



Aream &
Co.

Video Game Market Update

Q3 2025

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Aream & Co. global, independent investment bank specialized in gaming and interactive entertainment

COMPANY SNAPSHOT

79

GAMING M&A AND FINANCING
TRANSACTIONS

\$38bn

TRANSACTION VALUE

24

GAMING BANKERS

WORLDWIDE COVERAGE



LONDON



SAN FRANCISCO



BERLIN

OUR STRENGTH



Passionate about Video Games and our craft – core deal team together for 12+ years



Deep institutional knowledge of the sector, current market trends and strategic capital allocation among buyer universe



Broad transaction experience across PC, console, mobile and the wider gaming ecosystem



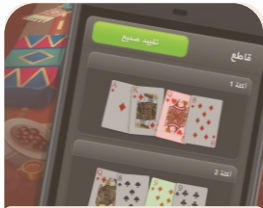
Unparalleled relationships with strategic acquirers and financial investors interested in the sector



Expert execution underpinned by our heritage in global financial institutions and constant market participation

Aream & Co. last twelve months deal activity

TRANSACTIONS ADVISED BY AREAM & CO. (FROM Q4-24 TO Q3-25)



كافكا
Investment from
impact46
\$53+ million
Pending



Blackstone
Debt financing to
dream+
August 2025



APLOVIN
Apps Business
Sale to
tripledot
\$800 million
July 2025



CRACKSHELL
Sale of selected assets to
everplay
July 2025



VIRTUOS
Acquisition of
PIPEWORKS STUDIOS
May 2025

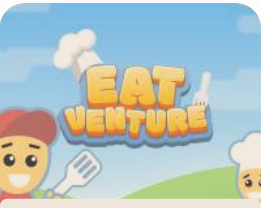


MTG
Acquisition of
PLARIUM
up to \$820 million
February 2025

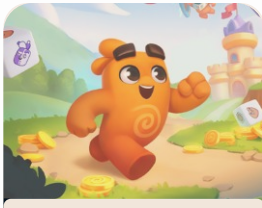
12
LTM
GAMING
TRANSACTIONS



Easybrain
Sale to
MINICLIP
\$1.2 billion
January 2025



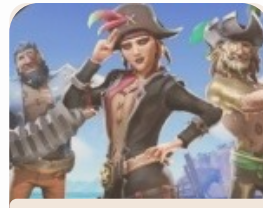
Lessmore.
Sale to
MINICLIP
January 2025



SuperPlay
Sale to
Playtika
up to \$2.0 billion
November 2024



REMEDY
Convertible Loan
Issuance to
Tencent 腾讯
€15 million
November 2024



VIRTUOS
Acquisition of
TH/RD K/NO
August 2024



Fusebox
Sale to
Nazara
\$27 million
August 2024

\$6bn+
LTM
TRANSACTION
VALUE



1

Executive Summary

Q3-25 in a nutshell

GAMING MARKET ENVIRONMENT



- Mobile gaming IAP spend returns to growth reaching \$21.0bn in Q3-25, with Asian mobile publishers driving the majority of gains
- PC gaming maintains strong performance with +18% YoY growth, powered by successful franchise releases on Steam
- Console gaming delivers a robust quarter following the Nintendo Switch 2 launch; Nintendo's revenue grew 2.5x YoY while Sony and Microsoft posted double-digit growth in console content

DEALMAKING ACTIVITY



- Transaction volume remains stable, with three notable announcements this quarter:
 - I. Public takeover of Electronic Arts for \$55bn led by a consortium comprising PIF, Silver Lake, and Affinity Partners
 - II. Two strategic-led deals: Bandai Namco's minority stake sale to Sony and Prime Insights acquisition by Aonic
- Institutional investors are accelerating gaming industry consolidation, with 12 transactions announced in 2025, including the Electronic Arts acquisition – the largest all-cash sponsor-led leveraged buyout in history
- Asian strategics are increasing investment activity, pursuing transmedia opportunities (incl. anime) and expanding international portfolios

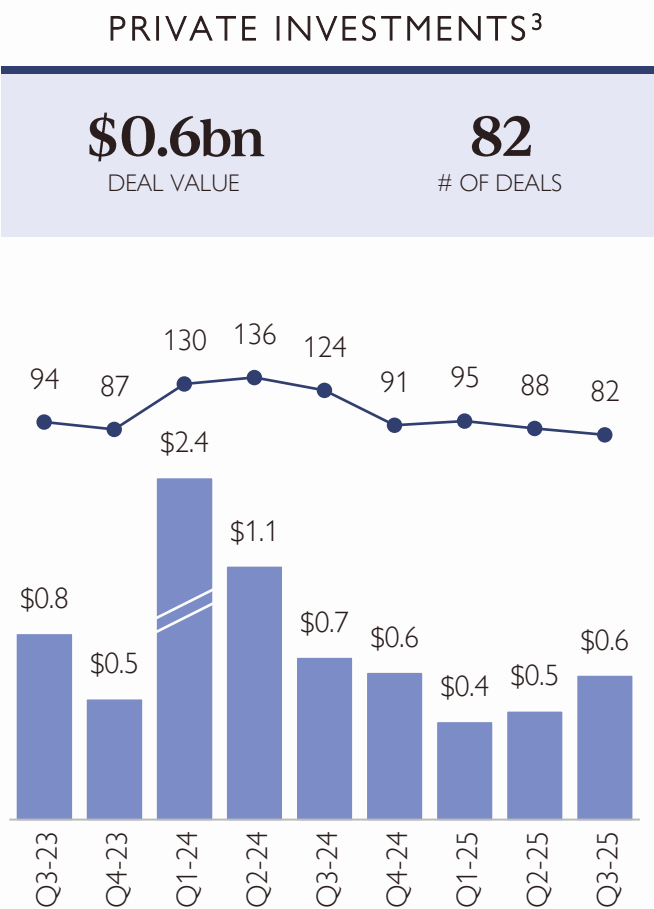
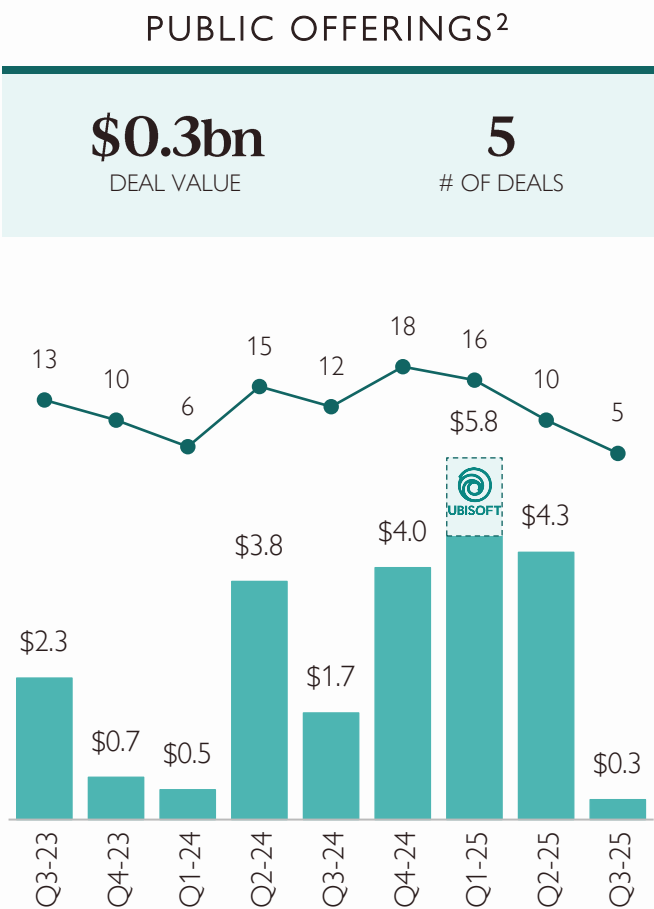
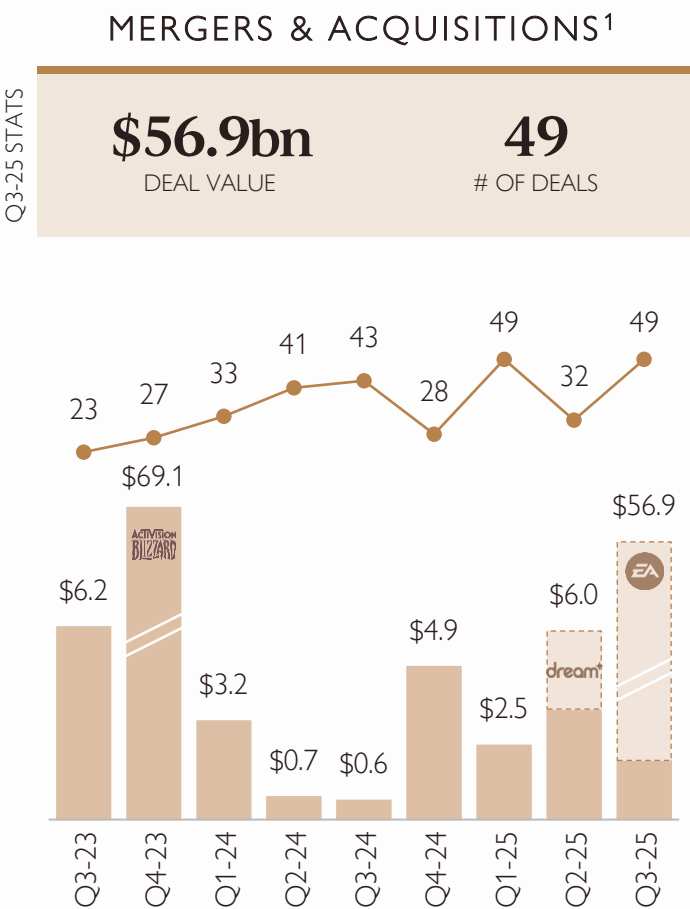
CAPITAL MARKETS



