



***NEXT GAMES***™

## BUSINESS REVIEW Q1 2018

27 APRIL, 2018

# BUSINESS REVIEW

**Teemu Huuhtanen**  
CEO



# LEADING MOBILE GAME PUBLISHER & DEVELOPER

Approachable, **highly engaging** service-based (free to play) mobile games.

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**One-Stop-Shop:** We develop, market & run the live game's live operations.

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Exclusive focus on **licensed games** based on entertainment franchises, such as movies, TV shows and books.



**MOBILE**

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**DEVELOPMENT**

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**F2P**

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**PUBLISHING**

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**IP**

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**TECHNOLOGY**

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# BUSINESS MODEL





# JANUARY-MARCH 2018

REVENUE **-56%**

4.8M EUR (10.9M EUR)

GROSS MARGIN **32%**

(36%)

(2017 January-March comparison in brackets)



# JANUARY-MARCH 2018

EBITDA **-3.4M EUR**

(0.8M EUR)

PRODUCT DEV COSTS

**1.7M EUR**

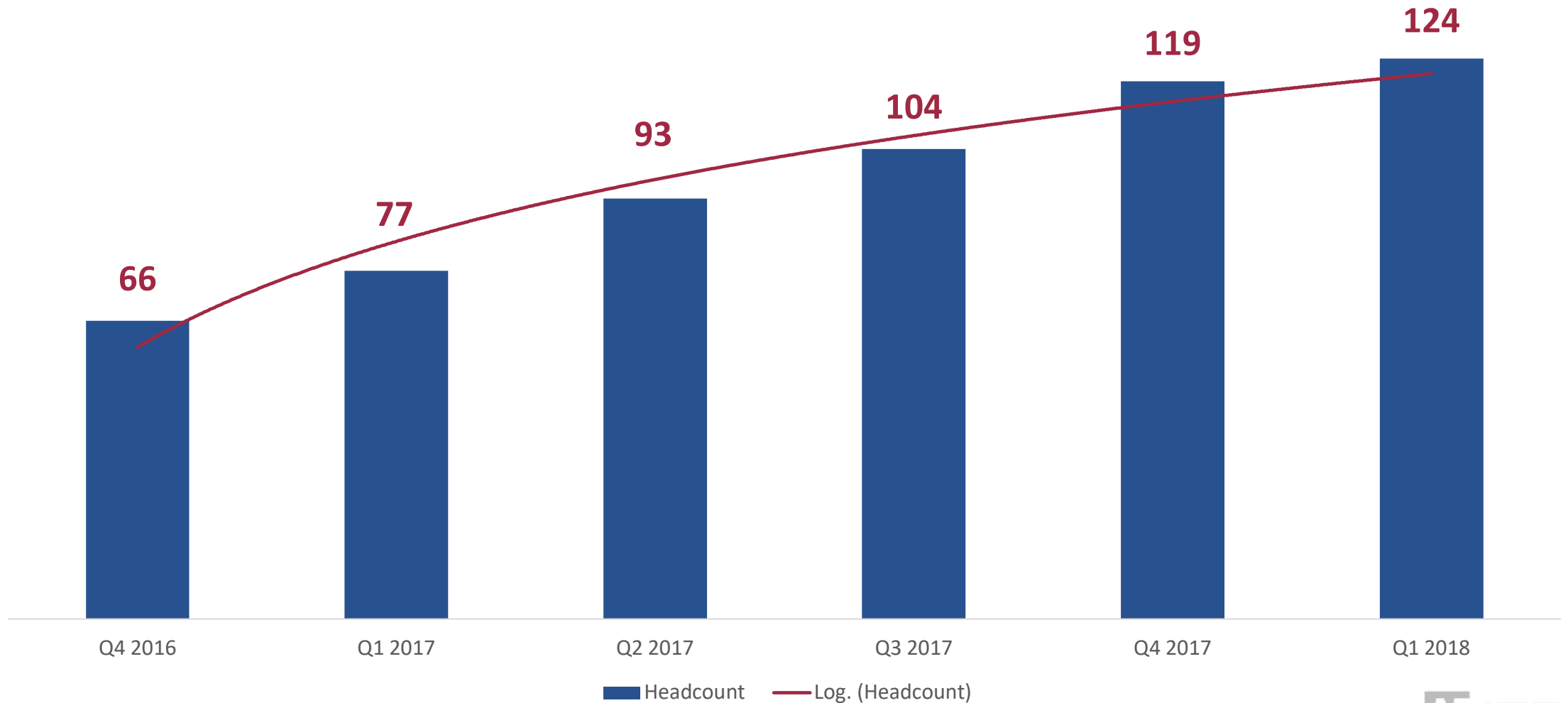
(0.06M EUR)

