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2022 Scorecard

Full Year Results | Year Ending 31 Dec 2022

Part 1 Financial Review

Part 2 Operating Review

Part 3 Playbook

Richard McGuire
Executive Chairman

2022 Scorecard

Full Year Results | Year Ending 31 Dec 2022

Strong Operational Performance

Successfully delivered initial year of Sports Betting

Venues adjusted EBITDA £4m (2021 :£1.4m)

Stable revenue growth

Digital business revenue +50%

Group gross profit +11% to £14.2m

Returned £7m dividend to shareholders

Group Adjusted EBITDA returned to profit, £1.6m

Board reshaped, aligned with Company strategy

Robust year end cash¹ £7.5m, no financial debt

¹ Year end cash excludes £5.08m held in escrow. Cash as of 31 March 2023 £8.5m



2022 Scorecard

Full Year Results | Year Ending 31 Dec 2021

Financial Review

Financial Year Summary

	2022	2021
	£'000	£'000
Revenue	26,004	22,942
Gross Profit	14,157	11,453
Adjusted EBITDA ²	1,599	(1,783)
Adjusted loss before tax	(99)	(3,358)
Loss before tax ³	(934)	(246)
Adjusted cash ⁴	7,420	21,912

1. 2021 comparisons are Actual Reported on this slide.

2. Adjusted EBITDA relates to Continuing Operations and excludes expenditure that management believe should be added back (separately disclosed items) and other income.

3. Includes separately disclosed items

4. Adjusted cash excludes customer balances as of 31 December 2022. Adjusted Cash on 31 March 2023 was £ 8.5 million

Revenue Components

	2022	2021
	£'000	£'000
Venues –wagering revenue	19,116	21,835
Venues –F&B revenue	3,443	2,366
Sports betting commissions	1,974	313
Venues	24,533	24,514
Digital revenues	1,471	1,094
Total revenues	26,004	25,608

Note: 2021 numbers are stated at constant currency using 2022 exchange rates.

Venues

Summary Financials

	2022	2021
	£'000	£'000
Pari-mutuel wagering revenue	19,116	21,835
F&B revenue	3,443	2,366
Sports betting commissions	1,974	313
Total Revenues	24,533	24,514
Contribution	13,240	12,048
Contribution margin	54.0%	49.1%
Adjusted ¹ operating expenses	(9,194)	(10,453)
Adjusted EBITDA	4,046	1,595
Capex	142	27

Notes:

2021 numbers are stated at constant currency using 2022 exchange rates.

1. Adjusted amounts excludes expenditure that management believe should be added back (separately disclosed items) and other income.

Digital Summary Financials

	2022	2021
	£'000	£'000
Services revenue	1,471	1,094
Contribution	531	409
Contribution margin	36.1%	37.4%
Adjusted ¹ operating expenses	(838)	(1,021)
Adjusted EBITDA	(307)	(612)
Capex	201	169

Notes:

2021 numbers are stated at constant currency using 2022 exchange rates.

1. Adjusted amounts excludes expenditure that management believe should be added back (separately disclosed items) and other income.

Cash Flow

	2022 £'000	2021 £'000
Total Adjusted EBITDA	2,782	5,096
Acquisition and disposal	-	41,040
Purchase of property plant and equipment	(147)	(582)
Capitalised software	(196)	(1,012)
Lease Liabilities	(1,357)	(1,512)
Separately disclosed items paid net of other income received	(657)	76
Working capital	(3,398)	(2,418)
Tax and interest paid (net)	(5,083)	438
Dividends paid	(7,000)	-
Share buy-back, including costs	-	(35,880)
FX impact	565	(171)
Net cash flows for year	(14,491)	5,075
Opening cash (excluding customer balances)	21,912	16,837
Closing cash (excluding customer balances)	7,420	21,912

- Total Adjusted EBITDA above, includes receipt from discontinued business, a performance earnout related to Bump 50:50 disposal
- There is a modest rounding adjustment of £1,000, within the aggregate table above to match Closing cash.

