

July 28, 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 June 30, 2023

In pursuance 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 June 30, 2023.

This is for your information and records.

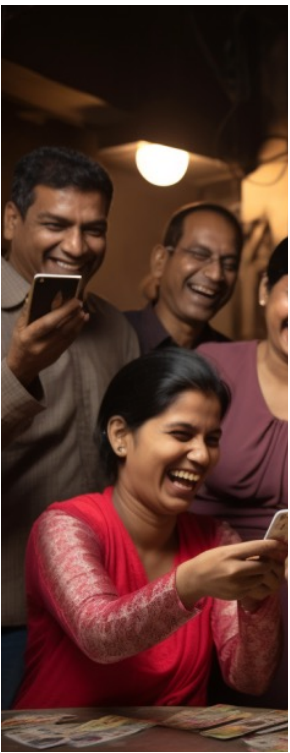
Thanking You,

Yours faithfully,

For **Nazara Technologies Limited**

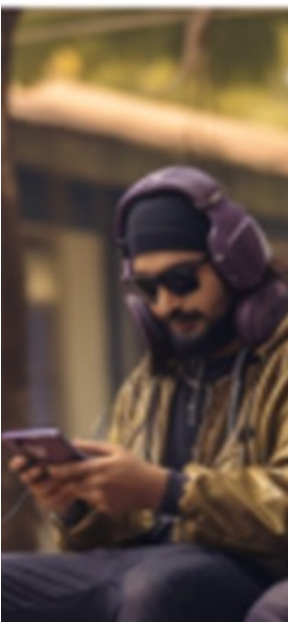
Rakesh Shah
Chief Financial Officer

Encl: As above



Nazara™

Nazara Technologies Limited



Investor Presentation

Q1FY24



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Q1FY24: 10 quarters of growth in revenue and profits since IPO

Q1 FY24 saw our revenue grow by 14% YoY to INR 254.4 cr, EBITDA by 10% to INR 33.1 cr & PAT up by 31% to INR 20.9 cr. Our EBITDA margin for Q1 stood at 13.0%

Our revenue and EBITDA growth is expected to accelerate in coming quarters due to seasonality and our decision to defer key esports launches to benefit from upcoming opportunities.

Of note, Sportskeeda continued to deliver a strong performance with a strong 52% growth YoY in revenues and 55% in EBITDA.

The recent announcements related to skill-based real money gaming business will have minimal impact on our overall financial performance as its contribution is limited to 4.7% of our revenue and 0.5% of our EBITDA in Q1FY24.

We continue to build a healthy pipeline of M&A opportunities in various segments that we operate in with a focus on adding gaming IPs and strong teams to our platform.

In closing, I am happy to note that this is our 10th quarterly results since our IPO delivering consistent YoY growth in revenues and profits. We remain dedicated to our stated vision of building out a well-diversified gaming platform that keeps growing stronger as the gaming industry evolves.

Nitish Mittersain
Joint MD and CEO



14% Revenue Growth, 13.0% EBITDA Margin, 31% PAT growth in Q1FY24



<i>(All figures in INR Cr)</i>	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%	FY23
Revenue from operations	254.4	223.1	14%	289.3	-12%	1,091.0
Content, event and web server	90.4	71.2		133.6		450.9
Advertising and promotion	45.7	65.0		47.3		239.9
Commission	13.7	12.1		14.0		53.9
Employee benefits	45.4	28.4		42.6		149.0
Others	26.2	16.3		24.1		87.6
Total expenses	221.3	193.0		261.5		981.2
EBITDA	33.1	30.0	10%	27.8	19%	109.8
EBITDA%	13.0%	13.5%		9.6%		10.1%
Impairment Loss	0.1	0.0		0.5		8.6
Finance costs	1.3	0.4		2.9		4.7
Depreciation and amortization	15.2	14.3		16.0		57.1
Other income	11.7	6.6		8.2		49.5
PBT before share of profit / (loss) from associate	28.4	21.9		16.5		88.8
Tax expenses	7.4	6.0		4.6		25.4
PAT before share of profit / (loss) from associate	20.9	15.9		11.9		63.4
Share of profit / (loss) from associates	0.0	0.0		0.0		0.0
Loss from Discontinued Operations	0.0	0.0		-2.5		-2.0
Final PAT	20.9	15.9	31%	9.4	122%	61.4
PAT%	8.2%	7.1%		3.2%		5.6%

Q1FY24: Gaming margin at 24.6%, eSports at 8.7%; Adtech at 4.8% in Q1FY24

Gaming



Q1FY24 Performance (INR Cr)

Revenue: 109.5

YoY Growth: 24%

EBITDA: 26.9

YoY Growth: 41%

EBITDA Margin: 24.6%

eSports



Revenue: 117.8

YoY Growth: 15%

EBITDA: 10.3

YoY Growth: -6%

EBITDA Margin: 8.7%

Adtech

Revenue: 27.1 Cr (-16% YoY)

EBITDA: 1.3 Cr (-62% YoY)

EBITDA Margin: 4.8%

Q1FY24 Performance (INR Cr)

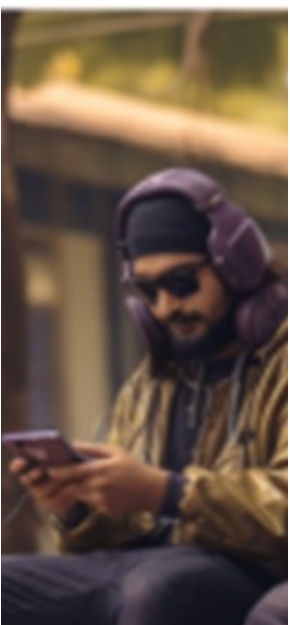
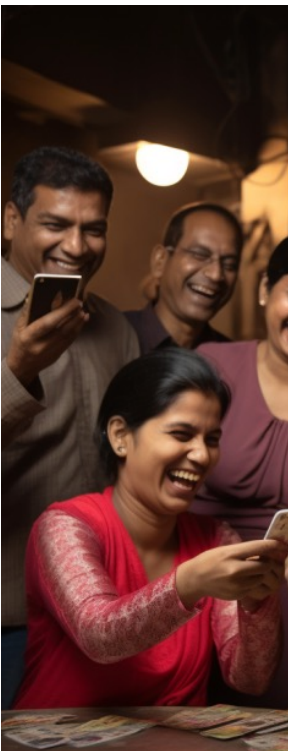
EBITDA (pre-unallocated Corporate costs): 38.5

Margin : 15.1%

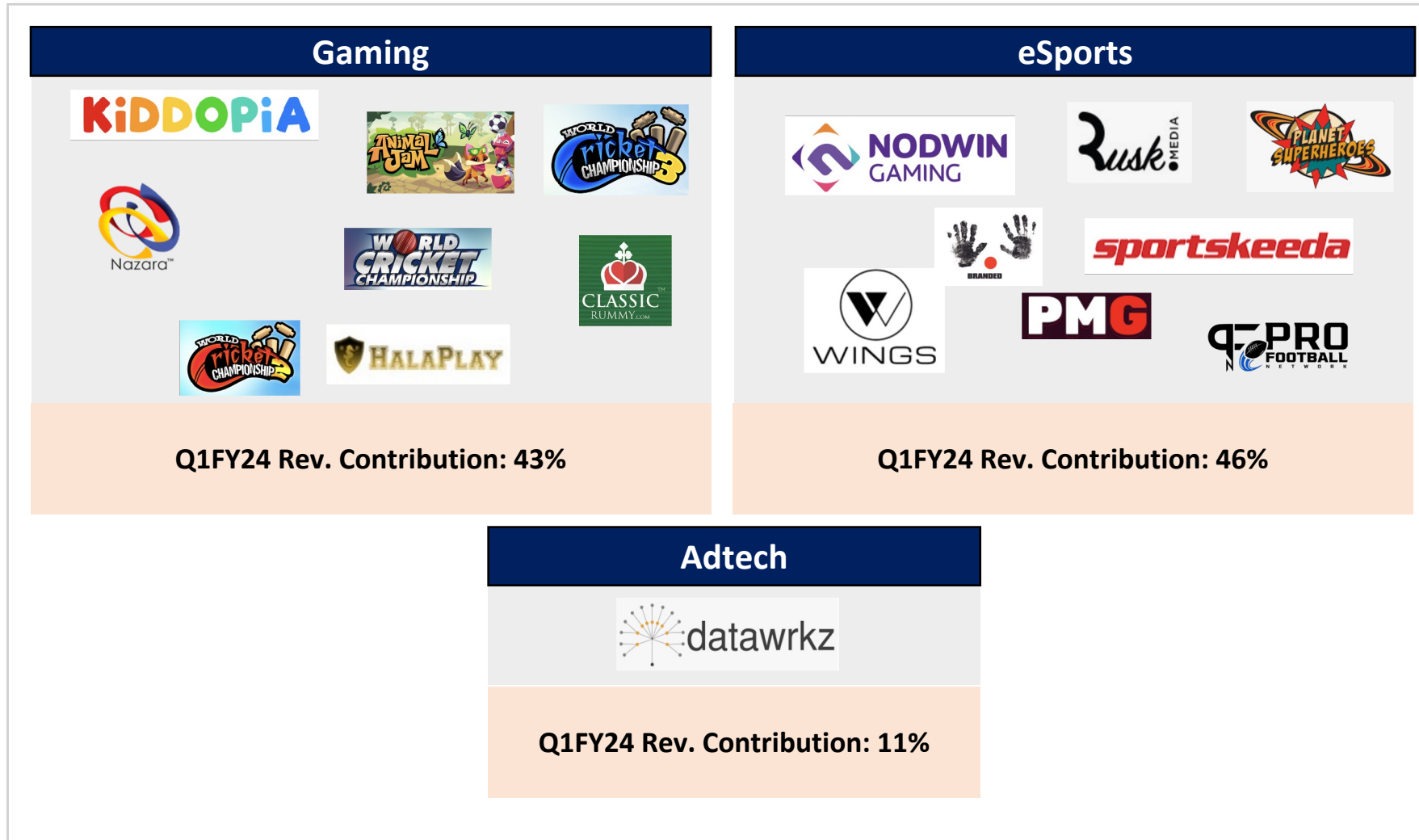
EBITDA (post-unallocated Corporate costs): 33.1

