

PlaySide™

what comes next ?

1HFY23 HIGHLIGHTS

RECORD LEVELS OF ACTIVITY

- Global launch of **Legally Blonde** on mobile
- Global launch of **The Godfather** on mobile
- Early access launch of **World Boss** on Steam
- Launch of **Publishing** division
- Expansion and extension of **Meta Work For Hire** agreement
- Signing of development partnership with Meta for a **mixed reality game**
- Signing of game license and publishing agreement with **Netflix** for Dumb Ways to Survive



1HFY23 FINANCIAL SUMMARY

RECORD OPERATING REVENUE | HEALTHY CASH BALANCE

A\$m	1HFY23	1HFY22
Revenue	16.5	9.4
EBITDA (adj.)	(2.7)	(0.1)
EBIT (adj.)	(4.1)	(0.6)
NPAT (adj.)	(3.8)	(0.4)
Significant items	(1.7)	-
NPAT (rep.)	(5.5)	(0.4)
Cash balance	29.8	33.0
Headcount	224	102

- **\$16.5m revenue vs \$9.4m pcp (+76%)**
 - +47% ahead of 2H22 (excl. NFT revenue)
 - WFH \$10.9m (+62% on 2H22, +221% pcp)
 - Original IP \$5.6m (+38% on 2H22, -7% pcp)
- **EBITDA loss \$2.7m vs ~breakeven pcp**
- \$1.7m WIP write down
- **\$29.8m net cash**

Note: 1H23 revenue is a record excluding the \$9m contribution from BEANS NFT sales in 2H22

CURRENT ORIGINAL IP

A STRONG CATALOGUE OF SUCCESSFUL MOBILE TITLES

- Mobile continues to contribute the majority of our Original IP revenue
- More than a dozen active mobile titles, top three contribute 55% of mobile app store revenue (pcp: 80%)
- Last year's best seller is still #2 for the December half, last year's top three are all in this year's top five

