

# gamania

**Gamania (6180 TT)**

Investor Presentation

Apr. 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.
- **With steady growth in our diverse digital entertainment business, we constantly increasing potential contents and innovative dynamism.**
  - The diversified businesses are expanding steadily and increasing synergy to foster a digital entertainment ecosystem.
  - Continuous investment in in-house developed games, IPs, contents, and new technologies aims at creating more interesting and engaging applications to show our innovation and influence.

# GAMANIA IN SUMMARY

Founded in  
**1995**  
  
**29 years**  
Since founding



**US\$ 413mn**  
Market value  
(2024/4/10)  
  
**15%**  
Revenue CAGR  
(2000~2023)



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

**70%/9%/5%/16%**  
2023 Revenue Breakdown  
(Games/Commerce/Payment/Others)  
  
**61%/39%**  
2023 Gaming Revenue Breakdown (PC/Mobile)



**NT\$ 29.8bn**  
MapleStory Life to date revenue  
(2023)



**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**

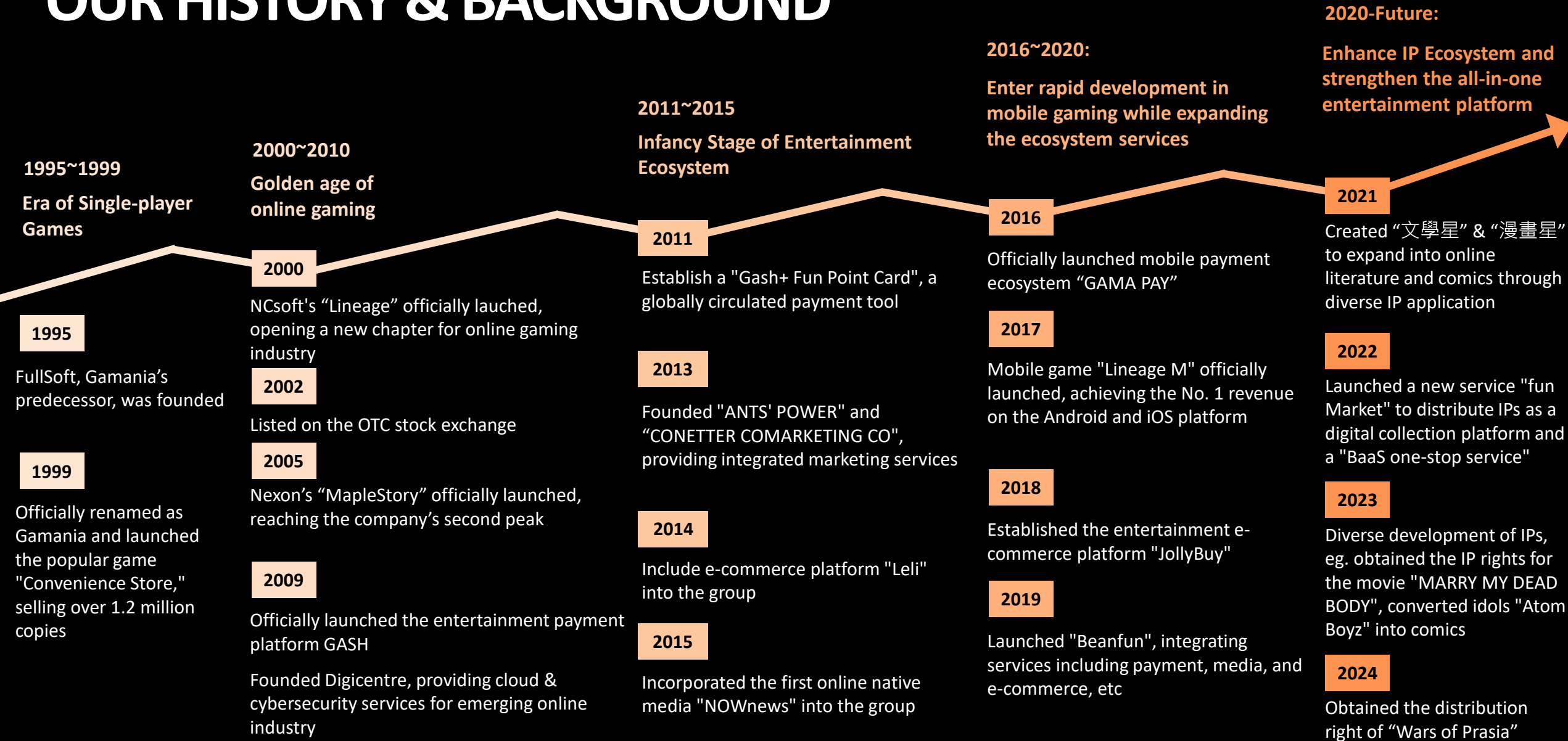
**1,112**  
Number of Employee (1Q24)  
  
