



Rivalry Reports First Quarter 2024 Results, Expands Into Crypto Segment Through Rivalry Token

Company Adopts Web3 Technology to Capture High-Value Crypto Gambling Market Share, Strengthen Product-Market Fit Among Gen Z and Digitally Native Users

- *Betting handle of \$94.7 million¹, up 11% from Q4 2023.*
- *Gross gaming revenue² of \$7.7 million increased by 20% from the previous quarter.*
- *Net revenue of \$4.5 million, up 51% or \$1.5 million from Q4 2023.*
- *Company achieves record net revenue margin, reflecting the success of Rivalry's ongoing margin enhancement efforts.*
- *Company reveals strategic expansion into Web3 gambling segment with Rivalry Token and extended cryptocurrency payment experience.*

TORONTO, Ontario – May 30, 2024 – Rivalry Corp. (the “**Company**” or “**Rivalry**”) (TSXV: RVLV) (OTCQX: RVLCF) (FSE: 9VK), the leading sportsbook and iGaming operator for Gen Z, today announced financial results for the three-month period ended March 31, 2024. The Company also announced [Rivalry Token](#), a native cryptocurrency token that will act as a nexus between Rivalry, Web3, and gamblers. All dollar figures are quoted in Canadian dollars.

“Our first quarter results saw a return to growth with sequential increases in betting handle, gross gaming revenue, and net revenue,” said Steven Salz, Co-Founder and CEO of Rivalry. “We are also very encouraged by the improvement to net revenue margin experienced in the quarter, hitting an all-time record, proving our strategy is delivering results, and representing a meaningful improvement as compared to the average levels experienced throughout 2023. Additionally, interest in our original casino content continues to build, unlocking B2B revenue opportunities that we are keen to detail more fully in the near future.”

“Today we also announced a decisive move to more deeply tap into the significant global crypto gambling market through Rivalry Token. This represents a meaningful strategic step for Rivalry, complementing our existing approach which focuses on a generation that grew up immersed in gaming and internet culture, and now extending that reach to the crypto community. The Venn diagram of Gen Z, gamblers, gamers, and crypto enthusiasts or crypto curious has an extremely high degree of overlap that we are uniquely positioned to access.”

“Alongside this announcement, we have also released an overhaul of our [homepage](#), a more fulsome crypto wallet experience, and adjusted the onboarding experience for new users to materially reduce friction while maintaining compliance. Together, this represents a meaningful effort to access a higher value crypto gambling cohort, adding more depth and reach to Rivalry's global network. This comes at an opportune time, as momentum in crypto gambling has been building amongst our target audience and

¹ The Company defines “Betting Handle” or “Handle” as the total dollar value accepted in wagers, adjusted for cancellations and corrections.

² Please see “Non-IFRS Measures.” This figure was reported as “revenue” in the comparable period last year, and has been reported as “gross gaming revenue” commencing with year-end 2023 results following consultation with the Company's new auditors.

they've been gravitating towards it. By expanding our product offering into this segment, it positions us to compete and win as we innovate product and gain access to this higher value customer cohort."

First Quarter 2024 Highlights

- Betting handle for Q1 2024 was \$94.7 million, increasing by \$9.6 million, or 11% as compared to Q4 2023.
- Gross gaming revenue ("GGR")² was \$7.7 million in Q1 2024, up \$1.3 million, or 20% from \$6.4 million in Q4 2023.
- Net revenue³ was \$4.5 million in Q1 2024, increasing by \$1.5 million, or 51% from \$3.0 million in Q4 2023. As a percentage of GGR, the Q1 2024 net revenue margin of 58.5% was the highest in Company history, and compares to 45.4% in FY 2023. As a percentage of betting handle, the net revenue margin of 4.7% was the highest of the past five quarters. The improvements reflect ongoing initiatives to increase margins through innovation and adjustments to the product offering.
- The Casino segment continues to be a strong contributor, generating 59% of betting handle and 19% of GGR in the quarter. Segment results reflect the ongoing expansion of Rivalry's casino product line, including the original game Cash & Dash released in the second half of 2023.
- Net loss was \$5.2 million in Q1 2024, the Company's narrowest net loss of the last four quarters.
- The Company had \$9.4 million of cash as at March 31, 2024.⁴
- Rivalry released a basketball same-game-parlay product coinciding with the 2024 NBA playoffs, building on the Company's growing traditional sports vertical. This has supported both acquisition efforts and net revenue margin enhancement.
- The Company also released pre-made-parlays, driving meaningful customer interest and improving sportsbook hold.
- Rivalry released shareable bet slips during the quarter, introducing a social feature to increase user acquisition and community engagement.
- Rivalry continues to explore interest in licensing its first-party casino games, accelerating the advancement of its B2B vertical.
- The Company is updating its profitability guidance from the first half of 2024 to by the end of 2024.

