

gamania

Gamania Group

6180-TT

Nov 2022

Forward-Looking Statements

This presentation material contains forward-looking statements and information. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Any statement in this presentation material that states our beliefs, expectations, predictions or intentions is a forward-looking statement. These statements are based on plans, estimates and projections as they are currently available to the management of Gamania Digital Entertainment Co., Ltd. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events, or otherwise. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement.

Outline:

- **Overview**
- **Group Ecosystem**
- **Group Business**
- **Financial Results**

Overview



Company Profile



- **Founded:** June 1995
- **IPO:** May 2002 (6180 TT)
- **CEO:** Mr. Albert Liu
- **Market Cap:** NT\$10.8B / US\$350M (2022/11/25)
- **Headcount:** 1,017

Business Roadmap: Innovative service launch



Game Development

Publishing
Operation

Customer
Services

Mobile
Payment

Ecommerce

Platform



Game
Points

Cloud Computing
Cyber Security

Integrated
Marketing
Services

Digital
Media



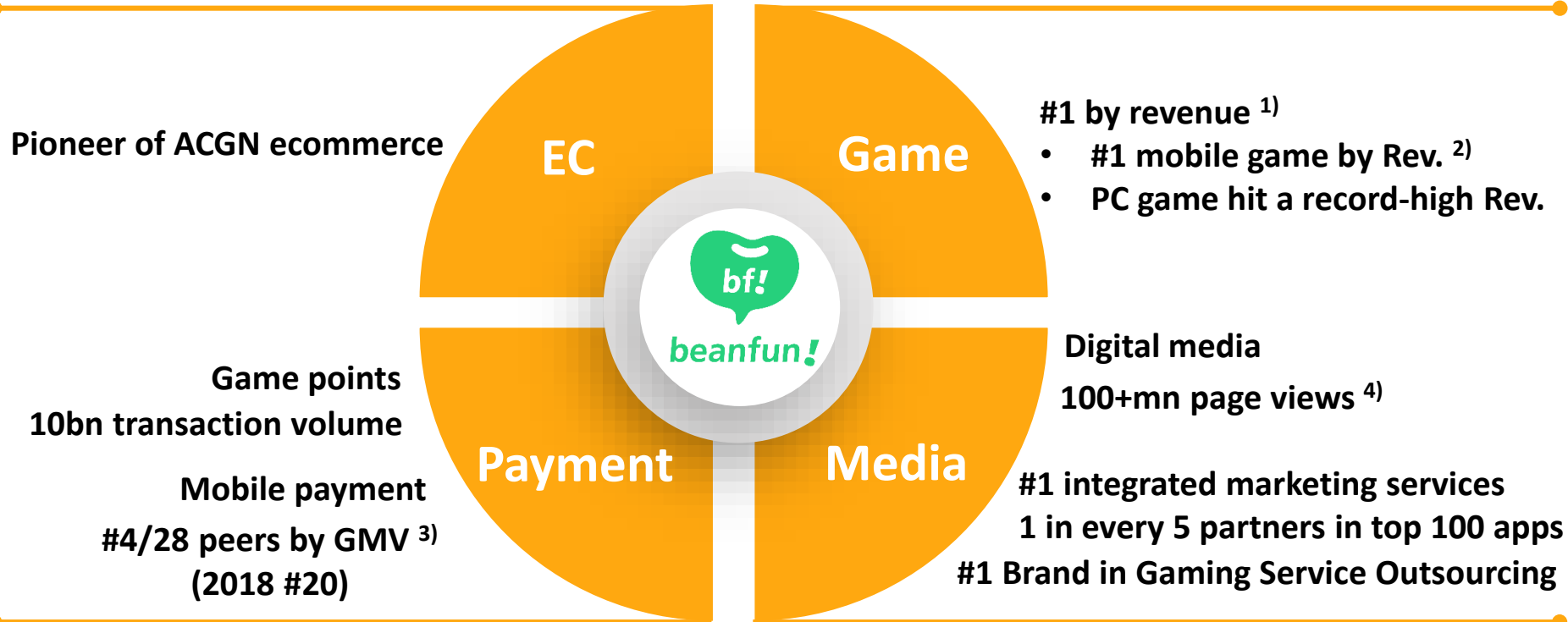
Major Business

B2C sales revenue

C2C service revenue

Free to play

Item based in-game purchase



Transaction fees

Ads revenue/service revenue

* All rankings above refer to Taiwan market as of Dec. 2021

1) source: all listed Taiwan game company 2021 accumulated revenue. 2)Source: App Annie

3) Source: Financial Supervisory Commission, R.O.C. 4)Source: comScore

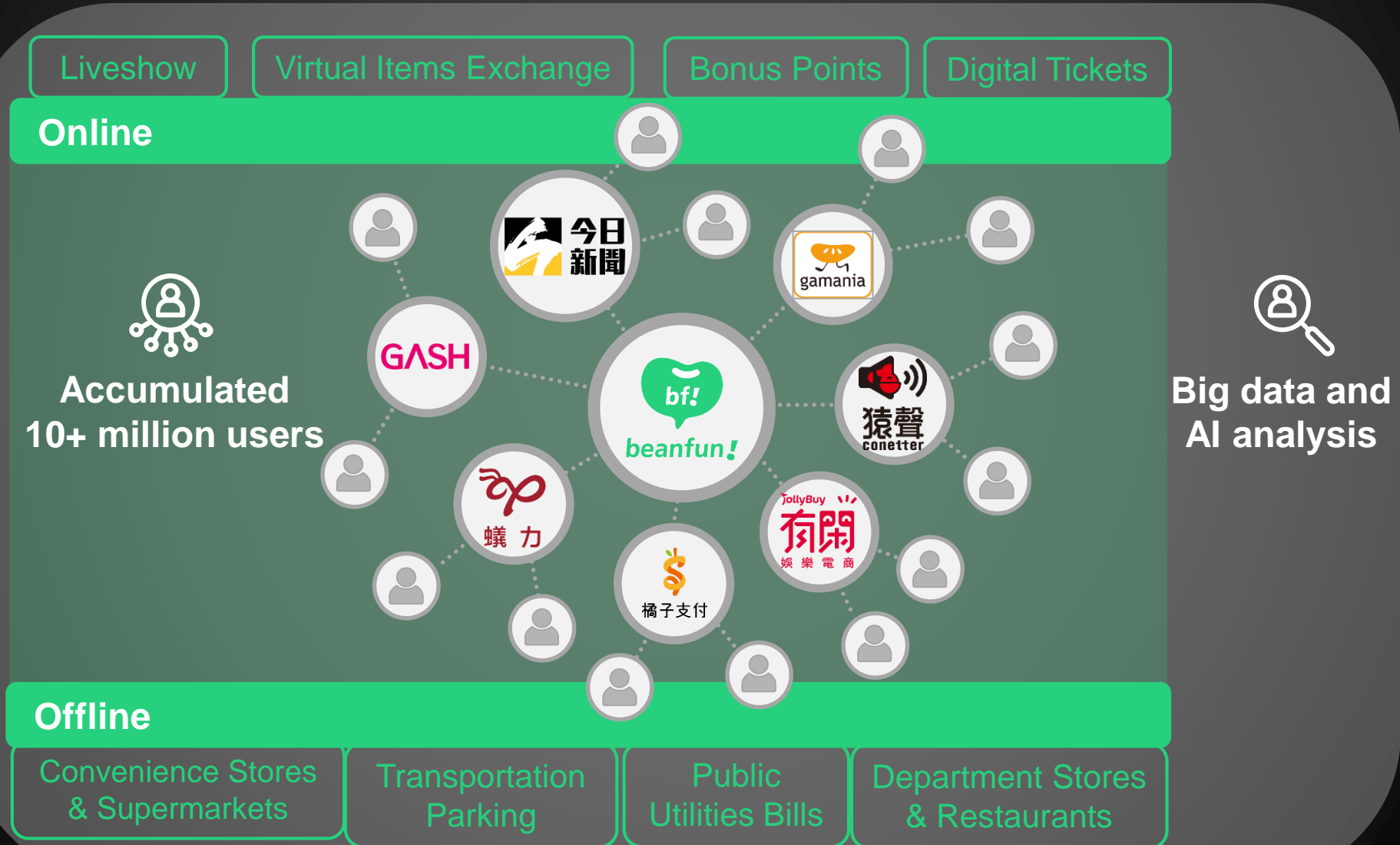
Gamania Ecosystem



Our Vision for beanfun!



