

Aream &
Co.



Video Game Market Update

Q3 2025

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Aream & Co. global, independent investment bank specialized in gaming and interactive entertainment

COMPANY SNAPSHOT

79

GAMING M&A AND FINANCING
TRANSACTIONS

\$38bn

TRANSACTION VALUE

24

GAMING BANKERS

WORLDWIDE COVERAGE



LONDON



SAN FRANCISCO



BERLIN

OUR STRENGTH



Passionate about Video Games and our craft – core deal team together for 12+ years



Deep institutional knowledge of the sector, current market trends and strategic capital allocation among buyer universe



Broad transaction experience across PC, console, mobile and the wider gaming ecosystem



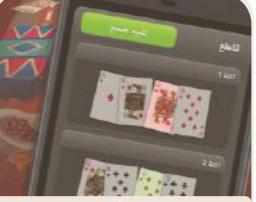
Unparalleled relationships with strategic acquirers and financial investors interested in the sector



Expert execution underpinned by our heritage in global financial institutions and constant market participation

Aream & Co. last twelve months deal activity

TRANSACTIONS ADVISED BY AREAM & CO. (FROM Q4-24 TO Q3-25)

 <p>Investment from impact46 \$53+ million Pending</p>	 <p>Debt financing to dream* August 2025</p>	 <p>Sale to APPLOVIN Apps Business \$800 million July 2025</p>	 <p>Sale of selected assets to CRACKSHELL everplay July 2025</p>	 <p>Acquisition of PIPEWORKS STUDIOS May 2025</p>	 <p>Acquisition of PLARIUM up to \$820 million February 2025</p>
 <p>Sale to MINICLIP \$1.2 billion January 2025</p>	 <p>Sale to MINICLIP January 2025</p>	 <p>Sale to Playtika up to \$2.0 billion November 2024</p>	 <p>Convertible Loan Issuance to REMEDY Tencent 腾讯 €15 million November 2024</p>	 <p>Acquisition of VIRTUOS August 2024</p>	 <p>Sale to Fusebox Nazara \$27 million August 2024</p>

12

LTM
GAMING
TRANSACTIONS

\$6bn+

LTM
TRANSACTION
VALUE

1

Executive Summary

Q3-25 in a nutshell

GAMING MARKET ENVIRONMENT

● ○ ○

- Mobile gaming IAP spend returns to growth reaching \$21.0bn in Q3-25, with Asian mobile publishers driving the majority of gains
- PC gaming maintains strong performance with +18% YoY growth, powered by successful franchise releases on Steam
- Console gaming delivers a robust quarter following the Nintendo Switch 2 launch; Nintendo's revenue grew 2.5x YoY while Sony and Microsoft posted double-digit growth in console content

DEALMAKING ACTIVITY

○ ● ○

- Transaction volume remains stable, with three notable announcements this quarter:
 - I. Public takeover of Electronic Arts for \$55bn led by a consortium comprising PIF, Silver Lake, and Affinity Partners
 - II. Two strategic-led deals: Bandai Namco's minority stake sale to Sony and Prime Insights acquisition by Aonic
- Institutional investors are accelerating gaming industry consolidation, with 12 transactions announced in 2025, including the Electronic Arts acquisition – the largest all-cash sponsor-led leveraged buyout in history
- Asian strategics are increasing investment activity, pursuing transmedia opportunities (incl. anime) and expanding international portfolios

CAPITAL MARKETS

○ ○ ●

- Public market fundraising slowed in Q3-25 with only \$0.3bn raised vs. \$10.1bn in H1-25
- Private investment activity remained subdued at 82 deals in Q3-25. Series A rounds declined for the fifth consecutive quarter
- Startup funding concentrated in gaming tech (AI, web-shop, VR) and mobile studios, with the latter primarily in Turkey

M&A holds steady as public and private investments face pressure

Dealmaking activity in Q3-25



Broad-based deal flow across multiple segments

Most notable gaming transactions in Q3-25

MERGERS & ACQUISITIONS

TARGET	BUYER	VALUE	CATEGORY
ANNOUNCED			
	 SILVER LAKE AFFINITY PARTNERS	\$55bn	 Diversified
		\$800m	 Mobile
	SONY	\$464m	 Diversified
		\$250m	 Tech
	KRAFTON	\$115m	 Mobile

PUBLIC OFFERINGS

COMPANY	DEAL TYPE	VALUE	CATEGORY
	RCF ¹ & Loan Facility	\$225m	 Gaming Hardware
	Common stock issuance	\$70m	 Esports
	PIPE	\$15m	 Esports
	IPO	\$12m	 Web
	PIPE	\$0.1m	 Tech

PRIVATE INVESTMENTS

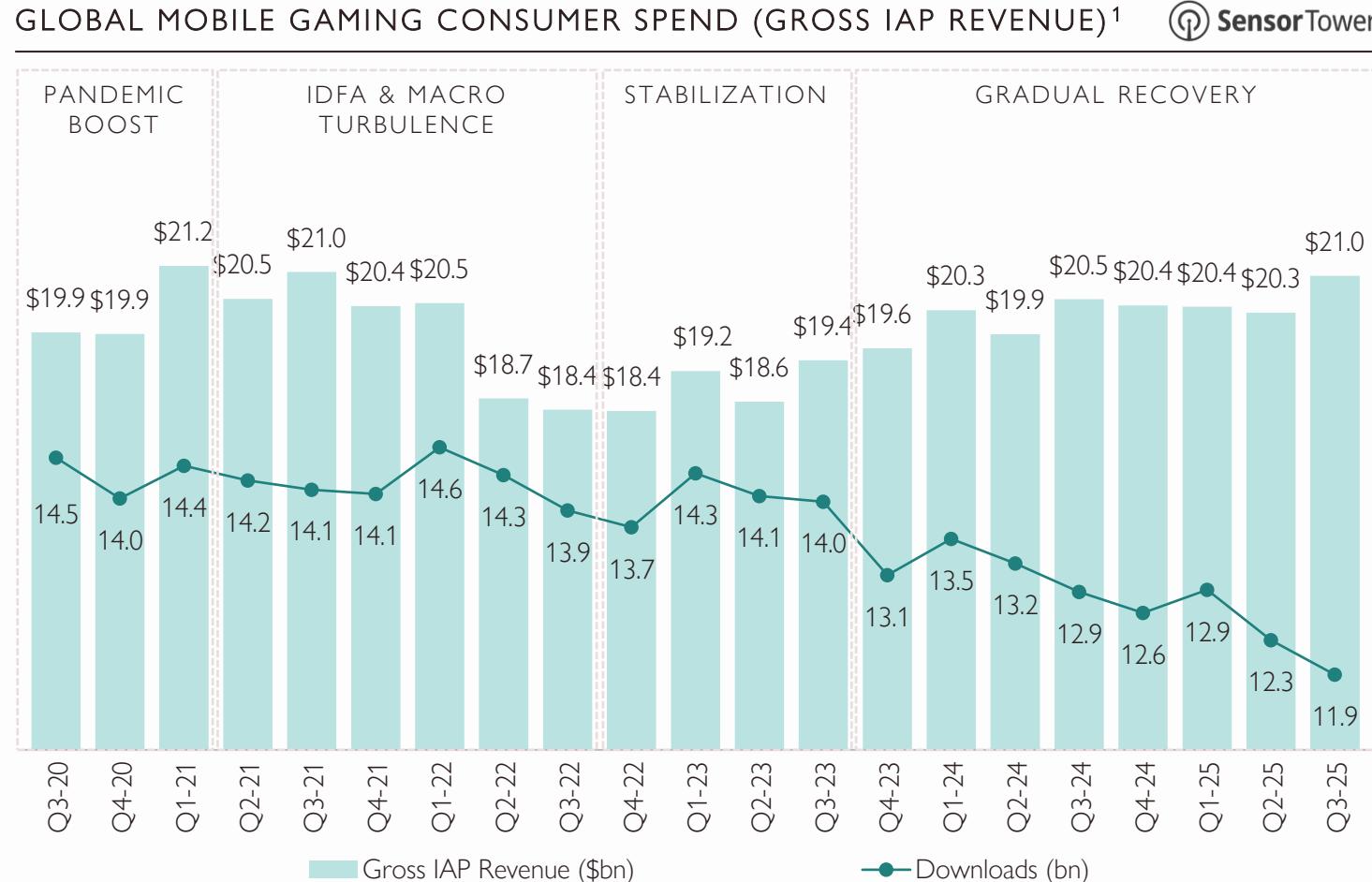
COMPANY	INVESTOR	VALUE	CATEGORY
	n/a	\$100m	 VR Hardware
	 SEQUOIA	\$100m	 Tech
	 ANTHOS	\$60m	 Mobile
		\$58m	 Tech
		\$40m	 Mobile

