



# GLOBAL GAMING REPORT 2023

LOS ANGELES | SAN FRANCISCO | NEW YORK | LONDON |  
PARIS | MUNICH | BERLIN | DUBAI



# PROVEN TRACK RECORD IN GAMING M&A AND GROWTH FINANCING ADVISORY

## GAMING DEAL TEAM



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<p><b>tastypill</b></p> <p>SALE TO</p> <p><b>AZUR GAMES</b></p> <p>Mobile Games</p>	<p>Videndum</p> <p>SALE OF</p> <p><b>LIGHTSTREAM</b></p> <p>api.stream</p> <p>TO</p> <p><b>Xsolla</b></p> <p>Video Game / Content Livestreaming</p>	<p><b>spiketrap</b></p> <p>SALE TO</p> <p><b>reddit</b></p> <p>Gaming Audience AI / Analytics</p>	<p><b>animoca BRANDS</b></p> <p>WILDWORKS</p> <p>SALE TO</p> <p><b>Nazara</b></p> <p>Video Games Developer</p>	<p><b>animoca BRANDS</b></p> <p>EQUITY SALE</p> <p><b>Asset Managers Hedge Funds</b></p> <p>Blockchain Gaming</p>	<p><b>FIREFLY</b></p> <p>SALE TO</p> <p><b>DEVOLVER DIGITAL</b></p> <p>PC / Mobile Games</p>
<p><b>ECHTRA</b></p> <p>SALE TO</p> <p><b>zynga</b></p> <p>AAA Games</p>	<p><b>CODEMASTERS</b></p> <p>HAS ACQUIRED</p> <p><b>SLIGHTLYMAD STUDIOS</b></p> <p>AAA Game Developer</p>	<p><b>FreshPlanet</b></p> <p>SALE TO</p> <p><b>GAMELOFT</b></p> <p>A subsidiary of</p> <p><b>vivendi</b></p> <p>Mobile Games</p>	<p><b>elgato G</b></p> <p>SALE TO</p> <p><b>CORSAIR</b></p> <p>Video Game / Content Streaming</p>	<p><b>BLAST</b></p> <p>SALE TO</p> <p><b>VEKSTFONDEN</b></p> <p><b>CREANDUM</b></p> <p><b>MAKI.VC</b></p> <p><b>HEARTCORE</b></p> <p>Esports</p>	<p><b>chillingo</b></p> <p>SALE TO</p> <p><b>EA</b></p> <p>Mobile Game Publisher</p>
<p><b>LIGHTSTREAM</b></p> <p>SALE TO</p> <p><b>CS</b></p> <p>CREATIVE SOLUTIONS</p> <p><b>THE VITEC GROUP</b></p> <p>Gaming &amp; Content Cloud Livestreaming</p>	<p><b>HEARST corporation</b></p> <p><b>UGO</b></p> <p>SALE TO</p> <p><b>IGN</b></p> <p>Game Review and Advertising</p>	<p><b>nWay</b></p> <p>Power Rangers</p> <p>SALE TO</p> <p><b>animoca BRANDS</b></p> <p>Mobile / Console Games</p>	<p><b>OUYA</b></p> <p>SALE TO</p> <p><b>RAZER</b></p> <p>Gaming Console</p>	<p><b>WGT MEDIA</b></p> <p>SALE TO</p> <p><b>TOPGOLF</b></p> <p>Mobile / Online Gaming</p>	<p><b>aeria GAMES</b></p> <p>HAS MERGED WITH</p> <p><b>Gamepot</b></p> <p><b>SONY</b></p> <p>Mobile / Online Gaming</p>

\* - transactions executed by current Drake Star Partners employees while employed at other firms

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# ROBUST YEAR IN GAMING WITH SEVERAL HIGH-PROFILE DEALS

## 2023 Summary

**\$86B**

Disclosed value for closed deals

**965**

Closed deals

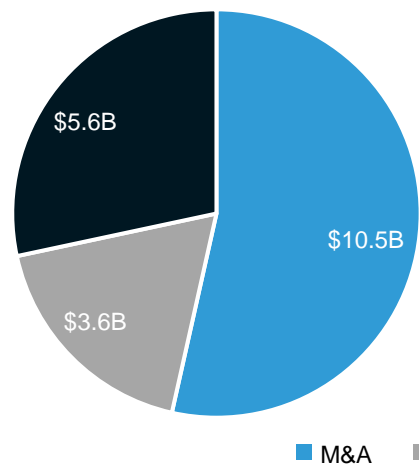
**\$20B**

Disclosed value for announced deals

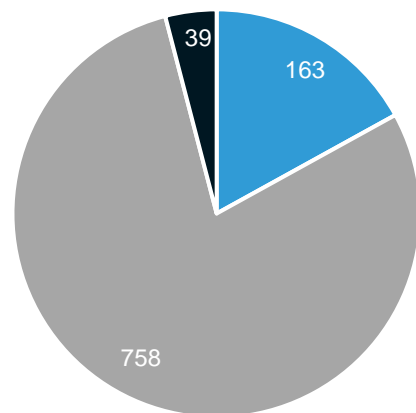
**960**

Deals announced

Deal Value (\$B)



Deal Count



■ M&A ■ PP ■ Public Markets

Note: Public Markets include IPOs, SPACs, and Public Financings  
Source: CapIQ, Pitchbook & DSP Research

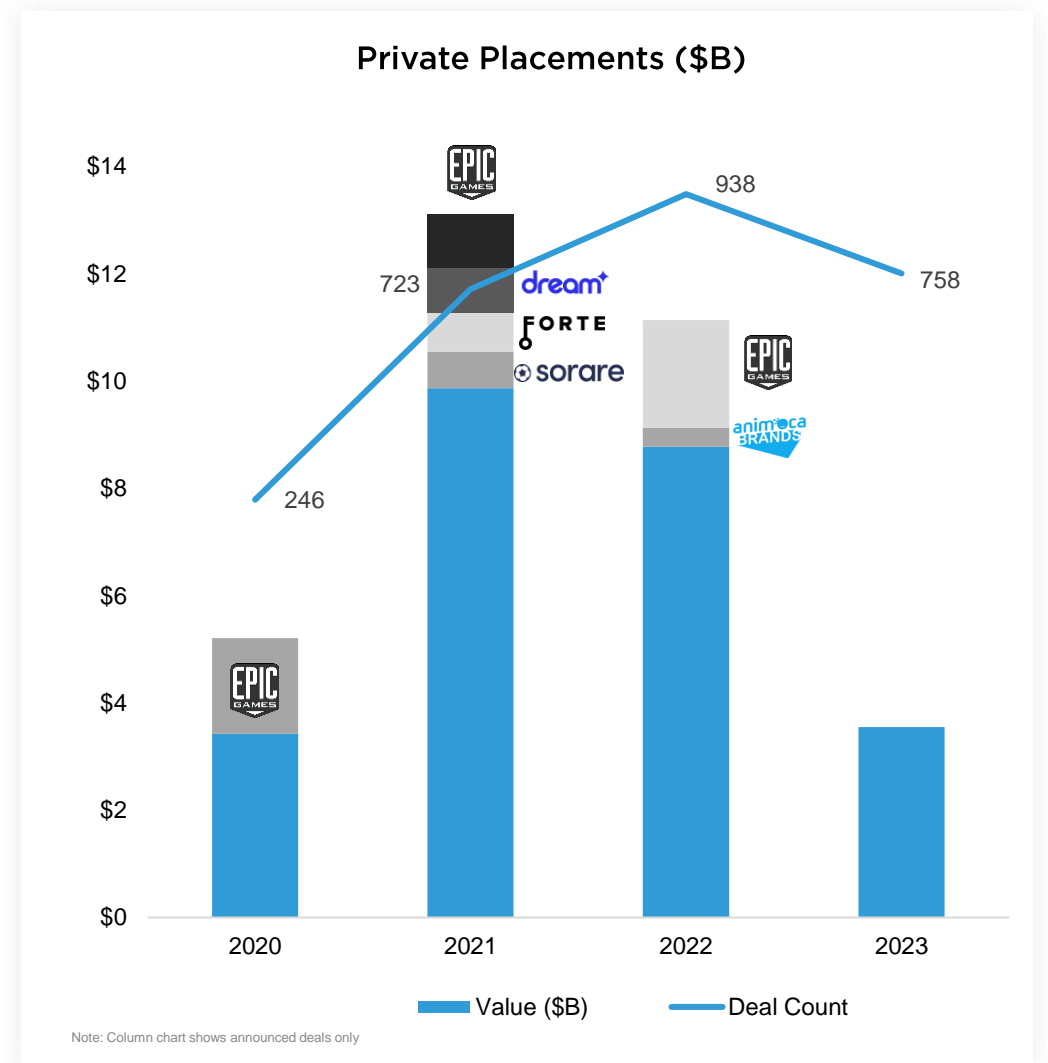
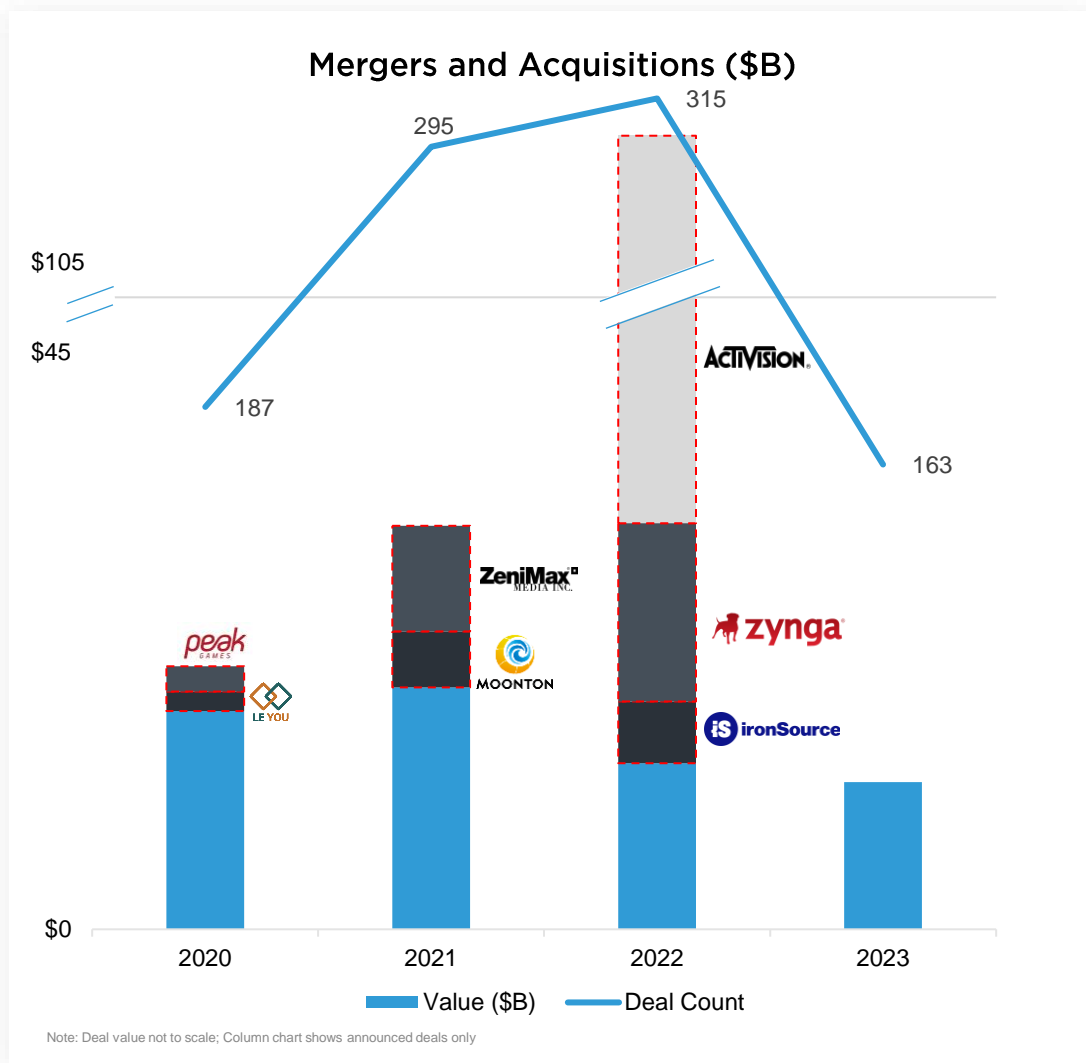
Note: Deal count includes announced M&A, private placement, IPOs, SPACs, and public financing deals. Drake Star did not act as financial advisor on transactions listed on this page

