

Date: January 24, 2023

To,
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001.

Scrip Code: 543280

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400051.

Scrip Symbol: NAZARA

Dear Sir/Madam,

Subject: Intimation of Investor Presentation for the quarter ended December 31, 2022

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith the Investor Presentation for the quarter ended December 31, 2022.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Nazara Technologies Limited**

Pravesh Palod
Company Secretary and Compliance Officer
M. No. A57964

Encl. As above



Nazara Technologies Limited

Building from India for the World

Investor Presentation

Q3 FY23

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This presentation contains certain forward-looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.

Strong 9MFY23 Performance: Revenue growth of 80%, EBITDA of INR 820 million, PAT growth of 22%

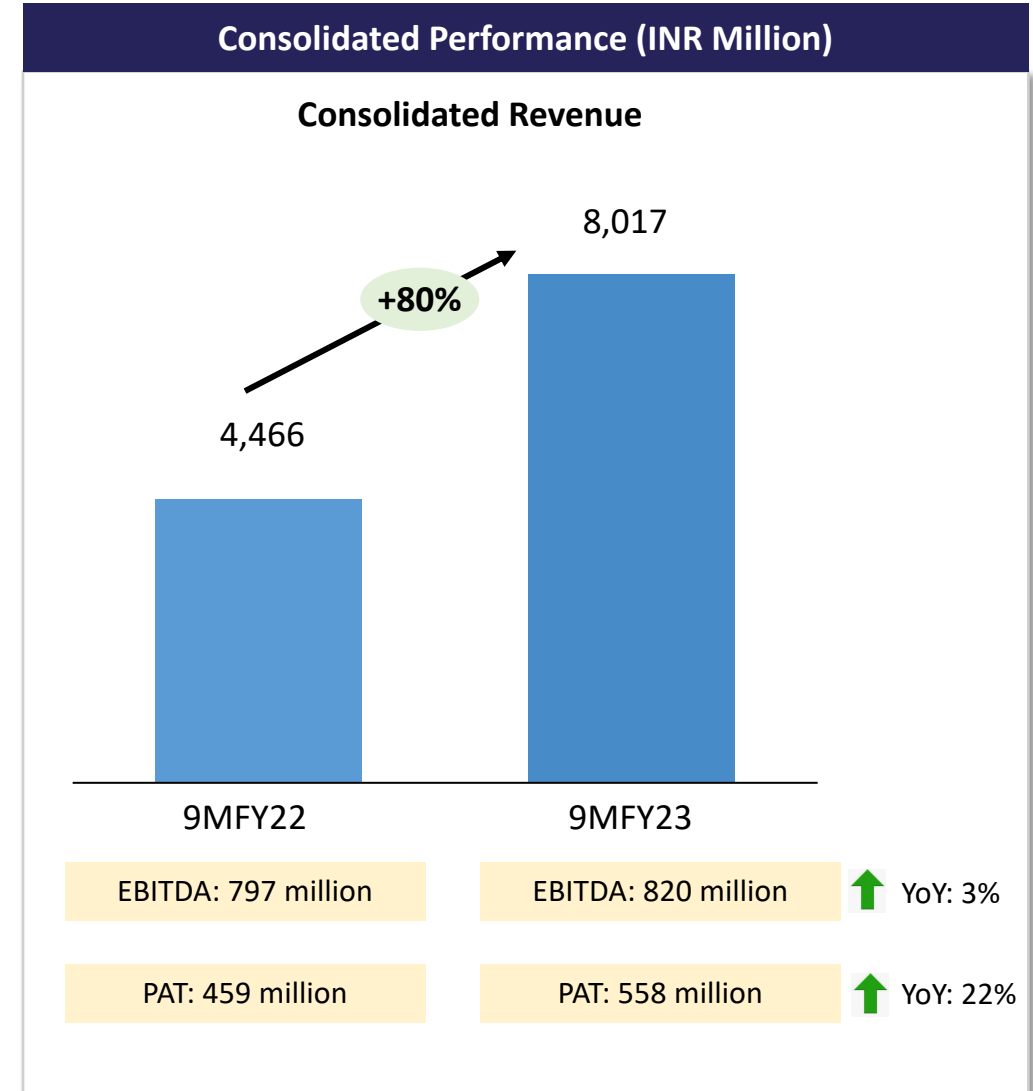


We continue to have an excellent year, with 80% y-o-y Revenue growth in 9M FY23, and 22% PAT growth in the same period. All our five business verticals did well this quarter. We continue to invest for future growth across our businesses.

The “Nazara DNA” (focus on profitability; long-term mindset; and strong governance) will continue to drive long-term compounding of value in each of our businesses



Nitish Mittersain
Joint MD and CEO



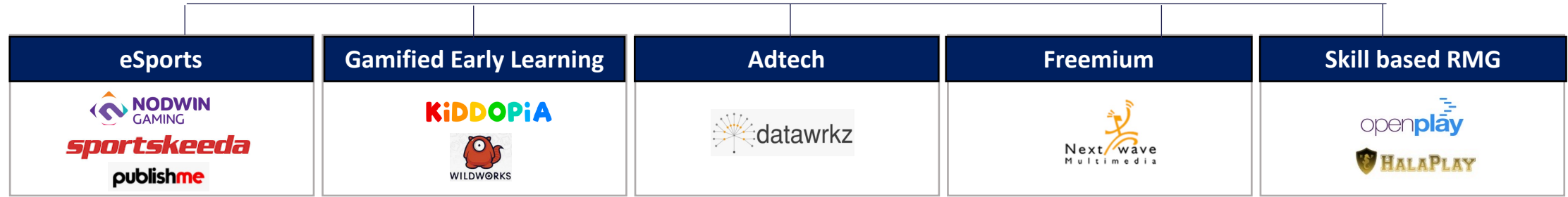


Strategic Overview

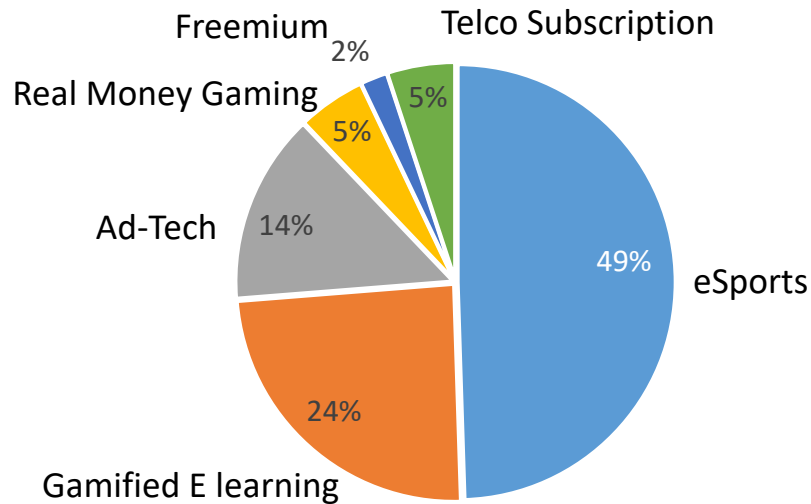
We have built a diversified business model with presence in five segments and multiple markets



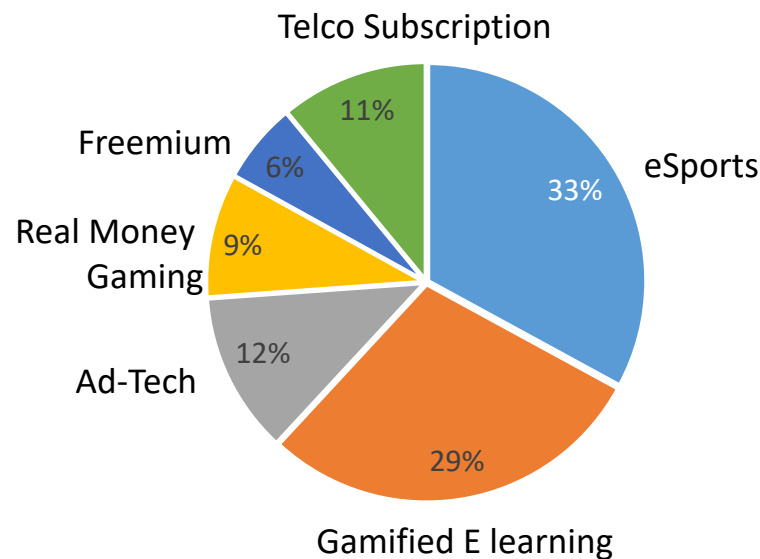
A diversified business model provides us multiple levers of growth, and help us mitigate industry headwinds affecting one segment



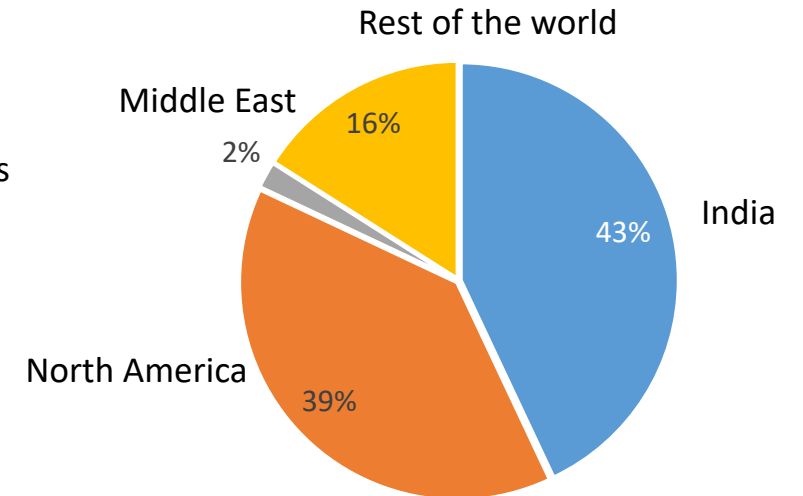
Revenue by Segment (9MFY23)



EBITDA by Segment (9MFY23)



Revenue by Geography (9MFY23)





Long Term Mindset

- Nazara was incorporated in 1999, and has an operating history of more than 23 years
- Demonstrated ability to prioritise long term gain despite short term pain in multiple situations

Driving Profitable growth

- We don't chase vanity metrics- Increasing sales needs to be accompanied by growing profits and tangible cash-flow
- Organic and inorganic growth are primarily aimed at growing absolute profit and cash-flow over time

Enhanced Governance

- We have high standards of compliance across Nazara and Friends of Nazara network
- We avoid large investments in businesses carrying large regulatory risks

We have a playbook enabling our businesses to unleash their full potential

01



What we provide support for in our companies:

- Product Design
- User acquisition and retention
- Hiring
- Mergers and Acquisitions Support