- Public market fundraising slowed in Q3-25 with only \$0.3bn raised vs. \$10.1bn in H1-25
- Private investment activity remained subdued at 82 deals in Q3-25. Series A rounds declined for the fifth consecutive quarter
- Startup funding concentrated in gaming tech (AI, web-shop, VR) and mobile studios, with the latter primarily in Turkey

M&A holds steady as public and private investments face pressure

Dealmaking activity in Q3-25



■ Closed Deal Value (\$bn) ■ Announced Deal Value (\$bn) ● # of Deals

investgame

Broad-based deal flow across multiple segments

Most notable gaming transactions in Q3-25

MERGERS & ACQUISITIONS

TARGET	BUYER	VALUE	CATEGORY
ANNOUNCED			
		\$55bn	 Diversified
		\$800m	 Mobile
		\$464m	 Diversified
		\$250m	 Tech
		\$115m	 Mobile

PUBLIC OFFERINGS¹

COMPANY	DEAL TYPE	VALUE	CATEGORY
	RCF ² & Loan Facility	\$225m	 Gaming Hardware
	Common stock issuance	\$70m	 Esports
	PIPE	\$15m	 Esports
	IPO	\$12m	 Web
	PIPE	\$0.1m	 Tech

PRIVATE INVESTMENTS

COMPANY	INVESTOR	VALUE	CATEGORY
	n/a	\$100m	 VR Hardware
		\$100m	 Tech
		\$60m	 Mobile
		\$58m	 Tech
		\$40m	 Mobile



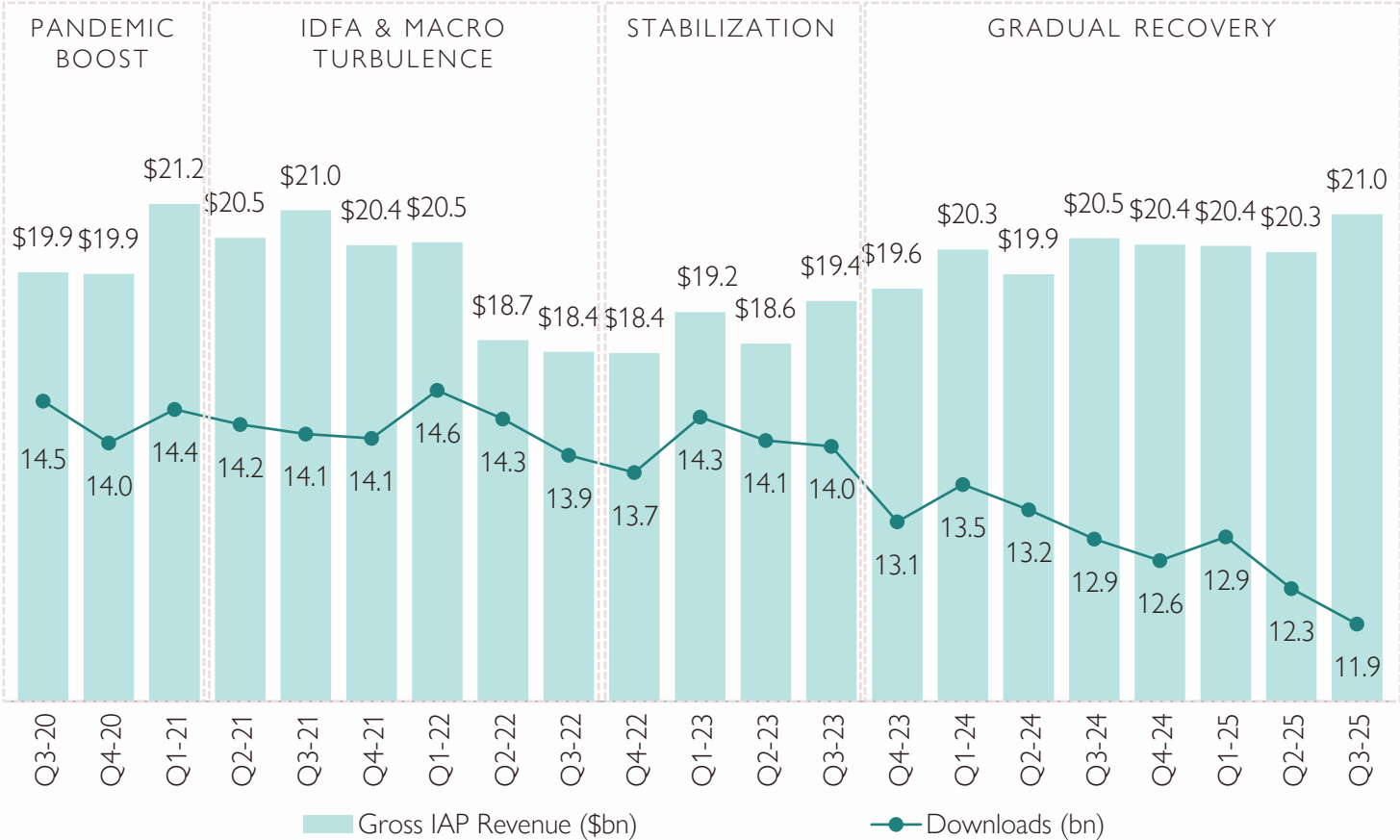
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Gaming Market Backdrop

Mobile gaming IAP spend returns to growth

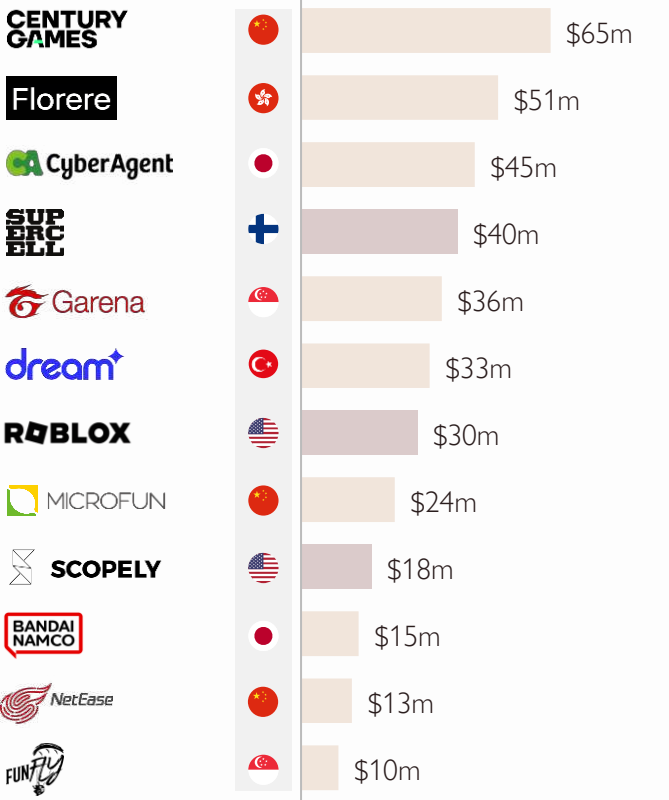
Asian publishers lead the US spending recovery as Western studios catch up

GLOBAL MOBILE GAMING CONSUMER SPEND (GROSS IAP REVENUE)¹ 



TOP-GROWING PUBLISHERS IN U.S. 

INCREMENTAL IAP REVENUE² (Q3-25 vs. Q2-25)



Asian mobile publishers continue to lead the mobile gaming market

Publisher HQ countries ranked by key performance metrics (2025 YTD)

INSTALLS BY PUBLISHER HQ

			INSTALLS (M)	YoY (%)
1		China	3,877	+9%
2		Vietnam	3,758	+10%
3		Cyprus	3,151	-10%
4		US	2,980	+2%
5		Hong Kong	2,425	+12%
6		Pakistan	1,780	+27%
7		France	1,363	-16%
8		Singapore	1,313	+20%
9		Turkey	1,237	+4%
10		India	1,216	+12%

NET IAP REVENUE BY PUBLISHER HQ

			REVENUE (\$M)	YoY (%)
1		China	12,266	+7%
2		US	5,855	-13%
3		Japan	3,163	+16%
4		Singapore	2,235	+22%
5		Turkey	2,123	+20%
6		Israel	1,695	+4%
7		UK	1,525	+1%
8		Finland	1,372	-21%
9		Ireland	1,359	-2%
10		Hong Kong	1,196	+35%

AVERAGE MAU BY PUBLISHER HQ

			AVG. MAU (M)	YoY (%)
1		US	1,897	+6%
2		Vietnam	1,737	+22%
3		China	1,685	+11%
4		Cyprus	1,284	-3%
5		Hong Kong	1,041	+29%
6		Pakistan	658	+35%
7		Singapore	640	+19%
8		France	582	+1%
9		Turkey	554	+12%
10		UK	523	+3%

