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Zacks Small-Cap Research

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Brag House Holdings, Inc. (TBH-NASDAQ)

TBH: Growing Traction With Gen Z Users Expected to Provide Insights Enabling Brands to Optimize Outreach; Initiating Coverage

Brag House is a media-tech company operating at what it calls 'the intersection of college sports, gaming, and social interaction,' providing a medium for Gen Z casual gamers to interact with games, one another & brands in ways TBH believes feel authentic. eMarketer notes that nearly 75% of Gen Z'ers are expected to be digital gamers by 2027. TBH believes research suggesting that Gen Z values gaming for both the friendly competition & social experience aligns with its focus on gaming driven by school spirit.

Current Price (7/7/25)	$0.68
Valuation	**$4.40**

OUTLOOK

Gen Z is an important & sometimes challenging target demo for brands to reach. The Brag House model is designed to enable brands to connect to Gen Z casual gamers via multiple channels. Based on user behavior on its platform, TBH expects to build a database that can provide brands insights to customize offerings and marketing strategies & potentially lower customer acquisition costs. TBH is optimistic about its recent partnership with Learfield, which is expected to provide access to media rights across nearly 200 mostly NCAA Division schools. Initial activation under the partnership began in May 2025. TBH intends to hold additional events at other universities throughout 2025.

SUMMARY DATA

52-Week High	**$6.96**
52-Week Low	**$0.52**
One-Year Return (%)	**NA**
Beta	**NA**
Average Daily Volume (sh)	**1,371,006**
Shares Outstanding (mil)	**11**
Market Capitalization ($mil)	**$7**
Short Interest Ratio (days)	**NA**
Institutional Ownership (%)	**NA**
Insider Ownership (%)	**NA**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**N/A**
P/E using 2026 Estimate	**N/A**

Risk Level	**Above Avg.,**
Type of Stock	**Media Tech**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0 A	0 A	0 A	0 A	0 A
2025	0 E	0 E	0.1 E	0.1 E	0.2 E
2026					2 E

EPS / (LPS) (in $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-0.18 A	-0.17 A	-0.18 A	-0.05 A	-0.58 A
2025	-0.14 E	-0.14 E	-0.15 E	-0.15 E	-0.58 E
2026					-0.45 E

Quarters might not sum due to rounding, share counts

Disclosures on page 15

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KEY POINTS

- Brag House is a media-tech company operating at what the company calls 'the intersection of college sports, gaming, and social interaction,' providing a digital medium for Gen Z casual gamers to interact with games, one another and brands in ways that TBH notes feel authentic.
- According to eMarketer, by 2027 nearly 75% of Gen Z'ers will be digital gamers. Research suggests that Gen Z values gaming for both the friendly competition, as well as the social experience, which Brag House believes aligns with its focus on gaming driven by school spirit and camaraderie.
- Gen Z is an important target demographic for marketers. By 2030, Gen Z, with Millennials, are expected to comprise 74% of the workforce, according to Deloitte. The Brag House model is designed to enable brands to connect to Gen Z casual gamers via multiple channels, as many brands seek new avenues to optimize their marketing to Gen Z'ers.
- The company believes its target audience — Gen Z casual gamers — is largely underserved by traditional marketing strategies and represents a sizable niche within a broader $6.7 billion Total Addressable Market (TAM).
- Based on user behaviors on its platform, TBH expects to build a database on Gen Z that can provide brands with insights that enable them to better understand Gen Z preferences and thereby customize offerings and marketing strategies. Conducting targeted marketing campaigns based on data analytics and insights is, in turn, expected to lower customer acquisition costs.
- The many factors that distinguish Gen Z – they are digital natives who endured the pandemic during an impressionable period of their lives and their spending habits differ from those of earlier generations — are expected to boost the appeal of insights and analytics that improve marketers ability to understand Gen Z and optimize marketing spend and outreach.
- With a presence at more than 50 universities across the U.S., TBH intends to further develop its network and is optimistic about its partnership with Learfield, a leading media and technology company in collegiate athletics that is expected to provide TBH access to media rights across nearly 200 mostly NCAA Division schools.
- The May 2025 initial activation under the Learfield partnership led to 300 participants registering for the company's event and potentially to new sponsorship deals. Brag House intends to hold additional events at other universities throughout 2025.

COMPANY OVERVIEW

Media-tech platform integrating gaming, college sports, social interaction for casual gamers

Brag House Holdings (Nasdaq: TBH) is a media-tech platform operating at what the company calls 'the intersection of college sports, gaming, and social interaction.' The company believes its engagement model optimizes the way students experience school rivalries and the friendly competition of online gaming through its digital platform, social channels, and tournaments. Specifically, Brag House provides a digital medium and in-person events for Gen Z casual gamers to interact with games, one another and with brands in a way the company notes feels authentic.

This is consistent with Deloitte research that suggests that "Gen Z consumers have gone all in on gaming, and not just for the entertainment value. Many Gen Z gamers also see this activity as a way to make connections and express themselves."

