



Video Game Market Update

Q1 2025

Aream &
Co.

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

COMPANY SNAPSHOT

75+

GAMING M&A AND FINANCING
TRANSACTIONS

\$37bn

TRANSACTION VALUE

18

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
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. recent deal activity

TRANSACTIONS ADVISED BY AREAM & CO. (Q2'24 – Q1'25)



Acquisition of



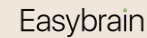
Pending




Acquisition of




up to \$820 million
February 2025




Sale to




\$1.2 billion
January 2025




Sale to




January 2025




Sale to




up to \$2.0 billion
November 2024




Convertible Loan
Issuance to



November 2024



Acquisition of



August 2024

14
LTM
GAMING
TRANSACTIONS



Sale to




August 2024

Aream & Co.

European PC & Console
Gaming Studio

Minority Investment
from



July 2024


Aream & Co.

European Mobile
Gaming Studio


Sale to

Strategic Consolidator


June 2024




Sale to




May 2024




Sale to



May 2024



Sale to



April 2024



Minority Investment
from



April 2024

\$4bn
LTM
TRANSACTION
VALUE¹

Note: (1) based on upfront transaction value

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An abstract graphic on the left side of the slide, featuring a dark background with a series of bright, colorful light streaks (yellow, orange, and purple) that appear to be moving or radiating from the top left corner. A large white number '1' is overlaid on this graphic.

1

Executive Summary

Q1-2025 in a nutshell

GENERAL MARKET ENVIRONMENT



- PC gaming momentum continues, with Steam hitting record CCUs and solid performance from a mix of established franchises and indies
- Mobile consumer spend returns to growth (+3% YoY¹), driven by strong performance from Asian publishers
- Console market remains steady, with 2025 expected to be a defining year in terms of hardware (Switch II) and software (GTA VI)

DEALMAKING ACTIVITY



- M&A hits \$6.6bn in Q1 - the highest in two years - and exceeds pre-pandemic levels, with mobile continuing to dominate headline activity
- Deal activity driven by strategics taking a more active role in reshaping their portfolios, select group of private consolidators pursuing acquisitions and growing private-equity interest in the space
- Private financings remain challenging, particularly in later stage rounds
- Ecosystem continues to grow, with new managers emerging and existing funds raising follow-on funds

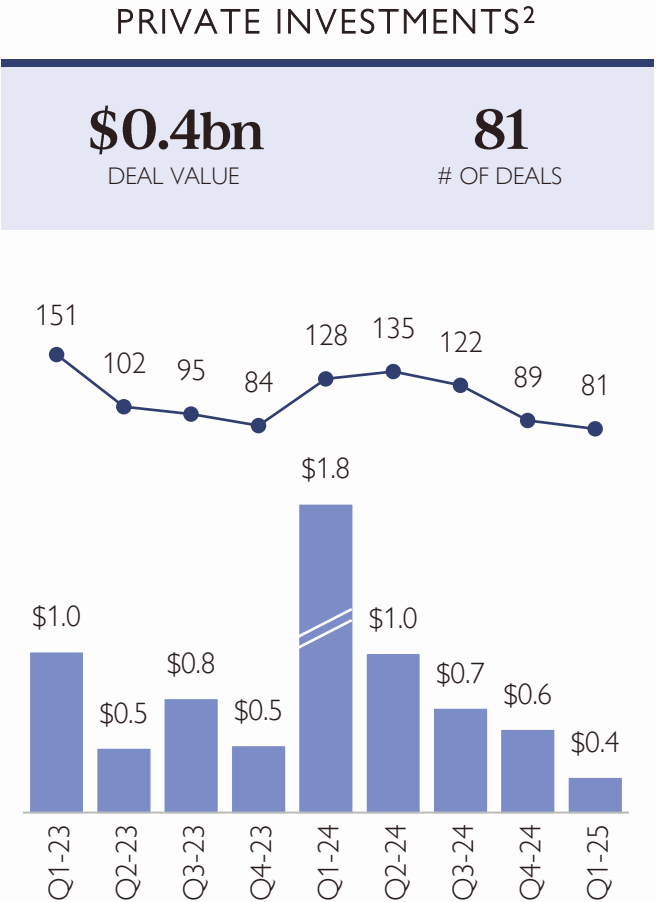
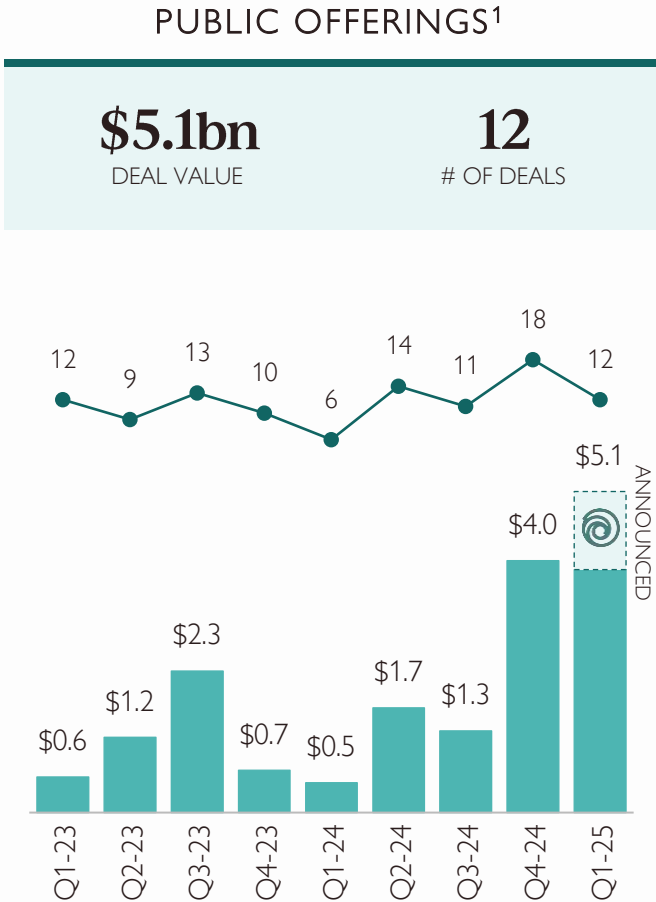
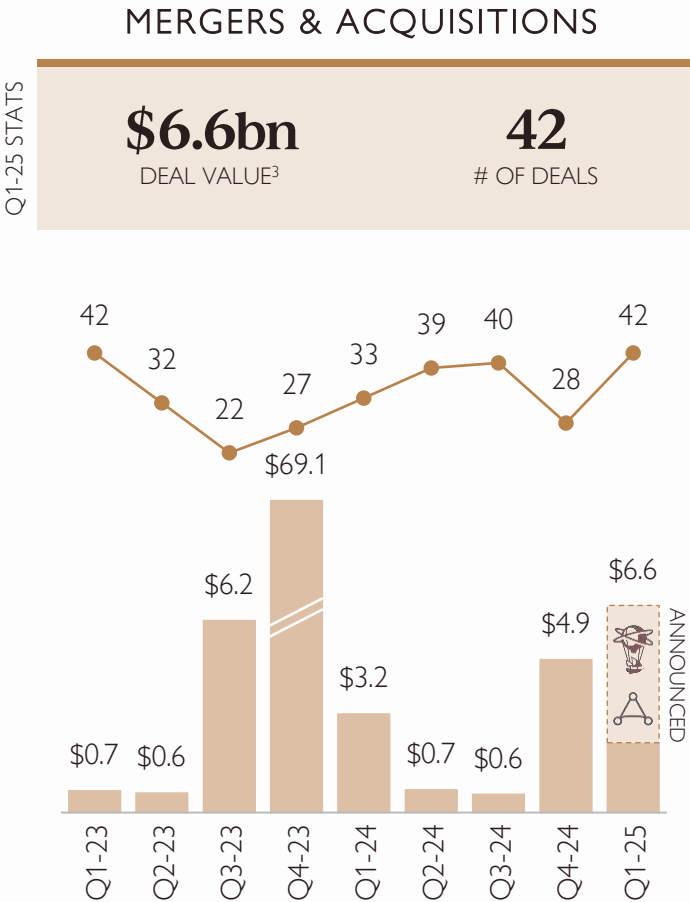
CAPITAL MARKETS



- Debt markets remain open for business, driven largely by refinancing activity
- Strong Q1 performance by large-cap diversified publishers and persisting valuation gap between PC/Console and Mobile publishers
- Gaming software weathers tariff storm, shedding 2025 YTD gains but outperforming broader market declines in Nasdaq and S&P indices

M&A and public activity rebound, private financings continue to slide

Dealmaking activity in Q1-2025



Closed deal value (\$bn) Number of deals

Resurgence in transformational deals

Most significant gaming transactions in Q1-2025

MERGERS & ACQUISITIONS				PUBLIC OFFERINGS ²				PRIVATE INVESTMENTS ³			
TARGET	BUYER	VALUE ¹	CATEGORY	TARGET	DEAL TYPE	VALUE	CATEGORY	TARGET	INVESTORS	VALUE	CATEGORY
ANNOUNCED											
		\$3.5bn	 Mobile	asmodee	EMBRACER [®] Public spin-off	\$2.1bn	 Tabletop			\$50m	 Tech
Easybrain		\$1.2bn	 Mobile	GameStop	Convertible senior notes	\$1.3bn	 Retail	grand	Balderton	\$30m	 Mobile
ANNOUNCED				ANNOUNCED							
	n/a	\$900m	 Mobile		Tencent PIPE	\$1.3bn	 PC & Console	Bigabid		\$25m	 Tech
	MTG	\$620m	 Mobile		Tencent SONY PIPE	\$0.4bn	 PC & Console	goodjob games	MENLO VENTURES 	\$23m	 Mobile
Less more.		n/a	 Mobile		PIPE	\$57m	 Mobile & Esports		RAINE equity SHAMROCK CAPITAL debt	n/a	 UGC

A vertical decorative element on the left side of the slide. It features a dark background with numerous thin, curved lines of light in shades of orange, yellow, and purple, creating a sense of motion and depth. A large white number '2' is overlaid on this graphic.

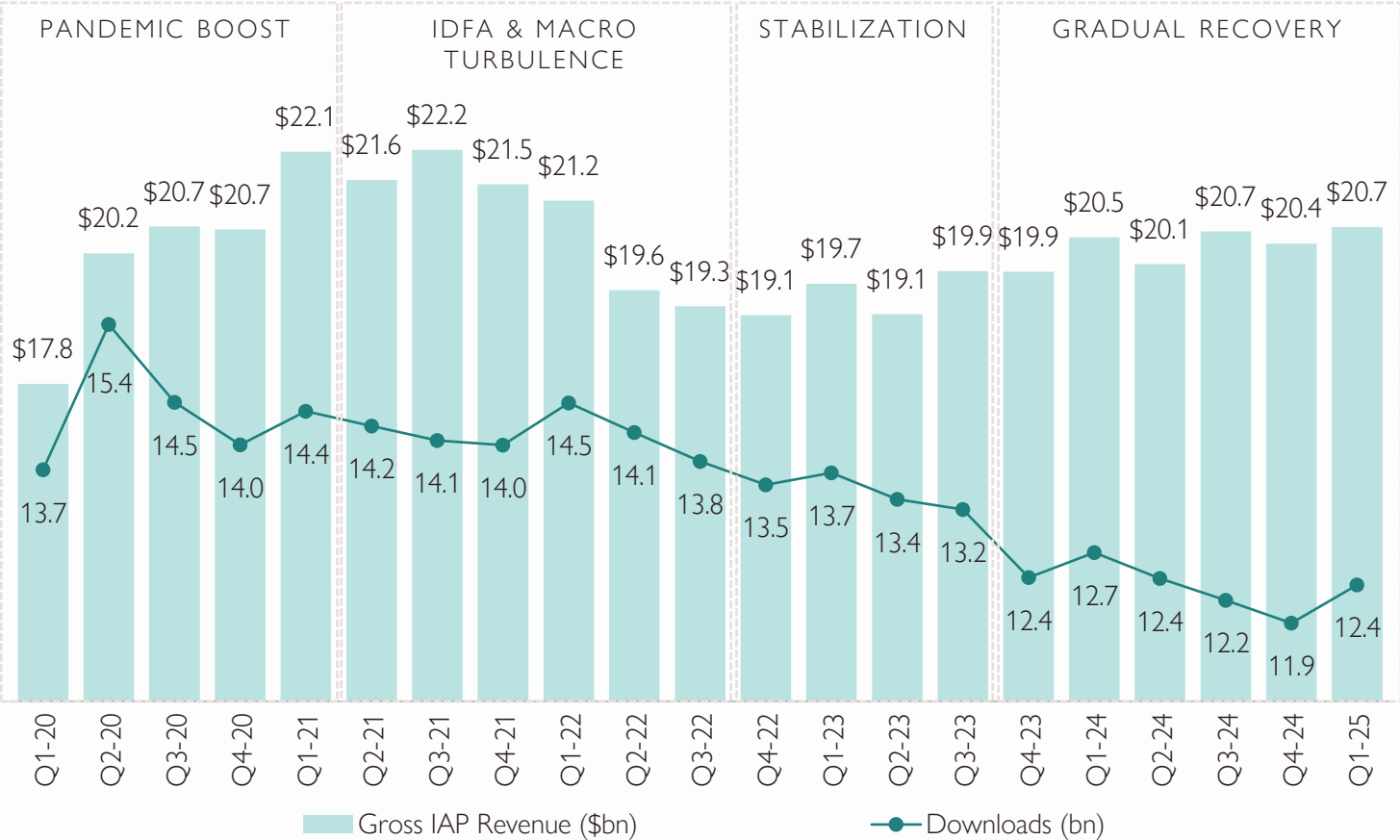
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Gaming Market Backdrop

