

20 December 2021
ASX Announcement
RAS Technology Holdings Limited (ASX: RTH)

Racing and Sports expands its strategic relationship with XB Net in North America with new multi-year services agreement

Highlights

- Racing and Sports has expanded its strategic relationship with XB Net, the leading provider of premium content for North American racing, through entry into a new agreement to deliver its Trading Manager technology and Race-Day Control services on behalf of XB NET racecourses (XB Net represents 60 racecourses and covers 45,000 races per year) throughout the United States and Canada covering thoroughbred, harness and greyhound racing, for export to wagering operators worldwide so they can offer fixed odds betting on US racing.
- The new agreement positions Racing and Sports to capitalise on its international growth strategy and complements its existing exclusive right to distribute XB Net North American premium racing content into the Australia and New Zealand region.
- This announcement follows on from RAS Technology Holdings Limited's successful Initial Public Offering, providing the platform to drive the growth strategy outlined in the Prospectus.

RAS Technology Holdings Limited ('**Racing and Sports**' or the '**Company**') (ASX:RTH) is pleased to announce the entry into an agreement by its wholly-owned subsidiary, Racing and Sports Pty Limited, with XB Net to deliver wagering technology and race-day data and control for XB Net racecourses throughout the United States and Canada for thoroughbred, harness and greyhound racing for export distribution to wagering operators worldwide (excluding distribution within North America), with services to commence from early December 2021.

XB Net, the leading provider of premium content for North American thoroughbred, harness and greyhound racing, represent premier courses such as Gulfstream Park (Miami, FL), Santa Anita Park (Los Angeles, CA), and Pimlico Racecourse (Baltimore, MD) - the home of the world-famous Preakness Stakes. Furthermore, XB Net represents 60 racecourses in North America and covers 45.000 races per year.

This agreement is strategically important for Racing and Sports as it expands the use of its Trading Manager platform and Race-day Control services for North American racing. The Racing and Sports Trading Manager provides a managed trading solution that includes pricing for fixed-odds, exotics and derivatives. It features a rules-based configuration with the option of automated risk and liability management, as well as integrated statistics and analytics to support rapid decision making by wagering operators' traders. The Race-day Control service is a managed service on behalf of wagering operators, controlling race-day event triggers and information updates to facilitate wagering activities.

A key aspect of this agreement is the technology integration between XB Net's racecourses and the Racing and Sports Trading Manager Platform and Race-day Control services. This is significant as it facilitates a live connection between Racing and Sports and each XB Net covered racecourse, where Racing and Sports receives a live data feed streamlining Race-day Control for each course, as well as fixed odds which are generated by XB Net using the Racing and Sports Trading Manager for distribution to wagering operators who provide wagering on North American racing worldwide (currently excluding distribution within North America).

International expansion into high-value markets, particularly the US, UK and Europe, is one of the key pillars of Racing and Sports' growth strategy, and this agreement represents an important step towards the achievement of this objective.

The agreement expands on Racing and Sports' appointment earlier this year as the exclusive distributor of XB Net's North American racing content into Australia and New Zealand. Racing and Sports has worked closely with XB Net since April 2021, which has led to further strengthening of the relationship through the signing of this multi-year contract for the Trading Manager Platform and Race-day Control services. The key terms of the agreement are set out in Annexure A.

CEO, Stephen Crispe, welcomed the agreement as a highly strategic move in the pursuit of Racing and Sports' international growth strategy, commenting:

"We are delighted to have entered into this new contract with XB Net to provide wagering technology and race-day data and controls for North American thoroughbred, harness and greyhound racing for export into the worldwide wagering market. The deal strengthens the existing commercial relationship between Racing and Sports and the major rights holder in the North American racing market. Wagering industry participants are seeking sources of competitive differentiation, such as through the provision of enhanced content and through the deployment of technology solutions.

"In business it is always gratifying when an existing customer wants to expand its relationship with a commercial partner and this contract is a significant endorsement of the sophistication of our wagering technology stack that has been developed and commercialised by the Racing and Sports team. Continuing to grow the Racing and Sports business internationally into key racing industries, such as North America, is integral to our growth and we are pleased to have concluded this agreement so soon after the Company's IPO."

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

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ANNEXURE A

TERM

The initial term of the contract is for two (2) years, with the option of one (1) additional year which may be exercised by XB Net.

SERVICES TO BE PROVIDED

XB Net has appointed Racing and Sports to provide certain services in relation to the supply of its Trading Manager platform to produce fixed odds, as well as Race-day Control services to integrate and manage race day events and triggers relating to North American thoroughbred, harness and greyhound racing, in each case, for use on a worldwide basis (excluding North America) by XB Net and certain third parties associated with XB Net's wagering rights business.

CONSIDERATION

While the pricing under the agreement is confidential and commercially sensitive, in consideration for the services to be provided by Racing and Sports to XB Net, XB Net will pay a monthly fee calculated by reference to the number of fixtures covered and services provided.

TERMINATION

Either Party may terminate the agreement by notice in writing to the other party in the event of either an unremedied material breach of the agreement, force-majeure or insolvency event.

XB Net may terminate the agreement immediately on written notice to Racing and Sports:

- if Racing and Sports' actions or omissions bring XB Net into disrepute or results in an investigation; or
- in the event of any expiry or termination of certain cross-default agreements.

In addition, XB Net may terminate the agreement by convenience upon at least 90 days' prior written notice (such notice to take effect no earlier than the date being the one (1) year anniversary of the commencement date).