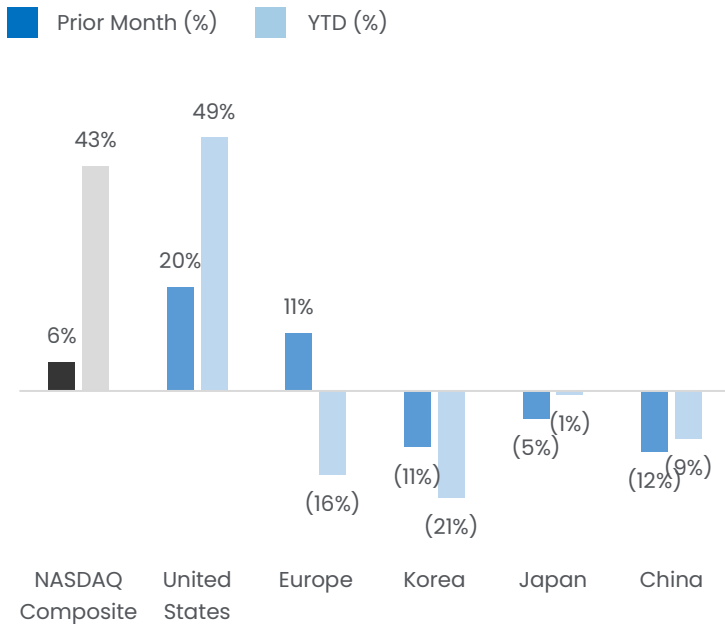


Change in Market Cap by Sector



Note: Components of sector groups can be found on Page 3 of this report

Top Movers

Sector Market Cap Gained / Lost (\$B)

PRIOR MONTH

United States	▲	\$20
China	▼	(\$56)

YEAR-TO-DATE

United States	▲	\$40
China	▼	(\$42)

Individual Stocks (%)

PRIOR MONTH

Unity	▲	39%
Netease	▼	(20%)

YEAR-TO-DATE

Roblox	▲	61%
Ncsoft	▼	(46%)

Upcoming Game Releases

	Title	Developer	Publisher
JAN 18	Bulletstorm VR	People Can Fly	People Can Fly
JAN 18	Prince of Persia: The Lost Crown	Ubisoft	Ubisoft
JAN 19	Another Code: Recollection	Cing	Nintendo
JAN 19	The Last of Us Part II Remastered	Naughty Dog	SIE
JAN 26	Tekken 8	Bandai Namco	Bandai Namco
JAN 30	Rugby 24	Eko Software	Nacon

Select Industry News

DEC 1	Xbox plans a mobile storefront to rival the <i>App Store</i> and <i>Google Play</i> (GamesIndustry)
DEC 1	Krafton and NetEase have resolved their dispute over <i>PUBG</i> and <i>Knives Out</i> (GamesIndustry)
DEC 6	Data.ai expects mobile game spending to rebound to \$111b in 2024 (VentureBeat)
DEC 7	<i>Baldur's Gate 3</i> wins Game of the Year at The Game Awards 2023 (VentureBeat)
DEC 7	Nexon's Embark released <i>The Finals</i> during The Game Awards (IGN)
DEC 7	FTC appeals to block already completed Microsoft-Activision deal (GamesIndustry)
DEC 12	Take-Two Rockstar's video trailer for <i>Grand Theft Auto 6</i> has become the most-viewed new game trailer on YouTube with 142m+ views (GamesIndustry)
DEC 13	Hasbro says it will cut nearly 1,100 positions (GamesIndustry)
DEC 13	Epic Games wins antitrust case against Google over <i>Play</i> app Store (Reuters)
DEC 13	<i>Xbox Cloud Gaming</i> is now available on Meta's Quest VR headsets (The Verge)
DEC 13	ByteDance axes next VR headset, in pullback from Meta battle (The Information)
DEC 14	Kojima Productions and A24 to adapt live-action <i>Death Stranding</i> movie (GamesIndustry)