Mobile spend has stabilized, with Asian publishers at the forefront

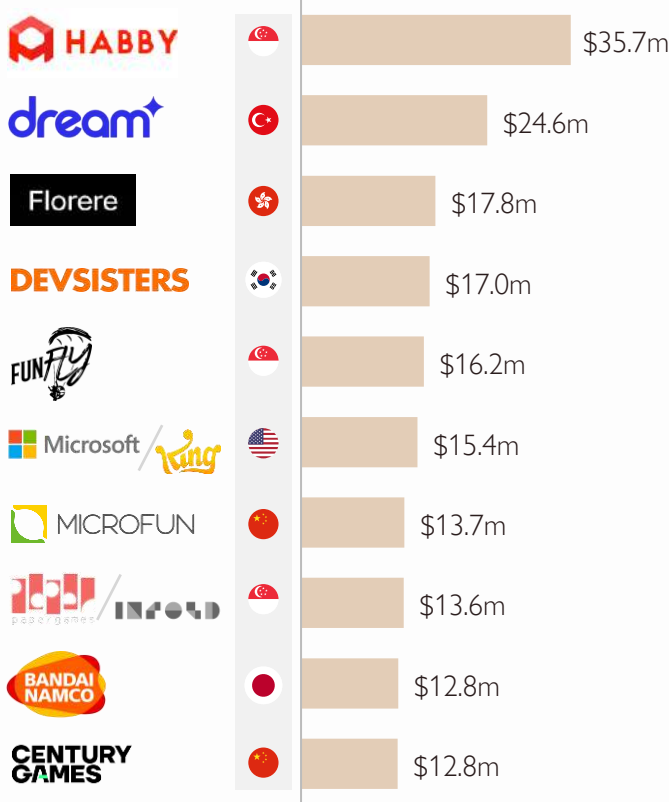
Moderate growth in revenue on stable YoY installs indicates improvements in monetization

MOBILE GAMING IAP GROSS REVENUE CONSUMER SPEND (GLOBAL) SensorTower



TOP GROWING PUBLISHERS IN U.S.

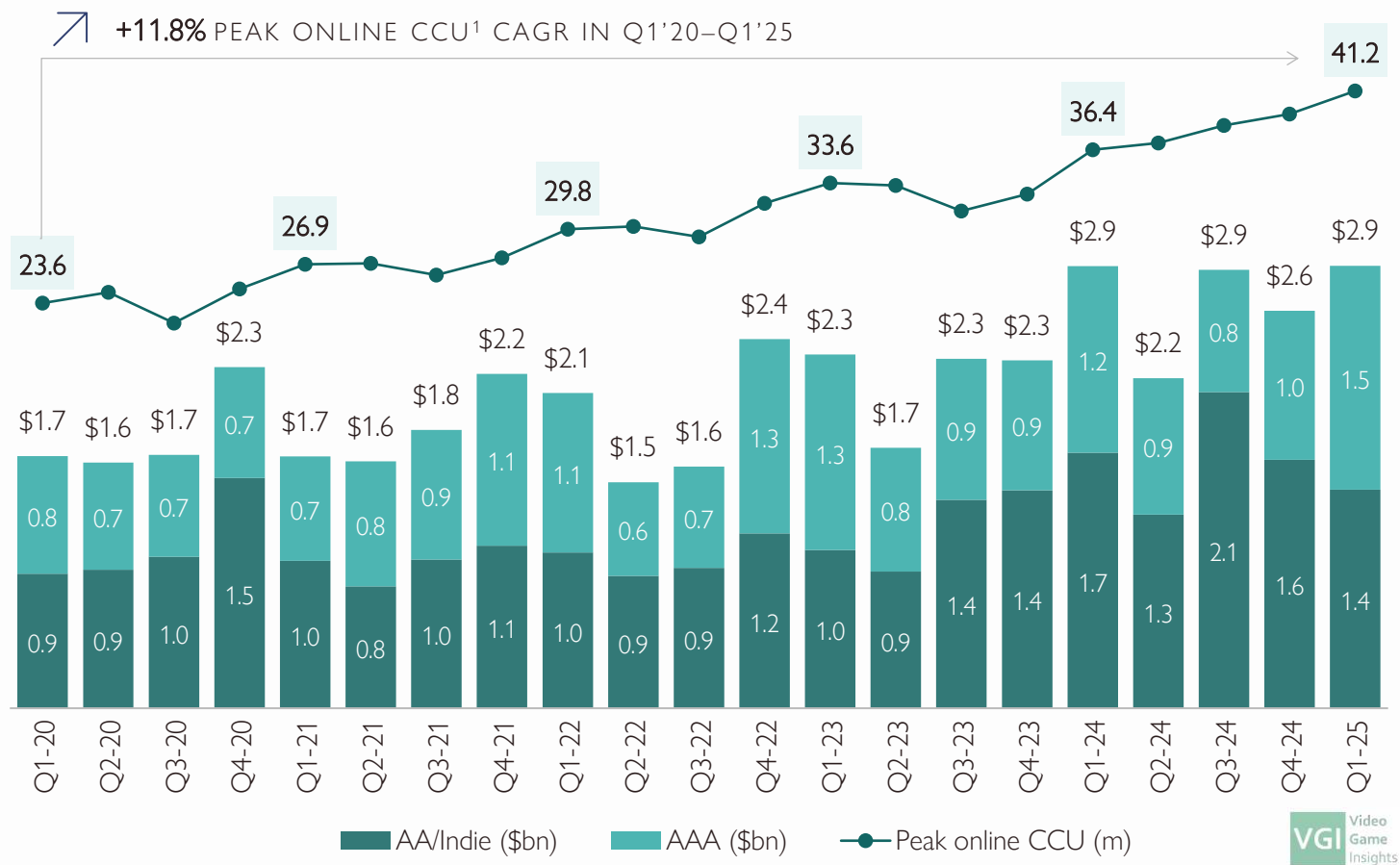
INCREMENTAL IAP REVENUE¹ (Q1'25 vs. Q4'24)



Steam audience reaches new highs in Q1-2025

Balanced mix of blockbuster franchises and breakout indies

STEAM GROSS FULL GAME REVENUE & PEAK ONLINE USER ACTIVITY



TOP-GROSSING RELEASES (Q1-25²)

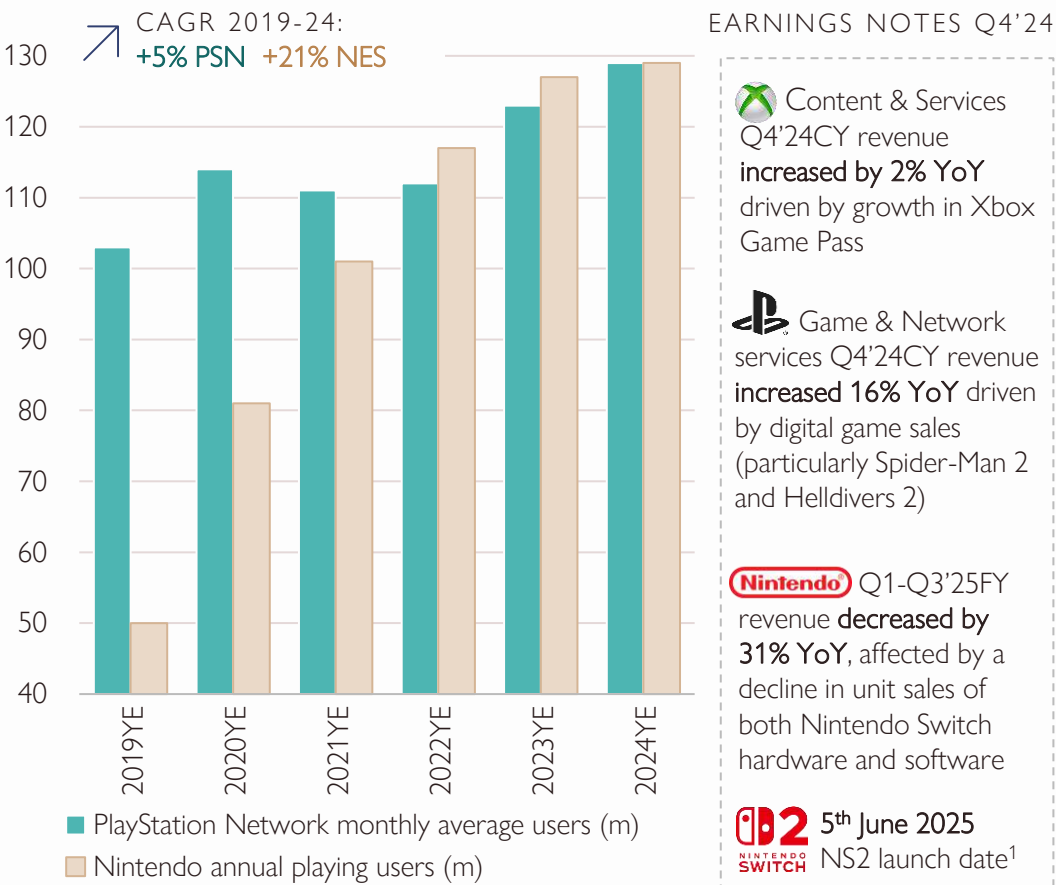
	<div>MONSTER HUNTER WILDS FRANCHISE</div>	<div>Kingdom Come Deliverance FRANCHISE</div>	<div>SPLIT FICTION NEW IP</div>
SALES	\$364m	\$141m	\$125m
UNITS	6.5m	2.9m	3.1m
RELEASE	28-Feb-25	4-Feb-25	6-Mar-25

	<div>CIVILIZATION VII FRANCHISE</div>	<div>FLAME FURY FRANCHISE</div>	<div>DYNASTY WARRIORS ORIGINS FRANCHISE</div>
SALES	\$57m	\$50m	\$39m
UNITS	1.0m	1.1m	0.7m
RELEASE	10-Feb-25	23-Jan-25	17-Jan-25

