




SOFTSTAR ENTERTAINMENT INC.  
Investor Conference Presentation

2023/8

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Current  
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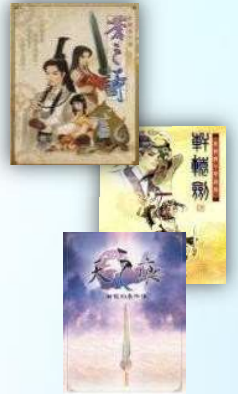
Future  
Prospects  
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# Since 1988, we grow up with the whole Chinese game market



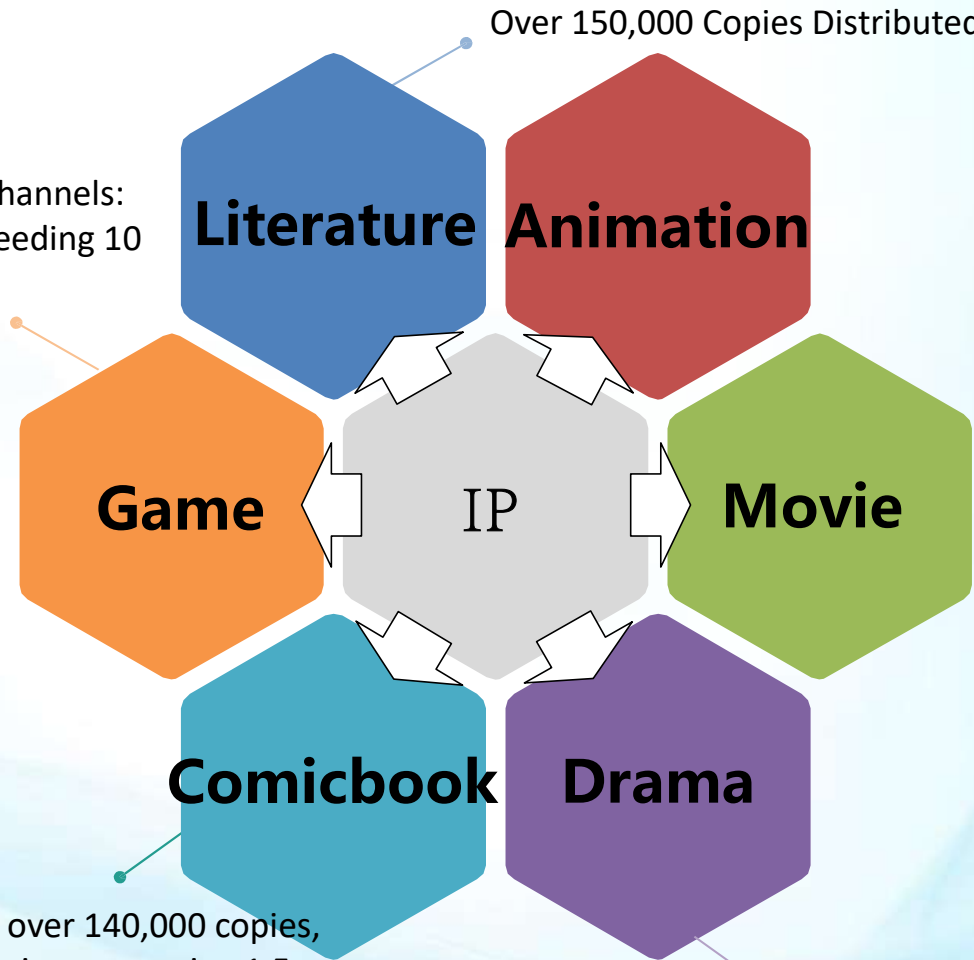
From Xuan-Yuan Sword, The Chinese Paladin, Rich man series and Empire of Angels  
From floppy disk to console machine  
From PC to mobile devices  
From game to TV drama/Movie/Animation/Novels, we will advance our territory from Greater China to the whole world!



# IP at the Core, Creativity at the Heart



Official Sales Channels:  
Total Sales Exceeding 10  
Million Sets



Publication of over 140,000 copies,  
with online viewing surpassing 1.5  
million.