"A mobile platform with an open ecosystem and diverse services to enrich value for users."



AI and Big Data Center



Integrate user tracking data on all the services



Analyze users' interest



Machine learning



Added value of data application

beanfun! Ecosystem



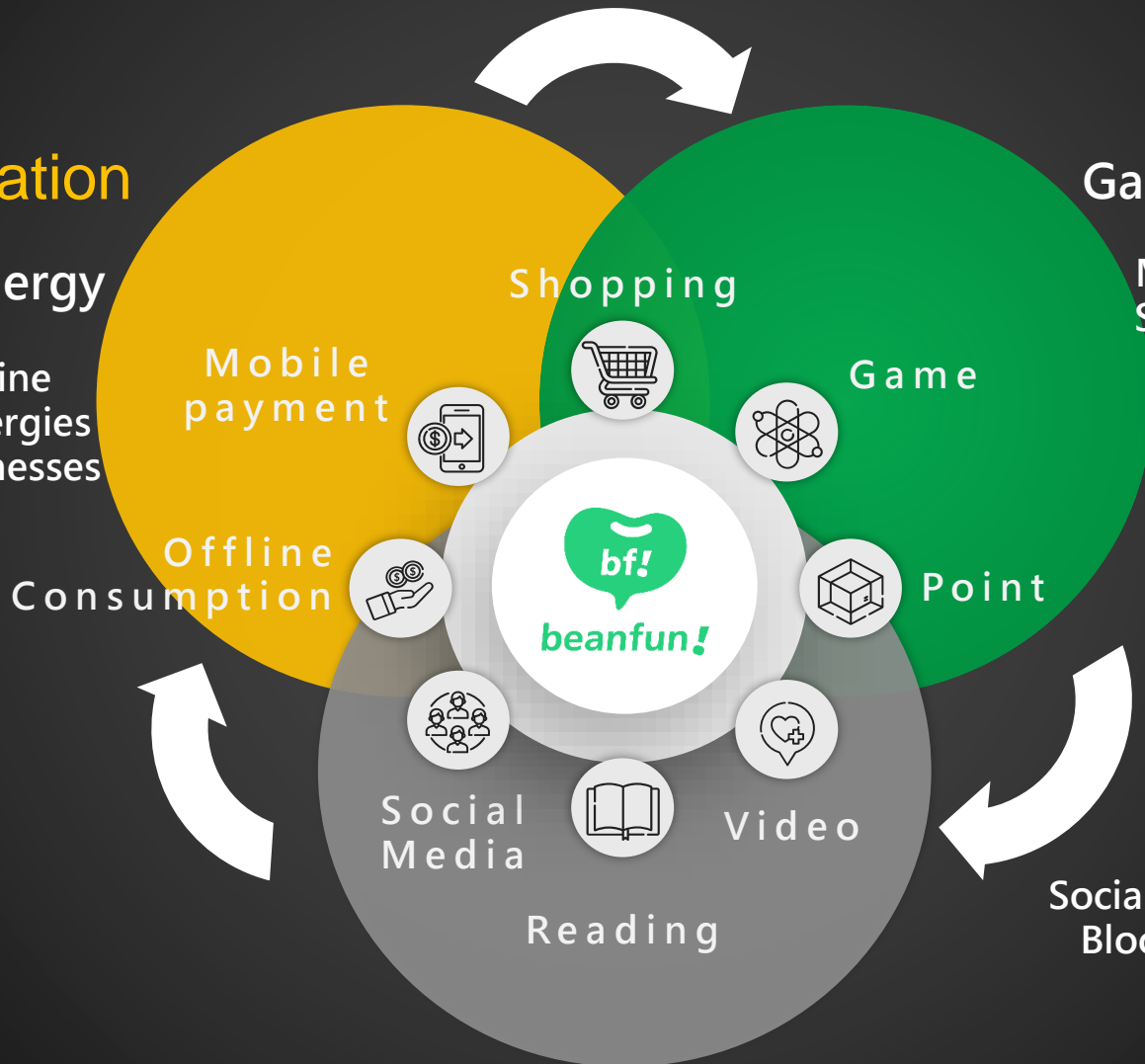
beanfun! Opportunity



③ Monetization

Business Synergy

Online to Offline
Leveraging synergies
of multiple businesses



① Traffic

Game Market Leader

Many popular IP games
Strong operation teams
10+ million users

② Content

Digital Trends

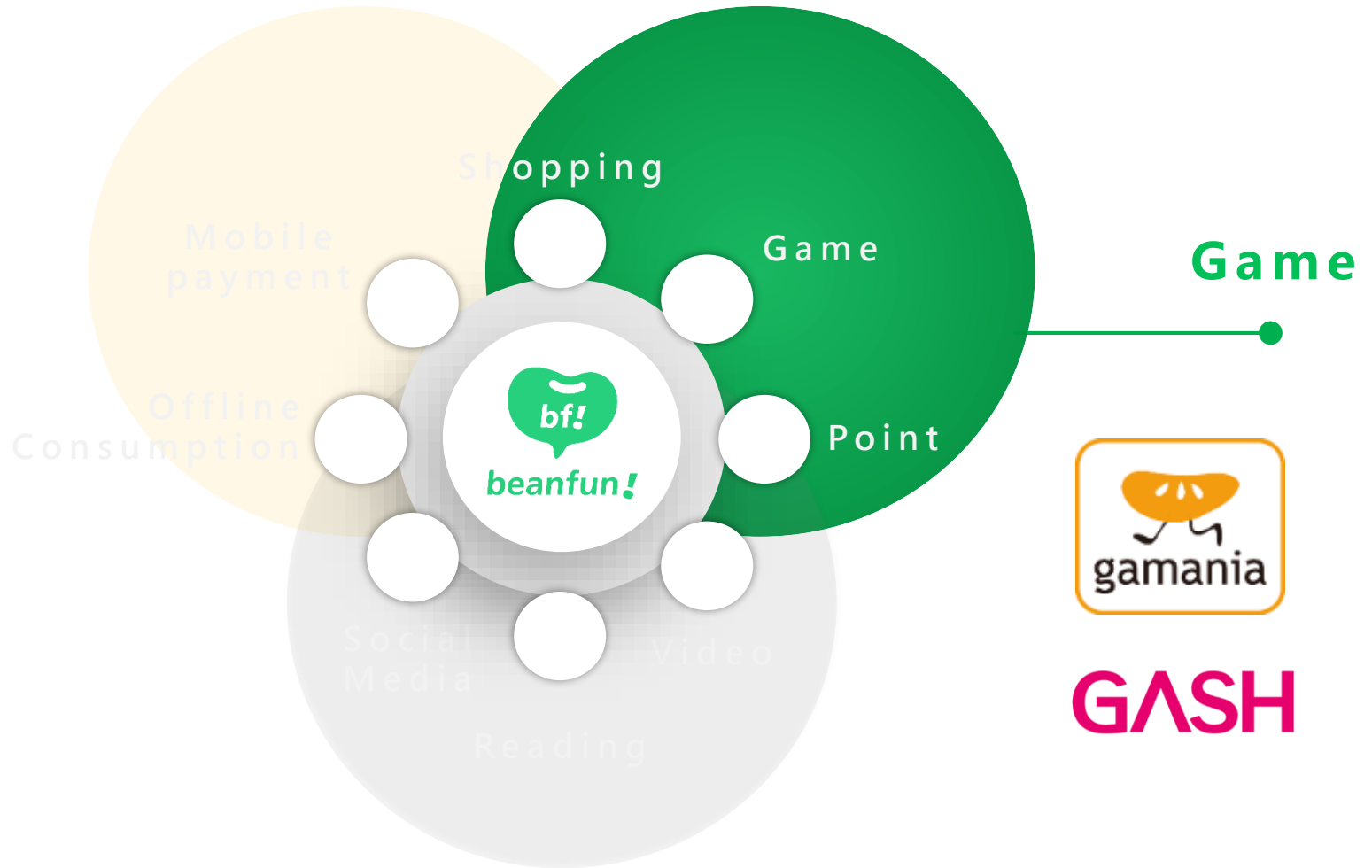
Social Media/Entertainment
Blockchain/NFT/Web3.0

