

THE PAST, PRESENT AND FUTURE OF GAMES

GLOBAL AND LOCAL OPPORTUNITIES

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Something big is going on.





The future of games is not games.





PERSPECTIVE

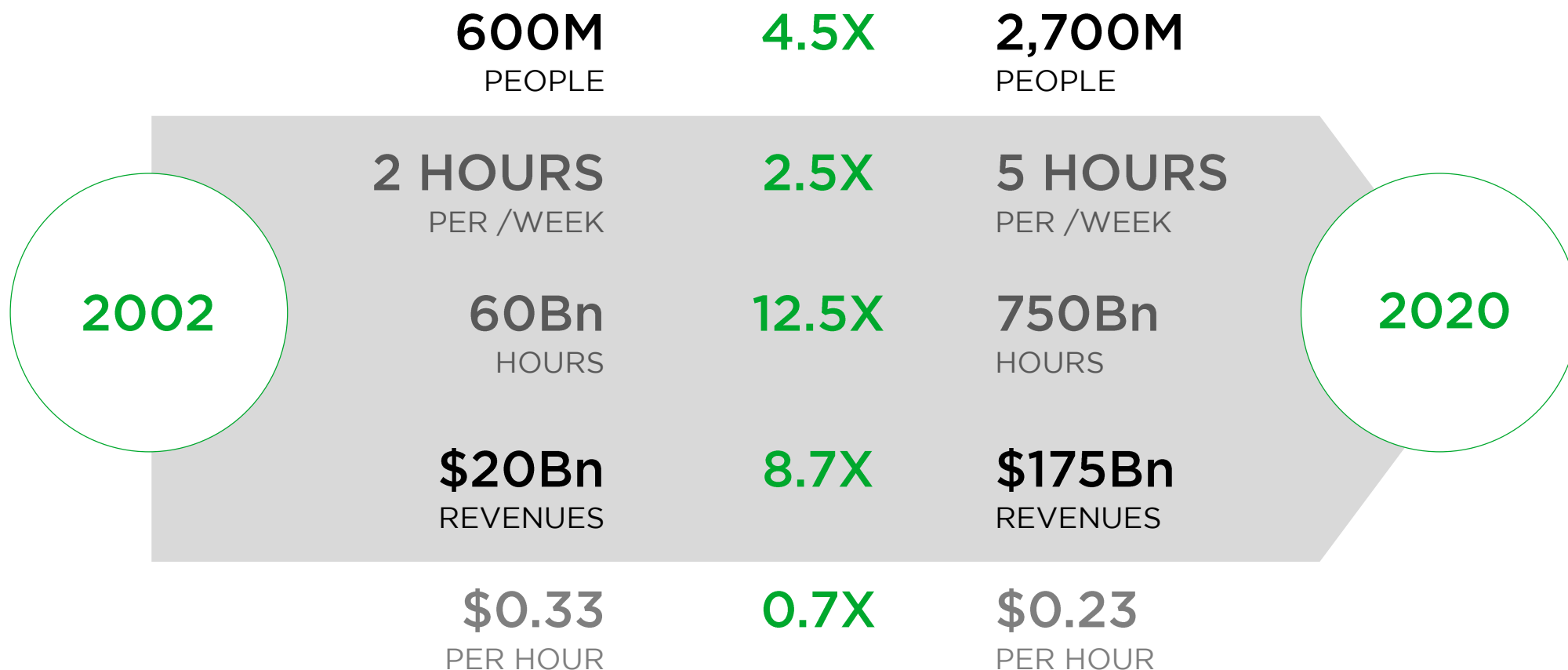
On market and industry

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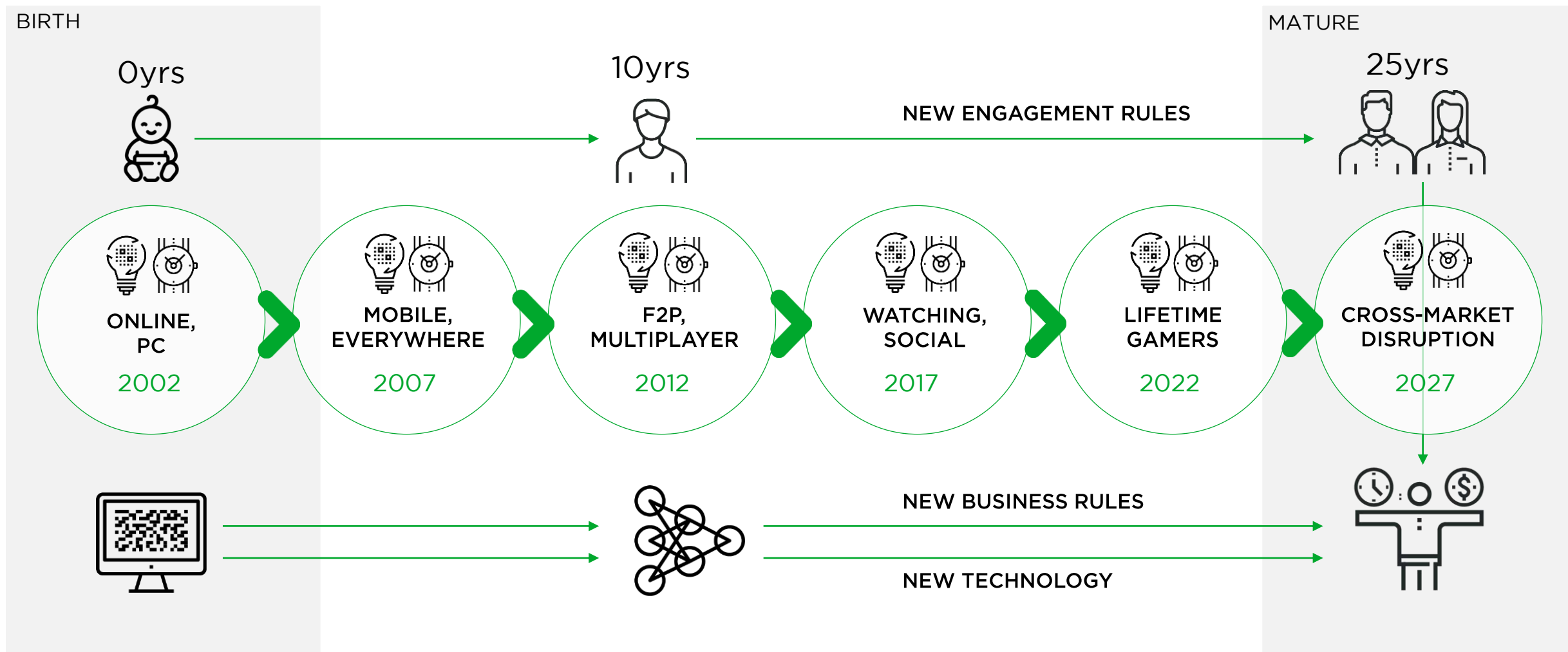


