Annual Report 2024

JUMBO

Jumbo Interactive Limited
ABN 66 009 189 128

Contents

About this report

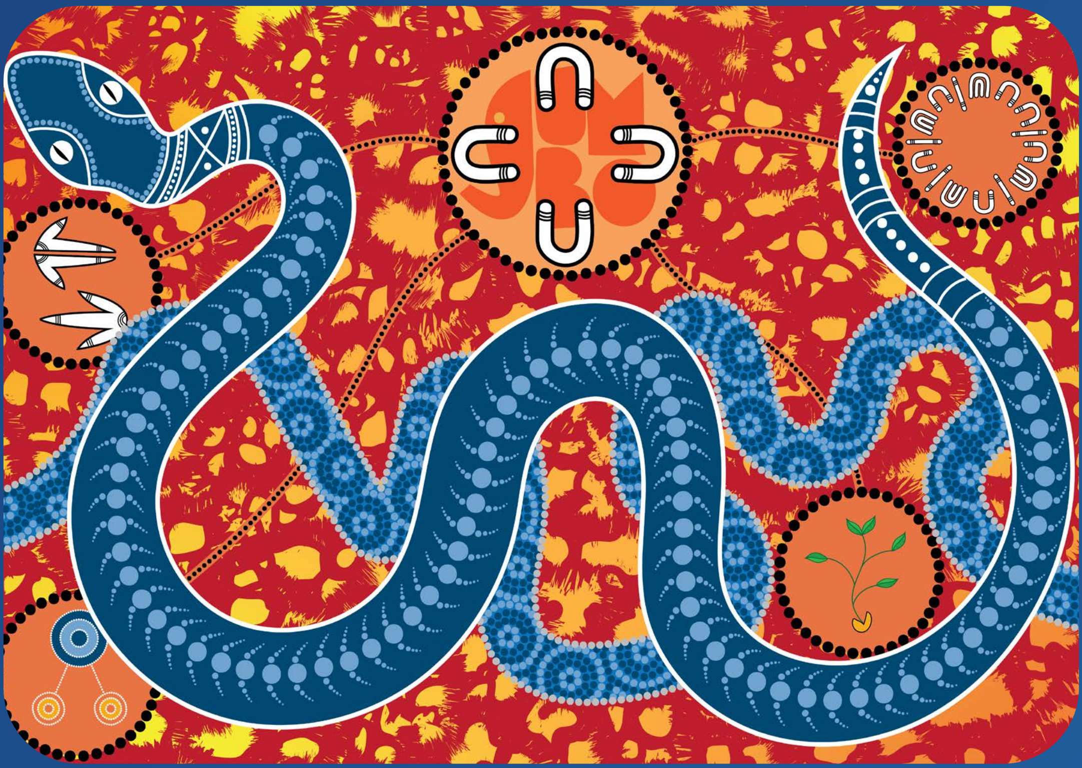
The FY24 Annual Report has key information about our financial, non-financial, and sustainability performance for the reporting period 1 July 2023 to 30 June 2024. Certain relevant events that have occurred after the end of this reporting period but before publication of the Annual Report have also been included. All dollar values shown in this report are in Australian dollars (A$) unless otherwise stated. For a holistic view of the Group's performance, this report should be read in conjunction with the following information available on our website – www.jumbointeractive.com:

- FY24 Sustainability Report
- FY24 Corporate Governance Statement
- Modern Slavery Statement
- FY24 Results Investor Presentation
- FY24 Results Media Release

Welcome to the Jumbo 2024 Annual Report

Jumbo Interactive Limited (Jumbo) and its subsidiaries (Group) would like to acknowledge the Turrbal and Yuggara People, the traditional custodians of the land on which our global business was founded. We pay our respects to elders past and present, the keepers and storytellers of First Nations customs and culture. We would also like to extend our respect to Aboriginal or Torres Strait Islander people engaging with this report.

Across the seas, we would also like to acknowledge the Blackfoot Confederacy, including the Siksika, Piikani and Kainai Nations; the Stoney-Nakoda Nation; and the Tsuut'ina Nation, upon whose land our subsidiary, Stride, operates.



Above: Chad Briggs, local Yugambeh artist partnered with Jumbo in creating this symbolic artwork that talks to Jumbo's origin story. Depicted in the art, you can see the Rainbow Serpent across the page representative of life and creation. Visible beneath is the Brisbane river, paying homage to our beginnings in Brisbane. Clockwise, starting on the bottom left, Bora's (circle images) depict threads of Jumbo's history. Our Australian region in blue, with trails connecting to our growing businesses in the UK and Canada; the kangaroo and emu, always moving forward; all of our people at Jumbo, in the centred Bora; our stakeholders and the lives of each person we impact through our services; and, an image of a green shoot, symbolic of our reconciliation journey.

About Jumbo

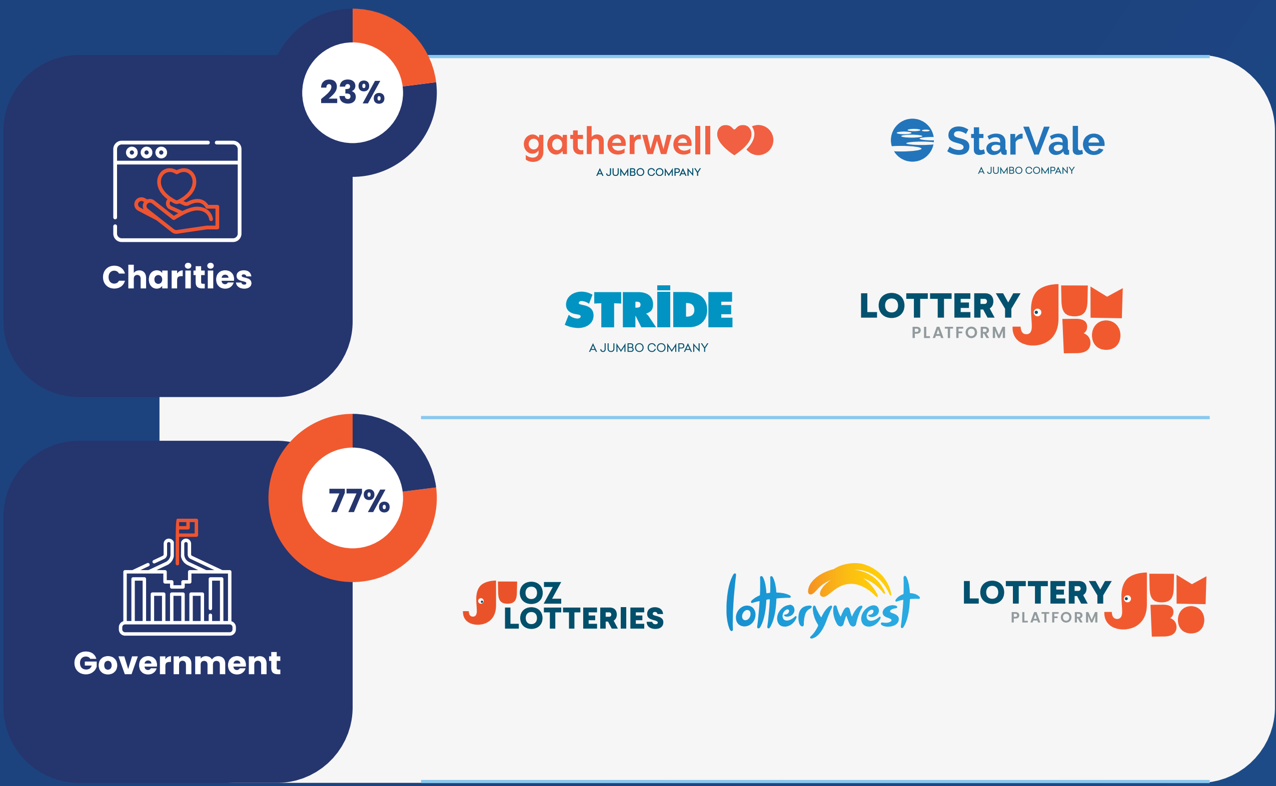
Jumbo is a digital lottery specialist. We provide our proprietary lottery software platforms and lottery management expertise to the charity and government lottery sectors in Australia, the United Kingdom and Canada.

Our mission is to create positive social impact through making lotteries easier, and our vision is to become the number one choice in digital lottery and services around the world.

Our innovative and player-centric approach to digital lotteries and online retailing make us the platform of choice for more than four million active players. Our platform and superior player experience is scalable and caters for causes ranging from local causes to large state lotteries.

Jumbo was founded by Managing Director and Chief Executive Officer (CEO) Mike Veverka in 1995 with a single computer. Since then it has matured into a leading digital lottery retailer and lottery software provider with over 250 employees across Australasia, the United Kingdom (UK) and Canada. Jumbo was listed on the ASX in 1999. In FY24, Jumbo helped raise over $260 million for good causes for our charity partners[1].

Business mix (based on FY24 revenue)



1. Return to cause funds raised by our charity partners, excluding state-based lottery taxes from Lotterywest and The Lottery Corporation.

Financial highlights

Total Transaction Value[4]
$1.054b
▲ 23.7% YOY

Active players[1]
4.6m
▲ 14.9% YOY

Revenue
$159.3m
▲ 34.2% YOY

Underlying EBITDA[4]
$76.6m
▲ 30.0% YOY

Underlying NPAT[4]
$44.2m
▲ 33.4% YOY

Underlying NPATA[3,4]
$46.4m
▲ 31.5% YOY

Free cash flow[2,4]
$54.1m
▲ 13.8% YOY

Underlying EPSA[3,4]
73.7cps
▲ 31.4% YOY

Cash balance
$69.0m
▲ 26.6% YOY

Dividend declared[5]
54.5cps
▲ 26.7% YOY

1. Players who made a purchase over the 12 months to 30 June 2024.
2. Operating cash flow less capex.
3. Net Profit After Tax / Earnings Per Share before amortisation of acquired intangibles.
4. These are non-IFRS measures and are not audited.
5. Total FY24 Dividend (interim and final)

Message from our Chair

Dear Shareholders

Our performance

FY24 reflects a record year for Jumbo and demonstrates our strong track record of successfully growing earnings and dividends for shareholders. The positive cash generation profile of the Group and strength of the balance sheet enabled the Board to declare a final ordinary dividend of 27.5 cents per share, fully franked. This brings the total dividend for FY24 to 54.5 cents per share, fully franked, and reflects a dividend payout ratio of 79.2% of statutory Net Profit After Tax (NPAT).

In addition to the final dividend, and as part of Jumbo's proactive approach to capital management, the Board has agreed to continue the on-market share buy-back program that commenced in September 2022.

Our focus on strong governance

In a regulated industry like ours, strong governance, conduct and ethics are prerequisites for doing business, especially when working with charities across multiple jurisdictions.

Last year, amid heightened scrutiny of the Australian gaming industry, we were pleased to see lotteries exempt from the ban on using credit cards for online gambling and the ban on advertising of online gambling. This is recognition that lotteries pose a very low risk of societal harm relative to other gaming products, and create positive social impact.

In FY24, the Board has focused on ensuring compliance with the significant workplace reforms implemented in Australia. Looking ahead, we are also preparing for major privacy reforms expected from the Australian and Canadian Parliaments later this year, and the fifth edition of the ASX Corporate Governance Principles and Recommendations, starting in July 2025, which will increase the focus on evolving investor and community expectations.

Our Board

As the business continues to grow, we believed there was scope to appoint another non-executive director to bring extra capacity and experience into Jumbo's Board.

This followed an external review of the Board's effectiveness and skillset which found Jumbo would benefit from extra expertise to support our plans for growth.

In July this year, I was delighted to announce the appointment of Michael Malone to our Board, commencing in September 2024, and subject to shareholder approval at our Annual General Meeting. Michael's significant entrepreneurial experience in founding and scaling successful businesses, combined with his extensive Board experience in high growth technology companies makes him a valuable addition to our Board.

This brings our Board to five, which is now comparable to other similar-sized companies listed on the ASX.

Our Leadership

We have had some renewal of our leadership this year.

Jatin Khosla has been appointed to the role of Chief Financial Officer (CFO) and has hit the ground running, successfully refinancing our debt facility on more flexible terms and optimising interest earned on our significant cash balance. Formerly the Head of Investor Relations at Jumbo, Jatin's promotion demonstrates the strength of our team and our commitment to nurturing internal talent.

Lauren Osbich has been appointed to the role of Company Secretary, replacing Graeme Blackett, who retired in July 2024. I'd like to wish Graeme well in retirement and welcome Lauren to the team.

We have recently welcomed Tam Watson and Marina Avisar to the regional leadership teams in the UK and Canada respectively. They strengthen our regional presence and will drive our growth and innovation strategy. In light of these changes, we have streamlined our senior leadership group into an executive leadership team, enhancing our strategic focus and operational efficiency.

Jumbo has delivered a strong operating performance in FY24 against a challenging macroeconomic backdrop characterised by cost-of-living pressures, relatively high inflation and interest rates. Supported by a record run of large jackpots in Australia, lotteries continue to demonstrate consistent and resilient growth over the long term.

Our people

The labour market has experienced significant shifts over the past 12 months and technology companies have faced unique challenges and opportunities during this period. The tech industry has continued to experience demand for products and services, and this is driving demand for highly specialised skills in cybersecurity and artificial intelligence.

In an innovative and vibrant company like Jumbo we need top performers, and have had success attracting talent in this tight labour market thanks to our inclusive culture and interesting projects. We are immensely proud of our company culture and were delighted to be certified as a Great Place to Work in Australia and the UK in 2024. In 2025, we plan to enhance our employee value proposition for our people in Canada.

Jumbo University, our new learning platform, has proven to be a great success in driving a culture of continuous learning. I'm proud to advise Jumbo has been shortlisted as a finalist for the Best Learning & Development Program at the 2024 Australian HR Awards to be held in September.

Sustainability

Jumbo is committed to being a socially responsible and sustainable business, with effective governance, that positively impacts our people, customers and communities while delivering long-term value to our shareholders.

We appointed our first Sustainability Lead, Rebekah Dolan, to guide our sustainability program which gained momentum this year.

- We invested over $150,000 in sponsorships and donations to create positive social impact in our communities.
- We enhanced our supplier protocol to ensure we are screening suppliers for ESG risks, including modern slavery, and introduced compulsory modern slavery awareness training to all employees.
- We retained Climate Active carbon neutral certification for our FY2023 emissions and reduced our total absolute emissions by 18% between FY22 and FY23.
- Once again, the Board and executive leadership have worked with external experts to discharge our enormous responsibilities for cyber security and data protection.
- In FY25, we will start aligning our sustainability program with the mandatory climate-related reporting under the Australian Government's planned legislation.

In closing

On behalf of the Board, I would like to thank all our clients, partners, players and shareholders for their trust and ongoing support. I would also like to thank our Managing Director, CEO and Founder, Mike Veverka, his leadership team and all Jumbo employees across Australia, the UK and Canada, for continuing to make Jumbo a vibrant and innovative company.

Susan Forrester AM
Chair and Independent Non-Executive Director

Message from our Managing Director, CEO and Founder

Dear Shareholders

A record year

FY24 was a record year for Jumbo with over $1 billion in ticket sales and a 30% increase in underlying EBITDA to $76.6 million. For the first time in our history, we exceeded 1 million active players in Lottery Retailing and our customer database reached 3.5 million.

Our performance benefited from higher revenue in Lottery Retailing, which flowed from pricing changes implemented in May 2023 combined with a strong jackpot cycle, and a full 12-month contribution from StarVale in the UK. Our balance sheet is strong and we have a healthy cash position with approximately $61 million in available cash to support growth. We have also renegotiated a new $50 million debt facility, providing us with more capital flexibility and liquidity.

Digital lotteries

Lotteries are not new, but digital lotteries are. Digital lotteries provide fresh new ways for people to play old and new lotteries with enhanced fun, trust and simplicity. Operators are able to raise sustainably recurring funds for worthwhile causes with less overheads and more growth.

Digital lotteries usher in a new demographic that prefer digital over older ways to play. The global lottery industry is undergoing significant change as operators everywhere strive to keep up with player demands.

Lottery Retailing

The jackpot environment for FY24 has been very strong, with 55 jackpots greater than or equal to $15 million and an aggregate division 1 prize value of $2.4 billion. There were 14 large jackpots greater than $50 million, including two $150 million Powerball jackpots, one $90 million Oz Lotto jackpot and a record $200 million Powerball jackpot. This favourable run of jackpots, combined with the pricing and product portfolio changes, led to a very strong Lottery Retailing performance.

We launched our loyalty program, Daily Winners, in September 2023 to drive better engagement across our player base, increase retention, and reinforce our position as the destination for winning moments. In FY24, we paid out over $1 million in prizes, created over 330 additional Oz Lotteries exclusive winners and achieved a significant improvement in customer satisfaction among Daily Winners members. We are excited to have launched Daily Winners Premium in August, bringing a paid tier to the program.

Online lottery ticket sales have increased steadily over the last decade, with an acceleration observed over the COVID pandemic period. After broadly flat growth in FY23, digital penetration growth resumed in FY24 increasing 2.5% to 40.9%. However, we note that the level of digital penetration remains well below other countries, particularly in Europe where levels are as high as 70%.

Software-as-a-Service

We licence our digital lottery platform as a solution to government and charity lottery operators in Australia. This business segment continues to grow, with ticket sales nearly doubling over the last four years. Following an extension of our agreement with Mater Foundation in January 2023, we were delighted to extend our agreement with Lotterywest in September 2023. Both these programs have experienced significant growth since transitioning to our platform and have raised much needed funds for the benefit of our community. In May 2024, we announced a new SaaS agreement with RSPCA Queensland and are excited to be working with such an iconic brand in Australia, helping to digitally transform and grow their lottery program.

Managed Services

Our Managed Services segment provides software and additional lottery management and fulfilment services to charities in the UK and Canada. This segment now represents 16% and 9% of overall Group revenue and earnings, respectively.

Stride is the lottery provider behind some of the most successful and impactful lottery programs in Canada. Stride managed, supported and awarded over $40 million in prizes on behalf of its customers across over 150 draws this year. In FY24, Stride delivered a resilient performance against a challenging operating environment. We appointed Marina Avisar to the role of President in December 2023 and asked her to focus on setting the foundations for long-term growth, particularly into new provinces. Marina brings over 20 years of experience in technology, sales and product roles across software companies and a proven track record in transformation and mergers and acquisitions. Several initiatives implemented by Marina have already

The 2024 financial year is Jumbo's most successful to date with significant growth across all key metrics, highlighting our ability to engage with our customers during periods of large jackpots. Ticket sales exceeded $1 billion for the first time in Jumbo's history marking an important milestone in our growth.

demonstrated positive results in the second half of FY24.

In the UK, we have combined Gatherwell and StarVale under the leadership of Tam Watson, Head of Operations - UK, who joined Jumbo in April 2024. Tam brings over 20 years of experience in technology, digital and SaaS platform providers and broad leadership expertise in start-up and scale-up businesses as well as listed multinationals. In February 2024, we launched Jumbo Win, a proof of concept collaboration between Gatherwell and StarVale and our first retail prize draw in the UK, using the Powered by Jumbo lottery platform. Gatherwell achieved strong revenue growth in FY24 on the back of new cause launches, including England Boxing. StarVale performed in line with our expectations, albeit with some wage cost pressures due to relatively high inflation in the UK.

Overall, our international businesses have delivered a resilient performance, given the investment underway and the transition to new leadership. The long-term growth opportunity in these markets remains compelling, and Jumbo is open to further acquisitions if they complement our businesses and align with our financial criteria.

Sustainability

While lotteries are technically classified as a gaming product, they carry far less risk of harm than other forms of gaming such as sports betting, slot machines and online casinos. The risk is even lower for charity lotteries where players are motivated by supporting good causes and the frequency of draws and payouts are lower than for commercial lotteries. In FY24, we raised over $260m for good causes across Australia, the UK and Canada. This year we released our third Sustainability Report – pleasingly our Australian and UK operations continue to be certified as a Great Place to Work, highlighting our unique culture and commitment to our people. Our Australian operations also achieved Climate Active Certification for the second consecutive year.

Since 2018 Jumbo has been a proud sponsor of Women in Lottery Leadership (WILL), an initiative aimed at encouraging the development of women in lottery leadership roles.

This year we proudly launched our women's leadership development program, ElevateHER, and five high-performing women formed the inaugural cohort. This initiative is designed to enhance participants' leadership capabilities and expand their influence through executive coaching, targeted workshops, and the support of a dedicated women's community.

Artificial Intelligence (AI)

As a software company, Jumbo has always been an early adopter of new technology and earned a reputation as an innovator in the lottery industry. We have been conducting experiments with AI for several years and recent developments in Generative AI have opened new and real opportunities for Jumbo. We believe AI technologies should enhance our operations and improve player experiences while upholding the highest standards of data privacy and ethical considerations.

We are currently exploring several AI-driven initiatives, including the use of AI chatbots for customer support, particularly during the peak times of very large jackpots. Other options include copywriting and content creation for more personalised marketing campaigns; enhancing software developer code efficiencies; fraud detection and responsible gambling. To fast track our progress on this front, Jumbo has set up a dedicated team focused on AI, reporting to our Chief Technology Officer and myself.

Thank you

I would like to take this opportunity to thank all our partners for continuing to trust Jumbo to make lotteries easier, and our staff for their dedication, hard work and commitment to our business. Finally, I wish to also thank the Board for their guidance and support. Together, these factors have helped deliver our most successful year to date.

Mike Veverka

Managing Director, CEO and Founder

Our leadership

Board

Susan Forrester AM
Chair of the Board,
Independent Non-Executive Director
BA, LLB (Hons), EMBA, FAICD

Mike Veverka
Managing Directer, CEO and Founder
BEng (Hons)

Sharon Christensen
Independent Non-Executive Director
LLB (Hons), LLM, GAICD

Giovanni Rizzo
Independent Non-Executive Director
BCom (Hons), CA

Executive leadership team

Mike Veverka
Managing Director,
CEO and Founder

Xavier Bergade
Chief Technology Officer,
joined January 2000

Brad Board
Chief Commercial Officer
joined May 2001

Abby Perry
Chief People Officer
joined September 2016

Jatin Khosla
Chief Financial Officer
joined May 2021

Tam Watson
Head of Operations - UK
joined April 2024

Marina Avisar
President - Stride
joined December 2023

Our history

1995
- Mike Veverka founded Squirrel Software Technologies[1] with a single PC

1999
- Jumbo listed on ASX as an e-commerce business

2001
- Jumbo started selling charity art union lottery tickets online

2005
- Jumbo acquired Ozlotteries.com

2008
- Jumbo signed a 5 year agreement with NSW Lotteries

2011
- Jumbo signed a 5 year agreement with SA Lotteries

2013 – 2017
- Rebuilt proprietary digital lottery platform

2017
- Jumbo secures a further 5 year contract with Tatts Group

2018
- Powerball major game change implemented

2019
- Acquired first UK ELM – Gatherwell Ltd
- 1st AU SaaS client (Mater) went live
- Commenced selling Set For Life

2020
- Extended reseller agreements with Tabcorp for 10 years
- Jumbo secured UK Gambling Commission software license
- 1st AU government SaaS client (Lotterywest) went live (December 2020)

2021
- Announced first Canadian ELM acquisition – Stride
- Implemented new operating model (launch of SaaS and Managed Services segments)

2022
- Announced second UK ELM acquisition - StarVale
- Oz Lotto game change implemented
- Step up of investment in the business to prepare for future growth and acquisitions

2023
- Mater and Lotterywest extended SaaS agreements
- Powerball price rise (first in five years) and increase to retailer commissions implemented

2024
- Final step up in service fee payable to The Lottery Corporation Limited (TLC)[2]
- Record $200m Powerball jackpot | Lottery Retailing active players exceeded 1 million
- Transaction value exceeded $1bn for the first time in Jumbo's history

1. Squirrel Software Technologies became Jumbomall.com in 1997, and ultimately Jumbo Interactive Limited in 1999.
2. Pursuant to the Reseller Agreements with The Lottery Corporation Limited (TLC) dated 25 August 2020, a 'stepped-up' service fee is payable in the subscription cost of the tickets purchased at 1.5% FY2021, 2.5% FY2022, 3.5% FY2023, and 4.65% FY2024 and thereafter. If the subscriptions exceed $400,000,000 in any applicable financial year, then a service fee of 4.65% applies to the excess amount.
3. The Lotteries and Keno businesses of Tabcorp Holdings Limited (Tabcorp) were demerged from Tabcorp effective 23 May 2022 to form The Lottery Corporation Limited.

Our strategy

Jumbo is on a mission to create positive social impact through making lotteries easier. Our vision is to be the number one choice in digital lottery and services.

To deliver our strategy and move further towards our vision, we have identified three key strategic pillars:

- **Maximise** the potential of our existing businesses and proposition portfolio, particularly the Australian Lottery Retailing segment.
- **Replicate** best-practice operations and learnings from Lottery Retailing into our other operating segments and build for scale.
- **Diversify** the portfolio to unlock incremental Total Addressable Market (TAM) opportunities and create new revenue streams.

Mission	To create positive social impact through making lotteries easier			
Vision	To be the number one choice in digital lottery and services			
North star	Active players			
Strategic pillars	**Maximise** Potential of our existing businesses and proposition portfolio	**Replicate** Best practice operations and build for scale	**Diversify** Portfolio to unlock incremental TAM opportunities	
Enablers	Lottery management expertise	Lead on governance and player protection	World-class approach to technology and software	Our people
Targeted outcomes	**Shareholders** Top quartile TSR[1] Targeted dividend payout ratio of 65% to 85% of statutory NPAT	**Players** Best player experience and advocacy Maximised community benefit from funds raised	**People** Top quartile employee engagement A Great Place to Work	**Community** A socially responsible and sustainable business, with positive social impact

1. Total Shareholder Return vs S&P/ASX300 Accumulated.

Servicing the full lottery management value chain

Lottery Retailing

Jumbo is an authorised reseller[1] of Australian digital lottery tickets through Oz Lotteries.

$3.0B Serviceable Available Market[2]

Software-as-a-Service (SaaS)

We license our Jumbo Lottery Platform as a solution to government and charity lottery operators.

$3.1B Serviceable Available Market[2]

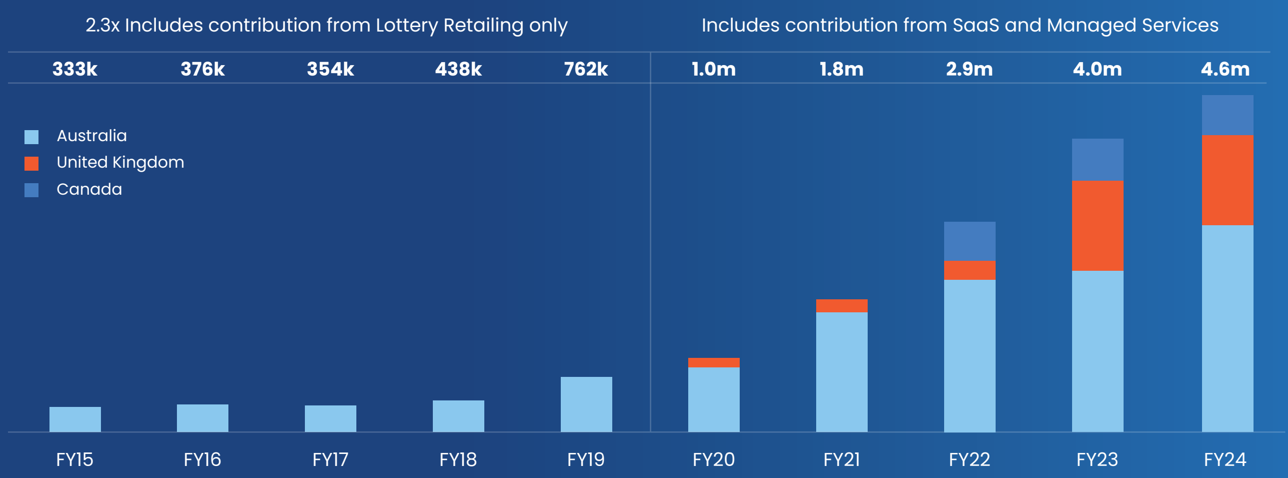
Managed Services

We provide our lottery platform and lottery management services to charities and worthwhile causes that are looking to establish a lottery program or enhance an existing program.

$5.2B Serviceable Available Market[2]

Growing active players provides the foundation for growth

Active players who made a purchase in the 12-month period

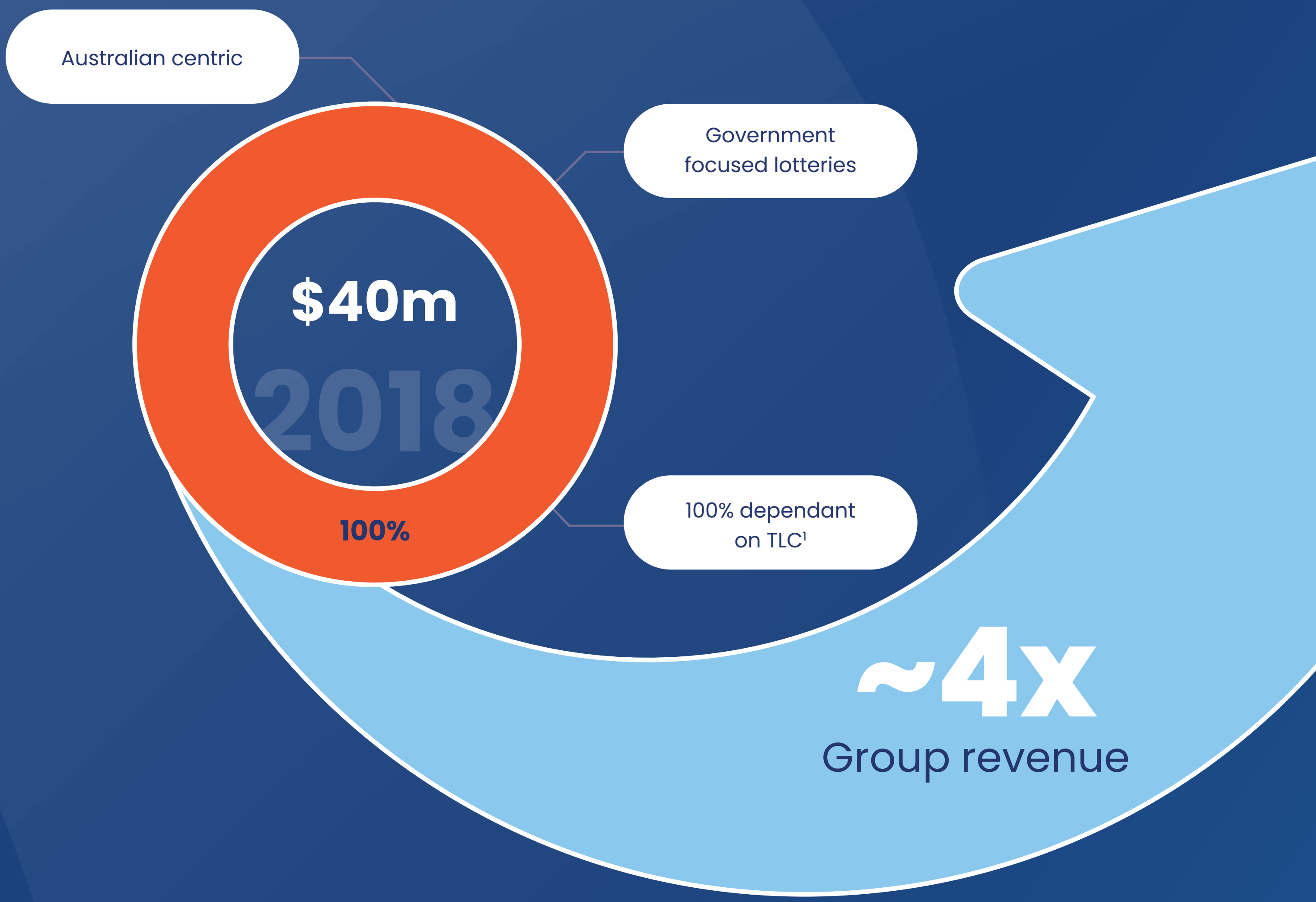


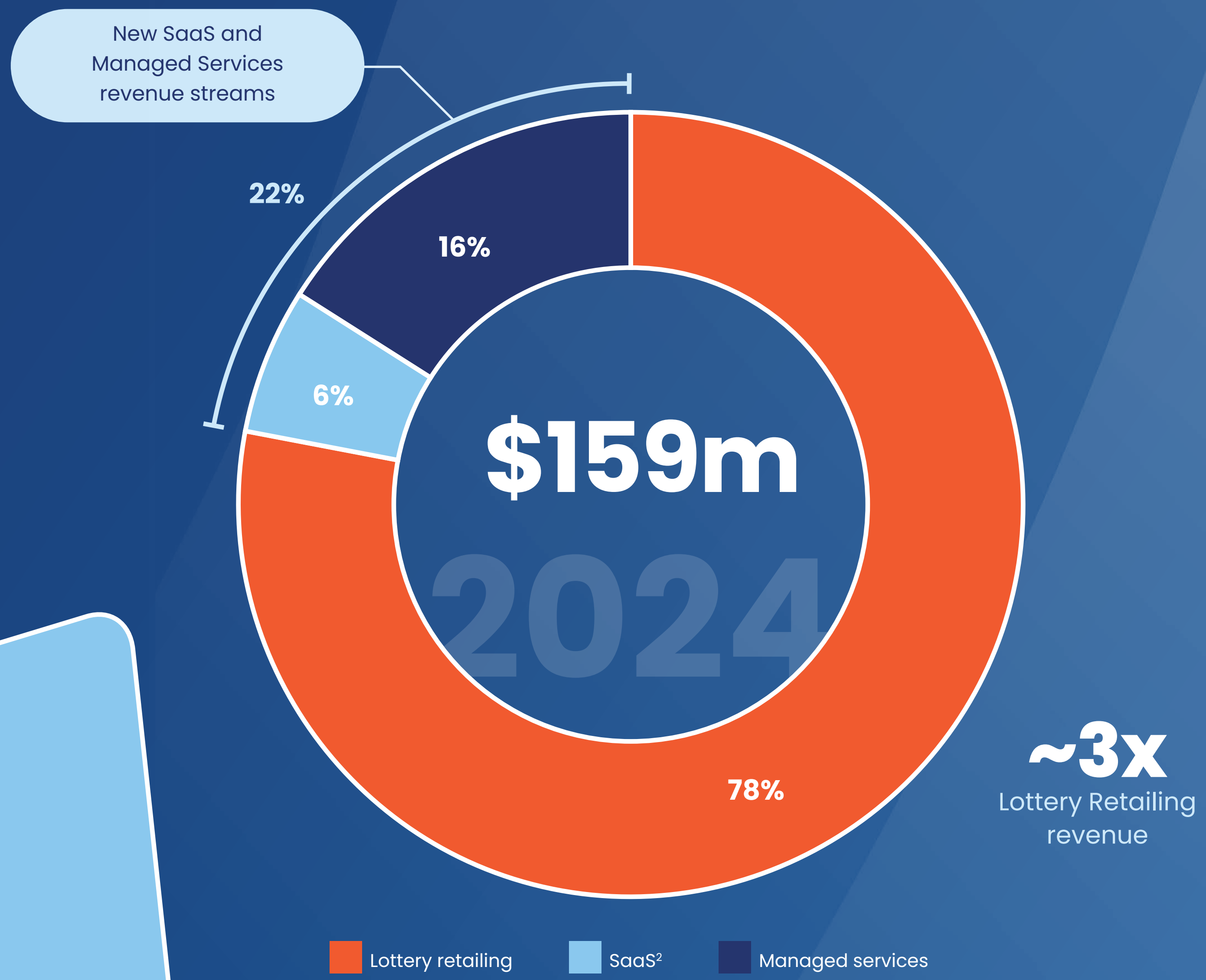
1. Jumbo is an authorised reseller of lottery tickets via Reseller Agreements with The Lottery Corporation Limited (TLC).
2. Reflects the portion of the market that can be acquired based on our existing business model, including existing product set and capabilities – please refer to Jumbo's FY23 Results Investor Presentation for further detail. Note, Lottery Retailing Serviceable Available Market has been updated to reflect FY24 Australian lottery digital penetration.