Margin : 13.0%

Segment wise Business Performance








We have three segments: Gaming, eSports, Adtech



Gaming: Building leading IPs to capture the large gaming market opportunity



Q1FY24: Revenue: 109.5 Cr YoY Growth: 24% EBITDA Margin: 24.6%

Brand / IP	Sub-segment	Demographics	Key Market	Monetization Model	Market Positioning	Financials Q1FY24, INR Cr
 	Gamified Early Learning	Kids- 2-12 years of age	US (80%+)	In-App Purchases, Subscription	#1 Grossing app in its category ¹ #2 Grossing app in its category ²	Revenue: 79.6 EBITDA: 21.1 Margin: 26.5%
	Freemium	13-45 years old	South Asia (96%)	Advertising, In-App Purchases	World's largest cricket simulation game	Revenue: 7.2 EBITDA: 2.5 Margin: 34.4%
	Skill based Real Money Gaming (RMG) ¹	18-45 years old	India (100%)	Platform Fees	Among Top 10 players in Rummy in India	Revenue: 12.0 EBITDA: 0.2 Margin: 1.4%
	Telco Distribution	18-45 years old	Middle East, Africa	Subscription	Preferred partner for Telcos and game developers	Revenue: 10.8 EBITDA: 3.1 Margin: 29.9%

Note: 1 Based on App Annie Top Grossing rank for Kids under 5 in the United States (iPhone)
 2. Based on App Annie Top Grossing rank for Kids between 9-11 years in the United States (iOS devices)
 3. Includes Halaplay and Classic Rummy

Gaming -> Kiddopia: #2 Grossing* App for Kids (Under 5 years) in the US



Gamified
Early Learning

Geographies: USA 80+%; RoW 20%
Audience: 2-8 years old
Revenue Model: Subscription



Top Grossing

United States - Ages 5 & Under (Kids) Last Update: (May 3, 2023 1:00am UTC-7) | © [Data delivery schedule](#)

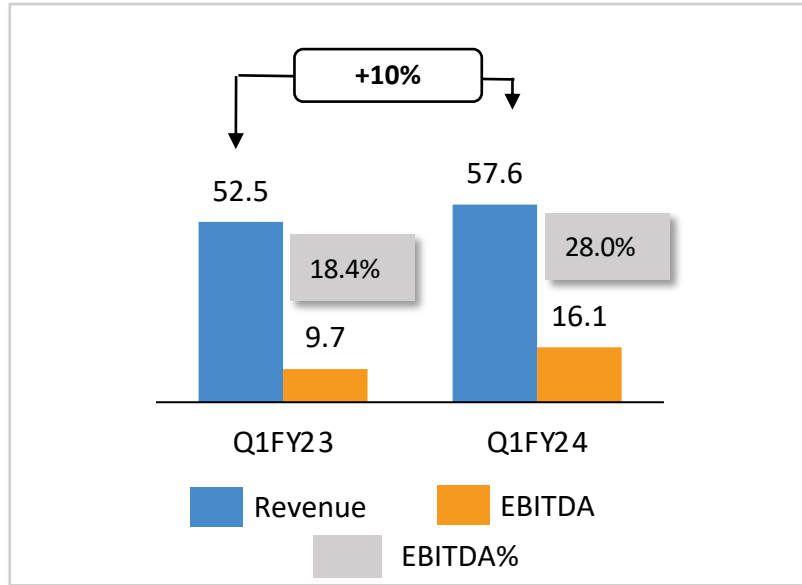
Select objects to compare Heatmap

#	App	App Category	Grossing
1	ABCmouse.com Age of Learning	Education (Applications)	1
2	Kiddopia Paper Boat	Education (Applications)	2
3	Lingokids - Play and Learn Lingokids	Education (Applications)	3
4	Noggin Preschool Learning App Nickelodeon	Education (Applications)	4

Gaming -> Kiddopia: Revenue up 10%, EBITDA up 67% YoY



Q1FY24: EBITDA margins at 28.0%



Quarterly KPIs

Key Metrics	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
CPT ¹ (\$)	\$39.3	\$37.9	\$37.3	\$35.9	\$39.3
Marketing Spend (Mn)	\$2.7	\$3.1	\$3.4	\$3.2	\$2.6
Avg. Activation Rate	70%	70%	70%	68%	68%
Avg. ARPU	\$6.67	\$6.77	\$6.76	\$6.81	\$6.77
Avg. Churn	5.9%	6.5%	5.9%	6.4%	5.9%
Subscribers	301,916	299,965	310,981	311,758	301,714
Subs. Growth (QoQ)	-2.2%	-0.6%	3.7%	0.2%	-3.2%

- Revenues increased +10% YoY and EBITDA Margin increased from 18.4% to 28.0% YoY in Q1FY24
- A technical issue with our attribution partner temporarily disrupted our marketing campaigns and led to higher CAC² in Q1FY24. **This has now been resolved and we expect to return to normal range of CAC and spends in Q2**

Note: 1. CPT= Cost per Trial
2. CAC= CPT/Activation Rate

Gaming -> Animal Jam: #1 Grossing* App for Kids (9-11 years) in the US



Gamified Early Learning

Geographies: USA 80% RoW 20%
 Audience: 8-12 years old (80% girls)
 Revenue Model: IAP, Subscription

United States - Ages 9-11 (Kids) Last Update: (May 3, 2023 1:00am UTC-7) | [Data delivery schedule](#)

Select objects to compare Heatmap

#	App	App Category	Grossing
1	Animal Jam: Virtual Pet Design WildWorks	Education (Applications)	1 =
2	Monster Math: Fun Kids Games Makkajai	Education (Applications)	2 ^3
3	Toca Hair Salon 4 Toca Boca	Education (Applications)	3 ^1
4	Miraculous Life Budge	Entertainment (Applications)	4 v2

Note: Ranking Based on App Annie Top Grossing rank for Kids between 9-11 years in the United States (iOS devices)

Gaming -> Animal Jam: 22.5% EBITDA margin in Q1FY24



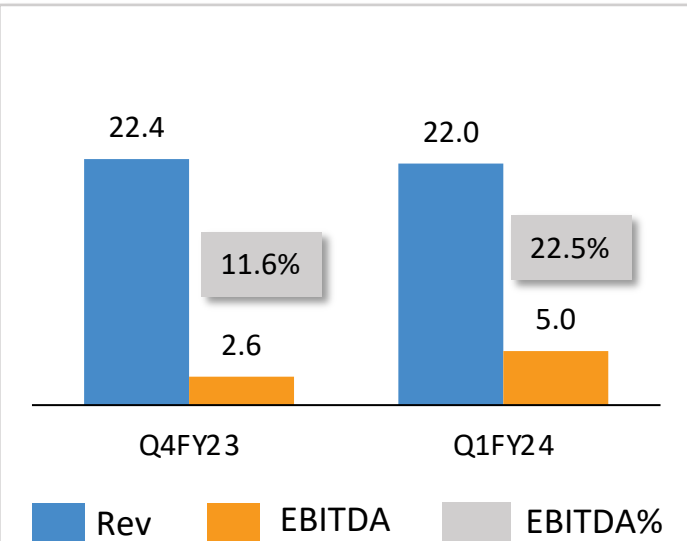
Background

- Animal Jam is the key IP of WildWorks Inc, which was acquired 100% by Nazara in August 2022 for INR 82 Cr

Changes

- Improved the analytics back-end to get more actionable insights
- Leveraged Datawrkz for User Acquisition
- Reduced non-core costs and shifted some work to lower cost geographies
- Improved cadence of “regular” and “special” content updates e.g., Super Boxes; free trials; more visibility of member benefits
- Improving First Time User Experience to drive earlier conversion from free to paying users

Quarterly Financials (INR Cr)



Outcome

EBITDA margin improvement: from 11.6% in Q4FY23 to 22.5% in Q1FY24

Gaming -> WCC: India's leading Cricket Simulation game



Freemium

~1.7 Mn DAUs
10.6 Mn MAUs

Geographies: India- 65% of MAU
Audience: 13-45 years old
Revenue Model: Advertisement, IAP

Retention:
Day 1: 46%
(vs. Avg. of 28% for Top 25 casual games in 2022¹)
Day 7: 18%
(vs. Avg. of 6.7% for Top 25 casual games in 2022¹)

Note:1. Source: [Udonis Blog](https://udonis.com/blog)



Key recent business updates

CEO Hire

- Christopher Franklin joined as the CEO of Nextwave Media
- Chris has 20 years in the Game Industry with experience across in game design & studio leadership across GSN, Ludia and EA

Product

- Transitioning to online only mode of game play
- Improving ad monetization stack

User Experience

- Optimizing for Day 1-7 experience for players
- Reduction in install size of app

