



# **SOFTSTAR ENTERTAINMENT INC.**

Investor Conference Presentation

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(IP)  
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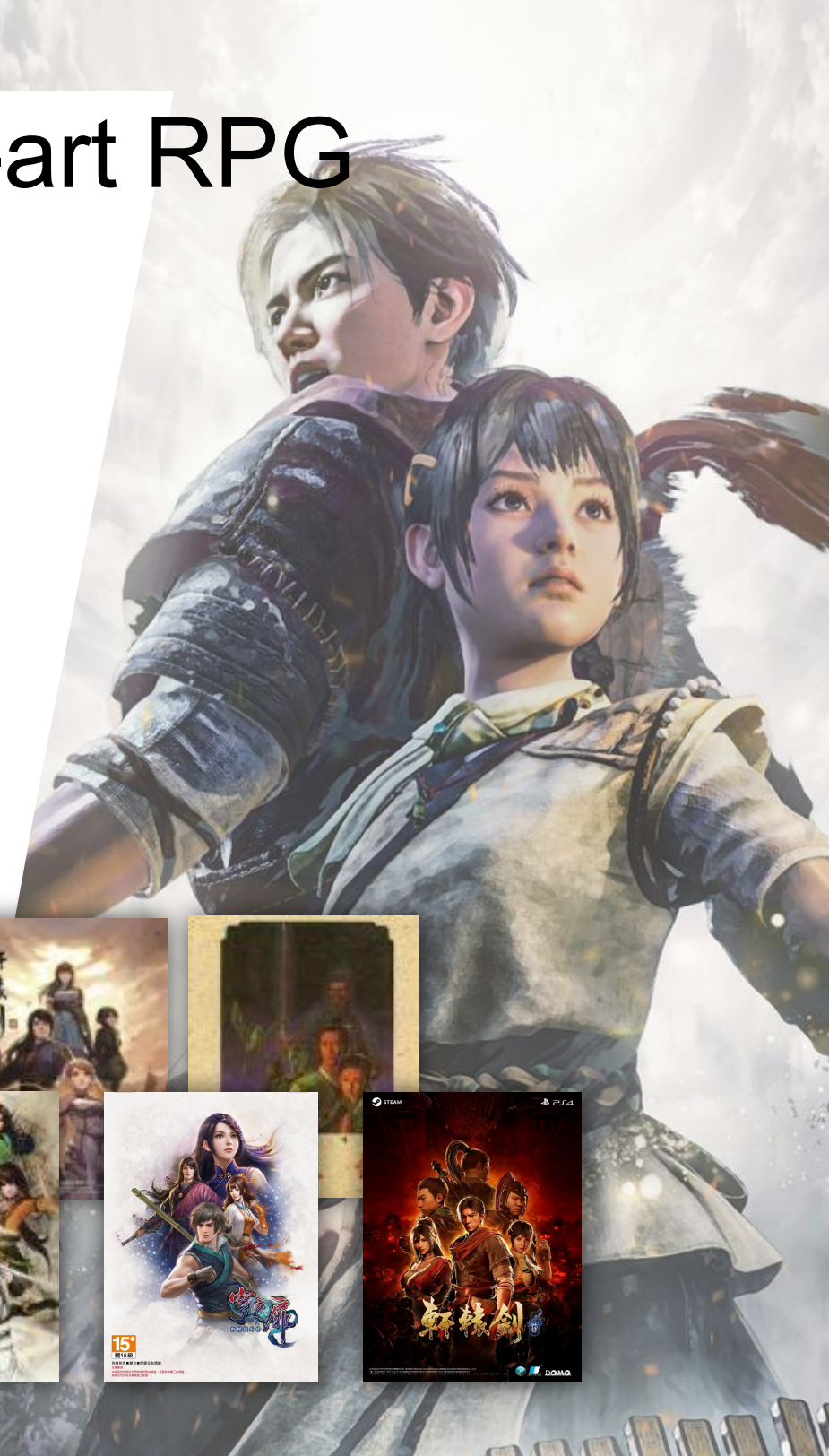
Prospect



# the Very First Oriental Martial-art RPG Game— Xuan-Yuan Sword

The 1st title of the series was launched In 1990..

- “Xuan-Yuan Sword” series emphasize the historical background where players can create their own adventure.
- More than 40 awards in the Chinese culture area.
- Released 13 pc games, 4 online games
- Anime “Xuan Yuan Sword: Luminary” broadcasted in 2018.10.
- Xuan Yuan Sword 7 released in Oct. 2020 on Steam /PS4
- Xuan Yuan Sword 7 released in Sep. 2021 on PS4 / XBOX
- Xuan Yuan Sword 7 is planning on porting to Switch





# Richman Classic & Phenomenal Casual Series

- 1st Monopoly-typed PC game launched in 1989 A total of 10 titles have been released
- One of the longest-lived game franchise ever in the Chinese cultural area
- The new project “Richman 10” was launched in 2019.10 and sold over 500,000 copies.
- Richman 10 released on Switch in 2021/8, and has sold over 80K unit.
- **Richman 11 is under development**





# Stardom

## Pioneer of Simulation Game Series

- The first title was released in 1995 with a total of 6 PC and 1 mobile title.
- Popular simulation/adventure game series, multiple awards in game selections.
- Play as a manager or a celebrity to experience the entertainment industry by taking lessons, casting, acting, and singing. • Combined with romance and social elements, a potential IP to be hit.
- Latest title 【Stardom4 mobile 】had released in July 2021.

