

# Esports Entertainment Group

Building the future of esports entertainment & betting  
Nasdaq: GMBL



# Forward Looking Statements

The information contained herein includes forward-looking statements. These statements relate to future events or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements.

Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

The safe harbor for forward-looking statements contained in the Securities Litigation Reform Act of 1995 protects companies from liability for their forward-looking statements if they comply with the requirements of the Act.

# Company Background

- Esports Entertainment Group (GMBL) is building the future of betting and esports entertainment. We create a safe and fun environment for players to Play, Watch, and Bet on esports wherever they choose.
- The company operates B2C wagering platforms and event venues and is a technology infrastructure provider to the esports industry.
- The company was founded in 2014, when CEO Grant Johnson, a former online gambling executive, attended a StarCraft championship and recognized the gambling potential in esports. GMBL uplisted to the Nasdaq in April 2020.

## Key Statistics

Nasdaq: GMBL	
Recent Price	\$7.30
Market Cap	\$94m
Shares Outstanding	12.9m
Cash	\$8.9m
90-Day Avg Trading Volume	322K

## Recent Acquisitions

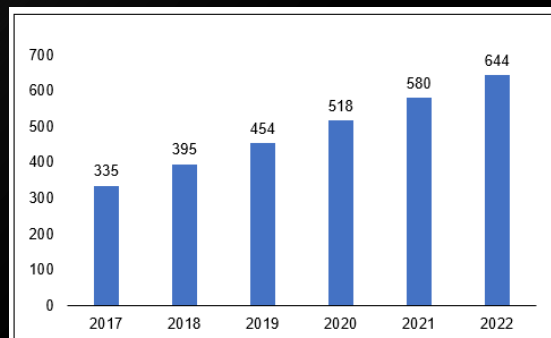
Acquisition	Close / Expected Close	Description
Argyll Entertainment	July 2020	Online sports betting
Esports Gaming League	January 2021	Esports tournament platform
Lucky Dino Casino	1Q21	Online casino
ggCircuit / Helix	Early 2Q21	Esports entertainment & infrastructure

\*Priced as of 1/11/21\*

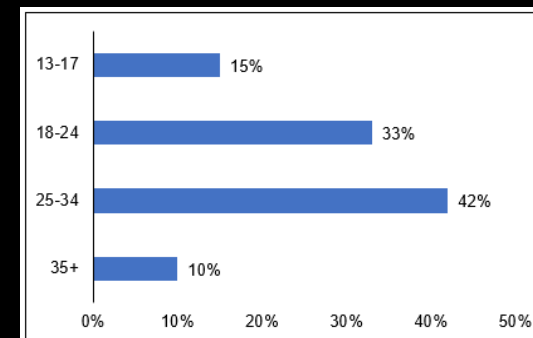
# What is esports?

- Esports is organized competitive video gaming that is watched as a spectator event. Esports were already the fastest growing subsector of digital entertainment, and Covid-19 has only accelerated this trend.
- There are 2.5B gamers globally (with some estimates as high as 3.5B). Of these, over 500 mil are esports viewers.
- The esports audience is very valuable for advertisers because it is young, digital native and affluent (43% have an annual household income > \$75K). Research has found that esports fans are more likely to be influenced by their favorite team being sponsored by a brand than traditional sports fans are.

**Esports Audience Size**



**Esports Viewers By Age**



# Customer-Focused Strategy

Building a machine to better monetize every gamer and traditional bettor



# Customer-Focused Strategy

- Acquire
  - M&A strategy focused on acquiring pools of customers in two major buckets:
    - Gamers
    - Traditional bettors (sports, casinos)
- Synergize
  - Content / marketing strategy focused on cross-selling and maximizing the value of each acquired customer
    - Introduce / convert gamers to esports betting
    - Introduce / convert traditional bettors to esports betting
- Integrate
  - Integration strategy focused on leveraging acquired and in-house technologies to offer compelling customer experiences





# Customer Acquisition

- Our M&A team is focused on acquiring pools of customers through smart purchases of undervalued or synergistic assets.
- The focus is on building a base of customers – gamers and traditional sports & casino bettors.
  - These customers can then be driven to other EEG products to significantly increase their value.
- Customer acquisition also provides EEG with a solid revenue foundation.
- We acquired customers (gamers and traditional sports & casino bettors) through the following transactions:

Gamers	Traditional Bettors
EGL GG Circuit Landuel Vie.gg Helix	Lucky Dino Sportnation Redzone

