



MARKET STATISTICS

Exchange / Symbol	OTCQB: GMSQF
Price (USD):	US\$0.07
Market Cap (USD mm):	US\$16.2
Enterprise Value (USD mm):	US\$18.9
Shares Outstanding (mm):	292.5
Float (%):	74.4%
Volume (3-month avg DL):	240K shares/day
52-week Range:	0.31 / 0.05
Industry:	Gaming & Digital Media

CONDENSED BALANCE SHEET

(USD \$mm, except per share data)

Balance Sheet Date:	6/30/2022
Cash:	\$3.0
Cash/Share:	\$0.01
Debt:	\$0.0
Equity (Book Value):	\$14.2
Equity/Share:	\$0.06

CONDENSED INCOME STATEMENTS

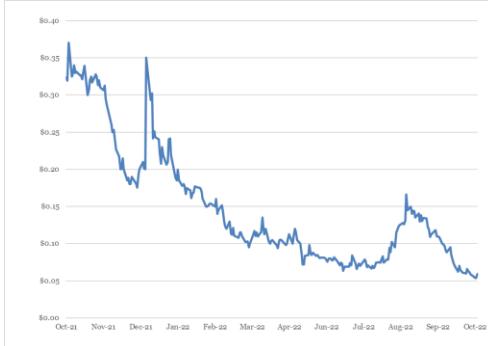
(USD, \$mm, except per share data)

FY	Revenue	Net Loss	EPS
FY20	\$0.4	\$(1.3)	\$(0.11)
FY21	\$10.0	\$(20.9)	\$(0.13)
FY22E	\$29.0	\$(7.8)	\$(0.03)
FY23E	\$39.1	\$(2.7)	\$(0.01)

LARGEST SHAREHOLDERS

Blue & Silver Ventures	59,178,658
Goff Capital, Inc.	34,894,791
Crescent Real Estate LLC	32,153,950
Jason Lake	7,499,587
Purpose Investments	2,930,000
Kevin Wright	2,898,000
Justin Kenna	2,487,100
Goff CPA, John Collins	2,079,750
LeBreux, Paul R.	1,074,649
Timelo Investment Management Inc	515,300

STOCK CHART



October 21, 2022

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COMPANY DESCRIPTION

GameSquare Esports Inc. is a vertically integrated, digital media and entertainment company enabling global brands to connect and interact with gaming and esports fans. GameSquare has a reach of 220+ million and targets FY2022 revenue of US\$27.5-\$30M from its lines of business that include digital agencies, media network, competitive teams, production studio, and merchandise businesses. GameSquare is one of the fastest growing esports orgs and has emerged as a leader in gaming and esports in only two years as a public company. GameSquare Esports trades on the OTCQB (GMSQF) and is listed on the Canadian Securities Exchange under the ticker GSQ.

SUMMARY

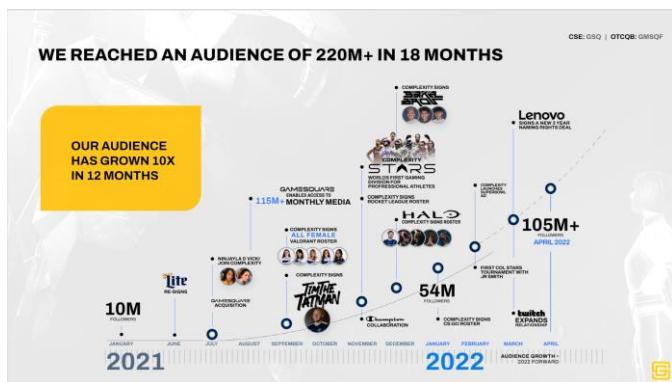
- Large growth opportunity in esports** – The global esports business is growing at a rapid pace. According to a report by NewZoo, the esports industry will have an estimated global audience of 600M viewers by 2023, consuming over 100B hours of programming and generating revenue of \$200B. Growth drivers include gaming popularity in mainstream culture, technological advancements improved infrastructure, and the emergence of professional esports teams and leagues. Gaming popularity is enticing global brands to invest in the industry, providing GameSquare ample opportunities for growth and expansion.
- Multi-year esports and gaming partnerships** – GameSquare works with more than 150 brands, including multi-year deals with Lenovo, Dairy MAX, streaming platform Twitch, and the Dallas Cowboys. The Company entered into a multi-year agreement with Roc Nation Sports, a full-service management and sports agency founded by Jay Z. Fourth Frame Studios is represented by United Talent Agency (UTA), one of the largest and most successful talents agencies in the world. We believe that GameSquare will expand its brand relationships as it continues to grow its revenue.
- Large and engaged audience base** – GameSquare knows how to build a large social presence. By reaching an audience of more than 220 million, the Company is one of the largest esports and gaming platforms, which helps attract brands and talent to the company's platform.
- Significant financial progress already made** – GameSquare grew revenue significantly from Q2 FY'21 of \$0.9M to Q2 FY'22 of \$6.7M, an increase of over 600%. The company has reported that the number and size of RFPs continue to grow and that its sales pipeline is its largest to date. Revenue guidance was increased twice in 2022 to a range of US\$27.5M to US\$30M.
- Recent \$3.0 million private placement** – Led by strategic investors at a steep premium to market, the placement strengthens the company's balance sheet while injecting capital to accelerate revenue growth. Notably, the company has access to an undrawn \$5M line of credit backed by its largest investors Jerry Jones and Goff Capital.
- Experienced management team** - CEO Justin Kenna brings extensive experience in gaming, esports, and media as former CFO of FaZe Clan where he helped to drive revenue growth of 10x and was responsible for raising over \$60M in debt and equity within three years. CRO Sean Horvath is an accomplished executive with more than 18 years of experience in digital marketing and brand partnerships. Sean joined from StreamElements where he was the CRO and grew revenues ~20x. Jan Neumeister, the head of European Operations, brings a proven track record in digital marketing via FaZe Clan, Manchester City FC, and WPP.
- Valuation** – We use a comparative analysis to frame valuation. Using an FY2023 Sales forecast, we arrive at a valuation range of US\$0.30 to US\$0.45.

