

PlaySide™

what comes next ?

1H FY23 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

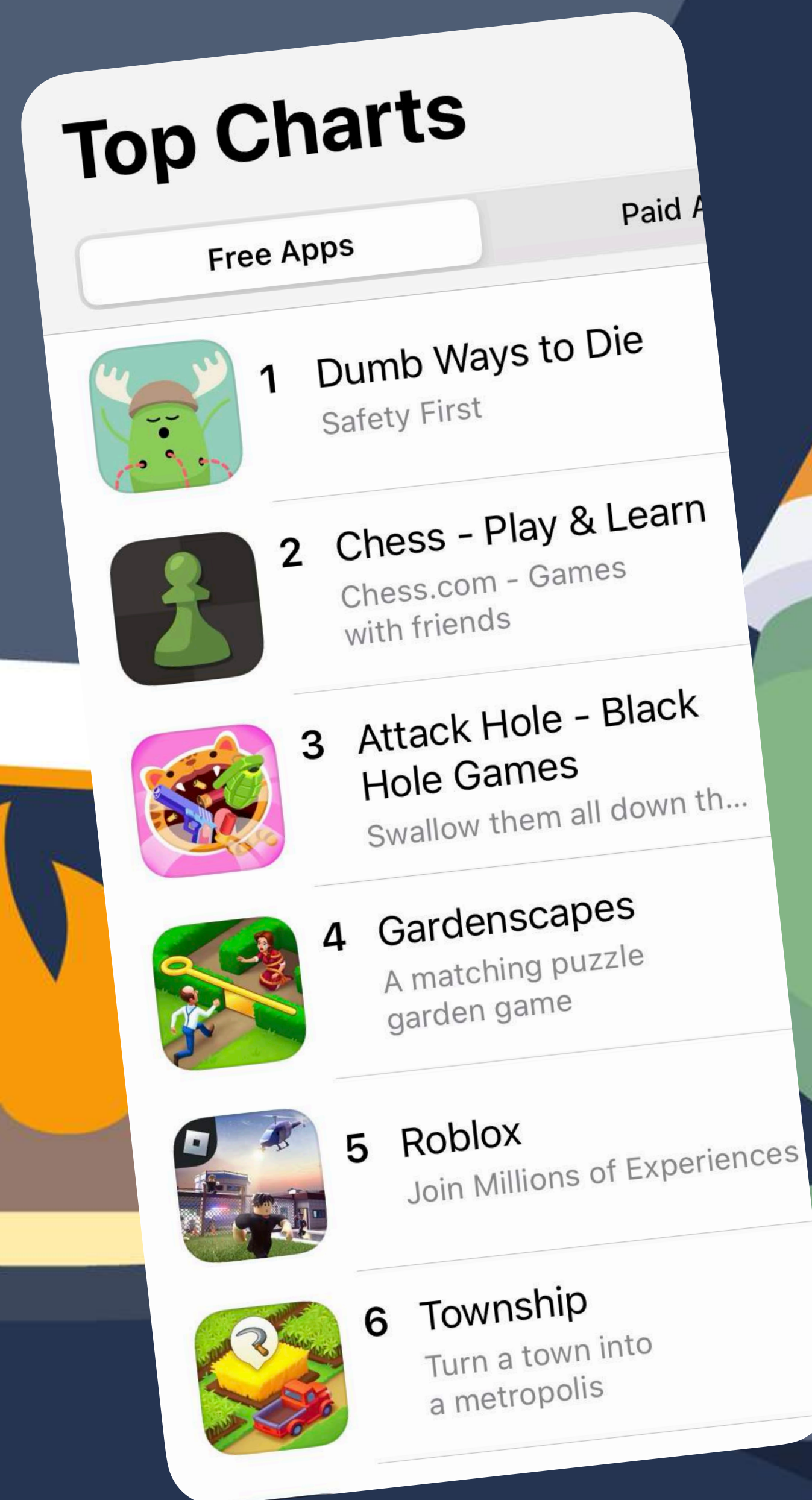
- Ten year anniversary in December 2022
- **Acquired for \$2.25m in October 2021 on 1.5x trailing revenue multiple**
- Immediately expanded social media presence, NFT launch, new mobile titles
- **The brand has generated in excess of \$12m revenue** in the fifteen months since acquisition to 31 December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



