

ASX ANNOUNCEMENT

29 April 2026

3QFY26 Quarterly Report and Business Update

SportsHero Limited ('SportsHero', 'SHO' or the 'Company'), an integrated digital gaming and e-Sports business focused in the South East Asia market, is pleased to provide the following quarterly report and business update.

Quarterly Highlights

- **3QFY26 saw the first full quarter of HeroPlay operations, with average subscriber sign-ups scaling rapidly throughout the quarter, as joint Indosat and direct SportsHero marketing was tested, reaching a 7-day average of 3,032/day as at 31st March 2026.**
- **During this testing and validation phase, daily subscription accounted for the majority of sign-ups as we expected. Product engagement initiatives were tested to increase repeat usage and optimise subscriber mix, thereby driving ARPU growth.**
- **We are already seeing the benefits of these initiatives as ARPU has increased 2.4x in the two months from February to April 2026, driven by Indosat's full marketing support and the success of the City Battle campaign launch.**
- **Our recent investor presentation outlined a mature target ARPU of \$5.30/month based on 30 days of paid use equivalent over a 1 month period across all users, markets and partners. As we optimise the product and subscriber mix, we remain confident in this long term metric.**
- **HeroPlay's landing page return visit rate was 28.2% throughout the March quarter, reflecting deep user interaction with the product and growing loyalty.**
- **The Indosat channel is generating higher average revenue per user and stronger overall returns to date compared to the direct channel, validating the telco partnership as a core growth strategy for HeroPlay.**
- **Cash receipts were approx. A\$269k for the quarter, with the first payments from Indosat expected to be received in the June quarter.**

Business Update & Outlook

- **The Company confirms advanced negotiations with a number of new and existing SE Asian Telcos regarding integration of HeroPlay, as we further expand our regional footprint.**
- **Subscriber numbers have remained consistently strong throughout April, as the learnings from the testing phase are applied in preparation for the early May launch of the next City Battle marketing campaign in the lead up to the FIFA World Cup.**
- **In 4QFY26 management expect to see increased volumes of higher-tier subscriptions, significant scaling of revenue per user, telco partner expansions and confirmation of the "playbook" to deliver a pathway to P&L profitability.**

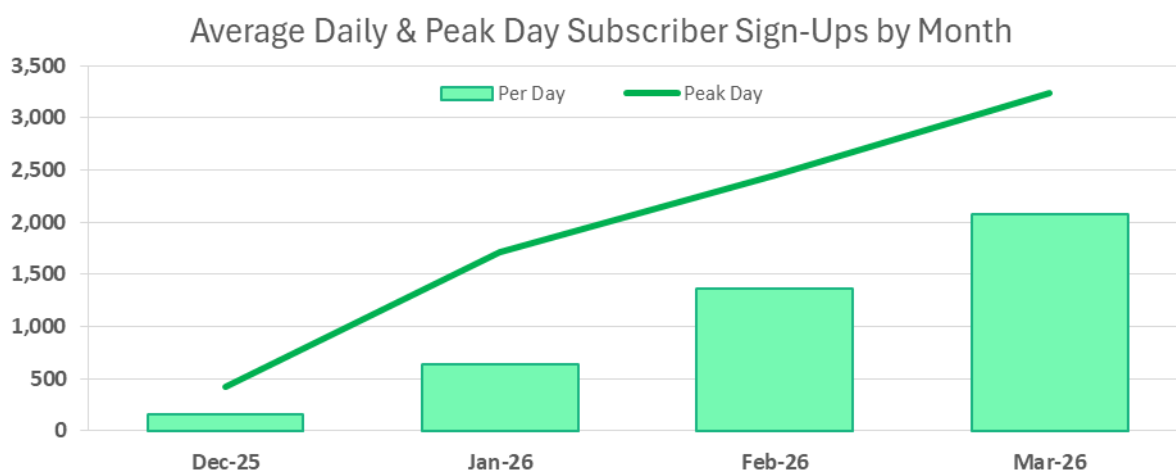
1. A Transformational Quarter for SportsHero and HeroPlay

The March quarter was SportsHero's first full quarter of HeroPlay operations in Indonesia following the soft launch in November 2025. 3QFY26 was scheduled as a channel-testing and acquisition-ramp phase, designed to validate the Company's go-to-market assumptions. Channels tested during the quarter included Indosat's marketing channels, Key Opinion Leader (KOL) led acquisition, digital marketing campaigns with Google and Meta and social media marketing by both Indosat and SportsHero directly.