BUSINESS OVERVIEW

GameSquare Esports is capitalizing on the burgeoning opportunities in the global gaming and esports market. GameSquare seeks to bring together global brands and the large gaming and esports communities, through its digital media services that enable brands to target the esports community, while attracting and retaining world-class talent in the influencer, on-screen talent, and player segments.

Since its reverse takeover in October 2020, GameSquare has closed several acquisitions to create its current portfolio of creative agencies, influencer and media network, content services, and esports teams.

Exhibit 1: GameSquare TimeLine



Source: Company Reports

The company carries out its business through six entities across three segments: 1) Agencies, 2) Teams, and 3) Services.

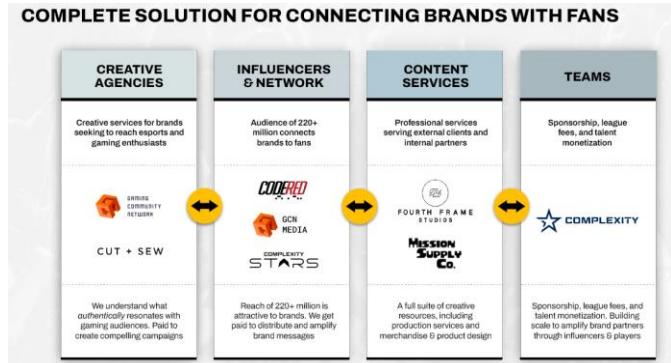
The Agency segment is comprised of creative agencies Gaming Community Network and Cut+Sew (Zoned), and influencer representation at Code Red.

The Teams segment includes Complexity Gaming, one of North America's longest standing esports organizations which competes across 11 different titles, Complexity Stars, and Complexity's content creators and influencer talent.

Throughout 2022, the company has invested in building its Services segment. GameSquare has attracted leading industry talent to launch Fourth Frame Studios, a content production studio, and Mission Supply Co, a merchandise and consumer products division.

GameSquare remains active in its pursuit of additional acquisitions to add new companies to its portfolio to help achieve growth and forge global brand relationships.

Exhibit 2: GameSquare Platform Overview



Source: Company Reports

CAPITALIZING ON ESPORTS OPPORTUNITIES

According to a report by NewZoo, the esports industry will have an estimated global audience of 600M viewers by 2023, consuming over 100B hours of programming and generating revenue of \$200B. The largest concentration of this audience is made up of 18–35-year old's, who represent a key demographic that global brands are seeking to connect with given their youth and affluence. A recent survey by Deloitte found that 26% of 'Gen Z' rank gaming as their favorite entertainment activity which makes them the first generation that is not "TV first". To further highlight the prevalence of gaming, the same report found that 87% of Gen Z, 83% of millennials, and 79% of Gen X report that they play video games in some form weekly with many playing daily. GameSquare's Agency and Teams segments is connecting brands with fans and building an impressive client roster which includes Kraft Heinz, Jack in the Box, Tyson Foods, Altice, HyperX, Bud Light, and Adidas, to name a few.

Agencies

GameSquare's agency segment enables global brands to connect with a young, affluent demographic by creating compelling campaigns, producing world-class activations, and amplifying these authentic brand messages using its large media and influencer network. This platform for advertising, marketing, and brand building within gaming and esports has a reach of more than 220 million. The company provides digital media and agency services in North America and Europe, through three entities; 1) Gaming Community Network (GCN), 2) Cut+Sew (Zoned), and 3) Code Red which is based in the UK.