Next Games does not capitalize its R&D expenses related to game development  
(2017 January-March comparison in brackets)



# Headcount growth Q4/2016 – Q1/2018

*70% of the staff was working on new game projects, 23% of the staff was working on The Walking Dead: No Man's Land and 7% in general administration.*



# CHANGES IN MANAGEMENT TEAM



**EMMI KUUSIKKO**

**Chief Product Officer**

Previously Head of Live  
Games and Services



**JOONAS VIITALA**

**Chief Operating Officer**

Previously Head of  
Business Development



**SAMI NURMIO**

**Head of New Projects**

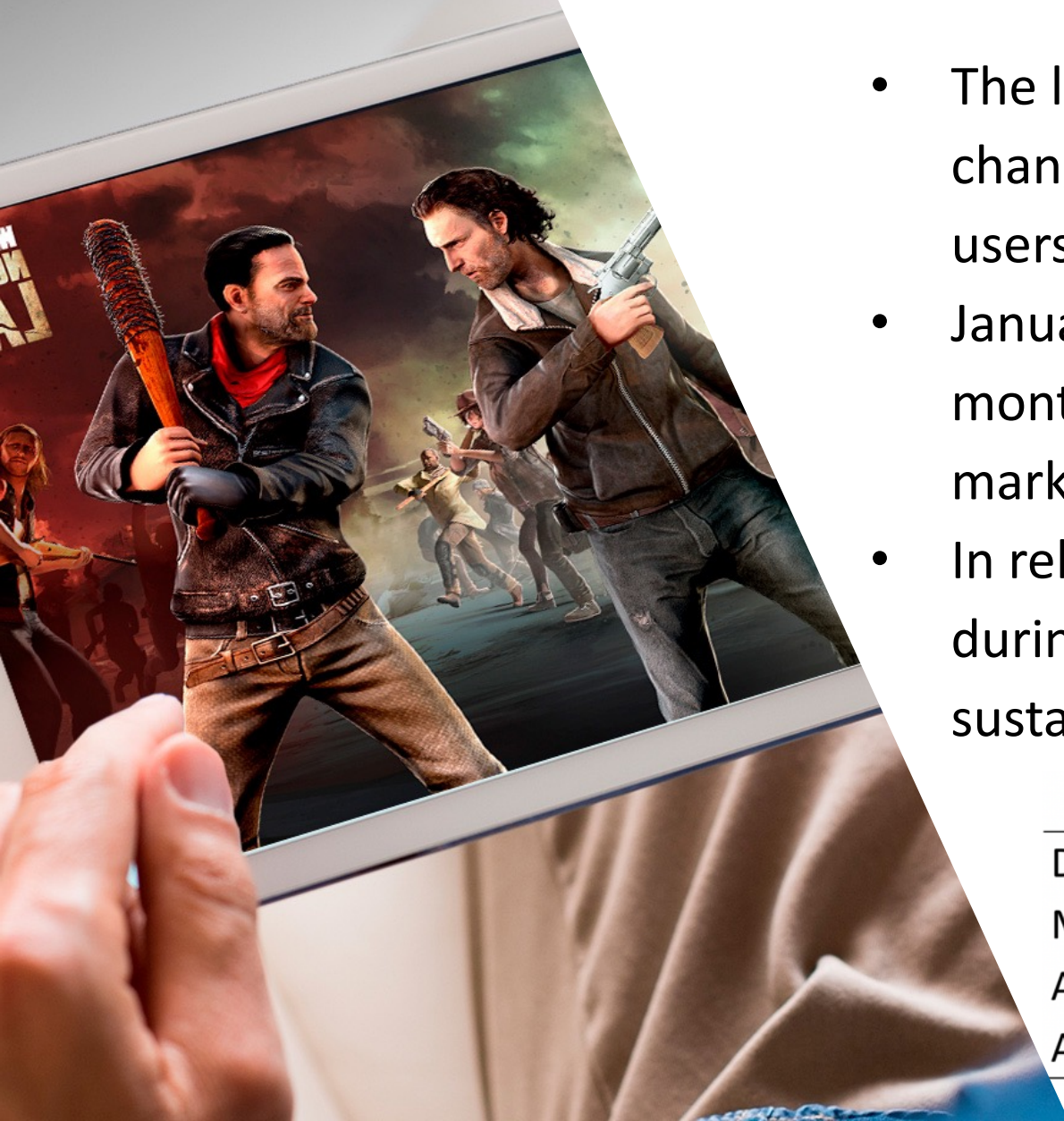
Previously Head of Games

# NEXT GAMES MANAGEMENT TEAM

- Teemu Huuhtanen (Chief Executive Officer)
- Annina Salvén (Chief Financial Officer)
- Saara Bergström (Chief Marketing Officer)
- Emmi Kuusikko (Chief Product Officer)
- Kalle Hiitola (Chief Technology Officer)
- Joonas Viitala (Chief Operating Officer)



