

PlaySide™

1H24 RESULTS PRESENTATION





PlaySide's revenue was more than double that of the pcp, with record profit and free cash flow.



FIRST HALF HIGHLIGHTS

ORIGINAL IP REVENUES GROWING FASTER THAN WORK FOR HIRE

A\$m	1H23	2H23	FY23	1H24	CHG
Underlying Revenue	16.5	21.9	38.4	36.2	119%
Original IP	5.6	9.4	14.9	17.7	218%
Work for Hire	10.9	12.6	23.5	18.5	69%
EBITDA	(2.7)	0.9	(1.8)	12.2	
D&A	(1.4)	(3.0)	(4.4)	(2.6)	86%
EBIT	(4.1)	(2.1)	(6.2)	9.6	
NPAT (NORM.)	(3.8)	(1.4)	(5.2)	9.0	
ONE-OFFS	(1.7)	-	(1.7)	-	
NPAT (REP.)	(5.5)	(1.4)	(6.9)	9.0	
CASH BALANCE (A\$m)	29.8		32.2	38.3	8.5
HEADCOUNT	224		277	295	32%

Note: FY23 normalised for \$1.7m impairment in 1H.



FIRST HALF HIGHLIGHTS

LEVERAGE FROM ORIGINAL IP GROWTH AND LOW OVERHEADS

A\$m	1H23	2H23	FY23	1H24
Cash receipts	14.0	22.9	36.9	35.4
Operating cash flow	(5.3)	3.7	(1.6)	12.8
Capitalised dev	(2.4)	(0.5)	(2.9)	(5.5)
PP&E, leases	(0.6)	(0.6)	(1.2)	(1.0)
Net cash flow	(8.2)	2.6	(5.7)	6.3
Forex movements	0.2	(0.2)	-	(0.2)
Opening cash	37.9	29.9	37.9	32.2
Closing cash	29.9	32.2	32.2	38.3



QUARTERLY REVENUE

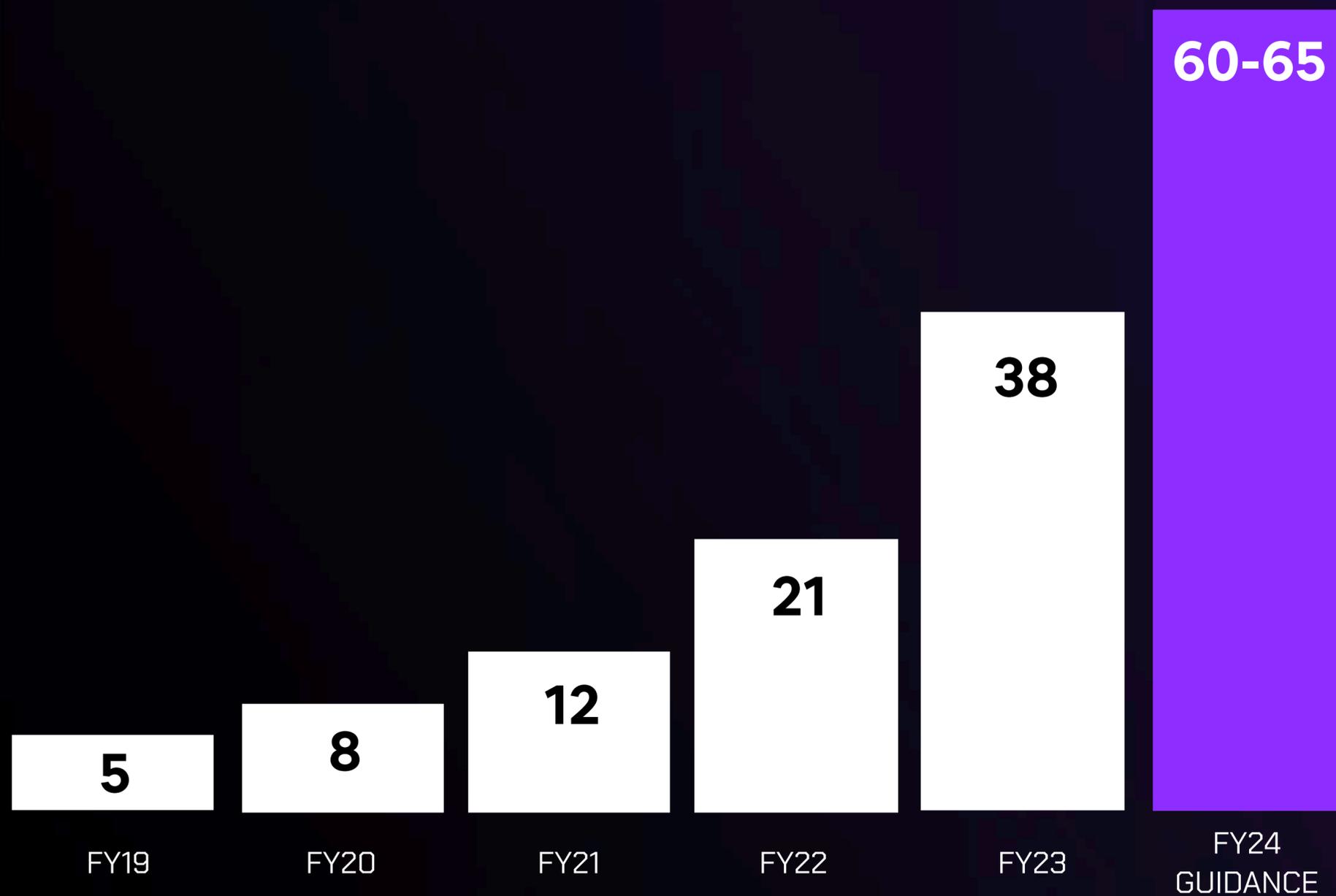
DUMB WAYS TO DIE HAS BEEN A MEANINGFUL DRIVER IN 2023





