



ESL

THIS IS ESPORTS

A group of five esports players in black jerseys are celebrating on a stage. One player in the center is holding a large, glowing trophy aloft. The air is filled with blue and white confetti, and the background is a bright, hazy blue. The players are wearing black jerseys with white text, including "Heretics" and "ESL".

VIDEO



VISION & MISSION

ESL VISION

“ESL’s vision is to make esports the largest & most attractive global sport across multiple games”

ESL MISSION

“ESL is esports”

WHAT WE SAID DURING THE LAST CAPITAL MARKETS DAY

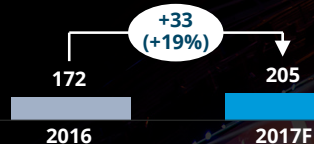
HIGHLIGHTS

REACH / AUDIENCE	Increase our global reach
GEO FOOTPRINT	Expand our geographical footprint
LEAGUES / EVENTS	Establish/develop new leagues and events across the globe
MEDIA RIGHTS	Expand into new distribution platforms
PARTNERSHIPS	Sign global exclusive sponsorship deals
GAME PUBLISHERS	Deepen existing relations and establish new
B2C / DATA	Extend our footprint in high margin B2C

WE MADE SIGNIFICANT PROGRESS THIS YEAR

2017 ACHIEVEMENT SUMMARY

REACH / AUDIENCE



Growth of global reach by 19% YoY reaching +205M uniques in 2017. With 18% increase in started streams reaching +547M

GEO FOOTPRINT



Expanded into Australia, Brazil, deepened India footprint, SEA (Asus), Africa (Kwesé) in 2017

PRODUCT



O&O growing from 40% to 63% in 2017. Launched Trinity Series & WESA into Paladins.

MEDIA RIGHTS



Media rights started to scale - total media rights revenues growing by more than 150% YoY

PARTNERSHIPS



Signed large global and exclusive sponsorship deals with Intel and Mercedes. Non-endemic revenues growing from 17% to 28% of total sponsorships for ESL

GAME PUBLISHERS



Launched PUBG tournament at GC and Oakland. ESL will operate 3 Dota Majors during the 2017/18, making ESL the biggest Major Partner for Valve

B2C / DATA



Group B2C revenues growing by more than 40%. We added Minecraft to our portfolio and expanded CS:GO with a new stats initiative

BRAND



ESL continues to be the leading and go-to brand in esports for publishers and sponsors; e.g. IEM selected to first time ever for Olympics partnership

ESL STRATEGY 2020



ESL PLAYS AN INDUSTRY LONG TERM GAME AS THE ECOSYSTEM BRAND

ESL ATTRACTS GAMERS CONNECTING THEM TO BRANDS VIA THE MOST COMPELLING CONTENT

GROWTH ENGINE 2020

ZERO TO HERO PRODUCT SYSTEM

Consolidate pyramid from Amateur to Pro and establish world ranking system across all relevant esports games.

OPEN ECOSYSTEM CHAMPION

Nurture esports ecosystem adding value to publishers, distributors and players across all games and all platforms.

THE ESPORTS CATEGORY BRAND

Invest in brand development to ignite expansion into larger audiences.

GLOBAL GEOGRAPHICAL PRESENCE

Accelerate geographical expansion into eg. SEA, China, LATAM. Consolidate USA presence. The audience is global.

NEW INNOVATIVE FORMATS

Attract mass market audiences with new entertainment, content and distribution formats.

SPONSORSHIPS

MEDIA RIGHTS

GAME
PUBLISHER

AMATEUR &
COMMERCE

ONLINE
ADVERTISEMENT

INDUSTRY
SERVICES

TOP-LINE AND BOTTOM-LINE GROWTH ACROSS ALL SEGMENTS

ZERO TO HERO PRODUCT SYSTEM

CONSOLIDATE PYRAMID FROM AMATEUR TO PRO AND ESTABLISH WORLD RAKING SYSTEM



OPEN ECOSYSTEM CHAMPION

NURTURE ESPORTS ECOSYSTEM ADDING VALUE TO PUBLISHERS, DISTRIBUTORS AND PLAYERS



THE ESPORTS CATEGORY BRAND

CONTINUE BRAND DEVELOPMENT TO IGNITE EXPANSION INTO LARGER AUDIENCES



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November 3, 2017

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INTEL BRINGS ESPORTS TO PYEONGCHANG AHEAD OF THE OLYMPIC WINTER GAMES

