

## 1. Company details

Name of entity:	BlueBet Holdings Ltd
ABN:	19 647 124 641
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

## 2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	69.4% to	26,167
Loss from ordinary activities after tax attributable to the owners of BlueBet Holdings Ltd	down	123.0% to	(775)
Loss for the half-year attributable to the owners of BlueBet Holdings Ltd	down	123.0% to	(775)

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

At the end of the previous financial year BlueBet Pty Ltd underwent a restructure prior to listing on the Official List of ASX Limited ('ASX'). As a result of the restructure, the financial information presented for the half-year relates to BlueBet Holdings Ltd ('BBT') as a Group, while the comparatives shown relates to BlueBet Pty Ltd as a single entity.

The loss for the Group after providing for income tax amounted to \$775,000 (31 December 2020: profit of \$3,372,000 for BlueBet Pty Ltd as a single entity).

### EBITDA

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	Consolidated 31 Dec 2021 \$'000	31 Dec 2020 \$'000
(Loss)/profit after income tax	(775)	3,372
Add: Interest expense	39	30
Less: Interest received	(164)	-
Add: Depreciation and amortisation	251	69
Add: Income tax	334	1,193
EBITDA	<u>(315)</u>	<u>4,664</u>

### 3. Net tangible assets

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Net assets	49,139	48,610
Less: Right-of-use assets	(1,267)	(946)
Less: Intangible assets	(2,319)	(428)
Add: Lease liabilities	1,285	948
Net tangible assets	<u>46,838</u>	<u>48,184</u>
Number of ordinary shares on issue	200,109,649	200,109,649
	<b>Reporting period</b>	<b>Previous period</b>
	<b>Cents</b>	<b>Cents</b>
Net tangible assets per ordinary security	<u>23.41</u>	<u>24.08</u>

### 4. Control gained over entities

Not applicable.

### 5. Loss of control over entities

Not applicable.

### 6. Dividends

The dividends declared during the comparative half-year were declared and paid by BlueBet Pty Ltd as a single entity, prior to the restructure and prior to the Group being listed on the Australian Securities Exchange. The newly formed parent entity, BlueBet Holdings Limited has not declared or paid any dividends.

### 7. Dividend reinvestment plans

Not applicable.

### 8. Details of associates and joint venture entities

Not applicable.

### 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

The foreign entities are presented in compliance with International Financial Reporting Standards (IFRS).

**10. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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**11. Attachments**

*Details of attachments (if any):*

The Interim Report of BlueBet Holdings Ltd for the half-year ended 31 December 2021 is attached.

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**12. Signed**

Signed  \_\_\_\_\_

Date: 25 February 2022

Michael Sullivan  
Executive Chairman  
Sydney

For personal

**BlueBet Holdings Ltd**

**ABN 19 647 124 641**

**Interim Report - 31 December 2021**

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of BlueBet Holdings Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

### Directors

The following persons were directors of BlueBet Holdings Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Michael Sullivan	Executive Chairman
Bill Richmond	Director and Chief Executive Officer
Tim Worner	Non-Executive Director
David Fleming	Non-Executive Director
Nigel Payne	Non-Executive Director

### Principal activities

The principal activities of the company during the financial year were the offering of sports and racing betting products and services to online and telephone clients, via its innovative online wagering platform and mobile applications.

### Dividends

Dividends declared during the financial half-year were as follows:

	Consolidated 31 Dec 2021 \$'000	31 Dec 2020 \$'000
Dividend for the half-year *	-	1,225

\* the above dividends were declared and paid by BlueBet Pty Ltd as a single entity prior to the Group restructure and prior to the Group being listed on the Australian Securities Exchange.

The newly listed parent entity, BlueBet Holdings Limited has not declared or paid any dividends during the year.

### Review of operations

The loss for the Group after providing for income tax amounted to \$775,000 (31 December 2020: profit of \$3,372,000 for BlueBet Pty Ltd as a single entity).

