

# SportsHero

ASX RELEASE

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## SPORTSHERO AND WALLETKU FORM PARTNERSHIP TO MONETISE IN INDONESIA

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### HIGHLIGHTS

- New partnership formed to launch SportsHero into mainstream Indonesia
  - Walletku to generate Indonesian users on SportsHero's app
  - The partnership provides access to Indonesia's massive prepaid mobile phone market
  - Revenue sharing model between both parties agreed
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Walletku's CEO Farid MN and SportsHero's CEO Tom Lapping

As a world leading sports prediction, gamification and marketing app, SportsHero, is delighted to announce that it has formed a strategic partnership with Indonesian based PT Walletku Indompot Indonesia (**Walletku**).

The partnership creates an alliance for the purpose of providing SportsHero with the opportunity to monetise its platform in Indonesia through various football gamification offerings to Walletku's community on a joint revenue share model.

**SportsHero Limited**

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# SportsHero

SportsHero's corporate advisor Tony Wee and recently appointed Indonesian football partner Tri Putra Permadi (**Putra**) were instrumental in establishing this partnership.

**SportsHero's CEO Tom Lapping said:** "This partnership provides SportsHero with a unique opportunity to access a youthful Indonesian audience through their everyday commercial transactions and engage them with via our Indonesian football gamification offerings that will deliver for SportsHero significant revenue generation opportunities.

## The Walletku Story

Since 1997, PT Dian Kencana Puri Prima's (**DKPP**) business was the distribution of mobile phone prepaid top ups via traditional outlets in partnership with Indonesia's telecommunications services and network provider, Indosat Ooredoo. More recently, DKPP diversified into digital e-wallet with digital products for e-payments through its existing distribution network of 22,000 outlets located throughout Jakarta, West Java, Kalimantan and Papua.

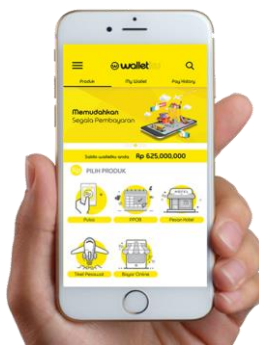
Walletku was founded in 2016 as the vehicle to implement the transition into a digital e-wallet. Walletku now operates an engaging platform and technology ecosystem that offers a range of digital products, including the following:

- prepaid mobile phones credit top up (known and referred to as 'Pulsa');
- utility bill payments;
- hotel bookings and payments; and
- airline ticket bookings and payment.

## TNG Wallet

In November 2017, TNG Wallet, #1 Fintech Company from Hong Kong, invested and acquired a majority stake in Walletku. With the participation of its new majority shareholder, the company is looking to transform into a global e-wallet entity serving the world's non-banking population with its digital wallet.

Today, TNG Wallet successfully sells Pulsa through a significant network of over 12,000 merchants across greater Jakarta. TNG Wallet's goal is to grow their total community size to over 100 million users.



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## **Mobile Phone Pulsa Market in Indonesia**

A large majority of mobile phone users in Indonesia use pre-paid SIM cards (Pulsa). According to Detikinet\*\*, there are about 175 million registered subscribers as of 30 January 2018, which translates into daily revenue of approximately US\$19 million.

## **Terms of the Memorandum of Understanding**

Pursuant to a legally binding Memorandum of Understanding (**MOU**), the parties have agreed to build an Indonesian digital sports community via Walletku's payment system network.

In accordance with the terms and conditions of existing contractual agreements with our content partners, each new Active User (defined below) will generate revenue for SportsHero of US\$0.50.

Under the three (3) year MOU, Walletku is targeting to secure not less than the following user metrics:

- 1,000,000 Active Users by 31 December 2018;
- 2,000,000 Active Users by 30 June 2019; and
- 3,000,000 Active Users by 31 December 2019.

An "Active User" is defined as a user of the SportsHero app that was directed to the SportsHero app by Walletku and that user engages the SportsHero app for not less than 2 playing hours in any calendar month.

For every user that is directed to the SportsHero app by WKU that becomes an Active User, SportsHero has agreed to pay WKU US\$0.30, with a maximum cap of 5 million Active Users. Based on existing contractual arrangements, SportsHero expects to receive net revenue of US\$0.20 per each Active User.

For every SportsHero app user that purchases a SportsHero token/ticket using the Walletku app, SportsHero has agreed to pay WKU a revenue share of 15% of Gross Annual Revenue (defined below), provided the Gross Annual Revenue exceeds US\$150,000.

Gross Annual Revenue is defined as the gross annual revenue, expressed in US dollars, in any one calendar year generated by SportsHero from the sale of SportsHero tokens/tickets to a user wherein the user acquired their SportsHero tokens/tickets by using the Walletku app.

If Walletku achieves its projected targets, SportsHero stands to generate US\$1.2m in revenue over the next 21 months, before selling a single token or ticket.

Walletku represents the first collaborative achievement under the newly created SportsHero/Putra alliance and forms the basis of a token/ticket management system necessary for our broader ambitions in Indonesia.

\*\* source: <https://m.detik.com/inet/telecommunication/d-3841593/sebulan-jelang-penutupan-173-juta-sim-card-terdaftar>

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**SportsHero's CEO Tom Lapping said:** "We are delighted and very excited about our new partnership with Walletku. This means that we are now able to work with one of Indonesia's most robust Pulsa top up and payment platforms to engage with millions of young users and offer them our gamification products."

