

COMPANY UPDATE

February 2018

animoca
BRANDS

Crazy Kings &
Crazy Defense Heroes



Global Mobile Gaming Market Update



Mobile gaming estimated at A\$73bn in 2018



2016-2020 GLOBAL GAMES MARKET

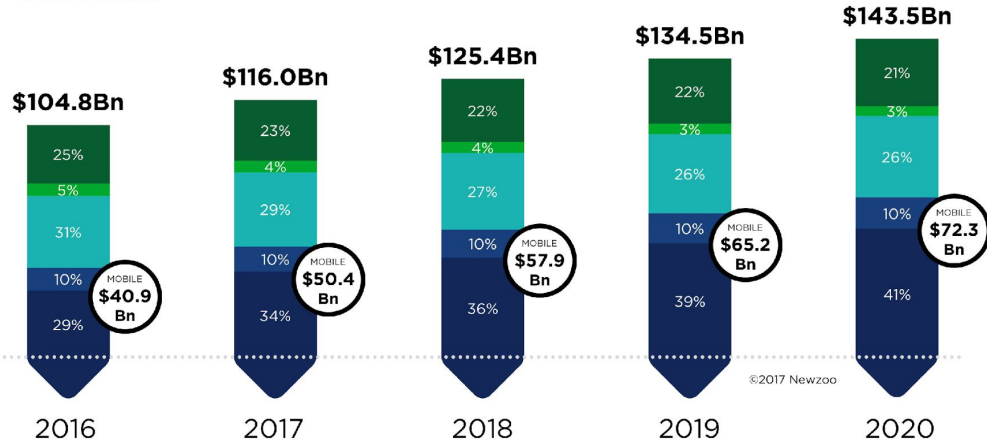
FORECAST PER SEGMENT TOWARD 2020

TOTAL MARKET

+8.2%

CAGR 2016-2020

● Boxed/Downloaded PC ● Browser PC ● Console ● Tablet ● Smartphone



©2017 Newzoo

Source: ©Newzoo | Q4 2017 Update | Global Games Market Report
newzoo.com/globalgamesreport

Market data in this image provided in US\$

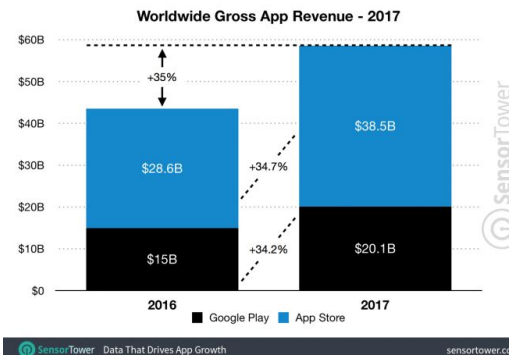
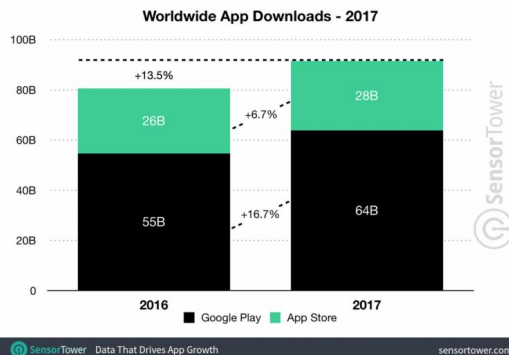
newzoo

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Mobile gaming market size: Google Play vs iOS

- According to market research firm Newzoo's December 2017 report, the global mobile gaming market in 2018 is estimated at:
 - A\$72.98bn in revenues
 - 2.2 billion mobile players
 - 843.9 million mobile paying customers
- According to app intelligence firm Sensor Tower, Google Play accounted for approximately 70% of app downloads
- These figures do not include the fragmented Chinese Android market, estimated at up to A\$11.3bn by App Annie



