

Continued Strong Year-to-Date Revenue Growth for FY22

Highlights

Strong trading FY22 year-to-date (YTD) as at 31 March 2022 with revenue of \$6.46 million up 62% year over year

Annualised monthly recurring revenue (AMRR)¹ of \$9.0 million as at 31 March 2022 up 103% compared to 31 March 2021

Commercial agreement with long term partner and Tabcorp subsidiary, Sky Racing World, extended with Racing and Sports to provide enhanced data, informatics and content to North American wagering operators

Gross Profit² has grown in line with revenue up 62% YTD, with Gross Profit margin at 84% vs 85% in the prior corresponding period

Low cash burn of \$0.4m for the March Quarter sees strong cash position of \$11.9m at Mar 31, 2022 to fund future growth strategies

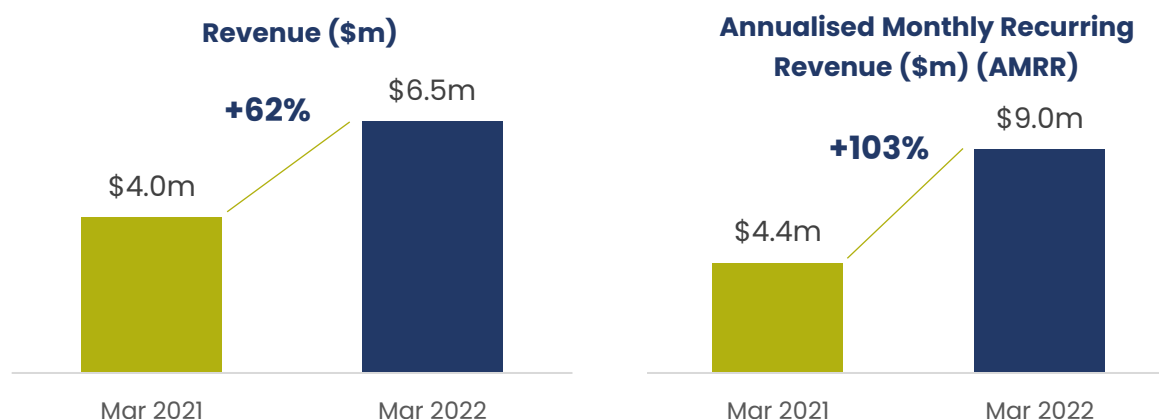
Racing and Sports continues to focus on extending its geographic and product reach, particularly in the rapidly emerging US market and the established UK and European wagering sector

¹ AMRR defined as those customer contracts which have commenced billing.

² Gross profit is a non-statutory measurement based on Revenue less Cost of revenue being is comprised of direct data and processing costs, amortisation of intangible assets and direct labour costs for services provided.

YTD Revenue Growth

The Company recorded record revenue of \$6.46 million up 62% on an FY22 YTD basis. The growth in reported revenue is driven by recurring revenue contracts and reflected in the 103% increase in AMRR as at 31 March 2022. The growth in AMRR since 31 March 2021 has been equally distributed with Wholesale and Specialist Data and Enhanced Content products representing 48% and the Wagering Technology and Race Day Control solutions 48%.



Financial Summary

In line with revenue growth Gross Profit increased to \$5.45 million. The Gross Profit Margin has been maintained at 84%, reflecting the scalability of the core Data and Enhance Content products and the Wagering Technology solutions.

	31 March 2022 \$million	31 March 2021 \$million	% Change
Revenue	6.46	3.99	62%
Gross Profit	5.45	3.37	62%
Cash and cash equivalents	11.86	2.38	398%

The cash and cash equivalents balance is \$11.86 million as at 31 March 2022. During the March Quarter the business maintained its strong focus on growing the business as well as managing costs resulting in net cash burn of (\$0.42) million.

Operational Summary

During the March Quarter the company continued to focus on:

- 1. Strategic Partnerships and International Expansion**
- 2. Resource Onboarding to Support Growth**
- 3. Product Strategy Alignment**
- 4. Digital and Media Presence**

The record YTD revenue growth continues to be driven by our Enterprise customers that generate 84% of revenue through recurring contracts for the Wholesale Data and Content product and with increased success of the Trading Manager solution.

Enterprise customers remain a key focus of the commercial and execution teams. Although these customers have longer sales and integration cycle times, once fully integrated with our enhanced content and trading solutions we have not experienced any churn, substantially reducing the Cost of Acquisition over the life of the customer. Enterprise customer retention was 100%, with Enterprise customers remaining constant at 19 as of 31 March 2022.

Wagering Technology and specifically the Trading and Pricing Manager is our fastest growth product with Annualised Monthly Recurring Revenue reaching \$2.1 million as at 31 March 2022. This increase reflects the expanded penetration of the Trading Manager platform and evolution of the Race-Day Control services with our global enterprise customers.

Strategic Partnerships and International Expansion

Strategic partnerships remain a core principle of the Company's international expansion strategy. During the quarter the company has executed on the extended relationship and commercial arrangement with XB-Net announced on 20 December 2021; secured an extension of the strategic partnership with Sky Racing World in the US; and recently won the competitive tender for a 5-year partnership agreement with the Greyhound Board of Great Britain (GBGB).

XB-Net, which represents over 60 racecourses and covers 45,000 races per year in the US, has now successfully implemented the Racing and Sports Trading Manager and Race-Day Controls with more than 900 races meetings covered in since operations commenced.