**181**  
Number of R&D (1Q24)

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

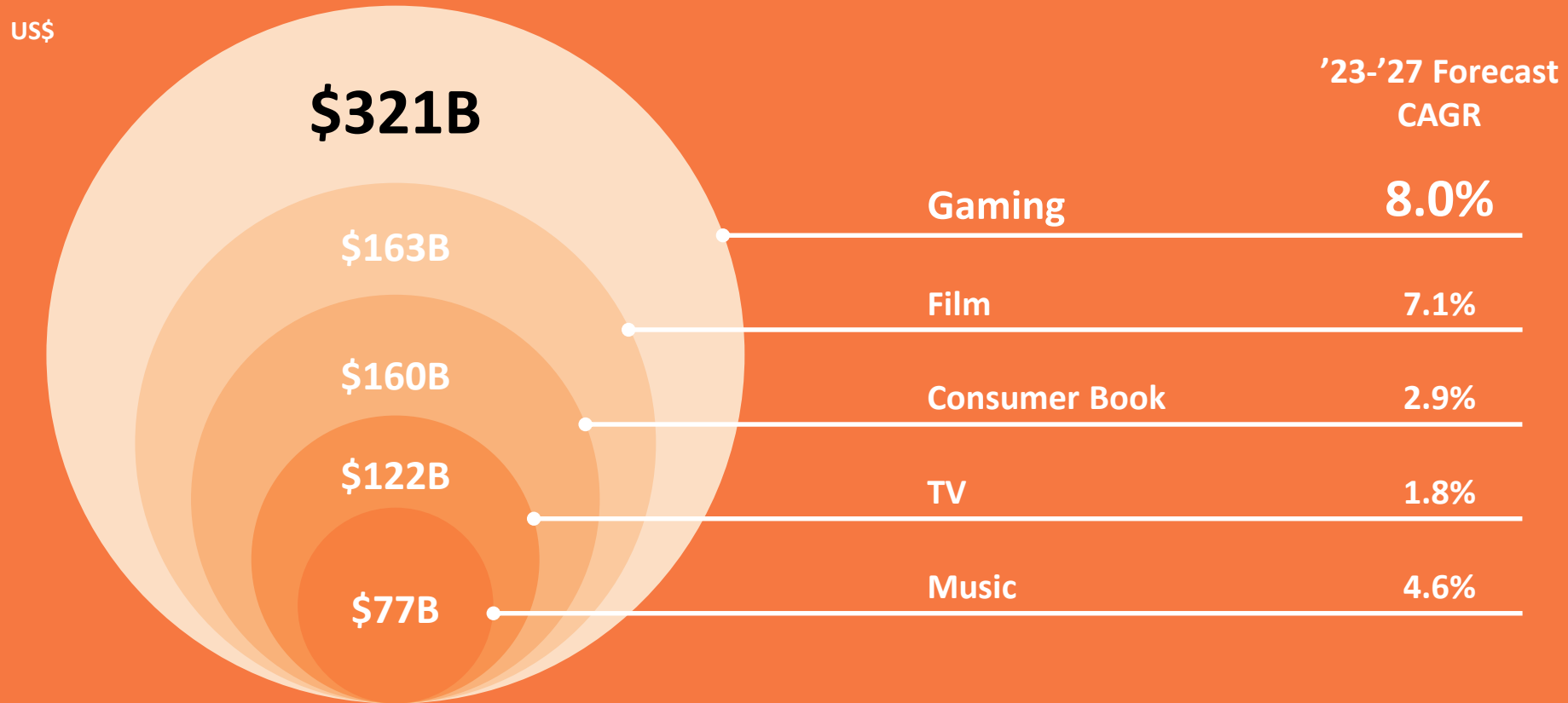
**11 years**  
Average Product Life



# OUR HISTORY & BACKGROUND

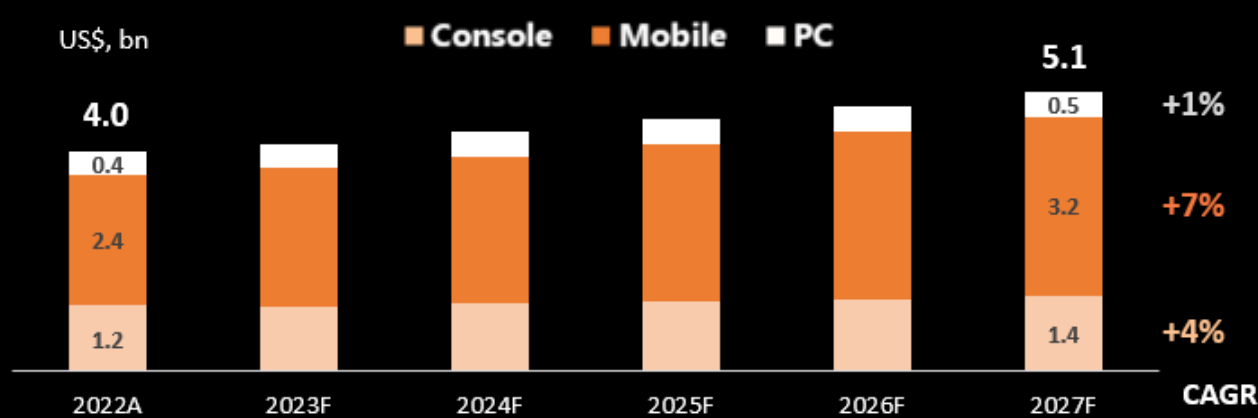