 – Fastest-growing countries by publisher HQ location

PC gaming maintains strong performance trajectory

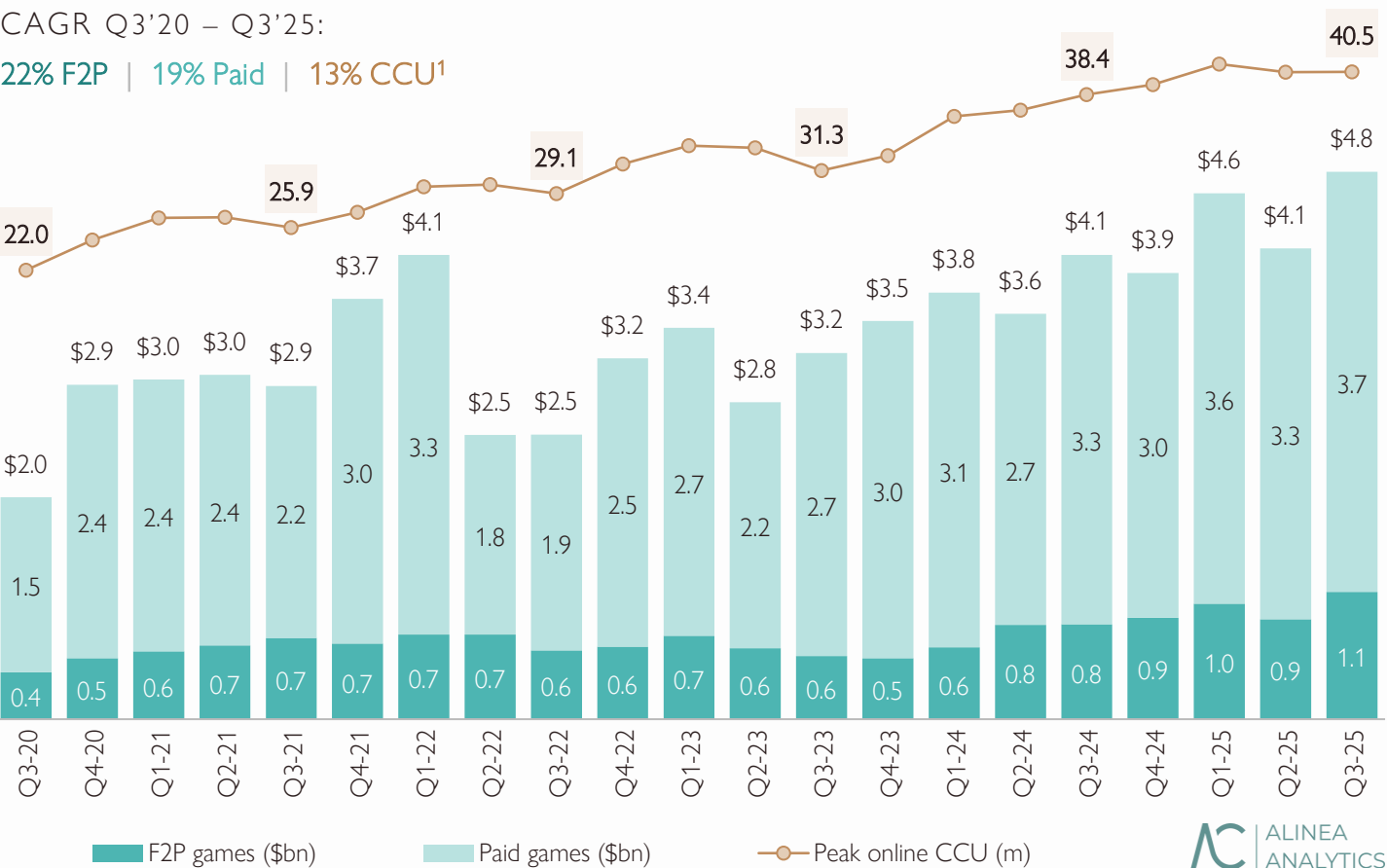
+18% YoY growth over the last twelve months on Steam

STEAM GROSS REVENUE & PEAK ONLINE USER ACTIVITY



CAGR Q3'20 – Q3'25:

22% F2P | 19% Paid | 13% CCU¹



TOP-GROSSING RELEASES Q3-25²



	FRANCHISE	FRANCHISE	FRANCHISE
SALES	\$104m	\$65m	\$64m
UNITS	1.7m	1.3m	4.0m
RELEASE	11-Sep-25	18-Sep-25	4-Sep-25

	NEW IP	FRANCHISE	FRANCHISE
SALES	\$32m	\$30m	\$21m
UNITS	0.8m	0.5m	0.9m
RELEASE	23-Jul-25	25-Sep-25	29-Jul-25

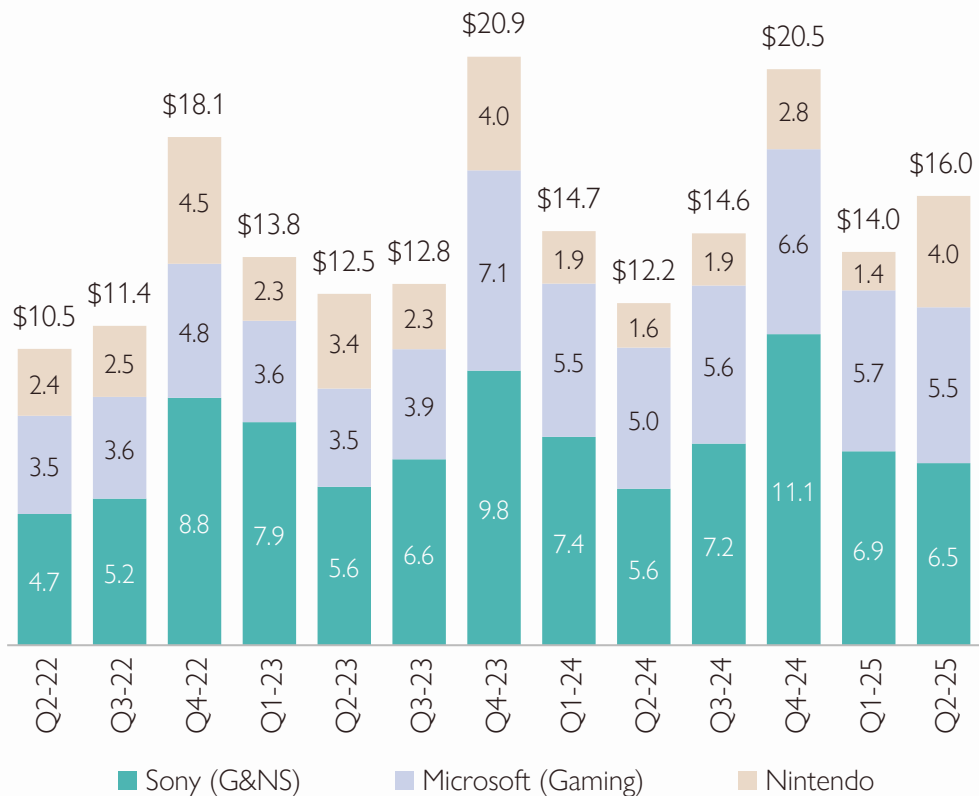
Consoles demonstrate a strong quarter amid new hardware launch

Nintendo Switch 2 launch drives +31% YoY market revenue growth

MAJOR CONSOLE PLATFORMS: QUARTERLY GAMING DIVISION REVENUE (\$BN)

CAGR Q2'22 – Q2'25:

12% SONY | 17% MSFT | 19% NTDO



EARNINGS NOTES

Xbox FY25 Gaming revenue increased 9% YoY driven by growth in **Xbox content and services (+16% YoY)**, offset in part by a decline in Xbox hardware (-25% YoY)

PlayStation Q1-FY25 G&NS sales increased 17% YoY, driven by increase in sales of non-first-party game software titles and increase in sales from network services. MAU increased by 6% YoY

Nintendo Q1-FY25 sales increased by 149% YoY, with Nintendo Switch 2 sales totaling 5.8m units

