



# *EnthusiastGaming*

*The Largest Gaming Network in the U.S.*

## **Investor Presentation September 2019**

TSXV: EGLX  
FSE: 2AV

SOURCE: Comscore September 2019

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For greater certainty, immediately prior to the closing of the business combination ("Business Combination") between J55 and Enthusiast Gaming, the following transactions are expected to be completed: (i) the acquisition by Aquilini GameCo Inc. ("GameCo") of all of the outstanding securities of Luminosity Gaming Inc. ("Luminosity Inc.") and Luminosity Gaming (USA) LLC (together with Luminosity Inc., "Luminosity Gaming") and (ii) the acquisition by J55 of all of the outstanding securities of GameCo. J55, GameCo and Luminosity Gaming are collectively referred to herein as "Luminosity".



# OUR MISSION

To Build the Largest Network of Gamer & Esports Communities in the World

# INVESTMENT HIGHLIGHTS



**01** The largest gaming network in the U.S.\*  
with global reach of over 200M people per month

\*Comscore September 2019

**02** Only publicly traded, pure play esports and gaming company

**03** Significant discount to media peers

**04** Robust monetization strategy with significant revenue / user growth opportunities

**05** Experienced gaming & media management team

# WORLDWIDE REVENUE COMPARISON

Gaming revenue has been larger than film revenue for years and is growing faster

## FILM BOX OFFICE

**\$39B**

IN 2015

**\$41B** (+5%)

IN 2018

## GAMING

**\$92B**

IN 2015

**\$138B** (+50%)

IN 2018

SOURCE: Newzoo forecast for gaming revenue.  
Statista forecast for global film box office revenue.





# ENTHUSIAST REACHES GAMERS

More entry points into the gaming world than any other company

GLOBAL  
DEMOGRAPHIC

**7.7B**

2019 GLOBAL POPULATION

**+4.5B**

2019 GLOBAL INTERNET CONNECT

MAINSTREAM  
AUDIENCE

**+2.5B**

GAMERS GLOBALLY

ENTHUSIAST  
OPPORTUNITY

**\$150B**

2019 GAMING MARKET

**\$1.1B**

2019 ESPORTS MARKET

**+450M**

GLOBAL ESPORTS  
AUDIENCE

SOURCE: Newzoo forecast for gaming revenue.  
Statista forecast for global film box office revenue.



# COMPANY OVERVIEW

**200M**

MONTHLY NETWORK  
REACH

**\$22M**

PRO FORMA 2018  
REVENUE

**\$55M**

CASH

## MEDIA

- +150M monthly visitors across +100 websites and 900 YouTube channels monetized by ad revenue
- Proprietary adtech driving optimization / monetization
- +30Bn ad requests per month
- +50 celebrity gaming influencers & content creators
- Best in class privacy policy

+

## ESPORTS

- Esports division, Luminosity Gaming, has 60M fans
- 7 teams owned and managed
- #1 ranked Overwatch team, Vancouver Titans
- 2020 Seattle-based Call of Duty team
- Partners with Canucks Sports and Entertainment

+

## EVENTS

- International gaming and esports event business
- Canada's largest video game expo, EGLX, 55,000 attended in 2018
- Approx. 30 video game events in 11 markets incl. U.S and UK
- Partnership with Rogers Arena in Vancouver, BC



# PLATFORM OF ASSETS

**+100**

TOTAL GAMING SITES

**900**

YOUTUBE CHANNELS

**7**

PROFESSIONAL  
ESPORTS TEAMS

**+50**

INFLUENCERS &  
CONTENT CREATORS

**~30**

LIVE EVENTS GLOBALLY

**REACH OF 200M GAMERS MONTHLY**





# BOARD OF DIRECTORS & MANAGEMENT



**Francesco Aquilini**  
**Chairman**

MD, Aquilini Investment Group.  
Owner of the Vancouver Canucks  
& Rogers Arena



**Adrian Montgomery**  
**CEO & Director**

Former President of Aquilini  
Entertainment Served as  
Alternate Governor for the NHL  
Vancouver Canucks



**Menashe Kestenbaum**  
**President & Director**

Founder of Enthusiast Gaming.  
Built Company from one blog  
called "Nintendo Enthusiast"



**Steve Maida**  
**President Esports & Director**

Founder of Luminosity Gaming,  
Developed a globally recognized,  
championship brand in the  
esports market



**Michael Beckerman**  
**Director**

CEO and President of MKTG  
Canada. Former CMO of BMO,  
Ariad Communications



**Alan Friedman**  
**Director**

Capital markets and Corporate  
finance expert. Founder of many  
TSX & TSXV listed Companies



**Ben Colabrese**  
**Director**

EVP, Finance, Toronto Blue Jays.  
EX SVP, Finance & Commercial  
Relations at Rogers  
Communications



**Alex Macdonald**  
**CFO & Director**

Former CFO of Peeks Social, a  
development and marketing  
company of mobile video and  
livestreaming social media  
products



**Eric Bernofsky**  
**COO & SVP Finance**

Former Director of Corporate  
Development at Pelmorex Media  
(owner of the Weather Network)