MENU

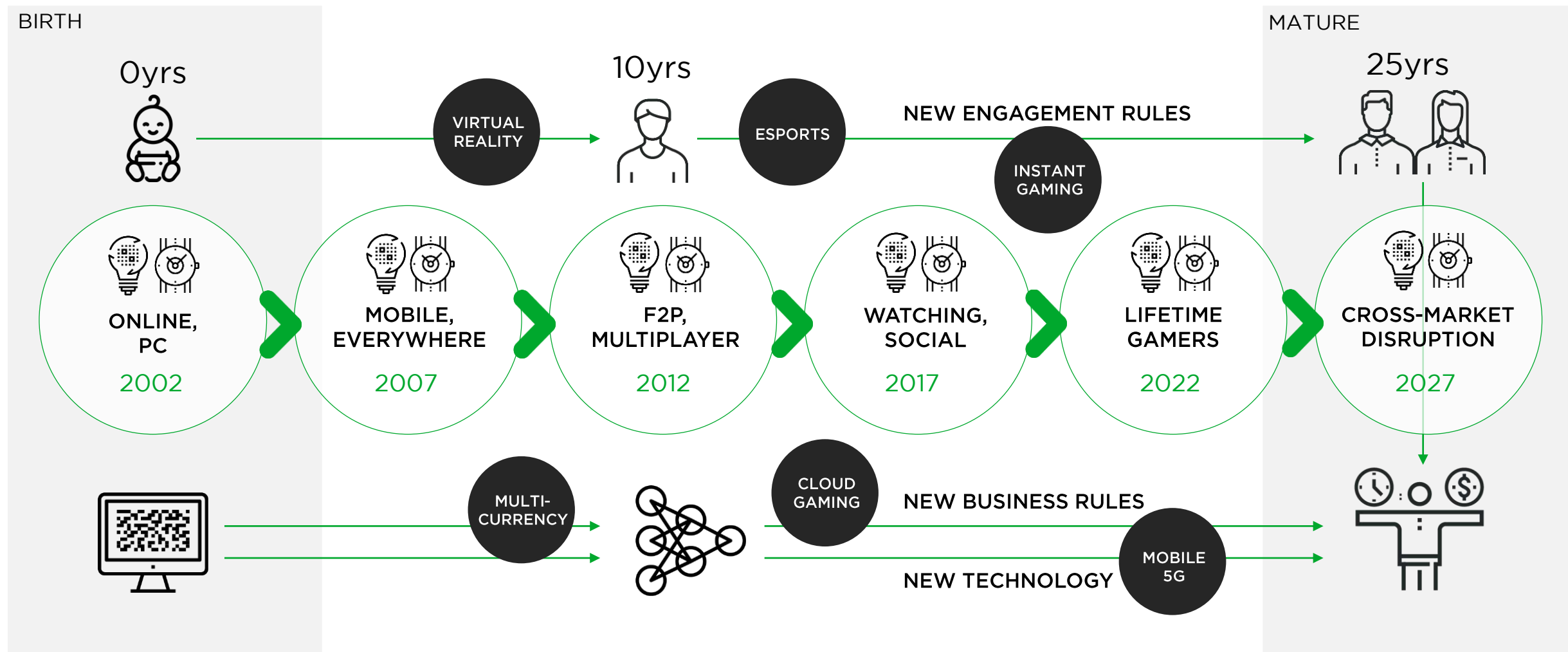
Games Provide More Value for Money – The Growth Stack



Games Evolution - True change takes one generation



Games Trends – Supporting acts to change





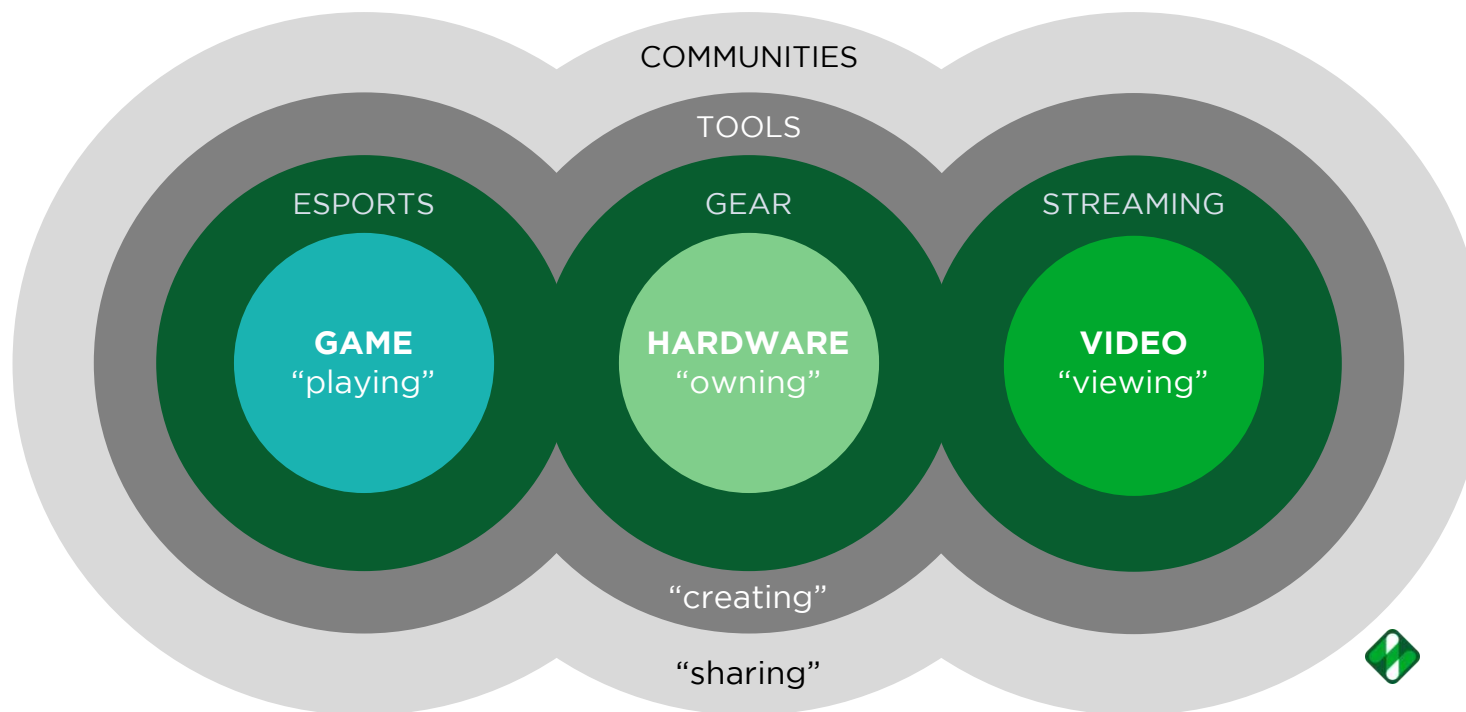
THE MARKET

Consumers driving change

Evolution of Games Engagement – Empowered consumers

THE EVOLUTION AND CONVERGENCE OF GAMING FROM A CONSUMER PERSPECTIVE

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Razer goes IPO and
launches their
smartphone



Intel sponsors the
Olympics and
announces esports at
Tokyo 2020/2021



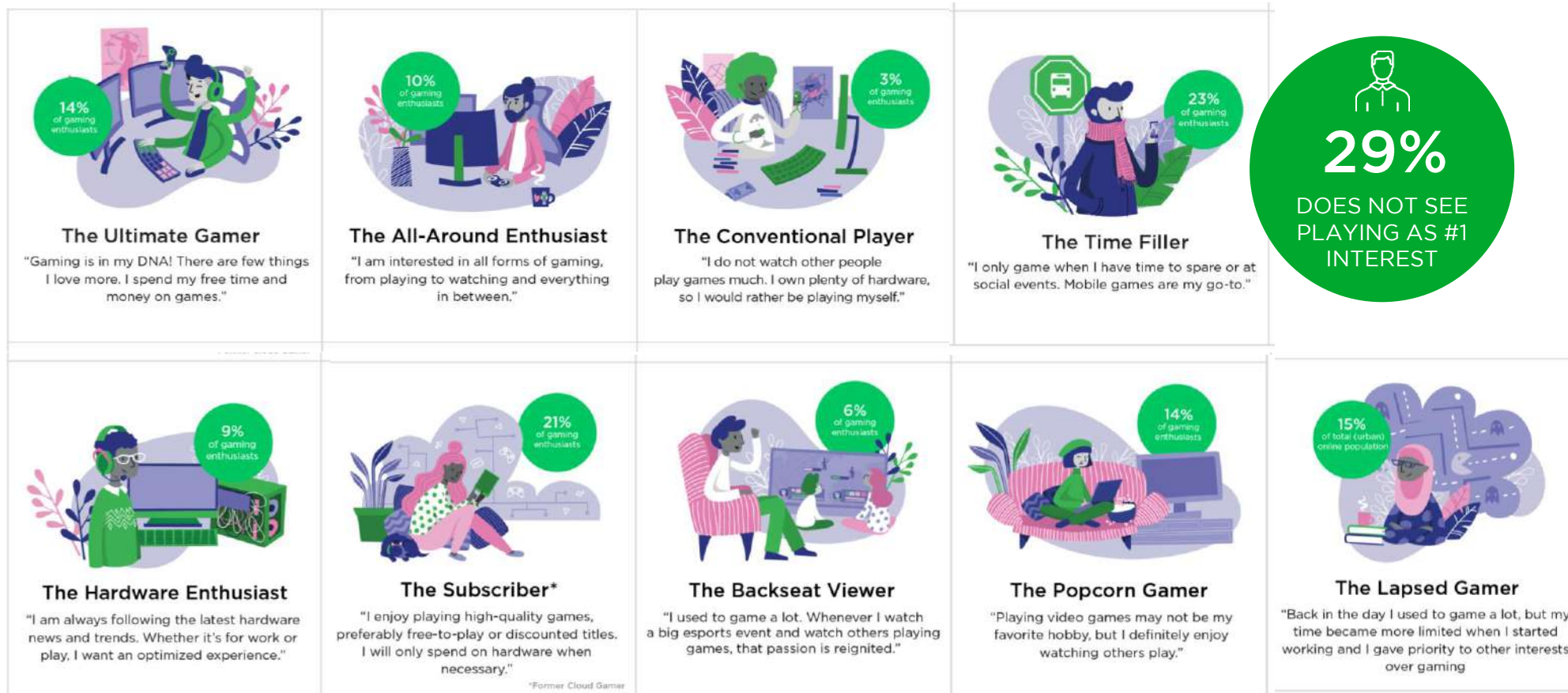
Esports team Fnatic
offers branded
peripherals and
opens physical store

