

gamania

Gamania (6180 TT)

Investor Presentation

May. 2024



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HIGHLIGHTS OF GAMANIA

- **Our 2024 new game lineups are poised to generate robust growth momentum and substantially enhance our performance.**
 - Successfully secured the exclusive publishing license for Nexon's latest masterpiece, 《Wars of Prasia》, which is expected to become our next flagship game.
 - 《MapleStory》 starts its 6th major role update; it is anticipated to boost the performance and player retention.
 - Expand game portfolio with new releases and diverse categories, including 《Tree of Savior M》 and 《Pocket Store》.
- **We are Taiwan's largest gaming company, ensuring a strong financial position for reinvestment in high-quality IPs Development.**
 - Payout ratio reached 100% in 2023; stable financial performance with a 22% ROE in average during the recent 5 years.
 - We have developed and operated a total of 35+ games across both mobile and PC platforms, specializing in high ARPU MMORPG games.
 - Well-known games include Lineage, MapleStory, Mabinogi, Counter Strike Online, ELSWORD, etc.
- **Our business entities developed diversely, establishing strategic alliances and niches, to expand the scope of pan-entertainment business services.**
 - The board decided to sell a 16% common stock stake in GASH POINT Co, Ltd. to Wanin International Co., Ltd. to introduce an industry strategic investor, integrate the strengths of both parties, and expand application scenarios and scale.
 - The diversified businesses are expanding steadily and we continuously invest in in-house developed games, IPs, contents, and AI technologies to provide more globalized internet technology services.

GAMANIA IN SUMMARY

Founded in
1995

29 years
Since founding



US\$ 423mn
Market value
(2024/5/2)

15%
Revenue CAGR
(2000~2023)



7,201
Monthly ARPU (2023) (NT\$)
(Top 3 Games)

74%/7%/5%/14%
1Q24 Revenue Breakdown
(Games/Commerce/Payment/Others)

74%/26%
1Q24 Gaming Revenue Breakdown (PC/Mobile)



NT\$ 30+bn
MapleStory Life to date revenue
(1Q24)



20~45 years old
Players' Age

5+ Hours Per Day
Average Time Spent (PC)



“Lineage M” achieved record high life to date revenue in Taiwan mobile game history

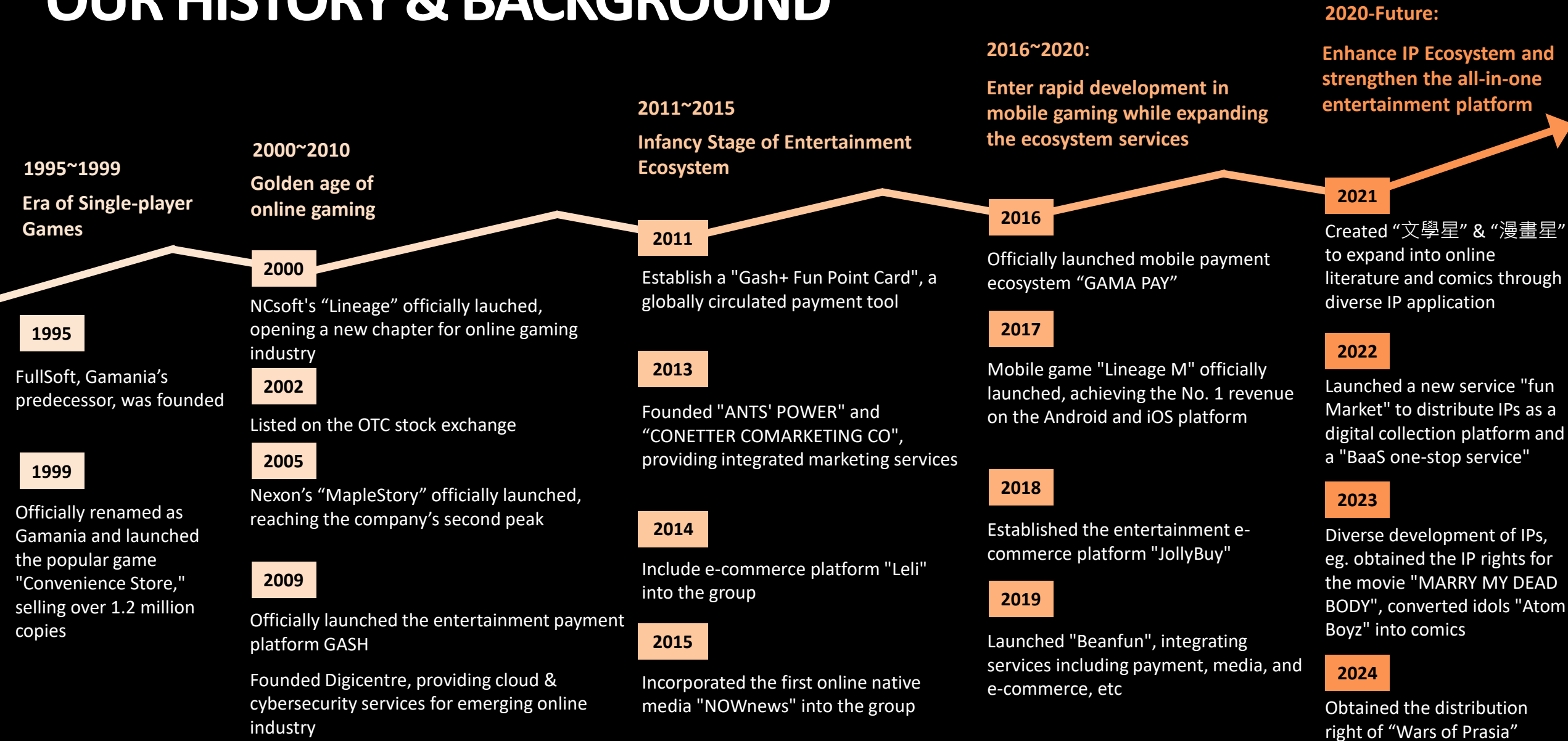
1,112
Number of Employee (1Q24)