Select Industry News

DEC 15	Naughty Dog cancels <i>The Last of Us Online</i> (GamesIndustry)
DEC 15	China's video games market recovers in 2023, domestic sales surpass \$42.6b (Reuters)
DEC 18	Embracer Group has announced it has secured agreements that extend its credit and loan facilities into 2025 (GamesIndustry)
DEC 19	Activision Blizzard to pay \$54m to settle California workplace discrimination lawsuit (TechCrunch)
DEC 20	Activision Blizzard CEO Bobby Kotick to step down at the end of the year (CNBC)
DEC 20	PS5 sales hit 50m worldwide (GamesIndustry)
DEC 21	Consumer spending on VR content dipped by 10% in 2023 (GamesIndustry)
DEC 22	Tencent lost about \$43.5b in market value on Friday after China surprised financial markets with a fresh set of rules aimed at curbing excessive gaming and spending (CNBC)

Select M&A Transactions

DATE	TARGET	TARGET DESCRIPTION	ACQUIROR (S)	TRANSACTION	DEAL VALUE (\$M)
DEC 6	oolo	AI-driven UA and monetization platform	AppsFlyer	Acquisition	N/A
DEC 18	The Multiplayer Group	Multiplayer work-for-hire studio	Keywords Studios	Acquisition	97.1

Select Capital Market Transactions

DATE	TARGET	TARGET DESCRIPTION	INVESTOR (S)	TRANSACTION	AMOUNT RAISED (\$M)
DEC 12	XTEN Limited	Developer working on F2P soccer game	Cristiano Ronaldo, others	N/A	40+