As posted on our website on 5th March, SportsHero and Indosat launched a joint marketing campaign centred around the creation of a "gaming community-building" concept called "City Battle" - a nationwide, city-based gaming competition powered by HeroPlay, which aims to drive subscriber growth, brand awareness and product loyalty. This was the first time Indosat featured a casual gaming product exclusively in their Ramadan campaign across digital marketing channels, with full scale marketing support commencing mid-February 2026. This was a significant commercial milestone reflecting the strength of the partnership and the positioning of HeroPlay within Indosat's content ecosystem. The campaign also included a strong KOL program, engaging +140 influencers across Indonesia. See a more detailed description of the joint marketing campaign here [LINK](#).

Indosat's marketing included ~42 million in-app notifications to their customers during the quarter, which according to Indosat management generated a click-through rate ~2.5x their platform average. In addition, SportsHero's "direct marketing" digital campaigns generated 4.7 million ad impressions across Indonesia during the quarter.

Subscriber sign-ups scaled consistently throughout the period, reaching a daily peak of 3,238 new paid subscribers by the end of March. Sign-ups have remained consistent throughout April, as the learnings from the testing phase are applied in preparation for the early May launch of the next City Battle marketing campaign in the lead up to the FIFA World Cup.



Note: The Directors highlight that HeroPlay was launched in November 2025 and initial subscriber numbers disclosed in this report are only a small sample set from the first few months of actively marketed/promoted commercial operations (including the December holiday period). It is likely to take some time for the Company to fully understand the long term metrics relating to subscriber retention/renewals (churn), cost of acquisition (CAC), average revenue per user (ARPU), long term value (LTV), monthly active users (MAU) and other factors that can impact a subscription based business model such as HeroPlay.

HeroPlay Indosat Monetisation and Engagement

Average revenue per user on the Indosat channel has more than doubled between January and April 2026 to date, with subscription pricing unchanged and marketing efforts focused around our first City Battle competition which ran for only four weeks. The Company observed the number of returning subscribers is continuing to increase in April.

The improvement in revenue per acquired user is consistent with observed changes in platform engagement metrics over the same period. Two independent engagement measures - returning visit rate and WAU/MAU stickiness - both indicate increased return frequency relative to the prior period:

- **Returning visit rate** measures the proportion of total site visits made by users who had previously visited the platform
- **WAU/MAU stickiness** measures the proportion of monthly active users who engaged within a given week.

While these metrics measure different behaviours, both moved in the same direction over the period, validating that repeat usage of the product is continuing to grow.

The platform recorded 1.77 million total visits in 3QFY26, of which 1.27 million were first-time visits, resulting in a returning visit rate of 28.2%. This indicates more than one in four visits during the period came from returning users. By way of external reference, published industry commentary (Shopify Enterprise, 2025)¹ cites a range of 20-35% for subscription-based digital platforms as being the ideal target range.

Prior to the launch of the City Battle campaign on 18 February 2026, WAU/MAU stickiness was approximately 20%. Over the campaign period through to the end of March, stickiness increased to 31.7%.

SportsHero's CEO Tom Lapping said:

"It has been one of the busiest and most exciting quarters in the company's history, with the rapid scale up of HeroPlay and the big impact that Indosat's marketing support has had on subscriber growth.

It's early days and we've really been in the testing stage for most of the March quarter, but we're seeing positive upward trends in all our key metrics and have received a fantastic reaction from the Indosat team as well as the broader telco industry.

We're looking forward to an exciting rest of the year as we grow around SE Asia."

2. Business Update and Outlook

The focus for the June quarter is to optimise and apply the learnings from the testing phase around product mix, channel effectiveness, and subscriber engagement patterns, through the following initiatives:

¹ Shopify Enterprise 2025: <https://www.shopify.com/enterprise/blog/returning-e-commerce-visitors>

Structural shift toward continuous marketing campaigning

- The Company is shifting to establish continuous 12-week campaigning as standard operating cadence to drive more consistent engagement and acquisition than the prior on-off campaign model used in the testing stage.

Gamification module as a feature development

- In parallel with 4QFY26 campaign execution, the Company will work with Indosat to explore and test expanded gamification features and functions with the view to launching an enhanced gamification module.
- Features in scope include introducing a player level system, daily login streak mechanics, daily/weekly/monthly missions and challenges integrated with leaderboards, loyalty points, badges, achievements and renewal-linked rewards.

Product and Engagement Initiatives

Daily and weekly in-campaign prize mechanics

- Daily and weekly prizes during the 4QFY26 campaign are designed to drive more frequent engagement and support renewals, designed to keep subscribers active and improve retention

Dedicated football [soccer] subscription product via OlahBola

- A new football-specific subscription product is being introduced during the upcoming Football City Battle campaign, aligned with HeroPlay's sports-media positioning through the OlahBola brand and with the aim to broaden HeroPlay's appeal beyond the general mobile gaming audience.
- This product will draw on Olahbola's existing ~2.3m subscribers and followers across its social media channels and will be driven by marketing spend already included in the budget. Acquiring HeroPlay subscribers via this channel will therefore have a zero cost of acquisition (CAC).

