

Alp Erdogan, MBA | Senior Analyst | Alp@UbikaResearch.com | (647) 835-8810 Christopher Bednarz, MBA | Associate | Chris.B@UbikaResearch.com | (416) 558-5548 Klea Papadhima | Associate | Klea@UbikaResearch.com | (647) 606-5290

An Overview of the Gaming & Esports Market

The gaming industry is projected to generate consolidated revenues of US\$148B in 2019. The sector differs from other industries, as the majority of players are start-ups or private companies. The largest global publicly traded gaming company is Tencent Holdings (HKG: 0700), with a market capitalization of US\$370B. The gaming industry is composed of publishers and developers that own the intellectual property (IP) and content, which has enabled Esports, an industry subsector to emerge.

The gaming industry captures the majority of the Asian market and is less popular in the United States and Canada. The North American region is experiencing high participation in Esports, immersing itself into this nascent industry. According Bloomberg Intelligence, the relatively underdeveloped gaming market in Canada is valued at US\$140B.

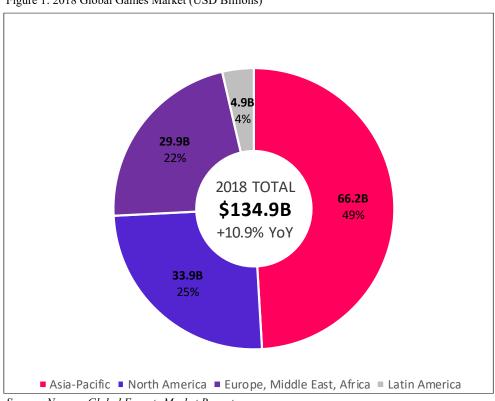


Figure 1: 2018 Global Games Market (USD Billions)

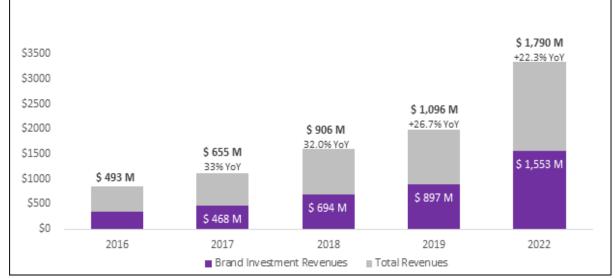
Source: Newzoo Global Esports Market Report

Esports is a nascent growth vertical within the gaming space. It is defined as multiplayer video gaming, played by professional gamers at a competitive level for spectators. Esports is available to all, including amateur competitive gaming participants, professional teams or leagues, and casual viewers. Often compared to traditional sports, Esports follows similar guidelines and etiquette as that of the NHL or NFL leagues, which control the competitions as well as distribution rights for the matches.

Technological infrastructure is a key growth driver. According to the 2019 Global Esports Market Report by Newzoo, Esports revenues are expected to hit a new high of \$1B with a YoY growth of +26.7%. In a 2018 report, it was projected that the mobile gaming space will capture over 47% of the market, with smartphones accounting for about 37% of global gaming revenues. The evolution of technology will support growth in the sector with the global deployment of 5G infrastructure that will allow for a more immersive gaming experience.



Figure 2: Esports Revenue Growth



Source: Newzoo Global Esports Market Report

There are a variety of games with different genres to suit all players. There are five Esports video game genres that are based on the gameplay interaction, all of which host professional tournaments or competitive leagues.

Real-time Strategy (RTS). The objective for this genre is to compete against opponents by destroying their assets and securing different areas of the maps. Examples include Warcraft III and StarCraft, which have been featured in Major League Gaming (MLG), StarCraft II League (GSL), and DreamHack Esports Tournaments.

First-Person Shooter (FPS). These games focus on combat based on firearms or other weapons, all of which have a threedimensional (3D) view from the perspective of the main character. Examples include Call of Duty, Fortnite, Halo, Overwatch, and Gears of War.

Figure 3: Fortnite



Source: GameSpot.com

Figure 4: Call of Duty - Black Ops



Source: CallofDuty.com

Multiplayer Online Battle Arena (MOBA). MOBA is specifically a subgenre of RTS, also known as action real-time strategy (ARTS), in which teams of individual players control characters who then compete against another team of individual players. Popular games include Dota 2 and League of Legends, both of which partake in multi-million-dollar professional tournaments.

Figure 5: Dota 2



Source: CTV News Vancouver

Fighting. This genre consists of two or more players fighting each other. Combat lasts until one player defeats the other, or until the time expires. Examples include Street Fighter, Super Smash Bros., and Marvel vs. Capcom.

Traditional Sports. The games under this genre are the re-creation of traditional sports in video game format. Game developers aim to mimic gameplay and players as realistically as possible. Examples include FIFA, Madden, and NBA 2K.



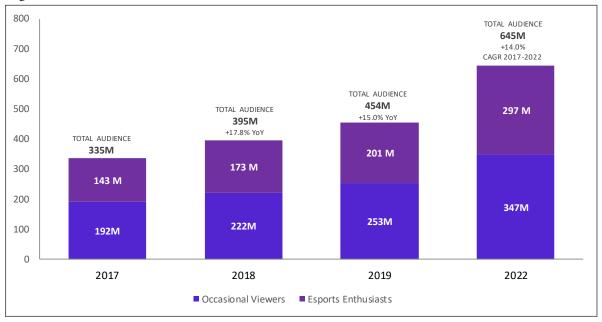
Figure 6: FIFA 18 World Cup

Source: FIFA World Cup News

The global Esports audience is estimated to grow to 453.8M viewers in 2019, consisting of 201.2M Esports enthusiasts and 252.6M occasional viewers. Distribution channels in North America primarily rely on online platforms such as Twitch and YouTube Gaming. These applications have contributed to industry growth by providing enthusiasts and occasional viewers with ease of access to gaming content. Esports enthusiasts are defined as individuals who watch professional Esports content more than once a month, whereas occasional viewers watch professional Esports content less than once a month.



Figure 7: Audience Growth 2017A-2022E



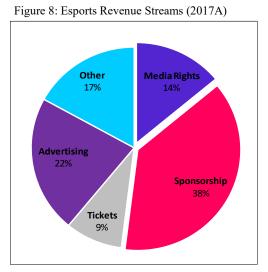
Source: Newzoo Global Esports Market Report

The highly lucrative ecosystem has sparked M&A activity and private equity interest in the space. In 2011, Tencent Holdings acquired the majority of assets from Riot Games and then acquired the remaining assets in December 2015 for US\$400M. The largest merger in the space was also made by Tencent Holdings in 2016, where the Company acquired the majority of the assets of Supercell, a mobile game development company for a total of US\$8.6B. Earlier in the year, Activision Blizzard (NASDAQ: ATVI) purchased King Digital Entertainment, a videogame developer specializing in the creation of mobile games, for US\$59B.

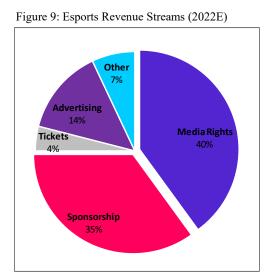
In 2019, smaller players in the industry began to establish their presence in the space. In January, Enthusiast Gaming acquired The Sims Resource (TSR), a female-focused online video gaming content and community destination, for US\$20M. In February, Sean Rock Partners, Parkwood Corp., and Everblue Management raised US\$17.3 to invest in G2 Esports, a club representing some of the world's top gamers. More recently, Alpha Blue Ocean Advisors raised US\$5.6M for a private equity placement in Global Gaming Technologies, a company that provides investment exposure to digital interactive entertainment technology (refer to Table 3).

League infrastructure is creating numerous opportunities for gamers, teams, developers and other stakeholders in the Esports ecosystem through direct monetization opportunities. Before the creation of Esports leagues, relatively underdeveloped infrastructure resulted in suboptimal revenue generation in the industry. In 2017, Riot Games revolution-ized the industry by creating the League of Legends Championship Series (LCS) in the EU and North America. In January 2018, Activision Blizzard came into the fold by creating the Overwatch League. The creation of gaming leagues has become the ultimate catalyst for Esports revenue growth. The direct revenue opportunities include the 3 major monetization channels: sponsorship, advertising, and media rights. According to Goldman Sachs, by 2022, sponsorship is expected to generate \$1.1B, accounting for 35% of consolidated topline, with an implied 5-year CAGR of 34%. Media rights are expected to comprise 40% of total revenues, generating \$1.2B, with an implied 5-year CAGR of 67%. Advertising is estimated to generate \$429M in revenue, making up 14% of the overall revenue, with a 5-year CAGR of 25%.