Gaming Community Network (GCN)

GCN bridges the gap between brands and the gaming and esports community. GCN creates bespoke strategy solutions through tournaments, influencer campaigns, and Livestream/VOD content development across media channels including social media, broadcast TV, and live streaming. GCN has partnerships with 75+ publisher sites boasting 115M monthly gaming & e-sports fans.

In addition, GCN delivers customized strategy and content development, brand and product integration for athletes and professional sports teams, league and tournament production, sponsorships, data optimization, and insights for audience targeting that enable a comprehensive 360° activation. The

company has run campaigns for Kraft Heinz, Tyson Foods, Adidas, GEICO, Fox Sports, and Subway.

Cut+Sew (Zoned)

Cut+ Sew (Zoned) is an award winning creative and strategy agency that has been recognized as an innovative force in bridging the gap between gaming, pop culture, and leading brands. Cut+Sew (Zoned) builds end-to-end strategies to create brand activations that span social, digital, PR, content, influencers, and more. Brand relationships include Agency of Record agreements and they have worked with leading companies like HyperX, Jack in the Box, and Mavix, to name a few.

Code Red

Code Red, focused on the EU market, is the authentic gaming and esports marketing agency. Founded by gamers who helped revolutionize the esports industry, Code Red has played a pivotal role in helping the industry and brands engage and activate in the space for over 20 years. Representing over 50 of the top esports broadcast talent & gaming influencers, Code Red advises brands on influencer and live broadcast marketing strategy, manages their scaled influencer marketing programs, and develops bespoke influencer campaigns. Clients include Lenovo, Red Bull, AB InBev, Capgemini, Overwolf, NordVPN, BUFF.GAME, Bud Light, US Polo Association, Dark Zero, Champions League Football Teams & Volta Global.

Teams

Complexity Gaming makes up the Teams segment which includes competitive esports teams, content creators, and Complexity Stars. The team is based at The Star in Frisco, Texas, which is the world headquarters of the Dallas Cowboys. Complexity is building a world-class esports organization of competitive teams and content creation to entertain fans, grow audience, and enhance monetization opportunities within esports and gaming.

In June 2021, the company acquired Complexity gaming for a \$27M in an all-stock transaction. The founder and CEO, Jason Lake, who will receive a *Lifetime Achievement in Esports* award at the Tempest Awards in November 2022, was named the Global Head of Esports at GameSquare. With an unrivalled nearly 20 years of experience in esports, Complexity has won more than 140 championships in over 30 titles. Complexity continues to revolutionize esports with its state-of-the-art performance training center, studio facilities, and an industry-leading partnership with the Dallas Cowboys.

Exhibit 3: Complexity Facilities

VISIT OUR WORLD CLASS FACILITIES IN TEXAS



Source: Company Reports

The acquisition of Complexity grew GameSquare's revenue potential and brought with it notable investors including Jerry Jones, owner of the Dallas Cowboys, and John Goff, a highly successful real estate investor and businessman in the Dallas-Fort Worth area. Tom Walker, Dallas Cowboys CFO, and Travis Goff, President of Goff Capital, are members of GameSquare's board of directors.

GameSquare has invested in Complexity to accelerate growth. Revenue has been driven by leveraging GameSquare's global network and services, and a major focus has been to rapidly grow Complexity's social presence. Complexity reaches more than 105M, representing tenfold growth in just 12-months. Through these initiatives, GameSquare has increased its reach for clients and has created a platform that can access new sports and new verticals, creating opportunities to diversify and scale its business operations.

Complexity is home to some of the best American esports teams, across some of the most widely watched gaming titles. Complexity has attracted blue-chip sponsorships from companies like Lenovo, ARterra Miller Lite, and Herman Miller to name a few. The deal with Lenovo is a great example of GameSquare's ability to grow revenue as they signed Lenovo to a multi-year deal and rebranded their world class esports facility as the Lenovo Legion Esports Center. In our view, this partnership is a likely precursor to other large deals that the company can pursue.

GameSquare launched Complexity Stars, the world's first gaming division for celebrities and professional athletes, in December 2021. For brands that know gaming is important but either haven't engaged with this form of entertainment in the past or who are just not there yet, Complexity Stars is the platform to connect these Brands with professional athletes and entertainers that are gamers. This is a soft-landing point for brands because while they may not have heard of TimTheTatman, Cloakzy or The Baka Bros, they know Leonard Fournette and Trevon Diggs of the NFL, UFC fighter Max Holloway, Allisha Gray from the WNBA, and JR Smith from the NBA. This eases brands into gaming and shows them the reach and engagement that GameSquare can create.