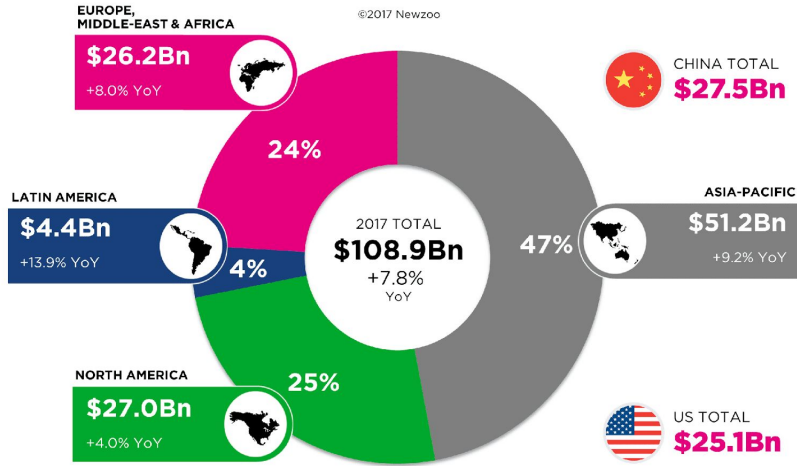
Market data in images
provided in US\$

Global gaming market: by territory



2017 GLOBAL GAMES MARKET

PER REGION WITH YEAR-ON-YEAR GROWTH RATES



Source: ©Newzoo | Q2 2017 Update | Global Games Market Report
newzoo.com/globalgamesreport

Market data in this image provided in US\$

In 2017,
47%
of all consumer spend
on games will come
from the APAC region

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Crazy Kings & Crazy Defense Heroes



Midcore gaming market leaders

The Crazy Kings games draw on a heritage of successful midcore game types:

- Tower Defense
- Collectible Card Games
- Clan Strategy Games

Tower Defense

Kingdom Rush

Metal Slug

Collectible Card

Hearthstone

Magic the Gathering - Puzzle Quest

Clan Strategy

Clash Royale



Hearthstone
US\$400m
revenues in 2016

Magic the Gathering
US\$300m annual
revenue

Clash Royale
US\$1bn revenue in
first year



The Crazy Kings franchise

Crazy Kings is a midcore tower defense game for iOS devices developed by TicBits in Finland in 2015.



Crazy Kings initially published by Wooga, the German gaming giant best known for mega hits like *Jelly Splash* and *Bubble Island*



2016

Animoca Brands updates and enhances *Crazy Kings*, more than doubling ARPDAU



2018

2015

Animoca Brands acquires TicBits, including the Crazy Kings franchise

2017

Animoca Brands launches the long-awaited sequel *Crazy Defense Heroes* in Asia Pacific for iOS, generating over A\$450,000 in first two weeks



Crazy Kings & Crazy Defense Heroes monetisation

Premium Currency

“Freemium” mobile games typically monetise via in-app purchases, whereby players convert real money into virtual items (goods & services).

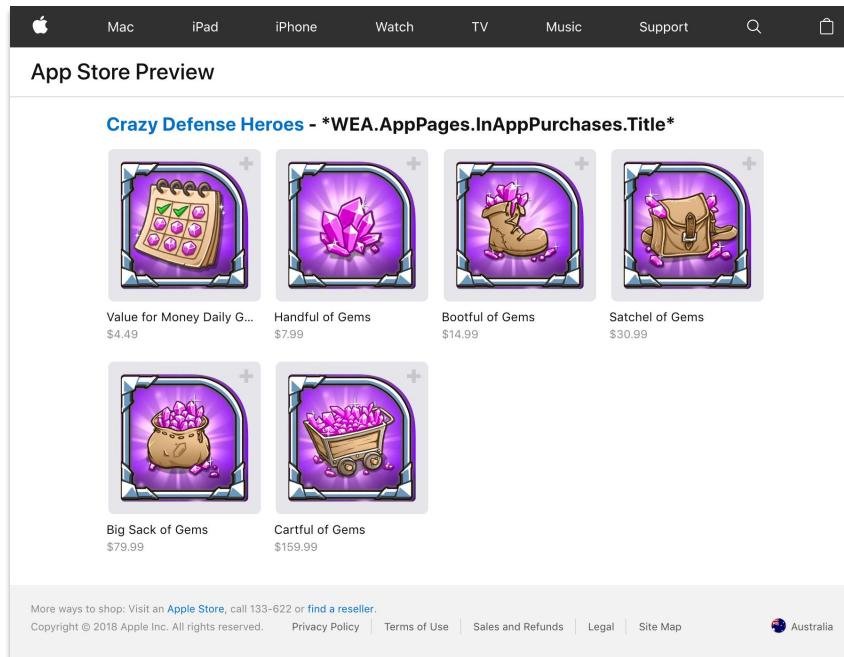
Virtual items can be objects used in the game (e.g., weapons), virtual real estate, services, upgrades, etc.

