



GLOBAL GAMING INDUSTRY UPDATE

MAY 2021

PROVEN TRACK RECORD IN GAMING


LIGHTSTREAM

SALE TO

CS **THE VITEC GROUP**

CREATIVE SOLUTIONS

Video Game / Content Live Streaming




ECHTRA

SALE TO

zynga

AAA Games




CODEMASTERS

FORMERLY **DIRT** **STUDIO**

HAS ACQUIRED

SLIGHTLYMAD STUDIOS

AAA Games




FreshPlanet **SONGPOP**

SALE TO

GAMELOFT

A subsidiary of **vivendi**

Mobile Games



BLAST

PRIVATE PLACEMENT

VÆKSTFONDEN **CREANDUM** **HEARTCORE** **MAKI.VC**

+Private Investors

Esports



elgato **GAMING**

SALE TO

CORSAIR

Video Game / Content Streaming



nWay

Power Rangers

SALE TO

animoca BRANDS

Mobile / Console Games




OUYA

SALE TO

RAZER

Gaming Console



WGT MEDIA

SALE TO

TOPGOLF

Mobile / Online Gaming



JUMPSTART

SALE TO

ND

Mobile Gaming



aeria GAMES

HAS MERGED WITH

Gamepot

SONY

Mobile / Online Gaming



chillingo

SALE TO

EA

Mobile Game Publisher



Contact The Gaming Deal Team



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

RECORD GAMING & ESPORTS DEAL ACTIVITY IN 2021



\$49B+

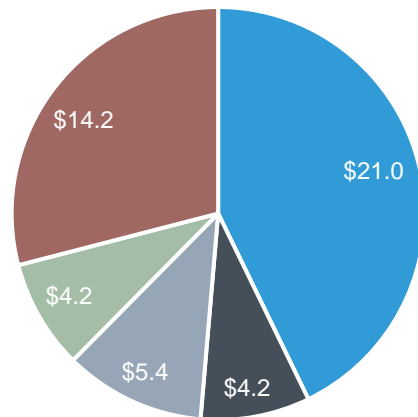
Disclosed value for announced and/or closed deals

527

Deals announced and/or closed

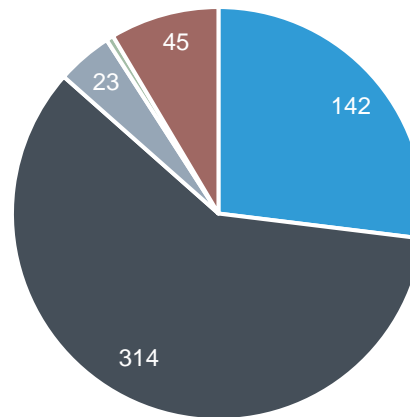
- First 5 months of 2021 exceeded total deal value of any previous year
- Continued consolidation driven by Tencent companies, Embracer, EPIC, Byte Dance and EA
- High level of early and late stage financing deals by VCs (Bitkraft, Maker) and strategics (Tencent, Sony, Warner Music)
- The NFT and blockchain craze spilled over into large gaming financings (Animoca, Forte)
- Hot IPO markets (Playtika, Roblox, AppLovin) and SPAC deals (JamCity, Play Studios)
- More PE firms are participating in M&A or financing deals (Carlyle, KKR)
- Large secondary offerings and debt financings to drive M&A (Embracer, EA, Playtika)

YTD Deal Value (\$B)



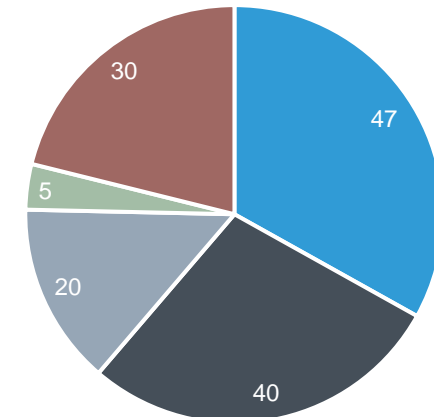
■ M&A ■ PPs ■ IPOs ■ SPACs ■ Public Financings

YTD Deal Count



■ M&A ■ PPs ■ IPOs ■ SPACs ■ Public Financings

M&A Deals By Segment



■ PC/Console ■ Mobile ■ Hardware/Tools ■ Platform ■ Esports

GAMING KEY HEADLINES

APR-MAY 2021

M&A

- Zynga acquires mobile game ad and monetization firm Chartboost for [\\$250M](#)
- Stillfront acquires strategy and action games developer Game Labs for [\\$63M](#)
- Keywords Studios acquires UK-based developer Climax Studios for [\\$60M](#)
- Embracer Group acquires [four](#) European gaming studios in May



Chartboost

STILLFRONT
GROUP

GAME LABS



CLIMAX
STUDIOS

EMBRACER⁺
GROUP

Fundraising

- Epic, the maker of Fortnite, raises [\\$1B](#) at \$28.7B valuation in a round led by Sony
- Animoca raises [\\$88M](#) at \$1B valuation capitalizing on its blockchain focus
- Blockchain gaming platform Forte raises [\\$185M](#) at \$1B valuation
- Avatar startup Genies raises [\\$65M](#) Series B led by Mary Meeker's firm Bond