Source: Newzoo Global Esports Market Report



Source: Goldman Sachs Global Investment Research

Gaming Enthusiasts can be segmented into 64 potential groups. Gamers can be classified based on their commitment levels, viewership rates, and number of games owned. The different groups vary greatly and can range from dedicated lifestyle players to non-players, from devoted viewers to non-viewers, and from owning plenty of games to owning no games. The majority of the group is from Generation Y or Z, who prefer enhanced graphics and over-the-top content (OTT), a term used to define content providers that distribute streaming media directly to viewers. According to the Entertainment Software Association, 45% of US gamers are female, with an average age of 36, while the average age of a male player is 32. The Asia-Pacific region leads the industry, making up 52% of the 2.35B global gamers.

Esports has paved the way for a new paradigm in content distribution. The majority of Esports viewership takes place online, utilizing the same applications of distribution where multiplayer gaming takes place. According to a report by Nielsen, over 80% of Esports fans stream games and tournaments through YouTube Gaming & Twitch in North America and via Douyu & Huya in Asian-Pacific countries. The viewing experience is highly interactive and social. In this framework, Esports leagues are believed to encourage traditional sports competitions to pursue a similar distribution model.

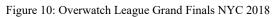
Twitch and YouTube Gaming are making Esports more accessible to enthusiasts and occasional viewers. Amazon (NASDAQ: AMZN) has made a significant inroad into this industry by acquiring Twitch, a live video-game-streaming site in August 2014. The technology behemoth acquired Twitch for \$970M, an investment deemed to bolster Amazon Web Services (AWS), its on-demand cloud computing platform. Twitch features major Esports tournaments, with the majority of users streaming video game content from home. In 2018, Twitch reported 2.2M broadcasters, with 15M daily viewers. The platform highlights players such as Ninja, who has attracted 628K concurrent views, with 13M followers and an average of 30,000 viewers per week. Similarly, Google (NASDAQ: GOOGL) has created a YouTube channel called YouTube Gaming to attract Esports enthusiasts and occasional viewers. Based on industry estimates, Twitch is forecasted to account for 84% of all live-streaming viewership in North America.

Fortnite has revolutionized the gaming industry, generating \$3.6B in 2018 by emulating Grand Theft Auto (GTA) Online's "freemium" business model. Epic Games is a gaming developer, publisher, and licensor of the Unreal Game engine. The Company has experienced rapid success through Fortnite's revenue generation. The game itself is free to play and generates revenue through sales of character upgrades and in-game advancements. The game was released in July 2017 and achieved immense popularity with over 200M registered accounts by November 2018, up from 125M five months prior. According to SuperData, Fortnite: Battle Royale, is generating more revenue than any other freemium game, with a monthly figure of \$318M in May 2018. The game has created a social platform, where its popularity is correlated to its engagement on Twitch. On October 26, 2018, Epic Games announced a \$1.25B investment from KKR (NYSE: KKR), ICONIQ Capital, Smash Ventures, Vulcan Capital, Kleiner Perkins, and Lightspeed Venture Partners. The companies will join Epic's other minority shareholders such as Tencent Holdings, Disney (NYSE:DIS), and Endeavor.



The Overwatch League

The Overwatch League was announced in 2016 and inaugurated two years later, gaining traction when CEO Bobby Kotick persuaded New England Patriots Owner Robert Kraft to invest in the first league franchise. In 2017, seven teams were finalized and announced with a buy-in of US\$20M per team. The first franchises were set up in cities around the US as well as South Korea and China, and it later expanded to a 12-team league with additional locations. The kick-off season was hosted in Burbank, California at the Blizzard Arena in 2018. All games were made available for live streaming and on -demand viewing through Twitch, in addition to some games being broadcasted on the Disney and ABC networks. The Grand Finals were held over 2 days with 11,000 spectators at sold-out stadiums, hitting more that 11M online viewers, and supporting a first place prize of US\$1M. The League is set to expand to 20 teams for 2019, with each slot selling for approximately US\$30M - US\$60M. A few notable league sponsors include Toyota (TYO: 7203), Intel (NASDAQ: INTC), and T-Mobile (NASDAQ: TMUS).





Source: overwatchleague.com

League of Legends Championship Series

In 2017, Riot Games created the League of Legends competition in the EU and North America. The game is a multi-player online battle arena (MOBA) video game that follows a freemium model similar to Warcraft III and Fortnite.

League of Legends Championship Series (LCS) is comprised of 10 teams competing from North America. At the end of the season, the winner qualifies for the annual League of Legends World Championship. The LCS represents the highest level of play in North America (NA LCS). According to Nielsen Research, total cumulative viewership reached 58M for the 2017 finals.

In 2019, the European League of Legends Championship Series is opening to franchises as well. The buy-in price for the league is \notin 8.0M for organizations that had participated in 2018, and \notin 10.5M for new entrants. The EU LCS will follow the same structure as the NA LCS. Some sponsors for League of Legends include Geico (NYSE: BRK.A), Nissan (TYO: 7201), and Coca-Cola (NYSE: KO).

Figure 11: 2017 NA LCS



Source: esportssource.org

The Big Leagues. The top professional gamers average at 10 actions (key strokes or mouse clicks) per second and operate on carefully selected equipment. According to esportsearnings.com, The International 2018: Dota 2 Championships offered a first-place prize of US\$11.2M, with an additional US\$14.3M prize pool. Dota 2 has the largest prize pool of all titles, with League of Legends coming in third, and Overwatch coming in seventh as of 2017. The Esports prize pool is estimated to grow at a 30% 5-year CAGR between 2017 and 2022.

Title	Prize Money (US\$ 2017)	Tournaments
Dota 2	\$ 38,053,795	159
Counter-Strike: Global Offensive	\$ 19,252,556	894
League of Legends	\$ 12,060,789	153
Heroes of the Storm	\$ 4,783,333	31
Call of Duty: Infinite Warfare	\$ 4,027,895	72
Hearthstone	\$ 3,452,684	112
Overwatch	\$ 3,408,254	259
Starcraft II	\$ 3,386,454	612
Halo 5: Guardians	\$ 1,748,000	14
SMITE	\$ 1,567,900	8
Other Games	\$ 21,511,703	1,619
Total	\$ 113,253,364	3,933

Source: Goldman Sachs Global Investment Research

Esports leagues have key characteristics which standardize and legitimize the competition.

IP Ownership. Both Activision Blizzard and Tencent Holdings own the IP around which the leagues are created, thereby giving them full discretion over the league structure and direct participation in the league revenue streams.

No relegation. Relegation is defined as the displacement of a team due to poor performance. In the past, teams did not have a guaranteed spot, however now leagues are shifting to a no-relegation policy, similar to traditional major sports leagues. Since teams have permanent regional homes, we expect to see increased local fan engagement which should lead to incremental revenue opportunities.

Player Salaries. Professional Esports teams train about 8 hours a day, and have coaches, nutritionists, trainers and more, just like the traditional sports franchises. Therefore, Esports athletes have guaranteed salaries, encouraging player commitment to a team.



Media Rights. Media rights are becoming a major revenue source for Esports since the creation of established leagues (refer to Figure 8 and 9). Twitch and Activision Blizzard signed a \$90M deal to distribute the Overwatch League throughout North America. Disney's ESPN has also singed a deal with Activision Blizzard to air the Overwatch League on live television.

Local Sponsorship. Sponsorship is believed to be the second largest source of revenue by 2022, expecting to generate \$1.1B in revenue. The Overwatch League and North American League of Legends both have their own major sponsors. Like the NHL, NFL, NBA, and other traditional sports leagues, sponsorship plays a prominent role in the Esports value chain.

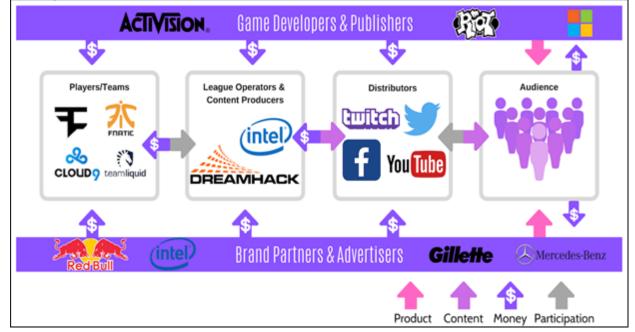


Figure 12: Esports Value Chain

Source: Modern Times Group

In-Game Revenue. Leagues are able to generate in-game revenue. This monetization channel is expected to reach about 50% of total industry revenue by 2019, according to Goldman Sachs. Video game publishers are striving to create long-term player engagement through various updates, creating numerous opportunities for in-game player investment.