Complexity has world-class facilities such as the Innovation labs, the Miller Lite Player Lounge, and the Lenovo Legion Esports Center. The company has built a leading streaming platform with talents like TimTheTatman, Trevon Diggs, Cloakzy, The Baka Bros, ClaraATwork, Jordan Fisher, Javier "Chicharito" Hernandez, Ninjaya, Tony Hawk, J.R. Smith, Max Holloway, Leonard Fournette, Allisha Gray, Clara, and Electra, among others.

TimTheTatman Tailgate

In July 2022, the company produced TimTheTatman's Tailgate, a first-of-its-kind gaming and music festival. TimTheTatman is one of the most popular esports personalities with more than 18 million social followers. The event was held at The Star, headquarters of the Dallas Cowboys, transforming it into a beacon of gaming and esports culture. Attendees could participate in classic tailgate games, retro arcade games, laser tag, and a \$100,000 Fortnite tournament. Overall, the tailgate generated 500,000 social engagements and attracted more than 8,000 in-person attendees, proving that GameSquare can turn an online personality into a major revenue generator at in-person events, while showcasing the company's capabilities in its target markets. The event has been recognized as a finalist in the *New Event of the Year* category at the upcoming Tempest Awards.

Exhibit 4: Complexity Stars



Source: Company Reports

SERVICES

GameSquare's services segment extends the company's vertical integration strategy. Clients now benefit from industry leading talent in content production, merchandise, and consumer products. Not only do these businesses drive revenue growth opportunities now available to globally recognized brands, but this strategy contributes to margin expansion by keeping previously outsourced services in-house.

Fourth Frame Studios

Fourth Frame Studios is a multidisciplinary creative production studio specializing in telling stories for multidimensional audiences. As a full-service studio Fourth Frame works closely with brands to bring to life meaningful authentic content that resonates organically with youth culture. From creative ideation all the way through to distribution, Fourth Frame creates bespoke short and long form programming that has a lasting impact on the consumer.

Fourth Frame works with cutting edge brands in fashion, sports, gaming, entertainment and music and partners with the biggest entertainers and influencers. Femi Okusanya, an award-winning director, and producer leads Fourth Frame and previously led FaZe Clan's content strategy and production before joining GameSquare in early 2022. Fourth Frame has a representation partnership with United Talent Agency (UTA) and services internal clients including Complexity, Cut+Sew (Zoned), and GCN.

Mission Supply

Mission Supply offers merchandise and consumer product design, marketing, and sales consultation to brands and esports organizations seeking to reach the large and growing gaming demographic. In addition, Mission Supply develops, designs, and creates innovative designs for Complexity, Complexity Stars, and GameSquare's growing roster of influencers and content creators.

Mission Supply launched in September with an established customer list, which includes leading esports companies, lifestyle brands, and e-commerce marketplaces. The company appointed Derek Chestnut as Head of Consumer Products. Derek is the former VP Consumer Product at FaZe Clan and has launched, built, and led merchandise businesses that grew to multi-million-dollar divisions. Throughout his career, he has led some of the most exciting collaborations in gaming with large globally recognizable brands.

STRATEGIC INITIATIVES TO DRIVE GROWTH

The company aims to drive growth and expansion through five major strategic priorities as seen in Exhibit 5.

Exhibit 5: GameSquare's Strategic Priorities



Source: Company Reports

Create Compelling Content: The company has over 70 streaming talents including more than 20 live streamers. GameSquare produces high-quality sponsored content in collaboration with leading organizations like Miller Lite, ARterra, and Dairy Max. The company has a longstanding partnership with Twitch, which works alongside GameSquare's internal sales team to source revenue opportunities for Complexity.

Own More Viewers: The company's acquisition of Complexity enabled it to achieve its objectives of adding viewers. Complexity generates over 3.2B viewer minutes annually, with 3.4M unique viewers per month. Since GameSquare's acquisition and subsequent investments, Complexity's audience has grown tenfold in a twelve-month period from 10M to over 105M aggregate social followers.

Grow Brand Relationships: The company has significantly increased brand penetration through its 11 teams, content creators, and media network. The agency agreement with the Dallas Cowboys poses an interesting opportunity to connect with more brands as well as opening doors to contract with other professional sports franchises. GameSquare can capitalize on sponsorship activities at exclusive world-class events hosted by Complexity.

Develop New Revenue Streams: GameSquare has launched a content studio and a merchandise business. The company recognizes that there is an opportunity to serve brands and other esports organizations seeking to grow their reach within gaming and seek out new monetization opportunities. There is also the opportunity to improve the monetization of content, streamers, and teams.