FORTE

GENIES



Gaming & Esports Industry News

- Global games market to generate [\\$175B](#) in 2021- Newzoo
- Fortnite made [\\$9B](#) in two years, court documents from Apple trial showed
- Call of Duty: Mobile has 500M downloads / [\\$1B](#) in player spending since 2019
- Metacore receives [\\$180M](#) credit line from Supercell to help continue its growth
- Jam City is launching SPAC at [\\$1.2B](#) value, buying Ludia for \$175m as part of the overall deal



SUP
ERC
ELL

JAM
CITY

Tencent

metacore ludia

Public Markets & SPAC News

- KKR-backed Applovin raises [\\$2B](#) U.S. IPO at over \$28.6B valuation
- Tencent raises [\\$4B](#) in its second major bond deal in less than a year
- Stillfront issues [\\$178M](#) 4-year senior unsecured bonds with a final maturity in 2025
- Media and Games Invest completes [\\$107M](#) directed issue of new shares
- Focus Home Interactive raises [\\$86](#) million for further acquisitions



STILLFRONT
GROUP

Tencent

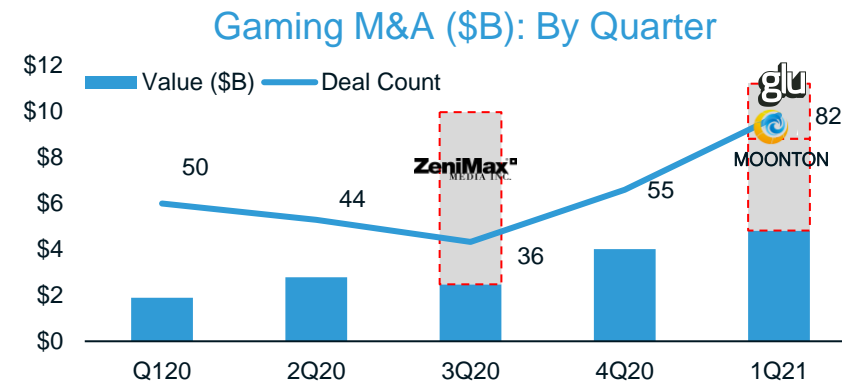


FOCUS
HOME INTERACTIVE

GAMING M&A TRANSACTIONS

48 DEALS AND \$681M IN DISCLOSED DEAL ACTIVITY IN APR-MAY21

LTM Deal Table (Jun-20 to May-21)	PC/Console & Mobile
# of Deals / Disclosed Deals	148 / 90
Disclosed Deal Value (\$M)	\$25,700
Revenue Multiple (Median)	
Total Value (31 Deals w/ Reported Rev) ⁽¹⁾	4.2x
At Close (31 Deals w/ Reported Rev) ⁽²⁾	2.3x
EBITDA Multiple (Median)	
Total Value (27 Deals w/ Reported EBITDA) ⁽¹⁾	11.0x
At Close (27 Deals w/ Reported EBITDA) ⁽²⁾	7.2x



Select M&A Transactions

Target	Acquirer	Subsector	Deal Size (\$M)	Upfront Payment	Earnout	Total LTM Rev Multiple ⁽¹⁾	At Close LTM Rev Multiple ⁽²⁾	Total LTM EBITDA Multiple ⁽¹⁾	At Close LTM EBITDA Multiple ⁽²⁾	Target Country
Chartboost	zynga	Mobile	\$250	-	-	-	-	-	-	
ludia	JAM CITY	Mobile	\$175	\$175	-	-	2.1x	-	-	
gamelabs	STILLFRONT GROUP	PC / Console	\$63	\$33	\$30	-	-	-	-	
CLIMAX STUDIOS	Keywords STUDIOS	PC / Console	\$60	\$38	\$22	-	10.0x	-	6.3x	
LIGHTSTREAM	THE VITEC GROUP	Esports	\$36	\$22	\$14	19.9x	12.2x	-	-	
LOOT.BET	INTEMA	Esports	\$18	\$15	\$3	4.5x	3.0x	-	-	
DOWNPOUR INTERACTIVE	f	VR	-	-	-	-	-	-	-	
有爱互娱 C4-GAMES	字节跳动 ByteDance	Mobile	-	-	-	-	-	-	-	

(1) Multiples calculated including earn-outs, wherever disclosed

(2) Multiples calculated using only closing consideration for private transactions (excluding earn-out wherever disclosed)

(3) Run-rate Multiple

Source: CapIQ, Pitchbook & DSP Research

GAMING M&A TRANSACTIONS

48 DEALS AND \$681M IN DISCLOSED DEAL ACTIVITY IN APR-MAY21



\$175M
May 20, 2021

- As part of its SPAC deal, Jam City acquired Ludia for \$175m in cash through the deal proceeds.
- Ludia plays a key role in Jam City's goal of becoming one of the largest mobile entertainment companies in the world adding Jurassic World and few other key titles to the portfolio
- With an estimated \$85m in bookings for 2020, the deal translates to a 2x bookings multiple