Growth and diversification over time

Business mix

Revenue %

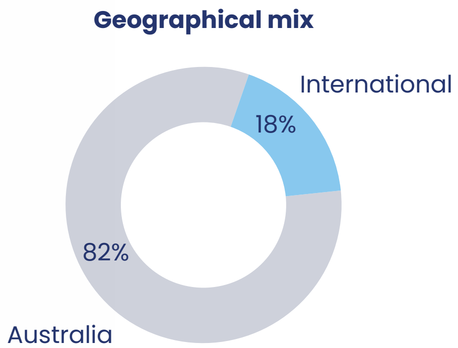


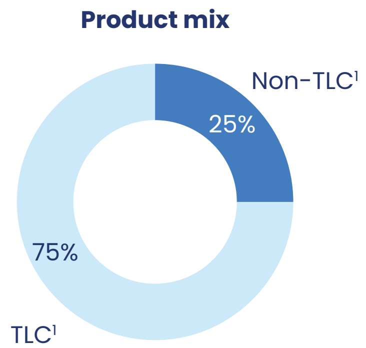


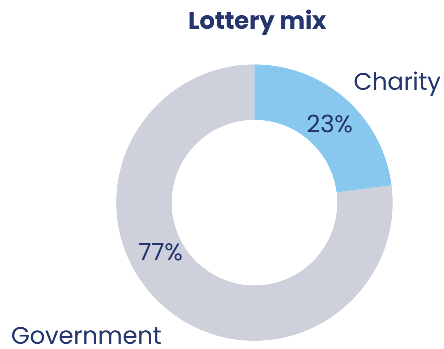
Broadened our footprint globally

Diversifying outside of TLC[1] agreement

Focus on government and charity lotteries







1. The Lottery Corporation Limited.
2. External revenue (excluding intersegment fee from Lottery Retailing).

Our businesses

15,000
good causes

$260 million
raised each year[1]

4.6 million
active players

250+
employees worldwide

1. Return to cause funds raised by our charity partners, excluding state-based lottery taxes from Lotterywest and The Lottery Corporation.

Lottery Retailing

Powerball peaks and loyalty leaps: Highlights of FY24

In Lottery Retailing, innovation is not just a goal but the cornerstone of our success. FY24 has been a banner year for Jumbo and our Oz Lotteries brand, marked by achievements and sector-leading advancements that have set new benchmarks in the industry. Our unwavering commitment to creating new ways to play and more ways to win has resonated with players across the board, supporting an unprecedented year of growth and engagement.

One of the standout highlights of FY24 was the Powerball jackpot, which soared to an all-time high of $200 million. This historic jackpot captured the imagination of many Australians, driving participation to new heights. The Powerball $200 million was one of 55 large jackpots in FY24, contributing to a total division 1 prize pool of $2.4 billion. These eye-watering sums played a substantial part in record Total Transaction Value (TTV) and revenue figures, with TTV reaching an all-time high of $544 million and revenue hitting a record $123 million.

In addition to these financial milestones, we also witnessed a surge in player participation. For the first time in our history, active players surpassed the 1 million mark, reflecting our success in attracting and retaining a diverse and engaged player base.

This growth was further bolstered by the launch of our new exclusive in-house developed lottery product, Splash For Good, which supports our selected charity partners. This initiative not only provided players with an exciting new way to play but also reinforced our commitment to making a positive impact on society. Notably, Splash For Good contributed to our record-breaking TTV from charity lottery sales, which reached an impressive $12 million in FY24. This achievement underscores our charitable partnerships' effectiveness and dedication to supporting meaningful causes.

Our dedication to enhancing the player experience and fostering loyalty was exemplified by launching our sector-leading loyalty program, Daily Winners. Since its launch in September 2023, Daily Winners has grown rapidly, amassing a significant member base. This program has been instrumental in rewarding our loyal players, offering them benefits including savings and discounts at popular retailers. The program is supported by promotions providing exclusive opportunities to win through our giveaways ranging in value from $25,000 to $100,000 each month. The success of Daily Winners is a testament to our innovative approach to player engagement and retention.

As we reflect on FY24's accomplishments, it's clear that our focus on innovation and player-centric strategies has delivered significant value for our players. The record numbers of new players and the growth of our active player base highlight the appeal and effectiveness of our offerings. Looking ahead, we remain committed to continuously exploring new ways to delight our players and create memorable winning experiences.

55 large
jackpots ≥15m in FY24

$2.4b
total division 1 prize pool

$544m
all-time high TTV

$123m
record revenue

1 million+
active players

“For the first time in our history, we exceeded 1 million active players in our Lottery Retailing division, highlighting our ability to engage with our existing players and acquiring new players during periods of large jackpots.”

Mike Veverka

Managing Director, CEO and Founder

Looking to the future, we see substantial opportunities to build on our core reselling business and our strong partnership with TLC. This partnership enables us to deliver additional value to our player base by providing them with more ways to win and engage in lottery play, both in traditional lottery games and in charitable games, in a responsible manner.

Our disciplined approach to data complements our commitment to innovation. By maintaining high data quality standards, organisation, and definition, we have laid the foundation to realise value from machine learning developments.

Over the past years, this approach has placed us in a solid position to continue leveraging the benefits of AI, driving efficiency and enhancing the player experience.

FY24 has set a new standard for success in the lottery retailing industry. Our financial performance, player engagement, and social impact demonstrate our leadership and innovation in this dynamic sector. We are excited about the future and look forward to building on this solid foundation, continuously exploring new ways to delight our players and create memorable winning experiences.

Key stats from $200m Powerball

Tickets sold
804,965

New signups
82k

Tickets sales
+14%
vs $160m in Oct 2023 (previous record)

Tickets sold per minute (peak)
1,509 per minute

Signups within 24 hours
57k

Support interactions on draw day
>1,850

Tickets sold per second (peak)
>45 per second

Satisfaction
84%

Checkouts per second (peak)
>40 per second

Daily Winners: A player favourite for savings and rewards

Daily Winners is Oz Lotteries' loyalty program designed to surprise, delight, engage, and reward our players. This program provides members access to a benefits platform offering discounts at select retailers in various categories, such as fuel, groceries, technology, and white goods. These savings and benefits enhance the overall value proposition for our players, making everyday purchases more affordable and rewarding.

To advertise and promote these valuable savings, Oz Lotteries conducts daily giveaways of $500 with $2,500 on Fridays, and major and special giveaways ranging in value from $25,000 to $100,000 each month.

The existing Daily Winners cohort is amongst the most active and engaged of Oz Lotteries' player base. The positive player sentiment towards Daily Winners highlights its success.

Players consistently praise the program for its comprehensive discounts and engaging experiences, making it a beloved part of their Oz Lotteries journey. This enthusiastic feedback shows the program's value in fostering loyalty and engagement and supports our plans to make it an integral part of our strategy.

Daily Winners

"Drove down to the beach to celebrate. I'm rapt. Thanks for making the experience great, thank you."

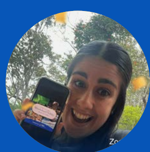
Anthony V
$25,000 - December giveaway

"Are you kidding me? Is this ridgy didge or what? I don't think this is real. I never win anything!"

Helen C
$75,000 - October giveaway

"This is a joke, isn't it? You're pulling my leg... I can clear my debts. I can do, yeah, renovations to my house, it does a lot."

Mark M
$75,000 - September giveaway



"Oh my goodness! I don't know what to say, THANK YOU!!! I'm still shaking after the phone call. Wow wow wow."

Zoe B
$25,000 - Christmas giveaway

Making waves: The impact of Splash for Good

This year, we proudly introduced a new lottery exclusive to Oz Lotteries called Splash For Good, a charitable game supporting our selected partners. This initiative gives our players more ways to win and harnesses the power of Oz Lotteries' extensive distribution network to bring positive change to our community. By offering this unique game, we aim to create memorable winning experiences while supporting a cause that resonates deeply with our players and stakeholders.

The impact of our partnership with our selected charity has been profound. Splash For Good's success highlights the powerful synergy between entertainment and charity, showing that each ticket sold makes a meaningful impact.

Our commitment to supporting charitable initiatives is further evidenced by our promotions for charitable lottery ticket sales tailored for the Oz Lotteries player.

These targeted campaigns have generated material results for our charity partners, driving significant contributions and fostering a sense of community and purpose among our players. The positive reception and participation in these promotions highlight the potential of charitable lotteries to make a meaningful impact, both in terms of fundraising and raising awareness for important causes.

"Splash for Good has rescued 344 children from sexual exploitation and trafficking. Every child is valuable, loved and deserves to have a life of freedom. To know that 344 children have been set free is incredible and words are not enough to say thank you."

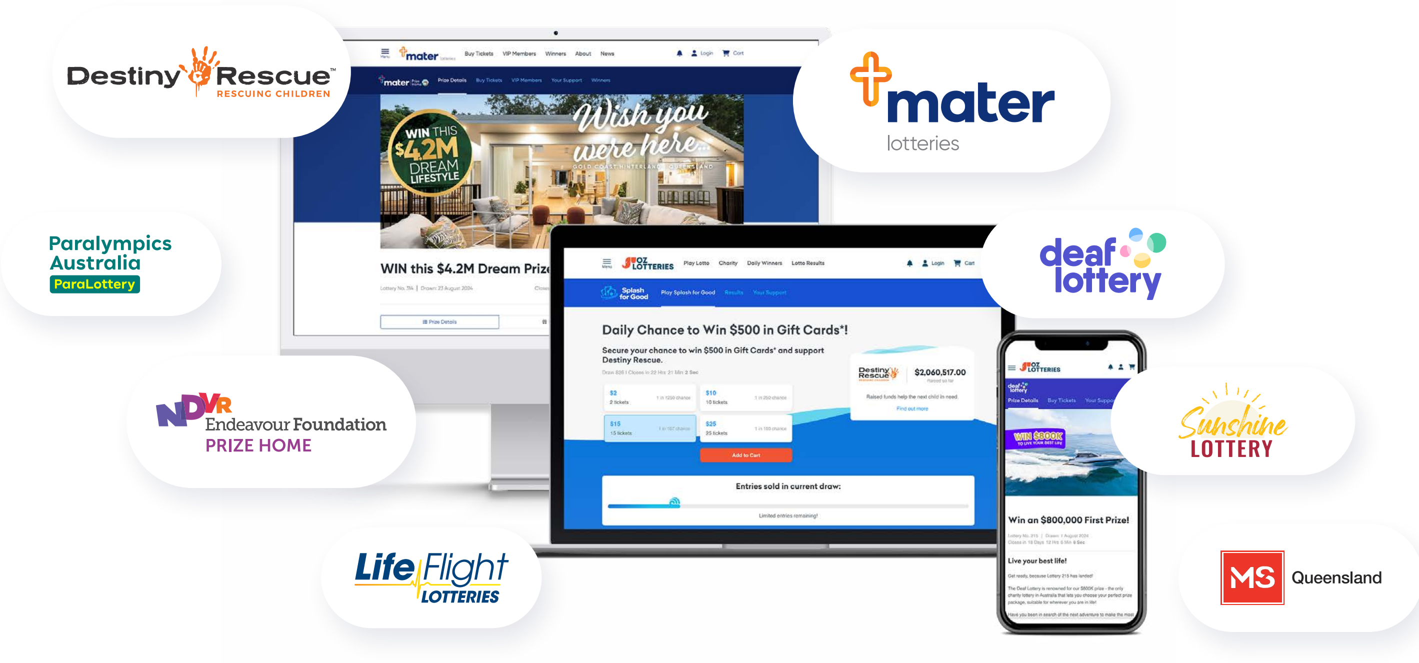
Geoff Harrison, Chief Marketing Officer

Destiny Rescue

Through Splash For Good and our ongoing efforts, we leverage our platform to support charitable endeavours and create a lasting, positive impact on society.

165,000+
unique players

344
children saved



Harnessing artificial intelligence

Jumbo remains at the forefront of technological adoption in the lottery sector and has been conducting experiments with AI for several years.

Our commitment to AI

At Jumbo, our approach to Artificial Intelligence (AI) is deeply rooted in three core principles: security, sustainability, and practicality. We believe AI technologies should enhance our operations and improve customer experiences while upholding the highest standards of data privacy and ethical considerations.

Our strategic approach to AI is designed to continue unlocking its potential responsibly and ensuring that our innovations align with our commitment to player safety, data security, and sustainable growth. Over the past few years, we have integrated AI across various facets of our business, leveraging its capabilities to enhance customer support, marketing, development, and other business operations.

Current AI initiatives

Customer Support

We leverage AI to enhance B2B and B2C customer support. AI streamlines our processes, ensuring efficiency and consistency. Automated guides provide accurate documentation, aiding in training and onboarding new SaaS customers, helping them start their lotteries sooner.

With AI, our support teams swiftly address enquiries through automated responses, managing demand efficiently during busy times such as large jackpots.

Marketing

We've used Machine Learning to analyse player behaviour, build predictive models, and refine marketing strategies. Understanding player patterns allows us to personalise campaigns, boosting engagement and retention. Generative AI helps handle copywriting and image creation, quickly generating targeted content and expanding our marketing reach.

Development

Our development teams leverage AI tools like GitHub Copilot to enhance coding efficiency and quality. These AI-powered assistants provide real-time suggestions, automate documentation, and assist with debugging, enabling our developers to focus on higher-value tasks and produce more maintainable code.

Legal

In our legal operations, we are exploring the use of AI for contract management and compliance.
We are considering utilising AI systems to streamline contract review processes, identify key clauses, and extract essential information such as contract parties and key dates. This approach has the potential to enhance efficiency, reduce risks, and allow our legal team to focus on strategic and impactful initiatives.

AI-focused team

We've established a dedicated team at Jumbo focused on AI. Their task is to understand the technology, assess its risks and benefits, and inform the company about generative AI's capabilities.
This proactive approach keeps Jumbo ahead as a technology innovator, maximising AI's potential while managing risks.

In-house AI service

Leveraging open-source generative AI models, we've developed our own in-house AI service to enhance our products and services, boosting functionality and efficiency. This gives us a strong grasp of generative AI's potential and limitations.

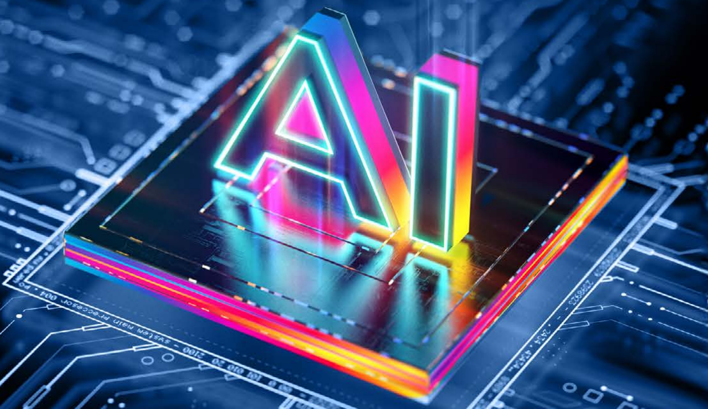
A key advantage of in-house development is data control. We securely manage data within our control framework, ensuring customer privacy and maintaining trust, which can't be guaranteed with some cloud-based AI services.

Scan to access our Jumbo AI Annual Report chatbot

Governance

At Jumbo, we adhere to best practices and standards for AI use across our business and products. Our commitment aligns with leading technology businesses, focusing on ethical, private, and sustainable AI usage. By benchmarking our AI initiatives against industry standards, we ensure competitive and responsible strategies.

Our governance measures ensure AI technologies align with our privacy, security, integrity, and governance framework, prioritising players' wellbeing. Guided by these principles, we drive continuous innovation and responsible AI use, including comprehensive staff training and support in the usage of AI throughout the organisation.



Disclaimer
This chatbot has been developed to assist you with queries related to the contents of theJumbo Interactive 2024 Annual Report.
Please note that this is a generative AI-powered chatbot and this service is intended for demonstration purposes only to showcase our internally developed AI capabilities. While Jumbo Interactive has done its best to train the AI on the contents of the 2024 Annual Report, it is still prone to making mistakes or providing inaccurate or nonsensical answers. No representation or warranty, express or implied, is made as to the accuracy, completeness or thoroughness of the information contained in the answers provided by the chatbot and no information provided by this chatbot should be considered financial product or investment advice, recommendation or any other form of disclosure or offer or solicitation to buy or sell Jumbo securities under Australian law or in any other jurisdiction.
You should always verify any details provided by the chatbot against the information contained within the Annual Report.
By using this chatbot, you consent to the collection and use of your data in accordance with our Privacy Policy and we take all reasonable steps to ensure that your information is kept secure and confidential. Jumbo Interactive is committed to protecting your privacy and complies with the Privacy Act 1988 (Cth) and the Australian Privacy Principles (APPs). For more information on how we handle your personal information, please refer to our Privacy Policy.
Your understanding and caution are appreciated.

Software-as-a-Service

Empowering good causes, maximising impact

The SaaS segment at Jumbo is dedicated to empowering not-for-profits, charitable and government organisations to maximise their fundraising potential. We support our partners in achieving their mission by providing a comprehensive lottery fundraising platform. Our solutions enable our partners to focus on what matters most: raising funds for their cause, while we handle the intricacies of lottery management technology, regulatory compliance guidance and ongoing maintenance.

Our areas of strategic focus are operational excellence, achieving mutual growth, and ensuring compliance.

Powering growth with comprehensive solutions

Our proprietary Powered by Jumbo platform provides a complete digital lottery solution that operates across the entire lottery value chain. This translates to maximised potential for our partners, driving sustainable growth in ticket sales and propelling fundraising for worthy causes.

Technology

- Tailored lottery website
- Multi-channel ticket sales
- Automated ticket fulfilment
- Seamless payment processing
- Marketing integrations
- Customisable reporting tools

Services

- Setup, onboarding and education
- Client success management
- End-of-draw management
- In-house player support
- Regulatory compliance guidance

> **“Jumbo provides the foundation for strong and sustainable growth that will raise much-needed funds for groundbreaking medical research, investment in clinical equipment, and developing our healthcare workforce.”**
>
> **Andrew Thomas, CEO**
> Mater Foundation

Focusing on operational excellence

By creating a dedicated segment and directing resources specifically to address the needs of our partners and their supporters, we ensure they receive best-in-class service, support and technology now and into the future.

This approach underscores our commitment to achieving growth in this market, and has yielded strong results to date, with sustained growth across our charitable partners in Australia. Notably, we welcomed RSPCA Queensland and MS Queensland in FY24. Overall, FY24 saw a remarkable $232 million in TTV with our Australian partners collectively achieved an outstanding result with 1.7 million active players, highlighting the benefit of our collaborative efforts and strength of our platform in driving user engagement.

Looking ahead to FY25, we have developed five key themes designed to drive further growth and innovation:

Maximising subscription value: We will develop features that enhance the long-term value of subscriptions, driving sustained mutual revenue growth through consistent, recurring purchase programs.

Overcoming purchase obstacles: By streamlining user experiences and addressing friction points, we aim to simplify the purchasing process across channels and provide partners with the tools needed to effectively overcome various sales blockers, resulting in an increase in overall sales volume.

Revenue growth via new partnerships: Expanding our market reach and diversifying revenue streams will involve onboarding strategic partners in high-growth segments, refining sales tactics, and optimising commercial models to secure sustainable, value-generating partnerships.

Enhancing marketing and sales adaptability: We are committed to making the platform more flexible by supporting a wider range of customer data platforms and marketing technologies, along with introducing a real-time public sales API. This will better align with partner needs, support their unique marketing strategies, and enhance their sales capabilities, ultimately leading to greater success.

Strategic value-adds: We will prioritise developing features that unlock new sales growth opportunities and maximise the value derived from the existing platform. This directly translates to increased partner TTV and revenue, solidifying the overall value proposition of our platform.

We are committed to being a valued contributor in our partner's mission to achieve fundraising goals, maximise impact, and ultimately, do more good in the world.

Mutual growth through success planning

In FY24, we introduced the Annual Success Plan (ASP) - a strategic initiative designed to strengthen our relationships with our platform partners and maximise their fundraising effectiveness. This program aligns with our long-term commitment to creating shared value within the charitable lottery space.

The ASP fosters collaborative goal-setting with measurable objectives. We work closely with our partners to understand their mission, vision and objectives and ensure their fundraising goals are seamlessly integrated with our growth strategy. This strategic alignment translates into a mutually beneficial roadmap for maximising lottery effectiveness and driving sustainable revenue growth.

Key features of the ASP:

- **Shared goal definition:** Collaborative workshops establish clear, measurable objectives that directly support our partners' missions while aligning with Jumbo's overall growth strategy.
- **Customised action plan:** We co-create tailored plans with key milestones and success metrics, fostering continuous monitoring and progress tracking.
- **Dedicated support:** Throughout the year, our experienced client success team provides ongoing guidance and support, ensuring our partners have the resources they need to achieve their fundraising goals.

By going beyond technology solutions, the ASP exemplifies our commitment to building enduring partnerships. This initiative empowers our non-profit partners to focus on their core areas of expertise while leveraging our platform and expertise to maximise their impact. Ultimately, the ASP contributes to the creation of a thriving charitable lottery ecosystem, generating sustainable value for both Jumbo and our partners.

Protecting players with stringent standards

At Jumbo, our partners trust us to deliver solutions that are compliant with applicable regulations and ensure player safety. Our platform is built with the most robust security measures available, including multi-factor authentication and comprehensive 24/7 monitoring to safeguard player data. Our platform is also compliant with ISO27001 and PCI-DSS regulations, and has capabilites to support current Australian privacy standards and future evolutions. This unwavering commitment to security allows non-profits to run a lottery with confidence, knowing their lottery operations are in safe hands.

We believe lotteries are a force for good, and are committed to ensuring the player experience has its foundation in responsible play. Charity lotteries inherently carry far less risk of harm than other forms of gaming, and we have a strong focus on ensuring that the risk of player harm is minimised. We train our customer-facing employees on Responsible Play Principles and how to identify signs of problem gambling. We make gambling assistance resources readily available on our websites and during interactions with our employees.

We have invested in dedicated resources to identify and minimise the impact of fraud against our players. This includes staff trained to identify and curtail player-focused fraud, whether that be in the form of compromised cards payments or customer account takeovers because of identity theft.

Managed services

Emerging managed services segment

The emerging Managed Services segment is also dedicated to empowering not-for-profits and charitable organisations to maximise their fundraising potential. We support our partners in achieving their mission by providing both our lottery platform and lottery management services, enabling them to establish a new lottery program or enhance an existing program. This segment reflects the contribution from our international businesses, namely Gatherwell (acquired in November 2019) and StarVale (acquired in November 2022) in the United Kingdom and Stride (acquired in June 2022) in Canada.

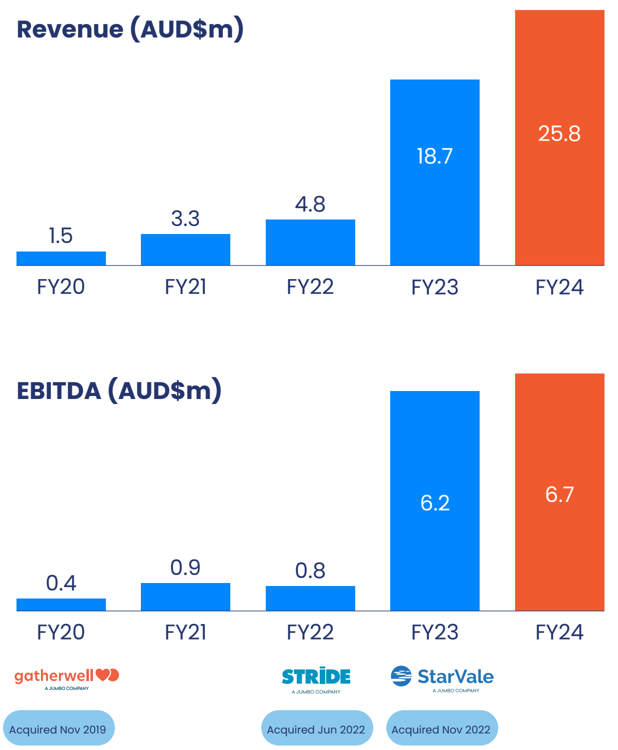
These businesses reflect well-established, founder led enterprises, with long standing relationships with their charity partners and a healthy number of active players.

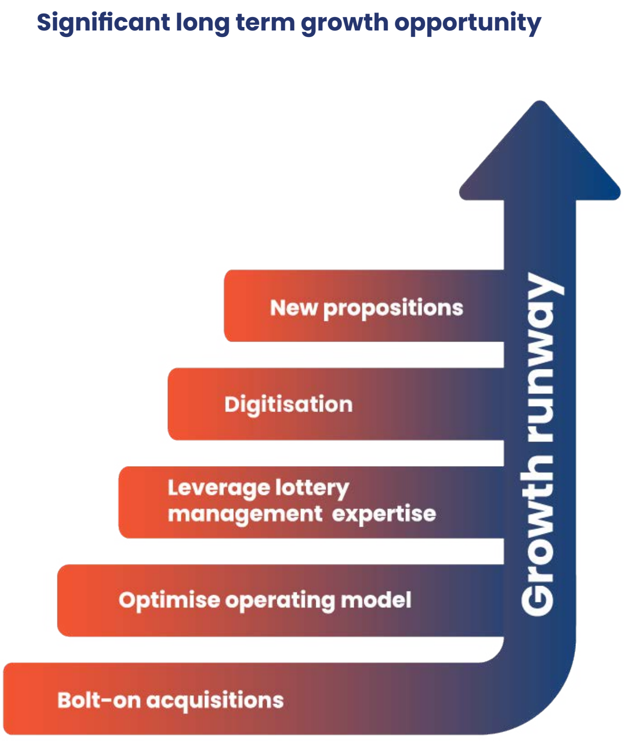
Our strategy in these markets is focused on increased digitisation of lotteries, optimising our cost base, introduction of new propositions and seeking further bolt-on acquisitions to build scale and access new clients and capabilities.

"We see a compelling opportunity to enhance performance with digitisation over the medium to long term - as we have demonstrated in Australia."

Mike Veverka

Managing Director, CEO and Founder





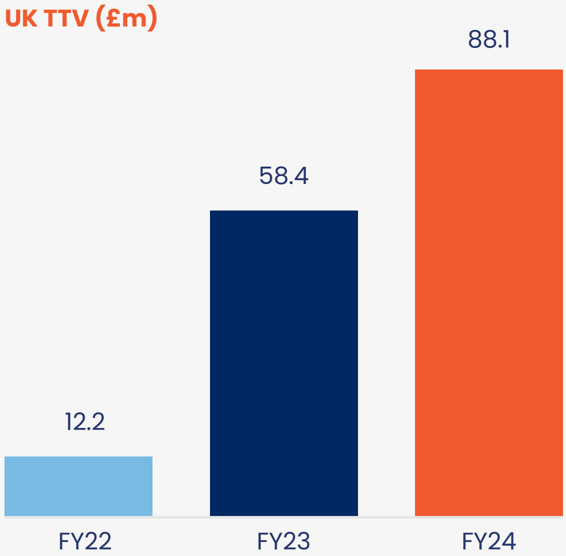
gatherwell
A JUMBO COMPANY

Focused on digital lotteries for small to medium size good causes, schools, and local government authorities.

60
net promoter score

90%
customer satisfaction score

UK TTV (£m)



Jumbo's UK performance remained stable despite demanding conditions, thanks to the continued reliability of British charitable giving habits and the pedigree of our UK brands, Gatherwell and StarVale.

FY24 was a challenging year for the UK economy, with the impact of the ongoing cost-of-living crisis compounded by a recession in the first six months of the year. Yet, with inflation continuing to fall, and the overall lotteries market remaining steady, there's been no evidence of a reduction in charitable giving.

While we have yet to see any attrition in our Managed Services business due to the expansion of retail prize giveaways, we watch that space with interest as a high-growth segment within the UK market.

Against this backdrop of moderate growth, Jumbo embarked on a modest strategic investment to optimise UK operations with the aims of:

- Embedding Jumbo culture
- Strengthening governance and best practice
- Driving future growth

Leveraging Jumbo's expertise, these initiatives include digitising systems and services, maximising our operating model and introducing new propositions.

"We couldn't have done it without Gatherwell. The work involved in setting up a lottery seemed daunting, but they helped us through it all!"

Tam McFarlane, National Officer
Fire Brigades Union

Products and services

YOUR SCHOOL LOTTERY

Weekly lottery

2,500+ PTAs and Schools out of ~30,000

onelottery

Umbrella lottery

390+ charities and good causes including 133 under The Giving Machine™ (TGM) partnership model

Lottery plus

Bespoke lottery

Servicing 100+ local authorities out of ~400, 32+ community lotteries (multiple causes), 15+ clients (single brand), 14 client lotteries in the process of launching.

Offering the full range of society lottery and prize draw services to enterprise-level charities, non-profit, and community organisations.

Our journey towards operational excellence began by strengthening in-region leadership and establishing a central services capability in Jumbo Interactive UK.

This local corporate support hub improves the governance of and interaction between regional subsidiaries while also preparing the ground for smooth integration management of any future bolt-on acquisitions.

New propositions

In the second half of the year, we launched our proof of concept, Jumbo Win, a retail prize draw giveaway. This successful launch, deployed using the Jumbo Lottery Platform, marks our first direct-to-consumer offering in the UK and a functional collaboration between the Gatherwell and StarVale teams.

FY25

Looking to the future, the UK's focus remains:

- Completion of organisational realignment and establishment of Jumbo Interactive UK
- Closer collaboration between StarVale and Gatherwell to support TTV growth and exploit operational synergies
- Continue to enhance existing relationships with clients and pursue new business opportunities including bolt-on acquisitions.

StarVale
A JUMBO COMPANY

"I'm immensely proud of what RSPCA and StarVale have achieved together. It's a true partnership. Our lottery program wouldn't be where it is today without their help, advice and support."

Norma Gerrard, Head of Individual Giving

RSPCA UK

Learn more at www.starvale.com/rspca/

JUMBO WIN

A proof of concept collaboration between the Gatherwell and StarVale teams, Jumbo Win is a retail prize giveaway powered by the Jumbo Lottery Platform.

GOLDEN TICKET

Cash prize giveaway

(Proof of concept)

Jumbo Win offers players the opportunity to win exciting prizes while helping to support organisations that can make a meaningful impact in our community.

Draw access

Enterprise lottery platform

Proprietary lottery management system, designed to be compliant with the UK Gambling Commission's Remote Gambling and Software Technical Standards (RGSTS) and Remote Testing and Audit Strategy (RTAS).

DDPay

Payment processing

DDPay is a BACS approved supplier providing cost effective and PCI-compliant automated payment services to lottery and raffle customers.

STRIDE

A JUMBO COMPANY

Stride has been a cornerstone in the lottery fundraising sector for over 30 years, helping non-profits within Canada to maximise their fundraising potential.

Our value proposition lies in the comprehensive understanding of lottery fundraising, innovative strategies, and data-driven approaches. Stride is the lottery provider behind some of the most successful and impactful lottery programs in Canada.

In FY24, Stride demonstrated resilience and adaptability amidst challenging circumstances. FY24 saw some churn across the client base, as customer contracts across the lottery value chain are re-evaluated. Proactively, leadership transitions were undertaken, followed by a refined strategy aimed at optimisation and driving growth.

We are confident that our strategic realignment and targeted investments will make FY25 a year of transformation. Several initiatives have already demonstrated positive results in the latter part of FY24. FY25 is expected to be a turnaround year, laying the groundwork for a successful FY26 and beyond.

Our focus also includes non-organic growth to accelerate our market share in Canada. Synergistic products and services, operational efficiencies and diversification across lottery segments and regions will position us for sustainable growth and continued excellence in the industry.

Strategic developments

With opportunities for optimisation, automation, existing customer growth and new logo and geographical expansion, Stride has prioritised the following:

Operational efficiencies: Streamlining processes, optimising operations to collectively improve our cost structure.

Technological advancements: Investing in our technology in the areas of increased automation, advanced analytics and innovative gaming frameworks.

Customer acquisition: Reorganising and investing in sales capabilities to acquire new customers and executing territory strategies to enter new geographies.