- With \$86B in disclosed value for closed deals, 2023 was a record year for gaming from a deal value standpoint, mainly due to the much-awaited closing of Microsoft's acquisition of Activision in Q4'23 after over a year of regulatory tussle. The total disclosed value for announced deals was just over \$20B in 960 deals during 2023, tracing back to pre-COVID levels.
- 163 M&A deals were announced during 2023 with over \$10.5B in disclosed deal value. Savvy Games Group/PIF's acquisition of Scopely for \$4.9B led the chart and Kahoot's acquisition by Goldman Sachs consortium (\$1.7B) and Techland's majority acquisition by Tencent (\$1.6B) were the only other \$B+ deals during the year. The deal value of most of the mid-sized and smaller deals was not disclosed.
- PC / console was again the most active M&A segment (44 deals), closely followed by mobile (37) and platform/tools (25). Deal activity went back to pre COVID levels as early as Q1 with Q3 reporting the lowest number of deals, and a 30% quarterly growth in Q4 again.
- Over \$3.5B was raised in 750+ financing rounds of private companies, comparable to the \$3.4B raised in 2020 (excluding the large Epic Games deal). Mobile was the most active segment (168), followed by blockchain (159) and platform/tools (143). Top financings were VSPO (\$265M), Candivore (\$100M) and Second Dinner (\$100M). The most active VCs in early to late stage included Bitkraft, a16z, Play Ventures and Griffin Gaming while the most active seed stage VCs were Goodwater Capital, 1Up Ventures, Sfermion and Shima Capital.
- Drake Star Gaming Index saw a gradual recovery during the year (11.5%), outperforming the broader markets during the first seven months of the year while sliding below in the 2<sup>nd</sup> half. VanEck Video Gaming ETF was up 32.4% for the year.

## Q4 Summary

































- With 43 announced deals, M&A activity picked up compared to the last quarter (33 deals). While there were no large value deals, M&A activity for smaller / midsized deals remained healthy but most of them with undisclosed deal value. Top deals for the quarter included Aonic/nDreams, Keywords/The Multiplayer Group, MTG/Snowprint and Devolver/System Era.
- Over \$600M was raised in 162 private financing deals in Q4, as the financing market in converging to the pre-COVID levels. Some of the notable raises were Animoca Brands (\$50M), Leonardo.Ai (\$47M), Strikerz (\$40M) and ON (\$25M). Over 85% of the financings were for seed and early-stage companies as investors remained cautious on mid to late-stage financings.
- In public markets, gaming companies saw a strong rebound from its lows in October with Drake Star Gaming Index recovering all its losses (growing over 13%). Grand Centrex Limited (GCL), a Singapore-based video game distributor and publisher, is going public on Nasdaq via a SPAC deal valued at \$1.2B.

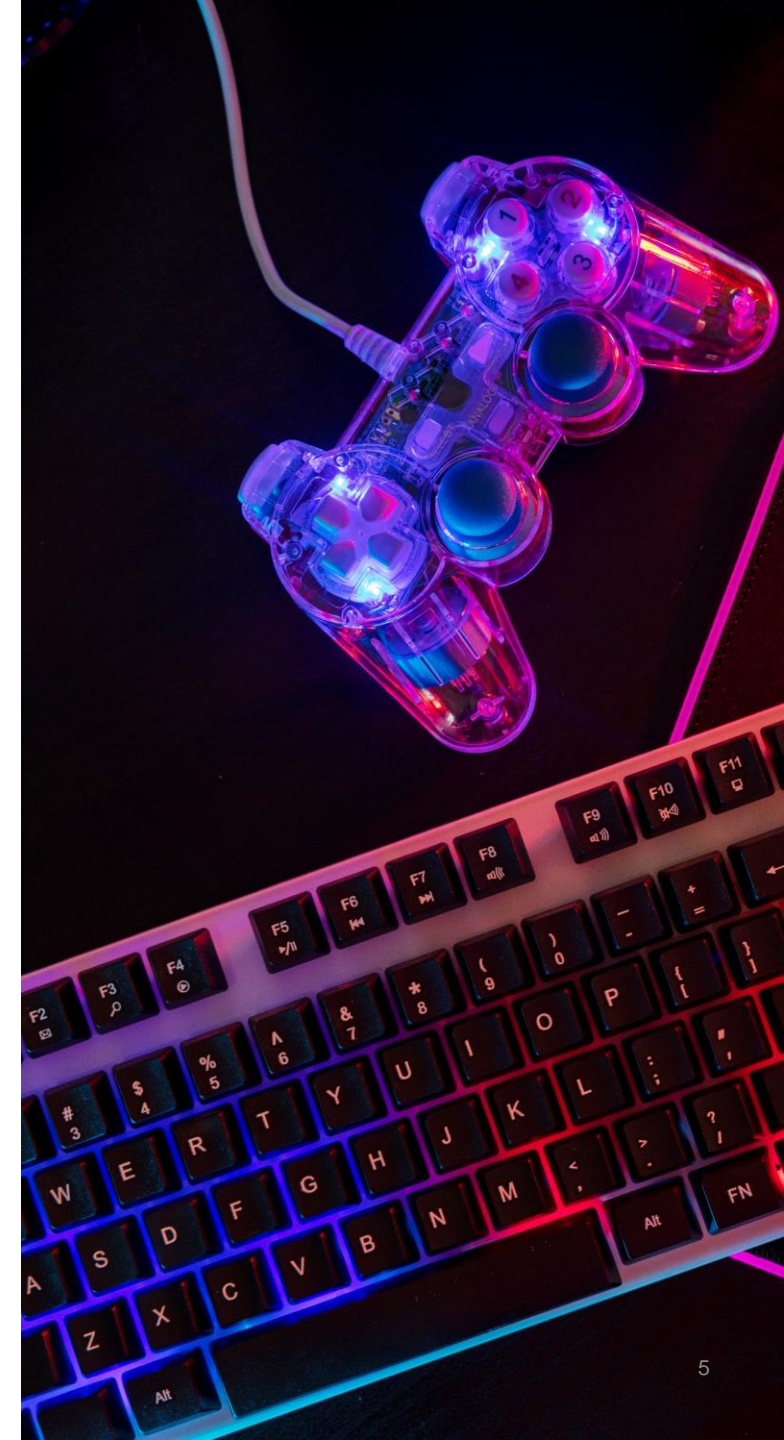
# M&A AND PRIVATE FINANCINGS CONVERGING TO PRE-COVID LEVELS



# GAMING M&A TRANSACTIONS: 2023

## TOP 10 ANNOUNCED DEALS

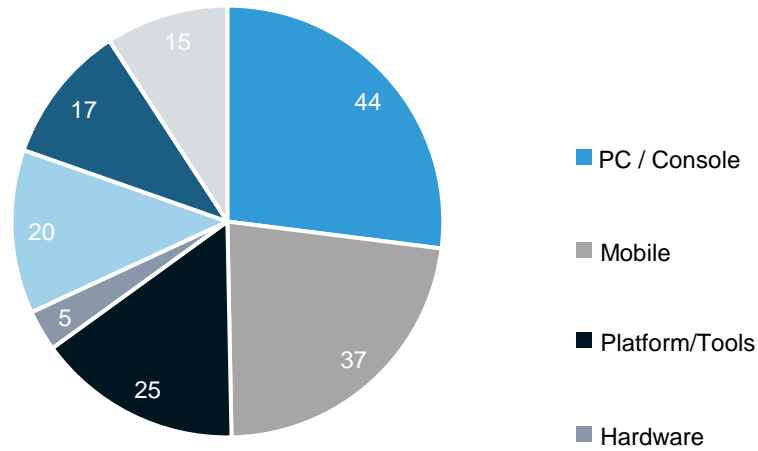
TARGET	ACQUIRER	SEGMENT	DATE	DEAL SIZE (\$M)	UPFRONT (CASH + EQUITY)	EARNOUT	TARGET COUNTRY
 SCOPELY	 SAVVY GAMES GROUP	Mobile	Apr-23	<a href="#">\$4,900.0</a>	\$4,900.0	-	
 Kahoot!	 Goldman Sachs Asset Management  GENERAL ATLANTIC  LEGO	Mobile	Jul-23	<a href="#">\$1,720.0</a>	\$1,720.0	-	
 TECHLAND	 Tencent	PC/Console	Jul-23	<a href="#">\$1,580.0</a>	\$1,580.0	-	
 ROVIO	 SEGA	Mobile	Apr-23	<a href="#">\$775.0</a>	\$775.0	-	
 SciPlay	 LIGHT & WONDER	Mobile	May-23	<a href="#">\$422.0</a>	\$422.0	-	
 INNPLAY LABS	 Playtika	Mobile	Sep-23	<a href="#">\$300.0</a>	\$80.0	\$220.0	
 youda GAMES	 Playtika	Mobile	July-23	<a href="#">\$165.0</a>	\$89.4	\$75.6	
 Dreams	 AONIC	VR/AR	Nov-23	<a href="#">\$110.0</a>	\$110.0	-	
 DIGITAL MEDIA MANAGEMENT	 Keywords Studios	Others	Mar-23	<a href="#">\$100.0</a>	\$67.5	\$32.5	
 THE MULTIPLAYER GROUP	 Keywords Studios	PC/Console	Dec-23	<a href="#">\$97.1</a>	\$97.1	-	