181
Number of R&D (1Q24)

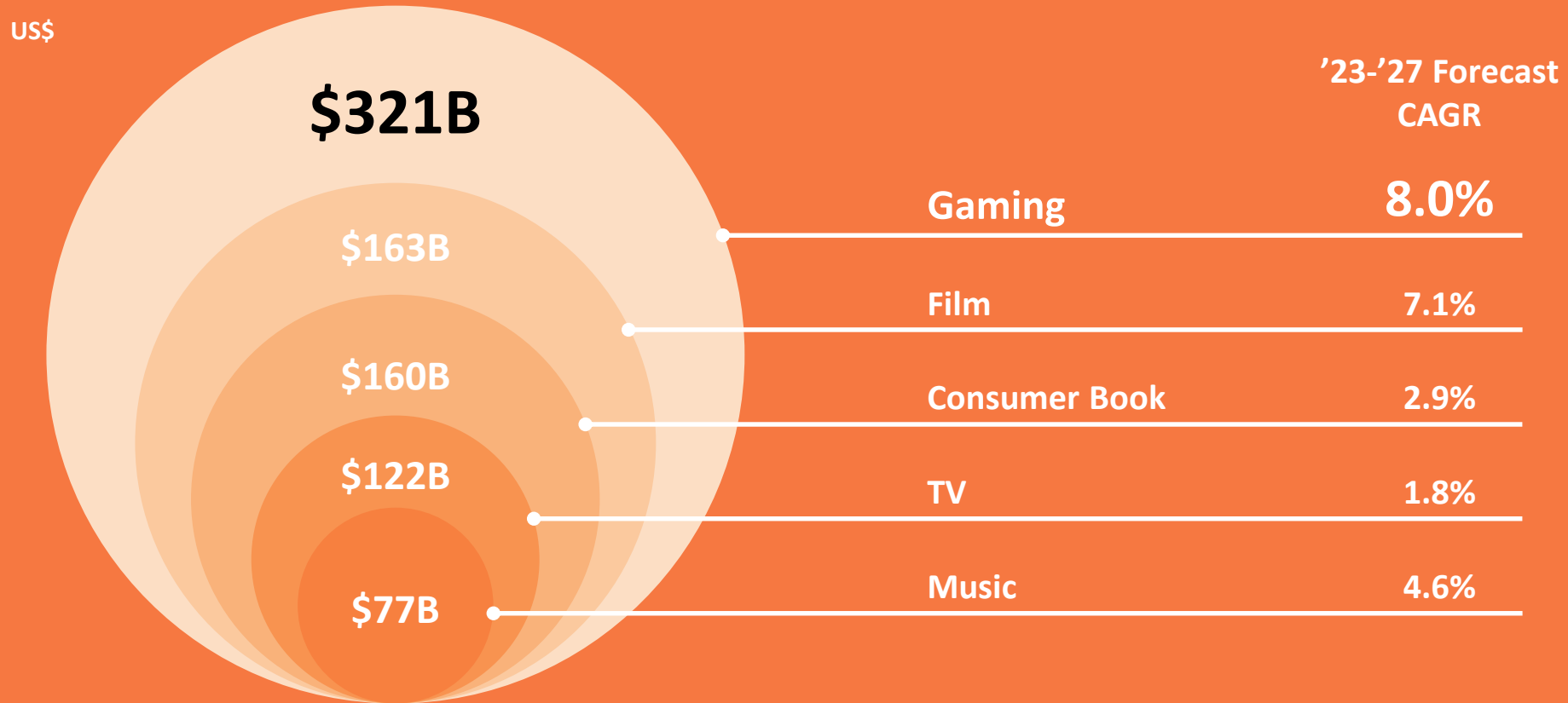
Revenue of Diverse Business
CAGR 7%
(2020-2023)