ANNUAL REVENUE

HIGH GROWTH RATE HAS CONTINUED IN FY24



ANNUAL COMPOUND REVENUE GROWTH

67%

REVENUE GROWTH IMPLIED BY GUIDANCE

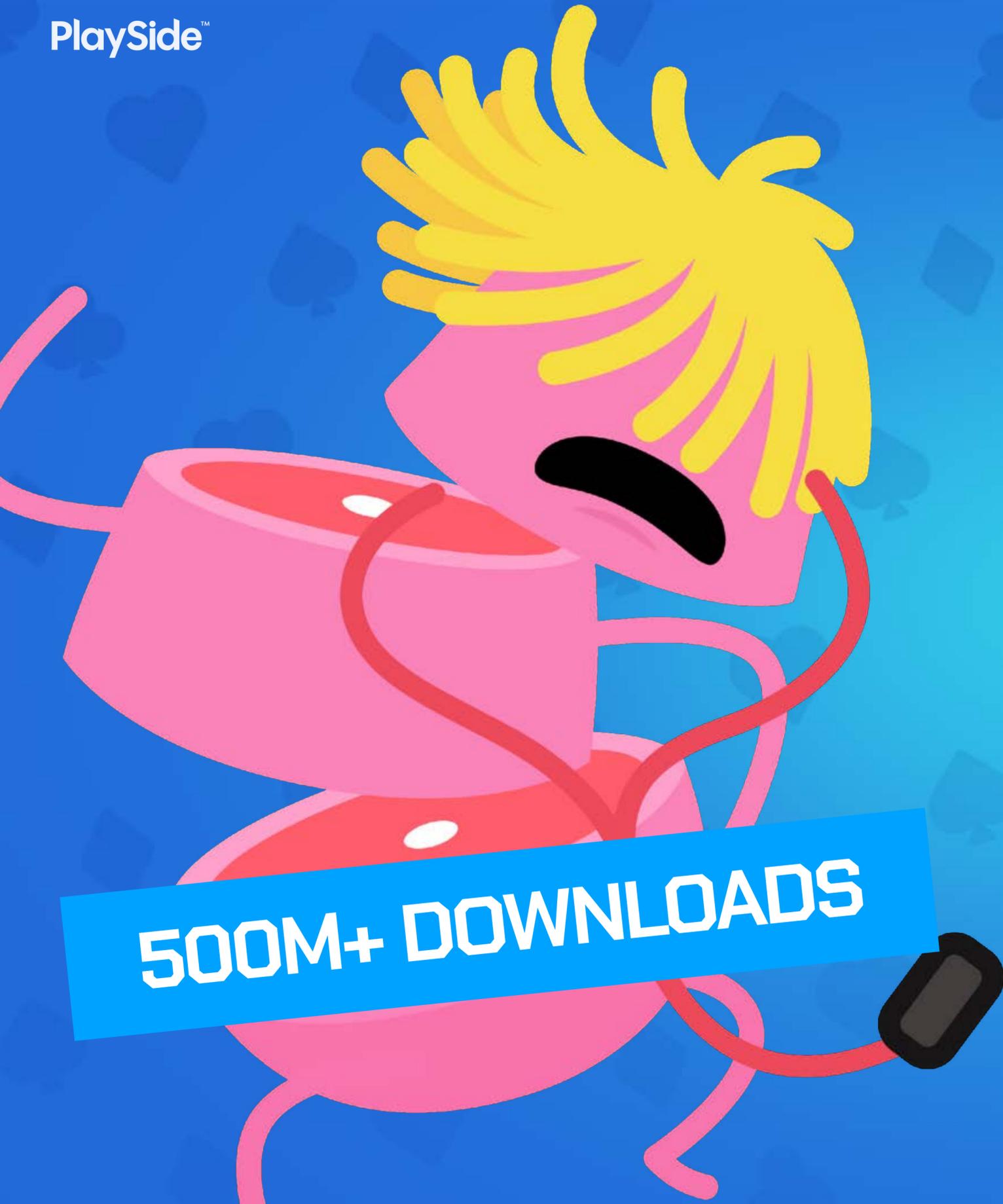
56-69%

Note: Rounded to nearest million. Pre-IPO figures are statutory historicals as reported in the company's Prospectus dated 16 December 2020.



PlaySide was able to capitalise on the viral success of Dumb Ways to Die during the half, extending the brand into new platforms.





1.3M
SUBS



527M
VIEWS



2BN
VIEWS



7.6M
FOLLOWERS



453K
FOLLOWERS

LICENSE DEALS



VR title under license



Premium mobile title under license



Physical card game under license



PlaySide has entered its next growth phase, with several major PC/Console titles in development.





LAUNCH TBA



WARNER BROS. INTERACTIVE

- Agreement signed December 2023
- PlaySide to develop two PC/Console game titles using WB IP (development of first title is underway)
- Highly recognisable, premium franchise
- PlaySide to pay several license payments during development and a royalty on revenue derived from the games
- Agreement expires five years after the release of the second title
- IP and details of first game to be disclosed in the current half



LAUNCH 2025

MOUSE

- Publishing agreement signed with Fumi Games in December 2023
- PlaySide to provide advances progressively during the remainder of development
- PlaySide responsible for publishing and marketing the title
- Anticipated investment in the mid-single digit millions
- PlaySide to pay Fumi Games a share of net revenue upon launch
- Expected launch calendar 2025



EARLY INDICATIONS

- MOUSE Official Gameplay Trailer was released in December 2023 at the same time as The Game Awards
- Similar viewership stats to many AAA titles announced at The Game Awards, over 25m total views across tier one gaming news channels and social media.
- 1930s 'rubber hose' animation style reminiscent of *Steamboat Willie* which is now in the public domain
- Likened to 2017's indie platformer *Cuphead* which sold 1m units/US\$20m sales in its first week
- Wish listing (indicator of intention to purchase) on Steam is higher than any other Publishing titles we have considered, suggesting the potential for a strong response on launch.