EMPOWERED CONSUMERS

ENGAGEMENT FIRST



Evolution of Games Engagement – New Segments



Newzoo's Gamer Segmentation

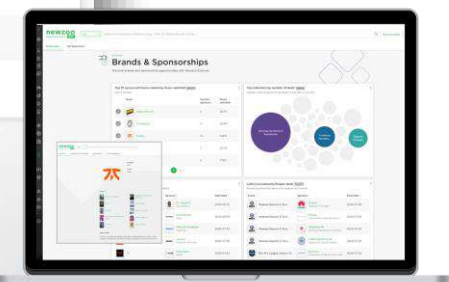
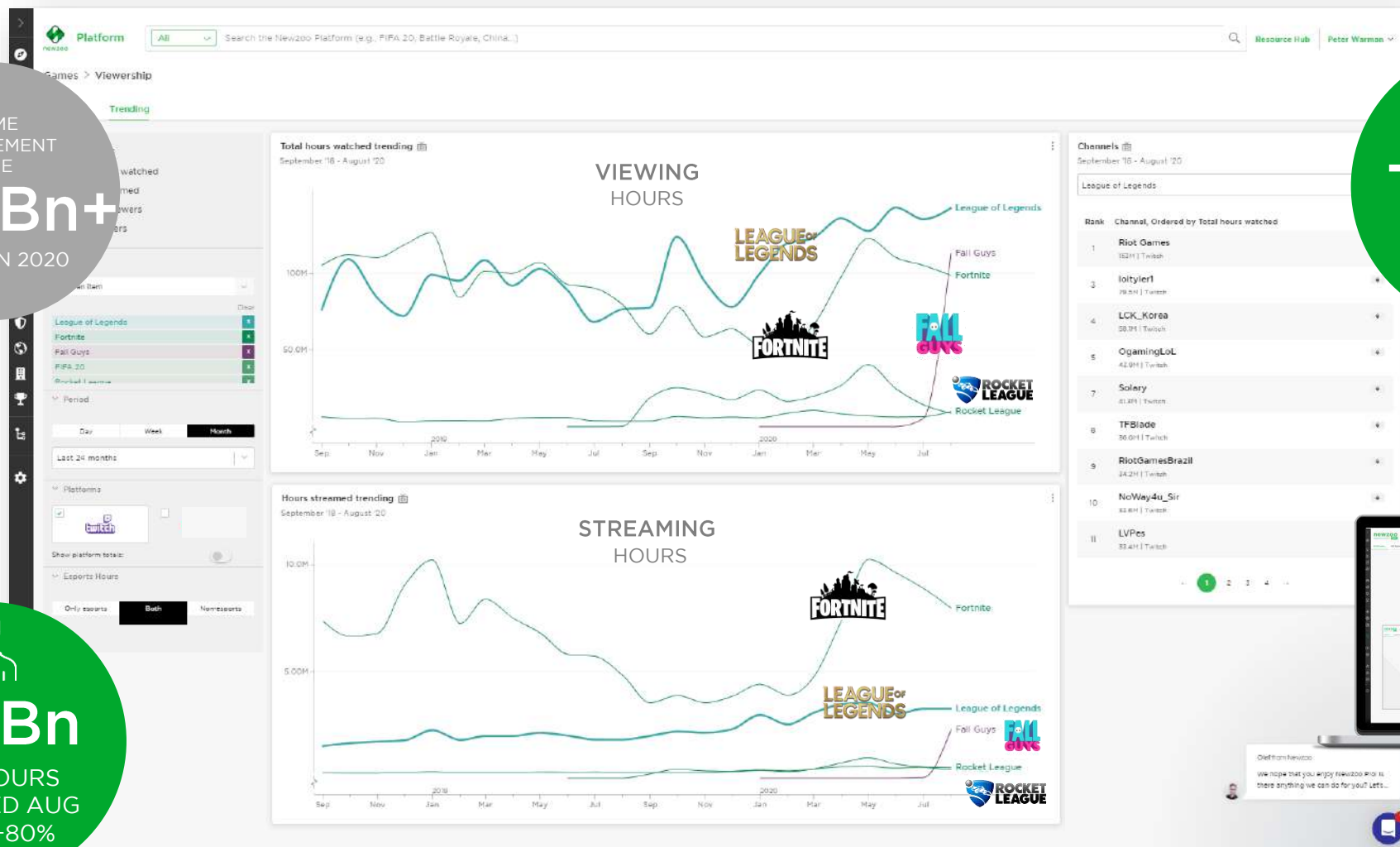
Source: Newzoo Consumer Insights

