

Esports Entertainment Group

Investor Presentation



| 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 Overview



01.

Combining the best of Esports and iGaming

- Diverse array of properties

03.

iGaming (EEG iGaming)

- Tier-1 licenses
- esports gambling platform
- Full casino and sportsbook

02.

Esports (EEG Games)

- Esports for every gamer
- In-person experiences and online tournaments
- Player-vs-player wagering

04.

Founded in 2015 Nasdaq: GMBL

| Investment Highlights



01.

Large, Rapidly Growing Esports and iGaming Markets



02.

Diverse Revenue Streams



03.

Strong Brand Partnerships in Key Sports Leagues



04.

One-Stop Esports Industry Infrastructure Solution



05.

Attractive Margin Opportunity



06.

\$100M in Expected F2022 Revenue

| What is Esports?

01.

Competitive video gaming watched as a spectator event

- 550+ million global viewers in 2021

03.

Attractive audience demographics

- Young, digitally native and affluent
- 43% have an annual household income in excess of \$75,000

02.

Significant global base of players

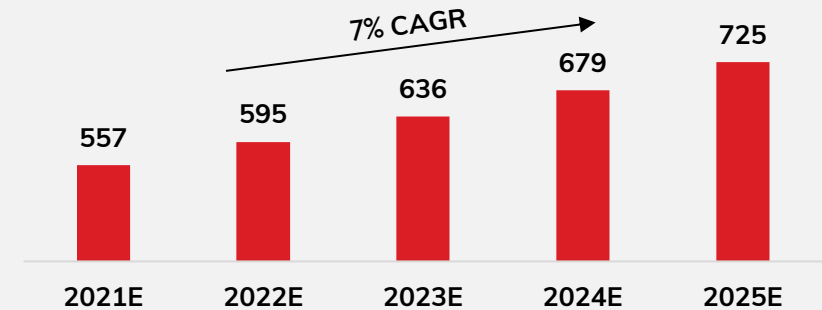
- 2.5 billion players worldwide
- 225+ million U.S. players

04.

61% of Gen Z prefers eSports to traditional sports

Global Esports Viewership

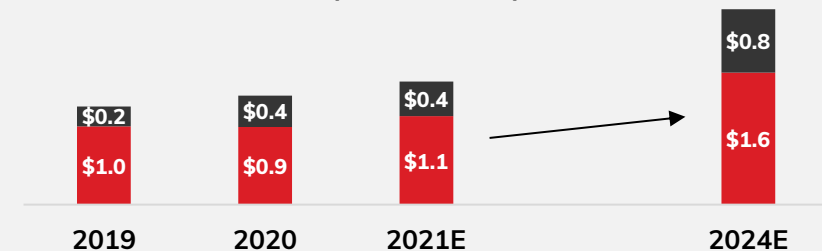
(in millions)



SOURCE: Activate Consulting (2021 Consumer Technology & Media Research Study)

Global Esports Revenue

(\$ in billions)