Today, Intel announced plans to bring amazing gaming experiences to PyeongChang ahead of next February's Olympic Winter Games. As an extension of Intel's Worldwide TOP Partnership and with support from the International Olympic Committee (IOC), Intel will deliver two distinct gaming experiences to Korea in the lead up to PyeongChang 2018: the Intel® Extreme Masters PyeongChang esports tournament featuring one of the most celebrated esports titles of all time, Blizzard Entertainment's "StarCraft® II," and a separate exhibition featuring Ubisoft's action-sports title "Steep™ Road to the Olympics," the official licensed game of the Olympic Winter Games PyeongChang 2018.

Intel Extreme Masters PyeongChang, an extension of the Intel Extreme Masters (IEM) brand produced in partnership with ESL, will be open to any player, at any level via global online qualifiers, which will take place in November. A live qualifier event will also take place in Beijing in December between the top two qualifiers from China, with the winner moving on to compete against the rest of the field in PyeongChang in the lead up to the 2018 Olympic Winter Games.



» Download all images
(ZIP, 2 MB)

GLOBAL PRESENCE FOR A GLOBAL AUDIENCE

ACCELERATE GEOGRAPHICAL EXPANSION INTO SEA, CHINA, LATAM AND CONSOLIDATE USA



NEW INNOVATIVE FORMATS

ATTRACT MASS MARKET WITH NEW CONTENT, ENTERTAINMENT AND DISTRIBUTION FORMATS



Four new original programming esports series with Hulu



ESL organized first 2 PUBG tournaments: Gamescom Invitational and first stadium event at IEM Oakland



Innovation for esports audience viewership with events streamed on VR



Intel and IOC announced that they're partnering to bring esports for Winter Olympics 2018 with the ESL product IEM.

PARTNERSHIPS



WE CREATE STORIES – RE-IMAGINE CONTENT MARKETING

ESL IS A ONE-STOP-SHOP FOR ESPORTS WITH THE RIGHT TARGET GROUP, INVENTORY AND SERVICES

RIGHT TARGET GROUP

MALE TARGET GROUP

HIGH INCOME

MILLENNIALS + GEN Z

68%

are 16-35 Y/O

EXCEPTIONAL INVENTORY

MEDIA INVENTORY

MEDIA RIGHTS

SPONSORING INVENTORY

4,5M
40M
11M

1000+
350+
100+

5 EVENTS PER YEAR

+30K VISITOR ON SITE PER YEAR

45M VIDEO VIEWS ON ESL BROADCAST PER YEAR

WIDE ESPORTS SERVICES

DATA

CONSULTANCY & CONTENT

INFLUENCER INVENTORY

>14
>500
15

500+ INFLUENCERS IN ESL NETWORK

26M SUBSCRIBERS (YOUTUBE & TWITCH)