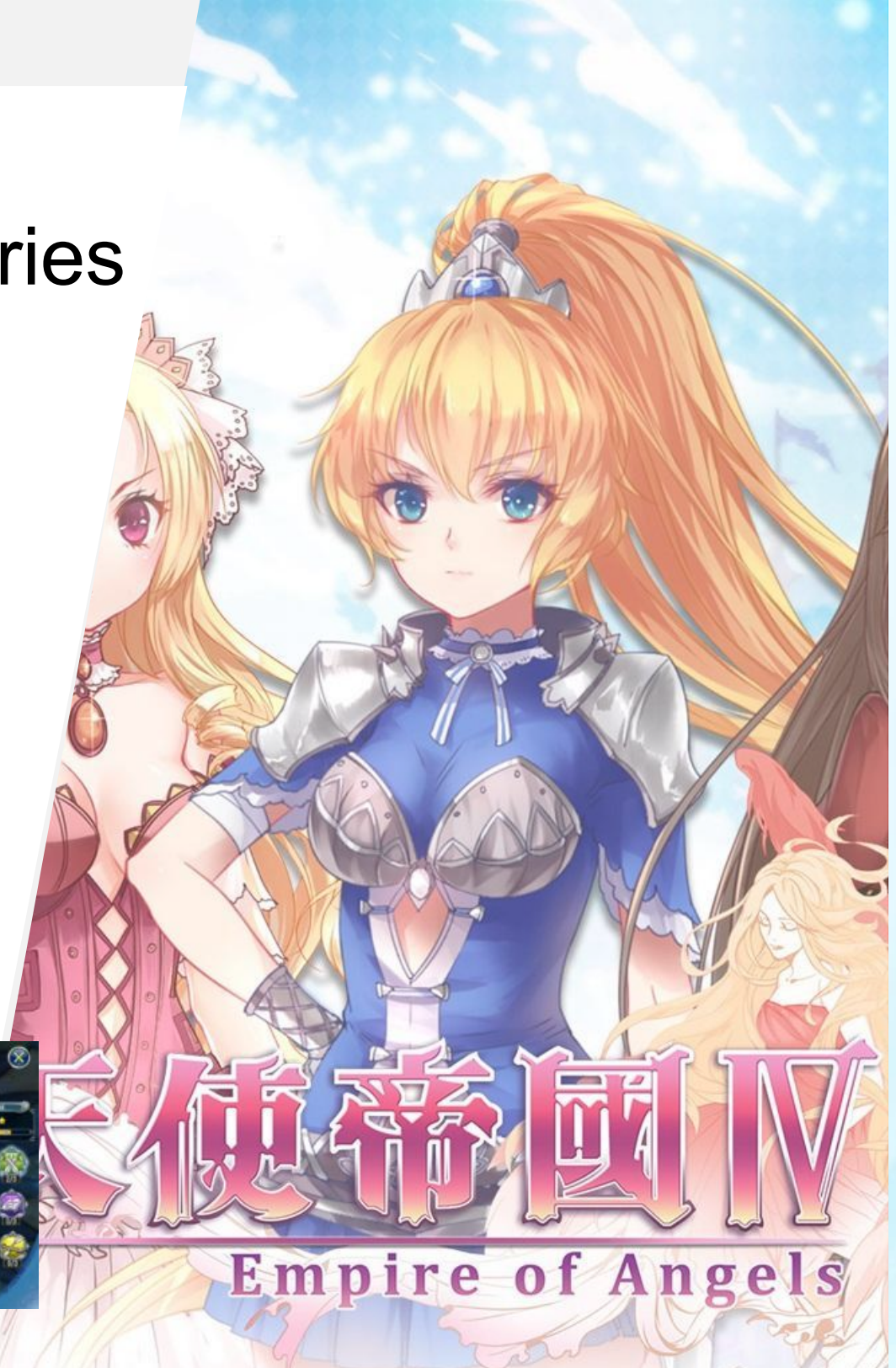




# Empire of Angels

## Popular & Unique SLG Game Series

- 1st title launched In 1993, the first Chinese SLG Game Series.
- With all female character, fantasy storyline, and fun battle, EoA series are popular among the global market.
- Total 4 PC game titles, 1 mobile title.
- Latest title “Empire of Angels 4” launched in June 2016.
- Ported to PS4 / Switch in 2021
- Is porting to PS 5 , will be coming out in 2022.



