

Code: 6180 TT

gamania

gamania

Gamania Group 2018Q3 Investor Conference

Nov. 15, 2018

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**
- **Business Outlook**
- **Financial Highlights**
- **Corporate Outlook**

Group Overview



Company Profile

- **Founded:** June 1995
- **IPO:** May 2002 (6180 TT)
- **CEO:** Mr. Albert Liu
- **Capital:** NT\$1.75 B
- **Market Cap:** NT\$11.6 B / US\$376 M (2018/11/13)
- **2017 Consolidated Revenue:** NT\$8.4B / US\$282M
- **Headcount:** 775 (as of 2018/3/31)
- **Business Model:** Eco-Internet Enterprise



Business Outlook



Key Successful Factors as The Gaming Leader

- Popular Classical IP & Sustainable Operations & Strong Social Network: the group operates games with popular classical IP successfully over 20 years and have massive member numbers.



Lineage
(2000~)

PC Game

Maple
Story
(2005~)

PC Game

Counter
Strike
Online
(2008~)

PC Game

Lineage M
(2017~)

Mobile Game

Lineage M Ranks Top 1 since launching in Taiwan

iOS 2017 Worldwide Revenue

Rank	Category	Rank Change vs. 2016
1	Games	-
2	Entertainment	▲ 1
3	Social Networking	▼ -1
4	Music	-
5	Lifestyle	▲ 1
6	Books	▲ 1
7	Photo and Video	▲ 3
8	Health and Fitness	▲ 1
9	Education	▼ -4
10	Productivity	▼ -2

Google Play 2017 Worldwide Revenue

Rank	Category	Rank Change vs. 2016
1	Games	-
2	Social	▲ 1
3	Entertainment	▲ 1
4	Communication	▼ -2
5	Lifestyle	▲ 1
6	Productivity	▲ 6
7	Music & Audio	▼ -2
8	Education	▼ -1
9	Health & Fitness	-
10	Dating	▲ 10

Taiwan Top Mobile Apps

Lineage M: Taiwan Top 1 Game App

畅销排行

1	 Lineage M NCSOFT
2	 Tower of Saviors Mad Head
3	 Ragnarok M : Eternal Love X.D. Network
4	 Arena of Valor Garena Online
5	 Lineage 2 Revolution Netmarble
6	 Xin Stars Wanin
7	 0857online GalaxyOnline
8	 Fate/Grand Order Aniplex
9	 Pokémon GO Niantic
10	 Be The King Chuang Cool

Source: App Annie

Source: App Annie (2017/12-2018/10)

Lineage M : Flagship IP Mobile Game

- Launched in Taiwan/HK/Macau on 2017/12/11
- Dominates #1 for both Apple & Google Play since launching in Taiwan
- Accumulated Registered Users 5,000,000+



Lineage M

New Class
Black Flame



2017/12/11

Lineage M
The 1st
Anniversary



2018/11/14

2019/1/24



2018/6/27

2018/12/12



Lineage M
released
in Taiwan



New Class
Gunman



2019 Taipei
Game Show

The Effect brought by Lineage M

- Lineage M strengthens quality of the group:
 - Growing Operation Performance
 - Gained massive member numbers
 - Improved Cash Flow
 - Increased possibilities to operate more popular classical IP Game

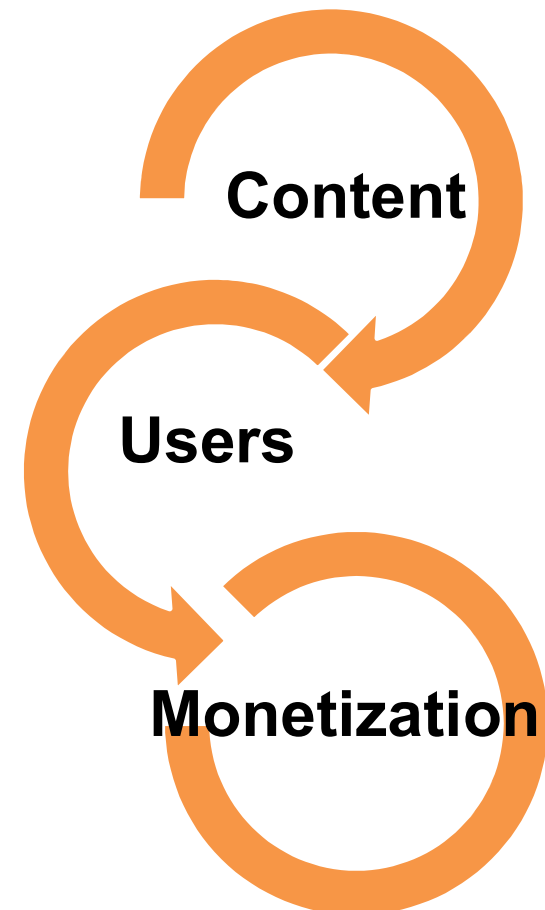


- What's the strategic perspective for Gamania group after Lineage M?
 - **Eco-Internet Enterprise**