**Build the Taiwan's first ecosystem enterprise
Beyond Games, Into Life!**

Gamania Business



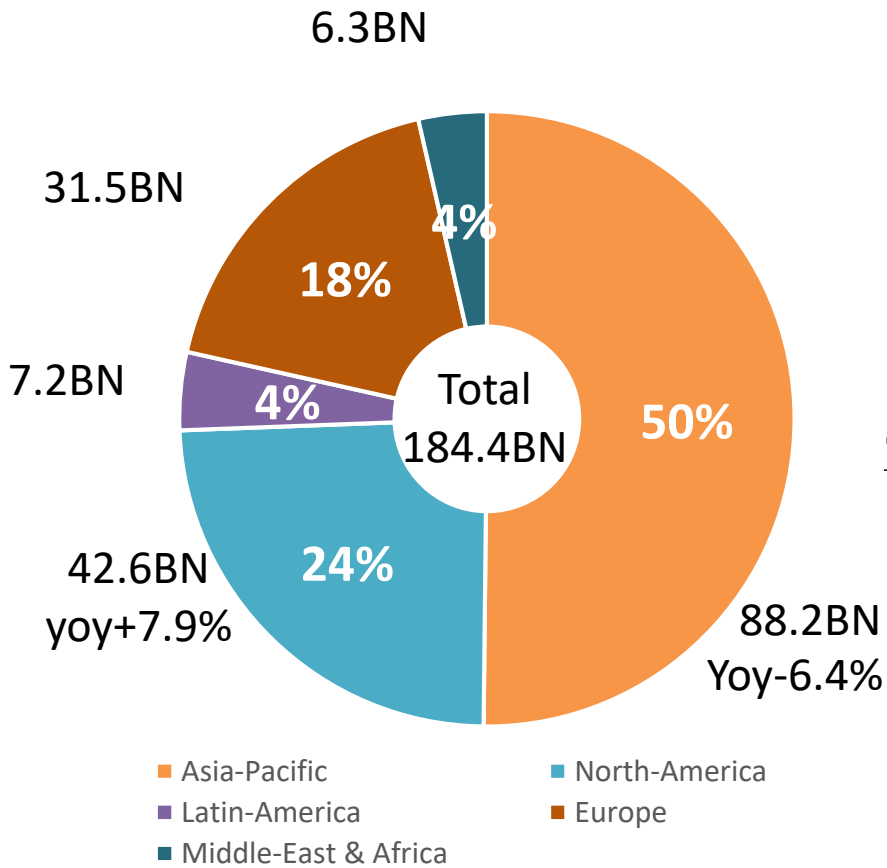
Gamania Business: Game



Industry Outlook: Global Games Market

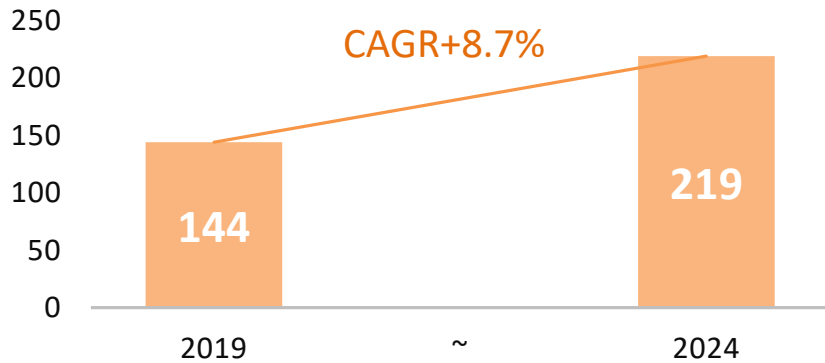
(Unit:USD BN)

Games Market Per Region 2022

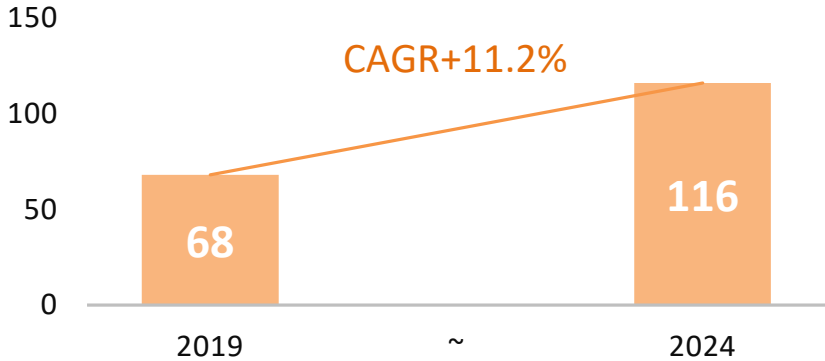


Source: Newzoo 2022

Global Games Market Forecast



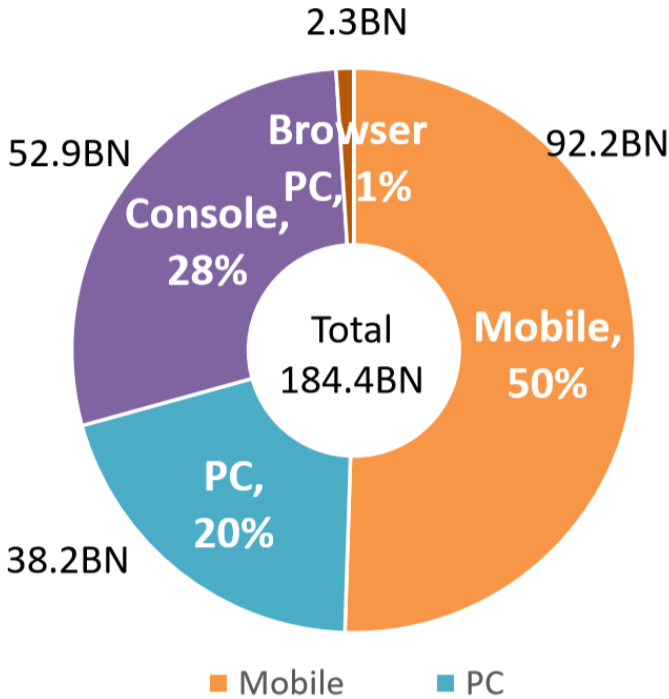
Global Mobile Games Revenue Forecast



Industry Outlook: Global Games Market

Global Games by Platform 2022

(Unit:USD BN)

