

22 November 2023

Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**CHAIRMAN'S AND CEO'S ADDRESSES – 2023 ANNUAL GENERAL MEETING ("AGM")**

Please find attached copies of the Chairman's and CEO's addresses that will be made at today's PlaySide Studios Limited ("PlaySide") AGM commencing at 2:30pm.

These addresses include an upgrade in the company's FY24 revenue guidance to a range of \$55-60m (previously \$50-55m) and have been authorised for release by the Board of PlaySide.

**DARREN BRIGGS**

CFO & Company Secretary  
PlaySide Studios Limited

## Chairman Address to Shareholders by Mr Cris Nicolli

Welcome,

I am very pleased to report on the progress PlaySide has made in the year to June 2023 – and make some comments on our performance in the past four months.

We had another outstanding year with strong underlying financial results and impressive progress towards our vision of being recognised as a global leader in game development of valuable original IP content across multiple platforms.

We have continued to aggressively pursue and advance our key strategic objectives of developing world class games based on our own IP, being at the forefront of games development and delivering outstanding quality and services on our Work for Hire to major clients, and the development of partnerships with the likes of Netflix and others.

While advancing our longer-term aspirations, we achieved very pleasing results with record FY23 revenue of \$38.4m – up 90% over the prior year on an underlying basis, together with well-balanced management of our cash and expenses - resulting in second half underlying positive EBITDA and operating cash.

The addition of some key senior staff, the quality of the executive team together with the outstanding teams in the business, has enabled this rapid growth while managing the balance of capital allocation of the company through employee recruitment, delivery of the Work for Hire commitments, the investment in innovation in the building of our IP based games and brands.

The investment in our *Dumb Ways to Die* brand shows the type of impact our investment in developing our own IP can have, with strong revenue flows continuing and creating, via social channels what has, and still is, a global viral brand. Further investment in our own *Dumb Ways to Die* franchise across several mediums will continue with further success anticipated.

We continue to invest in our Original IP strategy and key licences, with a bias towards pushing the boundaries of our game development to larger titles for PC/Console. While costlier and taking longer to develop, the potential returns are significantly more impactful should the game(s) be successful. Gerry will cover this in more detail later but the maturity of our team together with the innovation, quality and experience gained from developing *Age of Darkness: Final Stand*, provides a strong basis to further enhance the status of PlaySide as a world class developer.

The team has also done an excellent job of building the brand of PlaySide to major Work for Hire clients such as Meta, 2K, Activision Blizzard and others by delivering to those clients' requirements with consistent quality and in accordance with agreed timelines. They trust us to deliver.

This trust is based on maintaining high quality from a growing integrated team, having added another 100 staff during FY23. While we are continuing to learn the challenges of

scaling our operations, I congratulate the managers and executive team for the manner in which this scale has been achieved.

Additionally, we established a new Publishing division which has already signed deals to publish several 3<sup>rd</sup> party titles which will launch during the next calendar year.

These achievements further solidify our strategic plan to be recognised as a global leader in games development across mobile, PC and console, while building significant scale to compete on the global market.

As stated last year, we will continue to navigate the balance between supporting Work for Hire opportunities with our global clients, and the investment required to develop PlaySide's Original IP titles. The Board will continue to carefully prioritise and monitor the use of capital and be mindful of remaining nimble and flexible in our approach within a sensible risk framework.

I want to take the opportunity to thank all our employees for their outstanding contributions, enthusiasm, quality of work and for their loyalty and resilience. Our people are our brand and our difference. The recognition of the company's position and potential in the Games market was recently validated with PlaySide receiving the "Studio of the Year" award at the Australian Game Developer Awards.

In particular I want to recognise the efforts of Gerry and the executive and management team who deserve special recognition for winning the opportunities, building the relationships, delivering quality outcomes, driving, and managing the growth of the company, while maintaining the focus of the key priorities that will deliver longer term benefits.

I thank all our shareholders for their investment and support of the Company, and trust that they will benefit from the investment in PlaySide as we continue to grow, and further enhance our reputation in the global market.

Moving forward in to FY24 we remain confident and optimistic about meeting our aspirations and our ability to continue to grow our revenues and our brand.

The outlook is positive, with strong levels of work in the pipeline, a motivated team of around 300 employees, new games about to be released and a strong balance sheet with \$32.6m in cash at the end of the October.

I am pleased to advise that while we have provided past guidance (Oct 2023) for FY24 revenue to be in the range of \$50-55m, following further discussions with the board today we are increasing that guidance range to \$55-60m.

Lastly, my thanks to the executive team for their significant effort and to my fellow Board members, Mark and Aaron for your energy, willing contribution to having the challenging conversations and for your enthusiastic and professional approach to guiding the company.

I will now pass over to Gerry.

## CEO Address to Shareholders by Mr Gerry Sakkas

Thank you, Cris, and good afternoon fellow shareholders. My name is Gerry Sakkas, and I am the CEO of PlaySide Studios.

This is our third year as a publicly listed company, having IPO'ed in 2020 with around 70 staff. This week we welcomed our 300<sup>th</sup> PlaySider and in the next few weeks we will have opened our third office, just up the road from our headquarters in Port Melbourne. We are the largest game developer in Australia and one of the largest independent developers in the world.

As a co-founder that is heavily invested in PlaySide I can say that it is pleasing to have a share register that not only includes many of our employees but also institutional and retail investors that are still with us from the IPO. I want to take this opportunity to confirm to our investors that the business is in the strongest position it has ever been - both financially and in terms of the opportunities that lay in front of us - and we have a very clear plan in place to create value for shareholders over the medium-term.

When we raised money at the IPO it was with the aim of developing new mobile game titles and expanding into other platforms to grow the business. Today we're busier than ever making games on mobile, virtual and mixed reality, PC and console. We also have a Publishing division that is investing in several games that other studios are making which we will release within the next twelve months.

I think all our Original IP development teams are as excited by the current projects we have in the pipeline as they have ever been, and I look forward to sharing more on this front with you in the year ahead.

We have a globally recognised franchise in Dumb Ways to Die. We have developed some highly successful titles for that brand with well over 20m downloads this calendar year. We have invested heavily in making it one of the leading gaming accounts on TikTok – the most important and culturally relevant social media platform for Gen Z and millennials. Dumb Ways to Die social content has been viewed billions of times, and as our teams continue to work on opportunities to extend the reach of the brand, I firmly believe that Dumb Ways to Die is still in the early days of its journey.

Major gaming and entertainment companies like Netflix and Meta recognise the unique value of that organic reach and have licensed this brand for games on their platforms, which our mobile and VR teams are currently busy developing.

Gaming has never been a more valuable and relevant influence on consumer entertainment than it is right now, and we think there is so much more we can do with that brand. We also continue to look for ways we can leverage other strong intellectual property to create world-class gaming content.

Further to Cris' comments, the board convened earlier today and having reviewed both our year-to-date performance as well as the visibility of our contracted revenues across our Work for Hire and Original IP divisions, we have agreed that it is appropriate to announce an upgrade of our FY24 revenue guidance to a range of \$55-60m (previously: \$50-55m). This means we expect to deliver somewhere around 50% revenue growth on the record year we had last year.

In closing, I thank you for your continued commitment as shareholders and will hand you back to Cris to conduct the formal business of today's meeting.