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Gaming Market Backdrop

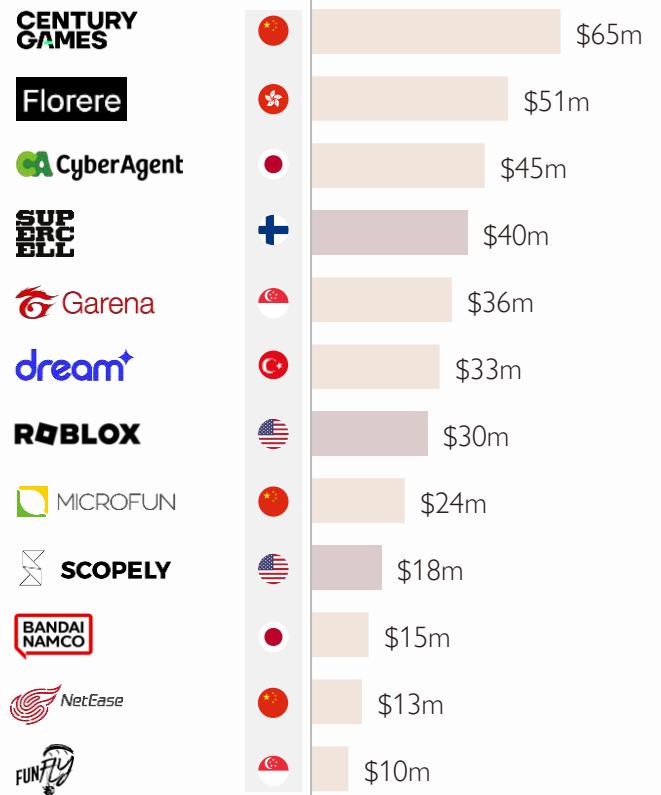
Mobile gaming IAP spend returns to growth

Asian publishers lead the US spending recovery as Western studios catch up



TOP-GROWING PUBLISHERS IN U.S.

INCREMENTAL IAP REVENUE² (Q3-25 vs. Q2-25)



Asian mobile publishers continue to lead the mobile gaming market

Publisher HQ countries ranked by key performance metrics (2025 YTD)

INSTALLS BY PUBLISHER HQ

		INSTALLS (M)	YoY (%)
1	🇨🇳 China	3,877	+9%
2	🇻🇳 Vietnam	3,758	+10%
3	🇨🇾 Cyprus	3,151	-10%
4	🇺🇸 US	2,980	+2%
5	🇭🇰 Hong Kong	2,425	+12%
6	🇵🇰 Pakistan	1,780	+27%
7	🇫🇷 France	1,363	-16%
8	🇸🇬 Singapore	1,313	+20%
9	🇹🇷 Turkey	1,237	+4%
10	🇮🇳 India	1,216	+12%

(-) – Fastest-growing countries by publisher HQ location

NET IAP REVENUE BY PUBLISHER HQ

		REVENUE (\$M)	YoY (%)
1	🇨🇳 China	12,266	+7%
2	🇺🇸 US	5,855	-13%
3	🇯🇵 Japan	3,163	+16%
4	🇸🇬 Singapore	2,235	+22%
5	🇹🇷 Turkey	2,123	+20%
6	🇮🇱 Israel	1,695	+4%
7	🇬🇧 UK	1,525	+1%
8	🇫🇮 Finland	1,372	-21%
9	🇮🇪 Ireland	1,359	-2%
10	🇭🇰 Hong Kong	1,196	+35%

AVERAGE MAU BY PUBLISHER HQ

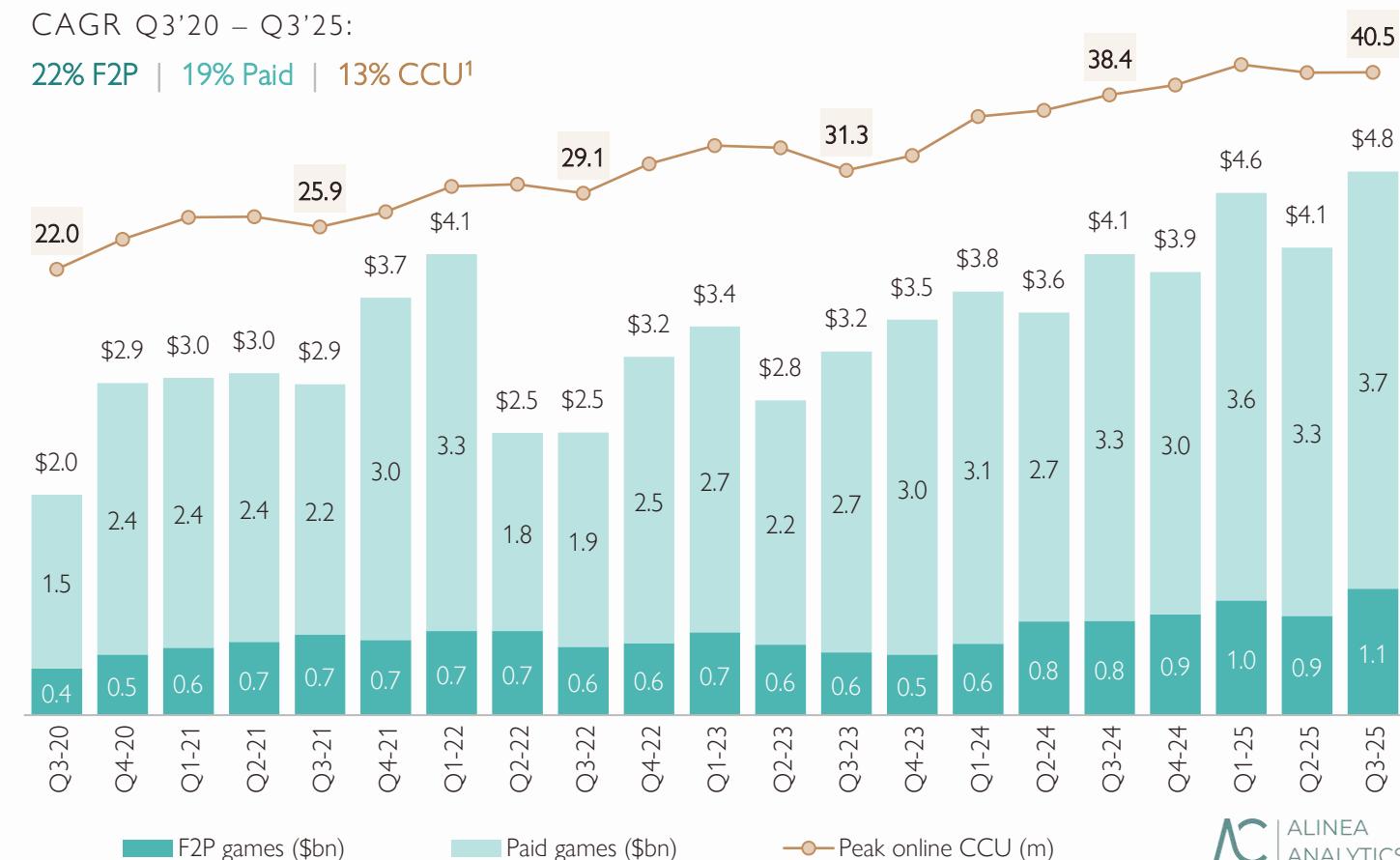
		AVG. MAU (M)	YoY (%)
1	🇺🇸 US	1,897	+6%
2	🇻🇳 Vietnam	1,737	+22%
3	🇨🇳 China	1,685	+11%
4	🇨🇾 Cyprus	1,284	-3%
5	🇭🇰 Hong Kong	1,041	+29%
6	🇵🇰 Pakistan	658	+35%
7	🇸🇬 Singapore	640	+19%
8	🇫🇷 France	582	+1%
9	🇹🇷 Turkey	554	+12%
10	🇬🇧 UK	523	+3%

PC gaming maintains strong performance trajectory

+18% YoY growth over the last twelve months on Steam

STEAM GROSS REVENUE & PEAK ONLINE USER ACTIVITY

CAGR Q3'20 – Q3'25:
22% F2P | 19% Paid | 13% CCU¹



TOP-GROSSING RELEASES Q3-25²

The table lists six top-grossing releases with their franchise, sales, units, and release date.