11 years
Average Product Life

OUR HISTORY & BACKGROUND

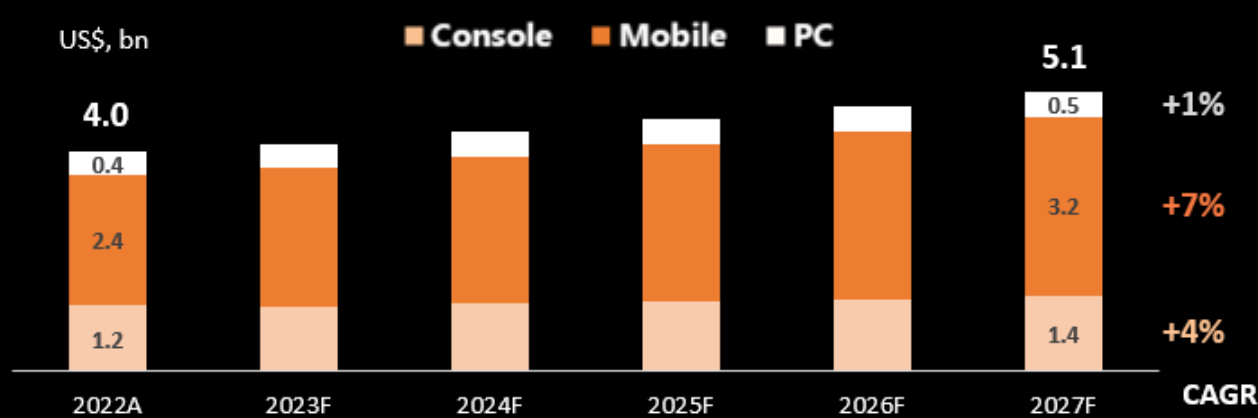


GAMES ARE THE LARGEST AND FASTEST GROWING AMONG ALL ENTERTAINMENTS

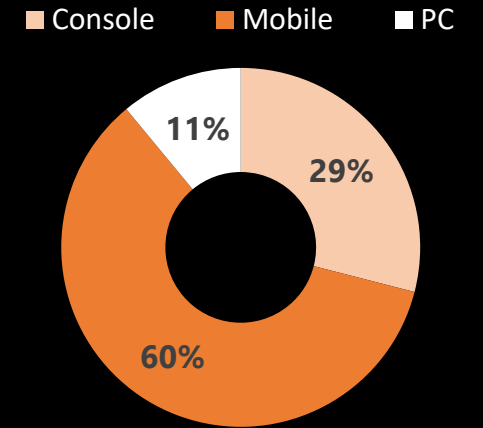


TAIWAN RANKS AMONG TOP MARKETS IN GAMING SECTOR

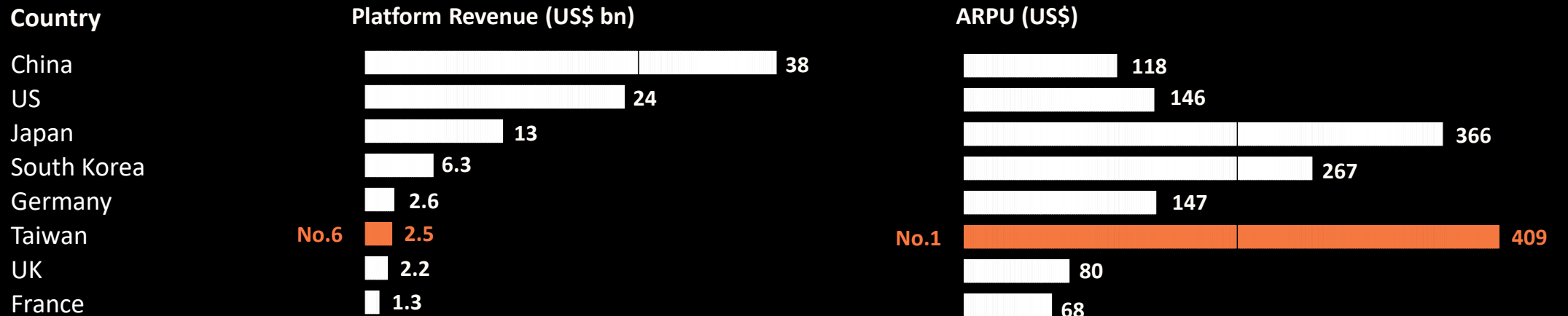
Taiwan Gaming Market Size, 2022-2027



2023 Taiwan Gaming Platform Market Share



2023 Global Mobile Platform Revenue, Country Comparison



GAAS BUSINESS MODEL

FLYWHEEL EFFECT DRIVES GROWTH

Specializing in the entire game value chain

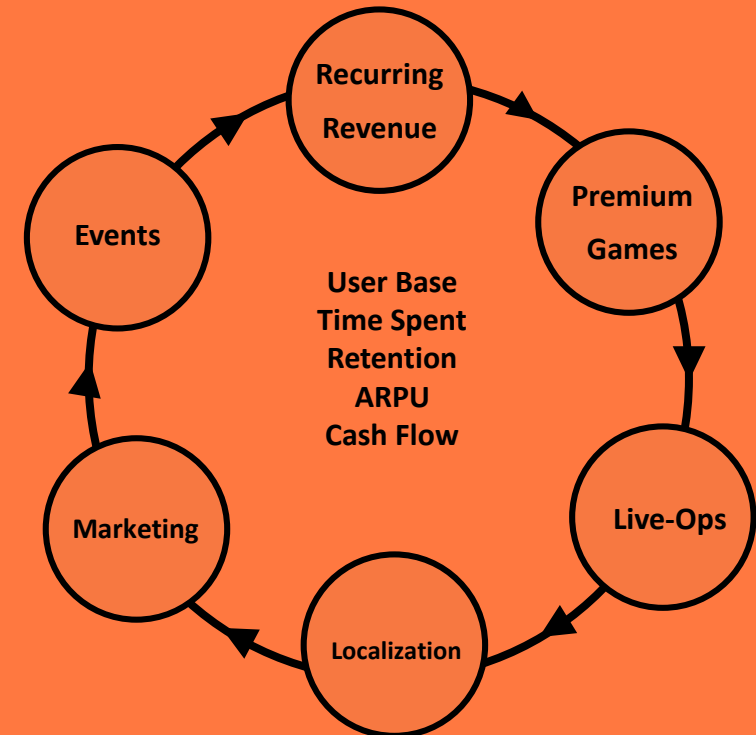


Revenue streams



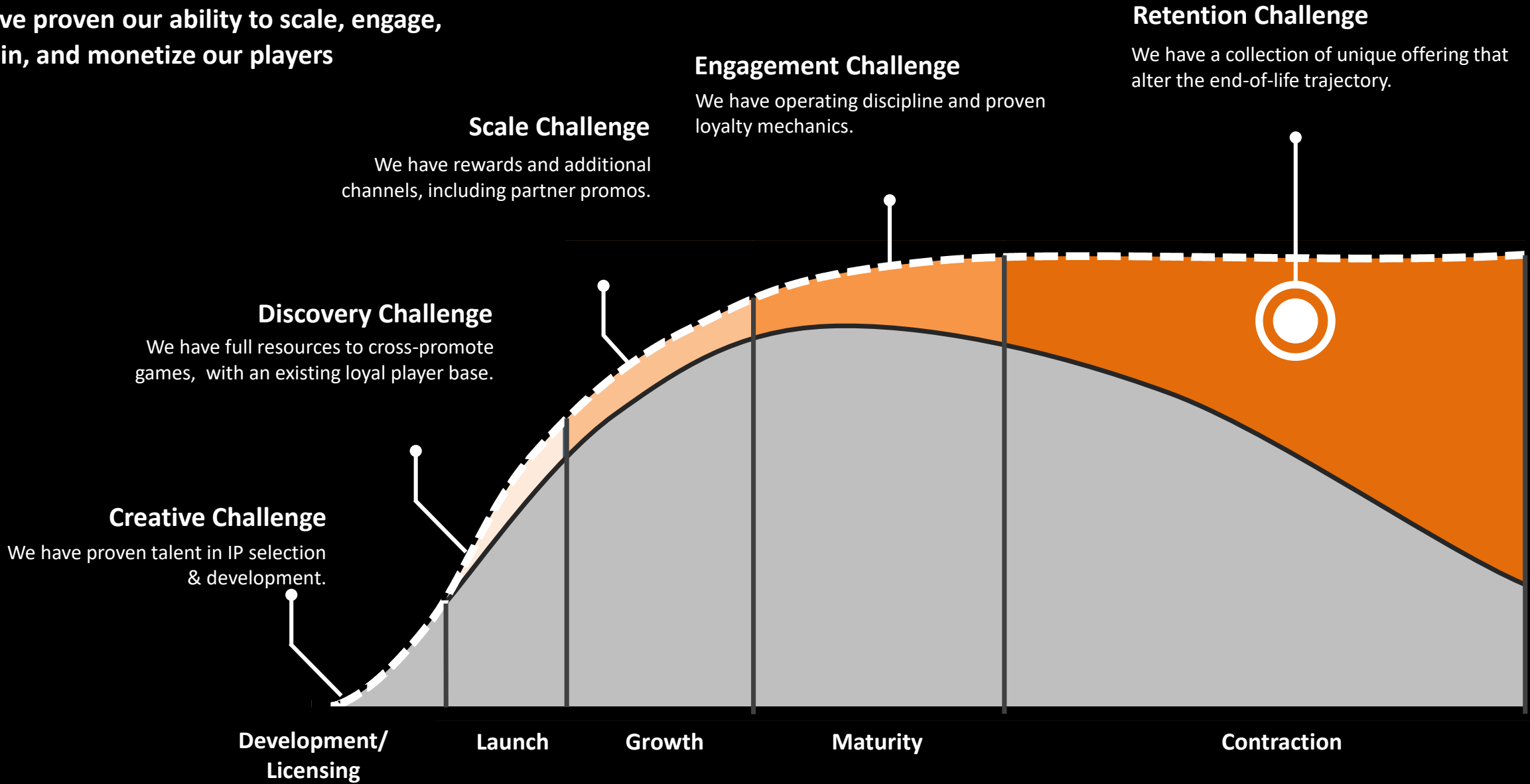
Games as a Service

Flywheel effect drives recurring revenue



A PROVEN MODEL

We've proven our ability to scale, engage, retain, and monetize our players



WITH OUR LOCAL KNOW-HOW

Operation and Marketing (Strategic Partnership, Updates, Events)

MapleStory
x
7-ELEVEN CITY Colab



Lineage M 6th Anniversary: Transnational War



2023 Gamafun at Comic Exhibition

MapleStory
Exclusive New Role
Forest Elf, Lin En



Elsword x Tukuyomi Café: Exclusive Café



NEW AGE 2023: Winter Showcase

MapleStory
x
Capoo
Exclusive Event Version



MapleStory
x
BLACKPINK



beanfun! 潮玩節 at Songshan Culture Park MapleStory x TW VTUBER: Special Events



Points

GASH

Adopted domestically and overseas
The leading digital entertainment point

Customer Service



24/7 online customer service

Technical Tools



Expertise in gaming, Internet, and cybersecurity

Our Game Lineup Strategy



Project A Becomes the Next Flagship Game

新楓之谷 + 天堂M

波拉西亞戰記
WARS OF PRASIA

Game Genres Expand Beyond RPG

RPG + Casual Game + Simulation Game

GREAT GENRE WITH STICKY CUSTOMER BASE AND HIGH ARPU



Casual
US\$6.20bn



Simulation
US\$9.87bn



Strategy
US\$15.68bn



Action
US\$20.71bn



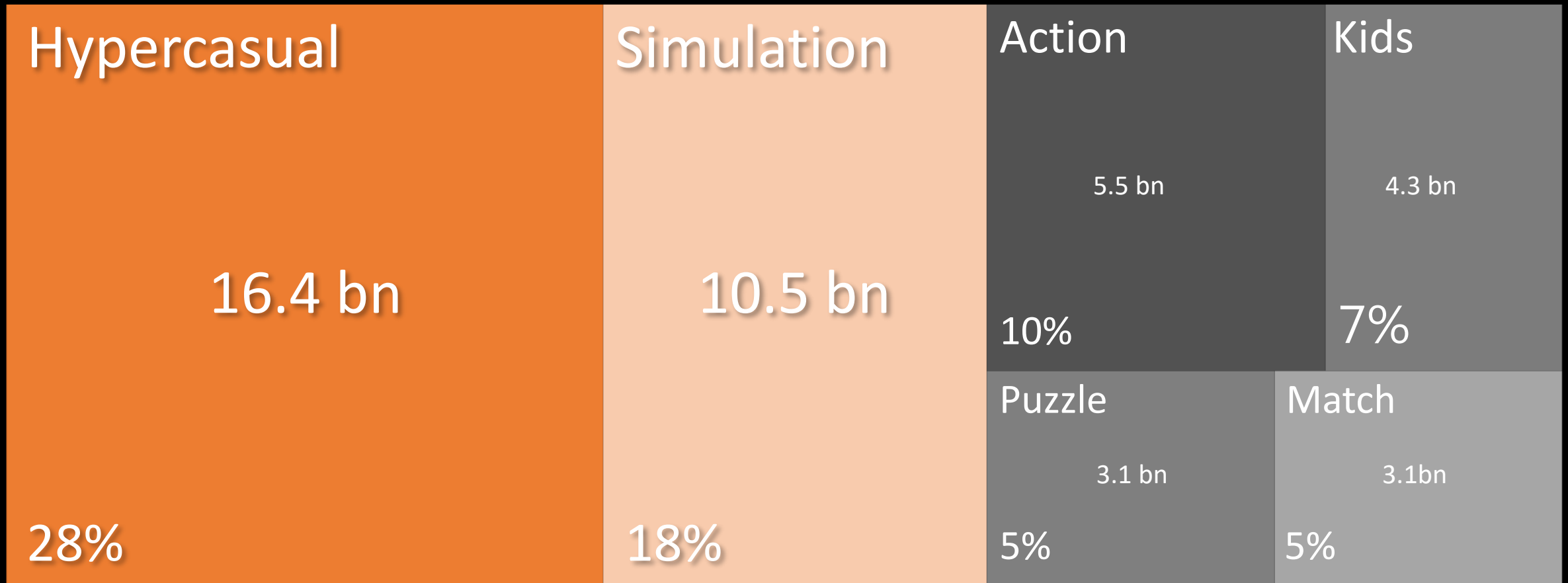
RPG
US\$74.83bn

* The number represents the projected total revenue in Asia of each gaming sector in 2023