### EBITDA

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the statutory result adjusted for specific items. The directors consider EBITDA to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory profit after tax attributable to the shareholders of the company and EBITDA:

	Consolidated 31 Dec 2021 \$'000	31 Dec 2020 \$'000
(Loss)/profit after income tax	(775)	3,372
Add: Interest expense	39	30
Less: Interest received	(164)	-
Add: Depreciation and amortisation	251	69
Add: Income tax	334	1,193
EBITDA	<u>(315)</u>	<u>4,664</u>

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

**Rounding of amounts**

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Michael Sullivan  
Executive Chairman

25 February 2022

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**Building a better  
working world**

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## **Auditor's independence declaration to the directors of BlueBet Holdings Limited**

As lead auditor for the review of the half-year financial report of BlueBet Holdings Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of BlueBet Holdings Limited and the entities it controlled during the financial period.

Ernst & Young

Simon Hannigan  
Partner  
25 February 2022

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### General information

At the end of the previous financial year BlueBet Pty Ltd underwent a restructure prior to listing on the Official List of ASX Limited ('ASX'). As a result of the restructure, the financial information presented for the half-year relates to BlueBet Holdings Ltd ('BBT') as a Group, while the comparatives shown relates to BlueBet Pty Ltd as a single entity.

On 2 July 2021, BlueBet Holdings Ltd ('BBT') was admitted to the Official List of ASX Limited ('ASX').

The financial statements cover BlueBet Holdings Ltd as a Group consisting of BlueBet Holdings Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is BlueBet Holdings Ltd's functional and presentation currency.

BlueBet Holdings Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9, 8 Spring Street  
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2022. The directors have the power to amend and reissue the financial statements.



	Note	Consolidated 31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>Wagering revenue</b>	3	26,003	15,443
Interest revenue calculated using the effective interest method		164	-
Cost of sales		(11,372)	(6,522)
Gross profit		<u>14,795</u>	<u>8,921</u>
<b>Expenses</b>			
Employee benefits expense		(5,021)	(1,345)
Advertising and marketing expense		(6,802)	(2,099)
Memberships and subscriptions		(1,429)	(297)
IT expense		(165)	(194)
Administration expense		(699)	(159)
Depreciation and amortisation expense		(251)	(69)
Other expenses		(830)	(163)
Finance costs		(39)	(30)
<b>(Loss)/profit before income tax expense</b>		(441)	4,565
Income tax expense		(334)	(1,193)
<b>(Loss)/profit after income tax expense for the half-year attributable to the owners of BlueBet Holdings Ltd (31 December 2020: BlueBet Pty Ltd)</b>		(775)	3,372
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		14	-
Other comprehensive income for the half-year, net of tax		14	-
<b>Total comprehensive (loss)/income for the half-year attributable to the owners of BlueBet Holdings Ltd (31 December 2020: BlueBet Pty Ltd)</b>		<u>(761)</u>	<u>3,372</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	8	(0.39)	2.16
Diluted earnings per share	8	(0.39)	2.16

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		55,382	56,104
Trade and other receivables		73	188
Other assets		982	570
<b>Total current assets</b>		<b>56,437</b>	<b>56,862</b>
<b>Non-current assets</b>			
Property, plant and equipment		479	412
Right-of-use assets		1,267	946
Intangibles	4	2,319	428
Deferred tax asset		532	746
Other assets		94	94
<b>Total non-current assets</b>		<b>4,691</b>	<b>2,626</b>
<b>Total assets</b>		<b>61,128</b>	<b>59,488</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		5,598	5,663
Borrowings		57	35
Lease liabilities		317	211
Derivative financial instruments		61	-
Income tax payable		1,046	1,155
Employee benefits		226	146
Provisions		375	-
Client deposits on hand		2,962	2,605
<b>Total current liabilities</b>		<b>10,642</b>	<b>9,815</b>
<b>Non-current liabilities</b>			
Borrowings		71	111
Lease liabilities		968	737
Employee benefits		308	215
<b>Total non-current liabilities</b>		<b>1,347</b>	<b>1,063</b>
<b>Total liabilities</b>		<b>11,989</b>	<b>10,878</b>
<b>Net assets</b>		<b>49,139</b>	<b>48,610</b>
<b>Equity</b>			
Issued capital		47,806	47,806
Reserves	5	1,838	534
(Accumulated losses)/retained profits		(505)	270
<b>Total equity</b>		<b>49,139</b>	<b>48,610</b>