Build a Profitable Esports Org: GameSquare has invested in the foundation necessary to support rapid growth and continues to optimize their expense structure to become a profitable business. CEO Justin Kenna is very much focused on growth while executing on a path to profitability. We expect the company to provide additional color on their Q3 call, expected to be held in November.

EXPERIENCED MANAGEMENT TEAM

The company is led by an experienced management team,

Justin Kenna, CEO, has deep experience in gaming, esports, and media. Prior to joining GameSquare, Justin was the CFO of FaZe Clan, the largest gaming and lifestyle brand, where he helped grow revenue by ~10x and was responsible for raising over \$60M in debt and equity.

Sean Horvath, CRO, is an accomplished senior sales and marketing executive with over 18 years of experience in the digital and brand partnerships advertising spaces. Sean joined from StreamElements where he was the CRO and responsible for growing revenue from \$2.5M to \$50M+ which led to the company receiving over \$250M+ in funding from partners such as SoftBank, Tencent, and PayPal.

Jill Peters, COO, has more than 20 years of experience in managing revenue and teams for companies across digital media, gaming and esports, and fintech industries.

Paolo DiPasquale, CSO, who has extensive capital markets experience, spanning over 16 years in Digital Media & Software Equity Research, Investment Banking, and Institutional Equity.

Paul Bozoki, CFO, has more than 25 years of experience in finance, accounting, and tax within private and public companies.

Jan Neumeister, Head of European Operations, has a proven track record in digital marketing and global partnerships in esports and entertainment.

The wealth of experience of its management team and directors, should enable the company to capitalize on the many revenue opportunities in the rapidly growing esports industry.

MARKET OPPORTUNITY

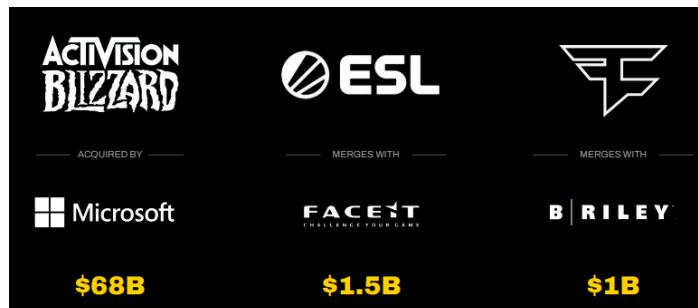
There is an exponential rise in the number of gamers, which now stands at about 2.3B gamers worldwide. According to a report by NewZoo, the global games market which was valued at \$137.9B in 2018 is likely to reach \$180.1B in 2021, growing at a CAGR of 11%. The growth in the industry will be primarily driven by the growing popularity of gaming in the mainstream culture, technological advancements and improved infrastructure, and the emergence of professional esports teams and leagues.

Globally, Asia-Pacific regions will help drive the growth in the market, generating \$71.4B or 52% of total global game revenues. In addition, China alone will contribute to more than 25% of all global game revenues, with over \$37.9B in revenues in 2018.

North America is the second-largest market for games with a year-on-year growth rate of 10% and nearly \$32.7B in 2018. There were similar trends in Europe, Africa, and the Middle East Market, which generated combined revenues of \$28.7B in 2018.

There has also been a flurry of activity in the esports industry with multiple high-profile M&A transactions such as the acquisition of Activision Blizzard by Microsoft for \$ 68B, the merger of ESL with Faceit, and the merger of Faze Clan with B. Riley, which are a testimonial to esports growing popularity and potential.

Exhibit 6: Recent Transactions



Source: Company Reports

RISKS

Failure to attract & retain clients – The company generates revenue from its Agency Services that represent players, influencers, and on-screen talent. The segment is highly competitive, and the company may fail to attract or retain new talent. GameSquare may be unable to negotiate contracts on behalf of its customers or fail to secure sponsorships, negatively impacting its business, operations, and profitability.

Rapidly changing industry – The esports gaming market is a rapidly evolving sector, which requires the company to anticipate, adapt, and build technologies to remain ahead of the competition. The company has invested in new business strategies, technologies, and services to improve its expertise in technologies that impact in-game spectator modes. The company may fail to attract new or retain existing game publishers, developers, influencers, and brands as clients. GameSquare may fail to identify the right technologies to implement or face significant risks and uncertainties in implementing the technology.

Maintaining brand value in highly competitive market – The company engages in various marketing and brand promotion activities to promote its brands. Brand promotions are essential to create visibility and build a reputation in the market. This should help the company build, attract, and retain clients and sponsors. However, GameSquare operates in a highly competitive environment, and its marketing and branding activities may fail to fulfill its objectives. Furthermore, any negative publicity could negatively impact its operations, business, and profitability.

