

Dear Shareholder,

Operational excellence

"To us, operational excellence implies two things: delivering continuous improvement in customer experience and driving productivity, margin, efficiency, and asset velocity across all our businesses" — Jeff Bezos

The 2024 Shareholder letter opened with a quote from Jeff Bezos about free cash flow per share. We also made it clear that January 2024 BetTube's¹ strategy moved from a growth/building phase to one focused on long term positive cash flow and profitability.

So, what happened? Did we achieve these goals? What happened to the client experience?

Let's go to the videotape.

FY2025 Form Guide

With the "Machine Built", in 2025 BetTube continued with the ethos of "client focus" and delivered this financial performance in FY2025:

Operational Metrics	FY2025	FY2024	Change
Turnover	\$311m	\$295m	+5.5%
Sports turnover	\$79m	\$93m	-15.4%
Racing turnover	\$232m	\$201m	+15.3%
Sports Gross Margin	\$5.9m	\$3.4m	+71.7%
Racing Gross Margin	\$29.2m	\$24.1m	+21.4%
Net Margin (after Promotions)	\$26.8m	\$19.6m	+36.5%
Net Gaming Revenue (NGR)	\$14.0m	\$9.7m	+44.3%
Rewards ² (% of Turnover)	2.8%	2.8%	—
Bet count	4.2m	3.6m	+14.4%
Bet count – Racing	3.5m	3.0m	+15.3%
Bet count – Sports	616k	561k	+9.7%
Average Saturday Bet count	17,319	15,168	+14.2%
Average bet	\$78	\$85	-8.0%
Average daily active clients	1,038	950	+9.3%

¹ References to 'BetTube' or 'the Company' refer to BetTube Corporation Ltd, 'Bet Right' refers IRPXS Pty Limited who holds the wagering licence and operates to our Australian B2C brand, and 'the Group' refers to BetTube Corporation Ltd and its consolidated subsidiaries.

² Rewards refers to Promotions as detailed in the BetTube Corporation Ltd, 2025 Annual Report

Financial Performance (Statutory)	FY2025	FY2024	Change
EBITDA	\$0.8m	-\$1.9m	+140%
Net Profit/Loss	-\$0.06m	-\$2.9m	+98%
Operating Cash Flow	+\$2.3m	-\$4.0m	+\$6.3m
Free Cash Flow	+\$2.3m	-\$4.1m	+\$6.4m
Free Cash Flow per Share (cents)	+0.96	-1.68	+264bps

The Group delivered positive cashflow of \$2.3m in FY2025 (FY2024: -\$4.0m), representing an improvement of \$6.3m.

Group profitability improved by \$2.8m with a loss of \$58k against a loss of \$2.9m in FY2024.

It's important to highlight that, unlike other Publicly Listed operators in Australia (Pointsbet and betr), BetTube does not capitalise the development costs for our platform. In FY2025, Pointsbet capitalised \$17.6m and betr capitalised \$5.7m, while BetTube capitalised zero. Put simply, our accounting policies seek to provide a simplified position and don't seek to delay or camouflage recurring expenditure.

Free cashflow per share went from -1.68c per share in FY2024 to 0.96c in FY2025.

To summarise:

- Positive Cashflow
- Move to profitability
- Increase in Free cashflow per share

FY2025 marks a turning point - The Machine is not just built and operating, it's achieving operational leverage at scale.

The Bet Right Promise

As always, we are looking to improve, and we have refined the "Bet Right Promise" to reflect the value proposition that we provide to our clients:

Bet Right promises to give the best market access to racing and sports betting markets by providing the best possible prices, the best service and the best platform with exclusive products designed to maximise your winnings.

We will now detail how we have delivered the Bet Right promise and at the same time how we are achieving operational excellence as defined by Jeff Bezos:

- Improvement in client experience
- Driving productivity, margin, efficiency and asset velocity

How we price now.