Source: Statista

RAISED POPULARITY OF DIVERSE GAME GENRES BOOSTS USER BASE

2023 Global Mobile Game Downloads and Shares %



CONTINUED INVESTMENT IN CREATIVE AND PROMISING GAMES

 MapleStory

  Wars of Prasia

 Tree of Savior M

 Pocket Store



- The 6th Role update of the classic PC game in Taiwan
- “NEW AGE”: the biggest update
- Accelerate players’ speed of role updates

- MMORPG of middle-ages siege
- Our first cross-platform game(PC, mobile)
- High-quality art and unique maps

- Free to play mobile MMORPG
- Based on traditional Lithuanian culture and mythology.
- Produced by Kim Hakkyu (IMC Games), creator of Ragnarok Online

- Casual Simulation Mobile Game
- Classic Taiwanese IP, In-house Developed
- Fun Experience Enriched by New Tech



波拉西亞戰記

WARS OF PRASIA

OBTAINED PUBLICATION RIGHT IN TW/HK/MO

《Wars of Prasia》 FROM NEXON (KR GAME GIANT)

- Large-scale combat MMORPG
- Cross Platforms (PC, Mobile)
- Highly realistic 3D art style
- Deeply immersive narrative set in a medieval European war world
- Siege warfare accessible to everyone
- The largest project developed by Nexon's largest team
- Launched in Korea in Mar. 2023 and achieved top rankings on both download charts and the AppStore revenue, greatly favored by Korean players

波拉西亞戰記

WARS OF PRASIA

《WARS OF PRASIA》 CROSS-PLATFORM MMORPG

Ultimate specifications and experiences:

**4K ultra-high definition,
3D top-down perspectives, seamless maps**

Named after the last human kingdom occupied by fairies, "The Kingdom of Prasia," it features highly realistic 3D styles and deeply immersive narratives set in a medieval European battlefield world. It offers players an unprecedented ultimate gaming experience.



Four Major Roles

To break free from fairy oppression, players will become "Guardians" possessing special powers. Embodied in four major classes, they will experience different role skills, enjoying the thrill of exhilarating warfare anytime, anywhere, without constraints of time or geography.



幻影劍士

香射手

咒文刻印使

執行官

《WARS OF PRASIA》 CROSS-PLATFORM MMORPG

Assembling popular elements to create a unique and diverse gaming experience!

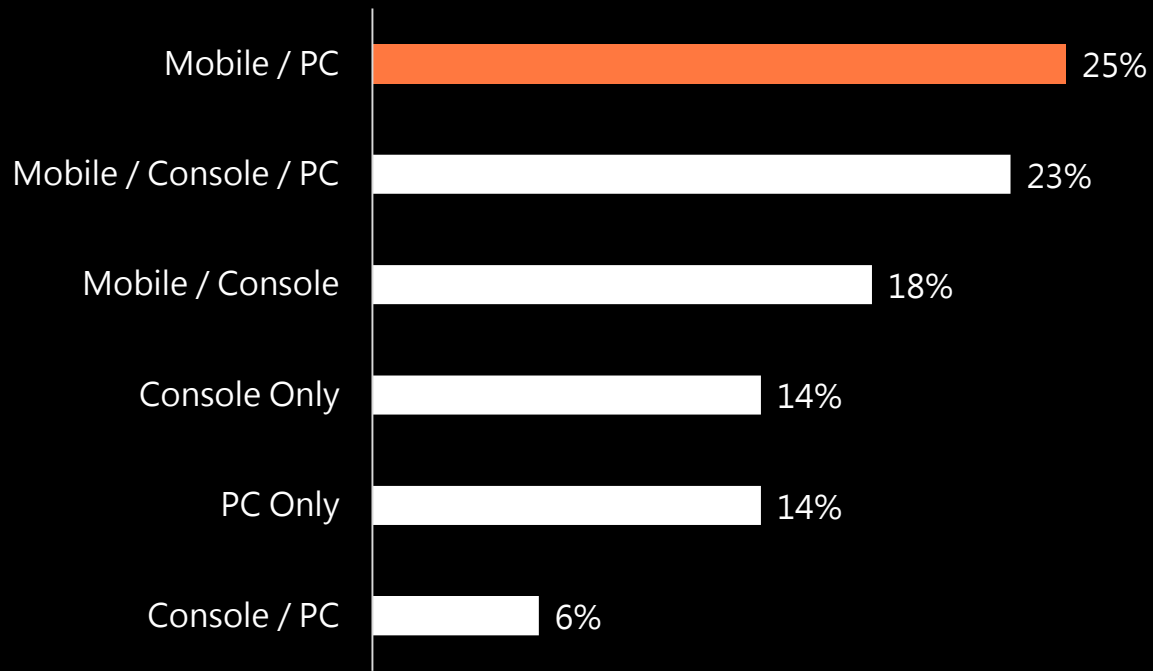
- Breaking the constraints of time and location, battles commence in real-time at over 20 locations, 24/7.
- The "Support System" enables 24/7 cultivation of characters without online burden.
- Combination of MMORPG and SLG brings creative gameplay and experience.
- Highly realistic, restricted-level graphics depict intense and gruesome scenes.



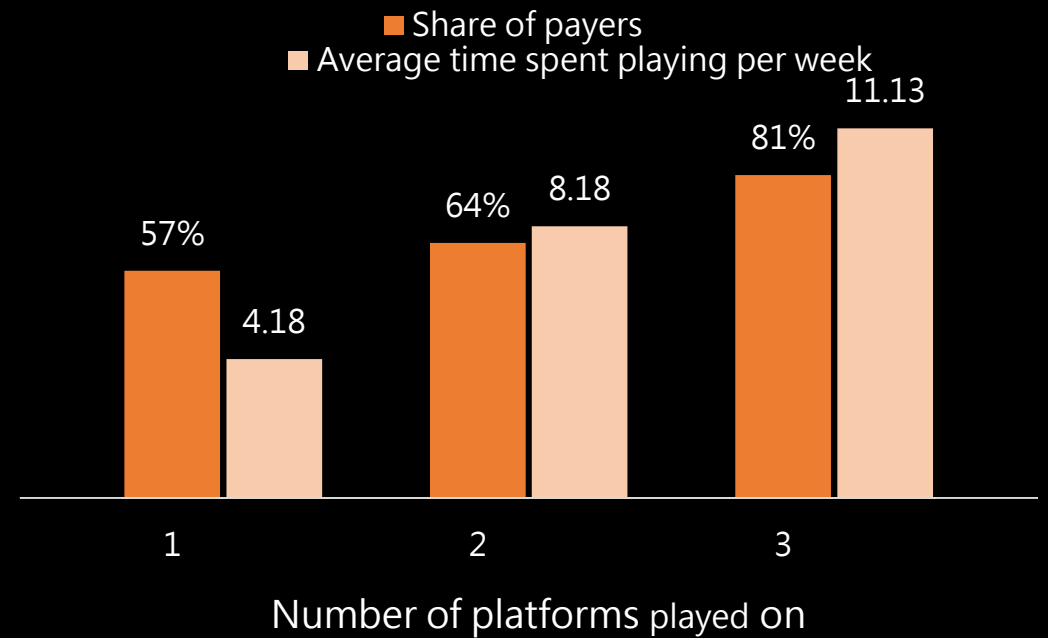
CROSS-PLATFORM GAMES BRING ADVANTAGES IN MONETIZATION AND PLAYTIME

Over **70%** of players engage on more than one platform.

