



ASX RELEASE

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Game Changer!

SportsHero executes an exclusive multi revenue stream digital partnership with the Football Association of Indonesia (“PSSI”)

Up to 80 Million PSSI fans targeted for connection on a newly developed digital platform offering a broad range of revenue streams powered by SportsHero

Highlights:

- SportsHero enters into an exclusive deal with one of the largest sports federations in the world, boasting an engaged fan base of 80 million fans over 4 leagues and 128 teams¹
- SportsHero will, in partnership with PSSI, develop a white-label exclusive digital platform to include its existing gamification platform, social media, merchandise/e-commerce, game highlights and player access;
- The newly developed PSSI app, powered by SportsHero, will soft launch in June 2019 for the 2018/2019 Piala Cup Playoffs – the most watched sporting event in Indonesia.

SportsHero is very excited to announce the finalisation of a comprehensive and exclusive, strategic multi revenue stream partnership with the Football Association of Indonesia - the governing body of football in Indonesia, known as **PSSI - 100% owned and controlled by the Indonesian Government.**

Pursuant to a Binding Heads of Agreement, PSSI has selected and appointed SportsHero as its **exclusive** provider and partner to build its first official platform, including apps that will incorporate SportsHero’s gamified sports prediction platform, social media, merchandise/e-commerce, game highlights and player access.

This will be a bespoke PSSI branded platform, built and powered by SportsHero that delivers not only SportsHero’s first ‘white-label’ collaboration, but also a meaningful expansion of the scope and range of services able to be developed on SportsHero’s community based gamification platform.

SportsHero, together with PSSI, will drive the transformation of how the potential 80 million Indonesian football fans will engage and consume digital content, including live scores, match highlights and feature videos of their favourite players and teams, all in the palm of their hands.

¹ Mr Marsal Masita, PSSI Deputy General Secretary and PSSI Information Memorandum (March 2019)

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Indonesia represents the largest 'digital' community in the Association of South East Asian Nations ('ASEAN'), with 130 million social media users, 177 million mobile users and 120 million mobile social users.²

SportsHero's CEO, Mr Tom Lapping, said: "Over the past 12 months, we have been working hard to establish a fully encompassing partnership with PSSI and are delighted to finally secure the largest and most valuable fan-based football partnership in Asia."

"PSSI is the governing body to the most passionate community of football fans in Asia and we are extremely proud that they have chosen SportsHero as their exclusive partner to build their first official app and launch the partnership platform. The shared objective is to develop an immersive user experience that aggressively drives user engagement, offering exclusive premium content that will be made available only from the platform and the existing SportsHero app with pay to play weekly, monthly and season long events and competitions."

PSSI's Secretary General, Ms Ratu Tisha Destria, said: "Our Partnership with SportsHero marks the start of an exciting new era for Indonesian football. Using SportsHero's sports and media technology expertise, we will deliver a new user experience that further facilitates engagement between fans and their favourite teams and players. Working with SportsHero in this strategic partnership, we can see many opportunities for both SportsHero and PSSI as we introduce a new and dynamic platform and app to the 80 million consumers connected to PSSI."



Tom Lapping, CEO of SportsHero and Ms Ratu Tisha Destria, Secretary General of PSSI

² Hootsuite's Digital 2018 Report (<https://wearesocial.com/blog2018/01/global-digital-report-2018>)

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Key Features:

1. SportsHero agrees to develop a White-Label platform , in association with the Football Association of Indonesia, for a broad-based sports community encompassing multiple revenue streams, including, but not limited to gamification, built on an existing captive community of more than 80 million Indonesian football fans; and
2. Potential revenue streams to include third-party sponsorship, direct marketing and gamification related ticket sales.

Summary of Key Revenue Partnership terms

Pursuant to the Binding Heads of Agreement, the parties have agreed that net revenue will be split 70/30 in PSSI's favour. Included under the exclusive agreement is revenue generated from third-party sponsorship, direct marketing and gamification-related ticket sales – which are required to participate in weekly, monthly and season long prediction competitions and PSSI promotions.

With respect to revenue generated from third party sponsorships, direct advertising and relevant competitions, the party who introduces the revenue source will receive 70% of the revenue, less all applicable taxes and deductions (the other party will receive 30%).

Throughout the term, PSSI will exclusively provide rich content, including access to video footage of games, events and features of the Indonesian national teams and its players.

In addition, PSSI intends to use the app, built by SportsHero, to stream live and recorded matches to their estimated 80 million fan base in Indonesia – thereby meaningfully expanding the potential advertising and sponsorship revenue base through a wider audience and an extended app user engagement time.

The parties further intend that users will be offered the right to subscribe to exclusive access to premium content, such as international match video highlights, live streaming of games and featured video stories and education.

The Binding Term Sheet has an initial term of 18 months, which includes a pilot launch to cover the Piala Cup Playoffs in June 2019 followed by the launch of Version 2 that will coincide with the September 2019 opening of the Piala Indonesia Cup 2019-2020.

The parties are, however, discussing a much longer term as part of the framework surrounding the proposed finalisation of formal joint venture documentation between the parties – expected to be completed in mid-May.

Piala Indonesia Cup

The current Piala Indonesian Cup culminates in June 2019 with the Big 8 Piala Cup playoffs, which is Indonesia's most watched football competition.

In that regard, PSSI will in May 2019 commence an aggressive marketing campaign to engage its members to both the Big 8 Piala Cup and the launch of PSSI's platform and apps, which are all powered by SportsHero.

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Football in Indonesia

There are more than 700 languages spoken in Indonesia, however, the country is unified by the common language of football.

Football is undoubtedly the most popular sport in Indonesia in terms of annual attendance, participation and revenue. It is played at all levels, with Piala Indonesia and Liga 1 being the most popular domestic leagues. PSSI is also developing both youth and women's football programs and is targeting participation in the 2024 Olympics and co-hosting the 2034 football World Cup.

PSSI is committed to elevating and improving the football experience in Indonesia by offering a state-of-the-art digital platform to unite all the loyal and passionate fans in one community who can consume the sport in a respectful and aspirational spirit.

Throughout the 2019/20 Piala Cup season, PSSI will host up to 1,200 matches, with an estimated average game attendance of between 20,000 to 30,000 fans from an estimated total supporter base of over 120 million Indonesians.¹

What makes football fans in Indonesia unique, in comparison to their neighboring countries, is their high level of loyal support for both their National Team and their domestic football leagues. Unlike their regional neighbor's, the level of local support exceeds the level of support for the world's two most followed leagues, being the English Premier league and Spain's LaLiga.

Indonesia also boasts an impressive supporter base demographic, which is represented by 85% males between 17-34 years of age.

Mobile, Social & Internet Penetration in Indonesia

Indonesia has a population of 265 million people. According to Hootsuite's Digital in a 2018 report, 45% of the population are active mobile social users. That's a staggering 120 million individual users.



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Other current Indonesian statistics include:

- Indonesia, the world's fourth biggest country in terms of population, is second in respect of % of people following football, with 77% of the population (estimated 204 million) following football, ahead of Thailand and Saudi Arabia. Source: Nielsen Sports DNA, <https://niensports.com/global-interest-football/>
- Of the estimated 204 million football followers, in 2018, PSSI had an estimated reach to 120 million fans.
- Of this 120 million fans, PSSI has a database of 80 million fans across all football leagues in the country.
- MaxStream and Mycujoo TV captured 12 million live streaming viewers over a 6 month period during the 2018/19 Piala Cup season.



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