

gamania

Gamania Group 2021Q2 Investor Conference

June 23 , 2021

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:

- **Group Overview**
- **Industry & Business Outlook**
- **Financial Highlights**
- **Corporate Outlook**

2021Q2 Business Highlights:

1. Lineage M:

- ranks top 1 since launching in Taiwan.

2. MapleStory:

- Expanding to youth players and enhancing user engagement resulted in strong momentum which hit a historic sales in 2020, 1Q21, and February 2021

3. World Flipper:

- Solid performance first month in Taiwan, as the pinball game combined with RPG successfully attracted more players

4. beanfun!

- Major update with optimizing user experience and big data analysis in 1Q21, and announced to release new platform with online literature and comic in 2Q21

Group Overview



Company Profile



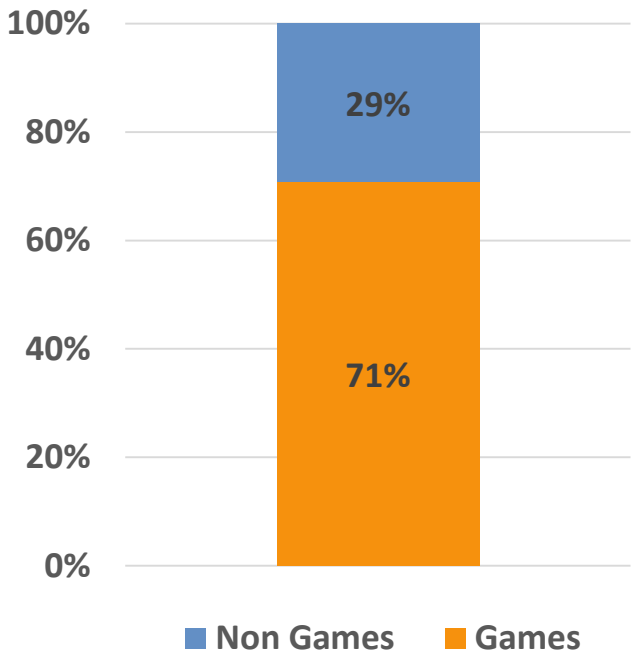
- **Founded:** June 1995
- **IPO:** May 2002 (6180 TT)
- **CEO:** Mr. Albert Liu
- **Capital:** NT\$1.75 B
- **Market Cap:** NT\$11.3 B / US\$403 M (2021/6/22)
- **Headcount:** 963 (as of 2021/3/31)
- **Business Model:** Eco-Internet Enterprise

Industry & Business Outlook



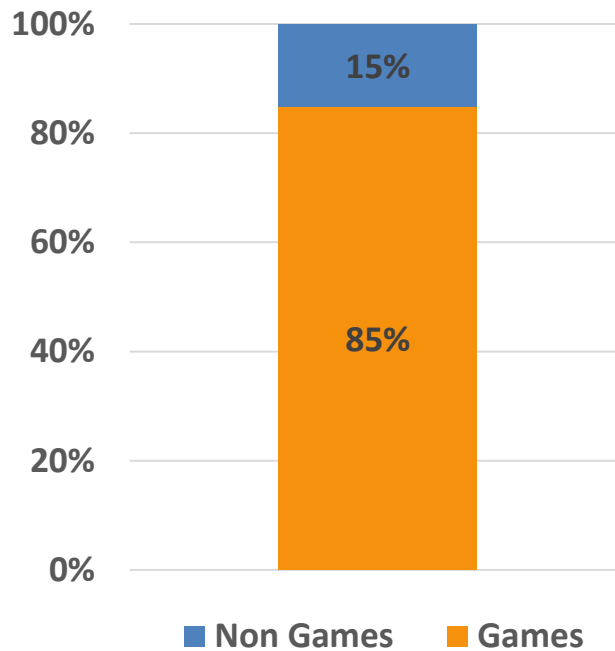
Both Worldwide And Taiwan Apps Revenue Mainly Driven By Games