SOURCE: H2 Gaming Capital - Newzoo

Esports Viewers are Engaged

SOURCE: www.esportsearnings.com - SullyGnome



Dota 2

\$277M in all-time prize money
578M hours watched on
Twitch in 2021



CS: GO

\$126M in all-time prize money
768M hours watched on
Twitch in 2021



Fortnite

\$108M in all-time prize money
966M hours watched on
Twitch in 2021



League of Legends

\$90M in all-time prize money
1.74B hours watched on
Twitch in 2021



PUBG

\$38M in all-time prize money
155M hours watched on
Twitch in 2021



StarCraft II

\$36M in all-time prize money
45M hours watched on Twitch
in 2021



Arena of Valor

\$35M in all-time prize money



Overwatch

\$32M in all-time prize money
131M hours watched on
Twitch in 2021



Hearthstone

\$26M in all-time prize money
250M hours watched on
Twitch in 2021



Rainbow Six Siege

\$20M in all-time prize money
195M hours watched on
Twitch in 2021

| EEG Games

Esports Entertainment For Every Gamer

EEG Games Overview: B2B Offerings

01. CIRCUIT

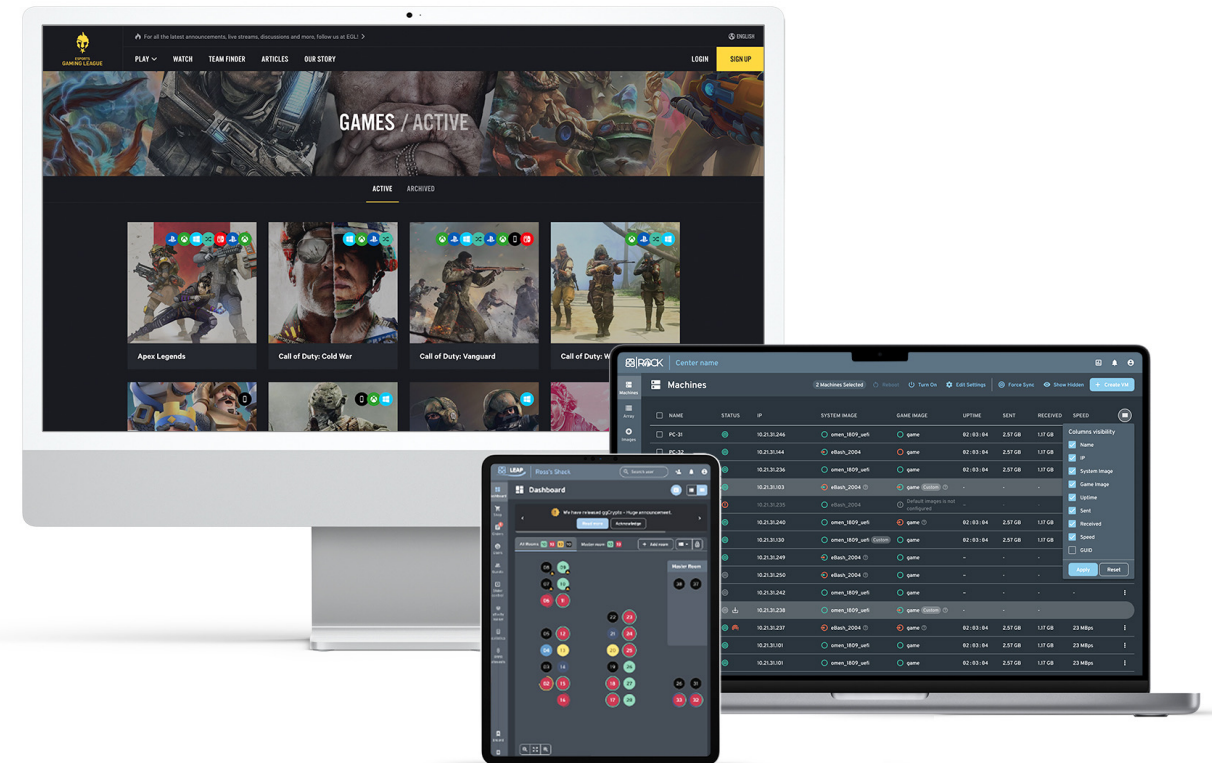
- Services 600 venues across 15,000 screens
- Automated competitions with loyalty rewards and prizes
- ALPHA**
- Complete turnkey installation
- Sold on SAAS / outright sale basis
- OMEGA**
- Self-service esports attraction for businesses
- Sold on a distributed basis

02. EGL

- Online tournament platform for gamers

03. **Crypto mining**

- Offered as add-on for LAN centers



| EEG Games Overview: B2C Offerings

01.