Loss of key players – The company competes with other esports teams to attract and retain esports players. Some of these competitors have significantly higher resources, brand recognition, and popularity than GameSquare. Players may choose to move to competitors for various reasons like higher pay or pursuing other opportunities. The loss of key players could have negative impact on the company's business and profitability.

Limited operating history and history of losses – GameSquare has a limited financial history given its RTO in October 2020. The company operates in a highly evolving market and is subject to risks and uncertainties arising from the development and sale of new services. The company may face uncertainties, delays, and cost escalation during the early stages of its development. GameSquare may fail to successfully execute its business plans, lose key members of its management team, fail to raise sufficient funds to operate the business, or may not be able to attract and retain customers.

VALUATION

We use a comparative analysis to frame our valuation. For our comps, we are using the gaming and media industry.

Exhibit 5: Comparable Company Analysis

Comparative Analysis

(all figures in \$ USD M, except per share information)

Company Name	Symbol	Price (1)	Mrkt Cap	EV	EV/Sales (2)			EV/EBITDA			
					2021	2022E	2023E	2021	2022E	2023E	
Gaming & Media											
FaZe Holdings Inc.	FAZE	\$ 3.93	\$ 285.0	\$ 407.2	7.7x	0.0x	0.0x	NM	0.0x	0.0x	
Allied Esports Entertainment Inc.	AESE	\$ 1.17	\$ 45.6	\$ (40.8)	NM	0.0x	0.0x	NM	0.0x	0.0x	
Enthusiast Gaming Holdings Inc.	EGLX	\$ 0.69	\$ 103.0	\$ 100.5	0.8x	0.6x	0.5x	NM	NM	44.1x	
ESE Entertainment Inc.	TSXV:ESE	\$ 0.41	\$ 29.1	\$ 30.0	3.6x	0.0x	0.0x	NM	0.0x	0.0x	
TGS Esports Inc.	TSXV: TGS	\$ 0.04	\$ 6.0	\$ 7.1	32.1x	0.0x	0.0x	NM	0.0x	0.0x	
Gfinity plc	AIM: GFIN	\$ 0.01	\$ 16.0	\$ 14.3	2.2x	2.2x	1.2x	NM	NM	5.5x	
OverActive Media Corp.	TSXV: OAM	\$ 0.23	\$ 18.7	\$ 23.8	2.3x	1.8x	1.3x	NM	NM	NM	
Tiidal Gaming Group Corp.	CNSX: TIDL	\$ 0.06	\$ 4.7	\$ 4.7	15.1x	0.0x	0.0x	NM	0.0x	0.0x	
Astralis A/S	CPSE: ASTRLS	\$ 0.28	\$ 15.9	\$ 14.0	1.4x	0.0x	0.0x	NM	0.0x	0.0x	
					Average	8.2x	0.6x	0.4x	NM	N/A	7.1x
					Median	2.3x	0.0x	0.0x	NM	N/A	0.0x
GameSquare Esports Inc.	OTCPK:GMSQ.F	\$ 0.07	\$ 16.2	\$ 18.9	2.1x	0.7x	0.5x	NM	NM	NM	

(1) Previous day's closing price

(2) Estimates are from Capital IQ

Source: Company reports, CapitalIQ, Stonegate Capital Partners

Based on our FY2022 and FY2023 estimates, GSQ is trading at 0.7x and 0.6x EV/sales. Traditional agency peers trade at approximately 1.5x EV/sales, sports franchises at 3x, and gaming companies at 7x-10x+. For our EV/Sales multiple ranges, we are using a range of 2.0x to 3.0x. We believe this multiple is justified given their revenue growth. Additionally, management has indicated a US listing is in the works. Using the above range on our FY2023 sales forecast, we arrive at a valuation range of US\$0.30 to US\$0.45.

Exhibit 6: Comparable Company Analysis

	EV/Sales	
Multiple	2.0x	3.0x
2023 Sales E	39.1	39.1
EV	78.1	117.2
Cash	3.0	3.0
Debt & Leases	2.9	2.9
Market Value	78.3	117.4
S/O	261.2	261.2
Price	\$ 0.30	\$ 0.45