Console market holding steady, primed for standout 2025

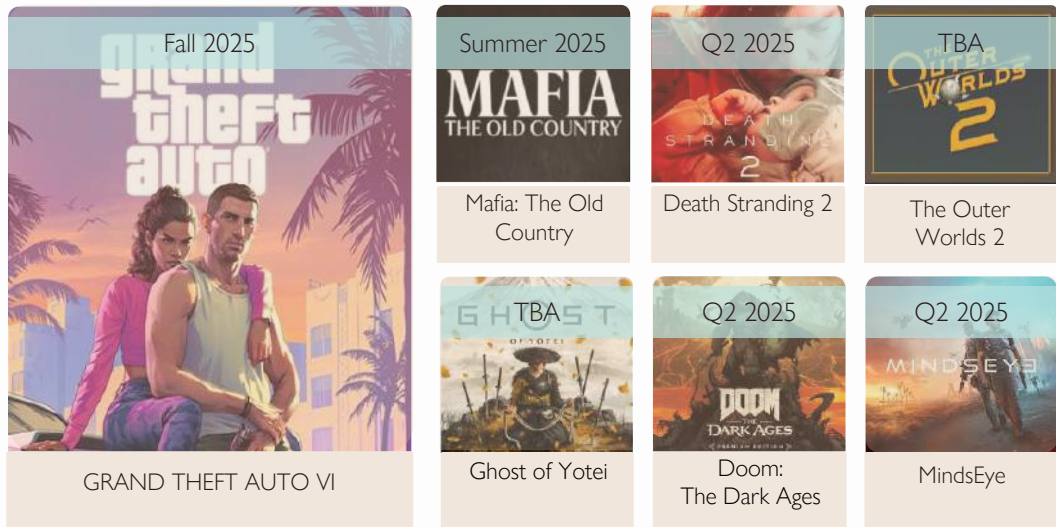
A cycle-defining year for both hardware and software launches

