

# Esports Entertainment Group, Inc.

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## Esports Entertainment leads the next generation of esports betting

- Allows esports fans to bet on their favorite esports teams and events
- Takes a percentage of each wager on the platform but otherwise has no interest in the outcome
- Based in Malta and governed by the US Securities and Exchange Commission, as well as other regulators in multiple jurisdictions

### What Esports Entertainment does:

Esports Entertainment Group (NASDAQ:GMBL), or EEG, is a licensed online gambling company focused on the growing world of professional video gaming — and the only esports company listed on NASDAQ.

Much like traditional sports gamblers betting on their favorite teams, EEG's proprietary Player-to-Player (P2P) wagering system allows e-sports fans and enthusiasts to bet against one another in support of their favorite ePremiere League (ePL) teams. The ePL is a partnership between Electronic Arts and the English Premier League, which is the most-watched sports league in the world.

With an estimated 350 million game enthusiasts worldwide, wagering in the space is already in the billions of dollars globally. EEG takes a percentage of each wager on the platform but otherwise has no interest in the outcome.

The target market skews younger: the average esports enthusiasts are men in their twenties, with many in their prime between the ages of 18 to 28.

The market is growing. Many US universities have set up esports teams and offer scholarships to players. Additionally, esports will have a role in the Paris 2024 Olympics, according to reporting from Inside the Games.

This is further supported by the 190 esports teams around the world that have already become affiliate partners of the company for the purpose of generating income from their fans' wagering. No e-sports team had previously signed with any wagering site.

The company also operates Vie.gg, a betting exchange platform that allows fans to wager on a variety of esports games, including Call of Duty, Overwatch, League of Legends and PlayerUnknown's Battlegrounds.

### How is it doing:

In recent months, Esports Entertainment has been growing fast.

In December, the company's Malta-licensed subsidiary acquired Lucky Dino Gaming Limited and its premium casino platform in a \$30 million deal. That came on the heels of a \$43 million deal in October to acquire ggCircuit LLC and Helix eSports LLC.

**Price:** 6.9

**Market Cap:** \$88.98 m

#### 1 Year Share Price Graph



January 2020 July 2020 January 2021

#### Share Information

**Code:** GMBL

**Listing:** NASDAQ

<b>52 week</b>	<b>High</b>	<b>Low</b>
	9.75	2.4

**Sector:** Leisure, gaming and gambling

**Website:** [esportsentertainmentgroup.com](https://esportsentertainmentgroup.com)

#### Company Synopsis:

*Esports Entertainment Group is a licensed next generation online gambling company focused purely on esports. Utilizing our proprietary player-to-player wagering system, we offer esports fans and enthusiasts from around the world (excluding the United States) the ability to &nbsp;wager on all professional eSports &nbsp;events for real money in our licensed and secure environment.*

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ggCircuit is a B2B software company that provides cloud-based management for LAN centers, a tournament platform, and integrated wallet/point-of-sale solutions for enterprise customers. Helix eSports owns five esports centers, including two of the five largest centers in the US, where they deliver world-class customer service, esports programming and gaming infrastructure.

This has already paid off. In October, the company reached a deal to become the official esports tournament provider for the NHL's LA Kings and the MLS' LA Galaxy. That same month, EEG scored a deal with the MLS club Philadelphia Union.

The company also has an eye to the future. In December, EEG finalized its binding agreement to acquire the Esports Gaming League (EGL), with the deal expected to close in January

Esports Entertainment projected fiscal 2021 revenue of \$13 million, as of September 10, 2020, and fiscal 2022 revenue of \$25 million.

### Inflection points:

- Closing its deal with the Esports Gaming League
- Forging partnerships with prominent professional sports organizations and franchises
- Securing 5% of the \$3.6 billion esports wagering market with its VIE.gg platform — and generating \$180 million in revenue in the process

### What the boss says:

Esports Entertainment Group CEO Grant Johnson believes the sharp money is on esports.

"The large, smart sporting empires are investing hundreds of millions of dollars into esports. Esports has gone mainstream," Johnson said in an October interview with GamesBeat. "Two years ago, if somebody said that esports tournaments are going to be broadcast on TV, you would have gotten a lot of eye-rolling. But that is what COVID has brought."

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