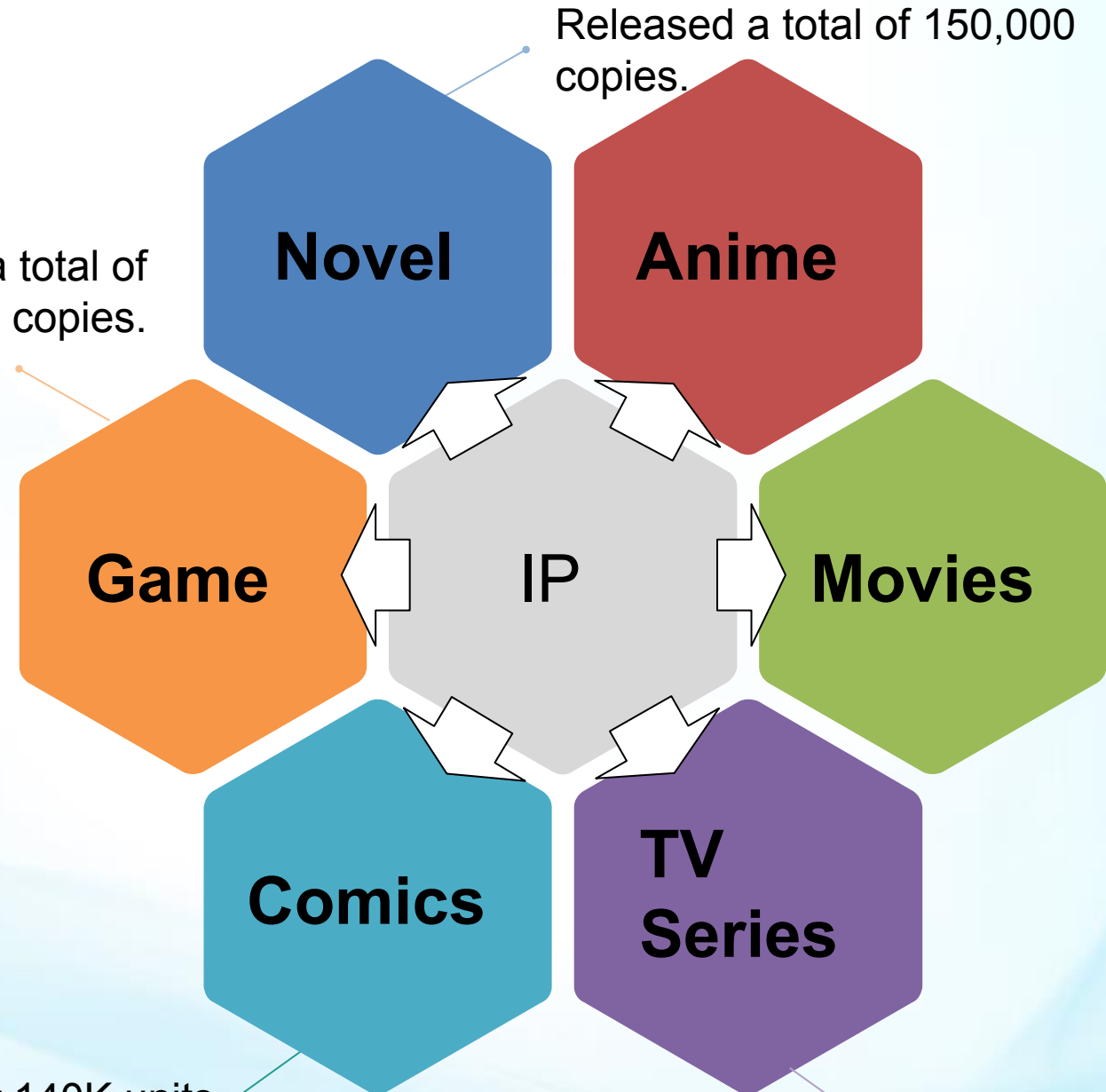


# Various Authorized Product



Released a total of 10,000,000 copies.

Released a total of 150,000 copies.



Released over 140K units  
Over 1.5M clicks online

6 billion clicks

# IP Adapted Drama Series

- Xuan-Yuan Sword TV series is under production
- Stardom 2 short drama is under development

## Xuan-Yuan Sword- the Scar of the Sky

Best audience rating: 11.5%

Viewed 270 million times on OTT sites

○ 2012

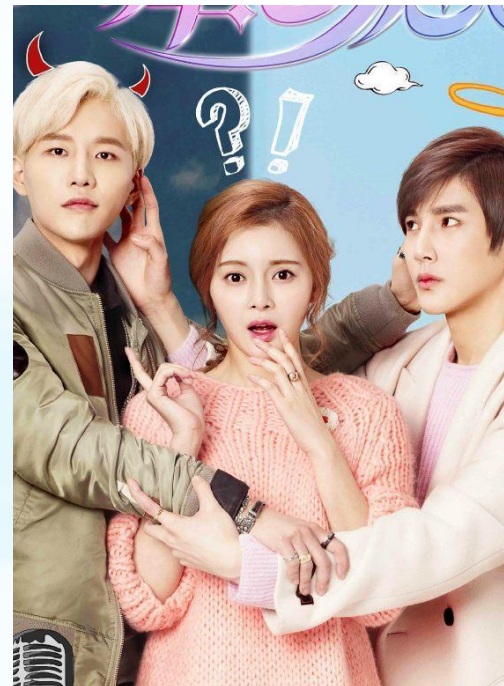


## Stardom

Exclusively On IQiYi platform

Over 400 million click rate in 2 months

○ 2016



## Xuan Yuan Sword: Han Cloud

On Dragon TV & IQiYi platform

Over 1.3 billion click rate in 2 months

○ 2017





# Award (Recent Titles)



## Richman 4 Fun

CCMG AWARD APP Contest Winner  
Bahamut Popular Domestic Game Bronze Award  
GAME STAR Mobile Game Puzzle Type Golden Award



## Stardom3

Game star – best design award



## Richman 10

Chinese IP Yearly Selection  
Bronze Prize in game category



## Xuan Yuan Sword: Distant to Cloud

China Game Industry Annual Conference  
Best 10 Popular PC Single-player Game



## Xuan Yuan Sword 6

China Game Industry Annual Conference  
Best 10 Popular PC Single-player Game



## Xuan Yuan Sword: the Gate of Firmament

GAME STAR PC Single-player Game Golden Award



## Xuan Yuan Sword 7

Chinese IP Yearly Selection Bronze Prize in game category  
Taiwan Original X Award – Won in Business category