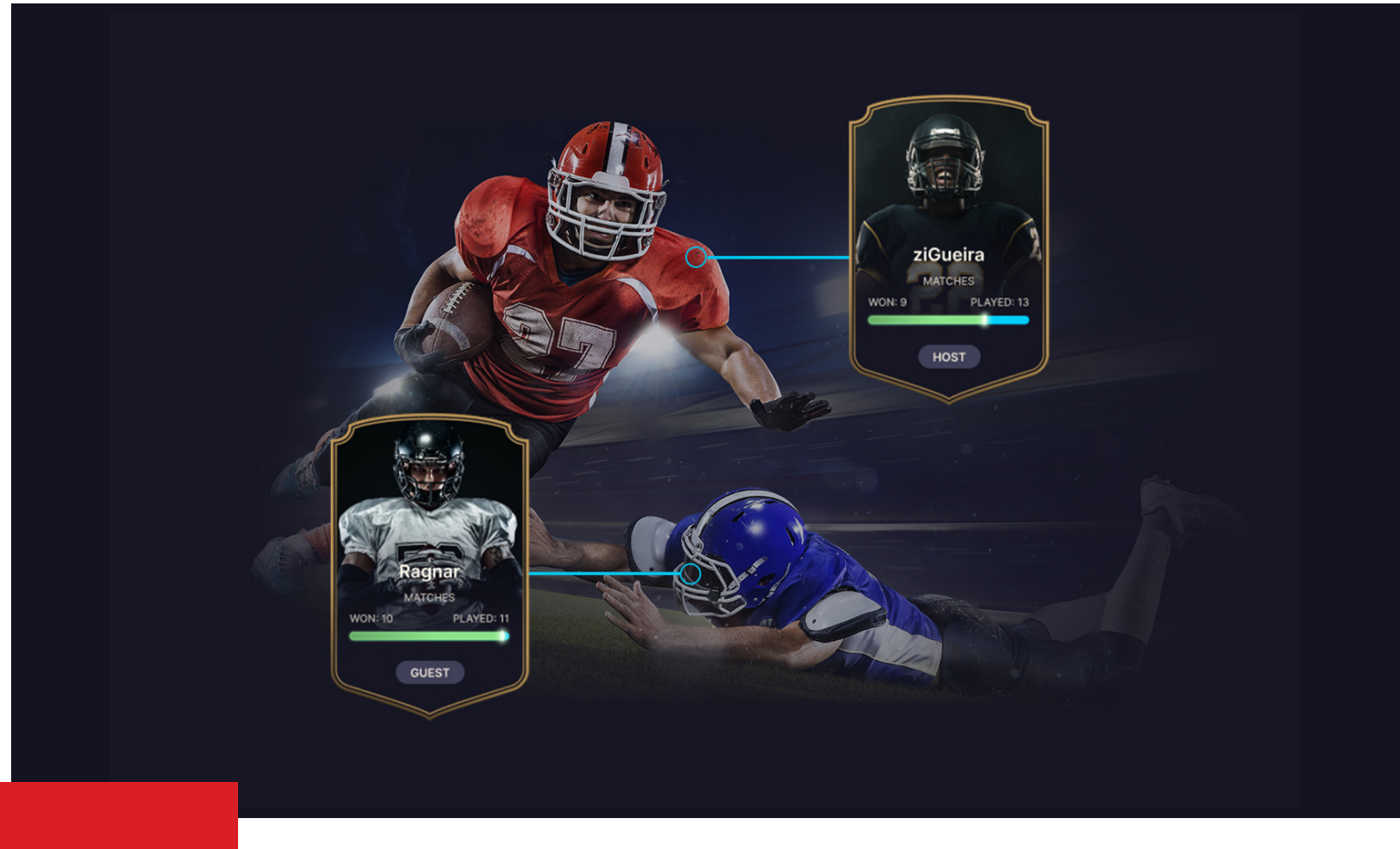
PvP Skill Betting

- Platform for player v. player wagering
- Turnkey solution for casinos and gaming centers

02.

AtHome Software

- Long-term opportunity to bring wagering to homes



| Fully-Owned Technology Platform

01.

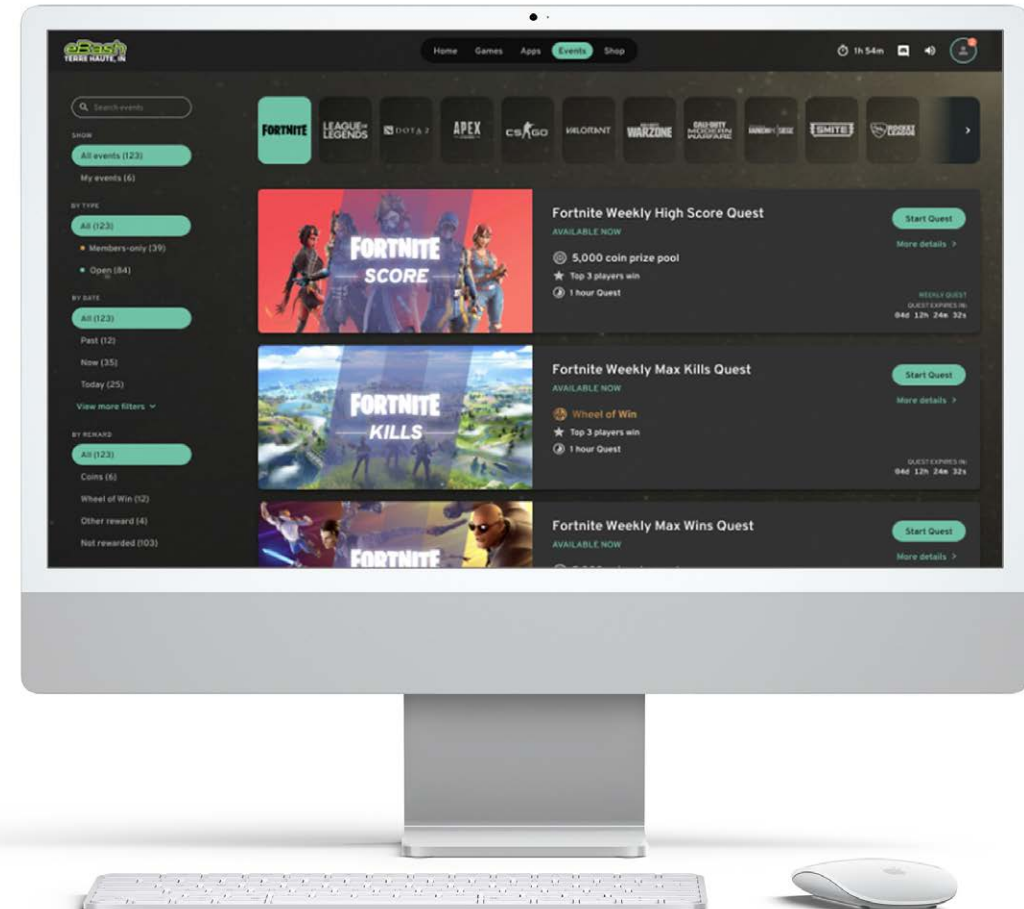
Key platforms

- **GGCircuit** (software for centers controls all play / Alpha / Omega / AtHome)
- **EGL** (tournament platform)
- **Phoenix** (in-development proprietary iGaming / Esports betting platform)

02.