Sky Racing World, a US based subsidiary of Tabcorp, has extended the commercial arrangement with Racing and Sports to provide enhanced data, informatics and content to North American wagering operators. The agreement builds on the 15-year relationship between the two entities and enables US wagering operators to access enhanced digital automation and form data from international racing jurisdictions.

In support of and in addition to the focus on North America, the company continues to deliver on the international expansion across the UK and Europe which have a more mature racing industry. Most recently, Racing and Sports through the UK-based commercial team under Brent Dolan won a competitive tender for the overhaul and optimisation of the GBGB national database, as well as the development of a suite of enhanced form and analytical products to improve GBGB's commercial relationship with sportsbook and media partners. The company will work with the incumbent provider over the near future to commence transition activities and to refine the optimisation process.

Resource Onboarding to Support Growth

Supporting the commercial growth and continued development activities the company has successfully on-boarded key domestic and international management resources identified in the Half Year Investor Presentation and who are critical to the successful execution of the Company's growth strategy. The company has completed the initial restructure of our UK based team with the promotion of Brent Dolan to the full-time role as Managing Director, UK and Europe as well as the appointment of a Business Development and Operations Manager, UK and Europe.

Product Strategy Alignment

The Company continues to work closely with significant shareholder, Entain Holdings Pty Limited, ('Entain') a subsidiary of Entain plc one of the world's largest wagering operators and the owner of Ladbrokes, Corals, and Neds. Since the IPO, the Company's focus has been on exploring commercial arrangements around several products and services with Entain.

The Company continues to invest in the enhancement and evolution of its market leading Trading and Pricing Manager platform to provide existing and new customers with the most sophisticated and analytics-driven capability to optimise trading operations for Wagering Operators.

EziBetta, the innovative mobile application that provides punters with a simple interface to generate sophisticated bets, is approaching the end of its development cycle. The Company expects the EziBetta application to be commercially launched in the June Quarter, FY22.

Development continues on Wagering Technology products including the Wagering-360 white label wagering platform which remains on track for a second half CY22 release. The Wagering-360 platform provides a feature-rich, fully hosted wagering host to bookmakers seeking a complete 360-degree solution. This includes the Racing and Sports Trading and Pricing Manager, data and enhanced content, and marketing from the Racing and Sports digital assets.

Furthermore, the Company has developed a mobile racing app for domestic and international venues which will be made available to end user consumers supported by the Racing and Sports digital assets in the second half of CY22. This app provides a gamified and highly visual experience of racing data supported by Racing and Sports proprietary analytics and predictive modelling, with integration capability to selected wagering operators.

In parallel the Company has commenced working on interactive and analytics-driven sports focussed apps that build on the principles of the gamified racing experience app. These apps are expected to be offered to B2B and B2C customers in the second half of 2022 and will provide a unique user experience combining analytics, content, as well as integration opportunities with selected wagering operators.

Lastly, product development is continuing for B2B customers around the refinement of our wholesale data, content and distribution products. This includes highly graphical and easy to consume visualisations based on analytics and predictive modelling and are targeted at a new, younger audience to encourage participation on wagering events. The Company will make these B2B products covering racing and sporting events available to existing and new wagering operator customers globally.

Digital and Media Presence

Racing and Sports is taking advantage of the significant opportunity to expand its customer and readership base by launching global digital and media assets, which includes both website and mobile applications. Presently, the Racing and Sports website attracts 2.5M unique visitors annually and continues to grow. It's important to note these visitors form a highly distilled wagering focussed audience who consume the editorial, statistics and interactive Racing and Sports features.

By 30 June 2022, we expect to have relaunched an updated Australian Racing and Sports website and be going live with regionalised UK and US websites optimised for both desktop and mobile. This aligns with our international expansion strategy and will provide our B2C customers with an unparalleled racing and sporting digital resources, as well as providing B2B customers the opportunity to cross-promote products and services to gain access to existing and emerging markets.

CEO, Stephen Crispe, commented:

"Racing and Sports has delivered a strong year-to-date result with our AMRR hitting a record \$9m as at March 31, more than doubling versus the same period last year and with 100% customer retention.

We continue to execute on our global growth plan with new and expanded partnerships internationally with Sky Racing World and XB-Net in the US and GBGB in the UK. We see tremendous opportunities to grow in 2022, especially in the UK and European markets, as well as the evolving North American market as the uptake of online wagering grows dramatically and demand for high quality products and services increases.

We have made outstanding progress during the March Quarter on our slate of new product offerings planned for release in CY22 and these remain on schedule, with EziBetta to be released in the near term. In addition, we have been actively looking for acquisitions and partnership opportunities that accelerate the global growth of the Company through technology, market share or innovation. This search is yielding exciting options which we are presently exploring."

This announcement was authorised for release by the Board.

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About Racing and Sports

Founded in 1999, RAS Technology Holdings Limited (Racing and Sports) is a leading provider of fully integrated premium data and enhanced content to the global racing and wagering industries. It services consumer and enterprise markets and its clients span the spectrum of the racing and wagering industries such as Entain Group (including Ladbrokes and Neds), Flutter Group (including Sportsbet, Paddy Power and Betfair), Tabcorp, BlueBet Holdings Limited (ASX: BBT), Bet365, Singapore Pools, Australian Turf Club, Hong Kong Jockey Club and Racing Victoria.

Important Notice

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