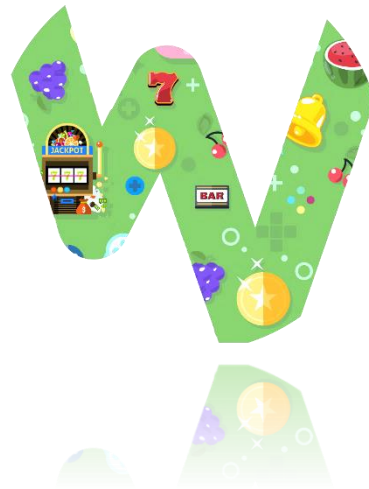




3Q.20 Results Presentation

DOUBLEU GAMES IR | 2020.10.28



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1 3Q.20 Highlights

Global Social Casino Market

\$6.6bn
Market size(2020)

\$1.8bn
Market size(3Q)

+25.4%
Growth_(YoY)

DoubleU Games (Consolidated)

KRW 173.2bn
Revenue

+33.1%
Growth_(YoY)

KRW 60.7bn
EBITDA



DoubleDown
Casino



DoubleDown
Fort Knox



DoubleU
Casino



Take5
Slots

DoubleDown (Consolidated)

KRW 109.6bn
Revenue

+35.2%
Growth_(YoY)

KRW 33.3bn
EBITDA

DoubleU Games (Standalone)

KRW 64.7bn
Revenue

+28.4%
Growth_(YoY)

KRW 27.4bn
EBITDA

2 Social Casino Market Review

- (3Q.20) DUG ranked 3rd in the social casino market. DUC ranked 7th by social casino apps.
- The market is expected to grow to USD 6.6bn in 2020, and to grow to USD 7.6bn by 2023

Social Casino Top5 Publishers

Company	20.1Q	20.2Q	20.3Q
Playtika	1 th	1 th	1 th
ARISTOCRAT	2 nd	2 nd	2 nd
DOUBLEU GAMES	4 th	4 th	3 rd
SciPlay	3 rd	3 rd	4 th
zynga	5 th	5 th	5 th

(Source: Social Casino Gaming Tracker 3Q 2020)

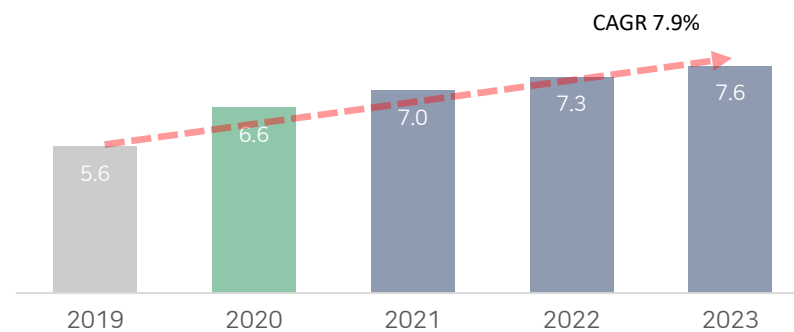
Franchise Games

Game	20.1Q	20.2Q	20.3Q
DOUBLE DOWN CASINO	3 rd	3 rd	3 rd
DOUBLEU CASINO	Out of Top 10	Out of Top 10	7 th

(Source: Social Casino Gaming Tracker 3Q 2020)

