

Hi everyone, my name is Dean Shannon, and I'm the CEO of Entain Australia and New Zealand.

I have enjoyed a long and varied career in the wagering industry, both as a founder as well as running industry leading businesses. I am a passionate fan of sport and racing and am a long-time owner of both thoroughbreds and harness horses in Australia and New Zealand.



Since returning to Entain Australia as CEO in 2019, I have overseen the strong growth of our business as we continue to offer our customers great products and engaging experiences. The growth our reinvigorated Australia business has delivered over recent years, is not only evidenced by our market share climbing over 5pts to 18%, but also the increasing number of actives customers that continue to engage with our brands and products. We put our customers first and I'm really proud we are leading the charge broadening our offer with more differentiated content and media, as well as player protection.

Earlier this month we were delighted to complete Entain's strategic partnership with TAB NZ. Our partnership arrangement is a mutually beneficial growth opportunity for both Entain and TAB NZ, delivering New Zealand customers an enhanced betting experience, whilst also providing long term funding support to the racing and sporting industry.

So thank you for joining me today, and over the next few slides and minutes I will discuss in more detail why we are so excited by this new partnership opportunity.

## Slide 2

**TAB NZ and Entain strategic partnership – key terms**



<b>Key Terms</b>	<ul style="list-style-type: none"><li>• 25 Year partnership</li><li>• Entain assumes management rights of TAB NZ Wagering &amp; Trackside Media businesses</li><li>• TAB NZ retains gaming revenue, machines and leases for shops with machines – Entain managing operations on service fee basis</li></ul>
<b>Consideration</b>	<ul style="list-style-type: none"><li>• NZ\$160m upfront consideration includes NZ\$10m direct funding to racing industry</li><li>• Further NZ\$100m payment subject to legislative net implementation</li></ul>
<b>Commercial Structure</b>	<ul style="list-style-type: none"><li>• 50% share of Gross Profit with Minimum Guarantee for first 5 years</li><li>• Entain responsible for all marketing and operating expenses</li></ul>
<b>Other</b>	<ul style="list-style-type: none"><li>• Strategic partnership commenced on 1st June 2023</li><li>• Committed to no forced redundancies for first 24 months of the agreement</li></ul>

2

This summary of the partnership terms is for ease of reference -outlining the key points which I will now discuss in more detail through the presentation.



This partnership is a strategically attractive and unique opportunity, leveraging Entain’s scale, expertise and diverse capabilities alongside TAB NZ’s embedded access into New Zealand, a regulated market with significant growth potential.

Under the agreement, Entain will take ownership of a newly established operating entity that will have the management rights for TAB’s New Zealand wagering and media business for the next 25 years.

TAB NZ is uniquely positioned in New Zealand, with the only wagering licence and is the only operator of retail wagering. This partnership provides unrestricted access into the regulated New Zealand market which has revenue of approximately \$600 million New Zealand dollars and significant growth potential.

The compelling partnership combines expertise and capabilities from both TAB NZ and Entain. Also unlocking the potential opportunity to launch a new digital-only sister brand, and leveraging Entain’s global operations as well as our business in Australia, alongside an aligned partner with strong industry and government relationships.