Covid Engagement Boost – Different for every game and type

GAME
ENGAGEMENT
TIME
750Bn+
HOURS IN 2020

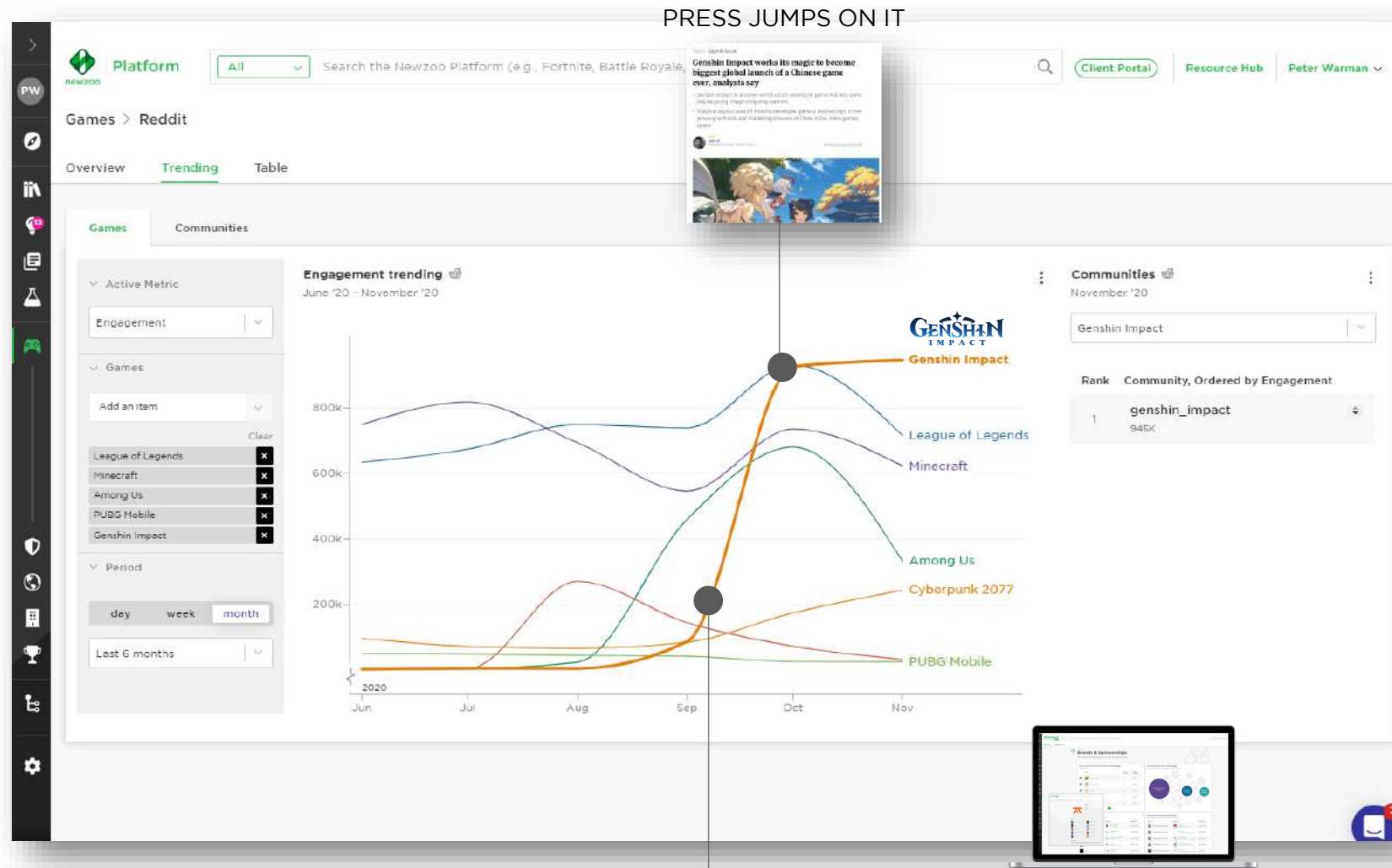
2.3Bn
LIVE HOURS
WATCHED AUG
2020: +80%

+100%
STREAMING
HOURS SINCE
COVID

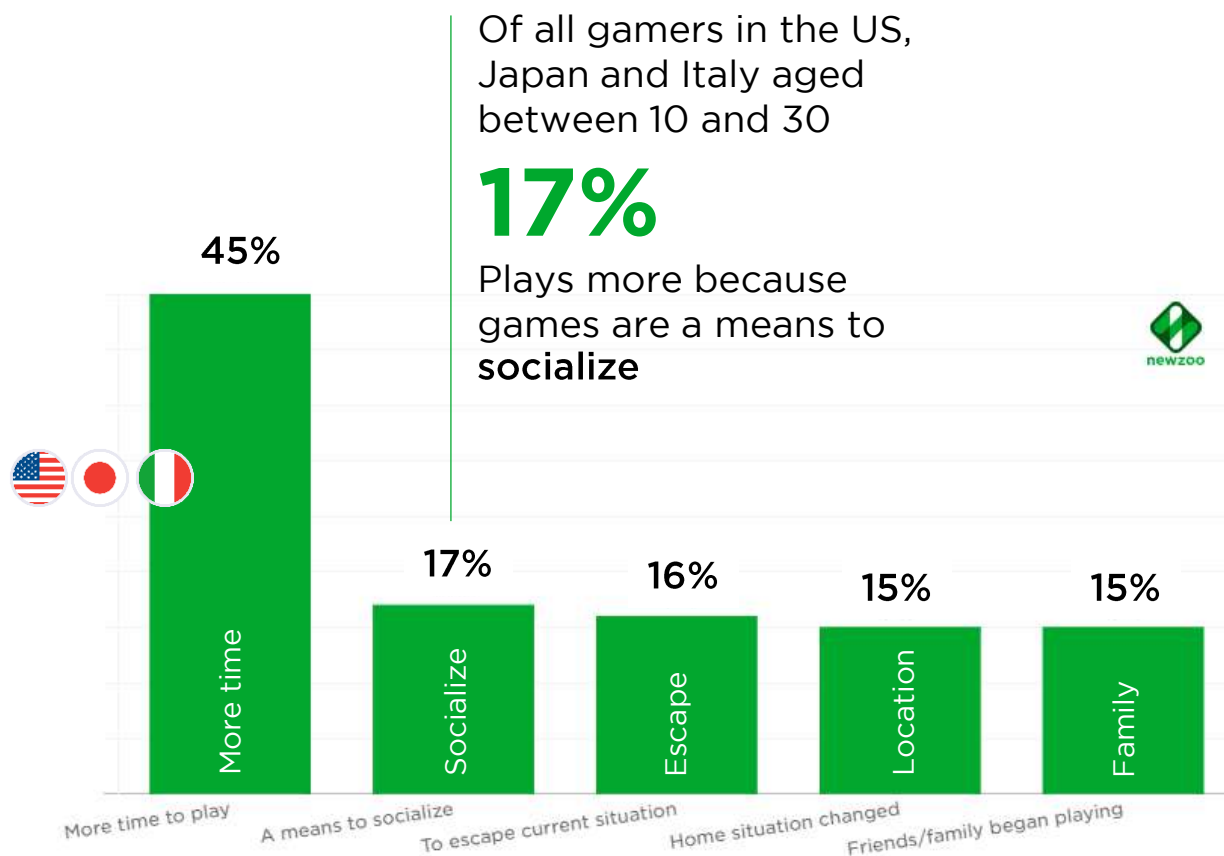


Source: Newzoo Platform

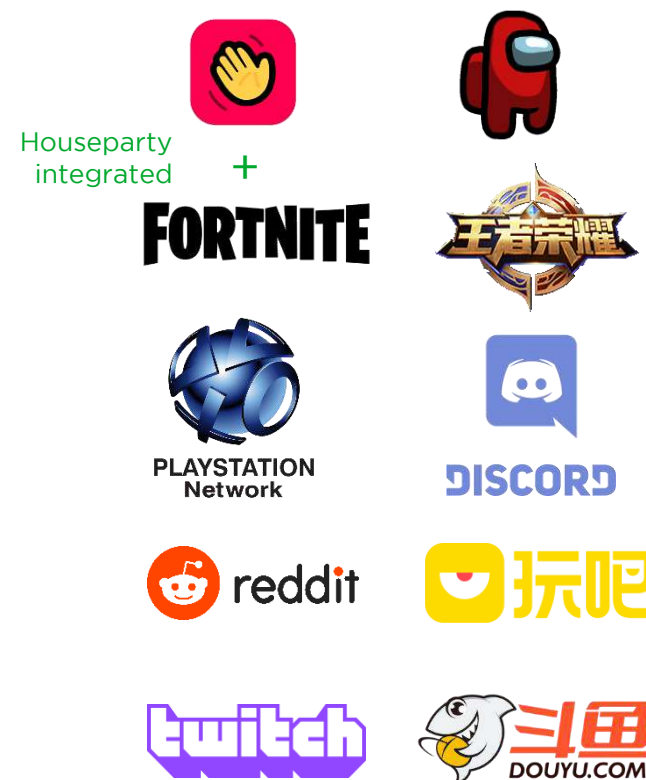
Social Engagement - Genshin most talked about game



Covid as Accelerator – Games are the new social networks



Socializing is at the heart of games and platforms



Games are platforms – facilitating modding and more



Modding leads to innovation in gaming – now platforms exist to hone this innovation

Modders have been driving innovation in PC gaming for a long time. CS:GO, PUBG, and DOTA are all games that have stemmed from mods of other popular video games. The end of 2019 saw Auto Chess and GTA Role Playing become streaming phenomena and define the new auto-battler genre. Platforms like Roblox and Dreams now exist to hone the innovation and give creators a way to monetize.

