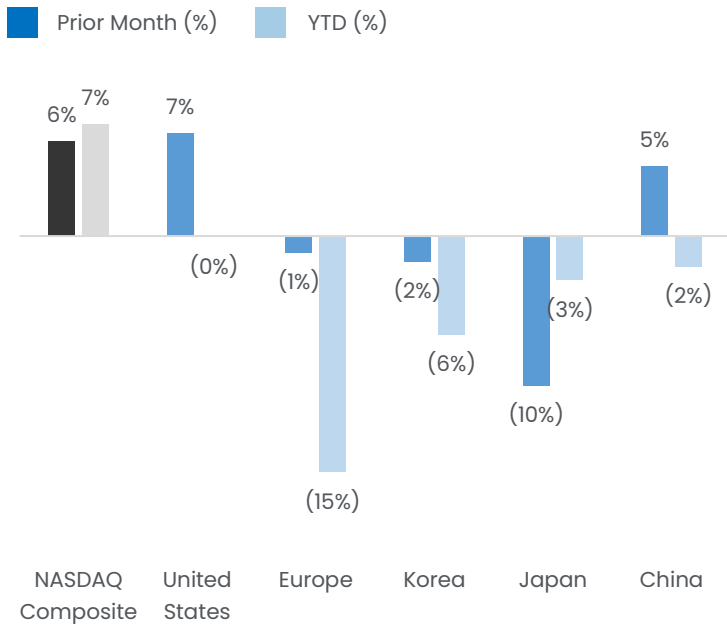


## Change in Market Cap by Sector<sup>1</sup>



Note 1: Components of sector groups can be found on Page 4 of this report

## Top Movers

### Sector Market Cap Gained / Lost (\$B)

#### PRIOR MONTH

China	▲	\$18
Japan	▼	(\$11)

#### YEAR-TO-DATE

United States	▼	(\$0)
China	▼	(\$8)

### Individual Stocks (%)

#### PRIOR MONTH

Perfect World	▲	23%
Sega	▼	(14%)

#### YEAR-TO-DATE

Konami	▲	37%
Embracer Group	▼	(33%)

## Select Earnings Releases

### Past

Date	Company	Change (%)
FEB 2	Konami	▲ 3.3%
FEB 6	Paradox Interactive	▲ 3.9%
FEB 7	Nintendo	▼ (0.1%)
FEB 7	Roblox	▲ 10.2%
FEB 7	Stillfront	▼ (3.2%)
FEB 9	Nexon	▼ (11.7%)
FEB 9	Take-Two Interactive	▼ (8.7%)
FEB 9	Ubisoft	▲ 13.8%

### Upcoming

Date	Company
MAR 13	Keywords Studios
MAR 20	Tencent
MAR 26	Perfect World
MAR 28	CD Projekt

## Upcoming Game Releases

Date	Title	Developer	Publisher
MAR 5	The Outlast Trials	Red Barrels	Red Barrels
MAR 7	Snuffkin: Melody of Moominvalley	Hyper Games	Raw Fury
MAR 8	Unicorn Overlord	Vanillaware	Sega
MAR 8	WWE 2K24	Visual Concepts	2K Games
MAR 14	Star Wars: Battlefront Classic	Aspyr Media	Aspyr
MAR 15	Outcast: A New Beginning	Appeal	THQ Nordic
MAR 26	South Park: Snow Day!	Question Games	THQ Nordic

## Select Industry News

FEB 1	<i>Genshin Impact</i> hits \$5b in consumer spending faster than any other mobile title ( <a href="#">GamesIndustry</a> )
FEB 2	<b>Apple's Vision Pro</b> headset launches in the U.S. ( <a href="#">CNBC</a> )
FEB 8	<i>GTA V</i> reaches 195m copies sold while hopes soar for <i>GTA VI</i> ( <a href="#">Venture Beat</a> )
FEB 12	Phil Spencer says <b>Xbox</b> will still make consoles ( <a href="#">GamesIndustry</a> )
FEB 14	<b>Sony</b> will not release any new major existing <i>PlayStation</i> franchise titles before April 2025 ( <a href="#">IGN</a> )
FEB 15	<b>Microsoft's Xbox</b> to release four titles on external platforms ( <a href="#">Reuters</a> )
FEB 15	<b>Sony</b> seeking growth by bringing more first-party games to other platforms ( <a href="#">Reuters</a> )
FEB 22	<i>Palworld</i> hits 25m players (15m <i>Steam</i> and 10m on <i>Xbox</i> ) a month after release ( <a href="#">Venture Beat</a> )
FEB 23	<b>EA</b> has offered more than 11,000 college football players \$600 to appear in <i>EA Sports College Football 25</i> ( <a href="#">GamesIndustry</a> )
FEB 27	<b>Playtika</b> has halted its search for a buyer and aims to spend \$1.2b on M&A over the next three years ( <a href="#">GamesIndustry</a> )
FEB 27	<b>Sony</b> is laying off 900 <i>PlayStation</i> employees ( <a href="#">The Verge</a> )
FEB 28	<b>EA</b> is cutting 5% of its workforce, citing a shift away from future licensed IP to focus more on owned IP, sports, and online communities ( <a href="#">GamesIndustry</a> )
FEB 28	<b>Rockstar Games</b> is asking employees to return to the office five days a week starting in April due to security concerns over <i>GTA VI</i> ( <a href="#">IGN</a> )
FEB 27	<b>AppLovin</b> announces pricing of secondary public offering of common stock and concurrent share repurchase ( <a href="#">AppLovin</a> )
FEB 29	Over the course of the first two months of the year, video game companies have announced plans to lay off more than 8,000 workers ( <a href="#">Fast Company</a> )

