eSportsHero

Presentation Deck October 2021

ESPORTS AUDIENCE GROWTH

● OCCASIONAL VIEWERS

● ENTHUSIASTS

2019
397.8M
200.8 Million
197 Million

2020
+9.6%
436M
220.5 Million
215.4 Million

2021
+8.7%
474M
240 Million
234 Million

2024
+7.7%
577.2M
291.6 Million
285.7 Million

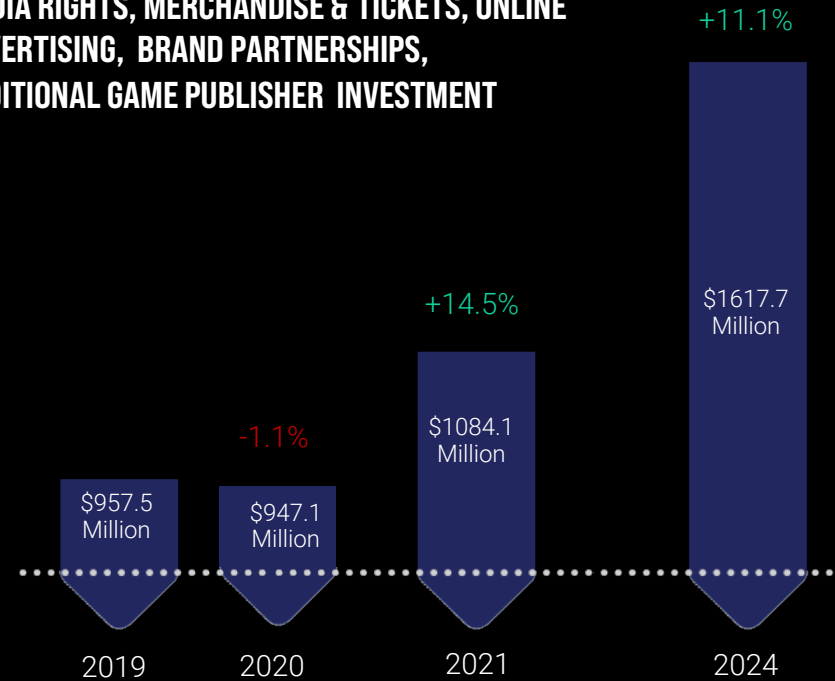https://www.statista.com/statistics/1109956/global-esports-audience/

ESPORTS REVENUE GROWTH

GLOBAL | FOR 2019, 2020, 2021, 2024

● MEDIA RIGHTS, MERCHANDISE & TICKETS, ONLINE
ADVERTISING, BRAND PARTNERSHIPS,
ADDITIONAL GAME PUBLISHER INVESTMENT

+11.1%

+14.5%

$1617.7
Million

-1.1%

$1084.1
Million

$957.5
Million

$947.1
Million

2019　　　　2020　　　　2021　　　　2024

https://www.statista.com/statistics/490522/global-esports-market-revenue/

TYPES OF ESPORTS TOURNAMENTS

MEGA EVENTS

PROFESSIONAL SEASON

AMATEUR TOURNAMENTS

CONTINUOUS ANNUAL
PROFESSIONAL SEASONS
(OFFLINE / ONLINE)

MASSIVE ARENA EVENTS
SOLD OUT STADIUMS AROUND THE WORLD
(OFFLINE)

AMATEUR COMPETITIONS
FOR EVERYONE
(ONLINE)

ESPORTS TOURNAMENT ENTRY POINTS

Professional ↑ **Amateur**

LEGENDS
The world's best

PRO
Esports champions

MAJOR
Prove your skill

OPEN
Good luck. Have Fun!

Goal: Brand advocacy.

Goal: Brand penetration.

Goal: Brand meets market.

Goal: Grassroots.

ESPORTSHERO TIMELINE

Phase 1

Test

Launch pilot campaigns with EGN in Q4 2021 .

Phase 2

Optimise

Improve eSportsHero UX/UI based on user feedback from pilots.

Phase 3

Launch

Launch eSportsHero prediction tournaments with the EGN FIFA AVPL Super League in February 2022.