2020 Worldwide Apps Revenue Breakdown By Category



Source: App Annie

2020 Taiwan Apps Revenue Breakdown By Category



Source: App Annie

Lineage M Ranks Top 1 Since Launching In Taiwan









































Taiwan Top Mobile Games By Revenue

2018

2019

2020

2021: ~ 6/15

Rank	2018	2019	2020	2021: ~ 6/15
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	 Sangokushi Strategy Alibaba Group
4	 Arena of Valor Garena Online	 Arena of Valor Garena Online	 RO Next Generation Niverse	 Xin Stars Wanin
5	 Lineage 2 Revolution Netmarble	 Rise of Kingdoms Lilith	 Slam Dunk Mobile DeNA	 RO Next Generation Niverse
6	 Xin Stars Wanin	 AFK Arena Lilith	 One Punch Man: The Strongest Ourpalm	 Lineage 2M NCSOFT
7	 0857online GalaxyOnline	 Be The King Chuang Cool	 Arena of Valor Garena Online	 Castle in the Sky 37games
8	 Fate/Grand Order Aniplex	 The Continent of Wind ZlongGames	 Tower of Saviors Mad Head	 The Legend of the Condor Heroes Iron Blood CMGE
9	 Be The King Chuang Cool	 Princess Connect! Re:Dive Cygames	 God and Devil Three Kingdoms eSkyFun	 New Myth: Origin eSkyFun
10	 Pokémon GO Niantic	 0857online GalaxyOnline	 Star 371-16 Mahjong IGS	 Arena of Valor Garena Online

Source: App Annie

Lineage M Returns To Top 1 With Strong Momentum In 2021

2021 Taiwan Top Mobile Games By Revenue

January

February

March

April

May

June 1-15

	January	February	March	April	May	June 1-15
1	Coin Master Moon Active	Coin Master Moon Active	Lineage M NCSOFT	Lineage 2M NCSOFT	Lineage M NCSOFT	Lineage M NCSOFT
2	Lineage M NCSOFT	Lineage M NCSOFT	Coin Master Moon Active	Coin Master Moon Active	Coin Master Moon Active	Lineage 2M NCSOFT
3	RO Next Generation Nuverse	RO Next Generation Nuverse	Sangokushi Strategy Alibaba Group	Lineage M NCSOFT	Lineage 2M NCSOFT	Ni no Kuni: Cross Worlds Netmarble
4	Xin Stars Wanin	Sangokushi Strategy Alibaba Group	Xin Stars Wanin	Sangokushi Strategy Alibaba Group	Xin Stars Wanin	Coin Master Moon Active
5	Sangokushi Strategy Alibaba Group	The Legend of the Condor Heroes CMGE	New Myth: Origin eSkyFun	Xin Stars Wanin	Arena of Valor Garena Online	Xin Stars Wanin

Source: App Annie

Key Successful Factors as The Gaming Leader



Gamania group operates games with popular classical IP successfully over 20 years and have massive member numbers

					
Lineage (2000~)	Maple Story (2005~)	Counter Strike Online (2008~)	Lineage M (2017~)	Crossgate M (2019~)	Lineage Remastered (2019~)
PC Game	PC Game	PC Game	Mobile Game	Mobile Game	PC Game

Lineage M Advantages: Flagship IP Mobile Game

- Online game Lineage has massive member numbers
- Inherits features and gameplay of online game Lineage
- Understands players preference with operating Lineage IP over 20 years
- Perfect integration of operation and marketing teams results in higher user engagement