The above statement of financial position should be read in conjunction with the accompanying notes

	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Total equity \$'000
<b>Single entity – BlueBet Pty Ltd</b>				
Balance at 1 July 2020	-	-	(145)	(145)
Profit after income tax expense for the half-year	-	-	3,372	3,372
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	3,372	3,372
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid (note 6)	-	-	(1,225)	(1,225)
Balance at 31 December 2020	-	-	2,002	2,002
<b>Consolidated</b>				
Balance at 1 July 2021	47,806	534	270	48,610
Loss after income tax expense for the half-year	-	-	(775)	(775)
Other comprehensive income for the half-year, net of tax	-	14	-	14
Total comprehensive income/(loss) for the half-year	-	14	(775)	(761)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 9)	-	1,290	-	1,290
Balance at 31 December 2021	47,806	1,838	(505)	49,139

	<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2020</b>
		<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (Client deposits)		65,406
Payments to customers (Client withdrawals)		(36,717)
Payments to suppliers and employees (inclusive of GST)		(25,485)
Interest received		164
Interest and other finance costs paid		(39)
Income taxes paid		(800)
Net cash from operating activities		<u>2,529</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment		(76)
Payments for intangibles		(1,722)
Net cash used in investing activities		<u>(1,798)</u>
<b>Cash flows from financing activities</b>		
Share issue transaction costs		(1,209)
Repayment of leases		(226)
Repayment of chattel mortgage		(18)
Dividends paid	6	(1,225)
Net cash used in financing activities		<u>(1,453)</u>
Net increase/(decrease) in cash and cash equivalents		(722)
Cash and cash equivalents at the beginning of the financial half-year		<u>56,104</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>55,382</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

## Note 1. Significant accounting policies

### Basis of preparation

These general purpose condensed financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose condensed financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Note 2. Operating segments

### Identification of reportable operating segments

The Group is organised into two operating segment being Australia and North America. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

**Note 2. Operating segments (continued)**

*Operating segment information*

<b>Consolidated - 31 Dec 2021</b>	<b>Australia \$'000</b>	<b>North America \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>			
Wagering revenue	26,003	-	26,003
Cost of sales	(11,372)	-	(11,372)
<b>Total revenue</b>	<u>14,631</u>	<u>-</u>	<u>14,631</u>
<b>Segment EBITDA</b>	<u>296</u>	<u>(611)</u>	<u>(315)</u>
Depreciation and amortisation			(251)
Interest revenue			164
Finance costs			(39)
<b>Loss before income tax expense</b>			<u>(441)</u>
Income tax expense			(334)
<b>Loss after income tax expense</b>			<u>(775)</u>
<b>Assets</b>			
Segment assets *	<u>59,936</u>	<u>1,192</u>	<u>61,128</u>
<b>Total assets</b>			<u>61,128</u>
<b>Liabilities</b>			
Segment liabilities	<u>11,534</u>	<u>455</u>	<u>11,989</u>
<b>Total liabilities</b>			<u>11,989</u>

\* In accordance with the BlueBet prospectus, the consolidated entity intends to utilise \$30,000,000 of the cash included within Australian segment in establishing the North American business and acquiring initial licences.

<b>Single entity – BlueBet Pty Ltd - 31 Dec 2020</b>	<b>Australia \$'000</b>	<b>North America \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>			
Wagering revenue	15,443	-	15,443
Cost of sales	(6,522)	-	(6,522)
<b>Total revenue</b>	<u>8,921</u>	<u>-</u>	<u>8,921</u>
<b>Segment EBITDA</b>	<u>4,664</u>	<u>-</u>	<u>4,664</u>
Depreciation and amortisation			(69)
Finance costs			(30)
<b>Profit before income tax expense</b>			<u>4,565</u>
Income tax expense			(1,193)
<b>Profit after income tax expense</b>			<u>3,372</u>
<b>Consolidated - 30 Jun 2021</b>			
<b>Assets</b>			
Segment assets *	<u>59,425</u>	<u>63</u>	<u>59,488</u>
<b>Total assets</b>			<u>59,488</u>
<b>Liabilities</b>			
Segment liabilities	<u>10,811</u>	<u>67</u>	<u>10,878</u>
<b>Total liabilities</b>			<u>10,878</u>

\* In accordance with the BlueBet prospectus, the consolidated entity intends to utilise \$30,000,000 of the cash included within Australian segment in establishing the North American business and acquiring initial licences.