In FY2025 across thousands of Australian fixed price racing, Bet Right paid its clients on aggregate either:

1. \$2.4m MORE than they would have received had they bet with Sportsbet (an additional 4.5%);
or
2. \$1.9m MORE than they would have received had they bet with Ladbrokes (an additional 3.5%);
or
3. \$2.3m MORE than they would have received had they bet with TAB (an additional 4.5%).

Across racing, we also expanded Best Tote Exotics and Bet Right clients continued to enjoy the best tote win product in the market with RD+. All of which maximised our clients' winnings.

Bet Right's reputation for being a premium racing market provider delivered an increase in racing turnover of 15.3%, whereas the industry was reporting reduced racing turnover.

The suite of great racing products tied with our flagship, world exclusive product RPX, which provides our clients with the "Best of the Big 3 or Better" has been integral to increasing our racing margin by 9.4% to 11.5%.

So how does providing better prices than the market translate to better margins?

We explained this last year:

The strategy of best price (providing value) across both sport and racing is finding an audience with the betting public. As Bet Right's liquidity increases, the margins will move closer to the actual market percentages we are making markets to, as recreational money is balanced more evenly against sharper clients. This increased liquidity will increase Bet Right's margin.

In FY2025 we saw a decline in head-to-head betting on NRL and AFL directly tied to the taxation regimes adopted by those sports which resulted in our decision to no longer offer 1.93 lines on these sports. Our strategy to focus on profitability rather than turnover saw turnover on sport in FY2025 decrease by 15.4%.

Bet Right still stands out as a price leader on sport, offering our "Price Watch" service on major sports where we facilitate best price market access, with guaranteed limits in place in the last hour of betting. This is aimed at when markets are most liquid.

Focusing on prop betting markets such as anytime try scorers, Same Game Multis, etc despite the decrease in turnover saw bet count in sport increase by 9.7% while Gross Margin grew by 71.2% to \$5.9m.

How we spend now.

Operational excellence demands cost discipline. At BetTube, efficiency isn't aspirational—it's foundational. The only way to provide the best prices is to maintain the best cost structure.

While operating costs rose modestly by 2.6% in FY2025, Turnover increased 5.6%, Client Engagement³ grew 9.3%, and Net Margin expanded 36.5%. This operational leverage is the direct result of disciplined resource allocation.

Marketing efficiency remains our competitive advantage. Bet Right's client acquisition costs of \$33.67 compare favourably to industry norms that typically exceed \$300. Our annual yield per active client was \$1,398—demonstrating that low acquisition costs paired with strong engagement economics create sustainable profitability.

For our retail brand, Bet Right, our marketing costs as a percentage of Net Margin (after Rewards) was just 0.21%. Our publicly listed competitors Pointsbet and betr spend on marketing was 24% and 15% respectively.

The proof is in the unit economics. Cost per bet declined 10.35% from FY2024 to FY2025. More significantly, profit per bet turned positive—a massive swing of 187.72% year-over-year.

This is operational excellence in its simplest form: lower costs, better margins, sustainable growth.

How we reward now.

Again, in FY2025, Bet Right maintained control on rewards. Rewards were 2.8% of turnover, the same as in FY2024.

With the increase in Net Margin, we saw the all-important rewards to margin ratio reduce from 28.7% in FY2024 to 23.8%, a reduction of 17.1%.

Bet Right continues educating clients about the benefits of price over bonuses. With RD+ and RPX we deliver quantifiable benefits. Part of that education includes a monthly 'Benefit Statement' providing clients with a personalized financial analysis comparing their actual winnings from Bet Right's prices on fixed price racing against what they would have received from the Big 3 (Sportsbet, Ladbrokes and TAB) (see 'How we price now' section above for aggregate FY2025 results).

So, the value proposition of Bet Right is clear. Bet Right rewards clients on terms consistent with the Big 3 AND gives clients better prices, equating to more value in their pocket.

This is a great step forward for the client's experience over our competitors (operational excellence). While we can maintain tight control over rewards, our clients are still receiving levels of rewards comparable with the Big 3 plus better payouts.