Moreover, reflecting their aggregate spending power and anticipated consumption as more Gen Z'ers enter the workforce and also form households, Gen Z is an important target demographic for marketers. However, because of significant differences in their values and lifestyles – Gen Z'ers are digital natives who have lived through the pandemic and a period of geopolitical turbulence – many brands are seeking new avenues to optimize their marketing and outreach to Gen Z'ers. The Brag House model is designed to enable brands to connect to this Gen Z audience through online and on-campus social engagement and gamified activations. Gamified activations are engagement campaigns that include elements of games such as points and other rewards, and performance based rankings designed to encourage friendly competition, among other elements. Activations are designed to drive user engagement and enhance brand loyalty by gamifying the interactions between consumers and brands .

The use of gamification is widespread and growing, as brands incorporate game elements to create more interactive user experiences designed to drive customer engagement and brand loyalty. Examples include McDonald's *Monopoly* game campaign, battery manufacturer Duracell's *Formula 1* game in partnership with Williams Racing and Tito's Handmade Vodka spin-to-win game during the holiday season. The global gamification market is projected to reach $74.17 billion by 2031, up from $12.94 billion representing an anticipated 26.9% CAGR.

The Brag House platform enables casual gamers to earn loyalty tokens (points) that can be redeemed for branded rewards. At the same time, the company's platform collects important data about its users, while concurrently protecting users' personally identifiable information (PII). This PII helps generate proprietary data insights for brands to better understand the company's primary target market of Gen Z college students ages 18 to 22 who are casual gamers who generally play for entertainment, school camaraderie and community connection. Brag House believes casual gamers represent about 99% of the global gamer community and believes it is creating a scalable media-tech platform that can continue to gain traction with the Gen Z casual gaming community. Based on its internal estimates and market data, the company believes its target audience is underserved by traditional marketing strategies and also represents a sizable niche within a larger $6.7 billion Total Addressable Market (TAM), based on an initial estimated market penetration of approximately 0.5%.

Pending B2B initiative

In addition to its direct-to-consumer platform for casual college gamers, Brag House is also executing a B2B strategy aimed at helping brands engage Gen Z through branded digital experiences. These activations range from tournament sponsorships to loyalty-driven challenges and what the company calls social "Brags[1]" which enable brands to connect with users and potentially attain strong brand engagement. The company's partnership with Learfield (see below) gives Brag House access to more than 200 academic institutions throughout the country to conduct campus-based activations, digital campaigns, and data-driven brand outreach. The company plans to expand its B2B offering to include a subscription-based SaaS platform in 2Q26 to deliver anonymized and PII protected Gen Z behavioral insights and trends to improve brands' marketing campaigns, including through the use of predictive analytics.

Growth strategy; Planned revenue streams

The company expects to generate revenue from multiple sources, including tournament fees and advertising and marketing fees. Its strategy rests on ongoing development of its casual gamer community, presenting Brag House as a strong marketing and outreach solution for brands under a B2B

[1] Bragging is a proprietary feature that allows users to make non-monetary predictions on gaming outcomes using *Brag Bucks*

model, including offering several different subscription levels ranging from Bragger (freemium) to Ultimate and monetizing actionable data insights as the company continues to build its database and analytics. To date, all of TBH's revenue has been generated through B2B from tournaments and related sponsorships.