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



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



- 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

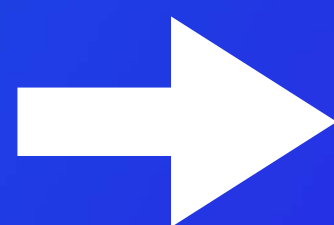
Consumer headset competition heating up

- 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

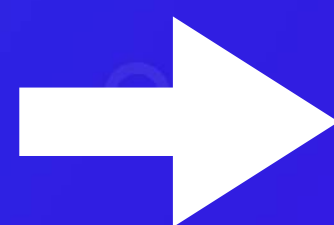
VR/AR gaming industry growing rapidly

- 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



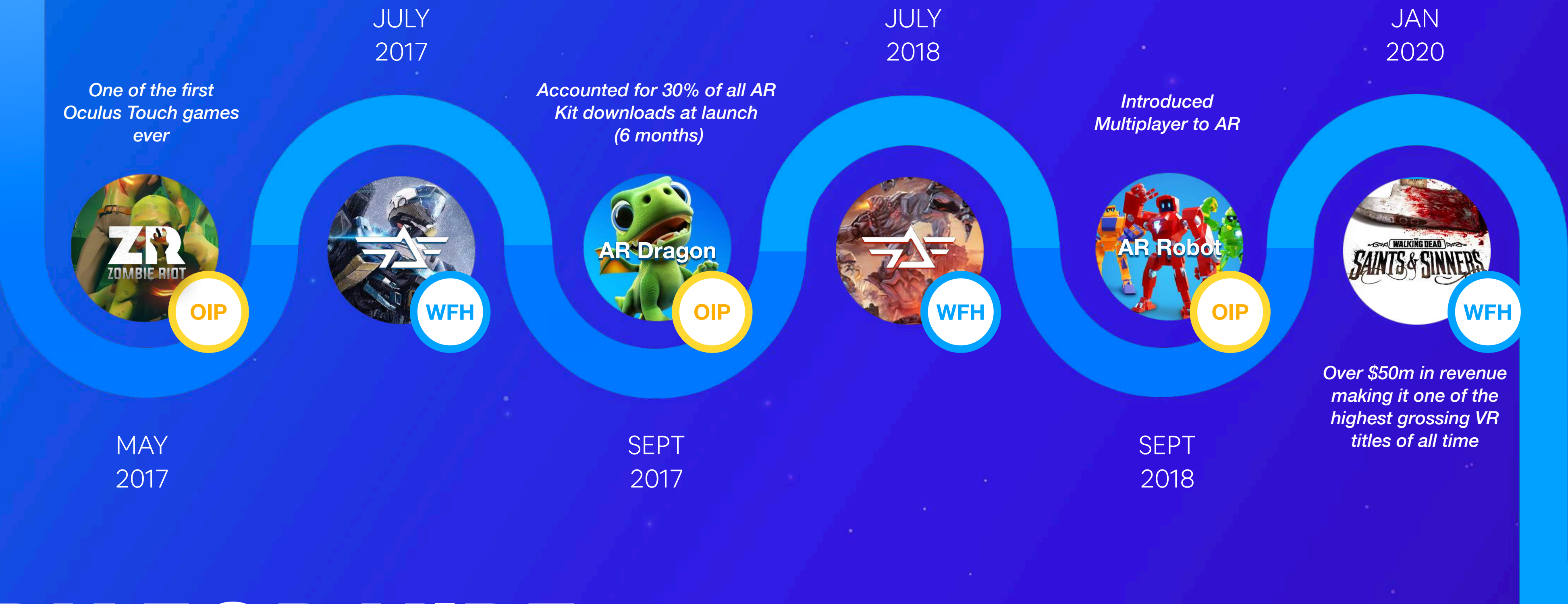
AMONG US VR
PASSES 1M UNIT
SALES IN WEEK ONE

OCT 2021

SEPT 2022

NOV 2022





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

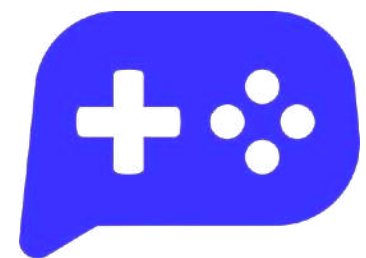
PUBLISHING

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

team17

PlaySide