# Rivalry Announces Record First Quarter 2022 Results

- *Betting handle of $40.2 million, a record high, up 273% year-over-year and 62% sequentially from Q4 2021.*[1]
- *Revenue of $4.8 million grew 149% year-over-year and 122% sequentially.*
- *Growth underpinned by increased operating leverage that prioritizes profitable customer unit economics.*
- *Healthy cash position and no debt provides an important foundation for stability in the current market environment.*

**TORONTO, Ontario – May 26, 2022** – Rivalry Corp. (the "**Company**" or "**Rivalry**") (TSXV: RVLY) (OTCQX: RVLCF) (FSE: 9VK), an internationally regulated sports betting and entertainment company, today announced its financial results for the three-month period ended March 31, 2022. All dollar figures are quoted in Canadian dollars.

"We are pleased to report the highest betting handle and quarterly revenue in company history. These results are a testament to the consistency Rivalry has delivered for over two years now, demonstrating triple-digit year-over-year growth in every quarter," said Steven Salz, Co-Founder and CEO of Rivalry. "We note that first quarter figures represent organic growth in our existing markets and do not include any results from our two new regulated markets, Ontario and Australia, both of which launched in the second quarter."

**First Quarter 2022 Highlights**

- Betting handle[1] was $40.2 million in Q1 2022, a year-over-year increase of 273% compared to $10.8 million in Q1 2021 and up 62% sequentially from $24.9 million in Q4 2021.
- Revenue was $4.8 million in the first quarter, a year-over-year increase of $2.9 million or 149% from $1.9 million in Q1 2021, and up 122% sequentially from $2.2 million in Q4 2021.
- Gross profit was $0.7 million in the first quarter, a year-over-year increase of $0.1 million or 26% from $0.5 million in Q1 2021, and up 71% sequentially from $0.4 million in Q4 2021.
- The Company had $30.1 million of cash and no debt as at March 31, 2022 compared to $35.5 million as at December 31, 2021.
- On February 9, 2022, the Company was awarded its sports bookmaker license by the Northern Territory Racing Commission (Australia) pursuant to the Racing and Betting Act 1983 (NT), which allows the Company to legally operate throughout the whole of the country.
- In March 2022, the Company announced the addition of mobile esports to its sportsbook, enabling customers to wager on competitive esports played on mobile devices.

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

**Subsequent Events**

- The Company commenced operations in Ontario on April 4, 2022, the first day of regulated online gaming in the province.
- The Company announced the launch of operations in Australia on May 9, 2022, marking its second regulated market.

“The strength we saw during the first quarter is evidence of strong momentum in the business. We expect to continue delivering considerable year-over-year growth throughout 2022," said Steven Salz. "On a sequential basis as it pertains to betting handle, as we have said in the past, the second and fourth quarters have typically been slower periods in the esports calendar, with the first and third being stronger. We expect the seasonality to become less pronounced over time as we grow traditional sports and casino as a percentage of our betting handle.”

“I'm very encouraged by the trends we're seeing in the business and the performance of our team as we continue to execute on this generational opportunity. I've never been more confident," Salz added.

**Investor Conference Call**

Management will host a conference call at 10:00 a.m. EDT on Thursday, May 26, 2022 to discuss the Company’s first quarter 2022 financial results.

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| Dial-in: | 888-396-8049 (toll free) or (+1) 416-764-8646 (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, 2022 are available on SEDAR at www.sedar.com, 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 property offering fully regulated online wagering on esports, traditional sports, and casino for the next generation of bettors. 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 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. The Company also has a variety of originally developed products, including Quest, an on-site engagement experience, and an original casino game called Rushlane, a proprietary casino game that marks the creation of a new category for online gaming: Massively Multiplayer Online Gambling Games (MMOGG).

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**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 growth of the Company's monthly betting handle and other performance indicators, and expected launches in other jurisdictions.

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; the impact of the COVID-19 pandemic; 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 prospectus dated September 17, 2021 and other disclosure documents available on the Company's SEDAR profile at www.sedar.com.

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.

*No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.*

Source: Rivalry Corp.

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