Lineage M : Flagship IP Mobile Game

New Class
Black Flame



New Class
Dragon Knight



New Class
Saint Paladin



Improving Class
Gunman/Wizard/Black Flame



Improving Class
Knight/Dark Knight



Released
In Taiwan

2017/12/11

2018/11/14

2019/6/12

2020/5/6

2020/10/15

2021/4/28

2018/6/27

2019/1/28

2020/1/15

2020/7/8

2021/3/24



New Class
Gunman



New Class
Dark Knight



Improving Class
High Elf



New Class
Berserker

Improving Class
Dragon Knight



Improving Class
Magician

MapleStory Strong Momentum Resulted In A Historic Sales

2020

historic yearly sales

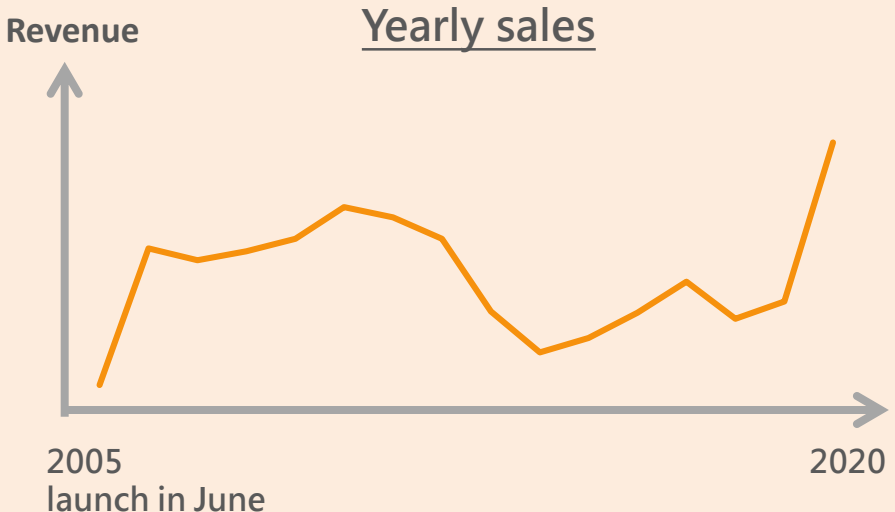
2021/2

Record high monthly sales

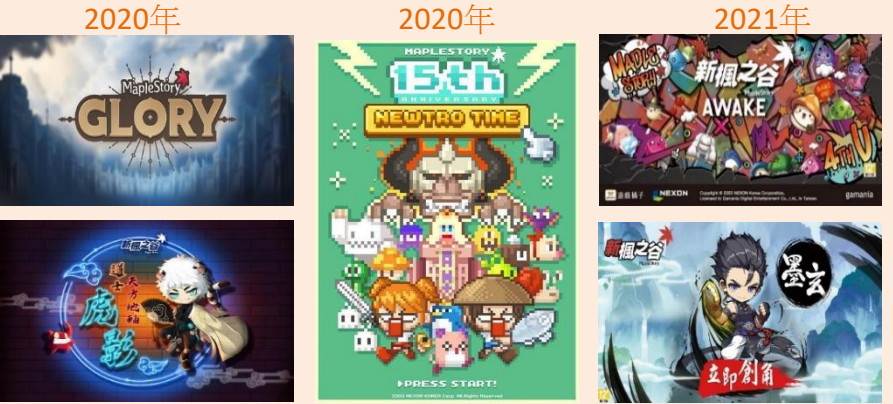
1Q21

Record high quarterly sales

- Expand to youth players to increase the user base
- Keep optimizing to extend life cycle
- Rapid revenue growth driven by enhanced user engagement and consumption



2020-2021 large scale updates



Key Titles PC & Mobile Games

PC Games



Lineage



MapleStory



Lineage Remastered



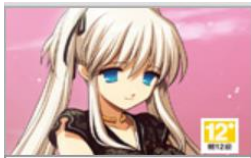
DragonNest



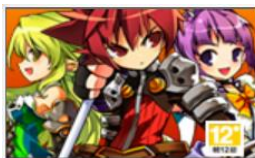
CSO



Crazyracing Kartrider



Mabinogi



ELSWORD

Mobile Games



Lineage M



World Flipper



Cross Gate M



曖昧瞬間



The Legendary Moonlight Sculptor



櫻桃小丸子手遊版



World of Dragon Nest



便利商店口袋版

「World Flipper」 Solid Performance In Taiwan

- Co-developed by Cygames and its subsidiary Citail
- Exquisite graphics and unique gameplay
- The pinball game combined with RPG successfully attracted more players
- Absorbing the experience of Japanese version, our group added localized content to upgrade game experience for users and released effective marketing campaigns.