Increased interactions and touchpoints
strengthen game IPs and consumer contribution.



Cross-platform motivated **PAYERS% & TIME SPENT**



《TREE OF SAVIOR M》 PUBLICATION RIGHT IN TW/HK/MO

ADVENTURE MMORPG MOBILE GAME FROM IMC GAMES



Produced by the creator of
《Ragnarok Online》
Kim Hakkyu

Stories based on Lithuania myths
 Exploration of disappearance of goddess
 in the storyline



Exquisite Fairy-Tale Style

Refined 3D art style
 Combination of exhilarating impact
 of satisfying combat



AIGC Transformation

Transformation of images
 into game-style illustrations

《POCKET STORE》 IN-HOUSE MOBILE GAME

CLASSIC IN-HOUSE IP EXPANDS OMO EXPERIENCE



Our First In-house Title

The best-selling game in
Taiwan in 1999



Mobile Strategic Simulation

Exquisite and cute art style
Create one's own convenience store



Exploration of OMO Remaster of Classic IP

Expansion of diverse
digital entertainment content
with new tech

《CHIBI MARUKO CHAN》 IN-HOUSE MOBILE GAME

DIVERSIFIED GAME GENRES WITH CLASSIC CONTENTS



Classic IP Licensing In-house Developed

Evoke special memories
with iconic characters
and reach a wider audience



Causal Match-3

Easy and fun gameplay
with
satisfying level breakthroughs



Classic Content

Construct stages for characters
after clearing levels



Interactive Communities

Foster interaction among players
Create real-time sharing and
communication

MapleStory



MAPLE STORY (by Nexon)

An easy-to-learn, hard-to-master MMORPG with cross-cultural appeal that has been growing players and revenue over 18 years.



Launched in **2005** (19 years)

The **FIRST** wave of Free-to-play game in Taiwan

Life to date revenue (to 1Q24)

NT\$ 30+bn

A upcoming exclusive new role in Taiwan in 2024

Forest Elf, Lin En

Registered gamers worldwide

Over **18 million**

2023 Taipei Game Show

PC Game Award



MAPLE STORY: THE 6th ROLE UPDATE

SIGNIFICANT UPDATE BOOSTS PLAYER FLOWS

The pre-launch event attracted nearly 700,000 participants

Exclusive New Role

To experience unique traits, abilities, and gameplay styles of different classes.

3 New Maps

To introduce new storylines and gameplay experiences.

Unique HEXA System

To enhance moves and character stats for the essential invincibility and crowd control effects players need for boss fights.

Accelerate Experience Points

To reduce the XP required for leveling up to help players quickly reach level 260. To experience new skills and storylines.

Special Events & Gifts

Online and offline events assist. Update gift packs and item rewards.





LINEAGE M (by NCsoft)

Operating the "Lineage" IP for over 20 years with a deep understanding of player preferences

A large player base in "Lineage" PC game with high retention rates among core players

Launched in **2017**, published over **6** years in Taiwan

Over **7 million** registered gamers

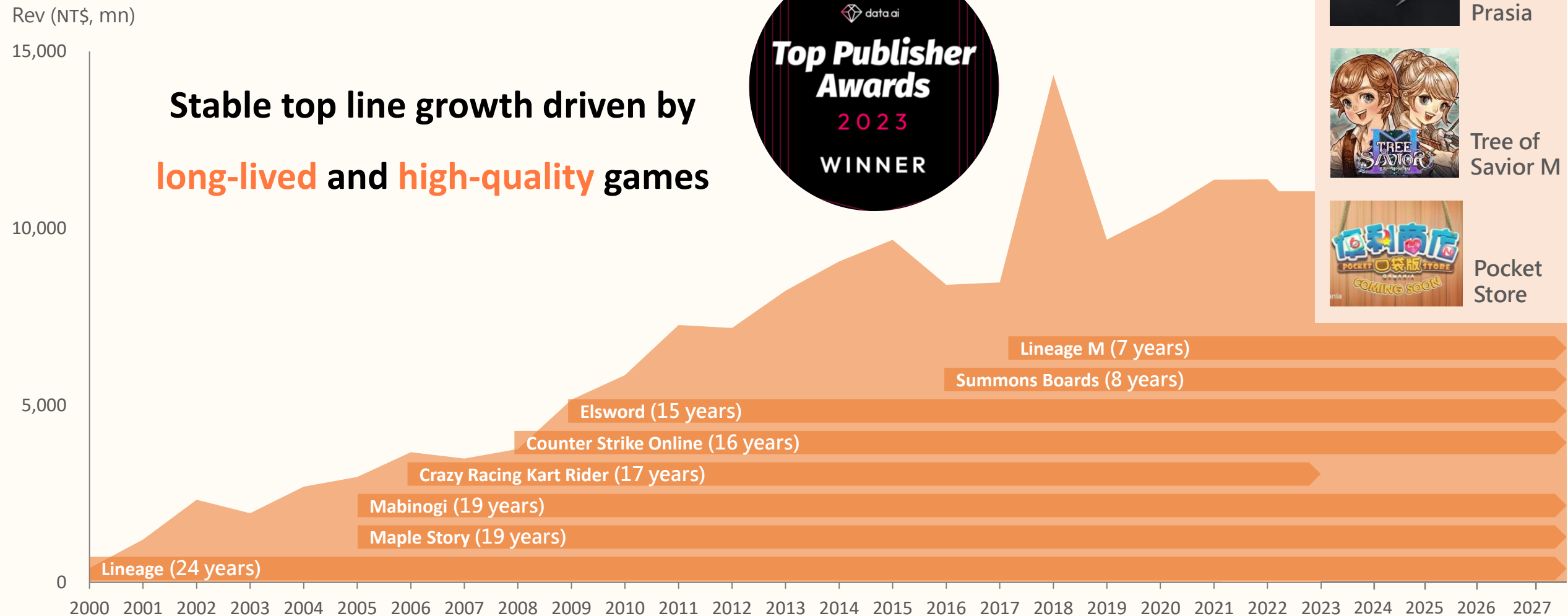
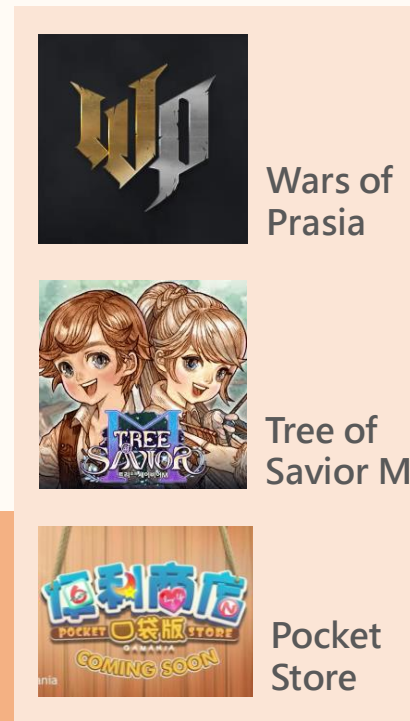
Once achieved **11.1 million** DAU,
generated **NT\$100 million** for a single day

Ranked as **No.1** in Taiwan after launch (2017-2021)