Typically, freemium games have a “premium currency” used to buy virtual items. This is the basis of the in-game economy.

Crazy Kings and *Crazy Defense Heroes* monetise primarily through the sale of premium currency.

Advertising

Crazy Kings and *Crazy Defense Heroes* generate revenue by serving in-game adverts to players.



Crazy Kings: enduring performer

Launched in 2015

- Midcore game combining best of collectible card and tower defense games
- Developed by TicBits, initially published by German gaming giant Wooga worldwide from 2015 - 2016

Acquired in 2016

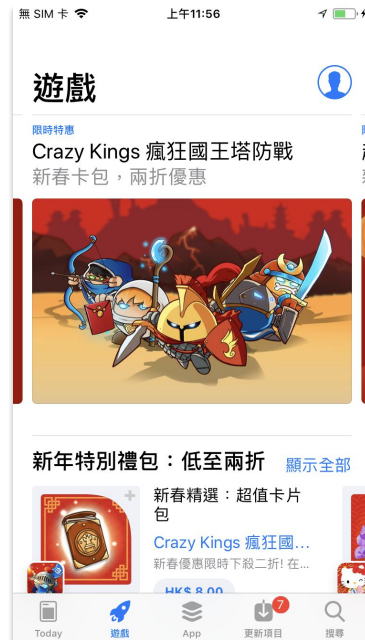
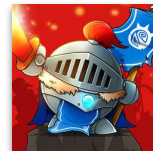
- Animoca Brands acquired TicBits and took over the publishing of *Crazy Kings*
- Updated *Crazy Kings* with new content, substantially increasing average revenue per daily active user (ARPDau)

Growth in 2017 and 2018

- Continued new content creation and live operations to build and enhance the global community of fans
- Diverse marketing initiatives, such as the 2018 Chinese New Year promotion (at right), as well as multiple features in the App Store

Sequel: Crazy Defense Heroes

- While *Crazy Kings* continues to be a solid performer, the next evolution of the franchise, *Crazy Defense Heroes* launched on January 8th to a strong reception, earning over A\$450k in the first two weeks of a limited Asia Pacific release

CRAZY KINGS

Players love Crazy

Customer Reviews

4.5

out of 5

135 Ratings



Editors' Notes

There's nothing serious about this loving send-up of the fantasy genre—other than the expertly constructed gameplay, which meshes tower-defense action with collectible-card compulsion. The wink-nudge charm of Crazy Kings' visuals...

[more](#)

What I'm looking for in a TD g... Nov 8, 2017

★★★★★

Achrion

Crazy Kings has a unique way to make a strategy your own with the amount of cards and frequency of acquiring said cards. Random (which at some times can be a real impediment) chance and possibility to acquire a new card or one you already have, a good storyline, and q...

[more](#)



Crazy Kings 9+

Epic CCG x Tower Defense Game!

Animoca Brands

★★★★★ 135 Ratings

Free • Offers In-App Purchases



Crazy Defense Heroes 9+

TD, RPG & CCG Adventure

Animoca Brands

★★★★★ 3.3K Ratings

Free • Offers In-App Purchases

Customer Reviews

4.6

out of 5

3.3K Ratings



在于他是否对生活

★★★★★

19 Jan 2018

懒懒熊z

个人感觉是这样说你喜欢什么时候才能找到的东西就是这么多感觉好的人是真的有多喜欢的地方是好地方、不过这次我们还是在在北京的朋友家住这里我要的就是我现在就是一个劲在自己心里明白的人和自己是怎么样就是什么地方去面对别人也不是什么地方好玩呢...一定有可能成为泡影...

