



To our Shareowners:

Gamesquare Esports, at the end of 2021, had worked with more than 150 global brands and reached more than 125 million esports fans globally across our media network and social platforms and we significantly improved our financial profile. We did this through organic growth and acquisitions to a point where we have guided to 2021 revenue of more than \$12 million growing to \$28 million in 2022.

Our first year as a public company has been filled with many successes. When you are in the weeds, it is easy to forget how much has been accomplished in such a short period of time. Through strategic acquisitions, we added GCN, Complexity Gaming, and Cut+Sew to our growing family, signed an agency of record deal with the Dallas Cowboys, partnered with the Jerry Jones family and Goff Capital as major investors, added TimTheTatman, one of gaming and esports' biggest personalities, to Complexity Gaming, signed partnerships with Jay-Z's Roc Nation Sports and Paradigm Sports, introduced Tony Hawk and Jordan Belfort as strategic advisors, launched Complexity Stars, created a groundbreaking gaming activation for Bagel Bites, and importantly we did this while showing significant financial progress.

And this is only the beginning. To borrow from an infamous shareholder letter, this is Day 1 for esports and, if we execute well, for Gamesquare. Gaming and esports is a new form of entertainment that reaches hundreds of millions of fans globally and is incredibly engaging. This reach and engagement make esports and gaming highly appealing and attractive to global brands. We believe our understanding of gamers, esports, digital media, and the incredible importance of the Gen Z demographic makes the Gamesquare family of companies highly valuable to global brands seeking to navigate a novel and rapidly changing industry.

We are at the beginning of a journey that we are shaping through our innovative digital agencies. We are able to assist brands to navigate a new industry that we deeply understand through our agencies and through our world-class esports teams and influencers operating under the Complexity masthead. We recognize and appreciate that with such opportunity comes competition and we see this competition growing as traditional players attempt to understand how they can make inroads into esports. It is incumbent upon us to move quickly to ensure that Gamesquare remains at the forefront of the esports ecosystem. We will do this by focusing on the areas where we can distinguish ourselves and provide the greatest value to our fans and the brands that they love. Gamesquare focuses on a dual track strategy of growing our digital agencies into substantial cash flowing engines while investing on the other side of our business to create compelling content and compete at the highest level of esports. We will do so with

fiscal prudence at the top of mind as we recognize that we are stewards of our shareholders' capital.

Building Long Term Value for All Stakeholders

There has been significant market turmoil in the early part of 2022 as the world has grappled with macroeconomic uncertainty and geopolitical risk. While we are conscious of share price performance, we are believers that fundamentals ultimately drive the value of a company. It is our core belief that a critical measure of our success will be the value that we create for shareholders over the *long term*. In our view, this value comes from building a business that can generate significant revenue growth while realizing margin expansion. Our goal is to achieve acceleration of revenue and cash flow generation through organic growth, by delivering outstanding services and value to our customers and then doing it again and again. When appropriate, we will seek out growth through acquisitions of great companies led by great people.

We work tirelessly to deliver incredible value for our brand partners. We are proud of the brands that we serve and the quality of our work. Our approach is opening new doors, creating a growing sales pipeline, leading to higher value RFPs with global brands, and increasing the amount of repeat business. We have become a trusted partner of numerous global brands which is allowing Gamesquare to grow our recurring and reoccurring revenue opportunities within our agency segment. Similarly, the continuously growing social following at Complexity is attracting significant attention from brands eager to authentically reach gaming enthusiasts and esports fans. Exceeding customer expectations remains our path to success; we achieve this through the relentless pursuit of delivering outstanding service and value to brands and growing our audience through compelling content and esports excellence. This customer recognition is what will allow us to realize our goal of becoming the leading esports organization on the planet.

We would like to highlight some of Gamesquare's key priorities and outline some of the expectations that shareholders should hold us to.

Delivering Incredible Outcomes for Customers

Esports and gaming is evolving incredibly quickly. Our commitment to our customers: we will continue to deliver incredible outcomes as we help our customers to navigate a complicated and fluid ecosystem. We lean on our extensive experience, our deep understanding and connection to gaming and esports, and our love for our fans. We are helping to build a new industry, and it is incumbent upon us to do it in a way that creates real value for brands and fans. Our *long term* focus means that we are building the future of our industry and we are relentless in striving to get it right every step of the way. While we are at Day 1 for esports, our brand partners have been building their companies for decades and, in some cases, for centuries. We are relentless in our commitment to professionalism and protecting our partners from missteps that could negatively impact them. We understand business and we understand gaming. We believe that delivering incredible outcomes for customers leads to outstanding revenue growth, margin expansion, and market leadership.