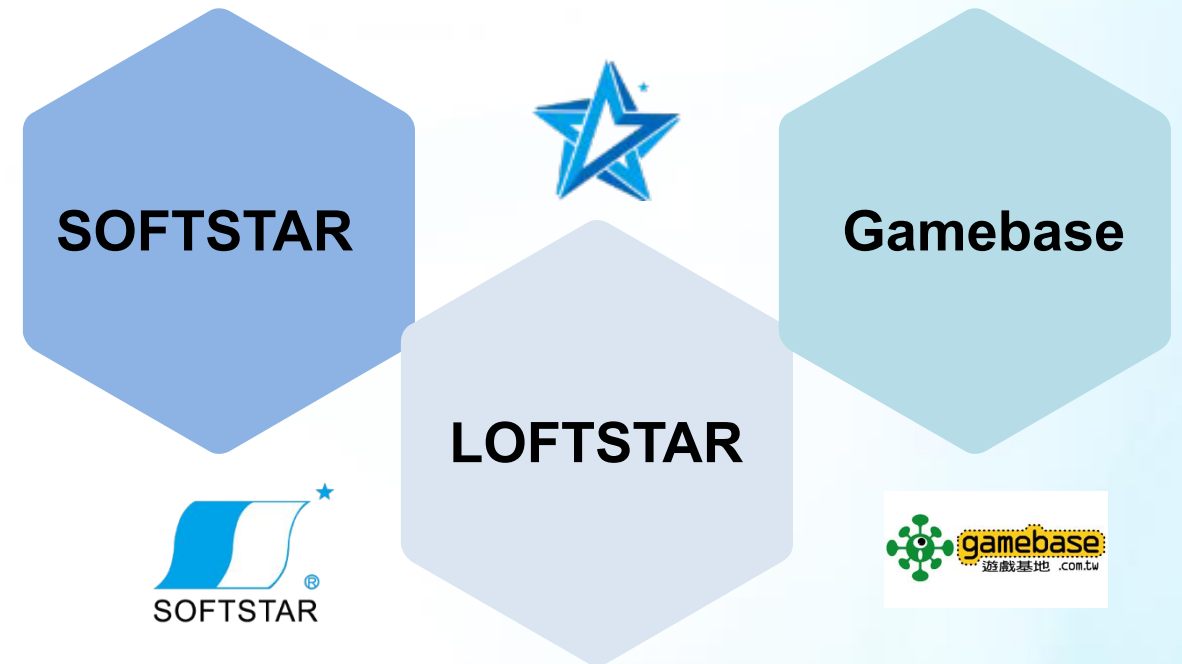


# Company Structure

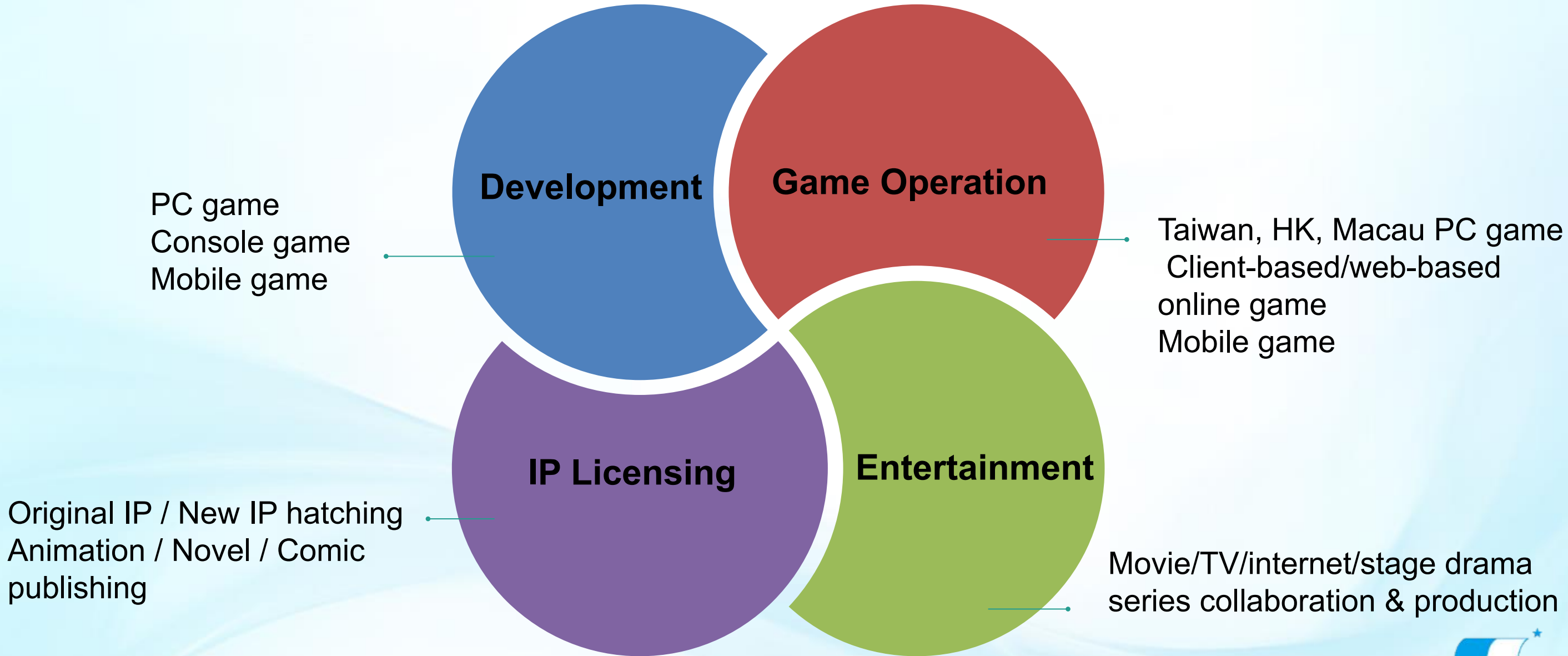
## **SOFTSTAR Entertainment Inc.**

Headquartered in Taipei with publishing entity **LOFTSTAR INTERACTIVE ENTERTAINMENT INC.** and game media platform **Gamebase** Digital Media Corporation.