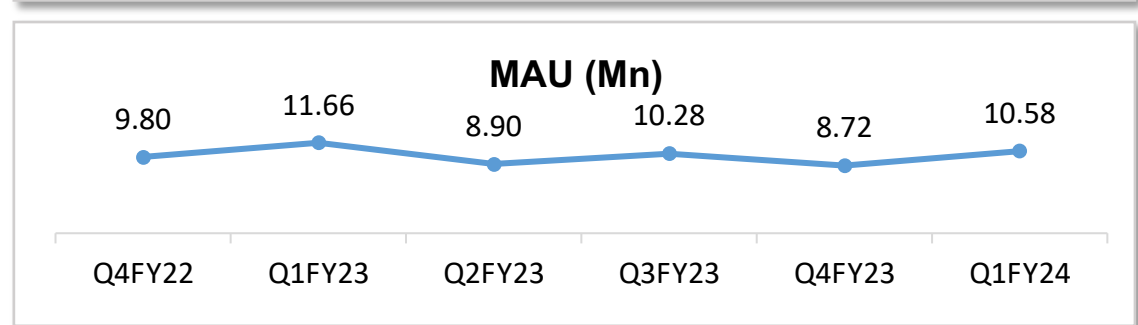
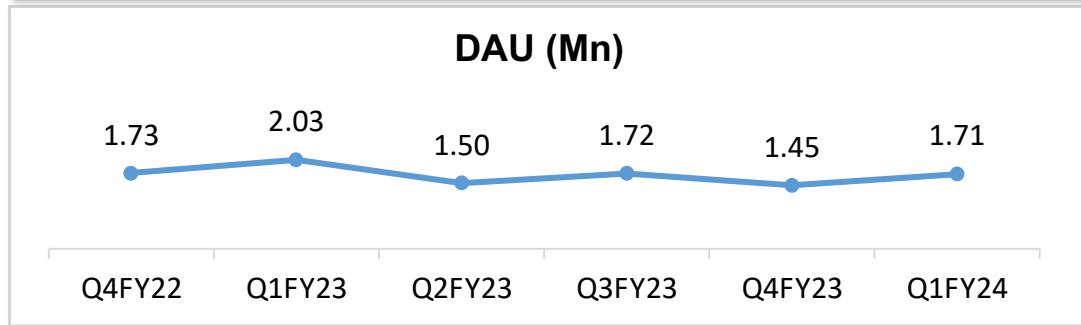
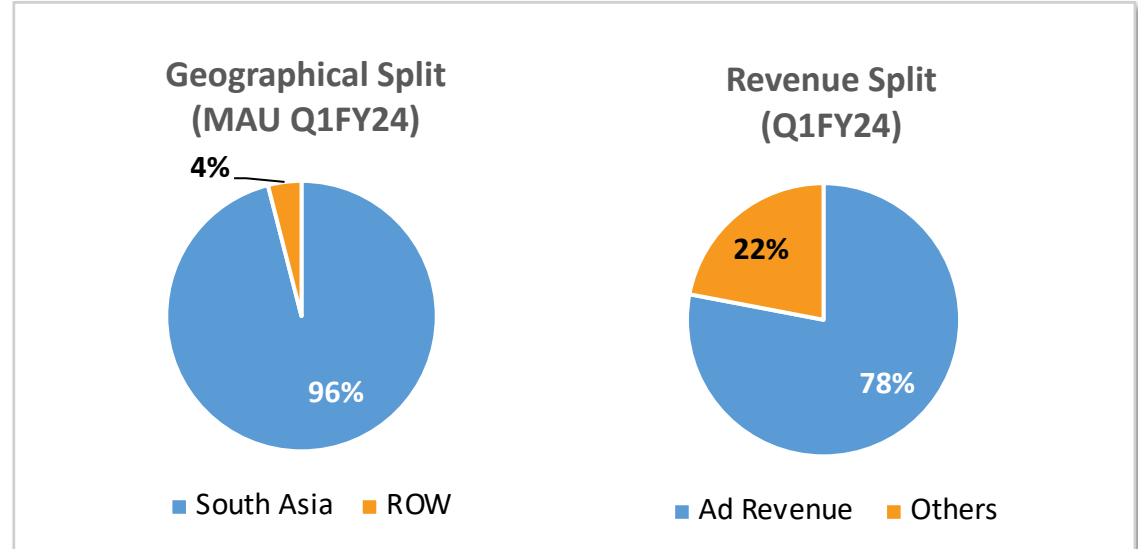
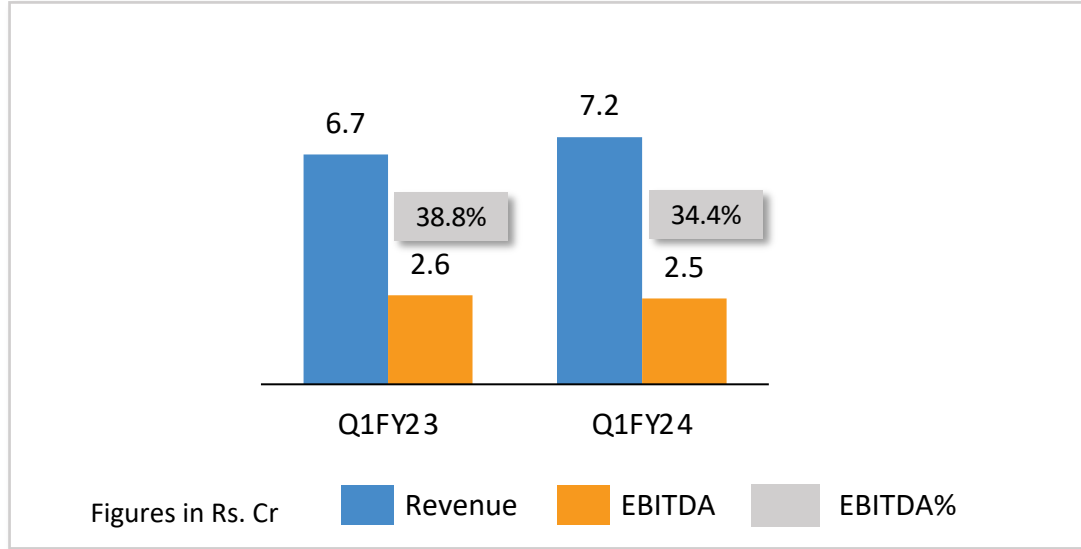
Improved Production

- Revised production processes with monthly releases
- Usage of new AI tools

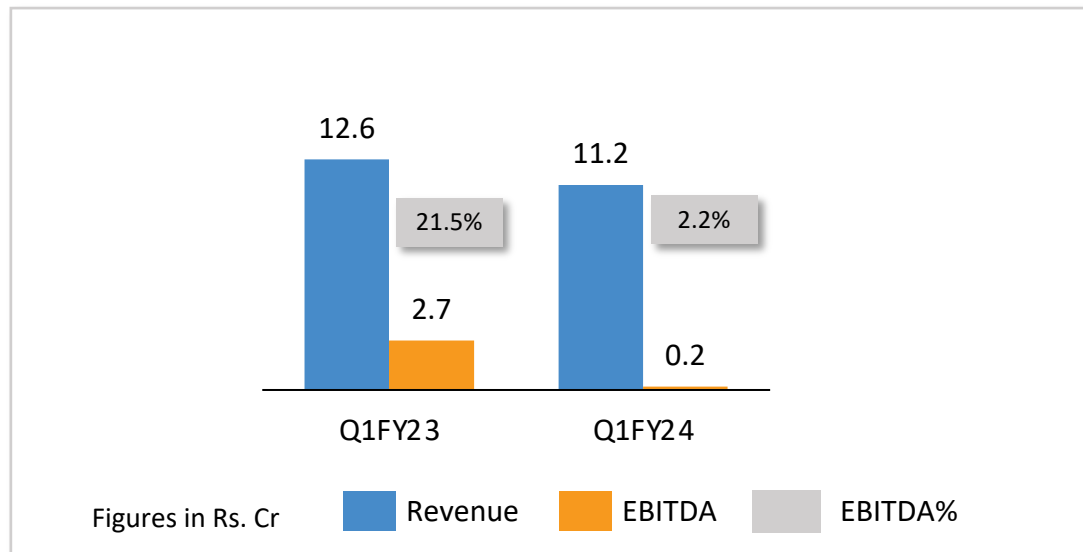
Growth

- Pre-production stage for new WCC game variants
- Conceptualization for new games
- Targeting PC/Consoles & support for Cross-Play & Cross-Platform

Gaming -> WCC: Maintaining Revenue growth and profitability while setting the stage for future growth



Gaming -> Classic Rummy: RMG business faces regulatory turbulence



- Tamil Nadu banned all real money games (RMG) games including skill based games like Rummy in April 2023. TN contributed to ~20% of revenues and active player base in FY23. Q1FY24 performance saw an impact due to same.
- In July 2023, the GST Council decided to levy a 28% tax on "full value" of real money games. Once implemented, this could potentially impact the performance of our skill based real money gaming segment.
- This may provide Nazara with a consolidation opportunity as regulatory clarity emerges

- Our RMG business contributed 4.7% of revenue and 0.5% of EBITDA for this quarter
- Nazara's pragmatic approach and limited exposure to this segment have minimised impact to our consolidated financial performance. To the extent required, the Company will proactively take steps to mitigate any future impact.

eSports -> Nodwin: #1 eSports company in India with a 360 degree offering for the eSports fan



Robust Flanking Strategy to expand offerings / adjacencies across markets



  Live events and IP business Oct-2021	  Gaming & eSports Content IPs Feb-2022	Unpaused Entertainment  Feb-2022	  Gaming accessories Apr-2022	 [PSH] Gaming merch. Apr-2022	  Asia Pacific IPs Apr-2023	
Dominant Position in South Asia and Sub-Saharan Africa	Live experiences beyond gaming with adjacency to music and comedy	Create entertainment-first gaming IPs for GenZ	Strengthen moats through foray into influencer business	Strengthening D2C play with gaming accessories	Ability to capitalize and build on gaming fandom	Access to marquee international IPs and South East Asian markets