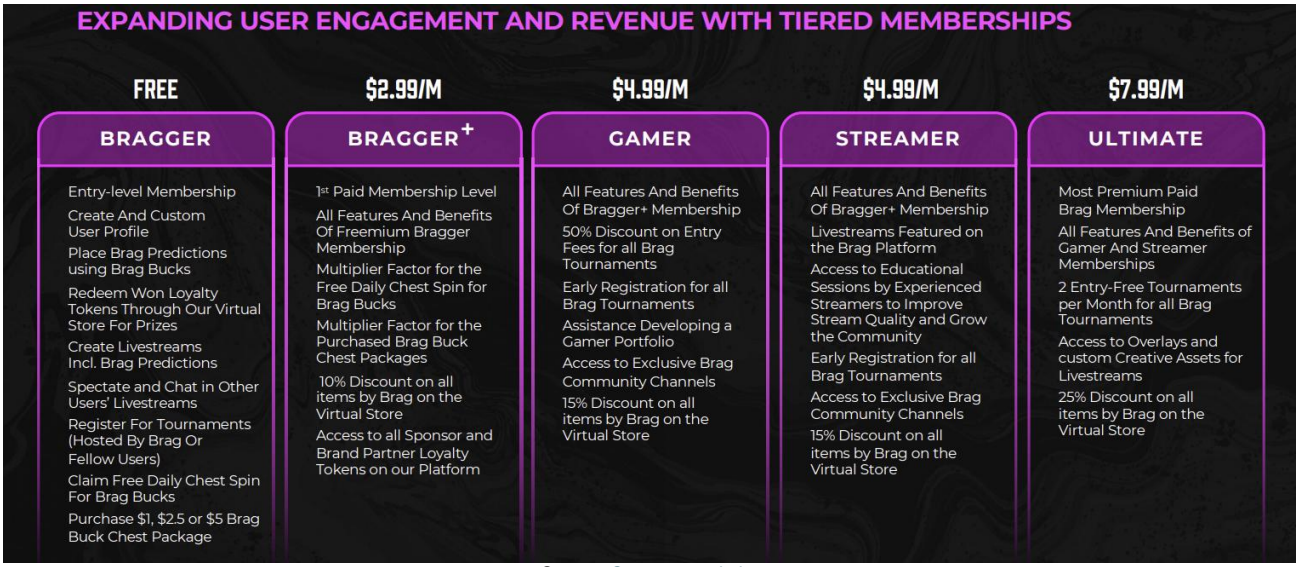


Source: Company website

Tournaments and sponsorships: The company provides white-labeled tournament planning, marketing, gamer recruiting and other services to tournament sponsors. It monetizes tournaments through B2B partnerships and live streams the tournament. Once the tournament ends, the company conducts an analysis to generate a report on viewership and other key performance indicators (KPIs). Through March 31, 2025, the company had held 27 major tournaments. This metric does not include the company's initial May 2025 event under its partnership with Learfield (see below). The company expects to increase the number of Brag House tournaments it holds each year.

To-date, seven of the tournaments TBH has conducted were sponsored by corporate sponsors, including Fortune 500 companies. These events generated a cumulative roughly $667,000 in revenue. TBH anticipates that its tournaments business, including sponsorships with major sports organizations and corporations, will account for nearly all (~99%) of revenue in 2025. Over time, emerging revenue streams such as subscriptions, merchandise, data insights and other sources are expected to represent roughly 50% of total revenue as the company continues to grow its user base.

Since its launch in 2020 through 2024, the company has reached nearly 1.4 million video views on video platforms and also generated nearly eight million impressions since inception. In addition, since 2022, spectators who viewed live streams remained on the Brag House platform for 19 minutes per stream across over 290,000 live views, which represents a nearly 1.75X longer engagement compared to the industry benchmark of 11 minutes, according to TBH. Brag House has been able to leverage these metrics to develop key marketing relationships with Coca-Cola, McDonald's, the City of Fort Worth, and Learfield Communications, which contributed the above-noted aggregate $667,000 in gross revenue through 2024.



Source: Company website

Subscriptions and merchandise: TBH has a presence at more than 50 universities across the U.S. Given the importance of college sports and its affiliation with colleges and universities, Brag House intends to continue to develop its university network through its Collegiate Leads (CL Program) in which student ambassadors help expand the TBH footprint on campuses nationwide. Through the CL Program, ambassadors represent Brag House, organize local tournaments and promote brand awareness. Brag House plans to have more than 50 ambassadors across 50 campuses who will be responsible for promoting the brand at their own school and conducting outreach to other universities.

Expectation that platform & insights can help brands optimize outreach to key GenZ demographic

Data insights: The company expects to build a database on Gen Z based on the behaviors its users exhibit on its platform. TBH's growing database is expected to provide brands with insights that will enable them to customize their offerings and optimize their marketing strategies by understanding Gen Z preferences and behaviors. By developing targeted marketing campaigns based on data analytics and insights, in turn this is expected to help brands lower their CAC (customer acquisition costs).

Moreover, advertisers that want to reach college-aged gamers, consumers and fans can promote their products through TBH digital channels such as TBH's social media accounts and TBH's Platform, as well as by placing signage at TBH's live events. At the same time, the insights are also expected to enable TBH to modify and upgrade its offerings and platform in response to user data analysis.

GEN Z REPRESENTS SIZABLE MARKET

Market is characterized by robust spending capacity

The Brag House target audience is comprised of casual gamers who watch and engage with various video games regularly. The majority are affiliated with or have recently graduated from a university. This target market generally consists of Gen Z, which refers to people born roughly between roughly 1995 and 2006. Gen Z is a core demographic for brands, both for the opportunity to initiate successful interactions now and also to grow their marketing interactions as Gen Z-ers age and their tastes, needs and purchasing power presumably shift. Making connections with people who are either still in or have recently graduated from college can help brands initiate relationships with this core group that brands can develop and grow over time. According to *The Economist*, roughly 50% of Gen Z-ers currently are in the workplace, with the number of Gen Z-ers working full-time expected to surpass the number of full-time Baby Boomers shortly. In fact, by 2030, Gen Z, along with Millennials, are expected to represent a combined 74% of the total workforce, according to Deloitte. This makes the demographic a critical one for brands to reach.

However, multiple factors distinguish this generation from others and their spending habits differ significantly from those of earlier generations, according to Forbes. Insights and analytics that improve marketers ability to understand Gen Z can help brands optimize marketing spend and outreach. Among the factors that distinguish Gen Z from earlier generations are the impact of the pandemic at an early stage in their lives and also their innate understanding of technology, having grown up in a digital world.