02



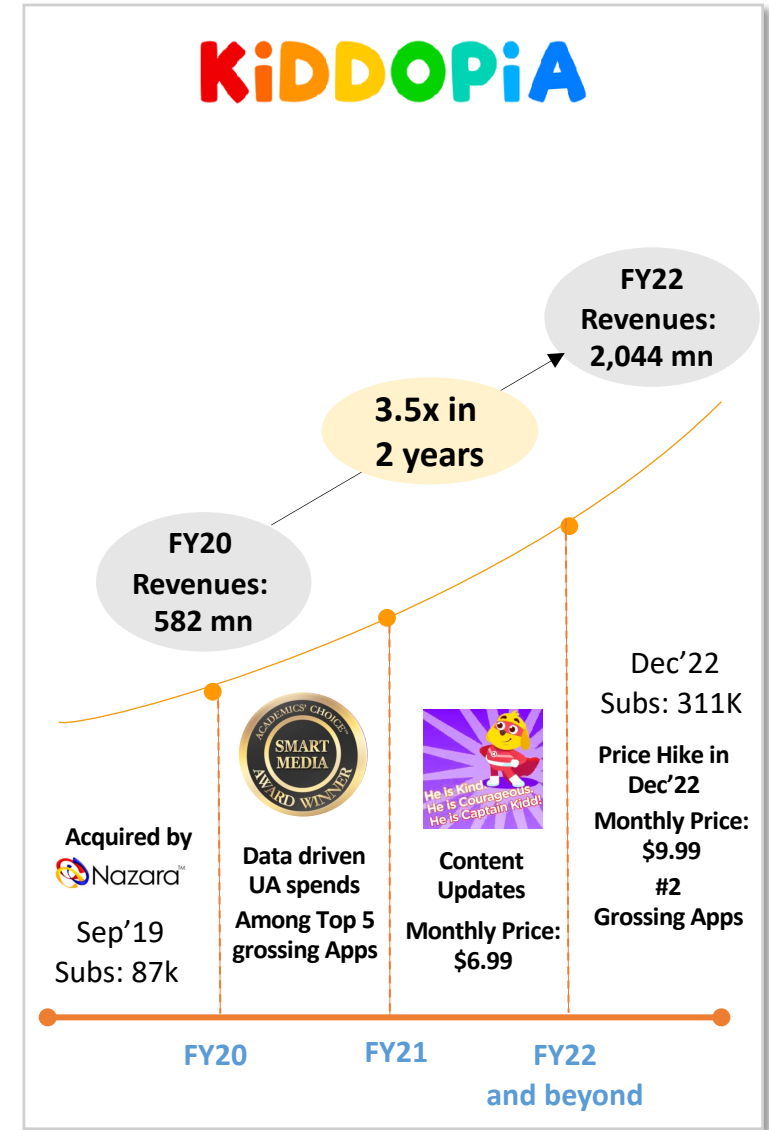
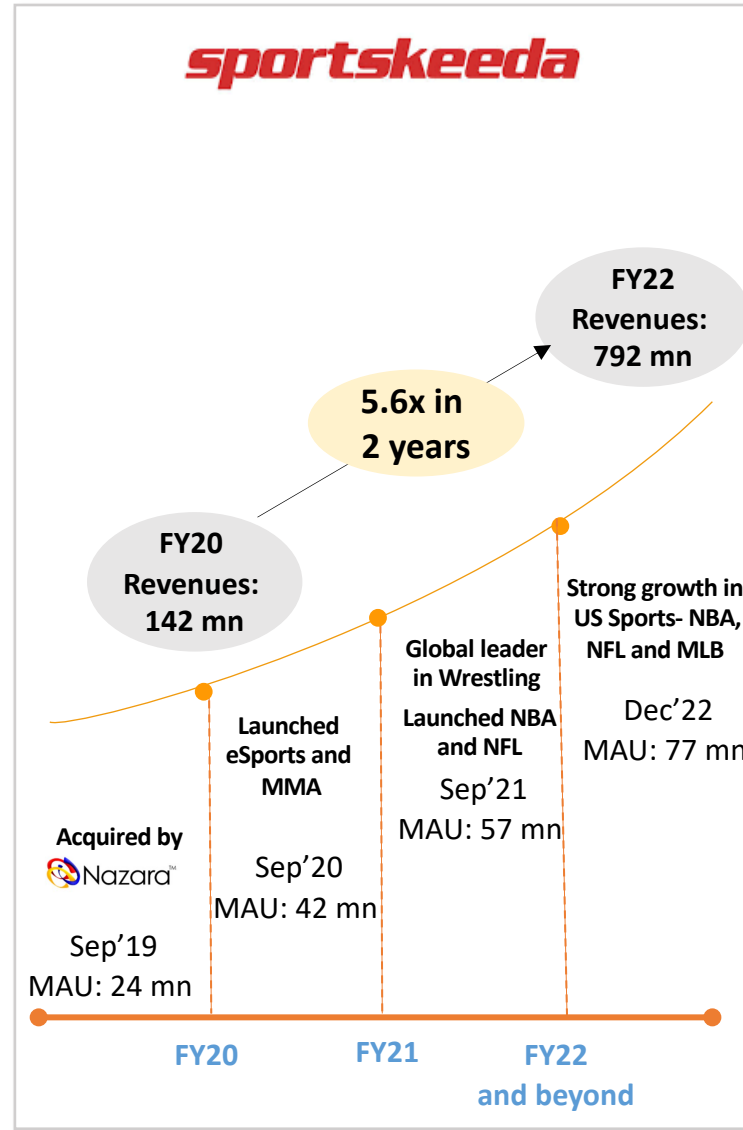
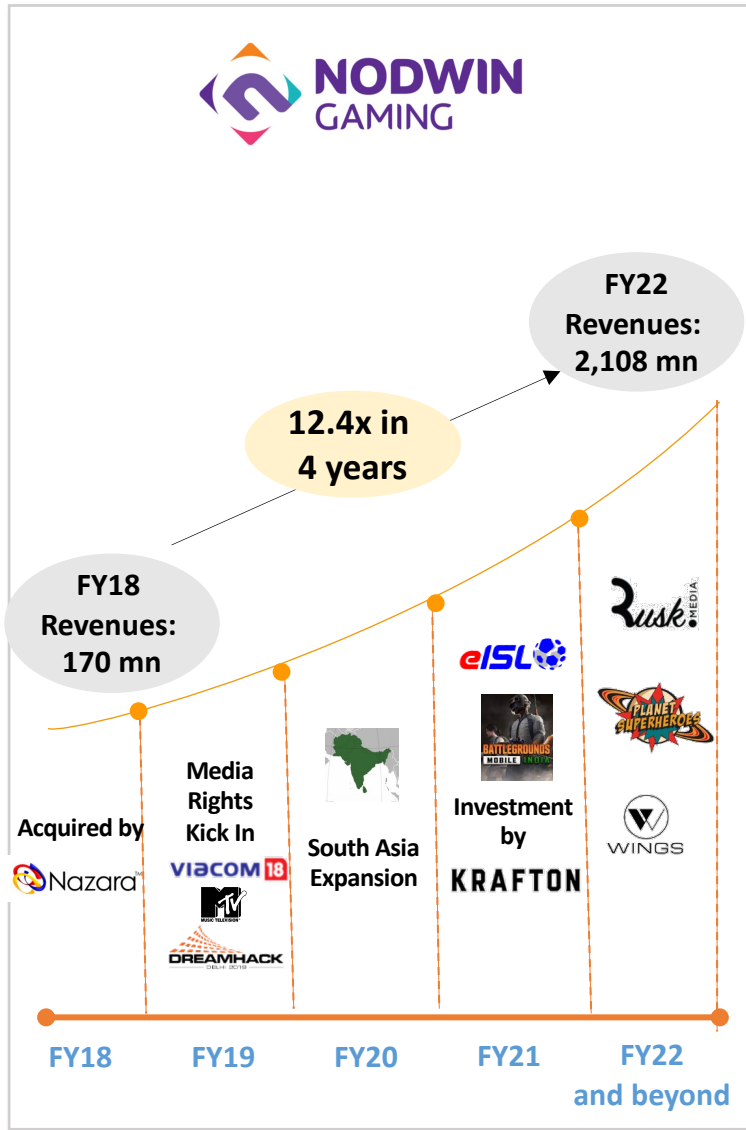
What we change in our companies:

- Board of Directors
- Financial Reporting
- Capital Allocation Framework

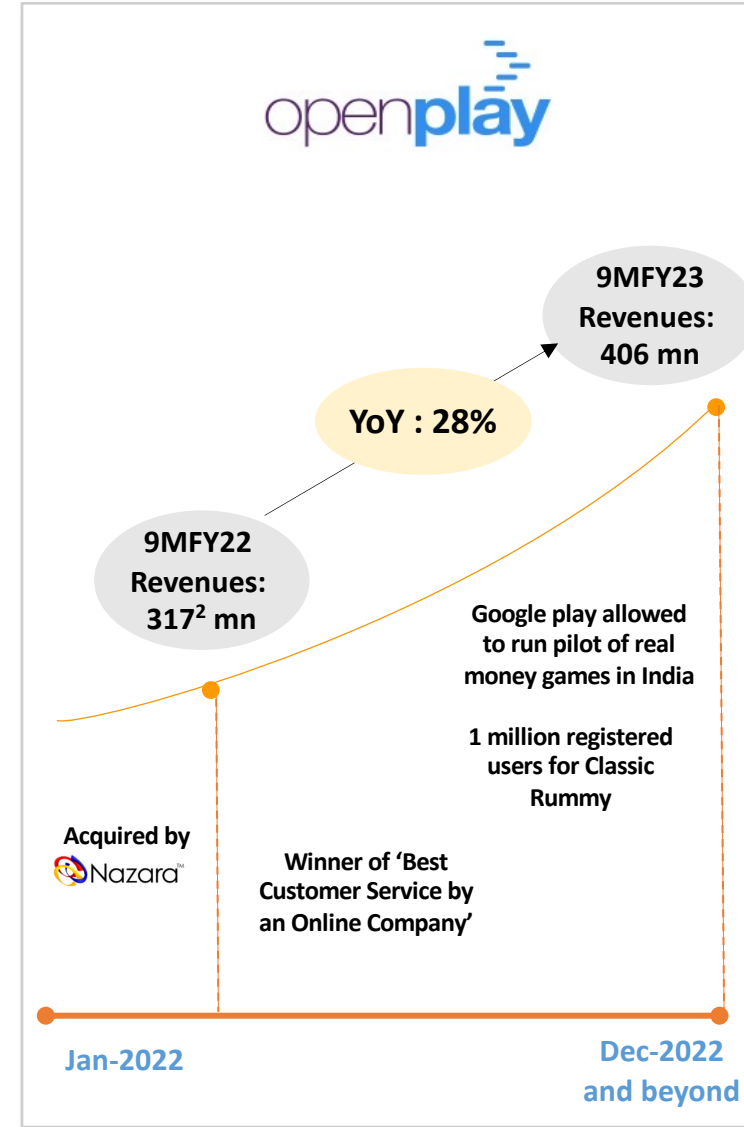
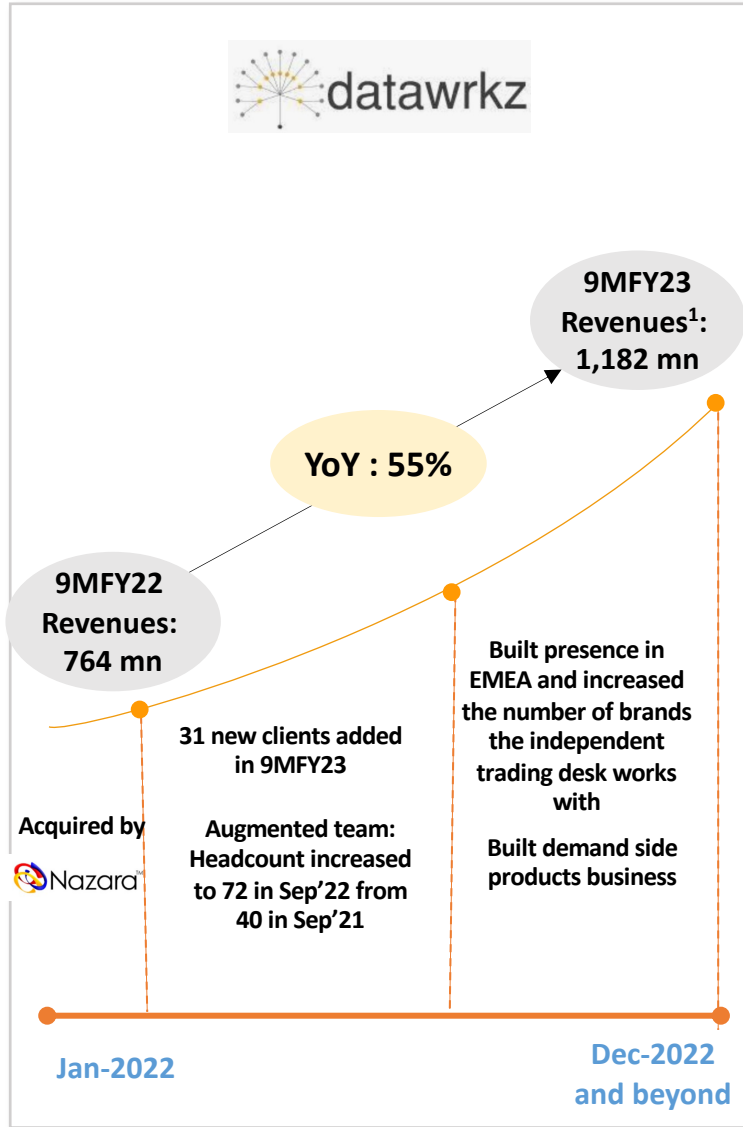
Infuse “Nazara DNA”:

- ✓ Long Term Mindset
- ✓ Driving Profitable Growth
- ✓ Enhanced Governance

We have successfully deployed the playbook to scale our businesses (1/2)



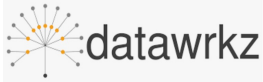






We have successfully deployed the playbook to scale our businesses (2/2)



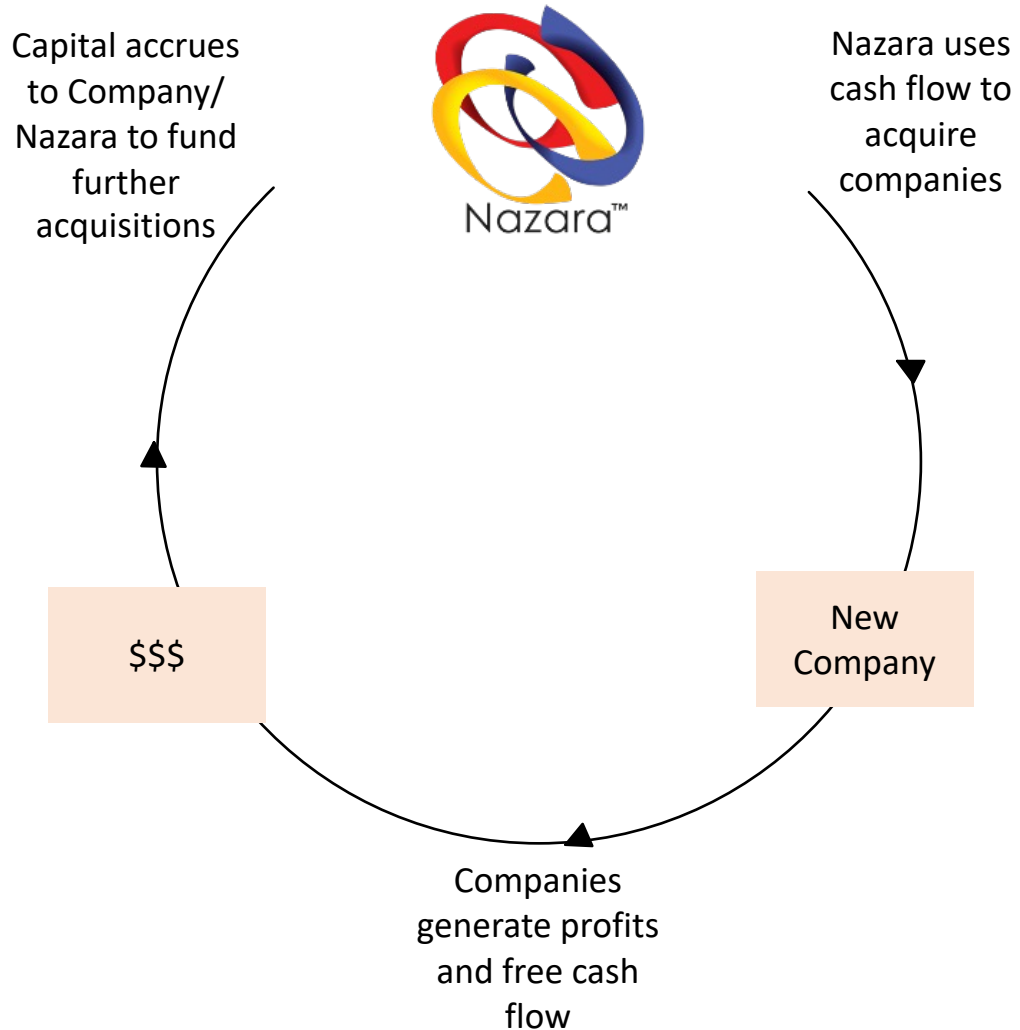
1. Business performance based on 9M financials. Consolidation in Nazara post 13-Apr-2022.
 2. Business performance based on 9M financials. Consolidation in Nazara post Aug-2021, hence full 9MFY22 not consolidated in Nazara.

We will continue to scale our existing five verticals through organic growth and M&A

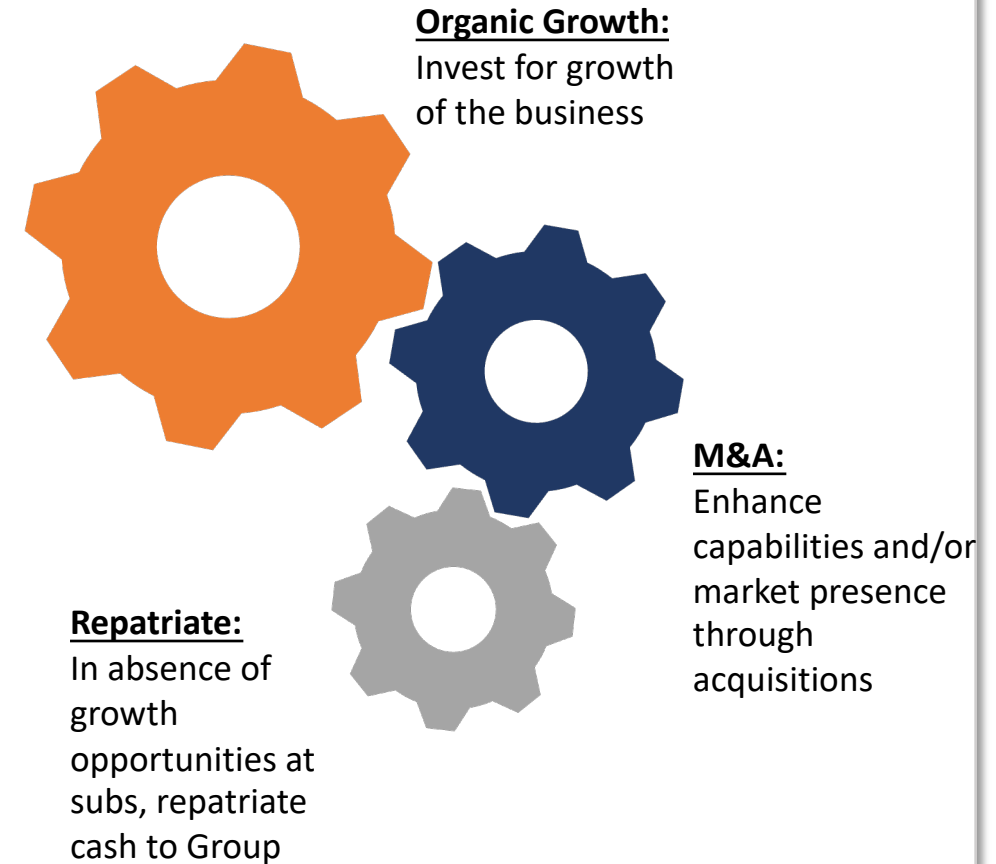
eSports	Gamified Early Learning	Adtech	Freemium	Skill based RMG
 <ul style="list-style-type: none"> • Esports market dominance in India and South Asia • Continue building Integrated ecosystem with comprehensive and bespoke offerings 	 <ul style="list-style-type: none"> • Growth in subscriber base at improved unit economics 	 <ul style="list-style-type: none"> • Built on-ground sales presence in the US • Growth in supply-side revenues through increased monetization options for publisher • Drive strategic M&A at Datawrkz 	 <ul style="list-style-type: none"> • Continued focus on product to drive IAP revenues • Develop more IPs 	 <ul style="list-style-type: none"> • Continue to build real money gaming segment through consolidation once regulatory clarity emerges
 <ul style="list-style-type: none"> • Enhance leadership position across multiple sports in India and US • Opportunistically acquire capabilities to strengthen market positioning 	 <ul style="list-style-type: none"> • Drive subscriber growth through user acquisition spends • Increase time spent and reduce churn through content updates 	<ul style="list-style-type: none"> • Acquire Adtech businesses, especially in developed markets 		
	<ul style="list-style-type: none"> • Bolster Nazara's Gamified Early learning offerings through strategic M&A 		<ul style="list-style-type: none"> • Acquire established game development studios to scale Freemium business • Focus on acquiring game IPs which can be adapted for Indian markets 	