Eco-Internet Enterprise

- Accumulated registered member numbers: 10mil+
- From a **Content** Company → to a **Platform** Company

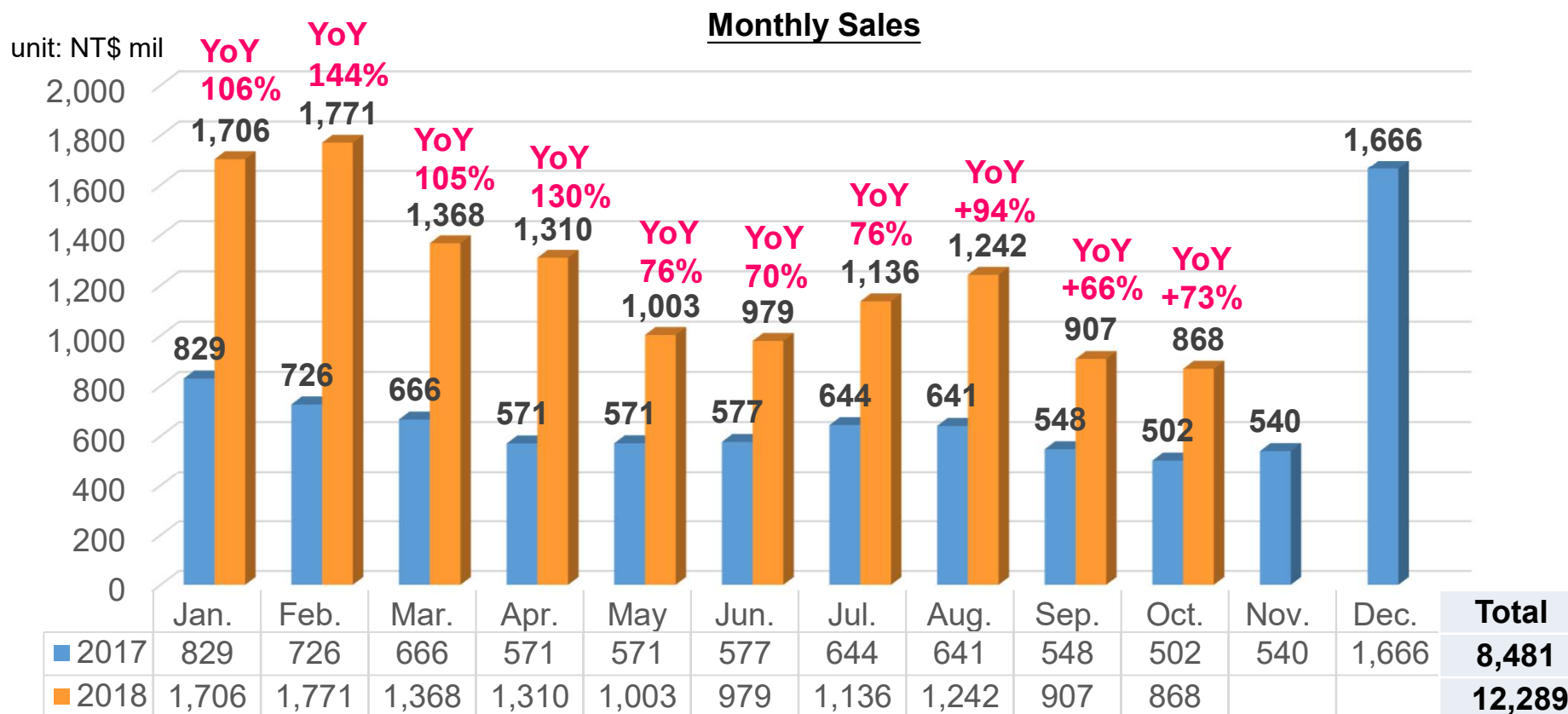


Financial Highlights



Consolidated Monthly Sales

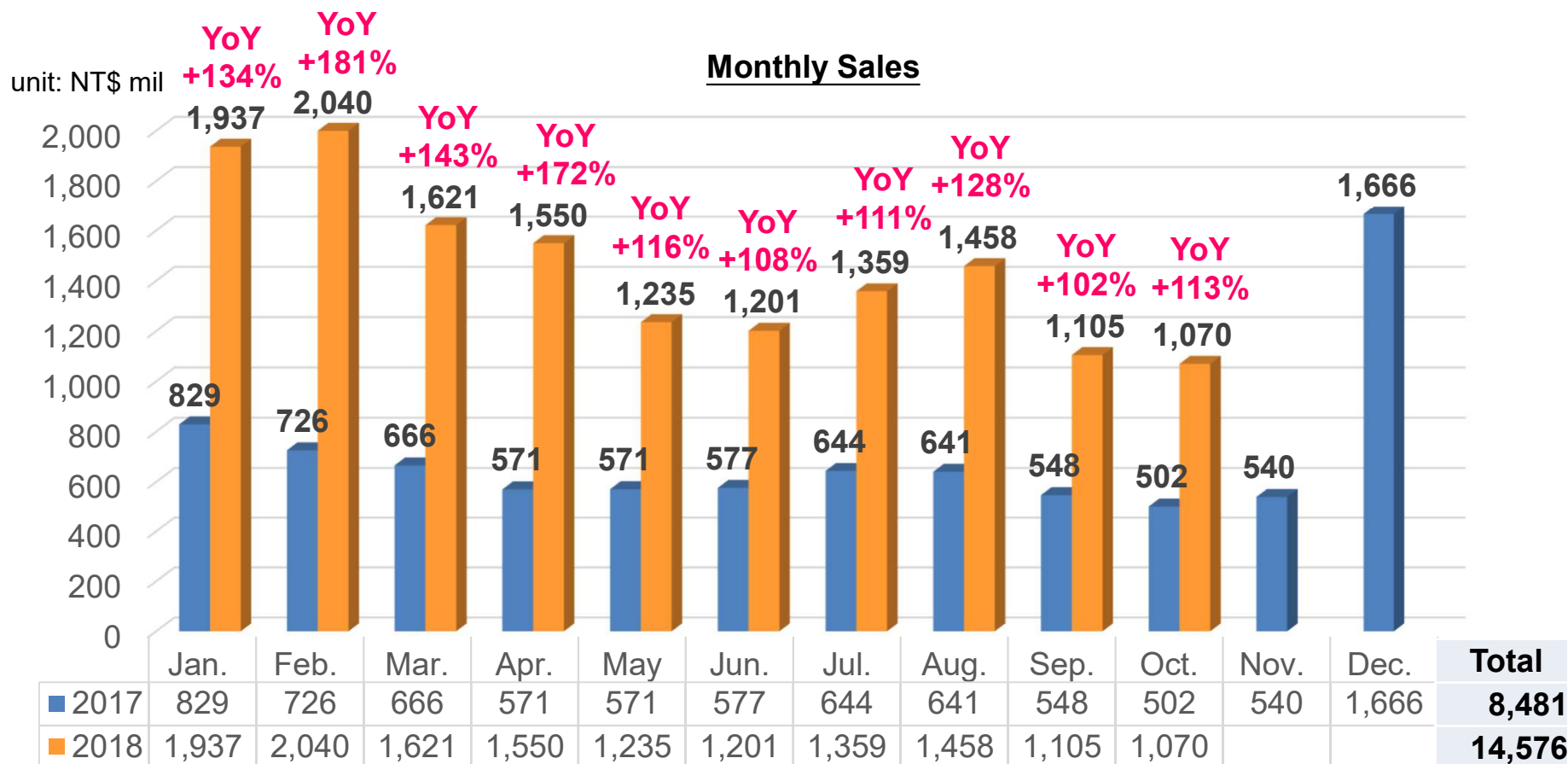
➤ As of 2018/10, the Consolidated Sales: NT\$12.3 bn, YoY+96% by net basis which beats 2017 total Sales.



Note: Unaudited monthly sales; In compliance with IFRS No. 15, GASH revenue is on net basis since 2018 vs. GASH revenue is on gross basis in 2017 14

Consolidated Monthly Sales (by Gross Basis)

➤ As of 2018/10, the Consolidated Sales: NT\$14.6 bn, YoY+132% by gross basis which beats 2017 total Sales.