E-commerce: Robust GMV Growth

YoY + 386%

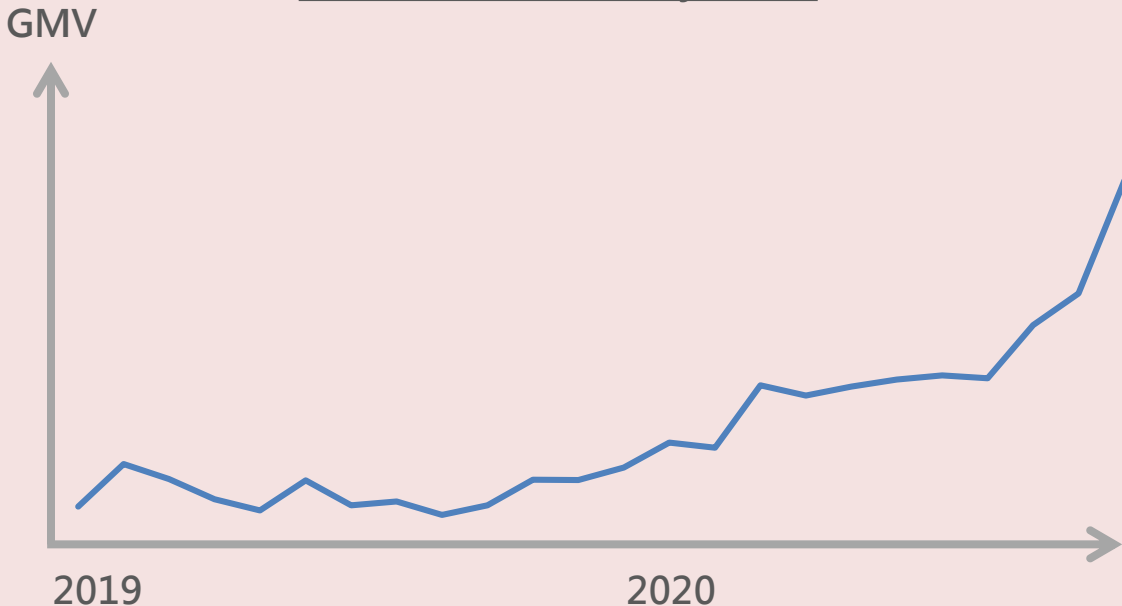
2020 GMV

YoY + 90%

2020 AOV

- focus on Anime, Comics, Games(ACG) products as its core services
- upgrade user experience through gaming and social media
- improve our partner's performance with AI data analysis