GAMINGTREND 20 YEARS

Mouse in the house — Fumi Games cartoon shooter looks sublime in new trailer

SCREENRANT

Home > Gaming > Game Features

This New FPS Game Is Perfect If You Love Mickey Mouse & BioShock

KOTAKU

New Shooter Looks Like *Cuphead* Meets *Doom*

This fantastic-looking indie FPS is coming to PC and consoles sometime in 2025

Sources: [IGN](#), [GamingTrend](#), [ScreenRant](#), [Kotaku](#), [Cartoon Brew](#)



CONSOLE LAUNCH 2025

DUMB WAYS TO DIE

- Development underway on a multiplayer title using Dumb Ways to Die IP
- Will be the first Dumb Ways title on PC/Console, leveraging its multiplayer capabilities
- Expected launch calendar 2025





ORIGINAL IP

PlaySide complements its major projects with a regular cadence of Original IP titles with shorter development lead times.



A GAME FOR GAMERS

KILL KNIGHT

- Development on **Kill Knight** commenced in June Q23
- Original project mandate:
 - Small (~12) team of highly experienced developers
 - Continue to build the company's reputation in PC gaming
 - Smaller scope/shorter development time
- Trailer and dedicated Steam page expected later this half
- Expected launch 1HFY25





PLAYSIDE PUBLISHING

THRIVE

HEAVY LIES THE CROWN

- Second title signed by PlaySide Publishing
- Developed by Canada-based Zugalu Entertainment
- Medieval fantasy city builder - adjacent genre to PlaySide's Age of Darkness: Final Stand
- Steam page live, actively marketed on socials
- Currently participating in Steam's Next Fest which is a celebration of upcoming indie titles
- Live demo was in the top 50 demos played during Next Fest
- Expected to launch in the current half





PLAYSIDE PUBLISHING

DYNASTY OF THE SANDS

- First title signed by PlaySide Publishing
- Developed by UK-based Rocket Flair Studios
- Ancient Egypt-inspired creative/survival city builder - adjacent genre to PlaySide's Age of Darkness: Final Stand
- Progressing through development milestones
- Steam page live, actively marketed on socials
- Expected to launch 1HFY25





CURRENT PROJECTS

MAJOR PROJECTS

OTHER ACTIVE PROJECTS



MOUSE
DUMB WAYS
to
DIE

**DYNASTY
OF THE SANDS**

**KILL
KNIGHT**



**NETFLIX
GAMES**

THRIVE
HEAVY LIES THE CROWN

**MOBILE
CONCEPTS**
(4-6 PER YEAR)



PlaySide continues to maintain strong operational controls as its pipeline of opportunities builds.

Monitoring project progress through strict development milestones

Disciplined expense management across fixed overheads and hiring

Strong processes for green lighting new projects



LOOKING FORWARD

OUTLOOK

- Warner Bros IP and first game title to be announced this half
- FY24 revenue guidance of \$60-65m (+56-69% on pcp)
 - ◆ Assumes no further signings
- FY24 EBITDA guidance of \$11-13m
- Investor day to be held in the June quarter





QUESTIONS?



APPENDIX 1

COMPANY OVERVIEW & KEY THEMES



PlaySide is the largest game developer and publishing studio in Australia, having worked on 70+ titles since 2011 across mobile, virtual and augmented reality, and PC.



Shortly after IPO in 2021, PlaySide took a measured approach to project investment as it looked to expand its Original IP pipeline beyond free to play mobile titles.

Acquires the Dumb Ways to Die franchise and the licenses to develop mobile titles based on *Legally Blonde* and *The Godfather*

Signs contract with influencers Fresh and Lazarbeam to jointly develop first person shooter *World Boss* for PC

Signs publishing contract with Team17 to part-fund development on PlaySide's real-time strategy PC title *Age of Darkness: Final Stand*



PlaySide launched real-time strategy title Age of Darkness: Final Stand in October 2021. This was the company's first Original IP title on PC and received a 'Very Positive' rating by gamers on Steam.