Non-organic growth: Diversifying market segments and accelerating entry into new geographies, optimising operations, while increasing our value proposition through synergistic products and services.

Customer success: Refining project processes to enable continuous lottery outcome enhancement cycles, leveraging analytics for higher lottery outcomes and deepening partnerships through enriched customer experience, to maximise outcomes and increase revenues.

FY24 highlights

65 lotteries
across Canada

155
lottery draws

875,000
tickets sold

Awarded over
C$40m in prizes
on behalf of our customers

>7,000
lucky winners

Operational performance

New initiatives implemented in second half of FY24 have already begun yielding positive results. By focusing on customer success and shifting to increased variable price structures where appropriate, Stride has been able to deliver a resilient performance. Additionally, our customers enjoyed stable lottery outcomes.

Stride demonstrated strong operational performance with over 875K unique ticket purchase transactions over multiple channels including digital access, call centre, mobile and on-site kiosks. An additional 395K purchase transactions were realised through our growing subscription based services program, gaining wide traction across multiple customers. We managed, supported and awarded over C$40M in prizes on behalf of our customers across over 155 draws this year.

Our refined operational shifts within the call centre and customer concierge centre in second half of FY24 are already reflecting some early success, with an increase in average spend through voice transactions. These accomplishments underscore Stride's extensive Lottery expertise, solid operational base, and the vital role it plays in driving the success of lottery fundraising organisations.

Stride's technical operations also reached key milestones, with the successful platform migration to a cloud environment in second half of FY24 across regulatory-appropriate provinces. This migration enables greater scalability, higher reliability, enhanced security and substantial cost reductions, positioning us for sustained growth and efficiency.

Furthermore, Stride secured regulatory licensing to operate in Ontario and Manitoba in FY24, dramatically expanding its Serviceable Available Market. Ontario's lottery revenue surpasses that of all other Stride operational provinces combined, presenting a significant growth opportunity for Stride.

"Calgary Stampede Lotteries has been a partner with Stride for more than 25 years. With Stride's support and continued partnership, Stampede Lotteries has been able to achieve record sales, helping us achieve our goal of giving back to the community through our charitable partners at the Kinsmen Club of Calgary, Rotary Club of Calgary at Stampede Park and the Calgary Marching Show Band Association."

Richard Agnew, Chair
Stampede Lotteries Committee

Directors' Report

The Directors of Jumbo Interactive Limited (**Company**), present their report on the consolidated entity (**Group**), consisting of the Company and the entities it controlled at the end of, and during, the financial year ended 30 June 2024.

1. Board of Directors

The following persons served as Directors of the Company at any time during and up to the end of the financial year ended 30 June 2024:

SUSAN FORRESTER AM: Chair of the Board, Independent Non-Executive Director
BA, LLB (Hons), EMBA, FAICD
Appointed Chair of the Board of Directors in September 2020, Susan is also a member of the People and Culture Committee and the Audit and Risk Management Committee. Bringing a wealth of experience having served as chair and non-executive director on multiple ASX listed companies, Susan has a particular focus on strategy and governance within industries that are undergoing rapid change, often as a result of technology. Her other directorships and commitments include director and chair of the People and Culture Committee of Plenti Group Limited (ASX:PLT) (since October 2020) and director of Data#3 Limited (ASX: DTL) (since February 2022). In addition, Susan serves on the Diligent Institute Advisory Board in New York as a corporate governance specialist, representing Asia Pacific and is a Queensland Councillor with the Australian Institute of Company Directors (AICD), and director and chair of South Bank Corporation.

MIKE VEVERKA: Managing Director, Chief Executive Officer and Founder
BEng (Hons)
Mike has been Chief Executive Officer and Managing Director of Jumbo Interactive Limited since the restructuring of the Company on 8 September 1999. Mike was instrumental in the development of the e-commerce software that is the foundation of the various Jumbo operations. Mike was the original founder of subsidiary Squirrel Software Technologies Pty Ltd in 1995 when development of the software began.

Mike also established a leading Internet Service Provider in Queensland which operated successfully for three years before being sold. Mike is regarded as a pioneer in the Australian internet industry with many successful internet endeavours to his name.

SHARON CHRISTENSEN: Independent Non-Executive Director
LLB (Hons), LLM, GAICD
Sharon was appointed to the Board of Directors in September 2019. She is also the Chair of the People and Culture Committee and a member of the Audit and Risk Management Committee. Sharon has over 30 years of commercial, legal and regulatory experience and is a research leader in regulatory responses to digital innovation and disruption. Sharon was previously a non-executive director of Property Exchange Australia Ltd from 2011-2019. Sharon is a professor and Head of the Law School at the Queensland University of Technology and consults exclusively for Gadens Lawyers. She is widely regarded as one of Australia's leading commercial and property law academics.

GIOVANNI RIZZO: Independent Non-Executive Director
BCom (Hons), CA
Giovanni was appointed to the Board of Directors in January 2019. He is also the Chair of the Audit and Risk Management Committee and a member of the People and Culture Committee. Giovanni is a specialist in the gaming industry with over 20 years' experience in various management roles of large listed lottery, casino and electronic gaming machine businesses in South Africa, Canada and Australia. Giovanni was Head of Investor Relations at Tatts Group Limited prior to the merger with Tabcorp Holdings Limited in 2017. He also served as the General Manager of Corporate Advisory at Tyro Payments Limited overseeing the Legal, Company Secretarial, Financial Advisory and Investor Relations divisions from October 2020 to January 2024.

2. Directors' meetings

The table below sets out the number of meetings of the Board of Directors (including Board committees) held during the year ended 30 June 2024 and the number of meetings attended by each Director.

Meetings Table	Board[1]		Audit and Risk Management Committee		People and Culture Committee	
Director	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Susan Forrester	12	12	7	7	5	5
Mike Veverka	12	12	7[2]	7[2]	5[2]	5[2]
Sharon Christensen	12	12	7	7	5	5
Giovanni Rizzo	12	12	7	7	5	5

[1] In addition to the Board meetings listed above, the Board made eight determinations by circulating resolution during the course of the year.

[2] While not a member of the Committee, Mr Veverka attended each meeting as an invitee.

3. Directors' interests as at the date of this report

The relevant interests of each current Director in the ordinary shares of the Company as at the date of this report is as follows:

Director	Number of ordinary shares
Susan Forrester[2]	33,732
Mike Veverka[1]	8,913,972
Sharon Christensen[2]	8,282
Giovanni Rizzo	9,500

[1] In addition Mike Veverka holds 54,835 rights over unissued ordinary shares and the Board has approved the grant of 9,155 STI rights to Mike Veverka, subject to shareholder approval at the 2024 AGM.

[2] Susan Forrester and Sharon Christensen each hold 1,366 rights which are typically bought on-market.

4. Share options and rights

Unissued ordinary shares of the Company under the Equity Rights Plan at the date of this report are as follows:

Date rights granted	Expiry date	Exercise price of rights	Number under the Equity Rights Plan
10 November 2022	14 September 2026	$nil	95,804
9 November 2023	14 September 2027	$nil	85,757

No shares were issued for Susan Forrester's 1,366 rights and Sharon Christensen's 1,366 rights, as these shares were purchased on-market. The holders of these rights do not have any rights under the rights to participate in any share issue of the Company or of any other entity.

During or since the financial year ended 30 June 2024, the following ordinary shares of the Company were issued on the exercise of rights granted:

Date rights granted	Issue price of shares	Number of shares issued
29 October 2020	-	92,965
9 November 2023	-	19,675

No shares were issued for Susan Forrester's 1,366 rights and Sharon Christensen's 1,366 rights, as these shares were purchased on-market.

During or since the financial year ended 30 June 2024, the following rights were granted by the Company to Directors and Executive Key Management Personnel (**KMP**).

Name	Number of rights granted during the year
Directors	
Mike Veverka	31,459
Other KMP	
Xavier Bergade	12,155
Brad Board	12,155
Abby Perry	8,016
Jatin Khosla [1]	7,523
David Todd [2]	2,509
	73,817

[1] included in KMP from 3 October 2023

[2] resigned on 2 October 2023

The Board has awarded 9,155 FY24 STI rights to Mike Veverka subject to shareholder approval at the 2024 AGM and 11,596 FY24 STI rights to KMP subject to Director approval at a Board meeting on the 2024 AGM date.

5. Company Secretary

Mr Graeme Blackett was appointed Company Secretary on 1 January 2021. Graeme holds a Bachelor of Arts, a Bachelor of Laws, a Graduate Diploma in Company Secretarial Practice, is admitted as a Solicitor in NSW and is a Fellow of the Governance Institute of Australia and of the Chartered Governance Institute. He has been a Senior Company Secretary with Company Matters Pty Limited for over five years and has been a Chartered Secretary for over 25 years, including holding company secretarial and governance roles with the (former) NRMA Group, Reckon Limited, the (former) Westfield Group, AMP Limited, ASIC and the National Australia Bank. Following the end of the financial year, on 12 July 2024, Graeme Blackett retired from his role as Company Secretary and Lauren Osbich was appointed. Lauren is admitted as a Solicitor of the Supreme Court of NSW, holds a Bachelor of Arts/Law with Honours in English and a Graduate Diploma of Legal Practice. She has been a Company Secretary with Company Matters Pty Limited for over three years and previously was employed by the ASX as a Listings Compliance Advisor.

6. Remuneration Report

The Remuneration Report is set out on pages 51 and 70 and forms part of the Directors' Report for the financial year ended 30 June 2024.

7. Principal Activities

During the financial year, the principal activities of the Group consisted of:

- Lottery Retailing (Business-to-Consumer) (**B2C**);
- Software-as-a-Service (Business-to-Business) (**B2B**)/(Business-to-Government) (**B2G**); and
- Managed Services (**B2B**).

The following summary describes the operations in each of the Group's reportable segments:

Lottery Retailing

Sales of Australian national lottery and charity lottery tickets through the internet and mobile devices to customers (**B2C**) in Australia and certain overseas jurisdictions.

Software-as-a-Service

Development, supply, and maintenance of proprietary software-as-a-service (**SaaS**) for authorised Businesses, Charities and Governments (**B2B/B2G**) mainly in the lottery market in Australia.

Managed Services

Provision of lottery management services for authorised Businesses and Charities (**B2B**) in the lottery market in the UK and Canada. Services include prize procurement, lottery game design, campaign marketing, and customer relationship and draw management.

8. Review of Operations

A review of the Group's operations for the financial year and the results of those operations is contained in the Operating and Financial Review as set out on pages 43 to 50 of this Directors' Report.

9. Dividends

A fully franked final dividend of 20.0 cents per fully paid ordinary share for the year ended 30 June 2023 was paid on 22 September 2023, and a fully franked interim dividend of 27.0 cents per fully paid ordinary share for the year ended 31 December 2023 was paid on 15 March 2024.

On 23 August 2024, the Directors have determined to pay a fully franked final dividend for the financial year ended 30 June 2024 of 27.5 cents per fully paid ordinary share (2023: 20.0 cents per fully paid ordinary share), to be paid on 20 September 2024.

Further details of dividends provided for or paid are set out in Note 19: Dividends to the Consolidated Financial Statements on page 113.

10. Capital Management

On 26 August 2022, as part of the Company's proactive approach to capital management, the Company announced an on-market share buy-back of up to $25 million. The buy-back commenced in September 2022 and has been conducted on an opportunistic basis with the timing and number of shares purchased dependent on the prevailing share price and alternative capital deployment opportunities. As at 30 June 2024, 251,973 shares had been purchased at an average price of $12.74. The Board has agreed to continue the on-market share buy-back program and will maintain a disciplined approach to execution. The timing and number of shares to be purchased remains dependent on the prevailing share price and alternative capital deployment opportunities. The Company reserves the right to vary, suspend or terminate the share buy-back program at any time.

11. State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group during the financial period except as otherwise noted in this report.

12. Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at https://www.jumbointeractive.com/corporate-governance-statement.

13. Events subsequent to the reporting period

Apart from the final dividend determination announced on 23 August 2024 and the Board's decision to continue the on-market share buy-back, the Directors note the following matters or circumstances that have arisen that have significantly affected, or may significantly affect, the operations of the Group in the financial years subsequent to 30 June 2024:

- Renegotiation of the Group's existing debt facilities with our existing lender. The new arrangement includes a new $50 million committed facility plus the ability to request an upsize to the facility of an additional $30 million. This additional facility is uncommitted and hence not subject to commitment fees, however availability is at the lender's discretion. The new debt structure will bring the Company's debt terms and conditions in line with listed peers of our size, providing incremental flexibility and also preserving liquidity within the business.

14. Likely developments, key business strategies and future prospects

Following continued success in the Australian lottery retailing sector, the Group is seeking to leverage its proprietary lottery software platform and lottery management expertise to maximise the potential of our existing businesses and replicate our learnings and capabilities outside of Australia. The current operating model has been designed to increase the pace of execution, with three distinct operating segments: Lottery Retailing, SaaS and Managed Services. Over the medium to long-term, the Group's expectation is for the SaaS and Managed Services segments to grow and make a material contribution to Group earnings.

Overview of Group

The Group is made up of dedicated digital lottery software and services companies, providing their proprietary lottery software platform and lottery management expertise to the charity and government lottery sectors in Australia and globally.

The Group is dedicated to developing and operating the world's best lottery experiences.

Our vision is to 'create positive social impact through making lotteries easier' which relies on:

- A world-class lottery approach to technology and software;
- Our lottery management expertise developed over 20 years;
- Adopting a leadership position around governance and player protection; and
- A highly engaged and talented workforce combined with a high-performing modern technology culture.

Lottery Retailing

The Group, through certain of its wholly owned subsidiaries, is an authorised reseller of lottery tickets under the flagship Oz Lotteries brand. This Lottery Retailing segment is well-established and includes the sale of Australian lotteries (national and charities) in certain jurisdictions in both Australia and internationally.

The Lottery Retailing segment is underpinned via Reseller Agreements with certain wholly owned subsidiaries of The Lottery Corporation Limited (**TLC**), which were extended for a further 10 years in August 2020 (**Reseller Agreements**). TLC was demerged from Tabcorp on 24 May 2022 as a separate listed company on the Australian Securities Exchange and is Australia's exclusive operator of licensed lotteries for all Australian states except for Western Australia. Sales of national lottery games are undertaken through the following arrangements with TLC under the Reseller Agreements:

- Victoria – 10 years to 25 August 2030 with renewal negotiations 9 months prior to expiry, for sales to customers in Victoria and Tasmania;
- New South Wales – 10 years to 25 August 2030 with renewal negotiations 9 months prior to expiry, for sales to customers in New South Wales and the Australian Capital Territory;
- South Australia – 10 years to 25 August 2030 with renewal negotiations 9 months prior to expiry, for sales to customers in South Australia; and
- Northern Territory – 10 years to 25 August 2030 with renewal negotiations 9 months prior to expiry, for sales to customers in the Northern Territory and eligible overseas jurisdictions.

Pursuant to the Reseller Agreements with TLC, the service fee increased from 1.5% of the subscription price in FY21 to 2.5% in FY22, 3.5% in FY23 and 4.65% in FY24 and thereafter. For FY21 to FY23, if the subscriptions exceeded $400,000,000 in the applicable financial year, then a service fee of 4.65% applied to the excess amount.

The domestic digital lottery market is currently estimated to be 40.9% of the total domestic lottery market (~$7.3bn, excluding Western Australia). This remains well below the levels seen in some European countries where online lottery ticket sales represent close to 70% of total ticket sales.

The Group commenced selling charity lottery tickets in July 2015 and there are currently a total of 9 charities using Oz Lotteries to sell lottery tickets including charities such as Mater, Endeavour Foundation, RSPCA and the Deaf Lottery Association. Charity ticket sales currently represent 2.3% of total Lottery Retailing annual ticket sales.

The Lotteries Retailing business is well-positioned to continue to capitalise on the trend of increasing digital adoption and the higher propensity for players to purchase lottery tickets on the internet or using a mobile device. Ticket sales continue to be significantly impacted by large jackpot activity which remains outside of the Group's influence, however a persistent focus on innovation to improve player engagement and enhance the player experience is expected to continue to drive revenue growth.

Software-as-a-Service

The Group has identified a significant opportunity to license its proprietary lottery software platform 'Powered by Jumbo' (**PBJ**) to government and charity operators in Australia and globally. In November 2020, the Company secured a United Kingdom Gambling Commission software license, which permits the Company to supply its software to Gambling Commission licensed operators.

Outside of Australia, the Group has prioritised the UK and Canadian charity lottery sectors and continues to monitor iLottery developments in the United States. Following changes in legislation at both a federal and state level in the United States, some states have started to adopt digital lotteries in the form of iLottery, albeit the take up has been relatively slow due to retail opposition and the need to pass legislation to permit iLottery programmes. As at 30 June 2024, 15 out of 48 US lottery jurisdictions either have iLottery operations or have passed legislation for iLottery.

The growth prospects for SaaS are compelling with a serviceable available market[1] estimated at $3.1 billion across the UK, Canada, Australia and United States.

[1] Reflects the current portion of the market that can be acquired based on our existing business model, product set and capabilities. Source: La Fleur's, North American Gaming Almanac 2020-21.

Managed Services

The Company acquired Gatherwell Limited (**Gatherwell**) in the UK in November 2019 which is a licensed External Lottery Manager (**ELM**), providing a turnkey digital lottery solution to lotteries across the UK. Gatherwell's main customers are schools through www.yourschoollottery.co.uk, local authorities and councils, and small society lotteries through www.onelottery.co.uk and other individual brands.

In June 2022, the Company acquired Stride Management Corp. (**Stride**) in Canada, a licensed ELM, providing a full range of services including lottery management, ticket fulfilment, and marketing services primarily in Alberta and Saskatchewan. Stride is also licensed in New Brunswick, British Columbia, Ontario, and Manitoba, although these remain relatively underdeveloped markets for Stride at this stage. In November 2022, the Company acquired the StarVale Group (**StarVale**), a leading UK ELM and digital payments company providing a full range of weekly lottery, raffle and prize draw services.

Regional leadership teams were established with the appointment of a new President for Stride and a new Head of Operations in the UK. The growth prospects for Managed Services are compelling with a serviceable available market estimated at $5.2 billion across the UK, Canada and Australia.

Group

The Group has invested in establishing strong foundations and capabilities to execute on our growth strategy, including ensuring our risk management and governance settings are robust. In June 2024, the Senior Leadership Group was streamlined into an Executive Leadership Team (**ELT**), comprising the KMP and the regional leaders in Canada and the UK respectively. These changes enhance our strategic focus on growth and innovation while achieving operational efficiencies. In FY25, the Group will continue to invest in the business with the majority of the planned investment aligned to driving further innovation and revenue growth.

15. Key risks

The Group is continually monitoring the risks our business faces and ensuring the relevant risk response sufficiently mitigates these risks in-line with the risk appetite set by the Board. Some key risk areas identified are as follows:

Expansion and Integration	The Group has completed the acquisitions of Gatherwell and Starvale in the UK and Stride in Canada and continues to assess suitable acquisition opportunities. For any acquisition, the Group undertakes integration activities to transition the acquired businesses to the Group's operating systems. Integration activities can cover a wide range of matters, including: - the introduction of revised contracting terms for the acquired business to align with the Group's operating practices and risk tolerance, which can yield risks including a risk of loss of customers and reduced revenue from existing customers; - changes to the people management and culture of the acquired business, which can yield risks including increased costs and employee attrition; - the introduction of new technology or other operating systems and processes, which can yield risks including increased costs. Factors such as the above could lead to an acquisition failing to generate the expected returns on investment.
People & Culture	Employee retention and satisfaction continues to be a risk given the strength of the employment market. In FY23, we released an updated Diversity, Equity, Inclusion and Belonging (DEIB) Commitment, focusing on accountability, access, education and community and FY24 saw us bring that commitment to life through targeted actions that foster an inclusive and psychologically safe work environment.

Data Protection and Cyber Resilience	The Group's products and services are provided solely online through websites and mobile apps, which means that the threat of a cyber incident is never far from our attention. We continue to monitor the evolving threat environment in order to prepare for any potential cyber-attack and endeavour to create a product and environment for players, clients and suppliers that is safe and secure, however there is a risk that our systems will not be effective in preventing a cyber incident. The risks of a cyber incident include the unauthorised access and disclosure of customers' personal information or the Group's confidential information, and temporary or permanent loss of access to all or certain of the Group's information systems. The Board and executive leadership continuously work together to monitor these risks and we continue to train the board and executive leadership team on cyber matters, engaging independent subject matter experts as required, including raising awareness of disclosure requirements to the ASX of any material cyber threat or incident that occurs.
Regulatory Compliance	Given the complex interplay between international jurisdictions in Jumbo's operations, we are committed to ensuring regulatory compliance across each of the jurisdictions within which we operate. There remains a risk, as is the case each year, that regulatory environments may change and that greater emphasis is placed on the impact of gambling in a broader sense; for example, the recent announcement of a review by the Australian Government into the regulation of online keno and foreign-matched lotteries. However, given the terms of reference of the review, we remain confident that such a risk to a changed regulatory environment is minimal. To manage any such risk, we incorporate regular reviews of changes to our operations and report to applicable regulators any changes where required in order to comply with local laws and maintain professional and cordial relationships with regional regulators. Our focus on the regulatory environment includes being aware of the priorities of regulators and note the continued focus on greenwashing by the Australian Securities and Investments Commission (ASIC) and the Australian Competition and Consumer Commission (ACCC). We are aware of and will continue to monitor the proposed introduction of enhanced corporate reporting requirements regarding sustainability as proposed through the Australian legislation, which will align Australian financial reporting requirements to those proposed by the ISSB. We also continue to monitor the impending changes to Australia's Privacy Act. There is a risk that the above-referenced proposed changes could require changes to the Group's current operational practices which could result in increased compliance costs and/or decreased revenue.
Sustainability	Our focus on sustainability continues to grow, with the addition of resources dedicated solely to our sustainability efforts. Our Sustainability Council, now in its third year, is in the process of updating its sustainability roadmap and action plan, to ensure that we take a holistic approach to sustainability, maintaining actions in line with our vision and stakeholder priorities. This updated plan will be finalised in early FY25 and our intention is to enhance our action plan to ensure our initiatives include all areas of our operations and sustainability.
Material Contracts	The Reseller Agreements with TLC account for 74% of the Group's revenue. The Reseller Agreements were signed in August 2020 and have a term of 10 years. There is, however, a risk that TLC could terminate the Reseller Agreements in the event of an unremedied event of default or a material event of default by the relevant Group entity to each Reseller Agreement. The Group has in place a number of governance and operational measures to continually monitor and guard against the risk of an event of default arising. Notwithstanding that the Group has operated under reseller agreements with TLC since 2005, that have been renewed on several occasions, there is also a risk that, upon the expiration of the current term of the Reseller Agreements, TLC does not offer new reseller agreements to the Group. In addition, there is a risk that the Reseller Agreement for Victoria could terminate on or about 30 June 2028 in the event that the relevant TLC Public Lottery Licence is not renewed and replaced.

To read more about our Risk Management Framework, please see the Corporate Governance Statement available on the Company's website at https://www.jumbointeractive.com/corporate-governance-statement.

16. Impacts of legislation and other external requirements

We operate within a broad spectrum of Australian and international legislative requirements. Developments that have maintained our focus this year include:

- Gambling focused reforms:
  - In Australia:
    - the roll out of bans on the use of credit cards for online gambling in Australia, with lotteries being exempt from such restrictions; and
    - the recent announcement of a review into the regulation of online keno and foreign-matched lotteries. On 15 July 2024 the Government announced it has commenced a review into the regulation of online keno and foreign-matched lotteries as it continues to work to minimise online gambling harms. The Government believes the review will allow it to better understand the impact of these types of lotteries on the community and explore whether changes to regulations are required. As an authorised reseller of lottery tickets via Reseller Agreements with TLC, Jumbo welcomes the Government review and upholding the integrity of the regulatory framework to ensure a safe and secure environment for all lottery participants, while ensuring the sustainability of the lottery sector in Australia
  - In the UK:
    - Following the Conservative government's Gambling Act white paper in April 2023, the United Kingdom Gambling Commission has continued to consult on changes to the licence conditions and codes of practice. Due to the low-risk of harm nature of charitable lotteries, many changes which have been introduced do not apply to ELMs and society lottery operators, therefore the impact on the Group's operations thus far has been minimal.
    - In July 2024, the United Kingdom Gambling Commission introduced a requirement for all licensed operators to submit quarterly regulatory returns in order to harmonise reporting periods across the regulated gambling industry. Looking ahead, from 29 November 2024, there will be new requirements regarding who is required to hold a personal management licence (PML), including that both the chair of the board of directors and the money laundering reporting officer of a licensed operator must apply for and hold a PML.
    - It was the policy of the previous Conservative government to introduce a new statutory levy, paid by licensed operators and collected and administered by the United Kingdom Gambling Commission under the strategic direction of government, replacing the current system of voluntary industry contributions. It is widely expected in the industry that the new Labour government will continue with these proposals in some form.
- Continued focus on data protection and the proliferation of artificial intelligence with ongoing government review and proposed reform:
  - In Australia, with the Commonwealth Government proposing that legislation to amend the *Privacy Act 1988* will be introduced to parliament in August 2024, responding to the 116 recommendations made in the Privacy Act Review Report released by the Commonwealth Attorney General in 2023.
  - In Canada, with ongoing parliamentary committee debate into the passing of the *Digital Charter Implementation Act*, which will include reform to personal data protection obligations as well as introducing significant fines for non-compliance. The proposed legislation will also introduce new rules to protect individuals regarding the use of artificial intelligence, including criminal penalties for using artificial intelligence with fraudulent intent or for the purpose of causing loss.
- Significant workplace reforms being implemented in Australia:
  - The Australian Human Rights Commission receiving compliance powers in December 2023 regarding the positive duty on businesses to eliminate sexual harassment, sex discrimination and victimisation in the workplace.
  - Enhanced reporting requirements under the *Workplace Gender Equality Act 2012* were introduced, including mandatory reporting on sexual harassment, harassment on the ground of sex or discrimination in the workplace.
  - The passing of the Closing Loopholes reforms, which include criminalising wage theft, same job same pay provisions (reforming labour hire agreements) and the 'right to disconnect' which will allow employees with a 'reasonable' right to refuse to respond to contact by their employer outside of work hours.

  - The Department of Treasury undertaking a review into non-compete clauses and other restraint clauses in employment contracts, with an Issues Paper seeking consumer and business feedback to determine whether restraint of trade clauses are adversely impacting workers, other businesses and broader economic outcomes through reduced wages growth, job mobility, and access to skilled workers.
- Ongoing corporate governance changes regarding sustainability and corporate transparency:
  - In Australia, the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024* was introduced in Parliament, proposing changes to the *Corporations Act 2001* to accommodate the introduction of climate related disclosures, in line with the International Sustainability Standards Board's Sustainability Disclosure Standards.
  - In addition, the *Treasury Laws Amendment (Making Multinationals Pay Their Fair Share—Integrity and Transparency) Act 2024* requires companies to disclose information on their subsidiaries such as each subsidiaries' tax residency, encouraging companies to be more transparent about their corporate structure and tax obligations.

17. Indemnifying officers or auditors

During the financial year, the Company paid premiums in respect of a contract insuring Directors, Secretaries and Executive Officers of the Company and its controlled entities against a liability incurred as Director, Secretary or executive officer to the extent permitted by the *Corporations Act 2001*.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the Company or any of its controlled entities against a liability incurred as such an officer. No indemnity has been provided to, or insurance paid on behalf of, the auditor of the Group.

18. Non-audit services

During the financial year, there were no non-audit services provided by Ernst & Young.

19. CEO and CFO declaration

The Chief Executive Officer (**CEO**) and Chief Financial Officer (**CFO**) have provided a written declaration to the Board in accordance with *section 295A of the Corporations Act 2001*. With regard to the financial records and systems of risk management and internal compliance in this written declaration, the Board received assurance from the CEO and CFO that the declaration was founded on a sound system of risk management and internal control, and that the system was operating effectively in all material respects in relation to the reporting of financial risks.

20. Proceedings against the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

21. Rounding of amounts

The Company satisfies the requirements of *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission in relation to rounding of amounts in the Directors' Report and the financial statements to the nearest thousand dollars. Amounts have been rounded off in the Directors' Report and financial statements in accordance with that Legislative Instrument.

22. 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 on page 71.

Susan M Forrester
Chair of the Board

23 August 2024

Mike Veverka
Managing Director, Chief Executive Officer and Founder

Operating and Financial Review

23. Overview

We are a digital lottery software and services business, providing our proprietary lottery software platforms and lottery management expertise to the charity and government lottery sectors in Australia, the UK and Canada.

Lottery Retailing principally operates in Australia and includes the sale of lottery tickets digitally through our Oz Lotteries brand. The SaaS and Managed Services operating segments were created in 2020, following the rebuild of our proprietary lottery platform and our decision to expand internationally.

Our three operating segments service the full lottery management value chain.

The Lottery Retailing segment continues to be the largest contributor to Group revenue and profits. Australian lottery turnover was up 11.1% due to a strong large jackpot (≥ $15 million) profile which included a record $200 million Powerball in February 2024. Revenue was up 34.2% due to the increased number of large jackpots, increased number of active players and pricing changes implemented in May 2023.

Gross profit was impacted by the 1.15% step-up in the service fee payable to TLC.

SaaS segment TTV increased 18.6%, with external revenue up 15.9%, impacted by a slightly lower revenue margin mainly due to a lower service fee on Lotterywest and Mater gross ticket sales, in line with the revised license fee structure under the extended SaaS agreements.

The Managed Services segment includes Gatherwell and StarVale in the UK and Stride in Canada. The StarVale acquisition completed on 1 November 2022 and contributed eight months of performance in FY23. Excluding the contribution from StarVale, the Managed Services segment TTV and revenue were up 7.1% and 24.7% respectively.

The operating environment continues to be impacted by the challenging macroeconomic backdrop characterised by cost-of-living pressures and relatively high inflation and interest rates. There continues to be uncertainty around the interest rate outlook.

Lotteries have delivered consistent growth over the long term and have proven to be highly resilient to economic downturns and cycles. The change in consumer behaviour arising from the COVID-19 pandemic had a positive effect on digital penetration in FY21 and FY22. In FY23, digital lottery penetration was relatively stable before increasing to 40.9% in FY24.

While labour market conditions and wage pressures have eased since the COVID-19 pandemic, the demand for digital expertise is expected to remain solid and we remain committed to being a sought-after employer for top digital talent.

The financial position of the Group is sound with strong liquidity. As at 30 June 2024, the Group had general cash reserves of $68,979,000 underpinned by strong organic cash generation. As at 30 June 2024, the Group also had access to an additional $44,000,000 through its senior debt facility for strategic growth opportunities.

We continue to invest in the three main pillars that support the ongoing growth of the Group as follows:

- $26,648,000 (FY23: $22,652,000) invested in employees who provide the software development, marketing, customer support and management;
- $12,538,000 (FY23: $6,580,000) invested in marketing activities primarily to acquire new and retain existing customers; and
- $6,161,000 (FY23: $6,558,000) invested in the proprietary software platform (intangible assets).

24. Result highlights (statutory and underlying operations)

To enhance comparability between FY24 and FY23 and to provide more insight into the underlying performance of the Group, equivalent financial information has also been included, referred to as Underlying results. Statutory earnings are adjusted by significant non-recurring items to derive underlying earnings. These significant items include:

Add/(deduct) significant items	2024 $'000	2023 $'000	Variance %
Acquisition costs[1]	1,363	115	1,085.2
Retention payments[2]	109	244	(55.3)
Other[3]	(56)	410	113.7
Pre-tax impact	**1,416**	**769**	**84.1**
Tax effect of TLC extension fee[4]	-	861	-
Tax impact	(596)	(100)	496.0
Post-tax impact	**820**	**1,530**	**(46.4)**

[1] The acquisition costs reflect one-off consulting & legal expenses including due diligence costs associated with potential acquisitions.

[2] Retention payments were for key Stride management following finalisation of the earnout for the period ended 30 June 2023.

[3] Other includes i) One-off costs of $303,000 associated with an uplift in the internal control environment in Group Finance; ii) Redundancy costs of $100,000, iii) Following an external review, it was identified that the historical VAT tax treatment for TMS Fiji was incorrect, resulting in a one-off expense of $266,000, and iv) a $725,000 fair value gain on financial liabilities primarily relating to the finalisation of the Stride earnout which was below the required earnings hurdle.

[4] One-off $861,000 tax charge in FY23 due to a change in the accounting and tax treatment of the capitalised $15 million extension fee paid under the Reseller Agreements with TLC in August 2020 – please refer to the FY23 Results for further detail.

The key financial metrics are detailed below:

	Statutory			Underlying		
	2024 $'000	2023 $'000	Variance %	2024 $'000	2023 $'000	Variance %
TTV[1]	1,053,613	851,933	23.7	1,053,613	851,933	23.7
Revenue	159,334	118,712	34.2	159,334	118,712	34.2
EBITDA[1]	75,147	58,146	29.2	76,563	58,915	30.0
EBIT[1]	62,789	46,851	34.0	64,205	47,620	34.8
NPAT [1]	43,349	31,569	37.3	44,169	33,099	33.4
NPATA[1, 2]	45,554	33,743	35.0	46,374	35,273	31.5
EPS (cps)	68.9	50.2	37.3	70.2	52.6	33.4
EPSA (cps) [1,2]	72.4	53.6	35.1	73.7	56.1	31.4
Revenue Margin (%)	15.1%	13.9%	1.2ppt	15.1%	13.9%	1.2ppt
EBITDA Margin (%)	47.1%	49.1%	(2.0ppt)	48.1%	49.6%	(1.5ppt)
EBIT Margin (%)	39.4%	39.5%	34.9ppt	40.3%	40.1%	0.2ppt

[1] The following measures: TTV, EBITDA, EBIT, NPAT, and NPATA are not defined under International Financial Reporting Standards (IFRS) and are, therefore, termed "non-IFRS" measures and are not subject to audit procedures.
[2] NPATA/EPSA is NPAT/EPS before tax-effect amortisation expenses in respect of intangible assets acquired through a Business Combination.