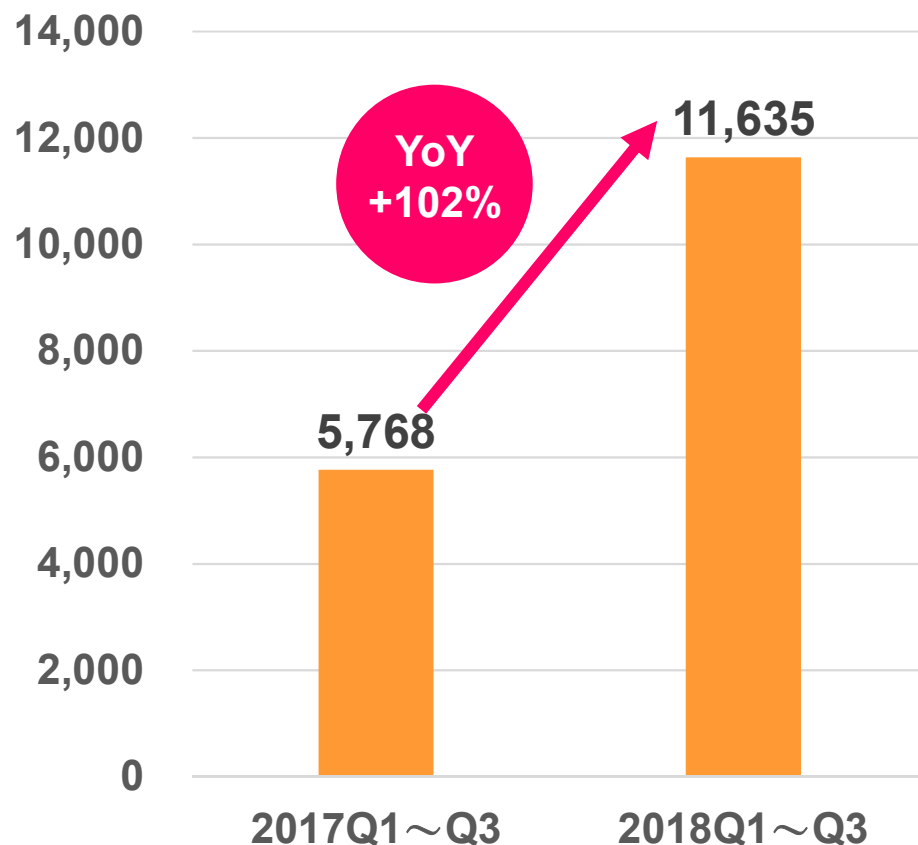


Note: Unaudited monthly sales; 2018 revenue on gross basis vs. 2017 revenue on gross basis.

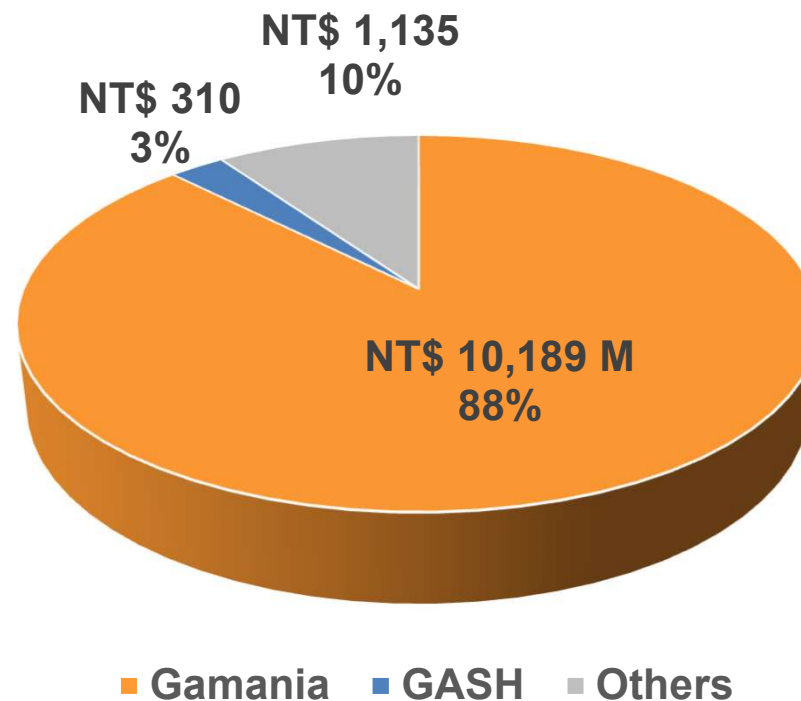
Consolidated Revenue (Accum.)