# Striving for Excellence: Achieving outstanding results



## Richman 4 Fun

CCMG AWARD Game App reward  
巴哈 Bronze Award for Popular Domestic Game  
GAME STAR Gold Award in the Mobile Puzzle Game Category



## Stardom 3

GAME STAR- Best Planning Award



## Richman 10

Bronze Award in the Annual IP Selection in Mainland China



## Xuan-Yuan Sword 外傳雲之遙

Top 10 Most Popular Single-Player Games of the Year at the China Game Industry Annual Conference



## Xuan-Yuan Sword six

Top 10 Most Popular Single-Player Games of the Year at the China Game Industry Annual Conference



## Xuan-Yuan Sword 外傳穹之扉

GAME STAR- Best Single-Player Game Gold Award



## Xuan-Yuan Sword seven

Bronze Award in the Annual IP Selection in Mainland China  
Taiwan Original Game Award - Commercial Group Winner



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# Group Subsidiaries



Uniplus  
Electronics  
Co.,LTD

Acquiring Sanjiang Electric Machinery to enter the power grid industry, with the aim of providing a stable power supply system.



Chander  
Electronics  
Corp.

Mainly focusing on the semiconductor components business and commercial software distribution, and obtained exclusive agency rights for silicon nitride ceramic substrates in the mainland China region.



Array  
Networks

Being one of the few in Taiwan to specialize in the research and development of information security solutions, We are dedicated to allocating increased research and development resources to strive for leadership in Taiwan's cybersecurity field.



Red Sunrise

As one of the top three players in Taiwan's payment industry, RedSun Technology offers innovative financial services such as "BNPL" (Buy Now Pay Later) deferred payment, dynamic currency conversion (DCC) functionality, as well as electronic ticketing and electronic invoicing services.



Loftstar

Dedicated to the game publishing business, in addition to handling game distribution and mobile game operations in Taiwan, Hong Kong, and Macau, we are also expanding our operational scope beyond the Chinese market. We have established a presence in India to provide game operation services.



Gamebase

Focusing on various types of media marketing, big data analysis, and precision advertising placement, including platforms like Game Base, and De-Yi Entertainment. We operate across social media networks such as Facebook, Instagram, and TikTok, ensuring a comprehensive online presence.

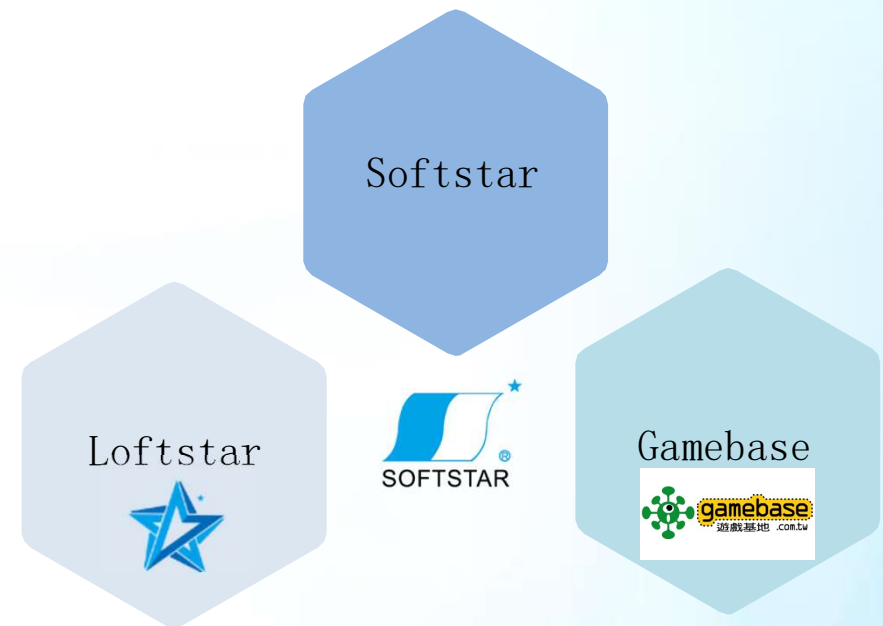


# Game-Centric Operations Framework

In the core business segment, apart from the various studios under the headquarters engaged in the development of different project categories, there is also a dedicated focus on collaborations involving different domains of intellectual property (IP) and the integration of games with other creative industries.