100+ SUCCESSFUL CAMPAIGNS IN 2016

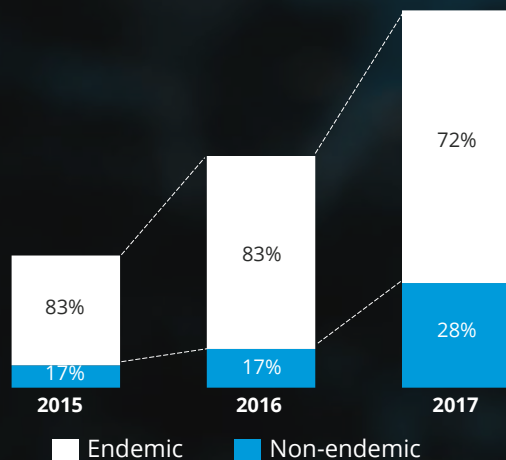


Note. Numbers related to German market specific pitch

FOLLOWING THE CHAMPIONS LEAGUE LOGIC – GLOBAL EXCLUSIVE PARTNERS

GROWING INTEREST AND THE UNMATCHED ESL GLOBAL PORTFOLIO LEAD TO SUCCESS

1 NON-ENDEMIC PARTNERS GROWING



2 GLOBAL EXCLUSIVE PARTNERS



2018

Expect to sign
several more
partnerships of
+1MUSD

MERCEDES-BENZ @ESL ONE HAMBURG

RE-IMAGINING CONTENT MARKETING

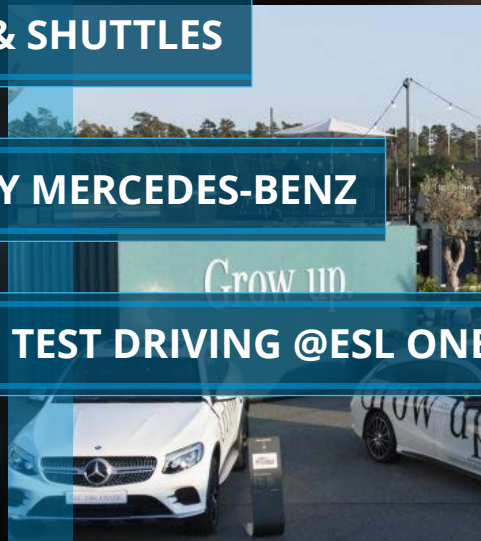
INTEGRATION AS PREMIUM PARTNER


MERCEDES-BENZ ANALYST TRUCK

MERCEDES-BENZ TEAM CARS & SHUTTLES

MOST VALUABLE PLAYER AWARDED BY MERCEDES-BENZ

GROW UP ROADSHOW WITH TEST DRIVING @ESL ONE





GoedAG

@Blackgaze · 2h

New Hero Concept: Mercedes the Benz

#bestfriend

Mercedes the Benz

• Strength Hero

↳ensp;

STR - 24 + 3.0 (680 Health)

AGI - 16 + 2.0

INT - 20 + 2.0 (295 Mana)

↳ensp;

Range: Melee

Movement Speed: 300

Damage: 55

BAT: 1.7

Armor: 5.0

↳ensp;

1) - Emblem

↳ensp;

24/20/16/12s CD

👍 Voted ⬇️

🗨 22

🔖 Share 🌐

Virtus.pro  @virtuspro · 10 min

What is love?




[r/Deaf2](#) · [w/randompersonpassing - 20m](#) · [1 reddit.it](#) · [show more](#)
Meanwhile, at Mercedes Benz HQ
 FLOOF