# GAMES ARE THE LARGEST AND FASTEST GROWING AMONG ALL ENTERTAINMENTS

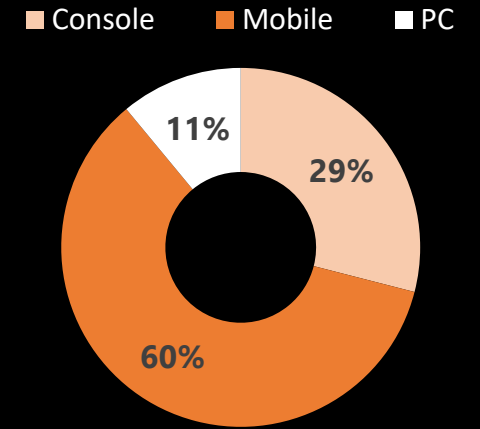


# TAIWAN RANKS AMONG TOP MARKETS IN GAMING SECTOR

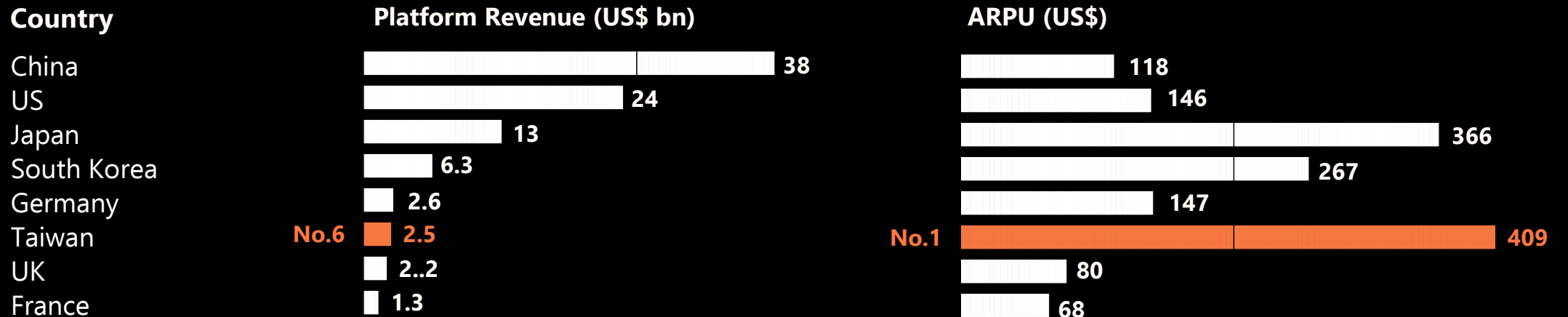
Taiwan Gaming Market Size, 2022-2027