According to Pew Research, "what is unique for Generation Z is that [technology] … has been part of their lives from the start. The iPhone launched in 2007, when the oldest Gen Z'ers were 10. By the time they were in their teens, the primary means by which young Americans connected with the web was through mobile devices, Wi-Fi and high-bandwidth cellular service. Social media, constant connectivity and on-demand entertainment and communication are innovations Millennials adapted to as they came of age. For those born after 1996, these are largely assumed."

The Economist notes that Gen Z overall represents higher income and potential spending than baby boomers and millennials at a similar stage. Specifically, a typical 25-year-old Gen Z-er controls an annual household income of more than $40,000, which represents a higher inflation adjusted level compared to baby boomers at the same age. Bloomberg notes that people born between 1997 and 2012 hold an estimated $360 billion in disposable income. The Brag House believes it is well-positioned to tap into this $360 billion in purchasing power.

As Forbes indicates, “[w]hile the Millennials represent the largest group of consumers and the Baby Boomers have the largest buying power, Gen Z's spending power is on the rise.” Forbes adds that “Businesses are constantly wanting to know what’s the best way to market to the largest audiences,” which indicates, we believe, the potential benefits of data analytics based on the behavior Gen Z users display on TBH platforms, tournaments and regarding merchandise and other features.

PARTNERSHIPS

Partnerships form a core component of TBH’s growth strategy. As noted, the metrics the company’s platform has produced in this early stage in its development has led to four important marketing partnerships. In May of 2021, the company formed an agency supplier agreement with Moroch, which is a marketing and communications agency. This agreement enabled Brag House to host tournaments that were sponsored by McDonald’s and Coca-Cola.

Source: Company reports



For example, TBH held the *Texas Loyalty Cup* tournament in 2021 with McDonald’s and Coca Cola. Students from various universities across Texas competed by playing Nintendo’s *Super Smash Bros*. The tournament included in-game commentary, interviews before and after competitions, and McDonald’s and Coca-Cola brands signage. Coca-Cola and McDonald’s also helped sponsor a tailgate party for the winners. The event was live-streamed, reaching 660,000 viewers (66.6% men / 33.4% women).

The success of the *Texas Loyalty Cup* event led to TBH producing additional tournaments, with 27 tournaments held since 2021 through March 2025, as noted. For instance, the company put on the *SoCal FIFA 23 Tournament* in 2022 directly with Coca-Cola and in collaboration with McDonald’s. The Golden Royale Cup, sponsored by both brands noted above, generated almost 300,000 views in real time and also nearly one million impressions across various Brag House social media platforms. Subsequent partnerships include one with a division of the city of Fort Worth, where Brag House hosted an in-person esports and scholars event in 2024 .

Learfield partnership could prove transformative

TBH is extremely optimistic about its strategic partnership with Learfield. Learfield is a leading media and technology company in the collegiate athletics space. Learfield maintains a presence across more than 200+ universities, providing a strong distribution network for companies seeking access to college campuses and affiliated audiences. The agreement with TBH is focused on sales representation for sponsorship activations and access to media rights for both digital and physical campus-based events.



Source: Company reports

Learfield has been in operation for more than 50 years. Its tagline “connecting brands to fans’ aligns with Brag House’s strategy and capabilities, in our view. Learfield generates more than $1 billion in annual revenue, according to trade publications, and is a subsidiary of Endeavor, which was recently acquired by private equity firm Silver Lake. Given Learfield’s reach, resources and operating history, we believe the partnership could prove transformative for Brag House over time.

Through this agreement, TBH expects to gain access to media rights across nearly 200 campuses, most of which are NCAA Division I schools where Learfield manages digital ads and sponsorship inventory. This would significantly extend the company’s national reach. The company also expects that the capability to host digital activations that are consistent with student interests and academic event calendars could create strong opportunities for sponsorship revenue growth.

The initial activation under this partnership began in May 2025 at the University of Florida through a collaboration with Florida Gator Athletics and Learfield’s Florida Gators Sports Properties. The activation introduced the ‘Brag Gators Gauntlet’ branded gaming series that offered a variety of engagement opportunities. The initial event was held online on May 17, 2025, and featured a Fortnite tournament as a virtual tailgate for the University of Florida baseball game against Alabama. Almost 300 current students and alumni registered to participate in the tournament. The event structure combined casual gaming with collegiate friendly competition.



Source: Company reports

Moreover, reflecting the interest that the event fueled from current students and alumni, the company has indicated that it is engaged in advanced discussions with two new brands for potential sponsorship deals. If deals with both companies are consummated, it is expected to result in a combined $2 million in revenue for the company over the course of the September to September period. We also believe it would serve as proof of concept about the potential of the company's strategy and capabilities that could, in turn, lead to other sponsorship deals over time.