\$250M
May 5, 2021

- Chartboost reaches more than 700M monthly users and 90 billion monthly advertising platforms
- This is not the typical gaming acquisition for Zynga and comes at a time when apple is changing its IDFA rules which will make advertising capabilities much more important for the mobile games industry



\$63M
May 7, 2021

- The transaction consists of a \$33M upfront payment in cash and shares and up to a \$30M earn out
- The acquisition further strengthens Stillfront's existing portfolio of mid-hardcore games in the strategy and action genre
- Game Labs is expected to generate approximately \$9M in net revenue with an EBIT margin of 50-55% in 2021



April 14, 2021

- Nuverse, the gaming subsidiary of ByteDance has acquired Beijing-based firm C4games as part of ongoing efforts to strengthen its position in the market, following its \$4B Moonton acquisition earlier in March 2021
- C4-Games is known for titles including Red Alert and Fangzhi Shaonü. Red Alert is distributed exclusively by Tencent and had 20 million registered players by the end of March last year



\$60M
April 22, 2021

- The transaction consists of a \$38M upfront payment in cash and shares and up to a \$22M earn out
- The EV/EVITDA multiple paid is 6.3x at close and 10.0x total
- The acquisition furthers Keywords' strategy to become the 'go-to' technical and creative services platform for the global video games industry



\$36M
April 12, 2021

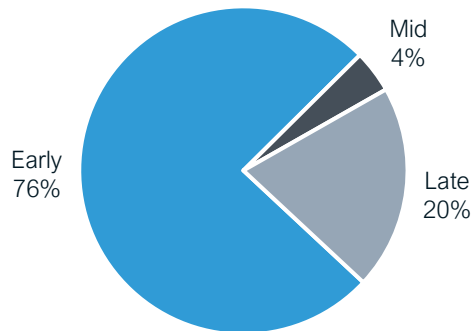
- The transaction consists of a \$22M upfront payment in cash and stock and up to a \$14M earn out
- The EV/Rev multiple paid is 12.2x at close and 19.9x total
- The acquisition will help Creative Solutions expand into gaming and strengthen its cloud offering

GAMING PRIVATE PLACEMENTS

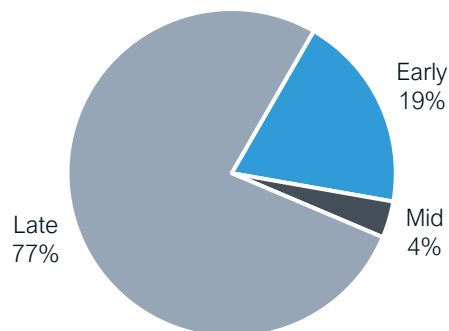
128 DEALS AND \$2B IN DISCLOSED PRIVATE PLACEMENTS IN APR-MAY21



April – May 2021 (128 Deals)

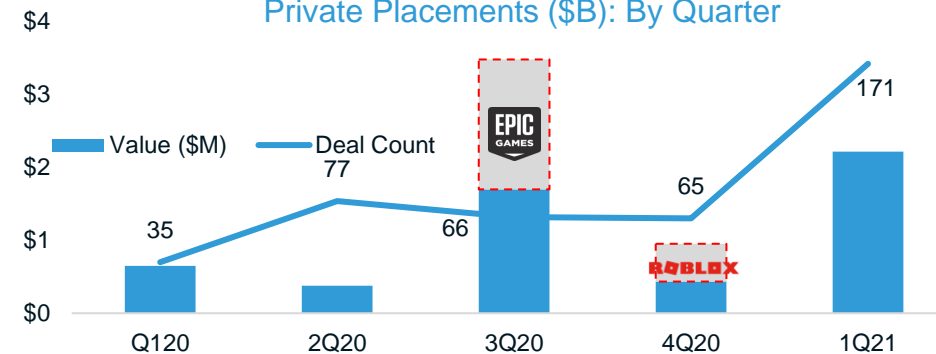


April – May 2021 (\$2B)



Select Private Placements

Private Placements (\$B): By Quarter



Company	Investors	Segment	Deal Value (\$M)	Valuation (\$M)	Target Country
EPIC GAMES	Sony, Park West Asset Management, KKR, Altimeter Capital, & others	Platform	<u>\$1,000</u>	\$28,700	
FORTE	Griffin Gaming Partners, Union Grove Ventures, Andreessen Horowitz and Battery Ventures	Platform	<u>\$185</u>	\$1,000	
animoca BRANDS IDEAS	Kingsway Capital, RIT Capital Partners, HashKey Fintech Investment Fund, AppWorks Fund & other investors	Platform	<u>\$88</u>	\$1,000	
tripledot	Access Industries, Lightspeed Venture Partners & Eldridge	Developer	<u>\$78</u>	~\$500	
GENIES	Bond Capital, NetEase, Dapper Labs, Coinbase Ventures, Polychain Capital, HashKey Digital Asset Group & others	Developer	<u>\$65</u>	\$395	
OVERACTIVE MEDIA	Montreal Canadiens, Carl Hagelin, Phil Kessel	Esports	<u>\$40</u>	-	
BAD ROBOT	Galaxy Interactive, Horizons Ventures, Iconiq Capital, Tencent	Developer	<u>\$40</u>	-	