Phase 4

Expand

Expand eSportsHero prediction tournament to 10 + grass roots tournaments organisers .

2022

Establish

Launch Asia Pacific media partnerships with major digital publishers to establish eSportsHero as the premier esports prediction tournament platform.

BENEFITS OF GRASSROOTS ESPORTS

ENGAGED COMMUNITY

Grassroots tournaments organisers run regular leagues across the full calendar year covering multiple game titles. Amateur players are often loyal to their community and engage regularly with their programs. Grassroots tournaments are a low cost, easy to maintain entry point for eSportsHero.

DEEPER INTEGRATION

Grassroots tournaments primarily rely on subscription or entry fees for their main source of revenue. eSportsHero provides multiple revenue opportunities that allow for deeper partnership integration.

HIGH GROWTH POTENTIAL

Current climate conditions have driven huge spikes in online game play as these grassroots organisations become more mainstream. eSportsHero has the opportunity to participate in this growth and become ingrained into esports communities which will drive brand awareness and advocacy for eSportsHero.

STRONG ABILITY TO SCALE

With grassroots online tournaments taking place every year across the globe, the opportunity for eSportsHero to scale in a commercial viable way is far greater with community focused online esports groups as opposed to high cost digital and influencer marketing.

ESPORTSHERO OVERVIEW

eSportsHero is an extension of SportsHero and will leverage its proprietary technology and platforms to create bespoke prediction tournaments based on esports matches across all levels of the online tournament ecosystem.

eSportsHero's goal is to become the leading player engagement platform for online gaming communities.

"...2021's global games market will generate revenues of $175.8 billion... By the end of the year, there will be 2.9 billion players worldwide."

https://newzoo.com/insights/articles/global-games-market-to-generate-175-8-billion-in-2021-despite-a-slight-decline-the-market-is-on-track-to-surpass-200-billion-in-2023/

ESPORTSHERO OPPORTUNITY

- Mobile games dominate with 58% of the total gaming industry revenue.
- US $97 billion global mobile gaming revenue.
- 5 billion global mobile phone subscribers.
- Multi device networks are complimentary to esports tournament viewing.
- eSportsHero prediction tournaments will be designed specifically for mobile.
- eSportsHero will provide deeper levels of engagement to thousands of online tournament platforms and will be the platform of choice for community networking.

THE PROBLEM

There are thousands of online tournaments running daily across the globe. In such a cluttered environment, tournament organisers are always looking at new ways they can engage with their communities, add value to their existing programs and attract new audiences.

17,000 + online esports tournaments held this year (so far)

2.7 billion gamers globally
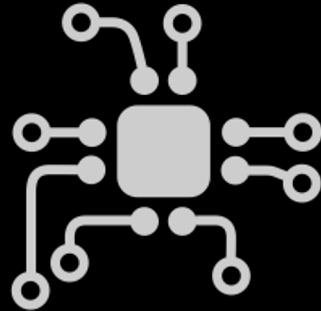
56% play 10+ hours per week

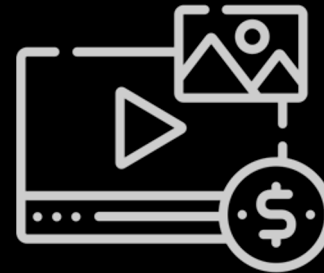https://escharts.com/tournaments

THE SOLUTION

Providing immersive and entertaining community engagement solutions that enhance the overall online tournament experience.