Brag House intends to hold additional events at other universities throughout the country in 2025. The first event was held in connection with a college baseball game, as noted. Future events are intended to be held in connection with other college sports, including football and basketball, among others. The Brag House – Learfield Gauntlet series is also part of TBH's overall strategy to integrating Name, Image, and Likeness (NIL) opportunities (see below).

Data is a central component of the company's value proposition under the Learfield relationship. TBH's platform includes interactive "Brags," loyalty-driven challenges, livestream engagements and surveys to help TBH build and grow a database of insights into Gen Z behaviors.

The company also plans to launch a SaaS-based analytics platform in 2Q26. The plan is to offer anonymized data subscriptions to brands to help them optimize their outreach to the Gen Z demographic and gain important insights to help them improve their marketing campaigns.

NIL Strategy

At the same time, TBH is also developing a Name, Image, and Likeness (NIL) strategy that is intended to support brand partnerships involving student athletes. The company's platform can support various NIL-opportunities, including athlete-hosted tournaments, digital influencer campaigns and brand ambassador offerings. The company expects to offer monetization opportunities for NCAA athletes.

The NCAA changed the regulations in 2021 to enable college athletes to profit from their name, image and likeness commercially. While restrictions on promoting certain products still exist, the aggregate value of NIL deals has grown and that trajectory is expected to continue. According to trade publications, leading student athletes have signed deals with Nike, Adidas, Amazon and other high profile brands.

TBH believes the inclusion of data analytics in its NIL initiative will serve as a competitive advantage. Each NIL activation is designed to capture conversion rates, user engagement, and sentiment in real time for data that can be used to facilitate NIL campaigns and potentially deliver insights to sponsors about how effective their marketing spend is around collegiate athletics.

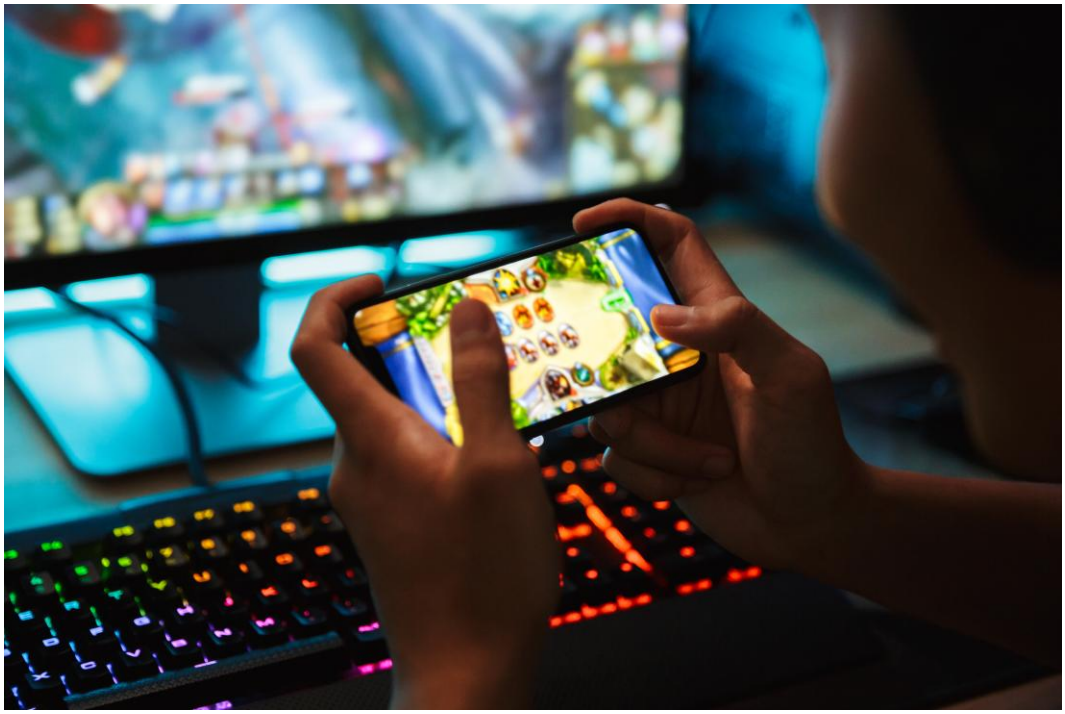
GAMING INDUSTRY OVERVIEW

Gaming is an Important Channel to Leverage to Reach Gen Z

The gaming industry is an important source of entertainment and community for Gen Z. Moreover, just as Gen Z over indexes on most digital activities compared to the general population, Gen Z over indexes within the digital gaming space. According to eMarketer, nearly 75% of Gen Z'ers are expected to be digital gamers by 2027. The market research firm further notes that Gen Z passed Millennials in terms of gaming penetration during the pandemic, while the Ad Council describes Gen Z as "a generation deeply immersed in gaming culture" and notes that "Within gaming communities, players also find connection, camaraderie and self-expression," which aligns with Brag House strategy and views.