Market Size

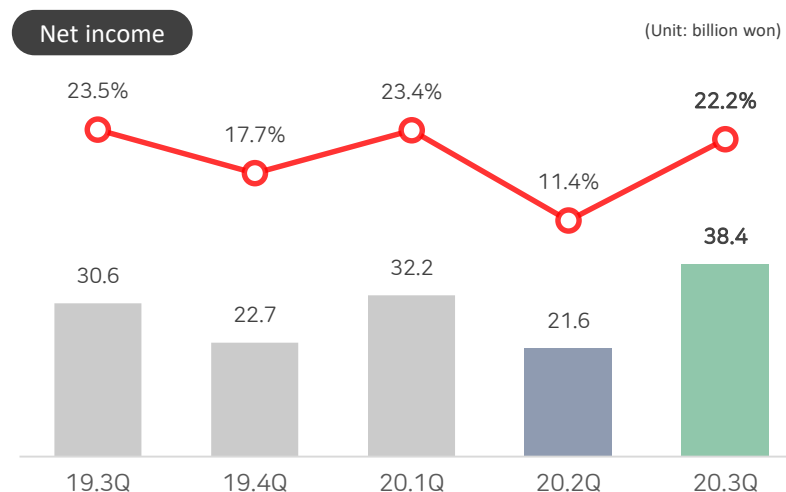
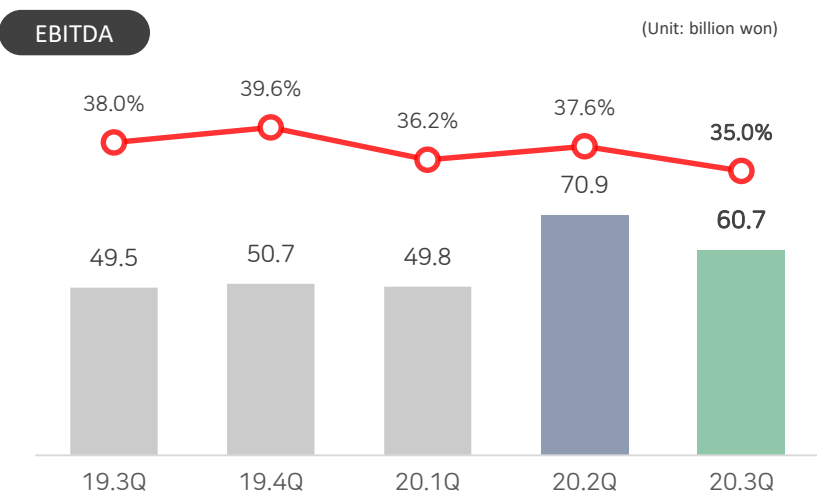
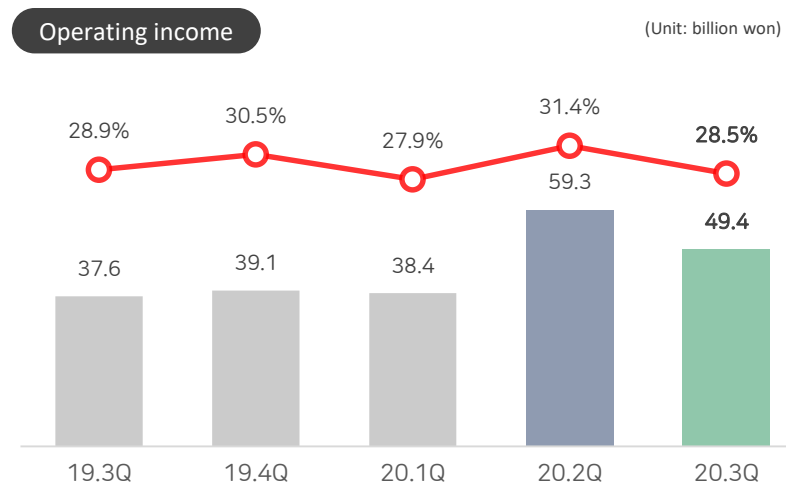
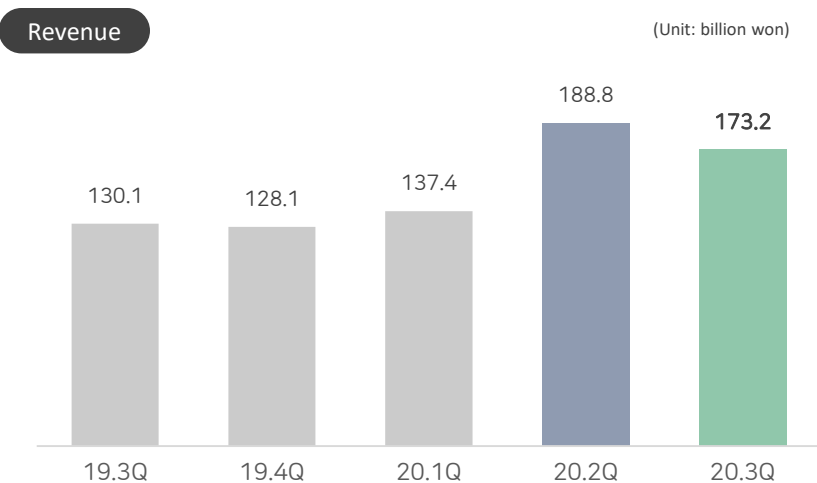
(Unit: billion Dollar)