CELEBRATES IN GERMAN

MONETISATION MODEL



OPPORTUNITIES FOR MONETIZATION GROW RAPIDLY

GAMING IS A GLOBAL MEGATREND WITH ESPORT AS ITS DIGITAL SPORT

+2.6BN
GAMERS ⁽¹⁾



+5%
P.A. TO 2020

>150M
ESPORTS ENTHUSIASTS ⁽²⁾



+15%
P.A. 2016-20

3 USD
SPEND PER FAN ⁽³⁾



~2-4x
IN 2020

WE ARE NOW IN FULL SCALING MODE OF OUR BUSINESS

HIGH MARGIN MEDIA RIGHTS & SPONSORSHIPS ARE KEY DRIVERS

GROW THE FOUNDATION

Add more and scale existing

EVENTS

to create more inventory

Invest in brand to grow

AUDIENCE

and increase eyeballs

Deepest game

PUBLISHERS

relations globally

SCALE REVENUES

Slicing/dicing

MEDIA RIGHTS

and create new packages

Shift towards non-endemic

SPONSORS

and signing global exclusives

Scale revenues on

B2C

monetize, upsell & cross sell

ESS AND O&O PRODUCT APPROACHES ARE COMPLEMENTARY

PRODUCT MODEL EXPLAINED

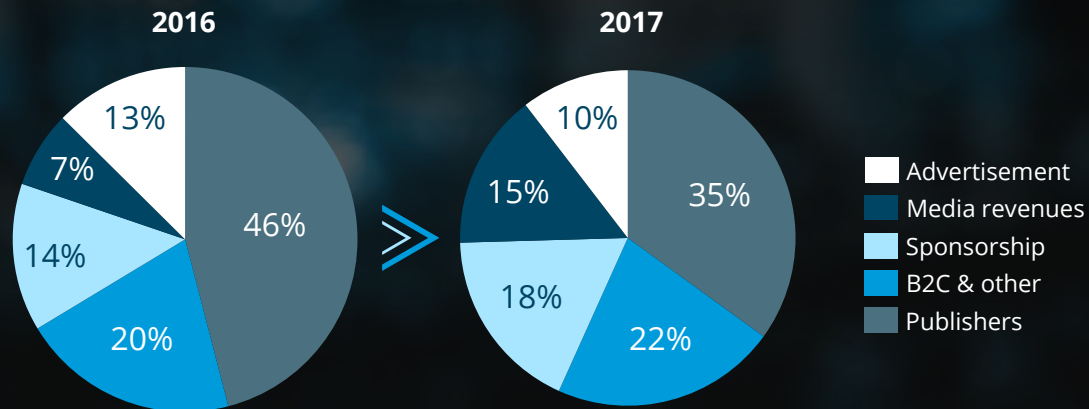
ESS ESPORTS SERVICES			O&O OWN & OPERATED		
ESL OPERATES TOURNAMENTS AND EVENTS ON BEHALF OF GAME PUBLISHER INDUSTRY PARTNERS			ESL OWNS AND OPERATES TOURNAMENTS, PLATFORMS AND EVENTS		
Limited ESL Brand or no brand ownership	Guaranteed income with low risk investment	Fixed margin	ESL owns or co-owns the brands	Full risk for initial setup investments and benefits from financial upside due to scalability	Scalable margins - ESL controls commercial rights



BUSINESS MIX IS CHANGING TOWARDS MEDIA RIGHTS & OWN IP

THE STRONGEST REVENUE AND BOTTOM LINE DRIVERS ARE SCALABLE

ESL SALES PER REVENUE TYPE



B2C EXPANSION

Subscription services, tickets & merch, new titles & adjacents

SPONSORSHIP

Scaling non-endemic & global sponsors

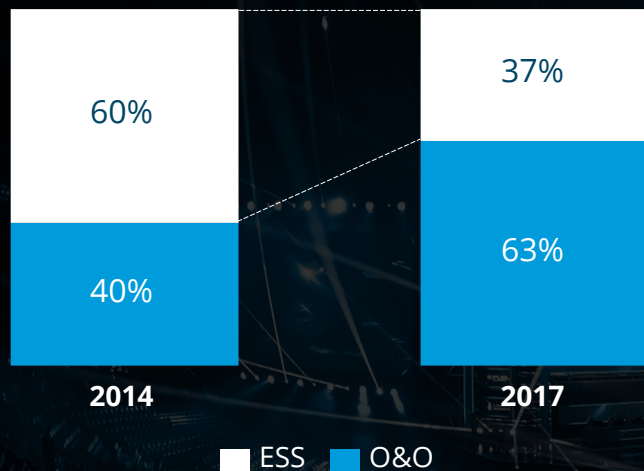
MEDIA RIGHTS

Creating unique formats for global, local linear & telco distribution

WE CONTINUE INVESTING IN O&O

ESS (ESPORTS SERVICES) REMAINS IMPORTANT

SALES SPLIT



GROWING
O&O
BUSINESS

ESL ONE SUCCESS STORY

WITH STRONG LARGE PARTNERS WE START GROW THE MONETIZATION OF EVENTS

WE INVEST IN OUR EVENTS

2016



Frankfurt

19M
views

7k
uniques

7k
visitors



2017



Hamburg

56M
views

23M
uniques

10k
visitors

CREATING MORE INVENTORY TO MONETIZE

DRIVE REVENUES

(sponsorships, media rights,
advertisement, ticketing & merchandising)



ATTRACT PREMIUM PARTNERS

(e.g. Mercedes)