This success created opportunities to take on larger Work for Hire projects, providing end-to-end development on valuable franchises for the world's largest gaming companies.





The Publishing Division was established in 2022 to leverage PlaySide's game development expertise, complementing its internally developed IP with high quality games developed by third parties.

GAME IN DEVELOPMENT

PUBLISHER AGREES TO FUND REMAINDER OF DEVELOPMENT ON A MILESTONE BASIS AND TAKE THE GAME TO MARKET (INCL. MARKETING SPEND)

GAME LAUNCHED

PUBLISHER BOOKS 100% OF GAME SALES, RECOUPS INITIAL INVESTMENT AND PAYS DEVELOPER A ROYALTY



Dumb Ways to Die has been a highly successful IP for PlaySide and we continue to identify opportunities for brand expansion.

October 2021	Acquired for \$2.2m from Metro Trains
February 2022	Increased investment in social media content
December 2022	Signs license deal with Netflix Games to develop Dumb Ways to Survive
January 2023	Launches Dumb Ways to Draw 2 on mobile
February 2023	Goes viral on TikTok (follower count rises from 1.3m to 2.9m)
May 2023	Launches Dumb Ways to Die 4 on mobile
June 2023	Launches physical card game in conjunction with SpinMaster
July 2023	Signs license deal with Meta to develop VR title
August 2023	TikTok followers pass 5m
December 2023	TikTok followers pass 6m
February 2024	TikTok followers approaching 8m



PlaySide's next phase of growth involves launching several PC/Console titles with longer development lead times, both as a developer and publisher.



HISTORICAL FINANCIALS

A\$m	FY21	FY22	1H23	2H23	FY23	1H24
Underlying Revenue	10.9	20.2	16.5	21.9	38.4	36.2
Original IP	7.3	10.0	5.6	9.4	14.9	17.7
Work for Hire	3.6	10.2	10.9	12.6	23.5	18.5
EBITDA	(4.6)	(1.7)	(2.7)	0.9	(1.8)	12.2
D&A	(0.2)	(1.0)	(1.4)	(3.0)	(4.4)	(2.6)
EBIT	(4.4)	(2.7)	(4.1)	(2.1)	(6.2)	9.6
NPAT (NORM.)	(5.0)	(2.7)	(3.8)	(1.4)	(5.2)	9.0
ONE-OFFS	(0.9)	7.6	(1.7)	-	(1.7)	-
NPAT (REP.)	(5.9)	4.9	(5.5)	(1.4)	(6.9)	9.0
CASH BALANCE	11.2	37.9	29.8		32.2	38.3
HEADCOUNT	90	172	224		277	295

Notes: Prior period normalisations include NFT sales (FY22: \$9.0m), impairments (FY23: \$1.7m, FY22: \$0.8m), IPO fees (FY21: \$0.9m)



APPENDIX 2

CURRENT INDUSTRY DRIVERS



Interactive entertainment is the #1 entertainment vertical globally, with an estimated **3.2 billion video game players** globally.



Source: Take Two Interactive JunQ23 report

THE VIDEO GAMES
INDUSTRY IS APPROACHING

US\$200BN

CONSOLE
US\$56BN



PC
US\$39BN

MOBILE
US\$93BN

65%
OF AMERICANS
PLAY VIDEO GAMES
FOR AT LEAST AN
HOUR EACH WEEK



32
IS THE AVERAGE
AGE OF A VIDEO
GAME PLAYER

76%
OF US PARENTS PLAY
VIDEO GAMES WITH
THEIR CHILDREN



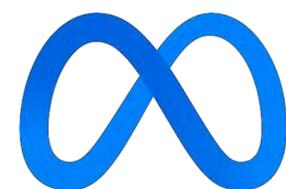
45%
OF GAMERS
ARE FEMALE



Sources: Newzoo 2023 Global Games Report,
Entertainment Software Association's
2023 Essential Facts report. Figures in USD.