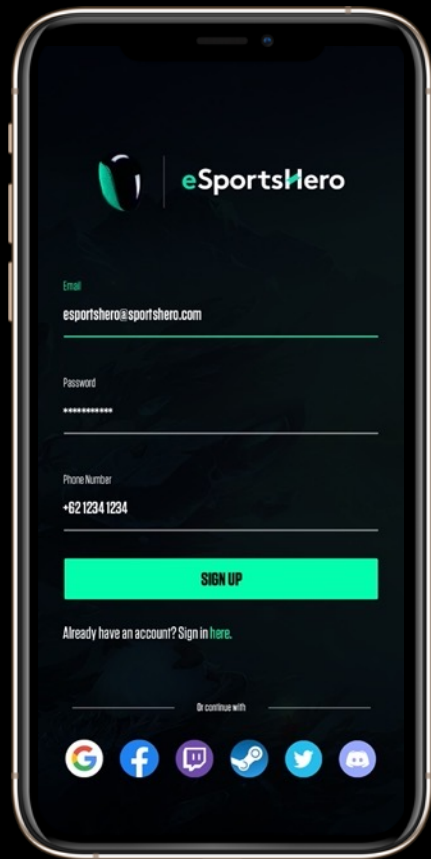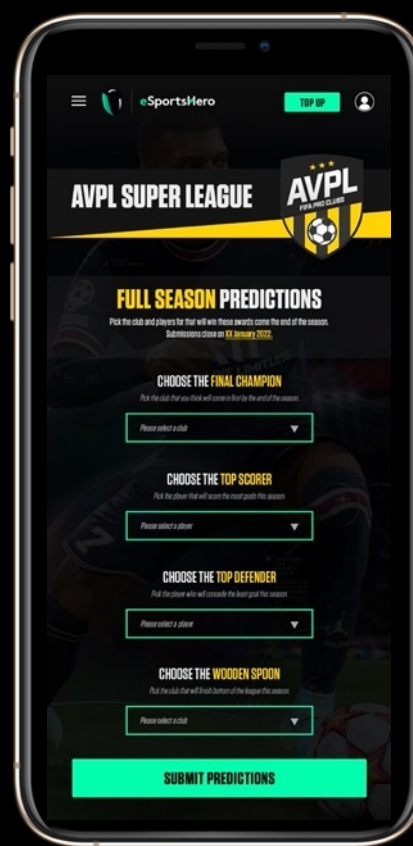| Innovative Technology | Distribution Partnerships | Rewards & Loyalty | Community Engagement |

ESPORTSHERO UX/UI

User scans eSportsHero QR code from EGN website and is directed to prediction competition landing page.
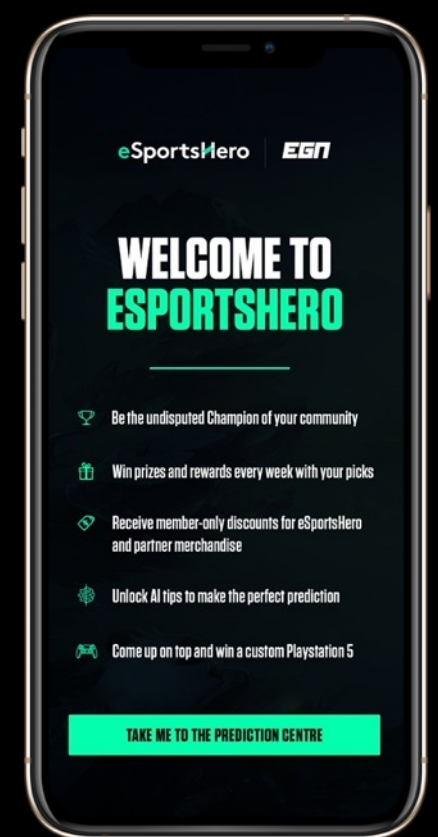
User creates an eSportsHero account by entering their player ID, SMS and email details.

User enters their league predictions for the season. This only appears once and must be submitted before the season starts.
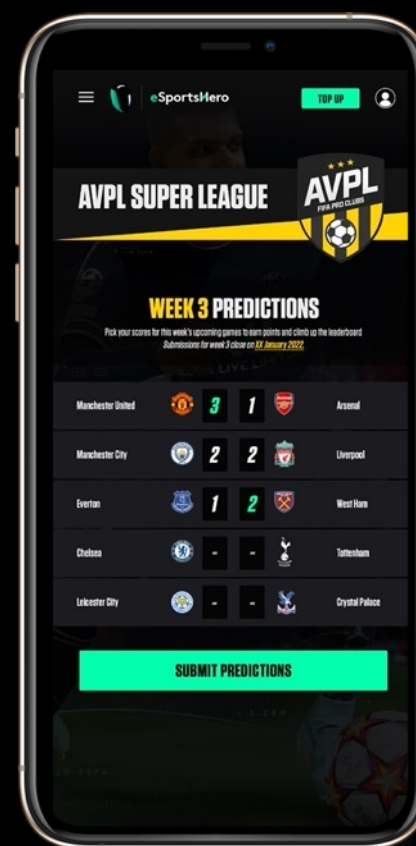
User enters their predictions for the week for match winner and match score.