We have a structured capital allocation framework at Nazara

M&A Flywheel at Nazara



Capital Allocation Framework at the Subsidiaries



Regulatory Impact: In a positive development, the MeitY proposed new IT Rules to cover skill based real money games (i.e., RMG)



Key Changes Proposed

- In December MEITY (Ministry of Electronics and Information Technology) was designated as the nodal ministry for online gaming. It has now published draft rules for games that involve real money (i.e., games with deposits and “winnings”)
- SRO (Self-Regulatory Organization)s to be formed
- All skill-based real money games have to be certified by SROs in advance
- Three-tier grievance redressal mechanism for individual customers
- More stringent KYC, and earlier in the customer onboarding process
- Membership of SRO will likely become an important test for Courts to determine if a game is legitimate – which should lead to weeding out games of chance

Impact on Nazara

- In terms of specific business impact, this regulation only impacts our RMG segment (which contributes to 5% of the total revenues)
- Process and timeline for formation of SROs yet to be announced, so no immediate positive or negative business impact
- Directionally, this step towards increased regulatory clarity is a positive for the RMG industry
- Risk factor: Stricter KYC norms and more cumbersome KYC process could lead to lower growth in new player registrations / higher customer acquisition costs
- Could lead to higher compliance costs, especially for smaller companies, which could lead to consolidation in the industry

We expect increased regulatory clarity to be a positive for Nazara in the medium to long term

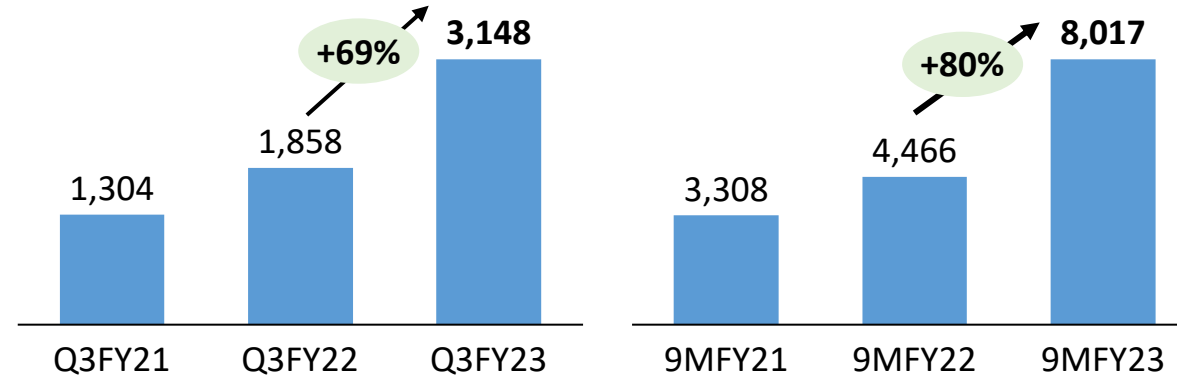


**Q3 and 9MFY23
Results**

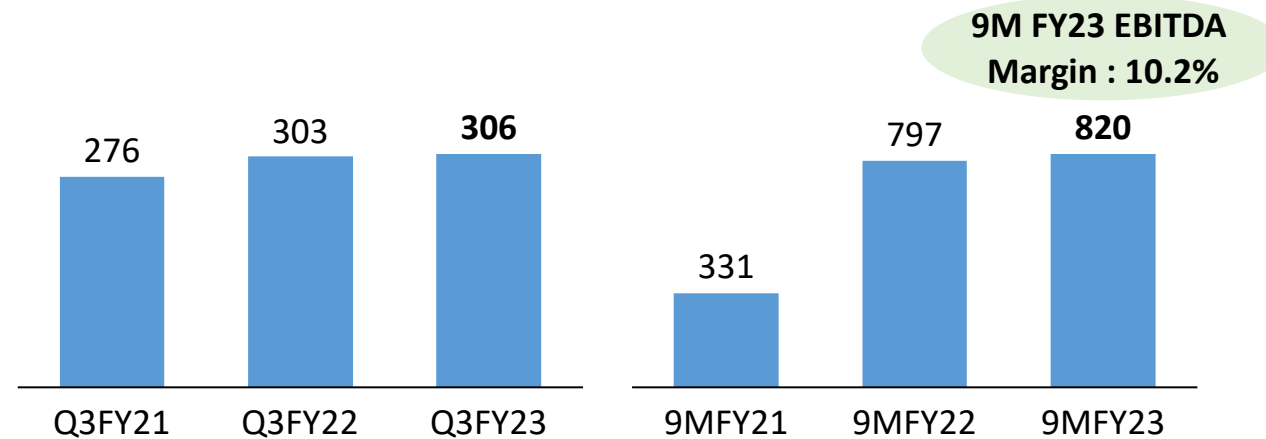
Our diversified business model -> consistent track record of profitable growth



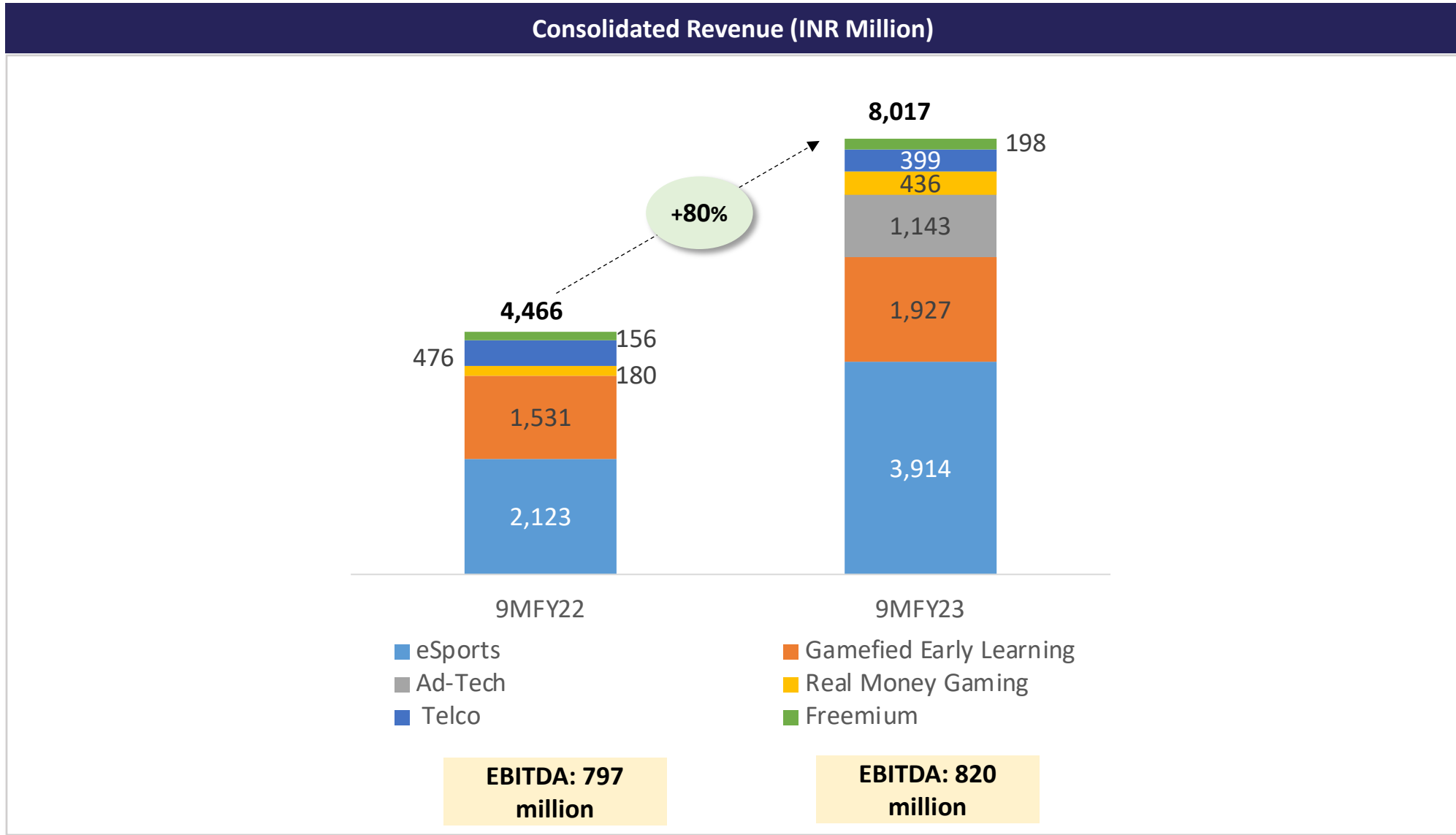
Revenue (in Rs. Mn)



EBITDA (in Rs. Mn)



Strong performance: All growth engines firing in 9MFY23 (1/3)



Strong performance: All growth engines firing in 9MFY23 (2/3)



(All figures in Rs. Mn)	9MFY23	9MFY22	YoY%	Q3FY23	Q3FY22	YoY%
Revenue by business segments						
i. Gamified early learning	1,927	1,531	26%	804	472	70%
ii. eSports	3,914	2,123	84%	1,525	1,093	40%
iii. Adtech	1,143	-	55% ¹	466	-	57% ¹
iv. Freemium	198	156	27%	70	57	23%
v. Real money gaming	436	180	142%	151	107	41%
vi. Telco subscription	399	476	-16%	132	129	2%
Total revenue from operations	8,017	4,466	80%	3,148	1,858	69%

(All figures in Rs. Mn)	9MFY23	9MFY22	YoY%	Q3FY23	Q3FY22	YoY%
EBITDA by business segments						
i. Gamified early learning	270	415	-35%	73	61	20%
ii. eSports	308	382	-19%	137	242	-43%
iii. Adtech	108	-	↑	40	-	↑
iv. Freemium	57	21	171%	21	14	50%
v. Real money gaming	85	-19	↑	33	1	↑
vi. Telco subscription	100	98	2%	45	11	350%
vii. Unallocated	-108	-100		-43	-26	
EBITDA	820	797	3%	306	303	1%
EBITDA margin (%)	10.2%	17.8%		9.7%	16.3%	