Rank	Release	Franchise	Sales	Units
1	11-Sep-25	BORDERLANDS 4	\$104m	1.7m
2	18-Sep-25	DYING LIGHT THE BEAST	\$65m	1.3m
3	4-Sep-25	SILKSONG	\$64m	4.0m
4	23-July-25	WUCHANG FALLEN FEATHERS	\$32m	0.8m
5	25-Sep-25	EA SPORTS FC 26	\$30m	0.5m
6	29-July-25	GROUNDED 2	\$21m	0.9m

RELEASE



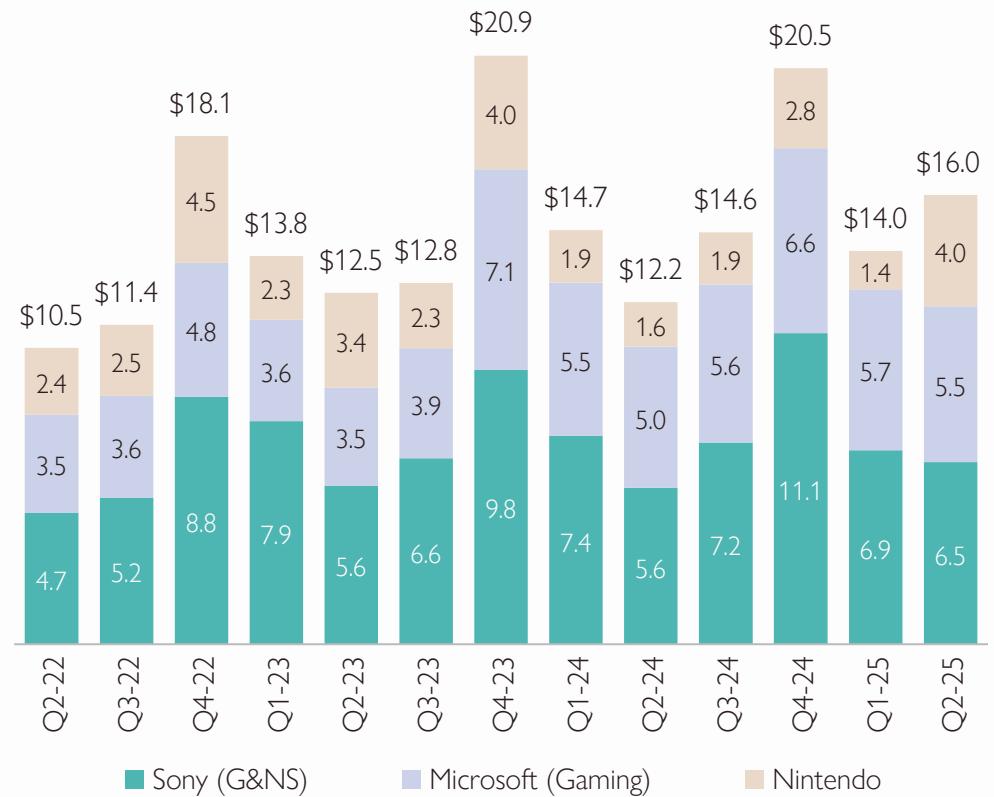
Consoles demonstrate a strong quarter amid new hardware launch

Nintendo Switch 2 launch drives +31% YoY market revenue growth

MAJOR CONSOLE PLATFORMS: QUARTERLY GAMING DIVISION REVENUE (\$BN)

↗ CAGR Q2'22 – Q2'25:

12% SONY | 17% MSFT | 19% NTDO



EARNINGS NOTES

Xbox FY25 Gaming revenue increased 9% YoY driven by growth in **Xbox content and services** (+16% YoY), offset in part by a decline in **Xbox hardware** (-25% YoY)

PlayStation Q1-FY25 G&NS sales increased 17% YoY, driven by increase in sales of non-first-party game software titles and increase in sales from network services. MAU increased by 6% YoY

Nintendo Q1-FY25 sales increased by 149% YoY, with **Nintendo Switch 2** sales totaling 5.8m units

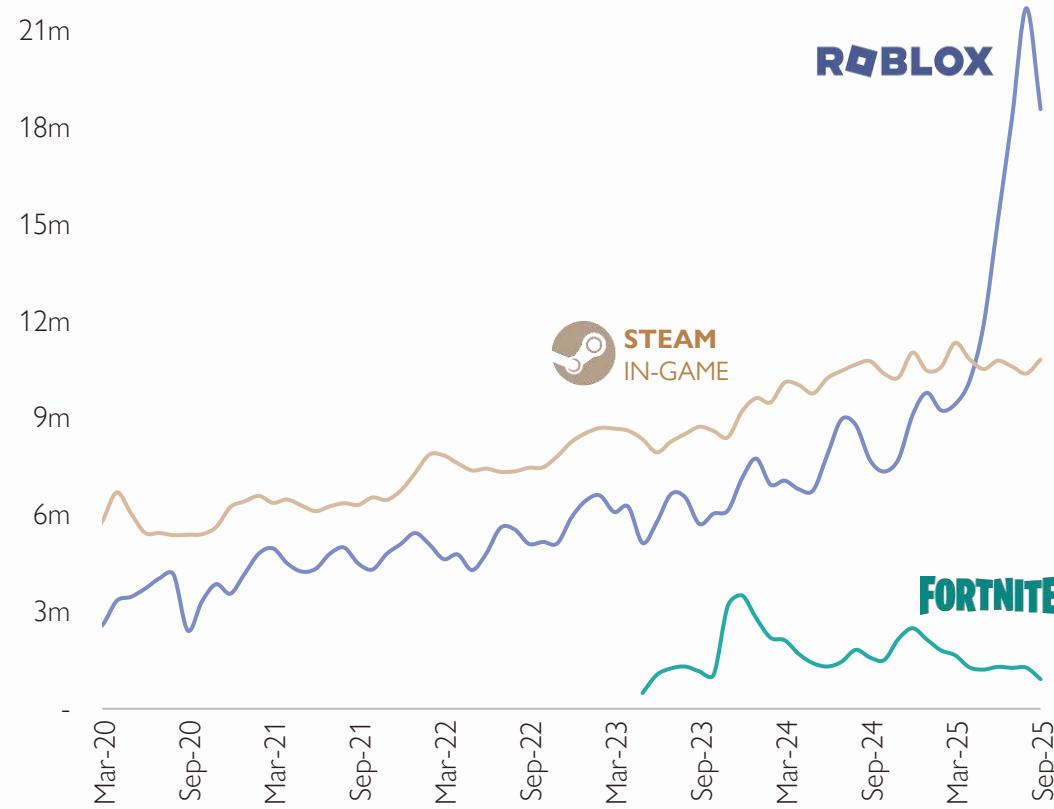
TOP-GROSSING RELEASES Q3-25¹

TOP-GROSSING RELEASES Q3-25 ¹			
ANNUAL SPORT SERIES	ANNUAL SPORT SERIES	ANNUAL SPORT SERIES	
PUBLISHER	EA SPORTS	2K	EA SPORTS
UNITS	5.5m	3.5m	1.8m
RELEASE	26-Sep-25	5-Sep-25	7-Jul-25
ANNUAL SPORT SERIES	FRANCHISE	FRANCHISE	
PUBLISHER	EA SPORTS	2K	2K
UNITS	1.3m	0.8m	0.8m
RELEASE	7-Aug-25	12-Sep-25	8-Sep-25

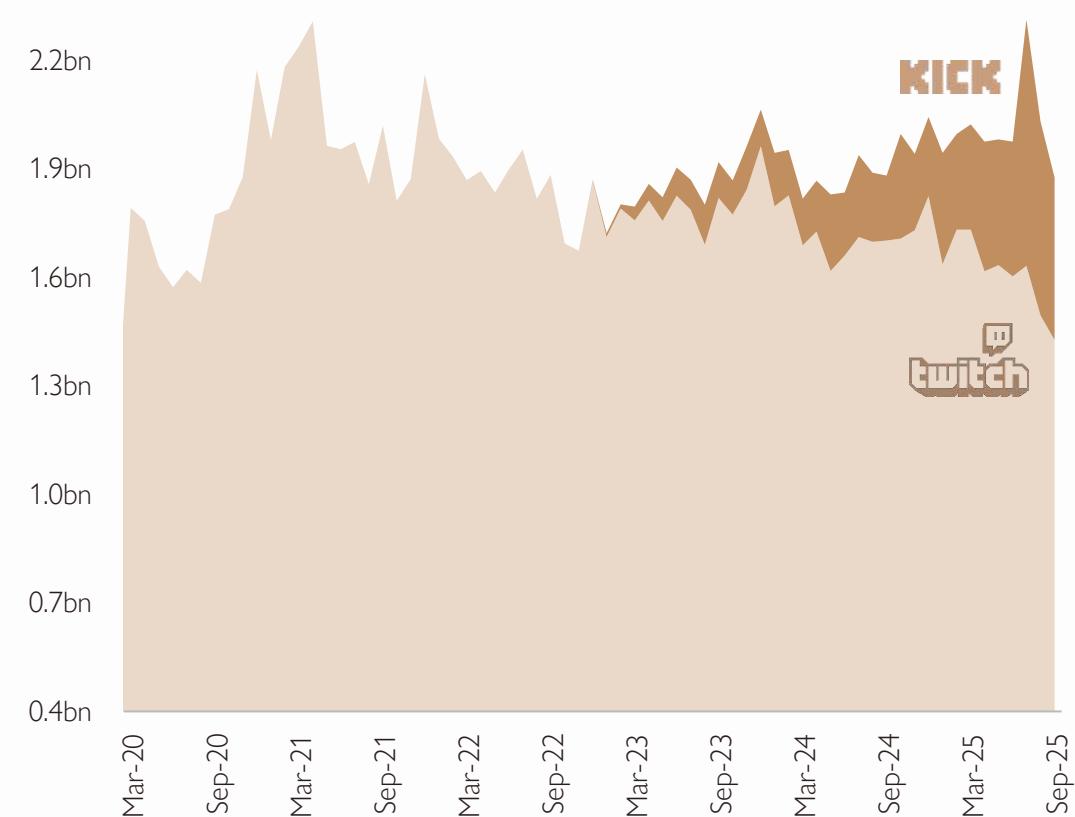
UGC and streaming platforms reach record engagement levels