Develop studio employs over 65% of total employees



# SOFTSTAR's Core Business





# The last 2 years and 2021H1 Consolidated Balance Sheet

Unit : NTD thousands

Item	2021.06.30		2020.12.31		2019.12.31	
	Amount	<u>%</u>	Amount	<u>%</u>	Amount	<u>%</u>
Current assets	352,138	28	488,516	40	418,699	34
Noncurrent Assets	854,263	72	728,581	60	820,242	66
Assets	1,206,401	100	1,217,097	100	1,238,941	100
Current Liabilities	208,534	18	239,595	19	341,474	28
Noncurrent Liabilities	144,768	12	104,614	9	92,527	7
Liabilities	353,302	30	344,209	28	434,001	35
Shareholders' Equity	853,099	70	872,888	72	804,940	65

# The last 2 years and 2021H1 Consolidated Income Statement

Unit : NTD thousands

Item	2021.01~06		2020		2019	
	Amount	<u>%</u>	Amount	<u>%</u>	Amount	<u>%</u>
Revenue	275,866	100	545,369	100	565,818	100
Gross Profit	253,200	92	455,430	84	474,816	84
Operating Income	80,539	29	138,104	25	(217,580)	(39)
Pre-Tax Income	3,455	0	93,767	17	335,867	58
Net Income	(22,654)	(9)	56,412	10	323,817	56
EPS	\$(0.36)		\$0.91		\$5.26	



# The last 2 years and 2021H1 Consolidated Financial Ratios

Unit : %

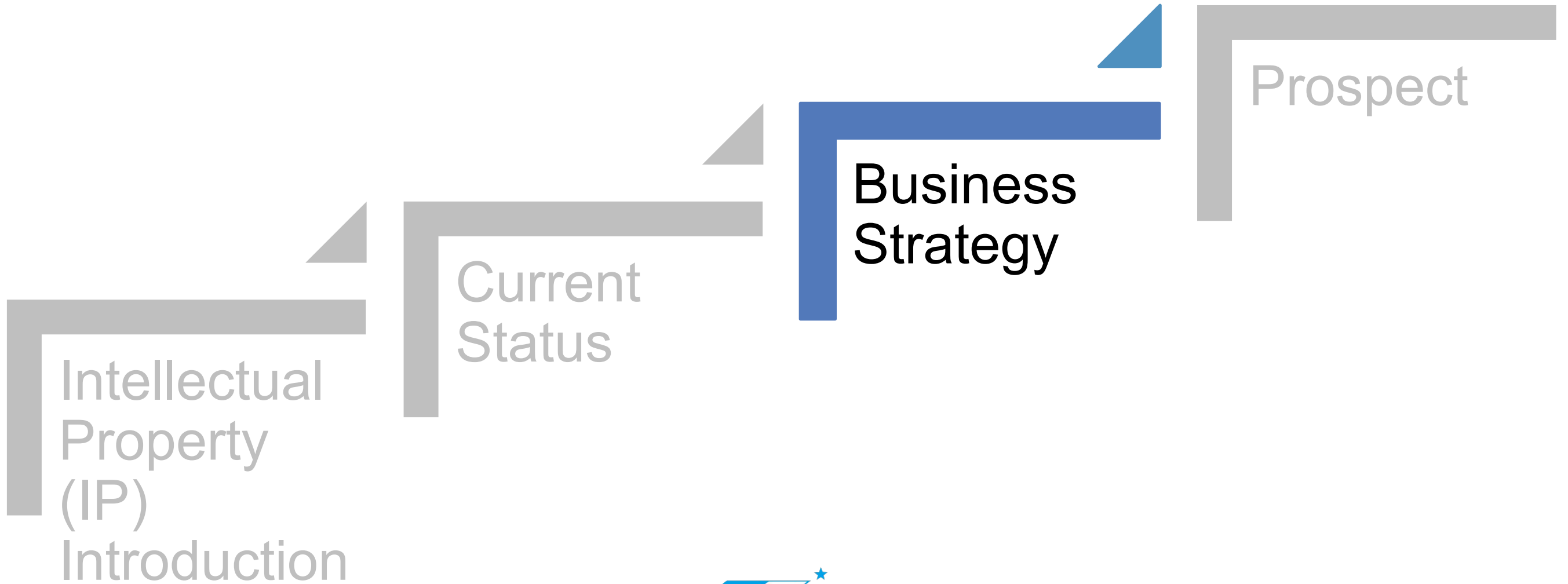
	2021.01~06	2020	2019
Debt ratio	29.29	28.28	35.03
Current ratio	168.86	203.89	122.62
Quick ratio	145.30	184.91	105.28
Long term funds to fixed assets	15236.94	11995.68	7435.16
Return on total assets	-1.75	4.77	28.28
Return on total shareholder's equity	-2.63	6.73	50.15