Source: CapIQ, Pitchbook & DSP Research

GAMING PRIVATE PLACEMENTS

128 DEALS AND \$2B IN DISCLOSED PRIVATE PLACEMENTS IN APR-MAY21



\$1B Raised at
\$28.7B Valuation

- The investment will help accelerate the company's work around building connected social experiences in Fortnite, Rocket League and Fall Guys
- The funding comes as the company prepares to take Apple to court regarding the app store's commission practices
- There is speculation that the next step for Epic would be an IPO



\$185M Raised at
\$1B Valuation

- Forte's platform offers tools and services that help game developers integrate blockchain technology into games
- This comes at an ideal time as NFTs have become one of the next big trends for the gaming world
- Forte has around 8M players on its network via dozens of popular games



\$78M Raised at
\$~500M Valuation

- Tripledot is a growing mobile gaming company with \$100 million revenue run-rate as of the beginning of 2021.
- Tripledot has attracted an active user base of 11 million people and has over 90 employees.
- The new capital will help the company accelerate its growth by acquiring studios that can benefit from Tripledot's expertise across data science, product know-how, UA and monetization.



\$188M Raised at
\$1B Valuation

- The funding round will help bring digital property rights to video gamers through the use of blockchain and NFTs, enabling powerful benefits such as play-to-earn capabilities and digital asset interoperability
- Animoca already owns multiple blockchain-focused game companies including The Sandbox, Quidd, Gamee, nWay, Pixowl, and Lympo



\$65M Raised at
\$395M Valuation

- The funds will be used to invest in the technology behind the avatar system and to continue to build out the digital goods marketplace and make it compatible with NFTs
- Genies also plans to roll out hundreds of partnerships to allow users to use their Genie as a "virtual portable identity," able to take with them across the internet



\$40M Raised






















- Bad Robot Games was formed in 2018 by J.J. Abrams with investments for Tencent and Warner Bros. The current financing lead by Galaxy Interactive puts the total raised by the company to more than \$50 million.
- With the new financing, Bad Robot Games plans to further expand its co-development team as well as its internal games studio, led by industry veteran GM Mike Booth

Source: CapIQ, Pitchbook & DSP Research








































GAMING LEAGUE TABLES

TOP 10 STRATEGIC BUYERS AND FINANCIAL INVESTORS YTD JAN-MAY21

M&A League Table

Company Name	Disclosed Value (\$M)	# of Acquisitions	Select Deals
	-	8	 
	2,609	7	 
	-	4	 
	4,015	3	 
	3,360	3	 
	303	3	 
	250	3	 
	119	3	 
	210	1	
	197	1	

VC League Table

VC Investor	Deals	Deal Value (\$M)	Select 2020 Investments	Location	Focus
	9	163	 		Early
	9	108	 		Early
	7	104	 		Seed to Early
	6	89	 		Early to Late
	6	37	 		Early to Late
	6	23	 		Seed to Late
	4	278	 		Seed to Late
ANDREESSEN HOROWITZ	3	542	 		Seed to Late
	3	9	 		Seed to Early
	2	150	 		Seed to Early

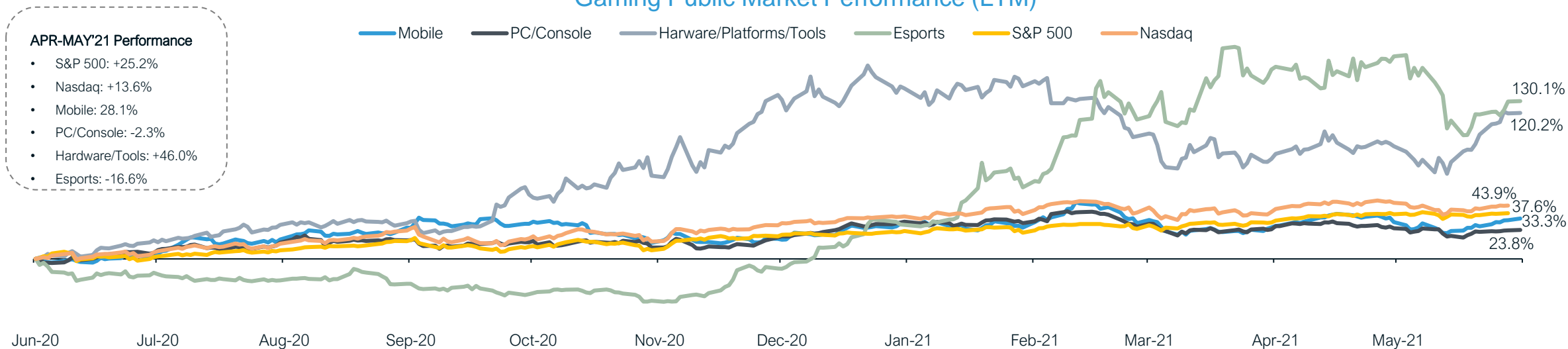
Source: CapIQ, Pitchbook & DSP Research

GAMING PUBLIC MARKETS IN APR-MAY

GAMING IPOS AND MARKET PERFORMANCE



Gaming Public Market Performance (LTM)