PUBLIC GAMING MAJORS





GLOBAL LISTED PEERS

RANKED BY APPROXIMATE MARKET CAP

A\$1bn+



A\$500m - 1bn



A\$250 - 500m



A\$100 - 250m



<A\$100m

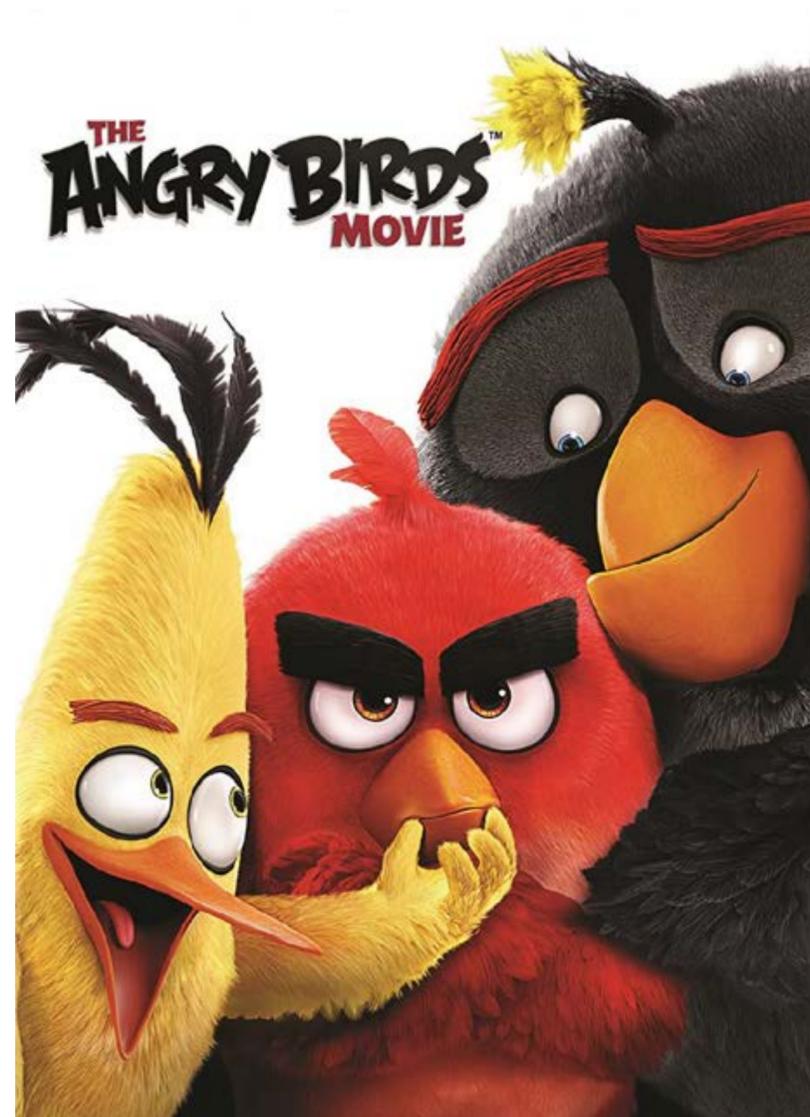


Note: Not intended to be an exhaustive list.
Figures estimated at 15 Feb 2024.

● STRATEGIC STAKE FROM LARGER GAMING CO

Global IPs are using transmedia to add **depth, breadth and reach** to their stories, with some of the worlds hottest properties starting as **gaming IP.**







The success of Hogwarts Legacy was a milestone for non-gaming IP in 2023

- Hogwarts Legacy is an action role-playing game based on the Harry Potter franchise
- Developed by Avalanche Studios and published by Portkey Games (both owned by Warner Bros.)
- Sold 22m+ copies (US\$1bn+) making it the #1 selling game worldwide for the calendar year
- This is the first time in 15 years that the best selling game in the US wasn't Call of Duty or a title made by Rockstar (Grand Theft Auto, Red Dead Redemption 2)



Source: Warner Bros., [GameSpot](#), [Statista](#)

The demand for IP continues to drive significant industry consolidation.