# The last 2 years and 2021H1 Department Income

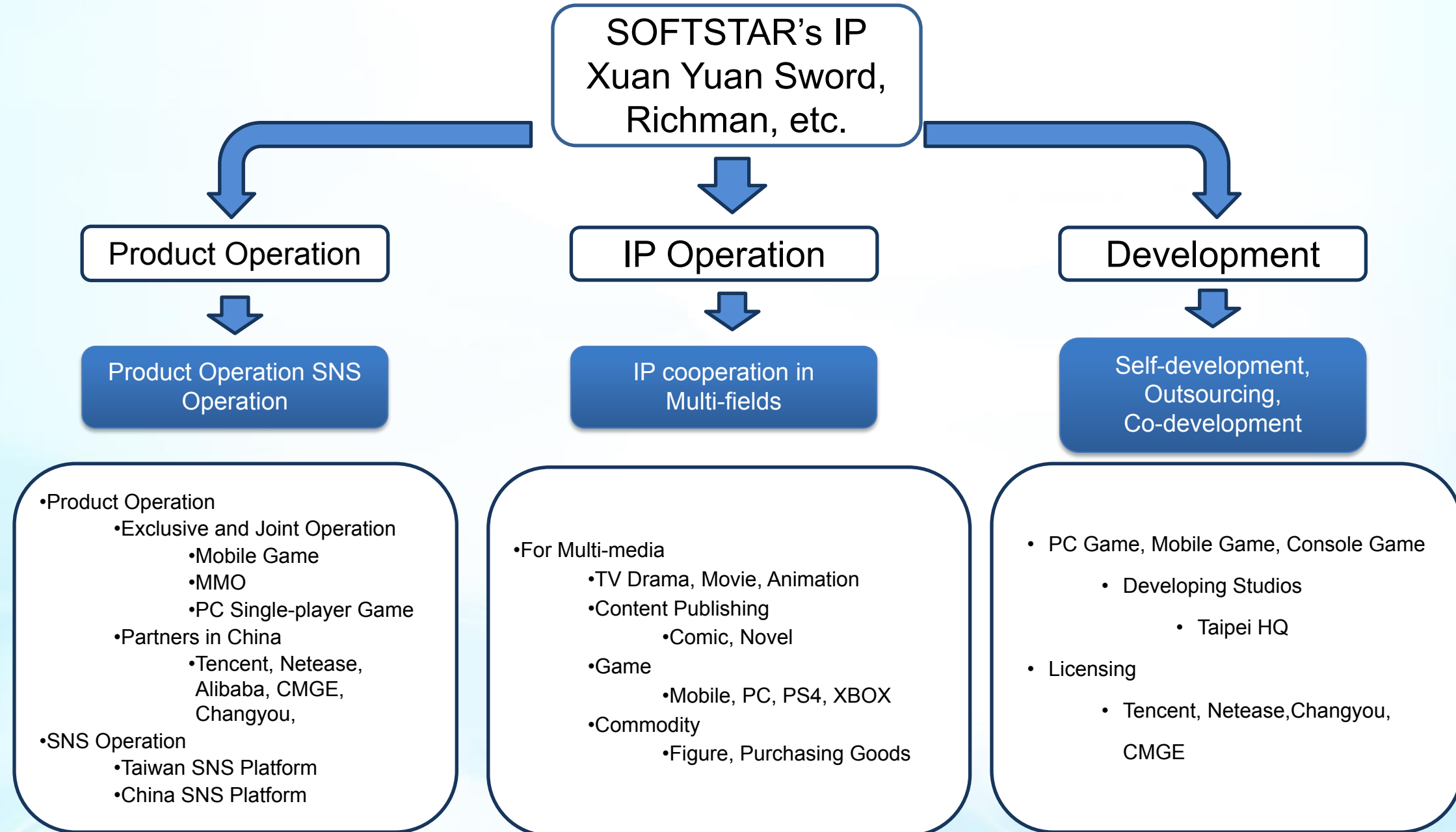
Unit: NTD thousands

	2021.01~06		2020		2019	
	Amount	<u>%</u>	Amount	<u>%</u>	Amount	<u>%</u>
Operating	55,273	20	177,009	32	172,180	30
R&D/License	220,593	80	368,360	68	393,638	70
Total	275,866	100	545,369	100	565,818	100





# Current Operating Model





# SOFTSTAR IP & Game Performance (2014-2016)

- *Co-development*

- Publisher: **Tencent**
- Genre: Card-battle RPG
- China: 2014.11 launched
- Taiwan: 2015.08 launched
- **Top 1 on App Store Grossing Chart**

Sword and Fairy



- *Co-development*

- Publisher: **CMGE**
- Genre: Card-battle RPG
- China: 2015.04 launched
- **Top 10 on App Store Grossing Chart**

Sword and Fairy: 3D



- *Self-development*

- Publisher
- 2015.12 SOFTSTAR (Taiwan)
- 2016.12 IQIYI (China)
- Genre: Simulation
- **Top 10 on App Store Grossing Chart**

Stardom: Guard of the Star



- *Self-development*

- Publisher:
- 2015.12 SOFTSTAR (Taiwan)
- 2016.06 NetEase (China)
- Genre: Strategy

Richman 9



- *Co-development*

- Publisher:
- 2016.08 GAEA Mobile (China)
- 2016.10 SOFTSTAR (Taiwan)
- Genre: Round-based MMORPG
- **Top 10 on App Store Grossing Chart**

Sword and Fairy Turn-based



# SOFTSTAR IP & Game Performance (2016-2020)

- Co-development

- Publisher:
- 2017.03 Tencent (China)
- 2018.03 Playground (Taiwan)
- Genre: MMORPG
- Top 10 on App Store Grossing Chart

Sword and Fairy Online



- Co-development

- Publisher:
- 2018.11 Tencent (China)
- Genre: Round-based MMORPG
- Top 10 on App Store Grossing Chart

Sword and Fairy 4 on Mobile



- Co-development

- Publisher:
- 2019Q4 NetEase (China)
- 2019.03 SOFTSTAR (Taiwan)
- Genre: MMORPG
- No.1 on App Store Downloading Chart

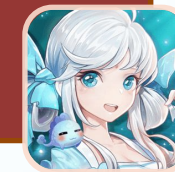
Xuan Yuan Sword: Dragon upon the Cloud



- Co-development

- Publisher:
- 2020.04 CMGE
- Genre:MMORPG
- 2020.09 SOFTSTAR(Taiwan)
- No.2 on App Store Downloading Chart

Xuan Yuan Sword: Source of sword



- Co-development

- Publisher:
- 2020 .03 KUNLUN
- Genre: :MMORPG
- 2020.07 Futurl Game(Taiwan)
- No.1 on App Store Downloading Chart(Taiwan)

Sword and Fairy -Destiny





# Self-developed mobile game



Developer:SOFTSTAR(HQ)

Genre: SLG

Traditional Chinese ver.  
:LOFTSTAR(2016.12)  
Simplified Chinese ver.  
:IQIYI(2016.12)

**Stardom: Guard of  
the Star**



Developer:SOFTSTAR(Shanghai)

Genre: MMOARPG

Traditional Chinese ver.  
:LOFTSTAR(2017.05)  
Simplified Chinese ver.  
:BAIDU(2017.04)  
Korean ver.:GRAVITY(2017.12)