# Tight Product Integration

- EEG integrates all of the various betting and content offerings into 3 product families:
  - EEG Play
  - EEG Watch
  - EEG Bet
- The goal is to keep all of our acquired customers within the EEG universe no matter where they are active or what platform they use:

Home

Mobile

Gaming  
Centers

Casinos





# Synergize – Educate / Cross-Sell / Promote

- EEG creates shareholder value by turning gamers into bettors (esports, sports, or casino), and traditional bettors (sports & casino) into esports bettors.
- This will be done through an effective content and marketing strategy.
  - All content created has the double benefit of increasing the reach and value of the EEG brand.
- We plan to educate and promote esports betting to the traditional bettor and gamer customers that we acquired through a coordinated content effort:
  - Shows
  - Livestreams
  - Articles
  - Newsletters
  - Social/Video Centers
  - Contests
- For every dollar of revenue generated by an acquired customer, our content and marketing strategy will increase that substantially.



# Play. Watch. Bet.

A product & technical strategy to bring esports entertainment and betting to the masses



# EEG Play: Platform Services

- EEG Play encompasses all of the services and platforms for gamers
  - Leagues 
  - Tournaments 
  - Local gaming centers 
- Partnering with traditional sports organizations such as the Philadelphia Eagles, Philadelphia Union, and LA Kings / Galaxy to engage their fans through esports tournaments.
- We will integrate the technologies of EGL and ggCircuit to bring competitive and casual gaming experiences to players, whether they are at home or at an EEG Gaming Center (Helix locations).

# EEG Watch: Content

- Content is at the heart of EEG's ability to increase the value of each acquired customer.
- The EEG Watch product is a combination of education and entertainment content, targeted primarily at the users of our EEG Play and EEG Bet offerings.
- We will acquire key talent and assets with the goal of building our content capabilities to match the growth of our acquired customer base.



# EEG Bet: Gambling

- EEG Bet encompasses all of the gambling services for both traditional bettors and esports bettors
  - Event betting
  - Sports betting
  - Player vs player betting
  - Casino game betting
  - Fantasy betting
- The face of EEG Bet will be our in-house gambling software (codename Phoenix), a modern reimagined sportsbook that caters to millennial esports bettors and traditional sports bettors.
  - We will also integrate the assets of Vie.gg, Lucky Dino and LanDuel to provide a unified betting experience and maximize the cross-sell opportunities.



# Data Infrastructure

- Data will be collected on every player and every bettor, while they are using any of the EEG products (Play, Watch, Bet).
  - We will integrate the Genji Analytics technology to provide the underpinnings of our 3 products.
- The benefits of tight infrastructure integration across all product families allows for some unique capabilities:
  - Analytics enable tighter lines on esports events
  - Tracking gamer logins and play data with ggCircuit and EGL allows for very targeted marketing and more effective cross-selling



# B2B Offering – Casinos & Sports Teams

- By combining our three B2C offerings (Play, Watch, Bet), we will create a compelling B2B turnkey solution specifically for physical casinos and traditional sports teams that are looking to attract the millennial audience.
- Physical casinos that implement the EEG solution will get the following:
  - All of the necessary hardware and software for gamers to compete head-to-head and bet on the outcome
  - Livestream feed of esports tournaments from around the world and the ability for patrons to bet on those events
  - Content and education for traditional sports and casino bettors to learn esports betting
  - Full suite of data and analytics on betting patterns, customer data, etc
  - Full suite of data necessary for odds-making on every potential esports bet
  - Potential to host esports tournaments and contests from the casino floor
- For traditional sports teams, the value proposition of the EEG solution is also compelling:
  - Bring new young fans to the team through esports events and tournaments
  - Engage the existing fanbase with esports and grow the team's brand
  - Collect data through the esports activations – data can then be used for targeted marketing by the team





