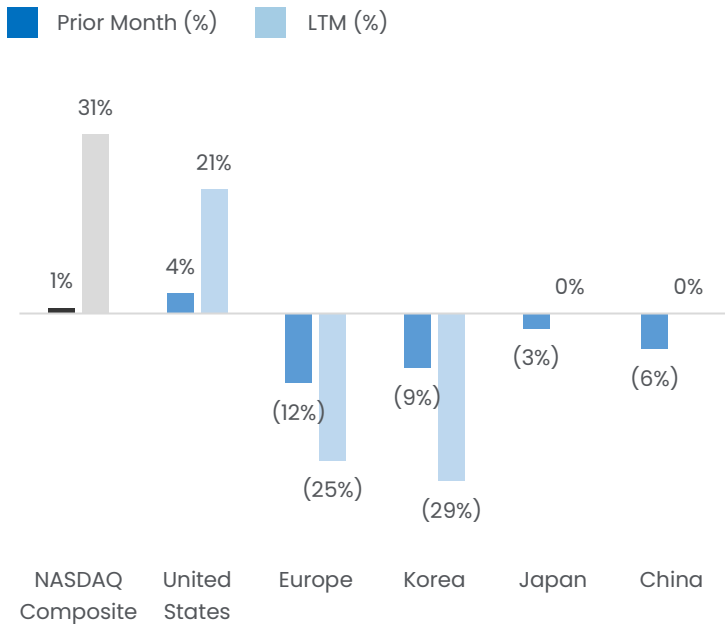


Change in Market Cap by Sector¹



Top Movers

Sector Market Cap Gained / Lost (\$B)

PRIOR MONTH

United States	▲	\$4
China	▼	(\$25)

LAST TWELVE MONTHS

United States	▲	\$20
China	▼	(\$136)

Individual Stocks (%)

PRIOR MONTH

Capcom	▲	24%
Embracer Group	▼	(27%)

LAST TWELVE MONTHS

Nintendo	▲	48%
Embracer Group	▼	(59%)

Select Earnings Releases

Past

JAN 30	Electronic Arts	▲	0.0%
JAN 31	Capcom	▼	(2.3%)

Upcoming

FEB 1	Konami
FEB 6	Paradox Interactive
FEB 6	Nintendo
FEB 7	Roblox
FEB 7	Stillfront
FEB 8	Nexon
FEB 9	Take-Two Interactive
FEB 9	Ubisoft

Upcoming Game Releases

	Title	Developer	Publisher
FEB 1	Granblue Fantasy: Relink	Cygames	Cygames
FEB 1	One Punch Man: World	Perfect World	A PLUS JAPAN
FEB 2	Suicide Squad: Kill the Justice League	Rocksteady Studios	Warner Bros. Interactive
FEB 13	Banishers: Ghosts of New Eden	Don't Nod Entertainment	Focus Entertainment
FEB 16	Skull and Bones	Ubisoft Singapore	Ubisoft
FEB 22	Pacific Drive	Ironwood Studios	Kepler Interactive
FEB 22	Sons of the Forest	Endnight Games	Newnight

Select Industry News

JAN 5	Netflix is considering adding in-app purchases and ads to games (Yahoo)
JAN 8	<i>Apple Vision Pro</i> headset launches in the U.S. on Feb. 2 with preorders beginning Jan. 19 (CNBC)
JAN 9	ByteDance is in talks with multiple prospective buyers of its gaming assets (Reuters)
JAN 9	Twitch is set to cut 35% of its staff, or about 500 workers (Reuters)
JAN 10	According to Data.ai , global mobile game revenue declined by 2% to \$107b in 2023 (GamesIndustry)
JAN 16	Supreme Court rejects Epic v. Apple antitrust case (The Verge)
JAN 17	Build a Rocket Boy announced today that it has closed its Series D fundraising round, in which it raised over \$110m (VentureBeat)
JAN 18	<i>Hogwarts Legacy</i> beats <i>Modern Warfare 3</i> as the best-selling game of 2023 in the U.S. (IGN)
JAN 23	Riot Games has announced that it's laying off 11% of its workforce, representing 530 employees (GamesIndustry)
JAN 24	Netflix's mobile release of the <i>Grand Theft Auto</i> trilogy has been downloaded 18m times across iOS and Android (GamesIndustry)
JAN 24	<i>Palworld</i> sells over 8m units on Steam in less than six days (IGN)
JAN 24	China removes proposed bans on monetization tactics from government website (GamesIndustry)
JAN 25	Microsoft lays off 1,900 workers, nearly 9% of gaming division (CNBC)