Benefits of full platform control include:

- No third-party payments
- No competition with B2E operators using the same licensed platform
- UI control
- UX control (including new features and add-ons)



EEG iGaming



Winning in iGaming With Broad Brand Offerings

| EEG iGaming Overview

01.

Full portfolio of real money offerings

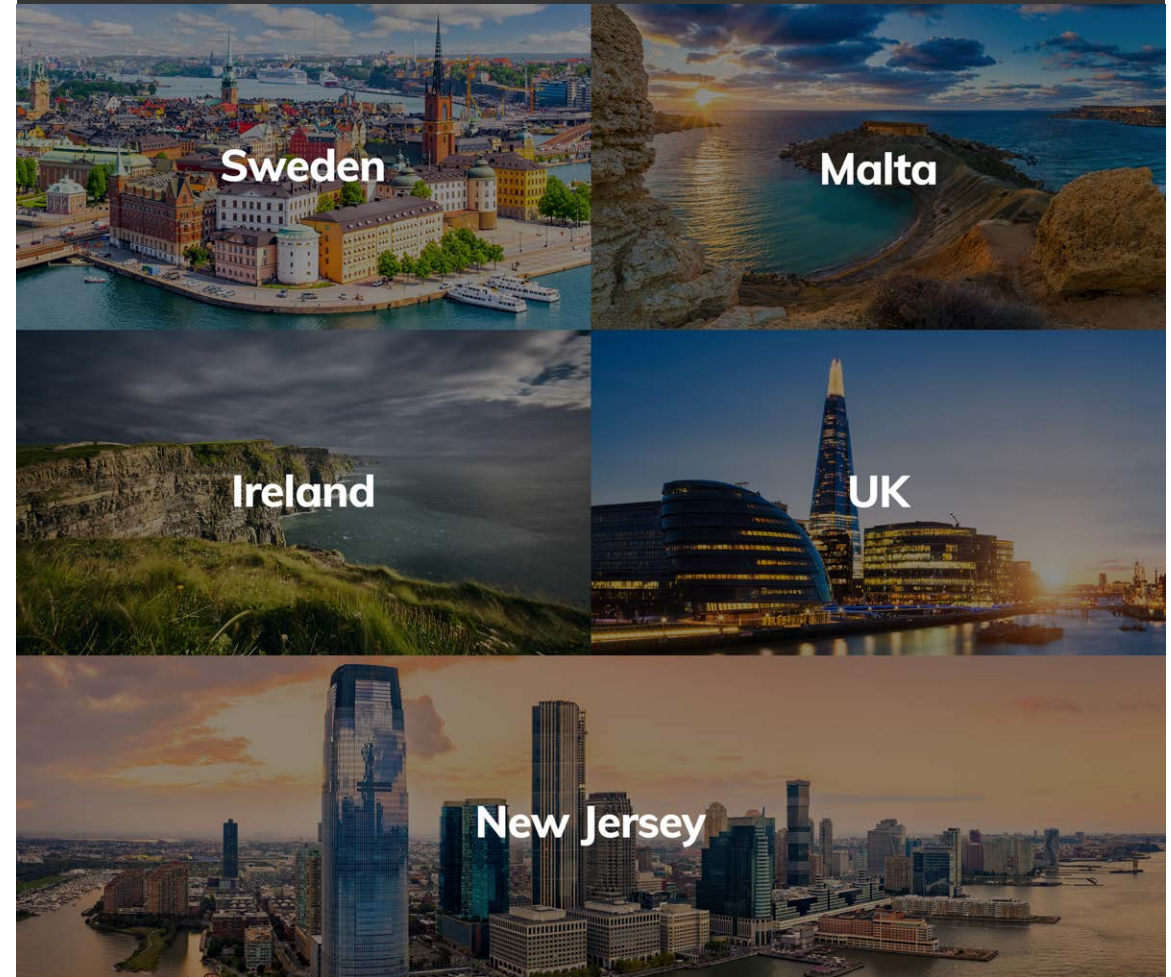
- Casino
- Sportsbook
- Platform is esports-centric / caters to millennial esports bettors and traditional sports bettors

02.

Profitable cross-sell

- Esports “on-ramp”
- Cost-effective customer acquisition
- Seamless player movement between products, improving retention and increasing lifetime value

Current Key Tier-1 Licenses



Diverse Portfolio of iGaming Brands



- One of a kind, esports-focused wagering platform
- Supports live esports wagering
- Recently received New Jersey license



- Full online sports wagering platform offering pre-match and in-play markets with multiple bet types
- Full iGaming platform with casino slot and table games
- Acquired in July 2020
- Licensed in the UK and Ireland