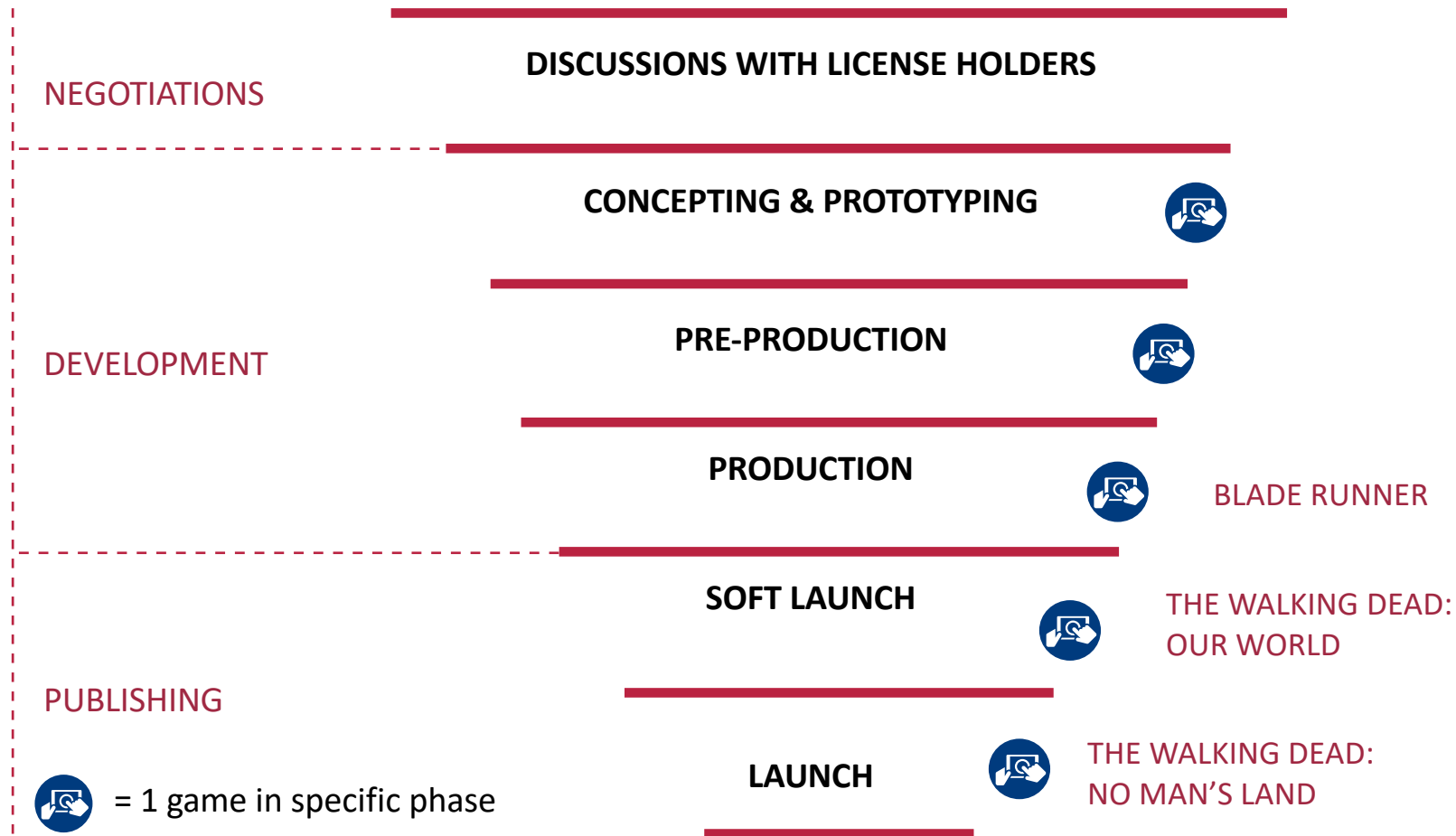
# THE WALKING DEAD: NO MAN'S LAND



- The largest contributor to revenue decrease was the change in daily active users (DAU) and monthly active users (MAU)
- January and February were especially challenging months, sales picked up in March due to successful marketing campaigns and Game updates
- In relation to the resource and marketing investments during Q1, further developing the game was still sustainable