Table 2: Canadian Competitive Landscape

	Enthusiast Gaming	Breaking Data	Axion	Lumonisity	Fandom	Millenial	Stars Group	TheScore	ePlay
Active Game Publisher	Q	No	Yes	No	No, has chat app	No	Yes	No, has scores app	Yes
Business Model	News Media (e.g. Sports Illustrated, Variety Magazine)	Gambling	Game Publisher and Services	Professional Sports Team	Advertising/ White Label	Content Production	Gambling/ Licensing	News Media (Yahoo Sports)	Game Publisher and Services
Revenue Model	Advertising and Event Tickets	Services	Licensing	Prize Money Advertising, Ticket Sales	Advertising/ White Label	Services	Advertising and User Fees	Advertising	Advertising and User Fees
Technology IP	Q	Yes	Yes	No	Yes	N	Yes	Yes	Yes
Owns League	Q	N	Q	No	No	Q	Ø	N	Yes
Monthly Reach	SOM	40M	Unknown	6M	Unknown	Unknown	~40M	3M	100M
Value of Core Vertical	~\$1B	\$40B	\$207B	~\$1B	\$100B	~\$1B	\$40B	\$120B	207B
Number of Games/Apps in Portfolio	0	0	б	0	1	0	7	1	100M
Game Platforms	PC/Console	Ы	ЪС	PC/Console	Mobile	PC/Console	PC/Mobile	Mobile	Mobile
Market Cap (Millions)	57.84		187.1	70	8.5	9.34	5575	117	3.5
Territories with Agreements	Canada		China	Canada	North America	North America	19 Territories	North America	North America, China
Market Leader	8	N	Q	1 of Hundreds of Emerging Esports Teams Leaders	2	Q	Yes	Yes	Emerging AR Mobile Game Leader
Yearly Live Event Attendees	54K	0	0	Unknown	0	Unknown	50K	0	75K
	Strong Weakness Weakness Neutral Strength								



Source: Ubika Alpha

UBIKA ALPHA

Equity	Research
--------	----------

Technology | Gaming & Esports April 18, 2019

	Table 3: Gam	uing & Esports	Table 3: Gaming & Esports - Precedent Transaction Analysis						
Global Interference i	Announcement Date		Target Business Description	Acquirer/Investor	Deal Size (M USD)	Revenue (Target)	Implied EV/LTM Revenue	Implied EV/LTM EBITDA	Form of the Transaction
Clipperts Clipperts is an Expert club representing some of the top competitive players around the world Founder in X03.11 the organization has towns. Seale for degree of upgends Super Structure is 17.3 Seale of upgends Super Structure is 15.3 Seale of upper Structure is 15.3 Sease Structure is 15.3 Seale of upper	18-Mar-19	Global Gaming Technologies	Global Gaming Technologies Corp. is a company that provides investment exposure to digital interactive entertainment in technologies such as Esports platforms, Augmented Reality, Virtual Reality, and Artificial Intelligence.	Alpha Blue Ocean	\$5.6		W/N	N/A	Private Equity
The Sins To Rive used of a line condition where company a vessione activity in the word of a mise command of your sources on the company is vessione activity and can be development company. Enhuistast Gaming S200	26-Feb-19	G2 Esports	G2 Esports is an Esports club representing some of the top competitive players around the world. Founded in 2013, the organization has teams in League of Legends, Super Smash Bros., Call of Duty, and more.	Sean Rock Partners, Parkwood Corp., Everblue Management	\$17.3			ı	Private Equity
Find Kret & Co. Int., Reiner Kret Net Kret Net Kret Net Find	7-Jan-19	The Sims Resource (TSR)	TSR is the world's largest female online video gaming content and community destination. The Company's website provides custom content which can be downloaded by users to alter gameplay. The Company is considered one of the best-selling video games, selling ne arly 200M copies.	Enthusiast Gaming	\$20.0				Acquisition of Assets
Supercell Supercell is a mobile game development company based in Helsinki, Finland. Some of the Company's most popular games include Clash of clash. Royale:, and Brawl Starts, all of which follow a freemium revenue model. Tencent Holdings Ltd \$\$50,000 \$2.38 * * King Digtal games. The Company is past known for the creation of mobile kning is a video game developer that specializes in the creation of mobile kning banes. The Company is best known for this game couper that specializes in the creation of mobile bames, generating revenue of \$493M over a 3 month period, at its peak. Activision Bitzard inc. \$\$50,000 \$1.538M 2.3% 6.8% Molaing AB is video game developer that specializes in the creation game, which is considered one of the most financially successful freemium games, generating revenue of \$493M over a 3 month period, at its peak. Microsoft.Corporation \$55,0000 \$1.538M 7.3% 6.8% Molaing AB is video game developer based in Stockholm, Sweden. The Ontpany is best known for creating which is one of the best selling video games in history. Microsoft.Corporation \$55,0000 \$32.50M 7.3% 6.8% Molaing AB is video game developer based in Stockholm, Sweden. The formerative line which is one of the best selling video games in history. Microsoft.Corporation \$55,0000 \$32.50M 7.3% 6.8% Molaing AB is video game developer that focuses on video Twitth is an interactive live streaming service that focuses on video <td>26-Oct-18</td> <td>Epic Games Inc.</td> <td>Epic Games is a U.S. video game and software development company. The Company is known for its Unreal Game engine which was named the most successful video game engine in 2014, and its creation of its most popular game, Fortnite.</td> <td>KKR & Co. Inc., Kleiner Perkins, ICONIQ Capital, Smash Ventures, Lightspeed Venture Partners, Vulcan Capital Management, aXiomatic Gaming</td> <td>\$12,500.0</td> <td></td> <td></td> <td></td> <td>Private Equity</td>	26-Oct-18	Epic Games Inc.	Epic Games is a U.S. video game and software development company. The Company is known for its Unreal Game engine which was named the most successful video game engine in 2014, and its creation of its most popular game, Fortnite.	KKR & Co. Inc., Kleiner Perkins, ICONIQ Capital, Smash Ventures, Lightspeed Venture Partners, Vulcan Capital Management, aXiomatic Gaming	\$12,500.0				Private Equity
King Digital king Digital games. The Company is best known for its game Cardy Crush Saga, metrationment games. The Company is best known for its game Cardy Crush Saga, metrationment games, senerating revenue of \$439M over a 3 month period, at its peak. Activision Bilizzard Inc \$59,000.0 \$1.538M 2.3% 6.8% Noiang AB is video game developer based in Stockholm, Sweden. The Moiang AB is video game developer based in Stockholm, Sweden. The mes, generating revenue of \$439M over a 3 month period, at its peak. Mcinsion Bilizzard Inc \$55,000.0 \$1.538M 2.3% 6.8% Moiang AB is video game developer based in Stockholm, Sweden. The game, which is one of the best selling wideo game developer tased in Stockholm, Sweden. The game, which is one of the best selling video game developer tased in Nistory. \$25,000.0 \$325,000 \$325,00M 7.7% 6.8% Moiang AB is video game developer tased in Stockholm, Sweden. The game, which is one of the best selling video game developer tased in Nistory. Mcrosoft Corporation \$25,000.0 \$325,00M 7.7% 6.8% Moiang AB is video game developer tase and includes live interactive primarily focuses on video game live streaming, and includes live broadcasts of Esports content, and multiplayer entertainment. The site hinteractive for the NDBA). League of Legends. The Company obertase League of the Santo of Legends. The Company is best known for treative content and more. Santo obset tase on the operate League of tase of Legends. The Company is best known for the tase taseque of thereretase. Santo obset tase tase on the	21-Jun-16	Supercell	Supercell is a mobile game development company based in Helsinki, Finland. Some of the Company's most popular games include Clash of Clans, Clash Royale, and Brawl Starts, all of which follow a freemium revenue model.	Tencent Holdings Ltd	\$86,000.0	\$2.3B		ı	Acquisition of Majority of Assets
Mojang AB is video game developer based in Stockholm, Sweden. The Mojang AB is video game developer based in Stockholm, Sweden. The Microsoft Corporation \$25,000.0 \$326.0M 7.7x Mojang AB Company is best known for creating Winecraft, a single/multi-player Microsoft Corporation \$25,000.0 \$326.0M 7.7x Twitch game, which is one of the best selling video games in history. Microsoft Corporation \$25,000.0 \$326.0M 7.7x Twitch game play, esports content, and multiplayer entertainment. The site Amazon.com Inc. \$970.0 US\$150M - 3x Interactive primarily focuses on video game live streaming, and includes live Amazon.com Inc. \$970.0 US\$150M - 3x Roodcasts of Esports competitions, creative content and more. Roodcasts of Esports competitions, creative content and more. Microsoft Cames live US\$1.6B - - - Root Games live Riot Games live Riot Games live Stock and the lives the unditiplayer online battle Tencent Holdings Ltd \$400.0 US\$1.6B - - - - - - - - - - - - - - - - - <td>23-Feb-16</td> <td>King Digital Entertainment</td> <td></td> <td>Activision Blizzard Inc</td> <td>\$59,000.0</td> <td>\$1.538M</td> <td>2.3x</td> <td>6.8x</td> <td>Acquisition of Assets</td>	23-Feb-16	King Digital Entertainment		Activision Blizzard Inc	\$59,000.0	\$1.538M	2.3x	6.8x	Acquisition of Assets
Twitch is an interactive live-streaming service that focuses on video Twitch is an interactive live-streaming service that focuses on video 33 Twitch game play, esports content, and multiplayer entertainment. The site primarily focuses on video game livestreaming, and includes live broadcasts of Esports competitions, creative content and more. Amazon.com Inc. \$970.0 US\$150M - 3x Interactive primarily focuses on video game livestreaming, and includes live broadcasts of Esports competitions, creative content and more. Amazon.com Inc. \$970.0 US\$150M - 3x Riot Games is a U.S. video game developer and esports tournament error granizer. The Company is best known for its multiplayer online battle arena (MOBA), League of Legends. The Company operates League of Legends. World Championship and Championship Series. Tencent Holdings Ltd \$400.0 US\$1.6B - <td>15-Sep-14</td> <td>Mojang AB</td> <td>Mojang AB is video game developer based in Stockholm, Sweden. The Company is best known for creating Minecraft, a single/multi-player game, which is one of the best selling video games in history.</td> <td>Microsoft Corporation</td> <td>\$25,000.0</td> <td>\$326.0M</td> <td>7.7x</td> <td>ı</td> <td>Acquisition of Assets</td>	15-Sep-14	Mojang AB	Mojang AB is video game developer based in Stockholm, Sweden. The Company is best known for creating Minecraft, a single/multi-player game, which is one of the best selling video games in history.	Microsoft Corporation	\$25,000.0	\$326.0M	7.7x	ı	Acquisition of Assets
Riot Games is a U.S. video game developer and esports tournament Tencent Holdings Ltd \$400.0 US\$1.6B - Riot Games inc organizer. The Company is best known for its multiplayer online battle arena (MOBA), League of Legends. The Company operates League of Legends World Championship and Championship Series. Tencent Holdings Ltd \$400.0 US\$1.6B -	25-Aug-14	Twitch Interactive	Twitch is an interactive live-streaming service that focuses on video game play, esports content, and multiplayer entertainment. The site primarily focuses on video game livestreaming, and includes live broadcasts of Esports competitions, creative content and more.	Amazon.com Inc.	\$970.0	US\$150M		ě	Acquisition of Assets
Legends World Championship and Championship Series.	15-Dec-15	Riot Games Inc	Riot Games is a U.S. video game developer and esports tournament organizer. The Company is best known for its multiplayer online battle	Tencent Holdings Ltd	\$400.0	US\$1.6B		1	Acquisition of All Assets Acquisition of
	18-Feb-11		arena (wown), creater or regenus, me company operates creater or Legends World Championship and Championship Series.						Majority of Assets



