

23 October 2024

Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**CHAIRMAN’S AND CEO’S ADDRESSES – 2024 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 have been authorised for release by the Board of PlaySide.

**DARREN BRIGGS**  
CFO & Company Secretary  
PlaySide Studios Limited

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## Chairman Address to Shareholders by Mr Cris Nicolli

Welcome,

I am very pleased to report on what has been an outstanding FY24 for PlaySide.

Firstly, I would like to congratulate and thank the Executive team and all the staff for what has been a remarkable year of progress towards our key strategic goals, while delivering another year of record financial performance. These achievements have been significant, and it is a credit to the team for the hard work, enthusiasm and capability they have applied. So, on behalf of the Board, thank you all.

The challenge of delivering year on year growth, while developing our original IP portfolio and scale, is significant. Under the leadership of the Executive team, we have delivered on both fronts.

On the financial front, Revenue was up 68% on FY23 to \$64.6M with WFH increasing 46% and Original IP up 103%. EBITDA of \$17.5M was reported compared to a loss in FY23. Cash improved with net operating cash flow of \$18.1M and a closing June 30, 2024, cash balance of \$37.1M.

Very strong results and a successful year.

Importantly, this performance provides the financial platform to increase our acceleration towards building and investing in our strategy of being a global leader in multi-platform games development. It allows us to provide the resources and investment to take a longer-term view of the type and size of game development we consider important to take another step change to building the business. Gerry will speak to this in more detail shortly.

The advancements through the year with the success of our Dumb Ways To Die franchise, the purchase of the Game of Thrones licence to build what will be our largest game to date and more recently the strong reviews of our Kill Knight game – the first time we have released a game simultaneously on PC, PlayStation, Xbox and Nintendo Switch, provides us with the confidence that the strategy of building and investing further in our own IP on the PC and Console platforms is strategically where we need to be. We have advanced, and will continue to advance, our investment and capability to deliver success on a global level.

As a business, we continue to be focused on balancing the investments and capital demands with a view of allocating resources and capital in a manner that provides short term return while ensuring the longer term major strategic objectives can be advanced.

The path we have chosen does come with new challenges, with game development investment and timeframes being more complex, larger and longer than we have previously delivered, but with the experience and quality we have delivered to date and the strong financial position of the company, the Board and executive team believe this is the right time for this strategy step.

We have a strong slate of games based on our own IP in our portfolio and together with the Work for Hire opportunities, these will underpin the FY25 year. With this portfolio, our cash reserves, together with several opportunities progressing well such as Kill Knight, Thrive, Age of Darkness: Final Stand multiplayer mode and our publishing title, MOUSE, we have a strong portfolio to underpin the investment decisions we are making.

It is likely therefore that the FY25 year will be more about building for the future while maintaining operational discipline rather than another year of high growth.

The maturity of our team, together with the experience gained from recent releases and the positive market feedback, provides us with confidence that we will be able to deliver on our plans.

While we have a creative core which is key to the business, we also have a business focus on operational excellence. The quality way we treat our people, the quality of the games we are building, the process to streamline game build progress and investment, the allocation of capital to key projects and the reputation and relationship we continue to build with key market players - clients, suppliers and partners, supports our balanced approach to the growth of PlaySide.

The team continues to do an excellent job in building the PlaySide brand with key clients by delivering quality outcomes and meeting project deadlines, as well as participating in innovation and creative ideas in a collaborative manner. This track record of delivering quality outcomes together with our collaborative approach, continues to see PlaySide highly recognised as a trusted partner which in turn provides ongoing opportunities for growth.

Moving onto FY25, given we have had a busy three months of activity to gauge progress, we maintain an optimistic view on delivering our key transformation projects and continuing the strategic progress in building the capability and standing of the Company. This year will be about building our portfolio for the future while continuing to keep the Company in a strong financial position.

I want to recognise the efforts of the executive team and Gerry in particular, who have delivered not only an outstanding year but through their creativity and hard work, have positioned the Company so well for the future.

I want to thank our shareholders for their investment and ongoing support and to those who follow and support PlaySide in the market. I trust that they will benefit from the returns gained in PlaySide as we continue to execute our plan to become a global leader in the market.

