Capitalizing on the free-toplay mobile games audience, East Side Games Group ramps up the acquisitions, the awards and rolls out record revenues...

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Ask anyone who has children if they play free-to-play mobile games. In about 95% of cases the answer will be 'yes'. Such is the popularity of mobile games today.

According to Statista, worldwide revenue from mobile games is "is expected to show an annual growth rate (CAGR 2022-2026) of 8.73%, resulting in a projected market volume of US\$174,586m by 2026." And "the average revenue per user (ARPU) in the Mobile Games segment is projected to amount to US\$64.66 in 2022."

Looking at the above statistics, this is an enormous market opportunity for those that can be successful in the mobile gaming segment. Today's Company is already Canada's leading free-to-play mobile game group.

East Side Games Group Inc. (TSX: EAGR | OTCQB: EAGRF) not only owns and creates games, they also license their proprietary Game Kit software platform that enables professional game developers to create games. East Side Games Group has a diverse portfolio of original and licensed IP mobile games that include: Archer: Danger Phone, Bud Farm Idle Tycoon, Cheech & Chong Bud Farm, The Goldbergs: Back to the 80s, It's Always Sunny: The Gang Goes Mobile and Trailer Park Boys Grea\$y Money, RuPaul's Drag Race Superstar and The Office: Somehow We Manage. A sample of just some of East Side Games Group's free-to-play mobile games

Source: East Side Games Group website

East Side Games Group has been very busy in 2022 with acquisitions, new games announced (including "Star Trek"), a strong financial performance, and various award nominations

In January East Side Games Group <u>announced</u> that they had acquired 100% of N3TWORK Inc.'s interest in the 'Funko Pop! Blitz' mobile game. The game currently features characters from a variety of franchises including *Jurassic World* and *Back to the Future, The Office, Shrek, Trolls*, and *Masters of the Universe*.

Also in January the Company <u>announced</u> that they had entered into a multi-year partnership with BBC Studios for the worldwide release of a mobile title based on the *Doctor Who* franchise.

In February, the Company announced that it has entered into a multi-year partnership with ViacomCBS Consumer Products for the worldwide release of a Star Trek: Lower Decks-themed mobile game on iOS and Android. Regarding Star Trek, Wikipedia states: "Star Trek since its original debut in 1966 has been one of the most successful television series in science fiction television history and has been considered by many to have had a large influence in popular culture as a result." Or put another way, Star Trek is wildly popular and has a cult following. The announcement also highlighted the magnitude of this deal stating: "The Star Trek franchise has had an unmistakable influence on adults and children alike for over 50 years. Being able to bring such a storied franchise to mobile in our trademark idle-game style is an honor for us here at ESGG," said Darcy Taylor, Chief Executive Officer of ESGG. "We're looking forward to sharing this new experience in the Star Trek franchise with everyone from new audiences to Star Trek super fans. This new mobile game is another top tier IP franchise that will only add to an already exciting launch slate in 2022."

In March, East Side Games Group reported their <u>Q4 earnings</u> <u>results</u> which included record Q4 and FY2021 revenues up 49% YoY and 37% YoY respectively. They also announced record Q4 monthly average users (MAU) of 1.5 million, up 53% YoY.

Record Q4 2021 and FY 2021 results were announced on March 10, 2022

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Source: <u>East Side Games Q4 2021 and FY 2021 financials</u> presentation

Finally capping off a brilliant quarter, in mid-March East Side Games <u>announced</u> that they had been nominated for multiple awards, including Pocket Gamer People's Choice and Canadian Game Awards Best Mobile Game.

East Side Games Group quotes 5 core reasons to invest in the company

- Market Growth in terms of quantitative and qualitative visibility in the largest and fastest growing entertainment market.
- Proven Portfolio Proven game portfolio with recurring revenue stream and deep product pipeline.
- Revenue Diversification Game Kit(s) technology Platform
 SaaS revenue model complements organic growth and enhances scalability.
- Successful & Accelerating M&A Successful & Accelerating
 M&A Agenda to attract world class talent, teams and IP.

 Scale Benefits – Reduced cost of capital and scale benefits operational synergies and profitability.

Source: East Side Games Group website

Summary of progress and growth strategy of East Side Games Group

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<u>Source</u>

Closing remarks

The global mobile gaming industry continues to enjoy very solid growth, with user penetration expected to hit 29.3% by 2026, East Side Games Group is aiming to grab some of this audience. The Company is rapidly growing their portfolio of free-to-play mobile games as well as their revenues, with FY2021 revenues up 37% accelerating in Q4 2021 up 49% YoY.

East Side Games Group has a market cap of <u>C\$203 million</u>. One to watch in 2022.

Trevor Doerksen on ePlay's Metaverse, and its Boston Common 5k Hybrid Real-Time Race and Virtual Run

written by InvestorNews | April 11, 2022 In a recent InvestorIntel interview, Chris Thompson spoke with Trevor Doerksen, CEO of <u>ePlay Digital Inc.</u> (CSE: EPY), about ePlay's three-in-one Fan Freak sports app, and about its <u>Boston</u> <u>Common 5k</u> Hybrid, Real-Time Race Experience and Virtual Run which will be held on November 27, 2021.

In this InvestorIntel interview, which may also be viewed on YouTube (click here to subscribe to the InvestorIntel Channel), Trevor Doerksen introduced ePlay's sports Metaverse comprised of their augmented reality running app Klocked, sports gaming apps, Fan Freak and Big Shot Basketball, and, Howie Mandel's mobile game collaboration, Howie's Games. In addition to having developed games for companies like ESPN, Sony Pictures, Intel, and Time Warner Cable, as well as the FIFA World Cup and others, Trevor told InvestorIntel that ePlay has also developed games' series in collaboration with 7-time NBA Champion Robert Horry and Olympian Michael Smith in addition to those with comedian and America's Got Talent's Howie Mandel.

To watch the full interview, <u>click here</u>.

About ePlay Digital Inc.

ePlay Digital Inc. is a mobile game creator and publisher specializing in sports, esports and entertainment augmented reality titles, including their new augmented reality running app, Klocked.run, sports gaming app Fan Freak, flagship title, Big Shot Basketball, and their Howie Mandel mobile game collaboration – HowiesGames.com. ePlay is operated by an awardwinning team of sports, gaming, and eSports leaders as well as broadcast and digital technology industry experts, software engineers, and athletes who have brought dozens of game titles to market for companies including Time Warner Cable, ESPN, Sony Pictures, AXS TV, Intel, AXN, Fiat, CBS, and others.

ePlay's wholly-owned subsidiary Mobovivo eSports specializes in augmented reality, mobile game development and mobile eSports

streaming.

To learn more about ePlay Digital Inc., click here

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