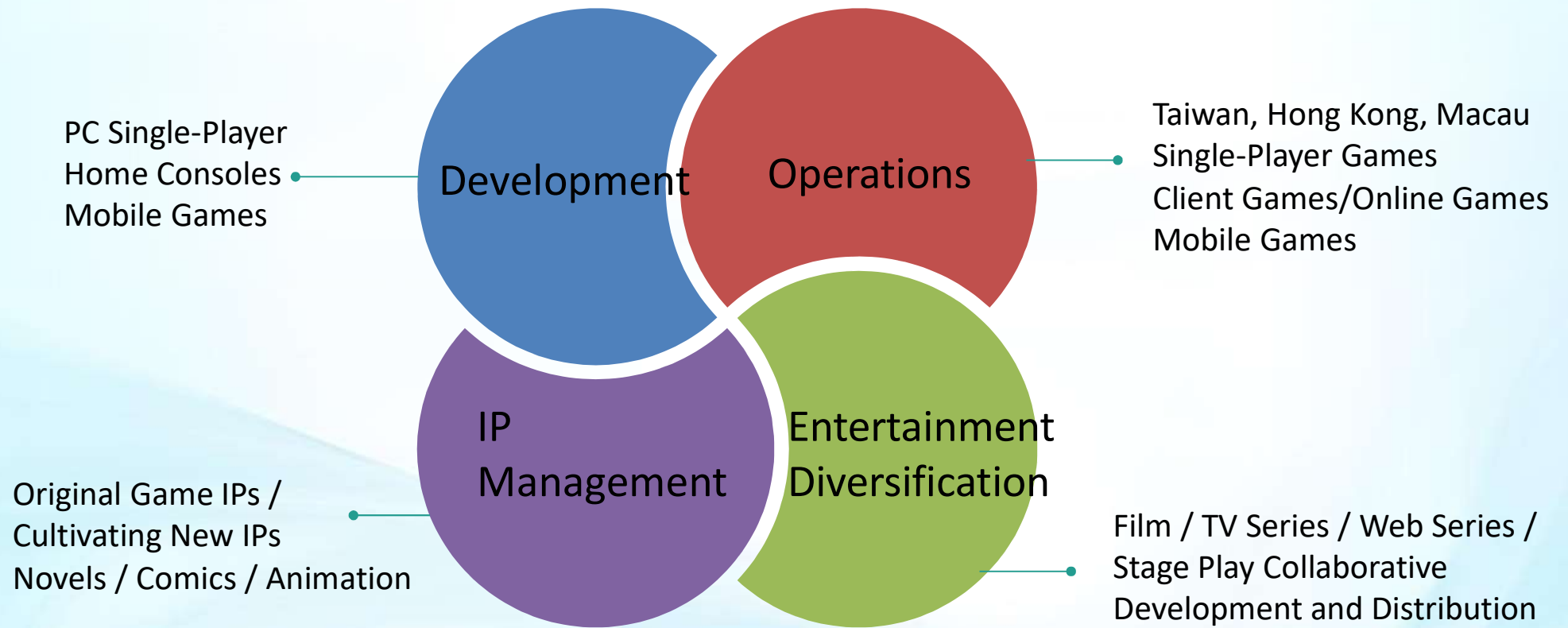
Loftstar Interactive primarily focuses on game publishing and game operation services, expanding its operations to global regions beyond Taiwan, Hong Kong, and Macau.

Game Base, with website as its core, not only strengthens game marketing through its self-owned game media but also specializes in precise advertising and community marketing services.

