

SportsHero

Quarterly Activities Report for the quarter ended December 31, 2024

Highlights

- Subsequent to the appointment of Crispin Tristram in September 2024, SHO commenced discussions with new potential esports commercial partners resulting in the first telco partnership being swiftly secured and announced in December 2024.
- During the quarter, SportsHero signed a 5-year agreement with Indosat Ooredoo Hutchison (Indosat), the 2nd largest Telco in Indonesia¹, to market the “Family Game Room” product to Indosat’s share of Indonesia’s estimated 8.3 million PC gamers.
- Revenue collection of A\$33,000 being the first payment from the Whisper Media digital assets commercialisation on the KitaGaruda platform, as announced in July 2024.
- Receipt of the outstanding balance from the successful capital raising following the \$500,000 Share Placement completed in the last few days of September 2024 bolstering working capital for the December quarter.
- Subsequent to the end of the quarter a new \$1.0m debt facility has been put in place with a major shareholder, as announced on 23rd January 2025. This facility provides funding for the business to continue its commercial rollout throughout the remainder of the 2025 year.

Operational Activities

1. Signed 5 year deal with Indosat Ooredoo Hutchison (Indosat)

On the 9th December announced a strategic partnership with Indosat Ooredoo Hutchison (Indosat) the 2nd largest Telco in Indonesia, to market the iGV Family Game Room product in Indonesia. This collaboration will leverage Indosat’s digital platforms, myIM3 and bima+, which have reached 37.7 million monthly active users in 2025.²

The partnership will kick off with a three-month proof of concept marketing campaign in January 2025. This campaign aims to develop targeted messaging for Indosat’s audience, enhancing customer engagement and adoption of the iGV Family Game Room product. SportsHero will provide all Indosat customers with an exclusive 14-day free trial of the iGV Family Game Room, followed by a special monthly subscription rate of IDR 65,000 (A\$6.30), reduced from the usual rate of IDR 160,000 (A\$15.60).

¹ <https://cdn.twimbit.com/uploads/2023/08/18165559/Indonesia-Telecoms-Update-2023-2.pdf>

² Indosat Ooredoo Hutchison Posts Impressive FY 2023 Results: Revenue Surges 10%, EBITDA Soars 23%, 8 February 2024
<https://telecomreviewasia.com/news/industry-news/3955-indosat-ooredoo-hutchison-posts-impressive-fy-2023-results-revenue-surges-10-ebitda-soars-23/?t>

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ABN 98 123 423 987

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This partnership represents a strategic move for both companies to leverage their strengths in digital innovation and customer engagement. For Indosat, it enhances its service portfolio by integrating a popular gaming platform into its digital ecosystem, thereby increasing user engagement and retention. For SportsHero, partnering with a major telco like Indosat provides access to a vast customer base and will facilitate rapid market penetration.

Marketing and tech integration commenced in late December and the campaign is on schedule to commence in February 2025. The company expects to update shareholders on the rollout and commercial success of the partnership in due course.

2. First cash receipts from digital advertising partnership with PSSI Indonesia

In July 2024, the company announced that Whisper Media (a leading third-party digital advertising agency jointly appointed by PSSI and SHO) had successfully commenced selling all digital assets on the KitaGaruda app, generating the first advertising revenues for PSSI (Football Association of Indonesia). At the time, it was stated net digital revenue to SHO to date was IDR 991,000,000 (approximately AUD 90,000).

In the December quarter, the first cash receipts from this agreement in the order of A\$33,000 were received into the company's bank account, with further receipts expected to be received in the coming quarters, as the partnership continues to commercialise the advertising agreements with sponsors.

Whilst this amount is still relatively low, it shows some commercial traction and confidence from the PSSI relationship, which the company hopes can expand over the coming quarters.

3. Company secures \$1 million loan facility subsequent to the end of the quarter

Following the end of the quarter, SportsHero announced the signing of a \$1 million unsecured loan facility from a shareholder on the following terms:

Facility Amount	\$1 million
Term	12 months (unless repaid as contemplated below)
Drawdown	During the Term, the Company, at its sole election, may drawdown an amount (or amounts) under the Facility not exceeding \$200,000 per month, up to the Facility Amount.
Interest rate	Interest shall accrue on the total amount drawn down from the Facility at a 10% per annum fixed rate.
Repayment	All funds drawn down from the Facility, along with any accrued interest, is repayable on the first to occur off: <ul style="list-style-type: none">the date that is 14 days following the completion of a capital raise that is undertaken for the specific purpose of repaying the amounts owed under this Facility; and22 January 2026.
Security	Unsecured
Lender	Colin Jee Fai Low

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The Company intends to utilise the funds drawn down from the Facility to fund the Company's working capital requirements.

4. Cash and expenditure (A\$'000)

Net cash used in operating activities for Q2 FY24/25 totalled \$386K, which included the following:

- Operating & development expenses of \$168K comprising; professional and administration costs \$70K, staff costs \$53K and promotion & marketing expenses \$45K
- Corporate costs of \$254K comprising; salaries and director fees \$136K, professional fees \$66K, audit fees \$26K and administration costs \$26K.

Cash at bank as at 31 December 2024 totalled \$84K.

On the 23rd January 2025 the Company announced additional finance facilities resulting in total available facilities of \$1.5mil.

During Q2 FY24/25 a total of \$136K was paid to related parties of the Company as follows:

- \$65K for the provision of full-time services by a director
- \$22K for director fees to non-executive director
- \$49K for salaries and statutory superannuation

Authorised for release by the Board

Ross Pearson

Company Secretary

Telephone: +61 419 255 305

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity: Sportshero Ltd

ABN

98 123 423 987

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	36	48
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(43)	(66)
(c) advertising and marketing	(2)	(14)
(d) leased assets	-	-
(e) staff costs	(189)	(357)
(f) administration and corporate costs	(188)	(310)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	-	3
1.9 Net cash from / (used in) operating activities	(386)	(696)

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	-	-
(j) investments	-	-
(k) intellectual property	-	-
(l) 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. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	301	476
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	100	377
3.6 Repayment of borrowings	(100)	(100)
3.7 Transaction costs related to loans and borrowings	(20)	(20)
3.8 Dividends paid	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	281	733

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	177	42
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(386)	(696)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	281	733
4.5	Effect of movement in exchange rates on cash held	12	5
4.6	Cash and cash equivalents at end of period	84	84

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	84	177
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)	84	177

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000

136

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

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7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
7.2 Credit standby arrangements
7.3 Other (please specify)
7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
500	100
-	-
-	-
500	100

7.5 Unused financing facilities available at quarter end

400

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lender	Facility amount \$000s	Interest rate	Security	Maturity date
Colin Jee Fai Low	500	10% of the amount repaid	Unsecured	18/09/2025

On the 23rd of January 2025 the Company announced securing a further unsecured \$1million finance facility from Mr Colin Low incurring a 10% borrowing fee on funds drawn down, expiring 22nd January 2026.

8. Estimated cash available for future operating activities

\$A'000

8.1	Net cash from / (used in) operating activities (Item 1.9)	(386)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	84
8.3	Unused finance facilities available at quarter end (Item 7.5)	400
8.4	Total available funding (Item 8.2 + Item 8.3)	484
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	1.25

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

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Answer: On the 23rd of January 2025 the Company announced securing a further \$1million finance facility. On the basis of including this \$1million facility on a proforma basis the company has effectively 3.8 quarters funding coverage.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, on the basis noted in item 2 above.

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.

Date: 30 January 2025

Authorised by: the Board of SportsHero Limited

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk m

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