Gaming IPOs

Company	Segment	Exchange	Amount Raised (\$M)	IPO Valuation (\$M)	EV/Rev at IPO	Current M-Cap	Listing Day Return	Return Since Listing
APPLOVIN	Mobile	Nasdaq	\$2,000	\$28,640	19.7x	\$27,099	-18.5%	-7.1%
MIGHTY KINGDOM	Mobile	Australia	\$14	\$35	N/A	\$26	-6.7%	-26.7%
DRAGO ENTERTAINMENT	PC / Console	Poland	\$0.5	\$8	N/A	\$9	-11.0%	7.9%
WOND R GAMING	Esports	Canada	N/A	\$34	N/A	\$38	22.7%	40.9%

Source: CapIQ, Pitchbook & DSP Research

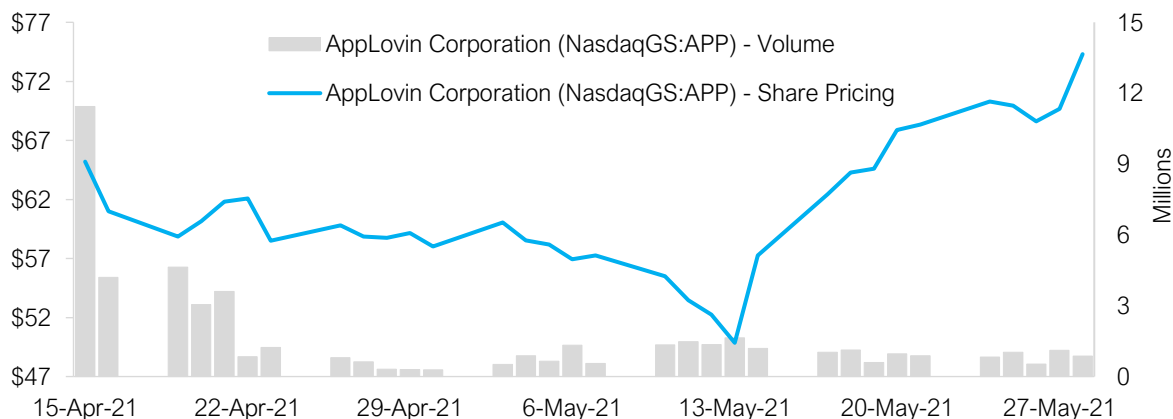
GAMING PUBLIC MARKETS IN APR-MAY

NEW LISTINGS / SPACS



APLOVIN \$2B Raised at \$28.6B Valuation, 19.7x 2020 Revenue

- This follows a string of other mobile gaming companies to go public in 2021, including Playtika and Huuuge
- AppLovin has over 410 million daily active users on its platform and its apps consist of more than 200 free-to-play mobile games, including Word Connect, Slap Kings and Bingo Story
- In 2020, AppLovin generated \$1.45 billion in revenue, a 46% increase from the prior year
- With \$1.1B invested since 2018, AppLovin has made 15 strategic investments/acquisitions, with increased focus on acquiring gaming companies (currently operates 12 studios). Most recently, the company acquired Adjust, a Berlin based mobile app and delivery analytics platform for approx. \$1B.



Source: CapIQ, Pitchbook & DSP Research



JAM CITY ludia \$1.2B SPAC Valuation, 2.1x 2020 Bookings and 36.4x 2020 EBITDA

- Mobile game developer and publisher Jam City has filed to go public through a merger with DPCM Capital, a SPAC listed on NYSE
- The deal values Jam City at \$1.2B and the company is acquiring Canadian mobile game company Ludia for \$175 million from the SPAC proceeds
- The announcement follows a long-awaited news of Jam City going public that started back in 2017 that was postponed to 2019 and there were rumors of Jam City gearing up for IPO but never became a confirmed news until now
- Jam City did improve its financial performance significantly since 2017, diversified its portfolio with several new titles (including the hugely popular Harry Potter: Hogwarts Mystery) and acquired two more studios in Brainz and 231 Play
- With \$300m held in DPCM trust and another \$100m PIPE raised as part of the deal (\$36m from Netmarble), apart from the \$175m cash to Ludia shareholders, \$88m will be returned to Austin Ventures for their initial investment back in 2010, there will be \$115m left on the balance sheet to fund future M&A and strategic initiatives
- Jam City and Ludia combined generated \$570m Bookings in 2020 and \$33m in Adjusted EBITDA, resulting in a 2.1x Revenue and 36.4x EBITDA multiple for the SPAC deal

