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Aquis establishes esports business, QeSports

Aquis Entertainment Limited (**Aquis**) (ASX: AQS) is pleased to announce that it proposes to establish and develop an esports business, to be known as QeSports.

Esports, or electronic sports, are competitive sports that take place in a video game or other digital platform. With global audiences reaching 287 million in 2017, and the industry estimated to be worth \$1.5 billion by 2020, experts predict that changing media consumption will contribute to sustained annual growth of around 20% in the sector.

Domestically, esports audiences have doubled in the past five years, with 3.2 million active esports fans, and an estimated 11 million active gamers, exhibiting the highest spend per gamer of any global market.

Having believed for some time that eSports is a burgeoning opportunity in the entertainment industry, AQS is pleased to be partnering with Executive Sports and Entertainment Pty Limited (ACN 080 290 419) (**ESE**) to create the QeSports brand.

Identifying a number of areas where infrastructure is required to assist in increasing the momentum of development of professionalised leagues, the eSports business is expected to include:

- (a) eSports advisory, player and talent management agency including the provision of advice, media training and partnerships to/with eSports players;
- (b) eSports event and tournament creation and management; and
- (c) eSports arena development in Australia including via affiliations and partnership with eSports organisations.

Joint venture arrangements

Aquis' eSports business, QeSports, will be operated via a joint venture with ESE, an events, sports and entertainment consultancy with experience in owning eSports teams. Aquis will hold 70% of the shares in QeSports and ESE will own 30%. A principal of ESE, Mr Rohan Sawyer, will be chief executive officer of QeSports.

Aquis will provide initial financing of up to A\$2 million to QeSports via a shareholder loan. Drawdown of the loan will be incremental, subject to QeSports meeting agreed milestones in its business plan.

Aquis, ESE and Mr Sawyer have entered into a term sheet reflecting the above arrangements. Binding agreements are expected to be entered into during the coming weeks and the business is expected to commence operations thereafter.

Aquis Entertainment's CEO & Executive Director, Ms Jessica Mellor, said today: "Aquis Entertainment's vision is to provide Australia with next generation entertainment and our move into the esports market is very much in line with that strategy.



Australians are well known for their passion for traditional sports and we're starting to see this passion translate to esports as the sector matures.

Two-thirds of Australian esports fans are aged 18-34 and that's a market segment we know very well. This, coupled with our experience in entertainment venue operations, puts us in a strong position to meet a wide range of expanding needs in the esports space."

Casino business

QeSports will be a separate business from Casino Canberra. The Aquis subsidiary owning the Canberra casino operations will not have an ownership interest in the QeSports business.

For further information, please contact:

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