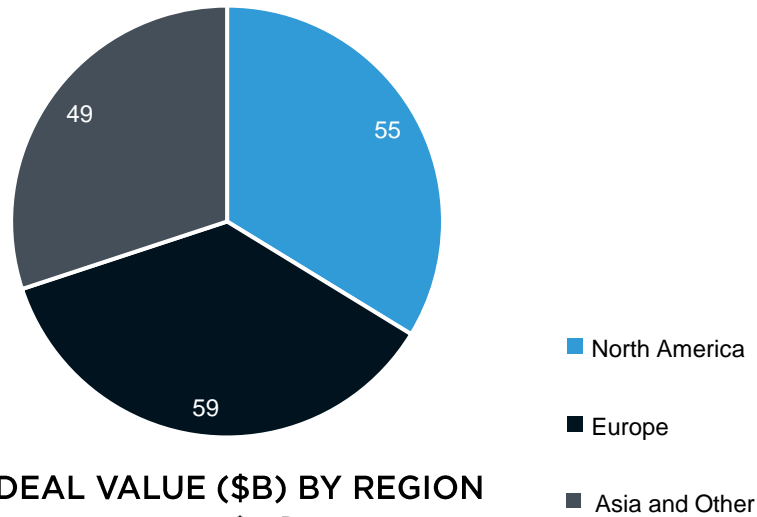
# GAMING M&A TRANSACTIONS: 2023

163 DEALS ANNOUNCED AND \$10.5B IN DISCLOSED DEAL ACTIVITY

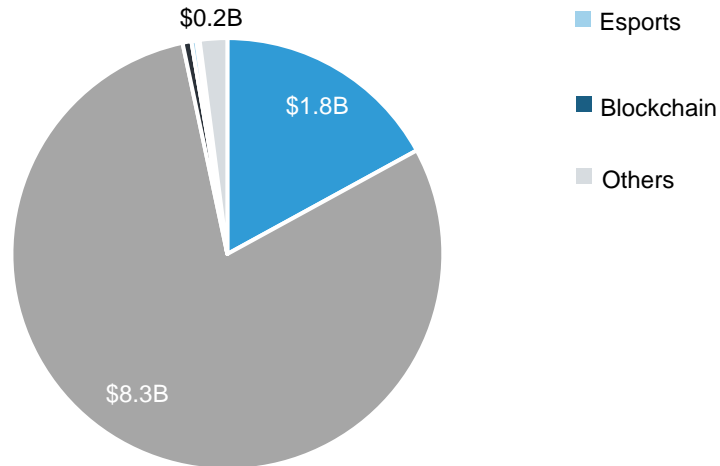
### # OF DEALS BY SEGMENT



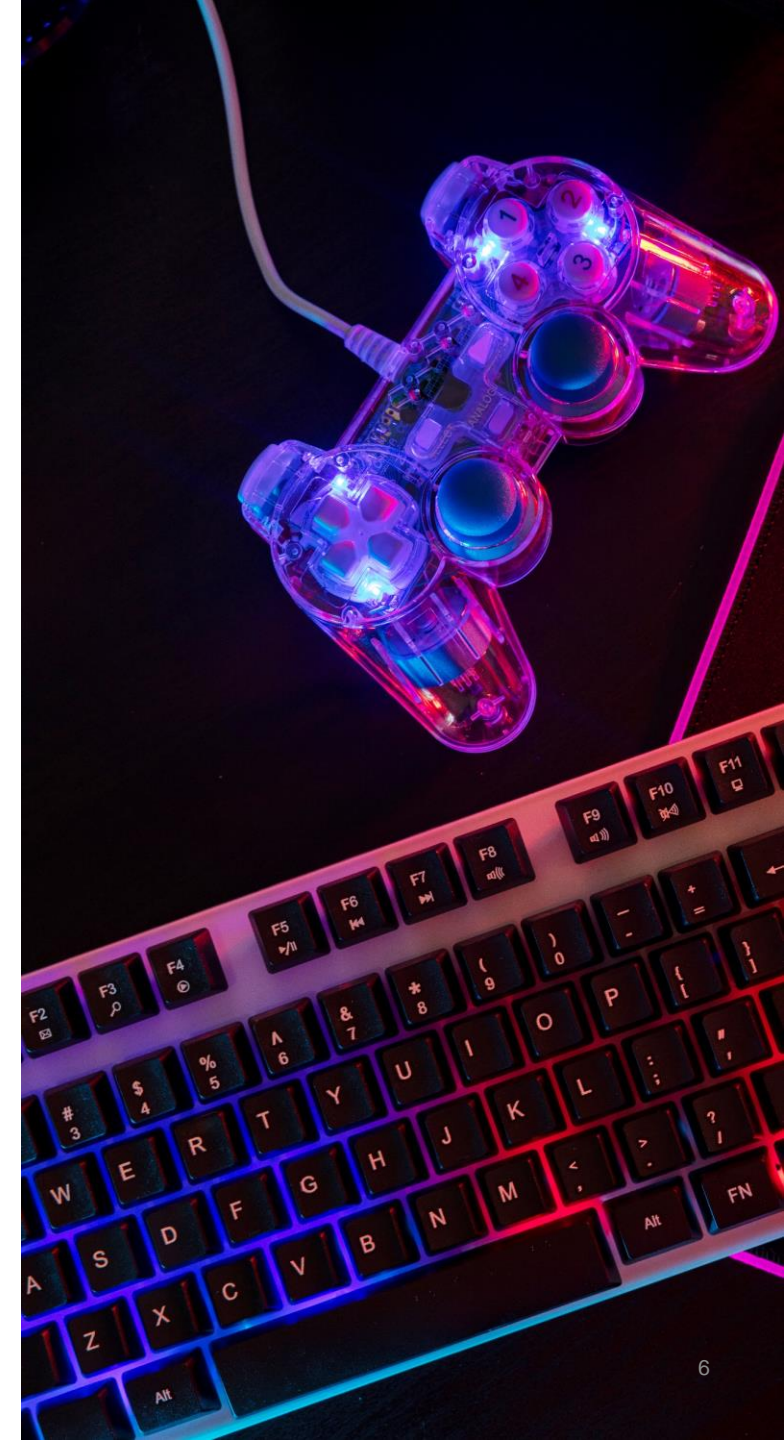
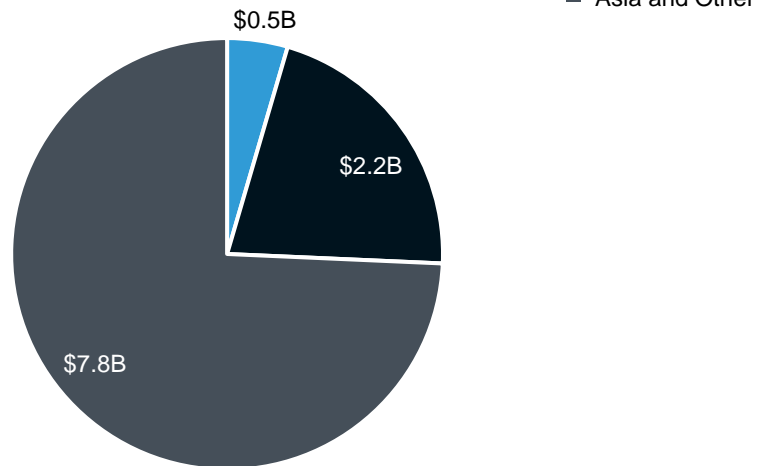
### # OF DEALS BY REGION



### DEAL VALUE (\$B) BY SEGMENT











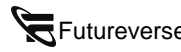





















### DEAL VALUE (\$B) BY REGION



# GAMING PRIVATE PLACEMENTS: 2023

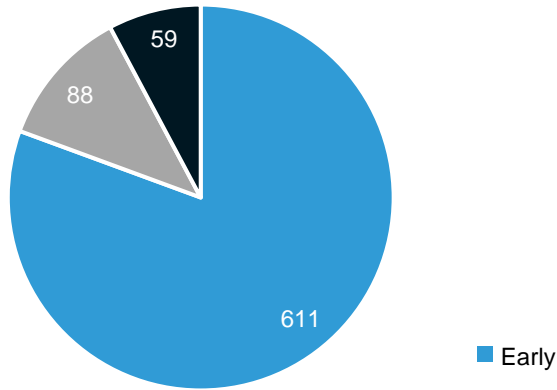
## TOP 15 PRIVATE PLACEMENTS

TARGET	SEGMENT	DATE	DEAL VALUE (\$M)	VALUATION (\$M)	TOTAL RAISED (\$M)	SELECT INVESTORS	TARGET COUNTRY
 VSPD	eSports	Feb-23	<a href="#">\$265.0</a>	-	\$561.8	Savvy Games Group	
 CANDIVORE	Mobile	Aug-23	<a href="#">\$100.0</a>	-	\$122.6	Haveli Investments	
 Second Dinner	Mobile	Sep-23	<a href="#">\$100.0</a>	~\$400.0	\$130.0	Griffin Gaming Partners, NetEase Games	
 BELIEVER	PC/Console	Mar-23	<a href="#">\$55.0</a>	-	\$55.0	Lightspeed Venture Partners, Riot Games, Bitkraft Ventures, Andreessen Horowitz	
 STORY PROTOCOL	Blockchain	Sep-23	<a href="#">\$54.0</a>	-	\$84.0	Andreessen Horowitz, Endeavor, 11:11 Media, Hashed, Samsung NEXT, Mirana Ventures, Foresight Ventures	
 Futureverse	Blockchain	Jul-23	<a href="#">\$54.0</a>	-	\$54.0	10T Holdings, Ripple	
 inworld	Platform/Tools	Aug-23	<a href="#">\$50.0</a>	\$500.0	\$119.8	Lightspeed Venture Partners, Samsung NEXT, M12 fund, First Spark Ventures, LG Technology Ventures	
 VELOCE MEDIV GROUP	eSports	Jul-23	<a href="#">\$50.0</a>	-	\$60.0	GEM Digital	
 EVERDOME	Blockchain	Apr-23	<a href="#">\$50.0</a>	-	\$70.0	GEM Digital, OKX, Binance, Epic Games	
 LIGHT FIELD LAB	Hardware	Feb-23	<a href="#">\$50.0</a>	\$180.0	\$85.0	NCSOFT, Samsung Electronics, Verizon Ventures, Liberty Global Ventures, Corning, LG Technology Ventures, Khosla Ventures, Others	
 animoca BRANDS	Blockchain	Nov-23	<a href="#">\$50.0</a>	-	\$943.3	Saudi Arabia's NEOM	
 anзу	Platform/Tools	Jun-23	<a href="#">\$48.0</a>	-	\$65.0	Sony Innovation Fund, HBSE Ventures, NBCUniversal, PayPal Ventures, 021fund, BITKRAFT, Samsung NEXT	
 Leonardo.AI	Platform/Tools	Dec-23	<a href="#">\$47.0</a>	-	\$47.0	Blackbird Ventures, Goodwater Capital, Piton Capital, Riverwood Capital, Samsung NEXT Ventures, Serena Capital, Side Stage Ventures, Others	
 CCP	PC/Console	Mar-23	<a href="#">\$40.0</a>	-	\$40.0	Andreessen Horowitz, Nexon, Makers Fund, BITKRAFT Ventures, Kingsway Capital, Hashed	
 STRIKERZ INC.™	PC/Console	Dec-23	<a href="#">\$40.0</a>	-	\$40.0	Christiano Ronaldo, Others	