|              | 1-3/2018  | 1-3/2017  |
|--------------|-----------|-----------|
| DAU          | 312 228   | 537 659   |
| MAU          | 1 017 936 | 1 613 571 |
| ARPDau (USD) | 0.21      | 0.23      |
| ARPDau (EUR) | 0.17      | 0.22      |

# GAME DEVELOPMENT PIPELINE





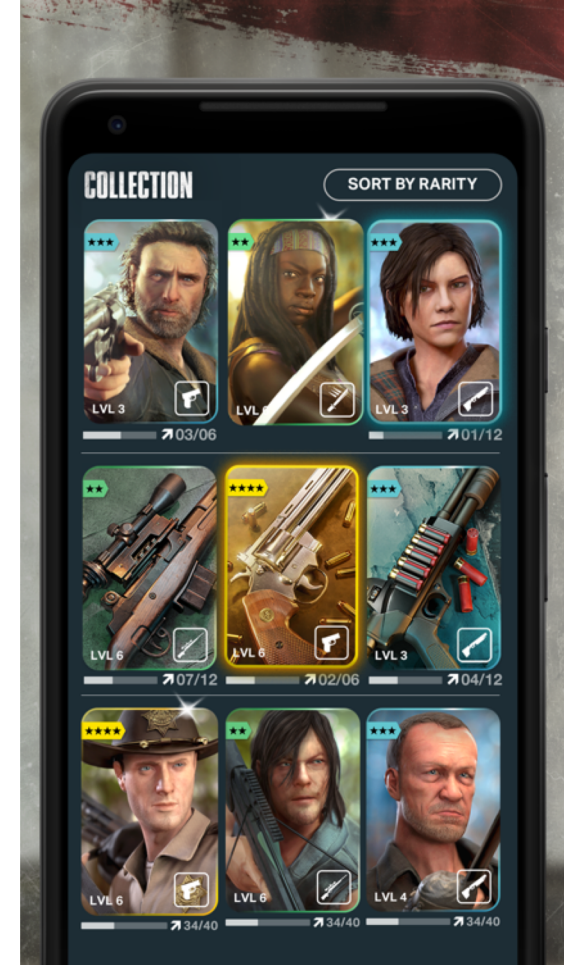
One of the four games in development, is a project with NBCUniversal, known for multiple popular global movie franchises and tv series.