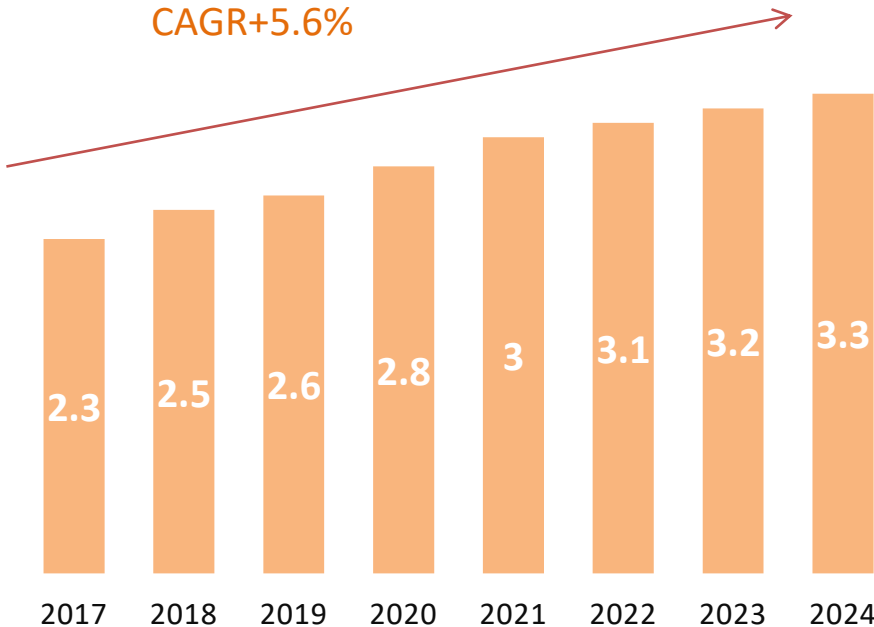


Source: Newzoo 2022

Global Games Players Forecast

(2017~2024)

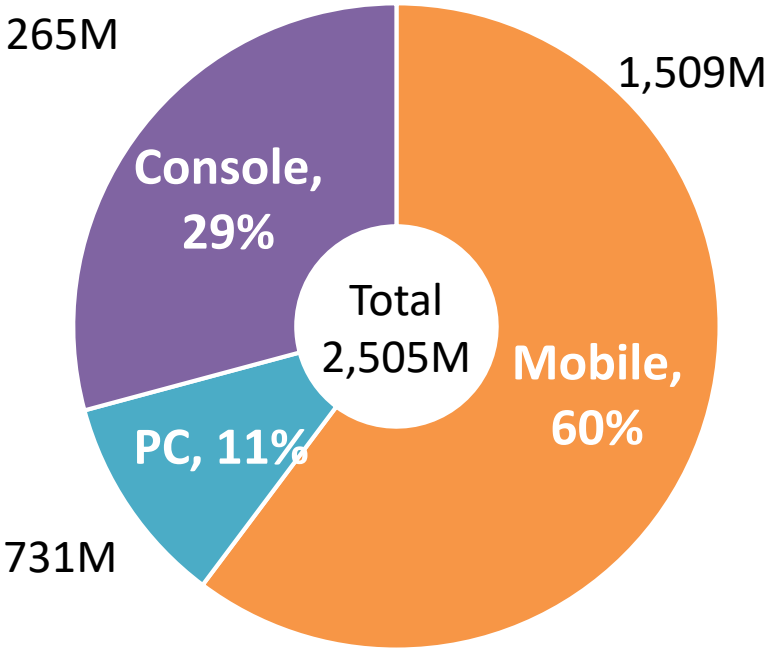
(Unit:USD BN)



Industry Outlook: Taiwan Games Market

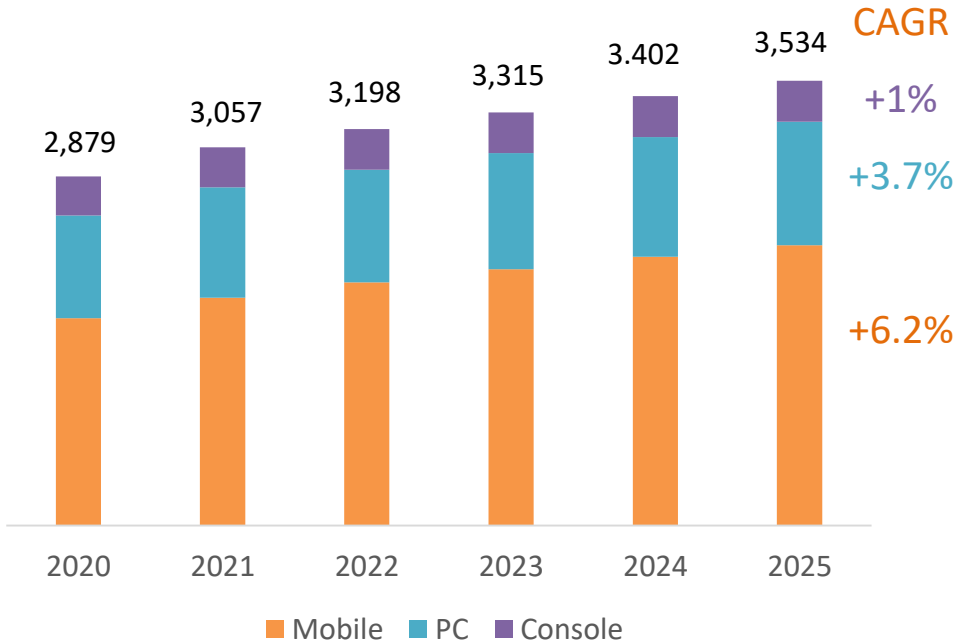
Taiwan Games Per Platform 2022

(Unit:USD M)



Platform Growth 2020-2025

(Unit:USD M)