Table 4: Gaming & Esports Comparable Companies Analysis

Equity Research

Technology | Gaming & Esports April 18, 2019

Image: constrained by the state of the state o	The state is a state in the state is a state in the state is a state in the state in the state is a state in the state in the state is a state in the	Figures in million, expect share price data, ranked by market cap in descending ord	ranked by market cap in descendin	g order										
International Internat	International conditional condi										EV/Revenue	Se	EV/EBITDA	
Libration Antional and antional ant	Libration Libration <thlibration< th=""> Libration <thlibration< th=""> Libration <thlibration< th=""> <thlibration< th=""> <thlib< th=""><th>Name</th><th>Ticker</th><th>Share Price</th><th>Currency</th><th>Fully Diluted Shares O/S</th><th>Market Cap</th><th>Cash</th><th>Debt</th><th>Enterprise Value</th><th>2019E</th><th>2020E</th><th>2019E</th><th>2020E</th></thlib<></thlibration<></thlibration<></thlibration<></thlibration<>	Name	Ticker	Share Price	Currency	Fully Diluted Shares O/S	Market Cap	Cash	Debt	Enterprise Value	2019E	2020E	2019E	2020E
one diffection series cold series cold series cold cold<	one functionpartial </td <td>Gaming Publishers</td> <td></td>	Gaming Publishers												
Check (met)Madnifestion9339339339339343933933933933933933934934934Updang Greeneure1559/065333103310331033103310331033103310331033G. M.1559/061333103313	Including Concentration Name of Section Section <th< td=""><td>Activision Blizzard, Inc.</td><td>NasdaqGS:ATVI</td><td>\$44.98</td><td>USD</td><td>771.0M</td><td>34,679.6</td><td>4,225.0</td><td>2,671.0</td><td>33,125.6</td><td>5.1x</td><td>4.6x</td><td>13.6x</td><td>11.6x</td></th<>	Activision Blizzard, Inc.	NasdaqGS:ATVI	\$44.98	USD	771.0M	34,679.6	4,225.0	2,671.0	33,125.6	5.1x	4.6x	13.6x	11.6x
Mediate formula Use of SPO is a constant of SPO is constant of SPO is a constant of SPO is a constant of SPO is a co	UndimentionTSGNGAD </td <td>Electronic Arts Inc.</td> <td>NasdaqGS:EA</td> <td>\$91.95</td> <td>USD</td> <td>308.3M</td> <td>28,343.6</td> <td>3,887.0</td> <td>994.0</td> <td>25,450.6</td> <td>4.9x</td> <td>4.5x</td> <td>15.4x</td> <td>13.3x</td>	Electronic Arts Inc.	NasdaqGS:EA	\$91.95	USD	308.3M	28,343.6	3,887.0	994.0	25,450.6	4.9x	4.5x	15.4x	13.3x
Intendention Stand	monolection gead	Konami Holdings Corporation	TSE:9766	\$42.95	USD	137.5M	5,904.3	1,362.2	195.5	4,737.6	2.0x	1.9x	7.9x	7.1x
Matrix TGS74, TGS7	Oct. Litt. Totation Stand	NetEase, Inc.	NasdaqGS:NTES	\$268.28	USD	130.2M	34,926.7	783.6	1,985.9	36,129.1	2.5x	2.1x	19.9x	17.2x
Owielding Limited Understanding Upped Up	Openalization Service	Nintendo Co., Ltd.	TSE:7974	\$306.74	USD	120.1M	36,846.8	6,627.3	0.0	30,219.5	2.9x	2.7x	13.4x	9.9x
(Holdminic) Servici)	Undanglound Stand Undanglound	Take-Two Interactive Software, Inc.	NasdaqGS:TTWO	\$89.74	USD	115.4M	10,353.4	1,054.9	0.0	9,298.5	2.7x	2.8x	11.0x	10.6x
International (1) CMPA(10) S937 Up1 Light Light <thligh< th=""> Light Light</thligh<>	International (1) B070 (10)	Tencent Holdings Limited	SEHK:700	\$49.92	USD	9,568.0M	477,634.7	14,221.9	26,068.2	489,480.9	7.9x	6.3x	23.8x	18.8x
International Internat	Interfactor	Ubisoft Entertainment SA	ENXTPA:UBI	\$89.73	USD	127.9M	11,480.6	1,227.0	1,623.3	11,876.9	4.3x	4.0x	8.6x	9.4x
Alternationality Alternationality<	Alternation	Median									3.6x	3.4x	13.5x	11.1x
Alternational conditional condi	All All <td></td>													
Libro colspan="6">Libro colspan="6">Colspan="6"Colspan="6">Colspan="6"Colsp	Librand: A 2414 COL Colspan="6">Colspan="6"Colspan="6">Colspan="6">Colspan="6">Colspan="6">Colspan="	Mean									4.0x	3.6x	14.2x	12.3x
centre basinedication 57.14 107.00 1.320.0 3.421.14 4.45 3.67 2.76 centre basinedication 3.12.8.3 0.00 3.23.4.10 3.73.1.0 4.00.1 3.66.1.0 4.66 3.69 2.70 centre basinedications 3.73.8.1 0.00 3.73.8 3.70.0 4.00.1 2.70.0 0.00	ether manadeside 32.34 0.6 73.34 0.6 73.34 0.7 73.34 0.70 73.34 13.	<u>eSports Exposure</u>												
ether.Nadard/score1,1,3,4,105070,3,46,70,16,70,16,66,104,613,81,3,41,3,4oncontinueNadard/score1,3,4,10,01,3,4,10,01,3,40,01,3,41,3,41,3,41,3,4oncontinueNether/score1,3,4,10,01,3,4,11,3,41,0,12,3,4,11,3,41,3,41,3,4oncontinueNether/score1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinueNether/score1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinueNether/score1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinueNether/score3,1,170,31,3,116,3,31,1,172,3,41,3,41,3,4oncontinue1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinueNether/score3,1,170,31,3,111,3,111,3,41,3,41,3,41,3,4oncontinue1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinue1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,4oncontinue1,3,4,11,3,41,3,41,3,41,3,41,3,41,3,41,3,41,3,40,11111111	ether. Nade/Geole 1,1,3,4 050 97,04 1,5,01 4,010 6,65,00 3,4 0,02 0,03 0,10 0,03 0,10<	Advanced Micro Devices, Inc.	NasdagGS:AMD	\$27.49	USD	1,064.0M	29,249.4	1,078.0	1,250.0	29,421.4	4.4x	3.6x	27.6x	20.8x
monuluu Nadadisamella S1.86.81	and static static	Al phabet Inc.	NasdaqGS:GOOG	\$1,236.34	USD	703.3M	869,499.4	16,701.0	4,012.0	856,810.4	4.6x	3.9x	12.8x	11.1x