## Select M&A Transactions

DATE	TARGET	TARGET DESCRIPTION	ACQUIROR (S)	TRANSACTION	DEAL VALUE (\$M)
FEB 6	<b>Wangyuan Shengtang</b>	Developer known for <i>Swords of Legends</i>	Tencent	Majority	N/A
FEB 8	<b>Acquire</b>	Developer known for <i>Octopath Traveler</i>	Kadokawa	Acquisition	N/A
FEB 9	<b>Jagex</b>	Developer known for <i>RuneScape</i>	CVC, Haveli	Acquisition	~1,100
FEB 13	<b>Kongregate</b>	Publisher and web portal	Monumental	Majority	N/A
FEB 15	<b>Jackpocket</b>	Provider of digital lottery services	DraftKings	Acquisition	750
FEB 29	<b>Saber Interactive</b>	Developer and WFH studio	N/A	Acquisition	500

## Select Private Capital Market Transactions

DATE	TARGET	TARGET DESCRIPTION	INVESTOR (S)	TRANSACTION	AMOUNT RAISED (\$M)
FEB 7	<b>Epic Games</b>	Developer, publisher, and platform known for <i>Fortnite</i>	The Walt Disney Company	N/A	1,500
FEB 27	<b>Scuti</b>	AI-driven media and retail marketplace focused on gamers	N/A	Series A	10

## Select Public Capital Market Transactions

DATE	TARGET	TARGET DESCRIPTION	EXCHANGE	TRANSACTION	AMOUNT RAISED (\$M)
FEB 29	AppLovin	Marketing platform for app developers	NASDAQ	Secondary (KKR Denali)	~1,150