PUBLIC MARKET VALUATIONS

DEVELOPERS IN JAPAN/KOREA & HARDWARE/PLATFORMS/TOOLS



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	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	
Japan/Korea																					
Sony	6758	JP	31-Mar-21	\$98.92	\$122,582.8	\$133,730.7	\$81,369.3	\$12,136.3	1.6x	1.5x	10.1x	9.9x	11.5x	18.0x	9%	6%	14%	10%	14.9%		
Nintendo	7974	JP	31-Mar-21	\$609.76	\$72,636.1	\$56,724.1	\$15,903.5	\$5,890.0	3.6x	3.7x	9.6x	9.5x	16.8x	18.7x	34%	-4%	80%	3%	37.0%		
NEXON	3659	JP	31-Mar-21	\$23.61	\$20,981.4	\$15,962.6	\$2,699.6	\$1,190.5	5.9x	5.4x	13.2x	12.5x	45.2x	19.9x	25%	8%	29%	6%	44.1%		
Ncsoft	A036570	KR	31-Mar-21	\$785.78	\$16,137.2	\$14,606.0	\$1,948.9	\$630.1	7.4x	4.9x	22.8x	13.1x	37.8x	22.7x	6%	52%	3%	74%	32.3%		
NetMarble	A251270	KR	31-Mar-21	\$126.75	\$10,385.5	\$10,229.5	\$2,236.8	\$368.4	4.5x	3.9x	18.3x	24.4x	36.2x	35.2x	13%	13%	34%	11%	16.5%		
Konami Holdings	9766	JP	31-Mar-21	\$63.30	\$8,431.8	\$7,516.5	\$2,465.3	\$760.3	3.1x	2.9x	9.9x	9.8x	29.5x	21.0x	4%	7%	20%	2%	30.8%		
Capcom	9697	JP	31-Mar-21	\$32.10	\$6,854.3	\$6,266.0	\$861.7	\$338.0	7.4x	6.2x	18.8x	14.0x	30.8x	26.2x	17%	18%	46%	34%	39.2%		
Square Enix	9684	JP	31-Mar-21	\$51.97	\$6,203.6	\$4,869.4	\$3,006.6	\$495.0	1.7x	1.6x	10.1x	9.2x	26.0x	19.9x	28%	1%	36%	9%	16.5%		
Kakao Games	A293490	KR	31-Mar-21	\$47.36	\$3,514.6	\$2,710.2	\$469.3	\$81.5	5.7x	3.8x	32.8x	24.0x	41.5x	38.7x	34%	51%	68%	36%	17.4%		
Pearl Abyss	A263750	KR	31-Mar-21	\$53.77	\$3,335.1	\$3,068.7	\$404.8	\$129.8	7.5x	4.8x	23.3x	15.1x	51.0x	25.4x	-14%	55%	-23%	54%	32.1%		
Sega Sammy	6460	JP	31-Mar-21	\$12.81	\$3,012.5	\$2,113.9	\$2,511.3	\$207.7	0.8x	0.7x	13.2x	5.0x	NM	17.3x	-24%	15%	-51%	101%	8.3%		
DeNA	2432	JP	31-Mar-21	\$19.79	\$2,395.3	\$1,798.9	\$1,238.4	\$239.6	1.5x	1.4x	6.7x	8.0x	10.6x	17.1x	13%	1%	56%	6%	19.3%		
Com2uS	A078340	KR	31-Mar-21	\$118.63	\$1,405.0	\$861.9	\$467.7	\$104.0	1.8x	1.3x	8.0x	5.1x	19.7x	10.7x	15%	40%	-7%	60%	22.2%		
GungHo Online	3765	JP	31-Mar-21	\$18.53	\$1,257.6	\$394.6	\$976.6	\$347.7	0.4x	0.5x	1.1x	1.5x	7.1x	8.8x	25%	-11%	79%	23%	35.6%		
NHN Entertainment	A181710	KR	31-Mar-21	\$66.85	\$1,224.9	\$880.4	\$1,543.5	\$144.9	0.6x	0.5x	5.8x	4.8x	50.9x	16.4x	15%	16%	2%	23%	9.4%		