RECENT M&A ACTIVITY



ACQUIRER: MICROSOFT
 TARGET: **ACTIVISION BLIZZARD**
 US\$69BN (OCT 2023)

ACQUIRER: SEGA
 TARGET: **ROVIO**
 US\$775M (AUG 2023)

ACQUIRER: SAVVY
 TARGET: **SCOPELY**
 US\$5BN (MAY 2022)

ACQUIRER: TAKETWO
 TARGET: **ZYNGA**
 US\$13BN (MAY 2022)

ACQUIRER: SONY
 TARGET: **BUNGIE**
 US\$4BN (JULY 2022)

BLIZZARD ENTERTAINMENT
 WORLD OF WARCRAFT,
 OVERWATCH, DIABLO

ANGRY BIRDS

MONOPOLY GO!
 YAHTZEE WITH BUDDIES
 STAR TREK FLEET COMMAND
 STUMBLE GUYS

FARMVILLE
 ZYGNA POKER
 WORDS WITH FRIENDS

DESTINY
 HALO
 MARATHON

KING DIGITAL ENTERTAINMENT
 CANDY CRUSH

ACTIVISION PUBLISHING
 CALL OF DUTY, TONY HAWK

NEWER ENTRANTS EXPANDING INVESTMENT

NETFLIX

**NETFLIX GAMES
LAUNCHED IN 2021**

86+ GAMES IN CATALOGUE
LAUNCHED 40 GAMES IN 2023

**NEARLY 90 GAMES IN
DEVELOPMENT, THE
MAJORITY BY THIRD PARTIES
(INCLUDING PLAYSIDE)**

AIMING TO MAKE ITS GAMES
PLAYABLE ON ALL DEVICES

**ACQUIRED SIX GAMING
STUDIOS**



**META REALITY LABS
LAUNCHED IN 2020**

ACQUIRED OCULUS VR FOR
US\$2BN (2014)

20M+ QUEST HEADSETS SOLD

**SIGNIFICANT INVESTMENT IN
OUTSOURCED GAME
DEVELOPMENT (INCLUDING
SEVERAL PROJECTS WITH
PLAYSIDE)**

**ACQUIRED NINE VR GAMING
STUDIOS SINCE 2019**



**INVESTMENT FUND
LAUNCHED IN 2021**

FULLY OWNED BY THE SAUDI
ARABIAN GOVERNMENT

**US\$38BN SLATED FOR
INVESTMENT**

ACQUIRED MOBILE
DEVELOPER SCOPELY FOR
US\$5BN (2023)

**STAKES IN NINTENDO (8%),
EMBRACER (8%), CAPCOM,
NEXON**

Despite the investment in major IPs, **indie titles** with smaller development budgets continue to **rank among the top sellers** on Steam.





- Survival/builder title Palworld was the #1 selling game on Steam in January 2024
- US\$7m development budget
- US\$300m estimated revenue - sold 12m units on Steam, 7m units on Xbox/Xbox Game Pass
- Second-highest concurrent players on Steam ever



- Co-op survival horror title Lethal Company was the #1 selling game on Steam in November 2023
- Developed by one person
- Estimated revenue US\$100m+
- Highest review score (98%) of any game on Steam in 2023



- Single player adventure sim *Dave the Diver* was the #1 selling game on Steam for two weeks in July 2023
- Developed and published by Nexon
- Estimated development budget under US\$10m
- 3m unit sales - estimated revenue US\$35m+



- Fishing/inventory management game *Dredge* launched in March 2023
- Developed by Black Salt Games - four person team
- Published by Team17
- 1m unit sales - estimated revenue US\$20m+

PlaySide™

www.playsidestudios.com