CONSOLE PLATFORMS' ACTIVE USER BASE

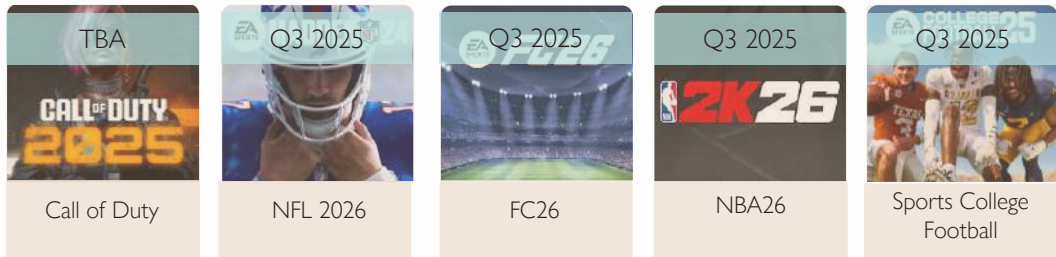


SELECT MAJOR TITLES TO BE RELEASED IN 2025

FRANCHISE SEQUELS & NEW TITLES

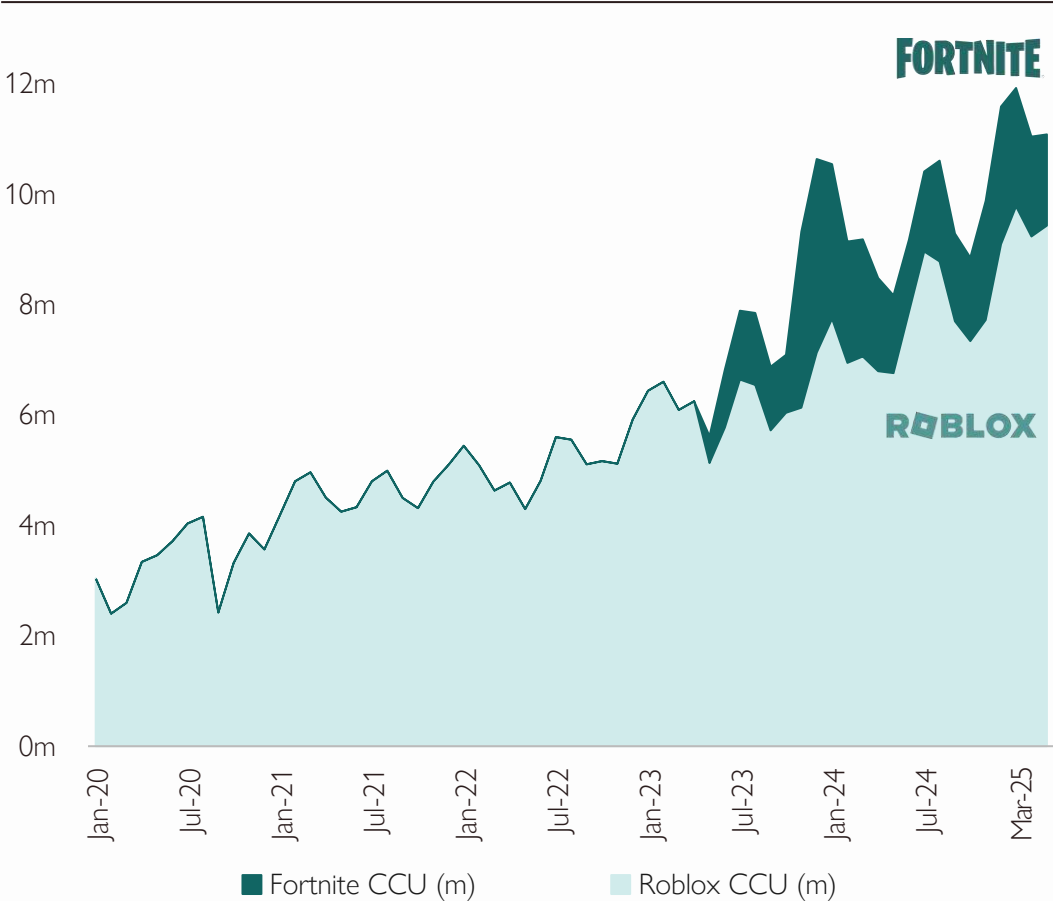


ANNUAL FRANCHISE SERIES

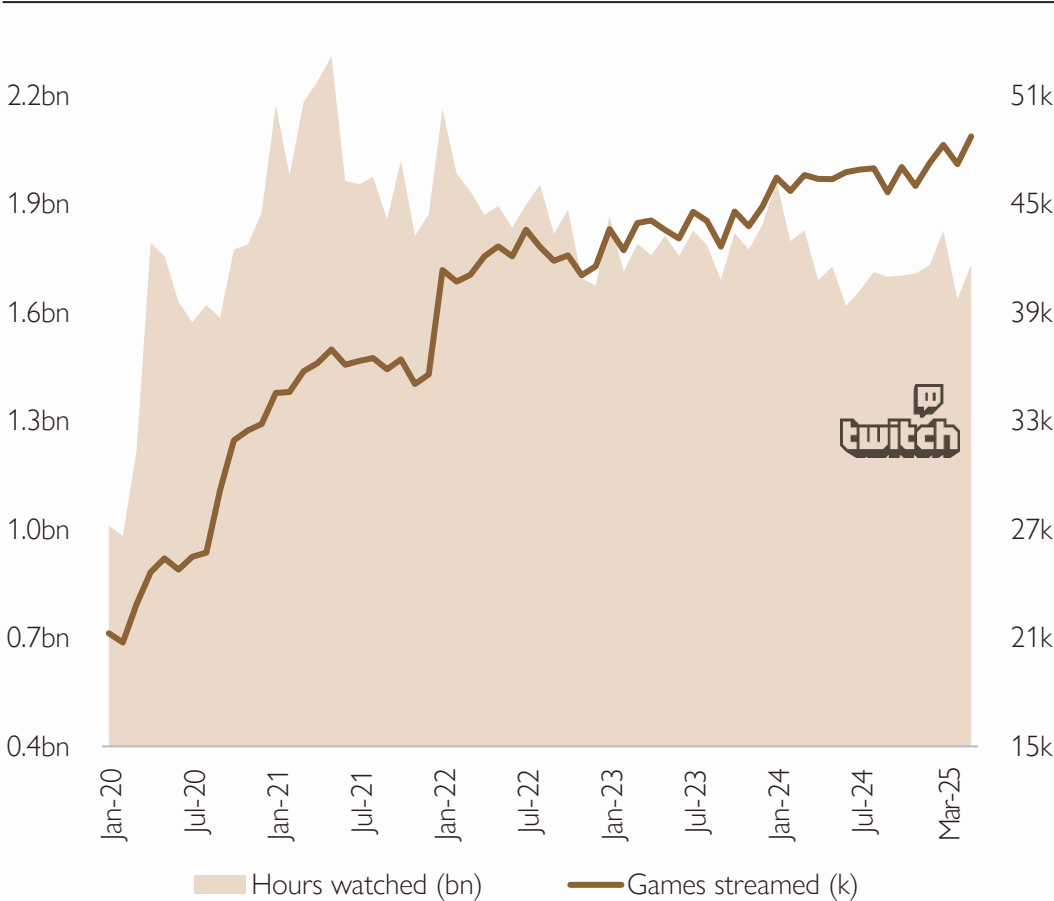


Gaming ubiquity evidenced by UGC and streaming engagement

CONCURRENT USERS ON MAJOR UGC PLATFORMS¹



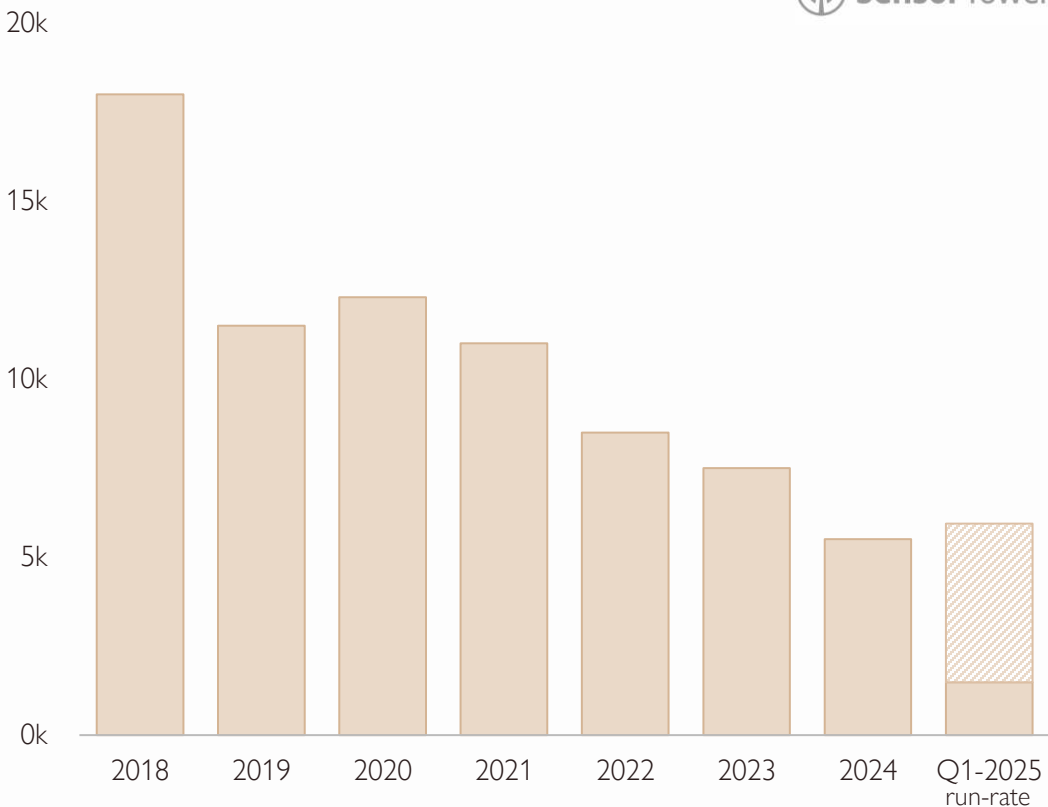
GAMING VIEWERSHIP AND STREAMING STATS



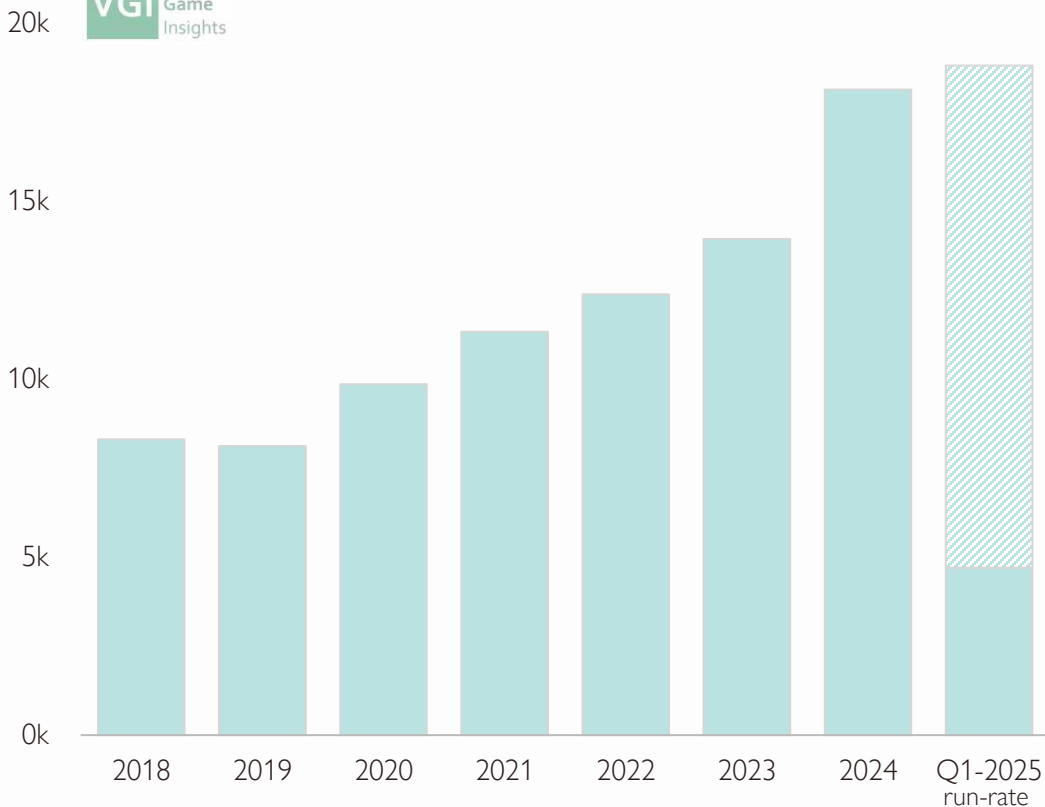
PC content continues growing, new mobile launches keep declining

Steam sees over three times more new releases than App Store

OF MOBILE GAMES LAUNCHED ON APP STORE



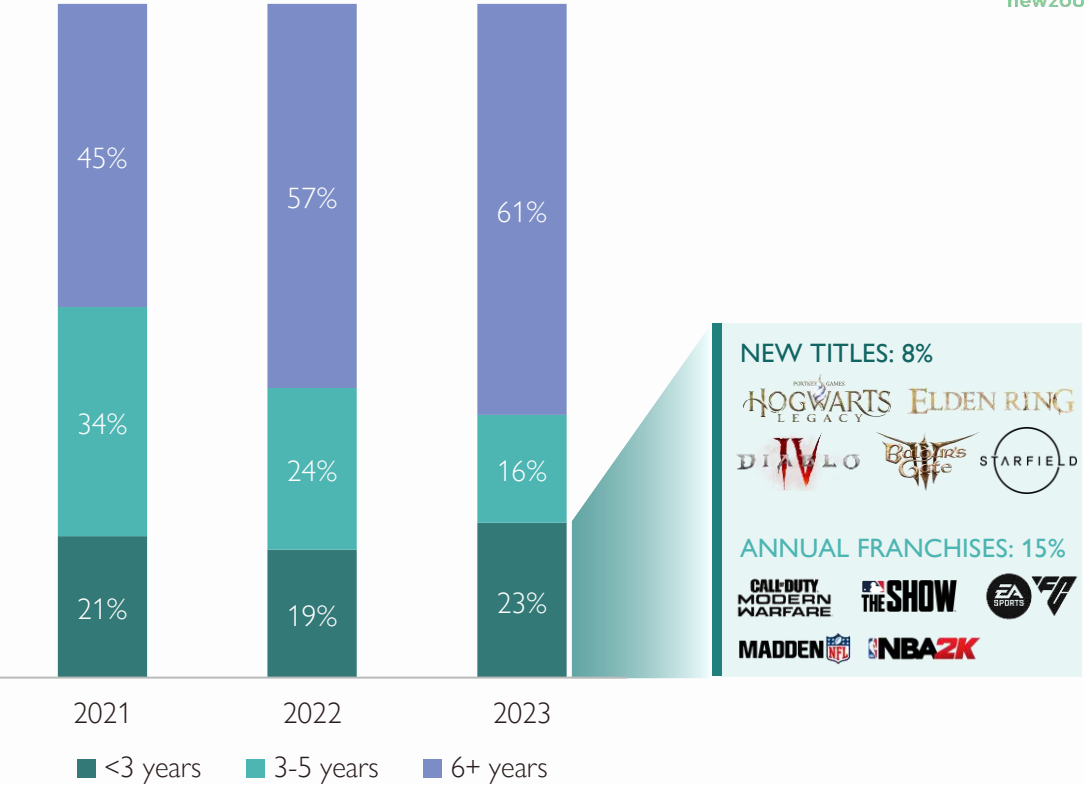
OF PC GAMES RELEASED ON STEAM



“Evergreen” IPs continue to dominate player engagement

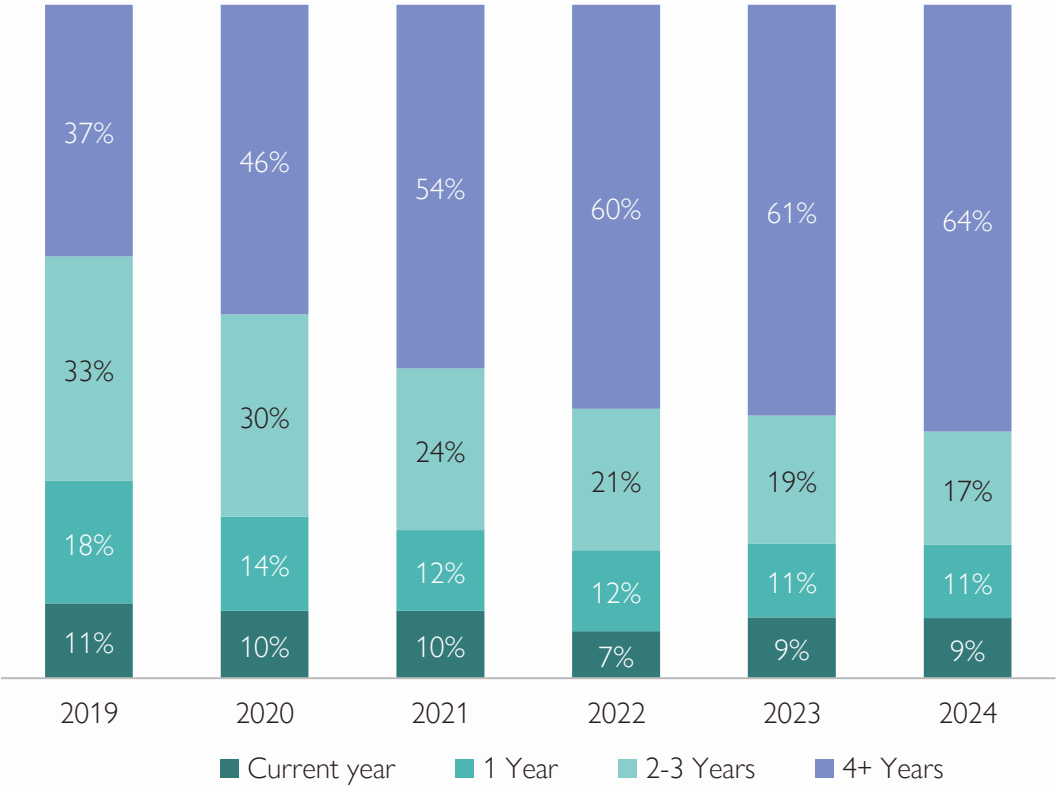
PC & CONSOLE PLAYTIME CONCENTRATION

% OF TOTAL HOURS PLAYED BY RELEASE DATE



MOBILE REVENUE CONCENTRATION

% OF TOTAL MOBILE REVENUE BY YEAR SINCE RELEASE



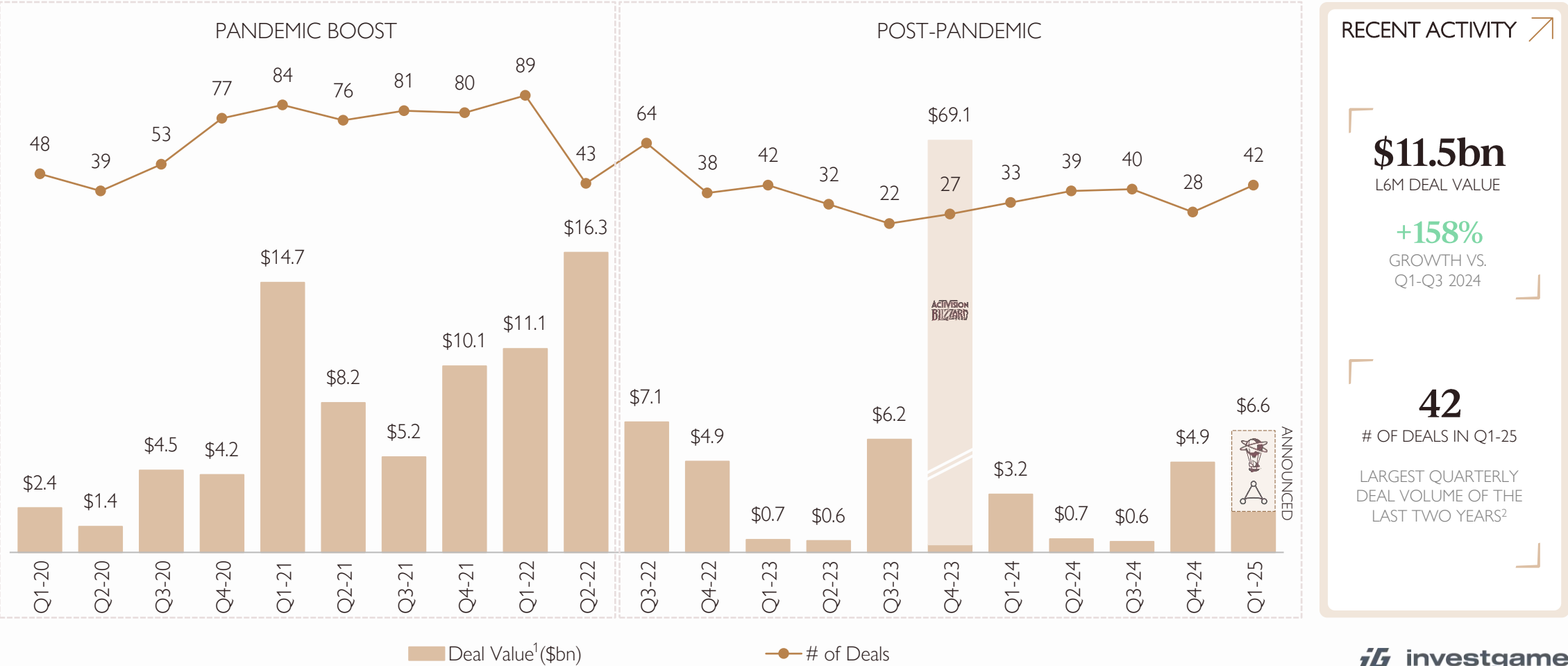
An abstract graphic on the left side of the slide featuring a series of colorful, glowing light trails in shades of orange, yellow, and purple, radiating from the top left corner towards the center. A large white number '3' is overlaid on this graphic.