2019-2020 monthly GMV



New business model-Blind box

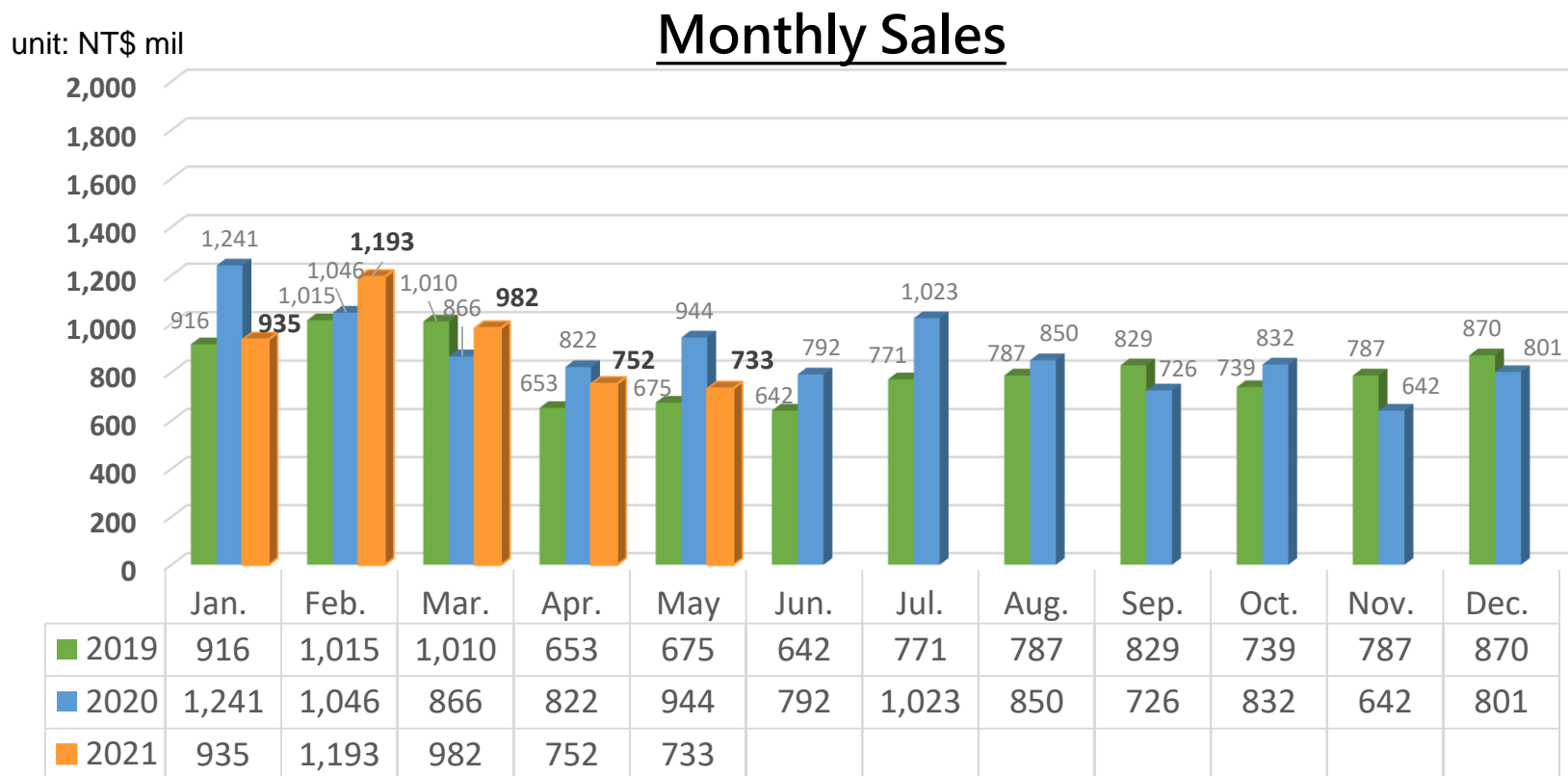


Financial Highlights



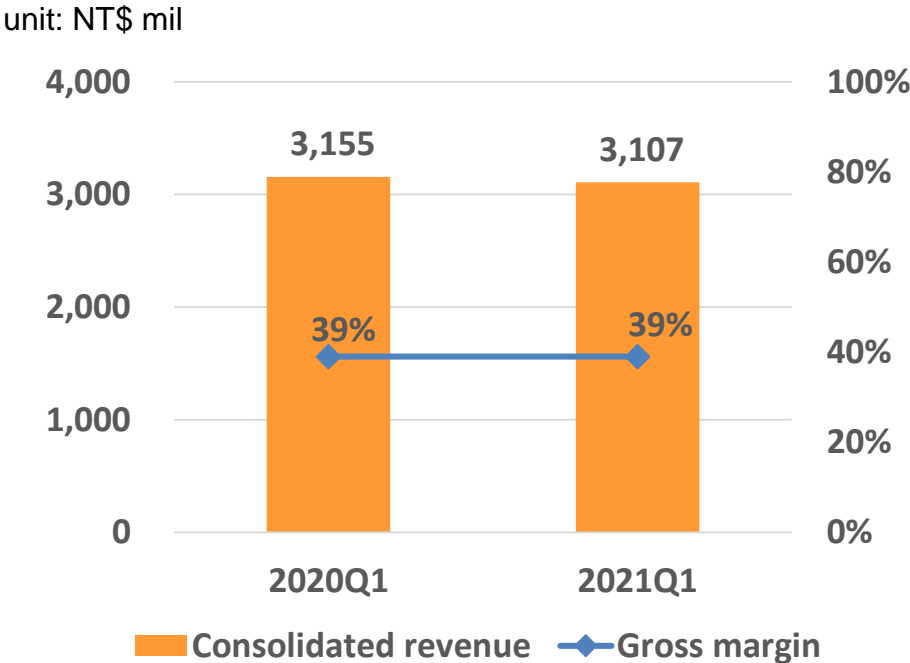
Consolidated Monthly Sales

- 2021/05 unaudited monthly sales is NT\$ 733mn, MoM-3%, as World Flipper and Lineage M update released by the end of May, generating limited contribution in this month. YoY-22%, due to Lineage M large scale update in 2020/05 resulted in a high base.
- As of 2021/05, total unaudited monthly sales is NT\$ 4.6 billion, mainly driven by growth momentum of Lineage M and MapleStory.