## Select Public Company Trading Metrics

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

As of February 29, 2024	Share Price	Share Price Performance		% of 52-Week High / Low	Equity Value	Enterprise Value	Enterprise Value / 2024E					
		Last Month	YTD				Revenue	Growth-Adj. Revenue <sup>2</sup>	EBITDA	Growth-Adj. EBITDA <sup>3</sup>	EBIT	Price / 2024E Earnings
<b>United States</b>												
<b>Electronic Arts</b>	\$139.48	1.4%	2.0%	96.5% / 128.5%	38,532	37,309	4.8x	0.83x	13.6x	1.81x	15.2x	18.5x
<b>Take-Two Interactive</b>	\$146.93	(10.9%)	(8.7%)	85.6% / 135.6%	26,489	28,464	4.3x	0.24x	21.4x	0.53x	24.2x	24.8x
<b>Roblox</b>	\$39.90	2.8%	(12.7%)	83.7% / 160.4%	28,785	27,589	6.6x	0.34x	48.2x	1.21x	N/M	N/M
<b>Unity</b>	\$29.32	(9.5%)	(28.3%)	58.5% / 132.1%	12,342	13,695	7.1x	0.72x	31.5x	0.71x	35.5x	42.6x
<b>Playtika</b>	\$7.41	2.6%	(15.0%)	57.5% / 115.2%	2,921	4,251	1.7x	0.65x	5.7x	0.99x	9.0x	11.4x
<b>Median</b>		<b>1.4%</b>	<b>(12.7%)</b>				<b>4.8x</b>	<b>0.65x</b>	<b>21.4x</b>	<b>0.99x</b>	<b>19.7x</b>	<b>21.6x</b>
<b>Europe</b>												
<b>Ubisoft</b>	€ 21.20	3.4%	(8.3%)	67.2% / 111.4%	3,030	3,986	1.6x	0.26x	3.3x	0.33x	9.0x	10.9x
<b>Embracer Group</b>	18.36 kr	(8.4%)	(32.9%)	32.8% / 114.6%	2,377	3,959	0.9x	0.19x	3.6x	0.37x	5.3x	5.6x
<b>CD Projekt</b>	109.70 zł	4.7%	(4.6%)	63.7% / 114.7%	2,748	2,623	13.3x	N/M	29.0x	N/M	45.0x	48.4x
<b>Paradox Interactive</b>	191.50 kr	(6.2%)	(15.0%)	62.1% / 117.9%	1,955	1,869	6.9x	1.07x	10.0x	1.64x	20.4x	26.1x
<b>Keywords Studios</b>	£14.34	(13.6%)	(13.7%)	50.0% / 119.3%	1,524	1,539	1.6x	0.16x	8.1x	0.87x	11.0x	13.8x
<b>Stillfront</b>	9.61 kr	(11.4%)	(21.1%)	39.7% / 105.3%	481	885	1.3x	0.42x	3.6x	0.74x	5.3x	4.9x
<b>Median</b>		<b>(7.3%)</b>	<b>(14.4%)</b>				<b>1.6x</b>	<b>0.26x</b>	<b>5.9x</b>	<b>0.74x</b>	<b>10.0x</b>	<b>12.3x</b>
<b>Korea</b>												
<b>Krafton</b>	₩227,000	5.8%	17.3%	93.5% / 159.3%	7,956	5,107	3.2x	0.24x	7.7x	0.53x	8.7x	17.1x
<b>Netmarble</b>	₩61,700	5.8%	6.2%	83.0% / 171.0%	3,796	3,170	1.5x	0.24x	15.5x	0.78x	43.2x	N/M
<b>NCsoft</b>	₩194,000	(2.1%)	(19.3%)	42.6% / 103.6%	2,991	1,702	1.2x	0.08x	8.6x	0.16x	14.3x	22.6x
<b>Pearl Abyss</b>	₩30,350	(7.3%)	(21.7%)	48.9% / 100.0%	1,349	1,118	4.6x	0.06x	N/M	N/M	N/M	N/M
<b>Median</b>		<b>1.9%</b>	<b>(6.6%)</b>				<b>2.3x</b>	<b>0.16x</b>	<b>8.6x</b>	<b>0.53x</b>	<b>14.3x</b>	<b>19.9x</b>
<b>Japan</b>												
<b>Nintendo</b>	¥8,400.00	1.1%	14.1%	93.3% / 151.8%	65,341	51,198	4.7x	0.73x	16.4x	38.03x	15.8x	26.8x
<b>Nexon</b>	¥2,426.00	2.6%	(5.6%)	65.4% / 106.4%	13,662	11,332	3.7x	0.48x	10.9x	0.78x	11.8x	19.0x
<b>Capcom</b>	¥6,029.00	6.8%	32.3%	86.5% / 132.5%	8,423	7,742	7.2x	1.06x	15.7x	1.57x	17.1x	25.9x
<b>Konami</b>	¥10,080.00	10.5%	36.5%	98.2% / 156.7%	8,996	7,706	3.2x	0.74x	11.1x	1.52x	14.1x	23.6x
<b>Square Enix</b>	¥6,344.00	9.7%	25.3%	79.3% / 131.5%	5,076	3,698	1.6x	N/M	8.7x	2.86x	10.2x	18.8x
<b>Sega</b>	¥1,877.00	(13.9%)	(4.8%)	55.8% / 110.4%	2,781	2,493	0.8x	0.21x	5.7x	1.29x	6.3x	9.7x
<b>Median</b>		<b>4.7%</b>	<b>19.7%</b>				<b>3.4x</b>	<b>0.73x</b>	<b>11.0x</b>	<b>1.55x</b>	<b>12.9x</b>	<b>21.3x</b>
<b>China</b>												
<b>Tencent</b>	HKD 277.20	2.4%	(5.6%)	69.9% / 106.4%	336,132	307,804	3.3x	0.36x	8.5x	0.78x	10.5x	13.7x
<b>Netease</b>	HKD 176.20	16.3%	25.3%	94.5% / 151.5%	70,648	55,697	3.5x	0.35x	11.0x	0.76x	12.1x	15.2x
<b>Perfect World</b>	¥11.72	22.6%	(1.0%)	47.9% / 137.7%	3,138	2,520	2.0x	N/M	12.1x	0.61x	13.8x	18.8x
<b>Yoozoo Games</b>	¥10.50	8.5%	(8.4%)	38.0% / 134.9%	1,306	1,162	3.4x	N/M	19.9x	0.72x	38.3x	22.2x
<b>Median</b>		<b>12.4%</b>	<b>(3.3%)</b>				<b>3.3x</b>	<b>0.36x</b>	<b>11.6x</b>	<b>0.74x</b>	<b>13.0x</b>	<b>17.0x</b>

## 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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## 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).



WEBSITE



LINKEDIN



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 4 of this report
- <sup>2</sup> Calculated as (i) Enterprise Value/2024E revenue multiple, divided by (ii) 2024E-2025E calendar year revenue growth rate multiplied by 100
- <sup>3</sup> Calculated as (i) Enterprise Value/2024E EBITDA multiple, divided by (ii) 2024E-2025E calendar year EBITDA growth rate multiplied by 100