Major items

- Lottery Retailing - pursuant to the Reseller Agreements with TLC dated 25 August 2020, the service fee increased from 1.5% of the subscription price in FY21 to 2.5% in FY22, 3.5% in FY23 and 4.65% in FY24 and thereafter. For FY21 to FY23, if the subscriptions exceeded $400,000,000 in the applicable financial year, then a service fee of 4.65% applied to the excess amount.
- Lottery Retailing - ongoing intersegment software management fee of 7.5% of relevant TTV payable to the SaaS segment for the development, improvement and maintenance of the proprietary lottery software platform and provision of data information and analysis using technology such as Artificial Intelligence (**AI**) and machine learning.
- Managed Services – FY24 includes 12 months (8 months in pcp) contribution from StarVale (acquired 1 November 2022).
- Jumbo Fundraising (**JF**) in Australia previously reporting in the Managed Service segment has been incorporated into the SaaS segment from 1 July 2023.

- St Helena Hospice (a UK SaaS client) was previously reported in the SaaS segment until April 2024, after which it was transitioned to the Managed Services segment.

25. Consolidated results of operations

- The acquisition of StarVale (reported in the Managed Services segment) was completed on 1 November 2022. As a result StarVale contributed 12 months to FY24 performance (8 months in the pcp).
    - In FY2024 StarVale contributed to $145,040,000, $11,129,000 and $3,739,000 in TTV, Revenue and EBITDA respectively.
- Excluding the contribution from StarVale:
    - TTV increased 18.2%;
    - Revenue increased by 32.6%; and
    - Underlying EBITDA increased by 29.9%.

The Group's financial performance is summarised below.

	2024 $'000	2023 $'000	Variance %
TTV – Total	1,053,613	851,933	23.7
TTV – Company[1]	543,819	449,085	21.1
TTV - Third party	509,794	402,848	26.5
Revenue[1]	159,334	118,712	34.2
Cost of sales	(27,539)	(17,953)	53.4
Gross profit	131,795	100,759	30.8
Other income	199	323	(38.4)
Operating expenses	(56,847)	(42,936)	32.4
EBITDA	75,147	58,146	29.2
Depreciation and amortisation	(9,093)	(8,612)	5.6
EBITA	66,054	49,534	33.4
Amortisation of acquired intangible assets	(3,265)	(2,683)	21.7
EBIT	62,789	46,851	34.0
Net interest revenue	953	(212)	(549.5)
NPBT	63,742	46,639	36.7
Income tax expense	(20,393)	(15,070)	35.3
NPAT	43,349	31,569	37.3
Amortisation of acquired intangible assets after tax	2,205	2,174	1.4
NPATA	45,554	33,743	35.0
Cash at bank	68,979	54,507	26.6
Net assets	115,158	99,989	15.2
Net tangible assets	46,873	29,197	60.5
Share price at year end ($)	17.29	14.26	21.2
Dividend declared (cps)	54.5	43.0	26.7
Total shareholder return (%)	25.1%	3.3%	659.7
Shares on issue (million)	62.9	62.9	0.1
Market capitalisation ($ million)	997.4	896.9	11.2
Return on capital employed[2]	37.6%	31.6%	6.0

[1] Revenue is reporting on a net inflow basis when we are acting as an agent such as with the sale of lottery tickets. The gross amount received for the sale of goods and rendering of services is referred to as TTV – Company.

[2] NPAT/Closing equity.

26. Review of operations

Lottery Retailing

The Lottery Retailing segment operates the www.ozlotteries.com website and sells tickets in:

- the National draw lottery games in all Australian states and territories (excluding QLD and WA) and in certain overseas jurisdictions, under the Reseller Agreements with TLC which run until 25 August 2030; and
- Charity lottery games in Australia under agreements with Australian licenced registered charities.

The key segment financial metrics are:

	2024 $'000	2023 $'000	Variance %
TTV – Total Lottery Retailing	543,819	449,085	21.1
TTV - Lotteries	531,445	441,606	20.3
TTV - Charities	12,374	7,479	65.4
Revenue	123,404	91,287	35.2
Gross profit	59,223	41,496	42.7
Operating expenses	(16,609)	(10,962)	51.5
EBITDA	42,614	30,534	39.6
Revenue / TTV	22.7%	20.3%	11.8
Gross profit / Revenue	48.0%	45.5%	5.5
Opex / Revenue	13.5%	12.0%	12.5
EBITDA / Revenue	34.5%	33.4%	3.3

TTV – Lottery Retailing

The number of large jackpots (Division 1 pool ≥ $15 million) is an important driver of TTV. The large jackpot trend over the last three financial years is summarised below:

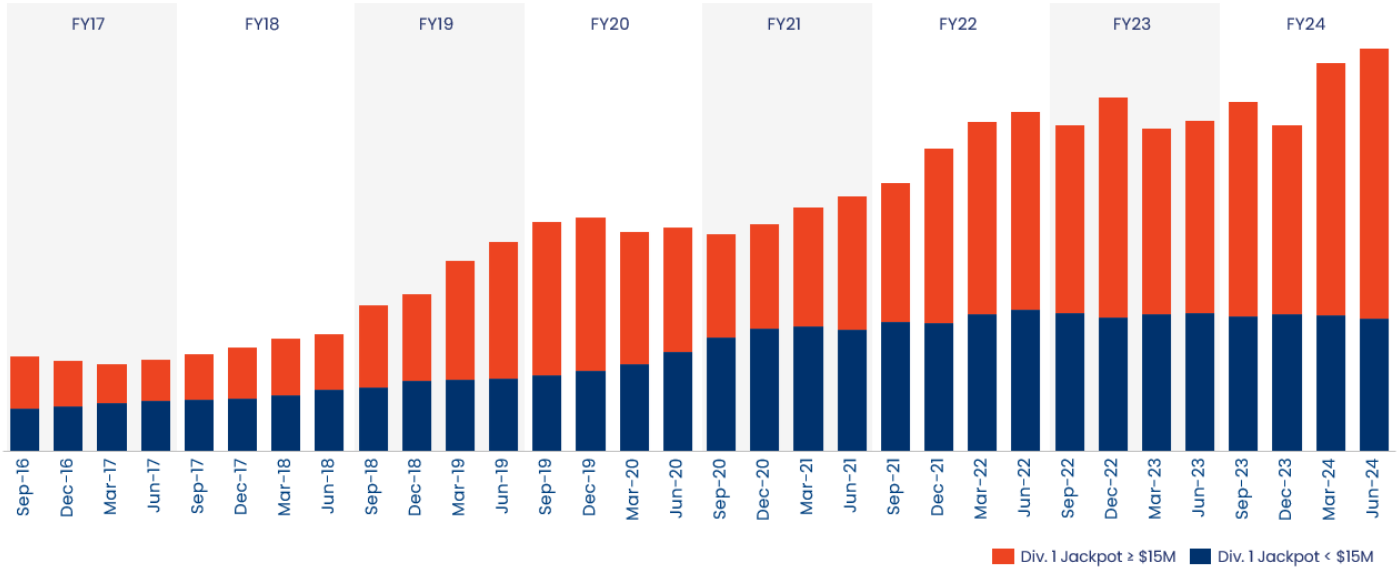
OzLotto / Powerball (Division 1 ≥ $15 million)	2024	2023	2022
Number of jackpots	55	42	43
Average Division 1 jackpot	$43,000,000	$36,905,000	$40,698,000
Peak Division 1 jackpot	$200,000,000	$160,000,000	$120,000,000
Aggregate Division 1 jackpots	$2,365,000,000	$1,550,000,000	$1,750,000,000

During FY24, there were 55 large jackpots (42 in the pcp). The record $200M Powerball jackpot occurred in February 2024 and another $150M Powerball in May 2024. This is a significant increase in the number of jackpots from previous years which was the primary driver of the 20.3% growth in Lottery TTV.

Charity TTV also saw strong growth with an increase of 65.4% to $12,374,000. The key drivers were the introduction of the Splash for Good game in September 2023 and strong growth in our Charity partners' programs.

The underlying business continues to perform well as evidenced by the profile of TTV over time. The TTV resulting from jackpots ≤$15 million demonstrate the resilience of the business over time while the sales resulting from jackpots ≥$15 million show the boost from large jackpots.

OZ Lotteries Rolling 12-month TTV[1] ($M)



[1] Excludes contribution from Western Australia customers transitioned to SaaS (effective 21 December 2020).

Revenue

Revenue increased by 35.2%, reflecting the higher TTV from the large jackpot profile, continued growth in the number of active players and the benefit of pricing changes (effective May 2023).

Gross profit was impacted by the 'step up' in the TLC service fee from 3.5% to 4.65% of the subscription ticket costs.

Operating Expenses

Operating expenses increased 51.5%, reflecting the favourable profile of jackpots which resulted in higher investment in marketing costs to attract new players. Marketing costs were equivalent to 1.9% of TTV (FY23: 1.3%) – excluding marketing costs, operating costs increased by 24.9%.

After marketing costs, the single largest expense relates to employee costs of $3,590,000 (FY23: $3,003,000) in respect of 34 staff (FY23: 18) employed in the segment, of which the majority include operations and customer support staff.

The Group invests extensively in online marketing to grow and activate the customer database that transacts via its website (www.ozlotteries.com) and associated mobile apps (iOS & Android). All marketing costs were fully expensed through the profit and loss.

The following key performance indicators (KPIs) are used to track the effectiveness of online marketing campaigns:

1. CPL: Cost per Lead (new online accounts) is defined as the total cost to acquire these new accounts divided by the number of new accounts in a given period. New accounts may potentially become active customers after the account has been established.
2. Number of Active Online Customers is defined as customers who have purchased a ticket over the last 12 month period.
3. Average spend per active online customer is defined as the total spent by active online customers divided by the number of active online customers in a given period.

The following table summarises the Marketing KPIs:

Customer activity	2024	2023
Number of new online accounts	423,474	300,194
Cost per lead (CPL)	$18.87	$17.86
Number of active online customers / players	1,091,185	914,215
Average spend per active online customer / player	$498.37	$467.12

Software-as-a-Service (SaaS)

The SaaS segment licences the Jumbo lottery software platform, Powered by Jumbo **(PBJ)** to several customers, including to the Lottery Retailing segment (ozlotteries.com), and develops, improves and maintains the Jumbo proprietary platform.

In addition, where we act as a licensor of our software platform, the gross amount of third-party lottery ticket sales transacted through our software platform is advised as third-party Total Transaction Value (**TTV – 'Third-party').** Revenue is generated mainly as a percentage of TTV.

Software licence fees range between ~3.0% and ~9.0% of TTV.

An intersegment fee of 7.5% of relevant ticket sales is charged to the Lottery Retailing segment as:

(i) PBJ has been developed for this internal customer over many years at a significant investment compared to other customers who receive an adapted version of PBJ at a lower development cost; and

(ii) the internal customer has a significantly higher usage of other services such as data analytics and martech tooling. The level of this fee falls within the arm's length upper/lower interquartile range based on international benchmarking undertaken by an independent third party in October 2021.

The key segment financial metrics are:

	2024 $'000	2023 $'000	Variance %
TTV - third party	232,406	196,035	18.6
Revenue	50,734	42,393	19.7
– external	10,094	8,710	15.9
– internal (7.5% intersegment fee)	40,640	33,683	20.7
Gross profit	50,373	41,962	20.0
Operating expenses	(17,575)	(14,271)	23.2
EBITDA	32,798	27,691	18.4
Revenue / TTV - external	4.3%	4.4%	(2.3)
Gross profit / Revenue	99.3%	99.0%	0.3
Opex / Revenue	34.6%	33.7%	2.7
EBITDA / Revenue	64.6%	65.3%	(1.1)

Third party TTV through the PBJ platform increased 18.6%. External revenue increased 15.9%, impacted by a slightly lower revenue margin mainly due to the lower service fee on Lotterywest and Mater gross ticket sales, in line with the revised license fee structure under the extended SaaS agreements.

Employee benefits is the single largest expense at $12,211,000 (FY23: $9,894,000) with 65 staff (FY23: 73) in this segment mainly reflecting software engineers and an allocation of indirect staff expenses.

The contraction in EBITDA margin to 64.6% (FY2023: 65.3%) was impacted by higher employee and technology costs.

Managed Services

The Managed Services segment provides our lottery management platform and lottery management services including prize procurement, lottery game design, campaign marketing, and customer relationship and draw management.

This segment reflects the contribution of:

- Gatherwell Ltd (**Gatherwell**) and StarVale Group of companies (**StarVale**) as External Lottery Managers (**ELM**) in the UK; and
- Stride Management Corp. (**Stride**) as an ELM for charity lotteries in Canada.

The key segment financial metrics are:

	2024 $'000	2023[1] $'000	Variance %
TTV	277,388	206,813	34.1
Revenue	25,836	18,715	38.0
Gross profit	22,199	17,301	28.3
Operating expenses	(15,486)	(11,109)	39.4

	2024 $'000	2023[1] $'000	Variance %
EBITDA[2]	6,713	6,244	8.3
Revenue / TTV	9.3%	9.0%	3.3
Gross profit / Revenue	85.9%	92.4%	(7.0)
Opex / Revenue	59.9%	59.4%	0.8
EBITDA / Revenue	26.0%	33.4%	(22.2)

[1] Includes an 8-month contribution for StarVale which was acquired 1 November 2022 and Jumbo Fundraising which contributed TTV of $757,000, Revenue of $100,000 and EBITDA of $(54,000). The contribution from Jumbo Fundraising was reported in the SaaS segment from 1 July 2023.

[2] FY23 EBITDA includes $52k of other income in Stride.

Gatherwell

The Gatherwell business in the UK operates as an ELM with 12 staff (FY23: 16) and focuses on digital lotteries for small to medium size good causes, schools and local government authorities.

In FY24 there was a change in the revenue recognition of Gatherwell, resulting in:

- A reclassification between cost of sales and revenue by $862,000 with no impact on EBITDA; and
- A release of a $397,000 provision to revenue with a corresponding $397,000 increase in EBITDA. This however was offset by the costs associated with the Jumbo Win proof of concept cost.

	2024 $'000	2023 $'000s	Variance %
TTV	24,273	20,591	17.9
Revenue	5,936	3,626	63.7
EBITDA	1,064	561	89.7

StarVale

StarVale was acquired 1 November 2022 yielding only 8 months of financial results in the pcp. StarVale operates in the UK as an ELM with 75 staff (FY23: 73) and provides lottery management services and payments services to more than 40 medium to large charities.

	2024 $'000	2023[1] $'000s	Variance %
TTV	145,040	83,167	74.4
Revenue	11,129	6,917	60.9
EBITDA	3,739	2,844	31.5

[1] Includes an 8-month contribution, as the business was acquired on 1 November 2022.

Stride

The Stride business in Canada operates as an ELM with 25 full-time staff (FY23: 25) and an additional ~50 rostered casual call centre staff as required. Stride provides services, including lottery strategy, ticket fulfilment and marketing, to charity lotteries in Alberta, Saskatchewan, British Columbia and Manitoba.

Despite solid revenue growth, Stride's EBITDA was significantly below the pcp. The main drivers of the shortfall include timing of revenue and cost of sales recognition and some churn across the client base as customer contracts are re-evaluated across the lottery value chain.

	2024 $'000	2023 $'000s	Variance %
TTV	108,075	102,278	5.7
Revenue	8,771	8,072	8.7
EBITDA[1]	1,910	2,893	(34.0)

[1] FY23 EBITDA includes $52k of other income in Stride.

Other (Corporate)

The Corporate segment includes costs in respect of the Directors, CEO, CFO, corporate advertising, promotion and marketing, corporate investment costs, finance, tax, audit, risk, governance, strategic project costs and share-based payments.

	2024 $'000	2023 $'000	Variance %
Operating expenses	(7,697)	(6,102)	26.1
Fair value movement on financial liabilities	725	(492)	(247.4)
	(6,972)	**(6,594)**	**5.7**

Overall, operating expenses were 5.7% higher than the pcp, mainly due to higher consulting and legal costs offset by a decrease in the fair value movement in liabilities for the final Stride earnout.

Reconciliation of statutory EBITDA

	2024 $'000	2023 $'000
Lottery Retailing EBITDA	42,614	30,534
SaaS EBITDA	32,798	27,691
Managed Services EBITDA	6,713	6,192
Other (Corporate)	(6,972)	(6,594)
Other revenue - Group	(6)	323
Group EBITDA	**75,147**	**58,146**

27. Financial position

The net assets of the Group have increased by $15,169,000 from 30 June 2024 to $115,158,000. The Group's working capital, being current assets less current liabilities, has increased from $26,131,000 in 2023 to $42,426,000 in 2024. Non-current assets decreased by $5,004,000 to $80,261,000 due mainly to amortisation of intangible assets and the TLC extension fee. The Directors believe the Group is in a sound financial position to expand and grow its current operations.

Significant changes in the state of affairs of the Group for the financial year were as follows:

Increase in cash of $14,493,000 (before foreign exchange differences of $21,000 loss) resulting from:	**30 June 2024 $'000**
– Cash provided by operating activities	**60,664**
– Cash invested in short-term deposits	**(9,438)**
– Payment of lease liabilities in financing activities	**(1,364)**
– Proceeds of bank borrowings (net)	**625**
– Payments for share buy-back	(576)
– Cash paid for buy shares for NED rights converted	(43)
– Dividends paid	(29,576)
– Cash used in other investing activities (see Statement of Cash Flows for details)	(5,799)

Decrease in non-current assets of $5,004,000 resulting largely from:	**$'000**
– Investment in website development costs net of amortisation	142
– Goodwill foreign exchange movement	385
– Customer contracts and relationships net of amortisation	(2,481)
– Software net of amortisation	(513)
– Changes in other non-current assets – see Statement of Financial Position	(2,537)

Decrease in non-current liabilities of $3,878,000 resulting from:	**$'000**
– Deferred tax liabilities	(2,464)
– Changes in other non-current liabilities – see Statement of Financial Position	(1,414)

Remuneration Report

Contents

Remuneration Report for FY2024

The Directors present the Jumbo Interactive Limited Remuneration Report for Key Management Personnel (**KMP**) for the year ended 30 June 2024. This report outlines key aspects of our remuneration policy and framework, remuneration awarded this financial year (FY24), and demonstrates the strong alignment between executive remuneration practices and the Group's performance outcomes.

This report forms part of the Directors' Report and sets out the remuneration arrangements of the Group for the year ended 30 June 2024 and at the date of the report and is prepared in accordance with Section 300A of the Corporations Act 2001. The information has been audited as required by Section 308(3C) of the Corporations Act 2001.

Who is covered by this report

This report outlines the remuneration arrangements in place for KMP of the Group in FY2024, which comprises all Non-Executive Directors and Senior Executives who have authority and responsibility for planning, directing and controlling the activities of the Group.

The Non-Executive Directors and Executives that were the KMP of the Group during the financial year are identified as follows:

KMP	Position	Term as KMP
Non-Executive Directors		
Susan Forrester	Independent Non-Executive Director and Chair of Board of Directors	Full year
Sharon Christensen	Independent Non-Executive Director	Full year
Giovanni Rizzo	Independent Non-Executive Director	Full year
Executive KMP		
Mike Veverka	Managing Director, CEO and Founder	Full year
Xavier Bergade	Chief Technology Officer	Full year
Brad Board	Chief Commercial Officer	Full year
Abby Perry	Chief People Officer	Full year
David Todd	Chief Financial Officer	Resigned 2 October 2023
Jatin Khosla	Chief Financial Officer	Effective 3 October 2023

Message from the Chair of the People and Culture Committee

Dear Shareholders,

On behalf of the People and Culture Committee (PCC), I am pleased to present the Group's Remuneration Report for the 2024 financial year. This report provides a comprehensive overview of our Remuneration Framework and its alignment with our business strategy.

Executive Leadership

As we reflect on the past year and look toward the future, I am pleased to share some significant changes to our senior leadership structure. In response to our continued growth and the evolving needs of our business, we have transitioned from a Senior Leadership Group (**SLG**) to an Executive Leadership Team (**ELT**). This transition is designed to streamline decision-making processes and enhance our agility in responding to market dynamics. The ELT will consist of key leaders who will collectively oversee the strategic direction and operational decisions of the company.

We were pleased to announce the promotion of Jatin Khosla from Head of Investor Relations to the role of Chief Financial Officer (CFO) in October 2023, having replaced David Todd who departed due to unforeseen personal health issues in October 2023. Jatin has played a pivotal role in steering our financial strategy and leveraging his expertise to deliver our three-year business plan. Our Chief Operating Officer, Brad Board, has transitioned to a new role as Chief Commercial Officer focusing on group wide growth initiatives and continues to be responsible for our Core Australian operations (Lottery Retailing & SaaS).

Complimentary to this, we have appointed two regional leaders, Tam Watson and Marina Avisar, who play pivotal roles in driving our strategic initiatives and operational excellence across their respective areas in the UK and Canada. These regional leaders not only support our continued integration efforts but also play a critical role in driving future M&A activities. Their leadership will be instrumental in driving our regional strategies, optimising local operations, fostering strong connections with our clients, and delivering sustained value to our shareholders.

Board Effectiveness Review

Annually, the Jumbo Interactive Limited Board (**Board**) conducts an evaluation that provides directors with an opportunity for consideration, reflection and discussion of the Board's performance, the performance of its committees, as well as the performance of Chair of the Board and individual directors. Evaluations are conducted internally and externally, with an external review taking place in FY24. The review, conducted by an independent external provider, Governance by Design, highlighted the Board's commitment to governance and risk management, and underscored the positive and constructive dynamic between the Board and the ELT. However, it also identified a need for enhanced focus on succession planning to prepare for future challenges. In response, we have already begun implementing targeted initiatives to address this area.

As part of the review the size of the Board was considered and the desire to increase the Board in line with other listed peers and shareholders' expectations was identified. We are excited to announce the appointment (subject to shareholder approval) of Michael Malone as a Non-Executive Director from 26 September 2024. Michael is a highly regarded and experienced director with extensive experience across strategy, operations, cyber and risk management primarily in high growth technology companies. His appointment will bring fresh perspectives and invaluable experience to our Board, strengthening our governance and strategic oversight, and ensuring we continue to deliver value to our shareholders.

Global HR systems and processes

Our integration efforts in the UK and Canada are integral to our long-term success. We have made notable strides in implementing a new Safety & Wellbeing Framework designed to enhance our commitment to provide a safe, productive and fulfilling work environment across all our operations. Additionally, we have refined our company policies to strengthen consistency and efficiency, while rolling out standardised employment contracts that support compliance with local and international regulations. These initiatives are pivotal in maintaining a cohesive and compliant operational structure as we grow.

To further bolster our integration efforts, we have launched a comprehensive compliance training program to ensure all employees are well-versed in our standards and practices. Moreover, the implementation of a global HR platform has been a cornerstone of our people strategy, enabling us to manage our human resources processes and employee data more effectively and consistently.

Learning, Talent, and Culture

We are proud to have introduced an internal leadership program designed to nurture and develop our future leaders from within the Group. This initiative is complemented by a targeted program - ElevateHer - aimed at supporting women who aspire to leadership roles, reflecting our dedication to diversity and the empowerment of all employees. Our global onboarding program is now conducted online through our new learning management system, ensuring an engaging experience while providing a consistent and thorough introduction to the Group's culture and values.

Our ongoing investment in talent development is exemplified by Jumbo University, which provides continuous learning opportunities across all levels. This focus on learning and development not only enriches the experience of our current workforce but also serves as a key factor in attracting top talent to the Group. Our commitment to these initiatives has been recognised externally, as evidenced by our recent shortlisting as an Excellence Awardee in the Australian HR Awards category of 'Best Learning and Development Program'. This accolade underscores the effectiveness of our programs and our ongoing efforts to build a dynamic and forward-thinking workplace.

In May 2024, the Group was awarded certification as a Great Place to work in both Australia and the UK. This is a testament to our commitment to creating a positive and productive workplace. This certification reflects feedback provided by our teams across employee satisfaction, engagement, and overall wellbeing. Our executive leadership team plays a pivotal role in driving our workplace culture and, as a key driver of our organisational success, we remain focused on enhancing employee value proposition to ensure our workplace continues to thrive, in particular, in Canada where certification was not achieved.

FY24 Performance Outcomes and Long-term Incentives

The financial component (50%) of the FY24 short-term incentive scorecard requires achievement of underlying net profit after tax growth, subject to a sliding scale. A favourable run of jackpots and the impact of pricing and product portfolio changes contributed to >20% growth in FY24, resulting in 100% of the financial component of the short-term incentive scorecard being achieved.

The operational component (50%) of the FY24 short-term incentive scorecard reflects several metrics focused on M&A and integration, players, employees and sustainability. Key performance indicators achieved include the renewal of the Lotterywest contract, acquisition integration of StarVale, increase of active players, and gender diversity. Based on FY24 performance, 57% of the operational component was achieved. LTI performance rights for FY22 and the TLC contract renewal were linked to the achievement of share price hurdles. Unfortunately, these hurdles were not met and the respective performance rights lapsed.

Remuneration Framework

We continue to align our remuneration strategy with market standards based on an independent review undertaken at the end of FY22, that identified the level of Total Fixed Remuneration (**TFR**) for direct reports of the CEO was below market median. In FY24, an increase of TFR for the CEO's direct reports was applied, resulting in a modest increase in the Total Remuneration Opportunity (**TRO**).

The TRO mix for the CCO and CTO will change in FY25, with a lower weighting towards TFR, now 53% of TRO (previously 60%) with the remaining 47% split equally between the STI (23.5%) and LTI (23.5%) components. This compares to 20% for the STI and LTI components respectively in FY24 and results in a TRO increase of 13.3%. The TFR for the CPO and CFO will increase in FY25 by 10% and 12.5% respectively, but the weighting of TFR at 60% of TRO remains unchanged. The STI and LTI components also remain unchanged at 20% of TRO. In addition, Non-Executive director (**NED**) fees will increase by 5% in FY25.

The Remuneration Framework stipulates a minimum shareholding requirement (**MSR**) for KMP and NEDs, comprising holding fully paid ordinary shares in the Company to the value of 100% of the TRO and annual board fees respectively within a five-year period from the later of 1 July 2021 or the commencement of appointment. From FY25, KMP will be required to have achieved an MSR of 100% of the TFR, with no change to MSR for NEDs. As at the date of this report, all Directors and KMP, except the CPO and CFO, who were only recently appointed have met the MSR requirements.

Conclusion

The 2024 financial year has been both successful and transformative. We have made significant strides in enhancing our leadership structure, integrating our global operations, and developing our talent. The board effectiveness review has provided valuable insights, leading to strategic actions to strengthen our governance and succession planning. Our commitment to aligning remuneration with market standards ensures that we attract and retain top talent, crucial for our ongoing success.

As we look ahead, our focus remains on delivering sustained value to our shareholders, fostering a culture of excellence and inclusivity, and maintaining our high standards of governance. We are confident that the initiatives and changes implemented this year will position us strongly for future growth and success.

Sharon A Christensen
Chair of People and Culture Committee

28. Remuneration governance

The Remuneration Framework is managed by the People and Culture Committee (**PCC**) on behalf of the Board. The PCC oversees the remuneration and governance framework to ensure remuneration practices are aligned with strategic objectives consistent with remuneration principles and shareholder expectations.

28.1 Board of Jumbo Interactive Limited

The Board is chaired by Susan Forrester. The Board established the PCC, which recommends to the Board a fair and responsible company-wide remuneration policy that promotes the creation of value in a sustainable manner.

28.2 People and Culture Committee

The PCC consists of three Non-Executive Directors and is chaired by Sharon Christensen. In addition to the PCC members, PCC meetings are also attended by the CEO, CFO, CPO, the Company Secretary and Corporate Affairs Counsel to the CEO, on an invitation only basis.

The objectives of the Committee are to assist the Board in discharging its corporate governance responsibilities to exercise due care and diligence in relation to:

- Making recommendations to the Board on the setting and evaluation of key performance areas for Directors and Senior Executives;
- Making recommendations to the Board on the setting of succession plans for Directors and Senior Executives;
- Making recommendations to the Board on the appointment of Directors and Senior Executives;
- Making recommendations to the Board on Director and Executive Leadership Team remuneration, in line with the Group's Remuneration Framework;
- Ensuring the Group's Remuneration Framework drives appropriate behaviours, reflective of the Group's Core Values; and
- Oversight of the People & Culture policies and strategies, including succession planning, workplace culture and employee engagement.

For further details of the composition and responsibilities of the PCC (including a copy of the PCC's Charter), please refer to the Corporate Governance section on our website (https://www.jumbointeractive.com/wp-content/uploads/2024/04/People-Culture-Committee-Charter.pdf).

28.3 Remuneration benchmarking

Executive remuneration is set with reference to the executive's knowledge, experience and skills, the magnitude of the responsibilities and complexities associated with the role and peer benchmarks. The peer group are comparable companies within the ASX300. Periodically, the peer group is reviewed and updated, in conjunction with an independent remuneration consultant. The PCC, with advice from an independent, external consultant, conducts a comparative analysis of the executive compensation against reported roles within that identified peer group.

28.4 External and independent advice

The PCC engages with independent remuneration advisor, Crichton + Associates, on a regular basis to provide information about market dynamics, trends and regulatory changes impacting the Group. The PCC considers this information and advice together with market insights as part of the determination of appropriate recommendations for remuneration each year.

The total cost relating to external and independent advice from Crichton + Associates was $17,296.

The Board is satisfied that no remuneration recommendations (as defined in the *Corporations Act 2001*) were provided by Crichton + Associates or any other external remuneration advisors during FY2024.

28.5 Executive KMP Service Agreements

The employment conditions of Non-Executive Directors are formalised by letters of appointment. Executive KMP employment conditions are formalised in contracts of employment and have no fixed term. The employment contracts stipulate a range of terms and conditions. These contracts do not fix the amount of remuneration increases from year to year, with remuneration levels reviewed generally each year by the PCC.

Executive KMP	Notice period[1]	Restraint of trade
Mike Veverka	12 months	2 years
David Todd[2]	6 months	2 years
Jatin Khosla[3]	6 months	2 years
Xavier Bergade	6 months	2 years
Brad Board	6 months	2 years
Abby Perry	6 months	2 years

[1] any termination payment (notice and severance) will be subject to compliance with all relevant legislation and will not exceed 12 months of fixed remuneration

[2] resigned as KMP and CFO from 2 October 2023

[3] included in KMP from 3 October 2023

28.6 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Related party transactions are outlined in the table below.

	Consolidated Group	
	2024 $	2023 $
i. Mr Mike Rosch, the father of Mr Mike Veverka, the Managing Director, CEO and Founder of the Company, rented an office from the Group.		
– office rent received	-	11,467
– amounts owing to Group at year end	-	1,165
ii. Mrs Julie Rosch, the mother of Mr Mike Veverka, the Managing Director, CEO and Founder of the Company, is engaged as a full-time employee within the Group.		
– Salary and superannuation	87,690	92,954

29. Remuneration Framework

The current Remuneration Framework operates over a three-year cycle, commencing from 1 July 2022 and concluding 30 June 2025. The PCC aims to ensure that the Group's remuneration practices are fair, reasonable, aligned with best practice and consistent with the Group's remuneration principles and framework.

The PCC's objective in remuneration is to support the delivery of business outcomes that grow shareholder value while continuing to explore value accretive business opportunities both domestically and internationally that will successfully diversify our revenue stream, and to ensure that we can attract and retain Executives who can execute on this strategy.

The Group has adopted a strategic approach to our remuneration framework to drive alignment with Group strategic objectives and aspirations, and to promote a high-performance culture.

29.1 Strategic imperatives

To create social impact through making lotteries easier

To be the number one choice in digital lottery and services

Active players

Maximise
Potential of our existing businesses and proposition portfolio

Replicate
Best practice operations and build for scale

Diversify
Portfolio to unlock incremental Total Addressable Market (TAM) opportunities

29.2 Remuneration principles

To attract, motivate and retain competent executives across Jumbo's business

The creation of reward differentiation to drive performance values and behaviours

An appropriate balance between 'fixed' and 'at risk' components

Shareholder value creation through equity incentives that meet contemporary design standards

29.3 Framework overview

The Remuneration Framework is designed to support the Group's strategic priorities by aligning the Group's short and long-term objectives with shareholder and business objectives. This is achieved through a combination of fixed remuneration and short and long-term incentives aligned to Group strategy and based on key performance areas affecting the Group's financial results and company values. This framework overview details how the Remuneration Framework is applied to Executive KMP.

Component	Alignment to Performance	Alignment to Strategy
Total Remuneration Opportunity (TRO) Comprising Total Fixed Remuneration, Short-Term Incentive and Long-Term Incentive.	– Positioned between the 50th and 75th percentile of the relevant benchmark comparisons	Set to reward fairly, attract, motivate and retain the best people to achieve the delivery of strategic objectives.
Total Fixed Remuneration (TFR) Comprising base salary, and statutory superannuation.	– Considered in the context of the total remuneration package payable to an Executive to ensure that the entire remuneration package is fair and competitive. – Reviewed annually with remuneration changes effective from 1 July.	Set with reference to the Executive's knowledge, experience and skills, the magnitude of the responsibilities and complexities associated with the role. Aims to ensure that remuneration is competitive and aligned with relevant benchmark comparisons.
Short-Term Incentive (STI) Plan At risk component set as a percentage of TRO granted in a mix of cash and performance rights.	– Performance targets comprising of: – Financial and Operational objectives – Awarded as 50% Cash and 50% Equity deferred in performance rights for two years.	Performance incentive is directed to achieving Board approved targets, reflective of market circumstances.

Long-Term Incentive (LTI) Plan
At risk component set as a percentage of TRO granted in the form of performance rights annually.
	– Performance targets are set annually and comprise of:
	  – Total Shareholder Returns (60%)
	  – Earnings Per Share (40%)
	– Awarded as 100% Equity. Equity is held for three years from grant date.
		Executive rewards linked to shareholder value accretion by providing appropriate equity incentives.

Minimum Shareholding Requirement (MSR)	– MSR of 100% of TFR to be achieved within a five-year period from the later of 1 July 2021 or the commencement of appointment.	To bolster sustainable long-term growth, performance and executive retention.