GROW AUDIENCES AND INVENTORY

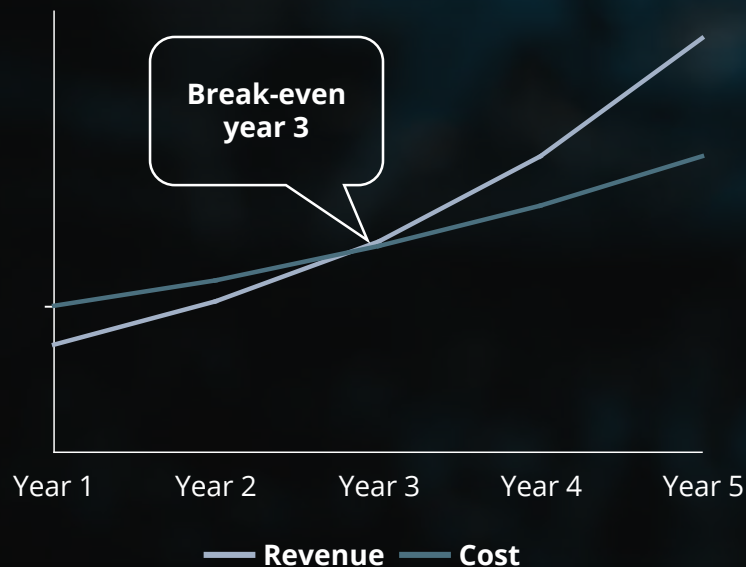


BETTER EVENTS

AN EVENT IS USUALLY BREAK-EVEN IN YR3 AND SCALES THEREAFTER

HIGH MARGIN SPONSORSHIP AND MEDIA RIGHTS ARE KEY DRIVERS BEHIND SCALING O&O EVENTS

TYPICAL EVENT LIFE CYCLE



EVENT PROFITABILITY DRIVERS

- 1 Event cost rises 10-20% p.a.
- 2 Viewership grows the more established the event is
- 3 Revenues out-pacing costs, mainly driven by:
 - Growing inventory
 - Sponsorship and Media rights
 - Higher willingness to invest from partners
 - Ticketing and Merchandising
- 4 Cost for Prize Money are not key driver

2018 MEGA EVENTS: GROW FROM 10 TO 13

OVERVIEW OF LARGE EVENTS 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
	 ESL ONE GENTING	 DOTA MINOR	 ESL ONE KATOWICE	 ESL ONE	 ESL ONE	 DOTA MAJOR	 ESL ONE		 ESL ONE	 ESL ONE		
			 IEM KATOWICE		 IEM		 IEM				 IEM	
					 NA							 EUROPE

CONTENT AND DISTRIBUTION

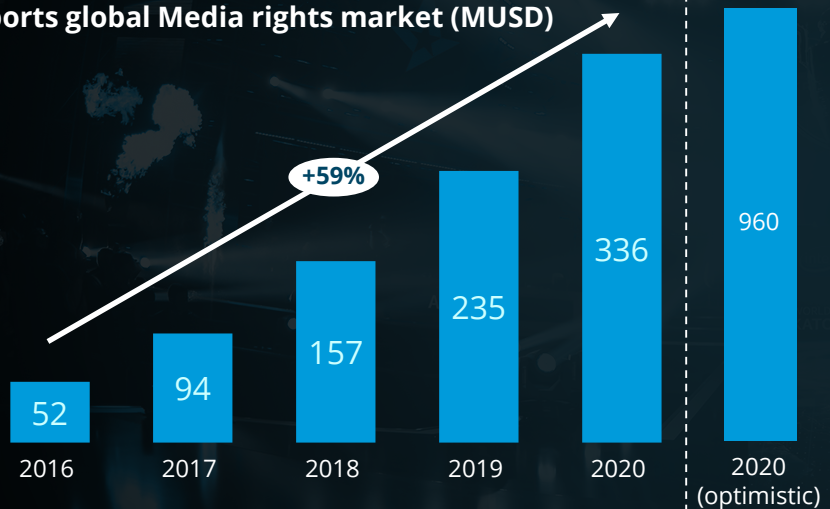


ESPORTS MEDIA RIGHTS FOLLOW TRADITIONAL SPORTS

WE ARE IN A GOOD POSITION TO GROW MEDIA RIGHTS REVENUES

UNDERLYING MARKET TREND

Esports global Media rights market (MUSD)



