



ASX RELEASE

14 November 2022

Sean Maloney
Senior Adviser, Listings Compliance
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Dear Sean

SportsHero Limited – ASX price and volume query (reference: 63951)

We refer to your letter dated 11 November 2022 and responds to your questions as follows:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No, the Company is not aware of any such information.

2. If the answer to question 1 is yes, is SHO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1 or can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Not applicable.

3. Is the answer to question 1 is no, is there any other explanation that SHO may have for the recent trading in its securities?

The Company refers the market to its' ASX announcement dated 25 October 2022, entitled 'China Esports Update', which announced a sequence of imminent significant events for the Company, including FIFA World Cup prediction competitions and the Chinese launch of our fully localised mobile app.

In that announcement the Company reported as follows:

"In the largest esports market in the world, SportsHero Limited (**SportsHero**) has been systematically building and strategically progressing its China strategy. In that regard, on 31 August 2022 SportsHero soft launched its co-branded initial esports tournament in partnership with Wuhan Esports Association (the 2nd largest esports association in China)."

SportsHero Limited

ABN 98 123 423 987

Principal and Registered Office: 36 Prestwick Drive, Twin Waters, Queensland 4564

Tel/Fax: +61 7 5457 0557

SportsHero

"SportsHero is positioning itself to be a world leader in the rapidly expanding esports market by introducing our artificial intelligence predictor and delivering unique esports prediction competitions. In addition, SportsHero is targeting tournament organisers, game publishers and other esports associations by expanding its esports offering to include tournament management and player registration."

"SportsHero is further planning to apply its proprietary deep learning-based predictor across multiple sports and/or sporting events globally."

Accomplished highlights in China and related information

- a. "The Company's office, in Shanghai, has been established and key esports recruitments completed, including the following:
 - esports Tournament specialist, with in excess of 10 years experience in esports team management and development and tournament design;
 - Marketing Manager, who has worked closely with NetEase, Inc. (HKG:9999) and will manage our marketing and promotional activities throughout China; and
 - Social Media specialist who is responsible for the generation of content for our social media presence across Weibo, WeChat and Little Red Book."
- b. "Wuhan Esports Association (**WEA**) (the second largest Esports association in China) and Wuhan Monster Technology (**WMT**).
 - The parties have successfully completed and launched the WEA app on WeChat and we are awaiting the start of the first tournament, scheduled for the end of this calendar year;
 - This newly launched WEA app on WeChat is a complete esports tournament management and registration platform for WEA and its members;
 - Every esports player who wants to participate in a tournament hosted by WEA, must register and set up an account on SportsHero's platform;
 - As user registration and payment is mandatory for entry into all tournaments, the 12 tournaments WEA schedules every calendar year ensures user uptake and hence revenue for SportsHero;
 - Registration fees are yet to be determined and all revenue generated is to be split on a 50/50 basis between WEA and SportsHero; and
 - WMT (the commercial and operating arm of WEA) has facilitated a number of offline events to market and promote the upcoming WEA events and tournaments."

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- c. "Commencing on 10 November 2022, SportsHero China will launch FIFA World Cup Qatar 2022 prediction competitions on WeChat.
- With a huge football following in China, SportsHero is preparing for a month long prediction competition throughout the 2022 FIFA World Cup in Qatar;
 - The World Cup commences on 20 November and culminates in the World Cup Final on 18 December 2022; and
 - SportsHero has received multiple expressions of interest from both government and commercial parties for the running of a Chinese national World Cup prediction tournament."
- d. "Launch of SportsHero's Esports fully localised mobile app for China scheduled for 21 November 2022.
- As a result of the strong interest in the prediction competitions hosted on SportsHero Esports WeChat app, SportsHero is now developing a traditional mobile app that will include more features and functions that will expand our product and commercial opportunities to game publishers and tournament organisers;
 - The fully localised Esports mobile app has been in the development stage for in excess of three months and is scheduled to be launched on 21 November 2022;
 - The app will be available at both the Apple Store and Google Playstore; and
 - The Esports mobile app will include news, a match data centre, live broadcasts of esports events, social engagement modules, community forums and daily mini-games to accelerate user growth and encourage user engagement."
- e. "SportsHero has completed the development of prediction competitions for a new game title in China (Honor of Kings) and will launch prediction competitions to cover the upcoming Tencent organised Honor of Kings World Championship Cup 2022.
- Honor of Kings has been developed by Tencent and is ranked the top mobile game in China;¹
 - It is the App Store's top 10 most downloaded app in the world, with over 500 million registered users in China alone;¹
 - The average daily usage time is 2.23 hours;¹
 - Honor of Kings World Championship Cup is scheduled for 21 November 2022;
 - Honor of Kings generated about US\$1.24 billion, across the world, in the first seven months of 2022;¹ and

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- Honor of Kings World Championship Cup is an annual tournament with a total prize pool of 67.5 million RMB (~ AU \$14.7 million) in 2022.¹

"The Board of SportsHero is certainly looking forward to the coming months, that we anticipate will deliver exciting developments and meaningful results for the Company and value for our shareholders."

4. Please confirm that SHO is complying with the Listing Rules and, in particular, listing rule 3.1.

SportsHero Limited confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that SHO's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

The Company's response to the questions have been authorised and approved by an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

Yours sincerely

Michael Higginson
Director/Company Secretary

1. <https://www.statista.com/statistics/1231125/tencent-global-mobile-game-revenue-of-honor-of-kings/>

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11 November 2022

Reference: 63951

Mr Michael Higginson
Company Secretary
Sportshero Limited

By email: mike.higginson@inet.net.au

Dear Mr Higginson

Sportshero Limited ('SHO'): Price - Query

ASX refers to the following:

- A. The change in the price of SHO's securities from a low of \$0.02 yesterday, 10 November 2022, to an intraday high of \$0.03 today, 11 November 2022.
- B. The significant increase in the volume of SHO's securities traded from yesterday, 10 November 2022, to today, 11 November 2022.

Request for information

In light of this, ASX asks SHO to respond separately to each of the following questions and requests for information:

1. Is SHO aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is SHO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in SHO's securities would suggest to ASX that such information may have ceased to be confidential and therefore SHO may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that SHO may have for the recent trading in its securities?
4. Please confirm that SHO is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that SHO's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of SHO with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Friday, 11 November 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, SHO's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require SHO to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in SHO's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in SHO's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to SHO's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that SHO's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Sean Maloney

Senior Adviser, Listings Compliance (Perth)