29.4 Executive remuneration

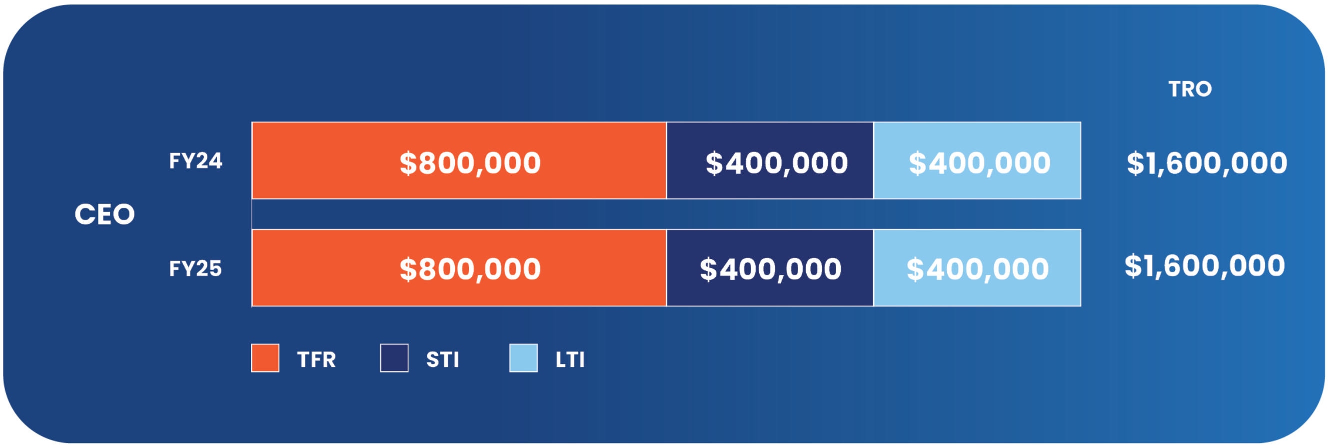
Reviewed annually and operating over a three-year cycle, the current Remuneration Framework commenced on 1 July 2022 and will conclude on 30 June 2025. Our approach has been informed by factors including an independent review by an external remuneration consultant, proxy advisor and shareholder feedback, and our desire to pursue sustainable long-term growth for the Group and our shareholders.

The PCC completed a review of the Remuneration Framework in FY22 through independent remuneration advisor, Crichton + Associates. The starting point for the review of Executive remuneration was to identify a peer group of companies against which the Group could be benchmarked for the purpose of setting an applicable level of Total Remuneration Opportunity (TRO) for Executives going forward. The TRO for each Executive is intended to be positioned at the 3rd quartile, that is between the median and 75th percentile of Executive remuneration of the comparator benchmark group. TRO above the 75th percentile may be accessed if the Group outperforms.

The comparator companies used for the purposes of the benchmark assessment of Executive remuneration were determined based on Market Capitalisation (MCAP). The Comparator Group – MCAP ASX consists of ASX listed companies with a market capitalisation narrowly ranged in relation to the Group (at the time of the review), with a slight upward emphasis given the growth aspirations of the business. The Group (MCAP) was positioned at about the median of this group at the time of benchmarking.

Managing Director and CEO

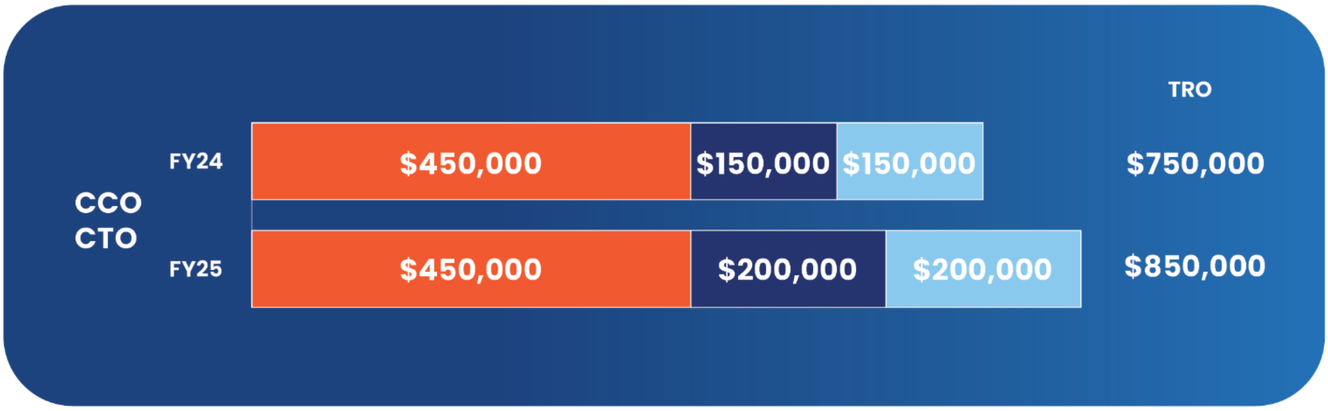
The PCC is confident that our current remuneration structure is competitive and fair. Although annual reviews of the remuneration framework are conducted to ensure ongoing alignment and appropriateness, the PCC has recommended that there be no change to the MD & CEOs remuneration during the current cycle (FY23 to FY25). This recommendation was approved by the Board.



Other Executive KMP

In FY23 and FY24, a remuneration benchmark review was completed for the CPO and CFO, having been appointed to the Executive KMP in August 2022 and October 2023 respectively. The review showed that the level of TFR for the CPO and CFO were below market median. In response, the PCC recommended an increase of TFR for the CPO and CFO to be delivered in increments over the remaining period of the current Remuneration Framework. In FY25, the TFR for the CPO and CFO will increase by 10% and 12.5% respectively, but the weighting of TFR at 60% of TRO remains unchanged. These recommendations were approved by the Board.

The TRO for the CTO and CCO has increased modestly in FY25 but remains slightly below the PCC's targeted range. The TRO mix for the CTO and CCO has changed, with a higher weighting towards At Risk components. TFR is now 53% of TRO (previously 60%) with the remaining 47% split equally between the STI (23.5%) and LTI (23.5%) components. The new TRO mix for the CTO and CCO seeks to balance the need for ongoing cost discipline in a low economic growth environment while ensuring Executives remain competitively remunerated for the role they perform. The PCC will continue to annually review the TRO, including the proportion of the at-risk components (STI and LTI), to ensure they align with the targeted range. A further benchmarking review will take place at the end of FY25.



David Todd departed the Executive KMP on 2 October 2023 due to unforeseen personal health reasons, having served as CFO since October 2007. David was classified as a 'good leaver' under the Group's Remuneration Framework and retained FY22 and FY23 STI performance rights, as well as pro-rata LTI performance rights for FY22, FY23 and TLC (awarded upon the renewal of contract). The pro-rata LTI performance rights retained by David Todd are still subject to the normal testing rules for these grants with vesting subject to meeting the performance conditions.

29.5 Key components for FY25

The following table provides further details on the FY25 Executive KMP At Risk components:

Short-term incentive (STI)

- Performance against the STI scorecard is assessed by the PCC based on the Group's annual audited results and financial statements and other data provided to the PCC and a recommendation is provided to the Board.
- Deferred rights convert into shares after a 12-month qualifying service period, with sale of shares restricted for the lock-up period.
- Executives will have entitlement to dividends and voting rights during their 12-month lock-up period.

Setting the annual STI pool

The PCC set an organisational total financial STI pool before the start of the financial year based on growth from the prior financial year. The financial STI pool is formed as follows:

- for every 1% of underlying NPATA growth between 3.0% to 4.0% underlying NPATA growth over the prior financial year, 1.0% of NPAT will be allocated to the STI pool
- for every 1% of underlying NPATA growth between 4.0% to 10.0% underlying NPATA growth over the prior financial year, 0.5% of NPAT will be allocated to the STI pool
- total organisational pool size will be capped at 5% of annual NPAT

Each executive's share of the total STI pool created will be based on a calculation schedule of receiving between 0% to 100% of their maximum potential Financial STI opportunity depending on the level of underlying NPATA growth achieved between 3% to 10%. As an example, if the underlying NPATA growth for the financial year lands at 6%, then the executive will receive 60% of their maximum Financial STI potential.

Board discretion

Subject to applicable laws, ASX listing requirements and any other regulatory obligations, the Board may exercise its absolute discretion, in circumstances where the Board considers it to be in the best interests of the Company.

Long-term incentive (LTI)

Rights are exercisable into shares three years after grant and achievement of the performance hurdles.
Equity grants will be awarded annually. Performance will be tested on the vesting date and the equity is at risk until vesting. All equity is held subject to service and performance for three years from grant date.

Vesting conditions

Total Shareholder Return (60%)

- Relative to the component companies within the Comparator Group share price measure based on the 20-trading day VWAP after release of the Financial Year end financial results (excluding the release date).
- The Comparator Group is the ASX 300 Accumulated Index (ASX: AXKOA) with no companies/sectors excluded.
- Vesting as follows:
  - <50th percentile Target - 0% vesting;
  - 50th percentile Target - 50% vesting;
  - >50th <75th percentiles between Target and Stretch - straight line vesting; and
  - >=75th percentile Stretch - 100% vesting.

Underlying Earnings per Share Growth (40%)

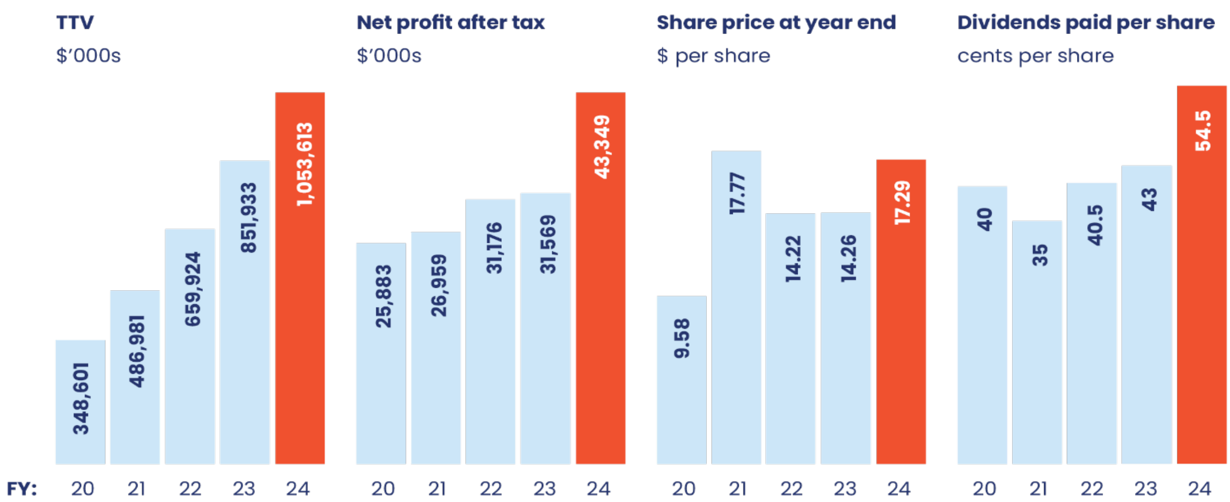
- Underlying Earnings Per Share Growth – three-year compound annual growth rate over a three-year performance period.
- Vesting as follows:
  - <6% Hurdle – 0% vesting;
  - 6% Hurdle – 25% vesting;
  - >6% <8% between Hurdle and Target – straight line vesting;
  - 8% Target – 50% vesting;
  - >8% <12% between Target and Stretch – straight line vesting; and
  - >=12% Stretch – 100% vesting;

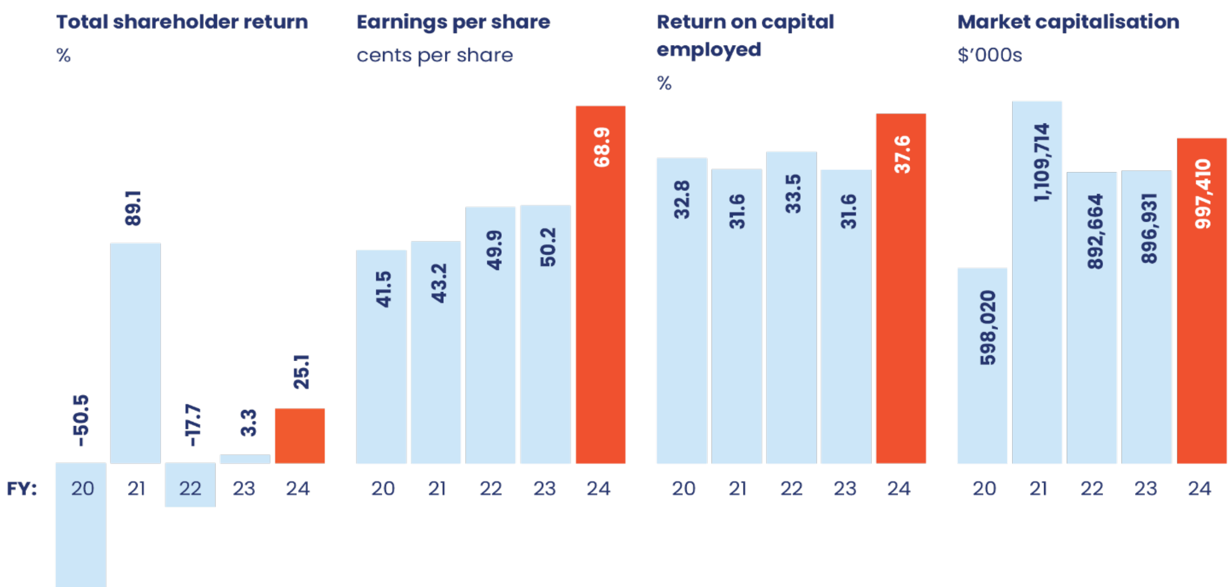
Forfeiture and Termination	In the event of resignation or dismissal for cause or significant underperformance prior to payment of the STI, an Executive KMP is not eligible for any STI award. If an Executive KMP had ceased employment on or after 1 July 2023 up to 30 June 2024 due to retirement, redundancy, permanent disability, or death, they may be eligible for a pro-rata STI award calculated up to the last day of their employment.
	Rights will lapse if the vesting conditions are not met. Rights will be forfeited on cessation of employment unless the Board determines otherwise as a 'good leaver', e.g., retirement due to injury, disability, death or redundancy.
Malus and Clawback	The PCC is responsible for assessing performance against KPIs and determining the STI and LTI to be paid. To assist in this assessment, the PCC receives detailed reports on the performance from management which are based on independently verifiable data such as financial measures, market share, signed agreements and data available from independent providers. In the event of a material misstatement in the Group's financial statements or an act by employee which constitutes a breach of core compliance policies or failure to act lawfully, the PCC can recommend to the Board the cancellation or deferral of performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

30. FY2024 Executive remuneration outcomes

30.1 Statutory key performance indicators of the Group over the last five years

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder value. The table below shows measures of the Group's financial performance over the past five years as required by the *Corporations Act 2001*. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to Executive KMP (see 3.3 below). As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable component awarded.





30.2 Fixed Remuneration

The fixed remuneration of Executive KMP consists of cash salary and statutory superannuation contributions.

2024	Duration of service agreement	Fixed remuneration as at end of FY2024[1]
Mike Veverka	No fixed duration	$800,000
David Todd[2]	No fixed duration	$450,000
Jatin Khosla[3]	No fixed duration	$320,000
Xavier Bergade	No fixed duration	$450,000
Brad Board	No fixed duration	$450,000
Abby Perry	No fixed duration	$300,000

[1] fixed remuneration includes base salary plus superannuation at 11%

[2] resigned as KMP and CFO from 2 October 2023

[3] included in KMP as CFO from 3 October 2023

30.3 Short-term incentive outcomes

The Group's performance in FY24 was impacted by the favourable run of jackpots, resulting in a >20% increase in underlying NPATA growth comparative to FY23. A number of operational targets were achieved, supporting future growth and sustainability. Employee engagement was down 11% to 66% (77% in FY23), primarily attributed to cultural shifts and evolving employee expectations. As a result of the performance, the Board awarded Executives 78.5% of their respective maximum short-term incentives. Half of this incentive is payable in cash with the remaining portion payable in the form of restricted rights. FY24 includes the full expense of the cash portion of incentive and half of expense in relation to the rights-based portion of incentive, which was calculated based on the estimated fair value of the rights at 30 June 2024 and pro-rated over the rights vesting period. The FY24 performance against key measures and the impact on variable remuneration are outlined below.

2024	Metric	Target	Weighting	Performance	Achievement of Target
	STI				
Financial (50%)	Underlying NPAT	6% to 20% and above increase	100%	✓	100%
Non-Financial (50%)	Growth	SaaS contract renewal	40%	✓	100%
		Domestic agreement (reseller or SaaS)		✗	0%
		Integration of acquisitions		✓	50%
		Earnings accretive acquisition of ELM or similar business		✗	0%
	Sustainability	Gender diversity	20%	✓	100%
		Women in leadership		✗	0%
		Net zero		✓	100%
		Sustainability benchmarking		✓	100%
	Customer	Increase of active players	20%	✓	100%
	Employee	Employee engagement index	10%	✗	0%
		Voluntary employee attrition		✓	80%
	Individual	Performance evaluation	10%	✓	100%

STI Outcomes	2024	2023	2022	2021	2020
STI (% of Target)	78.5	40.5	80	62.5	50

30.3.1 Board discretion

The Board confirms that no discretion was applied in the determination of the STI outcomes for FY2024, with all awards based strictly on the predefined performance metrics.

30.3.2 Awards granted and forfeited in FY24

The table below shows for each Executive KMP, how much of their STI was awarded and how much was forfeited.

2024	Total Opportunity $	Awarded %	Forfeited %
Mike Veverka	400,000	78.50%	21.50%
David Todd[1]	150,000	0.00%	100.00%
Jatin Khosla[2]	106,667	78.50%	21.50%
Xavier Bergade	150,000	78.50%	21.50%
Brad Board	150,000	78.50%	21.50%
Abby Perry	100,000	78.50%	21.50%

[1] resigned as KMP and CFO from 2 October 2023
[2] included in KMP as CFO from 3 October 2023

30.3.3 Deferred short-term incentive component

50% of any STI for Executive KMP will be awarded in performance rights to ordinary shares with the number of rights based on the 10-day VWAP period up to 30 June of each year. The rights will vest and convert into shares after a 12-month time based qualifying period provided the Executive remains employed by the Group at the vesting date, unless otherwise determined by the Board. The sale of shares is restricted for a further 12 months, resulting in a total two-year lock up period. Executives will have full entitlement to dividends and voting rights during the 12-month lock-up period.

The PCC has recommended the grant of 9,155 FY24 STI rights to Mike Veverka subject to shareholder approval at the 2024 AGM and 11,596 FY24 STI rights to KMP subject to Director approval at a Board meeting on the 2024 AGM date.

30.4 Long-term incentive outcomes

The table below shows for each Executive KMP, the value of rights that were granted in FY24 as part of their TRO.

2024	Total granted $
Mike Veverka	400,000
David Todd[1]	-
Jatin Khosla[2]	106,667
Xavier Bergade	150,000
Brad Board	150,000
Abby Perry	100,000

[1] resigned as KMP and CFO from 2 October 2023, which was before LTI 24 grant date
[2] included in KMP as CFO from 3 October 2023

In FY24, Executive KMP receive an annual grant of rights to a dollar value equivalent to 25% of the TRO for the CEO and 20% of the TRO for the remaining Executives, with the number of rights based on the 10-day VWAP period up to 30 June of each year. The rights are exercisable into shares three years after grant and achievement of performance hurdles, and provided the Executive remains employed by the Group at the vesting date, unless otherwise determined by the Board.

The value of LTI rights that were awarded or granted relating to the financial period ended 30 June 2024 are as follows:

2024	Grant date	Vesting date	Grant date fair value
LTI rights FY2024 – TSR hurdle	9 November 2023	14 September 2026[1]	$4.285
LTI rights FY2024 – EPS hurdle	9 November 2023	14 September 2026[1]	$12.644

[1] 20 trading days after the expected release of the 2026 Financial Year end audited financial results.

Details of the terms and conditions of STI and LTI rights granted to Executive KMP as compensation during the reporting period are as follows:

2024	No. rights granted	No. rights vested	Fair value per right at grant date $	Exercise price $	Amount paid or payable $	Vesting date	Date exercisable/ expiry date
Directors							
Mike Veverka							
LTI rights FY2024 – TSR	15,434	–	4.285	–	–	14 Sep 2026	14 Sep 2027
LTI rights FY2024 – EPS	10,289	–	12.644	–	–	14 Sep 2026	14 Sep 2027
STI rights FY2023	5,736	5,736	13.529	–	–	30 Jun 2024	30 Jun 2024
Other key management personnel							
Xavier Bergade							
LTI rights FY2024 – TSR	5,788	–	4.285	–	–	14 Sep 2026	14 Sep 2027
LTI rights FY2024 – EPS	3,858	–	12.644	–	–	14 Sep 2026	14 Sep 2027
STI rights FY2023	2,509	2,509	13.529			30 Jun 2024	30 Jun 2024
Brad Board							
LTI rights FY2024 – TSR	5,788	–	4.285	–	–	14 Sep 2026	14 Sep 2027
LTI rights FY2024 – EPS	3,858	–	12.644	–	–	14 Sep 2026	14 Sep 2027
STI rights FY2023	2,509	2,509	13.529			30 Jun 2024	30 Jun 2024
David Todd[1]							
LTI rights FY2024 – TSR	–	–	–	–	–	–	–
LTI rights FY2024 – EPS	–	–	–	–	–	–	–
STI rights FY2023	2,509	2,509	13.529	–	–	30 Jun 2024	30 Jun 2024
Jatin Khosla[2]							
LTI rights FY2024 – TSR	4,116	–	4.285	–	–	14 Sep 2026	14 Sep 2027
LTI rights FY2024 – EPS	2,744	–	12.644	–	–	14 Sep 2026	14 Sep 2027
STI rights FY2023	663	663	13.529			30 Jun 2024	30 Jun 2024
Abby Perry							
LTI rights FY2024 – TSR	3,859	–	4.285	–	–	14 Sep 2026	14 Sep 2027
LTI rights FY2024 – EPS	2,572	–	12.644	–	–	14 Sep 2026	14 Sep 2027
STI rights FY2023	1,585	1,585	13.529	–	–	30 Jun 2024	30 Jun 2024

[1] resigned as KMP and CFO from 2 October 2023

[2] included in KMP as CFO from 3 October 2023

The LTI rights FY24 are granted for no consideration, have a three-year term, and are exercisable when the vesting conditions have been met. Please see Further Details on Key Components on page 60 for more information.

The STI rights FY23 were granted on 9 November 2023 for no consideration, have a one-year service vesting condition ending 30 June 2024, and are exercisable after a further one-year lock-up period. The rights were fully vested and converted into shares in escrow at 30 June 2024.

The weighted average fair value of rights granted during FY2024 was $8.87.

The value of LTI rights awarded or granted relating to previous financial periods, for which remuneration is reported in the financial period ended 30 June 2024 are as follows:

2024	No. rights granted	No. rights vested	No. rights lapsed/ forfeited	Fair value per right at grant date	Exercise price	Amount paid or payable	Vesting date	Date exercisable/ Expiry date
Directors								
Mike Veverka								
LTI rights FY2021	40,201	40,201	–	$6.254	–	–	1 Jul 2023	28 Aug 2023
LTI rights FY2022	23,419	–	(23,419)	$9.466	–	–	30 Jun 2024	–
LTI rights FY2023 – TSR	17,467	–	–	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	11,645	–	–	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights TLC	16,393	–	(16,393)	$10.296	–	–	4 Nov 2023	–
	109,125	**40,201**	**(39,812)**					
Other key management personnel								
David Todd[1]								
LTI rights FY2021	17,588	17,588	–	$6.254	–	–	1 Jul 2023	28 Aug 2023
LTI rights FY2022	10,246	–	(10,246)	$9.466	–	–	30 Jun 2024	–
LTI rights FY2023 – TSR	7,642	–	(4,458)	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	5,095	–	(2,972)	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights TLC	8,197	–	(8,197)	$7.565	–	–	4 Nov 2023	–
Jatin Khosla[2]								
LTI rights FY2023 – TSR	1,737	–	–	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	1,158	–	–	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
Xavier Bergade								
LTI rights FY2021	17,588	17,588	–	$6.254	–	–	1 Jul 2023	28 Aug 2023
LTI rights FY2022	10,246	–	(10,246)	$9.466	–	–	30 Jun 2024	–
LTI rights FY2023 – TSR	7,642	–	–	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	5,095	–	–	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights TLC	8,197	–	(8,197)	$7.565			4 Nov 2023	–
Brad Board								
LTI rights FY2021	17,588	17,588	–	$6.254	–	–	1 Jul 2023	28 Aug 2023
LTI rights FY2022	10,246	–	(10,246)	$9.466	–	–	30 Jun 2024	–
LTI rights FY2023 – TSR	7,642	–	–	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	5,095	–	–	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights TLC	8,197	–	(81,97)	$7.565			4 Nov 2023	–
Abby Perry								
LTI rights FY2023 – TSR	4,825	–	–	$5.592	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights FY2023 – EPS	3,217	–	–	$12.535	–	–	14 Sep 2025[3]	14 Sep 2026
LTI rights TLC	1,393	–	(1,393)	$8.995	–	–	4 Nov 2023	–
	158,634	**52,764**	**(64,152)**					

[1] resigned as KMP and CFO from 2 October 2023
[2] included in KMP as CFO from 3 October 2023
[3] 20 trading days after the expected release of the 2025 Financial Year end financial results

The LTI rights FY21 were granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Jumbo share price for the period up to 30 June 2023 is equal to or more than $14.55 less any dividends paid during the term. These rights vested at 1 July 2023 and were exercised on 28 August 2023.

The LTI rights TLC were special LTIs as a one-off recognition of effort in relation to the renegotiation of the TLC Agreement granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Jumbo share price for the period up to 4 November 2023 is equal to or more than $16.24. The vesting conditions were not achieved at 4 November 2023, as a result the rights lapsed.

The LTI rights FY2022 were granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Jumbo share price for the period up to 30 June 2023 is equal to or more than $20.17 less any dividends paid during the term. The vesting conditions were not achieved at 30 June 2024, as a result the rights lapsed.

The LTI rights FY2023 were granted for no consideration, have a three-year term, and are exercisable when the vesting conditions have been met. Please see Further Details on Key Components on page 60 for more information.

30.4.1 Options

There were no options granted to Executive KMP during the reporting period.

30.4.2 Equity instruments issued on exercise of rights and options

The following equity instruments were issued during the reporting period to Executive KMP and NEDs as a result of rights and options exercised that had previously been granted as compensation.

2024	Number of shares issued on exercise of rights	Number of rights exercised	Amount paid per share	Amount unpaid per share
Directors				
Susan Forrester – rights[1]	1,366	1,366	-	-
Sharon Christensen - rights[1]	1,366	1,366	-	-
Mike Veverka - rights	45,937	45,937	-	-
Other key management personnel				
David Todd – rights[2]	20,097	20,097	-	-
Jatin Khosla - rights[3]	663	663	-	-
Xavier Bergade - rights	20,097	20,097	-	-
Brad Board - rights	20,097	20,097	-	-
Abby Perry - rights	1,585	1,585	-	-

[1] no shares were issued for Susan Forrester's 1,366 rights and Sharon Christensen's 1,366 rights, as these shares were purchased on-market

[2] resigned as KMP and CFO from 2 October 2023

[3] included in KMP as CFO from 3 October 2023

30.4.3 Value of rights to Executive KMP

Details of rights that were granted and that are exercised during the year to Executive KMP and NEDs as part of their remuneration are as follows:

2024	Value of rights at grant date[1] $	Value of rights exercised at exercise date $
Directors		
Susan Forrester - rights	20,941	21,528
Sharon Christensen - rights	20,941	21,528
Mike Veverka – rights	329,019	733,432
Other key management personnel		
David Todd – rights[2]	143,940	320,869
Jatin Khosla – rights[3]	8,970	11,543
Xavier Bergade – rights	143,940	320,869
Brad Board - rights	143,940	320,869
Abby Perry - rights	21,443	27,595

[1] the value of rights granted during the period differs to the expense recognised as part of each Executive KMP's remuneration in (c) above because this value is the grant date fair value calculated in accordance with AASB 2 Share-based Payment

[2] resigned as KMP and CFO from 2 October 2023

[3] included in KMP as CFO from 3 October 2023

Shares and other securities held by Executive KMP include close family members and entities over which the key management person or their close family members have direct or indirect control, joint control or significant influence.

Details of rights over ordinary shares of the Company, held indirectly or beneficially by Executive KMP are as follows:

Rights to deferred shares

2024	Balance at 1 July 2023	Granted as remuneration during the year	Exercised during the year	Forfeited	Balance at 30 June 2024	Vested at 30 June 2024	Total vested and exercisable at 30 June 2024	Total vested and un-exercisable at 30 June 2024	Total unvested at 30 June 2024
Mike Veverka	109,125	31,459	(45,937)	(39,812)	54,835	-	-	-	54,835
Xavier Bergade	48,768	12,155	(20,097)	(18,443)	22,383	-	-	-	22,383
Brad Board	48,768	12,155	(20,097)	(18,443)	22,383	-	-	-	22,383
David Todd[1]	48,768	2,509	(20,097)	(25,873)	5,307	-	-	-	5,307
Jatin Khosla[2]	2,895	7,523	(663)	-	9,755	-	-	-	9,755
Abby Perry	9,435	8,016	(1,585)	(1,393)	14,473	-	-	-	14,473
	267,759	**73,817**	**(108,476)**	**(103,964)**	**129,136**	-	-	-	**129,136**

[1] resigned as KMP and CFO from 2 October 2023

[2] included in KMP as CFO from 3 October 2023

31. Total Executive remuneration and benefits

2024	Short term employee benefits				Post-employment benefits	Long term benefits	Termination benefits $	Equity-settled share-based payments	Total $	Proportion of remuneration that is performance based
	Cash salary, fees $	Annual leave[2] $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Long service leave[2] $		Options and Rights[1] $		%
Mike Veverka	772,500	55,469	157,000	-	27,500	12,039	-	402,351	1,426,859	39.2
David Todd[3]	102,911	43,627	-	-	11,320	10,786	-	68,492	237,136	28.9
Jatin Khosla[4]	219,076	8,309	41,867	-	19,693	15,104	-	53,701	357,750	26.7
Xavier Bergade	405,405	35,747	58,875	-	44,595	(1,885)	-	162,299	705,036	31.4
Brad Board	405,405	(1,862)	58,875	-	44,595	19,947	-	162,299	689,259	32.1
Abby Perry[2]	272,500	7,039	39,250	-	27,500	35,092	-	80,694	462,075	26.0
Total Executive remuneration	**2,177,797**	**148,329**	**355,867**	**-**	**175,203**	**91,083**	**-**	**929,836**	**3,878,115**	**33.2**

[1] includes share-based payments over the remaining term on those rights exercised, if any, during the financial year recognised in accordance with AASB2 – *Share-based payments.*

[2] annual and long-service leave benefits are calculated as movement in respective provision balances year on year. In relation to David Todd the leave benefits represent movement between balances at 30 June 2023 and balance at his termination date 2 October 2023, and related amount was fully settled on termination

[3] resigned as KMP and CFO from 2 October 2023

[4] included in KMP as CFO from 3 October 2023

2023	Short term employee benefits			Post-employment benefits	Long term benefits	Termination benefits $	Equity-settled share-based payments	Total $	Proportion of remuneration that is performance based
	Cash salary, fees and annual leave $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Long service leave $		Options and Rights[1] $		%
Mike Veverka	769,811	81,048	-	30,189	9,513	-	457,880	1,348,441	40.3
David Todd	322,500	35,458	-	27,500	5,012	-	185,452	575,922	38.4
Xavier Bergade	316,742	35,458	-	33,258	4,041	-	185,452	574,951	38.4
Brad Board	316,742	35,458	-	33,258	4,782	-	185,452	575,692	38.4
Abby Perry[2]	165,385	22,389	-	17,365	-	-	33,950	239,089	23.6
Total Executive remuneration	**1,891,180**	**209,811**	**-**	**141,570**	**23,348**	**-**	**1,048,186**	**3,314,095**	**38.0**

[1] includes share-based payments over the remaining term on those options and rights exercised, if any, during the financial year

[2] included in KMP from 25 August 2022

32. Non-Executive Director Remuneration

The Company is committed to ensuring that the composition of the Board includes Directors who possess an appropriate mix of skills, experience, expertise, and diversity to enable the Board to support the Group to deliver on outcomes aligned with our strategic priorities. Our strong corporate governance framework underpins the Board's strategic objectives and commitment to shareholders and the community.

The size and composition of the Board is determined in accordance with the Company's Constitution and any applicable laws and regulations and comprises four members, including the CEO, Chairperson and two independent, Non-Executive Directors. In addition, the Board has extensive access to members of senior management who regularly attend Board meetings. Management makes presentations and engage in discussions with Directors, answer questions and provide input and perspective on their areas of responsibility. The CFO attends all Board meetings as an invitee.

32.1 Non-Executive Director fees

Non-Executive Directors receive a Director fee and fees for chairing or participating on Board committees per the table below. The fees are inclusive of superannuation. They do not receive performance-based pay or retirement allowances but may acquire rights as a salary sacrifice under a Non-Executive Director Rights Plan.

The Non-Executive Director Rights Plan was established in March 2022. The Company may, at the discretion of the Board, offer and issue Awards to Non-Executive Directors in the form of Performance Rights. Rights are offered for a nil cost and are exercisable at nil cost. Rights will vest pro-rata if the services of the Director cease for any reason between 1 July and 30 June for each tranche of rights. Rights are restricted until they are exercised or expire. Rights will expire, if not exercised, three years after the relevant vesting date for each tranche of Rights. Participants of the Rights Plan include Susan Forrester and Sharon Christensen.