1. Business performance based on 9M financials. Consolidation in Nazara post 13-Apr-2022.

Strong performance: All growth engines firing in 9MFY23 (3/3)



Revenue growth of 80% in 9MFY23- multiple growth engines firing; EBITDA of 820 million (EBITDA Margin: 10.2%):

- **eSports: 84% YoY revenue growth in 9MFY23**
 - **Nodwin** revenue grew by 98% in 9MFY23 driven as multiple physical events came back after Covid-19 as well as strong growth in gaming accessories business
 - **Nodwin** EBITDA margin reduced to 0.8% in 9MFY23 vs. 9.9% in 9MFY22 due to growth investments which resulted in revenue growth of 98% YoY in 9MFY23
 - **Sportskeeda** revenues grew by 59% in 9MFY23, as US revenues grew ~100% during the same period
- **Gamified early learning: 26% YoY revenue growth in 9MFY23**
 - **Kiddopia subscriber growth** back after multiple quarters of decline (due to Apple IDFA). Also, we have taken another **price hike** in December. Both these factors led to revenue growth of 21% in Q3FY23 and 6% in 9M FY23 at Kiddopia
 - Kiddopia EBITDA margin of 15.4% in 9MFY23 due to higher marketing spends post Apple IDFA. We had curtailed marketing expenses in 9MFY22, once Apple announced privacy policy changes leading to higher margin in 9MFY22
 - Wildworks, which was acquired on 31st August, contributed to revenues of INR 298 million in 9MFY23
- **Adtech:** Datawrkz, which had a strong 9MFY23, and grew by 55% YoY in 9MFY23¹. The company added 31 new clients in the 9MFY23
- **Freemium:** Nextwave witnessed 38% growth in 9MFY23, driven by 48% growth in Ad revenues grew while IAP revenues grew by 14%
- **RMG:** Openplay witnessed 28% growth in 9MFY23², owing to operational improvements

1. Business performance based on 9M financials. Consolidation in Nazara post 13-Apr-2022.

2. Business performance based on 9M financials. Consolidation in Nazara post Aug-2021, hence full 9MFY22 not consolidated in Nazara.



Individual Segment Performance

Gamified Early Learning: Kiddopia and Animal Jam are our IPs in this segment

Kiddopia: #2 grossing App in its category¹



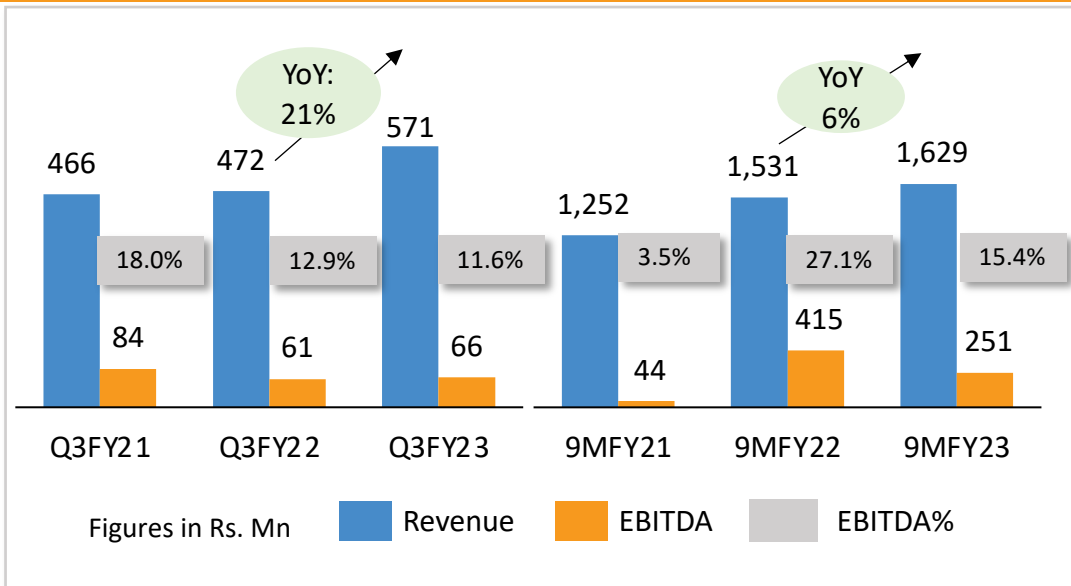
Animal Jam: #1 grossing App in its category²



Note: 1 Based on App Annie Top Grossing rank for Kids under 5 in the United States (iOS devices)

2. Based on App Annie Top Grossing rank for Kids between 8-12 years in the United States (iOS devices)

Business back on the growth trajectory

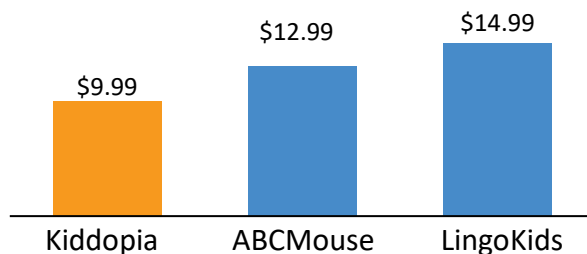


Quarterly KPIs: 3.7% QoQ Subscriber growth in Q3FY23

Key Metrics ¹	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
CPT (\$)	\$23.6	\$26.1	\$26.9	\$33.1	\$34.6	\$36.0	\$39.3	\$37.9	\$37.3
Marketing Spend (Mn)	\$2.8	\$3.1	\$1.8	\$2.6	\$2.8	\$2.4	\$2.7	\$3.1	\$3.4
Avg. Activation Rate	71.0%	71.0%	71.0%	71.0%	71.0%	70.0%	70.0%	70.0%	70.0%
Avg. ARPU	\$6.3	\$6.4	\$6.4	\$6.6	\$6.7	\$6.7	\$6.7	\$6.8	\$6.8
Avg. Churn	5.5%	6.3%	6.5%	5.3%	5.5%	6.8%	5.9%	6.5%	5.9%
Subscribers	316,428	340,482	321,763	324,699	327,738	308,684	301,916	299,965	310,981
Subs. Growth (QoQ)	12.7%	7.6%	-5.5%	0.9%	0.9%	-5.8%	-2.2%	-0.6%	3.7%

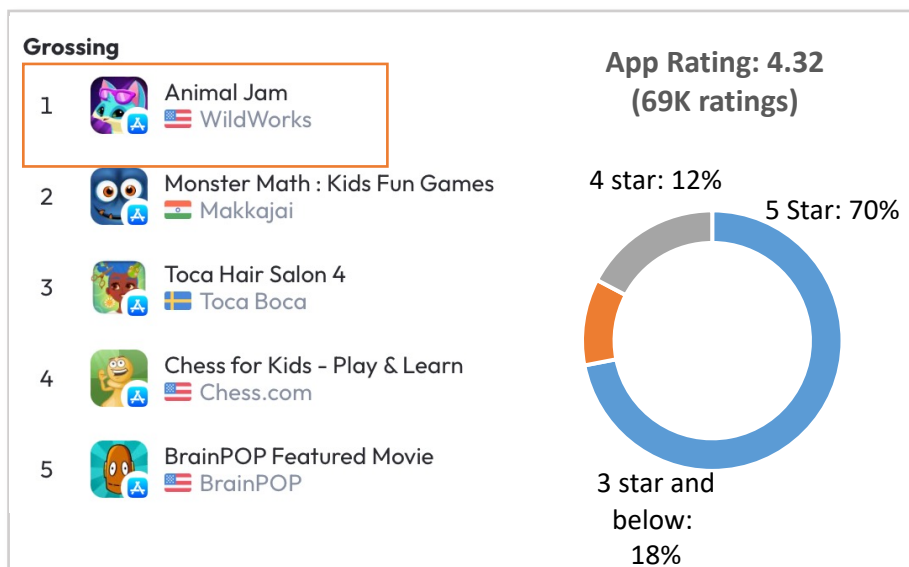
Prices hiked in December, prices still lowest vs. peers

Monthly Subscription Pricing



- **Subscriber Growth:** Subscriber growth of 3.7% QoQ in Q3FY23. We have increased marketing spend to \$3.4 million in Q3FY23, while maintaining **CPT at \$37** per user though channel optimization for the user acquisition spends
- **Price Hike:** Kiddopia has taken another price hike in December increasing monthly pricing to \$9.99 from \$8.99 and annual pricing to \$79.99 from \$69.99 previously. The increased pricing allows us to spend more for UA, even at higher CPT without regressing the unit economics model beyond our thresholds

- Founded in 2003 and headquartered in Utah, WildWorks is one of the most successful and established game studios in the US focused on the kids aged 8-12 years. Wildworks' Animal Jam is the #1 Grossing Apps in its category
- WildWorks Animal Jam game is an online playground for kids who love animals and the natural world. Available on iOS and Android mobile devices in addition to Mac and PC computers, the game features world building and multiplayer games in a closely moderated social play space and offers a wealth of free STEM-oriented educational content that players can access in the app and through the AJ Academy website
- WildWorks revenues were INR 298 million in revenue, with EBITDA of INR 19 million in 9MFY23¹



Investment Rationale

- WildWorks enables Nazara to solidify leadership position in the gamified learning space for kids
- The 8-12 player demographic of Animal Jam builds on the success of Kiddopia early learning product for kids 2-7, extending reach with families while maintaining focus on high quality educational content

Growth strategies post acquisition

Invigorate Core Business:

- Increase user acquisition spend to drive subscriber growth
- Leverage the learning from Kiddopia business to optimize acquisition investment
- Accelerate production of content updates
- Increase geographic reach through partnerships in APAC & LatAm
- Brand Partnerships to drive further growth

Events in Q3FY22



Dreamhack , Hyderabad (Nov 2022)



PMPL South Asia Fall (Aug-Oct 2022)