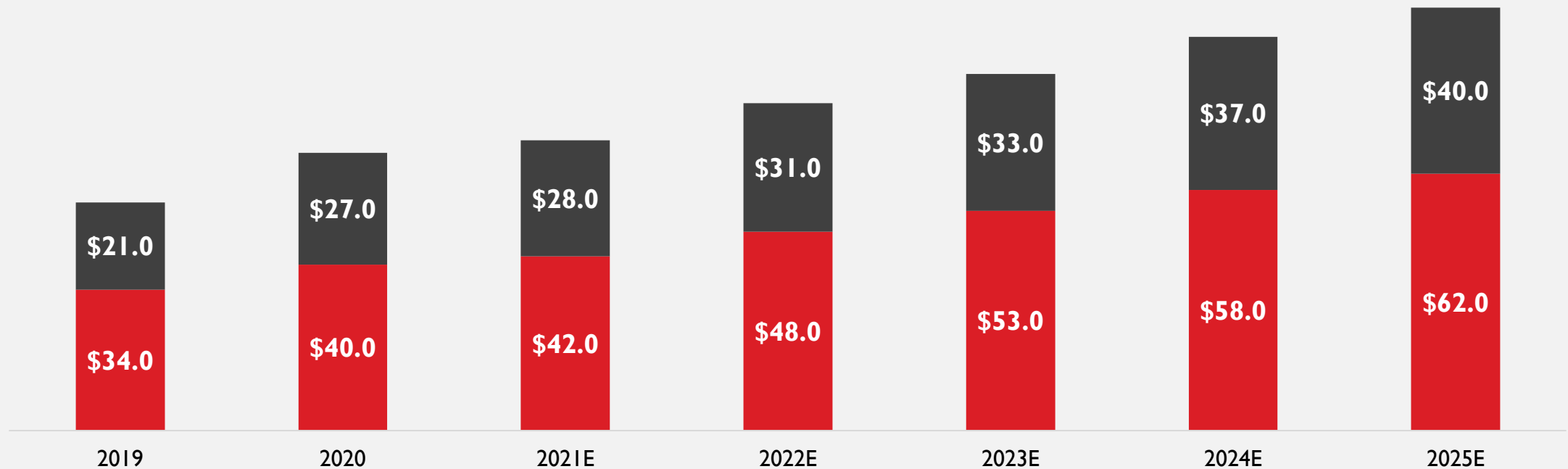
- Full proprietary iGaming platform including affiliate marketing, payments and CRM
- Active brands include JustWOW, HipSpin, Lucky Dino, Casino Jefe and OlaSpill
- Acquired in December 2020
- Licensed by the MGA



- Full online sports wagering platform
- Full iGaming platform with casino slot and table games
- Acquired in July 2021
- Licensed by the MGA and in Ireland and Sweden

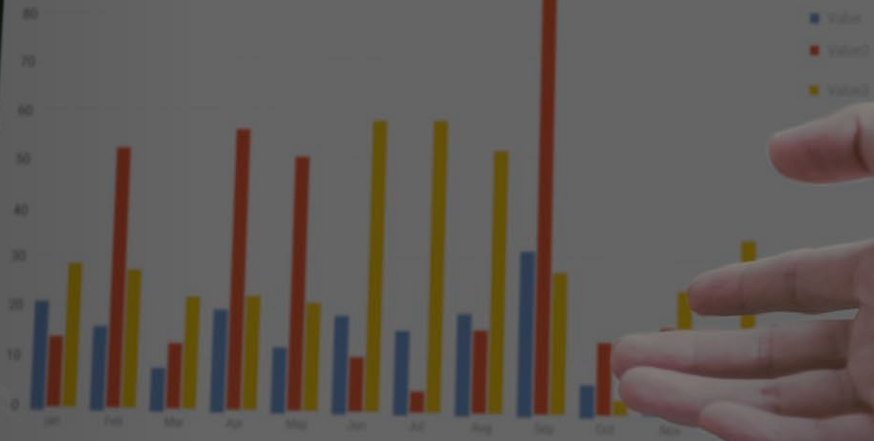
Significant Global TAM

Global OSB Total Addressable Market
(\$ in billions)



Strategic Growth Opportunities

Strategic Growth



Leveraging the Intersection of iGaming and Esports

| Active Strategic Growth Opportunities

01.

Omnichannel

- Active cross-sales between iGaming and esports offerings

02.

Marketing

- Led by high-profile professional sports team partnerships

03.

PvP Skill Betting

- Key component bridging the gap between iGaming and Esports

04.

Vie.gg

- Drives entry into U.S. Esports wagering and iGaming markets

05.

F2022 Outlook

- \$100M in Expected Revenue

POS

OPPORTUNITY

DESCRIPTION

| Omnichannel

Two key avenues for omnichannel growth:

01.

Online events bring players to gaming centers

- Centers host league and tournament play
- Centers offer STEM education / team development

02.

Audience cross-sales

- iGaming has a proven global market with \$100+ billion TAM
- Esports is a nascent wagering opportunity that is completely untapped in the U.S.
- Esports players have a propensity to gamble and iGaming / OSB players are consistently looking for new ways to gamble



| Esports Infrastructure: PvP Skill Betting

Premier peer-to-peer skill-based wagering platform designed specifically for Esports

01.