Gen Z Gamers Use Multiple Channels, Devices to Play

According to the Deloitte Center for Technology, Media & Telecommunications, 87% of Generation Z "play video games on devices such as smartphones, gaming consoles, or computers…" VentureBeat, citing a survey of more than 2,000 Gen Z respondents, reports that about 65% of Gen Z gamers spend at least three hours a day gaming. Importantly from a monetization perspective, " Gen Z is using this purchasing power on games, with 53% of survey takers spending at least $20 per month. About three out of ten male players spend over $35 each month." The company believes this underscores the prospects of its various revenue streams based on Gen Z payments such as subscriptions.



Source: Shutterstock

Research suggests that Gen Z values gaming for both the friendly competition, as well as the social experience. Brag House believes that this aligns with its focus on gaming driven by friendly school rivalry. The multiple differences that characterize Gen Z relative to earlier generations also means that brands are seeking new ways to reach this demographic. Brag House believes its platform and insights could create significant opportunities and competitive advantages for brands.

MANAGEMENT

Chief Executive Officer (CEO) and Chairman

Lavell Juan Malloy, II has served as Brag House CEO and Chairman since he co-founded the company on February 23, 2018. Prior to that, he was the CEO of WollerMalloy Management Group, a financial platform for NFL rookie athletes, from February 2014 to June 2017 and a securities lawyer at Weil, Gotshal & Manges LLP from 2003 to 2012 where he represented major corporations.

Chief Operating Officer (COO)

Daniel Leibovich co-founded Brag House with Lavell Juan Malloy, II. He has served as the company's COO since December 2019 and has also been a director on the board since January 2022. In addition, he has co-founded and held senior positions in several other startups prior to co-founding Brag House.

Chief Financial Officer (CFO)

Chetan Jindal joined the company as CFO following its March 2025 IPO. Since December 2018, he has been Chief Executive Officer of Greenwich Ivy Capital, an investment adviser that he founded and where he launched and managed the Greenwich Ivy Long-Short Fund global equity mutual fund. Prior to that, he was partner at a Greenwich, Connecticut, based investment management firm with $10+ billion in AUM and an investment analyst earlier in his career at a New York City-based equity hedge fund.

RECENT RESULTS

The company completed its IPO on March 6, 2025, raising gross proceeds of about $5.9 million on the issuance of shares at $4.00 per share. The shares then began trading on Nasdaq under the ticker TBH and initially traded up above the $4.00 IPO price. However, on April 1, 2025, TBH shares closed at $1.27 and the company has identified a large trade on April 1, 2025, that it believes might have triggered subsequent potential naked short selling. Moreover, the volume of settlement data, which the company notes did not match the number of shares that traded on April 1, 2025, supports the possibility of naked short selling, according to management. The company has requested that the SEC, FINRA and Nasdaq launch an investigation into the trading activity and believes that the potentially heightened scrutiny of TBH share trading patterns will help mitigate future disruptions.

Reflecting decreased tournament activity in 2024, when the company focused on its IPO plans, TBH 2024 revenue was de minimis. Operating expenses were $1.5 million, down from $2.3 million in 2023, largely reflecting lower S,G&A, stock-based compensation, and advertising and marketing costs, as the company focused its spending on its IPO and capitalized related offering costs. TBH expects to begin generating revenue related to its partnership with Learfield in 2025 and going forward.

VALUATION

The company is optimistic about the Brag House platform and its planned revenue streams, as well as the potential to introduce other business lines in the future such as the NIL opportunity and SaaS platform. While other companies overlap with Brag House on various components of its business model, there does not seem to be a direct competitor that combines all the capabilities that TBH targets, in our view.

Although not directly comparable to Brag House, we believe companies in the digital marketing space or data analytics sector could provide some benchmark. The shares of companies in these sectors trade at a wide range of multiples of forward revenue, ranging from about 2-3x forward revenue to about 15x or higher. We also believe traditional metrics such as P/E or EV/EBITDA are not appropriate measures for the shares at this early stage of the company's development. We therefore value TBH shares on a price-to sales (P/S) basis.

It is difficult to know the revenue arc for Brag House at this point but we believe the company's partnership with Learfield and earlier sponsorship deals with McDonalds, Coca-Cola and others provide proof of concept of industry interest in the company's platform, as noted. Therefore, we use the company's expected $2 million in projected annual (September to September) sponsorship deals as a basis for 2026 projected revenue and present two potential scenarios. In Scenario 1, we model a revenue shortfall from the total combined sponsorship revenue discussed earlier. In Scenario 2, which we use as the basis for our valuation analysis, we model revenue that includes the total combined sponsorship revenue discussed earlier and potential additional opportunities if momentum from the Gauntlet series continues.

We apply a 12.5x multiple – at the higher end of the above noted P/S range, as we would expect Brag House growth at this early stage to outpace that of more established companies – and a roughly 85% confidence metric to reflect factors that might impact the valuation, including that the company's expectations are too high or timelines in terms of the deals closing slip, among other factors. On this basis, we derive an adjusted multiple of $4.40 per share. It would not surprise us, however, if potential investors remain on the sidelines until there is greater evidence that the company's strategy is gaining traction.