c breating (c) CPC/c6/64 S30 US 7.3 US 0.1 4.2 0.0 0.0 0.0 COCOCCAME 53.3 US	Elementer(cou)tr. Ord/colut. S150 G15 G15 G15 G15 G15 G16 G16 <td>Amazon.com, Inc.</td> <td>NasdagGS:AMZN</td> <td>\$1,864.82</td> <td>USD</td> <td>500.0M</td> <td>932,410.0</td> <td>31,750.0</td> <td>49,289.0</td> <td>949,949.0</td> <td>3.4x</td> <td>2.9x</td> <td>22.0x</td> <td>17.0x</td>	Amazon.com, Inc.	NasdagGS:AMZN	\$1,864.82	USD	500.0M	932,410.0	31,750.0	49,289.0	949,949.0	3.4x	2.9x	22.0x	17.0x
Kup Cup. WSE GME S84 US 102.1M 91.24 103.1 0.02 0.05 0.05 0.05 nc WSE MAL \$23.202 US 166.8M 373.6 103.1 0.0 373.6 103.1 0.0 373.6 3.03 3.05.9 <	Condition Wistering Size Up Up Size Up Up <thup< th=""> Up <thup< th=""> Up<td>Esports Entertainment Group, Inc.</td><td>OTCPK:GMBL</td><td>\$0.50</td><td>USD</td><td>87.5M</td><td>43.5</td><td>0.8</td><td>0.1</td><td>42.8</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td></thup<></thup<>	Esports Entertainment Group, Inc.	OTCPK:GMBL	\$0.50	USD	87.5M	43.5	0.8	0.1	42.8	n/a	n/a	n/a	n/a
mc WGEHUN 52.02 US 16.60 3.5705 3.7 2.8 6.63 3.63 6.53 3.63 6.53 8.65 3.65 8.65 <th< td=""><td>mc MSEHUN 32.02 166 166.00 357.16 10.0 357.05 37.7 2.8 36.3 opontion MaadeSiNtr 58.85 0.0 41.2 0.0 55.350 358.00 37.8 36.8 36.8 opontion MaadeSiNtr 51.27 0.0 165.14 1.7 24 28.8 36.8 of the menional SA MaadeSiNStr 51.17 0.0 55.343 0.0 65.41.4 2.8 26.8 17.06 17.06 Memorional SA MaadeSiNStr 51.17 0.0 57.36 94.3 0.0 65.41.4 2.8 26.8 17.06 17.06 Memorional SA MaadeSiNStr 51.17 0.0 57.34 1.327.21 27.8 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8</td><td>GameStop Corp.</td><td>NYSE:GME</td><td>\$8.94</td><td>USD</td><td>102.1M</td><td>912.8</td><td>1.624.4</td><td>820.8</td><td>109.2</td><td>0.0X</td><td>0.0x</td><td>0.3x</td><td>0.3x</td></th<>	mc MSEHUN 32.02 166 166.00 357.16 10.0 357.05 37.7 2.8 36.3 opontion MaadeSiNtr 58.85 0.0 41.2 0.0 55.350 358.00 37.8 36.8 36.8 opontion MaadeSiNtr 51.27 0.0 165.14 1.7 24 28.8 36.8 of the menional SA MaadeSiNStr 51.17 0.0 55.343 0.0 65.41.4 2.8 26.8 17.06 17.06 Memorional SA MaadeSiNStr 51.17 0.0 57.36 94.3 0.0 65.41.4 2.8 26.8 17.06 17.06 Memorional SA MaadeSiNStr 51.17 0.0 57.34 1.327.21 27.8 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.0 2.8 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8 2.9 2.8	GameStop Corp.	NYSE:GME	\$8.94	USD	102.1M	912.8	1.624.4	820.8	109.2	0.0X	0.0x	0.3x	0.3x
orpotation NasdaqcSMVC SSS 5 US 4701.0N 273.39 b 20.9 b	orporation NatadeSMIC 58.56 105 31.06 64.13 17.7 126 136 <td>HUYA Inc.</td> <td>NYSE:HUYA</td> <td>\$22.02</td> <td>USD</td> <td>166.8M</td> <td>3,673.6</td> <td>103.1</td> <td>0.0</td> <td>3,570.5</td> <td>3.7x</td> <td>2.8x</td> <td>36.3x</td> <td>18.7x</td>	HUYA Inc.	NYSE:HUYA	\$22.02	USD	166.8M	3,673.6	103.1	0.0	3,570.5	3.7x	2.8x	36.3x	18.7x
Site functioner (Cop. NSELicf 51.51 US 21.53 33.83 106.1 31.60 6.41.4 17 16 12.04 International SA NXX00K 51.32 US 73.83 0.06 6.41.4 17 16 17.04	State functionent (cp.) MSE(67 51381 050 71368 64134 17 16 1206 international (A) NXXXXXX NXXXXXXX 313.81 103 358.85 584.5 00 6,4134 23 23 1706 1706 international (A) NXXXXXXX NXXXXXXX 312.77 050 73.40 73.55 58.0 8,4130 1172.21 23 23 1706 1706 international (A) NXXXXXXX NXXXXXX 312.77 050 17304 123 23 73 1430 1172.21 23 23 73 73 53 73 73 55 73 75 73 55 73 75 73 55 75	Intel Corporation	NasdaqGS:INTC	\$58.56	USD	4,701.0M	275,290.6	3,019.0	26,359.0	298,630.6	3.9x	3.8x	8.6x	8.1x
International sASWX:LOGI\$41.62US169.1M7,03558.450.06.451.42.342.14175617off coprorationNastadg5KNFT\$121.77UG7778.0M97.127.16.538.085.433.010.25.972.17.246.55150.713n Times Group Mg ABNastadg5KNFA\$121.77UG7778.0M97.127.16.538.09.413.879.213.41.1259.29.272.349.27150.7n Times Group Mg ABNastadg5KNFA\$17.73US1.43.3M1.67.97.13.742.381.70.87.38n Times Group Mg ABNastadg5KNFA\$11.75US1.43.3M1.17.056.39.21.41.82.20.070.070.785.553.7n and referenceNastadg5KNFA\$11.73US1.43.3M\$16.797.13.742.841.70.87.38n and Stort SameNastadg6MHGR\$11.73US1.43.3M\$16.797.13.742.841.70.87.38n and Stort SameNastadg6MHGR\$11.73US1.73N.13.741.82.20.08	International sASWX.LOGV541.620.50163.100.33.589.450.06.45.142.32.1317.961International sAMadageSWRT312.170.5077.3089.43.301055.97.212.332.3117.956.5517.961International sAMadageSWRT312.170.5077.306.5372.316.53.006.443.0017.522.342.3417.56International manadeSWRDAS12.730.5017.9573.16.53.0017.95.232.3417.565.35.37ReportationTSE67585.47.200.5017.957.315.37.800.373.639.340.355.370.355.37ReportationTSE67585.47.200.5017.96.3117.96.315.37.8017.96.315.37.8017.96.32.3817.9617.96ReportationTSE67585.47.200.5017.332.32.4117.96.316.480.20.720.2817.9617.96ReportationTSE67585.17.5TTTTT37.412.861.32.4817.9617.9617.96ReportationTSE67585.17.5TTTT37.412.861.36.480.20.720.7317.9617.96ReportationTSE7585.14TTTTTTTTTTReportationTSE7585.14TTT	Lions Gate Entertainment Corp.	NYSE:LGF.A	\$15.81	USD	212.5M	3,358.8	106.2	3,160.8	6,413.4	1.7×	1.6x	12.0x	9.9x
circ/corporation NadadeGxMSF1 511.17 US 7778/M 87.32 0.0359721 72% 65% 170% 1 n'mee Group Mig AB NaMATGB 512.10 US 67.4M 855.3 97.0 41.40 1.1722 2.3% 65% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% 55% 75% <td>off Coporation NasdagGSMSFT 5117 US 778.0N 854.33 97.0 84.30 1.072.9 5.78 6.58 1.073 5.78 6.58 1.073 5.78 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58</td> <td>Logitech International S.A.</td> <td>SWX:LOGN</td> <td>\$41.62</td> <td>USD</td> <td>169.1M</td> <td>7,035.9</td> <td>584.5</td> <td>0.0</td> <td>6,451.4</td> <td>2.3x</td> <td>2.1x</td> <td>17.6x</td> <td>16.1x</td>	off Coporation NasdagGSMSFT 5117 US 778.0N 854.33 97.0 84.30 1.072.9 5.78 6.58 1.073 5.78 6.58 1.073 5.78 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58 7.28 6.58	Logitech International S.A.	SWX:LOGN	\$41.62	USD	169.1M	7,035.9	584.5	0.0	6,451.4	2.3x	2.1x	17.6x	16.1x