Rivalry Token

Rivalry has today revealed Rivalry Token, a native crypto token on the blockchain to add increased functionality, economics, and user experiences across the Company's product suite, continuing Rivalry's track record of innovation in online betting. The launch of Rivalry Token, anticipated to arrive in H2 2024, represents one of several forthcoming initiatives to position Rivalry in the crypto gambling market and better serve its core audience of under-30 bettors.

"Online gambling is the latest web-based consumer category being increasingly disrupted by blockchain technologies with greater speed, access, and functionality than their legacy counterparts," Salz added.

³ This figure was reported as "gross profit" in the comparable period last year, and has been reported as "net revenue" commencing with year-end 2023 results following consultation with the Company's new auditors.

⁴ Includes cash and cash equivalents of \$6.1 million and restricted cash of \$3.3 million.

“Tech-savvy bettors are leading a behavioral shift towards more experiential and crypto-enabled gambling experiences that are taking wallet share from incumbents at an accelerated rate.”

“Rivalry is well-positioned to access the growth opportunity in crypto with a proven product set, a brand entrenched in internet culture, and a captive audience of digitally native users that are driving this economic renaissance. The launch of Rivalry Token, alongside a broader expansion into cryptocurrencies, strengthens our product-market fit among an under-30 audience and positions us competitively to capture a meaningful share of this fast-growing and highly valuable segment of the market.”

Rivalry Token will be a utility token integrated within Rivalry’s product suite – from sportsbook to casino and more – with built-in properties to enhance the customer experience from end-to-end. This introduces a dynamic relationship where every sports wager and casino spin, win or lose, is rewarded with a decentralized asset that delivers meaningful real money utility for the player. The Company expects its token will drive an increase in player engagement, loyalty, and advocacy by establishing more positive economic alignment between itself and users.

Rivalry has today launched a pre-farming campaign called PLAY-2-EARN, where users can begin accumulating interim token points through site activity and eventually social media which will be converted into Rivalry Tokens later this year.

Following the official launch, Rivalry Token will be available for players to use on Rivalry in all of the Company’s active markets excluding Ontario and Australia.

The Company will release more information about Rivalry Token throughout the coming months, including commercial partners, token economics, and more.

Investor Conference Call

Management will host a conference call at 10:00 a.m. EDT on Thursday, May 30, 2024 to discuss the Company’s first quarter 2024 financial results and its expansion into the cryptocurrency space.

Dial-in: 1-800-717-1738 (toll free) or (+1) 289-514-5100 (local or international calls)

Webcast: A live webcast can be accessed from the Events section of the Company’s website at www.rivalrycorp.com or at [this link](#).

A replay of the webcast will be archived on the Company’s website for one year.

Rivalry’s financial statements and management discussion and analysis for the period ended March 31, 2024 (the “Q1 2024 MD&A”) are available on SEDAR+ at www.sedarplus.ca, and on the Company’s website at www.rivalrycorp.com.