Roblox breakout hits drive platform growth, while Kick challenges Twitch's market share

CONCURRENT USERS ON MAJOR UGC PLATFORMS¹



GAMING VIEWERSHIP (HOURS WATCHED)



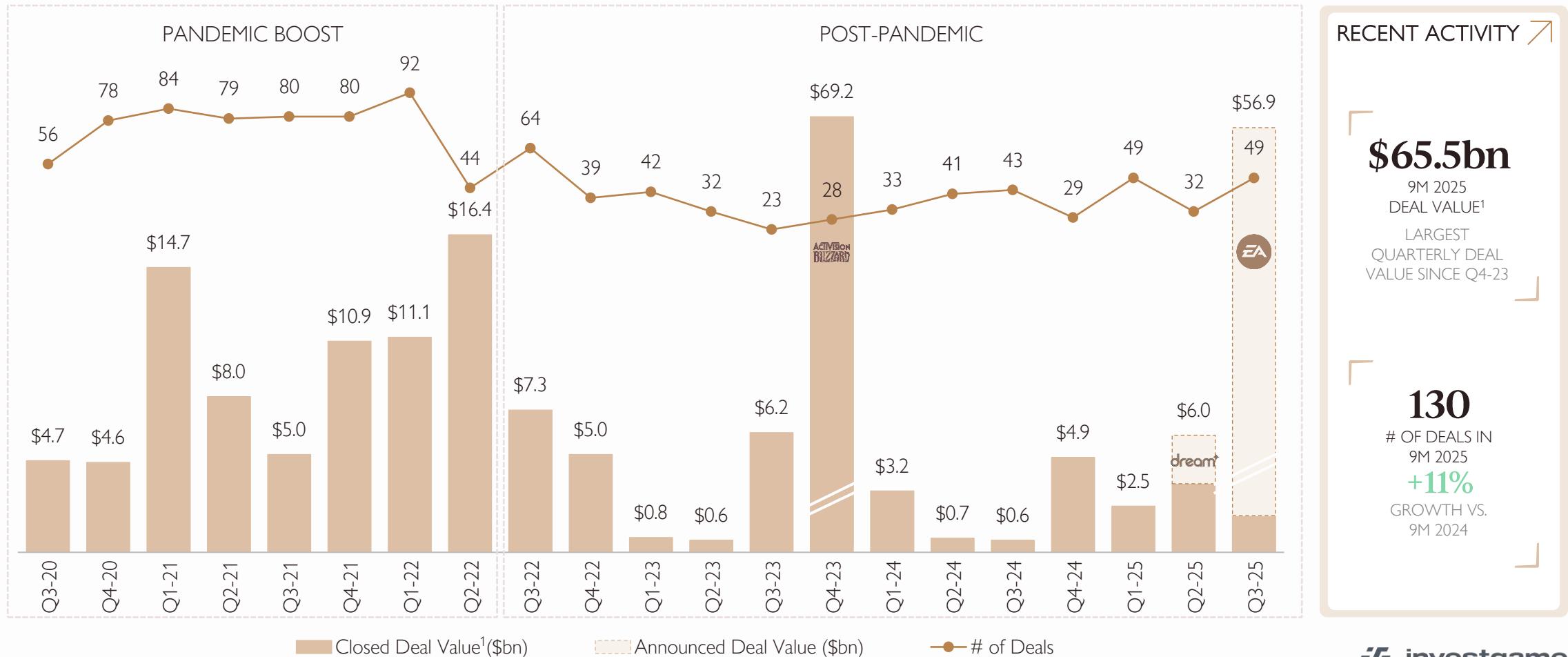


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Mergers & Acquisitions

M&A volume holds steady, with value driven by megadeals

Quarterly activity incl. both minority & majority stake transactions

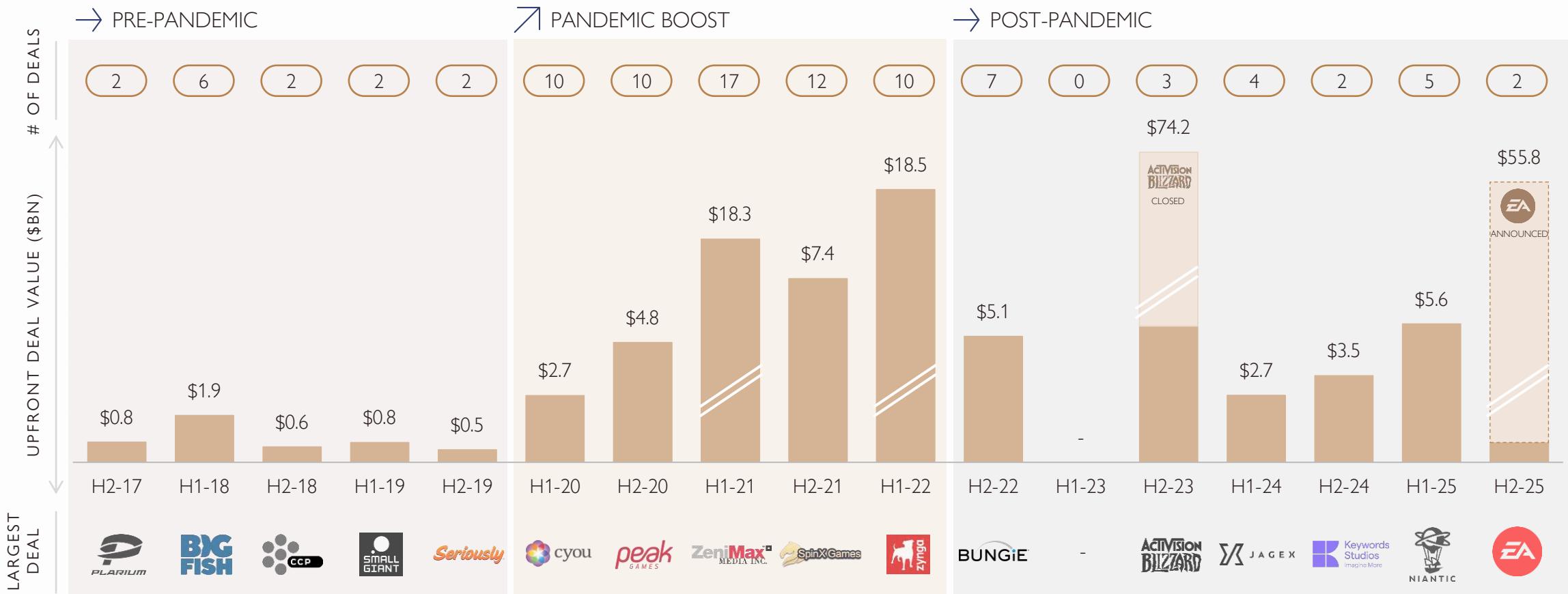


Buyers target scaled gaming publishers with established IPs

M&A activity across game developers & publishers

GAMING CONTENT CONTROL M&A DEALS (UPFRONT VALUATION >\$100M¹) BY CLOSING DATE

IG investgame



Transactions involving public entities have dominated recent M&A

Largest gaming acquisitions of the last twelve months

IG investgame

	DIVERSIFIED	DIVERSIFIED	MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	SERVICES
TARGET									
ACQUIRER	 SILVER LAKE AFFINITY PARTNERS				CVC Equity	Blackstone Debt			BPEA CPP Investments IEQT TEMASEK
EV ¹	\$55.0bn	\$464m ³ (deal value)	\$800m	\$3.5bn	n/a	\$620m ⁴	\$1.2bn	\$700m	\$2.7bn
LTM MULTIPLES ²	7.4x	1.9x	0.6x	3.5x	n/a	1.0x	3.8x	2.6x	3.2x
DATE	21.2x + Sep-25 (announced)	10.4x	n/a +	n/a	n/a	4.5x	9.3x + Jan-25	n/a	15.9x Oct-24

Aream &
Co.