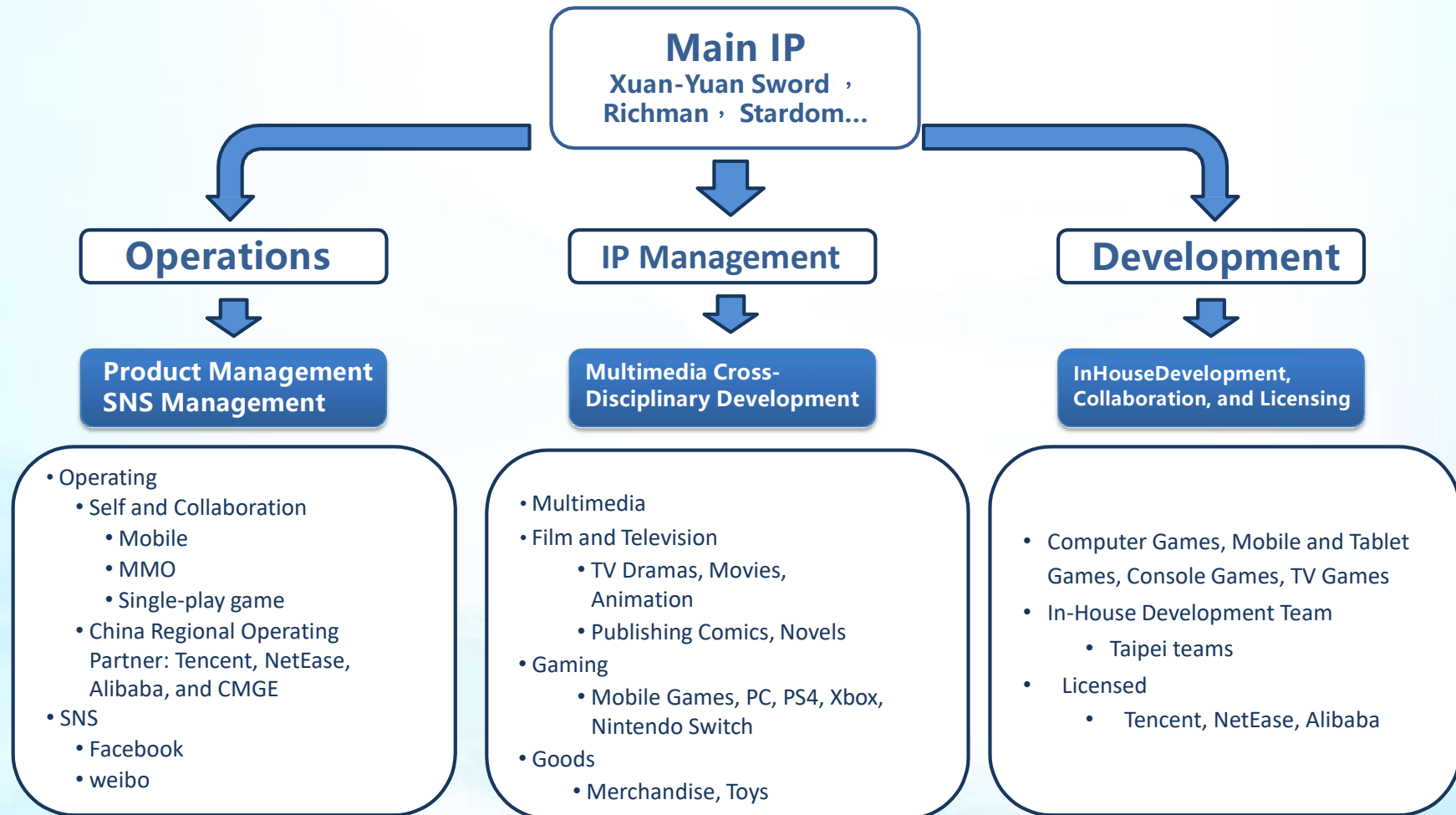




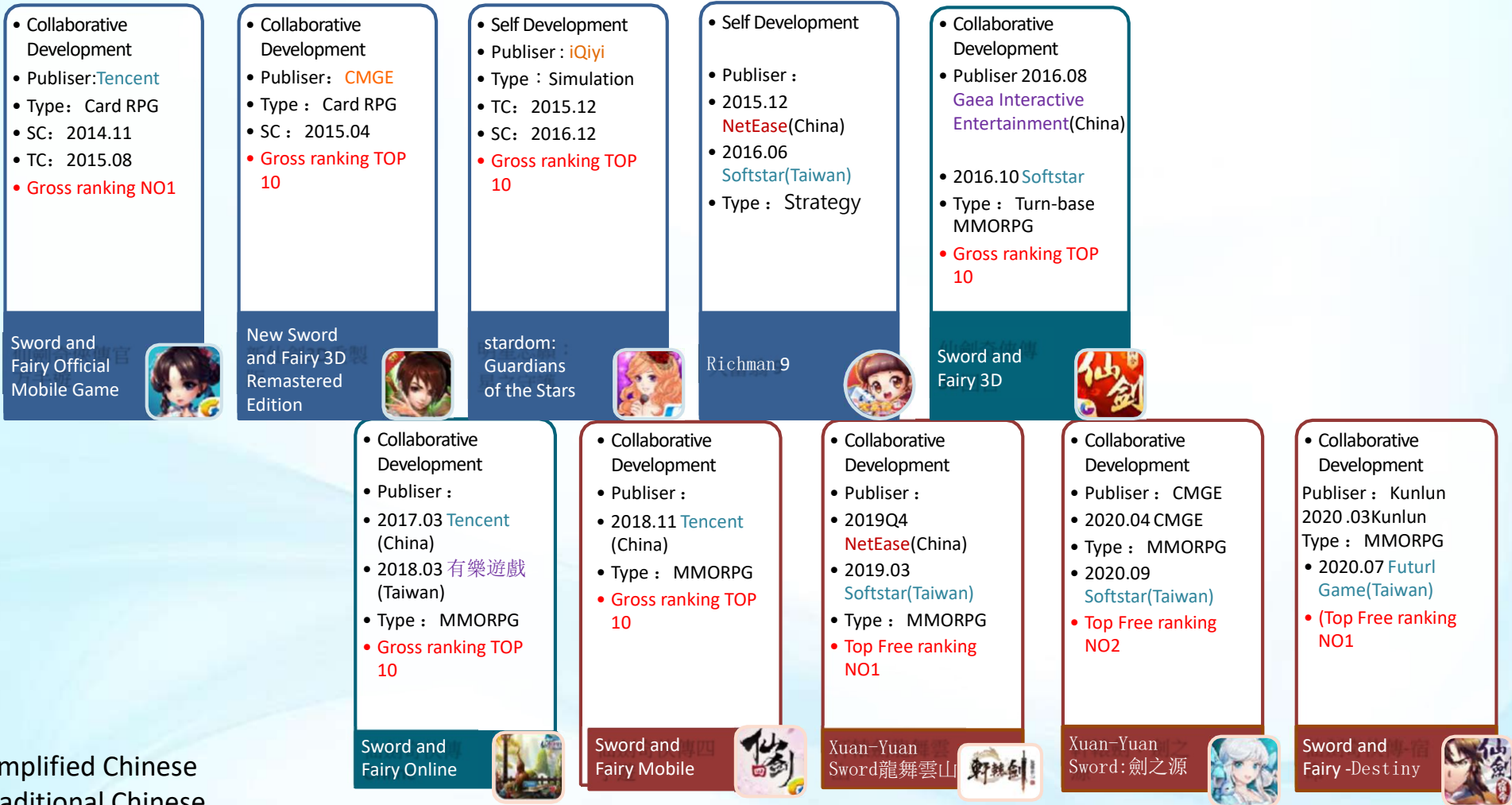
# Explanation of Business Division Responsibilities



# Licensing Operations and Cross-Domain Development



# Mobile Game Licensing and Collaborative Development



SC: Simplified Chinese  
TC: Traditional Chinese



# Mobile Game (In-House Development)



Developer: Softstar

Type: Simulation

TC: Loftstar(2016.12)

SC: iQiyi(2016.12)

**Stardom-星之守護**



Developer: Softstar(上海軟星)

Type: MMOARPG

TC: Loftstar(2017.05)

SC: Baidu Games(2017.04)

KR: GRAVITY(2017.12)

**Sword and Fairy - 幻  
璃鏡**



Developer: Softstar(上海軟星)

Type: Strategy

Features: Exquisite Artwork  
and Fast-Paced Strategic  
Gameplay

Released in March 2021

**Sword and Fairy - 九  
野**



Developer: Softstar

Type: Simulation

Features: Role-Playing  
Simulation of Entertainment  
Industry, Introducing Diverse  
Gameplay Elements

Released in July 2021

**Stardom - 璀璨星戀**

SC: Simplified Chinese

TC: Traditional Chinese

KR: Korean

# Single-Player Development Progress(1)

- Since 2021, Sodtatra Group has adjusted the game development roadmap of its development studios. Among them, the development of horror games has achieved remarkable results.
- The game "Bridge Curse" launched in 2022 has sold nearly a hundred thousand copies, and it is set to be sold on multiple platforms this year.



Bridge Curse 2: Path of Liberation  
As a sequel to Bridge Curse 1, it is also adapted from the sequel of the Bridge Curse movie.  
Release Date: 2024

Platforms:  
PC/Mobile/Console



Game Adaptation of the Movie "Curse"  
Following the original storyline of the movie, this game presents the eerie atmosphere of the film through exquisite 3D scenes, taking the horror game experience to the next level.