Select Public Company Trading Metrics

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

As of December 31, 2023	Share Price	Share Price Performance		% of 52-Week High / Low	Equity Value	Enterprise Value	Enterprise Value / 2023E					
		Last Month	YTD				Revenue	Growth-Adj. Revenue ²	EBITDA	Growth-Adj. EBITDA ³	EBIT	Price / 2023E Earnings
United States												
Electronic Arts	\$136.81	(0.9%)	12.0%	95.4% / 126.1%	38,189	37,765	5.0x	0.94x	14.7x	1.99x	16.3x	19.1x
Take-Two Interactive	\$160.95	1.7%	54.6%	97.6% / 161.0%	29,776	31,582	5.8x	0.17x	46.7x	0.39x	41.2x	51.1x
Roblox	\$45.72	16.3%	60.6%	95.9% / 183.8%	32,606	31,449	9.1x	0.57x	N/M	N/M	N/M	N/M
Unity	\$40.89	38.6%	43.0%	81.6% / 184.2%	17,443	18,869	8.9x	0.68x	50.6x	0.75x	53.8x	57.0x
Playtika	\$8.72	0.3%	2.5%	67.6% / 115.0%	3,333	4,818	1.9x	0.73x	5.7x	3.16x	9.5x	12.0x
Median		1.7%	43.0%				5.8x	0.68x	30.7x	1.37x	28.7x	35.1x
Europe												
Ubisoft	€ 23.11	(11.6%)	(12.5%)	74.8% / 130.2%	3,371	4,327	2.0x	0.16x	4.2x	0.22x	28.3x	14.8x
Embracer Group	27.36 kr	18.7%	(42.2%)	48.1% / 175.3%	3,636	4,966	1.2x	0.11x	4.9x	0.24x	7.1x	6.7x
CD Projekt	115.00 zł	5.6%	(11.3%)	67.7% / 121.9%	2,922	2,796	9.6x	N/M	17.2x	N/M	24.7x	26.7x
Paradox Interactive	225.40 kr	7.3%	6.2%	75.0% / 142.4%	2,363	2,278	9.0x	0.75x	14.1x	0.63x	29.1x	36.1x
Keywords Studios	£16.62	21.5%	(39.0%)	58.3% / 139.4%	1,767	1,783	2.0x	0.16x	10.4x	0.99x	13.7x	17.1x
Stillfront	12.17 kr	4.2%	(30.5%)	51.6% / 130.8%	625	1,016	1.5x	0.46x	3.8x	1.02x	5.7x	6.1x
Median		6.5%	(21.5%)				2.0x	0.16x	7.7x	0.63x	19.2x	16.0x
Korea												
Kakao Games	₩25,850	(1.9%)	(42.1%)	51.0% / 120.1%	208,041	208,370	N/M	N/M	N/M	N/M	N/M	71.9x
Krafton	₩193,600	(9.1%)	15.2%	87.9% / 140.5%	6,998	4,209	3.0x	0.27x	6.7x	3.07x	7.7x	13.9x
Netmarble	₩58,100	(2.2%)	(3.8%)	80.8% / 166.5%	3,696	3,070	1.6x	0.12x	26.8x	0.28x	N/M	N/M
NCsoft	₩240,500	(8.2%)	(46.3%)	47.8% / 119.8%	3,834	2,545	1.8x	0.15x	12.7x	0.29x	21.3x	24.9x
Pearl Abyss	₩38,750	2.5%	(7.6%)	64.5% / 104.5%	1,781	1,550	5.9x	0.12x	N/M	N/M	N/M	N/M
Median		(2.2%)	(7.6%)				2.4x	0.14x	12.7x	0.29x	14.5x	24.9x
Japan												
Nintendo	¥7,359.00	6.5%	33.0%	99.5% / 141.2%	60,772	47,025	4.0x	N/M	12.2x	N/M	12.4x	19.1x
Nexon	¥2,569.50	(19.7%)	(13.3%)	73.1% / 111.9%	15,691	10,942	3.6x	0.33x	10.2x	0.66x	10.7x	17.9x
Capcom	¥4,556.00	(8.6%)	8.2%	69.4% / 106.9%	6,758	6,021	6.0x	0.47x	13.7x	0.95x	14.7x	22.2x
Konami	¥7,383.00	0.9%	23.7%	89.4% / 121.9%	6,996	5,792	2.4x	0.37x	9.0x	0.69x	11.9x	18.7x
Square Enix	¥5,063.00	(1.3%)	(17.4%)	67.2% / 111.4%	4,300	2,977	1.2x	0.50x	8.1x	0.36x	9.4x	17.3x
Sega	¥1,972.00	(8.2%)	(1.3%)	62.3% / 104.5%	3,104	2,767	0.9x	0.10x	5.9x	1.42x	6.5x	11.8x
Median		(4.8%)	3.5%				3.0x	0.37x	9.6x	0.69x	11.3x	18.3x
China												
Tencent	HKD 293.60	(10.2%)	(7.4%)	70.7% / 111.5%	358,899	330,573	3.8x	0.35x	10.3x	0.70x	12.9x	16.4x
Netease	HKD 140.60	(20.2%)	22.8%	75.6% / 126.1%	56,520	43,068	3.0x	0.27x	10.0x	0.62x	10.8x	13.3x
Perfect World	¥11.84	(6.1%)	(6.9%)	49.1% / 109.8%	3,216	2,598	2.3x	0.17x	16.9x	0.40x	20.4x	26.8x
Yoozoo Games	¥11.46	(0.3%)	23.8%	42.1% / 132.8%	1,446	1,302	4.4x	0.35x	46.2x	0.42x	N/M	47.1x
Median		(8.2%)	7.9%				3.4x	0.31x	13.6x	0.52x	12.9x	21.6x

About Us

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.

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Sources: Factset, public company filings, and press releases

- ¹ Components of sector groups can be found on page 3 of this report
- ² Calculated as (i) Enterprise Value/2023E revenue multiple, divided by (ii) 2023E-2024E calendar year revenue growth rate multiplied by 100
- ³ Calculated as (i) Enterprise Value/2023E EBITDA multiple, divided by (ii) 2023E-2024E calendar year EBITDA growth rate multiplied by 100