# THE WALKING DEAD: OUR WORLD

The Walking Dead: Our World is a first-of-a-kind location based augmented reality mobile game.

Fight walkers on the streets, in the park, on your sofa, wherever and whenever you feel like it. You don't need to face the apocalypse alone; Rick, Daryl, Michonne and all your favorite characters from AMC's The Walking Dead will fight by your side.



# THE WALKING DEAD: OUR WORLD STATUS

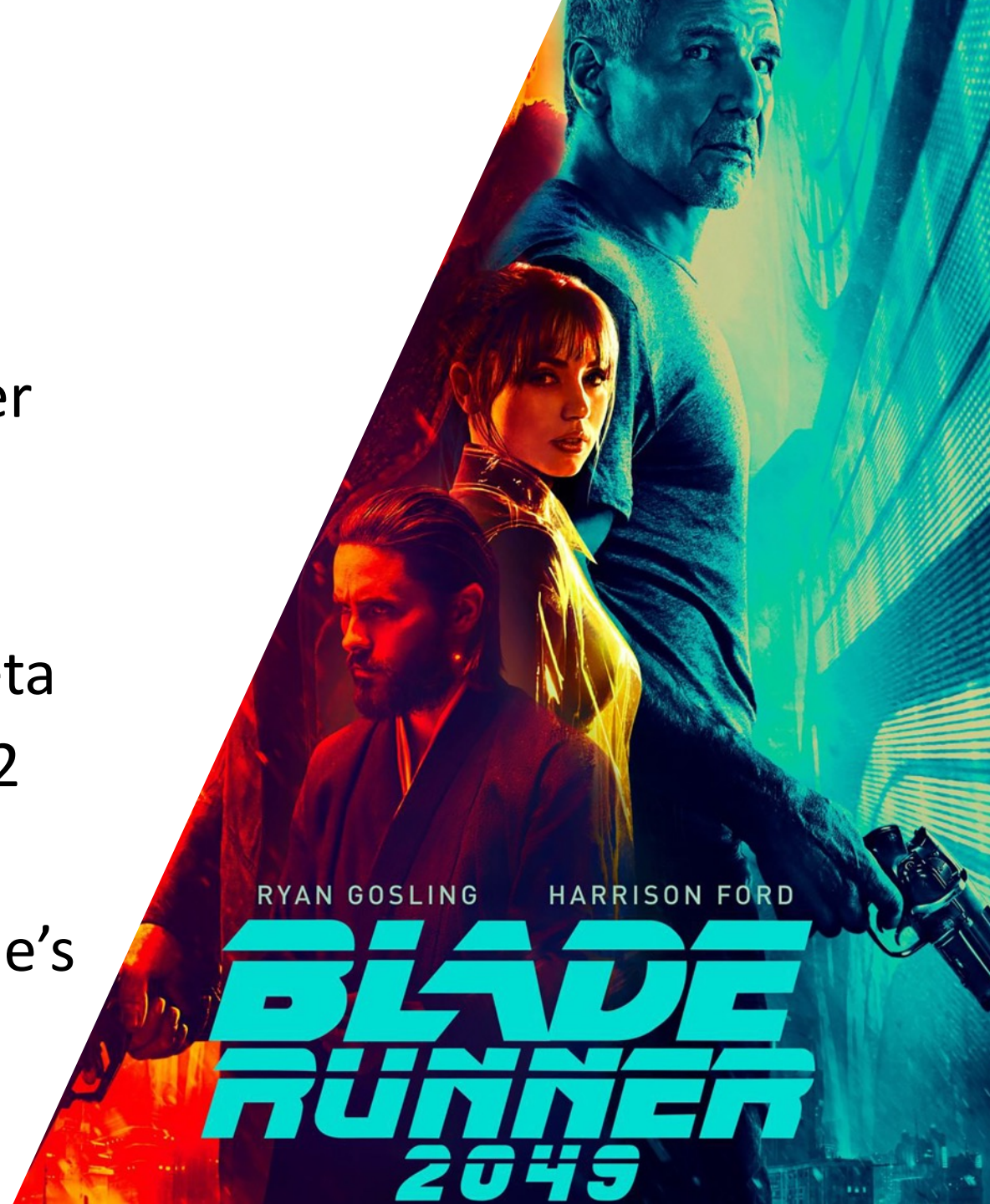
- Q1/2018 main focus was the tech soft launch
- Google Maps as a partner
- Beginning of Q2 soft launched in Australia and Norway. First key figures promising.
- Next Games estimates the global launch to take place in the beginning of Q3/2018