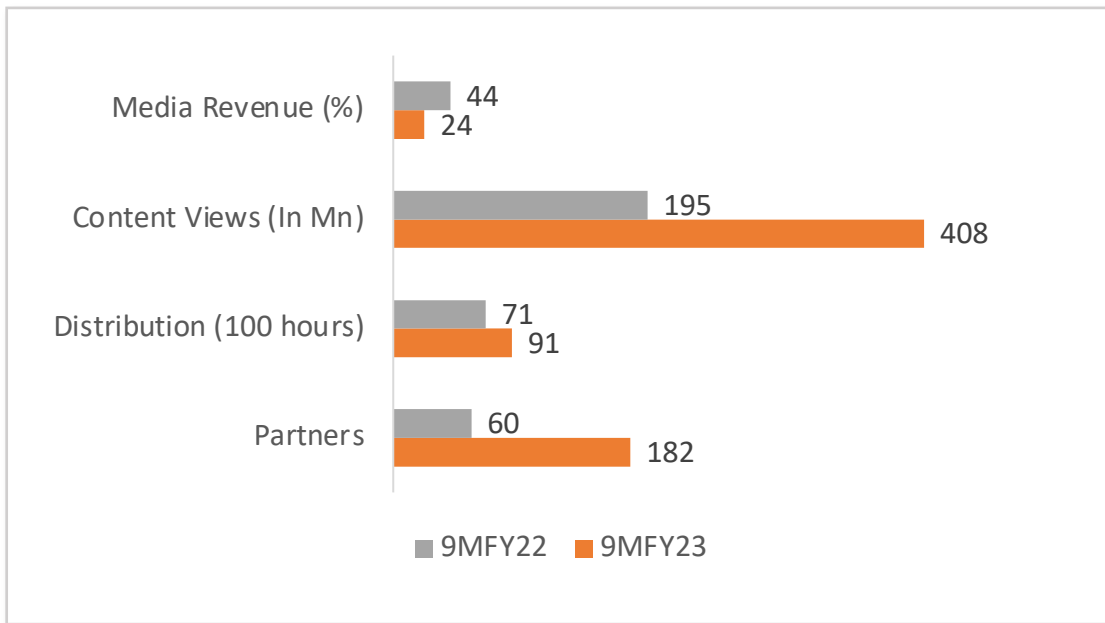
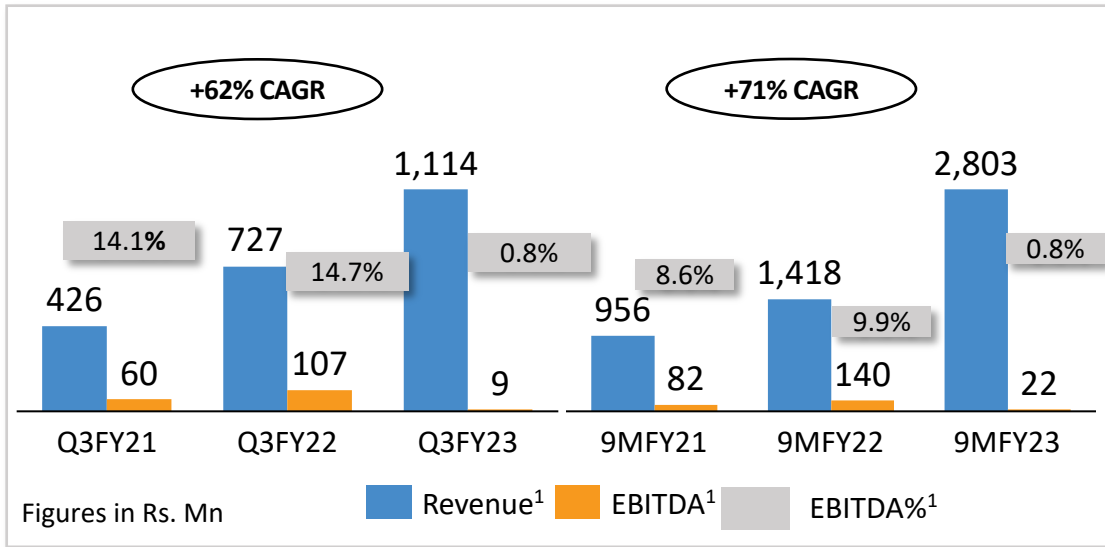
Upcoming events



India Premiership 2023 (starting January 2023)

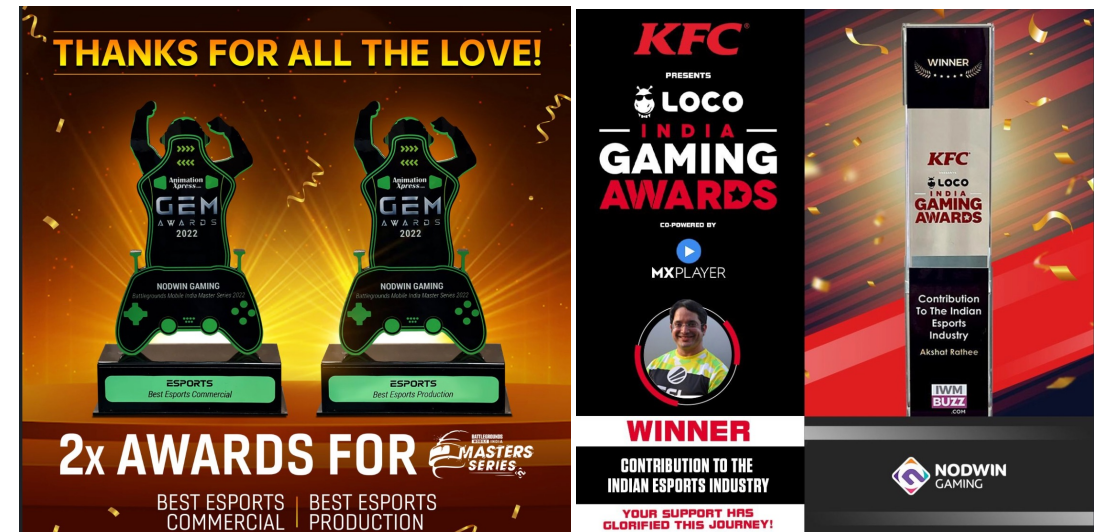
Bacardi NH7 Weekender
Pune (Nov 2022)Breezer Vivid Shuffle
Hyderabad, Mumbai and Guwahati
(Nov 2022)Valorant Event
(details to be announced)

eSports: Nodwin Gaming- On a path of consistent high revenue growth



- Nodwin revenue grew by 98% in 9MFY23 driven by 53% YoY growth in Q3FY23. Nodwin witnessed growth in revenues led by offline events such as Dreamhack, NH7 weekender etc as well as creation of new international IPs. In addition, the company saw strong media rights revenue from new IPs such as Playground in this quarter
- Nodwin EBITDA margin reduced to 0.8% in 9MFY23 due growth investments which resulted in revenue growth of 98% YoY in 9MFY23
- Benefits for operating leverage to kick in as we scale revenues 1) Own IPs and Media rights revenue streams to show non-linear EBITDA growth as IPs scale 2) D2C business to become margin accretive once brands are established

Recent Awards



1. includes Rusk Distribution, Superhero and Brandscale (Wings) financials

Note: Nodwin exercises control over Brandscale and hence Brandscale has been consolidated as a subsidiary

Targeting the eSports fan across passion points, Nodwin has developed multiple offerings such as OML IPs for music/live events, Rusk Distribution for Content Needs, Wings for Gaming accessories and Planet Superhero for gaming merchandise

Playground Season 2 launched on Amazon MiniTV on 11th Jan



- Playground 1 became a huge success amassing 400M+ views and 17M+ unique viewers in the first edition
- Playground 2 will be bigger with five and five teams
- The show will be distributed on Amazon MiniTV and the livestream will be available on Playground's YouTube channel

Strong growth at Wings: 300% revenue growth in Q3FY23



- Wings emerged as the no.1 gaming brand on Flipkart and has achieved over 30%+ market share on Flipkart in gaming accessories¹
- Wings also participated in Dreamhack and NH7 Weekender (the first gaming accessories brand to participate in a music festival)
- Wings continues to be on a very fast growth trajectory, and achieved 300% YoY revenue growth in Q3FY23



Rohit Sharma with yet another fifty 🏏🏠

#CricketTwitter #indvsnz



ROHIT SHARMA
VS NEW ZEALAND

FIFTY!

sportskeeda

Best and Worst of RAW's 30th anniversary: Major storyline to have a heartbreaking end, popular superstar repeatedly gets buried (January 23, 2023)