Source: Newzoo forecast

A HOLISTIC APPROACH ACROSS PLATFORMS

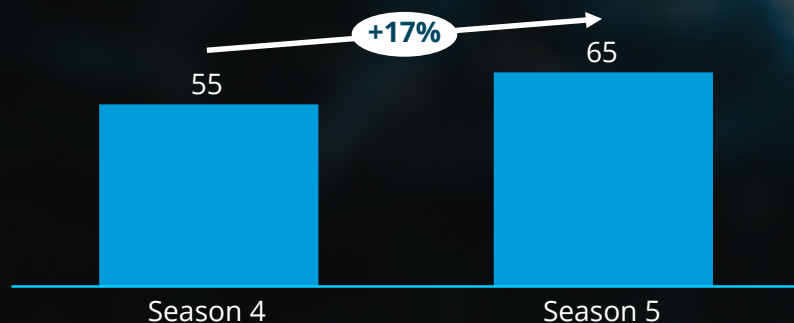


THE AUDIENCES FOLLOWS GREAT CONTENT

ESL PRO LEAGUE SUCCESSFULLY MOVED FROM TWITCH TO YOUTUBE/FB AND GREW REACH

ESL PRO LEAGUE IS A SUCCESS STORY

Views (M)



SEASON 5
KPIS

14M Hrs
watched

510M
Social
imp.

6K event
visitors
Finals

AND FANS ARE LOVING IT



WE ALREADY HAVE A LARGE DIGITAL REACH OF ESL CONTENT

ESL LIVE FORMATS AND CONTENT PACKAGES PERFORM ON DIVERSE PLATFORMS AND TERRITORIES



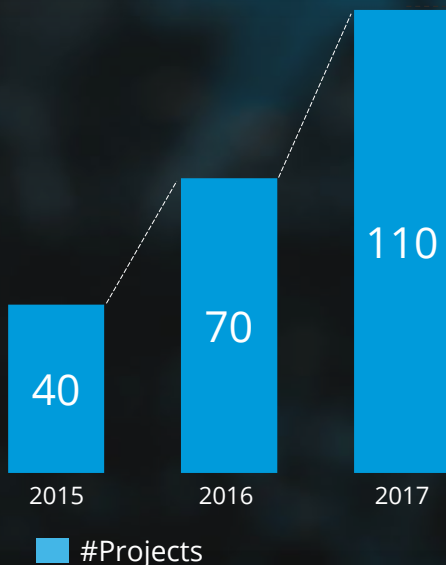
PUBLISHERS



ESL GAME PUBLISHER COOPERATIONS CONTINUE TO GROW

THE SUCCESSFUL ESPORTS LAUNCH OF NEW GAME TITLE PUBG IS A PERFECT EXAMPLE

WE INCREASE RELATIONSHIP WITH PUBLISHERS



...AND WE'RE FIRST IN LINE FOR KEY EXISTING ESPORTS TITLES AS WELL AS FOR UPCOMING

Example new titles 2017 we started to work with



Established key esports titles we have since long worked with



Example cycle: the exclusive launch by ESL at Gamescom enabled continued partnership at IEM Oakland (O&O)

ESL/DREAMHACK SHOW THE LEADING GAME COVERAGE IN ESPORTS

COMPETITOR OVERVIEW

	CS:GO	DOTA 2	HEARTHSTONE	OVERWATCH	STAR CRAFT	CALL DUTY ADVANCED WARFARE	LEAGUE LEGENDS	HALO	ESPORTS X	WORLD OF TANKS	CLASH ROYALE	VAIN GLORY	PUBG
ESL	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
DREAMHACK	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
LEAGUE	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗
BOX GAMES	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗
VALVE	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
MLG Major League Gaming	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗
ECS	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
EPICENTER	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗

SUMMARY



TAKE AWAYS SUMMARY BEFORE Q&A

1 ESL IS THE WORLD'S LEADING ESPORTS COMPANY AND WE CONTINUE TO GROW

2 ESL IS THE GLOBAL CATEGORY BRAND AND PREFERRED CHOICE FOR VIEWERS, PLAYERS, PARTNERS AND PUBLISHERS

3 WE HAVE A STRONG GROWTH IN THE USAGE OF OUR PRODUCTS AND OUR IP HAS PROVEN THAT VIEWERS FOLLOW THE CONTENT

4 WE HAVE MADE SIGNIFICANT INVESTMENTS INTO EXPANDING O&O AND WE WILL CONTINUE TO DO SO

5 WE SCALE OUR BUSINESS THROUGH SPONSORSHIP, MEDIA RIGHTS AND B2C



Q&A