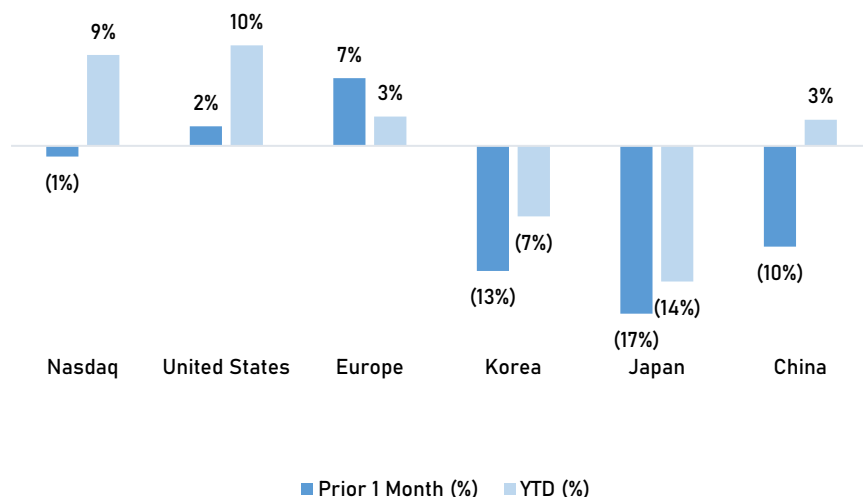


### Change in Market Cap by Sector<sup>1</sup>



### Top Movers

Region Market Cap Gained / Lost (\$B)		
<i>Prior Month</i>		
United States	▲	\$3
China	▼	(56)
<i>Year-to-Date</i>		
United States	▲	\$15
Japan	▼	14
Individual Stocks (%)		
<i>Prior Month</i>		
Paradox Interactive	▲	18%
Unity	▼	(14%)
<i>Year-to-Date</i>		
Roblox	▲	29%
Ubisoft	▼	(21%)

### Select Industry News

- Feb-2 *Dauntless* creator Phoenix Labs spins out of Sea/Garena [VentureBeat](#)
- Feb-6 Finnish game developer Rovio starts considering a potential sale after a number of suitors line up to take control of the *Angry Birds* maker [Game Rant](#)
- Feb-13 Chinese regulators hand out 87 new video game licenses in February. Game approvals that have been greenlit in 2023 are now nearly a third of 2022's total [GamesIndustry](#)
- Feb-13 The Premier League is reported to be closing in on a lucrative six-year extension to its sponsorship and licensing agreement with EA Sports that would be worth close to \$588m [HypeBeast](#)
- Feb-23 *Hogwarts Legacy* earns \$850m, sells more than 12m units in first two weeks [Variety](#)

### Select Upcoming Earnings Releases

- Mar-1 SciPlay
- Mar-15 Keywords Studios
- Mar-22 Tencent
- Mar-30 CD Projekt

### Upcoming Game Releases

	Title	Developer
• Mar-1	Leap	Blue Isle Studios
• Mar-16	The Dark Pictures: Switchback VR	Supermassive Games
• Mar-17	WWE 2K23	2K Games
• Mar-24	EA Sports PGA Tour	Electronic Arts
• Mar-28	MLB The Show 2023	Sony Interactive Entertainment

### Select M&A Transactions

Date	Target	Target Description	Acquiror	Transaction	Value (\$M)
Feb-16	VSP0	Esports event organizer	Savvy Games	Minority Investment	265
Feb-26	SockMonkey	External developer	Behaviour Interactive	Full Acquisition	N/A

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## Select Public Company Trading Metrics

(\$ in millions, except per-share values)