- As of 2018Q3, the Consolidated Revenue NT\$11.6 bn, YoY+102%

unit: NT\$ mil

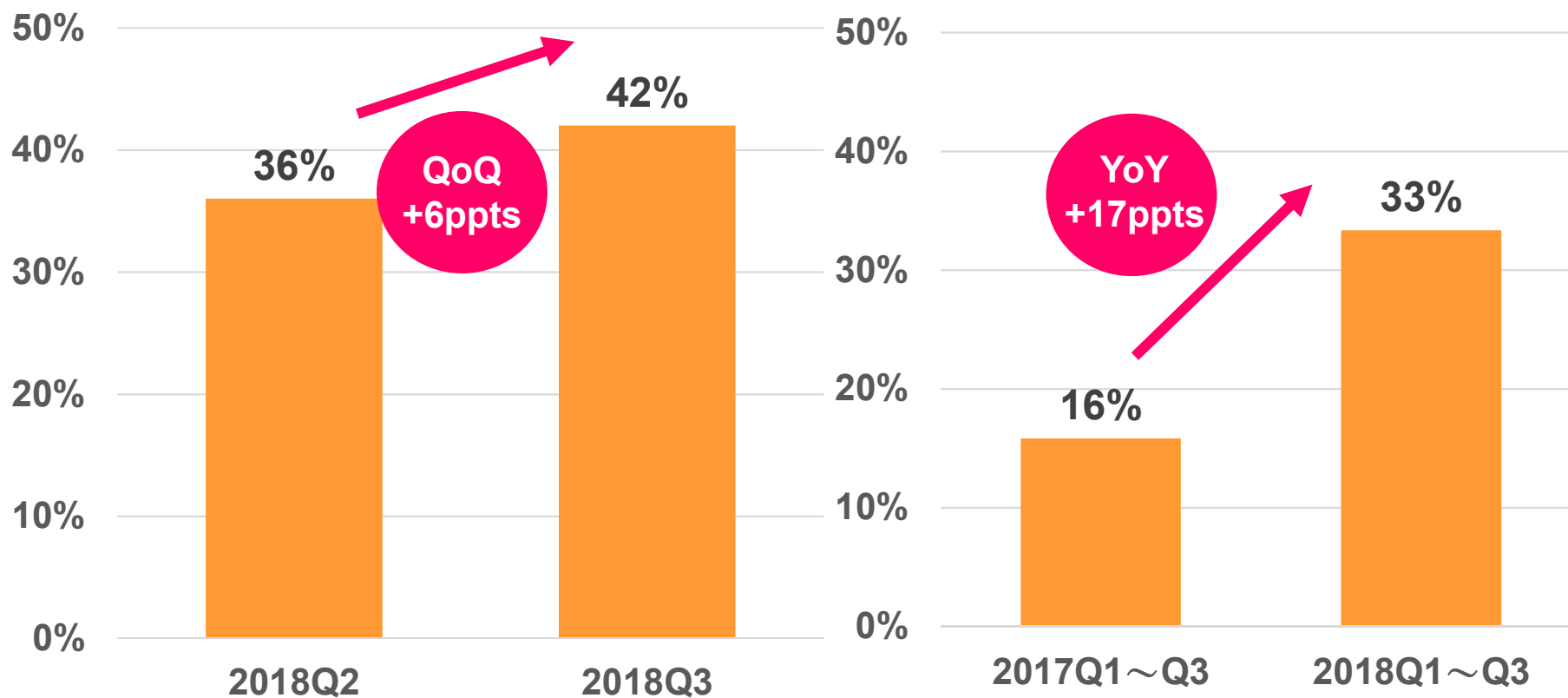


2018Q3 Revenue Breakdown (Accum.)