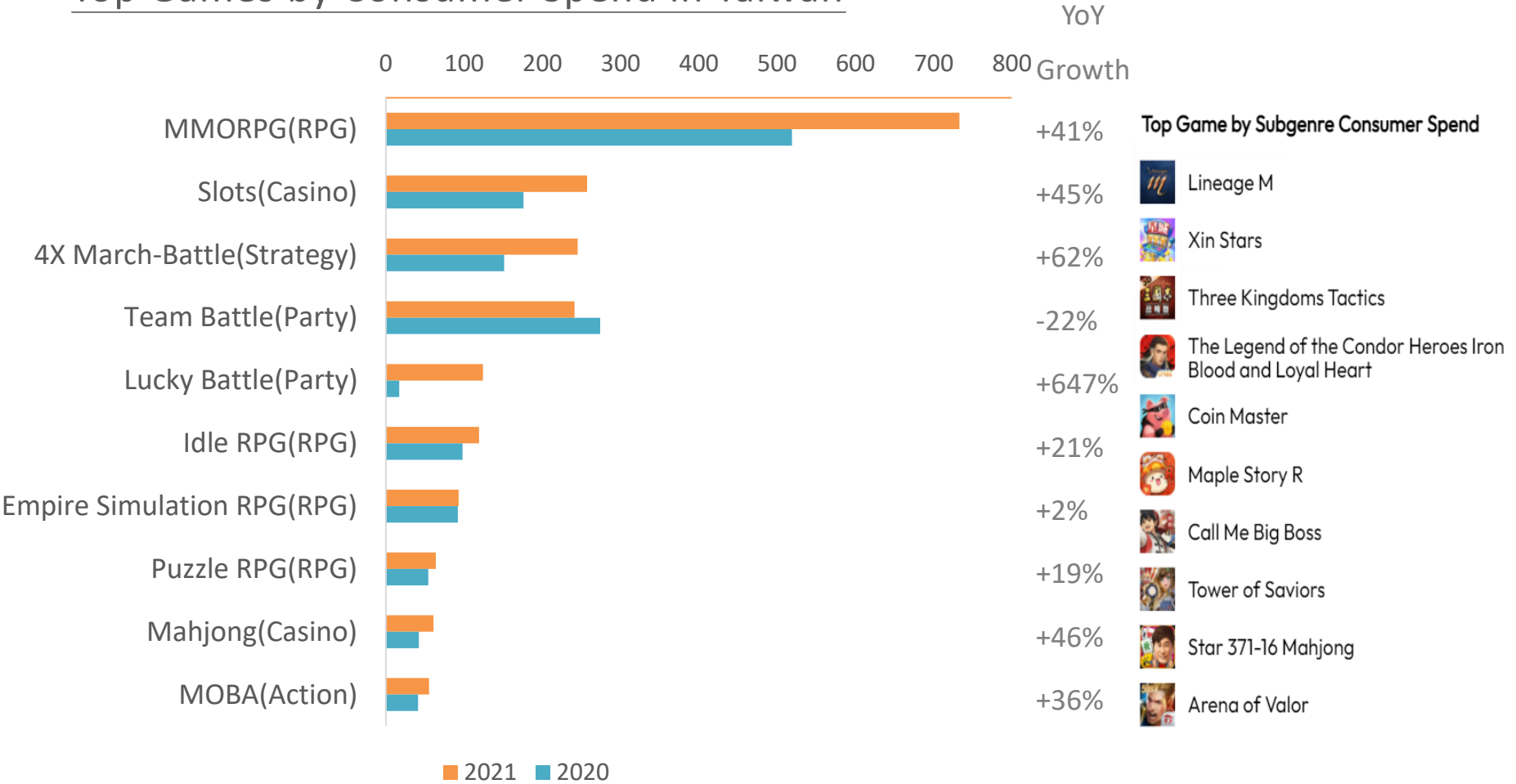


Source: PwC Global Entertainment&Media Outlook 2021~2025











Industry Outlook: Taiwan Games Market

(Unit:USD M)

Top Games by Consumer Spend in Taiwan



Top Game by Subgenre Consumer Spend

-  Lineage M
-  Xin Stars
-  Three Kingdoms Tactics
-  The Legend of the Condor Heroes Iron Blood and Loyal Heart
-  Coin Master
-  Maple Story R
-  Call Me Big Boss
-  Tower of Saviors
-  Star 371-16 Mahjong
-  Arena of Valor

Source: data.ai

Industry Outlook: Taiwan Games Market



Internet Penetration

86%



Smart Phone Penetration

97%



Android / iOS

70 / 30

2022Q1~Q3 TW Mobile Games Ranking by Google play

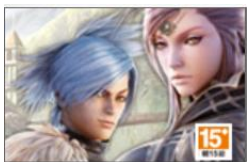
Revenue Rank

- 1  Lineage W
- 2  天堂M
- 3  星城Online
- 4  奧丁:神叛
- 5  絕世仙王

Source: app annie

Key Titles

PC Games



Lineage



MapleStory



Lineage Remastered



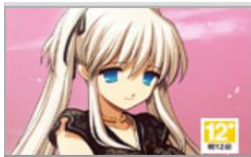
DragonNest



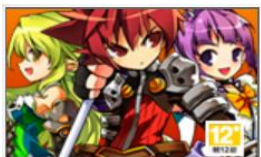
CSO



Crazyracing Kartrider



Mabinogi



ELSWORD

Mobile Games



Lineage M



World Flipper



Cross Gate M



櫻桃小丸子手遊版



The Legendary Moonlight Sculptor



便利商店口袋版



World of Dragon Nest

New Titles

Lineage M Ranks Top 1 Since Launching In Taiwan



- Online game Lineage has massive members
- Understand players preferences as we operate Lineage IP over 20 years
- Higher user engagement

2018

2019

2020

2021

Rank	2018	2019	2020	2021
1	Lineage M NCSOFT	Lineage M NCSOFT	Lineage M NCSOFT	Lineage M NCSOFT
2	Tower of Saviors Mad Head	QQ Speed Tencent	MU: Across Time GM99	Coin Master Moon Active
3	Ragnarok M : Eternal Love X.D. Network	Tower of Saviors Mad Head	Xin Stars Wanin	Xin Stars Wanin
4	Arena of Valor Garena Online	Arena of Valor Garena Online	RO Next Generation Nuverse	Sangokushi Strategy Lingxi Games
5	Lineage 2 Revolution Netmarble	Rise of Kingdoms Lilith	Slam Dunk Mobile DeNA	Lineage 2M NCSOFT
6	Xin Stars Wanin	AFK Arena Lilith	One Punch Man: The Strongest Ourpalm	Ragnarok X: Next Generation Nuverse
7	0857online GalaxyOnline	Be The King Chuang Cool	Arena of Valor Garena Online	Arena of Valor Garena Online
8	Fate/Grand Order Aniplex	The Continent of Wind ZlongGames	Tower of Saviors Mad Head	Castle in the Sky 37games
9	Be The King Chuang Cool	Princess Connect! Re:Dive Cygames	God and Devil Three Kingdoms eSkyFun	Ni no Kuni: Cross Worlds Netmarble
10	Pokémon GO Niantic	0857online GalaxyOnline	Star 371-16 Mahjong IGS	Star 371-16 Mahjong IGS

MapleStory Hit A Record-high Sales

Optimize to extend life cycle

X

Brand repositioning

X

Partner with domestic well-known IP



2022 Brand ambassador 「Atom Boyz」

large scale update and new class

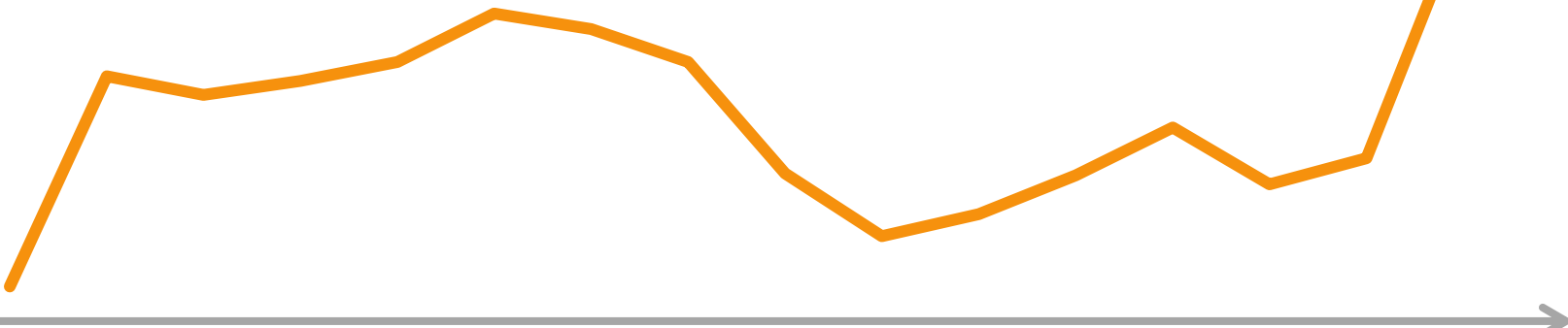
campaign with illustration IP “貓貓蟲咖波”

exclusive overseas system

large scale update with reshaping brand image

campaign with Japan animation IP “異世界四重奏”