Lastly, my thanks to my fellow board members Sophie, Mark and Aaron for your continued energy, professional approach and focus on support and guiding the Company.

I will now pass you 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 fourth year as a publicly listed company, having IPO'ed in 2020 with around 70 staff and today having a team of around 360 PlaySiders. This time last year I was talking about how we'd soon be opening our third office, just up the road from our headquarters in Port Melbourne. We've now filled out all three floors of that office building with dedicated project teams working on our largest slate of Original IP titles ever, which are all set to launch from calendar year 2025 and beyond.

I'm going to start by talking about our financial guidance for the year, because I think it's important to understand *why* a year like this is necessary for our business in the long-term.

For FY25 we anticipate delivering revenues of between \$62m and \$68m, EBITDA somewhere between breakeven and \$5m, and a cash balance of between \$15m and \$20m by the end of the financial year.

To put these numbers into perspective, we've come off the back of a five-year period where we delivered compound annual revenue growth of around 70%. For most of that period our two primary revenue sources were mobile games and Work for Hire projects. What we told investors we would do is try to leverage our skills in game design, and our relationships with AAA game developers and entertainment companies to establish PlaySide as a developer of high-quality content on PC and Console.

This required a deliberate shift in the way we structured PlaySide, not just in terms of the kinds of people we needed to bring into the business but also the added financial strength required to deliver on our aspirations, which includes signing deals for some of the hottest entertainment IP in the world. Games on PC and Console take longer than twelve months to develop and require more financial investment prior to launch than our mobile titles, and that is why in FY24 you saw us maintain very high levels of balance sheet cash throughout the year.

While FY25 sees our revenue trajectory slow as we double down on development, what we made absolutely sure that we did in advance of this was maximise our cash balance so that we were fully funded through to the launches of the *Game of Thrones* real-time strategy game, *MOUSE*, and the *Dumb Ways* multiplayer console title. That also includes a significant marketing budget which you will begin to see deployed this financial year.

Our guidance confirms that while we will deploy around half of our balance sheet cash this year in development and marketing, our cash balance remains sufficient to bring these titles to launch. Not only have we selected projects that position us for another step change in revenue growth as they launch, but I feel we are appropriately diversified so that we aren't overly reliant on any individual title to do well to return to high levels of revenue growth.

The success of *KILL KNIGHT* in the last couple of weeks gives us a lot of confidence in our strategy. The game has been incredibly well received, with reviewers praising the game for what it is – an intense, challenging experience that doesn't hold back. We executed really well in launching that game - it's the first time we've simultaneously shipped a game on more than half a dozen platforms across PC & Console, and I was extremely happy with the effort from our marketing teams to make sure that we positioned the game to be commercially successful from launch. From a financial and a strategic perspective, we are very confident we made the right decision developing *KILL KNIGHT* ahead of the major titles we will launch on PC & Console in the coming years.

Our Work for Hire business is beginning to pick up again as well. The last eighteen months in the industry have been marked by a period of substantial and persistent layoffs, which impacted the availability of opportunities for our Work for Hire business. While we are proud to have operated profitably and grown our cash balance during this time, the majority of our recent Work for Hire contract signings consisted of extensions and expansions to existing work. Pleasingly, we are now seeing several new contract opportunities emerge from both existing and new potential counterparties, which our Business Development team are actively assessing.

I get lots of questions about the volatility in our share price, and I accept that some investors have different time horizons and some care more than others about what is happening in the next month or quarter. I just want to reassure shareholders that my main focus is making the best long-term decisions for the business, and I feel we are exceptionally well-positioned to deliver another strong period of growth for shareholders.

Ultimately our success is dependent on our people. I believe the main reason that we've been able to build and retain a company full of talented people, and constantly challenge ourselves to make better and better titles is that all our leaders love playing games. From QA, to Marketing, to our execs, this is a business that is run by gamers. It's been pleasing to see investors come along with us on the journey, and I look forward to showing you what our teams are capable of in the coming years.

Thank you all for attending.

I will now hand you over to Cris to conduct the formal business of today's meeting.