Board and Committee fees (per annum)	2024	2023
Chair of the Board	$213,000	$213,000
Non-Executive Directors	$125,000	$125,000
Committee Chair (Audit and Risk)	$15,000	$15,000
Committee Chair (People and Culture)	$15,000	$15,000
Committee Member (Audit and Risk)	$10,000	$10,000
Committee Member (People and Culture)	$10,000	$10,000

In addition to Board and Committee fees, non-executive Directors are reimbursed for travel and other expenses reasonably incurred when attending meetings of the Board or conducting the business of the Group. A minimum shareholding requirement (MSR) applies to non-executive Directors comprising holding fully paid ordinary shares in the Company to the value of 100% of annual board fees within five years of falling under the Remuneration Framework or appointment.

32.2 Value of rights to Non-Executive Directors

Details of rights over ordinary shares of the Company, held indirectly or beneficially by non-executive Directors are as follows:

Rights to deferred shares

2024	Balance at 1 July 2023	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at 30 June 2024	Vested at 30 June 2024	Total vested and exercisable at 30 June 2024	Total vested and un-exercisable at 30 June 2024	Total unvested at 30 June 2024
Susan Forrester	2,732	-	(1,366)	-	1,366	-	-	-	1,366
Sharon Christensen	2,732	-	(1,366)	-	1,366	-	-	-	1,366
	5,464	**-**	**(2,732)**	**-**	**2,732**	**-**	**-**	**-**	**2,732**

The NED service rights are granted for a consideration of $nil per right and have a time-bound vesting period only.

32.3 Total Non-Executive remuneration and benefits

2024	Short term employee benefits			Post-employment benefits	Long term benefits	Termination benefits $	Equity-settled share-based payments	Total $	Proportion of remuneration that is performance based
	Cash salary, fees and annual leave $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Long service leave $		Options and Rights $		%
Susan Forrester	187,387	-	-	20,613	-	-	25,000[1]	233,000	-
Sharon Christensen	125,000	-	-	-	-	-	25,000[1]	150,000	-
Giovanni Rizzo	147,523	-	-	2,477	-	-	-	150,000	-
Total Non-Executive remuneration	**459,910**	**-**	**-**	**23,090**	**-**	**-**	**50,000**	**533,000**	**-**

[1] salary sacrifice for NED rights

2023	Short term employee benefits			Post-employment benefits	Long term benefits	Termination benefits $	Equity-settled share-based payments	Total $	Proportion of remuneration that is performance based
	Cash salary, fees and annual leave $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Long service leave $		Options and Rights $		%
Susan Forrester	185,068	-	-	19,432	-	-	28,500[1]	233,000	-
Sharon Christensen	114,583	-	-	-	-	-	35,417[1]	150,000	-
Giovanni Rizzo	146,437	-	-	3,563	-	-	-	150,000	-
Total Non-Executive remuneration	**446,088**	**-**	**-**	**22,995**	**-**	**-**	**63,917**	**533,000**	**-**

[1] salary sacrifice for NED rights

33. Executive KMP shareholdings

2024	Balance at 1 July 2023	Granted as remuneration during the year	Issued on exercise of rights during the year	Other changes during the year	Balance at 30 June 2024
Directors[3]					
Mike Veverka	8,868,035	-	45,937	-	8,913,972
Susan Forrester	32,366	-	1,366	-	33,732
Sharon Christensen	5,916	-	1,366	1,000	8,282
Giovanni Rizzo	4,000	-	-	5,500	9,500
Other key management personnel[3]					
David Todd[1]	62,470	-	20,097	-	82,567
Jatin Khosla[2]	2,526	-	663	-	3,189
Xavier Bergade	312,470	-	20,097	(235,000)	97,567
Brad Board	40,288	-	20,097	(31,118)	29,267
Abby Perry	-	-	1,585	-	1,585
	9,328,071	-	**111,208**	**(259,618)**	**9,179,661**

[1] resigned as KMP and CFO from 2 October 2023

[2] included in KMP as CFO from 3 October 2023

[3] all NEDs and Executive KMP have achieved the minimum shareholding requirement, with the exception of the CPO and CFO

End of Remuneration Report – audited.

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Auditor's independence declaration to the directors of Jumbo Interactive Limited

As lead auditor for the audit of the financial report of Jumbo Interactive Limited for the financial year ended 30 June 2024, 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jumbo Interactive Limited and the entities it controlled during the financial year.

Ernst & Young

Susie Kuo
Partner
23 August 2024

Financial Report

Contents

Jumbo Interactive Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	Consolidated 2023 $'000
Revenue	3	159,334	118,712
Other income	4	301	13
Other gains / (losses)	4	(102)	310
Fair value gain /(loss) on financial liabilities	24	725	(492)
Commissions and fees		(25,461)	(16,642)
Employee benefits expense	4	(28,297)	(23,143)
Advertising and marketing expense		(12,537)	(6,579)
Depreciation and amortisation expense	4	(12,358)	(11,295)
Technology expense		(4,154)	(2,986)
Consultancy and legal expenses		(1,735)	(171)
Impairment of receivables		(176)	-
Other expenses	4	(12,751)	(10,829)
Profit before income tax and net finance costs		62,789	46,898
Finance income	4	1,416	516
Finance costs	4	(463)	(775)
Profit before income tax expense		63,742	46,639
Income tax expense	5	(20,393)	(15,070)
Profit after income tax expense for the year attributable to the members of Jumbo Interactive Limited		43,349	31,569
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		850	3,322
Other comprehensive income for the year, net of tax		850	3,322
Total comprehensive income for the year attributable to the members of Jumbo Interactive Limited		44,199	34,891
		Cents	**Cents**
Basic earnings per share	6	68.86	50.17
Diluted earnings per share	6	68.58	49.91

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

Jumbo Interactive Limited

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	Consolidated 2024 $'000	Consolidated 2023 Restated* $'000
Assets			
Current assets			
Cash and cash equivalents	7	68,979	54,507
Trade and other receivables	8	7,264	8,046
Inventories		89	29
Current tax asset	5	288	-
Other current assets	9	12,956	8,411
Total current assets		89,576	70,993
Non-current assets			
Property, plant and equipment	10	637	506
Intangible assets	11	68,285	70,792
Right-of-use assets	12	2,214	3,342
Other non-current assets	13	9,125	10,625
Total non-current assets		80,261	85,265
Total assets		169,837	156,258
Liabilities			
Current liabilities			
Trade and other payables	14	36,896	31,439
Employee benefits	15	1,003	1,078
Lease liabilities	17	1,357	1,355
Borrowings	22	625	-
Current tax liability	5	3,274	2,599
Provisions	16	563	-
Other current liabilities	24	3,432	8,391
Total current liabilities		47,150	44,862
Non-current liabilities			
Employee benefits	15	532	553
Lease liabilities	17	1,120	2,491
Deferred tax	5	5,877	8,341
Provisions	16	-	22
Total non-current liabilities		7,529	11,407
Total liabilities		54,679	56,269
Net assets		115,158	99,989
Equity			
Issued capital	20	79,231	79,807
Reserves	21	8,375	6,403
Retained profits		27,552	13,779
Total equity		115,158	99,989

*Please refer to note 1 for details on restated balances at 30 June 2023.

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

Jumbo Interactive Limited

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

Consolidated 2023	Contributed equity $'000	Share-based payments reserve $'000	Foreign currency translation reserve $'000	Financial assets reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2022	81,390	5,566	(1,281)	(2,302)	9,610	92,983
Profit after income tax expense for the year	-	-	-	-	31,569	31,569
Other comprehensive income for the year, net of tax	-	-	3,322	-	-	3,322
Total comprehensive income for the year	-	-	3,322	-	31,569	34,891
Transactions with members in their capacity as members:						
Issue of shares (note 20)	1,050	(38)	-	-	-	1,012
Share buy-back	(2,633)	-	-	-	-	(2,633)
Share-based payments (note 30)	-	1,136	-	-	-	1,136
Dividends paid (note 19)	-	-	-	-	(27,400)	(27,400)
Balance at 30 June 2023	79,807	6,664	2,041	(2,302)	13,779	99,989

Consolidated 2024	Contributed equity $'000	Share-based payments reserve $'000	Foreign currency translation reserve $'000	Financial assets reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2023	79,807	6,664	2,041	(2,302)	13,779	99,989
Profit after income tax expense for the year	-	-	-	-	43,349	43,349
Other comprehensive income for the year, net of tax	-	-	850	-	-	850
Total comprehensive income for the year	-	-	850	-	43,349	44,199
Transactions with members in their capacity as members:						
Issue of shares (note 20)	-	(43)	-	-	-	(43)
Share buy-back	(576)	-	-	-	-	(576)
Share-based payments (note 30)	-	1,165	-	-	-	1,165
Dividends paid (note 19)	-	-	-	-	(29,576)	(29,576)
Balance at 30 June 2024	79,231	7,786	2,891	(2,302)	27,552	115,158

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Jumbo Interactive Limited

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 Restated* $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		177,532	131,645
Payments to suppliers and employees (inclusive of GST)		(95,263)	(65,112)
		82,269	66,533
Interest received		1,416	516
Interest and other finance costs paid		(327)	(728)
Interest on lease liabilities		(137)	(47)
Income taxes paid		(22,557)	(12,009)
Net cash from operating activities		60,664	54,265
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	24	-	(20,041)
Payments for property, plant and equipment	10	(435)	(175)
Payments for intangibles	11	(6,201)	(6,558)
Payments of deposit for contingent consideration		-	(8,519)
Payments of contingent consideration		-	(3,117)
Release of contingent consideration	24	777	-
Proceeds from disposal of property, plant and equipment		60	-
Investment in terms deposits		(9,438)	-
Net cash used in investing activities		(15,237)	(38,410)
Cash flows from financing activities			
Proceeds from issue of shares	20	-	1,050
Payments for share rights for NEDs		(43)	-
Proceeds from borrowings		2,084	-
Payments for share buy-backs		(576)	(2,633)
Repayment of borrowings		(1,459)	-
Principal payment of lease liabilities		(1,364)	(1,074)
Dividends paid	19	(29,576)	(27,400)
Net cash used in financing activities		(30,934)	(30,057)
Net increase/(decrease) in cash and cash equivalents		14,493	(14,202)
Cash and cash equivalents at the beginning of the financial year		54,507	68,930
Effects of exchange rate changes on cash and cash equivalents		(21)	(221)
Cash and cash equivalents at the end of the financial year	7	68,979	54,507

*Please refer to note 1 for details on restated balances at 30 June 2023.

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

Jumbo Interactive Limited

Notes to the Consolidated Financial Statements

30 June 2024

About this report

Jumbo Interactive Limited is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX: JIN), and is a for-profit entity for the purposes of preparing the financial statements. The consolidated financial statements are for the consolidated entity consisting of Jumbo Interactive Limited (the Company) and its subsidiaries and together are referred to as the Group or Jumbo.

The consolidated financial statements were approved for issue in accordance with a resolution by the Directors on 23 August 2024. The Directors have the power to amend and reissue the consolidated financial statements.

The consolidated financial statements are general purpose financial statements which:

- have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) issued by the International Financial Standards Board;
- have been prepared under the historical cost convention;
- are presented in Australian dollars (A$), with all amounts in the financial report being rounded off in accordance with the requirements of ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission to the nearest thousand dollars, unless otherwise indicated;
- where necessary, comparative information has been restated to conform with changes in presentation in the current year; and
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group effective for reporting periods beginning on or after 1 July 2023.

The notes to the financial statements

The notes include financial information which is required to understand the consolidated financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps explain the impact of significant changes in the Group's business - for example, acquisitions and impairment write downs; and
- it relates to an aspect of the Group's operations that is important to its future performance.

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes of the financial statements.

Significant judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the consolidated financial statements include:

	Note	Page
Impairment assessment of goodwill and other indefinite-life intangible assets	11	99
Estimated useful life of website development costs	11	100
Estimated useful life of customer contracts and relationships	11	100

In addition, in preparing the financial statements, the notes to the financial statements were ordered such that the most relevant information was presented earlier in the notes and that the disclosures that management deemed to be immaterial were excluded from the notes to the financial statements. The determination of the relevance and materiality of disclosures involved significant judgement.

Key events and transactions for the reporting period

The financial position and performance of the Group was affected by the following events and transactions during the reporting period:

- Higher levels of customer activity, large jackpot activity and pricing and product portfolio changes which in turn impacted Lottery Retailing TTV and revenue.
- The 'step up' in the TLC service fee from 3.5% to 4.65% of the subscription cost of the lottery tickets sold and higher marketing costs, resulting in significantly higher related costs in Lottery Retailing.
- The acquisition of the StarVale Group of Companies in the UK using a combination of cash and debt on 1 November 2022 (see note 24 'Business combinations' for details). As a result, FY2023 includes an eight-month contribution from StarVale, while FY2024 includes a full 12-month contribution.
- Payment of dividends (see note 19 'Dividends' for details).

RESULTS FOR THE YEAR

In this section

Results for the year include segment information and a breakdown of individual line items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income that the Directors consider most relevant, including a summary of the accounting policies, relevant to understanding these line items.

RESULTS FOR THE YEAR

Note 1. Restatement of comparatives

(a) Statement of profit or loss and other comprehensive income

When there is a restatement of comparatives, it is mandatory to provide a statement of profit or loss and other comprehensive income for the year ended 30 June 2023. There were no adjustments made to the comparative statement of profit or loss and other comprehensive income other than changes in the presentation of expenses by 'nature' to align to the current period presentation.

(b) Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2022. However, the adjustments made do not impact opening balances of the comparative period (as at 1 July 2022), therefore the Group has elected not to show the 1 July 2022 statement of financial position.

During the year ended 30 June 2024 the following restatements of the comparative balances have been made:

Customer account balances

The online lottery customer account balance as at 30 June 2023 was restated to include $1,317,000 held in trust for the payment of prizes and charity distributions relating to the Gatherwell business in the UK, where the prior period neither the cash nor the corresponding liability was recognised in the Statement of Financial Position.

Completion of StarVale business combination

The acquisition accounting for StarVale was finalised in November 2023, resulting in an adjustment to the provisional values reported in the 30 June 2023 annual report. The provisional deferred tax liability was calculated using the prevailing corporation tax rate of 19%. In October 2022 the UK government enacted changes to corporation tax, according to which the corporation tax in the UK would increase from 19% to 25% from 1 April 2023. As a result, the provisional deferred tax liability and goodwill balances were increased by AU$1,018,000 to reflect the higher tax rate as this information existed at the acquisition date (including foreign exchange impact of $58,000 since the balance on acquisition date). Please refer to note 24 for the details.

The balances reported at 30 June 2023 were restated in these financial statements as follows:

	30 June 2023 reported $'000s	Restatement $'000s	30 June 2023 restated $'000s
Current assets			
Cash and cash equivalents	53,190	1,317	54,507
Non-current assets			
Intangible assets	69,774	1,018	70,792
Current liabilities			
Trade and other payables	30,122	1,317	31,439
Non-current liabilities			
Deferred tax liabilities	7,323	1,018	8,341

Note 2. Operating segments

The Group determines and presents operating segments on a product and geographic basis as this is how the results are reported internally to the Chief Executive Officer (being the chief operating decision maker) and how the business is managed. The Chief Executive Officer assesses the performance of the Group based on the earnings before interest, tax, and depreciation and amortisation (EBITDA) amongst other key metrics and key performance indicators.

(a) Description of segments

The following summary describes the operations each of the Group's reportable segments:

Lottery Retailing

Sales of Australian national lottery and charity lottery tickets through the internet and mobile devices to customers (**B2C**) in Australia and eligible overseas jurisdictions.

Software-as-a-Service (SaaS)

Development, supply and maintenance of proprietary software-as-a-service (SaaS) for authorised businesses, charities and governments (**B2B/B2G**) mainly in the lottery market in Australia.

Managed Services

Provision of lottery management services for authorised Businesses and Charities (**B2B**) in the lottery market on an international basis. Services include prize procurement, lottery game design, campaign marketing, and customer relationship and draw management. These services are provided in addition to the proprietary-owned lottery software platforms to licensed charities in the UK and Canada. The segment operates as Gatherwell Ltd (**Gatherwell**) and StarVale Group of companies (**StarVale**) as External Lottery Managers (**ELM**) in the UK, and Stride Management Corp. (**Stride**) as an ELM for charity lotteries in Canada.

Intersegment eliminations

The SaaS segment licences the lottery software platform to the Lottery Retailing segment at a licence fee of 7.5% of relevant lottery ticket sales.

Expenses

Direct costs are included in expenses of operating segments and indirect costs are allocated to operating segments based on the headcount assigned to each operating segment.

Reconciling items

Other reconciling items are corporate expenses including costs in respect of the Directors, CEO, CFO, corporate advertising, promotion and marketing, corporate investment and finance, tax, audit, risk, governance, share-based payments, and strategic projects.

Note 2. Operating segments (continued)

(b) Segment information

The segment information provided to the CEO is as follows:

2024	Lottery Retailing	SaaS	Managed Services	Intersegment Eliminations	Corporate/ Other	Total
Total segment sales revenue from external customers	**123,404**	**10,094**	**25,836**	**-**	**-**	**159,334**
Intersegment sales revenue	-	40,640	-	(40,640)	-	-
Total segment sales revenue	**123,404**	**50,734**	**25,836**	**(40,640)**	**-**	**159,334**
Cost of sales	(64,181)	(361)	(3,637)	40,640	-	(27,539)
Gross Profit	**59,223**	**50,373**	**22,199**	**-**	**-**	**131,795**
Employee benefits expense	(3,590)	(12,211)	(8,958)	-	(1,423)	(26,182)
Director's remuneration	-	-	-	-	(483)	(483)
Share-based payments	-	-	-	-	(1,165)	(1,165)
Consultancy and legal expenses	(26)	-	(395)	-	(1,314)	(1,735)
Advertising and marketing expenses	(10,305)	(599)	(609)	-	(28)	(11,541)
Corporate expenses	(1)	(3)	(253)	-	(532)	(789)
Technology expense	(260)	(2,448)	(1,221)	-	(65)	(3,994)
Office expenses	(121)	(275)	(330)	-	-	(726)
Other expenses	(2,252)	(2,275)	(3,743)	-	(2,687)	(10,957)
Operating expenses	**(16,555)**	**(17,811)**	**(15,509)**	**-**	**(7,697)**	**(57,572)**
Other income/(loss) items	(54)	236	23	-	719	924
EBITDA	**42,614**	**32,798**	**6,713**	**-**	**(6,978)**	**75,147**

Consolidated EBITDA	**75,147**
Depreciation and amortisation	(12,358)
Consolidated EBIT	**62,789**
Net finance income/(cost)	953
Consolidated net profit before tax	**63,742**
Income tax expense	(20,393)
Consolidated net profit after tax (see profit or loss)	**43,349**

Note 2. Operating segments (continued)

(b) Segment information (continued)

2023	Lottery Retailing	SaaS	Managed Services	Intersegment Eliminations	Corporate/ Other	Total
Total segment sales revenue from external customers	**91,287**	**8,710**	**18,715**	**-**	**-**	**118,712**
Intersegment sales revenue	-	33,683	-	(33,683)	-	-
Total segment sales revenue	**91,287**	**42,393**	**18,715**	**(33,683)**	**-**	**118,712**
Cost of sales	(49,791)	(431)	(1,414)	33,683	-	(17,953)
Gross Profit	**41,496**	**41,962**	**17,301**	**-**	**-**	**100,759**
Finance costs	-	-	-	-	(47)	(47)
Employee benefits expense	(3,010)	(9,894)	(6,879)	-	(1,250)	(21,033)
Director's remuneration	-	-	-	-	(483)	(483)
Share-based payments	-	-	-	-	(1,136)	(1,136)
Consultancy and legal expenses	(39)	(81)	(42)	-	(9)	(171)
Advertising and marketing expenses	(5,957)	(180)	(381)	-	(53)	(6,571)
Corporate expenses	(4)	(1)	(156)	-	(808)	(969)
Technology expense	(189)	(1,796)	(738)	-	(59)	(2,782)
Office expenses	(133)	(267)	(361)	-	-	(761)
Other expenses	(1,630)	(2,052)	(2,552)	-	(2,749)	(8,983)
Operating expenses	**(10,962)**	**(14,271)**	**(11,109)**	**-**	**(6,594)**	**(42,936)**
Other income/(loss) items	-	-	-	-	323	323
EBITDA	**30,534**	**27,691**	**6,192**	**-**	**(6,271)**	**58,146**

Consolidated EBITDA	**58,146**
Depreciation and amortisation	(11,295)
Consolidated EBIT	**46,851**
Net finance income/(cost)	(212)
Consolidated net profit before tax	**46,639**
Income tax expense	(15,070)
Consolidated net profit after tax (see profit or loss)	**31,569**

The cost of sales consists of the following expenses disclosed in the respective financial statement line items in the consolidated statement of profit and loss and other comprehensive income:

	Consolidated	
	2024 $'000	2023 $'000
Commissions and fees	25,362	16,642
Employee benefits expense	466	491
Advertising and marketing expense	997	8
Technology expense	160	204
Other expenses	554	608
	27,539	**17,953**

Note 2. Operating segments (continued)

(c) Other segment information

Geographical information

The Company is domiciled in Australia. Segment revenues are allocated based on the country in which the customer is located.

	Sales to external customers 2024 $'000	Sales to external customers 2023 $'000	Geographical non-current assets 2024 $'000	Geographical non-current assets 2023 $'000
Australia (domicile)	131,443	95,666	29,518	31,729
United Kingdom	17,509	10,946	37,565	38,964
Canada	8,771	8,072	13,176	14,569
Fiji	913	1,030	2	3
Other	698	2,998	-	-
	159,334	**118,712**	**80,261**	**85,265**

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.

More than 10% of total Group revenue is generated from products sold under licence by The Lottery Corporation Limited.

Recognition and measurement

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 3. Revenue

The Group reports revenue from the sale of lottery tickets and related services on a net revenue inflow basis where it considers that it acts more as an Agent than as a Principal such as with the sale of lottery tickets.

	Consolidated 2024 $'000	Consolidated 2023 $'000
Sales revenue		
Revenue from sale of goods[1]	568	811
Revenue from rendering of services[1]	158,766	117,901
Total sales revenue	**159,334**	**118,712**

[1]the Group derives revenue from the transfer of goods and services at a point-in-time.

Note 3. Revenue (continued)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by main geographic markets, customer type and main products and services. The table includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

2024	**Lottery Retailing** $'000	**SaaS** $'000	**Managed Services** $'000	**Intersegment Eliminations** $'000	**Total** $'000
Main geographic markets					
Australia (domicile)	121,795	50,288	-	(40,640)	131,443
United Kingdom	-	444	17,065	-	17,509
Canada	-	-	8,771	-	8,771
Fiji	911	2	-	-	913
Other	698	-	-	-	698
	123,404	**50,734**	**25,836**	**(40,640)**	**159,334**
Customer type					
B2C	123,404	-	-	-	123,404
B2B	-	46,710	25,836	(40,640)	31,906
B2G	-	4,024	-	-	4,024
	123,404	**50,734**	**25,836**	**(40,640)**	**159,334**
Main products and services					
Draw lottery games	117,309	-	-	-	117,309
Charity lottery games	4,249	-	-	-	4,249
Instant win games	561	-	-	-	561
Software licensing fees	-	50,734	-	(40,640)	10,094
Lottery management services	-	-	25,836	-	25,836
Miscellaneous	1,285	-	-	-	1,285
	123,404	**50,734**	**25,836**	**(40,640)**	**159,334**

Note 3. Revenue (continued)

Disaggregation of revenue from contracts with customers (continued)

2023	Lottery Retailing $'000	SaaS $'000	Managed Services $'000	Intersegment Eliminations $'000	Total $'000
Main geographic markets					
Australia (domicile)	87,259	41,990	100	(33,683)	95,666
United Kingdom	-	403	10,543	-	10,946
Canada	-	-	8,072	-	8,072
Fiji	1,030	-	-	-	1,030
Other	2,998	-	-	-	2,998
	91,287	**42,393**	**18,715**	**(33,683)**	**118,712**
Customer type					
B2C	91,287	-	-	-	91,287
B2B	-	38,829	18,715	(33,683)	23,861
B2G	-	3,564	-	-	3,564
	91,287	**42,393**	**18,715**	**(33,683)**	**118,712**
Main products and services					
Draw lottery games	86,590	-	-	-	86,590
Charity lottery games	2,549	-	-	-	2,549
Instant win games	777	-	-	-	777
Software licensing fees	-	42,393	-	(33,683)	8,710
Lottery management services	-	-	18,715	-	18,715
Miscellaneous	1,371	-	-	-	1,371
	91,287	**42,393**	**18,715**	**(33,683)**	**118,712**

Recognition and measurement

The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods and/or Rendering of Services

Revenue from sale of goods and/or rendering of services is recognised when control of the goods or services is transferred to the buyer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and/or services. Control is the ability of the customer to direct the use of, and obtain substantially all of the remaining benefits from, an asset. Indicators that control has passed includes that the customer has (i) a present obligation to pay, (ii) physical possession of the asset(s), (iii) legal title, (iv) risk and rewards of ownership, and (v) accepted the asset(s).

Lottery Retailing revenue includes agent commission received under the Reseller Agreements with The Lottery Corporation Limited and administration fees received from customers at the time an entry is purchased by the customer in Draw Lottery Games, Charity Lottery Games and Instant Win Games. Revenue is derived at a point-in-time with payment terms ranging between immediate payment to seven days payment.

SaaS revenue includes the development, supply and maintenance of proprietary software-as-a-service (SaaS) for authorised Business, Charity and Government lotteries and is recognised as the software licence fee received from customers once the service has been rendered. Revenue is derived at a point-in-time with payment terms of 14 days after invoice date.

Note 3. Revenue (continued)

Recognition and measurement (continued)

Managed services revenue is recognised as the commission or service fee received from customers when the official draw for each lottery is completed or once the service has been rendered, including the provision of SaaS-related services in the lottery market on an international basis. This includes Gatherwell using their proprietary lottery software platform to provide 'lottery-in-a-box' lottery management services to society lotteries in the UK, StarVale providing a full range of weekly lottery, raffle and prize draw services in the UK, and Stride using their proprietary lottery software platform and digital payments solution to provide lottery project management services to charities in Canada. Revenue is derived at a point-in-time with payment terms of between date of invoice to 14 days after invoice date.

Note 4. Other income and expense items

	Consolidated	
	2024	**2023**
	$'000	**$'000**
(a) Other income		
Expense recovery	265	-
Other income	36	13
	301	**13**
(b) Other gains / (losses)		
Foreign exchange (losses)/gains	(79)	258
(Loss)/gain on asset disposal	(23)	52
	(102)	**310**
(c) Employee benefits expense		
Employee benefits	24,258	19,369
Non-executive directors remuneration	483	483
Share-based payments expense	1,165	1,136
Defined contribution superannuation expense	2,391	2,155
	28,297	**23,143**
(d) Depreciation and amortisation expense		
Amortisation on leased assets	1,271	1,212
Amortisation of intangible assets	9,284	8,277
Amortisation of TLC costs capitalised	1,500	1,500
Depreciation expense of property, plant and equipment	303	306
	12,358	**11,295**
(e) Other expenses		
Insurance costs	2,124	1,889
Postage costs	1,645	869
Taxes and duties	1,215	1,935
Office expenses	814	761
Corporate expenses	790	969
Bank charges	538	570
Instant ticket purchases	393	560
Other expenses	5,232	3,276
	12,751	**10,829**

Note 4. Other income and expense items (continued)

(f) Finance income and costs

	Consolidated 2024 $'000	2023 $'000
Finance income		
Interest income	1,416	516
	1,416	516
Finance costs		
Interest and finance charges paid/payable on borrowings	(99)	(622)
Interest and finance charges paid/payable on lease liabilities	(137)	(106)
Other costs of finance	(227)	(47)
	(463)	(775)
Net finance income/(cost)	**953**	**(259)**

Recognition and measurement

Interest income

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Note 5. Income tax

(a) Current tax

	Consolidated 2024 $'000	Consolidated 2023 $'000
Income tax expense		
Current tax	20,064	13,578
Deferred tax	(2,348)	922
Adjustment of current tax of prior years	1,049	4
Current tax relating to overseas operations	1,628	566
Aggregate income tax expense	**20,393**	**15,070**
Deferred tax included in income tax expense comprises:		
Decrease/(increase) in deferred tax assets	(232)	267
Increase/(decrease) in deferred tax liabilities	(2,116)	655
Deferred tax	(2,348)	922
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	63,742	46,639
Tax at the statutory tax rate of 30%	19,123	13,992
Difference in overseas tax rates	(213)	(717)
Share options expensed during year	350	341
Other	1,133	1,454
Income tax expense	**20,393**	**15,070**

(b) Deferred tax

	Consolidated 2024 $'000	Consolidated 2023 $'000
Amounts credited directly to equity		
Deferred tax assets	**-**	**(338)**

Note 5. Income tax (continued)

(b) Deferred tax (continued)

	Consolidated 2024 $'000	Consolidated 2023 $'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	176	153
Accruals	219	304
Provision	1,077	1,023
Other	659	419
Deferred tax asset	**2,131**	**1,899**
Movements:		
Opening balance	1,899	1,828
Credited/(charged) to profit or loss	232	(267)
Credited to equity	-	338
Closing balance	**2,131**	**1,899**
Net deferred tax asset		
Gross deferred tax asset balance	2,131	1,899
Set off	(2,131)	(1,899)
Net deferred tax asset closing balance	**-**	**-**
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Intangible assets	2,959	3,758
Accruals	45	45
Prior period adjustment - Deferred tax liability on StarVale acquisition	-	1,018
Other	5,004	5,419
Deferred tax liability	**8,008**	**10,240**
Movements:		
Opening balance	10,240	5,066
Charged/(credited) to profit or loss	(2,116)	655
Additions through business combinations (note 24)	-	1,018
Adjustment on acquisition	-	3,316
Foreign exchange differences	(116)	185
Closing balance	**8,008**	**10,240**
Net deferred tax liability		
Gross deferred tax liability balance	8,008	10,240
Set off	(2,131)	(1,899)
Net deferred tax liability closing balance	**5,877**	**8,341**

Note 5. Income tax (continued)

(c) Current tax balance

	Consolidated	
	2024 $'000	2023 $'000
Current tax asset		
Current tax asset	288	-

	Consolidated	
	2024 $'000	2023 $'000
Current tax liability		
Current tax liability	3,274	2,599

Recognition and measurement

Current taxes

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred taxes

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tax consolidation

Jumbo Interactive Limited (the 'head entity') and its wholly-owned Australian subsidiaries are part of a income tax consolidated group under the tax consolidation regime since 1 July 2006. The head entity and each subsidiary in the tax consolidated group have entered into a tax funding agreement (TFA) and tax sharing deed (TSD) with the head entity. Under the terms of the TFA, Jumbo Interactive Limited and each of the entities in the tax consolidation group have agreed to pay (or receive) a tax equivalent payment to (or from) the head entity, based on the current tax liability or current tax asset of the entity.

Note 6. Earnings per share (EPS)

	Consolidated	
	2024	**2023**
	$'000	**$'000**
Profit after income tax attributable to the members of Jumbo Interactive Limited	**43,349**	**31,569**
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic EPS	62,950,955	62,925,396
Adjustments for calculation of diluted EPS:		
- Rights over ordinary shares	261,982	320,844
Weighted average number of ordinary shares used in calculating diluted EPS	**63,212,937**	**63,246,240**
	Cents	**Cents**
Basic earnings per share	68.86	50.17
Diluted earnings per share	68.58	49.91

All outstanding performance rights were included in the number of weighted average number of ordinary shares used to calculate diluted earnings per share because they are currently 'in-the-money'.

Recognition and measurement

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the members of Jumbo Interactive Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

OPERATING ASSETS AND LIABILITIES

In this section

Operating assets and liabilities provide information about the working capital of the Group and major balance sheet items, including the accounting policies, judgements and estimates relevant to understanding these items.

OPERATING ASSETS AND LIABILITIES

Note 7. Cash and cash equivalents

	Consolidated	
	2024	2023 Restated*
	$'000	$'000
Current assets		
Cash and cash equivalents	**68,979**	**54,507**
Included in the above balance:		
General account balances	51,401	41,226
Online lottery customer account balances (note 14)	17,578	13,281
	68,979	**54,507**

Online lottery customer account balances represent deposits and prize winnings held for payment to customers on demand. The balance as at 30 June 2024 include $2,420,000 deposits paid by the online lottery customers, but not yet received into bank account at year end date (2023: $503,000).

*The online lottery customer account balance as at 30 June 2023 was restated to include $1,317,000 held in trust for the payment of prizes and charity distributions relating to the Gatherwell business, where in the prior period neither the cash nor the corresponding liability were recognised in the Statement of Financial Position. Please refer to note 1 for the details on restated balance.

Recognition and measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 7. Cash and cash equivalents (continued)

Reconciliation of Cash Flow from Operations with Profit after Income Tax

	Consolidated	
	2024	**2023 Restated**
	$'000	**$'000**
Profit for the year after income tax	43,349	31,569
Non-cash flows		
Amortisation	12,055	11,026
Depreciation	303	269
Fair value movement on contingent consideration	(725)	492
Share option expense	1,165	1,098
Gain/(loss) on asset disposal	23	-
Net foreign exchange effects - (gain)/loss	(53)	(487)
Changes in operating assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease/(increase) in trade receivables	274	(589)
Decrease in other receivables	508	1,015
Decrease/(increase) in inventories	(60)	2
Increase in trade payables	620	2,231
Increase in other payables	4,837	4,041
Increase in employee benefits	(96)	538
Increase in provisions	541	-
Increase/(decrease) in deferred tax liabilities	(2,464)	1,074
Increase/(decrease) in provision for income tax	387	1,986
Cash flow from operations	**60,664**	**54,265**

Note 8. Trade and other receivables

	Consolidated	
	2024	2023
	$'000	$'000
Current assets		
Trade receivables	4,602	4,849
Less: Allowance for expected credit losses	(30)	-
	4,572	4,849
Other receivables	186	287
Prepayments	2,506	2,910
	2,692	3,197
	7,264	**8,046**

Recognition and measurement

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts, and generally have repayment terms ranging from 7 to 31 days.

The Group has applied the simplified approach to measuring expected credit losses prescribed by AASB 9, which uses a lifetime expected loss allowance. Refer note 23 'Finance risk management' for details.