*"In addition, we have generated a commercial model that is expected to generate revenue for both parties."*

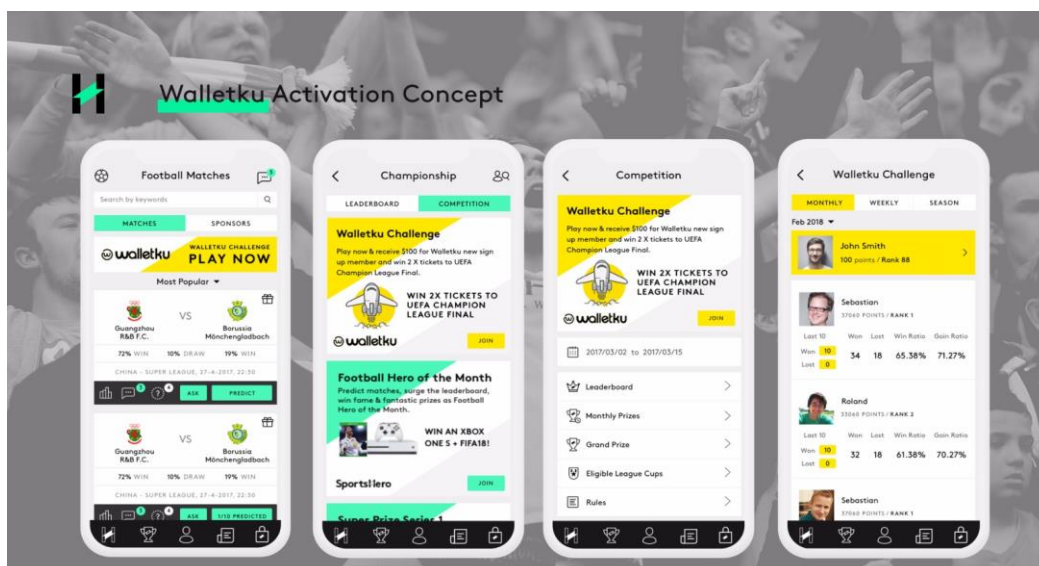
**Walletku's CEO Farid MN said:** "Our partnership with SportsHero is hugely exciting for us because we know that a large majority of our community absolutely love football. Whilst they use Walletku for everyday tasks like topping up their mobile phones, paying their bills and booking hotels and flights, now they have the opportunity to make SportsHero part of their everyday lives too."

*"We see this is a significant opportunity to monetise our user base through gamification, whilst providing them with hours of enjoyment along the way as they consume a sport that they love. It's just fantastic!"*

**Tony Wee said:** "Deals like this don't come along every day. It's rare to find two companies who are perfectly aligned to create mutually beneficial outcomes that drive towards creating tremendous value. This partnership is expected to generate both revenue and user growth for SportsHero in Indonesia."

**Putra said:** "Pulsa top-ups and paying bills are everyday tasks that people have to do, whether they like it or not. Walletku has created a platform that speaks to the Indonesian people in a unique voice that resonates and makes these everyday chores more enjoyable. Now that same voice will also be talking to them about football."

*"This partnership with SportsHero is a strategic long-term agreement that is expected to grow a highly engaged football community around content engagement and gamification."*



Michael Higginson  
Chairman

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## **ABOUT TONY WEE**

Mr Wee is a corporate advisor to SportsHero.

A citizen of Singapore, Mr Wee studied in the prestigious Pepperdine University of California. Mr Wee has resided in Hong Kong for the last 20 years and has been an active private investor on private and listed corporates throughout Asia, with a particular focus on the consumer, technology and property sectors. Mr Wee is the fourth generation of an established family in Singapore, who have active investments in healthcare, hospitality and property in the Asia Pacific region. Mr Wee is a very successful businessman and has been instrumental in recent logistic, technology and consumer related merger and acquisition transactions in the ASEAN region.

## **ABOUT TRI PUTRA PERMADI**

Mr Putra is **SportsHero's Official Indonesian Football Partner** and is highly regarded as one of Indonesia's leading social media entrepreneurs and digital marketing maverick.

Mr Putra holds a Bachelor's Degree in Computer Engineering from the renowned Indonesian computer science, information technology and business entrepreneurship focussed university, Bina Nusantara.

After graduation, Mr Putra joined his family's telecommunications company, PT Dian Kencana Puri Prima (a strategic marketing and distribution company partnered with Indonesia's 2<sup>nd</sup> largest telecommunications group IndoSat (IDX: ISAT), where he led several important growth initiatives, increasing revenues in his group to US\$110m from US\$48m over a five year period.

Outside of his family's group, Mr Putra is very prominent in Jakarta's rapidly growing tech sector, having recently identified, built, grown and subsequently sold majority ownership in an unlisted fintech platform to a leading Hong-Kong-based pan-Asia investment group, TNG

## **ABOUT SPORTSHERO**

SportsHero Limited listed on the Australian Securities Exchange (ASX code: SHO) on 15 February 2017 and is the owner of a world leading sports prediction, gamification and marketing app.

The Company has the high level strategic aim of capitalising on the potential of a notional amalgamated community of over 1 billion people by combining the communities of its Affiliates (social platforms, B2B and B2C brands and professional sports teams) to create a robust user-base of sports fans who come together to play sports games, consume content and interact with ambassadors and personalities.

### ***Affiliates and ambassadors***

Spartan Sporting Goods – whose ambassadors include Sachin Tendulkar, MS Dhoni, Chris Gale and Michael Clarke who collectively have over 90 million social followers.

YuuZoo Corporation – community size of over 100 million football fans.

Minute Media (90min) – community size of over 500 million with 60 million unique monthly users.

Ian Chappell – SportsHero's cricket ambassador.

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