Gree	3632	JP	31-Mar-21	\$5.11	\$1,090.1	\$305.4	\$522.7	\$39.6	0.6x	0.6x	7.9x	4.7x	17.4x	34.2x	-11%	5%	-15%	69%	7.6%		
DOUBLEUGAMES	A192080	KR	31-Mar-21	\$60.99	\$1,035.3	\$1,110.0	\$607.1	\$221.2	1.8x	1.8x	4.9x	5.2x	10.2x	10.8x	30%	0%	24%	5%	36.4%		
WeMade Entertainment	A112040	KR	31-Mar-21	\$53.23	\$873.6	\$806.5	\$152.1	\$13.3	5.2x	3.0x	60.6x	8.9x	NM	12.4x	46%	73%	186%	567%	8.8%		
SNK	A950180	JP	31-Jan-21	\$20.39	\$427.5	\$234.5	\$72.8	\$11.9	3.2x	2.8x	20.0x	7.4x	NM	17.7x	4%	14%	-58%	165%	16.3%		
JOYCITY	A067000	KR	31-Mar-21	\$8.84	\$375.6	\$357.7	\$167.7	\$20.9	2.1x	1.6x	16.8x	10.0x	28.4x	9.4x	76%	33%	42%	67%	12.5%		
GAMEVIL Inc.	A063080	KR	31-Mar-21	\$36.36	\$232.4	\$324.4	\$116.1	\$26.8	2.7x	2.2x	11.9x	7.3x	11.0x	8.2x	4%	26%	3497%	64%	23.1%		
Me2on	A201490	KR	31-Mar-21	\$6.04	\$188.7	\$188.2	\$112.7	\$44.0	1.6x	NA	4.2x	NA	18.5x	NA	0%	NA	6%	NA	39.0%		
Vespa	A299910	KR	31-Dec-20	\$25.26	\$184.7	\$169.1	\$62.8	-\$27.2	2.7x	1.4x	NM	NA	NM	NA	-32%	100%	NA	NA	-43.3%		
Average									3.2x	2.6x	15.0x	10.0x	26.3x	19.5x	14%	24%	185%	66%	20.7%		
Median									2.7x	2.0x	11.0x	9.2x	26.0x	18.0x	13%	14%	26%	34%	19.3%		
Hardware, Platforms & Tools																					
Roblox	RBLX	US	31-Mar-21	\$93.77	\$53,433.1	\$52,079.4	\$1,149.3	-\$276.9	45.3x	19.2x	NM	84.1x	NM	NM	106%	136%	NA	324%	-24.1%		
Applovin	APP	US	31-Mar-21	\$74.31	\$27,098.9	\$28,984.2	\$1,794.8	\$318.4	16.1x	10.4x	83.7x	38.3x	NM	84.4x	NA	NA	NA	NA	13.9%		
Unity	U	US	31-Mar-21	\$94.46	\$26,393.8	\$24,882.0	\$840.2	-\$308.3	29.6x	23.2x	NM	NM	NM	NM	44%	28%	NA	86%	-36.7%		
Logitech	LOGN	CH	31-Mar-21	\$123.92	\$20,872.5	\$19,073.6	\$5,252.3	\$1,232.9	3.5x	3.6x	14.6x	21.7x	21.5x	29.4x	76%	0%	229%	29%	23.5%		
Razer	1337	US	31-Dec-20	\$0.34	\$2,931.9	\$2,343.3	\$1,214.6	\$28.0	1.9x	1.7x	71.8x	40.8x	NM	NM	48%	15%	NA	105%	2.3%		
Corsair Gaming	CRSR	US	31-Mar-21	\$31.22	\$2,878.1	\$3,080.7	\$1,923.3	\$259.6	1.6x	1.5x	11.2x	12.4x	19.7x	18.1x	65%	7%	229%	5%	13.5%		
Average									16.3x	9.9x	45.3x	39.5x	20.6x	44.0x	68%	37%	229%	110%	-1.3%		
Median									9.8x	7.0x	43.2x	38.3x	20.6x	29.4x	65%	15%	229%	86%	7.9%		