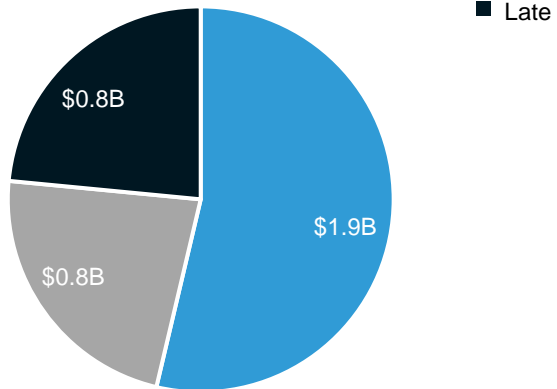
# GAMING PRIVATE PLACEMENTS: 2023

758 DEALS AND \$3.6B IN DISCLOSED PRIVATE PLACEMENTS

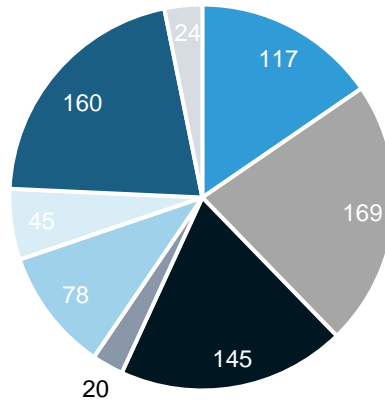
# of Deals by Stage



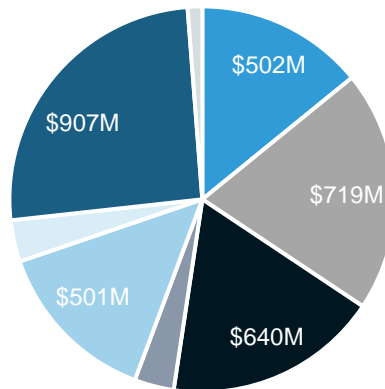
Deal Value by Stage



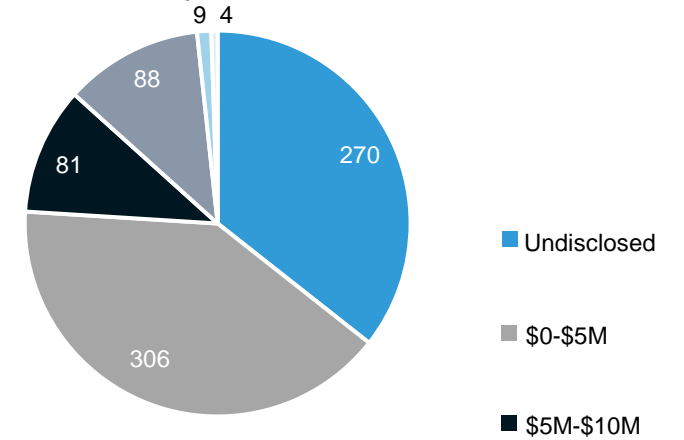
# of Deals by Segment



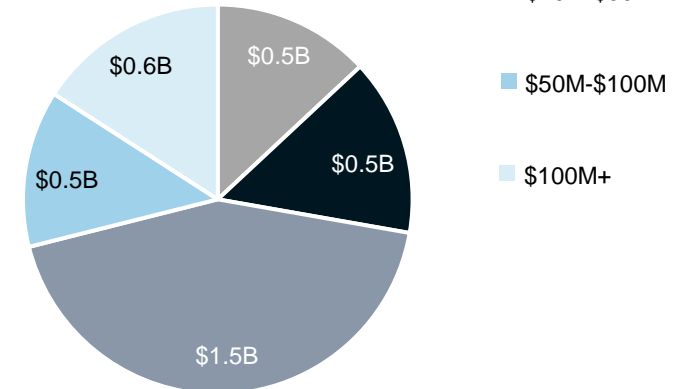
Deal Value by Segment



# of Deals by Amount Raised



Deal Value by Amount Raised





# GAMING KEY HEADLINES: Q4 2023

## M&A



- Aonic Group, a gaming conglomerate, acquired a prominent virtual reality game developer, nDreams for [\\$110M](#) to further expand its position in VR and mixed reality games landscape
- Keywords Studios, a global provider of game and entertainment services, purchased The Multiplayer Group, a UK-based multiplayer game development studio, for [\\$97M](#) to further strengthen its “Create” division
- Modern Times Group acquired a majority stake in a developer focused on free-to-play mobile midcore games, Snowprint Studios, for [\\$45M](#) providing them with tools and knowledge to diversify revenues and expand its user base
- Devolver Digital acquired System Era Softworks, an award-winning, multiplatform video game developer, for [\\$40M](#) extending its reach beyond premium indie titles leveraging System Era’s knowledge of Expandable Game style development
- Atari, one of the most iconic gaming industry brands, bought Digital Eclipse, a studio that specializes in preserving and rereleasing retro games on modern hardware, for [\\$20M](#) expanding its internal development capabilities
- Xsolla acquired Lighstream, Rainmaker and api.stream to further expanding its reach to influencers through Xsolla Partner Network



## Fundraising



- Animoca Brands, a game publisher with hundreds of investment in Web3 games, raised [\\$50M](#) from Saudi Arabia’s NEOM to build Web3 enterprise service capabilities with global commercial applicability
- Leonardo.AI, a generative AI content production platform, received [\\$47M](#) financing from Blackbird, Side Stage Ventures, Smash Capital, TIRTA Venture, Samsung NEXT and others to continue building tech and team to empower creativity around the world
- Strikerz, an international gaming company working on UFL football game, raised [\\$40M](#) from Cristiano Ronaldo to revolutionize the interaction between football fans and the gaming world
- GameOn Technology received [\\$25M](#) from Equiam, B3 Capital and others to help enterprises productize generative AI chats
- Noice, games livestreaming company, raised [\\$21M](#) from Bitkraft, F4 Fund and others for promoting the platform and growing its team
- Neon Machine, extraction shooter Shrapnel developer, raised [\\$20M](#) from Polychain Capital and others to continue game development



## Public Markets



- Grand Centrex, a Singapore-based video game publisher and distributor, signed an agreement to go public via merger with RF Dynamic LLC, a special purpose acquisition company, valuing Grand Centrex at [\\$1.2B](#). The company will be listed on Nasdaq under “GCL” ticker
- Aonic Group issued [\\$70M](#) worth of senior secured callable floating rate bonds to finance the investment in the remaining recently acquired shares in nDreams. The remaining proceeds will be used to finance general corporate purposes of the Group,

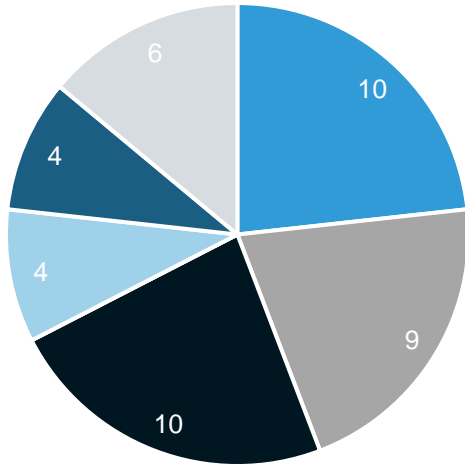


Note: Drake Star acted as financial advisor to Lighstream

# GAMING M&A TRANSACTIONS Q4 2023

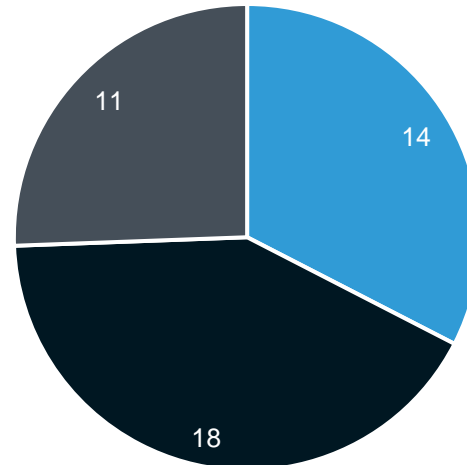
43 DEALS AND \$358M IN ANNOUNCED DEALS

# OF DEALS BY SEGMENT  
Q4 2023

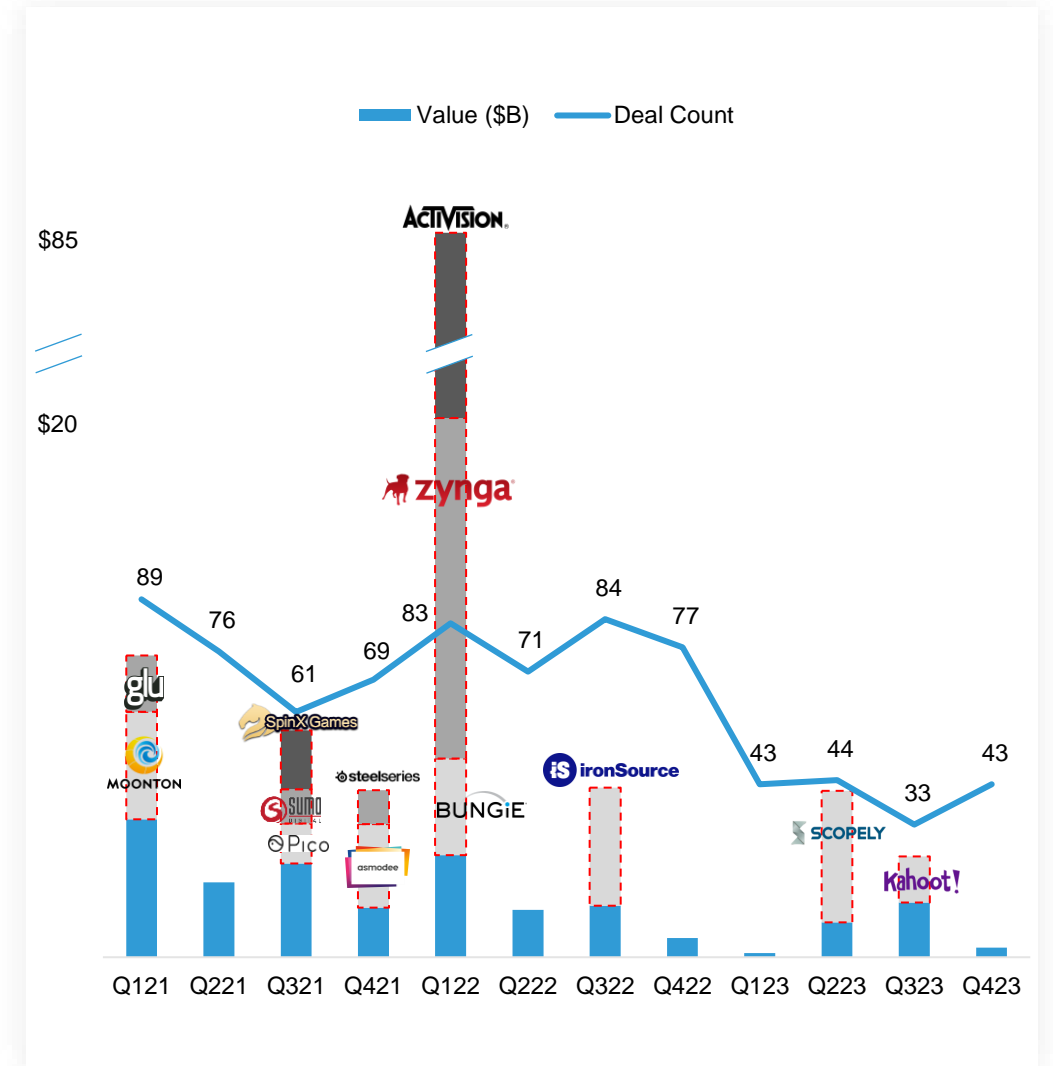


- PC/Console
- Platform/Tools
- Esports
- Others
- Mobile
- Hardware
- Blockchain

# OF DEALS BY REGION  
Q4 2023



- North America
- Europe
- Asia and others



# GAMING M&A TRANSACTIONS Q4 2023

43 ANNOUNCED DEALS



- Aonic Group, a gaming conglomerate, acquired nDreams in a deal valued at \$110M
- The acquisition signifies Aonic's strategic move to further consolidate on the rapidly growing landscape of VR and mixed reality games
- nDreams brings unparalleled expertise in XR technologies, positioning itself as a valuable asset for other studios under Aonic's ownership



- Keywords Studios, a global provider of game and entertainment services, acquired The Multiplayer Group for \$97.1M
- The acquisition is an important step in building out Keyword's platform and expanding offering into specialized multiplayer game development at scale
- MPG's leadership will remain the same and it will continue to lead and grow multiplayer innovation



