

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(38,734)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	388,345 <sup>7</sup>
8.3 Unused finance facilities available at quarter end (Item 7.5)	32
8.4 Total available funding (Item 8.2 + Item 8.3)	388,377
<b>8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>10.03</b>

<sup>7</sup> Cash and cash equivalents at the end of the quarter includes Player Cash Accounts of **29,238,937**. Excluding the Player Cash Accounts the balance is **\$A359,106,454**. The estimated quarters of funding available excluding the Player Cash Accounts is **7.57**.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 January 2021

Date: .....

By the Board

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.