Select M&A Transactions

DATE	TARGET	TARGET DESCRIPTION	ACQUIROR (S)	TRANSACTION	DEAL VALUE (\$M)
JAN 20	UAHero	AI user acquisition tool	TapNation	Acquisition	N/A

Select Capital Market Transactions

DATE	TARGET	TARGET DESCRIPTION	INVESTOR (S)	TRANSACTION	AMOUNT RAISED (\$M)
JAN 8	Second Dinner	Developer behind <i>Marvel Snap</i>	Griffin Gaming Partners	Series B	100
JAN 16	Magic Leap	Creating wearable AR devices for enterprises	Saudi Arabia's Public Investment Fund	Debt	590
JAN 22	ElevenLabs	AI-powered tools to create and edit synthetic voices	Andreessen Horowitz, Nat Fiedman, Daniel Gross, others	Series B	80
JAN 26	True Gamers	Esports lounge creator	Nawaf Albishri	N/A	45
JAN 31	Mountaintop Studios	Video game developer working on tactical shooter	Anthos, RX3, Andreessen, Vgames, others	N/A	30

Select Public Company Trading Metrics

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

As of January 31, 2024	Share Price	Share Price Performance		% of 52-Week High / Low	Equity Value	Enterprise Value	Enterprise Value / 2024E					Price / 2024E Earnings
		Last Month	LTM				Revenue	Growth-Adj. Revenue ²	EBITDA	Growth-Adj. EBITDA ³	EBIT	
United States												
Electronic Arts	\$137.58	0.6%	6.9%	95.9% / 126.8%	38,404	37,181	4.8x	0.83x	13.5x	1.93x	15.1x	17.8x
Take-Two Interactive	\$164.93	2.5%	45.7%	97.3% / 158.4%	30,512	32,318	4.5x	0.38x	21.8x	0.81x	23.1x	22.8x
Roblox	\$38.81	(15.1%)	4.3%	81.4% / 156.0%	27,659	26,502	6.5x	0.45x	51.9x	1.25x	N/M	N/M
Unity	\$32.40	(20.8%)	(8.8%)	64.7% / 145.9%	13,700	15,126	6.4x	0.47x	23.5x	0.75x	29.3x	29.8x
Playtika	\$7.22	(17.2%)	(31.2%)	56.0% / 102.3%	2,760	4,245	1.6x	0.57x	5.0x	0.98x	7.5x	8.4x
Median		(15.1%)	4.3%				4.8x	0.47x	21.8x	0.98x	19.1x	20.3x
Europe												
Embracer Group	20.05 kr	(26.7%)	(58.7%)	34.4% / 125.3%	2,599	3,929	0.9x	0.17x	3.3x	0.32x	5.1x	5.0x
Ubisoft	€ 20.51	(11.3%)	8.3%	65.3% / 108.9%	2,942	3,898	1.6x	0.23x	3.3x	0.30x	9.0x	10.5x
CD Projekt	104.75 zł	(8.9%)	(24.8%)	60.9% / 109.6%	2,627	2,502	12.8x	N/M	27.2x	N/M	43.1x	46.2x
Paradox Interactive	204.20 kr	(9.4%)	10.0%	66.3% / 125.9%	2,087	2,001	7.5x	1.06x	10.8x	1.53x	21.8x	26.9x
Keywords Studios	£16.60	(0.1%)	(41.5%)	58.2% / 139.0%	1,776	1,791	1.8x	0.19x	9.3x	1.00x	12.4x	15.6x
Stillfront	10.85 kr	(10.9%)	(40.3%)	44.9% / 113.7%	544	934	1.4x	0.42x	3.7x	0.91x	5.4x	5.6x
Median		(10.1%)	(32.6%)				1.7x	0.23x	6.5x	0.91x	10.7x	13.1x
Korea												
Krafton	₩214,500	10.8%	19.6%	93.7% / 150.2%	7,494	4,701	3.1x	0.25x	7.5x	0.59x	8.7x	16.9x
Netmarble	₩58,300	0.3%	(4.4%)	78.3% / 161.2%	3,579	2,952	1.4x	0.28x	14.3x	2.04x	50.1x	55.0x
NCsoft	₩198,100	(17.6%)	(56.4%)	38.5% / 105.6%	3,047	1,758	1.2x	0.07x	7.0x	0.16x	10.4x	17.7x
Pearl Abyss	₩32,750	(15.5%)	(27.6%)	52.6% / 104.0%	1,452	1,222	3.3x	0.12x	12.3x	0.25x	19.1x	22.7x
Median		(7.6%)	(16.0%)				2.2x	0.18x	9.9x	0.42x	14.8x	20.2x