**Note 2. Operating segments (continued)**

*Geographical information*

	Sales to external customers		Geographical non-current assets	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	30 Jun 2021
	\$'000	\$'000	\$'000	\$'000
Australia	26,003	15,443	4,218	2,624
North America	-	-	473	2
	<u>26,003</u>	<u>15,443</u>	<u>4,691</u>	<u>2,626</u>

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

**Note 3. Wagering revenue**

*Revenue from wagering*

	Consolidated 31 Dec 2021	31 Dec 2020
	\$'000	\$'000
Betting turnover	240,441	149,785
Payouts on betting	(207,292)	(130,609)
	<u>33,149</u>	<u>19,176</u>
Promotions given	(7,146)	(3,733)
Wagering revenue	<u>26,003</u>	<u>15,443</u>

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

*Major product lines*

Revenue from betting on:	Consolidated 31 Dec 2021	31 Dec 2020
	\$'000	\$'000
Sports	2,072	1,118
Horse racing	11,264	6,909
Greyhound racing	9,487	5,518
Harness racing	3,180	1,898
	<u>26,003</u>	<u>15,443</u>

*Geographical regions*

Australia	<u>26,003</u>	<u>15,443</u>
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All revenue is recognised at a point in time.

**Note 4. Intangibles**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Website and mobile app development - at cost	2,456	499
Less: Accumulated amortisation	<u>(170)</u>	<u>(90)</u>
	<u>2,286</u>	<u>409</u>
Patents and trademarks - at cost	<u>33</u>	<u>19</u>
	<u><u>2,319</u></u>	<u><u>428</u></u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Website</b>	<b>Patents and</b>	<b>Total</b>
	<b>\$'000</b>	<b>trademarks</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2021	409	19	428
Additions	1,957	14	1,971
Amortisation expense	<u>(80)</u>	<u>-</u>	<u>(80)</u>
Balance at 31 December 2021	<u><u>2,286</u></u>	<u><u>33</u></u>	<u><u>2,319</u></u>

**Note 5. Reserves**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Foreign currency reserve	14	-
Share-based payments reserve	<u>1,824</u>	<u>534</u>
	<u><u>1,838</u></u>	<u><u>534</u></u>

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

*Share-based payments reserve*

The reserve is used to recognise the value of unvested equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.



**Note 5. Reserves (continued)**

*Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

<b>Consolidated</b>	<b>Foreign currency translation \$'000</b>	<b>Share-based payment \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2021	-	534	534
Foreign currency translation	14	-	14
Share-based payments	-	1,290	1,290
Balance at 31 December 2021	<u>14</u>	<u>1,824</u>	<u>1,838</u>

**Note 6. Dividends**

*Dividends*

Dividends declared during the financial half-year were as follows:

	<b>Consolidated 31 Dec 2021 \$'000</b>	<b>31 Dec 2020 \$'000</b>
Dividend for the half-year *	<u>-</u>	<u>1,225</u>

\* the above dividends were declared and paid by BlueBet Pty Ltd as a single entity prior to the Group restructure and prior to the Group being listed on the Australian Securities Exchange.

The newly listed parent entity, BlueBet Holdings Limited has not declared or paid any dividends during the year.

**Note 7. Contingent liabilities**

The company had no contingent liabilities as at 31 December 2021 and 30 June 2021.