TOP-GROSSING RELEASES Q3-25¹

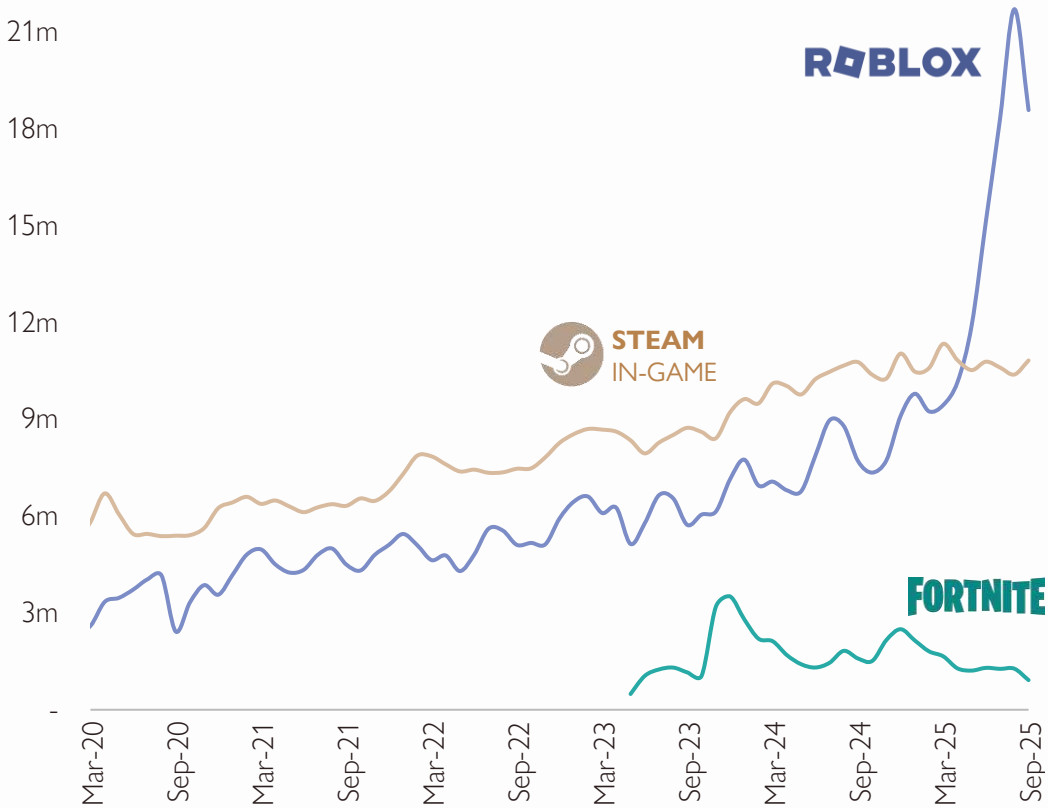
	ANNUAL SPORT SERIES	ANNUAL SPORT SERIES	ANNUAL SPORT SERIES
PUBLISHER	EA SPORTS	2K	EA SPORTS
UNITS	5.5m	3.5m	1.8m
RELEASE	26-Sep-25	5-Sep-25	7-Jul-25

	ANNUAL SPORT SERIES	FRANCHISE	FRANCHISE
PUBLISHER	EA SPORTS	2K	2K
UNITS	1.3m	0.8m	0.8m
RELEASE	7-Aug-25	12-Sep-25	8-Sep-25

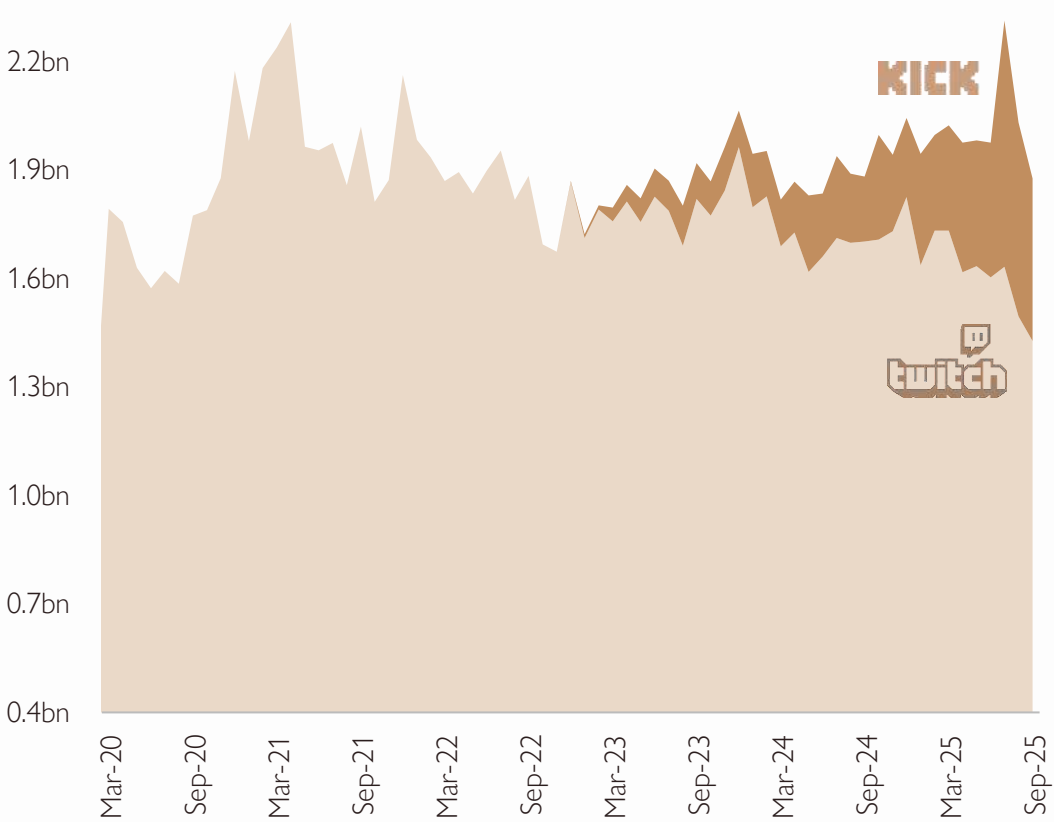
UGC and streaming platforms reach record engagement levels

Roblox breakout hits drive platform growth, while Kick challenges Twitch's market share

CONCURRENT USERS ON MAJOR UGC PLATFORMS¹



GAMING VIEWERSHIP (HOURS WATCHED)