Development and Building Platforms



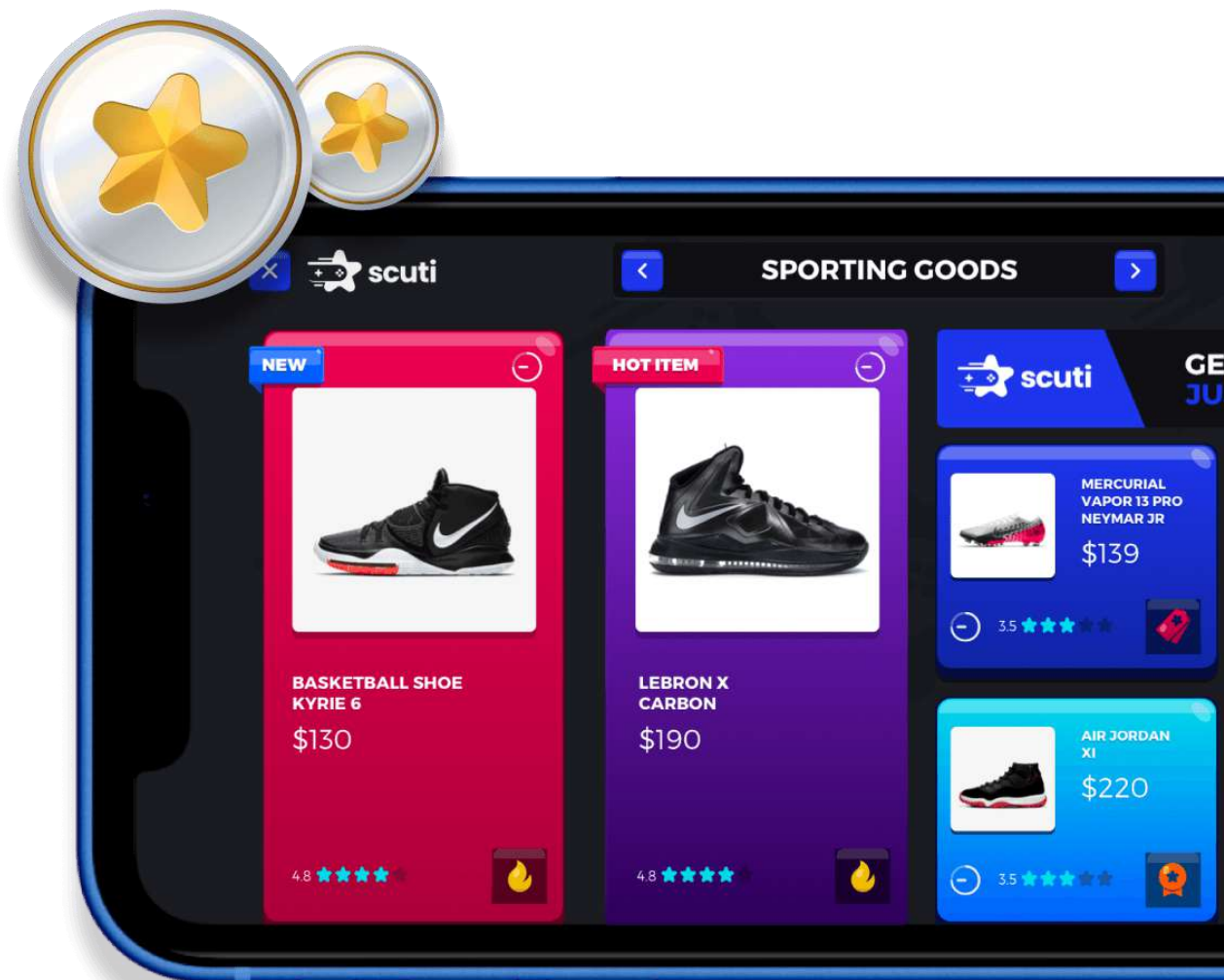
Some games focus on creating actual games for the platform, empowering people to develop

After video and live events, e-commerce is next - Integration

Launching at the end of 2020, Scuti is a new advertising and direct to consumer marketplace which can be offered directly in-game.

Publishers can add a Scuti storefront to their games containing products tailored to the player's preferences. Players then earn in-game rewards for purchases through the Scuti store, and publishers get a percentage of each sale, thereby maximizing customer LTVs.

And this month, Glu Mobile and 'Design Home' launched an e-commerce store inside the app, enabling users to purchase real furniture delivered directly to their homes that are inspired by the in-app pieces in the game.



Covid Engagement Boost – Empowered communities

Celebrity Showmatches

With streamers and esports athletes becoming bigger and more well-known, matching up traditional celebrities with streamers to play has become more and more popular. For charity or fun.



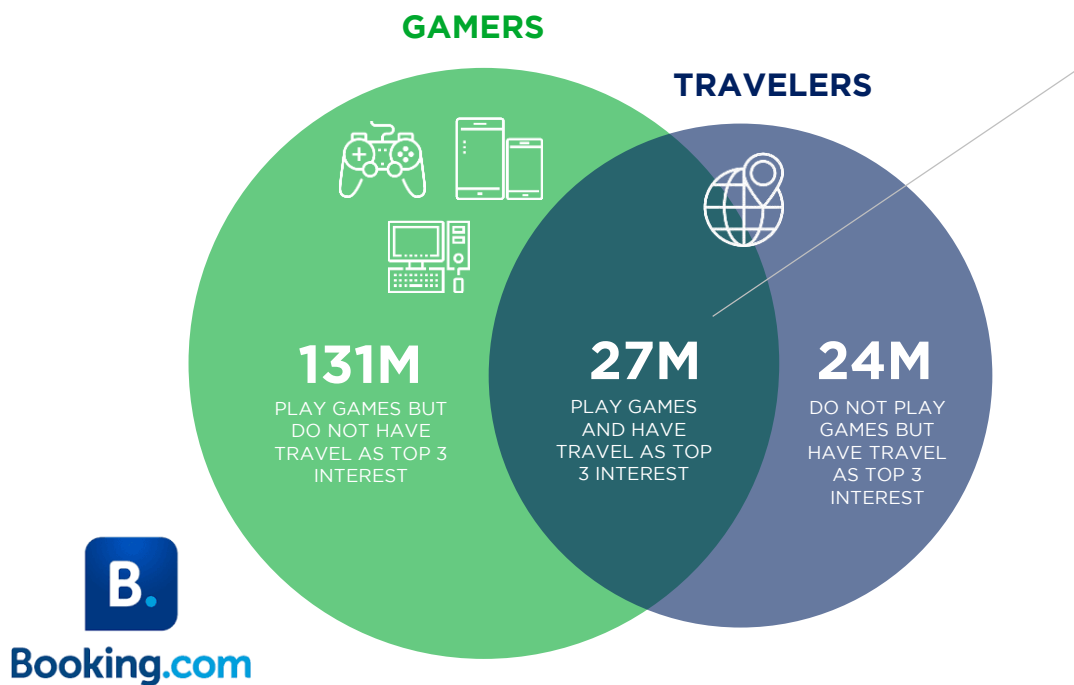
Music Live-Streaming Donations

During the current lockdown period, many artists and musicians are streaming their music and performances on live streaming platforms, as live events are canceled. Fans can contribute money to their favorite artists and are willing to pay for digital performances.



