

7 April 2021

MTN Arena exceeds growth expectation with ~225,000 subscribers since mid-2020 launch

Highlights:

- The Emerge Gaming operated MTN Arena Platform has registered ~225,000 subscribers since its July 2020 launch
- ~105,000 new MTN Arena subscribers have registered in the last two months
- MTN's marketing activities delivered a record 39,472 paying subscribers in one day, 31 March 2021
- Marketing of MTN Arena continues targeting the ~29 million MTN subscribers in South Africa
- Emerge in discussions with multi-national MNOs to further its B2B2C strategy

Emerge Gaming Limited (ASX: EM1) ("Emerge" or the "Company"), the operator of online eSports and casual gaming competition and tournament platform technology, is pleased to provide an update on the Emerge operated MTN Arena Platform's (MTN Arena or the "Platform") subscribers.

MTN Arena Subscriber Update

Since launching in early July 2020, ~225,000 paying subscribers have registered on the Platform, with ~105,000 new subscribers registering in the past two months. The Platform continues to acquire new registered subscribers and generate revenue on a daily basis with MTN accelerating its marketing activities.

MTN Arena's ability to attract this significant and growing level of interest demonstrates the platform's strong value proposition and offering as an appealing consumer product in a targeted market.

Social Gaming Platforms set for Global Growth

In achieving the ~225,000 new paying subscriber milestone for MTN Arena social gaming platform, Emerge has contributed to its growing community, easily exceeding a total of 400,000 subscribers across the two platforms it operates.

Emerge continues to register subscribers to its platforms and receive payment for subscriptions in more than 160 countries demonstrating the international reach of its products.

CEO Gregory Stevens commented:

"Emerge Gaming has demonstrated its potential to capture subscribers rapidly across the world via various go to market strategies. It is a great achievement to have sold approximately \$16 million in subscriptions¹ within the last five months, setting the Company on a strong international growth trajectory."

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“We will continue our efforts in capitalising on the insatiable consumer appetite in the eSports and gaming industries to build the world’s biggest competitive online social gaming community, and are setting ourselves the target of reaching one million community subscribers across our platforms by the end of April 2021.”

Subscription Pricing and Value Proposition to Subscribers

MTN Arena generates revenue by billing a daily subscription fee against mobile subscriber accounts when they subscribe to the MTN Arena Platform.

Under Emerge’s agreement with MTN, MTN has committed to paying R100,000 (~A\$8,900) per month in monthly prizes for the first 12 months of the Platform’s operation.

The value proposition is that subscribers pay R3 per day (~A\$0.26c per day, equivalent to ~A\$7.80 per month) to enter into competitions involving their favourite mobile social games, earn rewards and win prizes to the value of R100,000 per month across the tournaments offered.

MTN Arena’s tournaments include daily, weekly, weekend and monthly competitions with opportunities for gamers to enjoy mobile gaming whilst winning prizes and money. Grand prizes encourage mobile gamers to engage for longer periods on the Platform. This competition and prize content is the cornerstone of the marketing content and Emerge has recently introduced branded tournaments and prizes.

In addition to the new competition and prize content the entertainment factor for the subscriber has been bolstered by the introduction of fresh new games content.

MTN Arena Marketing Campaigns

The marketing of MTN Arena continues with paid media campaigns (funded by MTN) dedicated to driving user adoption of the MTN Arena Platform.

The Platform is promoted through a targeted series of digital campaigns across multiple digital channels and bulk SMSs promoting MTN Arena to target MTN’s ~29 million subscribers in South Africa..

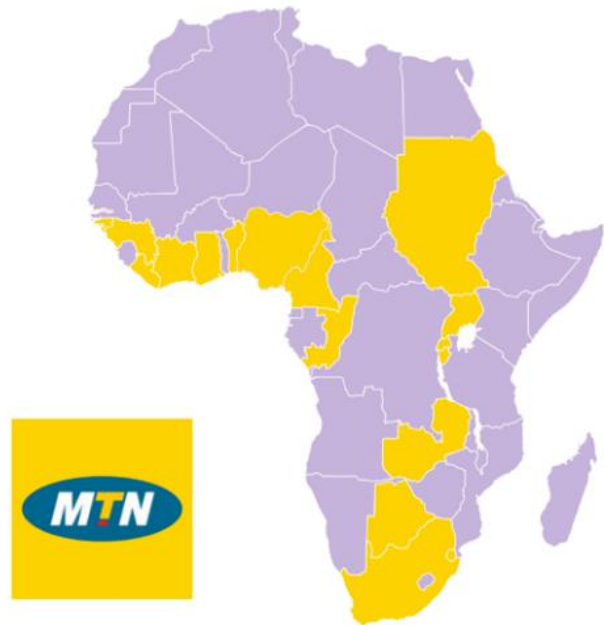
The campaigns target the middle to low-income mass market, promoting tournaments, competitions and prizes through key messaging, video and other digital content in the distribution channels.

The success of the MTN funded campaigns is demonstrated by the strong new subscriber adoption with the record acquisition 39,472 new daily subscribers in one day on the 31 March 2021.

Casual Gaming Tournament Platform – B2B2C MNO GTM Strategy

As outlined in Emerge's investor presentation (ASX: 23 September 2020), a pillar of the Company's GTM strategy is to continue the expansion of its B2B2C commercial model by partnering with multinational mobile network operators ("MNOs"), like MTN, to deliver to the consumer the casual gaming tournament platform technology as a branded product, like MTN Arena. Emerge's strategy is to enter into partnerships in which MNOs provide product marketing support and offer mobile subscription billing integration services.

Emerge continues discussions with MNOs and other strategic partners in the pursuit of this GTM strategy. The Company seeks to further expand the MTN Arena offering into the 22 countries in which MTN operates to gain access to MTN's more than 250 million mobile subscribers, targeting the middle to low-income mass market through more affordable pricing and commensurate prizes.



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About Emerge Gaming

Emerge Gaming Limited (ASX:EM1) is a leading eSports and gaming technology company. Emerge Gaming owns and operates an online eSports and casual gaming tournament platform technology and lifestyle hub. Via this platform, casual, social and hardcore gamers can play hundreds of gaming titles against each other via their mobile, console or PC, earning rewards and winning prizes.

The platform uses its unique IP, advanced analytics tracking and proprietary algorithms to deliver an optimum tournament gaming experience for users while providing advertisers with the perfect vehicle for delivery of their messaging to a fully engaged audience.

More information: view www.emergegaming.com.au

About MTN

Launched in 1994, the MTN Group is a leading emerging markets operator with a clear vision to lead the delivery of a bold new digital world to 250 million customers in 22 countries in Africa and the Middle East. MTN is inspired by its belief that everyone deserves the benefits of a modern connected life. The MTN Group is listed on the JSE Securities Exchange in South Africa under the share code “MTN”. MTN is pursuing its BRIGHT strategy with a major focus on growth in data, fintech and digital businesses.

Emerge Gaming and MTN signed an agreement to distribute, market and operate Emerge’s platform technology under the brand “MTN Arena” in South Africa (ASX: 23 June 2020).

More information: view arena.mtn.co.za