- Modern Times Group acquired a 70% stake in mobile games developer, Snowprint Studios for \$45M
- The acquisition is closely aligned with MTG's growth strategy and enables to add a critically acclaimed Warhammer 40,000: Tacticus game to the portfolio
- MTG will be able to accelerate Snowprint's growth by providing team access to Flow Platform, market leading business intelligence and UA capabilities



- Devolver Digital, indie games developer and publisher, acquired multi-platform video game developer, System Era, for \$40M
- The acquisition represents an opportunity for Devolver to expand outside of premium indie titles
- Devolver will capitalize on System Era's development expertise in creating quality, community-centered, long-life titles, proven by the success of Astroneer



- Atari, an interactive company and iconic industry brand, acquired Digital Eclipse for \$22M
- Digital Eclipse focuses on the digital restoration of classic video games. The acquisition allows Atari to expand its internal development capabilities by utilizing DE's experience and proprietary technology
- Digital Eclipse receives access to world-class IP and Atari's management expertise for further expansion



- Xsolla, a video game commerce company, acquired Lightstream, Rainmaker and api.stream
- Lightstream's tools simplify content creation and distribution. The acquisition allows Xsolla to expand Xsolla Partner Network with the new tools and resources for streaming and gaming content creation
- Lightstream will be able to continue enhancing the user experience and providing additional features

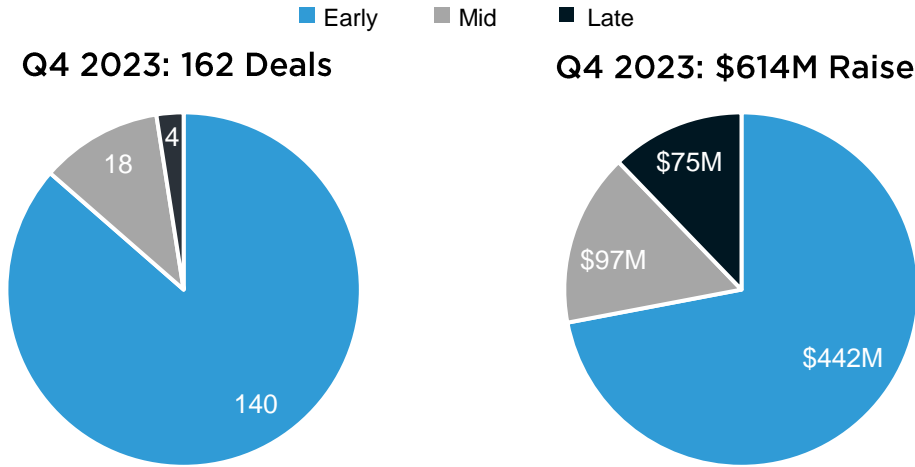
Source: CapIQ, Pitchbook & DSP Research

Note: Drake Star acted as a financial advisor to Lightstream on its sale to Xsolla

# GAMING PRIVATE PLACEMENTS Q4 2023

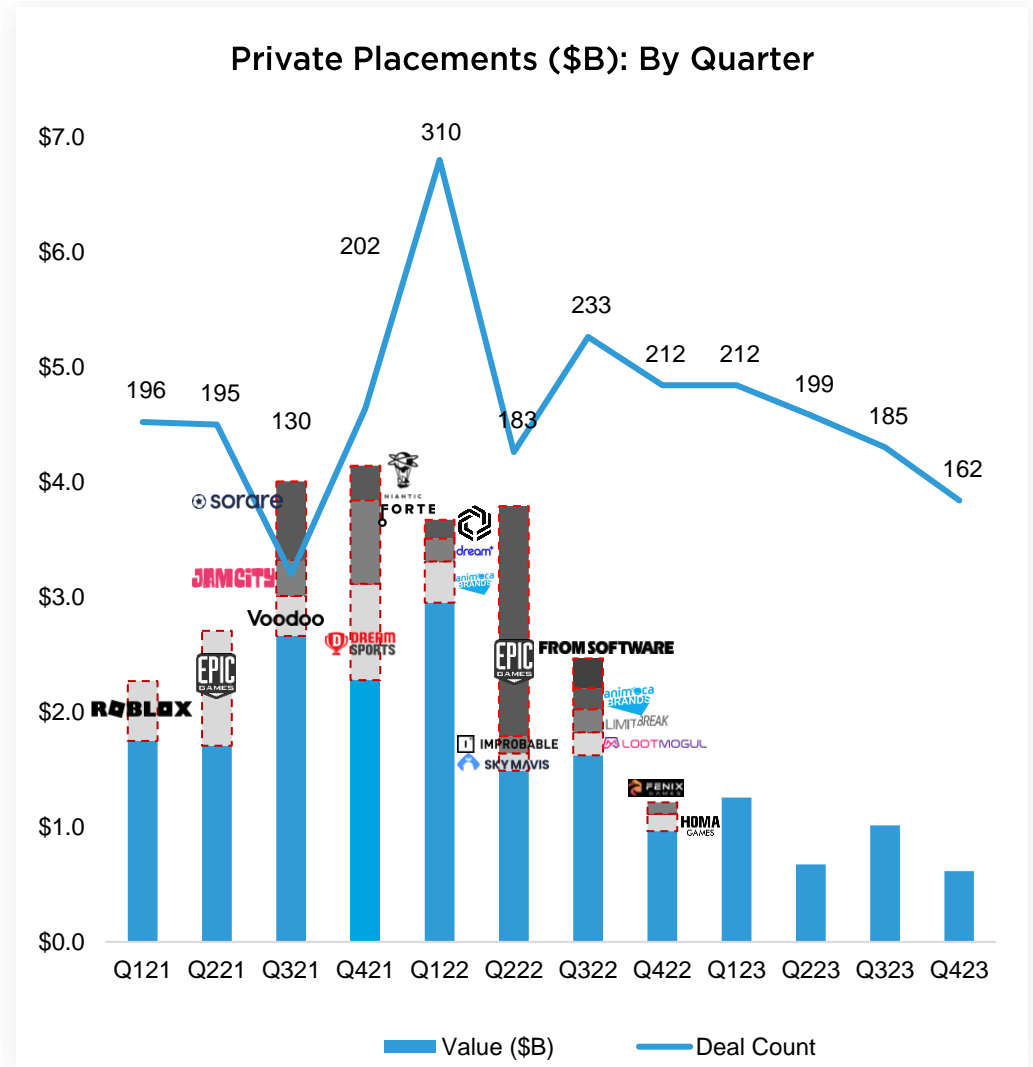
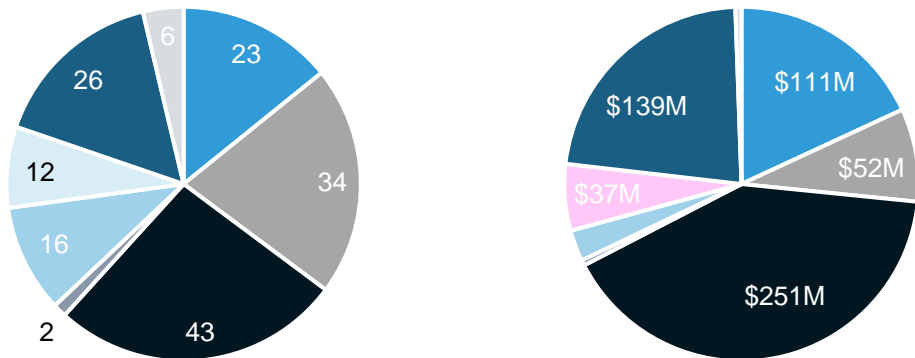
162 DEALS AND \$614M IN DISCLOSED PRIVATE PLACEMENTS

Q4 2023: 162 Deals      Q4 2023: \$614M Raised



# of Deals by Segment

Deal Value By Segment



■ PC / Console ■ Mobile ■ Platform/Tools ■ Hardware ■ Esports ■ VR / AR ■ Blockchain ■ Others

Source: CapIQ, Pitchbook & DSP Research

Note: Drake Star did not act as financial advisor on transactions listed on this page

# GAMING PRIVATE PLACEMENTS Q4 2023

162 DEALS AND \$614M IN DISCLOSED PRIVATE PLACEMENTS



\$50M Raised

- Investors – Saudi Arabia's NEOM
- The funding is a part of NEOM's partnership with Animoca Brands under which companies will collaborate to build Web3 enterprise service capabilities with global commercial applicability. The new funds aim to bolster Animoca Brands' capacity to develop and promote the Web3 ecosystem



\$47M Raised

- Investors – Blackbird Ventures, Gaorong Capital, Goodwater Capital, Piton Capital, Riverwood Capital, Samsung NEXT, Serena Capital, Side Stage Ventures, Smash Capital, Tirta Management
- The new funding will allow the company to hire more sales and marketing team members as it scales out its enterprise product. Company also plans to build its engineering team to continue enhancing its tech



\$40M Raised

- Investors – Cristiano Ronaldo
- The funding enables access to Ronaldo's staggering 614M followers on Instagram. Ronaldo also will actively participate and contribute to shaping UFL's development aiming to revolutionize the interaction between football fans and the gaming world



\$25M Raised

- Investors – Equiam, B3 Capital, Commonwealth Financial Network, Mirae Asset Venture Investments
- GameOn Technology rebranded as ON
- The fresh capital infusion will be used to focus on empowering businesses to leverage generative AI for creating products. Company will also use the funds to fuel growth and expansion into new sectors



\$21M Raised

- Investors – BITKRAFT Ventures, Sedona Holdings, Team Builder Ventures, F4 Fund
- Noice aims to revolutionize social gaming with a combination of livestreaming and multiplayer gaming in one platform
- The fresh capital injection will be used for promoting the platform and growing the team



\$20M Raised

- Investors – Polychain Capital, Brevan Howard Asset Management, Franklin Templeton, Griffin Gaming Partners, IOSG Ventures, and Tess Ventures
- Neon Machine's goal is to create a first-person shooter game that empowers players and creators, offering a unique gaming experience
- The funding will support the team as they release incremental playable versions of the game

Source: CapIQ, Pitchbook & DSP Research

Note: Drake Star did not act as financial advisor on transactions listed on this page

# MOST ACTIVE VC'S

## 10 MOST ACTIVE FINANCIAL GAMING INVESTORS 2023

### VC LEAGUE TABLE - EARLY TO LATE

VC	DEALS	SELECT INVESTMENTS	STAGE	LOCATION
<b>BITKRAFT</b>	24		Seed to Late	
<b>andriessen horowitz</b>	13*		Seed to Late	
<b>PLAY VENTURES</b>	12		Seed to Late	
<b>GRIFFIN GAMING PARTNERS</b>	11		Seed to Late	
<b>MAKERS FUND</b>	9		Seed to Late	
<b>vgames</b>	9		Seed to Late	
<b>KONVOY</b>	5		Seed to Late	
<b>HIRO CAPITAL</b>	5		Seed to Late	
<b>Lightspeed</b>	3		Seed to Late	
<b>Transcend.</b>	3		Seed to Late	

### VC LEAGUE TABLE - SEED FOCUSED

VC	DEALS	SELECT INVESTMENTS	STAGE	LOCATION
<b>GOODWATER CAPITAL</b>	11		Seed to Early	
<b>UJ VENTURES</b>	10		Seed to Early	
<b>Sfermion</b>	10		Seed	
<b>SHIMA CAPITAL</b>	9		Seed to Early	
<b>SSU GAME VENTURES</b>	9		Seed to Early	
<b>#HASHED</b>	9		Seed to Early	
<b>BIG BRAIN HOLDINGS</b>	8		Seed to Early	
<b>THE GAMES FUND</b>	8		Seed to Early	
<b>Lvp.</b>	5		Seed to Early	
<b>Lumikai</b>	5		Seed to Early	