Source: Newzoo Global Games Market Report

Gamers versus travelers – USA analysis for Booking.com



TRAVELING GAMERS

AGE

<30YRS: **9M/33%**
>30YRS: **18M/67%**



MOBILE GAMES
24M/89%



PC GAMES
18M/67%



CONSOLE GAMES
16M/59%

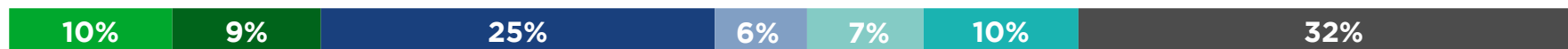
GENERAL INTERESTS

	GAMERS	ONLINE POP
Music	34%	31%
Video games	32%	22%
Film/movies	24%	23%
Cooking	23%	25%
Sports	21%	22%
Shopping	19%	19%
#7 Travel & holidays	17%	21%
Comp., electr. & gadgets	17%	13%
Do-it-yourself	13%	13%
Technology & science	11%	9%
Gardening	10%	12%
Board or card games	10%	9%
News & current affairs	10%	12%
Photography	8%	8%
Art & culture	8%	8%
Fashion	7%	7%
Literature & poetry	6%	6%
Cars & motorbikes	5%	5%
Other	4%	7%

NEWZOO GAMER SEGMENTATION PERSONA'S

● Ultimate Gamer
 ● All-Round Enthusiast
 ● Cloud Gamer
 ● Conventional Player
 ● Hardware Collector
 ● Popcorn Gamer
 ● Backseat Viewer
 ● Time Filler

ALL GAMERS



TRAVELING GAMERS





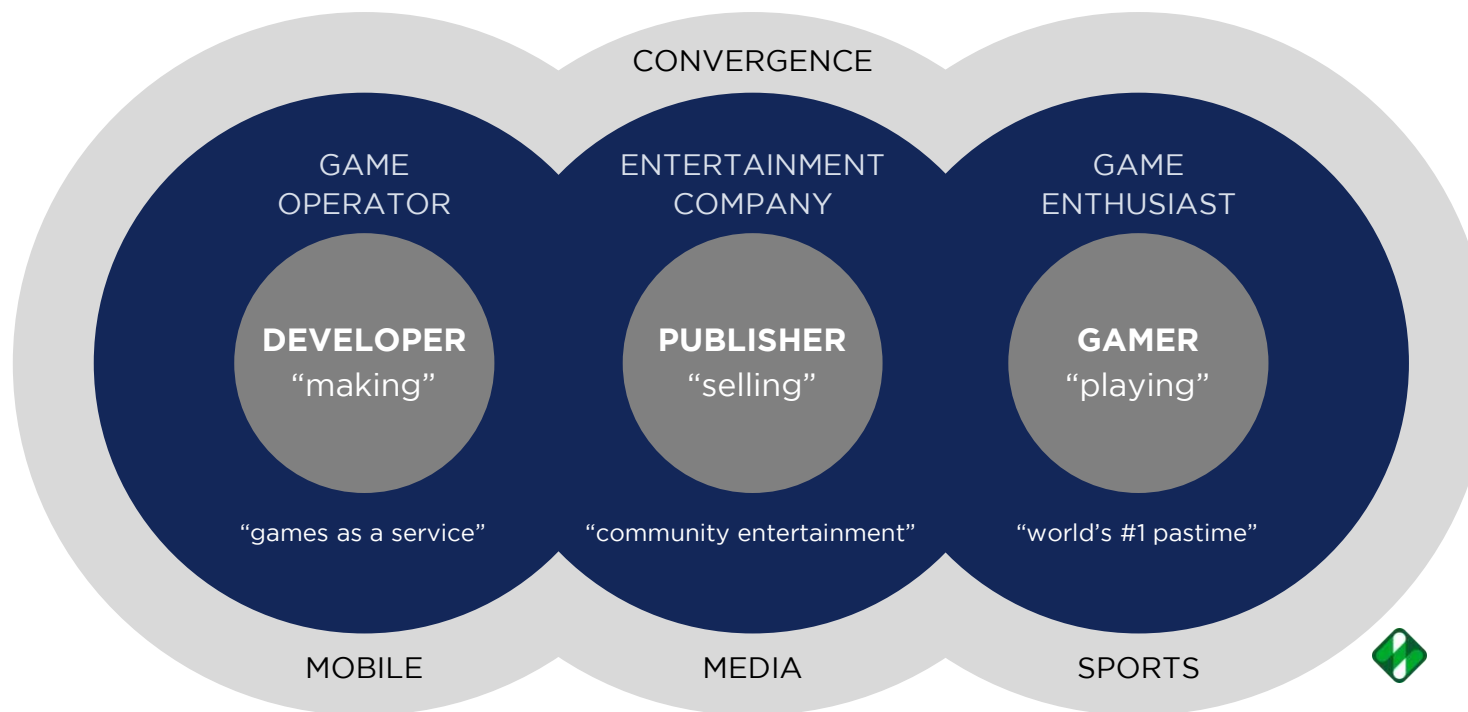
THE INDUSTRY

Businesses driving change

Evolution of Games Business – New Value Chains

THE EVOLUTION AND CONVERGENCE OF GAMING FROM A CONSUMER PERSPECTIVE

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Disney



BAMTECH MEDIA



Through its investment in Bamtech, Disney owns streaming rights to sports and League of Legends

MTG



Swedish broadcaster owns the world's biggest esports organizers as well as game companies

AT&T

Time Warner
turner



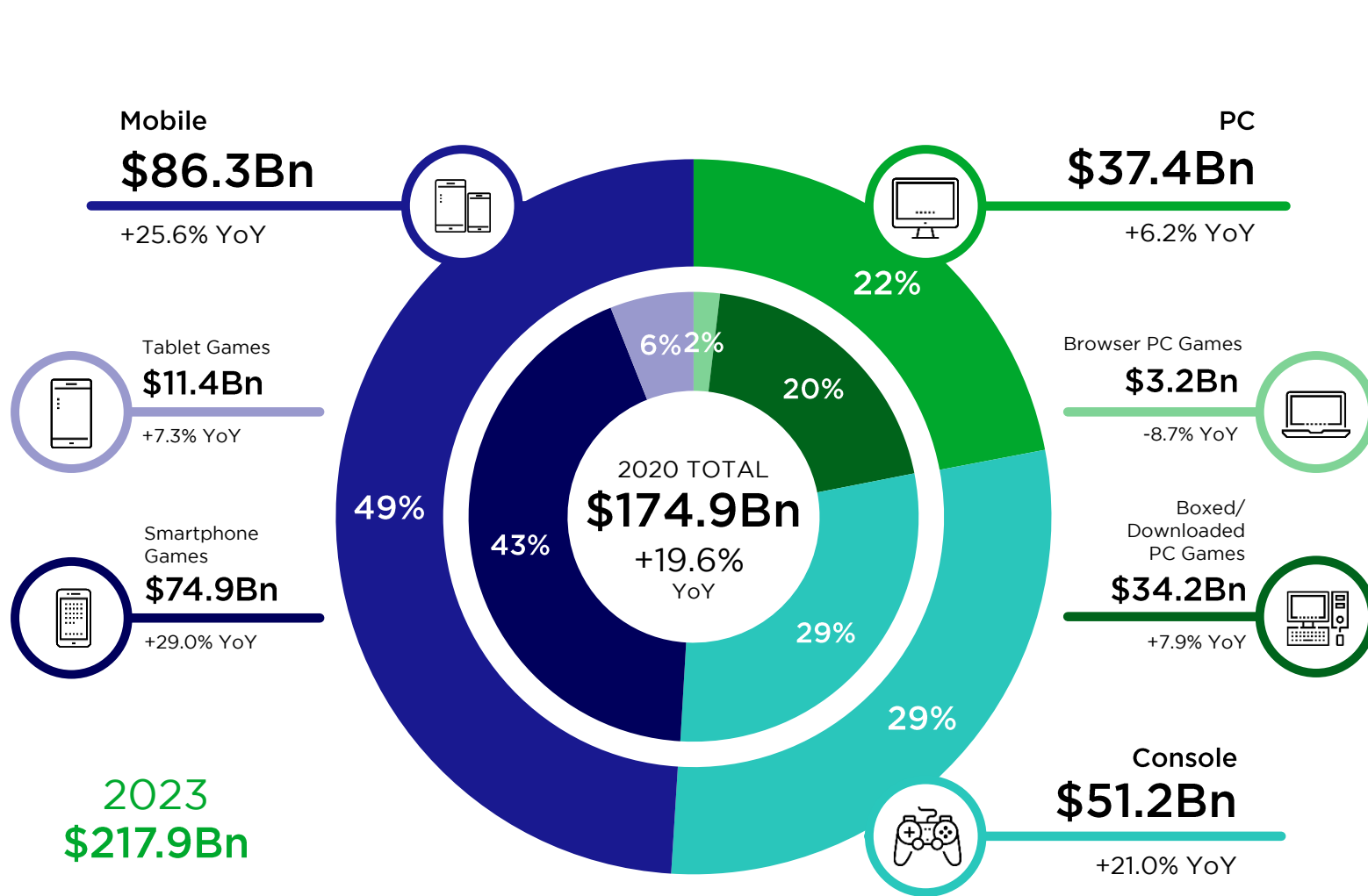
The envisaged acquisition of Time Warner makes AT&T a main player in game and esports content