User is directed to eSportsHero main page with leader boards, chat groups and other features.

ESPORTSHERO PREDICTOR

- Initial deep learning artificial intelligence (AI) predictor for League Of Legends (LOL) finalised and **ready for commercialisation**.

- Performance testing has been impressive over 189 matches, our predictor correctly predicted the head-to-head outcome of 125 matches, representing a very impressive win percentage of 66.14%.

- Our proprietary win percentage algorithm gives users an effective tool to find mispriced betting odds.

- We have integrated the live betting feeds for a number of online bookmakers into our website which will eventually allow for straight through referral if the users click the odds tab.

- The predictor is built on one of the largest LOL teams and players datasets available that are **wholly owned by SportsHero.**

- The development of a professional FIFA predictor would strengthen the eSportsHero offering and open the market up to another huge fanbase globally.

- Additional revenue streams could include Data as a Service for access to our ever-growing dataset.

- SportsHero's AI team, AI-Driven, have overlaid an automated AI betting algorithm to ensure only the highest probability / most mispriced bets are taken. **It generated a 126% return in a 5-week period**.

ESPORTSHERO GO TO MARKET PLAN

❑ Launch beta esports prediction tournaments with Australian esports organiser, EGN Gaming (EGN) to test and learn in an isolated environment and take on board user feedback to enhance UX /UI.

❑ Prepare pitch deck to present to every grass roots tournament organiser in Australia & Southeast Asia.

❑ Partner with EGN as official partner for AVPL Super League and run first eSportsHero prediction tournament sponsored by 3rd party distributor of gaming top ups.

❑ Include AVPL Super League case study in pitch deck.

❑ Expand to 10+ tournament organisers specialising in multiple game titles.

❑ Achieve 10,000,000 eSportsHero users by Q4 2022.

❑ Sign annual prediction tournament partnership with major online media publisher to take the eSportsHero brand mainstream.

EGN Gaming

➤ AUSFIFA launched in June 2014 after noticing that there was a huge demand for a FIFA platform for the local Australian FIFA community.

➤ AUSFIFA was an instant hit within the community and after 18 months had over 3,500 registered members and an average of 500 participants in their 11v11 FIFA competitions.

➤ In 2015 AUSFIFA ran an official competition with Liverpool FC, with the winner playing against Liverpool's Jordan Henderson in a game of FIFA.

➤ After reaching significant growth in 2017, AUSFIFA rebranded to EGN Gaming and built a new and improved platform that supported multiple titles and was easily scalable.

➤ In 2021 EGN launched the AVPL Super League beta which mirrors the EPL season. The AVPL Super League was a huge success.

https://egn-gaming.com/

OPPORTUNITY : EGN GAMING AUSTRALIA

- EGN will be running small community tournaments in October, November, December 2021 which will provide the perfect opportunity for eSportsHero to conduct pilot integration into their community.

- The official season of EGN's AVPL Super League launches in February 2022 and eSportsHero will be the principal partner of the league.

- eSportsHero will share full run of site of the EGN platform with our sponsors.

- EGN community members will be encouraged to top up all their balances and subscriptions through an EGN affiliate link.

PROFILE OF THE AUSTRALIAN GAMER

2nd
largest Australian participation sport.

4.6m
Australians identify as gaming fanatics.

83%
of 15 to 24 year olds play video games.

75%
of 25 to 34 year olds play video games.

63%
of 35 to 44 year olds play video games.

50%
of Australians play 2 x 10 mins of mobile.

89min
daily average play time for Australian males.