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

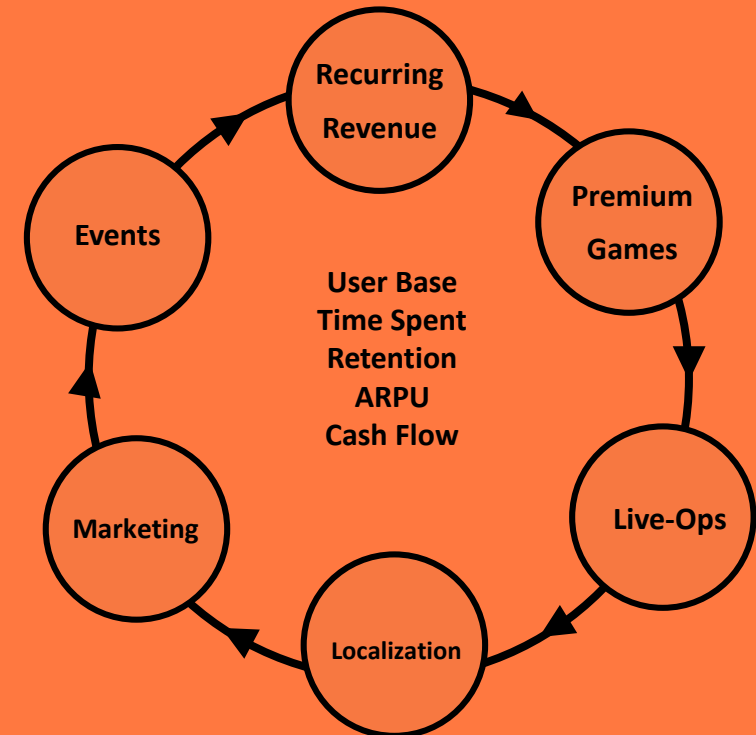


### Revenue streams



### Games as a Service

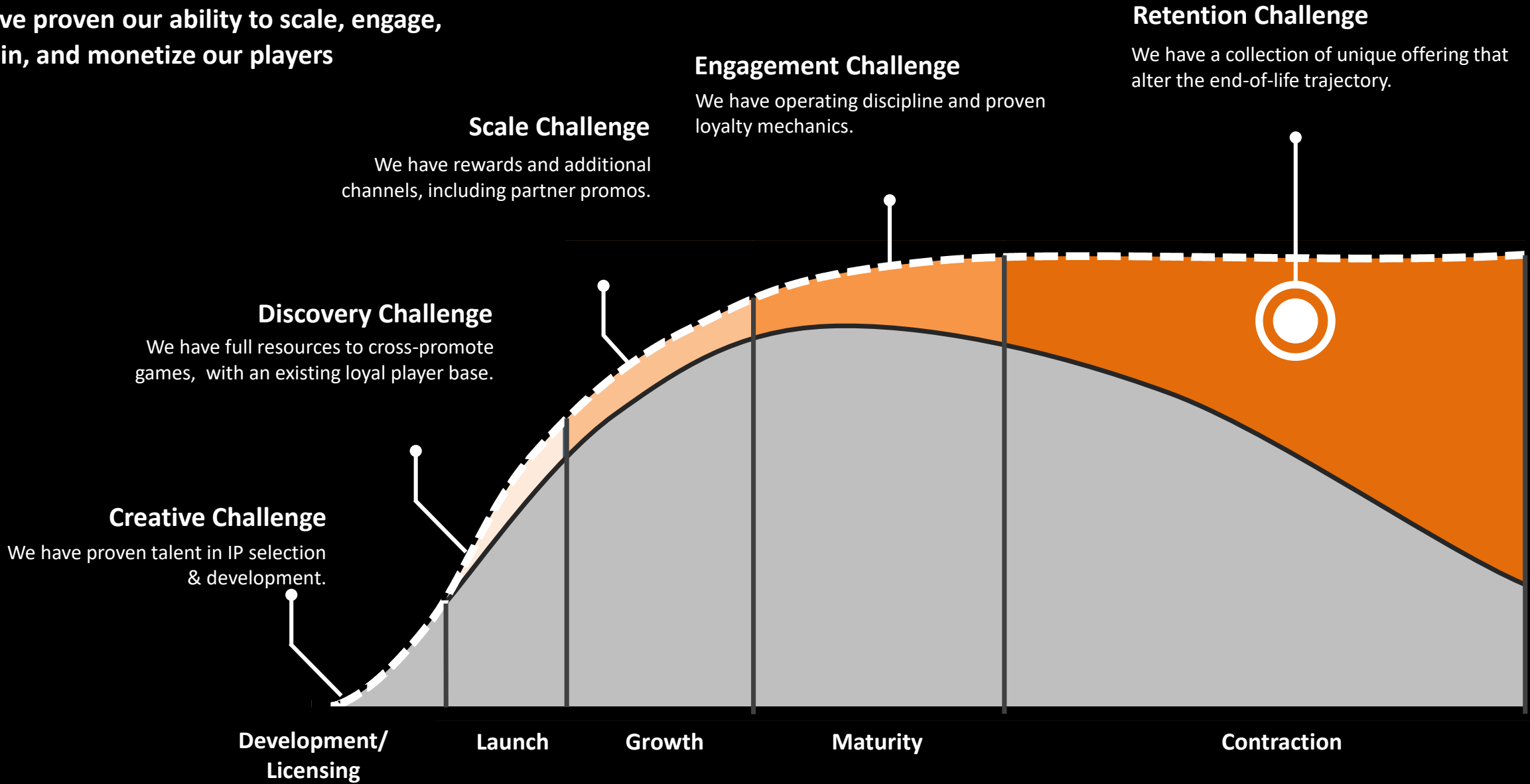
#### Flywheel effect drives recurring revenue