LEGALLY BLONDE & THE GODFATHER

PROMISING EARLY METRICS

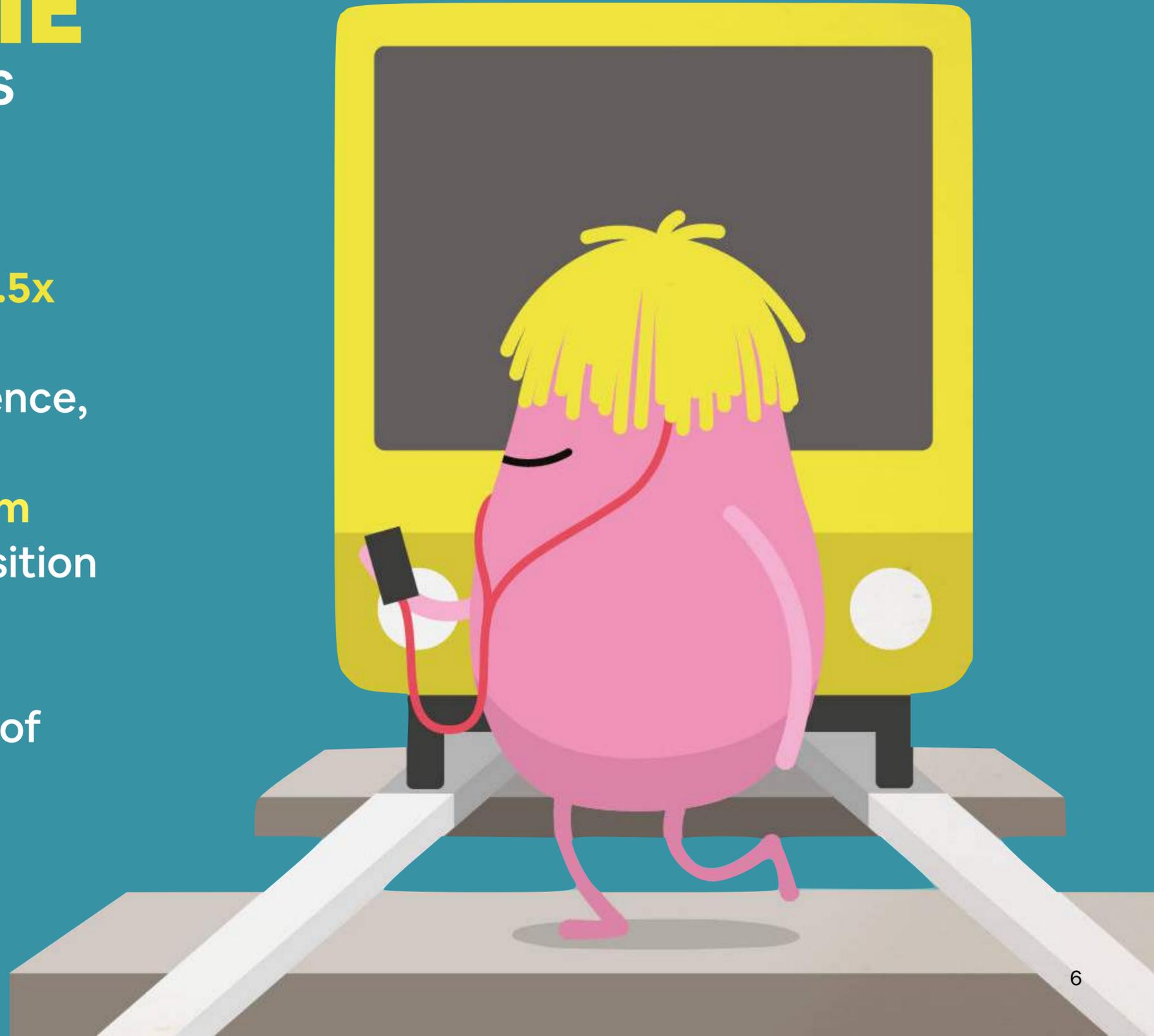
- **Legally Blonde** was our best selling mobile title during **December half**, roughly 500k downloads to date
- Godfather launched in December quarter, strong retention data already
- Working to **optimise user retention and monetisation before ramping user acquisition** on both titles
- Promising indications that these have **good revenue potential** - we have more work to do
- Will provide a further update on performance at the FY result



DUMB WAYS TO DIE

ADDING VALUE TO ORIGINAL IP ASSETS

- Ten year anniversary in December 2022
- **Acquired for \$2.25m in October 2021 on 1.5x trailing revenue multiple**
- Immediately expanded social media presence, NFT launch, new mobile titles
- **The brand has generated in excess of \$12m revenue** in the fifteen months since acquisition to 31 December
- **Netflix partnership** provides further opportunities to extend the value and life of the brand



DUMB WAYS TO DIE

#1 GAME IN 36 COUNTRIES THIS MONTH

- The **Dumb Ways theme went viral** on TikTok late Jan/early Feb - roughly 50,000 user-generated videos generating **700m+ views**
- Nearly **2m total downloads** across Dumb Ways To Die mobile games and apps in seven days
- **Estimated \$0.8m+ incremental revenue to MarQ**
- Original Dumb Ways title **#1 on the US App Store charts** (from 3 Feb-present)
- #dumbwaystodie was the **#1 trending TikTok hashtag** in the US on 6 Feb
- Global press coverage

Top Charts

Free Apps

Paid A



1 Dumb Ways to Die
Safety First



2 Chess - Play & Learn
Chess.com - Games with friends



3 Attack Hole - Black Hole Games
Swallow them all down th...



4 Gardenscapes
A matching puzzle garden game



5 Roblox
Join Millions of Experiences



6 Township
Turn a town into a metropolis

PC TITLES

WE ARE ONLY JUST GETTING STARTED

Age of Darkness

- Launched in Early Access 8 October 2021
- 200k+ downloads to date
- ~4,500 reviews on Steam (84% positive reviews)
- Recognised at the AGDAs for Excellence in Technical Design
- Nominated at Gamescom for Best Strategy / Simulation Game
- Influential in securing recent WFH contracts