Times forup Mag all OMMTG a 51270 US 67.4M 85.33 97.0 41.40 1.17.22 2.7% 2.3% 65.9% 3 Corporation NasiaciSNUA 513.73 US 67.30M 117.056.33 73.20 0.59 55.7M 51.3 54.80 57.8 55.7% 55.7% Corporation NasiaciSNUA 511.75 US 12.368.3 72.0 118.26.33 93.8 93.8 56.8 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 57.8 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 57.8% 55.7% 57.8% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 55.7% 56.7% 56.7% 56.7% 56.7% 56.7% 56.7% 56.7% 56.7% <	nTimes Group Mag AB OMMTG B 512.70 US 67.4M 855.3 97.0 41.40 11.722 2.7k 2.8k 65.8k 3 Croporation Teserss Usabados/MDA	Microsoft Corporation	NasdaqGS:MSFT	\$121.77	USD	7,778.0M	947,127.1	6,638.0	85,483.0	1,025,972.1	7.2x	6.5x	17.0x	15.0x
Corporation NasdaqGS:NDA 5137.29 USD 62.0M 11/0563 72.0 138.0623 0.7	Corporation NackageSND() S1872b USD 6.5.0M 117.056.3 72.10 118.02.2 0.34 0.73 5.17 opporation TSEr578 517.3 USD 14.3M 117.3 7.13 1982.0 0.73 0.73 5.13 methorparition TSEr578 517.3 USD 14.3M 117.3 1.13 1.982.0 0.73 0.73 7.34 7.34 methorparition TSEr578 51.15 L T T 2.44 0.73 0.74 2.47 7.34 methorparition TXXAW 51.10 CO 7.34 12.07 6.9 0.01 13.9 2.47 1.49 1.49 1.44 1.43 1.43 1.44 1.43 1.43 1.44 1.4	Modern Times Group Mtg AB	OM:MTG B	\$12.70	USD	67.4M	855.3	97.0	414.0	1,172.2	2.7x	2.3x	65.9x	32.2x
orporation T5E/58 54732 USD 1296.3M 61.338.3 9.213.4 12.681.3 64.06.2 0.7 0.7 5.1 Beach Corporation NasdaqGM:HEW 511.75 USD 14.3M 157.9 7.1 37.4 198.2 0.8 0.8 7.3 7.3 Beach Corporation NasdaqGM:HEW 511.75 USD 147.3 138.2 0.88 0.8 0.8 7.3 7.3 A Image Image Image Image Image 137.4 138.2 0.8 0.7 0.7 0.7 7.3 Image Image 157.0 0.9 120.3 120.3 120.7 137.4 137.4 137.4 149.7 149.7 149.7 149.8	orporation (55.58) (51.3) (51.3) (51.3) (51.3) (51.3) (51.3) (51.6) (51.3) (51.6) (51.7) (51.	NVIDIA Corporation	NasdaqGS:NVDA	\$187.29	USD	625.0M	117,056.3	782.0	1,988.0	118,262.3	9.3x	9.7x	26.7x	30.8x
Beach Corporation NasdadGMHEAR 51.1'5 USD 14.3M 167'3 7.1 7.1 9.82 0.84 7.3X n NasdadGMHEAR 51.1'5 USD 14.3M 167'3 7.1 7.1 24K 0.84 7.3X n State 1.1 2.1<	Beach Coporation Nasdaq6MHER S1.75 USD I4.3M I6.79 7.1 37.4 1982 0.8k 7.3k n Nasdaq6MHER S1.75 I I 37.4 1982 0.8k 7.3k n I	Sony Corporation	TSE:6758	\$47.32	USD	1,296.3M	61,338.3	9,213.4	12,681.3	64,806.2	0.7x	0.7x	5.1x	5.3x
n 34x 28x 170x 1 an Soorts + Gamine 3.4x 2.8x 17.0x 3.4x 2.8x 17.0x 1 an Soorts + Gamine Texwer 5.100 CdD 2.8x0M 2.8x0M 3.1x 19.9x 1 ventures in: Texwer 5.100 CdD 7.64M 12.00 6.9 0.00 113.9 8.3x 6.5x n/a ventures in: Texwer 5.100 CdD 7.64M 12.00 6.9 0.00 113.9 8.3x 6.5x n/a ventures in: Texwer 5.010 CdD 7.64M 11.6 0.0 113.9 6.5x n/a 10.4 10.4 ventures in: Texwer 5.010 11.6 0.5 0.0 11.8 11.4 10.4 10.4 ventures in: Texwer 5.010 11.6 0.5 0.0 11.8 10.4 10.4 10.4 ventures in: Texwer 5.010 0.05<	n 3.4 2.8 17.0k 1 an sborts famine 3.4 2.8 17.0k 1 an sborts famine 15.0k 51.0k 2.8 1.95k 1 an sborts famine 15.0k 51.0k 2.80 2.80 2.80 2.80 2.80 2.80 2.95k 1.95k 1.95k 1.95k 1.95k 1.95k 1.8 1.13 8.3k 6.5k 1/8	Turtle Beach Corporation	NasdaqGM:HEAR	\$11.75	USD	14.3M	167.9	7.1	37.4	198.2	0.8x	0.8x	7.3x	4.9x
an esponts+Gaming 3.4 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 3.9 3.1 </td <td>an esports - family 3.4 3.1<</td> <td>Median</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>3.4x</td> <td>2.8x</td> <td>17.0x</td> <td>15.0x</td>	an esports - family 3.4 3.1<	Median									3.4x	2.8x	17.0x	15.0x
an Esports Haming 13XV-XMV \$1.00 CAD 238.0M 238.0 4.5 11.5 245.0 6.8% 3.0% 3.7.% Warures Inc. TXV-XMV \$1.00 CAD 76.4M 120.7 6.9 0.0 113.9 8.3% 6.5% n/a Viate Inc. TXV-XMV \$1.58 CAD 76.4M 120.7 6.9 0.0 113.9 8.3% 6.5% n/a Digital Inc. CNSX-EDK \$0.10 CAD 76.4M 120.7 6.9 0.0 113.9 8.3% 6.5% n/a Digital Inc. CNSX-EDK \$0.10 CAD 76.4M 120.7 6.9 0.0 113.9 8.3% 6.5% n/a Mail Esports Corp. TXXVGAME \$0.07 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n/a n/a Mail Esports Corp. TXXVGAME \$0.05 CAD 136.0M 6.96 16 7.44.37 13.876.3 3.9% 10.6 10.6 Mail Esports Corp. TXXVSK \$0.01 127.2 8	an eshort + Gamina TXV.xVV \$100 CAD 238.0M 238.0M 238.0M 238.0M 338.0M 338.0	Mean									3.4x	3.1x	19.9x	14.6x
Ventures Inc. TSXV-AXV \$1.00 CAD 238.0M 238.0 45 115 245.0 6.8% 30x 32.7x iast Gaming Holdings Inc. TSXV://///TSCHX \$1.38 CAD 76.4M 120.7 6.9 0.0 113.9 8.3x 6.5% n/a Digital Inc. CNSX/FEGIX \$0.10 CAD 7.64 120.7 6.9 0.0 113.9 8.3x 6.5% n/a Digital Inc. CNSXFEW \$0.01 CAD 5.60M 16.6 0.0 113.9 8.3x 1.18 n/a n/a mial Esports Corp. TSXV:SGME \$0.05 CAD 136.0M 116 0.5 0.8 118 n/a n/a mSorts Media Corp. TSXV:SGME \$0.03 TAD 127.2 8.3 0.0 13876.3 3.9% 5.5% n/a mSorts Media Corp. TSXV:SGME \$0.03 135.0M 127.2 8.3 0.0 113.9% 3.9% 1.6% 1.6%	ventures Inc. TSXV:AVV \$1.00 C4D 238.0M 238.0M 5.3 115 245.0 6.8K 3.0K 3.7.X i i at Gaming Holdings Inc. TSXV:EGIX \$1.58 C4D 76.4M 120.7 6.9 0.0 113.9 8.3X 6.5K 1/a 1/a Digital Inc. CNSKEPV \$0.07 C4D 55.0M 5.2 0.0 113.9 8.3X 6.5K 1/a 1/a </td <td>Canadian eSports + Gaming</td> <td></td>	Canadian eSports + Gaming												