# 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



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

MapleStory  
x  
BLACKPINK



## 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



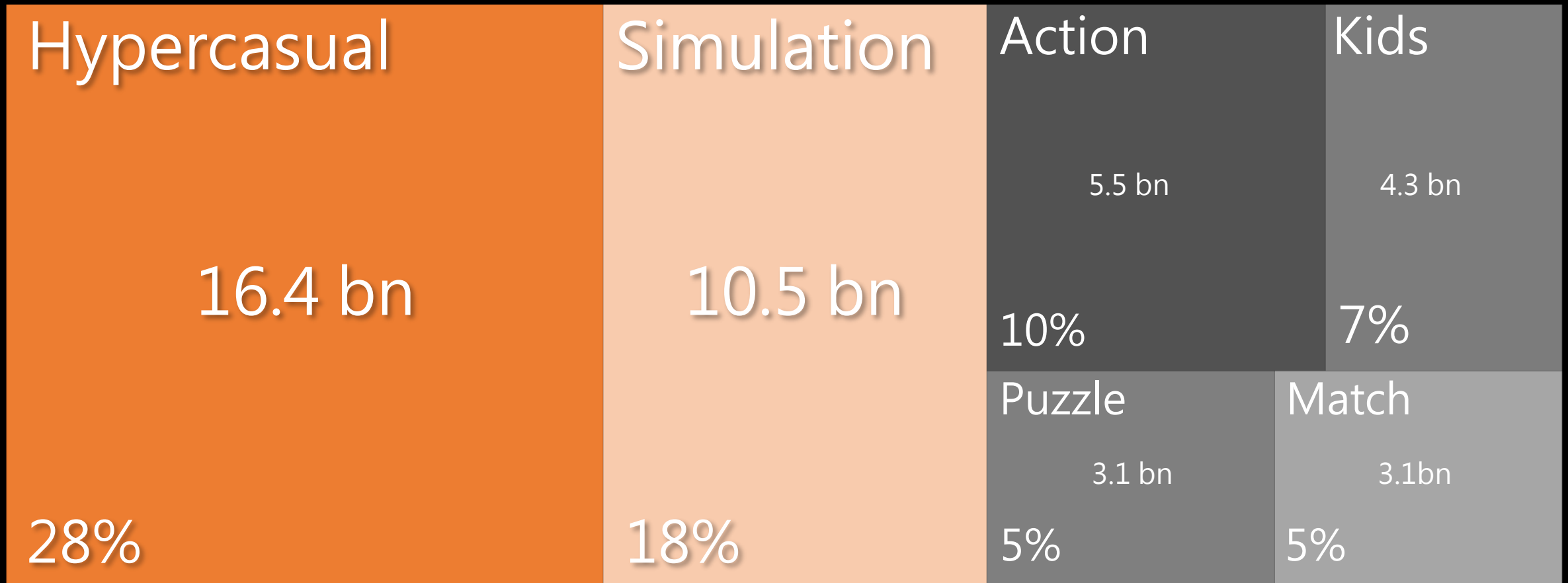
**RPG**  
US\$74.83bn

\* 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 6<sup>th</sup> 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

## Story Background and Exquisite Art:

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.





# 《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 2023)

**NT\$29.8bn**

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 6<sup>th</sup> ROLE UPDATE

## SIGNIFICANT UPDATE BOOSTS PLAYER FLOWS

The pre-launch event attracted nearly 700,000 participants

### Exclusive New Role

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

### 3 New Maps

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To introduce new storylines and gameplay experiences.

### Unique HEXA System

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

### Accelerate Experience Points

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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

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Over **7 million** registered gamers

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

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

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An immersive MMORPG requiring significant time investment

# OPERATION EXPERIENCE & SOLID FOUNDATION FOR STABLE GROWTH

Rev (NT\$, mn)

15,000

10,000

5,000

0

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

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



Wars of Prasia



Tree of Savior M



Pocket Store

Lineage (24年)

Mabinogi (19年)

Maple Story (19年)

Crazy Racing Kart Rider (17年)

Counter Strike Online (16年)

Elsword (15年)

Summons Boards (8年)

Lineage M (7年)