Summary of Balance Sheet

	Non-current £'000	Current £'000	Combined £'000
Goodwill	87	-	87
Intangible fixed assets and PPE	11,461	-	11,461
Right of use assets	5,042	-	5,042
Cash, net of customer liabilities	-	7,420	7,420
Trade receivables	-	1,487	1,487
Other receivables	177	491	668
Inventories	-	146	146
Deferred tax asset (liability)	15	228	243
Contingent Consideration	-	1,013	1,013
Trade and other payables	-	(6,173)	(6,173)
Lease liabilities	(6,200)	(1,155)	(7,355)
	10,582	3,457	14,039



2022 Scorecard

Full Year Results | Year Ending 31 Dec 2022

Operating Review

Continuing Divisions

Venues

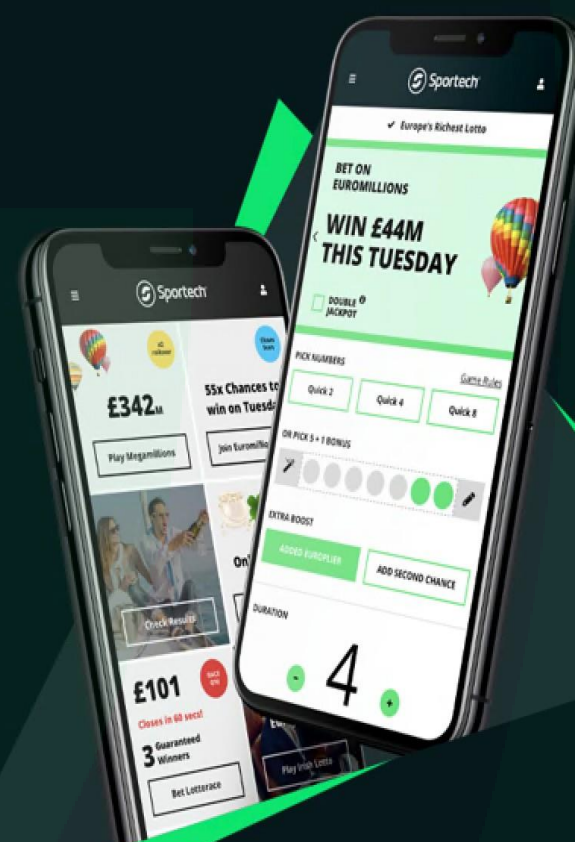
Nine operational Venues across Connecticut, c. 94,000 ft² retail space
 2022 Betting Handle \$206 million (\$99m sports & \$107m pari-mutuel)

Pari Mutuel Betting

- Exclusive State licence for Pari Mutuel betting, retail online and telebet
- Revenue sharing agreements with external ADW operators

Sports Betting

- Agreement with State Lottery, CLC to provide Sports Betting across retail Venues. Only three sportsbooks across the State.
- Revenue sharing deal for retail Sports Betting with CLC
- Revenue participation to online Sports Betting



Digital

Sportech Digital is comprised of two small, digitally focused businesses.

The first is a US-facing B2C trading operation called 123Bet.com, which was previously a white-label customer of the now-discontinued Racing and Digital business.

The second business in 2022, was a B2B operation based in Chester, UK, that served markets with a proprietary platform for lottery management

Venues

- 2022 operations improved across all revenue lines.
- Sports Betting deal with CLC, delivers serious growth opportunities
- SMF: Sub licensing exclusive licence to approved ADW operators delivering results and continues to remain clear focus.
- Reduced venue footprint to 9 locations, remain in key markets and population centres.
- Approximately, 93,593 ft² retail space across current estate.
- Core freehold asset in Windsor Locks, 2022 valuation c. \$6.4m