M&A driven expansion of offerings / adjacencies across emerging markets

- NODWIN Gaming signed definitive and binding agreements for a funding round of \$28M (INR 232 Cr) from marquee new and existing investors
- Majority of these funds will be channelized towards a) by growing the emerging market footprint; b) for strategic acquisitions that drive value to the network; and c) for expanding and incubating newer IPs
- All existing investors of NODWIN Gaming as well as Nazara Technologies participated in this round along with Sony Corporation

Nodwin Gaming To Raise \$28 Million In Fresh Funding

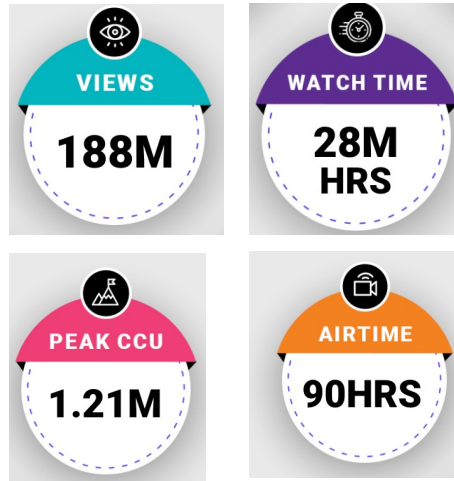
Nodwin has raised the fund at a 2.7 times higher valuation compared to its last funding round in March 2021.

**NODWIN Gaming raises \$28 million
of equity investment from 5
Investors**

NODWIN GAMING RAISES \$28M FROM NEW
AND EXISTING INVESTORS

BGMI Master Series 1 (Q1FY23)

Broadcast
Summary
(Digital +
OTT)



- First-ever televised BGMI tournament was a collaboration between NODWIN Gaming and Star Sports. The television broadcast garnered more than 36 million viewers with 40% below the age of 21
- Glance Live and Loco were the digital distribution partners
- **Significant media revenues from broadcast TV + OTT**

BGMI Master Series 2 (Q2FY24)

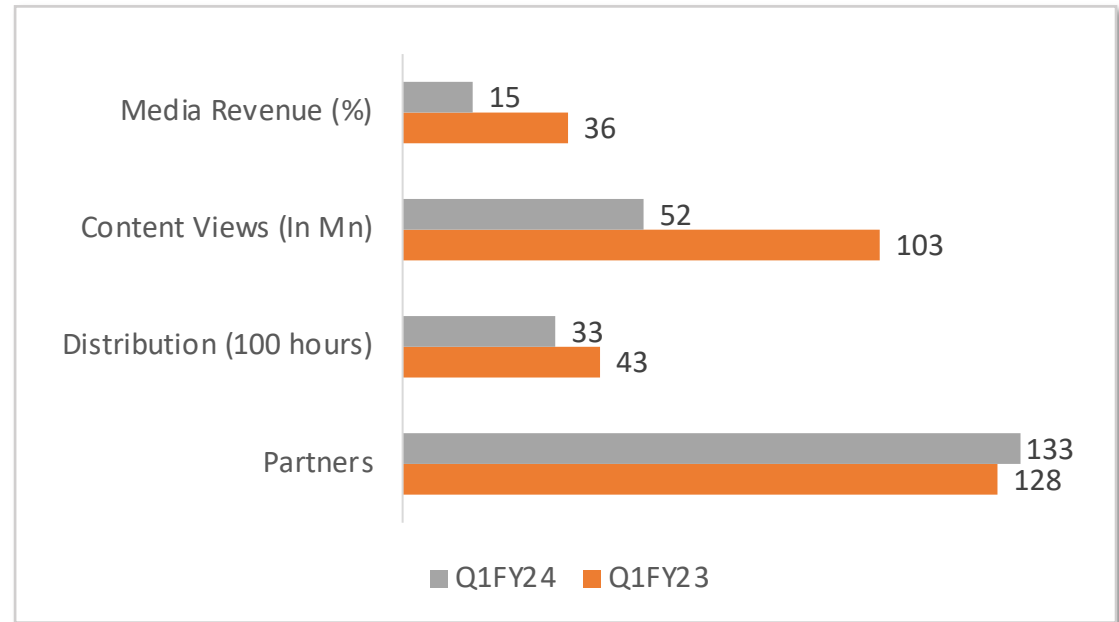
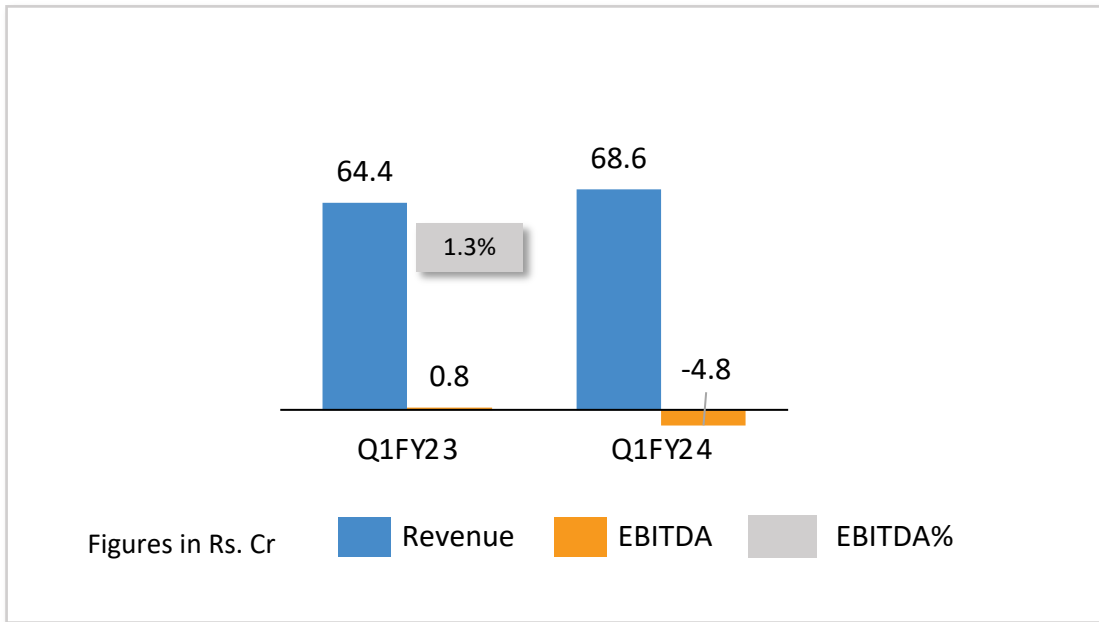


- **Higher prize pool of Rs 2.1 crore (40% increase over Season 1)**
- **Star Sports will continue as broadcast TV partner; Rooter bagged digital rights**

eSports -> Nodwin Gaming: Multiple IPs announced for the coming months



eSports -> Nodwin Gaming: Key IPs shifted to Q2FY24, Marketing investments in Wings



- Revenue Growth – Key IPs were deferred to Q2 to take advantage of market opportunity of key mobile gaming back. The revenue from this IP will reflect in upcoming quarters including Q2
- In line with previous years, established IPs are currently planned in H2. Nodwin continued to scale newer IPs in this quarter which are still in the investment phase. This along with increased marketing & brand spend in the gaming accessories business (Wings) ahead of the upcoming festive season had a short term impact on Q1 EBITDA
- For FY24, we expect Nodwin to achieve healthy growth backed by overall profitability

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

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

eSports -> Nodwin Gaming: With several new product launches and Shubman Gill as brand ambassador, Wings gears up for festive season



Wings announces Shubman Gill as new brand ambassador

Along with this announcement, Wings also launched its newest campaign, 'Got Game?' featuring Shubman Gill.