As of February 28, 2023	Share Price	Share Price Performance		% of 52-Week High / Low	Equity Value	Enterprise Value	Enterprise Value / 2023E					Price / 2023E Earnings
		Last Month	YTD				Revenue	Growth-Adj. Revenue <sup>2</sup>	EBITDA	Growth-Adj. EBITDA <sup>3</sup>	EBIT	
<b>United States</b>												
Activision Blizzard	\$76.25	(0.4%)	(0.4%)	93.2% / 107.5%	60,808	52,427	5.6x	1.86x	14.1x	2.06x	15.0x	19.8x
Electronic Arts	\$110.94	(13.8%)	(9.2%)	77.7% / 101.6%	31,430	30,756	4.1x	0.52x	12.3x	1.26x	13.8x	16.8x
Roblox	\$36.64	(1.5%)	28.7%	68.0% / 169.2%	25,398	23,409	6.9x	0.72x	66.4x	2.62x	N/M	N/M
Take-Two Interactive	\$109.55	(3.3%)	5.2%	66.8% / 121.7%	19,594	21,168	3.5x	0.14x	18.1x	0.37x	18.7x	20.4x
Unity	\$30.44	(14.3%)	6.5%	27.7% / 143.4%	13,529	14,876	7.0x	0.33x	61.3x	0.48x	N/M	N/M
Playtika	\$9.60	(8.5%)	12.8%	46.3% / 122.9%	3,636	5,236	2.0x	0.36x	5.8x	0.90x	10.2x	11.8x
SciPlay	\$16.54	(2.6%)	2.9%	94.6% / 156.0%	2,117	1,818	2.6x	0.50x	9.0x	1.08x	10.4x	14.6x
<b>Median</b>							<b>4.1x</b>	<b>0.50x</b>	<b>14.1x</b>	<b>1.08x</b>	<b>13.8x</b>	<b>16.8x</b>
<b>Europe</b>												
Embracer Group	50.64 kr	4.3%	7.1%	48.2% / 125.8%	6,115	7,494	1.9x	0.19x	6.9x	0.27x	8.5x	8.5x
Ubisoft	€ 20.88	10.3%	(20.9%)	40.8% / 112.9%	2,831	3,194	1.4x	0.14x	3.7x	0.12x	26.4x	12.2x
CD Projekt	132.40 zł	(5.0%)	2.1%	67.7% / 184.5%	3,007	2,869	12.5x	N/M	23.0x	N/M	33.9x	38.5x
Keywords Studios	£28.92	1.8%	6.2%	93.8% / 148.2%	2,889	2,765	3.2x	0.28x	17.1x	1.30x	22.9x	27.8x
Paradox Interactive	220.00 kr	18.5%	3.7%	99.1% / 150.4%	2,229	2,155	9.6x	0.81x	13.7x	1.24x	23.0x	29.2x
Stillfront	19.33 kr	6.4%	10.3%	56.5% / 133.3%	952	1,285	1.8x	0.38x	4.7x	1.41x	6.4x	6.7x
<b>Median</b>							<b>2.6x</b>	<b>0.28x</b>	<b>10.3x</b>	<b>1.24x</b>	<b>22.9x</b>	<b>20.0x</b>
<b>Korea</b>												
NCsoft	₩434,500	(4.3%)	(3.0%)	82.1% / 148.5%	6,741	5,233	2.7x	0.25x	10.3x	0.55x	12.3x	19.4x
Kakao Games	₩49,150	6.2%	10.1%	54.8% / 155.2%	3,052	3,298	3.0x	0.23x	12.1x	0.69x	15.1x	21.4x
Krafton	₩169,800	(5.3%)	1.1%	50.5% / 108.4%	6,096	3,250	2.4x	0.30x	6.0x	0.99x	6.7x	15.5x
Netmarble	₩61,800	1.3%	2.3%	49.7% / 159.0%	3,827	3,228	1.5x	0.18x	15.6x	0.47x	66.7x	40.8x
Pearl Abyss	₩44,850	(0.9%)	6.9%	37.2% / 129.9%	2,006	1,833	5.2x	0.10x	24.5x	0.21x	35.3x	40.0x
<b>Median</b>							<b>2.7x</b>	<b>0.23x</b>	<b>12.1x</b>	<b>0.55x</b>	<b>15.1x</b>	<b>21.4x</b>
<b>Japan</b>												
Nintendo	¥5,124.00	(8.9%)	(7.4%)	68.8% / 100.0%	43,795	30,854	2.6x	N/M	9.0x	N/M	8.4x	15.8x
Nexon	¥2,952.00	(5.5%)	(0.3%)	85.0% / 136.5%	18,985	15,346	5.0x	0.50x	15.0x	1.00x	15.2x	23.1x
Capcom	¥4,285.00	2.0%	1.8%	92.1% / 141.2%	6,578	5,950	6.1x	0.62x	13.7x	1.12x	14.6x	22.2x
Konami	¥6,010.00	(5.7%)	0.7%	63.1% / 106.2%	5,894	4,739	1.9x	0.43x	7.3x	0.66x	9.3x	15.9x
Square Enix	¥6,070.00	(1.0%)	(1.0%)	88.8% / 115.3%	5,340	4,034	1.5x	1.20x	7.8x	1.56x	8.7x	15.5x
Sega	¥2,328.00	13.5%	16.6%	88.8% / 138.2%	3,797	3,083	1.1x	0.34x	6.9x	0.62x	9.2x	15.5x
<b>Median</b>							<b>2.3x</b>	<b>0.50x</b>	<b>8.4x</b>	<b>1.00x</b>	<b>9.3x</b>	<b>15.8x</b>
<b>China</b>												
Tencent	HKD 343.60	(10.1%)	8.3%	77.9% / 173.0%	421,361	393,610	4.4x	0.40x	13.4x	1.13x	15.9x	21.5x
Netease	HKD 121.10	(13.3%)	5.8%	70.0% / 144.1%	48,204	35,475	2.3x	0.22x	10.1x	0.54x	10.8x	15.1x
Perfect World	¥14.24	1.5%	11.9%	84.9% / 136.2%	3,953	3,326	2.4x	N/M	11.8x	0.74x	13.0x	15.4x
Yoozoo Games	¥11.33	4.0%	22.4%	84.1% / 163.9%	1,461	1,246	4.5x	N/M	20.3x	3.03x	35.7x	31.7x
<b>Median</b>							<b>3.4x</b>	<b>0.31x</b>	<b>12.6x</b>	<b>0.94x</b>	<b>14.4x</b>	<b>18.4x</b>

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## About Alignment Growth

Alignment Growth is an investment manager focused on growth-stage, privately-held companies across media, entertainment, and gaming on a global scale. With its team's multi-decade track record of senior executive operating, strategy, and deal making experience at global Fortune 500 companies, Alignment Growth provides value-added capital solutions to help its portfolio companies achieve their growth ambitions.

## Contact Information

We welcome comments and feedback on our analysis and observations. Please do not hesitate to contact our team at [info@alignmentgrowth.com](mailto:info@alignmentgrowth.com) to discuss this further. Additional information can be found on our [website](#), [LinkedIn](#), and [Medium](#).

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Sources: FactSet, public company filings, and press releases.

<sup>1</sup> Components of sector groups can be found on Page 2 of this report. Share price performance is calculated using equal weighting.

<sup>2</sup> Calculated as (i) Enterprise Value / 2023E revenue multiple, divided by (ii) 2023E – 2024E calendar year revenue growth rate multiplied by 100

<sup>3</sup> Calculated as (i) Enterprise Value / 2023E EBITDA multiple, divided by (ii) 2023E – 2024E calendar year EBITDA growth rate multiplied by 100

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