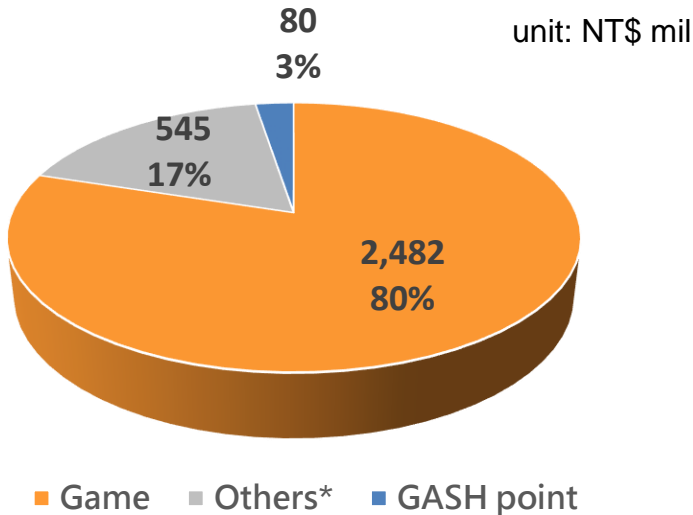
Financial Analysis: Revenue Breakdown

- 1Q21 consolidated revenue was NT\$3.1 billion, YoY-2%, since “Lineage M” new class “Saint Paladin” released in January 2020, had a stronger momentum, while it focused on improving class revisions in 1Q21. In addition, “MapleStory” 1Q21 quarterly revenue reached a record-high, as a result, the consolidated revenue of 1Q21 was in line with the results of 1Q20.



*Note: 2018~2019 average gross margin was 38%

1Q21 Consolidated Revenue Breakdown By Segment



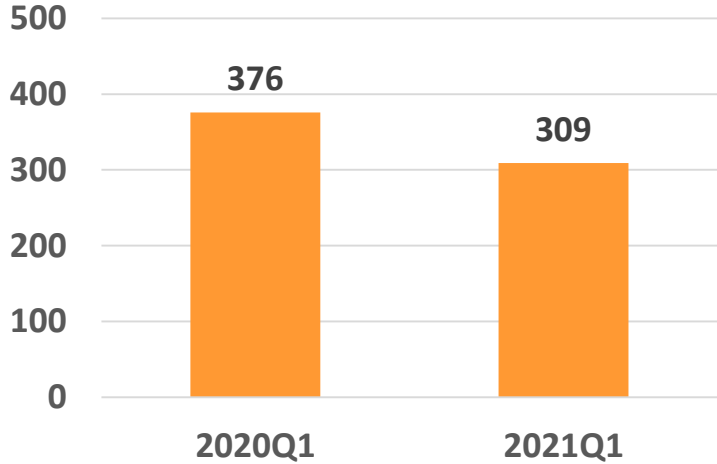
*Note: Others revenue is composed of service revenue and sales revenue

Financial Analysis: Net Profit And Payout Ratio

- 1Q21 net income to owners of the parents was NT\$309 million, due to launch of “World of Dragon Nest” resulting in marketing expense Y/Y increased. EPS was NT\$ 5.0.
- 2020 Allotment of cash dividends was NT\$ 4.0, hence, payout ratio increased to 80%.