Work With Outstanding People

At its core, a company is a sum of its people and their contributions throughout the history of that business. We believe that outstanding people build outstanding businesses. In our short time as a public company, we have been fortunate. Through recruitment and through acquisitions we have attracted and retained some of the most talented people within esports, gaming, media, and technology. People are at the core of what we do. They are the face of our company, the voice of our company, and the heart of our company. Our biggest investments are in people, and that will not change. That said, every decision to hire someone is made with the overriding objective of driving value for our customers, our stakeholders, and our shareholders. Whether it is to increase sales, to execute on our promise to brand partners, or to build awareness of our outstanding company and its products, there is one goal in mind every time that we hire a new employee; value creation for our customers, our fans, and our shareholders. We are very proud of our Gamesquare family and we believe that outstanding people are a critical piece of our path forward.

Grow With Discipline and Focus

In our view, acquisitions are an incredible opportunity to accelerate the expansion of our geographical footprint and our financial profile. However, we must be calculated in the assessment of opportunities that we uncover and the allocation of capital to those opportunities. Initially, we consider how opportunities would integrate with and support our business model. We seek to acquire businesses that fit within our corporate culture and that are contributors to our vision for the future of Gamesquare. This means that potential targets are focused on gaming and esports and, more broadly, traditional sports and entertainment. We expect that the companies we acquire are led by outstanding people who share our view of a relentless pursuit of delivering incredible outcomes for our customers, our fans, and our shareholders and remain involved with the business following the acquisition. We are looking at a number of acquisition opportunities in the highly fragmented digital agency space that we believe can deliver positive cashflow. Great people running high growth businesses that generate cash are very attractive to us. We will continue to look at technology platforms and esports teams if they make sense for our business.

Build a Diverse and Inclusive Company

We believe that diversity and inclusion are critical to building a healthy, thoughtful, and successful company. We are an early stage company that has already made great progress in recruiting diverse talent. We have not yet achieved everything that we would like when it comes to diversity, but it is a guiding principle that we are committed to. GX3, our Valorant team, is one of the only all-female competitive teams in esports, which we are extremely proud of. Our content creators and influencers include some of the most popular female streamers, and we have women in senior roles throughout our portfolio of businesses. While we have taken initial steps to recognize and encourage diversity, this is just the beginning and we are extremely committed to making diversity and inclusion a cornerstone of our success. We expect to share announcements in the coming months that illustrate that this is a priority for our company.

Create Wealth for Investors

Our growth creates long term value for shareholders. This value must be demonstrated through fundamental operational and financial performance. It is our belief that valuation will follow fundamentals. Maturing as a company requires improved financial reporting, improved governance, and clear metrics by which investors can measure us. This year we expect to provide key performance indicators for you to measure us against. We have launched 2022 with a clear indication of improved revenue performance with Q4 2021 guidance of at least \$7.5 million against \$2.5 million in the prior quarter and we have previously provided investors with insight into our 2022 financial profile of at least \$28 million in sales. We will enhance our investor relation programs to reach more potential shareholders in 2022 to help them understand the intrinsic value of our company. We will work to expand our long term institutional and retail shareholder base this year and, in the years to come.

Our Path to Success this Year

We believe that we have built a strong foundation for future success. We have attracted top tier people and streamlined our processes as we seek to continuously improve our organization. While we have accomplished much throughout the prior year, we are only getting started. Much work is ahead of us as we seek to create tremendous value for our stakeholders. The following are initiatives and commitments that we believe are critical to the success of Gamesquare and to achieving our goal of building long term value for shareholders. We will use this as a checklist when issuing press releases and corporate updates to ensure that we are meeting our commitments to our shareholders today and over the *long term*.

Offer customers more choice. We have built a large and robust platform that connects brands with fans. We have developed and integrated an influencer agency, a digital media and creative agency, a digital lifestyle agency, and a world-class esports organization that competes globally. We have content creators that engage with their followers with authenticity. We have positioned ourselves at the epicenter of esports through the businesses within Gamesquare which uniquely positions us to identify new opportunities and launch new businesses that can scale rapidly and harness the growing talent within gaming and esports. In the coming months we look forward to announcing new businesses that can serve our customers and attract new opportunities.

Add new sponsors and new brands. Brands are increasingly seeking innovative ways to reach Gen Zs. Specifically, brands are looking to engage with the *untouchables* that count gaming and esports as an important source of entertainment. We see tremendous opportunities to authentically connect brands with fans. We will continue to update shareholders with news of significant sponsorships and brand activations within the business, pending approval by our brand partners.