Release Date: Late 2024  
Platforms:  
PC/Mobile/Console



# Single-Player Development Progress(2)

- Currently, the development department oversees 7 studios, with various products in production in addition to horror games.

## 軒轅劍巔峰對決

A 3D fighting game featuring iconic characters from the Xuan-Yuan Sword series throughout history, with classic renditions of character weapons, equipment, and special moves.

Release Date: Q1 2024



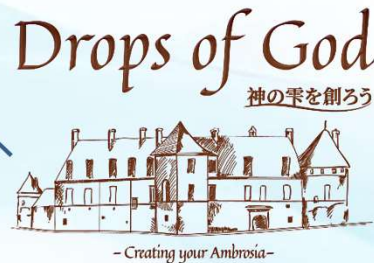
## VOICE LOVE

The latest female-oriented game after " Stardom," leveraging voice actors as the game's major attraction. Release Date: Q4 2023



## 創造神之雫&深夜酒館

A business simulation game centered around running a winery, emphasizing the authentic spirit of wine-making. Release Date: 2024



## 三國將星錄

An action role-playing game set in the Three Kingdoms period, showcasing Daewoo Information's expertise in blending history and mythology. Release Date: 2024



# Mobile Game Business

- The second-dimensional anime mobile game "I Want to Become the Strongest of Shadows!" acquired by Loftstar Interactive, and Japanese company Aiming Network, is set to launch in the fourth quarter of 2023.



- ▣ This game was released in Japan in November 2022, consistently maintaining its position within the top 50 in both revenue and download charts in Japan.
- ▣ The game is adapted from the original novel and an anime was released in the fourth quarter of 2022.
- ▣ The second season of the anime is scheduled for a global release in the fourth quarter of 2023.
- ▣ Pre-registration for the game started on August 17th.

陰の實力者になりたくて!  
The Eminence in shadow  
マスターオブガーデン

# Balance Sheet for the Last Two Fiscal Years and Year-to-Date Second Quarter

Unit: NTD in thousands

Accounting Categories	June 30, 2023		December 31, 2022		December 31, 2021	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Current Assets	3,184,659	47	3,249,755	64	2,194,791	72
Non-Current Assets	3,661,147	53	1,808,060	36	857,147	28
Total Assets	6,845,806	100	5,057,815	100	3,051,938	100
Current Liabilities	3,127,830	45	1,568,634	31	689,278	23
Non-Current Liabilities	577,249	9	420,809	8	193,829	6
Total Liabilities	3,705,079	54	1,989,443	39	883,107	29
Total Equity	3,140,727	46	3,068,372	61	2,168,831	71

# Income Statement for the Last Two Fiscal Years and Year-to-Date Second Quarter

Unit: NTD in thousands

Accounting Categories	From January to June 2023		Fiscal Year 2022		Fiscal Year 2021	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Operating Revenue Net	1,533,764	100	2,252,134	100	559,406	100
Gross Operating Profit	491,109	32	894,839	40	393,102	72
Operating Profit (Loss)	(34,203)	(2)	(110,926)	(5)	12,797	4
Pretax Net Profit (Loss)	(54,742)	(3)	624,032	27	1,041,840	189
Net Profit (Loss) for the Period	(94,000)	(6)	565,739	24	741,107	135
Earnings (Loss) Per Share (After Tax) (NTD)	\$(0.99)		\$7.48		\$8.70	

# Key Financial Ratios for the Last Two Fiscal Years and Year-to-Date Second Quarter

Unit: Percentages

	From January to June 2023	Fiscal Year 2022	Fiscal Year 2021
Debt-to-Asset Ratio	54.12	39.33	28.94
Current Ratio	101.82	207.17	318.42
Quick Ratio	61.43	160.32	283.11
Long-Term Funds to Fixed Assets Ratio	485.72	2,415.68	6,201.21
Return on Assets	-1.33	14.26	34.87
Return on Equity	-3.03	21.60	48.73