Note 9. Other current assets

	Consolidated	
	2024	2023
	$'000	$'000
Current assets		
Deposits held in escrow account (note 24)	3,432	8,411
Short-term deposits	9,460	-
Other current assets	64	-
	12,956	**8,411**

Note 10. Property, plant and equipment

	Consolidated 2024 $'000	Consolidated 2023 $'000
Non-current assets		
Leasehold improvements - at cost	1,145	786
Less: Accumulated depreciation	(786)	(692)
	359	94
Plant and equipment - at cost	3,536	3,461
Less: Accumulated depreciation	(3,258)	(3,049)
	278	412
	637	**506**

Reconciliations

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

Consolidated	Leasehold improvements $'000	Plant and equipment $'000	Total $'000
Balance at 1 July 2022	123	572	695
Additions	8	167	175
Additions through acquisitions	-	382	382
Disposals	-	(364)	(364)
Exchange differences	-	(76)	(76)
Depreciation expense	(37)	(269)	(306)
Balance at 30 June 2023	94	412	506
Additions	279	156	435
Reclassification of leasehold improvements from intangible assets	80	-	80
Disposals	-	(81)	(81)
Exchange differences	-	-	-
Depreciation expense	(94)	(209)	(303)
Balance at 30 June 2024	**359**	**278**	**637**

Note 10. Property, plant and equipment (continued)

Recognition and measurement

(i) Initial recognition and measurement

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and impairment.

(ii) Subsequent costs

Improvements to leasehold property are recognised as a separate asset.

All repairs and maintenance are charged to the profit or loss during the reporting period in which they occur.

(iii) Depreciation and amortisation

Property, plant and equipment are depreciated or amortised from the date of acquisition, or, in respect of internally generated assets, from the time an asset is held ready for use.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	1-6 years
Plant and equipment	2-5 years

Leasehold improvements are amortised over the shorter of either the unexpired term of the lease or the estimated useful life of the improvements.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss in the year that the item is derecognised.

Note 11. Intangible assets

	Consolidated 2024 $'000	Consolidated 2023 restated* $'000
Goodwill - at cost	31,812	31,427
Less: Impairment	(855)	(855)
	30,957	30,572
Website - at cost	61,813	55,690
Less: Accumulated amortisation	(46,568)	(40,587)
	15,245	15,103
Customer contracts and relationships - at cost	25,640	25,391
Less: Accumulated amortisation	(5,626)	(2,896)
	20,014	22,495
Software - at cost	2,711	2,735
Less: Accumulated amortisation	(1,535)	(1,046)
	1,176	1,689
Domain names - at cost	931	915
Less: Impairment	(62)	(62)
	869	853
Other	48	284
Less: Accumulated amortisation	(24)	(204)
	24	80
	68,285	**70,792**

*Restated goodwill balance as at 30 June 2023 relates to the finalisation of StarVale acquisition accounting. Refer to note 1 and note 24 for the details.

(a) Significant judgements and estimates

Impairment assessment of goodwill and domain names

A key judgement by management with regards to the (i) Lottery Retailing Cash Generating Unit (**CGU**) is that the Reseller Agreements with The Lottery Corporation will continue, (ii) Software-as-a-Service CGU is that software licence agreements with customers will continue, and (iii) Managed Services CGU is that the lottery management agreements with customers will continue. The key assumptions used for value-in-use calculations are discussed further in note 11(b). Goodwill and domain names are tested for impairment half yearly.

Impairment assessment of other intangible assets

The Group considers half yearly whether there have been any indicators of impairment and then tests whether non-current assets have incurred any impairment in accordance with the accounting policy.

Note 11. Intangible assets (continued)

(a) Significant judgements and estimates (continued)

Estimated useful life of website development costs

Management estimates the useful life of intangible assets-website development costs based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions.

The amortisation period relating to the website developments costs is five years.

Estimated useful life of customer contracts and relationships

Management estimates the useful life of intangible assets-customer contracts and relationships based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including any changes in customer contract terms and conditions, customer net attrition, and changes in legal and economic conditions.

The amortisation period relating to customer contracts and relationships is ten years.

(b) Reconciliations

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

Consolidated 2023	Goodwill $'000	Website development costs $'000	Customer contracts and relationships $'000	Software $'000	Domain names $'000	Other $'000	Total $'000
Balance at 1 July 2022	13,805	14,281	8,464	1,177	853	100	38,680
Additions through acquisitions	15,197	-	16,043	931	-	34	32,205
Additions internally developed	-	6,558	-	-	-	-	6,558
Amortisation expense	-	(5,736)	(2,053)	(438)	-	(50)	(8,277)
Effects of movements in foreign exchange	552	-	41	19	-	(4)	608
Balance at 30 June 2023 reported	**29,554**	**15,103**	**22,495**	**1,689**	**853**	**80**	**69,774**
Prior period adjustment - addition through acquisition*	1,018	-	-	-	-	-	1,018
Balance at 30 June 2023 restated	**30,572**	**15,103**	**22,495**	**1,689**	**853**	**80**	**70,792**

Note 11. Intangible assets (continued)

(b) Reconciliations (continued)

Consolidated 2024	Goodwill $'000	Website development costs $'000	Customer contracts and relationships $'000	Software $'000	Domain names $'000	Other $'000	Total $'000
Balance at 1 July 2023	30,572	15,103	22,495	1,689	853	80	70,792
	-	-	-	-	-	-	-
Additions	-	6,161	-	-	16	24	6,201
Reclassification of leasehold improvements to property, plant & equipment	-	-	-	-	-	(80)	(80)
Amortisation expense	-	(6,019)	(2,733)	(532)	-	-	(9,284)
Effects of movements in foreign exchange	385	-	252	19	-	-	656
Balance at 30 June 2024	**30,957**	**15,245**	**20,014**	**1,176**	**869**	**24**	**68,285**

**Restated goodwill balance as at 30 June 2023 relates to the finalisation of StarVale acquisition accounting. Refer to note 1 and note 24 for details.*

Recognition and measurement

Goodwill

Goodwill represents the excess of the cost of the business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is not amortised but is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Impairment losses on goodwill cannot be reversed.

Website Development Costs

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use; ability to use the intangible asset; how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the intangible asset; and ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs have a finite life and are amortised on a straight-line basis matched to the future economic benefits over the useful life of the project of five years. This is included as part of the carrying amount of SaaS CGU.

Note 11. Intangible assets (continued)

Recognition and measurement (continued)

Customer contracts and relationships

Customer contracts and relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between 5 and 10 years.

The Reseller Agreements with The Lottery Corporation Limited (**TLC**), which were extended for a further 10 years in August 2020 for $15,000,000 (2023: $15,000,000). This is included as part of the carrying amount of the relevant CGU.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of five years. This is included as part of the carrying amount of the relevant CGU.

Domain Names

Acquired domain names are stated at cost and are considered to have indefinite useful lives and are not amortised. The useful life is assessed annually to determine whether events or circumstances continue to support an indefinite useful life assessment. The carrying value of domain names is tested semi-annually at each reporting date for impairment.

Domain names have an indefinite useful life because:

- there is no time limit on the expected usage of the domain names;
- licence renewal is automatic on payment of the renewal fee without satisfaction of further renewal conditions;
- the cost is not significant when compared with future economic benefits expected to flow from renewal. As such, the useful life can include the renewal period; and
- since there is no limit on the number of times the licence can be renewed this leads to the assessment of "indefinite" useful life.

This assessment has been based on:

- technical, technological, commercial and other types of obsolescence;
- the stability of the industry in which the asset operates and changes in the market demand for the products and/or services output from the asset;
- the level of maintenance expenditure required to obtain the expected future economic benefits from the asset and the entity's ability and intention to reach such a level; and
- the period of control over the asset and legal or similar limits on the use of the asset.

Note 11. Intangible assets (continued)

(c) Impairment testing of Cash-Generating Units (CGU)

Goodwill and Indefinite Life Intangibles allocated to CGUs

	Goodwill		Domain Names		Total	
	2024 $'000	2023* $'000	2024 $'000	2023 $'000	2024 $'000	2023* $'000
Lottery Retailing	2,831	2,831	-	-	2,831	2,831
SaaS	-	-	869	853	869	853
Gatherwell	6,805	6,670	-	-	6,805	6,670
Stride	5,306	5,375	-	-	5,306	5,375
StarVale*	16,015	15,696	-	-	16,015	15,696
Total	**30,957**	**30,572**	**869**	**853**	**31,826**	**31,425**

*Restated goodwill balance as at 30 June 2023 relates to the finalisation of StarVale acquisition accounting. Refer to note 1 and note 24 for details.

The CGUs include Lottery Retailing, Software-as-a-Service, Managed Services United Kingdom Gatherwell, Managed Services United Kingdom StarVale and Managed Services Canada (Stride).

Lottery Retailing

Goodwill has been allocated to the Lottery Retailing CGU which is an operating segment.

The value in use calculations performed for all cash generating units use cash flow projections based on actual operating results, the Board approved budget for FY25, and forecasts drawn from FY26 to FY29 which are based on management's estimates of underlying economic conditions, past financial results, and other factors anticipated to impact the cash generating units' performance. The terminal value of all CGU's has been forecasted using a nominal growth rate of 2% (2023: 2%) The growth rate used in these projections does not exceed the historical growth rate of the relevant CGU.

Key assumptions used for value-in-use calculation of the CGU are as follows:

	2024	2023
Discount rate	17.5%	17.5%
Terminal value growth rate	2.0%	2.0%
TLC Reseller Agreements continue beyond current agreement periods		

The discount rate used is a pre-tax calculated weighted average cost of capital based on the capital asset pricing model and is specific to the relevant segment in which the unit operates. Management determined projections based on past performance and its expectations for the future. The growth rate used is consistent with those used in industry reports.

The estimated recoverable amount of the CGU significantly exceeded the carrying amount at 30 June 2024. Sensitivity analyses performed indicate a reasonably possible change in any of the key assumptions for the Lottery Retailing CGUs would not result in impairment.

Note 11. Intangible assets (continued)

(c) Impairment testing of Cash-Generating Units (CGU) (continued)

Software-as-a-Service

Domain names have been allocated to the Software-as-a-Service CGU which is an operating segment.

The recoverable amount of the CGU is based on a value-in-use calculation using a discounted cash flow model based on a one year budget projection less an allocation of corporate expenses, approved by the Board and extrapolated over a five-year period using a steady rate, together with a terminal value. The growth rate used in these projections does not exceed the historical growth rate of the relevant CGU.

Key assumptions used for value-in-use calculation of the CGU are as follows:

	2024	2023
Discount rate	17.5%	17.5%
Terminal value growth rate	2%	2%
Software license agreements continue beyond current agreement periods		
Annual capital expenditure, $	8,596,000	6,679,000

The discount rate used is a pre-tax calculated weighted average cost of capital based on the capital asset pricing model and is specific to the relevant segment in which the unit operates. Management determined projections based on past performance and its expectations for the future. The growth rate used is consistent with the Lottery Retailing CGU which contributes ~80% of SaaS revenue.

The estimated recoverable amount of the CGU significantly exceeded the carrying amount as at 30 June 2024. Sensitivity analyses performed indicate a reasonably possible change in any of the key assumptions for the Software-as-a-Service CGUs would not result in impairment.

Should the customer contracts (which are included as part of the carrying amount) be cancelled or not be extended for further periods when they expire, an impairment loss would be recognised up to the maximum carrying value of $16,880,000 (2023: $17,528,000).

Managed Services

The Managed Services is comprised of three CGUs – Managed Services UK (Gatherwell and StarVale) and Managed Services Canada (Stride).

Managed Services United Kingdom Gatherwell

Goodwill has been allocated to the Managed Services United Kingdom Gatherwell CGU.

The recoverable amount of the CGU is based on a value-in-use calculation using a discounted cash flow model based on a one-year budget projection less an allocation of corporate expenses, approved by the Board and extrapolated over a five-year period using a steady rate, together with a terminal value. The growth rate used in these projections does not exceed the historical growth rate of the relevant CGU.

Key assumptions used for value-in-use calculation of the CGU are as follows:

	2024	2023
Discount rate	19.3%	19.3%
Terminal value growth rate	2.0%	2.0%
Lottery management agreements continue beyond current agreement periods		

Note 11. Intangible assets (continued)

(c) Impairment testing of Cash-Generating Units (CGU) (continued)

The discount rate used is a pre-tax calculated weighted average cost of capital based on the capital asset pricing model and is specific to the relevant segment in which the unit operates. Management determined projections based on past performance and its expectations for the future. The growth rate used is consistent with those used in industry reports.

The estimated recoverable amount of the CGU exceeded the carrying amount at 30 June 2024. Management notes that there is not a reasonably possible change in key assumptions that could cause the carrying amount to exceed the recoverable amount for this CGU. The following table shows the amount by which two key assumptions would both need to change jointly for the estimated recoverable amount to equal the carrying amount.

Change required for carrying amount to equal recoverable amount

	2024	**2023**
Discount rate	11.00ppt	1.00ppt
Terminal value growth rate	(2.00%)	(2.00%)

Managed Services United Kingdom StarVale

Goodwill has been allocated to the Managed Services United Kingdom StarVale CGU.

The recoverable amount of the CGU is based on a value-in-use calculation using a discounted cash flow model based on a one year budget projection less an allocation of corporate expenses, approved by the Board and extrapolated over a five-year period using a steady rate, together with a terminal value. The growth rate used in these projections does not exceed the historical growth rate of the relevant CGU.

Key assumptions used for value-in-use calculation of the CGU are as follows:

	2024	**2023**
Discount rate	19.3%	19.3%
Terminal value growth rate	2.0%	2.0%
Lottery management agreements continue beyond current agreement periods		

The discount rate used is a pre-tax calculated weighted average cost of capital based on the capital asset pricing model and is specific to the relevant segment in which the unit operates. Management determined projections based on past performance and its expectations for the future. The growth rate used is consistent with those used in industry reports.

The estimated recoverable value of the Starvale CGU largely remains in line with its carrying value at 30 June 2024. This is expected given the relatively recent purchase of this business in an arm’s length transaction. Management has identified that any adverse change in key assumptions could cause the carrying amount to exceed the recoverable amount.

Note 11. Intangible assets (continued)

(c) Impairment testing of Cash-Generating Units (CGU) (continued)

Managed Services Canada

Goodwill has been allocated to the Managed Services Canada CGU.

The recoverable amount of the CGU is based on a value-in-use calculation using a discounted cash flow model based on a one-year budget projection less an allocation of corporate expenses, approved by the Board and extrapolated over a five-year period using a steady rate, together with a terminal value. The growth rate used in these projections does not exceed the historical growth rate of the relevant CGU.

Key assumptions used for value-in-use calculation of the CGU are as follows:

	2024	2023
Discount rate	16.1%	16.1%
Terminal value growth rate	2.0%	2.0%
Lottery management agreements continue beyond current agreement periods		

The discount rate used is a pre-tax calculated weighted average cost of capital based on the capital asset pricing model and is specific to the relevant segment in which the unit operates. Management determined projections based on past performance and its expectations for the future. The growth rate used is consistent with those used in industry reports.

The estimated recoverable amount of the CGU exceeded the carrying amount at 30 June 2024. Management notes that there is not a reasonably possible change in key assumptions that could cause the carrying amount to exceed the recoverable amount for this CGU. The following table shows the amount by which two key assumptions would both need to change jointly for the estimated recoverable amount to equal the carrying amount.

Change required for carrying amount to equal recoverable amount

	2024	2023
Discount rate	4.50ppt	3.00ppt
Terminal value growth rate	(2.00%)	(2.00%)

Impairment of non-financial assets

Assets are tested for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or groups of assets.

The recoverable amount is the greater of the asset’s fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated cash flows are discounted to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and the specific risks of the asset.

Impairment losses are recognised in the profit or loss. Non-financial assets other than goodwill that incur impairment are reviewed for possible reversal of impairment at each reporting period.

Note 12. Right-of-use assets

	Consolidated 2024 $'000	Consolidated 2023 $'000
Non-current assets		
Land and buildings - right-of-use	7,602	7,430
Less: Accumulated depreciation	(5,408)	(4,129)
	2,194	3,301
Plant and equipment - right-of-use	60	60
Less: Accumulated depreciation	(40)	(19)
	20	41
	2,214	**3,342**

The Group leases land and buildings for its offices under agreements of between two to nine years with, in some cases, options to extend which have been included in the lease liability where the options are expected to be exercised. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group also leases plant and equipment under agreements of four years.

For impairment testing, the right-of-use assets have been allocated to the Lottery Retailing and SaaS CGUs based on the headcount assigned to each operating segment. Refer to note 11 'Intangible assets' for further information on the impairment testing key assumptions and sensitivity analysis.

Reconciliations

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

Consolidated	**Land and buildings** $'000	**Plant and equipment** $'000	**Total** $'000
Balance at 1 July 2022	2,864	-	2,864
Additions	1,634	60	1,694
Depreciation expense	(1,193)	(19)	(1,212)
Effects of movements in foreign exchange	(4)	-	(4)
Balance at 30 June 2023	3,301	41	3,342
Additions	153	-	153
Depreciation expense	(1,250)	(21)	(1,271)
Effects of movements in foreign exchange	(10)	-	(10)
Balance at 30 June 2024	**2,194**	**20**	**2,214**

Recognition and measurement

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Note 12. Right-of-use assets (continued)

Recognition and measurement (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 13. Other non-current assets

	Consolidated	
	2024	**2023**
	$'000	**$'000**
Non-current assets		
The Lottery Corporation Limited extension fee	15,000	15,000
Less: Accumulated amortisation	(5,875)	(4,375)
	9,125	**10,625**

An extension fee was payable when the 10-year Reseller Agreements with TLC were executed on 25 August 2020. The extension fee is capitalised as the Reseller Agreements will deliver future economic benefits and these benefits can be reliably measured.

The extension fee has a finite life and is amortised on a straight-line basis matched to the economic benefits over the useful life of the Reseller Agreements of 10 years and is also tested for impairment indicators.

Note 14. Trade and other payables

	Consolidated	
	2024	**2023 restated***
	$'000	**$'000**
Trade creditors	3,103	2,483
GST Payable	1,700	2,181
Sundry creditors and accrued expenses	12,657	11,712
Employee benefits	1,858	1,782
Customer funds payable* (note 7)	17,578	13,281
Total trade and other payables	**36,896**	**31,439**

*The customer funds payable balance as at 30 June 2023 has been restated to include $1,317,000 held in trust for the payment of prizes and charity distributions relating to the Gatherwell business, where the prior period neither the cash nor the corresponding liability were recognised in the Statement of Financial Position. Please refer to note 1 for the impact on opening balances in the consolidated Statement of Financial Position.

Note 14. Trade and other payables (continued)

Recognition and measurement

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and have 7 to 31 day payment terms.

(ii) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

(iii) Superannuation

Employees have defined contribution superannuation funds. Contributions are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as an expense and a liability on the earlier of when the Group:

- can no longer withdraw the offer and the benefits; and
- recognises costs for restructuring under AASB 137 Provisions, Contingent Liabilities and Contingent Assets and which involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Note 15. Employee benefits

	Consolidated	
	2024	**2023**
	$'000	**$'000**
Current liabilities		
Long service leave	1,003	1,078
Non-current liabilities		
Long service leave	532	553
	1,535	**1,631**

Note 15. Employee benefits (continued)

Recognition and measurement

(i) Long service leave

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 16. Provisions

	Consolidated	
	2024	**2023**
	$'000	**$'000**
Current liabilities		
Lease make good	300	-
Other	263	-
	563	**-**
Non-current liabilities		
Lease make good	**-**	**22**

The lease make good provision represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Make good	**Other**
Consolidated	$'000	$'000
Carrying amount at the start of the year	22	-
Additional provisions recognised	278	263
Carrying amount at the end of the year	**300**	**263**

Recognition and measurement

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 17. Lease liabilities

	Consolidated	
	2024	2023
	$'000	$'000
Current liabilities		
Lease liability	**1,357**	**1,355**
Non-current liabilities		
Lease liability	**1,120**	**2,491**

	Consolidated	
	2024	2023
	$'000	$'000
Future lease payments		
Future lease payments are due as follows:		
Not later than one year	1,435	1,487
Later than one and not later than five years	877	2,186
Later than five years	420	566
	2,732	**4,239**

Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the Statement of Financial Position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). For classification within the Statement of Cash Flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

CAPITAL AND FINANCIAL RISK MANAGEMENT

In this section

Capital and financial risk management provides information about the capital management practices of the Group and shareholder returns for the year, discusses the Group's exposure to various financial risks, explains how these affect the Group's financial position and performance and what the Group does to manage these risks.

CAPITAL AND FINANCIAL RISK MANAGEMENT

Note 18. Capital risk management

	Consolidated 2024 $'000	Consolidated 2023 $'000
Total borrowings[1]	625	-
Total cash and cash equivalents - general account balances (note 7)	51,401	41,226
Total equity	115,158	99,989
Total capital	115,158	99,989
Gearing ratio	**0%**	**0%**

[1]Excludes bank guarantees and commercial credit cards

The Group's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business.

The Group monitors its capital structure by reference to its capital management framework and strategy.

The gearing ratio is calculated as total net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents (up to a minimum of zero). Total capital is net debt plus total equity. There were no changes in the Group's approach to capital management during the year since 30 June 2023. The Group's Dividend policy remains to pay out a range of 65% to 85% of statutory NPAT and the Group will continue its on-market share buy-back originally announced on 26 August 2022.

Note 19. Dividends

(a) Ordinary shares

	Consolidated 2024 $'000	Consolidated 2023 $'000
Final fully franked ordinary dividend of 20.0 cents (2023: 20.5 cents) per ordinary share franked at the tax rate of 30% (2023: 30%)	12,580	12,930
Interim fully franked ordinary dividend of 27.0 cents (2023 : 23.0 cents) per ordinary share franked at the tax rate of 30% (2023: 30%)	16,996	14,470
Total dividends paid or provided for in cash	**29,576**	**27,400**

(b) Dividends not recognised at the end of the reporting period

	Consolidated 2024 $'000	Consolidated 2023 $'000
Since year end, the Directors have recommended the payment of a final 2024 fully franked ordinary dividend of 27.5 (2023: 20.0) cents per share franked at the rate of 30% (2023: 30%). The aggregate amount of the proposed dividend expected to be paid on 20 September 2024 (2023: 23 September 2023), but not recognised as a liability at year end, is:	**17,316**	**12,580**

(c) Franked dividends

	Consolidated 2024 $'000	Consolidated 2023 $'000
The franked portions of dividends paid and recommended after 30 June 2024 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2024. Franking credits available for subsequent financial years based on a tax rate of 30% (2023: 30%).	**25,322**	**16,942**

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date

The impact on the franking account of the dividends paid and recommended by the Directors since the end of the reporting period, but not recognised as a liability at the reporting date, will be a reduction in the franking account of $7,421,000 (2023: $5,391,000).

Recognition and measurement

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Note 20. Issued capital

	Consolidated			
	2024 Shares	2023 Shares	2024 $'000	2023 $'000
Ordinary shares - fully paid	62,968,330	62,898,394	79,231	79,807

(a) Movements in ordinary share capital

Details	Date	Shares	$'000
Balance	1 July 2022	62,775,211	81,390
Exercise of options	21 July 2022	300,000	1,050
On-market share buyback	1 July 2022 - 31 December 2022	(154,618)	(1,917)
On-market share buyback	1 January 2023 - 30 June 2023	(54,651)	(716)
Share issue	30 June 2023	32,452	-
Balance	30 June 2023	62,898,394	79,807
Share issue	28 August 2023	92,965	-
On-market share buy-back	1 July 2023 - 31 December 2023	(42,704)	(576)
Share issue (in escrow)	30 June 2024	19,675	-
Balance	30 June 2024	**62,968,330**	**79,231**

Issued capital represents the amount of consideration received for securities issued or paid for securities bought back by the Company.

Costs directly attributable to the issue of new shares or options are deducted from the consideration received, net of income taxes. On various dates during the period, the share buyback was completed on-market.

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(c) Equity rights

Details of the employee Equity Rights Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year are set out in the Remuneration Report and note 30 'Share-based payments'.

For information relating to share options issued to third parties during the financial year, refer to note 30 'Share-based payments'.

Recognition and measurement

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 21. Reserves

	Consolidated	
	2024	2023
	$'000	$'000
Foreign currency reserve	2,891	2,041
Share-based payments reserve	7,786	6,664
Available-for-sale financial asset reserve	(2,302)	(2,302)
	8,375	**6,403**

(a) 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.

(b) Share-based payments reserve

The share-based payments reserve records items recognised as expenses on the fair value of share-based remuneration provided to employees. This reserve can be reclassified as retained earnings if options lapse.

(c) Profits appropriation reserve

The profits appropriation reserve records accumulated profits available for distribution at the Directors' discretion. In June 2010, there was a change in the test for payment of dividends from a 'profit test' to 'solvency test' (*s254T Corporations Act 2001*), and the profits appropriation reserve was established to ensure the accumulated losses up until then were 'ring-fenced' and that future profits were available for distribution, in particular for dividend payments.

Note 22. Borrowings

(a) Facilities with Banks

	Consolidated 2024 $'000	Consolidated 2023 $'000
Total facilities		
Commercial credit cards	300	300
Bank loans	44,000	47,000
Bank guarantees	3,250	3,250
	47,550	**50,550**
Used at the reporting date		
Commercial credit cards	110	76
Bank loans	-	-
Bank guarantees	643	3,093
	753	**3,169**
Unused at the reporting date		
Commercial credit cards	190	224
Bank loans	44,000	47,000
Bank guarantees	2,607	157
	46,797	**47,381**

The facilities are provided by Australia and New Zealand Banking Group Limited subject to general and specific terms and conditions being set and met periodically.

There were no outstanding interest-bearing liabilities with banking institutions for the financial year ended 30 June 2024 (2023: nil).

(b) Facilities with other financial institutions

	Consolidated 2024 $'000	Consolidated 2023 $'000
Current liabilities		
Insurance funding	**625**	**-**

In November 2023 the Group entered into insurance financing arrangement for a loan facility maturing on 30 August 2024 and repayable in equal instalments of $208,423 per month over a ten-month period commencing on 30 November 2023.

(c) Assets pledged as security

The bank facilities are secured by a fixed and floating charge over all the Australian assets of the Group.

(d) Defaults and breaches

There have been no defaults or breaches during the financial year ended 2024.

Note 23. Financial risk management

The Group has exposure to a variety of financial risks including market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk.

Financial risk management is performed by a central treasury function on behalf of the Group under the Treasury Policy approved by the Board annually. Speculative activities are strictly prohibited. Compliance with the Treasury Policy is monitored on an ongoing basis through regular reporting to the Board.

There is a risk that any future economic downturn could reduce disposable income and consequently may impact customer spending levels.

(a) Market risk

Market risk is the risk that adverse movements in foreign exchange and interest rates will affect the Group's financial performance or the value of its holdings of financial instruments. The Group measures market risk using cash flow at risk. The objective of risk management is to manage the market risks inherent in the business to protect profitability and return on assets.

(i) Foreign exchange risk

Exposure to foreign exchange risk

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation-related risks are therefore not included in the assessment of the Group's exposure to currency risks. Translation exposures arise from financial and non-financial items held by an entity (e.g. a subsidiary) with a functional currency different from the Group's presentation currency.

Risk management

The Group's treasury function monitors the Group's exposure regularly and utilise the spot market to buy and sell specified amounts of foreign currency to manage translation-related risk. Transactional risks are managed predominantly within the Group's pricing policies through the regular review of prices in foreign currency.

Sensitivity on foreign exchange risk

Group's entities largely operate in their functional currencies Australia Dollar (AUD), Great British Pound (GBP), Canadian Dollar (CAD) or Fiji Dollar (FJD). None of the entities within the Group had material balances at the year ended 30 June 2024 or transactions incurred during this year in currencies other than their functional currency. Any movement in foreign exchange rates would not be material to the Group.

(ii) Interest rate risk

Exposure to interest rate risk

The interest rate risk mainly arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

During and at the end of the year ended 30 June 2024 there were no Group borrowings at variables rates (2023: nil).

At 30 June 2024 the Group holds an undrawn facility provided by Australia and New Zealand Banking Group Limited subject to general and specific terms and conditions being set and met periodically.

The Group holds an insurance facility with an outstanding balance of $625,000 as at 30 June 2024 at a fixed interest rate of 3% (2023: nil%).

The Group's borrowings and receivables are carried at amortised cost.

Note 23. Financial risk management (continued)

(a) Market risk (continued)

The Group also has interest bearing assets and therefore its income and operating cash flows are subject to changes in market interest rates.

At the reporting date, the Group has exposure to the following interest rates in relation to interest-bearing assets:

	Rate[1] %	Consolidated 2024 $'000	Rate[1] %	Consolidated 2023 restated $'000
Deposits in cash (note 7)	3.04	68,979	1.04	54,507
Short-term deposits (note 9)	4.46	9,460	-	-

[1]*weighted average interest rate*

Risk management

The Group manages cash flow interest rate risk by using term deposits with banks for various periods. The weighted average maturity of outstanding term deposits is approximately 184 days (2023: 57 days).

Term deposits currently in place cover approximately 15% (2023: 15%) of the total cash and cash equivalent balances.

Sensitivity on interest rate risk

The following table summarises the gain/(loss) impact of a 200 basis points (bps) interest rate change on net profit and equity before tax, with all other variables remaining constant, as at 30 June 2024 and comparative period:

	Consolidated effect on profit (before tax)		Consolidated effect on equity (before tax)	
	2024	2023 restated	2024	2023 restated
200 bps increase in interest rates	1,569	1,090	1,569	1,090
200 bps decrease in interest rates	(1,569)	(567)	(1,569)	(567)

(b) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from cash and cash equivalents and trade and other receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at the end of the reporting period to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Assets are pledged as security as detailed in note 22.

Credit risk is managed on a Group basis through the Board approved Treasury Policy and is reviewed regularly by the Board.

Note 23. Financial risk management (continued)

(b) Credit risk (continued)

The Board monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- Surplus funds are only invested with banks and financial institutions with a Standard and Poor's rating of no less than A and to a limited amount at any one financial institution;
- All potential customers are rated for credit worthiness taking into account their size, market position and financial standing, and the risk is measured using debtor aging analysis; and
- Customers that do not meet the Group's strict credit policies may only purchase in cash or using recognised credit cards.

(i) Trade receivables

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 60 months before 30 June 2024 and 30 June 2023 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forecast expected losses.

Trade receivables are written off (i.e., derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

	Trade receivables days past due					
30 June 2024						
$'000s	**Current**	**1-30 days**	**31-60 days**	**61-90 days**	**>90 days**	**Total**
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	19.87%	0.56%
Gross carrying amount	2,589	1,291	424	147	151	4,602
Lifetime expected credit loss $	-	-	-	-	(30)	(30)

	Trade receivables days past due					
30 June 2023						
$'000s	**Current**	**1-30 days**	**31-60 days**	**61-90 days**	**>90 days**	**Total**
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gross carrying amount	2,900	1,335	224	126	264	4,849
Lifetime expected credit loss $	-	-	-	-	-	-

Note 23. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash balances are maintained to meet its liabilities when due.

The following table summarises the contractual timing of undiscounted cash flows of financial instruments:

2024	Less than 1 year $'000	Between 1 and 2 years $'000	Between 3 and 5 years $'000	Over 5 years $'000	Total $'000
Financial assets					
Cash and cash equivalents	68,979	-	-	-	68,979
Trade and other receivables[2]	4,758	-	-	-	4,758
Other current assets	12,956	-	-	-	12,956
	86,693	**-**	**-**	**-**	**86,693**
Financial liabilities					
Trade and other payables[3]	35,196	-	-	-	35,196
Provisions	563	-	-	-	563
Borrowings	625	-	-	-	625
Lease liabilities[1]	1,435	302	575	420	2,732
Contingent consideration	3,432	-	-	-	3,432
	41,251	**302**	**575**	**420**	**42,548**

[1]Weighted average interest rate 3.9%
[2]Trade and other receivables, excluding prepayments
[3]Trade and other payables, excluding GST payables

2023	Less than 1 year restated[3] $'000	Between 1 and 2 years $'000	Between 3 and 5 years $'000	Over 5 years $'000	Total restated[3] $'000
Financial assets					
Cash and cash equivalents (restated)[4]	54,507	-	-	-	54,507
Trade and other receivables[2]	5,136	-	-	-	5,136
Other assets	8,411	-	-	-	8,411
	68,054	**-**	**-**	**-**	**68,054**
Financial liabilities					
Trade and other payables[3,4]	29,258	-	-	-	29,258
Provisions	-	22	-	-	22
Lease liabilities[1]	1,487	1,437	749	566	4,239
Contingent consideration	8,391	-	-	-	8,391
	39,136	**1,459**	**749**	**566**	**41,910**

[1] Weighted average interest rate 3.5%
[2] Trade and other receivables, excluding prepayments
[3] Trade and other payables, excluding GST payables
[4] The online lottery customer account balance as at 30 June 2023 was restated to include $1,317,000 held in trust for the payment of prizes and charity distributions relating to the Gatherwell business, where the prior period neither the cash nor the corresponding liability were recognised in the Statement of Financial Position. Please refer to note 1 for the details.

Note 23. Financial risk management (continued)

(d) Fair value hierarchy

The fair value of cash, cash equivalents and non-interest-bearing financial assets and liabilities approximates their carrying value due to their short-term maturity.

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) are determined using valuation techniques. The valuation techniques maximise the use of observable market data where possible and rely as little as possible on entity specific estimates.

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- **Level 1**: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

- **Level 2**: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

- **Level 3**: Unobservable inputs for the asset or liability

Consolidated 2024	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Contingent consideration	-	-	3,432	3,432
Total liabilities	**-**	**-**	**3,432**	**3,432**

Consolidated 2023	**Level 1** $'000	**Level 2** $'000	**Level 3** $'000	**Total** $'000
Contingent consideration	-	-	8,391	8,391
Total liabilities	**-**	**-**	**8,391**	**8,391**

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short- term nature.