An immersive MMORPG requiring significant time investment

OPERATION EXPERIENCE & SOLID FOUNDATION FOR STABLE GROWTH

Stable top line growth driven by
long-lived and **high-quality** games



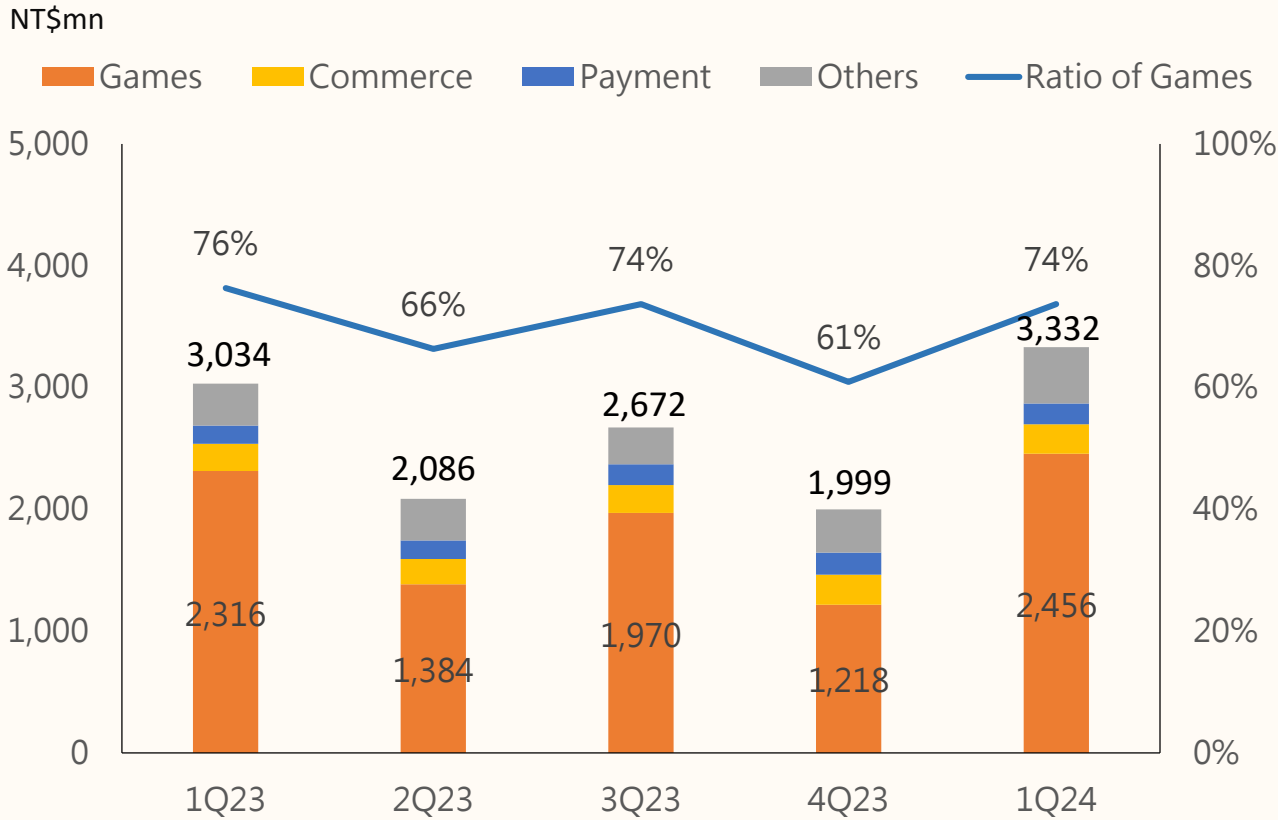
FINANCIAL SUMMARY

- Due to the gaming peak season in spring and the impressive performance of game updates, it led to double-digit annual growth in our two key titles. Meanwhile, other business segments grew steadily.
- Thanks to the increased revenue share of the popular PC game, both the gross profit and operating income reached a historically second-high for the first quarter.

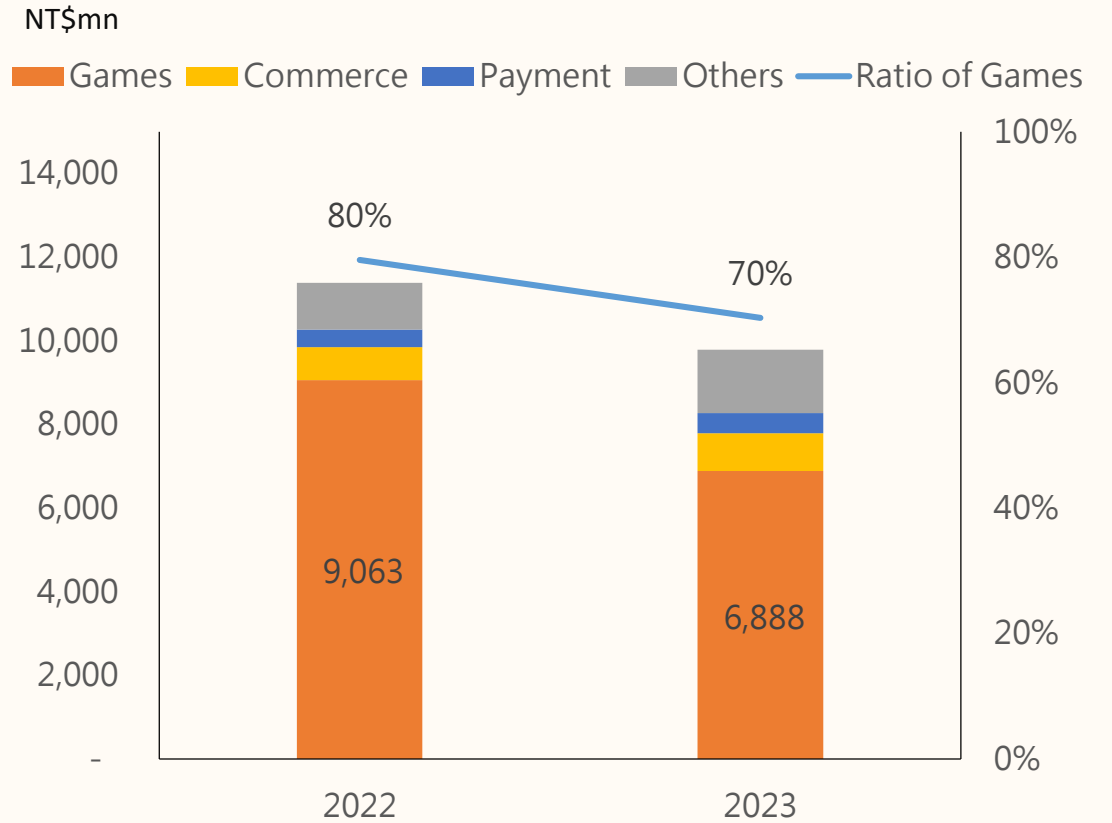
(NT\$m)	1Q23	2Q23	3Q23	4Q23	1Q24	YoY	QoQ
Revenue	3,034	2,086	2,672	1,999	3,332	10%	67%
Game	2,316	1,384	1,970	1,218	2,456	6%	102%
Commerce	223	209	230	245	243	9%	-1%
Payment	150	153	171	183	172	15%	-6%
Others	345	340	301	353	461	34%	31%
Gross Margin	1,267	760	1,088	680	1,435	13%	111%
Operating Margin	451	44	266	-121	533	18%	540%
Net Income	336	67	186	-14	404	20%	2986%
EPS (NT\$)	1.92	0.38	1.06	-0.08	2.31		