# FINANCIAL SUMMARY

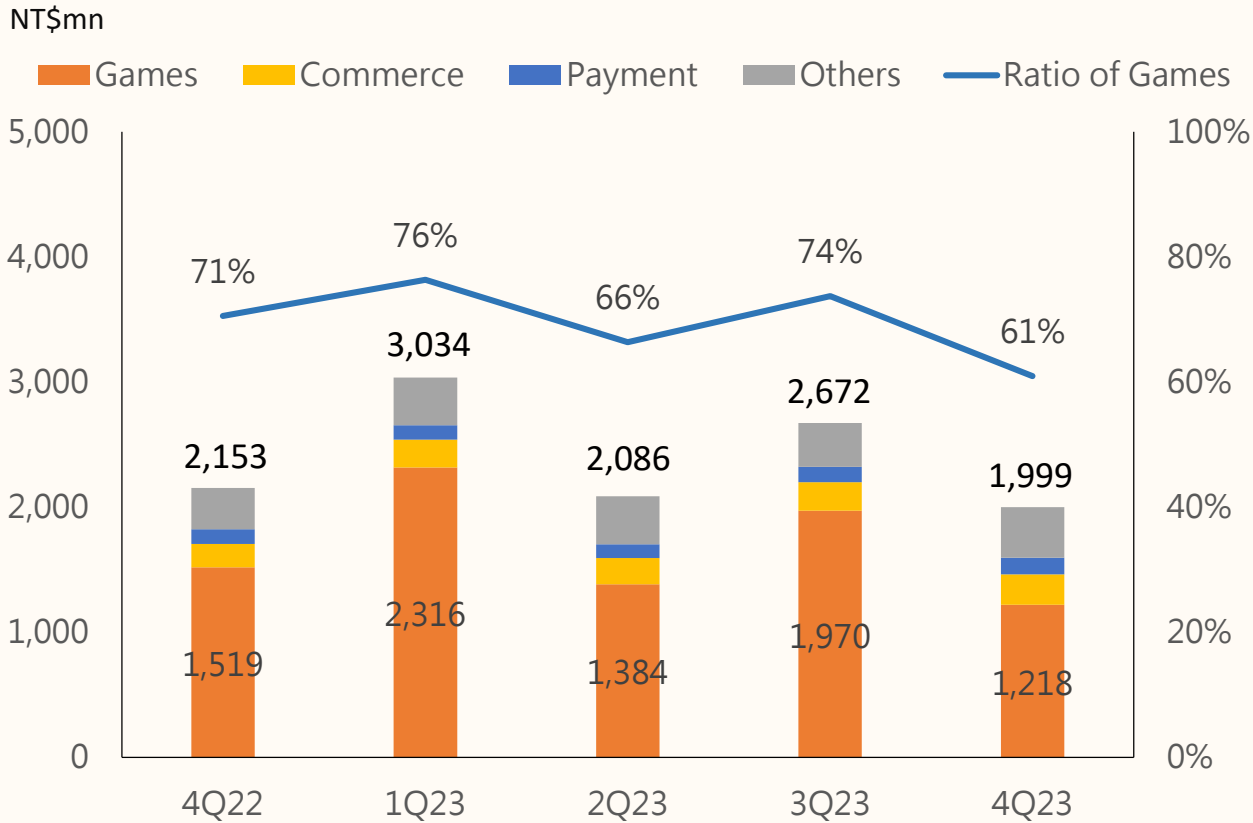
- Annual revenue and profit decreased primarily due to the smaller scale of game updates and the lack of new releases, resulting in reduced gaming revenue.
- Via offline events and localized operations, we have driven a significant increase in active users and steadily grown the diversified business revenues by constantly cultivating the digital entertainment business.

(NT\$m)	2022	2023	YoY	4Q22	3Q23	4Q23	QoQ	YoY
Revenue	11,388	<b>9,791</b>	-14%	2,153	2,672	<b>1,999</b>	-25%	-7%
Game	9,063	<b>6,888</b>	-24%	1,519	1,970	<b>1,218</b>	-38%	-20%
Commerce	788	<b>907</b>	15%	185	230	<b>245</b>	7%	32%
Payment	418	<b>477</b>	14%	120	122	<b>132</b>	8%	10%
Others	1,119	<b>1,519</b>	36%	329	350	<b>404</b>	15%	23%
Gross Margin	4,865	<b>3,795</b>	-22%	865	1,088	<b>680</b>	-38%	-21%
Operating Margin	1,759	<b>640</b>	-64%	44	266	<b>-121</b>	-145%	-375%
Net Income	1,280	<b>575</b>	-55%	18	186	<b>-14</b>	-108%	-178%
EPS (NT\$)	7.29	<b>3.28</b>		0.10	1.06	<b>-0.08</b>		

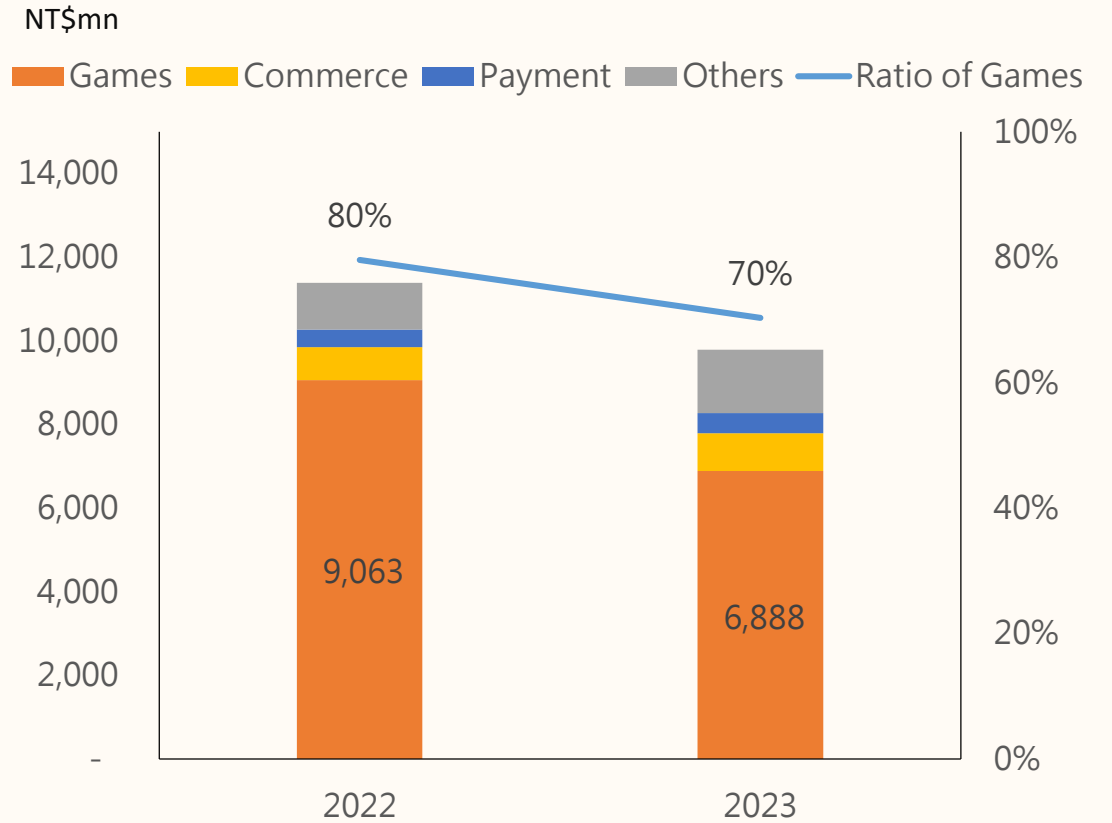
※ Due to adjustments in accounting and financial disclosure, please refer to the latest figures for the possible changes.