# GROWTH OPPORTUNITIES

01

## INCREASE REVENUE PER USER

Goal: Revenue per User of \$0.40

06

## MERGERS + ACQUISITIONS

Accretive acquisition strategy to scale and grow. Increase revenue and profitability through online platform

02

## BUILD OUT DIRECT SALES TEAM

Drive revenue / user with direct relationships with brands and agencies. 10x-20x increase in CPM (compared to programmatic)

05

## EXPAND EG LIVE DIVISION

Expand events business across North America and globally

03

## SUBSCRIPTION MODEL GROWTH

Recurring revenue through unique content

04

## ESPORTS ORGANIZATION VALUE APPRECIATION

Increase value of our Luminosity esports organization

Growing Our Fan Base  
to Increase Our  
Customer Base



# SHAREHOLDERS & BRAND AMBASSADORS

Play in livestreams, appear at live activations and work with Enthusiast to partner with some of the largest brands in the world

**TORY  
LANEZ**



**9.3MM**  
SOCIAL FOLLOWERS

**ABOUT:**  
Tory Lanez is a Canadian Grammy nominated singer and rapper. Lanez is a gamer and Fortnite enthusiast.



**RICHARD  
SHERMAN**



**5.9MM**  
SOCIAL FOLLOWERS

**ABOUT:**  
Richard Sherman is an American NFL player and is among the greatest cornerbacks of all time. Sherman is a Call of Duty fan.

TECHNOLOGY | PURSUITS |

Richard Sherman |  
San Francisco 49ers | NFL

09/26/2019 - 4:45 PM EDT

**Super Bowl  
champ Richard  
Sherman  
becomes  
shareholder in Enthusiast Gaming**

Now Showing 7:45

Richard Sherman, cornerback for the San Francisco 49ers, joins BNN Bloomberg's Andrew Bell for a look at why he decided to team up with Toronto-based Enthusiast Gaming in the e-sports space.



# REVENUE SYNERGIES

Drive Monetization by Leveraging Media Network Reach,  
Influence of Luminosity Esports Organization, and Hype of Events Business

MEDIA

+

ESPORTS

+

EVENTS

Cross selling of sponsors across fully integrated advertising pillars

Enthusiast's Media Network promotes our Luminosity Esports Organization

Enthusiast's Luminosity Esports Organization drives traffic to the Media Network,  
increasing both programmatic and direct ad revenue

Leverage sponsor and venue relationships across platform to increase attendance at  
in-person events globally



# REVENUE / USER GROWTH

## SUBSCRIPTION GROWTH

Drive revenue / user with adopting subscription model across the network. The Sims Resource: 40% of revenue from registered users, paying monthly fee for VIP content

**GROWTH OF 30% SINCE JANUARY 2019**

**60,000 PAID MONTHLY SUBSCRIBERS =  
APPROX. \$2.52M IN RECURRING REVENUE**

## DIRECT ADVERTISING GROWTH POTENTIAL

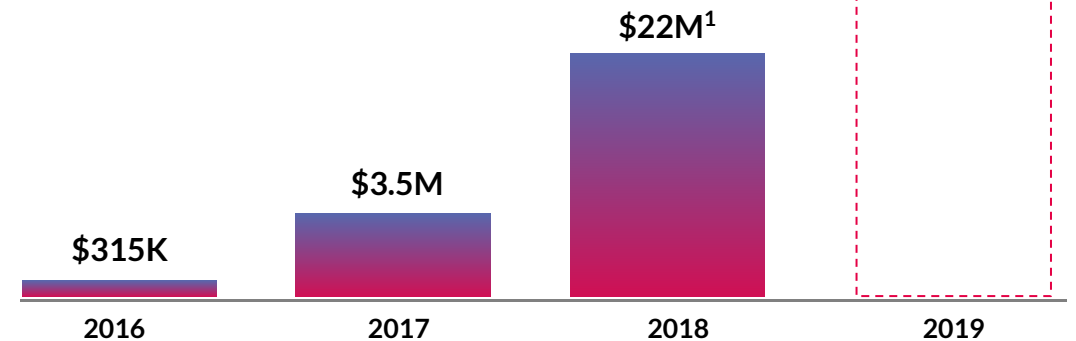
Drive revenue / user through direct sales to brands and agencies. Provide unique, custom ad campaigns to reach target markets