(Source: Social Casino Gaming Tracker 3Q 2020)

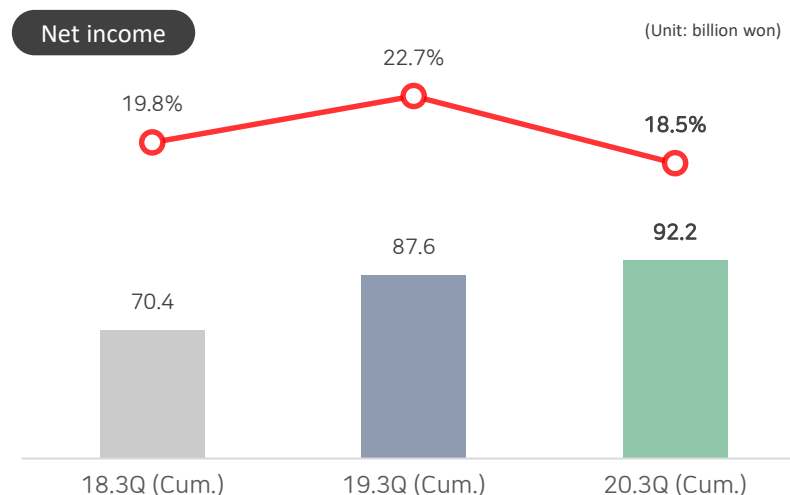
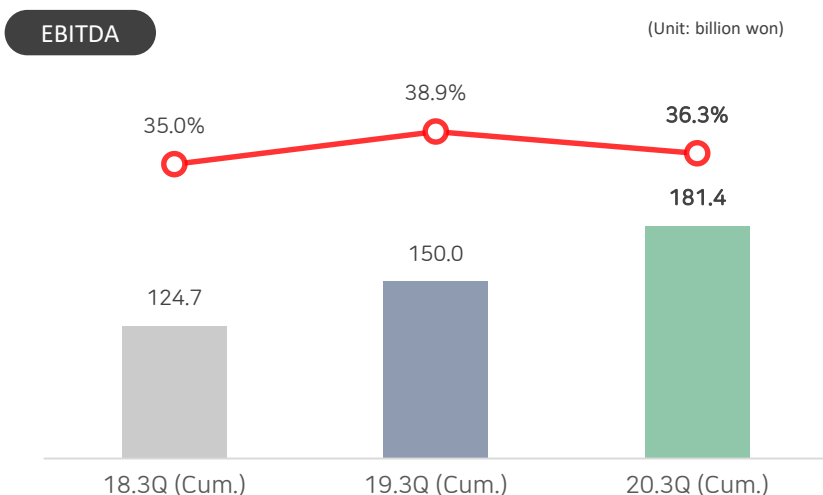
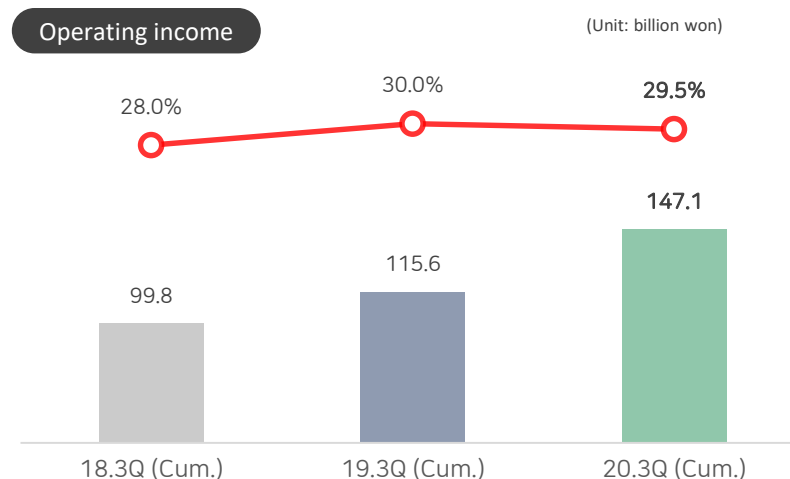
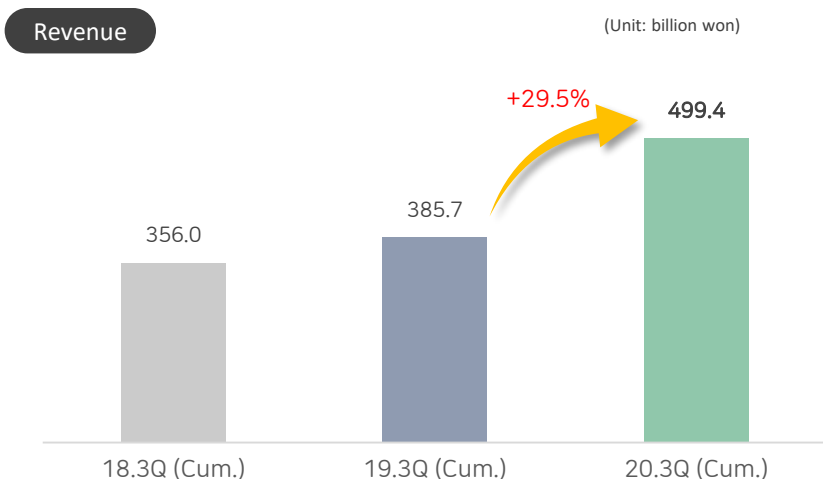
3 Earnings Summary (3Q.20)