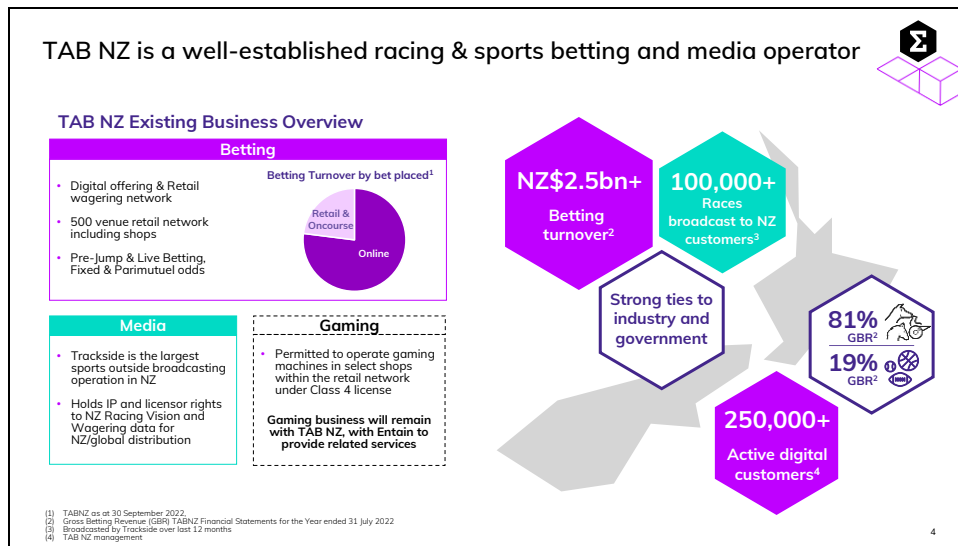
Importantly, core to the partnership is our aligned commitment to responsible gaming, sustainability and the New Zealand racing and sports industries. With racing being the dominant wagering product in this part of the world, a strong racing industry is a critical success factor for TAB NZ and Entain.

The arrangement delivers significant returns to these industries. From day 1 of the partnership and for its first 5 years, Entain has committed to a minimum annual return of \$150 million New Zealand dollars back to TAB NZ.

These much-needed funds will allow the right investment to be put back into racing immediately, which will benefit all stakeholders in the ecosystem in coming years.

Let me provide a little more detail about each side of this exciting and unique partnership, and the opportunity for this powerful combination.

## Slide 4



TAB NZ is a well-established racing and sports betting operator in New Zealand. It has a loyal customer base and a strong market presence. The business includes Betting, Media and Gaming verticals, although the lions share of revenues are from betting, which last year delivered wagering turnover of approximately NZ\$2.5 billion dollars.

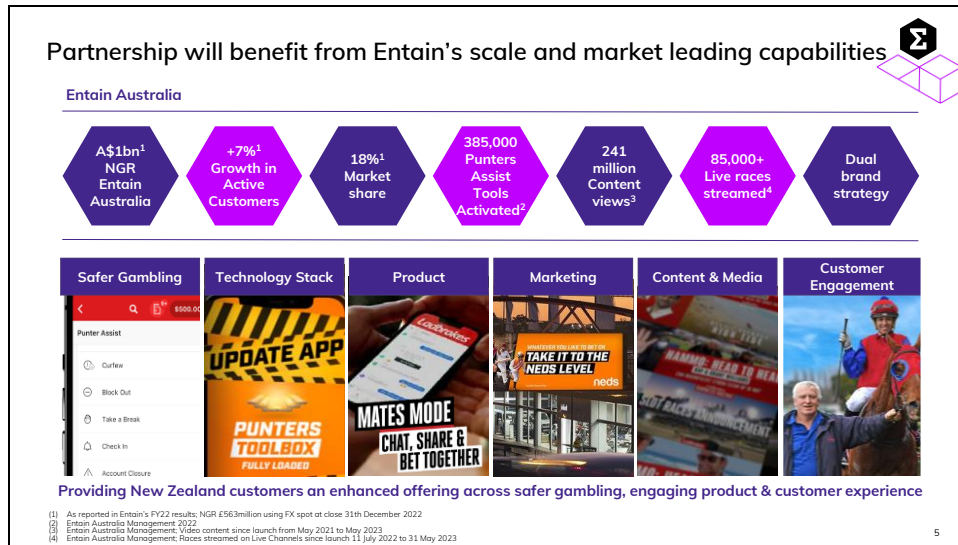
The wagering business operates across both retail and digital channels. However as the chart shows, TAB NZ is predominately a digital business. Earlier this year TAB had more than 250,000 active digital wagering customers, and approximately 80% of the wagering volume this year will be via digital.