Source: CapiQ, Pitchbook & DSP Research

Note: The league tables above do not include accelerator investments

# GAMING LEAGUE TABLES: TOP BUYERS

## TOP 10 STRATEGIC BUYERS 2023

### BUYERS LEAGUE TABLE

COMPANY	DISCLOSED DEAL VALUE (\$M)	# OF DEALS	SELECT DEALS
  	\$1,580.0	5	  
	\$212.1	4	  
 	\$4,900.0	3	  
	-	3	  
	-	3	  
	\$465.0	2	 
	-	2	 
	\$110.0	2	 
	\$40.0	2	 
	\$775.0	1	

Source: CapIQ, Pitchbook & DSP Research  
 Note: Deal value only includes publicly disclosed transaction values  
 Drake Star did not act as financial advisor on transactions listed on this page



# PUBLIC MARKET VALUATIONS

## ONLINE / MOBILE GAME DEVELOPERS & PUBLISHERS

COMPANY NAME	TICKER	COUNTRY	LTM	PRICE	MCAP	EV	REVENUE	EBITDA	EV/REVENUE		EV/EBITDA		PRICE/EARNINGS		REVENUE GROWTH		EBITDA GROWTH		EBITDA / REV					
North America / Europe - Mobile Focused																								
							LTM	LTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM				
Playtika	PLTK	IL	30-Sep-23	\$8.72	\$3,202.2	\$4,819.9	\$2,560.3	\$672.9	1.9x	1.9x	6.9x	5.9x	11.2x	11.0x	-3%	1%	12%	22%	26.3%					
Modern Times Group	MTG B	SE	30-Sep-23	\$8.57	\$1,042.7	\$696.1	\$518.1	\$119.8	1.2x	1.1x	5.2x	4.4x	22.8x	20.5x	4%	10%	1%	22%	23.1%					
Rovio	ROVIO	FI	30-Sep-23	\$10.27	\$782.3	\$619.1	\$313.3	\$34.9	1.9x	1.7x	15.9x	9.8x	30.8x	22.8x	-8%	13%	-30%	73%	11.1%					
Stillfront Group	SF	SE	30-Sep-23	\$1.21	\$578.3	\$1,048.4	\$701.5	\$153.2	1.4x	1.5x	6.1x	3.7x	30.3x	4.4x	5%	-5%	-5%	69%	21.8%					
GDEV	GDEV	CY	30-Sep-23	\$2.21	\$436.3	\$290.2	\$454.3	\$23.2	0.6x	NA	14.8x	NA	22.5x	NA	-9%	NA	-82%	NA	5.1%					
Huuuge	HUG	US	30-Sep-23	\$6.82	\$428.7	\$299.1	\$289.8	\$99.5	0.9x	1.1x	2.6x	3.2x	7.5x	6.3x	-12%	-7%	62%	7%	34.3%					
Media and Games Invest	M8G	SE	30-Sep-23	\$1.13	\$179.9	\$554.2	\$364.4	\$81.3	1.5x	1.5x	6.2x	4.9x	15.8x	10.4x	1%	-6%	24%	34%	22.3%					
Ten Square Games	TEN	PL	30-Sep-23	\$24.52	\$178.1	\$145.6	\$105.1	\$14.8	1.2x	1.3x	8.9x	5.2x	10.7x	9.5x	-17%	-6%	-58%	70%	14.1%					
G5 Entertainment	G5EN	SE	30-Sep-23	\$15.49	\$124.9	\$103.6	\$125.4	\$21.6	0.8x	0.8x	4.4x	3.3x	7.7x	8.4x	0.4%	-1%	NM	33%	17.2%					
Flexion Mobile	FLEXM	GB	30-Sep-23	\$0.88	\$49.8	\$40.2	\$83.3	\$4.8	0.4x	0.4x	7.8x	5.3x	NM	12.1x	15%	22%	NM	52%	5.7%					
MAG Interactive	MAGI	SE	31-Aug-23	\$1.38	\$36.7	\$27.4	\$36.2	\$1.1	0.7x	0.6x	10.9x	4.3x	NM	NM	11%	17%	-47%	NM	3.0%					
East Side Games	EAGR	CA	30-Sep-23	\$0.36	\$29.3	\$26.6	\$68.2	\$7.0	0.4x	0.4x	3.7x	2.0x	NM	9.3x	-22%	-4%	NM	86%	10.3%					
									Average															
									Median															
											1.1x	1.1x	7.8x	4.7x	17.7x	11.5x	-3%	3%	-14%	47%	16.2%			
											1.1x	1.1x	6.5x	4.4x	15.8x	9.9x	-1%	-0.7%	-5%	43%	15.7%			
North America / Europe – PC / Console Focused																								
Electronic Arts	EA	US	30-Sep-23	\$136.81	\$36,819.6	\$36,742.6	\$7,593.0	\$1,896.0	4.8x	4.8x	17.6x	13.8x	37.9x	19.1x	4%	1%	2%	41%	25.0%					
Take-Two Interactive	TTWO	US	30-Sep-23	\$160.95	\$27,372.4	\$30,085.2	\$5,437.9	\$1,364.9	5.5x	5.2x	20.2x	28.9x	NM	40.4x	26%	7%	142%	24%	25.1%					
Embracer Group	EMBRAC B	SE	30-Sep-23	\$2.72	\$3,643.5	\$5,263.5	\$3,881.2	\$631.5	1.3x	1.2x	7.1x	4.4x	7.9x	7.5x	NA	4%	NA	75%	16.3%					
Ubisoft	UBI	FR	30-Sep-23	\$25.54	\$3,254.8	\$4,567.1	\$2,031.2	\$640.9	2.2x	1.9x	7.1x	3.9x	NM	12.4x	-9%	14%	NA	63%	-31.1%					
CD Projekt	CDR	PL	30-Sep-23	\$29.25	\$2,922.5	\$2,735.9	\$251.1	\$108.3	9.8x	12.6x	22.6x	23.0x	27.3x	30.1x	22%	-22%	27%	1%	43.1%					
Paradox Interactive	PDX	SE	30-Sep-23	\$22.41	\$2,286.4	\$2,367.2	\$204.3	\$96.4	10.3x	8.0x	20.9x	12.3x	38.2x	31.1x	25%	28%	19%	78%	47.2%					
Keyword Studios	KWS	IE	30-Jun-23	\$21.17	\$1,668.9	\$1,735.7	\$822.2	\$128.4	2.1x	1.9x	12.1x	9.3x	46.8x	16.3x	27%	12%	14%	43%	15.6%					
PlayWay	PLW	PL	30-Sep-23	\$81.39	\$537.2	\$528.3	\$57.5	\$35.6	8.3x	6.3x	13.7x	9.9x	22.4x	9.9x	-9%	30%	-16%	34%	61.9%					
Remedy Entertainment	REMEDY	FI	30-Sep-23	\$28.08	\$378.7	\$351.6	\$37.6	-\$14.2	9.3x	5.3x	NM	30.3x	NM	NM	-22%	60%	NA	NM	-37.7%					
Team17 Group	TM17	GB	30-Jun-23	\$2.36	\$339.2	\$287.6	\$195.6	\$47.1	1.5x	1.5x	6.0x	6.2x	13.4x	9.9x	48%	-3%	8%	1%	24.1%					
People Can Fly	PCF	PL	30-Sep-23	\$7.49	\$269.2	\$224.4	\$35.0	\$0.3	6.4x	5.2x	NM	NA	16.6x	NA	-16%	-5%	-98%	NA	0.9%					
Digital Bros	DIB	IT	30-Sep-23	\$11.88	\$169.5	\$226.8	\$122.5	\$42.9	1.8x	1.6x	5.1x	4.1x	18.5x	10.2x	-11%	11%	-21%	22%	35.0%					
EG7	EG7	SE	30-Sep-23	\$1.88	\$124.6	\$166.5	\$124.6	\$198.1	0.6x	0.6x	2.2x	2.4x	NM	NA	18%	-5%	62%	3%	25.1%					
Nacon	NACON	FR	30-Sep-23	\$1.84	\$161.7	\$268.5	\$154.8	\$11.5	1.7x	1.3x	18.3x	3.6x	20.9x	8.6x	-9%	29%	-50%	NM	7.5%					
Bloober Team	BLO	PL	30-Sep-23	\$7.02	\$135.6	\$128.8	\$19.8	\$5.6	5.9x	NA	20.7x	NA	54.5x	NA	20%	NA	-22%	NA	28.3%					
Devolver Digital	DEVO	US	30-Jun-23	\$0.25	\$110.5	\$45.5	\$125.4	\$5.8	0.4x	0.5x	7.9x	4.6x	NM	NM	20%	-27%	NA	NM	4.6%					
Focus Interactive	ALFOC	FR	30-Sep-23	\$17.20	\$106.3	\$241.3	\$226.1	\$67.3	1.0x	1.0x	3.4x	2.9x	NM	6.4x	74%	2%	105%	18%	29.8%					
CI Games	CIG	PL	31-Dec-23	\$0.53	\$97.5	\$113.8	\$58.0	\$24.9	2.0x	3.3x	4.6x	5.7x	11.1x	21.5x	356%	-40%	592%	-20%	42.9%					
Skonec Entertainment	A276040	KR	30-Sep-23	\$6.57	\$82.5	\$64.6	\$4.0	-\$3.7	15.4x	6.7x	NM	NA	NM	41.7x	8%	NA	NA	NA	-92.1%					
Starbreeze AB	STAR B	SE	30-Sep-23	\$0.05	\$69.2	\$39.2	\$54.9	\$37.9	0.7x	1.2x	0.9x	2.0x	1.5x	11.7x	NM	-46%	NM	53%	69.1%					
Frontier Developments	FDEV	GB	31-May-23	\$1.67	\$64.5	\$52.9	\$129.5	-\$6.0	0.4x	0.5x	NM	2.6x	NM	NM	-8%	-20%	NA	NM	-4.6%					
Snail Games	SNAL	US	30-Sep-23	\$1.21	\$44.3	\$50.9	\$47.6	-\$15.7	1.1x	0.6x	NM	4.2x	NM	5.5x	-42%	93%	NA	NM	-33.0%					
Thunderful Group	THUNDR	SE	30-Sep-23	\$0.52	\$36.7	\$101.6	\$294.6	\$31.8	0.3x	0.3x	2.7x	2.7x	3.4x	1.7x	2%	-7%	8%	11%	10.8%					
Zordix	MAXENT B	SE	30-Sep-23	\$0.46	\$23.4	\$60.6	\$115.4	\$2.7	0.5x	0.5x	20.8x	3.8x	NM	NM	21%	-4%	-71%	NM	2.3%					
tinyBuild	TBLD	US	30-Jun-23	\$0.06	\$11.5	-\$2.3	\$57.8	-\$21.6	NM	NM	NM	NM	NM	4.1x	-7%	-18%	NA	NM	-37.4%					
									Average															
									Median															
											3.9x	3.1x	11.3x	8.6x	22.9x	16.0x	23%	4%	44%	30%	11.1%			
											1.9x	1.6x	7.9x	4.4x	19.7x	10.9x	8%	1%	8%	24%	16.3%			

Source: CapIQ, As of December 31, 2023, in \$M except share price, EV/EBITDA and P/E multiples less than 0 and greater than 100 are denoted as NM