World Boss

- Launched in Early Access 20 October 2022
- Influencer-driven approach to building brand exposure
- 13m views of World Boss content across 215 videos



FUTURE PLANS FOR ORIGINAL IP

OUR ASPIRATIONS REMAIN THE SAME

Producing hit original IP titles remains our goal

- Longer development lead times / larger potential revenues on PC & Console
- Continue to build out our catalogue of mobile titles
- Explore VR/AR opportunities
- Risk manage via partnerships, publishing, revenue share where appropriate
- 'Fail fast' to optimise the use of our resources

Mobile titles

- Modest upfront investment (<12mths dev, <\$1m spend)
- Casual titles (ad-driven, immediately revenue-generative)
- Freemium titles (longer revenue lead-times but potentially higher LTV)
- Continue to explore extensions of our Dumb Ways to Die IP

FUTURE PLANS FOR ORIGINAL IP

INDIE AND LICENSED IP TITLES ON PC & CONSOLE

Indie titles on PC & Console

- 12-18 months development (A\$1-5m spend prior to launch)
- US\$20-45 price point
- Low/mid/high case revenues of US\$2m/US\$7m/US\$20m+ in first two years

AAA titles - Licensed IP on PC & Console

- 18-36 months development, higher spend
- US\$45+ price point
- Scope to be major hits

WORK FOR HIRE

MOVING HIGHER UP THE VALUE CHAIN

∞ Meta



ACTIVISION
BLIZZARD



Working on **FRANCHISE TITLES**

- Warcraft is one of the highest-grossing video game franchises of all time
- Warcraft III: Reforged released on PC



Working with **EMERGING TECH**

- Horizon Worlds platform for Meta
- Revenue share on forthcoming MR title
- Undisclosed title for 2K Games

WORK FOR HIRE

META RELATIONSHIP A GOOD EXAMPLE OF INCREASING TENURE

APRIL 21

FIRST SIX MONTH HORIZON WORLDS CONTRACT



JUNE 22

16 MONTH EXTENSION
VALUE EXPANDED FURTHER



OCT 22

SIX MONTH
EXTENSION



SEP 21

SIX MONTH EXTENSION
VALUE EXPANDED BY 90%



JUNE 22

SIX MONTH META
CONNECT CONTRACT



NOV 22

GAME DEV AGREEMENT
REVENUE SHARE



-  NEW GAME
-  META CONNECT
-  HORIZON WORLDS

WORK FOR HIRE

AVERAGE PROJECT SIZE GROWING | SUPPORTS OUR EXPANSION

- In FY22 we reported \$10m revenue across ten projects
- In FY23E we have **seven major contracts** that expected to contribute **revenue in the low \$20m range this year**
- Annual contribution of average contracts is expected to continue to grow

PLAYSIDE NORTH

GOLD COAST OFFICE OPENED IN APRIL 2022
29 STAFF AS OF 27 FEB | 75 STAFF CAPACITY



WORK FOR HIRE

VR/AR REMAINS AN AREA OF STRATEGIC FOCUS

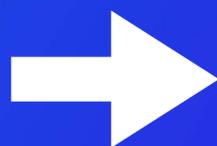
Consumer headset competition heating up

- Meta Quest series, PlayStation VR2, HTC Vive, Valve Index, HP Reverb
- Meta Quest 2 estimated to have sold 15m units since Oct 2020 launch
- Meta Quest Pro launched Oct 2022
- Apple rumoured to launch a consumer VR product in 2023

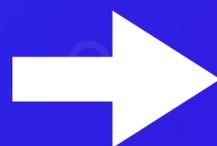
VR/AR gaming industry growing rapidly

- Meta Quest store - US\$1.5bn revenue on games/apps since May 2019
- 400+ apps on the Quest store, 33 titles have grossed over US\$10m
- Several VR games have crossed the US\$50m revenue mark (Walking Dead, Beat Saber, Half Life)