TAB NZ also owns and operates the only racing broadcast business in New Zealand, through its well-known Trackside brand. In the last 12 months Trackside has broadcast more than 100,000 races to New Zealand customers and captured vision from 70 -odd tracks across all three racing codes.

TAB NZ's key strengths lie in its integrity, its people and its support for the local racing and sports industry.

The company's longstanding reputation and extensive knowledge of the New Zealand market sees them positioned as a leader in the industry.

## Slide 5



Powered by the Entain global platform, its diversified scale, as well as its market leading capabilities in Entain Australia, the partnership will deliver New Zealand customers an enhanced betting experience.

These opportunities to improve engagement and offering are across the customer's end to end experience.

Entain will reinvigorate TAB NZ's technology infrastructure, including sportsbook, trading, Anti-Money Laundering, and other operational capabilities.


The offering will benefit from Entain's product innovations, as well as access to an expansive range of betting options, products, and innovative features.



User experience will be enhanced through advanced data analytics unlocking CRM, personalisation and marketing competences.

Importantly, we also bring our expertise in safer gambling practices with Entain's industry leading approach to player protection. Ensuring the highest levels of protection for the New Zealand market is core to the partnership.

In addition to the core wagering operations, TAB NZ's media business presents exciting opportunities for growth. These include bringing Entain's content production, marketing expertise and streaming capabilities to enhance TAB NZ's media offerings. We look forward to being able to share more on these opportunities in the future.

**Safer Gambling, Integrity & Industry support are core to the partnership**



Safer Gambling & Integrity	Support for Industry
<p><b>Punter Assist</b> is a one-stop shop for a customer to manage their betting account, with the intention of having "being in control" become part of the every-day gambling experience via our suite of 11 tools</p> <p>Entain Australia's experienced Safer Gambling team supplement these tools by continuously monitoring customer activity to identify and contact customers at potential risk of harm</p> <p>We are committed to continuously improving our Safer Gambling offering to best meet customer needs and reduce gambling harm in the community </p> <p>Entain Australia's Safer Gambling team are supported by a leading Near Real Time (sub minute) portal to flag customers at risk and enable prompt intervention, with work underway to provide more timely and relevant interactions</p> <p>We maintain relationships with leading academics and community organisations who work at the forefront of gambling harm, which we rely on to test the effectiveness of, and continually improve our approach</p>	<p><b>Partnership distributions</b></p> <p><b>New headline racing events</b></p>  <p><b>Direct investment in prize money</b></p> <p><b>Breeding &amp; ownership incentives</b></p>

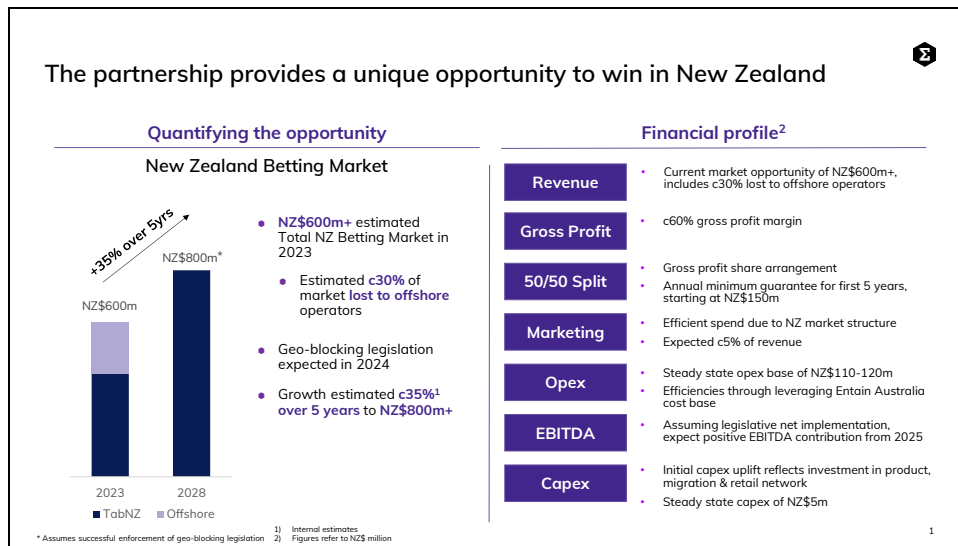
1

Before moving onto the framework of how to value this opportunity, I want to reiterate that our partnership is committed to fostering responsible gambling practices, promoting integrity in sports and racing, and supporting the local racing industry.