3

Mergers & Acquisitions

M&A activity is picking up, fueled by large-cap transactions

Quarterly activity incl. minority & majority stake acquisitions

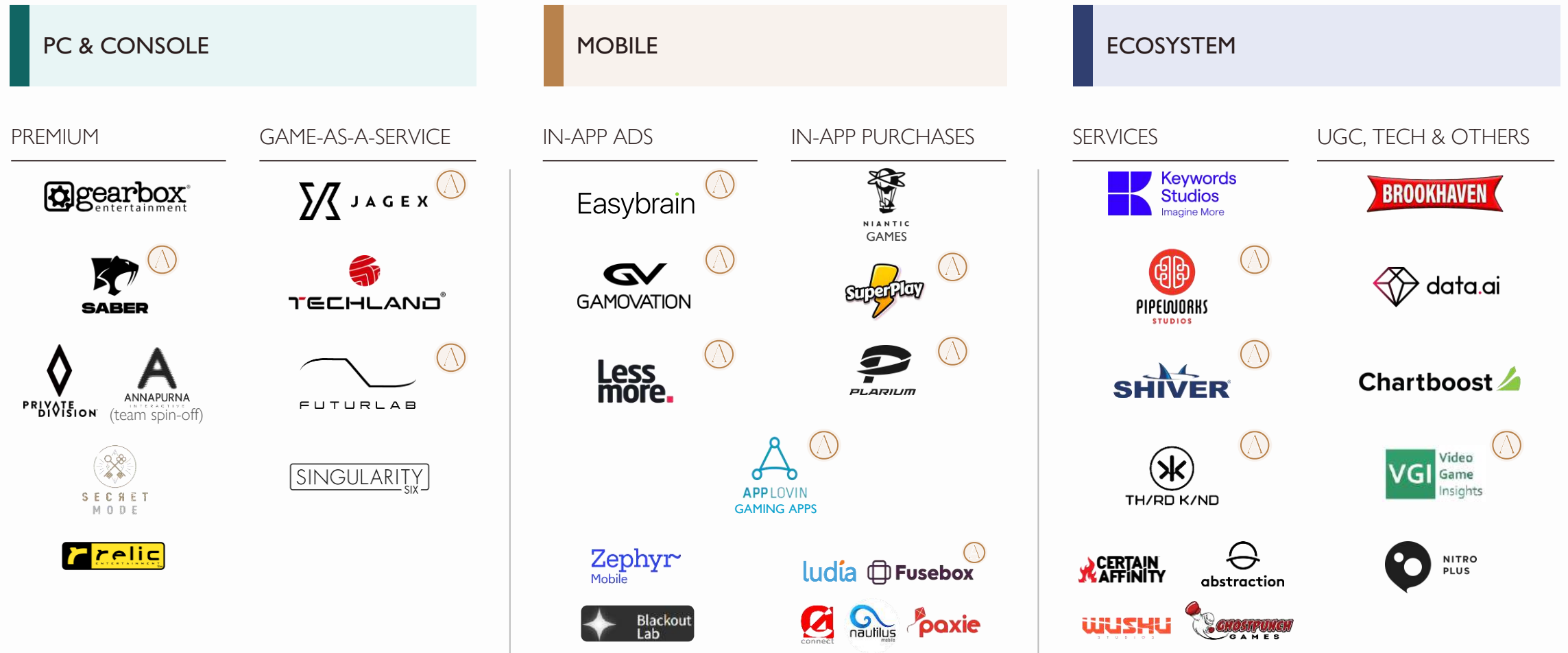


Largest gaming acquisitions of the last twelve months

 deals advised by Aream & Co.

Active portfolio management by strategics has been fuelling M&A

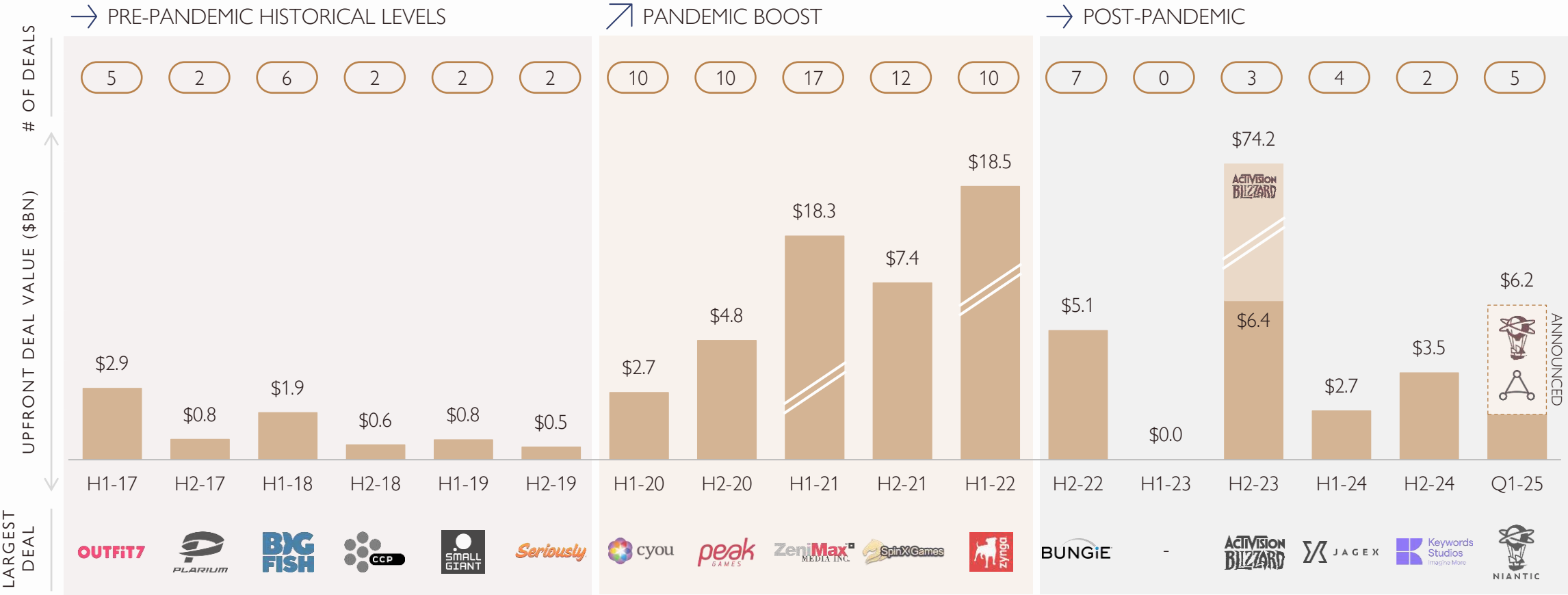
Select gaming & digital entertainment related acquisitions since 2024



🕒 deals advised by Aream & Co.


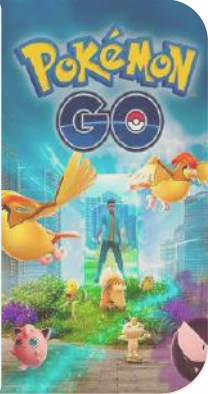













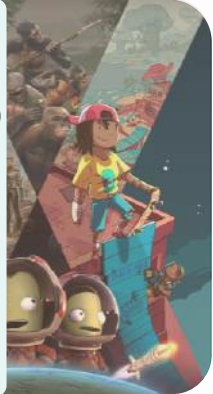














Large- & mid-cap M&A activity surpasses pre-pandemic levels

GAMING CONTENT M&A TRANSACTIONS; UPFRONT VALUATION IN EXCESS OF \$100M¹



Private Equity's growing interest for gaming

Select PE-backed transactions since 2024

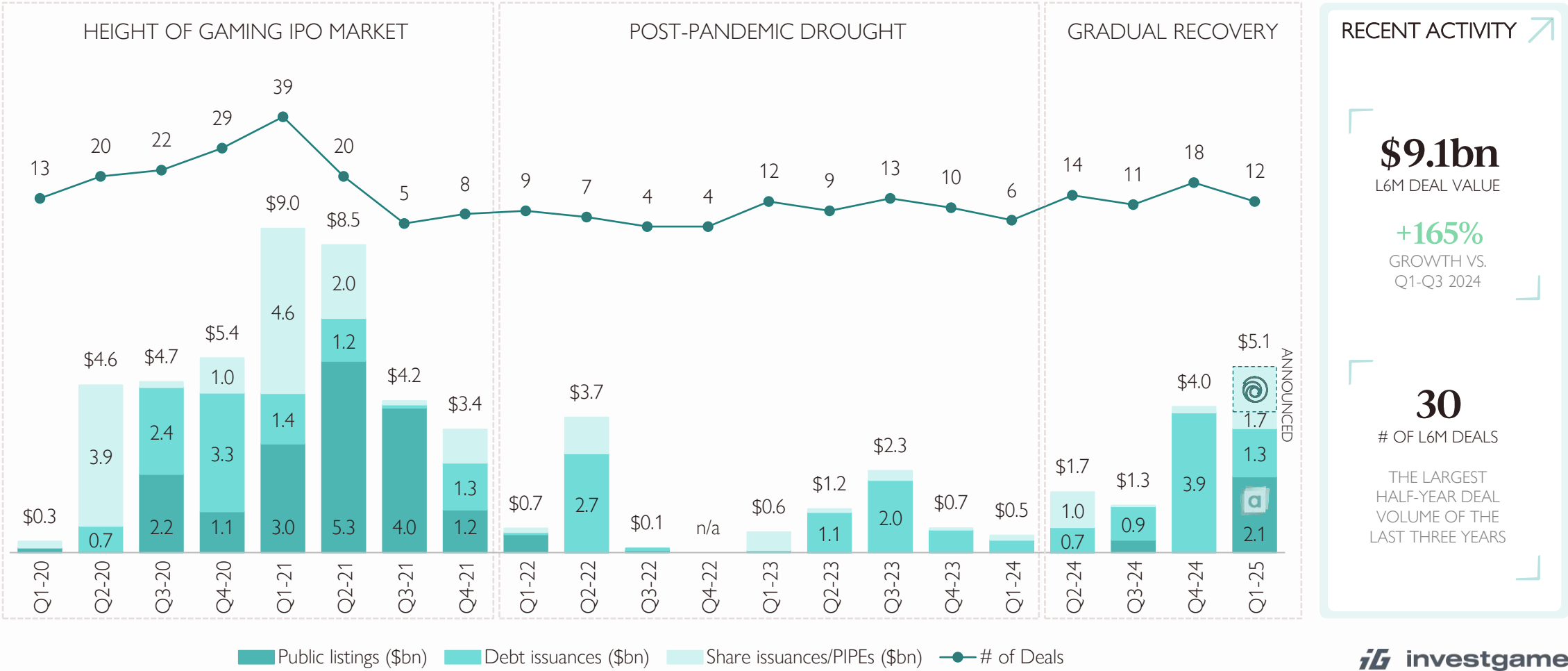
CONTROL TRANSACTIONS				
TARGET	BUYER	VALUE	DATE	
<div> <div>  NIANTIC GAMES PORTFOLIO </div> <div>  </div> </div>	<div>  SCOPELY </div> <div>  SAVVY GAMES GROUP </div>	\$3.5bn	Mar-2025 ¹	
	<div>  Keywords Studios Imagine More </div> <div>  BPEA CPP Investments </div> <div>  EQT </div> <div>  TEMASEK </div>	\$2.7bn	Oct-2024	
	<div>  JAGEX </div> <div>  CVC </div> <div>  HAVELI </div>	~\$1.1bn ²	Feb-2024 ¹	
	<div>  PRIVATE DIVISION </div> <div>  ANNAPURNA INTERACTIVE (team spin-off) </div> <div>  HAVELI </div>	n/a ³	Nov-2024 / Jan-2025	 
MINORITY TRANSACTIONS				
TARGET	BUYER	VALUE	DATE	
<div>  AONIC® </div> <div>  MCP </div> <div>  ACTIVE OWNERSHIP </div>		~\$159m	Dec-2024	
	<div>  BUILD A ROCKET BOY </div> <div>  REDBIRD CAPITAL PARTNERS </div>	\$110m	Jan-2024	
	<div>  VOLDEx </div> <div>  RAINE Equity </div> <div>  SHAMROCK CAPITAL </div> <div> Debt </div>	n/a	Feb-2025	
	<div>  SABER </div> <div>  ALEPH Crestview </div>	n/a	Sep-2024	