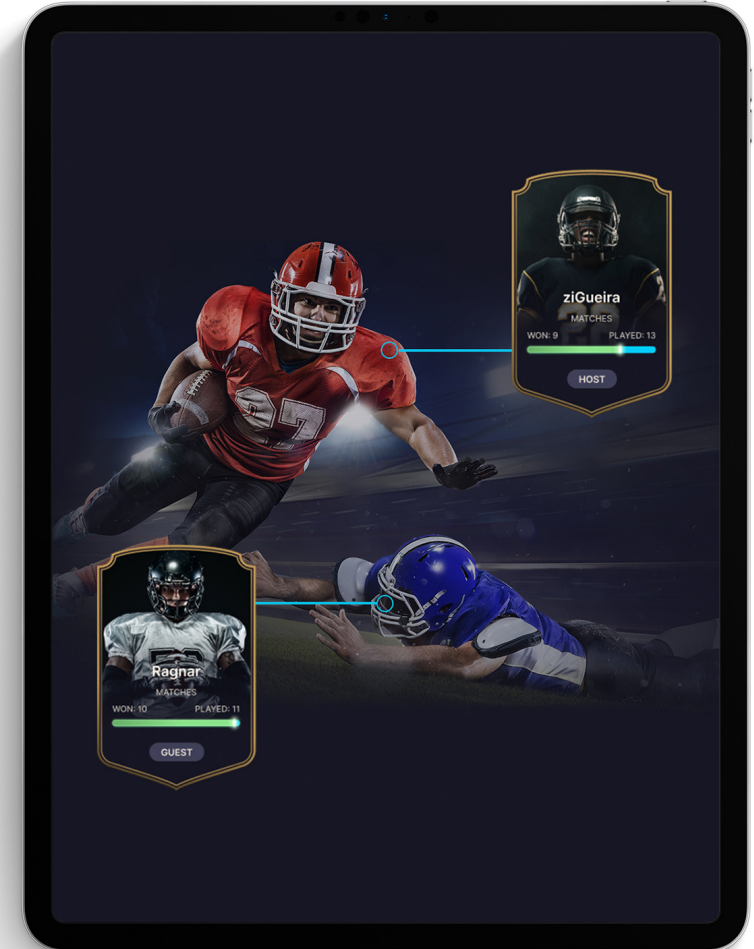
Key features

- Community creation
- Matchmaking for competitive balance
- One-on-one friend matches
- Prizes and rewards
- Match monitoring for fair play

02.

Deployment timing

- Initial pilot event hosted at Hard Rock Atlantic City in March 2022, more to come!



| Large Vie.gg North American Opportunity

01.

Vie.gg

- Unique esports-centric wagering platform

02.