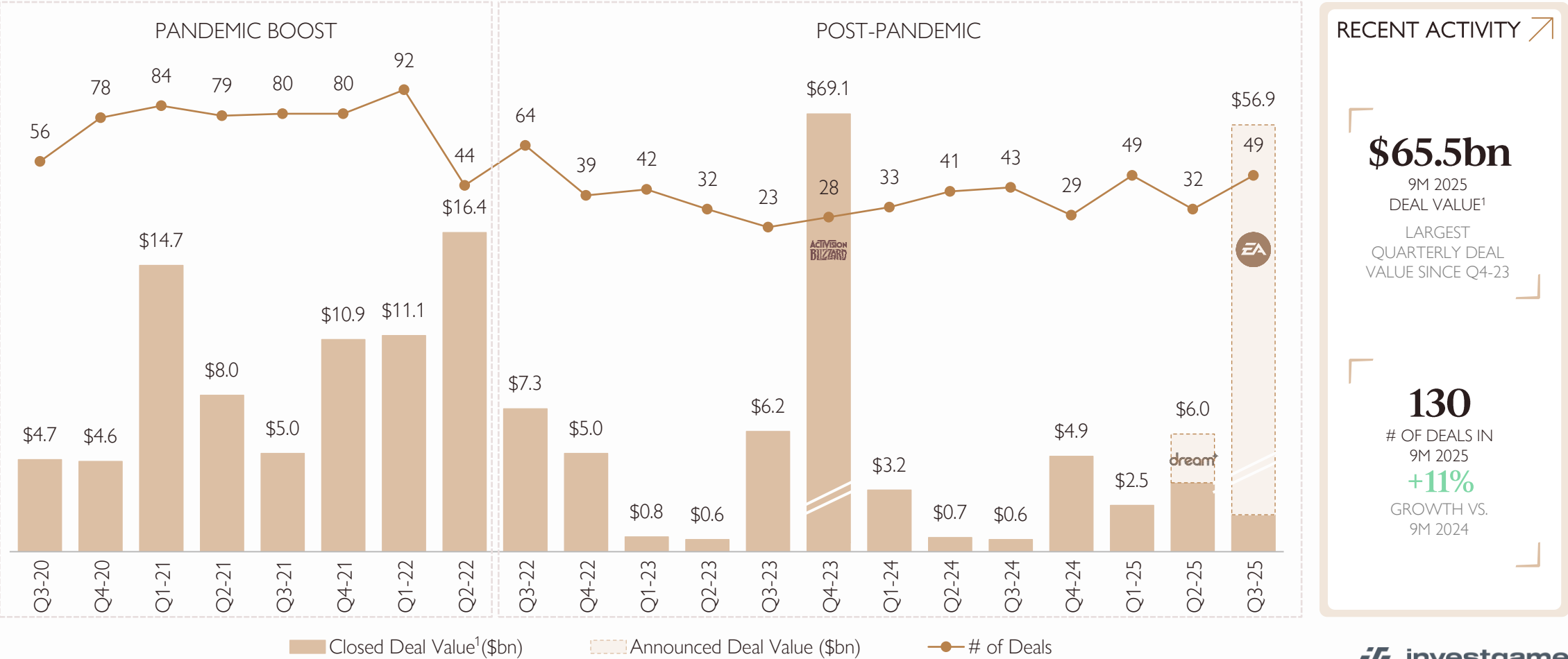


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Mergers & Acquisitions

M&A volume holds steady, with value driven by megadeals

Quarterly activity incl. both minority & majority stake transactions

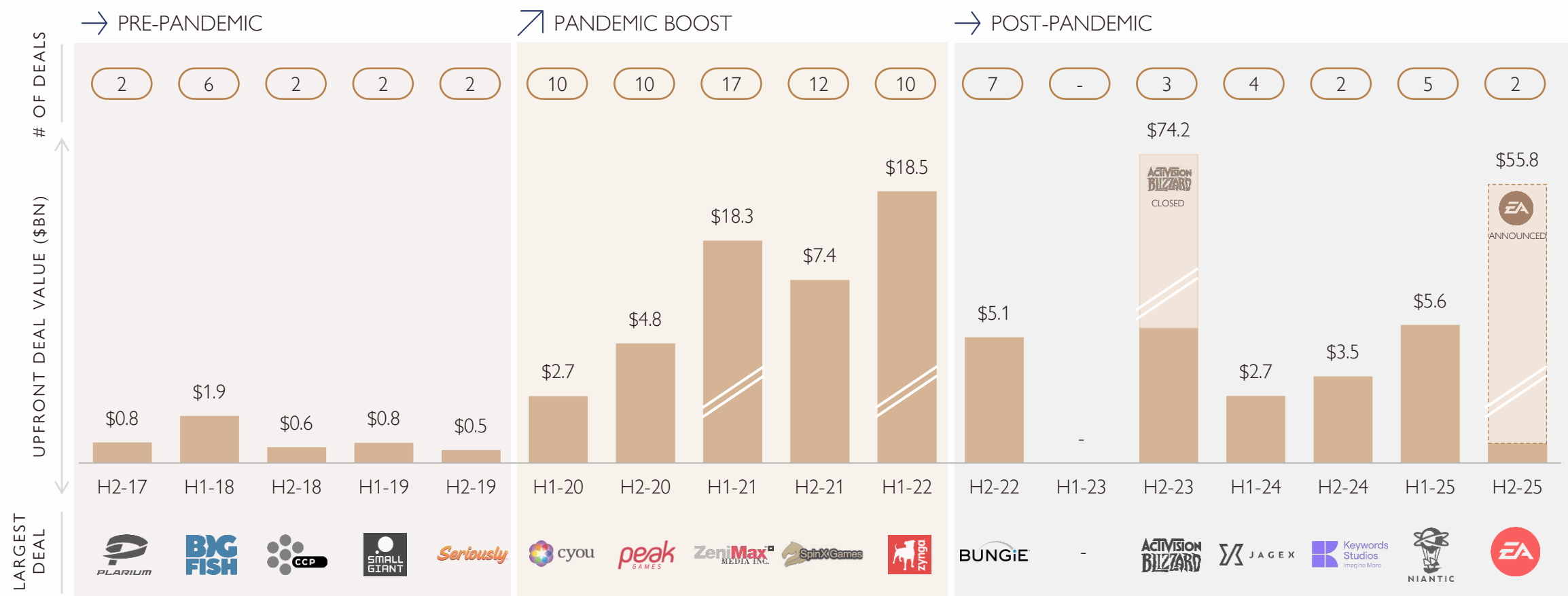


Buyers target scaled gaming publishers with established IPs

M&A activity across game developers & publishers

GAMING CONTENT CONTROL M&A DEALS (UPFRONT VALUATION >\$100M¹) BY CLOSING DATE

IG investgame



Transactions involving public entities have dominated recent M&A

Largest gaming acquisitions of the last twelve months

		iG investgame	
		SECTOR	COMPANY
		SECTOR	COMPANY
LTM MULTIPLES ²	TARGET	EA	EA
	ACQUIRER	PIF SILVER LAKE AFFINITY PARTNERS	BANDAI NAMCO
	EV ¹	\$55.0bn	\$464m ³ (deal value)
	SALES	7.4x	1.9x
	EBITDA	21.2x	10.4x
DATE		Sep-25 (announced)	Jul-25
LTM MULTIPLES ²	TARGET	APPROLO	NIANTIC GAMES
	ACQUIRER	AREAM & CO.	SCOPELY SAVVY GAMES GROUP
	EV ¹	\$800m	\$3.5bn
	SALES	0.6x	3.5x
	EBITDA	n/a	n/a
DATE		Jul-25	May-25
LTM MULTIPLES ²	TARGET	dream+	PLARIUM
	ACQUIRER	CVC Equity Blackstone Debt	MTG
	EV ¹	n/a	\$620m ⁴
	SALES	n/a	1.0x
	EBITDA	n/a	4.5x
DATE		May-25 (announced)	Feb-25
LTM MULTIPLES ²	TARGET	Easybrain	SuperPlay
	ACQUIRER	MINICLIP PLAY GAMES	Playtika
	EV ¹	\$1.2bn	\$700m
	SALES	3.8x	2.6x
	EBITDA	9.3x	n/a
DATE		Jan-25	Nov-24
LTM MULTIPLES ²	TARGET	Keywords Studios	Keywords Studios
	ACQUIRER	BPEA CPP Investments IQT TEMASEK	Keywords Studios
	EV ¹	\$2.7bn	\$2.7bn
	SALES	3.2x	3.2x
	EBITDA	15.9x	15.9x
DATE		Oct-24	Oct-24

Arearn &
Co.

Source: InvestGame

Note: (1) upfront enterprise value excl. earnout consideration; (2) based on upfront enterprise value; (3) minority M&A deal at \$16bn enterprise value; (4) incl. \$20m deferred payment

Largest public gaming takeovers side-by-side

EA Electronic Arts ANNOUNCED ON 29-SEP-2025



BUYER(S)

VALUATION & STRUCTURE

DEAL MULTIPLES

EV / REVENUE

EV / EBITDA

HEADCOUNT

PIF **AFFINITY PARTNERS** **SILVER LAKE**
SPONSOR-LED CONGLOMERATE

\$55.0bn

64% CASH / 36% DEBT

7.4x / **7.2x**
LTM NTM

21.2x / **19.0x**
LTM NTM

~14,500
~\$4m / FTE

ACTIVISION BLIZZARD ANNOUNCED ON 18-JAN-2022



Microsoft

PUBLICLY-LISTED STRATEGIC

\$68.7bn

100% CASH

7.6x / **7.3x**
LTM NTM

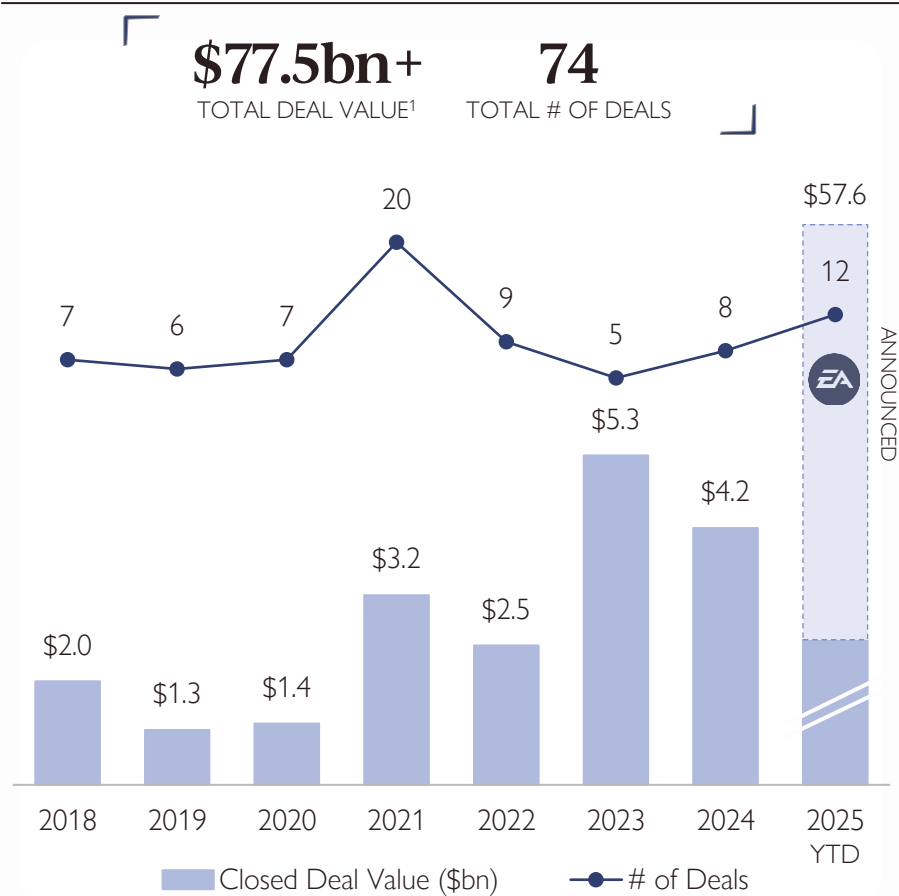
20.8x / **17.9x**
LTM NTM

~10,000
~\$7m / FTE

Institutional investments in gaming at all-time high

PE-backed transactions surge as institutional capital targets opportunities in gaming

SPONSOR-BACKED GAMING TRANSACTIONS



SELECT RECENT SPONSOR TRANSACTIONS



M&A BUYOUTS (CONTROL)

ANNOUNCED

EA

PIF
SILVER LAKE
AFFINITY PARTNERS

\$55bn

Sep-2025²

NIANTIC GAMES

SCOPELY
SAVVY GAMES GROUP

\$3.5bn

May-2025

impact46

\$52m

Aug-2025

GROWTH EQUITY (MINORITY)

MILLION VICTORIES

HAVELI

\$40m

Jul-2025

liftoff

GENERAL ATLANTIC

n/a

Jul-2025

dream CVC

Equity
Blackstone
Debt

n/a

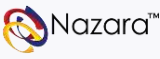
May-2025²

Asian gaming strategics accelerate dealmaking activity

INVESTING IN WESTERN TALENT

TARGET	INVESTOR	VALUE
 ELEVENTH HOUR GAMES	KRAFTON	\$96m
 ARROWHEAD	Tencent	\$80m
 paxie	 DOUBLEU GAMES	\$67m
 CURVE GAMES	 Nazara™	\$29m
 Fusebox	 Nazara™	\$27m
Architects Republic	KRAFTON	n/a
 LIGHTHOUSE GAMES	Tencent	n/a