iat Gaming Holdings Inc. TSXY:EGIX 51.58 CAD 76.4M 120.7 6.9 0.0 113.9 8.3X 6.5X n/a Digital Inc. CNX:EDY 50.0 CAD 55.0M 5.2 0.0 113.9 8.3X 6.5X n/a n/a Digital Inc. CNX:EPY 50.07 CAD 55.0M 5.2 0.0 18 n/a n/a n/a Inial Esports Corp. TSXY:GAME 50.07 CAD 155.0M 16 0.0 13 n/a n/a n/a n/a n/a modulate Corp. TSXY:GAME 50.05 CAD 155.0M 16 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 13 0.0 10 0.0 <td>iat Gaming Holdings Inc. TSV/FGIX 51.58 CAD 76.4M 120.7 6.9 0.0 113.9 8.3x 6.5x n/a Digital Inc. CNXFEV 50.10 CAD 55.0M 5.2 0.0 1.8 7.1 n/a n/a n/a Digital Inc. CNXFEV 50.07 CAD 55.0M 5.2 0.0 1.8 7.1 n/a n/a n/a nial Esports Corp. TSXYGAME 50.07 CAD 135.0M 6.8 1.6 0.0 1.8 7.1 n/a n/a n/a monted Exports Corp. TSXYGAME 50.07 CAD 135.0M 6.8 1.6 0.0 5.2 n/a n/a n/a monted Exports Corp. TSXYGAME 50.07 CAD 135.0M 6.88 536.1 7.443.7 13.876.3 3.93 3.6x 10.6x monted Exports Corp. TSXYSGR 50.21 CAD 3.37 127.2 13.876.3 3.9x 3.6x 10.6x monted Exports Corp. Systems inc. TSXYSGR 50.2</td> <td>Axion Ventures Inc.</td> <td>TSXV:AXV</td> <td>\$1.00</td> <td>CAD</td> <td>238.0M</td> <td>238.0</td> <td>4.5</td> <td>11.5</td> <td>245.0</td> <td>6.8x</td> <td>3.0x</td> <td>32.7x</td> <td>5.0x</td>	iat Gaming Holdings Inc. TSV/FGIX 51.58 CAD 76.4M 120.7 6.9 0.0 113.9 8.3x 6.5x n/a Digital Inc. CNXFEV 50.10 CAD 55.0M 5.2 0.0 1.8 7.1 n/a n/a n/a Digital Inc. CNXFEV 50.07 CAD 55.0M 5.2 0.0 1.8 7.1 n/a n/a n/a nial Esports Corp. TSXYGAME 50.07 CAD 135.0M 6.8 1.6 0.0 1.8 7.1 n/a n/a n/a monted Exports Corp. TSXYGAME 50.07 CAD 135.0M 6.8 1.6 0.0 5.2 n/a n/a n/a monted Exports Corp. TSXYGAME 50.07 CAD 135.0M 6.88 536.1 7.443.7 13.876.3 3.93 3.6x 10.6x monted Exports Corp. TSXYSGR 50.21 CAD 3.37 127.2 13.876.3 3.9x 3.6x 10.6x monted Exports Corp. Systems inc. TSXYSGR 50.2	Axion Ventures Inc.	TSXV:AXV	\$1.00	CAD	238.0M	238.0	4.5	11.5	245.0	6.8x	3.0x	32.7x	5.0x
Digital Inc. CNX:EPY 60.10 CAD 55.0M 5.2 0.0 1.8 7.1 n/a n/a n/a n/a n/a n/a n/a inia Esports Corp. TSXV:GAME 50.07 CAD 155.0M 11.6 0.5 0.8 11.8 n/a n/a n/a n/a msports Media Corp. TSXY:GAME 50.05 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n/a n/a n/a n/a n/a n/a seconplic. TSX:TSGI 52.6.2 CAD 272.0M 6.968.6 536.1 7.443.7 13.876.3 3.9 x 3.5 x 10.6	Digital Inc. CNX:EPV \$0.10 CAD 55.0M 5.2 0.0 1.8 7.1 1/a	Enthusiast Gaming Holdings Inc.	TSXV:EGLX	\$1.58	CAD	76.4M	120.7	6.9	0.0	113.9	8.3x	6.5x	n/a	n/a
mid Eports Corp. TSXV:GAME \$007 CAD 165.0M 11.6 0.5 0.8 11.8 n/a n/a n/a n/a m Sports Media Corp. CXX:FDM \$0.05 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n/a n/a n/a m Sports Media Corp. TSX:TSGI \$25.62 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n/a n/a ars Group Inc. TSX:TSGI \$25.62 CAD 343.7M 1272 8.3 0.0 118.9 4.0% 3.1% n/a re, Inc. TSXV:SCR \$0.31 CAD 1272 8.3 0.0 118.9 4.0% n/a n/a re, Inc. USX:VS \$0.21 CAD 1272 8.3 0.0 118.9 4.0% n/a n/a re, Inc. USX:VS \$0.21 U 2.12 0.0 0.1 2.2 2.1 n/a n/a re, Inc. USX:VS \$0.21 1.18 1.0 10 1.1 1.2 <t< td=""><td>nial Eports Corp. TSXV:GAME \$0.07 CAD 165.0M 11.6 0.5 0.8 11.8 n/a n/a n/a n/a n/a m/a m/a m/a m/a m/a m/a m/a m/a m/a m</td><td>ePlay Digital Inc.</td><td>CNSX:EPY</td><td>\$0.10</td><td>CAD</td><td>55.0M</td><td>5.2</td><td>0.0</td><td>1.8</td><td>7.1</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td></t<>	nial Eports Corp. TSXV:GAME \$0.07 CAD 165.0M 11.6 0.5 0.8 11.8 n/a n/a n/a n/a n/a m/a m/a m/a m/a m/a m/a m/a m/a m/a m	ePlay Digital Inc.	CNSX:EPY	\$0.10	CAD	55.0M	5.2	0.0	1.8	7.1	n/a	n/a	n/a	n/a
m Sports Media Corp. CNSxFFDM \$0.05 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n	m Sports Media Corp. CNSxFFM \$0.05 CAD 136.0M 6.8 1.6 0.0 5.2 n/a n/	Millennial Esports Corp.	TSXV:GAME	\$0.07	CAD	165.0M	11.6	0.5	0.8	11.8	n/a	n/a	n/a	n/a
ars Group Inc. TSX:TSGI 52.62 CAD 272.0M 6,968.6 536.1 7,443.7 13,876.3 3.9x 3.6x 10.6x re, inc. TSXV:SCR 50.37 CAD 3.43.7M 127.2 8.3 0.0 118.9 4.0x 3.1x n/a ry inc. Systems Inc. CNSXVS 50.21 CAD - 0.0 0.1 2.2 2.1 n/a	ars Group Inc. TSXT5GI 52.62 CAD 272.0M 6,968.6 536.1 7,443.7 13,876.3 3.9x 3.6x 10.6x re, inc. TSXV:SCR 5,037 CAD 343.7M 127.2 8.3 0.0 118.9 4.0x 3.1x n/a (a systems inc. CNSXVS 5,021 CAD - 0.0 0.1 2.2 2.1 n/a (a systems inc. CNSXVS 5,021 CAD - 1.27.2 8.3 0.0 118.9 4.0x 3.1x n/a (a systems inc. CNSXVS 5,021 CAD - 1.27.2 8.3 0.0 1.18.9 4.0x 3.1x n/a (a systems inc. CNSXVS 5,021 CAD - 0.0 0.1 2.2 2.1 1.8 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4	Fandom Sports Media Corp.	CNSX:FDM	\$0.05	CAD	136.0M	6.8	1.6	0.0	5.2	n/a	n/a	n/a	n/a
re, Inc. TSXV:SCR \$0.37 CAD 343.7M 127.2 8.3 0.0 118.9 4.0x 3.1x n/a % % % % % % % % % % % % % % % % % % %	re,Inc. TSXV5CR \$0.37 CAD 343.7M 127.2 8.3 0.0 118.9 4.0x 3.1x n/a 5 stems Inc. CNSXVS \$0.21 CAD - 0.0 0.1 2.2 2.1 n/a n/a n/a n n/a n ce: Ubika Alpha, Capital IQ	The Stars Group Inc.	TSX:TSGI	\$25.62	CAD	272.0M	6,968.6	536.1	7,443.7	13,876.3	3.9x	3.6x	10.6x	9.7x
Systems Inc. CNSX:VS \$0.21 CAD - 0.0 0.1 2.2 2.1 n/a n/a n/a n n 54 3.3 3.3 21.7x	Systems Inc. CNXVS \$0.21 CAD - 0.0 0.1 2.2 2.1 n/a n/a n/a n/a n/a n/a n ce: Ubika Alpha, Capital IQ	theScore, Inc.	TSXV:SCR	\$0.37	CAD	343.7M	127.2	8.3	0.0	118.9	4.0x	3.1x	n/a	n/a
n 5.4x 3.3x 21.7x 5.7x 4.1x 21.7x	n 5.4x 3.3x 2.1.7x 5.7x 4.1x 2.1.7x ce: Ubika Alpha, Capital IQ	Versus Systems Inc.	CNSX:VS	\$0.21	CAD	I	0.0	0.1	2.2	2.1	n/a	n/a	n/a	n/a
5.7x 4.1x 21.7x	ce: Ubika Alpha, Capital IQ	Median									5.4x	3.3x	21.7x	7.4x
	Source: Ubika Alpha, Capital IQ	Mean									5.7x	4.1x	21.7x	7.4x