EMPOWERED BUSINESS

INNOVATION AND CONVERSION



2020 Global Games Market Revenues – Adjusted for Covid



49%

Share mobile of global 2020 global game revenues generated by consumers (October 2020 update)



+\$16Bn

Amount adjusted in October 2020 for the full-year forecast based on impact of pandemic

GAMERS
2.7Bn
SPENDERS
1.3Bn
\$11/MONTH

China's overseas focus – Games leading the way



China: Esports and urban development plan 2.0



Xi'an has doubled down on branding itself as a key esports city, introducing favorable policies for esports organizations. Xi'an is the home of team WE and hosts several esports events, including Honor of Kings College Cup Final, LoL College Cup Final, and 2019 World Cyber Games.



Haikou is Hainan Island's capital city, located at the north edge of the island. It is one of the top destinations for domestic and overseas tourists. Supported by local government, the WESG Grand Final was held in Haikou by Alisport in 2018. There are also many local esports events.



As a tier 2 city, **Zhuhai** has been drawing attention from the esports industry in recent years. Demacia Cup took place in Zhuhai in 2018. Since then, Tencent has been working with the local government together to promote esports.



To boost local esports activity, **Chongqing** signed a deal with Alisports, resulting in Alisports relocating its business unit to the city. The sports affiliate of Alibaba Group will also work with Chongqing High-Tech Zone to build an international esports street in Jiulongpo District.



Shanghai recently held a signing session with multiple companies active in esports to put the city on the path to becoming a world esports center. The International 9 will be held in Shanghai this year. Also, esports players enjoy many benefits provided by the government,



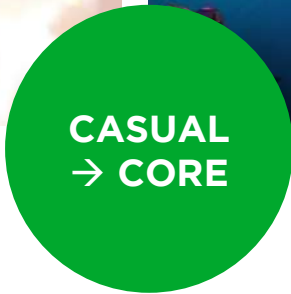
Government provides support to improve esports facilities in these 5 cities, aiming to make esports a symbol for the cities to boost tourism

Fresh success – Chinese studios & casual/core convergence

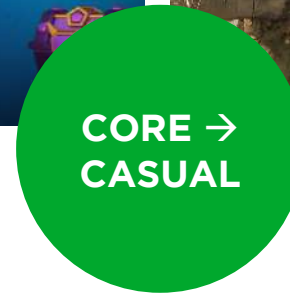
COIN MASTER – MOON ACTIVE



ARCHERO – HABBY



COD MOBILE – ACTIVISION/



Next-gen consoles - differ in their content plays



Release date: Holiday 2020

Price: Unconfirmed

Discless Version: Yes

Tech Specs:

CPU: 3rd Gen 8-core AMD Ryzen chipset running at 3.5GHz.

RAM: 16 GB of GDDR6 448GB/s Ram.

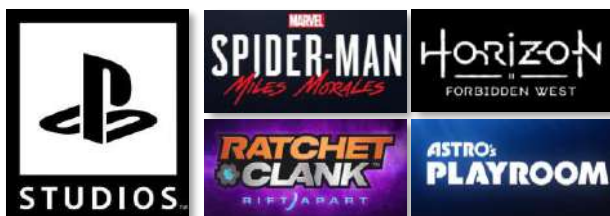
GPU: 10 teraflops from 36 compute units running at 2.23 GHz.

Storage: 825 GB SSD running at unprecedented speeds.

Other features: 3D audio, ray tracing, 120 Hz refresh, and up to 8K resolution.

Content play:

Exclusives



Release date: November 2020

Price: Unconfirmed

Discless Version: Unconfirmed

Tech Specs:

CPU: 3rd Gen 8-core AMD Ryzen chipset running at 3.8GHz. RAM: 16GB of GDDR6 Ram.

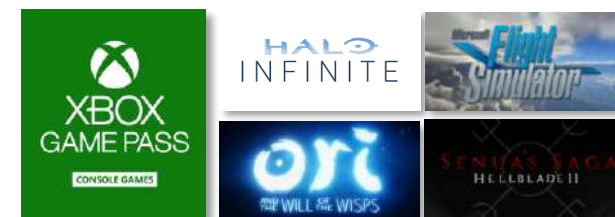
GPU: 12 teraflops from 52 compute units running at 1.8 GHz.

Storage: 1TB custom NVME SSD.

Other features: 60hz refresh, 8K support, Smart Delivery, Quick Resume.

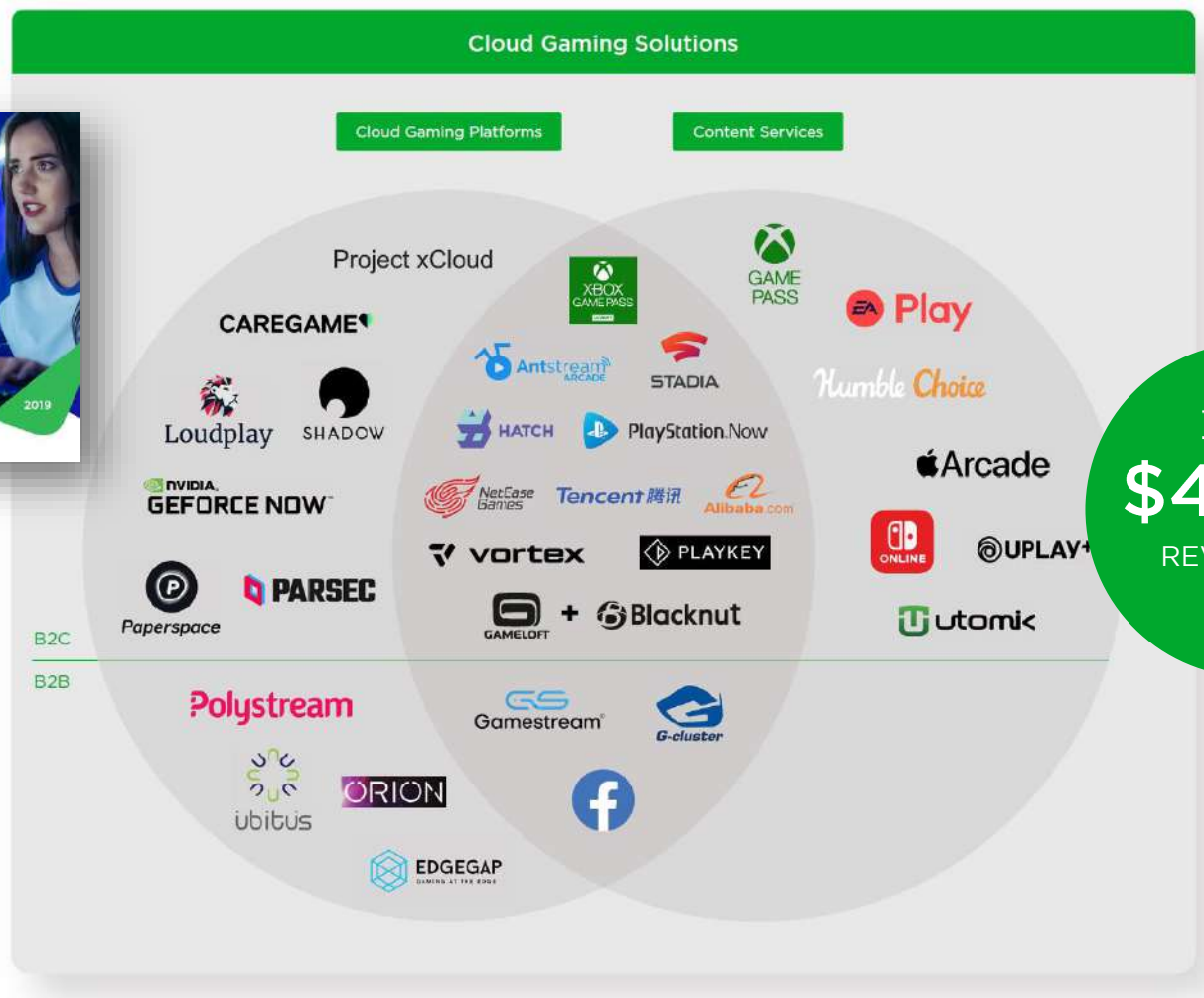
Content play:


Subscription

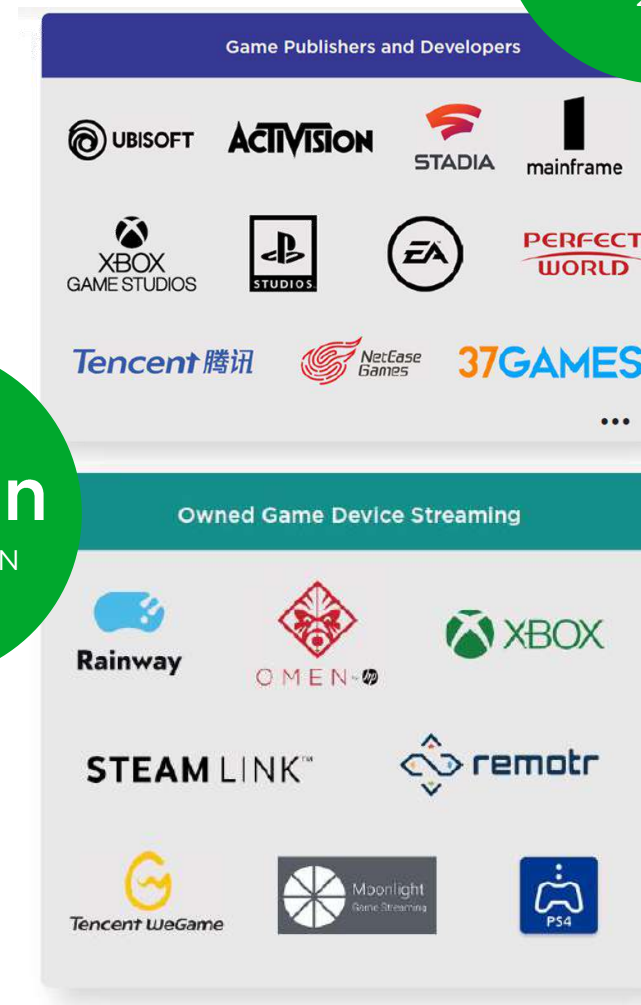


Games keep expanding – Cloud Gaming


\$585M
REVENUES IN 2020




\$4.8Bn
REVENUES IN 2023



Source: Newzoo Cloud Gaming Report

Mobile esports finally takes off – Viewership jumps factor five



Top Mobile Esports Grows Beyond Game Popularity

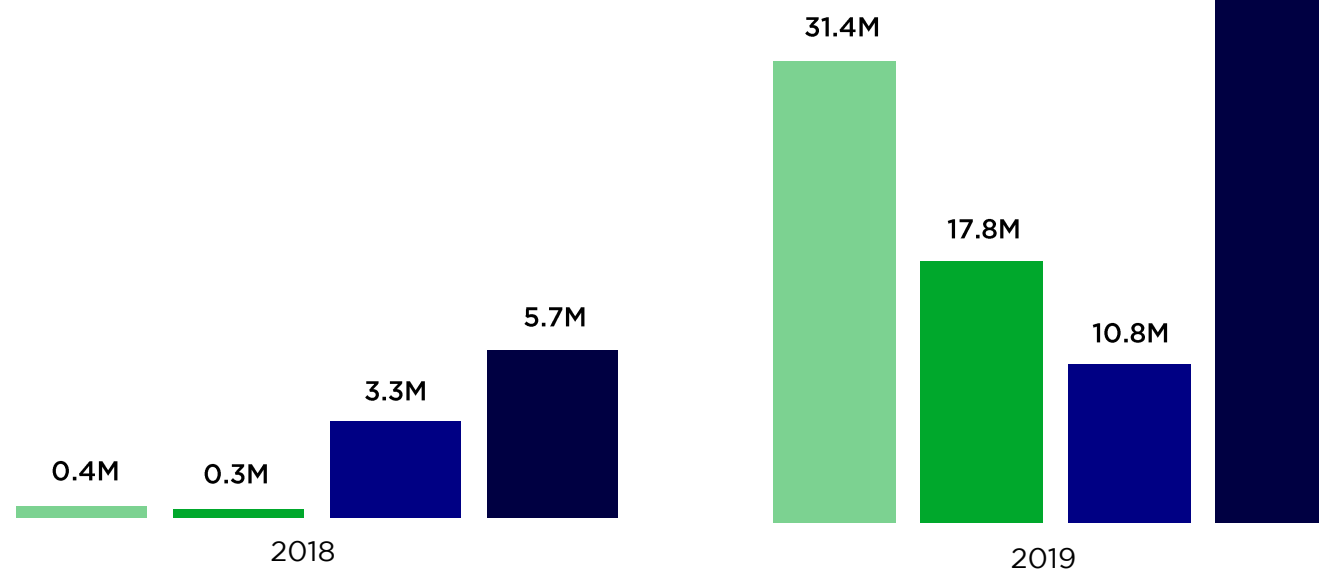
The boom of these titles' popularity in the esports area goes beyond growth of the title itself. For example, Mobile Legends: Bang Bang's non-esports viewership actually decreased between 2018 and 2019, while the esports viewership grew. YouTube's dominance over Twitch in the mobile sector shows an opportunity for the platform to grow in the coming years.

Total Esports Hours Watched

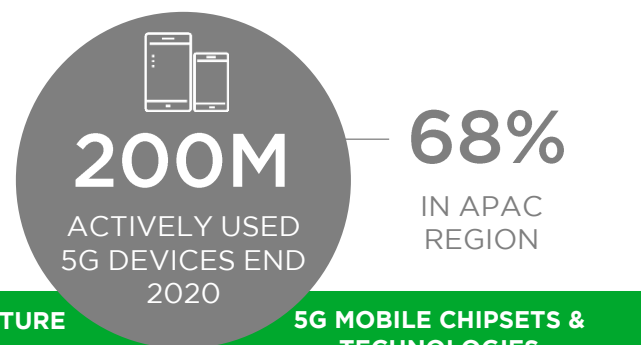
2018 vs. 2019 | Twitch & YouTube

- PUBG Mobile
- Garena Free Fire
- Mobile Legends: Bang Bang
- Arena of Valor

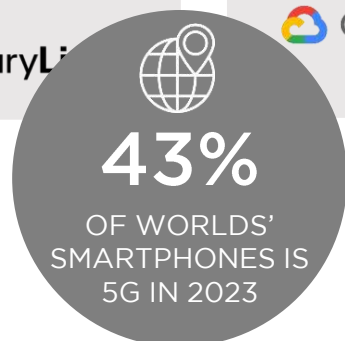
YoY
X5



Games take the lead – 5G



Source: Newzoo Global Mobile Report



2.1Bn
ACTIVELY USED
SMARTPHONES





Something big is going on.



The future of games is not games.

THE PAST, PRESENT AND FUTURE OF GAMES

GLOBAL AND LOCAL OPPORTUNITIES

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