Q2 and Q3 are peak sales season for Wings

Wings Phantom 345
with Transparent Case Design

[BUY NOW](#) >

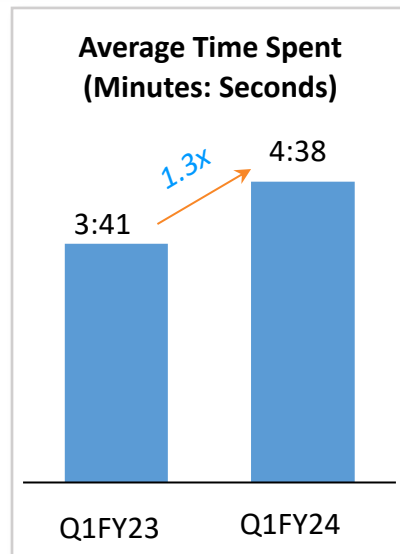
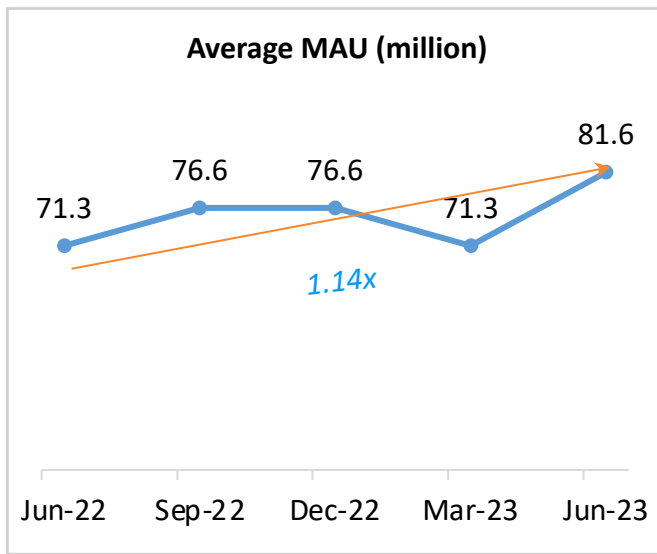
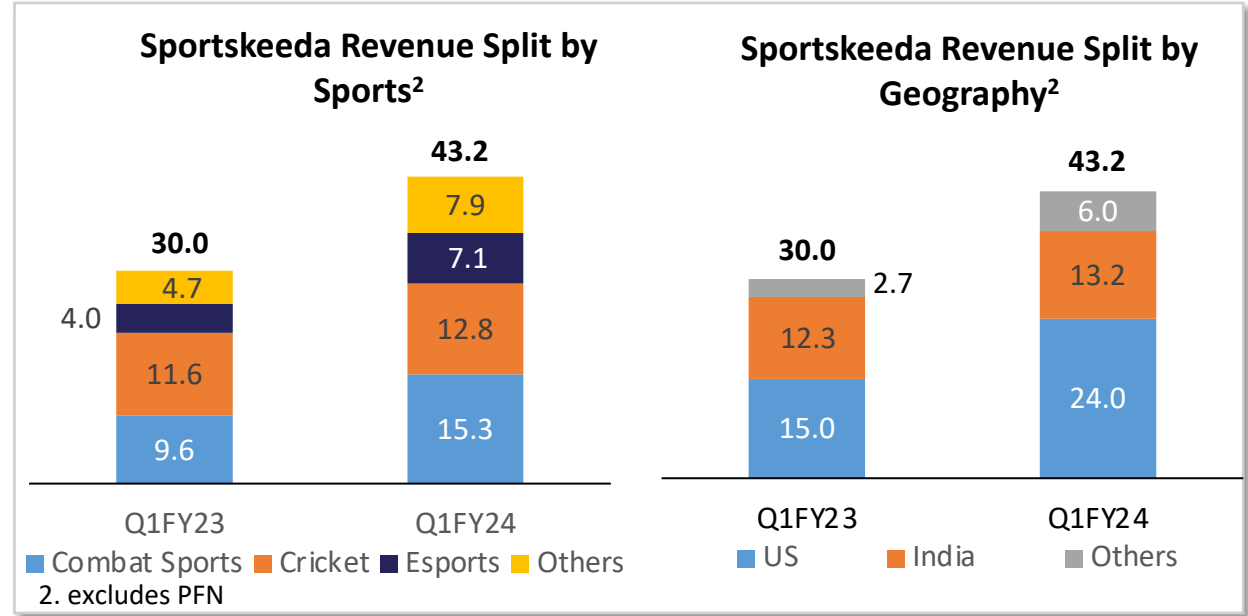
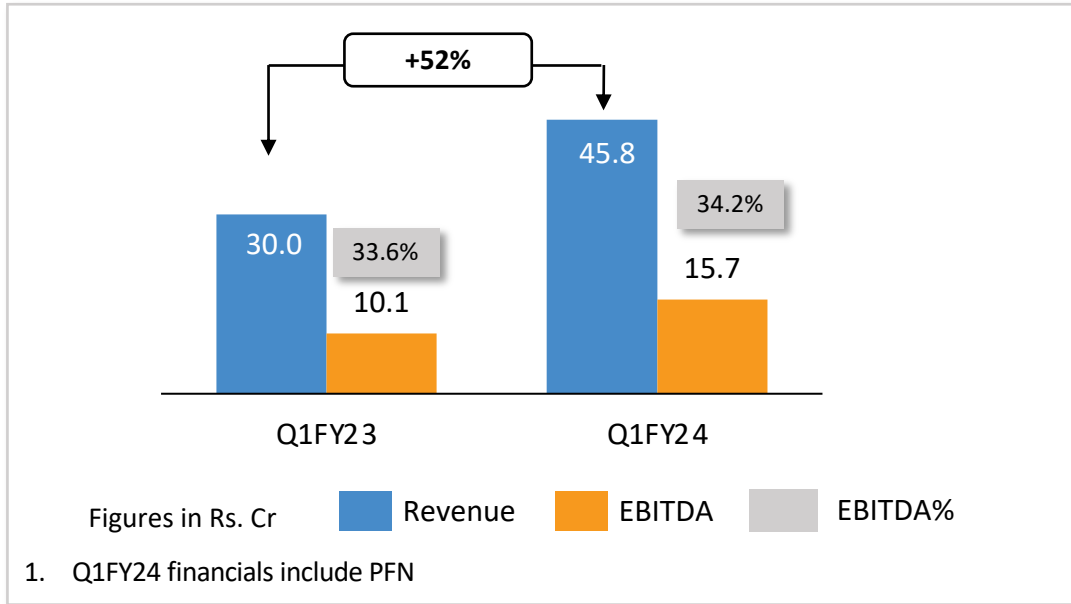
- Wings Sync™ App Support
- Digital Battery Display

Wings Phantom 340
Transparent Case with ANC

[BUY NOW](#) >

- Wings Sync™ App Support
- Transparent Mode

eSports -> Sportskeeda: 52% YoY growth in Revenues & 55% in EBITDA with over 80mn MAU



- Integration of PFN, acquired by Sportskeeda in March 2023 complete
- NFL season will run from September 2023 to January 2024

eSports -> Sportskeeda: Sportskeeda continues to have dominant position across key markets



#9 Rank in the US		
Domain	Traffic Share	MoM Change
espn.com	9.73%	17.72%
si.com	2.06%	8.04%
dickssportin..	1.12%	8.96%
Mlb.com	2.88%	0.00%
marca.com	1.11%	13.46%
Cbssports.co..	1.47%	17.74%
Sports.yahoo..	1.52%	15.24%
Nba.com	1.14%	53.02%
Sportskeeda.com	0.82%	2.89%

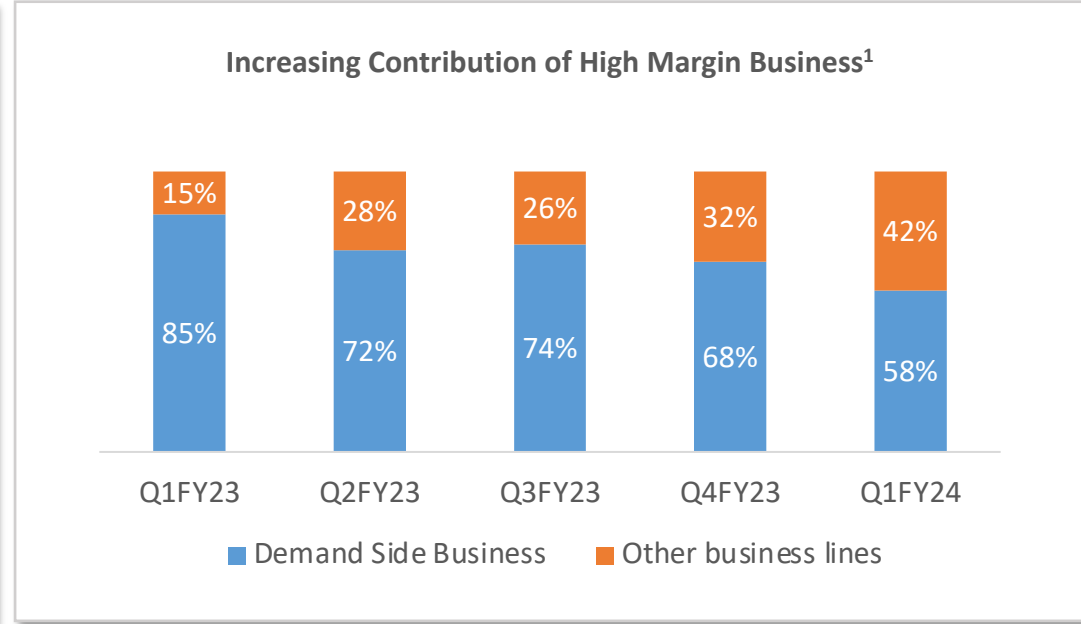
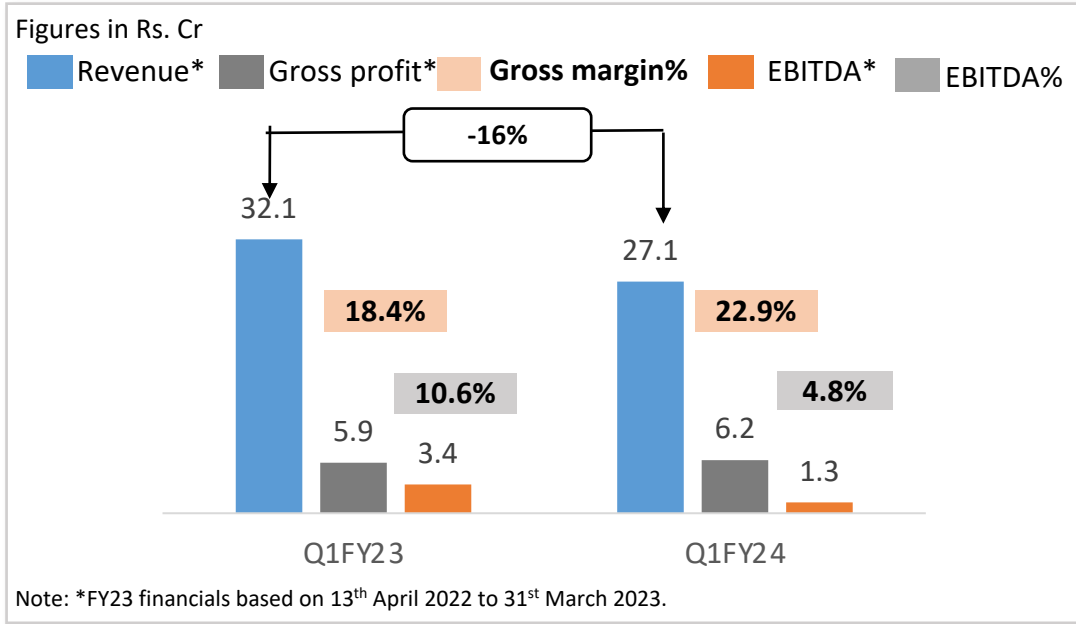
#2 Rank in India	
Domain	Traffic
cricbuzz.com	61 mn
sportskeeda.com	33 mn
espncricinfo.com	17 mn