**Note 8. Earnings per share**

	<b>Consolidated 31 Dec 2021 \$'000</b>	<b>31 Dec 2020 \$'000</b>
(Loss)/profit after income tax attributable to the owners of BlueBet Holdings Ltd	<u>(775)</u>	<u>3,372</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share *	<u>200,109,649</u>	<u>156,250,000</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>200,109,649</u>	<u>156,250,000</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.39)	2.16
Diluted earnings per share	(0.39)	2.16

\* the weighted average number of shares for the comparative period has been restated to represent the change in capital structure of the company as a result of the restructure when listing, as if the change had occurred at the beginning of the comparative period.

**Note 8. Earnings per share (continued)**

As at the reporting date, the consolidated entity had 11,085,768 potential ordinary shares (including escrowed and future vesting) that could potentially dilute basic earnings per share in the future, but were excluded from the calculation of diluted earnings per share because they were anti-dilutive.

**Note 9. Share-based payments**

*BlueBet Long-Term Incentive Plan (LTIP)*

The company has established a LTIP to assist in the motivation, retention and reward of certain employees, Non-Executive Directors and key management personnel engaged by the company or any of its subsidiaries ('Participants'). The LTIP is designed to align the interests of participants more closely with the interests of shareholders by providing them an opportunity to receive the benefit of increases in the value of shares in the company through the granting of performance rights, options and/or shares.

Set out below are summaries of options granted under the plan:

	<b>Number of options 31 Dec 2021</b>	<b>Weighted average exercise price 31 Dec 2021</b>
Outstanding at the beginning of the financial half-year	<u>10,285,640</u>	\$1.14
Outstanding at the end of the financial half-year	<u><u>10,285,640</u></u>	\$1.14
Exercisable at the end of the financial half-year	<u><u>-</u></u>	\$0.00

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 6.5 years.

*BlueBet Employee Equity Incentive Plan*

A share incentive plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant performance rights over ordinary shares in the company to certain key management personnel of the consolidated entity. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of performance rights granted under the plan:

	<b>Number of rights 31 Dec 2021</b>
Outstanding at the beginning of the financial half-year	-
Granted	<u>800,128</u>
Outstanding at the end of the financial half-year	<u><u>800,128</u></u>
Exercisable at the end of the financial half-year	<u><u>-</u></u>

**Note 9. Share-based payments (continued)**

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Vesting date	Share price at grant date	Fair value at grant date
29/11/2021	31/08/2022	\$1.550	\$1.550
29/11/2021	31/08/2023	\$1.550	\$1.550
29/11/2021	31/08/2024	\$1.550	\$1.550
23/12/2021	31/08/2022	\$1.465	\$1.465
23/12/2021	31/08/2023	\$1.465	\$1.465
23/12/2021	31/08/2024	\$1.465	\$1.465

**Note 10. Events after the reporting period**

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Group, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the Group's operations going forward. The Group now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

The below developments have occurred since 31 December 2021 relating to the expansion of the business into the North American market.

**Establishment of BlueBet Colorado LLC and signing of agreement to operate in Colorado**

- On 27 January 2022, the wholly owned subsidiary BlueBet Colorado LLC signed a skin agreement with The Wild Card Saloon & Casino, a licenced wagering operator in Colorado.
- The agreement with The Wild Card Saloon & Casino, will allow the subsidiary to operate a new sportsbook in Colorado (pending regulatory approval and licencing).
- The licence is for an initial term of 10 years.
- The subsidiary has commenced working through the licence approval process with the State of Colorado.
- It is management's view that the subsidiary will commence operations and accepting bets in Q1 FY23.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Michael Sullivan  
Executive Chairman

25 February 2022

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## **Independent auditor's review report to the members of BlueBet Holdings Limited**

### **Conclusion**

We have reviewed the accompanying half-year financial report of BlueBet Holdings Limited (the Company) and its subsidiaries (collectively 'the Group'), which comprises the condensed statement of financial position as at 31 December 2021, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### **Directors' responsibilities for the half-year financial report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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### **Auditor's responsibilities for the review of the half-year financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in cursive script that reads "Ernst + Young".

Ernst & Young

A handwritten signature in cursive script that reads "Simon Hannigan".

Simon Hannigan

Partner

Sydney

25 February 2022

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