³ Client Engagement means Average Daily Actives.

How we innovate now.

It was clear from the operating expenses that we were able to maintain costs. What happened to innovation? As highlighted in previous letters, client feedback is important. Complaints are more important than praise as we learn. Some of our innovations came from direct feedback, others did not, as clients can't know what they don't know. Here are some of highlights:

- Improvements in race event interface and form
- Pre-verification (AML Changes)
- Personalised racing recommendations
- Improved Same Game Multis (SGM) experience including the ability to combine multi bets into a single multi
- Tennis Same Game Multis
- Easier client referrals
- Improved Back Office/administration functionality
- Improved settlement requests for clients to request early settlement
- Better visibility of race bets
- Light mode/dark mode
- Pro Trades (exclusive client access)
- Improved sport market experience
- Live Chat improvements

Communication with clients is always a challenge. Over the past year, one of our key achievements has been the introduction of our onboarding CSAT question for new clients.

This initiative asks clients within their first week how they are enjoying Bet Right, enabling us to identify and address early experience feedback promptly. With over 2,000 responses collected in the past 18 months, the average satisfaction score of 75% reflects a healthy level of satisfaction among new clients.

Beyond our structured feedback programs, Bet Right continues to prioritise ongoing improvement and client experience. In response to client feedback, we launched enhanced AFL, NRL and NBA market layouts, with NFL and additional sports to follow as well as a Bet Tracker and sports stats set to launch soon.

How we comply now.

Compliance and client protection are not costs; they are trust-building assets. In a year defined by regulatory reform, shifting consumer behaviour, and increasing expectations from both regulators and the public, our retail brand “Bet Right” took measurable steps forward.

Across FY2025, we further embedded safer gambling practices deeper into the business:

- Our enhanced safer gambling messaging resonated with clients, driving a measurable uplift in the use of deposit limits, self-exclusion, and cooling-off tools.
- Throughout the year, we engaged directly with individuals who had self-excluded from wagering and with external experts to understand why people disengage, and what tools they wish existed beyond the minimum required by regulation.
- From those insights, Bet Right developed several new safer gambling products, many of which will launch over the next 12 months. These new tools go beyond harm minimisation and are designed to empower clients to better manage their risk entertainment spend by introducing industry-first functionality that blends client protection with user convenience.

These initiatives reinforce that safer gambling is not a compliance checkbox, but a design principle that leads to a better client experience.

The Company maintained a strong AML/CTF posture during FY2025:

- 83.3% ID verification rate was achieved – a significant milestone. Regulation in FY2024 mandated zero-day verification. The industry standard is 82%.
- Bet Right continued its collaborative engagement with AUSTRAC, contributing feedback to industry guidance and training frameworks for preparations for the AML/CTF Act reforms passed in late 2024.
- With AML/CTF legislative changes taking effect on 31 March 2026, we’ve begun early system upgrades and procedural redesigns to ensure seamless compliance well before implementation deadlines, these works are ongoing.
- We also provided operational support to state and federal law enforcement investigations.

As Australia’s regulatory landscape evolves under the new AML/CTF reforms, Bet Right remains at the forefront not just adapting to change but helping to shape it. FY2025 demonstrates that compliance and innovation can coexist, where others see client friction, increased costs, and general headaches, we see opportunity to push the boundaries of our wholly owned technology and solve client friction, in a cost-effective manner that inevitably comes with increased regulation, delivering both strong governance and better client outcomes.

Our ultimate financial measure: Operational excellence delivered

In FY2025 we operated the machine. We focused on cash flow, margin and profitability.

Free cash flow per share improved from -1.68c in FY2024 to 0.96c per share in FY2025, a transformation of +264bps. This is our ultimate financial measure because a share of stock represents a claim on the company's future cash flows. By growing free cash flow while efficiently managing share count, we increase the present value of each share—which is what long-term shareholder value creation is.