#9 Rank in UK		
Newsbrand	Audience (May 23)	YoY Change
Sky Sports	6.9m	5%
Sportbible	2.6m	19%
ESPN	2.4m	19%
Teamtalk	1.7m	84%
Goal	1.5m	119%
Football 365	1.2m	64%
Football London	1.2m	17%
Give Me Sport	1.1m	22%
Sportskeeda.com	1.1m	25%

Source:

- 1) Ranking in the US from Similarweb as of June 2023
- 2) Ranking in India as per Comscore as of May 2023
- 3) Ranking in the UK as per Press Gazette UK for the month of May 2023

Adtech -> Datawrkz: Focused efforts for future EBITDA growth



- Over the last year, we have been focusing on higher-margin business lines and simultaneously expanding client base to minimise dependency on a few customers. **As a result, the overall gross margin of the business improved from 18.4% to 22.9%**
- Our **product-led businesses (Vizibl and HighR)** are showing signs of good market acceptance and growing revenue
- The loss of one large, low margin client (as indicated in Q4 FY23 results) led to de-growth of revenue in Q1FY24. We expect Revenue & EBITDA growth to pick up from Q3 onwards as we build out a more diversified, higher margin client base.

Note: 1. Gross Profit Contribution by business line

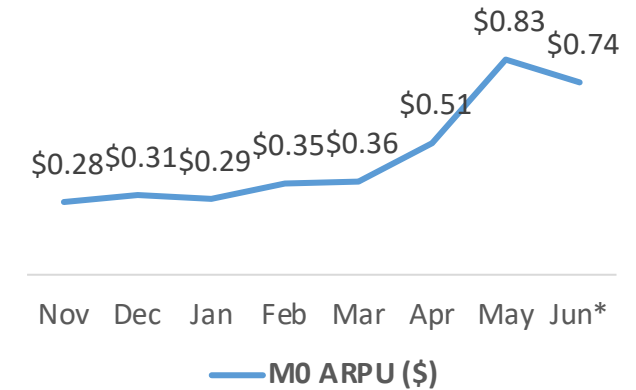
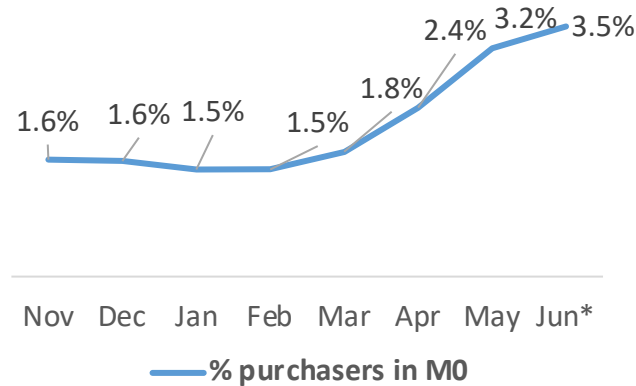
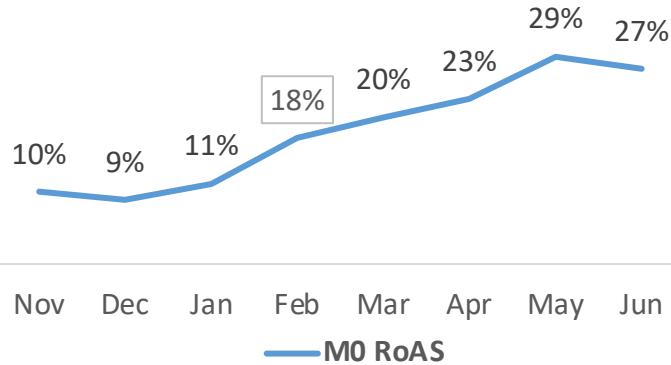
* Business performance based on 12M financials. Consolidation in Nazara post 13-Apr-2022.

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 (expected to be completed by Aug-23)

Adtech -> Datawrkz: starting to deliver results for Nazara companies



Datawrkz has helped Animal Jam significantly improve quality of new users acquired



Datawrkz has collaborated with Animal Jam/WildWorks over the last 6 months on its digital marketing plan, optimizing the marketing spend and increasing the profitability of new user acquisition. Achievements:

- Successfully **Increased M0 RoAS from 11% to 27%** over a period of 6 months. M0 RoAS is the Return on Advertising Spend achieved within the first 30 days after a new user installed the app.
 - Improved quality of users acquired. Of all users acquired through paid campaigns, **increased % users who made purchases in the first 30 days from 1.5% to 3.5%** over the last 6 months
 - Increased **M0 ARPU (average revenue per new user in the first month) from \$0.29 to \$0.74** over the last 6 months
- In the next phase of growth, we are looking to further scale up the user acquisition volume while maintaining profitability.**

* Data until 25th June 2023

Stage set for acceleration of growth in the coming quarters

Gaming



Organic Levers

- **Kiddopia** expected to generate healthy EBITDA in the coming quarters. New revenue streams showing positive signs of growth.
- **Animal Jam** and **WCC** have seen a lot of product-level efforts invested in Q1 and we expect these to reflect in coming quarters in their financial performance.

Inorganic Levers

- Acquire games with potential to grow revenue and deliver 25% EBITDA

eSports



- **Relaunch of popular titles, media revenues ramp-up**, and a busy content / IP calendar in coming quarters will likely drive rapid organic growth in NODWIN
- **Sportskeeda business** continues to scale & upcoming season of NFL to support PFN growth.

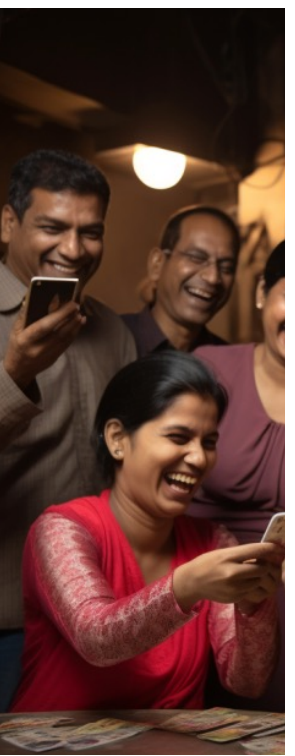
- Recent fund-raise by Nodwin will provide further boost to its M&A agenda, with a good pipeline of opportunities to scale up its flanking strategy and geographic expansion

Adtech

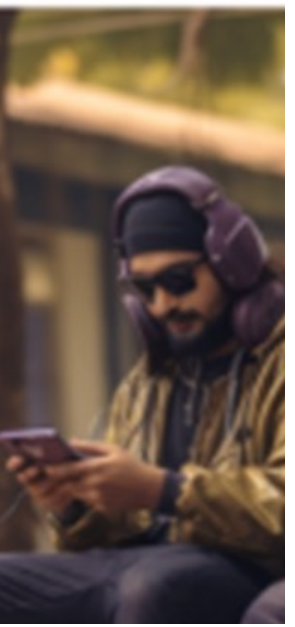


- **Higher margin businesses** (Vizibl and HighR products, plus supply-side business) to continue driving growth
- Investment in team and marketing events in Q1 has strengthened the revenue pipeline for demand-side business

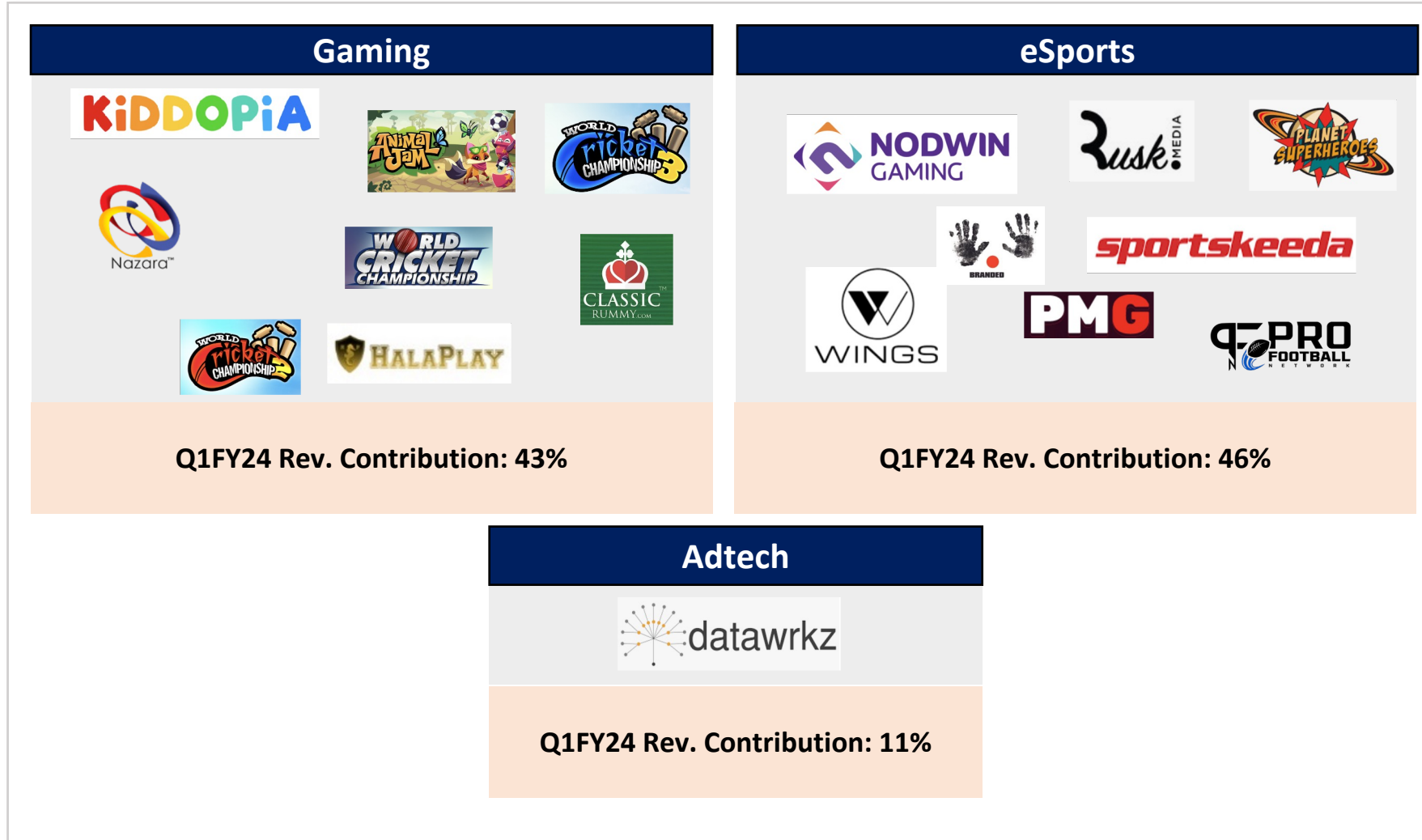
- Acquire Programmatic Adtech companies, media buying or media planning agencies to expand presence in developed markets
- Acquire gaming focused Adtech companies