- Revenue KRW 173.2bn, Operating income KRW 49.4bn(28.5%), EBITDA KRW 60.7bn(35.0%)
- Growth: Revenue Y/Y **33.1%**, Operating income Y/Y **31.4%**, EBITDA Y/Y **22.6%**



4 Cumulative Earnings Summary (3Q.20)

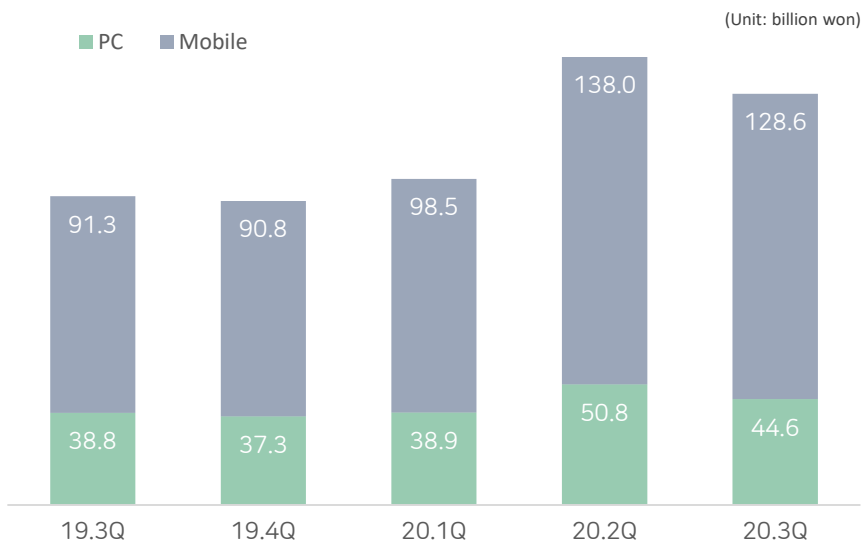
- (Cumulative) Revenue KRW 499.4bn, Operating income KRW 147.1bn(29.5%), EBITDA KRW 181.4bn(36.3%)
- Growth: Revenue Y/Y **29.5%**, Operating income Y/Y **27.2%**, EBITDA Y/Y **20.9%**



5 Revenue Analysis

Platforms

Mobile Growth Q/Q -6.8%, Y/Y +40.9%

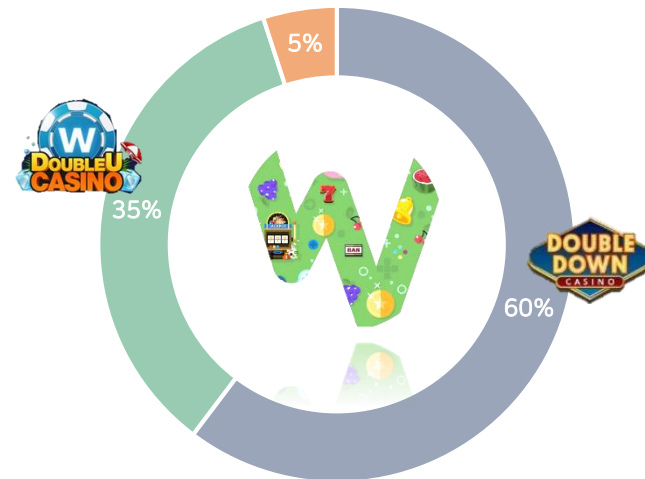


(Unit: billion won)