The numbers:

- Positive cashflow: \$2.3m (FY2024: -\$4.0m)
- Loss reduced to \$58k (FY2024: \$2.9m)
- EBITDA positive: \$764k (FY2024: -\$1.9m)
- Trading entity (Bet Right): Profitable

This is not theoretical. This is not aspirational. This is operational excellence delivered and measured.

The client experience continued to improve throughout FY2025. Whether through RPX, RD+, Best Tote Exotics, Price Watch or expansion of Pro Trades, we continued to innovate in ways that deliver tangible value to Bet Right clients. Price is the foundation, and innovation in product delivery, market access, and betting experience is what builds positive client engagement. The 9.3% increase in daily active clients and 14.4% increase in bet count demonstrate that when clients experience genuinely superior products, they respond with sustained engagement.

Productivity can be measured by comparing output with associated resources to achieve those outputs. Active Clients, Bet Count, Turnover and Gross Margin all increased by at least 3.4 times the percentage increase of costs—in the case of Net Gaming Revenue, output grew 2,784 times faster than costs.

This improvement in operational leverage demonstrates BetTube's commitment to capital efficiency. Every dollar invested in the business generated exponentially greater returns in client engagement and revenue. While competitors allocate hundreds of millions in marketing spend chasing market share, we achieved superior outcomes through disciplined execution and technological excellence. This is operational efficiency in its purest form: maximising output while minimising resource consumption.

The efficiency gains extended across every operational metric. Technology costs as a percentage of turnover declined while platform performance improved. Client acquisition costs remained the lowest in the industry. Bet Right achieved profitability while consolidated group EBITDA swung from a loss of -\$1.9m to \$764k, representing a \$2.7m improvement in operational efficiency.

FY2025 marks a turning point. The Machine is not just built and operating—it's achieving operational leverage at scale.

Continued Strategy: How we grow now.

BetTube: The world's most client-obsessed platform for risk entertainment.

Our strategic direction remains unchanged. Platform-as-a-Service (PaaS) remains our long-term objective, positioning BetTube not as a traditional bookmaker competing for market share, but as market infrastructure—comparable to how NYSE and NASDAQ provide access to financial markets. Australia serves as our showroom, demonstrating operational capabilities, regulatory expertise, and client engagement that validates our model for global partners seeking proven risk entertainment infrastructure.

The Daily Mail arrangement was a failure. Like all failures, it provided valuable lessons. The experiment cost very little, and we are satisfied with the outcome. The critical learning: partners need skin in the game. Without committed capital investment from partners, alignment fails. This lesson informs every partnership discussion we have today.

Over the last year we have declined proposals from potential partners. The opportunity cost of engaging a large PaaS partner is the same as a small one. Small clients carry the same integration cost as large ones—different margin profile, same management tax. Our infrastructure is designed to scale, and we are selective about where we deploy resources. We are not desperate for deals. We are building for the long term, and that means being disciplined about the partnerships we pursue.

We are engaged in discussions with global entities across multiple sectors—not limited to traditional media companies—who possess established client bases, proven risk appetites, and strategic alignment with our client-first philosophy. More importantly, these discussions centre on partners willing to commit capital—skin in the game—not just revenue share arrangements. These partnerships will leverage our technology, compliance infrastructure, and product innovation while allowing partners to participate in risk entertainment economics previously inaccessible to them. Some conversations will close, others won't. That's enterprise sales.

The specifics of these arrangements, their structure, and our expansion timeline will not be telegraphed. Rather, we will continue with our head-down approach, focusing on the fundamentals: building superior products, maintaining the best prices in the market, delivering exceptional service, and generating consistent positive cash flow. When partnerships materialise that meet our criteria for strategic fit and mutual commitment, we will announce them. Until then, our focus remains on what we control—operational excellence and client obsession.

When there's news, you'll hear it. Until then, we're building what scales and being selective about who we build it with.