# Departmental Revenue Information for the Last Two Fiscal Years and Year-to-Date Second Quarter

Unit: NTD in thousands

	From January to June 2023		Fiscal Year 2022		Fiscal Year 2021	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Gaming Operations	133,821	9	517,960	23	432,182	77
Electronic Products and Components	443,378	29	965,298	43	121,087	22
Network Equipment	249,579	16	398,063	18	-	-
Payment Services	116,493	7	333,718	15	-	-
Electrical Machinery Manufacturing	578,429	38	-	-	-	-
Others	12,064	1	37,095	1	6,137	1
Total	1,533,764	100	2,252,134	100	559,406	100

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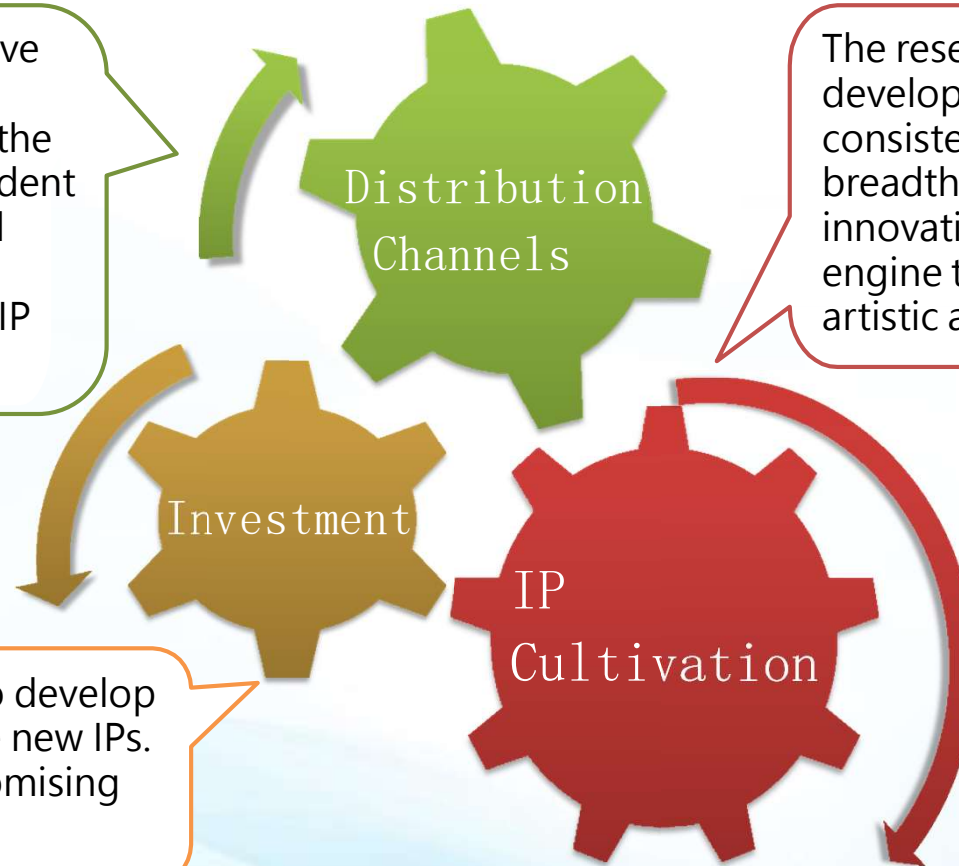