RESIDENT EVIL 4 SELLS US\$2m ON DAY ONE



BONELAB SELLS US\$1m IN THE FIRST HOUR



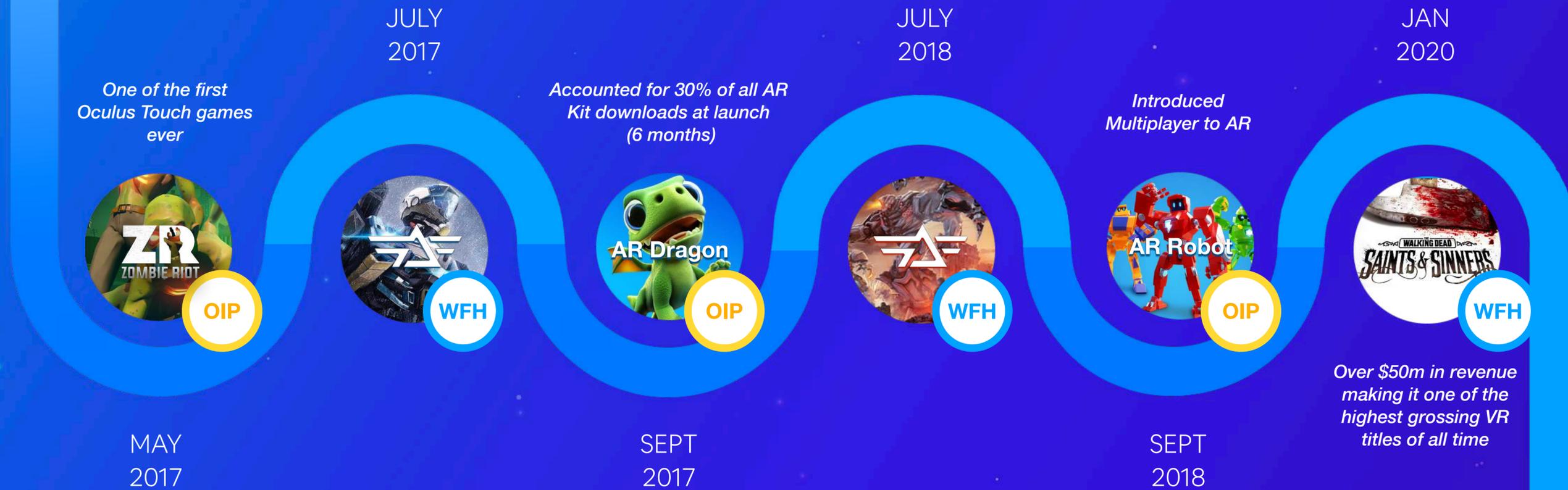
AMONG US VR PASSES 1M UNIT SALES IN WEEK ONE

OCT 2021

SEPT 2022

NOV 2022





WORK FOR HIRE

WE HAVE BEEN ACTIVE IN VR/AR WELL BEFORE ITS RECENT RESURGENCE

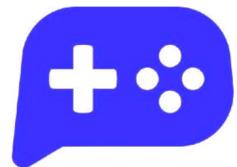
PUBLISHING

LEVERAGES OUR COMPETENCIES IN A LOW RISK MANNER

- Launched PlaySide Publishing in July 2022
- Core team of three people based in UK, 30 years combined experience
- Leverages our competencies as a development studio
- Initial focus on ‘last mile’ of development
 - Sub-\$1m investment
 - Invest 6-12 months prior to game launch
 - Material revenue share
- Low risk, rapid payback investments
- Supports brand exposure for PlaySide
- Prioritise business unit profitability



SUMMARY



Record levels of activity across our business



Record operating revenue, healthy cash balance



Producing hit OIP titles remains our goal

- Keep building out mobile catalogue
- Explore extensions of Dumb Ways to Die IP
- PC & Console titles with longer dev cycle



Work for Hire elevates our brand and funds our Original IP aspirations



VR/AR game development remains an area of strategic focus



We are actively working to identify suitable titles for our Publishing division



AGE OF
DARKNESS

FINAL STAND