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4

Public Markets



















Equity and debt capital markets rebounded in Q1-2025



Wave of debt refinancing signals rebound in investor confidence

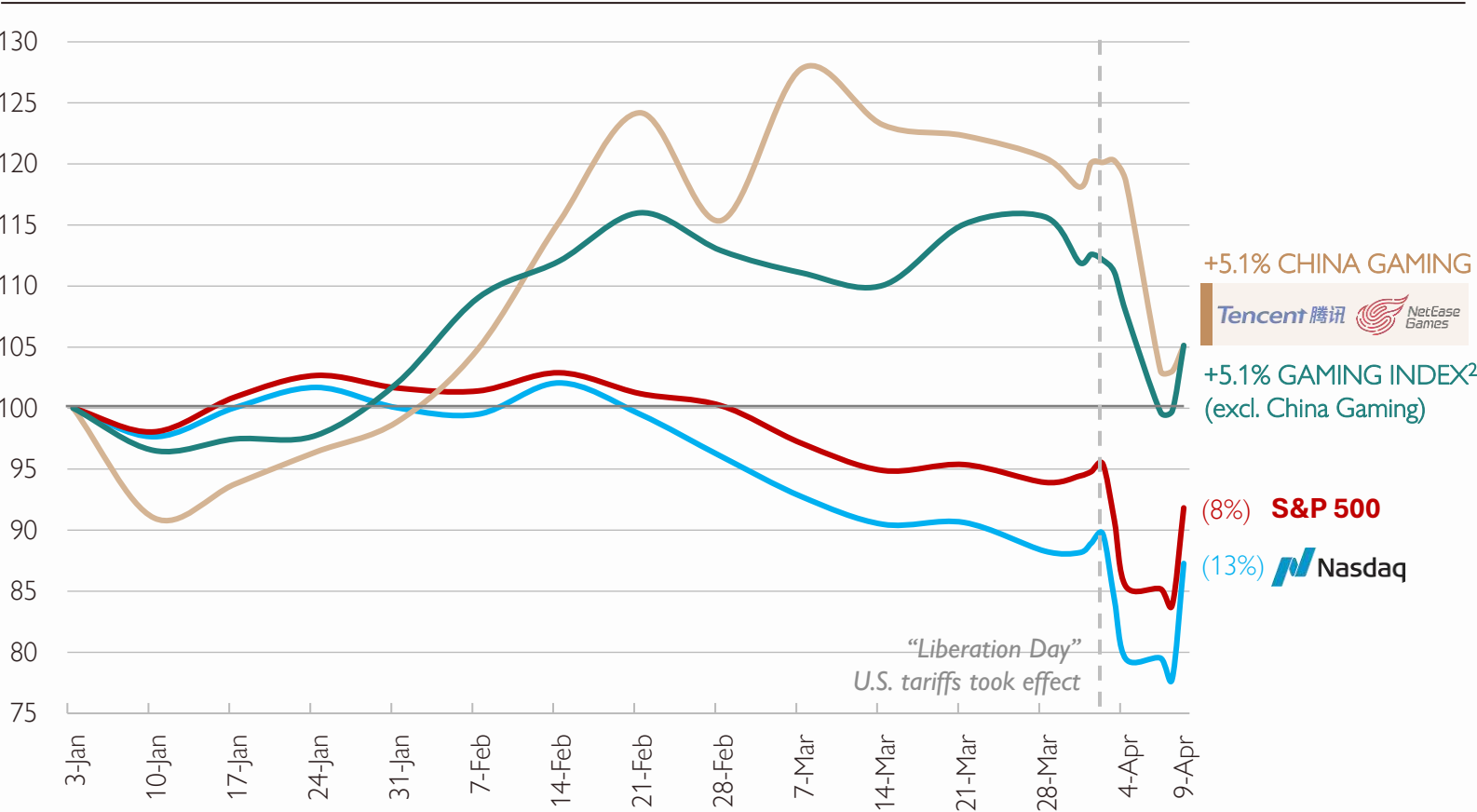
Largest public market transactions over the last twelve months

iG investgame

									
COMPANY				ANNOUNCED 					
DEAL TYPE	Senior note	Convertible note & PIPE	Public spin-off	Investment (PIPE)	RCF ³	Senior note	PIPE	IPO	Credit facility & bond
CAPITAL RAISED	\$3.55bn	\$2.23bn Note ¹ \$1.3bn ATM equity \$0.9bn	\$2.10bn (market cap at listing)	\$1.25bn	\$0.70bn RCF \$50m RCF \$652m	\$0.60bn	\$0.36bn SONY \$320m Tencent ~\$39m ⁴	\$0.32bn (IPO proceeds raised)	\$0.30bn RCF \$227m Bond \$77m
DATE	Nov-24	Mar-25 / May-24	+10% debut price ² Feb-25	Mar-25	Aug-24 / Jul-24	Jun-24	Jan-25 / Mar-25	+18% debut price ² Jul-24	Dec-24 / Nov-24

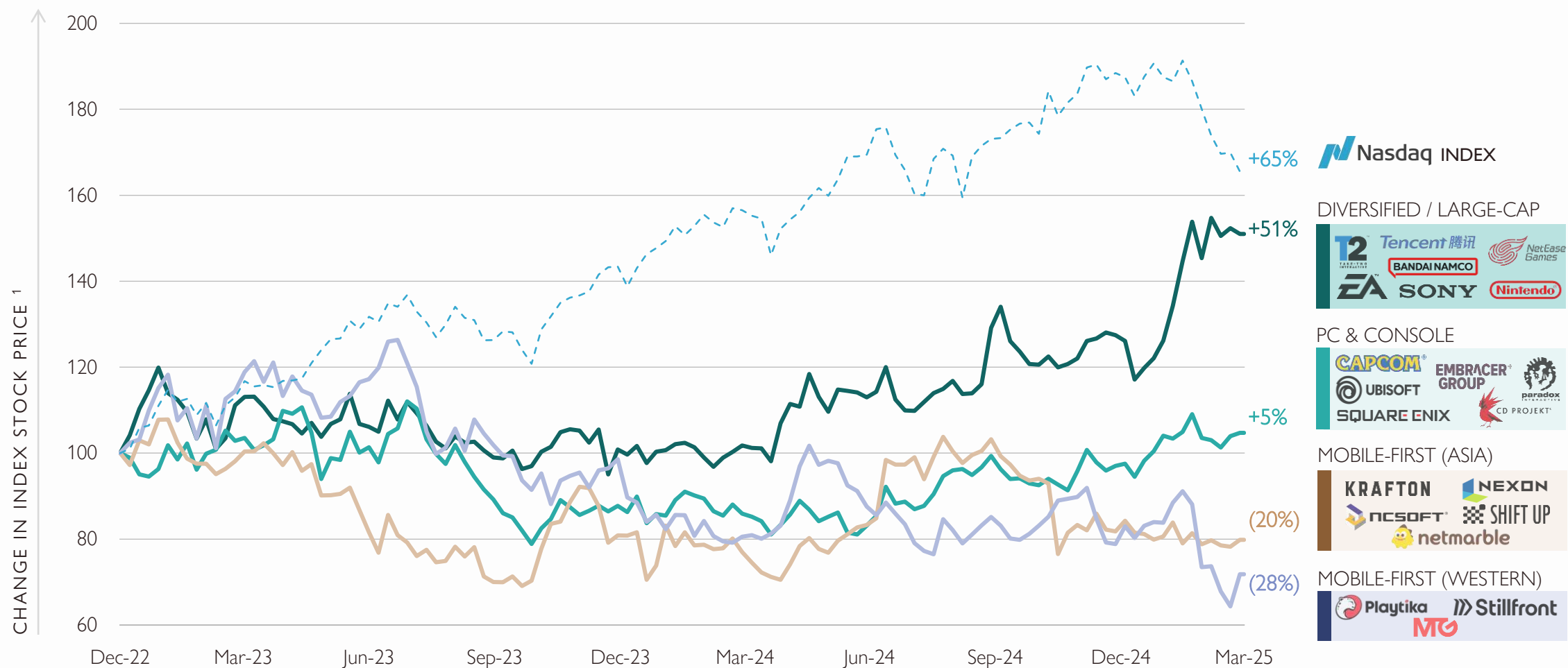
Gaming sheds 2025YTD gains amid tariff turmoil, but outperforms Nasdaq and S&P indices

YTD INDICES¹ PERFORMANCE

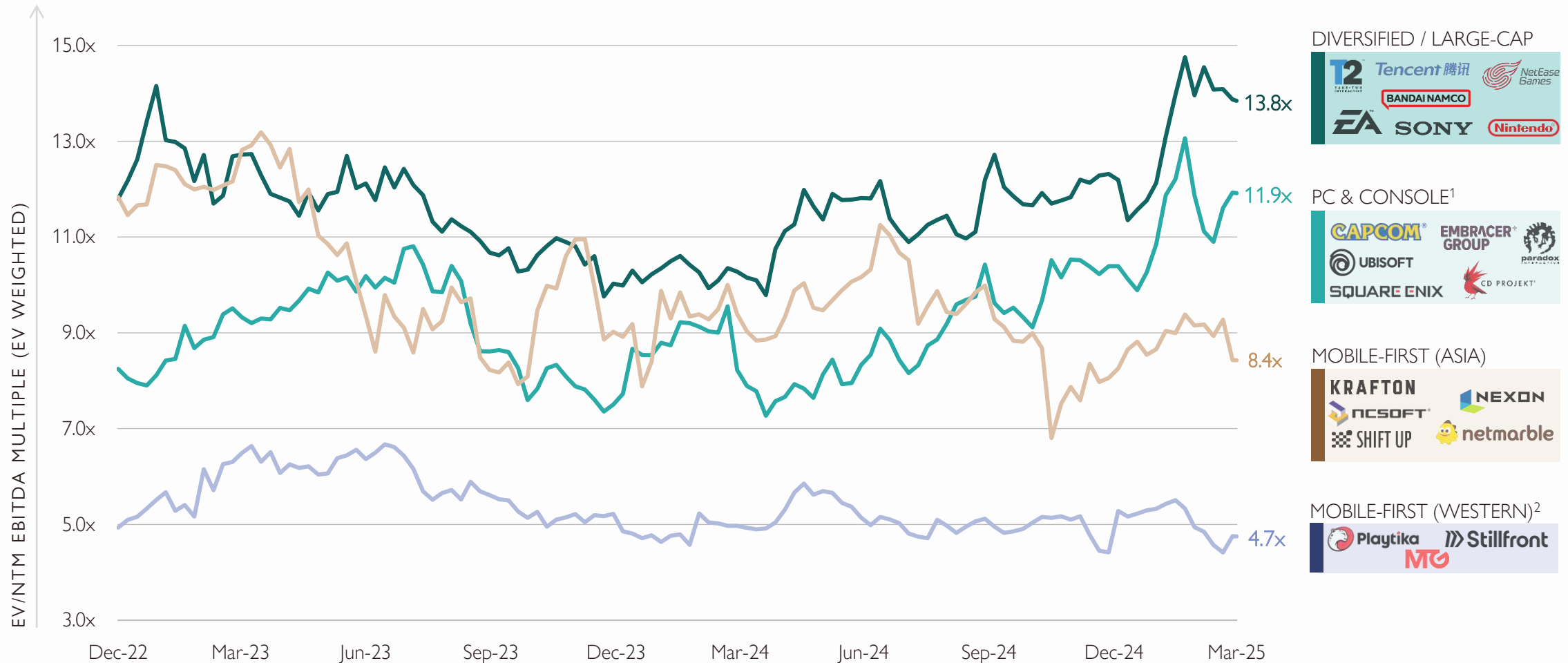


- Recent U.S. tariffs triggered broad-based market declines, driven by investor concerns of escalating global trade tensions and disruptions to physical supply chains
- Video game companies came under pressure as tariffs impacted consumer markets and Asian manufacturing hubs – highlighted by Nintendo’s recent decision to suspend U.S. preorders for the Nintendo Switch 2
- Gaming stocks outperformed broader markets YTD, benefiting from digital distribution and lower exposure to supply chain risks
- Tencent and NetEase experiencing more pronounced stock declines amid escalated trade tensions with the U.S.