ACCESSING CAPITAL MARKETS

ISSUER	DEAL TYPE	VALUE
 bilibili	Convertible Notes & Common Shares Issue	\$690m
 SHIFT UP	IPO	\$320m
kakaogames	Convertible Notes Issue	\$203m
 Nazara™	Preferred Shares Issued	\$57m
CTW	IPO	\$12m
 WINKING	IPO	\$10m

PURSUING TRANSMEDIA ASSETS

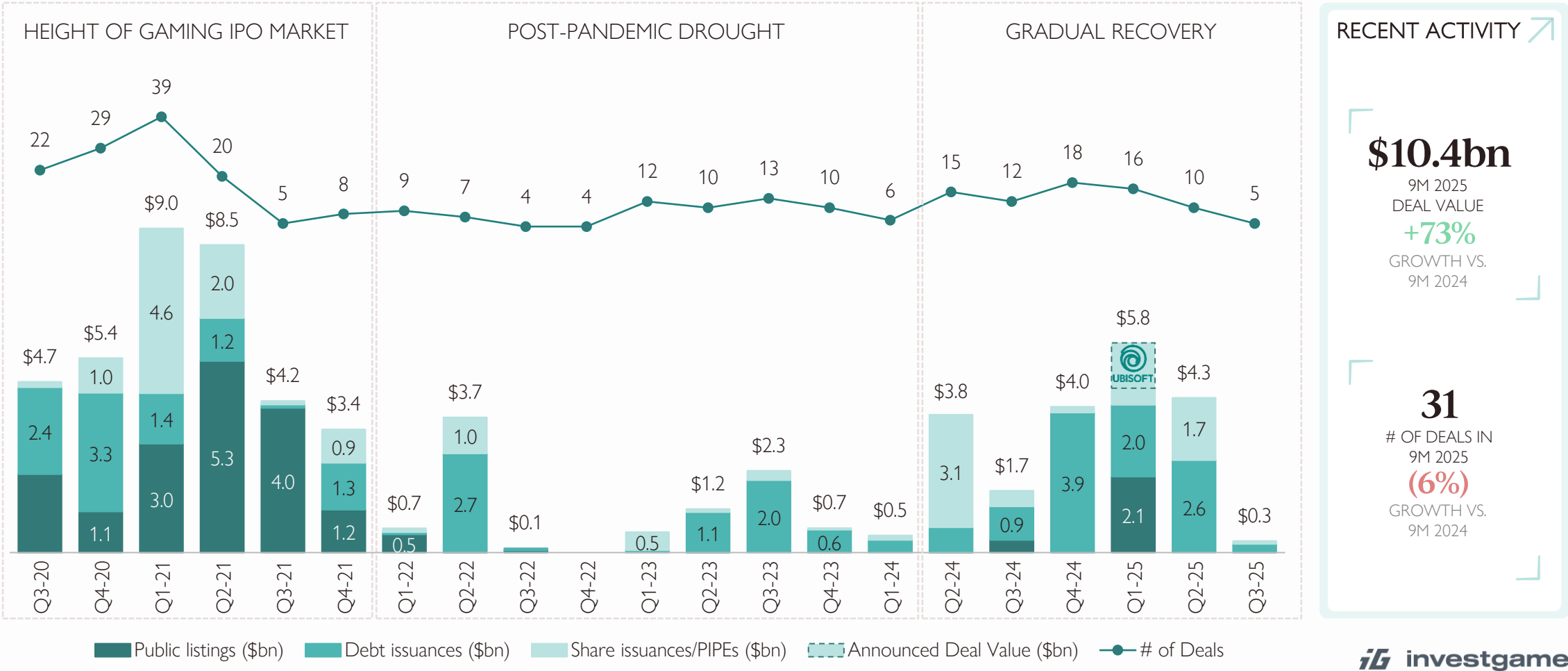
TARGET	INVESTOR	VALUE
 ADK	KRAFTON	\$517m
 BANDAI NAMCO	SONY	\$464m
 KADOKAWA	Tencent SONY	\$358m



4

Public Markets

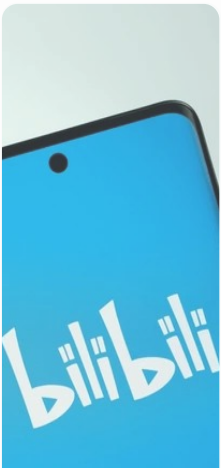
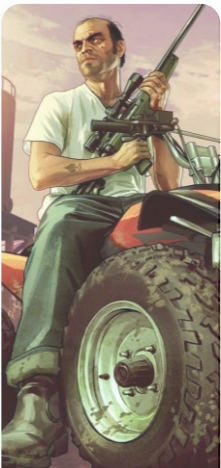
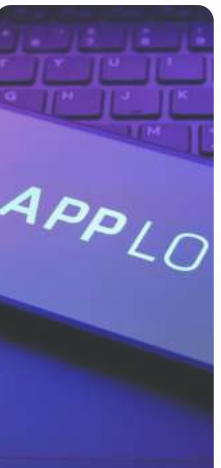
Public capital raising slows in Q3-25 after strong H1-25 performance



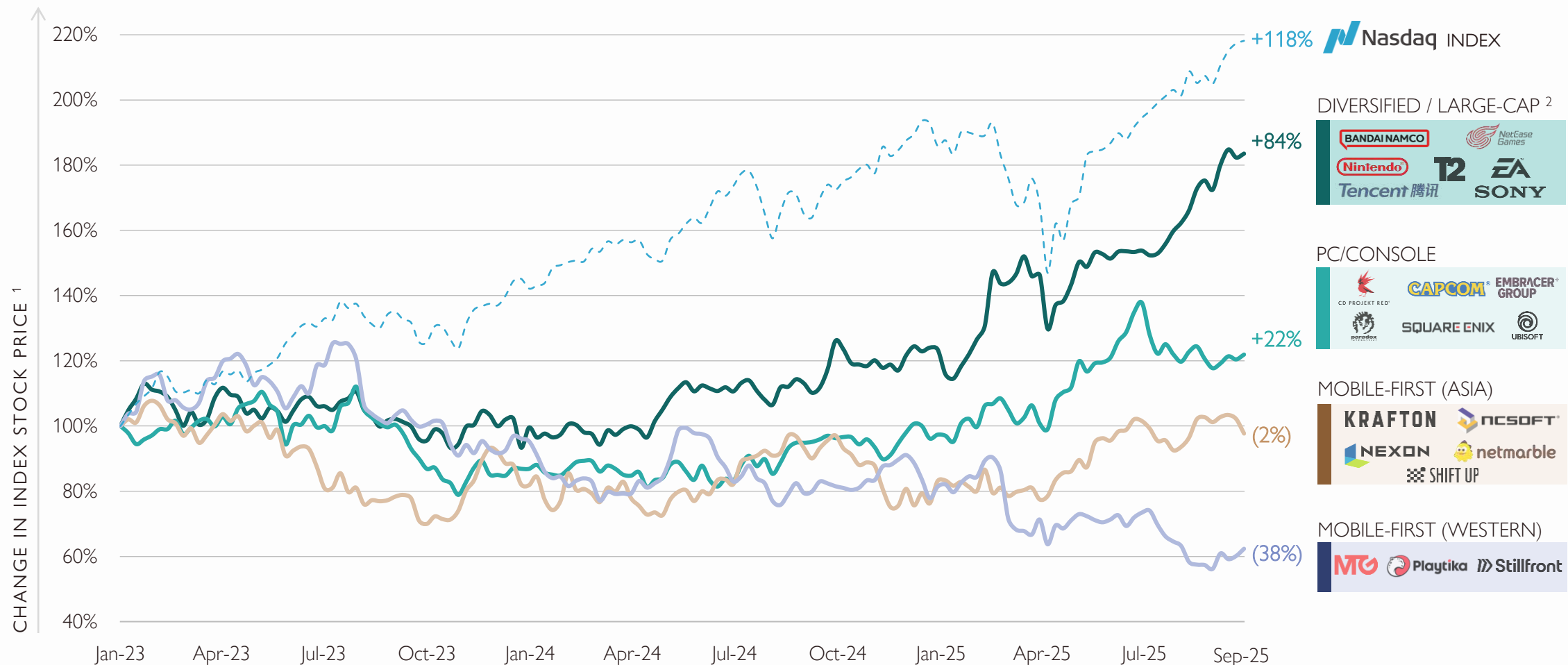
Limited public market activity in Q3-25 with one debt transaction