FINANCIALS: REVENUE BREAKDOWN

Quarterly Review

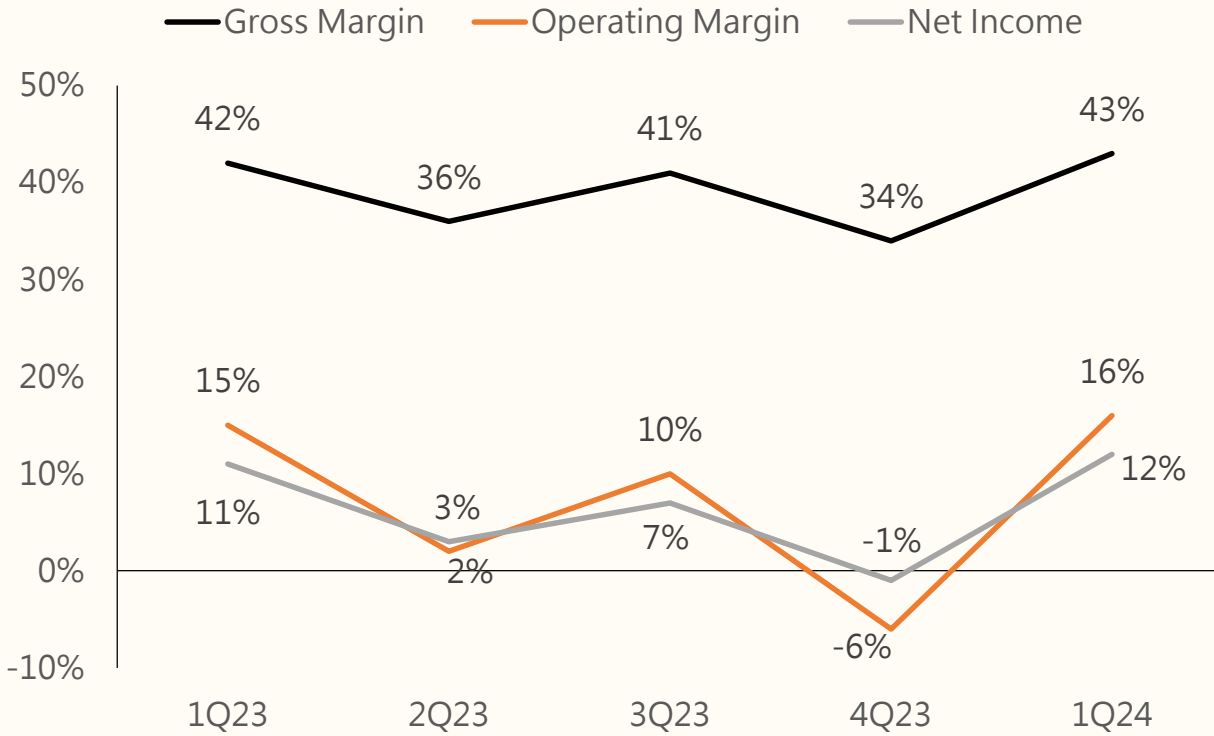


Annual Review

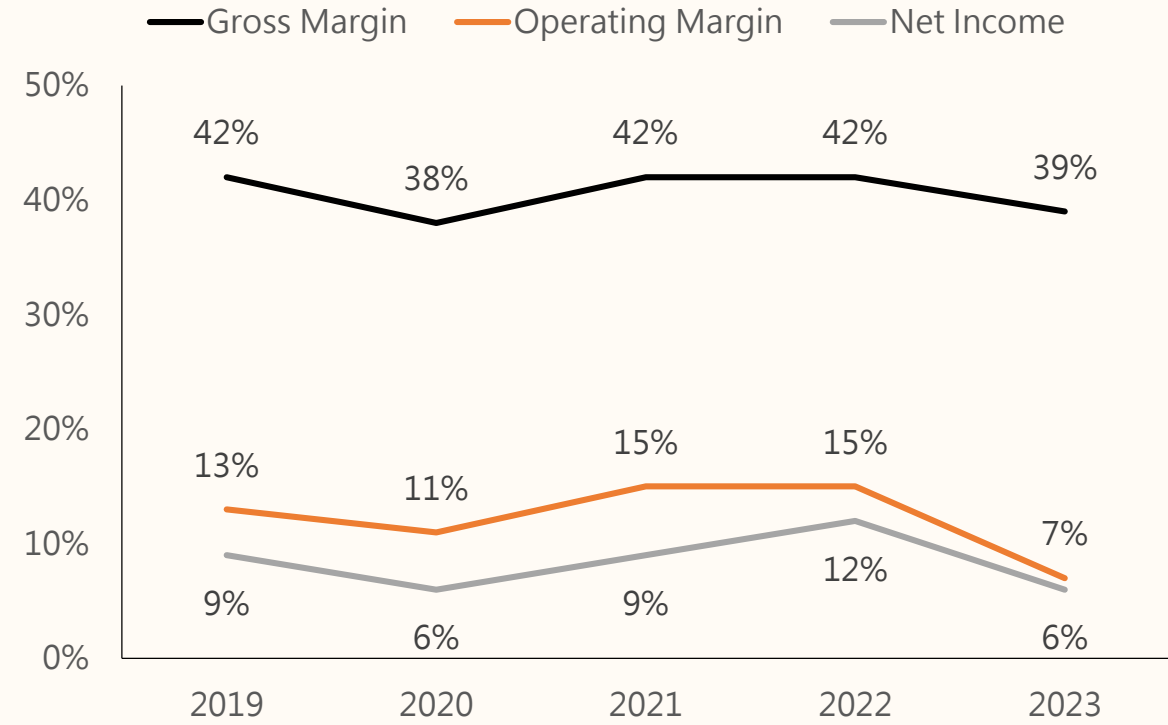


FINANCIALS: FINANCIAL RATIOS

Quarterly Review



Annual Review



INCOME STATEMENT (1Q24)

NT\$m	1Q23	4Q23	1Q24	YoY	YoY%	QoQ	QoQ%
Revenue	3,034	1,999	3,332	298	10%	1,333	67%
Gross Profit	1,267	680	1,435	168	13%	755	111%
OPEX	816	801	901	85	10%	100	13%
Operating Profit	451	-121	533	82	18%	654	540%
Non Op. Income & Loss	5	29	12	7	128%	-17	-58%
Pre-tax Profit	456	-92	545	89	20%	637	695%
Tax Expense	120	66	140	20	17%	74	112%
Net Income	336	-14	404	68	20%	418	2925%
Basic EPS (NT\$)	1.92	-0.08	2.31				

Key Ratio (%)

Gross Margin	41.8%	34.0%	43.1%
OPEX as % Revenue	26.9%	40.0%	27.0%
Operating Margin	14.8%	-6.1%	16.0%
Net Margin	11.1%	-0.7%	12.1%

BALANCE SHEET (1Q24)

NT\$mn	1Q23		4Q23		1Q24	
	Amount	%	Amount	%	Amount	%
Total Asset	10,738	100%	9,822	100%	11,096	100%
Cash & Equivalent	3,954	37%	3,157	32%	4,236	38%
A/R & N/R	883	8%	619	6%	1,066	10%
Inventories	132	1%	109	1%	97	1%
PP&E	2,805	26%	2,836	29%	2,846	26%
Total Liability	4,117	38%	4,035	41%	4,865	44%
A/P & N/P	661	6%	616	6%	856	8%
Total Equity	6,621	62%	5,787	59%	4,865	44%

Key Ratios	1Q23	4Q23	1Q24
Days sales outstanding	25.4	28.7	23.1
Days inventory outstanding	6.7	7.6	5.0
Days payable outstanding	33.0	44.9	35.4
CCC	-0.8	-8.7	-7.4
Debt Ratio (%)	38%	41%	44%

INCOME STATEMENT (2019-2023)