By [Rohit Nath](#) | Modified Jan 24, 2023 10:53 AM IST

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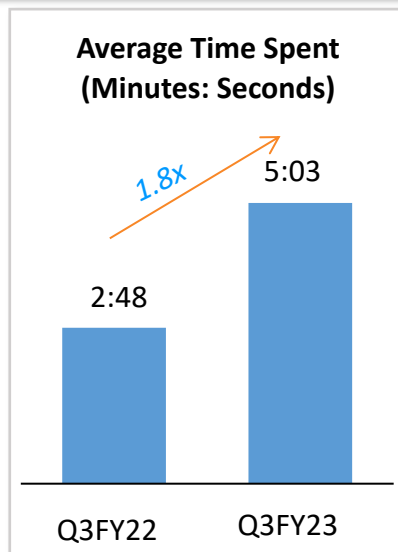
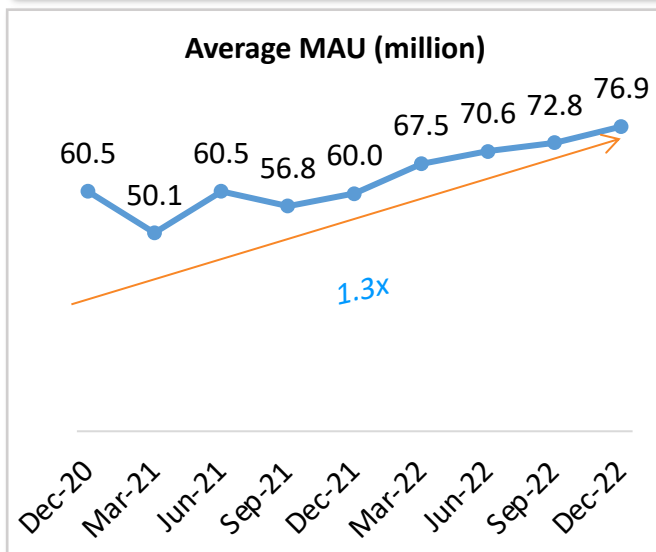
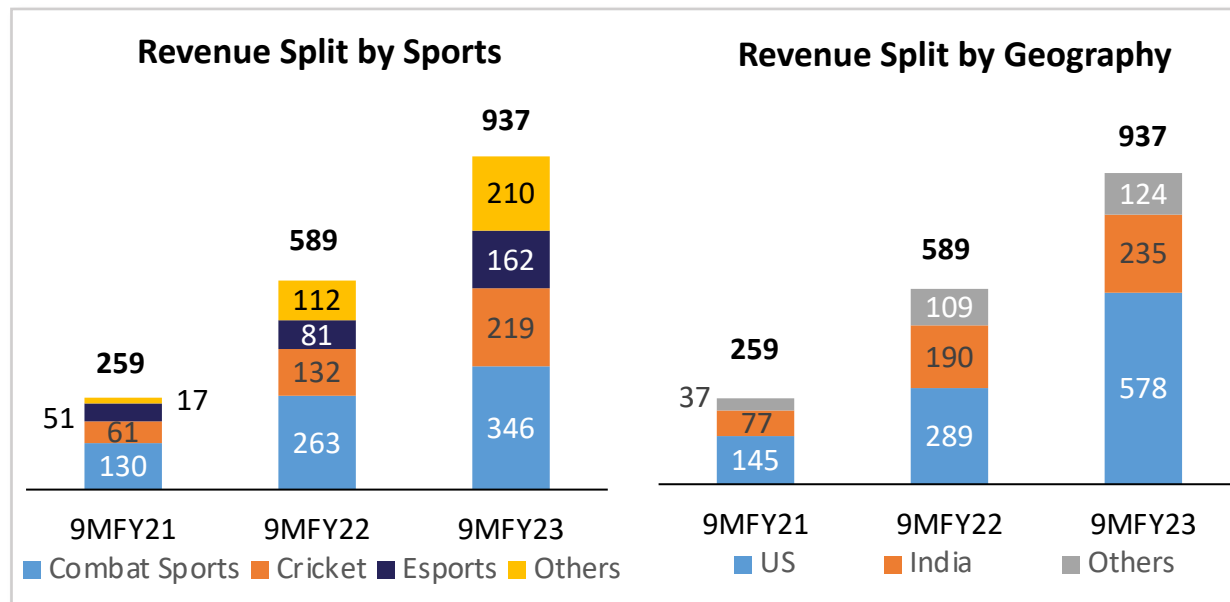
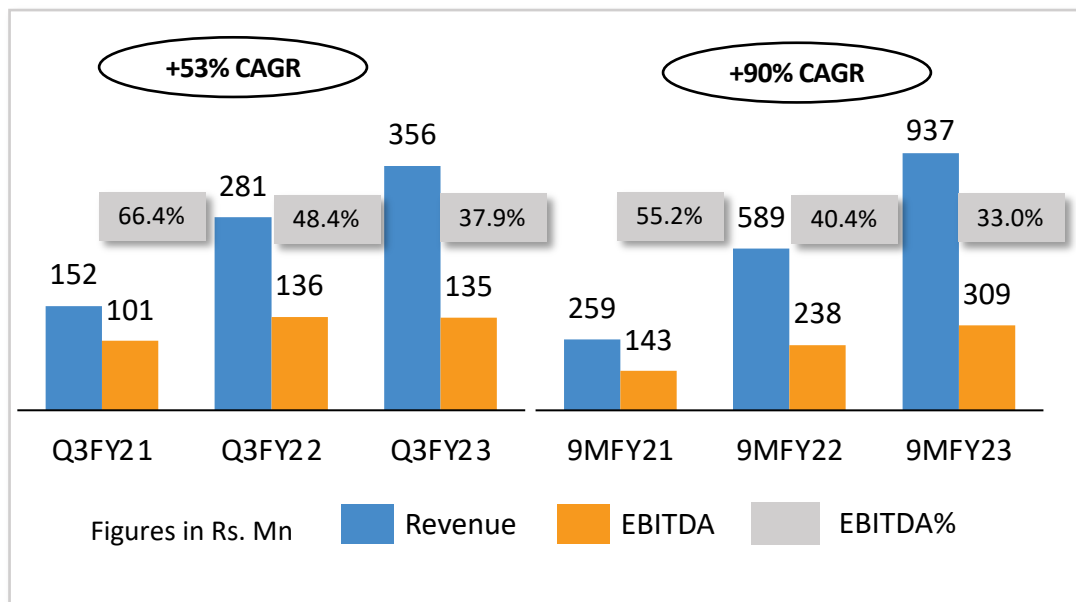
sportskeeda

Is Giannis Antetokounmpo playing tonight against the Detroit Pistons? | January 23rd, 2023 | 2022-23 NBA Season

By [Kevin McCormick](#) | Modified Jan 23, 2023 07:41 PM EDT

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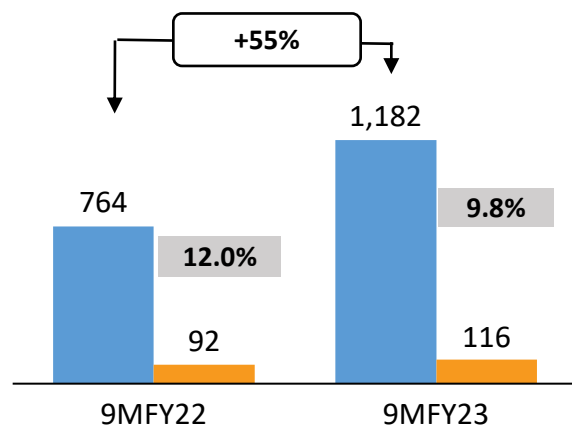




- Revenue growth of 59% in 9MFY23 compared to 9MFY22, owing to strong growth in revenues from the US market where Sportskeeda scaled video business and strengthened text offering in core American sports like NBA, NFL and MLB. 99% growth in revenue from eSports for Sportskeeda in 9MFY23
- 28% growth in MAU in Dec'22 vs Dec'21 driven by 70% growth in other sports including American Football, MLB, Tennis, Golf, Health and Fitness as well as 25% growth in Cricket MAU. This coincided with the cricketing season in India, including T20 World Cup
- In addition, due to cricketing season in India, direct brand sales now contribute to Rs. 221 million in 9MFY23 (24% of total revenue) compared to Rs. 79 million (13% of total revenue) in 9MFY22

Figures in Rs. Mn

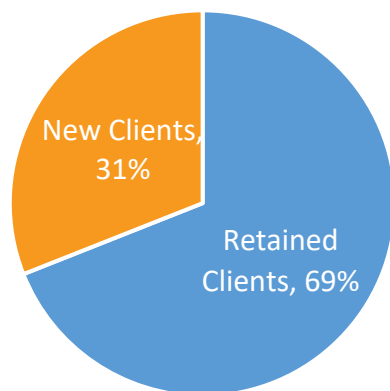
Revenue* EBITDA* EBITDA %



Note:

* Business performance based on 9M financials. Consolidation in Nazara post 13-Apr-2022

Revenue from Clients (9MFY23)



- Datawrkz revenue grew by 55%* YoY in 9MFY23. 31 new clients added in 9MFY23, contributing to 31% of total revenues in the same period
- Datawrkz has established sales presence in EMEA region. Datawrkz is also working on the demand side product business. For the domestic business, the company is working on supply side products which could be launched in next few quarters

Key Clients

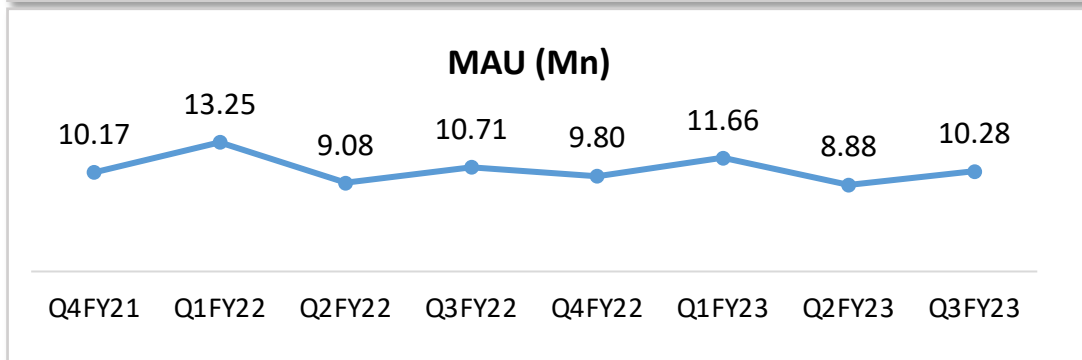
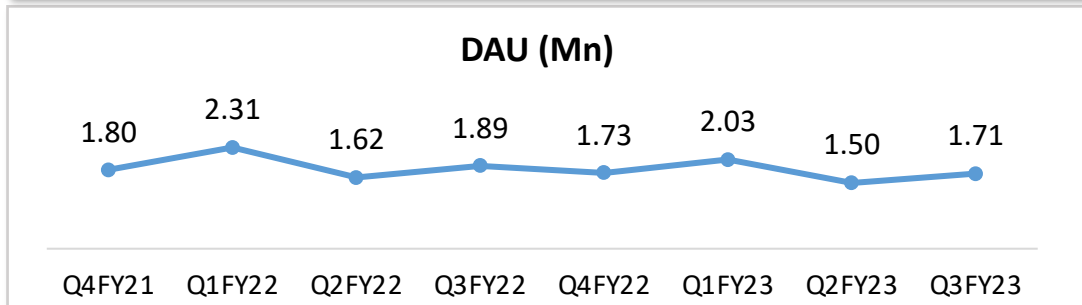
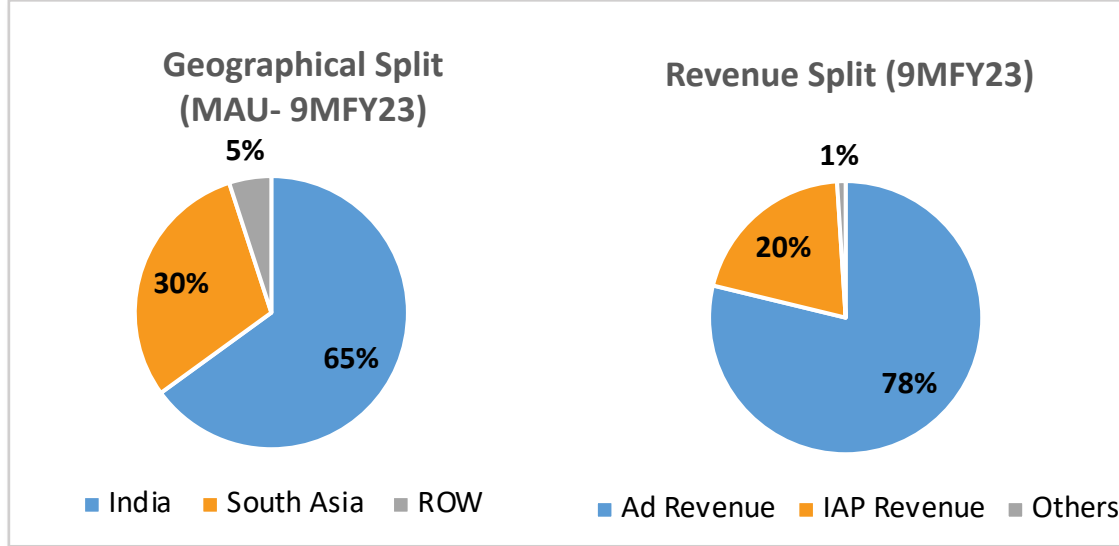
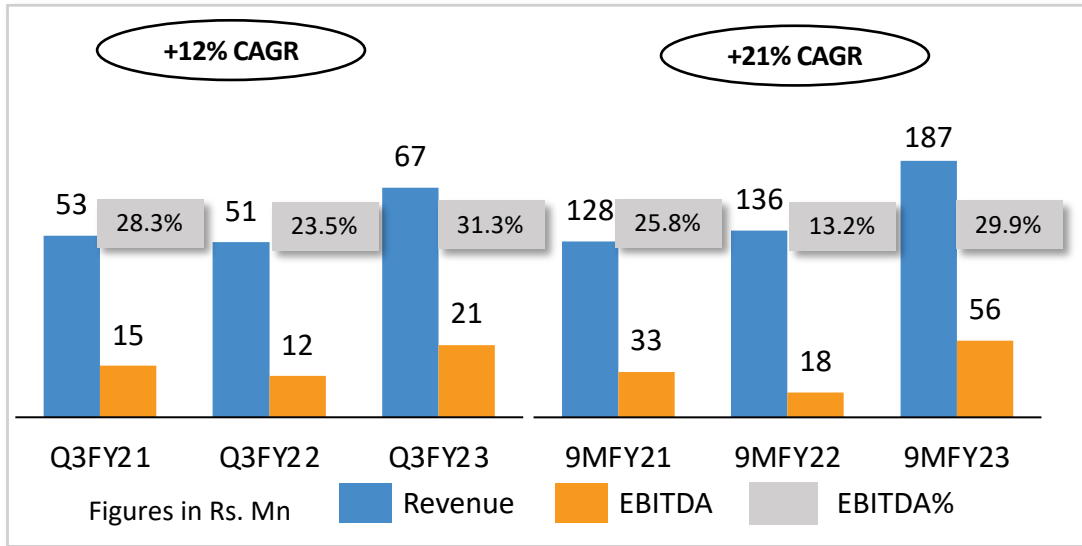