Largest public market transactions over the last twelve months¹

iG investgame

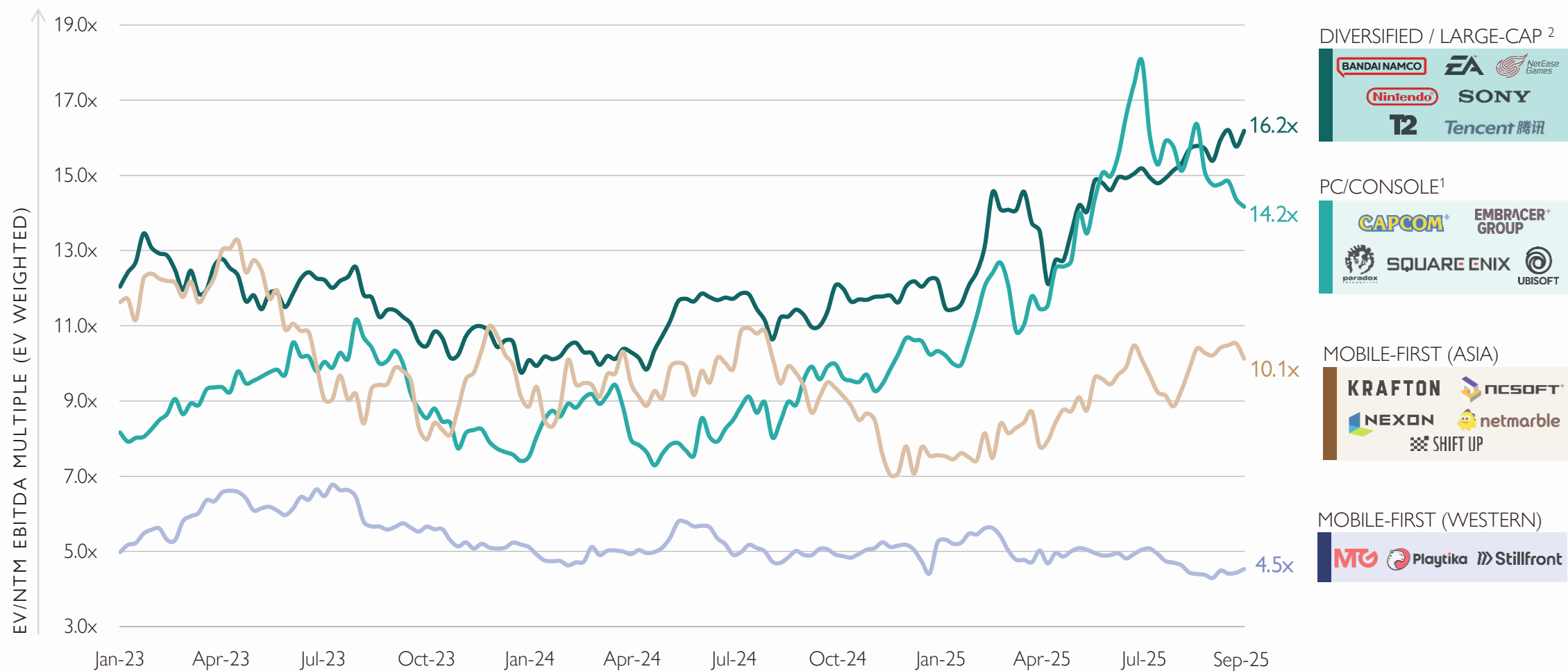
									
COMPANY									
DEAL TYPE	RCF ² & Loan Facility	Convertible senior notes	Convertible senior notes	Common stock	Investment (PIPE)	PIPE	Convertible senior notes	Credit facility & bond	Senior note
CAPITAL RAISED	\$0.23bn	\$3.55bn	\$0.69bn	\$1.04bn	\$1.25bn	\$0.36bn	\$0.60bn	\$0.30bn	\$3.55bn
		Notes \$2.3bn Notes \$1.3bn			Tencent	Tencent ~\$39m ³ SONY \$320m		RCF ² \$227m Bond \$77m	
DATE	Jul-25	Jun-25 / Mar-25	May-25	May-25	Mar-25 (announced)	Mar-25 / Jan-25	Feb-25	Dec-24 / Nov-24	Nov-24

Large-cap publishers continue to outperform gaming peers



Source: FactSet as of September 30, 2025
Note: (1) market cap-weighted index with chain-linking methodology; (2) Electronic Arts was excluded from the index calculation starting the day of first takeover rumors (September 26, 2025)

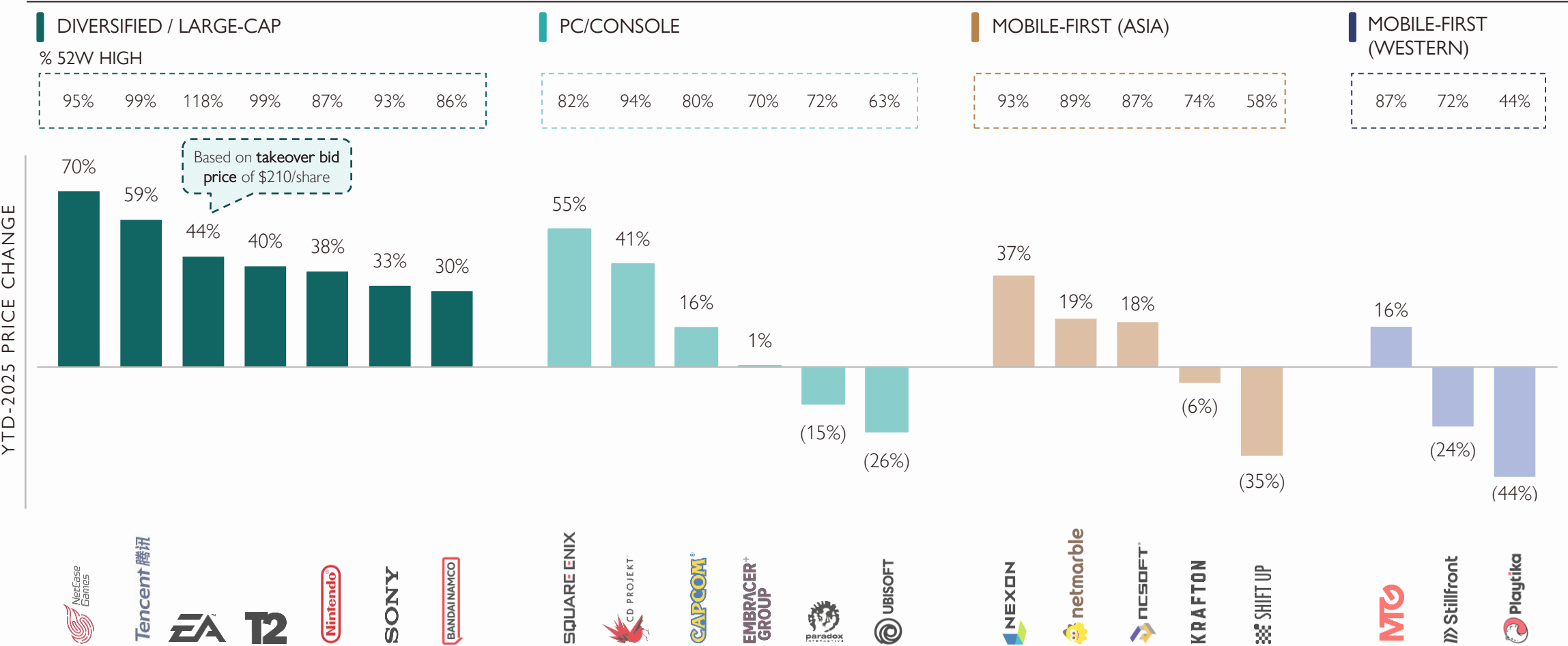
Diversified and PC/console publishers maintain a valuation premium



Source: FactSet as of September 30, 2025
Note: (1) excl. CD Projekt forward EV/EBITDA values; (2) Electronic Arts was excluded from the index calculation starting the day of first takeover rumors (September 26, 2025)

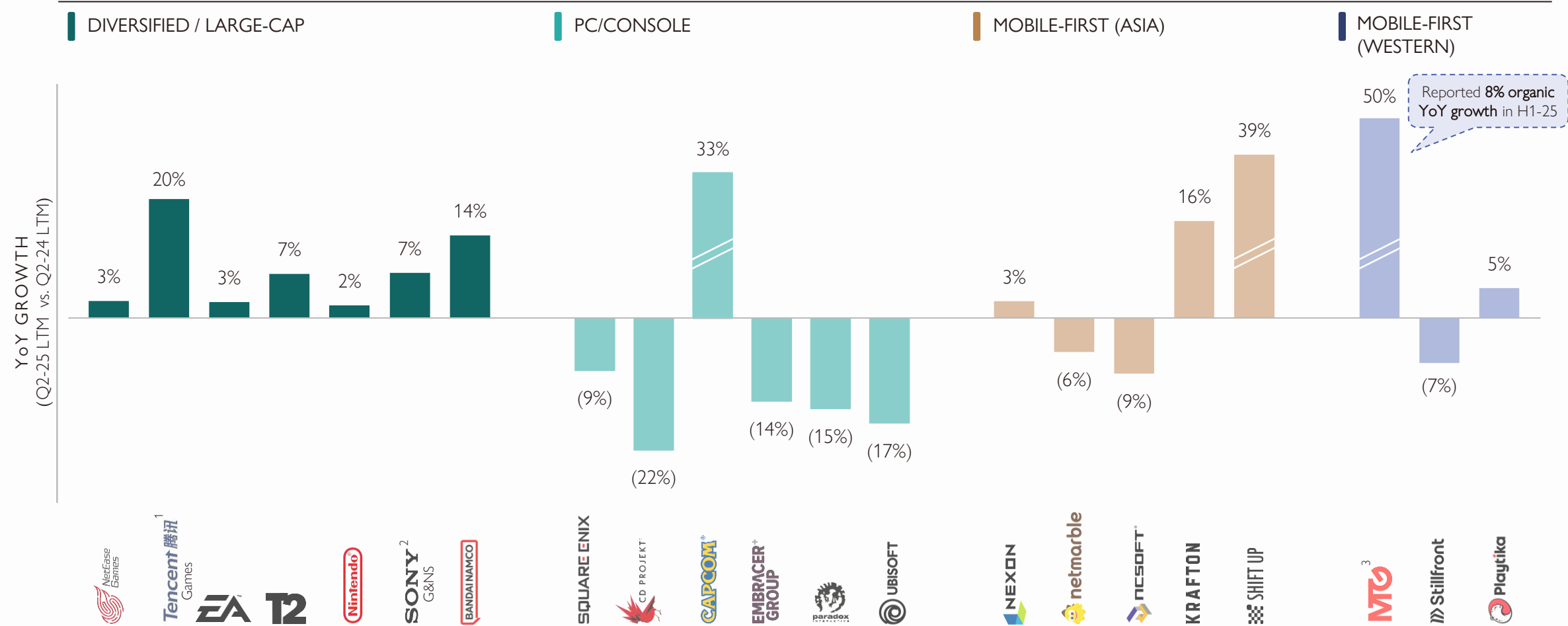
Company-specific execution, not broader segment trends, drives share price performance