Yearly sales



2005 launch in June

2020 2021

Best Partner To Operate Popular Games

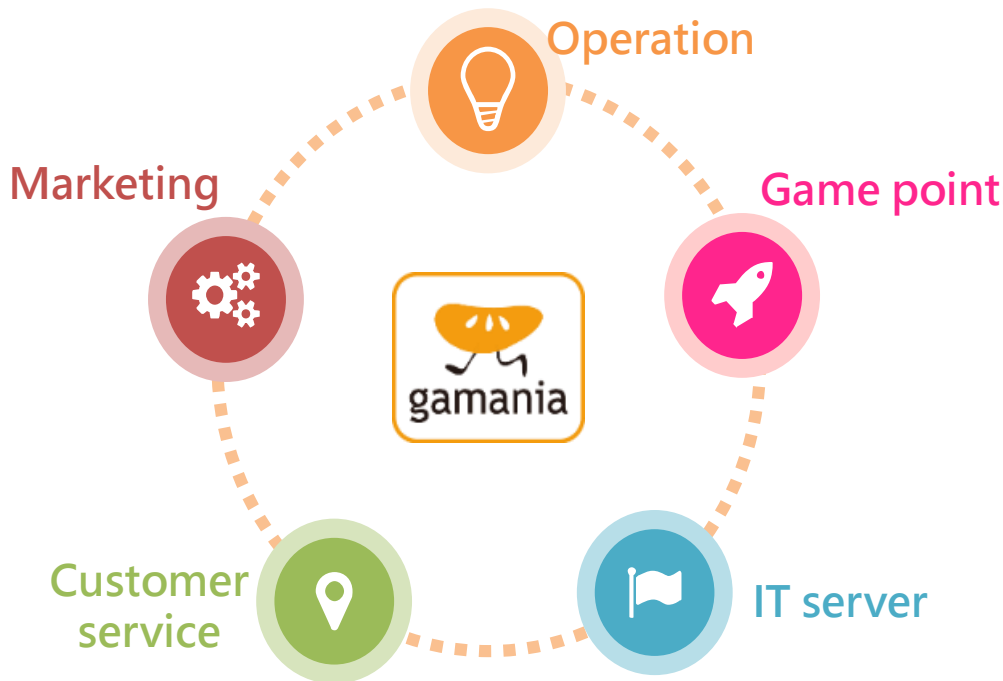
Successfully operates popular IP games in Asia for over 27 years

Massive traffic → Business synergies → Strong cash flow

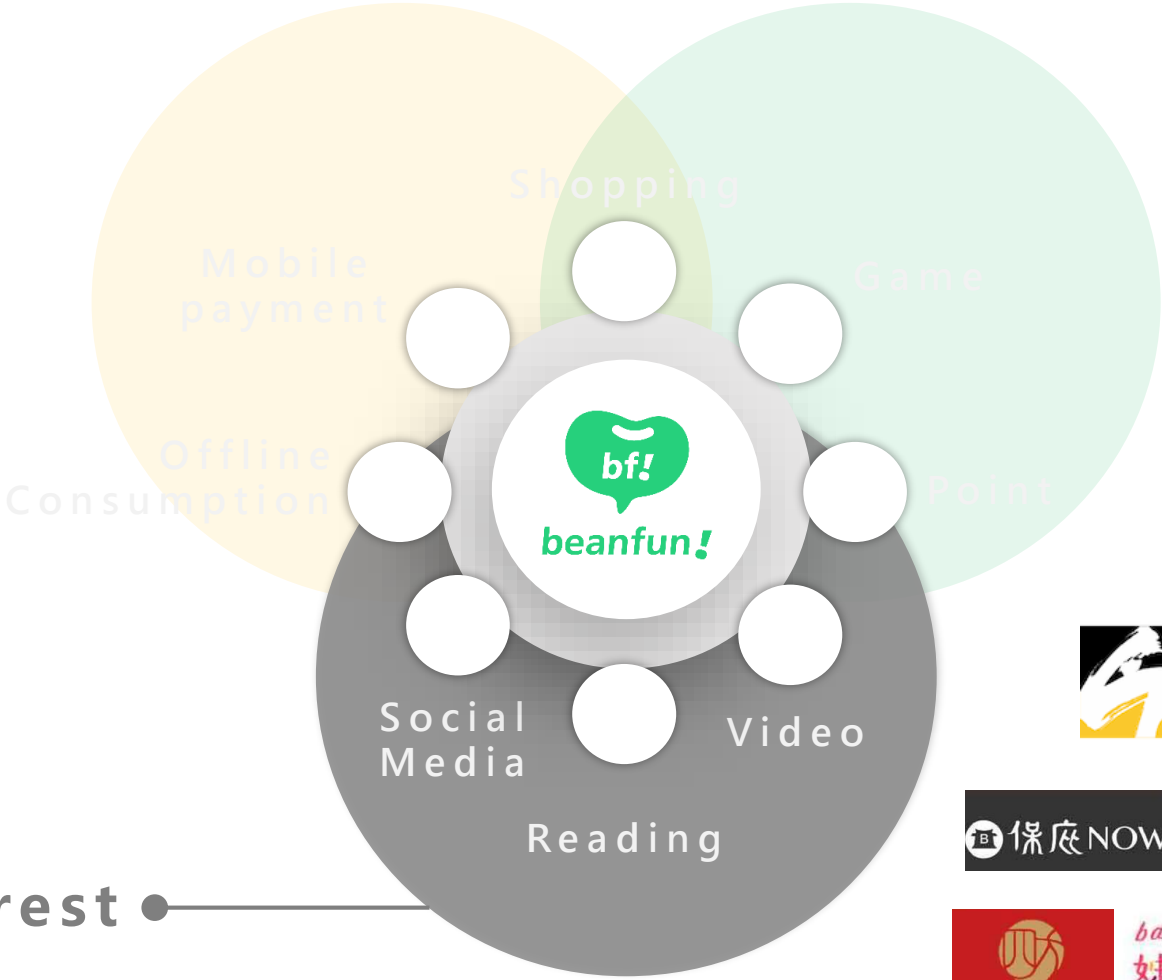
Integrated services with a backed by a strong 360 degree support team