Source: Company Reports, Stonegate Capital Partners estimates

BALANCE SHEET

GameSquare Esports Inc. Consolidated Balance Sheets (C\$Ms) Fiscal Year: December				
	FY2020	FY2021	Q1 Mar-22	Q2 Jun-22
ASSETS				
Assets				
Cash	0.7	7.6	1.7	3.0
Amounts Receivable	0.4	3.9	4.0	4.9
Prepaid Expenses and Deposits	0.1	0.4	0.3	1.0
Other Investments	0.1	-	-	-
Other Current Assets	-	0.4	0.9	0.7
Total Current Assets	1.2	12.3	6.8	9.5
Equipment	0.0	4.6	3.5	3.3
Intangibles	2.4	9.3	7.0	6.4
Goodwill	2.3	-	-	-
Right of Use Assets	-	3.5	2.7	2.6
Reclamation Deposits	0.3	0.3	0.3	0.3
Non-Current Assets For Sale	-	0.1	0.1	0.1
Total Assets	6.2	30.2	20.5	22.2
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts Payable And Accrued Liabilities	0.8	2.8	2.3	2.8
Deferred Revenue	0.1	0.4	0.5	1.9
Lease Liability - current portion	-	0.4	0.3	0.3
Loan Payable	-	0.2	-	-
Total Current Liabilities	0.9	3.7	3.1	5.0
Long Term Liabilities				
Deferred Consideration on Acquisition of Code Red	0.3	-	-	-
Long Term loan	0.0	-	-	-
Lease Liability, net of current portion	-	3.4	2.6	2.5
Reclamation Provision	0.3	0.3	0.3	0.3
Deferred Tax Liability	0.5	0.3	0.3	0.2
Total Long Term Liabilities	1.2	4.1	3.1	3.0
Shareholders' Equity				
Common Shares	6.3	45.7	36.2	38.4
Share Based Payments Reserve	0.7	3.9	3.3	3.7
Contingently Issuable Shares	-	0.1	0.1	0.1
Warrants	0.8	2.9	2.3	2.4
Accumulated Other Comprehensive Income	0.0	0.2	0.2	0.0
Accumulated Deficit	(3.8)	(30.3)	(27.7)	(30.2)
Stockholders Equity	4.1	22.5	14.3	14.3
Non-Controlling Interest	-	(0.1)	(0.1)	(0.1)
Total Stockholders Equity	4.1	22.4	14.3	14.2
Total Liabilities and Shareholders' Equity	6.2	30.2	20.5	22.2

Source: Company Reports, Stonewater Capital Partners

INCOME STATEMENT

GameSquare Esports Inc.

Consolidated Statements of Income (in USD\$ Ms, except per share amounts)

Fiscal Year: December

	FY 2020	FY 2021	FY 2022E	FY 2023E
Revenue:				
Total Revenues	0.4	10.0	29.0	39.1
Costs of Sales:				
Cost of Sales	0.3	6.7	17.5	23.5
Gross Profit (Loss)	0.1	3.2	11.5	15.5
Other Income				
Interest And Other Income	0.0	0.0	0.1	0.2
Total Other Income	0.0	0.0	0.1	0.2
Expenses				
Salaries, Consulting And Management Fees	0.6	5.9	7.3	9.6
Player Compensation	-	0.6	1.2	1.2
Professional Fees	0.0	1.1	1.5	1.2
General Office Expenses	0.2	1.0	1.4	1.4
Selling And Marketing Expenses	-	1.1	1.7	2.3
Travel Expenses	0.0	0.6	0.6	0.6
Shareholder Communications And Filing Fees	0.1	0.2	0.2	0.2
Interest Expense	0.0	0.2	0.5	-
Bad Debt Expense	0.1	0.1	0.3	-
Foreign Exchange Loss	0.0	0.0	0.1	0.2
Change in Provision for Reclamation Deposit	0.0	(0.1)	-	(0.0)
Share-Based Compensation	0.5	2.8	1.5	0.5
Transaction Costs	1.3	7.6	1.0	-
Amortization	0.1	1.5	2.3	1.2
Impairment on Goodwill	-	1.8	-	-
Earnings (Loss) before Taxes	(1.4)	(21.0)	(8.0)	(2.8)
Income Tax (Recovery)	(0.0)	0.1	(0.2)	(0.1)
Net Income (Loss)	(1.3)	(20.9)	(7.8)	(2.7)
Other Comprehensive Income (Loss)				
Foreign Currency Translation	0.0	0.2	0.1	0.0
Total Comprehensive Income (Loss)	(2.6)	(20.7)	(7.7)	(2.7)
Earnings (Loss) Attributable to:				
Minority Interest (After Tax)	-	(0.0)	(0.0)	(0.0)
Owners of the Parent	(2.6)	(20.9)	(7.8)	(2.7)
Basic EPS – Total	\$ (0.11)	\$ (0.13)	\$ (0.03)	\$ (0.01)
Diluted EPS	\$ (0.11)	\$ (0.13)	\$ (0.03)	\$ (0.01)
Basic Wtd Avg Shares Outstanding	25.0	156.3	256.3	266.7
Diluted Wtd Avg Shares Outstanding	25.0	156.3	256.3	266.7
EBITDA	-	(1.2)	(19.3)	(5.2)
				(1.6)