Brag House expects its close additional sponsorship deals over time, as noted. Thus, if the company announces additional deals and / or partnerships, our confidence multiple might prove conservative. Conversely, any delay or failure in successful execution of the company's strategy could also represent a potential risk to our valuation and cause us to lower our confidence metric and potentially cause the share price to decline. If TBH delivers other milestones earlier than anticipated, it could also impact the valuation metrics.

We believe the risk / reward ratio nevertheless could be attractive for investors who have a higher than average risk tolerance and longer time horizon. In success, we would anticipate multiple expansion and share price appreciation over time.

RECENT NEWS

- Brag House launched its NIL roadmap to monetize Gen Z athlete engagement across 200+ college campuses on June 17, 2025.
- On June 10, 2025, the company indicated that due to the recent acquisition of Marcum LLP by CBIZ CPAs, CBIZ would be its independent registered public accounting firm going forward.
- Brag House on May 30, 2025, provided an update on the late filing of its 10-Q.
- On May 17, 2025, launched the first Brag Gators Gauntlet series
- On May 14, 2025, announced an update on its investigation into recent trading activity.
- Brag House, Florida Gators Athletics, and Learfield announced a strategic partnership for the Brag Gator Gauntlet series on April 28, 2025.

RISKS

We believe risks to The Brag House achieving its goals, and to our valuation, include the following, among others.

- Agreements for sponsorships that the company expects to enter into with brands might take longer than expected to close or might not close at all.
- TBH might not gain market share with brands or traction within its Gen Z target market as quickly as the company expects, which could lead to slower than anticipated revenue ramp.
- The company could incur unanticipated costs associated with its initiatives.
- Competition could increase.
- TBH might need to raise capital to support its strategy that might be dilutive to current shareholders.
- The uncertain economic outlook could have a greater than anticipated impact on company growth.
- The company potentially faces technology risk.
- Similar to many early stage and under-capitalized companies, TBH has funded operations largely through equity and debt issuances and has successfully worked with debt holders in the past to extend and / or modify terms. The company might not be able to do so going forward.
- The company has not filed its 1Q25 10Q on time and operating metrics could differ significantly from expectations.
- Because TBH shares are trading below $1.00, the company likely risks delisting notice.

PROJECTED FINANCIALS

The Brag House Income Statement and Projections ($)

	2023	1Q24	2Q24	3Q24	4Q24	2024	1Q25E	2Q25E	3Q25E	4Q25E	2025E	2026E Scenario 1	2026E Scenario 2
Revenues:													
Tournament Revenues	366,333												
Live-streaming Services	105	55	-	-	50	105	-	-	50,000	100,000	150,000	225,000	2,250,000
Total Revenues	366,438	55	-	-	50	105	-	-	50,000	100,000	150,000	225,000	2,250,000
Cost of Sales													
Cost of Sales	34,835	464			-	464	-	-	25,000	50,000	75,000	112,500	1,125,000
Total Cost of Sales	34,835	464	-	-	-	464	-	-	25,000	50,000	75,000	112,500	1,125,000
Gross Profit	331,603	(409)	-	-	50	(359)	-	-	25,000	50,000	75,000	112,500	1,125,000
Operating Expenses:													
Advertising and Marketing	311,364	-	208	160,270	12,511	172,989	25,022	26,273	27,587	28,966	107,848	118,633	118,633
Legal and Professional	321,506	52,458	209,294	224,510	4,266	490,528	48,261	50,674	53,208	55,869	208,012	228,814	228,814
S,G&A	1,099,576	122,561	221,143	113,566	169,631	626,901	186,594	195,924	205,720	216,006	804,244	884,668	884,668
Software Development	24,074	10,887	1,950	6,118	2,079	21,034	2,287	2,401	2,521	2,647	9,857	10,843	10,843
Stock-Based Compensation	556,222	46,016	46,016	44,974	42,760	179,766	47,036	49,388	51,857	54,450	202,731	223,004	223,004
Rent Expense	1,114	92	-	-	-	92	-	-	-	-	-	-	-
Total Operating Expenses	2,313,856	232,014	478,611	549,438	231,247	1,491,310	309,200	324,660	340,893	357,938	1,332,692	1,465,961	1,465,961
Operating income / (loss)	(1,982,253)	(232,423)	(478,611)	(549,438)	(231,197)	(1,491,669)	(309,200)	(324,660)	(315,893)	(307,938)	(1,257,692)	(1,353,461)	(340,961)
Other (Income) Expense:													
Interest Expense and Amortization	2,769,208	802,153	478,821	704,239	193,909	2,179,122							
Other Income	(79,113)	(567)	(467)	(244,235)	(138,778)	(384,047)							
FX	-	152	(2)	616	1,009	1,775	-	-	-	-	-	-	-
Total Other (Income) Expense	2,690,095	801,738	478,352	460,620	56,140	1,796,850	483,651	498,161	513,105	528,499	2,023,415	2,225,757	2,225,757
Loss from Continuing Operations E	(4,672,348)	(1,034,161)	(956,963)	(1,010,058)	(287,337)	(3,288,519)	(792,851)	(822,821)	(828,999)	(836,437)	(3,281,108)	(3,579,218)	(2,566,718)
Taxes	-					-	-	-	-	-	-	-	-
Net Loss	(4,672,348)	(1,034,161)	(956,963)	(1,010,058)	(287,337)	(3,288,519)	(792,851)	(822,821)	(828,999)	(836,437)	(3,281,108)	(3,579,218)	(2,566,718)
EPS or LPS	($0.84)	($0.18)	($0.17)	($0.18)	($0.05)	($0.58)	($0.14)	($0.14)	($0.15)	($0.15)	($0.58)	($0.63)	($0.45)
Avg shares out	5,594,621	5,688,797	5,688,797	5,688,797	5,688,797	5,697,212	5,698,212	5,699,212	5,700,212	5,701,212	5,699,712	5,700,087	5,700,087