NT\$m	2019	2020	2021	2022	2023
Revenue	9,681	10,443	11,372	11,388	9,791
Gross Profit	4,093	3,969	4,757	4,865	3,795
OPEX	2,833	2,831	3,023	3,107	3,155
Operating Profit	1,260	1,137	1,734	1,759	640
Non Op. Income & Loss	-82	-72	-289	-50	48
Pre-tax Profit	1,178	1,066	1,445	1,708	688
Tax Expense	314	283	436	430	127
Net Income	888	872	1,106	1,280	575
Basic EPS (NT\$)	5.10	5.00	6.30	7.29	3.28

Key Ratio (%)	2019	2020	2021	2022	2023
Gross Margin	42.3%	38.0%	41.8%	41.1%	38.8%
OPEX as % Revenue	29.3%	27.1%	26.6%	25.7%	32.2%
Operating Margin	13.0%	10.9%	15.2%	15.4%	6.5%
Tax Rate	26.6%	26.6%	30.2%	25.2%	18.5%
Net Margin	9.2%	8.4%	9.7%	11.2%	5.9%

YoY Growth (%)	2019	2020	2021	2022	2023
Revenue	-32.5%	7.9%	8.9%	0.1%	-14.0%
Gross Profit	-16.4%	-3.0%	19.9%	-1.6%	-22.0%
Operating Profit	-38.3%	-9.7%	52.5%	1.4%	-63.6%
Net Income	-49.6%	-1.7%	26.8%	15.7%	-55.1%

BALANCE SHEET (2019-2023)

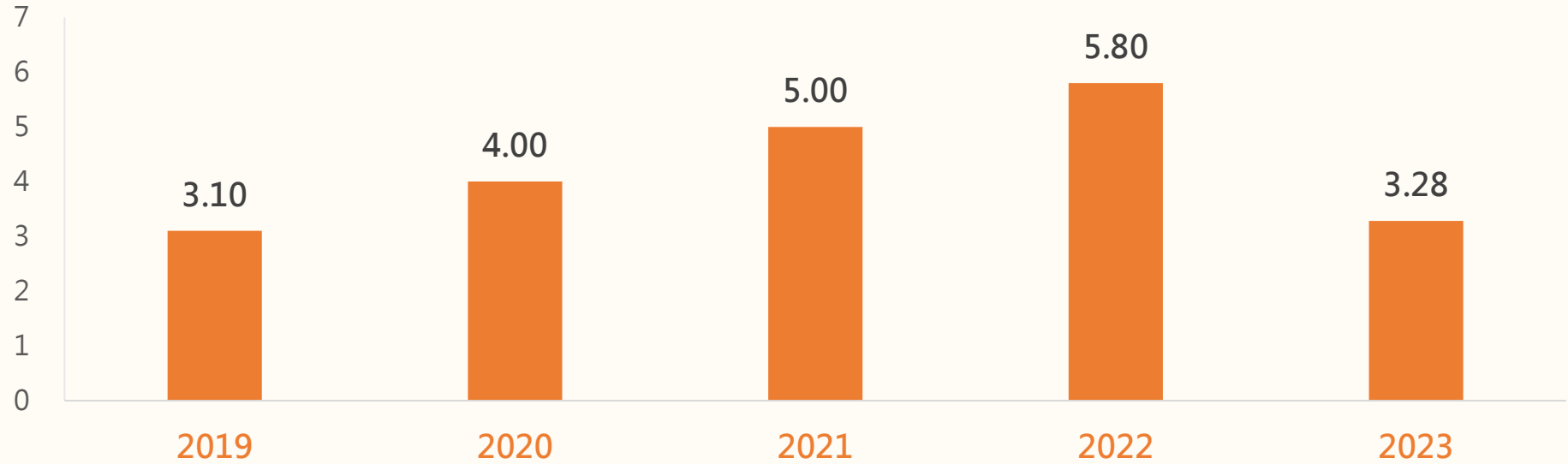
NT\$mn	2019	2020	2021	2022	2023
Total Asset	9,260	9,305	9,473	10,387	9,822
Cash & Equivalent	2,203	2,398	3,419	3,737	3,157
A/R & N/R	1,075	963	888	806	619
Inventories	116	126	123	129	109
PP&E	2,857	2,845	2,797	2,812	2,836
Total Current Liability	3,962	3,793	3,620	4,098	4,035
A/P & N/P	542	505	634	617	616
Total Equity	5,297	5,512	5,852	6,289	5,787

YoY Growth (%)					
Total Asset	-5.7%	0.5%	1.8%	9.7%	-5.4%
Cash & Equivalent	-21.2%	8.8%	42.6%	9.3%	-15.5%
A/R & N/R	10.3%	-10.4%	-7.7%	-9.3%	-23.2%
Inventories	14.9%	8.1%	-2.6%	5.2%	-15.5%
PP&E	-1.4%	-0.4%	-1.7%	0.5%	0.8%
Total Current Liability	-4.8%	-0.7%	-3.4%	13.8%	-1.5%
A/P & N/P	-16.2%	-6.8%	25.5%	-2.7%	-0.2%
Total Equity	2.7%	4.0%	6.2%	7.5%	-8.0%

Key Ratios (%)					
Days Sales Outstanding	38.6	35.6	29.7	27	27
Days Inventory Outstanding	7.1	6.8	6.9	7	7
Days Payable Outstanding	38.8	29.5	31.4	34	38
CCC	6.9	12.9	5.1	0	-4
ROE%	17.0%	16.1%	19.5%	21.1%	9.5%
ROA%	9.3%	9.4%	11.8%	12.9%	5.7%
Debt Ratio%	42.8%	40.8%	38.2%	39.5%	41.1%

DIVIDEND PAID AND CAPITAL EXPENDITURES

Cash Dividend, NT\$



Payout Ratio(%)

61% 80% 79% 80% 100%

Cash Dividend Yields*(%)

9.3% 5.4% 6.7% 7.9% 4.5%

CAPEX (NT\$ mn)

105 129 87 131 130

CAPEX as % of Revenue (%)

1.1% 1.2% 0.8% 1.2% 1.3%

*Cash dividend yield is based on annually average stock price

CONTINUED PROGRESS ON ESG

Governance

ESG Committee

Gamania has established **ESG Committee** in 2019, in which Chairman serves as the Committee Chairperson. The Committee meets at least once a quarter.

Information security & privacy protection

The Information Security Committee is the highest guidance organization. No major network attack or incidents of violating customer privacy in 2022.

Protection of customer interests

Service accuracy has been improving and **exceeded 99%**; all cases of customer complaint were resolved in 15 days.

Innovation Management

The R&D expenditure was **NT\$ 485 million**

A total of **98 patents** were approved and published in Taiwan (2022)

Social

Talent Attraction & Retention

Top 100 Companies for Young Generation

by Cheers Magazine for 16 consecutive years
The only game developer on the list

Employee Support Programs

Gamania introduced **Equality Leave** in 2015, where partners in same-sex marriage are entitled to 8 days of wedding leave and paternity leave, and Gamania was the first among listed companies in Taiwan to implement the idea.

The Gamania Care Foundation

Gamania Summer School and **Dream Plan** keep supporting and encouraging the young generation to take challenge.

Environment

A response to the Net Zero Emission 2050,

We have conducted a **GHG inventory & validation plan**

Environmental Management & Policies

Gamania has established policies on energy and resource management, waste management, pollution prevention, and sustainable procurement, and tracks and improves them annually after implementation.

Bronze Award

The 4th Annual Enterprise Environmental Protection Award
Second time awarded

2022 Buying Power Service Procurement Award

By the Small and Medium Enterprise Administration of the Ministry of Economic Affairs

GLOBALLY ACKNOWLEDGED ON ESG



16.7 Low Risk

(100-0; 0 the best)

Bloomberg

50.73

(100-0; 100 the best)

**S&P Global
Ratings**

47 (PR 96)

(100-0; 100 the best)



2.9

(5-0; 5 the best)



Top 20%

TPEX-listed Companies (2022)

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