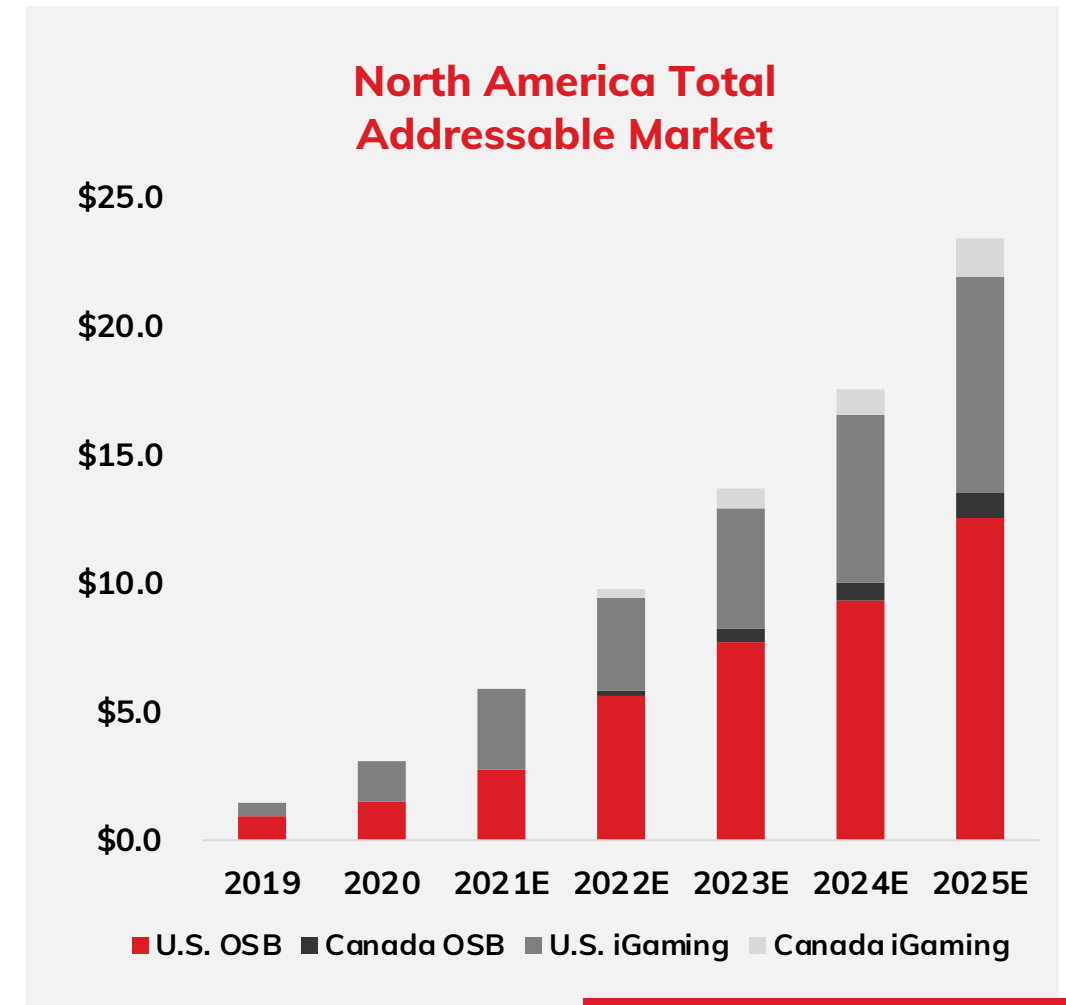
New Jersey

- Vie.gg platform approved in January 2022
- State is first in the U.S. to allow legal esports wagering
- Vie.gg access pursuant to five-year market access agreement with Bally's

03.

Additional growth

- Company positioned to enter additional states and provinces pending esports wagering legalization
- Near-term targets include Ohio and Ontario
- U.S. tribal jurisdictions
- International



SOURCE: Blended Wall Street estimates

| Appendix

Income Statement

	THREE MONTHS ENDED SEPTEMBER 30	
	2021	2020
Net revenue	\$16,408,291	\$222,392
Total operating expenses	\$25,012,891	\$4,080,001
Operating income (loss)	(\$8,604,600)	(\$3,857,609)
Net income (loss)	(\$552,381)	(\$1,808,493)
Basic and diluted earnings (loss) per share	(\$0.03)	(\$0.15)
Weighted average shares outstanding	\$21,954,892	\$12,173,038

Income Statement

	SIX MONTHS ENDED DECEMBER 31	
	2021	2020
Net revenue	\$30,939,338	\$2,584,585
Total operating expenses	\$51,570,763	\$12,211,480
Operating income (loss)	(\$20,631,425)	(\$9,626,895)
Net income (loss)	(\$34,887,010)	(\$9,098,530)
Basic and diluted earnings (loss) per share	(\$1.57)	(\$0.73)
Weighted average shares outstanding	\$22,246,616	\$12,518,507

Balance Sheet

	SEPTEMBER 30, 2021	JUNE 30, 2021
Cash	\$926,983	\$19,917,196
Restricted cash	\$2,945,654	\$3,443,172
Other current assets	\$9,156,249	\$6,349,875
Current assets	\$13,037,886	\$29,710,243
Long-term assets	\$115,757,563	\$90,024,796
Total assets	\$128,795,449	\$119,735,039
Long-term debt	\$8,107,597	\$6,523,804
Total liabilities	\$55,064,083	\$44,949,647
Stockholders' equity	\$73,731,366	\$74,785,392
Total liabilities and stockholders' equity	\$128,795,449	\$119,735,039

EBITDA Reconciliation

THREE MONTHS ENDED DECEMBER 31

2021

2020

Net income (loss)

(\$34,334,629)

(\$7,290,037)

Adjusted for:

Interest

\$2,412,716

-

Income tax benefit

(\$5,503,861)

-

Depreciation and amortization

\$3,340,114

\$537,762

Share based compensation

\$1,729,401

\$1,303,919

Transaction related expenses

\$192,482

\$95,539

Other non-operating costs

(\$58,770)

\$48,185

Change in fair value of warrant liability

(\$8,651,922)

(\$1,472,564)

Loss on conversion of senior convertible note

\$5,999,662

-

Loss on extinguishment of senior convertible note

\$28,478,804

-

Change in fair value of derivative liability

\$1,482,621

-

Change in fair value of contingent consideration

(\$1,851,448)

-

Total adjusted EBITDA (loss)

(\$6,764,828)

(\$3,832,068)

To supplement its consolidated financial statements, which are prepared and presented in accordance with Generally Accepted Accounting Principles (GAAP), the Company uses adjusted EBITDA, a non-GAAP financial measure. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. The Company uses this non-GAAP financial measure for financial and operational decision making and as a means to evaluate period-to-period comparisons. The Company believes that it provides useful information about operating results, enhances the overall understanding of past financial performance and future prospects, and allows for greater transparency with respect to key metrics used by management in its financial and operational decision making. The non-GAAP financial measure used by the Company in this press release may be different from the methods used by other companies.

We define and calculate Adjusted EBITDA as net loss before the impact of interest income or expense, income tax expense or benefit, depreciation and amortization, and further adjusted for the following items: stock-based compensation, transaction-related costs, non-core litigation, settlement and related costs, remeasurement of warrant liabilities, and certain other non-recurring, non-cash or non-core items, as described in the reconciliation below.

Adjusted EBITDA excludes certain expenses that are required in accordance with U.S. GAAP because they are non-recurring items (for example, in the case of transaction-related costs), non-cash expenditures (for example, in the case of depreciation, amortization, and stock-based compensation), or are not related to our underlying business performance (for example, in the case of interest income and expense and litigation settlement and related costs).