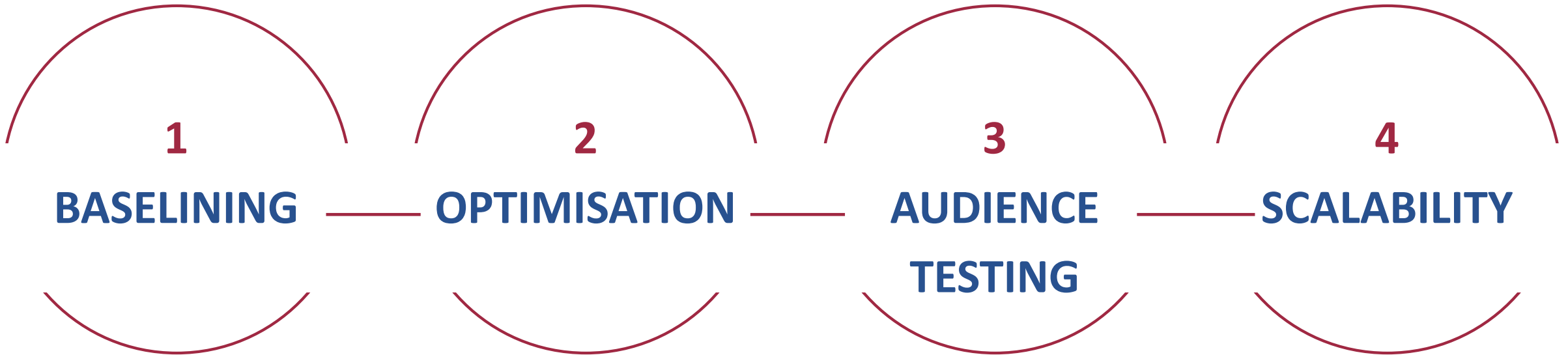
# BLADE RUNNER

- The development of the Blade Runner game is proceeding as planned
- Next Games estimates that the soft launch phase, starting with closed beta tests will begin in the beginning of Q2 2018
- The company estimates that the game's first soft launch market should be opened in the end of Q2 2018





# SOFT LAUNCH PHASES



# UPCOMING EVENTS

**Annual General Meeting** 17 May in  
Tennispalatsi, Helsinki

[www.nextgames.com/agm2018](http://www.nextgames.com/agm2018)

**Half-year review** 20 July 2018





# QUESTIONS?



Nasdaq Helsinki First North: NXTGMS

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