71min
daily average play time for Australian females.
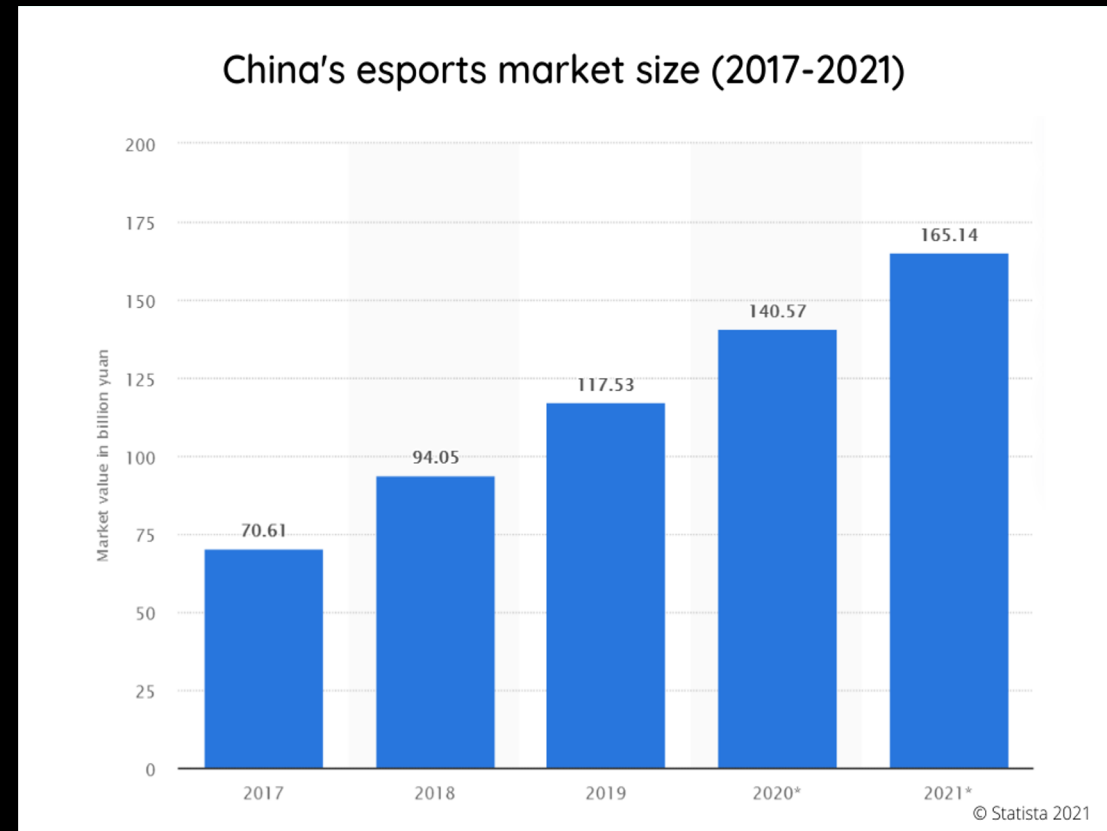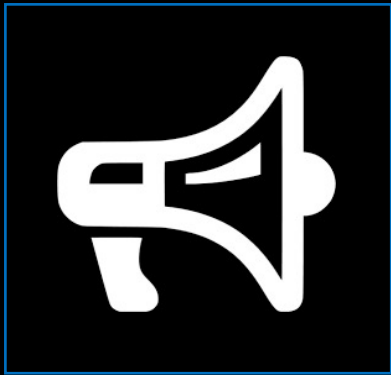
50%
of Australian gamers are female.

74%
of 16 to 64 year olds play games.

17

MARKET OPPORTUNITY : CHINA

- China is the **largest esports market in the world**, with over 400 million fans and viewers.

- The Chinese market is expected to exceed RMB 165 billion (about AUD 34 billion) in size in 2021 achieving a compound annual growth rate of over 15% in recent years.

- On 1 September 2021, the Chinese government imposed a 3 hour gaming time limit per week on young gamers under the age of 18, significantly impacting the large game publishers.