About Rivalry

Rivalry Corp. wholly owns and operates Rivalry Limited, a leading sport betting and media company offering fully regulated online wagering on esports, traditional sports, and casino for the next generation of fans. Based in Toronto, Rivalry operates a global team in more than 20 countries and growing. Rivalry Limited has held an Isle of Man license since 2018, considered one of the premier online gambling jurisdictions. Rivalry also holds a sports bookmaker license in Australia and an internet gaming registration in Ontario, and is currently in the process of obtaining additional country licenses. Rivalry’s sportsbook is built on a proprietary tech stack and features a variety of originally developed products geared for

Millennial and Gen Z fans including Same Game Combos, an esports parlay product, original casino games, and an interactive casino platform, Casino.exe.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Company Contact:

Steven Salz, Co-founder & CEO
ss@rivalry.com
416-565-4713

Investor Contact:

Oakstrom Advisors
Jeff Codispodi
investors@rivalry.com

Media Contact:

Cody Luongo, PR & Communications
cody@rivalry.com
203-947-1936

Non-IFRS Measures

Gross gaming revenue, as reported in this news release, is a non-IFRS financial measure that the Company uses to assess its operating performance. Gross gaming revenue is defined as total wagers less payouts to winning bettors. This data is furnished to provide additional information and is a non-IFRS measure and does not have any standardized meaning prescribed by IFRS. The Company uses this non-IFRS measure to provide shareholders and others with supplemental measures of its operating performance. As other companies may calculate this non-IFRS measure differently than the Company, this metric may not be comparable to similarly titled measures reported by other companies. In the Company's audited financial statements for the fourth quarter and year ended December 31, 2023, after consultation with the Company's new auditors, the Company now reports gross gaming revenue, whereas it had previously been reported as revenue. Please refer to the Q1 2024 MD&A available on the Company's profile on SEDAR+ at www.sedarplus.ca, and on the Company's website at www.rivalrycorp.com for a reconciliation of gross gaming revenue to net revenue.

Cautionary Note Regarding Forward-Looking Information and Statements

This news release contains certain forward-looking information within the meaning of applicable Canadian securities laws ("forward-looking statements"). All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "project" and similar words, including negatives thereof, suggesting future outcomes or that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking statements in this news release include, but are not limited to, statements in respect of the Company reaching profitability by the end of 2024 and the launch of Rivalry Token and the potential impact thereof on the Company's business prospects.

Forward-looking statements are based on the opinions and estimates of management of the Company at the date the statements are made based on information then available to the Company. Various factors and assumptions are applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements.

Forward-looking statements are subject to and involve a number of known and unknown, variables, risks and uncertainties, many of which are beyond the control of the Company, which may cause the Company's actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Such factors, among other things, include regulatory or political change such as changes in applicable laws and regulations; the ability to obtain and maintain required licenses; the esports and sports betting industry being a heavily regulated industry; the complex and evolving regulatory environment for the online gaming and online gambling industry; the success of esports and other betting products are not guaranteed; changes in public perception of the esports and online gambling industry; failure to retain or add customers; the Company having a limited operating history; negative cash flow from operations; operational risks; cybersecurity risks; reliance on management; reliance on third parties and third-party networks; exchange rate risks; risks related to cryptocurrency transactions; risk of intellectual property infringement or invalid claims; the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and general economic, market and business conditions. For additional risks, please see the Company's MD&A dated April 30, 2024 under the heading "Risk Factors", and other disclosure documents available on the Company's SEDAR+ profile at www.sedarplus.ca.

No assurance can be given that the expectations reflected in forward-looking statements will prove to be correct. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.

Financial Outlook

This news release contains a financial outlook within the meaning of applicable Canadian securities laws. The financial outlook has been prepared by management of the Company to provide an outlook for the Company's ability to generate sustainable net income prior to December 31, 2024 and may not be appropriate for any other purpose. The financial outlook has been prepared based on a number of assumptions including the assumptions discussed under the heading "Cautionary Note Regarding Forward-Looking Information and Statements". The actual results of the Company's operations for any period will likely vary from the amounts set forth in these projections and such variations may be material. The Company and its management believe that the financial outlook has been prepared on a reasonable basis. However, because this information is highly subjective and subject to numerous risks, including the risks discussed under the heading "Cautionary Note Regarding Forward-Looking Information and Statements", it should not be relied on as necessarily indicative of future results.

Source: Rivalry Corp.

###