Platforms	19.3Q	19.4Q	20.1Q	20.2Q	20.3Q
PC	38.8	37.3	38.9	50.8	44.6
Mobile	91.3	90.8	98.5	138.0	128.6
Total	130.1	128.1	137.4	188.8	173.2
Mobile %	70.2%	70.9%	71.7%	73.1%	74.2%

Games

■ Doubledown Casino ■ DoubleU Casino ■ Other Games



(Unit: billion won)

Games	19.3Q	20.2Q	20.3Q	Q/Q	Y/Y
DDC	77.9	115.1	104.5	-9.2%	34.1%
DUC	44.9	63.8	60.1	-5.8%	33.8%
Others	7.3	9.9	8.6	-13.1%	17.8%
Total	130.1	188.8	173.2	-8.3%	33.1%

6 Costs Analysis (Consolidated)

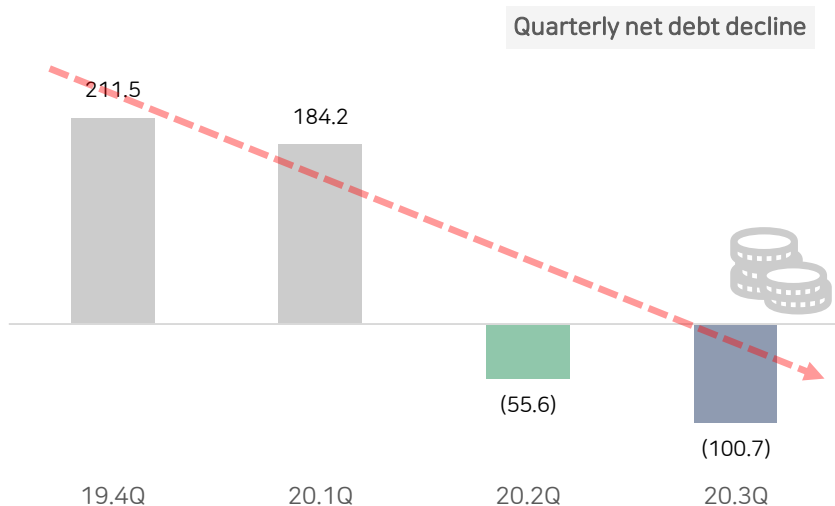
(Unit: billion won)

Type	20.3Q	20.2Q	19.3Q	Q/Q	Y/Y	Note
Revenue	173.2	188.8	130.1	-8.3%	33.1%	
DDC	104.5	115.1	77.9	-9.2%	34.1%	DoubleDown Casino
DUC	60.1	63.8	44.9	-5.8%	33.8%	DoubleU Casino
Others	8.6	9.9	7.3	-13.1%	17.8%	Take5, FortKnox , etc
Operating Cost	123.8	129.5	92.5	-4.4%	33.8%	
Platform fee	51.6	56.4	38.7	-8.5%	33.3%	30% of Revenue (variable cost)
Marketing cost	34.2	31.4	19.0	8.9%	80.0%	Taiwan Marketing KRW 3bn
Labor cost	16.0	19.1	15.1	-16.2%	6.0%	
Royalty	4.3	5.0	3.4	-14.0%	26.5%	
Other expense	6.4	6.0	4.4	6.7%	45.5%	
D&A	11.3	11.6	11.9	-2.6%	-5.0%	
Operating Income	49.4	59.3	37.6	-16.7%	31.4%	
EBITDA	60.7	70.9	49.5	-14.4%	22.6%	Operating Income + D&A
Average Exchange (KRW)	1,189	1,221	1,193	-2.6%	-0.4%	Impact on sales and income
Operating income %	28.5%	31.4%	28.9%			
EBITDA %	35.0%	37.6%	38.0%			
MKT/Revenue %	19.7%	16.6%	14.6%			