- We believe this is a timely market opportunity for eSportsHero to engage with an already captive esports audience by offering an out-of-game platform to interact, engage and compete in prediction tournaments across their favourite game titles.

- eSportsHero would look to develop prediction competitions in collaboration with popular gaming publishers and local tournament organisers to offer exclusive prizes as well as in game offerings.

China's esports market size (2017-2021)

70.61	94.05	117.53	140.57	165.14
2017	2018	2019	2020*	2021*

Market value in billion yuan

© Statista 2021

www.bloomberg.com/news/articles/2021-08-30/china-limits-minors-to-just-three-hours-of-online-gaming-a-week

ESPORTSHERO REVENUE OPPORTUNITIES

SPONSORSHIP

ECOMMERCE

REFERRALS

MEMBERSHIP

Naming rights sponsorship of eSportsHero.

Official reseller of virtual gaming currency.
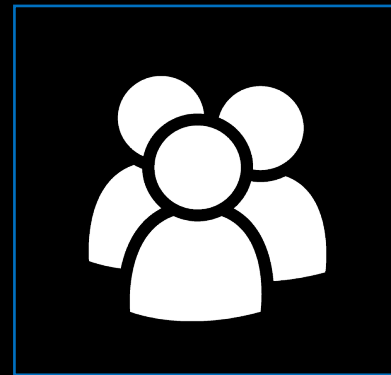
Advertising referrals from betting sites.
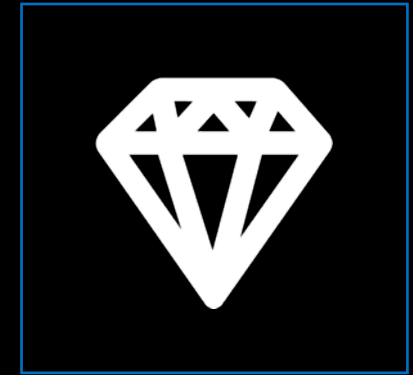
Premium membership subscriptions.

SPONSORSHIP

- eSportsHero is looking to secure a naming rights sponsor that will be featured in all eSportsHero marketing and messaging.

- The naming rights sponsors will have the option to include a run of site advertising package on the tournament organisers website.

- eSportsHero has developed a sponsorship package that amplifies the naming rights sponsors brand across all touch points of the eSportsHero platform.

- Sponsorship opportunities will expand and develop as we grow and scale which will present significant revenue opportunities for eSportsHero.

E-COMMERCE

- eSportsHero will source and distribute virtual gaming currency through the eSportsHero platform and will retain a commission from each product sold.

- User's of eSportsHero will be able to purchase virtual gaming currency to their favourite games as part of their user journey.

- eSportsHero will promote discounts and value adds through its marketing and messaging which will drive transactions through eSportsHero.

- This will allow eSportsHero to sell virtual currency to multiple game titles which will be tailored and targeted toward relevant esports prediction competitions.

REFERRALS

- The Australian gambling market is the most lucrative market in the world on a per capita basis.

- Online/mobile sports betting market continues to be the fastest growing sector in the industry, being driven by the millennial market in a post COVID world.

- eSportsHero will generate extremely relevant content for the same target demographic of gamers as betting companies.

- The AI predictor driven user engagement of our competitive tournaments makes it an ideal betting affiliate partner.

- Lucrative affiliate revenue share agreements with betting companies will be targeted.

- On average, the revenue split is <u>25%-40% for the life of the gambler</u>.

SUMMARY

eSportsHero has developed a product that, at its core, truly adds value to the grassroots esports ecosystem.

eSportsHero is a community first platform that enhances the overall player experience through creating gamification within the game.

eSportsHero creates banter, rivalry and deeper levels of engagement while at the same time providing tournament operators an unprecedented opportunity to monetise their communities.

We are gaming. We are community. We are eSportsHero.

CONTACT

SportsHero Limited is listed on the Australian Securities Exchange (ASX:SHO) and is the owner of the sports prediction, gamification and marketing platform.

Tom Lapping
CEO
+65 91849135
tom@sportshero.live

Game on!