Both Entain and TAB NZ understand the importance of community involvement and support in New Zealand.

We will integrate Entain Australia's market-leading player protection suite of tools, Punter Assist into the TAB NZ platform, giving Kiwi punters more control and transparency than ever before to tailor their wagering experience.

Through our partnership, we will listen to the needs and preferences of New Zealand customers, continuously improving our offerings whilst providing a safe environment to engage with our products.



So let me outline this unique growth opportunity which Entain's strategic partnership in NZ will offer.

New Zealanders are renowned for their love of sports, from rugby to cricket, and their enthusiasm extends to all three codes of racing.

This passionate fan base creates a vibrant and engaged market, presenting a tremendous opportunity to grow the market through an improved and broader offering, and by delivering a more engaging betting experience which resonates locally.

As I mentioned the NZ betting market is currently worth NZ\$600m. Third party estimates suggest that over the next 5 years, the New Zealand wagering market could see underlying growth of around 35% to around NZ\$800.

Separately, its estimated that almost a third of this NZ\$600m market today is being lost to offshore operators as New Zealand customers have sought differentiated offerings to that currently provided by TAB.

There is therefore a significant opportunity for the partnership to "win back" as much of this offshore revenue leakage through enhanced products, offering and a sister brand.

Additionally, we were pleased to see the Government commit to reinstating TAB's exclusivity in New Zealand through geo-blocking legislation in the coming years.

In short, the partnership's opportunity is driven by underlying market growth through an enhanced and expanded offering, deeper penetration and greater engagement, as well as the onshoring of existing wagering revenues.

In relation to the financial profile of the partnership itself, the agreement's commercial structure is a 50/50 gross profit share. Gross profit being revenue less variable expenses such as product fees and applicable taxes.

For the 1st five years of the agreement, there is an underwritten minimum share of gross profit that will be paid to TAB NZ. This starts at \$150 million annually and

increases subject to various factors such as time, as well as the implementation of the legislative net.

As a gross profit share arrangement, Entain is responsible for funding marketing and operating costs.

We estimate marketing and OPEX will be approximately \$140 to \$150 million dollars per annum.

Due to the current advertising restrictions and the intention to reinforce the licencing through geo-blocking, the New Zealand market is unique with significantly less pressures on

marketing and promotional costs. This ensures marketing spend in New Zealand will be more efficient than most other markets.

As a result of the deal structure, the first 12-18 months will be an investment period for Entain to establish the right framework for the remaining 23 years of the partnership.

We expect to see profitability from this market in year 3, with the quantum of EBITDA dependent on a number factors, including the implementation of the legislative net and the timing of that occurring.

So let's recap the numbers announced to the market:

The arrangement sees an up-front consideration payment by Entain of NZ\$150m as well as NZ\$10m (~£5m) payment that represents a direct investment in the NZ racing industry. This is expected to be paid in late CY23.

Additionally, Entain will make payment of a NZ\$25m marketing co-investment will be rebated in full in the form of marketing contributions from TAB NZ over the first 3 years.

Separately, should legislative change be implemented to geo-block offshore providers, Entain will make a further Legislative Net Payment of NZ\$100m.





In conclusion, the strategic partnership between Entain Australia and TAB NZ represents a compelling opportunity for growth and value creation.

Together, we will deliver a superior betting and gaming experience to customers in New Zealand, while also benefiting from the strengths and opportunities this partnership presents.

Thank you for your time and attention. If you have any further inquiries, please reach out to our Investor Relations team.