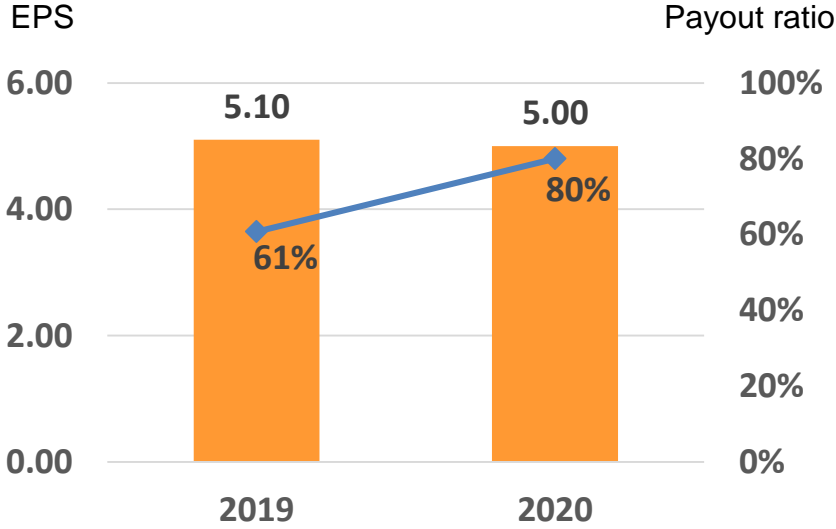
Net Profit

unit: NT\$ mil



■ Net Profit*

EPS vs. Payout Ratio



■ EPS ◆ payout ratio

* Note: Net Profits - the Profits attributable to owners of the parent.

Corporate Outlook



Gamania Group Advantages



- **Build around four major business units**
Game, E-commerce, Media, Payment
- **Accumulated +10 million users**

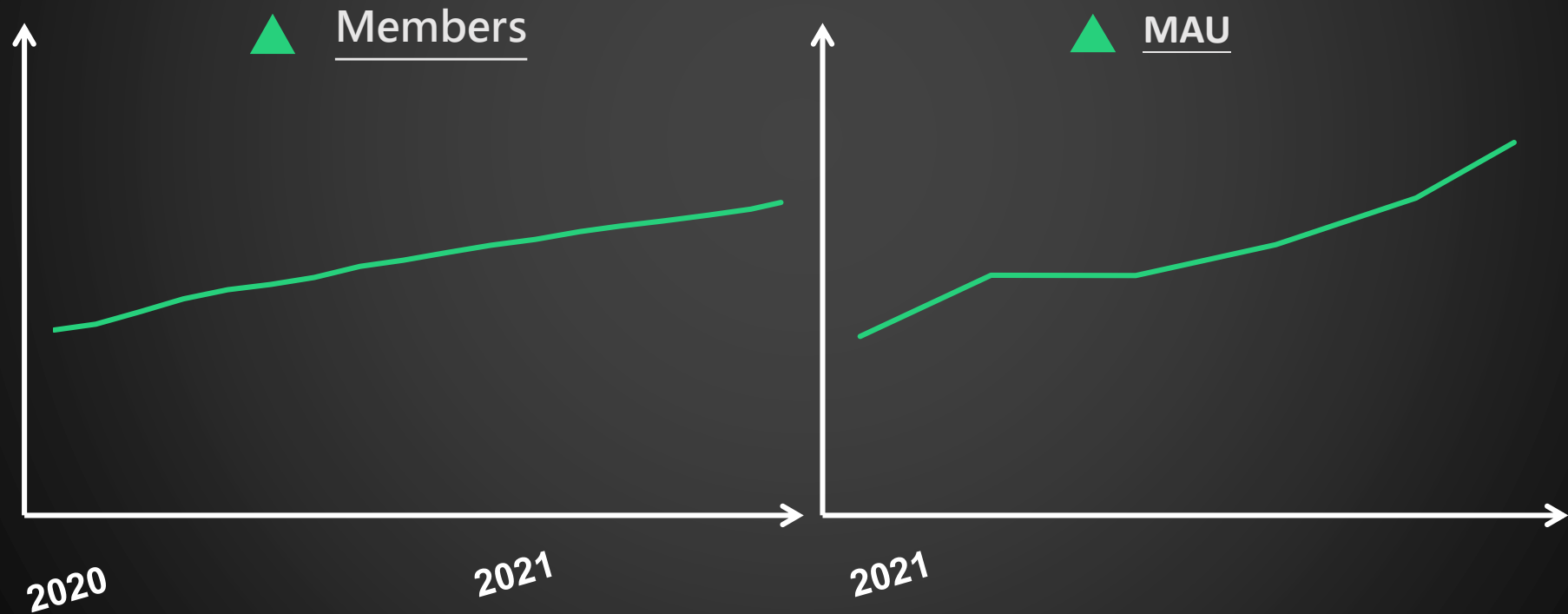


Concatenate Multi-point And Build Up Beanfun! In Entertainment Field



beanfun! Major Update Achieved A Great Synergistic Effect

- Major update with optimizing user experiences and big data analysis in 1Q21
- Announced to release new platform with online literature and comic in 2Q21