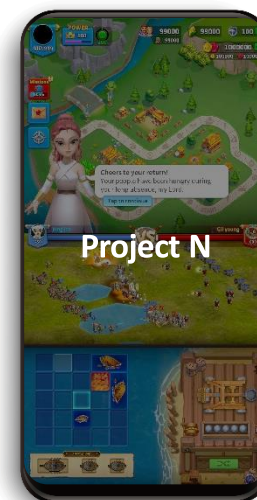
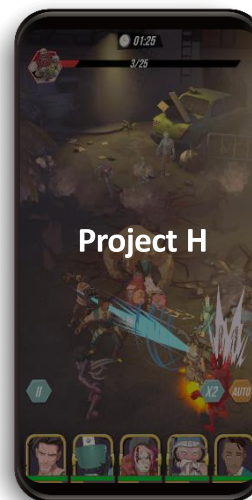
7 New Game & Financial Status

Net debt trend

(Unit: billion won)



New games



(Unit: billion won)

Type	2019	2020		
	End of 4Q	End of 1Q	End of 2Q	End of 3Q
Interest cost	7.1	6.7	3.4	0.3
Loan	40.0	20.0	-	-
CB/BW	300.7	304.6	-	-
Cash equivalents	129.2	140.4	55.6	100.7
Net debt	211.5	184.2	(55.6)	(100.7)

New game to be released in 2021

1. Project H-RPG genre
A new action RPG game using the Undead Nation's IP
2. Project N-Casual genre
Casual board game set in the ancient Mediterranean

A DUG Income statement (Consolidated)

(Unit: billion won)

Type	FY18	FY19	19.1Q	19.2Q	19.3Q	19.4Q	20.1Q	20.2Q	20.3Q
Revenue	483.0	513.8	125.7	129.9	130.1	128.1	137.4	188.8	173.2
Operating Cost	347.2	359.2	88.1	89.6	92.5	89.0	99.0	129.5	123.8
Platform fee	144.1	152.4	37.7	37.8	38.7	38.2	41.0	56.4	51.6
Marketing cost	66.5	67.7	13.9	16.2	19.0	18.6	21.9	31.4	34.2
Labor cost	56.7	61.2	16.4	15.7	15.1	14.0	16.0	19.1	16.0
Royalty	19.3	13.1	3.8	3.8	3.4	2.1	3.5	5.0	4.3
Other expense	26.8	18.8	5.3	4.5	4.4	4.5	5.2	6.0	6.4
D&A	33.8	46.1	11.0	11.6	11.9	11.6	11.4	11.6	11.3
Operating Income	135.8	154.6	37.6	40.3	37.6	39.1	38.4	59.3	49.4
EBITDA	169.6	200.7	48.6	51.9	49.5	50.7	49.8	70.9	60.7
Non-operating income	15.1	13.3	4.2	5.1	7.7	(3.7)	9.7	(0.1)	0.2
Interest income	1.7	2.0	0.3	0.4	0.9	0.4	1.0		0.4
Foreign currency effect	13.4	11.3	3.9	4.7	6.8	(4.1)	8.7	(0.1)	(0.2)
Non-operating cost	(33.5)	(29.9)	(7.5)	(7.9)	(6.6)	(7.9)	(7.0)	(24.0)	(0.8)
Interest cost	(30.9)	(28.4)	(7.2)	(7.4)	(6.7)	(7.1)	(6.7)	(23.4)	(0.4)
Foreign currency effect	(1.4)	(1.5)	(0.3)	(0.5)	0.1	(0.8)	(0.3)	(0.6)	(0.4)
Other expense	(1.2)								
Profit before tax	117.4	138.0	34.3	37.5	38.7	27.5	41.1	35.2	48.8
Taxes	29.6	27.7	7.2	7.7	8.1	4.7	8.9	13.6	10.4
Net Income	87.8	110.3	27.1	29.8	30.6	22.8	32.2	21.6	38.4
Shareholders of the parent entity	87.8	110.3	27.1	29.8	30.6	22.8	32.2	19.3	33.6
Non-controlling interests								2.3	4.8

B DDI Income statement (Consolidated)

(Unit: million dollar)