Our Strategy

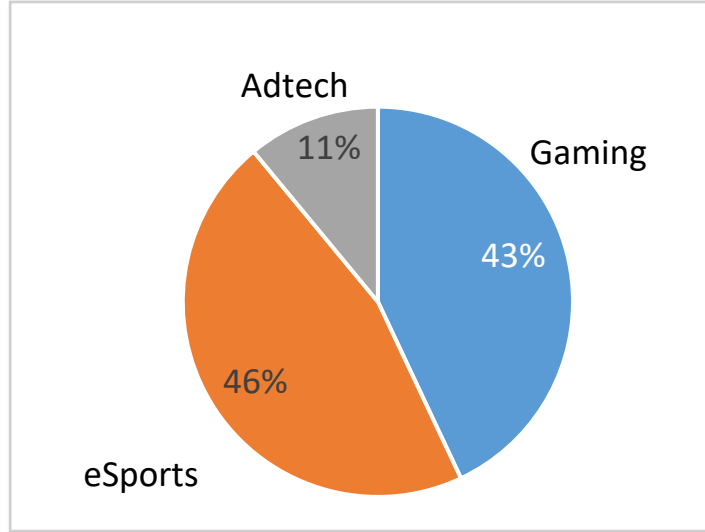


We have multiple IPs across the gaming and eSports value chain

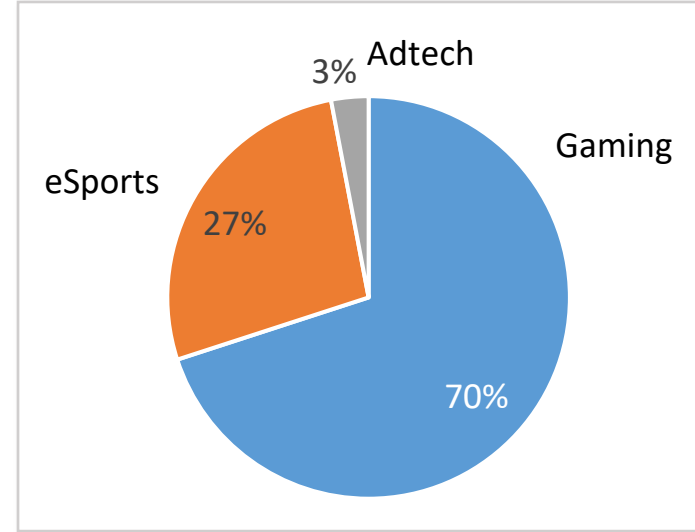


Leading to a diversified business model with multiple growth engines

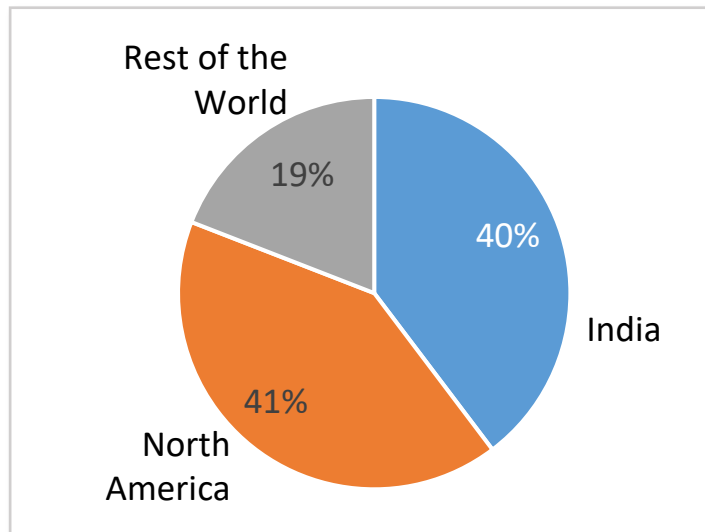
Revenue by Segment (Q1FY24)



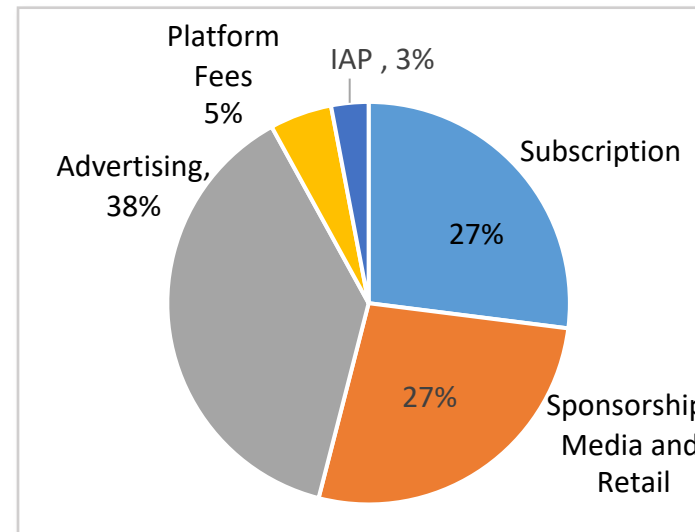
EBITDA by Segment (Q1FY24)