Large-cap gaming stocks gain momentum; mobile-first peers remain under pressure

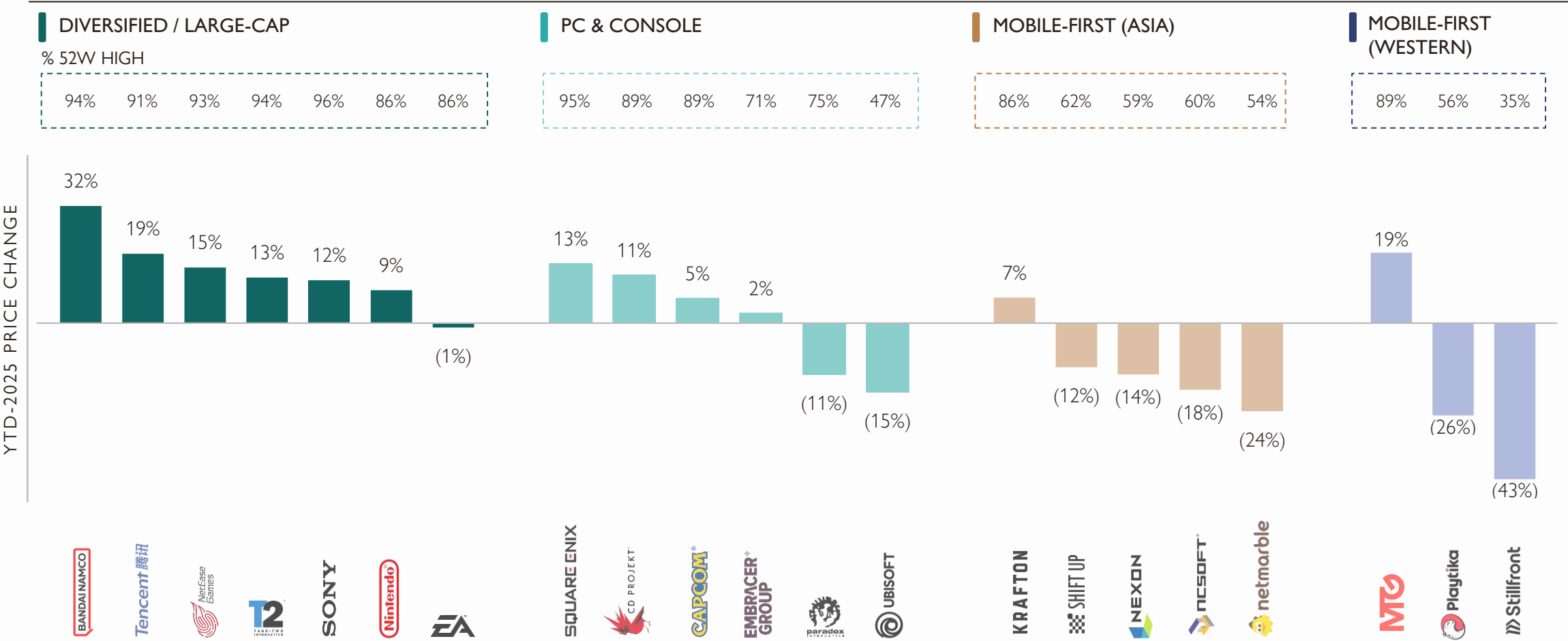


Valuation diversion between PC and mobile endures, with large-cap diversified stocks outperforming the market



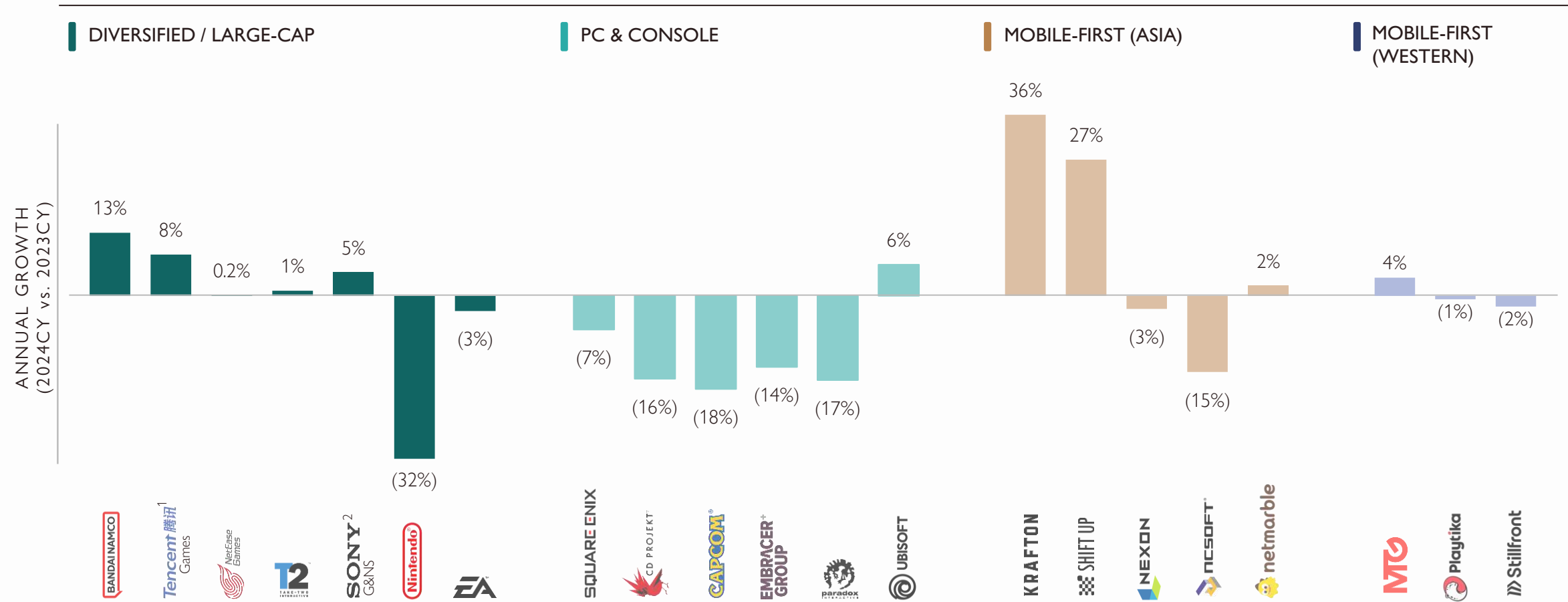
Q1-2025 share price rally led by large-cap leaders

SHARE PRICE PERFORMANCE AS OF 31ST MARCH 2025



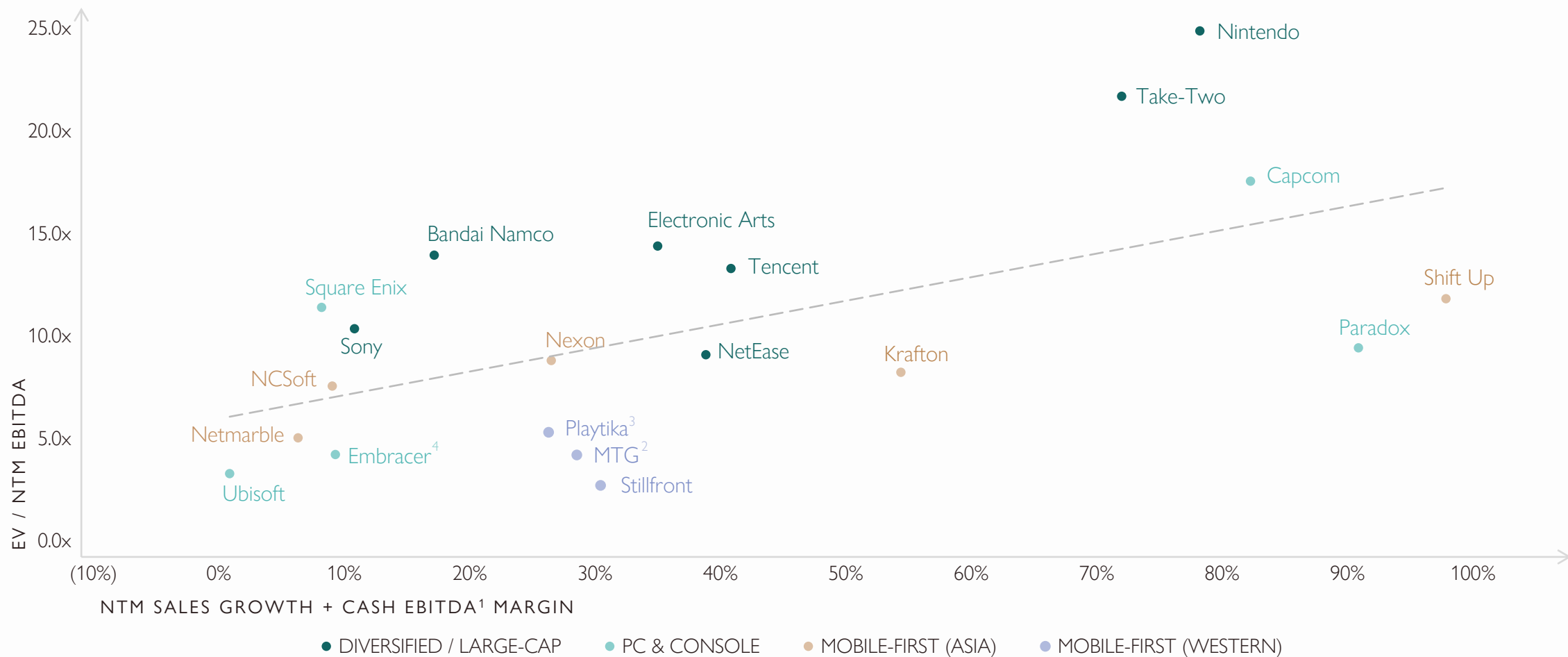
Many PC & Console publishers saw softer 2024 revenue after strong 2023 release slate. Mobile saw signs of growth, particularly among Asian stocks

REPORTED 2024CY REVENUE GROWTH



Growth and profitability are drivers of premium valuations

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



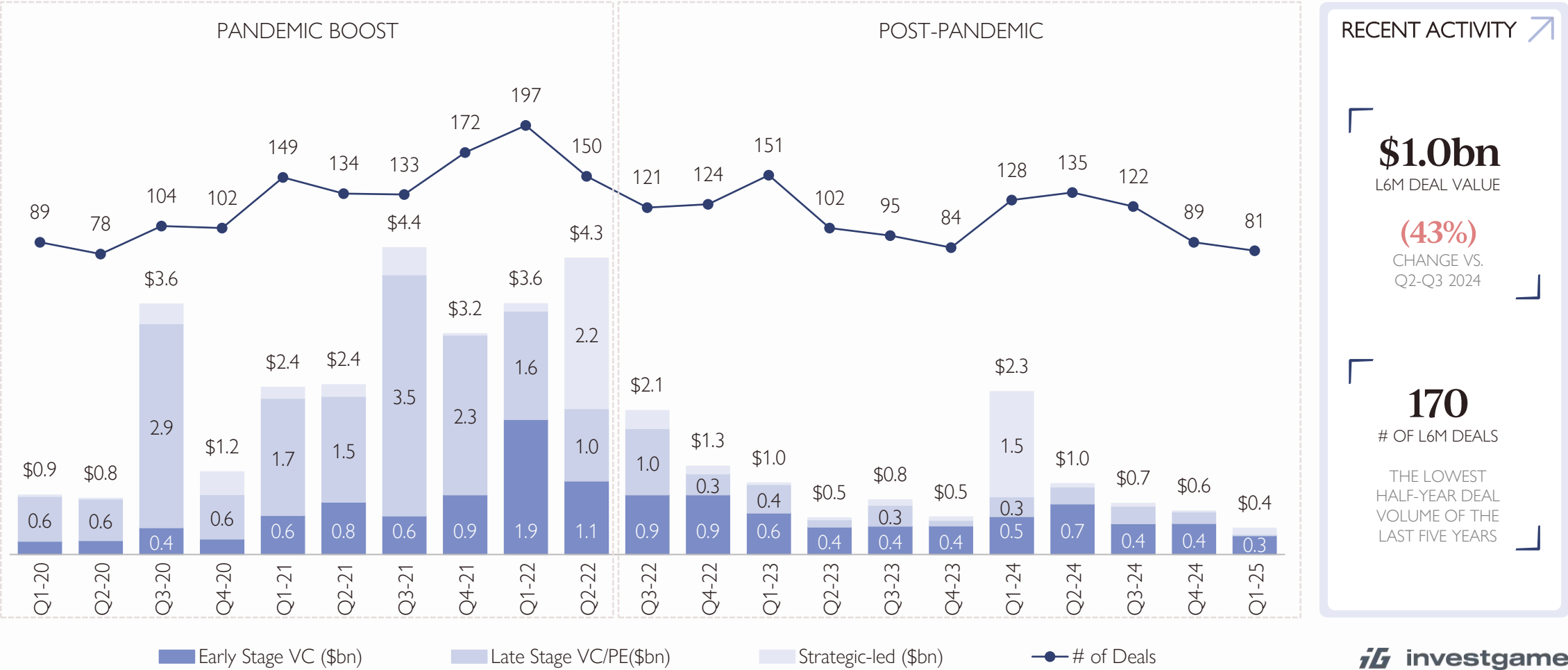
Source: FactSet as of March 31, 2025
Notes: (1) Cash EBITDA = EBITDA – Capex; (2) MTG's organic revenue growth adjusted for Plarium; (3) Playtika's pro-forma revenue growth adjusted for SuperPlay; (4) Embracer's revenue growth adjusted for Asmodee spin-off