The fair value of the contingent consideration at 30 June 2024 represents the unsettled balance in relation to StarVale acquisition. Please refer to note 24 for details.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Note 23. Financial risk management (continued)

(d) Fair value hierarchy (continued)

Contingent consideration at FVTPL	2024 $'000	2023 $'000
Balance at 1 July	8,391	3,458
Change in contingent consideration at fair value/earnout paid	(5,093)	(2,792)
Effects of movements in foreign exchange recognised in other comprehensive income	154	677
Effects of movements in foreign exchange recognised in profit and loss	(20)	-
Additions-contingent consideration from business combination in year	-	7,048
Balance at 30 June	**3,432**	**8,391**

GROUP STRUCTURE

In this section

Group structure provides information about particular subsidiaries and associates and how changes have affected the financial position and performance of the Group.

GROUP STRUCTURE

Note 24. Business combinations

There were no new acquisitions in the year ended 30 June 2024.

(a) Prior year acquisition

Acquisition of StarVale Group

On 1 November 2022, the Group acquired 100% of the issued share capital and voting rights of StarVale, a leading UK ELM and digital payments company providing a full range of weekly lottery, raffle and prize draw services. The primary objective of the acquisition is to help build scale in the region.

The Group finalised the acquisition accounting of StarVale. The following adjustments have been made to the provisional amounts reported in the 30 June 2023 financial statements:

	30 June 2023 (Provision on acquisition date) $'000	Adjustment $'000	30 June 2023 (Final on acquisition date) $'000
Cash paid on completion	32,610	-	32,610
Contingent consideration	7,048	-	7,048
Working capital settlement adjustment paid	559	-	559
Total consideration	**40,217**	**-**	**40,217**
Fair value of identifiable assets and liabilities at acquisition date:			
Cash	12,569	-	12,569
Trade and other receivables	2,313	-	2,313
Property, plant and equipment	4	-	4
Software	877	-	877
Customer contracts and relationships	15,125	-	15,125
Trade and other payables	(1,156)	-	(1,156)
Corporate tax liability	(312)	-	(312)
Deferred tax liability	(3,041)	(960)	(4,001)
Net assets	**26,379**	**(960)**	**25,419**
Goodwill on consolidation	13,838	960	14,798
StarVale acquisition at fair value	**40,217**	**-**	**40,217**

Note 24. Business combinations (continued)

(a) Prior year acquisition (continued)

The provisional deferred tax liability was calculated using the prevailing corporation tax rate in the UK of 19%. In October 2022 the UK government enacted changes to corporation tax, according to which the corporation tax in the UK would increase from 19% to 25%, effective from 1 April 2023. As a result, the provisional deferred tax liability was re-measured at the 25% tax rate and goodwill balances were increased by AU$960k to reflect the information which existed at the acquisition date. The balances reported at 30 June 2023 were restated in these consolidated financial statements. Please refer to note 1 for the impact on the opening balances.

(b) Contingent consideration

StarVale acquisition

The contingent consideration arrangement requires the Group to pay up to an additional undiscounted amount of GBP4,500,000 in cash to the StarVale vendors if certain Profit targets are met.

The final fair value of the contingent consideration arrangement of GBP 4,088,469 was estimated by calculating the face value of the estimated earnout payable based on the assumed probability-adjusted profit in StarVale for the 12-month period to 30 June 2023.

During the year ended 30 June 2024, the Group settled AUD 4,363,975 (GBP 2,288,469) of the contingent consideration, with the unsettled balance of AUD 3,432,747 (GBP 1,800,000) recognised as a liability and corresponding funds remaining in escrow account jointly controlled by the Group and the vendor, presented as other current liabilities and other current assets respectively in the consolidated statement of financial position at 30 June 2024.

The Group expects to settle the contingent consideration within the next 12 months.

The movements in the balance for contingent consideration at fair value and funds in escrow since 30 June 2023, considering foreign exchange currency impact is as follows:

	$'000
Contingent consideration at FVTPL	
As at 30 June 2023	7,653
Change in contingent consideration at FVTPL	(11)
Contingent consideration settled	(4,364)
Unrealised foreign exchange currency (gain)/loss through other comprehensive income	154
As at 30 June 2024	**3,432**

	$'000
Other current assets - Deposits in escrow	
As at 30 June 2023	8,411
Funds settled	(4,364)
Funds released back from escrow	(777)
Unrealised foreign exchange currency gain/(loss) through other comprehensive income	162
As at 30 June 2024	**3,432**

Note 24. Business combinations (continued)

(b) Contingent consideration (continued)

Stride acquisition

During the year ended 30 June 2024, the Group released $734,347 (CAD 646,137) of the deferred consideration in relation to Stride (including $20k foreign exchange gain through profit and loss), due to the level of performance being below expectations. The remaining balance of $4,248 (CAD 3,863) was settled in cash.

	$'000
Contingent consideration at FVTPL	
As at 30 June 2023	738
Change in contingent consideration at FVTPL	(714)
Contingent consideration settled	(4)
Realised foreign exchange currency (gain)/loss through profit or loss	(20)
As at 30 June 2024	**-**

Recognition and measurement

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 25. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 32:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Direct subsidiaries of the ultimate parent entity Jumbo Interactive Limited:			
Benon Technologies Pty Ltd	Australia	100.00%	100.00%
TMS Global Services Pty Ltd	Australia	100.00%	100.00%
Jumbo Lotteries Pty Ltd	Australia	100.00%	100.00%
Jumbo Interactive Asia Pty Ltd	Australia	100.00%	100.00%
Jumbo Interactive de Mexico SA de CV	Mexico	100.00%	100.00%
Gatherwell Limited	United Kingdom	100.00%	100.00%
Jumbo Interactive UK Limited	United Kingdom	100.00%	100.00%
Stride Management Corp.	Canada	100.00%	100.00%
Subsidiaries of TMS Global Services Pty Ltd:			
TMS Global Services (NSW) Pty Ltd	Australia	100.00%	100.00%
TMS Global Services (VIC) Pty Ltd	Australia	100.00%	100.00%
TMS (Fiji) Pte Limited	Fiji	100.00%	100.00%
TMS (Fiji) On-Line Pte Limited	Fiji	100.00%	100.00%
TMS Global Services (PNG) Limited[1]	Papua New Guinea	-	100.00%
Jumbo Lotteries North America, Inc.	United States of America	100.00%	100.00%
Subsidiaries of Jumbo Interactive UK Limited:			
Starvale Technical Systems Ltd	United Kingdom	100.00%	100.00%
Starvale Management & Technologies Ltd	United Kingdom	100.00%	100.00%
DDPay Ltd	United Kingdom	100.00%	100.00%

[1] TMS Global Services (PNG) Limited - deregistered 5 December 2023.

(a) Principles of consolidation

The consolidated financial statements comprise the financial statements of Jumbo Interactive Limited and its subsidiaries at 30 June each year (the Group). Subsidiaries are entities over which the Group has control. The Group has control over an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Note 25. Interests in subsidiaries (continued)

(b) Changes in ownership interests

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the profit or loss. This fair value becomes the initial carrying value for the purposes of subsequently accounting for the retained interest as an associate, joint venture or available-for-sale financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity, is accounted for as if the Group had directly disposed of the relative assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate or a joint venture is reduced, but significant influence or control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss, where appropriate.

Note 26. Parent entity information

Set out below is the supplementary information about Jumbo Interactive Limited, the parent entity.

(a) Summary financial information

Statement of profit or loss and other comprehensive income

	Parent	
	2024	**2023**
	$'000	**$'000**
Profit after income tax	**59,417**	**18,951**
Total comprehensive income	**59,417**	**18,951**

Statement of financial position

	Parent	
	2024	**2023**
	$'000	**$'000**
Total current assets	2,530	4,201
Total non-current assets	86,522	56,205
Total assets	**89,052**	**60,406**
Total current liabilities	2,730	4,472
Total non-current liabilities	46	45
Total liabilities	**2,776**	**4,517**
Equity		
Issued capital	79,231	79,807
Share-based payments reserve	7,786	6,664
Available-for-sale financial asset reserve	(2,302)	(2,302)
Retained profits/(accumulated losses)	1,561	(28,280)
Total equity	**86,276**	**55,889**

Note 26. Parent entity information (continued)

(b) Guarantees

The parent entity has provided guarantees to third parties in relation to the obligations of controlled entities in respect to banking facilities. The guarantees are for the terms of the facilities per note 22 'Borrowings' and are ongoing.

The parent entity has also provided a guarantee in favour of TLC in respect of payment obligations of a subsidiary company in terms of the TLC Reseller Agreements, between its subsidiary and the favouree.

(c) Contractual commitments

The parent entity had no contractual commitments for the acquisition of property, plant and equipment as at 30 June 2024 (2023: $Nil).

(d) Contingent liabilities

The parent entity has no contingent liabilities other than the guarantees referred to above.

Recognition and measurement

The financial information for the parent entity, Jumbo Interactive Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below:

(i) Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost in the financial statements of Jumbo Interactive Limited. Dividends received from associates are recognised in the parent entity's income statement, rather than being deducted from the carrying amount of these investments.

(ii) Tax consolidation

Jumbo Interactive Limited and its wholly owned subsidiaries have implemented the tax consolidation legislation for the whole of the financial year. Refer to note 5 'Income tax' for details.

OTHER INFORMATION

In this section

Other information provides information on other items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements however are not consider critical in understanding the financial performance or position of the Group.

OTHER INFORMATION

Note 27. Interests in associates

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Unlisted shares			
Lotto Points Plus Inc	New York, USA	30.90%	30.90%

Lotto Points Plus Inc is an investment company, with its only investment being a 16.9% (2023: 16.9%) shareholding (non-voting) in Lottery Rewards Inc., USA which was dissolved on 30 November 2020. Lotto Points Plus Inc was a dormant entity during the year ended 30 June 2024 and 2023.

Recognition and measurement

Associates are entities over which the Group has significant influence but not control or joint control. Associates are accounted for in the parent entity financial statements at cost and the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the Group's share of post-acquisition profits or losses of associates is recognised in consolidated profit or loss and the Group's share of post-acquisition other comprehensive income of associates is recognised in consolidated other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the parent entity's profit or loss, while they reduce the carrying amount of the investment in the consolidated financial statements.

When the Group's share of post-acquisition losses in an associate exceeds its interest in the associate (including any long-term interests that form part of the Group's net investment in the associates), the Group does not recognise further losses unless it has obligations to, or has made payments, on behalf of the associate.

The financial statements of the associates are used to apply the equity method. The end of the reporting period of the associates and the parent are identical and both use consistent accounting policies.

Note 28. Related party transactions

(a) Parent entity

Jumbo Interactive Limited is the parent entity.

(b) Subsidiaries

Interests in subsidiaries are set out in note 25.

(c) Associates

Interests in associates are set out in note 27.

(d) Key management personnel

Disclosures relating to key management personnel are set out in note 29 and the remuneration report included in the Directors' report.

(e) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2024	**2023**
	$	**$**
Mr Mike Rosch, the father of Mr Mike Veverka, the Managing Director, CEO and Founder of the Company, rented an office from the Group		
Office rent received	-	11,647
Mrs Julie Rosch, the mother of Mr Mike Veverka, the Managing Director, CEO and Founder of the Company, is engaged as a full-time employee within the Group.		
Salary and superannuation	87,690	92,954

(f) Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2024	**2023**
	$	**$**
Trade receivables from Mr Mike Rosch (Director-related party of Mike Veverka)	-	1,165

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions between related parties are on normal commercial terms and conditions at market rates and no more favourable than those available to other parties unless otherwise stated.

Note 29. Key management personnel (KMP) disclosures

Compensation

The aggregate compensation made to Directors and other members of Executive KMP of the Group is set out below:

	Consolidated	
	2024	2023
	$	$
Short-term employee benefits	2,681,993	2,100,991
Post-employment benefits	175,203	141,570
Long-term benefits	91,083	23,348
Share-based payments	929,836	1,048,186
	3,878,115	**3,314,095**

Further information regarding the identity of Executive KMP and their compensation can be found in the audited Remuneration Report contained in the Directors' Report.

Note 30. Share-based payments

	Consolidated	
	2024	2023
	$'000	$'000
Share-based payment expenses recognised during the financial year		
Rights issued under employee incentives scheme	**1,165,458**	**1,136,186**

Employee option plan

The Jumbo Interactive Limited Employee Option Plan was ratified at the annual general meeting held on 28 October 2008. Employees are invited to participate in the scheme from time to time. Options vest when the volume weighted average share price over five consecutive trading days equals the exercise price and provided the staff member is still employed by the Group. When issued on exercise of options, the shares carry full dividend and voting rights.

Options and rights granted carry no dividend or voting rights.

(i) Fair value of options granted

There were no options granted during the 2024 financial year (2023: nil).

(ii) Fair value of rights granted

The indicative fair value of STI rights at grant date was determined by an independent valuer using the Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, and the risk-free rate. The inputs used for the Black-Scholes option pricing model for options granted during the year ended 30 June 2024 were as follows:

Note 30. Share-based payments (continued)

(ii) Fair value of rights granted (continued)

	Grant date	Fair value	Share price at grant date	Exercise price	Expected volatility %	Expected dividend yield %	Risk free rate %
KMP STI rights 30 June 2023	9 November 2023	$13.52	$13.80	$0.00	27.53%	3.10%	4.30%

The fair value of LTI rights at grant date was determined by an independent valuer using the Black-Scholes and the Monte Carlo Simulation option pricing models that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, and the risk-free rate. The inputs used for the Monte Carlo Simulation option pricing model for options granted during the year ended 30 June 2024 were as follows:

	Grant Date	Fair value	Share price at grant date	Exercise price	Expected volatility %	Expected dividend yield %	Risk free rate %
KMP LTI rights 1 July 2023 - TSR[1,2]	9 November 2023	$4.28	$13.80	$0.00	38.47%	3.10%	4.16%
KMP LTI rights 1 July 2023 - EPS[1,3]	9 November 2023	$12.64	$13.80	$0.00	38.47%	3.10%	4.16%

[1] LTI rights are granted for no consideration, have a term until 14 September 2026, and are exercisable when the vesting terms and conditions have been met
[2] Monte Carlo Simulation pricing model
[3] Black-Scholes pricing model

Expected volatility was determined based on the historic volatility (based on the remaining life of the right), adjusted for any expected changes to future volatility based on publicly available information.

Details of options and rights outstanding during the financial year are as follows:

2024 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted during the year	Exercised during the year	Lapsed/ forfeited/ other	Balance at the end of the year
29 October 2020[1]	1 July 2024	$0.00	92,965	-	(92,965)	-	-
17 December 2020	4 November 2023	$0.00	40,984	-	-	(40,984)	-
15 February 2021	4 November 2023	$0.00	14,590	-	-	(14,590)	-
28 October 2021[2]	1 July 2025	$0.00	57,572	-	-	(57,572)	-
28 April 2022	1 July 2026	$0.00	2,732	-	(2,732)	-	-
28 April 2022	1 July 2027	$0.00	2,732	-	-	-	2,732
10 November 2022[3]	14 September 2026	$0.00	107,577	-	-	(11,773)	95,804
9 November 2023	30 June 2024	$0.00	-	20,074	(19,675)	(399)	-
9 November 2023[4]	14 September 2027	$0.00	-	87,898	-	(2,141)	85,757
			319,152	**107,972**	**(115,372)**	**(127,459)**	**184,293**

[1] Relating to the service period 1 July 2020 to 30 June 2021 and approved by the shareholders at the 2020 AGM
[2] Relating to the service period 1 July 2021 to 30 June 2022 and approved by shareholders and Directors at the 2021 AGM
[3] Relating to the service period 1 July 2022 to 30 June 2023 and approved by shareholders and Directors at the 2022 AGM
[4] Relating to the service period 1 July 2023 to 30 June 2024 and approved by shareholders and Directors at the 2023 AGM

Note 30. Share-based payments (continued)

(ii) Fair value of rights granted (continued)

The 29 October 2020 LTI rights FY2021 were granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Company's share price for the period up to 30 June 2023 is equal to or more than $14.55 less any dividends paid during the term. The LTI21 rights vested at 30 June 2023 and were exercised on 28 August 2023.

The 17 December 2020 LTI rights TLC agreement were granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Company's share price for the period up to 4 November 2023 is equal to or more than $16.24. The vesting conditions were not achieved at 4 November 2023, as a result the rights lapsed.

The 15 February 2021 Senior Manager LTI rights were granted for no consideration, have a vesting date of 4 November 2023 and are exercisable when the 90-day VWAP of the Company's share price for the period up to 4 November 2023 is equal to or more than $16.24. The vesting conditions were not achieved at 4 November 2023, as a result the rights lapsed.

The 28 October 2021 LTI rights FY2022 were granted for no consideration, have a three-year term, and are exercisable when the 90-day VWAP of the Company's share price for the period up to 30 June 2024 is equal to or more than $20.17 less any dividends paid during the term. The vesting conditions were not achieved at 30 June 2024, as a result the rights lapsed.

At 28 April 2022 the Group granted 8,196 NED service rights as a salary sacrifice for a consideration of $18.30 per right. NED rights are exercisable 1 July 2022, 1 July 23 and 1 July 2024. On exercise date, no new shares are issued in relation to those rights but are purchased by the Company on-market.

The 10 November 2022 LTI rights FY2023 were granted for no consideration, have a vesting term from 1 July 2022 ending 14 September 2025 (20 trading days after release of the 2025 Financial Year End results), and are exercisable when the vesting conditions are met.

The STI rights FY23 were granted on 9 November 2023 for no consideration, have a one-year service vesting condition ending 30 June 2024, and are exercisable after a further one-year lock-up period. The rights were fully vested and converted into shares in escrow at 30 June 2024.

The 9 November 2023 LTI rights FY2024 were granted for no consideration, have a vesting term from 1 July 2023 ending 14 September 2026 (20 trading days after the expected release of 2026 Financial Year End results), and are exercisable when the vesting conditions are met. Please see further details in Remuneration Report on page 51.

In addition, the People and Culture Committee has recommended the grant for no consideration 9,155 FY2024 STI rights to Mike Veverka (Managing Director, CEO and Founder of the Company) subject to shareholder approval at the 2024 AGM and 11,596 FY2024 STI rights to KMP subject to Director approval at a Board meeting on the 2024 AGM date. FY24 STI rights have a two-year service vesting condition from 1 July 2023 to 30 June 2025 and are exercisable after a further one-year lock-up period. A respective share-based payments expense for FY24 of $250,888 was recognised in the consolidated statement of profit and loss and other comprehensive income.

Note 30. Share-based payments (continued)

(ii) Fair value of rights granted (continued)

2023 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted during the year	Exercised during the year	Lapsed/ forfeited/ other	Balance at the end of the year
26 October 2017	15 November 2022	$3.50	**300,000**	**-**	**(300,000)**	**-**	**-**
Weighted average exercise price			$3.50	$0.00	$3.50	$0.00	$3.50
1 July 2019[1]	1 July 2023	$0.00	46,716	-	-	(46,716)	-
29 October 2020[2]	1 July 2024	$0.00	92,965	-	-	-	92,965
17 December 2020	4 November 2023	$0.00	40,984	-	-	-	40,984
15 February 2021	4 November 2023	$0.00	15,983	-	-	(1,393)	14,590
28 October 2021[3]	1 July 2025	$0.00	64,403	-	-	(6,831)	57,572
28 April 2022	1 July 2025	$0.00	2,732	-	(2,732)	-	-
28 April 2022	1 July 2026	$0.00	2,732	-	-	-	2,732
28 April 2022	1 July 2027	$0.00	2,732	-	-	-	2,732
10 November 2022	30 June 2023	$0.00	-	32,452	(32,452)	-	-
10 November 2022[4]	14 September 2026	$0.00	-	112,338	-	(4,761)	107,577
			569,247	**144,790**	**(335,184)**	**(59,701)**	**319,152**

[1] Relating to the service period 1 July 2019 to 30 June 2020 and approved by shareholders at the 2019 AGM
[2] Relating to the service period 1 July 2020 to 30 June 2021 and approved by shareholders at the 2020 AGM
[3] Relating to the service period 1 July 2021 to 30 June 2022 and approved by shareholders and Directors at the 2021 AGM
[4] Relating to the service period 1 July 2022 to 30 June 2023 and approved by shareholders and Directors at the 2022 AGM

Recognition and measurement

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Note 30. Share-based payments (continued)

(ii) Fair value of rights granted (continued)

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 31. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the Company and its related practices:

	Consolidated	
	2024	**2023**
	$	**$**
Audit services - Ernst & Young Australia		
Amounts paid/payable to EY for audit or review of the financial statements for the entity or any entity in the Group	213,000	285,000
Audit services - overseas member firms of Ernst & Young		
Amounts paid/payable to EY for audit or review of the financial statements for the entity or any entity in the Group	230,000	160,000
	443,000	**445,000**

Note 32. Summary of other significant accounting policy information

Other material accounting policies adopted in the preparation of these consolidated financial statements are set out in relevant sections of the notes below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Where necessary, comparative information has been restated to conform with changes in presentation in the current year.

Note 32. Summary of other significant accounting policy information (continued)

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

(b) 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. None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 30 June 2023 materially affected the amounts recognised in the current period or any other prior period and are not likely to affect future periods.

(c) New accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity's assessment of the impact of the new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity is not material.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The financial statements are presented in Australian dollars, which is Jumbo Interactive Limited's presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Note 32. Summary of other significant accounting policy information (continued)

(e) Financial instruments

(i) Non-derivative financial assets

The Group initially recognises financial assets on the trade date at which the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets are initially recognised at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. On initial recognition, the Group classifies its financial assets as subsequently measured at either amortised cost or fair value, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Refer to note 27 for further details.

(ii) Financial assets measured at amortisation cost

A financial asset is subsequently measured at amortised cost, using effective interest method and net of any impairment, if:

- the asset is held within the business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

The Group assesses at each reporting date whether there is objective evidence that a financial asset (or group of financial assets) is impaired. Refer to note 7 and note 8 for further details.

(iii) Non-derivative liabilities

The Group initially recognises loans on the date when they originated. Other financial liabilities are initially recognised on the trade date. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

Refer to note 14 for further details.

(f) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 32. Summary of other significant accounting policy information (continued)

(g) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(h) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Note 32. Summary of other significant accounting policy information (continued)

(i) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(j) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

UNRECOGNISED ITEMS

In this section

Unrecognised items provide information about items that are not recognised in the consolidated financial statements but could potentially have a significant impact on the Group's financial position and performance.

UNRECOGNISED ITEMS

Note 33. Contingencies and commitments

(a) Contingencies

Contingencies relate to the outcome of future events and may result in an asset or liability, however due to current uncertainty do not qualify for recognition.

Estimates of the potential financial effect of contingent liabilities that may become payable

	Consolidated	
	2024	**2023**
	$'000	**$'000**
Guarantees provided by the Group's bankers	**643**	**3,093**

The Group's bankers have provided guarantees to third parties in relation to premises leased by Group companies. These guarantees have no expiry term and are payable on demand and are secured by a fixed and floating charge over the Group's assets.

Note 34. Events after the reporting period

Apart from the final dividend determination announced on 23 August 2024 and the Board's decision to continue the on-market share buy-back, the Directors note the following matters or circumstances that have arisen that have significantly affected, or may significantly affect, the operations of the Group in the financial years subsequent to 30 June 2024:

- renegotiation of the Group's existing debt facilities with its current lender. The new arrangement includes a new $50 million committed facility plus the ability to request an upsize to the facility of an additional $30 million. This additional facility is uncommitted and hence not subject to any commitment fees, however availability is at the lender's discretion. The proposed new debt structure will bring the Group's debt terms and conditions in line with listed peers of a similar size to Jumbo, providing incremental flexibility and preserving liquidity within the Group.

No other matter or circumstance has arisen since 30 June 2024 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.

Note 35. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

- Jumbo Interactive Ltd
- Benon Technologies Pty Ltd
- TMS Global Services Pty Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

(1) The consolidated financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, and accompanying notes, are in accordance with the *Corporations Act 2001* and:

a. comply with Australian Accounting Standards and the *Corporations Regulations 2001*; and
b. give a true and fair view of the Group financial position as at 30 June 2024 and of its performance for the year ended on that date.

(2) The Group has included in the notes to the consolidated financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
(3) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
(4) The remuneration disclosures included in pages 51 to 70 of the Directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2024, comply with section 300A of the *Corporations Act 2001*.
(5) The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*
(6) The consolidated entity disclosure statement required by subsection 295(3A) is true and correct.
(7) At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 35 to the financial statements.

The declaration is made in accordance with a resolution of the Directors.

Susan Forrester
Chair of the Board

Mike Veverka
Managing Director, Chief Executive Officer and Founder

Brisbane, 23 August 2024

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Independent auditor's report to the members of Jumbo Interactive Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Jumbo Interactive Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Impairment Assessment of Goodwill and Other Intangible Assets

Why significant	How our audit addressed the key audit matter

As at 30 June 2024, the Group's consolidated statement of financial position includes Goodwill with a carrying value of $30,957,000. Note 11 to the financial report discloses goodwill and other intangible assets allocated to each of the Group's cash generating units (CGUs), the method applied in testing impairment, and the key assumptions used
 	
The assessment of the impairment of the Group's goodwill incorporated significant judgments and estimates, based upon conditions existing as at 30 June 2024, specifically concerning factors such as forecast cashflows, discount rates and terminal growth rates.
 	
Accordingly, we considered the impairment testing of goodwill and other intangible assets relative to the total assets, and the related disclosures in the financial report to be a key audit matter.
	Our audit considered the relevant requirements of the Australian Accounting Standard AASB 136 *Impairment of Assets.*
	
	Our audit procedures included:
	► Assessing the Group's definition and identification of CGUs for consistency with relevant Australian Accounting Standards and assessing any changes in CGUs including for acquisitions in the period. We also assessed any impairment for each of the Group's individually significant CGUs.
	► Evaluating the Group's indicators of impairment, including the Group's market capitalisation compared to its net assets.
	► Assessing the reasonability of the Group's cashflow forecast models used to estimate the recoverable amount by:
	    ► Assessing the mathematical accuracy and historical forecasting accuracy of the cash flow model.
	    ► Agreeing the cash flows to board approved forecasts.
	    ► Assessing the application of key assumptions used in the cashflow models.
	    ► Performing sensitivities of the impairment model to assess the reasonably possible change in key assumptions relating to the cash flow forecasts, terminal growth rate or discount rate applied.
	► Involving our valuation specialists to evaluate the reasonability of the discount rate and terminal growth rate assumptions used by the Group.
	► Assessed the adequacy of the disclosures included in Note 11 to the financial report.

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Revenue Recognition

Why significant	How our audit addressed the key audit matter
The Group recognised $159,334,000 of revenue for the year ended 30 June 2024. Lottery Retailing revenue is significant and includes agent commission received from The Lottery Corporation and administration fees received from the customers at the time an entry is purchased by the customer as disclosed in Note 3 to the financial report. Significant audit effort is required in the assessment and measurement of revenue recognition and accordingly, considered a key audit matter.	Our audit considered the relevant requirements of the Australian Accounting Standard AASB 15 *Revenue from Contracts with Customers*. Our audit procedures included: ► Obtaining an understanding of the services rendered by the business segment of the Group and the related revenue recognition policy for the services rendered by the Group. ► Assessing revenue recognition processes and practices including the evaluation of relevant internal controls over revenue recognition and principal versus agent consideration. ► On a sample basis, we assessed the completeness, accuracy and timing of revenue recognition on a net basis. In addition, we assessed the timeliness of revenue recognition by agreeing individual sales transactions to customer ticket purchases, obtaining evidence of payments from customers and the associated cost of sales related to the transaction. ► Assessing the customer liability account at year end to confirm revenue was recorded in the appropriate period for tickets purchased. ► Assessing the validity of the manual revenue journals by testing to supporting documentation. ► Assessed the adequacy of the disclosures included in Note 3 to the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and;

b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

► Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 51 to 70 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Jumbo Interactive Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young
111 Eagle Street
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Fax: +61 7 3011 3100
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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Susie Kuo
Partner
Brisbane
23 August 2024

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*.

Entity name	Entity type	Place of business / Country of incorporation	Ownership Interest %	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Jumbo Interactive Limited	Body corporate	Australia	-	Australian	
Benon Technologies Pty Ltd	Body corporate	Australia	100.00%	Australian	
TMS Global Services Pty Ltd	Body corporate	Australia	100.00%	Australian	
Jumbo Lotteries Pty Ltd	Body corporate	Australia	100.00%	Australian	
Jumbo Interactive Asia Pty Ltd	Body corporate	Australia	100.00%	Australian	
TMS Global Services (NSW) Pty Ltd	Body corporate	Australia	100.00%	Australian	
TMS Global Services (VIC) Pty Ltd	Body corporate	Australia	100.00%	Australian	
TMS (Fiji) PTE Limited	Body corporate	Fiji	100.00%	Foreign	Fiji
TMS (Fiji) On-Line Pte Limited	Body corporate	Fiji	100.00%	Foreign	Fiji
Jumbo Lotteries North America, Inc.	Body corporate	United States of America	100.00%	Foreign	United states of America
Jumbo Interactive de Mexico SA de CV	Body corporate	Mexico	100.00%	Foreign	Mexico
Gatherwell Limited	Body corporate	United Kingdom	100.00%	Foreign	United Kingdom
Jumbo Interactive UK Limited	Body corporate	United Kingdom	100.00%	Foreign	United Kingdom
Starvale Technical Systems Ltd	Body corporate	United Kingdom	100.00%	Foreign	United Kingdom
Starvale Management & Technologies Ltd	Body corporate	United Kingdom	100.00%	Foreign	United Kingdom
DDPay Ltd	Body corporate	United Kingdom	100.00%	Foreign	United Kingdom
Stride Management Corp.	Body corporate	Canada	100.00%	Foreign	Canada

SHAREHOLDER INFORMATION

The Company has 62,968,330 ordinary shares on issue, each fully paid. There are 9,195 holders of these ordinary shares as at 19 July 2024. Shares are quoted on the Australian Securities Exchange under the code JIN and on the German Stock Exchange.

In addition, there are 184,293 rights over ordinary shares on issue but not quoted on the Australian Securities Exchange.

Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at https://www.jumbointeractive.com/corporate-governance-statement.

(a) The range of fully paid ordinary shares as at 19 July 2024

Range	Total	Holders Units	% of issued capital
1 – 1,000	6,609	2,162,970	3.44
1,001 – 5,000	2,093	4,807,384	7.63
5,001 – 10,000	276	2,029,374	3.22
10,001 – 100,000	191	4,694,461	7.46
100,000 – and over	26	49,274,141	78.25
Total	**9,195**	**62,968,330**	**100.00**

(b) Unmarketable parcels

	Minimum parcel size	Holders	Units
Minimum $500.00 parcel at $15.96 per unit (based on the closing share price on 19 July 2024)	32	255	2,680

The number of shareholders holding less than the marketable parcel of shares is 255 (shares 2,680).

(c) Substantial holders of 5% or more fully paid ordinary shares as at 19 July 2024

Name	Notice date	Ordinary Shares	Percentage Held
Vesteon Pty Ltd and associates	4 April 2022	8,849,582	14.10%

(d) Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Options and Rights over Unissued Shares

Holders have no voting rights until their options/rights are exercised.

(e) Top 20 holders of fully paid ordinary shares as at 19 July 2024

Name	Units	% of Units
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,344,481	19.60
CITICORP NOMINEES PTY LIMITED	9,577,244	15.21
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	8,803,241	13.98
VESTEON PTY LTD	8,156,508	12.95
BNP PARIBAS NOMS PTY LTD	2,049,461	3.25
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,355,064	2.15
NATIONAL NOMINEES LIMITED	1,215,351	1.93
MR BARNABY COLMAN CADDICK	1,125,000	1.79
MR MIKE VEVERKA <VEVERKA S/F A/C>	666,791	1.06
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	463,507	0.74
UBS NOMINEES PTY LTD	449,106	0.71
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	418,839	0.67
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	328,079	0.52
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	305,628	0.49
MASFEN SECURITIES LIMITED	245,000	0.39
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	221,855	0.35
MR JOHN ROSAIA	212,474	0.34
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	180,018	0.29
WESTOR ASSET MANAGEMENT PTY LTD <VALUE PARTNERSHIP A/C>	174,243	0.28
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	173,969	0.28
Total Top 20 shareholders of ordinary fully paid shares	**48,465,859**	**76.97**
Total remaining holders balance	**14,502,471**	**23.03**

(f) Unquoted securities as at 19 July 2024

Rights over unquoted securities. A total of 184,293 rights are on issue to employees for services rendered.

Exercise Price	Expiry date	Number on issue	Number of holders
$nil	14 September 2026	95,804	14
$nil	14 September 2027	85,757	14
$nil	1 July 2027	2,732	2

(g) On-market buy-back

The Company announced an on-market share buy-back of up to $25 million on 26 August 2022 and commenced buying back shares in September 2022. As at 31 July 2024, 251,973 shares had been purchased (0.4% of issued capital), representing $3.2 million at an average buy-back price of $12.74. The Board has agreed to continue the on-market share buy-back program and will maintain a disciplined approach to execution. The timing and number of shares to be purchased remains dependent on the prevailing share price and alternative capital deployment opportunities. The Company reserves the right to vary, suspend or terminate the share buy-back program at any time.

(h) Restricted securities

There are no restricted securities or securities subject to voluntary escrow (outside of an employee incentive scheme) that are on issue. During FY2024, the Company purchased 2,372 ordinary shares on-market for the purposes of its Employee Share Scheme, at an average price per ordinary share of $15.33.

COMPANY INFORMATION

Jumbo Interactive Limited

ABN 66 009 189 128

www.jumbointeractive.com

Directors

Susan M Forrester AM (Independent Non-Executive Chair)

Sharon A Christensen (Independent Non-Executive Director)

Giovanni Rizzo (Independent Non-Executive Director)

Mike Veverka (Managing Director, Chief Executive Officer and Founder)

Chief Financial Officer

Jatin Khosla

Company Secretary

Lauren Osbich (Company Matters)

Registered Office

Level 1, 601 Coronation Drive, Toowong, QLD 4066

Telephone: 07 3831 3705

Facsimile: 07 3369 7844

Auditor

Ernst & Young

Level 51, 111 Eagle Street, Brisbane, QLD 4000

Share Registrar

Computershare Investor Services Pty Ltd

Level 1, 200 Mary Street, Brisbane, QLD 4000

Telephone: 07 3237 5999

Facsimile: 07 3221 9227