Profitability

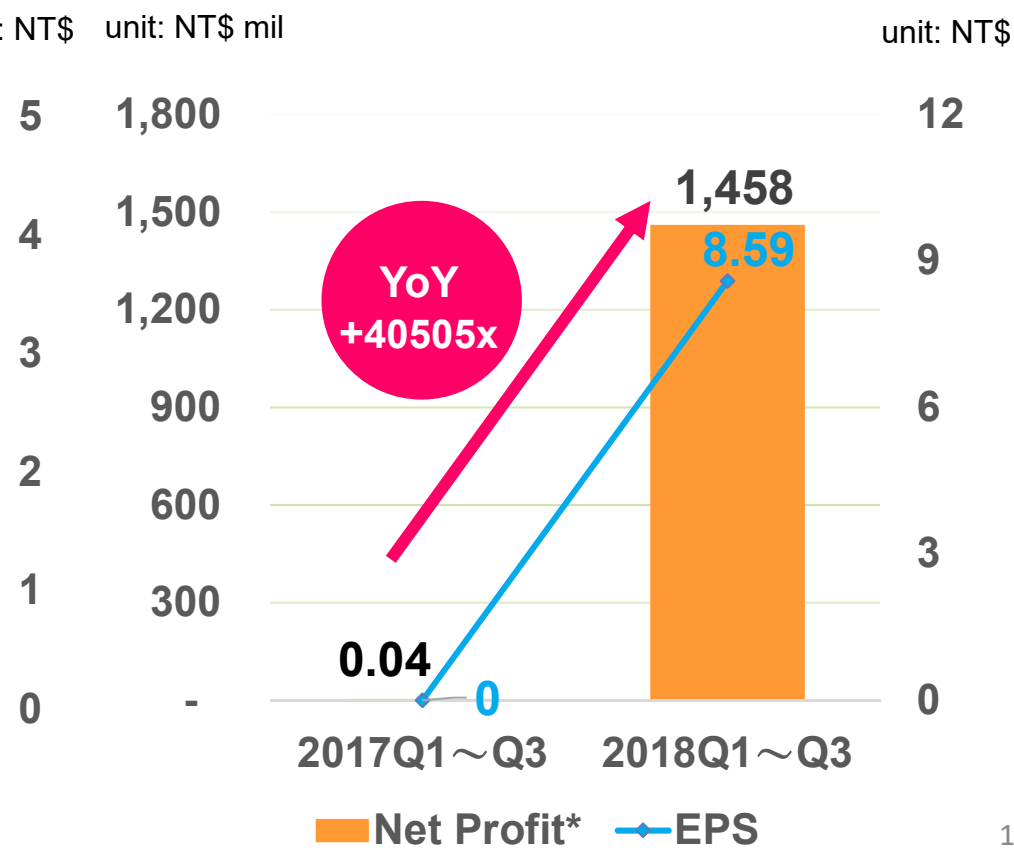
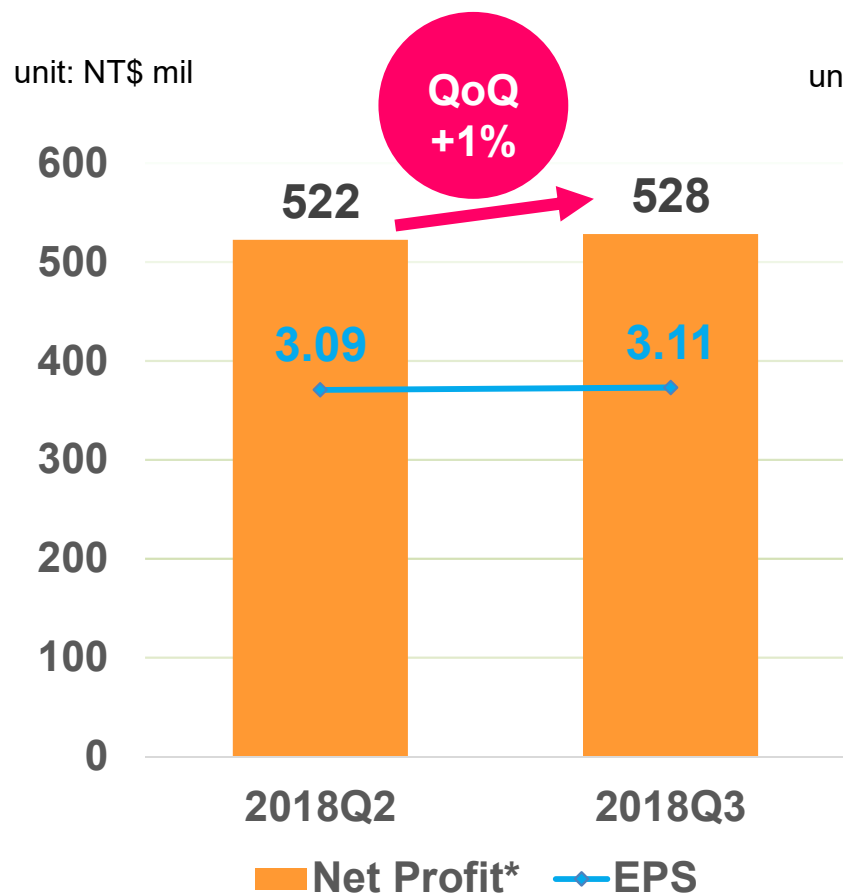
Gross Margin %