	18.1Q	18.2Q	18.3Q	18.4Q	19.1Q	19.2Q	19.3Q	19.4Q	20.1Q	20.2Q	20.3Q
Revenue	\$ 64.9M	\$ 66.4M	\$ 66.8M	\$ 68.8M	\$ 68.3M	\$ 68.1M	\$ 67.9M	\$ 69.3M	\$ 76.1M	\$ 99.1M	\$ 92.1M
Operating Expense	54.0	52.2	52.2	53.5	52.0	51.4	51.5	50.4	58.7	70.8	71.2
Cost of Revenue	25.4	26.3	25.8	26.5	25.5	25.3	24.8	24.0	26.9	34.8	32.6
Sales & Marketing	11.8	9.8	8.1	10.2	7.0	8.0	10.1	10.6	14.5	18.3	20.9
R&D	5.5	3.8	5.2	5.5	5.8	4.6	4.5	4.3	4.3	4.8	4.6
G&A	3.9	4.8	5.5	3.6	5.2	5.1	3.7	3.2	5.0	4.9	5.1
D&A	7.4	7.5	7.6	7.7	8.4	8.4	8.4	8.3	8.0	8.0	8.0
Operating Income	\$ 10.9M	\$ 14.2M	\$ 14.6M	\$ 15.3M	\$ 16.3M	\$ 16.7M	\$ 16.3M	\$ 18.9M	\$ 17.4M	\$ 28.3M	\$ 20.9M
A.EBITDA	\$ 18.3M	\$ 21.7M	\$ 22.1M	\$ 23.0M	\$ 24.7M	\$ 25.1M	\$ 24.7M	\$ 27.2M	\$ 25.3M	\$ 36.3M	\$ 28.9M
A.EBITDA %	28.2%	32.6%	33.2%	33.4%	36.2%	36.9%	36.4%	39.3%	33.3%	36.6%	31.4%

(*) Financial information prepared in accordance with US-GAAP

C Payment, Revenue by Games

Payment (Unit: thousand dollar)		FY18	FY19	19.1Q	19.2Q	19.3Q	19.4Q	20.1Q	20.2Q	20.3Q
DDI subtotal		\$267,651	\$274,632	\$68,798	\$68,384	\$67,683	\$69,767	\$76,305	\$100,185	\$91,933
DoubleDown Interactive (DDI)	DoubleDown Casino	259,613	264,756	66,499	65,923	65,089	67,245	73,161	95,656	87,882
	DoubleDown Classic	2,281	2,606	726	670	671	539	573	802	585
	Ellen Slots	5,309	3,132	1,061	883	639	549	527	590	426
	D.D FortKnox	448	4,138	512	908	1,284	1,434	2,044	3,137	3,040
DUG subtotal		\$174,483	\$169,884	\$44,127	\$44,284	\$41,545	\$39,928	\$39,863	\$57,598	\$54,275
DoubleU Games (DUG)	DoubleU Casino	159,175	155,010	40,298	40,335	37,938	36,439	36,632	53,815	51,156
	Take5	12,288	11,855	3,164	3,135	2,740	2,816	2,737	3,324	2,790
	DoubleU Bingo	2,714	1,571	476	412	385	298	288	374	273
	Others	306	1,448	189	402	482	375	206	85	56
Total		\$442,134	\$444,516	\$112,925	\$112,668	\$109,228	\$109,695	\$116,168	\$157,783	\$146,208

Revenue (Unit: billion won)		FY18	FY19	19.1Q	19.2Q	19.3Q	19.4Q	20.1Q	20.2Q	20.3Q
DDI subtotal		293.7	318.8	76.9	79.4	81.0	81.5	90.7	120.6	109.6
DoubleDown Interactive (DDI)	DoubleDown Casino	284.4	307.1	74.2	76.5	77.9	78.5	87.0	115.1	104.5
	DoubleDown Classic	2.4	3.0	0.8	0.8	0.8	0.6	0.7	1.0	0.7
	Ellen Slots	6.3	3.8	1.3	1.0	0.8	0.7	0.6	0.7	0.5
	D.D FortKnox	0.6	4.9	0.6	1.1	1.5	1.7	2.4	3.8	3.6
DUG subtotal		189.3	195.0	48.8	50.4	49.1	46.6	46.7	68.2	63.6
DoubleU Games (DUG)	DoubleU Casino	173.2	178.4	44.7	46.1	44.9	42.7	43.0	63.8	60.1
	Take5	13.0	13.3	3.4	3.5	3.2	3.2	3.2	3.9	3.2
	DoubleU Bingo	2.8	1.7	0.5	0.4	0.4	0.3	0.3	0.4	0.3
	Others	0.3	1.6	0.2	0.4	0.6	0.4	0.2	0.1	0.0
Total		483.0	513.8	125.7	129.9	130.1	128.1	137.4	188.8	173.2

*) The 20.3Q sales of Double 8 Games were added to the DDI subtotal.