**Sword and Fairy:  
Mirror's Mirage**



Developer:SOFTSTAR(Shanghai)

Genre:TCG

With exquisite art style and  
new strategy gameplay

**Launched 2021.03**

**Sword and Fairy:  
Nine Wilds**



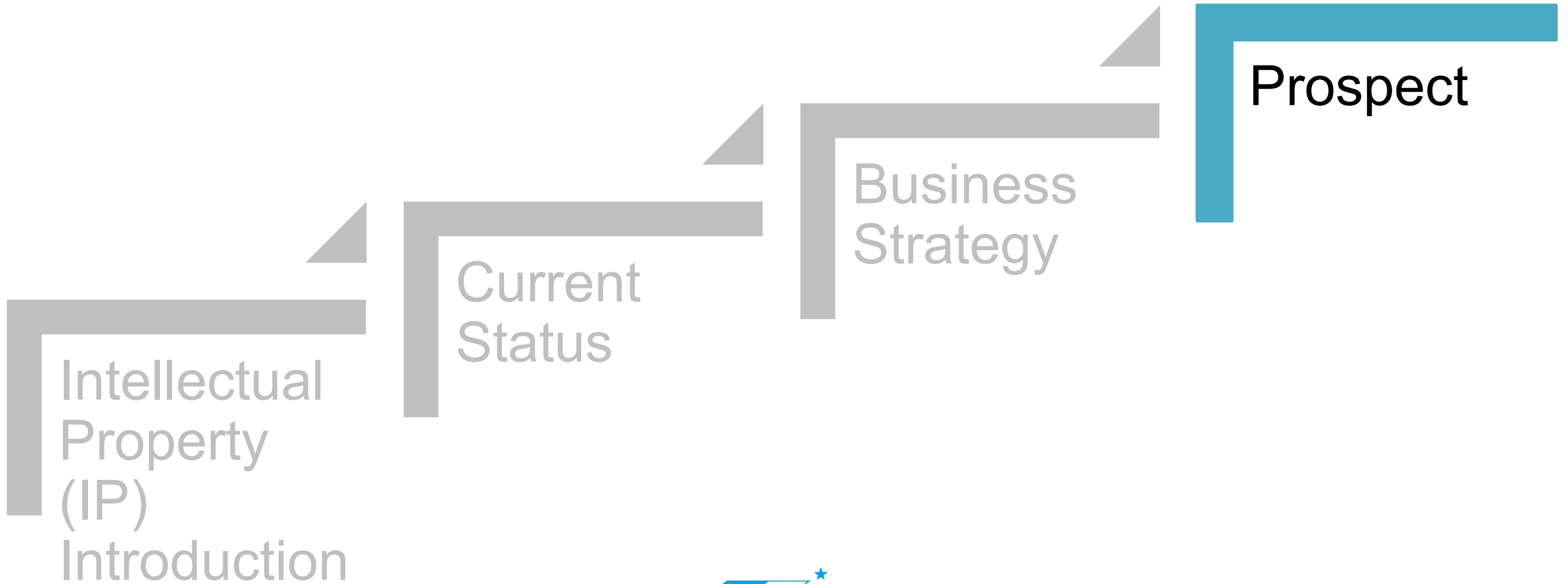
Developer:SOFTSTAR(HQ)

Genre: SLG

Combine AVG+SLG+ACT,  
simulate entertainment  
industry.

**Launched 2021.07**

**Stardom 4**



# Game Cooperation Record and Strategy

Possessing stable partners, mobile game will still contribute to Softstar's revenue. Softstar is capable of publishing games in overseas PC / Console markets, and will expand the popularity of our IP in the future.



Developing studios will still be innovating in gameplay, engine, and art style.

With remaining hundreds of R&D staff, Softstar keep developing new mobile games.



# Under development (self developed) Pal Inn 2 – hotel tycoon game

- Spinoff from Sword and fairy universe, Pal Inn 2 is combining the essence of tycoon game, RPG, and visual novel, creating a relaxing experience.
- Pal Inn had adopted into web series, reaching a total 400M playback counts.
- Latest title 【Pal Inn2】 is coming out in 2022Q3.