# Group Vision

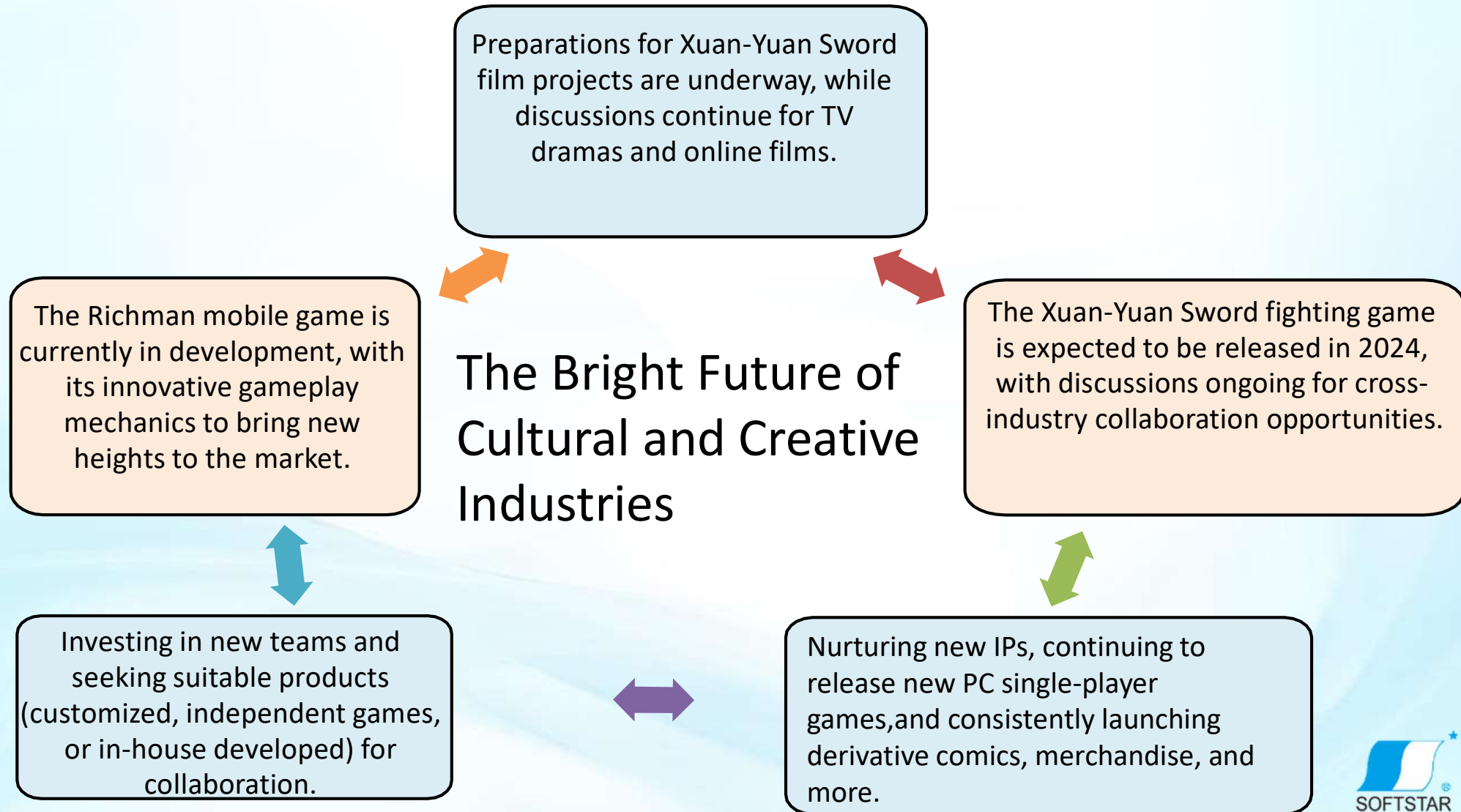
Mobile product collaborations have matured, with an anticipated contribution to stable revenue in the future. The capability for independent overseas publishing in the PC and console markets is established, enabling sustained promotion of IP influence moving forward.

The research and development team is consistently expanding the breadth of IPs, striving for innovation in gameplay, engine technology, and artistic aspects.

The company's team continues to develop new game products and incubate new IPs. It also progressively invests in promising startup teams.



# Continuously Nurturing the Cultural and Entertainment Industry



# Diversifying Revenue Streams Through Global Expansion



- Multiplayer Survival Competitive Game
- Tailored for High, Middle, and Low-Tier Smartphones
- Diverging from Traditional Battle Royale Games, Developing Numerous Original Gameplay Elements
- Supporting Ten Languages, Including Chinese, English, Spanish, and Portuguese
- In Response to Global Operational Demands, Developing More Diversified Localized Content



- SNK ACGBrand Empowerment
- Online Action Card Game
- Mainly Expanding into Regions with a Fondness for Japanese Anime
- Multi-Language Support

## DEPARTING:

July 2023: India, Bangladesh, Pakistan  
September 2023: Brazil, Mexico, Argentina  
November 2023: Southeast Asia  
November 2023: North America  
2024: Greater China Region



## DEPARTING:

2023/11 India, Bangladesh  
2024/1 Middle East Region  
2024/3 Central and South America  
2024/Q2 North America  
Assessment of the Japanese and Korean markets is underway.

以及諸多類別遊戲產品持續開發





SOFTSTAR ENTERTAINMENT INC.

**Never Forget Your Original Intention,  
Create Classics Once Again**

