

SportsHero

31 October 2018

Quarterly Report for period ended 30 September 2018 and Appendix 4C

Highlights

- **2018 World Cup campaign demonstrates proof of concept and generates \$157k in gross revenue**
- **Revenue of \$229k was generated for the quarter**
- **Landmark LaLiga partnership signed for Indonesia**
- **Version 3 successfully launched ahead of the start of the English Premier League and the Spanish La Liga seasons**
- **Cycling platform nearing completion**

The Company is delighted to outline the very considerable achievements that occurred during the September quarter of 2018.

Following the establishment of the partnership with Walletku (an Indonesian based e-wallet mobile payment platform that enables SportsHero to connect its platform to over 20,000 merchants throughout Indonesia), the Company launched its Indonesian 2018 World Cup campaign. Very importantly, this campaign demonstrated proof of concept, as we were able to monetise and generate over 160,000 tickets sales, which equates to \$157k in gross revenue over the four week World Cup competition.

The success of our World Cup campaign promptly led to the establishment of a landmark partnership with one of the world's most popular sporting leagues, Spain's LaLiga.

The LaLiga partnership represented a huge breakthrough for the Company and gives SportsHero full LaLiga IP rights and support. Pursuant to the partnership, LaLiga is actively promoting our world first LaLiga prediction competition through their established social media and digital channels. The partnership offers SportsHero's Indonesian users access to exclusive money-can't-buy-prizes, merchandise and experiences.

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Also during the September quarter, the Company launched the newly re-designed and upgraded Version 3 of the SportsHero app, which is now available for Android phones at Google Play and for IOS phones at Apple's App Store.

SportsHero Limited
ABN 98 123 423 987
Principal and Registered Office: 29 Brookside Place, Lota, Queensland 4179
Tel/Fax: +61 7 3901 0751

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Version 3 was launched prior to the commencement of both the LaLiga and English Premier League football seasons.

The first official "LaLiga Hero of the month competition" commenced in Indonesia on 1 September 2018 and generated \$122k in revenue for the month. The competition offers users access to exclusive money-can't-buy prizes, merchandise and experiences, including VIP box tickets to the El Clasico FC Barcelona versus Real Madrid matches.

As previously announced, cycling will be the third sport launched on the Company's platform. In that regard, the Company is very pleased to confirm that the cycling platform is in the final completion phase, with an anticipated launch in Q1 2019.

Subsequent to the end of the quarter, the Company announced the establishment of a partnership with Malaysia's largest retail payment network, 'e-pay' and its plans to launch SportsHero into Malaysia's community of passionate sports fans. The partnership with e-pay will enable SportsHero to replicate the successful revenue generating model that was launched in Indonesia earlier this year.

Sport franchisees and sponsors globally are seeking new ways to connect with and expand their fan bases into new geographic markets and increasingly technology driven market segments. The SportsHero platform allows both teams and sponsors to more effectively engage with their global fans who are increasingly active in their virtual communities when compared to their traditional localised supporters. The financial rewards for teams, media and new and existing sponsors into the rapidly expanding ecommerce and gaming industries is exponential.

SportsHero has refined its team, its technology and its vision. We have built a localised network in Indonesia and in conjunction with e-pay will develop and replicate this model in Malaysia. We are fully committed and have partnered with one of football's biggest sporting franchises.

Join us! Game on!



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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

SportsHero Limited

ABN

98 123 423 987

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(71)	(71)
(c) advertising and marketing	(175)	(175)
(d) leased assets	-	-
(e) staff costs	(60)	(60)
(f) administration and corporate costs	(459)	(459)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(764)	(764)

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(3)	(3)
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	717	717
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	717	717

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	437	437
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(764)	(764)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	717	717
4.5	Effect of movement in exchange rates on cash held	3	3
4.6	Cash and cash equivalents at end of quarter	390	390

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	390	437
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	390	437

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6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	60
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Fees paid to directors for services rendered to the Company

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	47
9.3	Advertising and marketing	25
9.4	Leased assets	-
9.5	Staff costs	60
9.6	Administration and corporate costs	390
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	522

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

1.1 Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Michael Higginson
 (Director/Company Secretary)

Date: 31 October 2018

Print name: Michael Higginson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.