The metrics tell an interesting story. Sign-ups and funded clients remained constant in FY2025, which in a highly competitive market with competitors outspending Bet Right by tens, if not hundreds of millions of dollars, is an achievement in itself. The continued strategy of focusing on our own database paid dividends. Daily Active Clients increased by 9.3% and Monthly Active Clients increased by 5.4%. These numbers demonstrate what we have always known: when clients experience Bet Right, they engage. They stay. They use the platform.

This is the vindication of our strategy. We are not chasing vanity metrics. We are building genuine engagement and loyalty through superior products, better prices, and exceptional service. The quality of our client base continues to improve, and that is the foundation upon which sustainable, profitable growth is built.

The banning of advertising in Australia, in whatever form it ultimately takes, remains an opportunity for BetTube. While our competitors scramble to reimagine businesses built on marketing spend, we continue to operate precisely as we always have: obsessed with clients, focused on technology, and building infrastructure for the future of risk entertainment.

Q1 FY2026 Update

Q1 FY2026 demonstrates accelerating momentum that was evident in FY2025. Below are unaudited figures⁴.

Financial Performance (Unaudited)	Q1 FY2026	Q1 FY2025	Change %
Turnover	\$106m	\$81m	30.5%
Gross Margin	\$10.3m	\$7.4m	38.4%
Net profit/(Loss)	\$1.3m	\$0.67m	97.2%
Bet Count	1.1m	1.0m	10.6%
Daily Average Actives	1,119	1,034	13.8%
Monthly Average Actives	5,902	5,240	11.2%
First Time Depositors	2,993	2,510	16.1%

Aligned with the Q1 FY2026 results is a strengthening of the Group's cash position which grew from \$6.8m on 30 June 2025 to \$9.3m at 30 September 2025, an increase of \$2.5m in a single quarter.

Charlie's Mispriced Gamble

The trajectory from FY2023 through FY2025 and into Q1 FY2026 tells a compelling story of value creation.

In FY2022 and FY2023, the Group made substantial investments in platform infrastructure. This investment is a large part of the FY2025 achievements and those continuing now which demonstrates the operating leverage those investments created: positive cash flow of \$2.3m and a positive EBITDA. The Q1 FY2026 unaudited results demonstrate accelerating momentum across all metrics.

The transformation is quantifiable. The Group now generates consistent positive cash flow. We are profitable. We are growing. The cash balance grows quarter by quarter, not through capital raises, but through operational excellence.

⁴ Q1 FY2026 figures are based on management accounts and are unaudited. They are provided in good faith but have not been subject to independent audit or review.

Charlie Munger's philosophy applies precisely:

'You're looking for a mispriced gamble. That's what investing is. And you have to know enough to know whether the gamble is mispriced. That's value investing.'

Since we started BetTube with no staff, no technology, no world exclusive products, only a promise of the lowest client acquisition costs and best prices—has value been created or eroded?

The numbers tell the story. From "Anthony and an idea" in 2020 to a business generating \$311m Turnover, \$14m in Net Gaming Revenue, positive cash flows, and accelerating profitability, the evidence of value creation is unambiguous.

Investment is about seeing something others have missed. When you look at BetTube's operational metrics, financial performance, client engagement, and strategic positioning—combined with our head-down execution approach and refusal to chase vanity metrics—do you know enough to know whether BetTube is a mispriced gamble?

As BetTube is publicly traded, you can act on your determination.

This business started with an idea and piece of paper. Then came support from investors and small pool of talented people who decided to place a bet on me. This has morphed into shareholders and BetTubers who support me to provide an incredible service to our clients.

And as a shareholder, I am grateful for the hard work and commitment that all BetTubers have demonstrated day after day.

And to any clients reading this letter, thank you for choosing Bet Right and our platform and we will continue to uphold the Bet Right promise and provide you the best market access to racing and sports betting markets by providing the best possible prices, the best service and the best platform with exclusive products designed to maximise your winnings.

How we bet now.



Anthony Waller

BetTube Corporation Ltd