EBITDA Reconciliation

SIX MONTHS ENDED DECEMBER 31		
	2021	2020
Net income (loss)	(\$34,887,010)	(\$9,098,530)
Adjusted for:		
Interest	\$4,757,912	-
Income tax benefit	(\$5,503,861)	-
Depreciation and amortization	\$6,682,466	\$804,210
Share based compensation	\$2,611,773	\$2,311,591
Transaction related expenses	\$255,482	\$95,539
Other non-operating costs	(\$1,352,415)	\$100,024
Change in fair value of warrant liability	(\$20,460,522)	(\$628,389)
Loss on conversion of senior convertible note	\$5,999,662	-
Loss on extinguishment of senior convertible note	\$28,478,804	-
Change in fair value of derivative liability	\$1,482,621	-
Change in fair value of contingent consideration	(\$1,851,446)	-
Total adjusted EBITDA (loss)	(\$11,081,704)	(\$6,415,555)

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Comparable Valuation

COMPANY	TICKER	PRICE (as of 1/5/22)	SHARES	MARKET CAP	NET DEBT	ENTERPRISE VALUE	2023E REVENUE	2023E EV/REVENUE
888 Holdings	888.L	GBP 307.20	377.4	GBP 1,159.3	(GBP 192.9)	GBP 966.4	GBP 788.8	1.2x
DraftKings	DKNG	\$24.65	403.8	\$9,954.8	(\$1,147.1)	\$8,807.7	\$2,510.0	3.5x
Elys Game Technology	ELYS	\$2.64	23.1	\$60.9	(\$10.6)	\$50.4	\$81.5	0.6x
Engine Gaming and Media	GAME	\$2.78	11.9	\$33.0	(\$5.7)	\$27.3	\$88.9	0.3x
Enthusiast Gaming Holdings	EGLX.TO	CAD 3.34	126.4	CAD 422.2	(CAD 23.8)	CAD 398.4	CAD 249.7	1.6x
Esports Entertainment Group	GMBL	\$3.66	22.4	\$81.9	\$4.4	\$86.4	\$129.1	0.7x
Flutter	FLTR.L	GBP 11,835.00	175.9	GBP 20,816.9	GBP 2,682.0	GBP 23,498.9	GBP 7,497.0	3.1x
Motorsport Games	MSGM	\$4.01	11.6	\$46.7	(\$22.2)	\$24.5	\$43.1	0.6x
Rush Street Interactive	RSI	\$14.56	59.2	\$861.8	(\$360.3)	\$501.5	\$777.7	0.6x
Skillz	SKLZ	\$6.31	396.0	\$2,499.0	(\$540.3)	\$1,958.6	\$728.9	2.7x
Super League Gaming	SLGG	\$2.17	35.5	\$77.1	(\$24.5)	\$52.6	\$20.6	2.5x
AVERAGE								1.6x

| Key EEG Building Blocks

01.

EEG iGaming

- **Argyll Entertainment** (sports betting / iGaming in the UK, Ireland and Malta)
- **Lucky Dino Gaming** (iGaming in Malta)
- **Bethard** (sports betting in Sweden)
- **Vie.gg**

02.

EEG Esports

- **Esports Gaming League** (tournament organizer)
- **GG Circuit** (B2B software platform that supports gaming centers)
- **EEG Labs** (data for esports betting, P2P play)
- **PvP Skill Betting** (P2P competition/betting platform)



Management Team



Grant Johnson

Chairman and CEO

- CEO since 2013
- Served as sales management and business development consultant from 2007 to 2013
- Co-founder, President, COO and Director of Swiss Medica from 2003 to 2007
- Founder, President, CEO and Director of Healthnet International from 2000 to 2003
- VP of Starnet Communications & of Softec Systems 1996 to 1999
- BA in economics and history from the University of Western Ontario



Damian Mathews

CFO, Director

- CFO since April 2022
- Chairman of the Audit Committee and Board Director Since 2020
- CFO of the Qatar and Abu Dhabi Investment Company from 2014 to 2020
- Founder and Director of NZ Pacific Investments from 2012 to 2014
- 25+ years of global experience working across banking, private equity and property
- Bsc Hons in Economics and Politics from University of Bristol



John Brackens

CIO/CTO

- CIO / CTO since 2019
- Operations Director for Carte Blanche Entertainment from 2018 to 2019
- COO for Sparkjumpers from 2016 to 2017
- Manager of Network Operations for Activision Blizzard - Demonware from 2014 to 2016
- Studied Electrical Engineering at Arizona State University



Stuart Tilly

COO, Director

- COO since 2022 (previously served as Chief Legal Officer since 2020)
- CEO of Argyll Entertainment from 2016 to 2020
- Founder and CEO of Flip Sports Limited from 2014 to 2020
- Founder and Executive Director of iGaming Counsel from 2012 to 2016
- Law degree from the University of Exeter
- LPC Masters Degree from Nottingham Trent Law School