

Strong wins provide pathway to profitability

H1 FY24 Results

Highlights

- **H1 FY24 revenue a record \$7.6 million, +33% versus prior corresponding period (pcp).**
- **Annualised monthly recurring revenue (AMRR) of \$15.1 million, +35% versus pcp.**
- **EBITDA of \$641k, versus \$83k in pcp.**
- **Positive cashflow from operations of \$1.1m.**
- **Executed globally significant agreement with Stake.com to provide a complete racing solution.**
- **Signed landmark deal in the UK with platform provider Playbook Engineering.**
- **Cash balance remains stable at \$8.5 million at 31 December 2023.**
- **RAS expects to continue delivering strong operating cashflow in the remainder of FY24, moving towards profitability from increased recurring revenue balanced with continuing investment to support favourable long-term growth.**

RAS Technology Holdings Ltd (ASX:RTH) ('RAS' or 'the Company'), a leading provider of fully integrated premium data and enhanced content to the global racing and wagering industries, is pleased to announce its results for the six months ended 31 December 2023 ("H1 FY24").

Commenting on the results and outlook for H2 FY24, RAS CEO Stephen Crispe, said:

"It is pleasing to continue to see favourable results across the first half of FY24, with all key metrics improving strongly. We have again delivered record revenue for the first half of the year and continued momentum in our AMRR growth.

"The Company has substantial growth and expansion opportunities as it moves into the second half of FY24, particularly following the significant deals signed in the year to date which have not yet gone live.

"We are very focused on targeting major international opportunities which will help drive further global expansion. Through strategic partnerships and direct sales initiatives, we are aiming to broaden our footprint in key regions such as the UK, Europe, the Americas and Asia.

"The global demand for complete racing solutions continues to rise, and we are well-positioned to meet this demand by offering high-quality, comprehensive turnkey racing solutions. We have a record pipeline of business opportunities, indicative of the strong market interest in our offerings.

"Whilst we are supremely confident in our ability to continue to deliver strong organic growth, in line with our growth strategy, we are actively exploring strategic acquisitions that would create synergies and enhance scale. We are careful to ensure we are identifying and engaging with companies in key territories and/or with key capabilities that complement our existing business, with the aim of accelerating our growth trajectory. By leveraging these opportunities and continuously innovating, RAS is confident in its ability to drive sustained growth and deliver value to stakeholders."

Financial Performance

	HY23	HY24	Change
Revenue	\$5.7m	\$7.6m	33%
Gross Profit	\$4.6m	\$5.7m	24%
Gross Profit (%)	81%	76%	(5%)

The Company delivered record revenue of \$7.6 million in H1 FY24, representing an increase of 33% compared to the previous corresponding period. EBITDA for the half was \$641k, up from \$83k in the pcg.

AMRR was \$15.1 million at 31 December 2023, up from \$11.2m a year earlier.

Gross margin remains favourable at 76%, which is consistent with FY23, although down from 81% in the pcg. The reduction from 12 months ago is attributable to sales commissions mostly relating to the Company's MTS partnership with RacebookHQ, which has accelerated revenue growth and mutually benefited all parties.

All business segments continued to deliver strong performance. Enhanced Information Services generated recurring revenues of \$9.8m (+34% vs pcg); Wagering Technology generated recurring revenues of \$4.1m (+26% vs pcg); and Digital and Media recorded recurring revenues of \$1.1m (+96% vs pcg) driven by strong demand for online advertising.

RAS made significant investment during the half in acquiring UK and French racing rights agreements. This now enables RAS to offer pre-race and race-day services, along with our industry leading enhanced content, to customers in the UK and internationally, providing further runway to growth in this market.

Operational Summary

During the half, RAS secured a multi-year contract with Playbook Engineering, a leading platform provider in the UK and European sports betting markets. Playbook's flagship brand, Star Sports, along with over 10 other reputable brands, will utilise RAS's pre-race data and pricing services across their platforms. This deal is expected to deliver in excess of \$800,000 of revenue annually once it's fully launched.

The Company also signed a three-year deal with Racing and Wagering Western Australia (RWWA) during the period to supply international, market-leading racing data and content for RWWA's racing wagering and sportsbook arm, TABtouch. RAS is contracted to receive \$1.16 million plus indexation over the initial three-year term, with an additional \$772k plus indexation to be received upon the exercise of an optional two one-year options.

In January, Racing and Sports achieved a significant milestone in its global strategy by securing a two-year agreement with Stake.com, one of the largest online casinos and sportsbooks globally, with a further one-year renewal period. The deal, set to commence once Stake.com's racing offer launches in the first quarter of 2024, has the potential to be RAS's most significant deal to date. Stake.com boasts an impressive track record, with over 200 billion bets since its 2017 inception, including 100

million bets through its sportsbook launched in 2019, and supports over 25 currencies, including cryptocurrencies, for betting. Under the agreement, RAS will provide Stake.com with a complete racing solution, featuring market-leading racing data and content in multiple languages. The remuneration model for this agreement is structured around a percentage of the net gaming revenue generated through Stake.com's racing offer.

– Ends –

This announcement was authorised for release by the Board of RAS.

For Further Information:

Investor Enquiries:

investor@racingandsports.com.au

Media Enquiries:

Simon Hinsley

simon@nwrcommunications.com.au

+61 401 809 653

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

RAS Technology Holdings Limited ACN 650 066 158 (ASX: RTH) has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only. It does not constitute an offer, invitation, solicitation or recommendation regarding the purchase or sale of any securities in RTH, nor does it constitute financial product or investment advice, nor take into account your investment, objectives, taxation situation, or financial situation or needs. Any investor must not act based on any matter contained in this announcement in making an investment decision but must make its own assessment of RTH and conduct its own investigations and analysis. Past performance is not a reliable indicator of future performance.

RAS Technology Holdings Limited

Level 21, 459 Collins Street,

Melbourne, Victoria 3000

+61 3 8630 3321