10x - 20x increase in \$\$/ CPM

**PROGRAMMATIC ADVERTISING RATE: AVG \$1.50 / CPM**

**DIRECT ADVERTISING RATE: \$10 - 15 / CPM**

Previous revenue generated mostly by programmatic advertising and event sales





# PER USER VALUE COMPARISON

Enthusiast is Significantly Undervalued Compared to Other Media Platforms

## REDDIT

**\$3B**

Approx Valuation

**330M**

Users

**.30**

Revenue Per User

**\$9.09**

Value Per User



\$100M REVENUE

330M USERS

## TWITCH

**\$1B\***

Approx Valuation

**100M**

Users

**-4**

Bottom Line Revenue

**\$10**

Value Per User



\$14M REVENUE

100M USERS

## DISCORD

**\$2B**

Approx Valuation

**200M**

Users

**ZERO**

Revenue Per User

**\$10**

Value Per User



\$0 REVENUE

200M USERS

## ENTHUSIAST GAMING

**\$200M**

Approx Valuation

**200M**

Users

**.11**

Revenue Per User

**\$1.00**

Value Per User



\$22M REVENUE

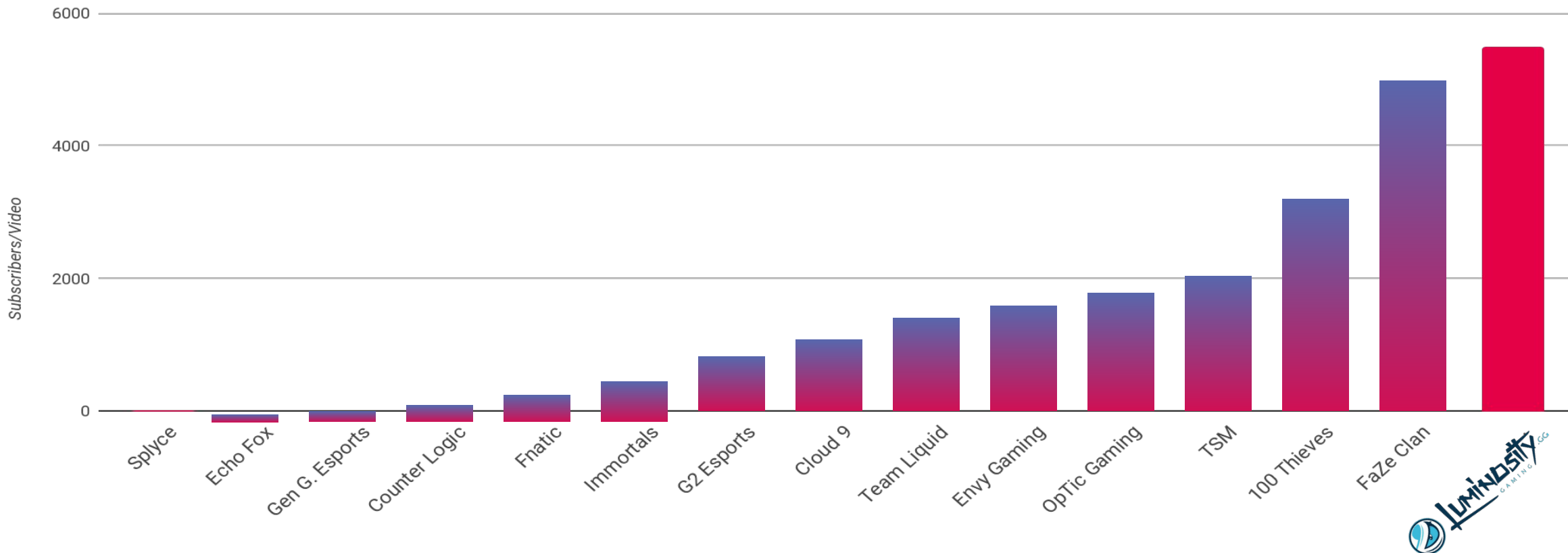
200M USERS

# YOUTUBE SUBSCRIBER ENGAGEMENT



## ENTHUSIAST'S LUMINOSITY ESPORTS ORGANIZATION:

Highest number of YouTube subscribers / video  
One of the fastest growing YouTube audiences







# CAPITAL STRUCTURE

## CAP TABLE

Shares	71,398,037
Warrants	7,970,881
Options	3,785,845
Convertible Debenture	3,145,218
<b>Fully Diluted</b>	<b>86,299,981</b>

*As at Sept 27, 2019*  
*All \$ Figures in CAD*

TSX.V: EGLX

FSE: 2AV

Current Share Price: \$2.25

**Market Cap: \$195M** *(fully diluted)*

**Insider Holdings: ~27%**

**Cash: \$ 55M**



# Appendix



# LUMINOSITY ESPORTS ORGANIZATION



LUMINOSITY  
GAMING



CALL OF DUTY

**60M**

ESPORTS FANS

**#1**

CANADA'S LARGEST  
ESPORTS ORGANIZATION

**7**

PROFESSIONAL ESPORTS  
TEAMS

**+50**

INFLUENCERS &  
CONTENT CREATORS

**ONLY ESPORTS ORGANIZATION WITH  
PRO TEAMS IN 2 COUNTRIES**

**RELATIONSHIP WITH  
NHL'S VANCOUVER CANUCKS & ROGERS ARENA**



# ENTHUSIAST LIVE EVENTS



**55K**

ATTENDEES IN 2018

**177%**

GROWTH IN SALES 2017-2018

**+100**

SPONSORS AT EGLX 2018

**LARGEST GAMING EXPO IN CANADA**

**PREMIER GAMING AND ENTERTAINMENT SPONSORS**





# THANK YOU!

**JULIA BECKER**

HEAD OF INVESTOR RELATIONS

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TSXV: EGLX

FSE: 2AV