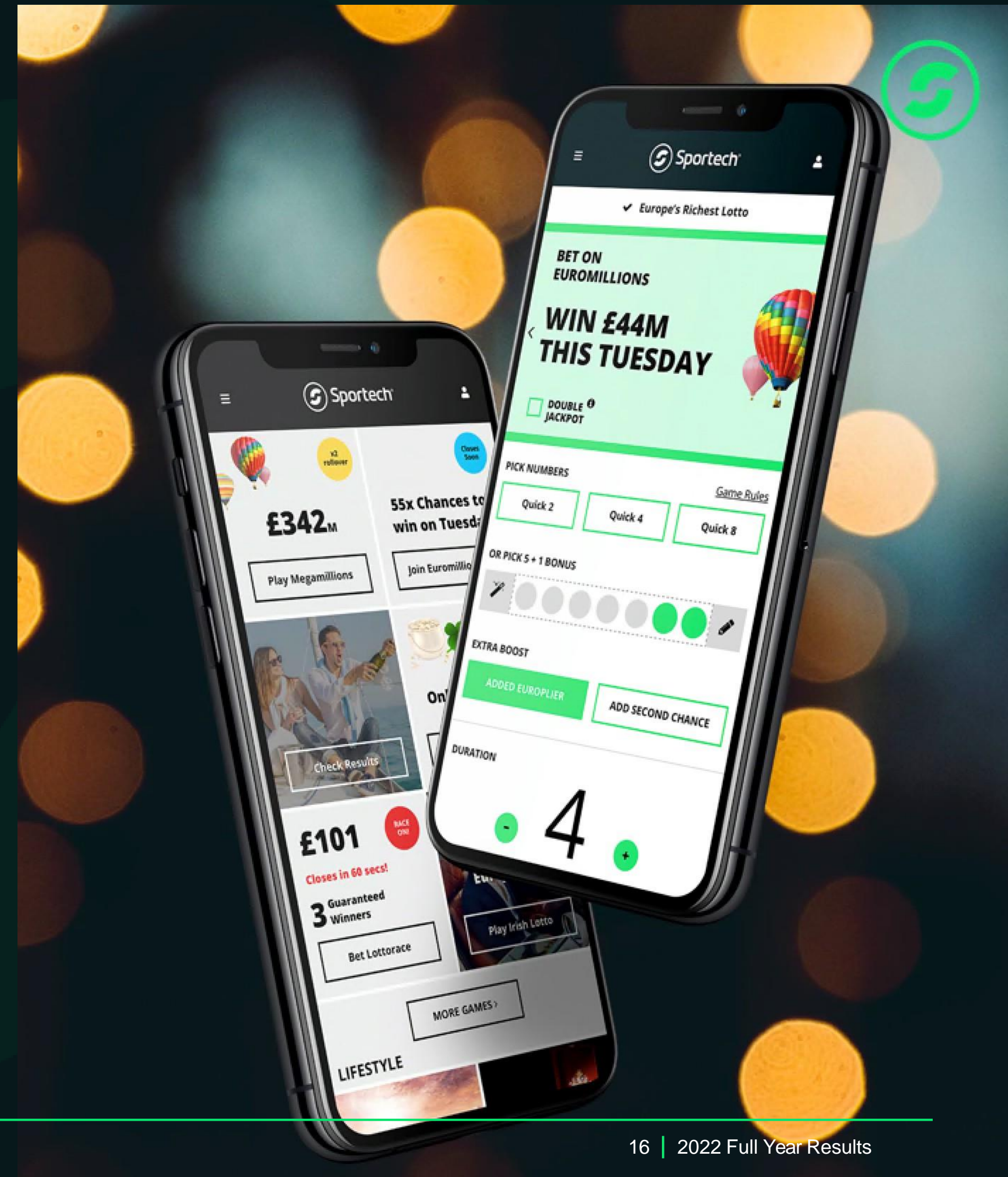
Venues - Sports Betting

- Positive arrangement with the Connecticut State Lottery to provide retail Sports Betting in 10 year deal.
- \$99m retail handle in first year
- Positive response from customers to the broader product suite.
- Improves contribution stability across the calendar year
- Rolled out across eight Venues, delivering gross revenues boost
- Increasing footfall during major league events
- New demographic to compliment existing pari-mutuel players
- Additional Sports Betting locations under review



Digital

- 2022 Revenues +34.4%, operating expenses reduced and adjusted EBITDA loss declined c £300k, to £307k
- Pari-mutuel business continues to evolve and progress
- Post year end sold majority of remaining assets of Lotto division, following 2021 disposal of contract.
- Evaluating further opportunities within gaming sector and the US sports betting expansion.



2023 Playbook

Driving an ownership culture

Evaluate further corporate opportunities that deliver stakeholder returns

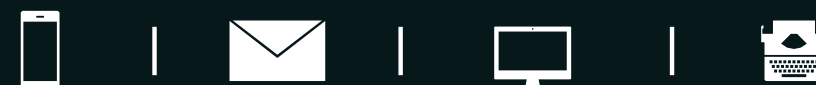
Materially reduce the corporate cost base

Execute further growth opportunities across the gaming sector

Deliver further capital returns to shareholders

Maximise enhanced gaming opportunities through strategic partnerships

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