Source: InvestGame

Note: (1) upfront enterprise value excl. earnout consideration; (2) based on upfront enterprise value; (3) minority M&A deal at \$16bn enterprise value; (4) incl. \$20m deferred payment

Largest public gaming takeovers side-by-side



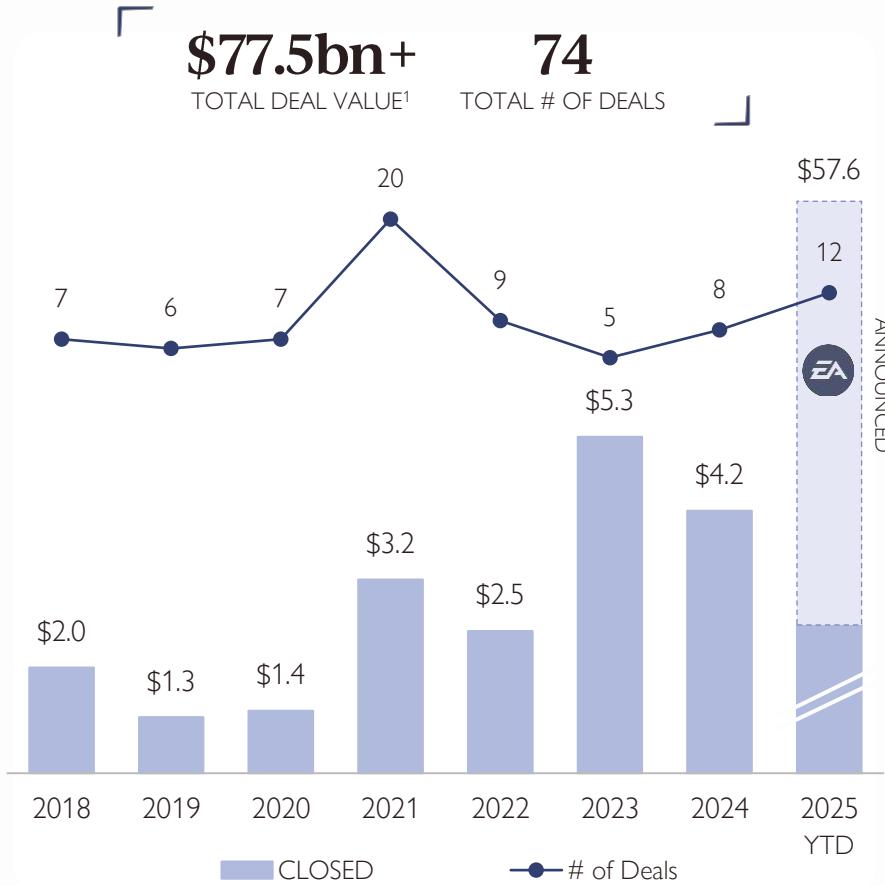
BUYER(S)	PIF	SILVER LAKE	AFFINITY PARTNERS
VALUATION & STRUCTURE		\$55.0bn 64% CASH / 36% DEBT	
DEAL MULTIPLES	EV / REVENUE	7.4x LTM / 21.2x LTM	7.2x NTM / 19.0x NTM
HEADCOUNT		~14,500 ~\$4m / FTE	

Microsoft	PUBLICLY-LISTED STRATEGIC
	\$68.7bn 100% CASH
	7.6x LTM / 20.8x LTM
	7.3x NTM / 17.9x NTM
	~10,000 ~\$7m / FTE

Institutional investments in gaming at all-time high

PE-backed transactions surge as institutional capital targets opportunities in gaming

SPONSOR-BACKED GAMING TRANSACTIONS



Aream &
Co.

Source: InvestGame

Note: (1) incl. earnout consideration; (2) date of announcement

SELECT RECENT SPONSOR TRANSACTIONS

iG investgame

M&A BUYOUTS (CONTROL)



GROWTH EQUITY (MINORITY)

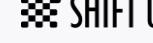
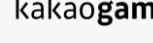


Asian gaming strategies accelerate dealmaking activity

INVESTING IN WESTERN TALENT

TARGET	INVESTOR	VALUE
 ELEVENTH HOUR GAMES	KRAFTON	\$96m
 ARROWHEAD	Tencent	\$80m
	 DOUBLEU GAMES	\$67m
 CURVE GAMES	 Nazara™	\$29m
	 Nazara™	\$27m
Architects Republic	KRAFTON	n/a
LIGHTHOUSE GAMES	Tencent	n/a

ACCESSING CAPITAL MARKETS

ISSUER	DEAL TYPE	VALUE
 bilibili	Convertible Notes & Common Shares Issue	\$690m
 SHIFT UP	IPO	\$320m
 kakaogames	Convertible Notes Issue	\$203m
 Nazara™	Preferred Shares Issued	\$57m
 CTW	IPO	\$12m
 WINKING	IPO	\$10m

PURSUING TRANSMEDIA ASSETS

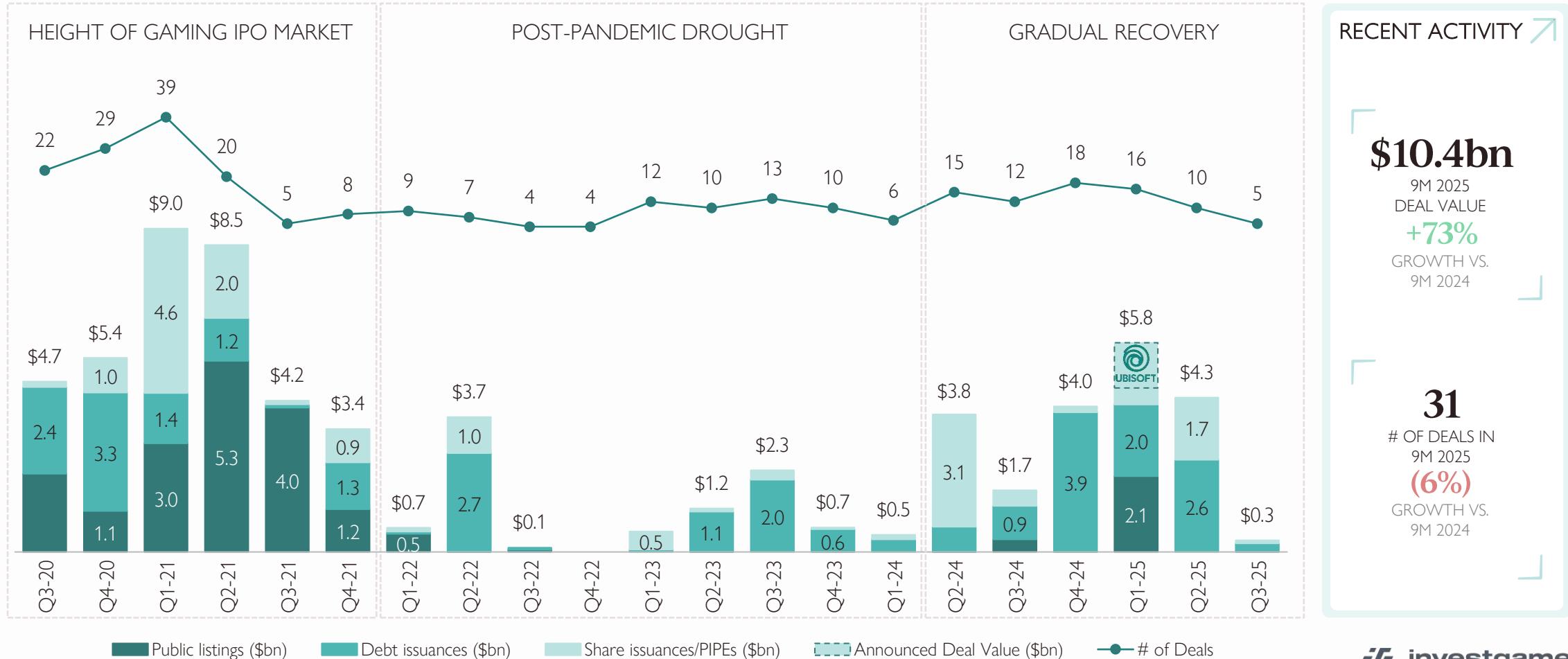
TARGET	INVESTOR	VALUE
 ADK	KRAFTON	\$517m
 BANDAI NAMCO	SONY	\$464m
 KADOKAWA	 SONY	\$358m



4

Public Markets

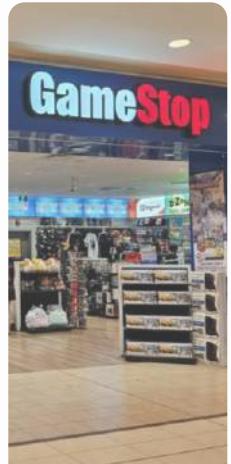
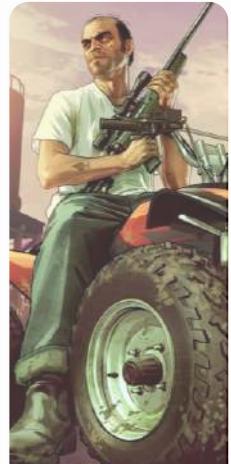
Public capital raising slows in Q3-25 after strong H1-25 performance