Japan												
Nintendo	¥8,310.00	12.9%	47.7%	100.0% / 153.8%	66,186	52,439	4.7x	0.71x	16.2x	14.92x	15.7x	26.2x
Nexon	¥2,365.00	(8.0%)	(24.3%)	64.9% / 106.2%	13,907	9,145	2.9x	0.50x	8.2x	0.92x	8.5x	15.9x
Capcom	¥5,645.00	23.9%	34.4%	82.9% / 127.0%	8,076	7,394	6.8x	1.10x	14.9x	1.52x	16.2x	23.8x
Konami	¥9,126.00	23.6%	43.3%	99.9% / 145.3%	8,340	7,049	2.8x	0.68x	10.1x	1.43x	12.9x	20.8x
Square Enix	¥5,783.00	14.2%	(5.7%)	74.0% / 122.8%	4,738	3,414	1.4x	N/M	7.8x	2.35x	9.2x	16.6x
Sega	¥2,181.00	10.6%	6.3%	66.4% / 111.4%	3,314	2,976	0.9x	0.21x	6.3x	1.34x	6.8x	10.3x
Median		13.6%	20.4%				2.9x	0.68x	9.1x	1.48x	11.0x	18.7x
China												
Tencent	HKD 270.60	(7.8%)	(29.2%)	68.3% / 104.0%	329,314	300,987	3.2x	0.35x	8.3x	0.77x	10.2x	13.4x
Netease	HKD 151.50	7.8%	8.4%	81.3% / 130.5%	60,834	47,382	2.9x	0.29x	9.4x	0.74x	10.4x	14.2x
Perfect World	¥9.56	(19.3%)	(31.9%)	39.2% / 100.4%	2,565	1,947	1.5x	N/M	9.0x	0.47x	10.3x	14.7x
Yoozoo Games	¥9.68	(15.5%)	(11.1%)	35.1% / 100.2%	1,207	1,063	3.1x	N/M	18.2x	0.66x	34.9x	20.3x
Median		(11.7%)	(20.2%)				3.0x	0.32x	9.2x	0.70x	10.4x	14.5x

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.

Contact Information

We welcome comments and feedback on our analysis and observations. Please do not hesitate to contact our team at info@alignmentgrowth.com.



WEBSITE



LINKEDIN



MEDIUM

Disclaimer

These materials have been prepared by Alignment Growth Management ("AGM") for general informational purposes only and they are not intended to be, and should not be construed as, financial, legal or other advice. In preparing these materials, AGM has assumed and relied upon the accuracy and completeness of publicly available information and of other information made available to us by third parties. AGM has not conducted any independent investigation or verification of such information (including, without limitation, data from third parties). AGM assumes no responsibility for updating or revising these materials.

No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. Nothing herein shall constitute a commitment or undertaking on the part of AGM to provide any service. AGM shall have no duties or obligations to you in respect of these materials or other advice provided to you.

The information provided herein is not a recommendation to purchase, hold or sell any particular security. AGM is not making any recommendation or providing any investment advice regarding any specific company referenced herein.

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/2024E revenue multiple, divided by (ii) 2024E-2025E calendar year revenue growth rate multiplied by 100
- ³ Calculated as (i) Enterprise Value/2024E EBITDA multiple, divided by (ii) 2024E-2025E calendar year EBITDA growth rate multiplied by 100