# FINANCIALS: REVENUE BREAKDOWN

## Quarterly Review



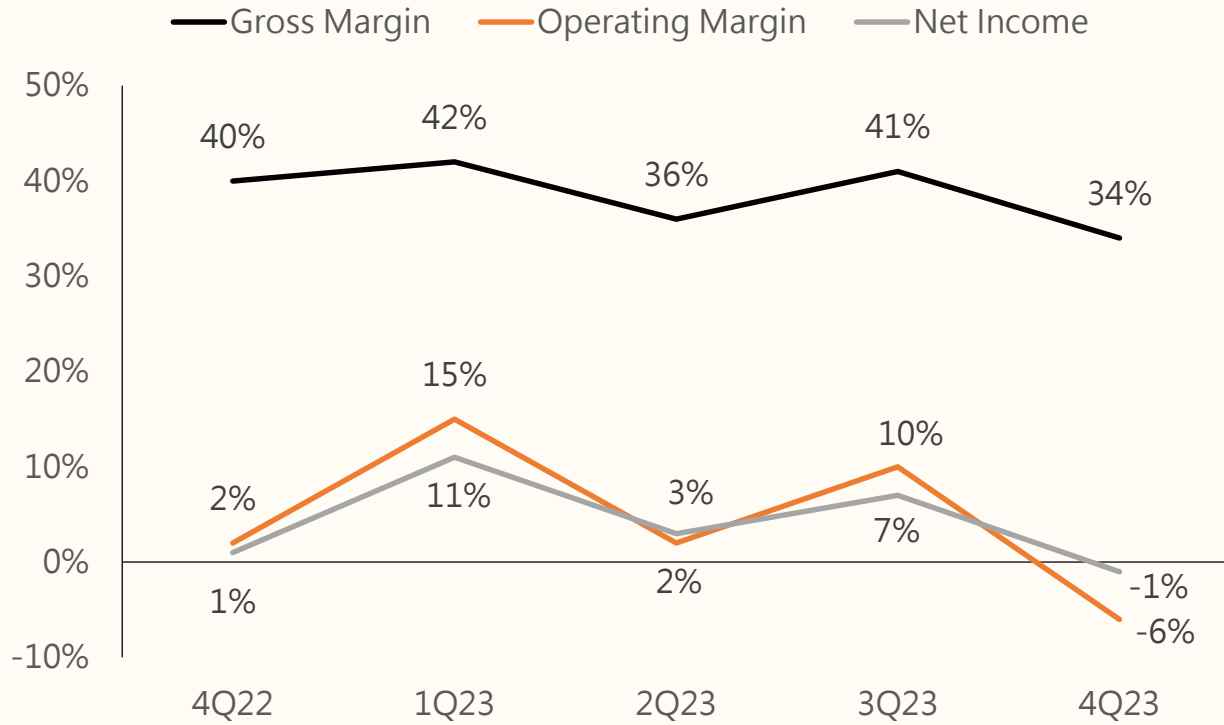
## Annual Review



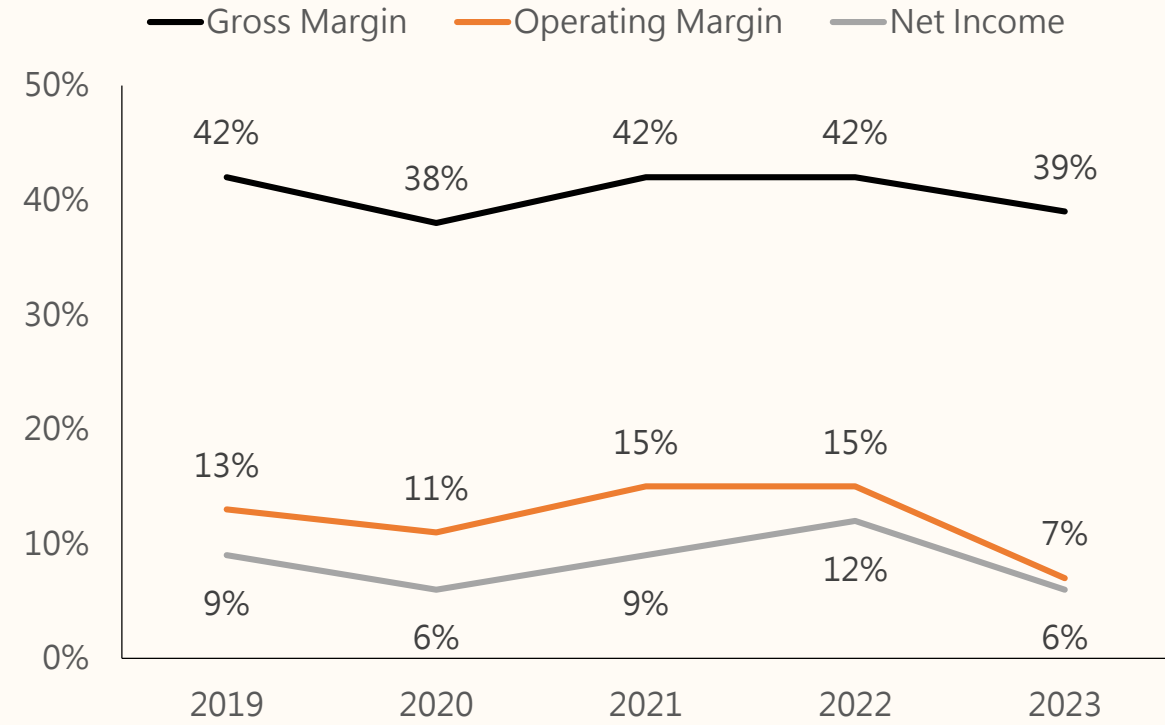


# FINANCIALS: FINANCIAL RATIOS

## Quarterly Review



## Annual Review



# 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)

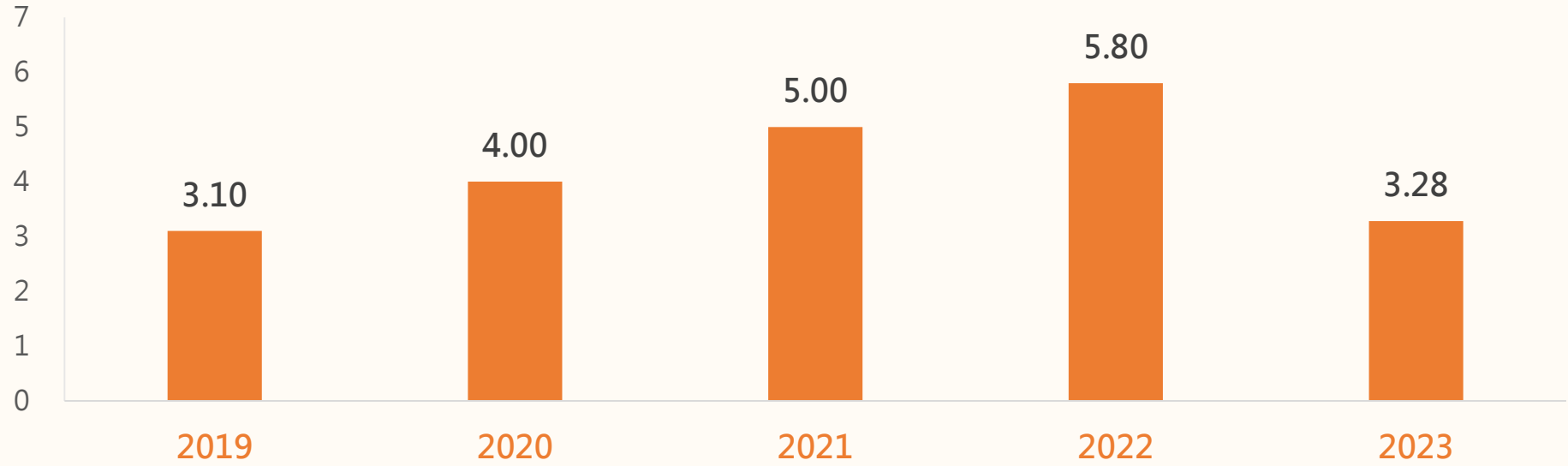
NT\$mn	2019	2020	2021	2022	2023
Total Asset	9,260	9,305	9,473	10,387	9,822
Cash & Equivalent	2,203	2,398	3,419	3,737	3,157
A/R & N/R	1,075	963	888	806	619
Inventories	116	126	123	129	109
PP&E	2,857	2,845	2,797	2,812	2,836
Total Current Liability	3,962	3,793	3,620	4,098	4,035
A/P & N/P	542	505	634	617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



TAIWAN  
STOCK EXCHANGE

臺灣證券交易所

**Top 20%**

TPEX-listed Companies (2022)



# Contact Information

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# gamania

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