Attract world class talent. Complexity took a major step forward when TimTheTatman, one of the most popular personalities within gaming and esports, joined the organization. This is helping us to start conversations with other streamers who want to bring their large and engaged audiences to our platform. Building a world class streaming

organization provides us with a large opportunity to develop engaging branded content as Complexity's aggregate following continues to grow. We are excited about the progress that we have made by attracting the likes of TimTheTatman, The Baka Brothers, Ninjayla, Clara, Electra, Drini, and countless others. We will continue to add top tier talent to accelerate sales and our path to profitability.

Grow our audience. We believe that audience metrics will become an important way to measure our progress. Audience size, engagement, and reach will provide shareholders with a tangible indicator of performance.

Seek continuous improvement. Over the past year we have made great progress throughout the business. This includes operational improvements as well as enhanced governance with the addition of Travis Goff and Tom Walker as new board members. We look forward to sharing the results of our internal planning and execution to push Gamesquare further on its operational and governance fronts. We believe that a culture of continuous improvement benefits our business, our customers, our employees, and our shareholders.

Build diversity. We outlined the importance of diversity. This is a key initiative for our company. We believe that diversity dramatically improves a company's ability to make great decisions and become a world class organization. As mentioned, a company is the sum of its people and their historical contributions. We believe that by continuing to recruit diversity to our company at all levels, including senior management and at the board level, best positions our company for long term success.

Bolster our investor base. Last year saw a significant improvement in the quality of our shareholder base and improved access to U.S. markets following our approval to commence trading on the OTCQB. Our company added supportive long term investors in two financings, not the least of which were the Jerry Jones Family and Goff Capital. While significant progress has been made in improving our shareholder base, we are committed to adding meaningful new investors that share our long term vision. We believe that access to U.S. capital markets presents a significant opportunity to realize long term shareholder value.

Fiscal 2021 was a transformative year for Gamesquare with several strategic acquisitions that we believe position us for success in 2022 and beyond. We would like to thank our customers for their business, our employees for their relentless focus on exceeding customer expectations, and our shareholders for your continued support and feedback.

A handwritten signature in black ink, appearing to read 'JKenna', with a stylized flourish at the end.

Justin Kenna
Chief Executive Officer
Gamesquare Esports Inc.

Cautionary Statement Regarding Forward-Looking Statements and Information

Certain statements, other than statements of historical fact, contained in this letter to shareholders constitute “forward-looking information” within the meaning of certain securities laws, including the Securities Act (Ontario), and are based on expectations, estimates and projections as of the date on which the statements are made in this letter. The words “plans”, “expects”, “estimates”, “anticipates”, “intends”, “focus”, “outlook”, “potential”, “seek”, “strategy”, “vision”, “goal”, “targets” or “believes”, or variations of such words and phrases or statements that certain future conditions, actions, events or results “will”, “may”, “could”, “would”, “should”, “might” or “can”, or negative versions thereof, “be taken”, “occur”, “continue” or “be achieved”, and other similar expressions, frequently identify forward-looking statements. Forward-looking statements include, without limitation, statements with respect to: opportunities within esports, industry trends, Gamesquare’s growth strategy, ability to pursue and execute on opportunistic and accretive acquisitions; synergies available to Gamesquare following acquisitions; Gamesquare’s business objectives; Gamesquare’s ability to monetize its core asset portfolio; and Gamesquare’s ability to execute on its business plan. Forward-looking statements are necessarily based upon management’s perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this letter, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect. The material factors and assumptions used to develop the forward-looking information include, but are not limited to: Gamesquare being able to grow its business and being able to execute on its business plan, Gamesquare being able to successfully identify and integrate strategic acquisition opportunities; Gamesquare being able to recognize and capitalize on opportunities earlier than its competitors; the culture and business structure of Gamesquare supporting its growth; Gamesquare continuing to attract qualified personnel to support its development requirements; and that the risk factors noted below and in Gamesquare’s continuous disclosure documents, collectively, do not have a material impact on the Company.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. Known and unknown risk factors, many of which are beyond Gamesquare’s control, could cause actual results to differ materially from the forward-looking information in this letter to shareholders. Such factors include, without limitation, risks relating to the following: industry competition, Gamesquare’s ability to achieve its objectives, Gamesquare’s size and position in the industry and its growth strategy, the ability of Gamesquare to obtain future financings or complete offerings on acceptable terms, ability of Gamesquare to leverage its portfolio across entertainment and media platforms, dependence on Gamesquare’s key personnel, ability to execute on future acquisitions, mergers or dispositions, currency exchange rates, laws and government regulations, electronic data compromises, general business, economic, competitive, political and social uncertainties including the impact of the COVID-19 pandemic and its variants and other factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States. These risk factors are not intended to represent a complete list of the factors that could affect Gamesquare and investors are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management’s expectations and plans relating to the future. Gamesquare disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. All forward-looking statements in this letter to shareholders are qualified by these cautionary statements.