X

Extensive experience in local market operation



Gamania Business: Interest



Interest ●



Media

Largest Integrated Marketing Company in Taiwan's Internet Industry

Influential Media in Taiwan
100m+ page views



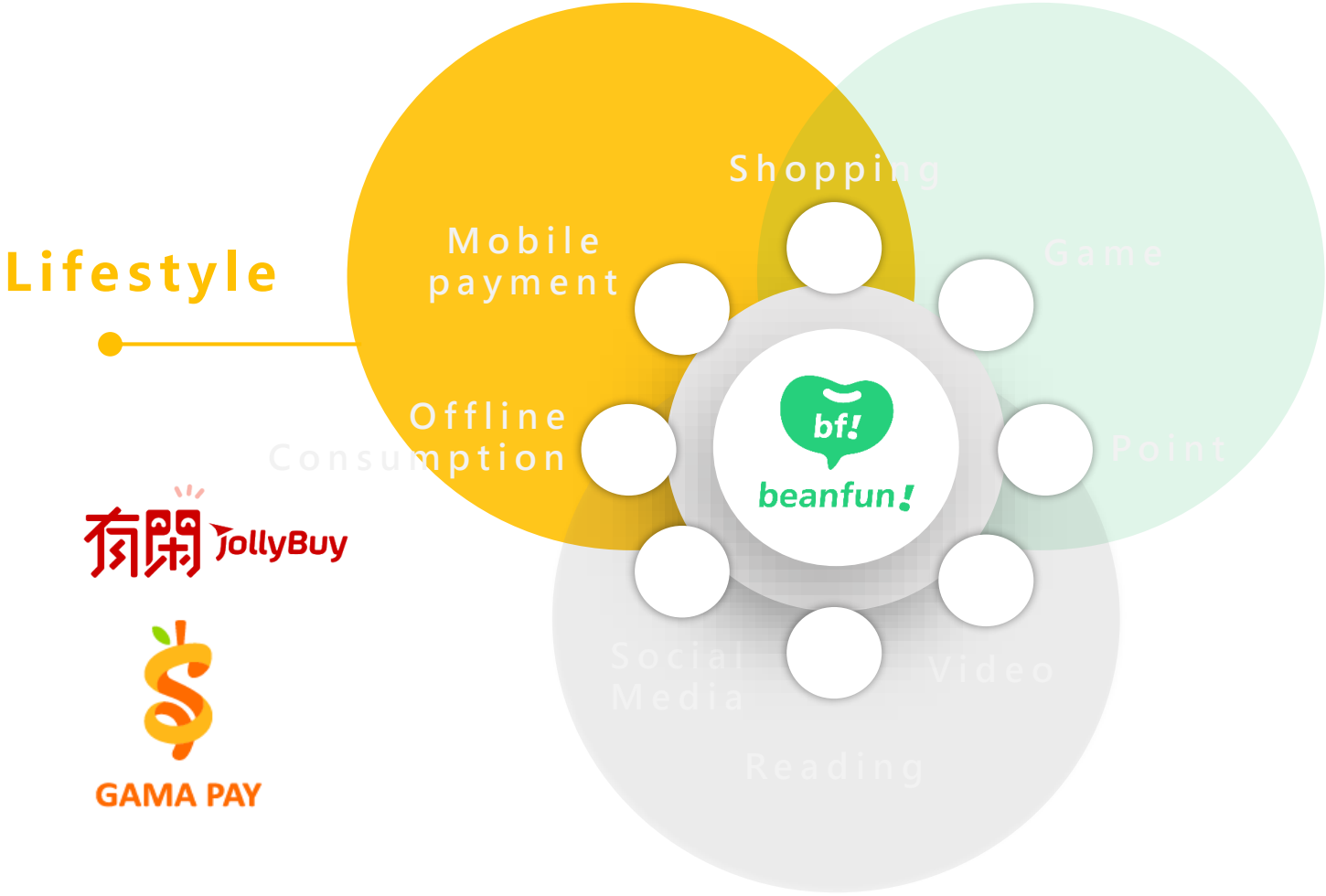
Leading Brand in Gaming Service Outsourcing

Digital Novels And Comics

- Cooperate with domestic well-known digital novel platform and authors
- Plan to release over thousands authorized works, fifty original works as well
- Integrate with user oriented content and interactive community
- Free to access, and plan to charge in the future



Gamania Business: Lifestyle



Ecommerce



Pioneer of ACGN ecommerce, enhance differentiated marketing



Differentiation

Anime

Comics

Games

Novels

Monetization

1~3Q22

Average buyers from beanfun!

YoY+51%

GMV from beanfun!

YoY+76%

Toys & Figures GMV

YoY+52%

Digital Tickets GMV

YoY+42%

Game Related GMV

YoY+72%

GAMA PAY Convenient Cash Flow Service



GAMA PAY



User data analytics

User preservation and activation

2021 Ranked No.

Number of Payment Locations in Taiwan

Monthly Effective Data Count

4/29 peers by GMV

70K+

1.2M+

Instant & Convenient

Huge User Base

Integrated Marketing

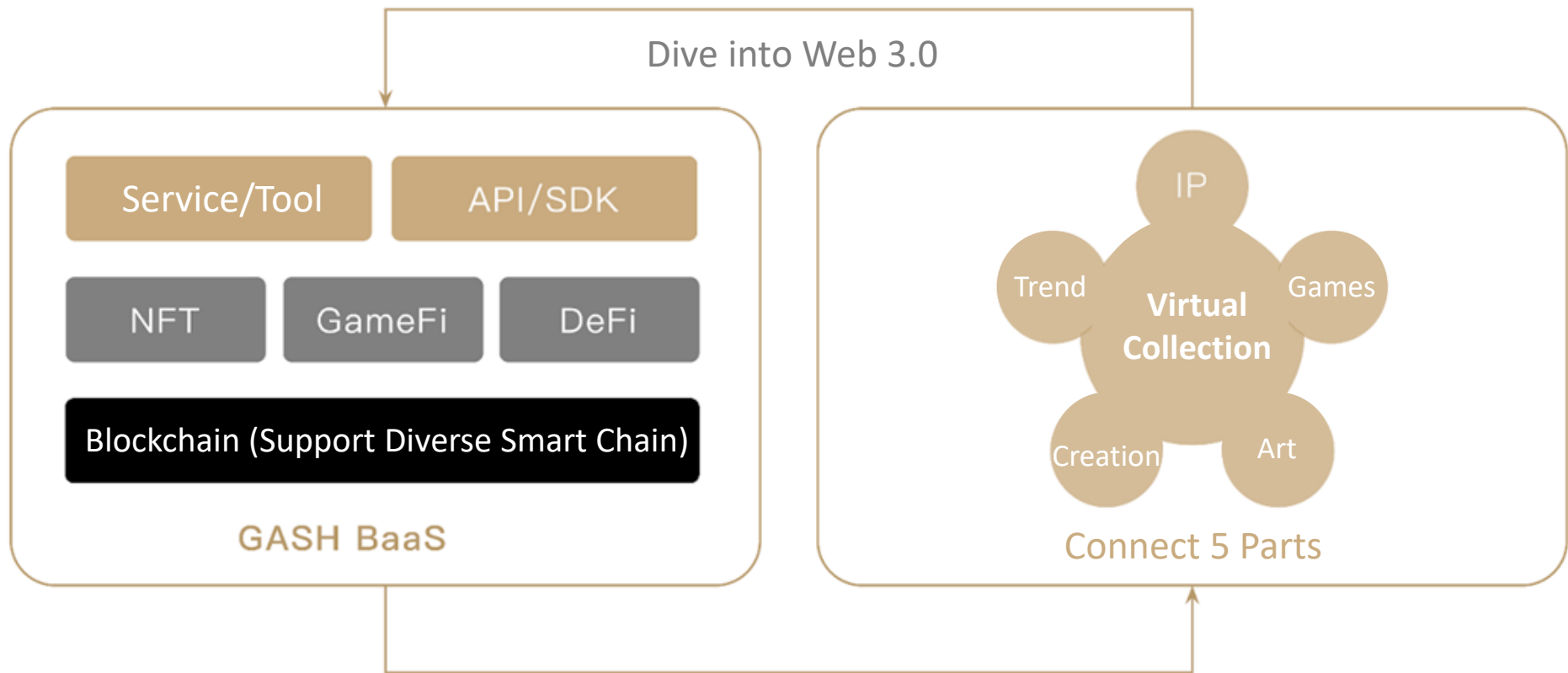
Data Application

Bonus Point

Innovative Blockchain One-Stop Solution - BaaS

GASH

Blockchain as a Service



NFT Design & Mint, Issuing Management, Brand Web Construction, Smart Contract, Integrated marketing, VIP Membership