* Business performance based on 9M financials. Consolidation in Nazara post 13-Apr-2022.

Note: Nazara exercises control over Datawrkz and hence Datawrkz has been consolidated as a subsidiary post

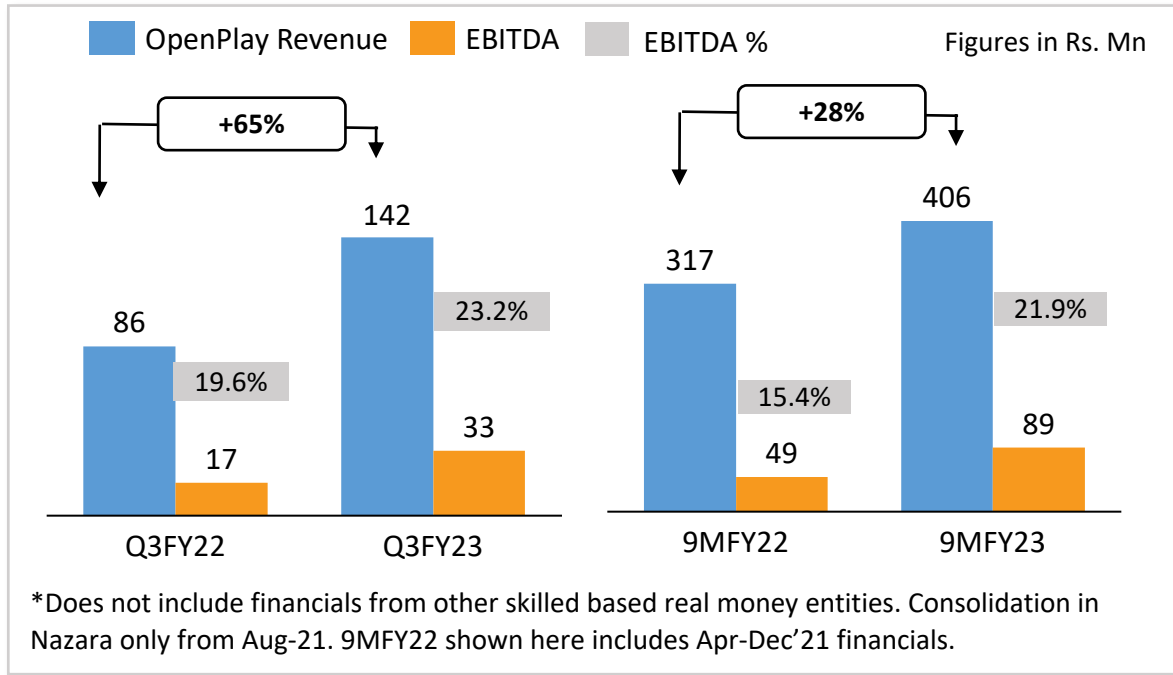
13-April-2022 when Nazara acquired 33% stake. Nazara has sent intimation in Dec-22 to Datawrkz to acquire additional 22% stake as per SHA





- Revenues grew by 38% in 9MFY23 over 9MFY22, driven by 48% growth in Ad revenues and 14% growth in IAP revenues
- EBITDA margin increased to 29.9% in 9MFY23 on account of revenue growth as operating expenses remained constant
- WCC Franchise¹ shows strong retention metrics: Day 1 retention of 46%, Day 7 retention of 18% and Day 30 retention of 7% in 9MFY23
- Company is actively looking to foray into web 3.0 and play to its strength of proven game engine & cult like status among crick simulation game fans

1. Retention metrics across WCC2 and WCC3

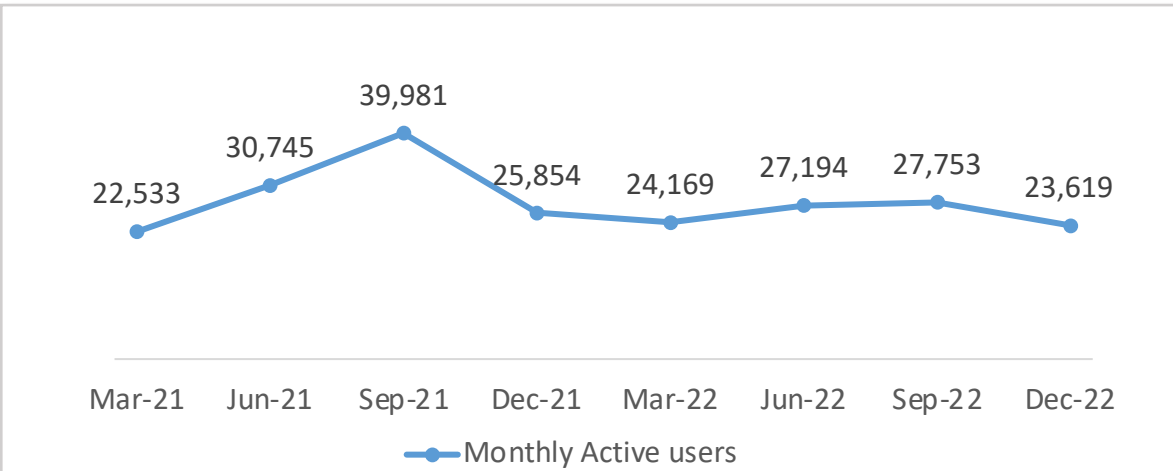


Classic Rummy- Our IP in the RMG segment



- Revenue growth of 28% in 9MFY23, as Openplay works on optimization of product
- Monthly Unique paying customers stood at 23,619 for the month of December 2022
- Monthly Unique Depositors stood at 19,306 for the month of December 2022

Regulatory Impact: Proposed new IT Rules, which are the first step towards clearer regulation of this sector. We await further regulatory clarity with respect to taxation





Consolidated Financials

Consolidated revenue growth of 80% with EBITDA margin of 10.2% and PAT growth of 22% in 9MFY23



<i>(All figures in INR mn)</i>	9MFY23	9MFY22	YoY%	Q3FY23	Q3FY22	YoY%	FY22
Revenue from operations	8,017	4,466	80%	3,148	1,858	69%	6,217
Content, event and web server	3,173	864		1,433	484		1,396
Advertising and promotion	1,926	1,501		563	568		2,017
Commission	399	382		142	114		504
Employee benefits	1,064	611		436	264		881
Others	635	311		268	125		473
Total expenses	7,197	3,669		2,842	1,556		5,271
EBITDA	820	797	3%	306	303	1%	946
EBITDA%	10.2%	17.8%		9.7%	16.3%		15.2%
Impairment Loss	81	67		5	12		87
Finance costs	18	2		5	0		6
Depreciation and amortization	365	276		126	107		390
Other income	413	145		115	40		241
PBT before share of profit / (loss) from associate	769	597		285	224		704
Tax expenses	211	133		61	53		192
PAT before share of profit / (loss) from associate	558	464		224	171		512
Share of profit / (loss) from associates	0	-5		0	0		-5
Final PAT	558	459	22%	224	171	31%	507
PAT%	7.0%	10.3%		7.1%	9.2%		8.2%

Highlights: Consolidated revenue growth of 80%, EBITDA of 820 million, PAT growth of 22% in 9MFY23



Revenue growth of 80% in 9MFY23- multiple growth engines firing:

- **eSports: 84% YoY revenue growth in 9MFY23**
 - Nodwin revenue grew by 98% in 9MFY23 driven as multiple physical events came back after Covid-19 as well as strong growth in gaming accessories business
 - Sportskeeda revenues grew by 59%, as US revenues grew ~100%
- **Gamified early learning: 26% YoY revenue growth in 9MFY23**
 - **Kiddopia subscribers growth** back after multiple quarters of decline (due to Apple IDFA). Also, we have taken another **price hike** in December. Both these factors led to revenue growth of 21% in Q3FY23 and 6% in 9M FY23 at Kiddopia
 - Wildworks, which was acquired on 31st August, contributed to revenues of INR 298 million in 9MFY23
- **Adtech:** Datawrkz, which had a strong 9MFY23, and grew by 55% YoY in 9MFY23. The company added 31 new clients in the 9MFY23
- **Freemium:** Nextwave witnessed 38% growth in 9MFY23, driven by 48% growth in Ad revenues grew while IAP revenues grew by 14%
- **RMG:** Openplay witnessed 28% growth in 9MFY23, owing to operational improvements

EBITDA of INR 820 million; margin of 10.2% in 9MFY23

- All major segments continue to be EBITDA positive, even with this high growth trajectory

PAT growth of 31% YoY in Q3FY23 as well as 22% YoY in 9MFY23

- Other income of INR 413 million in 9MFY23 compared to 145 million in 9MFY22

Company :



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Appendix

Our Core Business is acquiring and scaling gaming and related businesses



Founded 1999

Started as distributor of games