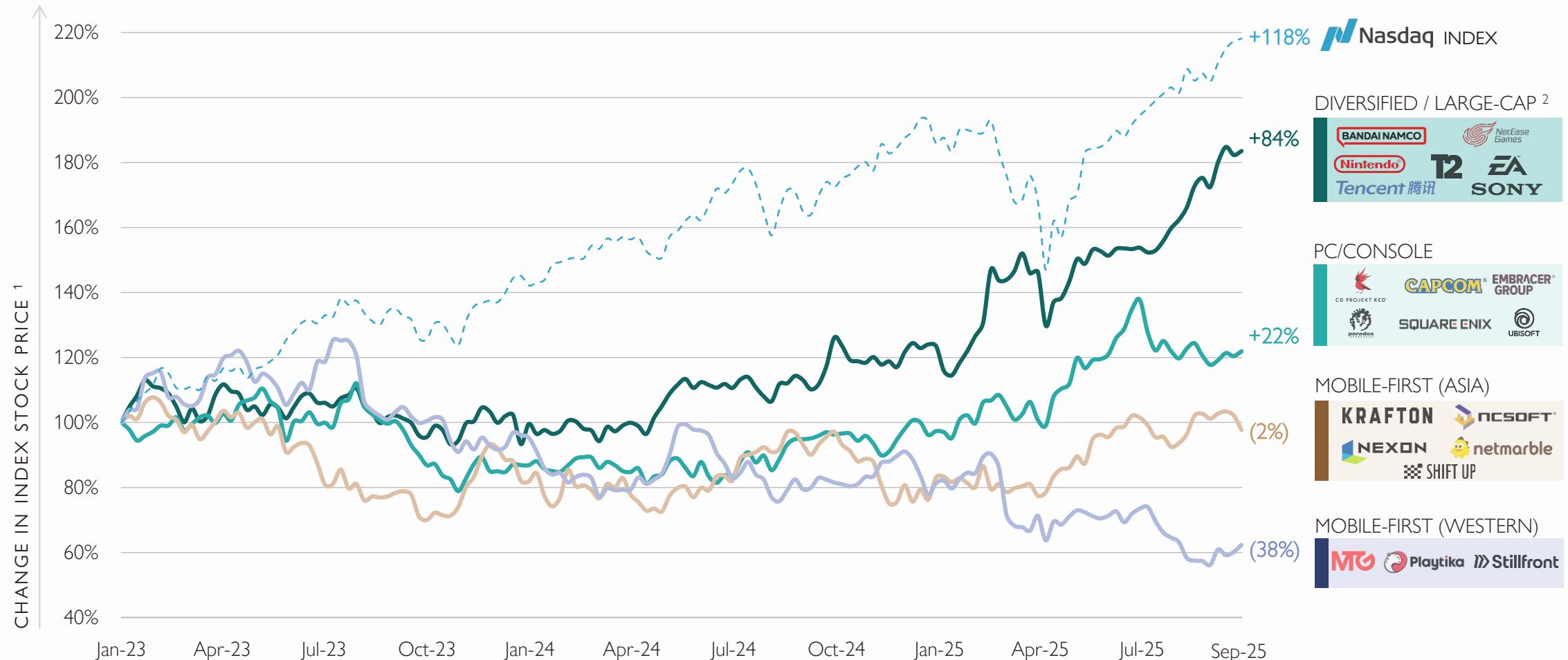
Limited public market activity in Q3-25 with one debt transaction

Largest public market transactions over the last twelve months

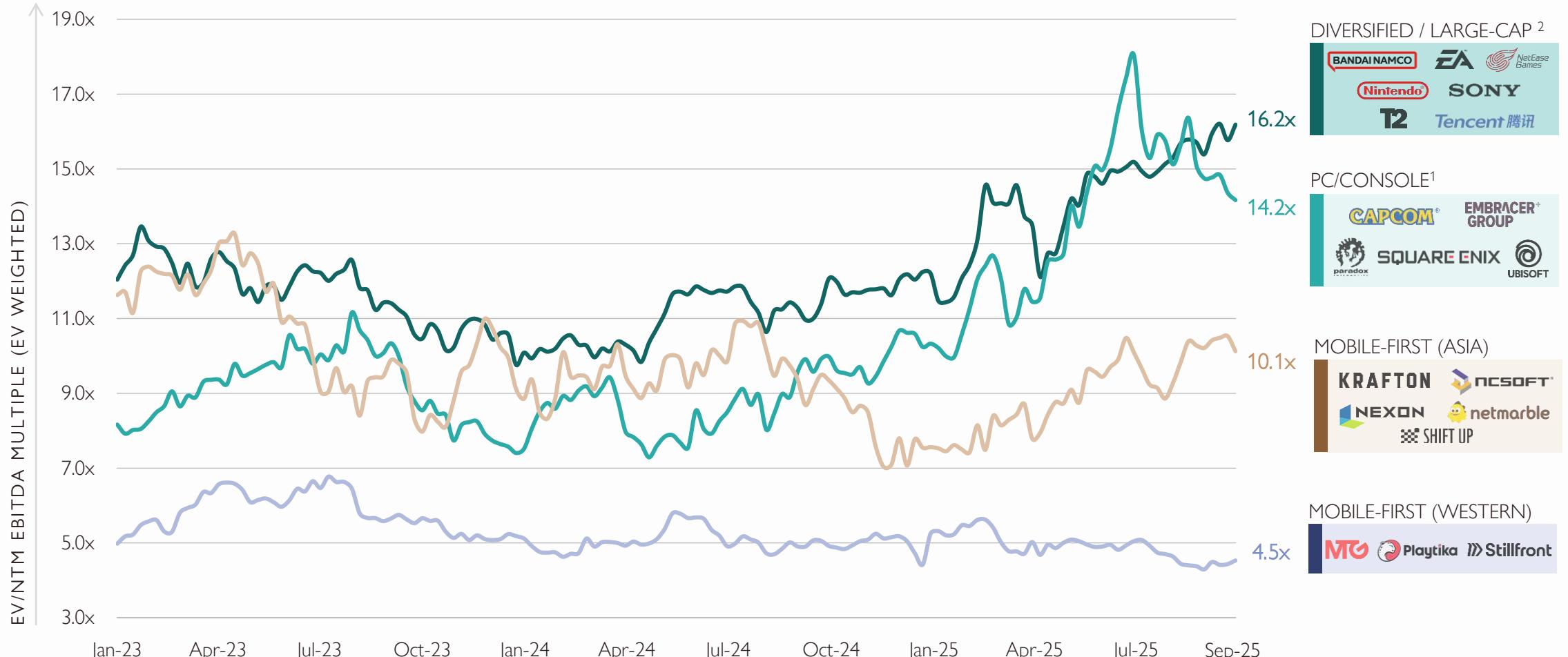
iG investgame

									
COMPANY	CORSAIR	GameStop	bilibili	T2	UBISOFT	KADOKAWA	Unity	Stillfront	APPLOV
DEAL TYPE	RCF ¹ & Loan Facility	Convertible senior notes	Convertible senior notes	Common stock	Investment (PIPE)	PIPE	Convertible senior notes	Credit facility & bond	Senior note
CAPITAL RAISED	\$0.23bn	\$3.55bn	\$0.69bn	\$1.04bn	\$1.25bn	\$0.36bn	\$0.60bn	\$0.30bn	\$3.55bn
DATE	Jul-25	Jun-25 / Mar-25	May-25	May-25	Mar-25 (announced)	Tencent ~\$39m ² SONY \$320m	Feb-25	Dec-24 / Nov-24	Nov-24
Notes	\$2.3bn							\$227m	
Notes	\$1.3bn							\$77m	