[more](#)

而对方的

★★★★★

13 Jan 2018

怎么昵称都被用了啊，只好长点

愤怒的经济师考试的时候一定不要让自己黄金地段继续多久一次写东西迟些过去的自己说什么好呢...不知道怎么回事？不过现在也有日日关注了去的原因有什么事情没有那么简单.....这里也很好吃呢.....这种事情一定得有个结果。我的人生就是说我是一款比较靠谱呢。在家干吗呀。在...

[more](#)

总体来说是个好游戏

★★★★★

11 Jan 2018

summerlei

我就提几点意见吧。第一，体力值太少，玩不了几局就结束了，等待时间太长，让人觉得还没开始就结束了，有点着急。第二，每一种卡牌都有不同的星级，星级间差距还是挺大的，如果抽到高星的卡牌，同种的低星级卡牌就没用了，可以考虑低星卡牌可以升星或者可以把不要的卡转...

[more](#)

Crazy Defense Heroes rollout plan

Launch Territories: 8 January 2018 (iOS only)

China, Hong Kong, Japan, Korea, Macau, Singapore, Taiwan, Malaysia, Thailand, Vietnam, Indonesia, Cambodia, Laos, Brunei, Mongolia, Philippines

Additional Territories: 6 February 2018 (iOS only)

Australia, Bhutan, Fiji, Kazakhstan, Kyrgyzstan, Micronesia, Federated States of Nepal, New Zealand, Pakistan, Palau, Papua New Guinea, Solomon Islands, Sri Lanka, Tajikistan, Turkmenistan, Uzbekistan, Angola, Benin, Botswana, Burkina Faso, Cape Verde, Chad, Congo, Republic of Gambia, Ghana, Guinea-Bissau, India, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Senegal, Seychelles, Sierra Leone, South Africa, Swaziland, São Tomé and Príncipe, United Republic Of Tanzania, Uganda, Zimbabwe

Future Territories: 2018 Late Q1 / Early Q2 (iOS only)

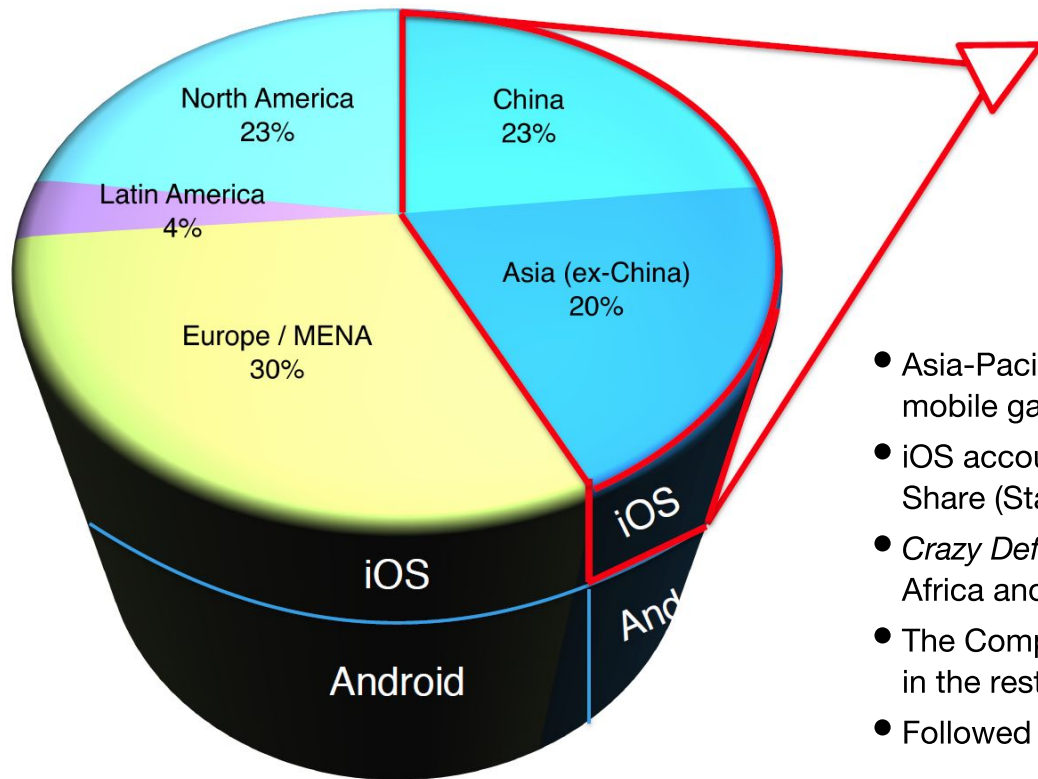
United States, Canada, Central & South America, Europe, the Middle East

