

Asiasoft pins hopes on mobile game

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SET-listed Asiasoft Corporation (AS), the leading online entertainment service provider, expects to see a 30% increase in revenue this year, helped by greater availability of both affordable smartphones and wireless high-speed internet access.

"After a decline in revenue growth over the past two years, we expect to see a sharp increase this year as the market for Thai online games witnessed a shift from web-based games to mobile games," said Pramoth Sudjitporn, chief executive of Asiasoft Corporation.

"Mobile games will be the key growth engine for us and the online game industry."

Asiasoft plans to introduce eight mobile games this year. It will join up with Line Corporation for the first time to roll out Line Dragonica mobile game in six Southeast Asian countries and four languages in June.

Line has 85 million users in six countries in Asean, including 33 million in Thailand.

Mr Pramoth said Asiasoft expected revenue from mobile games to account for 30% of its total this year, compared with 4% in 2014.

Siriratt Waisarayutt, deputy managing director of AsiaSoft, said Thailand's online game market including mobile games was worth US\$230 million last year, and should increase to \$490 million by 2017, a compound annual growth rate of 30%.

The number of online game users in Thailand is 14.7 million. Ms Siriratt said mobile game revenue in Thailand made up 31% of total online game revenue. As of December 2014, there were 158 online games in Thailand, 47 of which were new games launched by 53 game publishers.

Mr Pramoth said Asiasoft expected revenue to reach 1.7 billion baht this year, compared with 1.2 billion last year, down 26% from 2013. Revenue is expected to reach 2 billion baht next year. Net profit is expected to rise by 15% this year.

Asiasoft reported a loss of 391 million baht in 2014, the first since its inception. He attributed it to higher licence costs for online games and a sharp decline in PC-based gamers. The company recently laid off 30% of its staff and closed non-profitable divisions.

AS shares closed on the SET yesterday at 4.46 baht, down 4 satang, in trade worth 669,000 baht.