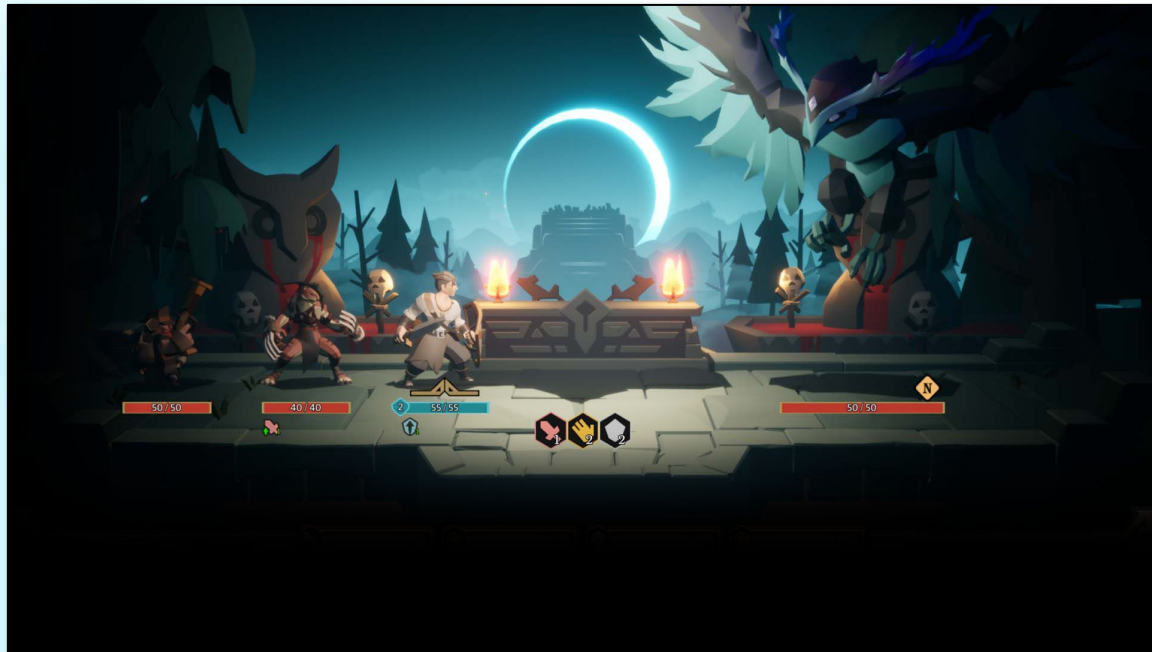




# Under development (self developed)

## 《Code : S 》

- Roguelike turn-based RPG
- Unique playable characters
- Choose your path cautiously, then let the dice decide you destiny!



## 《Code : B 》

- Relax and fun smash-like gameplay
- Cute skins, all kinds of costumes
- Aiming for Western market



Under development (licensed with funding)  
Coming out in 2023 Q1

## **FIGHT of Xuan-Yuan Sword**

A fighting game co-developed by Kadokawa & digital craft.

Will be released on PS / Switch / PC





# Collaboration Announcement

## The Bridge Curse

- Most watched in Netflix movies category right after its launch
- The top spot at the box office in the first half of 2020
- Taiwanese Thriller with overseas success

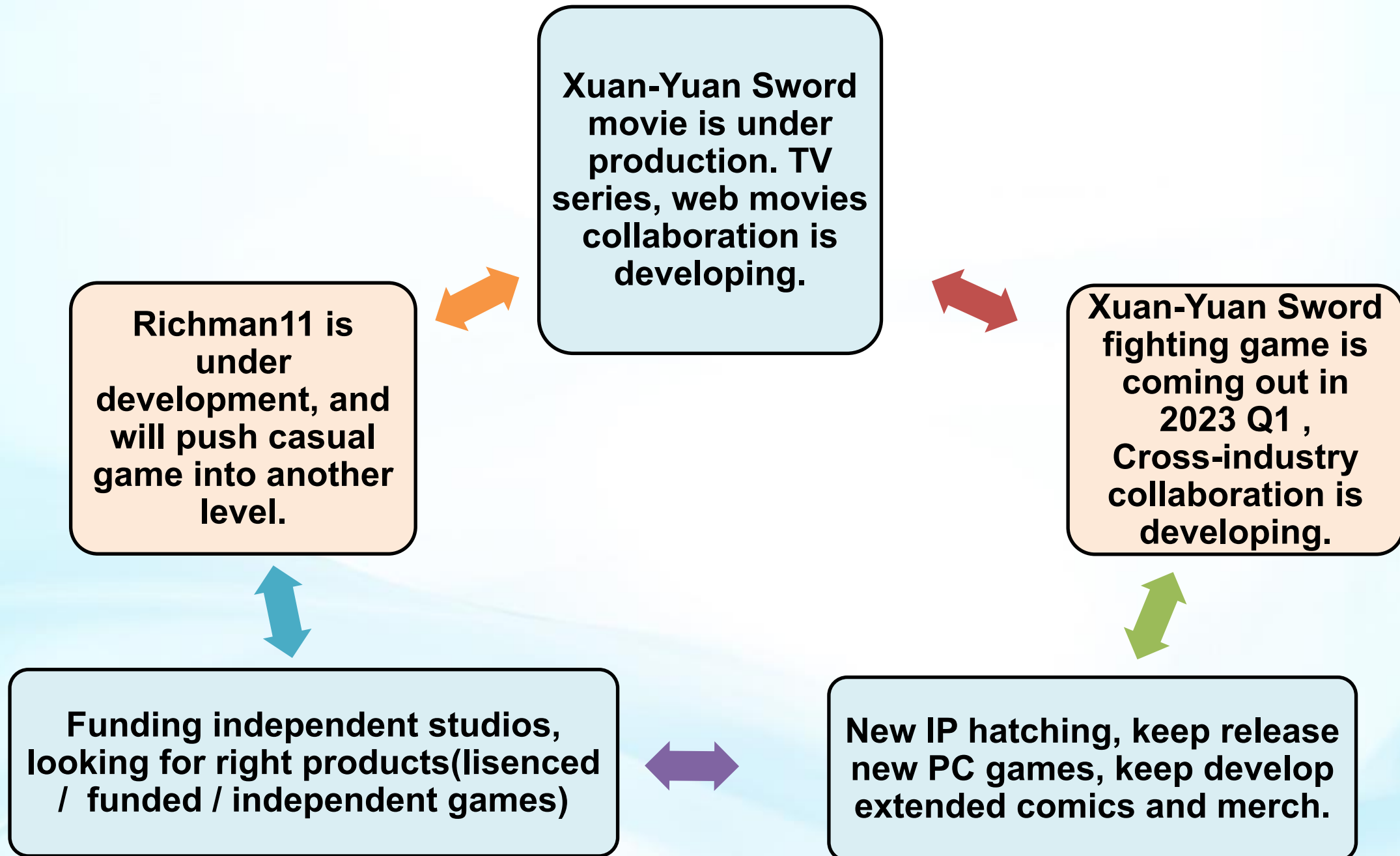
...Is collaborating with Softstar

A Campus horror Game is in the making..  
Coming soon in 2022 Q4

女鬼橋  
THE BRIDGE CURSE



# Cultural and creative/ Entertainment outlook



# SOFTSTAR

Those classics are  
insurmountable, therefore we  
create new classics!