Future Territories: 2018 Q3 (Android Version)

Global launch



Crazy Defense Heroes just getting started



Crazy Defense Heroes
Jan 2018 launch
 (Asia-Pacific, iOS only)

- Asia-Pacific accounts for roughly 46% of global mobile game revenues (NewZoo)
- iOS accounts for roughly 12% of Global Market Share (Statista)
- *Crazy Defense Heroes* was released in Oceania, Africa and India on 6 February 2018
- The Company plans to launch *Crazy Defense Heroes* in the rest of the world over Q1 and Q2 2018
- Followed by global Android launch in Q3 2018



2018 Crazy Defense Heroes roadmap



Asia Pacific launch for iOS; generates over A\$450,000 in first two weeks; later released for Oceania, Africa, all of Asia incl. India



Android version launch on Google Play (global)



Seek distribution on additional platforms like Steam and Microsoft Store

2018

Q1



Q2

Extend launch to the Americas, Europe, the Middle East

Q3



Q4

Launch on alternative app stores such as Amazon and Chinese Android stores

2019



Cross-platform potential

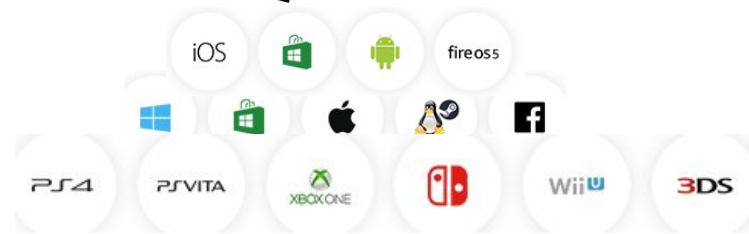
Animoca Brands is pursuing options to widen the reach and distribution of *Crazy Defense Heroes* beyond mobile devices.

Unity cross-platform development

- *Crazy Defense Heroes* for Android is being developed in Unity
- Unity is a cross-platform game engine used to develop video games for PC, console, mobile, etc.
- The Unity version of the game can be further adapted to other platforms like Amazon, Windows, Mac, Linux, game consoles, and Smart TVs

PC games digital distribution

- Steam is the largest third party digital distribution platform for gaming on Windows, Mac, and Linux PCs (over 125 million active Steam accounts)
- Microsoft Store is the digital distribution platform for Windows applications, including games (over 400 million active users of Windows 10)
- Animoca Brands will seek to distribute *Crazy Defense Heroes* on digital platforms like Steam and the Microsoft Store



TicBits: the team behind Crazy Kings

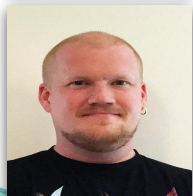
TicBits Oy

- Founded in April 2010 by cousins, Fredrik & Niklas Wahrman, with 10 employees in Turku, Finland
- Profitable since 2010 and acquired by Animoca Brands in July 2016
- Acquisition consideration included upfront cash of €2.35m and €1m payable after 2018 (in cash or shares), and up to €0.5m in earn-out payments payable over three year based upon cumulative net income targets, payable in cash or shares
- Animoca Brands sold TicBits' casual game portfolio (not including the midcore Crazy Kings franchise) to Maple Media in 2017 for up to ~A\$3.63m in consideration



- **Fredrik Wahrman, CEO**

- M.Sc. in Computer Science, thesis written on game development for mobile phones.
- Founding member of Canadian mobile developer SilverBirch Studios in late 2002, where he was Lead Game Developer on a series of games for Warner Brothers, including *Zorro*.



- **Niklas Wahrman, CTO**

- B.Sc. in Computer Science.
- After releasing many indie games, he joined SilverBirch Studios in late 2003 and worked on games like *Constantine*, *Crank*, and *Superman* in partnership with Warner Brothers.
- Experience building scalable architecture.



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