Important Disclosure

Smallcappower.com is owned and operated by Ubika Corporation whose divisions include Ubika Research and Ubika Communications. Ubika Corp. is a wholly owned subsidiary of Gravitas Financial Inc. The following terms and conditions ("Terms of Use") govern the use of this website ("site") www.SmallCapPower.com. By accessing this site, you agree to comply with and be legally bound by the Terms of Use as set out herein. Ubika reserves the right to seek all remedies available at law and in equity for violations of these Terms of Use, including the right to block access from a particular internet address to our site.

Disclaimer

Ubika Corporation and its affiliates or partners will seek to provide services to companies mentioned on the smallcappower.com website. Hence, all information available on smallcappower.com should be considered as commercial advertisement and not an endorsement, offer or recommendation to buy or sell securities. Ubika Corporation and its related companies (including its directors, employees and representatives) or a connected person may have ownership/stock positions in, or options on the securities detailed in this report, and may buy, sell or offer to purchase or sell such securities from time to time.

Ubika and/or its affiliates and/or their respective officers, directors or employees may from time to time acquire, hold or sell securities and/or commodities and/or commodity futures contracts in certain underlying companies mentioned in this site and which may also be clients of Ubika's affiliates. In such instances, Ubika and/or its affiliates and/or their respective officers, directors or employees will use all reasonable efforts to avoid engaging in activities that would lead to conflicts of interest and Ubika and/or its affiliates will use all reasonable efforts to comply with conflicts of interest disclosures and regulations to minimize the conflict.

Specifically all companies mentioned or listed as "Analyst Covered Companies" at smallcappower.com and which are shown under the heading "Analyst Covered Companies" on the page: http://www.smallcappower.com/companies have entered into a commercial relationship with Ubika Corporation or our affiliates for capital market services and have paid fees and/or shares or stock options or warrants for being featured and mentioned in smallcappower.com. Hence these "Analyst Covered Companies" at smallcappower.com are shown at the website as an advertisement only and any mention of these companies does not and will not constitute an offer to buy or sell securities in the featured companies. Ubika Corporation, its affiliates or partners will seek to provide services to companies mentioned in smallcappower.com website. Hence, all information available on smallcappower.com should be considered as commercial advertisement and not an endorsement, offer or recommendation to buy or sell securities.

Ubika Corporation and its divisions Ubika Communication and Ubika Research (collectively, "Ubika") are not registered with any financial or securities regulatory authority in Ontario or Canada, and do not provide nor claims to provide investment advice or recommendations to any visitor of this site or readers of any content on this site.

The information on this site is for informational purposes only. This site, including the data, information, research reports, press releases, findings, comments, views and opinions of Ubika's analysts, columnists, speakers or commentators, and other contents contained in it, is not intended to be: investment, tax, banking, accounting, legal, financial or other professional or expert advice of Ubika or its affiliates, or a recommendation, solicitation or offer by Ubika or its affiliates to buy or sell any securities, futures, options or other financial instruments, and such information should not be relied upon for such advice. Every user of this site is advised to seek professional advice before acting or omitting to act on any information contained in the site.

Research reports and newsletters have been prepared without reference to any particular user's investment requirements or financial situation. Where reference is made to estimate of value or relative value of a specific company, there is no guarantee that these estimates are reliable or will materialize. Readers of these reports and newsletters are advised to conduct their own due diligence before making any investment decisions. Ubika does not make independent investigation or inquiry as to the accuracy and completeness of any information provided by the Analyst Covered companies. Although the content has been obtained from sources believed to be reliable, this website could include technical or other inaccuracies or typographical errors and it is provided to you on an "as is" basis without warranties or representations of any kind. Ubika and its affiliates make no representation and disclaim all express and implied warranties and conditions of any kind, including without limitation, representations, warranties or conditions regarding accuracy, timeliness, completeness, non-infringement, satisfactory quality, merchantability, merchantability, to fitness for any particular purpose or those arising by law, statute, usage of trade, or course of dealing. Ubika and its affiliates assume no responsibility to you or any third party for the consequences of any errors or omissions.

Information in this site is subject to change without notice. Ubika assumes no liability for any inaccurate, delayed or incomplete information, nor for any actions taken in reliance thereon.

Ubika, its affiliates and their respective directors, officers, employees, or agents expressly disclaim any liability for losses or damages, whether direct, indirect, special, or consequential, or other consequences, howsoever caused, arising out of any use or reproduction of this site or any decision made or action taken in reliance upon the content of this site, whether authorized or not. By accessing this site, each user of this site releases Ubika, its affiliates and their respective officers, directors, agents and employees from all claims and proceedings for such losses, damages or consequences.

Ubika and its affiliates do not endorse or recommend any securities issued by any companies identified on, or linked through, this site. Please seek professional advice to evaluate specific securities or other content on this site. Links, if any, to third party sites are for informational purposes only and not for trading purposes. Ubika and its affiliates have not prepared, reviewed or updated any content on third party sites and assume no responsibility for the information posted on them.

Ubika and/or its affiliates and/or their respective officers, directors or employees may from time to time acquire, hold or sell securities and/or commodities and/or commodity futures contracts mentioned in this site.

This site may include forward-looking statements about objectives, strategies and expected financial results of companies featured in this site or where research reports are available on companies displayed and/or featured on this site. Such forward-looking statements are inherently subject to uncertainties beyond the control of such companies. The users of this site are cautioned that the company's actual performance could differ materially from such forward-looking statements.

World Wide Web sites accessed by hypertext links ("hyperlinks") appearing in this site have been independently developed by parties other than Ubika and Ubika has no control over information in any hyperlinked site. Ubika is providing hyperlinks to users of this site only as a convenience. Ubika makes no representation and is not responsible for the quality, content or reliability of any information in any hyperlinked site. The inclusion of any hyperlink in this site should not be construed as an endorsement by Ubika of the information in such hyperlinked site and does not imply that Ubika has investigated, verified or monitored the information in any such hyperlinked site. Should you wish to inquire about creating a link from your World Wide Web site to this site, contact SCP marketing via e-mail at: info@smallcappower.com for written authorization.

See our Full Disclosure Here