*Note: as of 6/20/2021



The graphic features a green background on the left and a white background on the right. A hand is shown holding a smartphone displaying the app's interface. To the right of the phone, five circular icons are connected by lines, representing key features: a chat bubble for '聊天室', a group of people for '豆陣聊', a backpack for '背包', a planet for '星球', and a shopping bag for '購物'. The text 'beanfun! 新版上線拉!' is prominently displayed in the center-left, with '改版更新重點 一次報乎你知' below it.

bf!

beanfun!
新版上線拉!
改版更新重點
一次報乎你知

聊天室

豆陣聊

背包

星球

購物

聊天室

不間斷的聊天體驗

全新的懸浮聊天室
各模塊上方都有聊天室
走到哪裡都好聊

聊天室操作教學

1. 點擊空白處即可收合為聊天泡泡
2. 長按聊天泡泡拖曳到底部即可關閉聊天室



豆陣聊

輕鬆找到話題同好

全新介面，推薦、大家都在聊
探索更多分類

匿名尬聊無負擔

加入豆陣聊時自由切換身份
一手掌握和管理所有匿名帳號



背包



資產優惠都在這
點數、道具、零用金、票券、認同卡

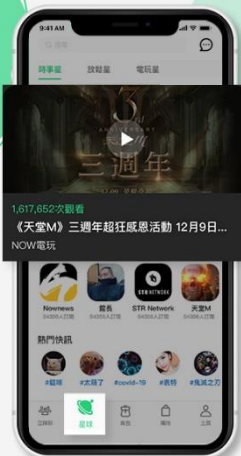
省下多少一目了然
一年內有使用掉的零用金 + 票券價值

想要更多好康?
來解點任務吧
達成任務條件，賺取各式資產優惠

星球

來星球探索各式內容

放鬆療癒
時事新聞
電玩快訊



購物

邊買邊玩 fun"購物"

新介面新體驗，電玩娛樂、
玩具公仔都在有閃



beanfun! 獨特的「寶箱」活動:

讓用戶體驗隨機抽獎的樂趣，及獲得獨家獎項
包含零用金/支付、點數/GASH、道具/遊戲、
票券/線上線下優惠



Communication



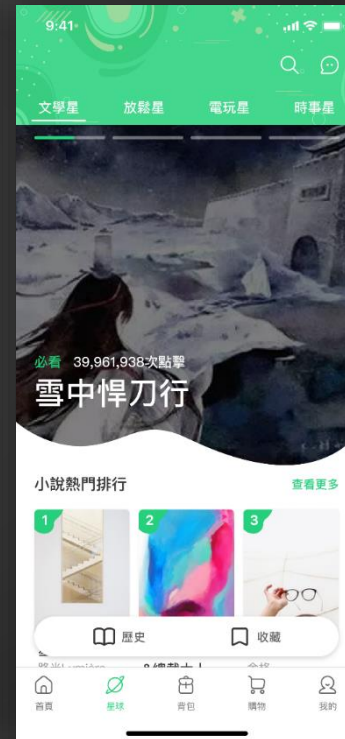
Media



Shopping



Creative Content



IIO



Build Up an AI and Big Data Center



**consolidate
users services**



**analysis users
interest**



**Analysis article
and picture**



**added value of
data application**

Launch Of New Platform: Online Literature



- ✓ Cooperate with domestic well-known online literature platforms
- ✓ Currently about 400 online works
- ✓ Comic platform will be launched in October this year!
- ✓ Integrate with user oriented content and interactive community
- ✓ Build up Intellectual Property value chain with our big data resources



Build up the first Taiwan Eco-Internet enterprise

Thank You

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