# PUBLIC MARKET VALUATIONS

## DEVELOPERS IN JAPAN / KOREA & ESPORTS

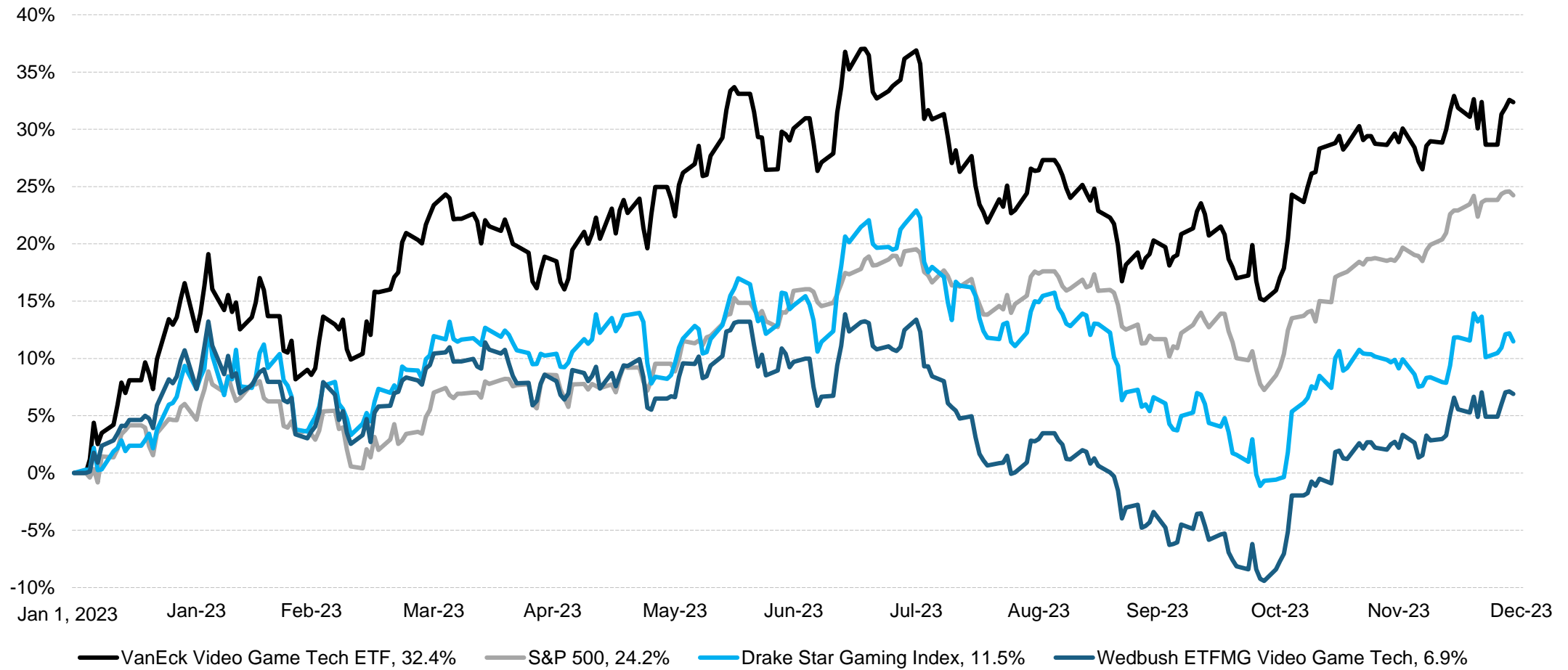
COMPANY NAME	TICKER	COUNTRY	LTM	PRICE	MCAP	EV	REVENUE		EBITDA		EV/REVENUE		EV/EBITDA		PRICE/EARNINGS		REVENUE GROWTH		EBITDA GROWTH		EBITDA / REV
							LTM	LTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	
<b>Japan/Korea</b>																					
Sony	6758	JP	30-Sep-23	\$95.13	\$117,083.3	\$144,499.2	\$83,534.5	\$9,077.9	1.6x	1.7x	13.9x	9.7x	20.4x	18.7x	23%	-1%	-16%	55%	10.9%		
Nintendo	7974	JP	30-Sep-23	\$52.21	\$60,779.7	\$46,112.9	\$11,655.8	\$3,885.7	3.7x	4.4x	10.7x	13.3x	18.1x	27.5x	1%	-16%	-4%	16%	33.3%		
NEXON	3659	JP	30-Sep-23	\$18.23	\$15,519.6	\$11,188.0	\$2,811.1	\$1,033.9	3.8x	3.2x	10.5x	9.3x	21.2x	17.1x	28%	16%	47%	9%	36.8%		
Konami Holdings	9766	JP	30-Sep-23	\$52.38	\$7,100.0	\$5,849.6	\$2,141.2	\$512.4	2.6x	2.3x	10.7x	8.2x	23.9x	18.1x	4%	14%	-8%	32%	23.9%		
Krafton	A259960	KR	30-Sep-23	\$149.30	\$6,899.2	\$4,309.8	\$1,374.1	\$635.5	3.0x	2.9x	6.8x	6.8x	20.3x	19.9x	1%	3%	12%	4%	46.2%		
Capcom	9697	JP	30-Sep-23	\$32.32	\$6,758.7	\$5,945.9	\$1,016.3	\$445.3	5.5x	5.6x	12.6x	12.3x	20.8x	20.9x	70%	-2%	70%	3%	43.8%		
Square Enix	9684	JP	30-Sep-23	\$35.92	\$4,308.3	\$2,882.1	\$2,356.2	\$284.5	1.2x	1.1x	9.6x	6.8x	23.0x	15.8x	-2%	7%	-33%	40%	12.1%		
Ncsoft	A036570	KR	30-Sep-23	\$185.46	\$3,766.3	\$2,625.3	\$1,404.0	\$217.9	1.8x	1.7x	11.6x	15.7x	31.8x	29.9x	-32%	3%	-59%	26%	15.5%		
NetMarble	A251270	KR	30-Sep-23	\$44.80	\$3,671.0	\$5,115.6	\$1,874.5	\$48.7	2.6x	2.3x	42.2x	22.9x	NM	65.3x	-8%	14%	-63%	NM	2.6%		
Sega Sammy	6460	JP	30-Sep-23	\$13.99	\$3,022.0	\$2,663.7	\$3,084.4	\$604.2	0.8x	0.8x	4.1x	5.2x	7.4x	10.1x	37%	2%	54%	20%	19.6%		
Pearl Abyss	A263750	KR	30-Sep-23	\$29.88	\$1,835.3	\$1,647.4	\$261.5	\$13.4	6.1x	6.2x	NM	14.8x	NM	30.5x	-12%	-2%	-72%	NM	5.1%		
Kakao Games	A293490	KR	30-Sep-23	\$19.93	\$1,627.9	\$2,247.7	\$758.2	\$121.7	2.9x	2.4x	NM	12.8x	NM	24.2x	-15%	20%	-46%	39%	16.1%		
WeMade Entertainment	A112040	KR	30-Sep-23	\$46.96	\$1,571.1	\$1,605.5	\$448.6	-\$28.9	3.4x	2.4x	NM	53.4x	NM	41.7x	27%	42%	NA	NM	-6.4%		
DeNA	2432	JP	30-Sep-23	\$9.77	\$1,087.7	\$880.2	\$929.5	\$58.5	0.9x	0.8x	10.9x	9.7x	29.9x	16.8x	4%	7%	-22%	47%	6.3%		
GungHo Online	3765	JP	30-Sep-23	\$16.68	\$999.1	\$172.9	\$876.3	\$216.6	0.2x	0.2x	0.8x	0.9x	7.3x	9.8x	34%	-12%	24%	13%	24.7%		
Gree	3632	JP	30-Sep-23	\$4.04	\$690.5	\$445.5	\$499.7	\$83.0	0.8x	1.0x	5.1x	10.1x	11.4x	18.2x	-4%	-13%	3%	50%	16.6%		
NHN Entertainment	A181710	KR	30-Sep-23	\$18.01	\$606.9	\$441.1	\$1,658.0	\$113.9	0.3x	0.2x	3.8x	3.0x	25.0x	10.6x	6%	10%	20%	23%	6.9%		
DOUBLEUGAMES	A192080	KR	30-Sep-23	\$36.67	\$606.0	\$480.1	\$435.8	\$155.9	1.1x	1.0x	3.0x	2.8x	NM	5.7x	-4%	6%	10%	6%	35.8%		
Com2uS	A078340	KR	30-Sep-23	\$37.98	\$433.5	\$573.2	\$603.2	-\$7.0	0.9x	0.9x	NM	16.5x	13.8x	12.9x	18%	1%	NA	NM	-1.2%		
DoubleDown Interactive	DDI	KR	30-Sep-23	\$7.35	\$364.2	\$132.4	\$301.9	\$107.5	0.4x	0.4x	1.2x	1.2x	NM	3.6x	-9%	5%	8%	5%	35.6%		
GAMEVIL Inc.	A063080	KR	30-Sep-23	\$28.53	\$187.8	\$178.0	\$113.0	\$7.9	1.5x	1.3x	NM	17.1x	NM	NM	28%	13%	NM	27%	7.0%		
JOYCITY	A067000	KR	30-Sep-23	\$2.10	\$146.5	\$206.0	\$107.8	\$14.0	1.8x	1.7x	14.2x	11.2x	38.6x	14.3x	-16%	8%	54%	26%	13.0%		
Me2on	A201490	KR	30-Sep-23	\$2.36	\$73.8	\$82.8	\$80.9	\$22.7	1.0x	NA	3.5x	NA	11.3x	NA	-3%	NA	1%	NA	28.1%		
Vespa	A299910	KR	30-Sep-23	\$73.22	\$57.0	\$65.3	\$0.5	-\$0.9	51.8x	NA	NM	NA	NM	NA	-94%	NA	NA	NA	NM		
<b>Average</b>									<b>4.2x</b>	<b>2.0x</b>	<b>9.7x</b>	<b>12.0x</b>	<b>20.3x</b>	<b>20.6x</b>	<b>3%</b>	<b>5%</b>	<b>-1%</b>	<b>25%</b>	<b>18.8%</b>		
<b>Median</b>									<b>1.7x</b>	<b>1.7x</b>	<b>10.0x</b>	<b>9.9x</b>	<b>20.6x</b>	<b>18.1x</b>	<b>1%</b>	<b>5%</b>	<b>2%</b>	<b>25%</b>	<b>16.1%</b>		
<b>Esports</b>																					
Skillz	SKLZ	US	30-Sep-23	\$6.24	\$133.8	-\$66.4	\$167.8	-\$91.1	NM	NM	NM	NM	NM	NM	-49%	-4%	NA	44%	-54.2%		
Enthusiast Gaming Holdings Inc.	EGLX	CA	30-Sep-23	\$0.22	\$33.4	\$43.8	\$136.8	-\$29.9	0.3x	0.3x	NM	NM	NM	NM	-10%	8%	NA	94%	-21.9%		
Wellplayed Rizest Inc.	9565	JP	31-Oct-23	\$10.38	\$28.3	\$28.6	\$14.9	\$0.4	1.8x	NA	NM	NA	NM	NA	10%	NA	-77%	NA	2.5%		
Guild Esports Plc	GILD	GB	31-Mar-23	\$0.01	\$7.5	\$10.5	\$8.7	-\$6.8	1.2x	NA	NM	NA	NM	NA	NM	NA	NA	NA	-78.1%		
Super League Enterprise, Inc.	SLE	US	30-Sep-23	\$1.52	\$6.4	\$5.3	\$22.7	-\$18.3	0.2x	0.2x	NM	NM	NM	NM	NM	33%	NA	48%	-80.6%		
Esports Entertainment Group	GMBL	MT	30-Sep-23	\$3.95	\$4.2	\$21.3	\$16.1	-\$13.9	1.3x	1.7x	NM	NM	NM	NM	NM	-23%	NA	15%	-86.7%		
EBET	EBET	US	30-Jun-23	\$0.16	\$2.4	\$40.9	\$48.2	-\$3.2	0.8x	NA	NM	NA	NM	NA	NM	NA	NA	NA	-6.6%		
<b>Average</b>									<b>0.9x</b>	<b>0.7x</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>-16%</b>	<b>3%</b>	<b>-77%</b>	<b>50%</b>	<b>-46.5%</b>		
<b>Median</b>									<b>1.0x</b>	<b>0.3x</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>-10%</b>	<b>2%</b>	<b>-77%</b>	<b>46%</b>	<b>-54.2%</b>		