Large-cap publishers continue to outperform gaming peers

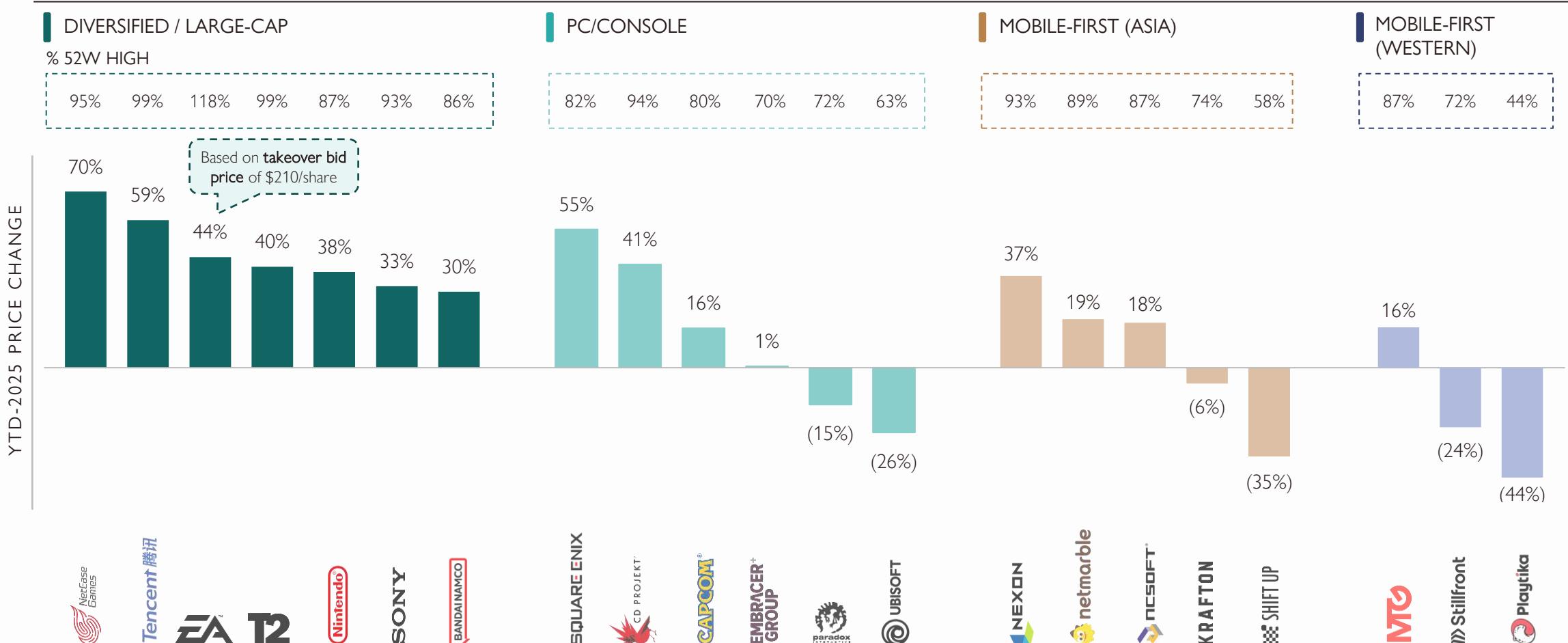


Diversified and PC/console publishers maintain a valuation premium



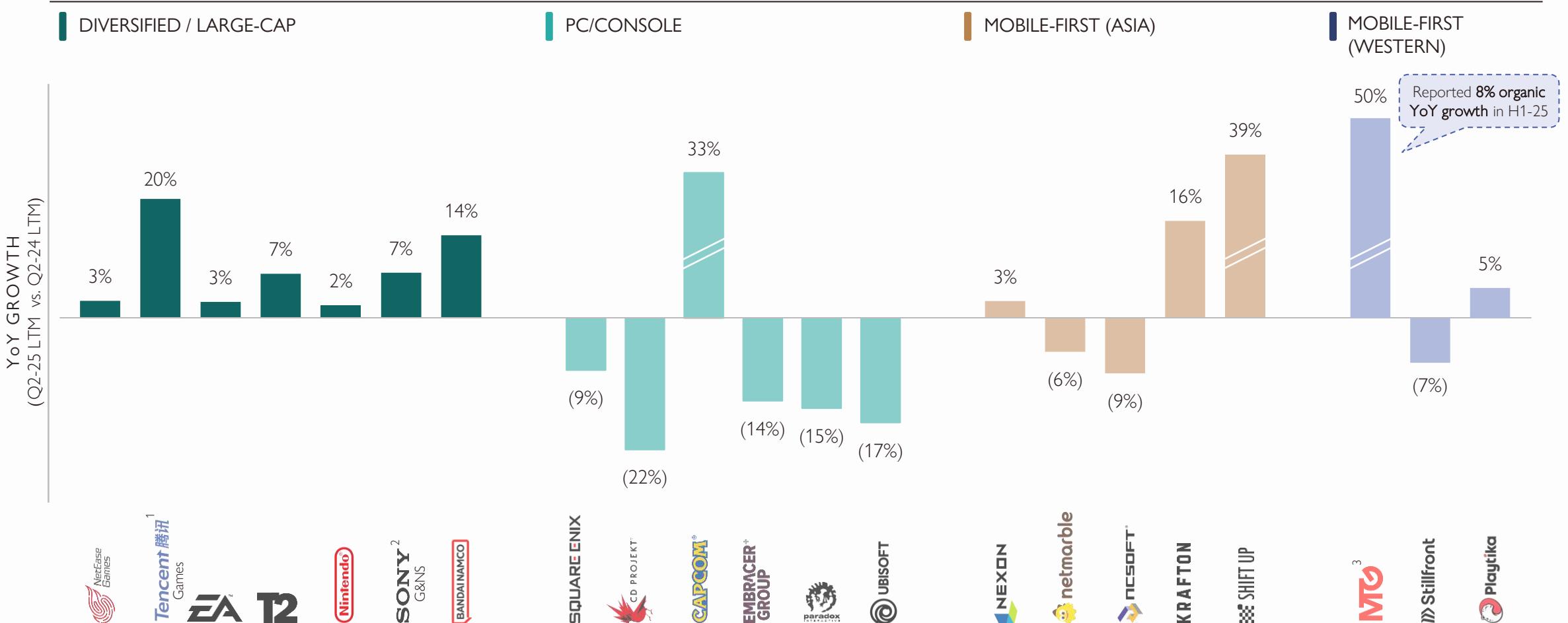
Company-specific execution, not broader segment trends, drives share price performance

SHARE PRICE PERFORMANCE AS OF 30TH SEPTEMBER 2025



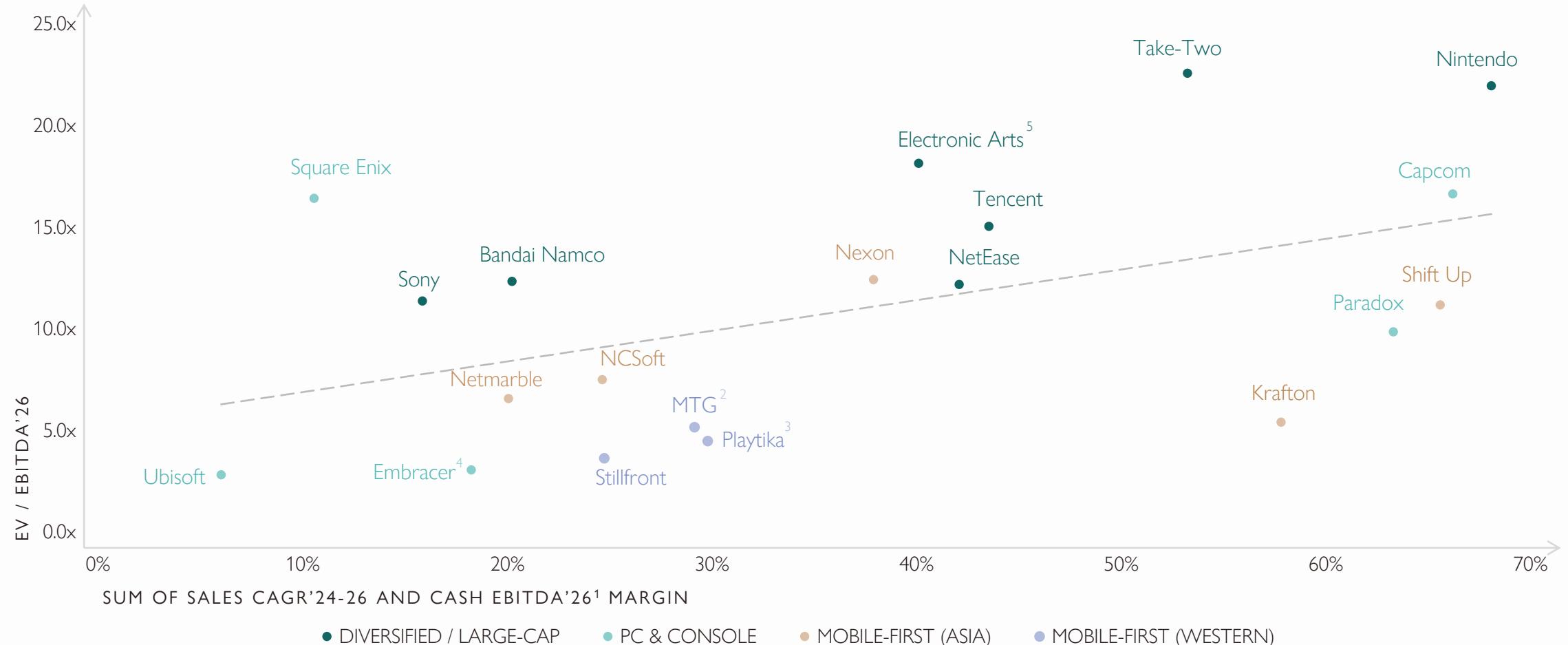
Diversified publishers sustain revenue growth while most mid-cap peers experience revenue headwinds regardless of platform