Source: Capital IQ, As of May 31, 2021, in \$ mn except share price, EV/EBITDA multiples less than 0 and greater than 100 are denoted as NM

PUBLIC MARKET VALUATIONS

ONLINE/MOBILE GAME DEVELOPERS IN CHINA/INDIA/SE ASIA



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	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	
China, South East Asia (US and HKG listed) & India																					
Tencent Holdings	700	CN	31-Mar-21	\$81.04	\$758,734.4	\$777,739.4	\$77,725.2	\$27,661.1	10.0x	8.0x	26.7x	21.8x	28.3x	32.8x	27%	22%	27%	25%	35.6%		
Sea Limited	SE	SG	31-Mar-21	\$253.24	\$132,807.5	\$128,796.0	\$5,424.4	-\$1,178.6	23.7x	13.9x	NM	NM	NM	NM	114%	70%	NA	164%	-21.7%		
NetEase	NTES	CN	31-Mar-21	\$117.93	\$76,710.1	\$66,862.1	\$11,769.7	\$2,734.0	5.7x	4.7x	23.9x	20.5x	40.3x	27.5x	25%	18%	4%	16%	23.2%		
YY	YY	CN	31-Mar-21	\$76.95	\$6,017.9	\$2,275.3	\$2,320.3	-\$177.6	1.0x	0.8x	NM	60.7x	NM	NM	323%	33%	NA	24%	-7.7%		
G-bits Network	603444	CN	31-Mar-21	\$79.22	\$5,668.7	\$5,321.2	\$476.2	\$226.0	10.9x	8.7x	22.9x	16.7x	33.1x	25.3x	30%	25%	6%	37%	47.5%		
XD Inc.	2400	CN	31-Dec-20	\$8.07	\$3,825.1	\$3,533.5	\$436.2	\$21.0	8.1x	7.0x	NM	91.6x	NM	NM	0%	13%	-77%	79%	4.8%		
HUYA	HUYA	CN	31-Mar-21	\$15.30	\$3,614.5	\$2,001.5	\$1,695.1	\$132.3	1.2x	1.0x	13.9x	8.1x	26.8x	25.0x	21%	15%	99%	82%	7.8%		
NetDragon	777	CN	31-Dec-20	\$2.93	\$1,641.6	\$1,213.4	\$940.1	\$240.1	1.3x	1.1x	4.8x	4.8x	11.3x	9.3x	6%	16%	26%	3%	25.5%		
Archosaur Games Inc.	9990	CN	31-Dec-20	\$1.89	\$1,513.0	\$1,027.9	\$185.2	\$16.8	5.6x	2.3x	47.9x	6.3x	NM	11.2x	13%	131%	-69%	847%	9.1%		
Nazara	543280	IN	31-Mar-21	\$23.48	\$715.6	\$652.6	\$62.1	\$6.2	10.4x	NA	NM	NA	NM	NA	84%	NA	NA	NA	10.0%		
iDreamSky	1119	CN	31-Dec-20	\$0.57	\$691.3	\$935.5	\$492.0	\$75.1	1.9x	1.7x	12.2x	7.1x	NM	11.4x	15%	10%	-12%	72%	15.3%		
Ourgame	6899	CN	31-Dec-20	\$0.11	\$115.3	\$148.2	\$16.9	-\$23.6	8.8x	NA	NM	NA	NM	NA	-24%	NA	NA	NA	-139.7%		
FingerTango	6860	CN	31-Dec-20	\$0.05	\$91.4	-\$15.4	\$114.6	\$17.4	NM	NA	NM	NA	4.6x	NA	-29%	NA	302%	NA	15.2%		
Digital Hollywood	2022	CN	31-Dec-20	\$0.01	\$22.0	-\$8.0	\$17.6	-\$0.8	NM	NA	NM	NA	NM	NA	-2%	NA	NA	NA	-4.8%		
									Average	7.4x	4.9x	21.8x	26.4x	24.1x	20.3x	43%	35%	34%	135%	1.4%	
									Median	6.9x	3.5x	22.9x	16.7x	27.5x	25.0x	18%	20%	6%	55%	9.5%	
China (Shenzhen listed)																					
Qihoo 360	601360	CN	31-Mar-21	\$1.95	\$13,741.1	\$9,954.7	\$1,818.6	\$334.4	5.3x	4.4x	28.9x	16.5x	28.9x	25.3x	-4%	687%	-36%	1330%	18.4%		
37Games	002555	CN	31-Mar-21	\$3.82	\$8,439.7	\$7,647.8	\$2,117.4	\$349.2	3.5x	2.5x	21.3x	10.2x	24.5x	16.3x	-3%	40%	-24%	108%	16.5%		
Perfect World	002624	CN	31-Mar-21	\$3.29	\$6,685.5	\$6,519.3	\$1,508.0	\$205.3	4.2x	3.4x	30.9x	15.1x	29.5x	16.3x	15%	23%	0%	104%	13.6%		
Giant Network	002558	CN	31-Mar-21	\$2.19	\$4,123.8	\$3,670.7	\$319.2	\$84.3	11.2x	9.6x	42.3x	NA	25.6x	26.1x	-19%	17%	-36%	NA	26.4%		
Beijing Kunlun	300418	CN	31-Mar-21	\$2.97	\$3,450.4	\$3,768.3	\$293.0	\$145.4	12.5x	5.3x	25.2x	18.2x	4.6x	14.4x	-43%	137%	278%	38%	49.6%		
Youzu Interactive	002174	CN	31-Mar-21	\$2.57	\$2,592.3	\$2,639.0	\$677.0	\$12.8	3.8x	3.0x	NM	11.0x	NM	19.3x	23%	25%	-56%	1723%	1.9%		
Ourgame	300315	CN	31-Mar-21	\$0.69	\$1,882.6	\$1,510.7	\$264.5	\$49.4	5.6x	3.8x	29.7x	10.2x	36.6x	13.0x	4%	47%	-28%	192%	18.7%		
Kingnet Network	002517	CN	31-Mar-21	\$0.69	\$1,424.8	\$1,303.0	\$239.3	\$38.2	5.3x	3.4x	33.1x	14.4x	25.3x	15.0x	-12%	56%	12%	130%	16.0%		
Dalian Zeus	002354	CN	31-Mar-21	\$0.63	\$1,091.3	\$972.3	\$162.2	-\$29.0	5.8x	NA	NM	NA	31.8x	NA	-7%	NA	NA	NA	-17.9%		
ZQ Games	300052	CN	31-Mar-21	\$1.24	\$320.8	\$325.7	\$46.9	-\$2.9	6.7x	NA	NM	NA	NM	28.5x	-32%	NA	NA	NA	-6.2%		
									Average	6.4x	4.4x	30.2x	13.7x	25.9x	19.3x	-8%	129%	14%	518%	13.7%	
									Median	5.4x	3.6x	29.7x	14.4x	27.3x	16.3x	-5%	44%	-26%	130%	16.2%	

Source: Capital IQ, As of May 31, 2021, in \$ mn except share price, EV/EBITDA multiples less than 0 and greater than 100 are denoted as NM

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