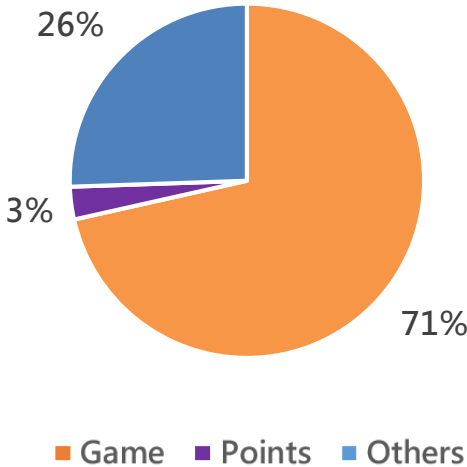
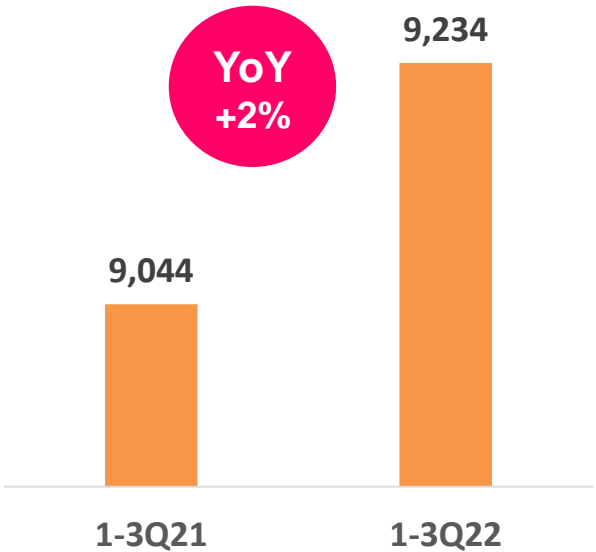
Financial Results



Financial Analysis: 2022Q3 Revenue and Net Profit

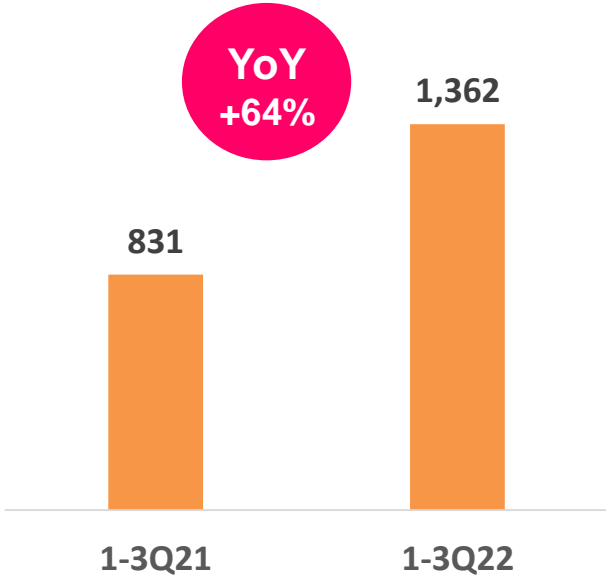
Consolidated Revenue

Unit: NT\$M



Net Profit

Unit: NT\$M



*Note: Others revenue is composed of ecommerce, payment and media; net profit is the profit attributable to owners of the parent. 33

2022Q3 Consolidated Income Statement

Unit: NT\$ million	3Q22	3Q21	YoY%	1~3Q22	1~3Q21	YoY%
Consolidated revenue	3,400	3,530	-4%	9,234	9,044	2%
Operating costs	1,948	2,030	-4%	5,234	5,461	-4%
Gross profit	1,452	1,500	-3%	4,000	3,583	12%
Selling expenses	332	358	-7%	950	1,041	-9%
General and administrative expenses	334	352	-5%	990	926	7%
R&D expenses	135	112	21%	344	296	16%
Expected credit impairment loss (gain)	1	35	-97%	0	42	-100%
Total operating expenses	801	856	-6%	2,285	2,305	-1%
Operating income	652	643	1%	1,715	1,277	34%
Total non-operating income and expenses	13	(87)	115%	(57)	(97)	41%
Profit before income tax	665	556	20%	1,658	1,180	41%
Income tax expense	168	144	17%	393	323	22%
Profit for the period	497	412	21%	1,265	857	48%
Profit (loss) attributable to owners of the parent	493	431	14%	1,262	908	39%
Profit (loss) attributable to non-controlling interest	4	(19)	121%	3	(51)	106%
Basic EPS	2.81	2.46	14%	7.19	5.18	39%
Diluted EPS	2.76	2.43	14%	7.05	5.10	38%

2022Q3 Consolidated Balance Sheet

Unit: NT\$ million	2022.9.30	2021.9.30
Current assets	6,528	5,710
Cash and cash equivalents	4,599	3,466
Accounts receivable	1,024	1,214
Other receivables	609	86
Prepayments	346	435
Other current assets	194	137
Non-current assets	3,848	4,406
Financial assets at fair value through other comprehensive income-non-current	15	-
Investment accounted for under equity method	140	180
PP&E	2,800	2,806
Intangible assets	531	941
Total assets	10,911	9,967
Current liabilities	4,460	4,191
Short-term borrowings	362	557
Accounts payable	916	581
Other payables	2,549	2,340
Non-current liabilities	156	137
Long-term borrowings	-	-
Total liabilities	4,616	4,329
Equity attributable to owners of parent	5,865	5,156
Share capital	1,755	1,755
Non-controlling interest	430	483
Total Equity	6,295	5,638
BPS	33.42	29.38

ESG Rating



Bloomberg

16.7
Low Risk

(100-0; 0 best)

2.4

(0-5; 5 best)

50.73

(100-0; 100 best)

2021 ESG Highlight Performance

Governance Aspect

Ranked in
Top 6 - **20%**
 among TPEX-listed companies
 in the seventh corporate
 governance accreditation

The 25th anniversary celebration video Dare to
 Challenge won the
**Red Dot
 Design Award**
 2021 in the Brands and Communication
 Design category

Consolidated revenue was **NT\$ 11.37 billion** → **up 9%** on year, the second highest in history

Net profit after tax reached **NT\$ 1.11 billion** → **up 27%** on year, the second highest in history

The company's sustainability strategy blueprint is based on the core concept of **sustainable rotation** which combines the spirit of sustainable corporate development and the Gamania culture, in respond to the SDGs to achieve sustainable development.

0 major incidents of violation of ethical management

A total of **97** patents were approved and published in Taiwan

Service quality check accuracy **rate exceeded 99%**

Social Aspect

Rated the
Top 100 Companies for the Young Generation
 by Cheers Magazine for 16 consecutive years, and the only game developer on the list

Received the 2020-2023 **i Sports Enterprise** certification from the Sports Administration, Ministry of Education

The average training hours for employees was **12.9 hours**

Overall satisfaction rate of Gama Island reached **88.45%**

Environmental Aspect

As a response to the **Net Zero Emission 2050**, we conducted a **GHG inventory & validation plan**

Largely reduced electricity consumption by **12.84%**

Largely reduced water consumption by **33.77%**

The procurement amount of computers with the Green Mark increased by **69.41%**

Won the **Bronze Award** at the 3rd Annual Enterprise Environmental Protection Award (AEEPA), the highest honor for environmental protection in Taiwan

Promoted environment-friendly gifts for the 3 festivals, replacing disposable plastic destruction bags with **RE-BAG recycling logistics bags**

Q&A

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