# Financials



# Financial Information

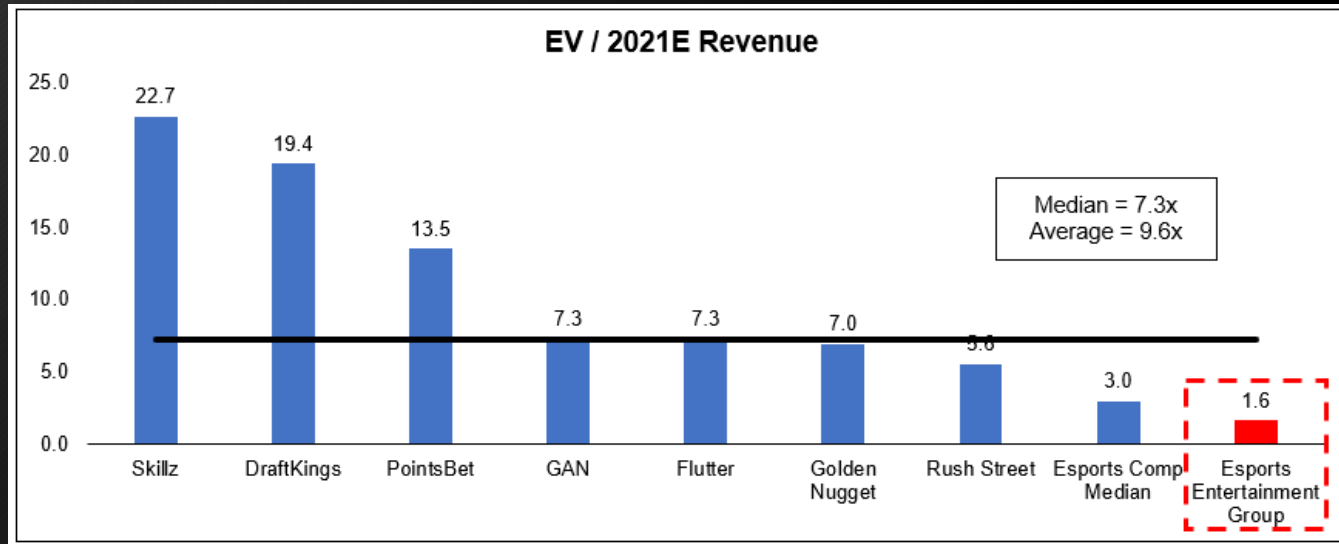
## Revenue Guidance

Fiscal 21: \$13 mil

Fiscal 22: \$70 mil

\*\*We expect to be EBITDA positive in F22\*\*

## Comparable Company Benchmarking



*Esports Entertainment Group (GMBL) trades at a significant discount to pure-play online gambling and Esports competitors despite strong early-mover advantage in the rapidly growing Esports vertical.*

\*Priced as of 1/5/21\*

Sources: FactSet Investment Research,  
Esports Comp Group = EGLX.TO, SLGG, AESE, G-Loot

# Summary



# Summary – Unique Value Proposition

- EEG has a vertically integrated set of product offerings for both the gamer audience and the traditional sports & casino bettor customer, allowing them to Play, Watch, and Bet anywhere.
- Our strategy magnifies the value of every customer we acquire and every acquisition we make.
- The current stock price is significantly undervalued relative to our peers, and the company is poised for significant growth as we execute on our acquire-synergize-integrate strategy.



**ESPORTS ENTERTAINMENT GROUP**

# Team



# Management Team

## Grant Johnson

- B.A., Chief Executive Officer and Chairman
- Business development professional with extensive experience in the online gambling industry as an officer and director of publicly listed technology companies.



## Dan Marks

- Chief Financial Officer
- Spent 18 years in financial and operational leadership roles, predominantly in corporate banking, as COO for the UK Coverage team at Barclays in London and as CFO for US Large Corporates and MMEs at HSBC in New York; he entered the gaming industry in 2016, when he became CFO of Argyll Entertainment.





# Management Team

## Stuart Tilly

- Chief Legal Officer
- Co-Founder and CEO of Argyll Entertainment and is a practicing UK solicitor, having trained and qualified at international Magic Circle law firm, Allen & Overy. Having held in-house legal roles with various blue-chip gaming companies since 2005, he established the iGaming Counsel in 2012 and was the founder of FLIP Sports.



## John Brackens

- CIO/CTO and Director
- Tech and gaming industry expert with experience in Esports having led up Network Operations at Activision Blizzard and was COO of Sparkjumpers Game Studios.





# Management Team

## Magnus Leppäniemi

- EVP Head of Esports
- Began his career in the gaming industry in 1996 and has sold and managed global esports partnerships for major brands and partners like Intel, BenQ Zowie, Electronic Arts, Activision, ESL, and the NBA. Previously, he was Global Sales Director for Wehype and Sales Director North America at DreamHack.



## Jeff Cohen

- VP of Strategy and Investor Relations
- Previously an analyst at Stephens Inc, a leading Wall Street investment bank, covering the gaming and esports sectors. Prior to that, Jeff was an analyst in Equity Special Situations at Barclays. Cohen has a Bachelor's in Government at Harvard University and an MBA in Finance and Accounting from Columbia Business School.



# Contact

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