REPORTED LTM REVENUE GROWTH AS OF Q2-25CY



Growth and Profitability drive premium valuations

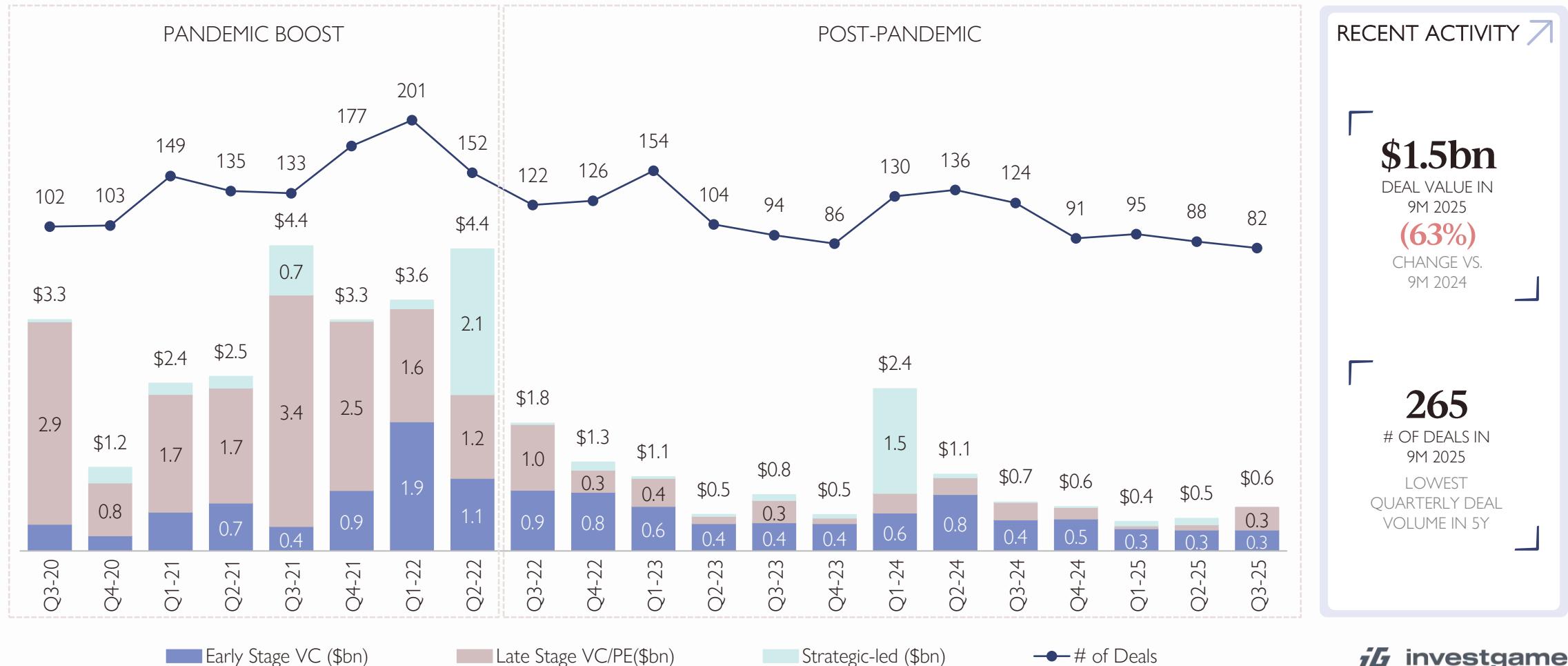
Regression analysis: forward-looking valuation vs. growth + profitability



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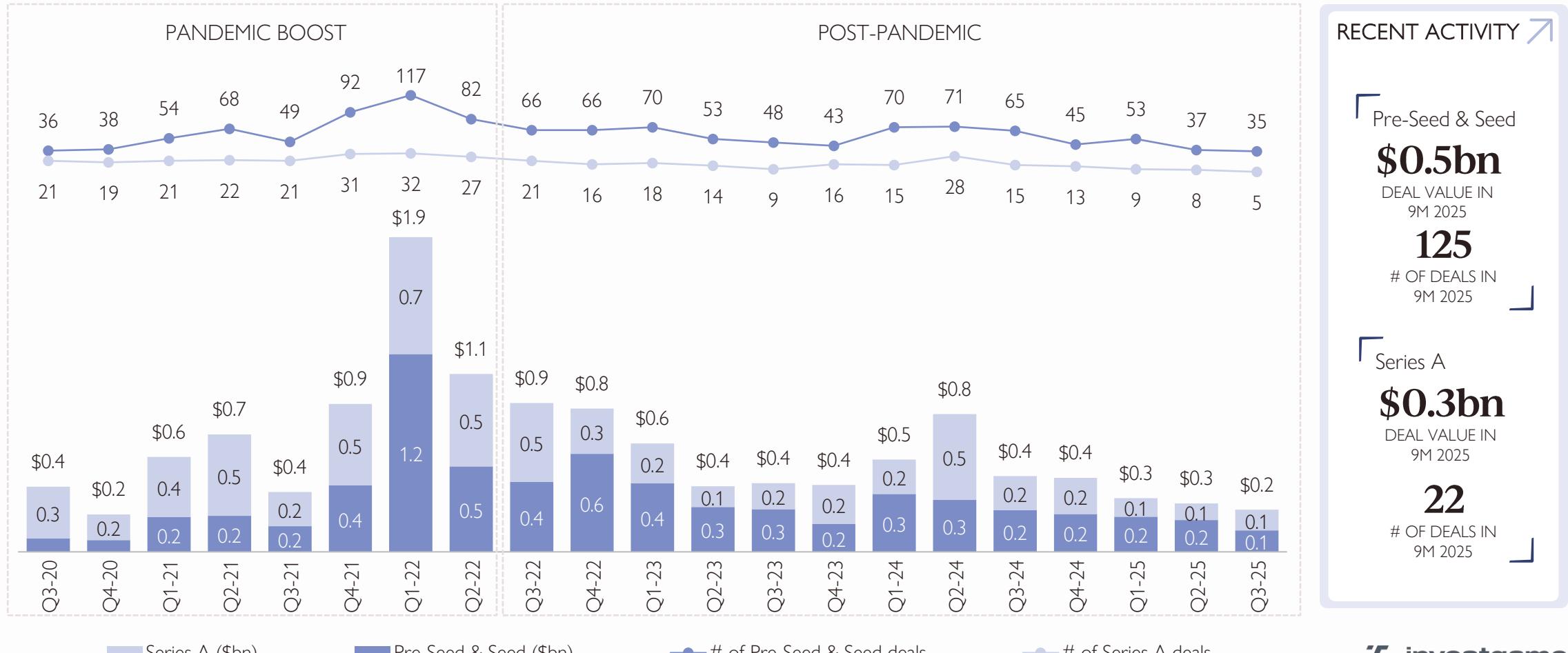
Private Investments

Gaming private investments facing continued pressure



Early-stage funding decline persists with Series A at five-year low

VC-led early-stage rounds (excl. web3 and esports)¹



Largest VC-led deals in Q3-25

GAMING CONTENT¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Jul-25	 goodjob games	 MENLO VENTURES	ANTHOS 	Series A \$60.0m
Jul-25	 DISTINCT POSSIBILITY STUDIOS	 BITKRAFT	Seed	\$30.5m
Aug-25	 SUPER GAMING	 A16Z GAMES	Series B	\$15.0m
Sep-25	 Born	Accel	Series A	\$15.0m
Aug-25	 FATELESS	n/a	Seed	\$8.0m
Jul-25	 circle	 BITKRAFT	Seed	\$7.3m
Aug-25	 Cloud GAMES	 GFR FUND	 VITURE	BITKRAFT \$5.0m
Aug-25	 MATIKS	 TANGLIN VENTURE PARTNERS	Seed	\$3.1m
Jul-25	 TARK	 LUDUS	Seed	\$2.5m
Sep-25	 MIDWEST GAMES	 PREVAIL	Seed	\$2.0m

PLATFORM & TECH¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Sep-25	 VITURE	n/a	Series B	\$100.0m
Aug-25	 Decart	 BENCHMARK	 SEQUOIA	Series B \$100.0m
Aug-25	 appcharge	 ivp	Series B	\$58.0m
Aug-25	 FundamentalLabs	 PROSUS	Series A	\$33.0m
Aug-25	 gameramp	 BITKRAFT	Seed	\$5.4m
Jul-25	 REMIX	 Archetype	Seed	\$5.0m
Aug-25	 Atelico	 AIR STREET CAPITAL	Seed	\$5.0m
Sep-25	 nilo	 A16Z GAMES	Seed	\$4.0m
Aug-25	 Payment Labs	 Aperture VENTURE CAPITAL	Seed	\$3.3m
Aug-25	 TILKI	 TwinPath	Seed	\$2.2m

Most active early-stage gaming VCs

Last twelve months activity¹

TOP-10 BY NUMBER OF DEALS (LTM)

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	BITKRAFT	16	14	circle 
2	A67 GAMES	15	4	nunu.ai 
3	Arcadia	14	3	goodjob games 
4	GRiffin	11	10	AMPLITUDE STUDIOS 
5	LATION	11	7	grand 
6	vgames	9	5	Sett 
7	SSU GAME VENTURES	9	2	myGamez 
8	PLAY	8	4	BIG GER 
9	Lvp.	7	7	bobby.ai 
10	THE GAMES FUND	7	6	playgama 

TOP-10 BY DEAL VALUE (LTM)

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	BITKRAFT	\$113m	\$81m	circle 
2	Bessemer Venture Partners	\$97m	\$15m	goodjob games 
3	MENLO VENTURES	\$83m	\$83m	goodjob games
4	PLAY	\$82m	\$24m	BIG GER 
5	Arcadia	\$82m	\$9m	goodjob games 
6	LATION	\$81m	\$20m	grand 
7	A67 GAMES	\$79m	\$18m	nunu.ai 
8	GRiffin	\$64m	\$50m	AMPLITUDE STUDIOS 
9	ANTHOS	\$60m	\$60m	goodjob games
10	Balderton capital	\$48m	\$48m	agave 

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