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**ASX code: ESH** 

# **Quarterly Update - Period ending 30 June 2017**

Esports company Esports Mogul Asia Pacific Limited (ASX: ESH) (the Company) is pleased to present its Quarterly Update for the period ending 30 June 2017.

The Company is Australia's only publicly listed esports-focused company. Esports is the video gamer equivalent of sport and is one of the fastest growing industries in the world. The Company's core business is to provide a fully integrated, market leading online esports tournament and media platform, called ESM Media Hub.

### **QUARTER HIGHLIGHTS**

- Company's online esports tournament platform launched in Philippines and Thailand.
- Strategic Marketing Agreements to drive growth in APAC region.
- Strong platform user numbers generated from Manilla Masters esports tournament.

## JUNE QUARTER COMMENTARY

In the June 2017 quarter the Company continued to execute its launch and growth strategy in its target Asian Pacific (APAC) market. The Company's initial-stage strategy is to grow active user numbers for its online platform and an interactive media platform for esports enthusiasts. It activities in the quarter were focused on delivering to this objective.

The Company maintains a solid financial position, and prudent approach to capital management, from which to pursue its growth objectives, with approx. \$3.68 million in cash at the end of the quarter.

### ESPORTS TOURNAMENT PLATFORM LAUNCHED IN PHILIPPINES AND THAILAND

The Company continued the rollout of its esports online tournament platform in the quarter. This included its formal launch in the Philippines and Thailand (ASX announcement, 1 May 2017).

The launch in these two key Asian Pacific esports markets followed the Company's initial launch – into Singapore and Australia - in March (ASX announcement, 21 March 2017).

The Philippines and Thailand both represent significant esports markets, with high numbers of active players. The Philippines has more than five million active esports participants and Thailand has in excess of three million active esports participants. Importantly, the major game titles DOTA 2 and CS:GO are ranked the top two esport titles in both markets.

The Philippines and Thailand launch allowed players of all levels to utilise the Company's online tournament platform – and help rapidly expand its user footprint in the APAC market. The Company plans to adopt this strategy in its progressive rollout across other APAC jurisdictions.



The Philippines and Thailand launch represented another milestone in the Company's growth strategy, and involved significant market-specific localisation and development of the platform, which was delivered ahead of schedule.

# Post-launch Strategy

The Company has implemented targeted Facebook and Google digital marketing campaigns in both markets to increase brand awareness and generate new users. This is being supported by local community marketing activities, including Twitch influencers, shout casters and activations with well-known esports players.

The Company will update the market on its progressive launches in other APAC jurisdictions via its ASX releases over the coming months, and will also provide updates on user acquisition numbers and other partnership opportunities in due course.

#### STRATEGIC MARKETING AGREEMENTS IN APAC REGION

Also during the quarter, the Company continued to execute its APAC growth strategy by entering new strategic marketing agreements (Agreements) with two of Asia's leading esports media groups (ASX announcement, 29 May 2017).

The Agreements are with DreamCasters TDC and FPS Thailand, and are designed to market and promote the Company's esports tournament platform. These Agreements will form a key component of the Company's user acquisition strategy in its APAC target market

DreamCasters TDC and FPS Thailand are both regional south-east Asian partners of Twitch Interactive Inc. (Twitch) — Twitch is the world's largest social video platform for gamers and was acquired by Amazon.com, Inc. (NASDAQ: AMZN) in 2014 for US\$970 million. Its online platform attracts 9.7 million active users daily.

Under the Agreements, DreamCasters TDC and FPS Thailand will produce and provide exclusive video content for the Company to promote its online tournament platform and drive user growth. Their highly regarded influencer networks will also live-stream about the platform.

The parties also propose to collaborate on the organisation and running of esports tournaments, utilising the Company's online tournament platform, to help enhance brand awareness and user acquisition. It is anticipated that the campaigns and activations delivered under the Agreements will assist in increasing the visibility and exposure of the Company, DreamCasters TDC and FPS Thailand, and the esports industry in the Philippines and Thailand.

# STRONG USER ACQUISITION NUMBERS FROM MANILA MASTERS ESPORTS TOURNAMENT

Subsequent to the quarter, Esport Mogul reported its first user registration and viewer numbers for its online esports platform, coming from the Manila Masters Esports Tournament (ASX announcement, 3 July 2017). Esport Mogul entered into a Sponsorship Agreement in March with Mineski Events Team (Minseki), the organisers of the Manila Masters, to be the exclusive platform provider for the tournament (ASX announcement, 30 March 2017).



The Manila Masters was an esports tournament for DOTA 2 and was one of South East Asia's largest tournaments with player registrations and viewer numbers far exceeding initial forecasts.

### Highlight numbers included;

- Final team registrations were approximately 2,935, equating to around 14,674 players utilising the Esport Mogul platform;
- The tournament generated overall peak viewer numbers of 3.66 million; and
- More than 2 million fans viewed and/or followed the tournament.

As the exclusive, official tournament platform provider, the Company and its esports tournament platform derived major exposure and visibility, during the tournament's qualifying and main stages. The Company was delighted to be associated with the tournament, and with the outcomes of its sponsorship agreement, which provided a highly positive and large-scale exposure to its target audience.

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## **About eSports Mogul Asia Pacific Limited**

eSports Mogul is an ASX listed (ASX ESH) esports company. Its core business is to provide a fully integrated, market leading esports-focused online media platform, called ESM Media Hub. ESM Media Hub will provide an easily accessible online platform for esports enthusiasts, and offer and a range of esports products and services.

Esports is the video gamer equivalent to sport and is one of the fastest growing industries in the world. It is estimated that there are currently 1.6 billion players across all platforms globally and in 2014 the total esports market size was estimated at \$74 billion. Asia Pacific dominates the esports market accounting for around 34% (\$25.2 billion) of the global market in 2014.