Source: Company reports, Zacks estimates

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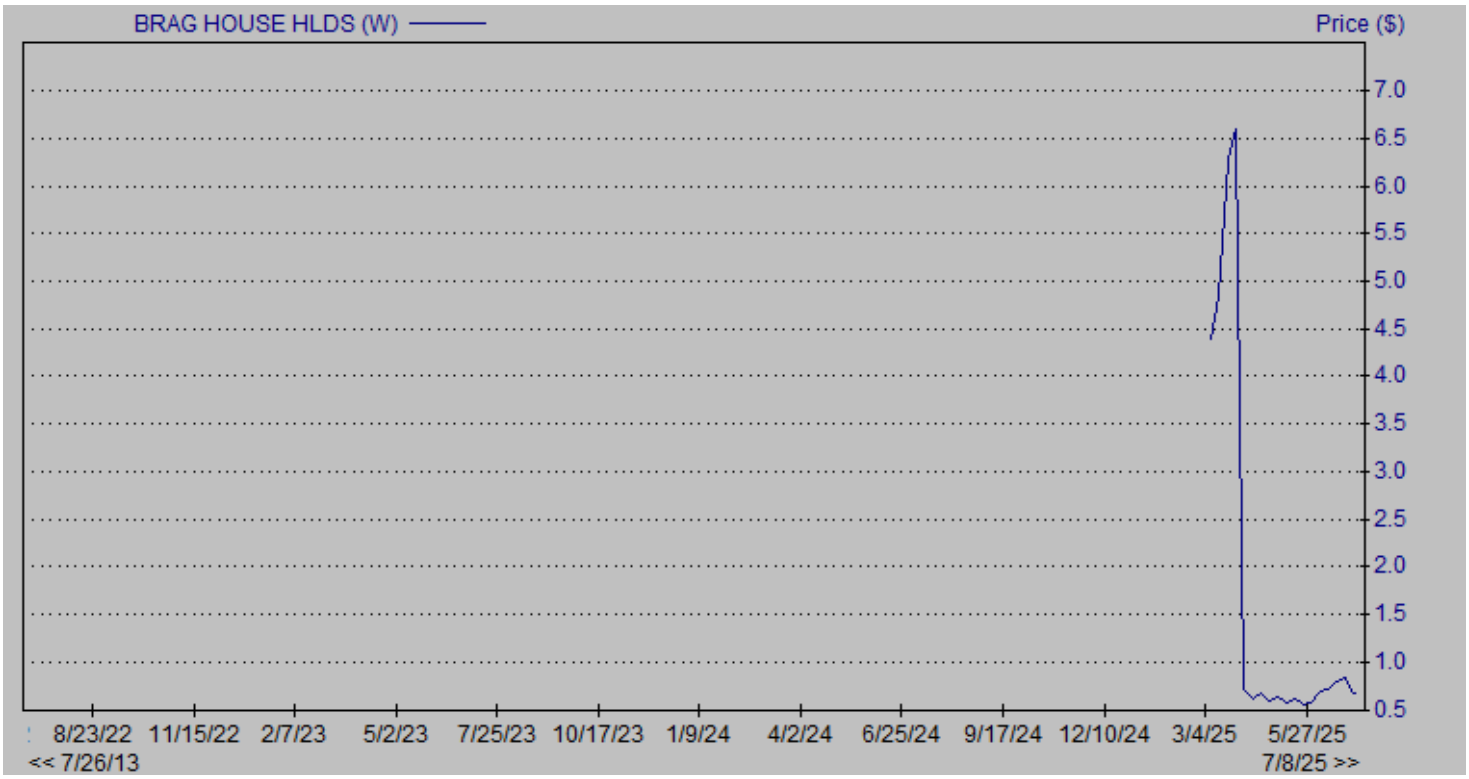
HISTORICAL STOCK PRICE



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