IN THE NEWS

October 14, 2022 - GameSquare Esports Announces All-Pro Dallas Cowboys Cornerback Trevon Diggs Joins Complexity Stars

October 12, 2022 - GameSquare Esports Congratulates Complexity Gaming, TimTheTatman's Tailgate, and Jason Lake for Nominations and Recognition by the Prestigious Tempest Awards

October 3, 2022 - GameSquare Announces US\$3.0 Million Private Placement Led by Strategic Investors Support Accelerated Revenue Growth Trajectory and Strengthen the Company's Balance Sheet on Approach to Profitability

Sep 15, 2022 - GameSquare Esports Adds Experienced Team Members to Support Accelerating Revenue Growth

Sep 13, 2022 - Lauren Baines, Head of European Sales at GameSquare Esports, to Host Woman in Gaming Panel at Mindshare UK Huddle Event on September 15, 2022.

July 7, 2022 - GameSquare Esports to Present at Leaders UK Summit with UFC Superstar Max Holloway, a Complexity Stars Founding Member

June 28, 2022 - Complexity Gaming Celebrates UFC International Fight Week With Gaming Tournament, Merchandise Drop, and More

June 27, 2022 - GameSquare Esports Announces Significant Contract Win

June 23, 2022 - GameSquare Announces Results of Annual and Special Meeting, including Election of Directors, Amendment to Articles and Update on Share Consolidation.

June 21, 2022 - GameSquare Esports Announces TimTheTatman's Tailgate, 2-Day Gaming and Music Festival Headlined By Country Star Kane Brown, at Ford Center at The Star On July 16-17.

June 13, 2022 - GameSquare Esports to Present at Collision Tech Conference with NFL Superstar Leonard Fournette, a Complexity Stars Founding Team Member

June 2, 2022 - GameSquare Esports to Attend the LD Micro Invitational XII June 7-9, 2022

May 30, 2022 - GameSquare Esports Reports Q1 2022 Financial Results

CORPORATE GOVERNANCE

Justin Kenna – CEO

Mr. Kenna is an experienced executive in gaming, eSports, and media. Mr. Kenna was the CFO at FaZe Clan, where he was instrumental in growing revenues by ~10x, and raising \$60m+ in financing during his tenure. Mr. Kenna was previously at Madison + Vine where he directed their strategy and financing, Goldman Sachs, Deloitte, and Ernst & Young, and belongs to the Institute of Chartered Accountants.

Kevin Wright – President

Mr. Wright is a tenured finance professional in technology and gaming sectors. Mr. Wright was previously a publishing analyst with Canaccord Genuity Equity Research team where he was lead analyst on over 20 publicly listed companies. Prior to Canaccord, Mr. Wright was in equity research at Macquarie Group and previously with Rogers Communications in Corporate Strategy.

Sean Horvath – Chief Revenue Officer

Mr. Horvath is an accomplished senior sales and marketing executive with over 18 years of experience in the digital and brand partnerships advertising spaces. Mr. Horvath brings an extensive background in building high performance teams recognized for driving revenue by creating and executing innovative campaigns through a consultative approach. He was previously at StreamElements, TONIK+, Virgin Produced, and StyleHaul, Inc.

Jill Peters – Chief Operating Officer

Ms. Peters is an operational executive with over 20 years of leadership experience consistently exceeding growth targets including \$300 million of revenue and 5,000+ in partnerships while building, driving, and managing revenue and teams for companies in the digital media, gaming and esports, and fintech industries. Jill has a proven track record of managing early-stage start-ups, hyper-growth scaling, and turn-around phases of companies.

Paul Bozoki- Chief Financial Officer

Mr. Bozoki is an experienced finance executive with 25 years of experience in finance, accounting, and tax. More than 10 years serving as CFO of various public companies listed on the TSX and TSXV.

Paolo DiPasquale – Chief Strategy Officer

Mr. DiPasquale has more than 16 years of capital markets experience in investment banking, equity research, and institutional equity. Mr. DiPasquale was instrumental in developing and implementing the gaming and esports strategy and capital market presence at Canaccord Genuity. He has worked with many private and public companies across varying stages of growth and geographies, and brings a deep network of institutional, family office, and high net worth investors. He is a graduate of Duquesne University with a double major in Finance and Investment Management.

Jan Neumeister – Head of European Operations

Mr. Neumeister is the head of European Operations. Mr. Neumeister has nearly two decades of experience in media, digital marketing and the monetization of assets. Previously, Mr. Neumeister was the SVP of Media and Partnerships at FaZe Clan, responsible for crafting and executing the organization's European strategy, developing brand partnerships, and driving asset acquisition outside of the United States. Prior to FaZe Clan, Mr. Neumeister was Head of Commercial Media at Manchester City FC, Mediocom, and WPP's MindShare.

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