

30 April 2018

TOPBETTA HOLDINGS QUARTERLY UPDATE FOR THE PERIOD ENDING 31 MARCH 2018

TURNOVER \$53.48M, REVENUE \$4.95M, ACTIVE USERS 8,854

Key Points

- Wagering and tournament revenue up 460% vs March 17 quarter down 26% from previous quarter
- Wagering and tournament turnover up 304% vs March 17 quarter down 35% from previous quarter
- Total quarterly active unique clients up 25% vs March 17 quarter down 38% from previous quarter
- Cash receipts from customers \$5.28M for the quarter
- Global Tote turnover for the quarter totalled \$33.16M
- Race meetings across the Global Tote at 784
- The decrease in activity compared with the December quarter reflects Spring Racing Carnival seasonality.

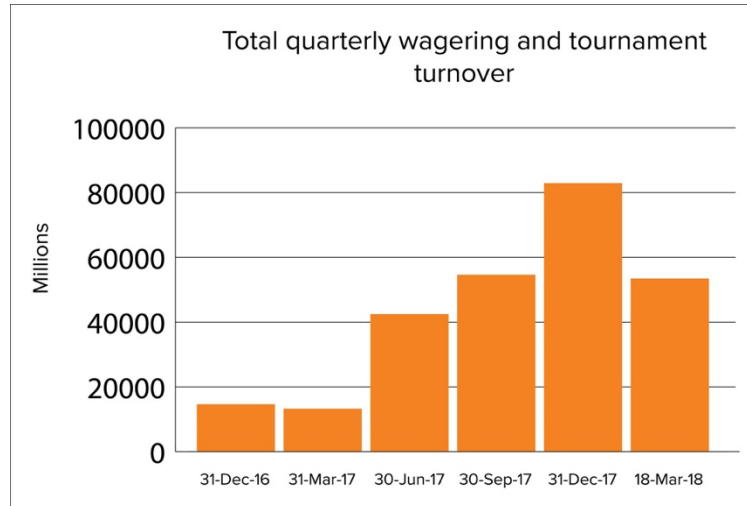
The Board of TopBetta Holdings Limited (ASX:TBH) ("TopBetta" or the "Company") is pleased to provide shareholders with an overview on the quarterly activities for the period ending 31 March 2018¹

TopBetta's Managing Director, Todd Buckingham commented: *"The strong year on year growth has been key for us and has put us in a position to execute the recently announced PlayUp deal."*

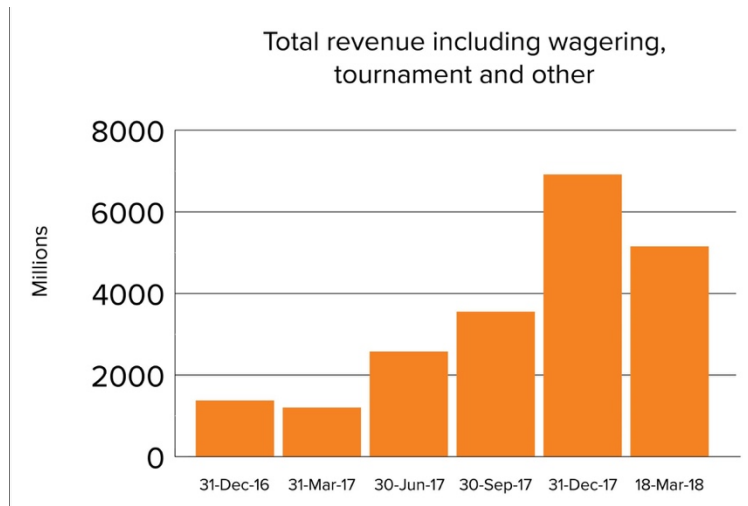
"Over the past 12 months, the Company has grown the Active User base and over the busy Spring Carnival period of 2017 saw our turnover peak to \$82.90M which is a substantial growth from the previous year. During this March quarter we focused on retaining those clients while significantly reducing our spend."

	31-Mar-17	30-Jun-17	30-Sep-17	31-Dec-17	31-Mar-18	Mar18 vs Dec17 % Qtr change	Mar18 vs Mar17 % YoY change
Total quarterly active unique clients	7,106	9,093	10,904	14,223	8,854	↓ -38%	↑ 25%
Wagering and tournament turnover ('000)	\$13,249	\$42,459	\$54,621	\$82,906	\$53,478	↓ -35%	↑ 304%
Wagering and tournament revenue ('000)	\$884	\$2,282	\$3,337	\$6,680	\$4,946	↓ -26%	↑ 460%
Total revenue including Wagering, Tournament and Other ('000)	\$1,203	\$2,576	\$3,553	\$6,915	\$5,153	↓ -25%	↑ 328%

The Company recorded wagering and tournament turnover of \$53.48M which is a 304% increase from the March 17 quarter¹.



The revenue for the quarter was \$4.95M¹.