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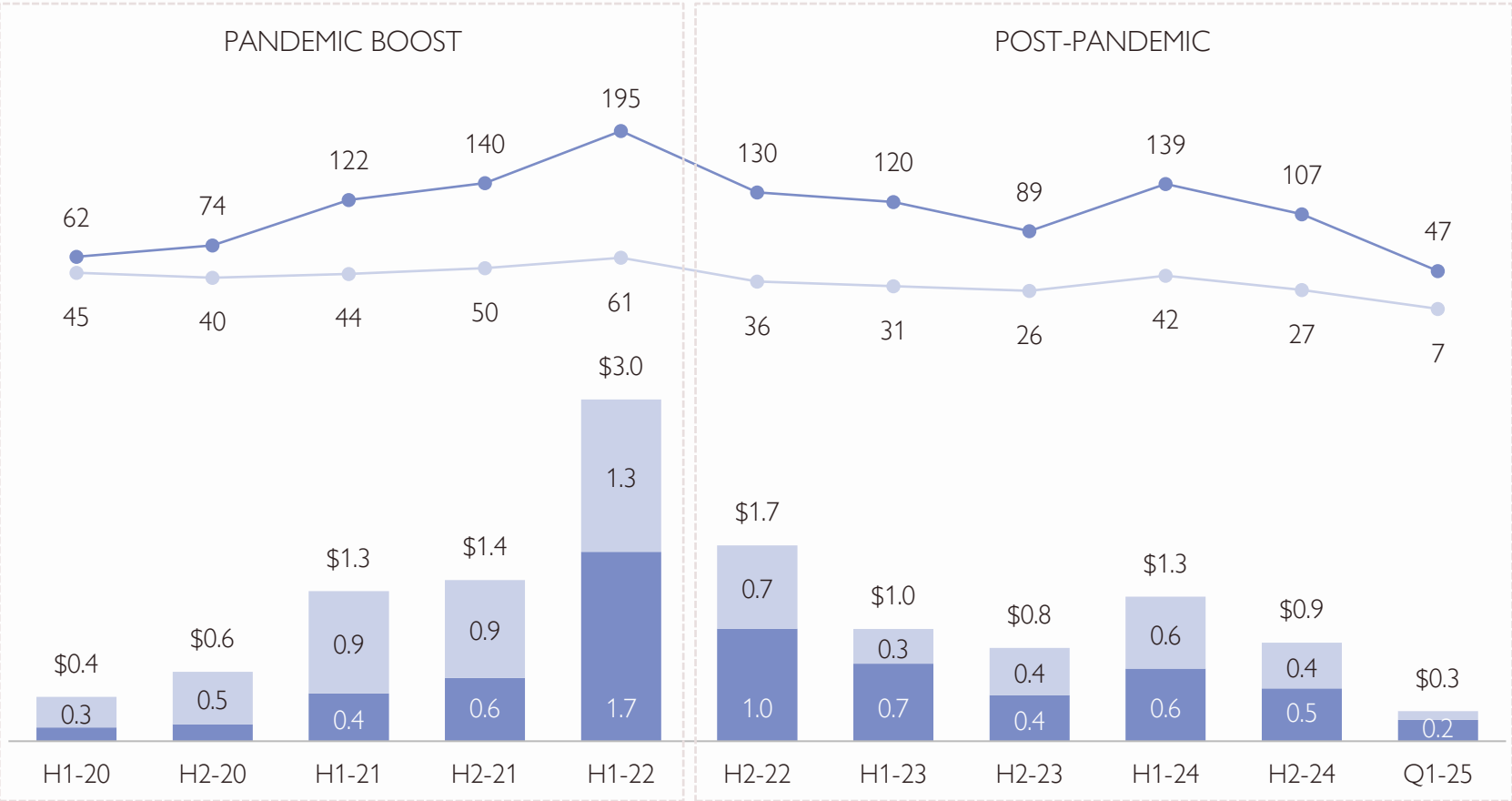
Private Investments

Gaming financings hit multi-year low, later-stage activity is muted



Early-stage investment activity also cooled off to pre-pandemic level

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



RECENT ACTIVITY ↗

Pre-Seed & Seed

\$0.4bn

L6M DEAL VALUE
(Q4'24 – Q1'25)

91

OF L6M DEALS

Series A

\$0.3bn

























L6M DEAL VALUE
(Q4'24 – Q1'25)

19

OF L6M DEALS

In Q1-25, the largest investments primarily consisted of Seed-stage and Corporate-led funding rounds

GAMING CONTENT¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Jan-25		Balderton.	Series A	\$30.0m
Mar-25		 	Seed	\$23.0m
Feb-25	 		Seed	\$12.0m
Jan-25	megafortuna		Corporate	\$10.0m
Mar-25			Seed	\$10.0m
Jan-25			Series B+	\$6.8m
Mar-25		  	Seed	\$5.8m
Mar-25			Series A	\$5.7m
Mar-25			Seed	\$5.7m
Mar-25		   ²	Seed	\$4.7m

PLATFORM & TECH¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Mar-25			Corporate	\$50.0m
Feb-25	Bigabid		Corporate	\$25.0m
Mar-25			Corporate/VC	\$12.8m
Mar-25	peer.		Seed	\$10.5m
Feb-25			Seed	\$10.0m
Jan-25			Seed	\$9.0m
Jan-25		 	Seed	\$6.0m
Feb-25		 	Seed	\$4.3m
Feb-25	intangible	 	Seed	\$4.0m
Mar-25		 	Seed	\$3.0m

Most active early-stage gaming VCs

























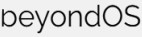




Last twelve months activity

TOP-10 BY TOTAL NUMBER OF LTM DEALS¹

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	 BITKRAFT	24	15	 SERIES 
2	 alóZ Games	21	7	 SERIES 
3	 GEM Capital	11	8	 RED ROVER 
4	 SSU GAME VENTURES	11	6	 coherence 
5-6	 THE GAMES FUND	9	6	 RED ROVER 
5-6	 vgames	9	6	 44pixels 
7	 LATON	8	4	 grand 
8	 PLAY	8	3	 appcharge 
9-10	 TIRTA	7	2	 a\ 
9-10	 Arcadia	7	2	

TOP-10 BY TOTAL VALUE OF LTM DEALS¹

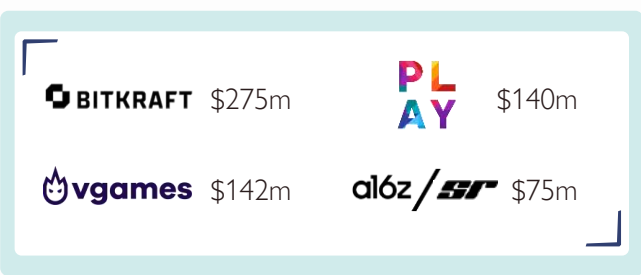
 **investgame**

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	 BITKRAFT	\$169m	\$47m	 SERIES 
2	 alóZ Games	\$154m	\$68m	 SERIES 
3	 TIRTA	\$98m	\$11m	 a\ 
4	 Arcadia	\$76m	\$5m	
5	 Lightspeed	\$69m	\$69m	 TOIIBIT 
6	 KONVOY	\$66m	\$5m	 MAGIC POTION GAMES 
7	 PLAY	\$65m	\$20m	 appcharge 
8	 LATON	\$60m	\$8m	 grand 
9	 MAKERS FUND	\$54m	\$36m	 beyondOS. 
10	 GRIFFIN	\$47m	\$33m	 BIT ODD 

Emerging VC funds seize opportunity in a slower market

Landscape of gaming VC funds

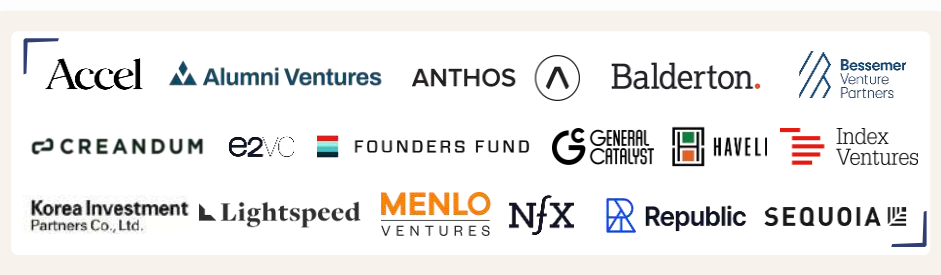
FOLLOW-ON VC FUNDS



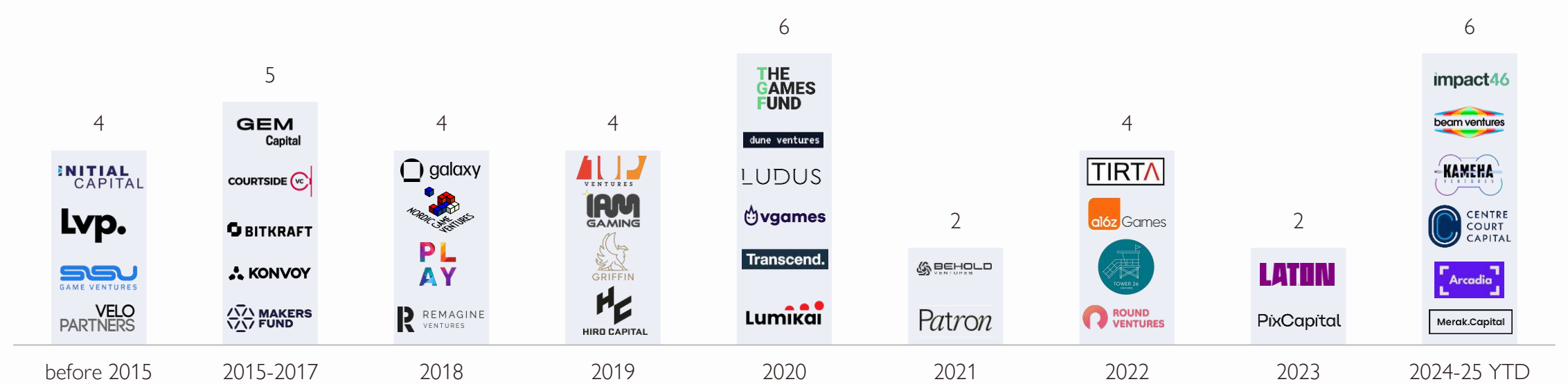
NEW GAMING VC FUNDS RAISED



GENERAL VCs SUPPORTING ECOSYSTEM



GAMING-FOCUSED VC FUNDS (\$25M+ AUM) BY FOUNDING YEAR





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