Source: CapIQ, As of December 31, 2023, in \$M except share price, EV/EBITDA and P/E multiples less than 0 and greater than 100 are denoted as NM



# GAMING PUBLIC MARKET

GRADUAL UPTICK WITH A STRONG Q4

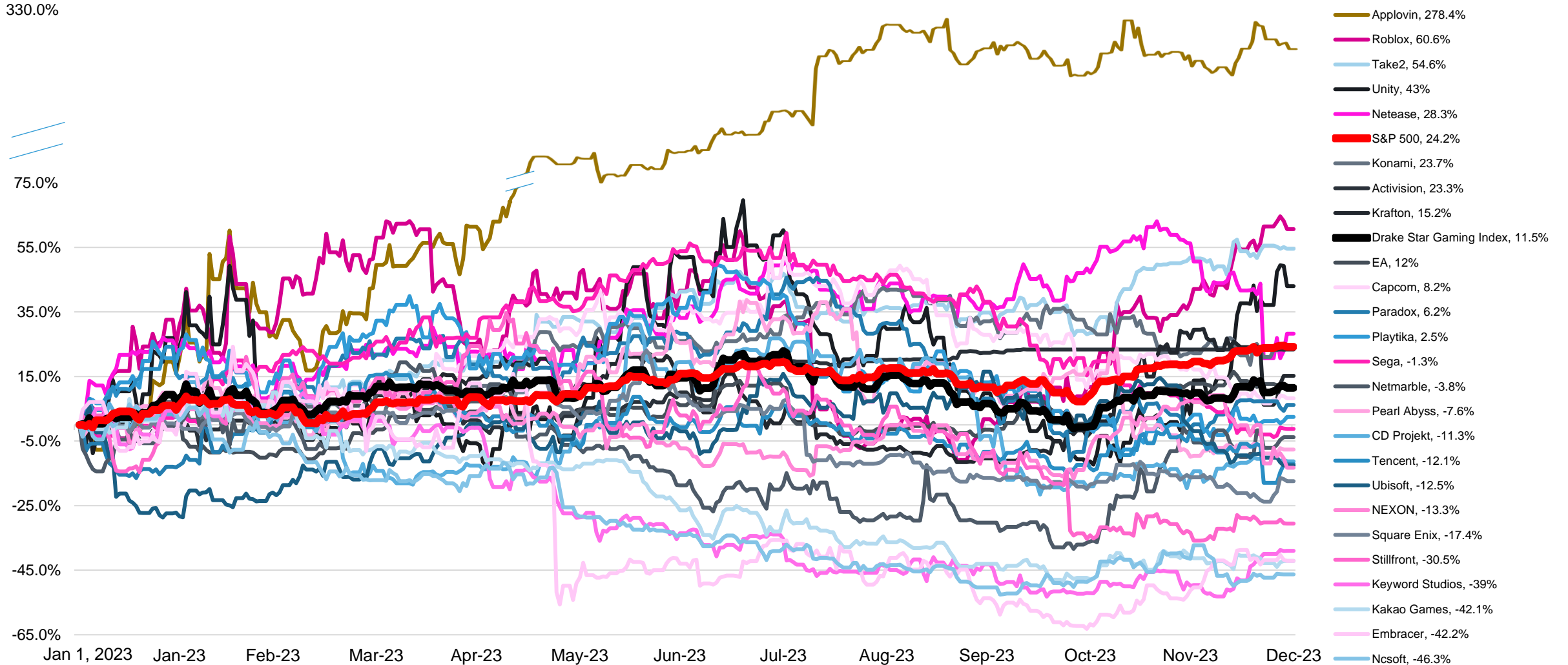


Note: Drake Star Gaming Index is a custom index (not a fund) that represents select content focused gaming companies

Source: CapIQ, Pitchbook & DSP Research, as of December 31, 2023

# GAMING PUBLIC MARKETS: DRAKE STAR GAMING INDEX

PERFORMANCE OF THE TOP 25 CONTENT FOCUSED GAMING COMPANIES ON NATIVE EXCHANGES



Source: CapIQ, Pitchbook & DSP Research, as of December 31, 2023

# MARKET OUTLOOK

## SETTING UP TO BE A YEAR OF STRONG ACTIVITY

- After a hyperactive COVID period (2020-22), deal activity gradually shifted back to the pre-COVID levels in 2023 and we predict M&A activity to steadily increase again in 2024.
- Top buyers will likely be Tencent, Sony, Scopely / Savvy Games, Keywords and Take-Two, while ByteDance is about to sell its gaming business and Embracer will likely divest some of its studios. We expect Savvy Games to continue deploying more out of the \$38B ear-marked for gaming M&A and financings this year. With a tightening regulatory environment in China, we foresee Tencent and other Chinese strategics to continue increasing their investments and acquisitions in the Western markets.
- While we expect some large ticket sized M&A deals, we forecast a continued uptick in smaller to mid size M&A deals in 2024. Private equity firms are attracted by the current lower valuations of listed gaming companies, and we expect several gaming companies being taken private this year.
- We predict a healthy amount of seed / early-stage financings and a limited amount of growth / later stage rounds. Hot segments will be AI / tools and AR / VR.
- Entrepreneurs will likely focus on reaching profitability early in the life cycle of a company and are increasingly attracted to joining a larger company as part of mid-range acquisition vs. going for a home-run outcome.
- The crypto market saw a strong recovery in 2023 and more recently due to the approval of multiple BTC ETFs. We are hopeful that the steep appreciation of some of the popular gaming cryptocurrencies (such as Solana) together with the launch of some fun blockchain games that attract a broad audience will lead to further expansion of the crypto gaming market in 2024.
- With public gaming market improving in the first half of 2024, we expect to see some of the IPO ready gaming companies to restart their going public efforts in the second half of the year.

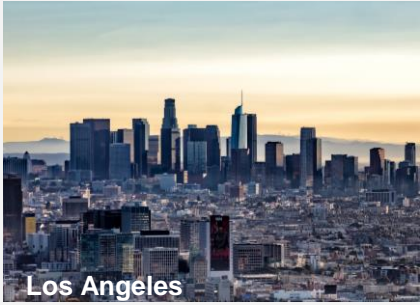
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# GLOBAL REACH COMBINED WITH LOCAL PRESENCE

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**5**  
countries



**450+**  
transactions



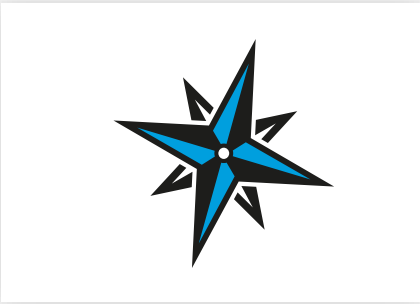
**70%**  
cross-border  
transactions



**8**  
offices



**3**  
continents



**100+**  
professionals



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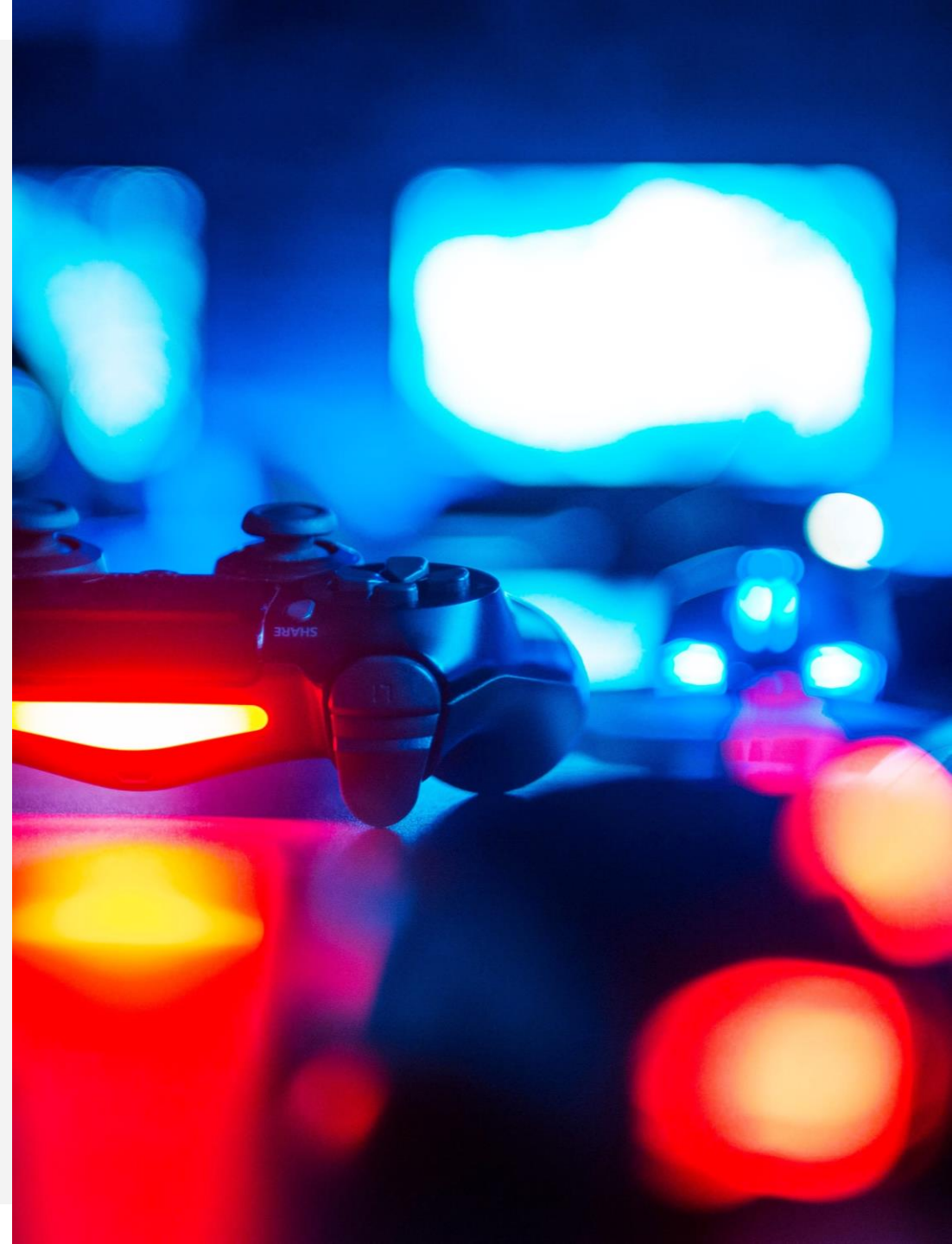
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