Profitability

Net Profits vs EPS

* Net Profit means the Profit attributable to owners of the parent.



Corporate Outlook



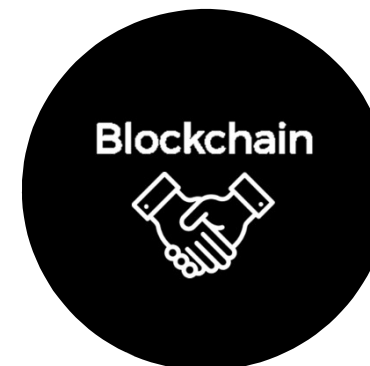
Eco-Internet Enterprise



- beanfun! APP
- IIO (Initial Item Offering)



beanfun! APP



IIO

Thank You

www.gamania.com

ir@gamania.com

Appendix

2018Q3 Consolidated Income Statement

Unit: NT\$ mil	2018Q3	2017Q3	YoY%
Operating revenue	3,274	1,836	78%
Operating costs	1,900	1,540	23%
Gross profit	1,374	296	363%
Operating expenses			
Selling expenses	298	116	156%
General and administrative expenses	432	189	128%
R&D expenses	75	55	36%
Total operating expenses	805	361	123%
Operating income	568	-64	-
Total non-operating income and expenses	73	-32	-
Profit before income tax	642	-96	-
Income tax expense	131	3	3875%
Profit for the period	510	-99	-
Profit (loss) attributable to owners of the parent	528	-80	-
Profit (loss) attributable to non-controlling interest	-18	-19	-
Basic EPS	3.11	-0.53	
Diluted EPS	3.09	-0.53	

2018Q3 Consolidated Income Statement (Accum.)

Unit: NT\$ mil	2018Q1~Q3	2017Q1~Q3	YoY%
Operating revenue	11,635	5,768	102%
Operating costs	7,755	4,854	60%
Gross profit	3,880	914	325%
Operating expenses			
Selling expenses	966	337	186%
General and administrative expenses	1,033	599	72%
R&D expenses	194	143	36%
Total operating expenses	2,195	1,079	103%
Operating income	1,686	-165	-
Total non-operating income and expenses	96	128	-25%
Profit before income tax	1,782	-38	-
Income tax expense	390	17	2254%
Profit for the period	1,392	-54	-
Profit (loss) attributable to owners of the parent	1,458	0	4050483%
Profit (loss) attributable to non-controlling interest	-66	-54	-
Basic EPS	8.59	-	
Diluted EPS	8.43	-	

2018Q3 Consolidated Balance Sheet

Unit: NT\$ mil	2018.9.30	2017.12.31	2017.9.30
Current assets	5,064	4,134	2,858
Cash and cash equivalents	2,841	1,380	1,425
Accounts receivable	1,159	2,250	1,082
Other receivables	352	67	60
Prepayments	552	305	191
Other current assets	65	56	47
Non-current assets	4,404	4,398	4,391
Fin assets at FV through other comprehensive income-non-current	475	-	-
Investment accounted for under equity method	496	585	527
Property, Plant, and Equipment	2,736	2,794	2,786
Intangible assets	533	286	271
Total assets	9,469	8,532	7,249
Current liabilities	3,641	4,083	3,005
Short-term borrowings	74	841	748
Accounts payable	642	1,579	959
Other payables	1,831	483	323
Other current liabilities	229	1,173	971
Non-current liabilities	1,085	1,313	1,335
Long-term borrowings	1,060	1,294	1,317
Total liabilities	4,726	5,396	4,340
Equity attributable to owners of parent	4,459	2,789	2,565
Share capital	1,755	1,750	1,685
Non-controlling interest	284	347	344
Total Equity	4,743	3,136	2,909
BPS	25.73	16.54	15.82