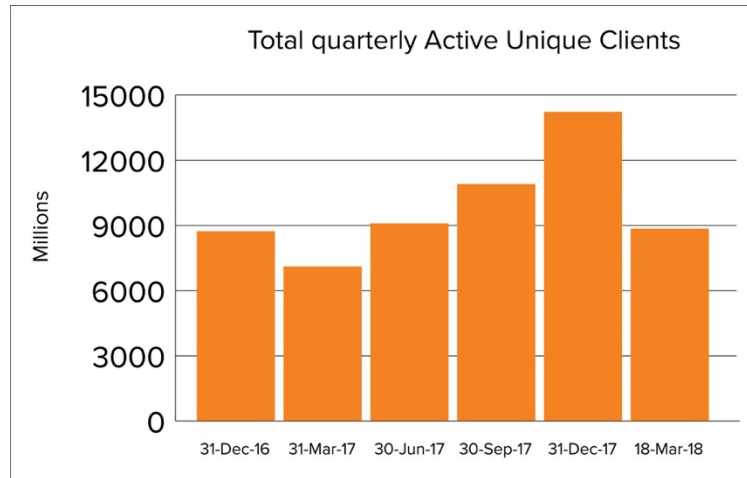


The turnover and revenue decreases compared with the December quarter can be attributed largely to two factors:

- i. Seasonality has impacted retail turnover and revenues. Revenues and turnover are higher during the peak Spring Racing Carnival period of September – November, hence these figures were lower for the March quarter.
- ii. The Company made the decision to reduced its coverage of race meetings on The Global Tote from 1102 to 784 (29%), which was a decision made due to a delay in approvals of multiple commercial agreements with Australian bookmakers licensed in the Northern Territory. The Company notes it has recently met with the Northern Territory Racing Commission (“NTRC”) to clarify its concerns with the agreements currently at hand for operators licensed by NTRC. The Company now understands the concerns raised by the NTRC and will be working to resolve these issues. The NTRC has indicated it will look at the agreements again once these matters are addressed. The NTRC has not given any commitment to approve these agreements other than indicate that they will assess again if and when the matters are addressed and the agreements are submitted for review.

Comparing the March 2018 results against those recorded in the March 2017 quarter has resulted in significant uplift across wagering and tournament turnover (+304%) and wagering and tournament revenues (+460%)¹.

Active unique clients decreased 38% to 8,854 compared with the previous quarter which realised 14,223 active unique clients.



The decrease in active unique clients compared with the December quarter reflects on the Spring Carnival seasonality. The Company's aggressive client acquisition campaign during the Spring Racing Carnival concluded in November and during the March quarter the group has concentrated on client retention strategies.

¹ All financial figures contained in this Announcement are provided on an unaudited basis.

For further information, please contact:

Charly Duffy
Company Secretary
companysecretary@topbetta.com
+ 61 (0) 409 083 780

Jane Morgan
Investor & Media Relations
investors@topbetta.com
+ 61 (0) 405 555 618

Disclaimer

This announcement contains "forward-looking statements." These can be identified by words such as "may", "should", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- (a) assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- (b) current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

The forward-looking statements contained within the announcement are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include: general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; technology and infrastructure; conduct of contracted counterparties; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statement to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The data, projections or forecasts included in this announcement have not been audited, examined or otherwise reviewed by the independent auditors of the Company. You must not place undue reliance on these forward-looking statements.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

TopBetta Holdings Limited

ABN

21 164 521 395

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,281	16,319
1.2 Payments for		
(a) research and development	(447)	(1,341)
(b) product manufacturing and operating costs	(5,016)	(12,957)
(c) advertising and marketing	(530)	(4,738)
(d) leased assets	(31)	(100)
(e) staff costs	(884)	(2,355)
(f) administration and corporate costs	(1,427)	(3,984)
1.3 Dividends received (see note 3)		
1.4 Interest received	5	54
1.5 Interest and other costs of finance paid	(2)	(7)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	764	766
1.8 Other (expenses for licences, other legal costs and Global Tote development)	(42)	(502)
1.9 Net cash from / (used in) operating activities	(2,329)	(8,845)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(6)	(55)
	(b) businesses (see item 10)	(50)	(50)
	(c) investments	-	-
	(d) intellectual property	-	(500)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(56)	(605)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,000	9,057
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(545)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,000	9,512

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	4,713	3,266
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,329)	(8,845)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(56)	(605)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,000	9,512
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	3,328	3,328

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,026	2,411
5.2	Call deposits	2,102	2,102
5.3	Bank overdrafts	-	-
5.4	Other (Bank Guarantee for NT licence)	200	200
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,328	4,713

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	108
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	0
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Excludes payment to CEO for employee services as CEO of \$50K. CEO holds unpaid position as director.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	0
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	0
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	0	0
8.2 Credit standby arrangements	0	0
8.3 Other (please specify)	0	0
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(447)
9.2 Product manufacturing and operating costs	(2,469)
9.3 Advertising and marketing	(589)
9.4 Leased assets	(31)
9.5 Staff costs	(790)
9.6 Administration and corporate costs	(1,010)
9.7 Other Costs Licencing - Global Tote	(150)
9.8 Mad Bookie Earn Out	(850)
9.8 Total estimated cash outflows	(6,336)

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

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.

Sign here:
(Director/Company secretary)

Date:

Print name:

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.