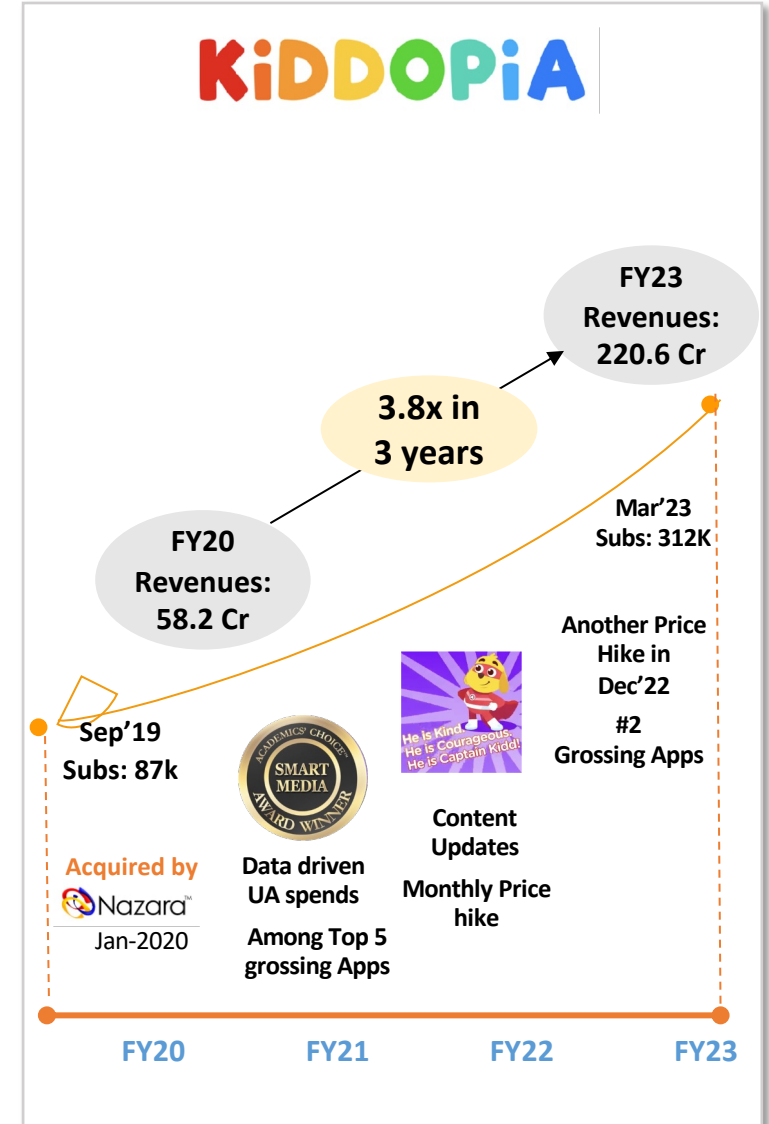
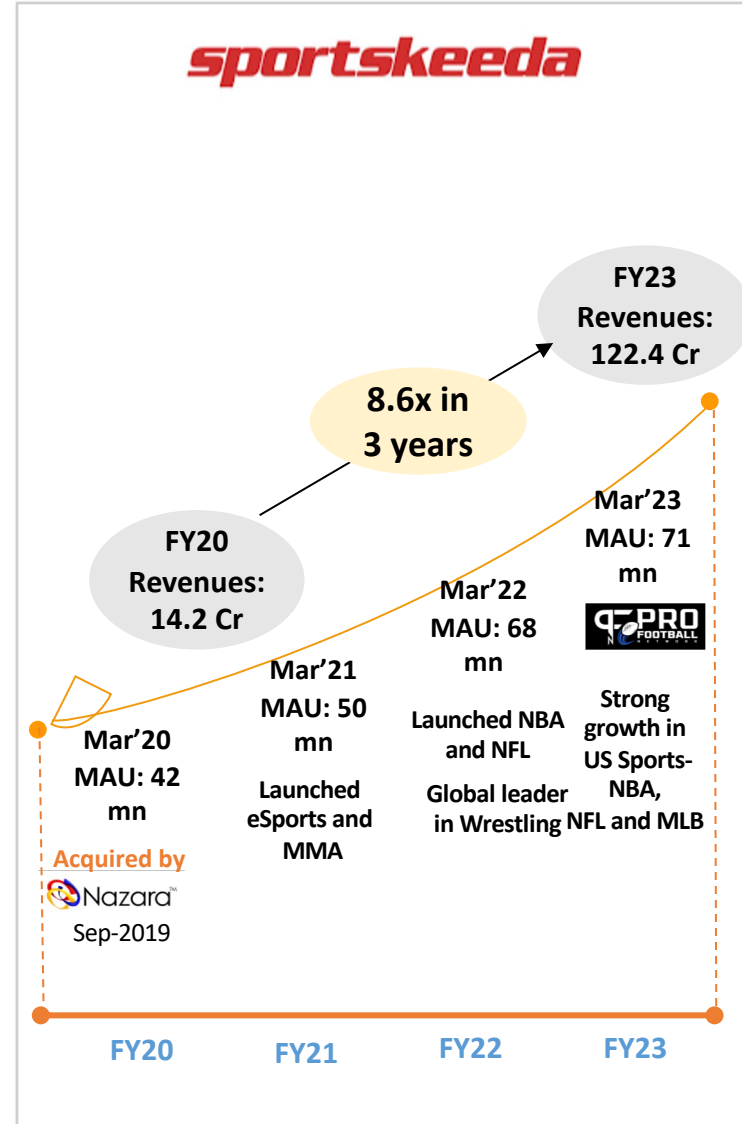
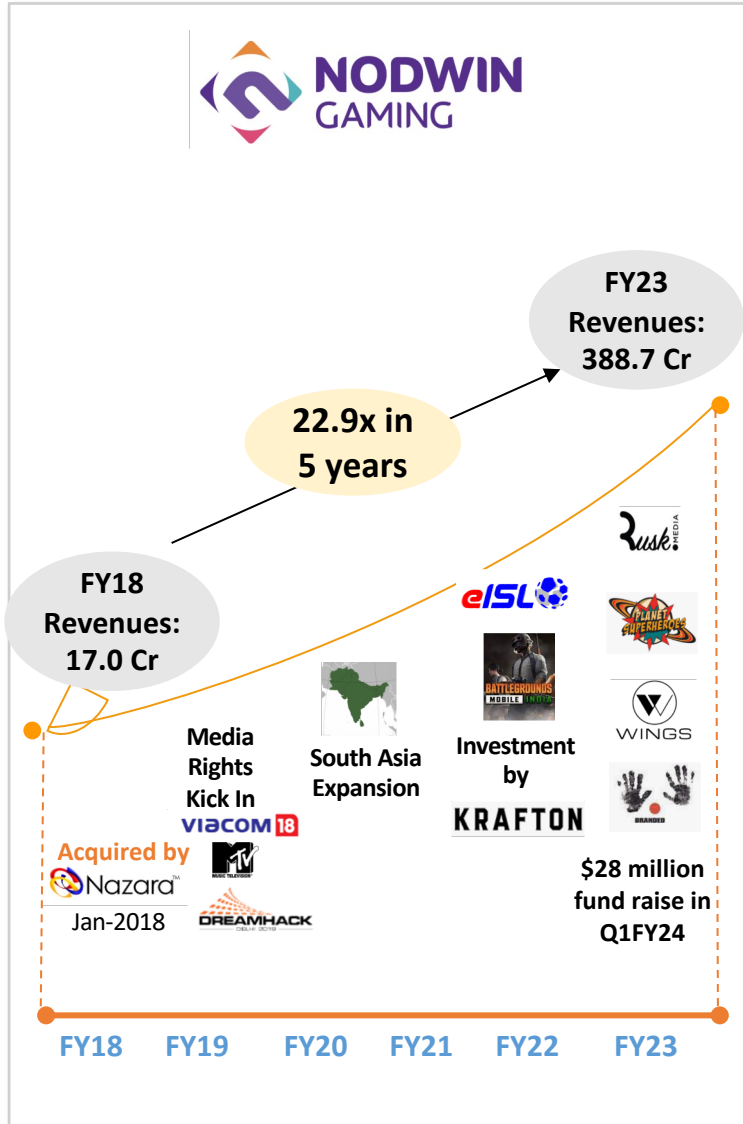
Revenue by Geography (Q1FY24)



Revenue by Business Model (Q1FY24)



And a demonstrated ability to scale businesses post acquisition



Multiple scaled assets with leadership positions in respective segments

Gaming



KIDDOPiA

Award winning
learning app for
preschoolers

**#2 in Grossing Apps in
US (for Kids Under 5)¹**



**#1 in Grossing Apps in
US (for Kids Under 9-
11)²**



**World's largest cricket
simulation game;
significantly higher
retention metrics vs.
industry**

eSports



**#1 eSports Company
in India and South
Asia³**



sportskeeda

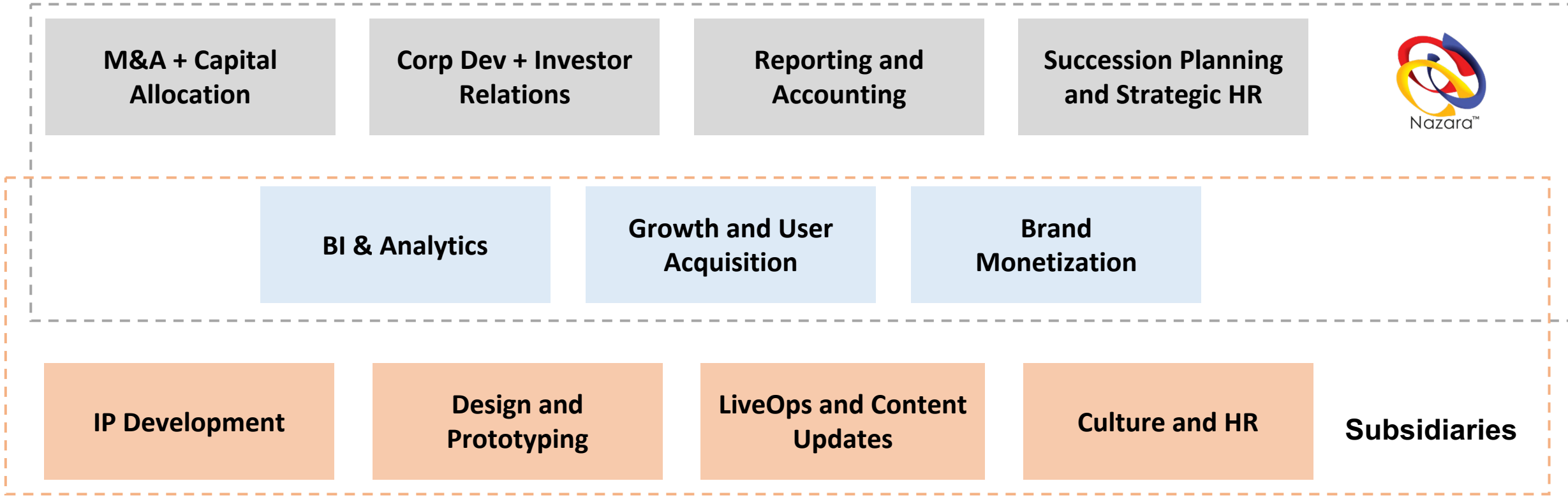
**Leading New Age Sports
Media Platform**

**#9 Multi-sports
destination in the US⁴**

Notes:

1. Based on App Annie Top Grossing rank for Kids under 5 in the United States (iPhone)
2. Based on App Annie Top Grossing rank for Kids between 9-11 years in the United States (iOS devices)
3. Based on IP as per Nodwin Estimates
4. Ranking as per Similar Web in April 2023

This growth is delivered through a strong operating model



Company :



Nazara Technologies Limited
CIN: U72900MH1999PLC122970

Mr. Rakesh Shah
Chief Financial Officer
Ms. Anupriya Sinha Das
Head of Corporate Development

investors@nazara.com

www.nazara.com

Investor Relations Advisors :

SGA Strategic Growth Advisors

Strategic Growth Advisors Private Limited

Rahul Agarwal / Karan Thakker
rahul.agarwal@sgapl.net /
karan.thakker@sgapl.net
+91 982143 8864 / +91 81699 62562

www.sgapl.net