Upgrade bonus incentives for weekly and monthly tiers

- A targeted upgrade bonus incentive will apply exclusively to weekly and monthly subscription tiers during 4QFY26 to incentivise migration from the daily-pass product toward higher-tier subscriptions to lift per-subscriber revenue.

Expanded content library to 1,000+ games – Playades game integration

- HeroPlay's content library will expand from +600 to +1,000 games, supporting both new subscriber acquisition and the case for upgrading to higher-tier subscriptions.
- The games portfolio includes a series of football (soccer) games, which SportsHero will promote for the next City Battle marketing campaign scheduled to kick off in May leading up to the FIFA World Cup 2026. Read more here : [LINK](#)

3. Cash and Expenditure

Operating cash receipts of \$269k did not include any payments from Indosat, as payments from Indosat have not yet commenced (first cash flow will be received in the June quarter).

Product manufacturing and operating costs of -\$248k includes payments to iGV.Com for their share of the once off integration fee received in December 2025 from PLDT and the ongoing share of PLDT payments made in the March quarter. Approx -\$80k is attributable to other platform and game provider costs incurred in the quarter.

Advertising costs of -\$201k were significantly higher in the quarter as part of trial marketing activities for HeroPlay (both direct to consumers and to jointly promote alongside Indosat's large scale marketing support).

Net operating cash flow for 3QFY26 was -\$565k, which included the following:

- Cash receipts \$269k
- Staff costs including payments to related parties -\$192k
- Product manufacturing and operating costs -\$248k (see note above)
- Advertising and marketing -\$201k (see note above)
- Corporate and admin costs -\$34k
- Professional fees -\$159k

Cash at bank as at 31 March 2026 was \$3.96m, including proceeds from the exercise of options during the quarter totalling \$578k.

Undrawn debt facility capacity as at 31 March 2026 was \$1.312 million. As at the date of this report, the debt facilities have been completely repaid (the Company is debt free) and the \$500k facility has been extinguished, leaving \$1.0m of undrawn debt facility available as outlined below.

During 3QFY26 a total of \$146k was paid to related parties of the Company as follows:

- \$64k for the provision of full-time services by a Director
- \$55k for salary, statutory superannuation to Exec Director; and
- \$27k for Non-Exec Director fees

\$4.3m in firm commitments received for private placement

In February, the company received firm commitments to raise \$4.3 million through the issuance of approximately 57.3 million new fully paid ordinary shares in the Company ('Shares') at \$0.075 per Share ('Offer Price'), via a Share placement ('Placement') to institutional, sophisticated and professional investors. In a strong endorsement of the Company's strategy and early traction rolling out the HeroPlay product across SE Asia, SportsHero's CEO Tom Lapping, committed to invest \$300,000 in the placement, subject to shareholder approval, which was approved at a General Meeting on 24th April 2026. Read more here: [LINK](#)

SHO extends \$1 million Facility

The Company announced the signing of an extension to its existing \$1 million loan facility (Facility) in January, with funds to be utilised for working capital requirements. Read more here: [LINK](#)

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Questions: To ask a question or find out more about the company, go to this [link](#)

Authorised for release by the Board

Ross Pearson
Company Secretary

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity: Sportshero Ltd

ABN

98 123 423 987

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	269	810
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(248)	(472)
(c) advertising and marketing	(201)	(225)
(d) leased assets	-	-
(e) staff costs	(192)	(561)
(f) administration and corporate costs	(193)	(729)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(565)	(1,177)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,000	5,651
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	578	665
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(304)	(418)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(200)	(732)
3.7	Transaction costs related to loans and borrowings	(20)	(73)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	4,054	5,093

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	500	118
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(565)	(1,177)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,054	5,093
4.5	Effect of movement in exchange rates on cash held	(28)	(73)
4.6	Cash and cash equivalents at end of period	3,961	3,961

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,961	500
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,961	500

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

137

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	1,000	188
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	1,000	188

7.5 Unused financing facilities available at quarter end 812

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lender	Facility amount \$000s	Interest rate	Security	Maturity date
Colin Jee Fai Low	500	10% of the amount repaid	Unsecured	18/03/2026
Colin Jee Fai Low	1,000	10% of the amount repaid	Unsecured	22/01/2027

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(565)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	3,961
8.3 Unused finance facilities available at quarter end (Item 7.5)	812
8.4 Total available funding (Item 8.2 + Item 8.3)	4,773
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	8.4

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2026

Authorised by: The Board of SportsHero Limited.

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.