SHARE PRICE PERFORMANCE AS OF 30TH SEPTEMBER 2025



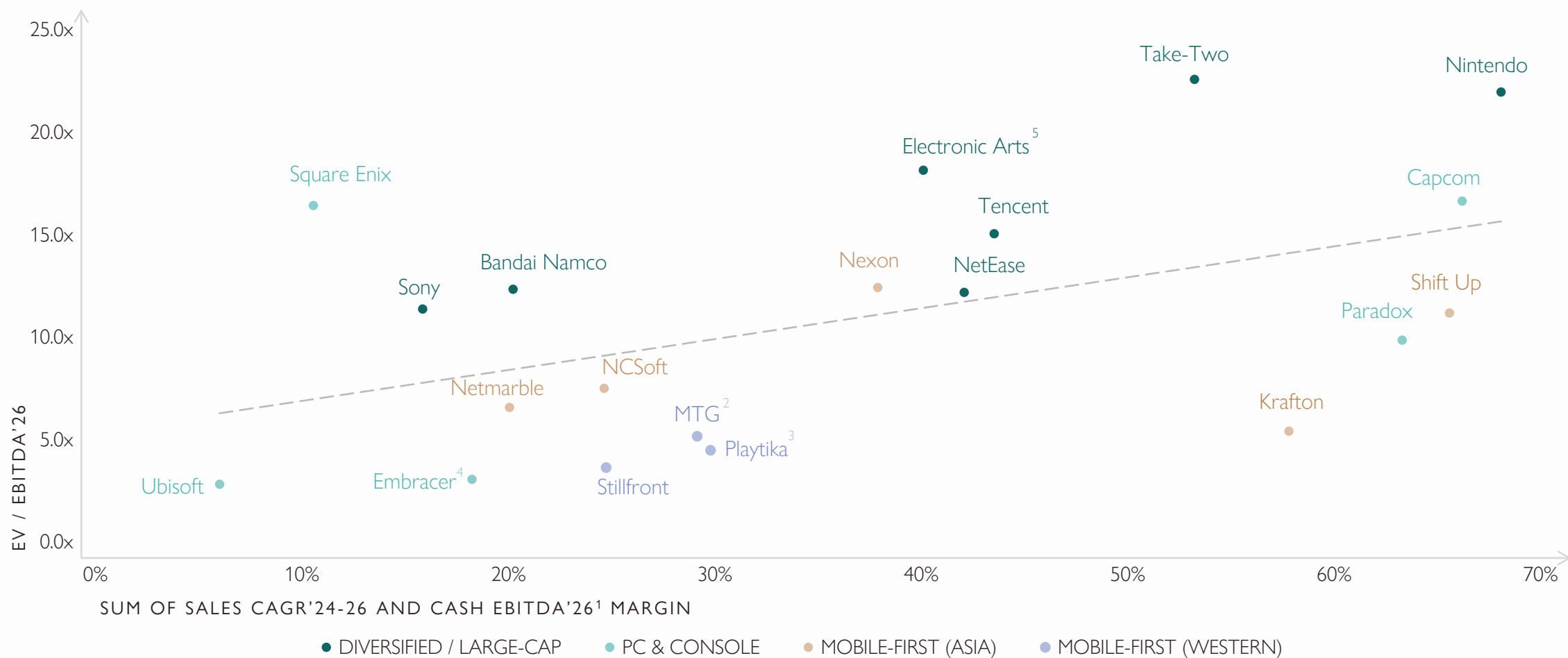
Diversified publishers sustain revenue growth while most mid-cap peers experience revenue headwinds regardless of platform

REPORTED LTM REVENUE GROWTH AS OF Q2-25CY



Growth and Profitability drive premium valuations

Regression analysis: forward-looking valuation vs. growth + profitability



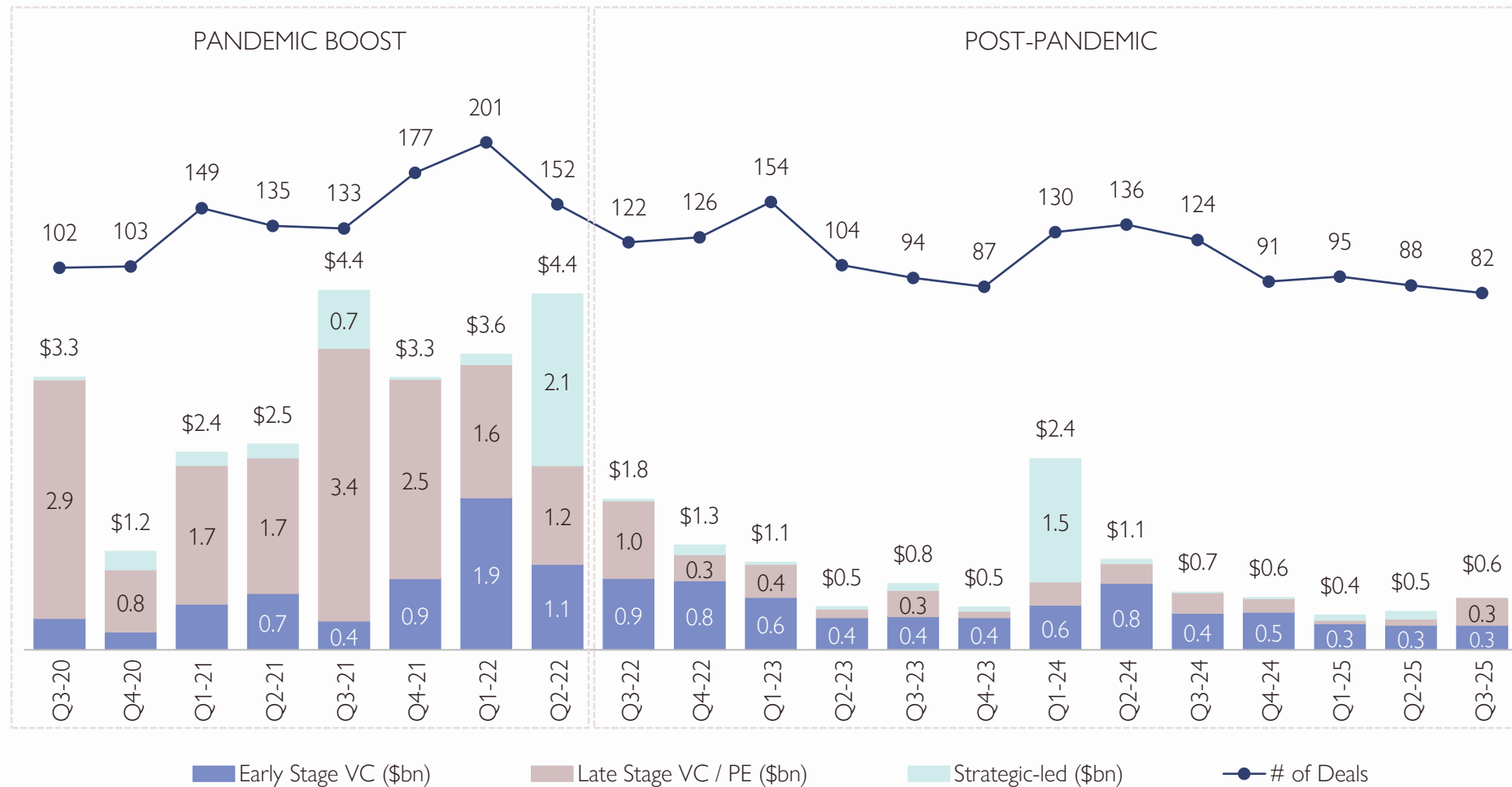
Source: FactSet as of September 30, 2025
Note: (1) Cash EBITDA = EBITDA – Capex; (2) MTG's organic revenue growth adjusted for Plarium; (3) Playtika's revenue growth adjusted for SuperPlay; (4) Embracer's revenue growth adjusted for Asmodee and Coffee Stain spin-off; (5) Electronic Arts' EV is based on a takeover bid price of \$210 (25% premium)



5

Private Investments

Gaming private investments facing continued pressure



RECENT ACTIVITY

\$1.5bn

DEAL VALUE IN
9M 2025

(63%)

CHANGE VS.
9M 2024

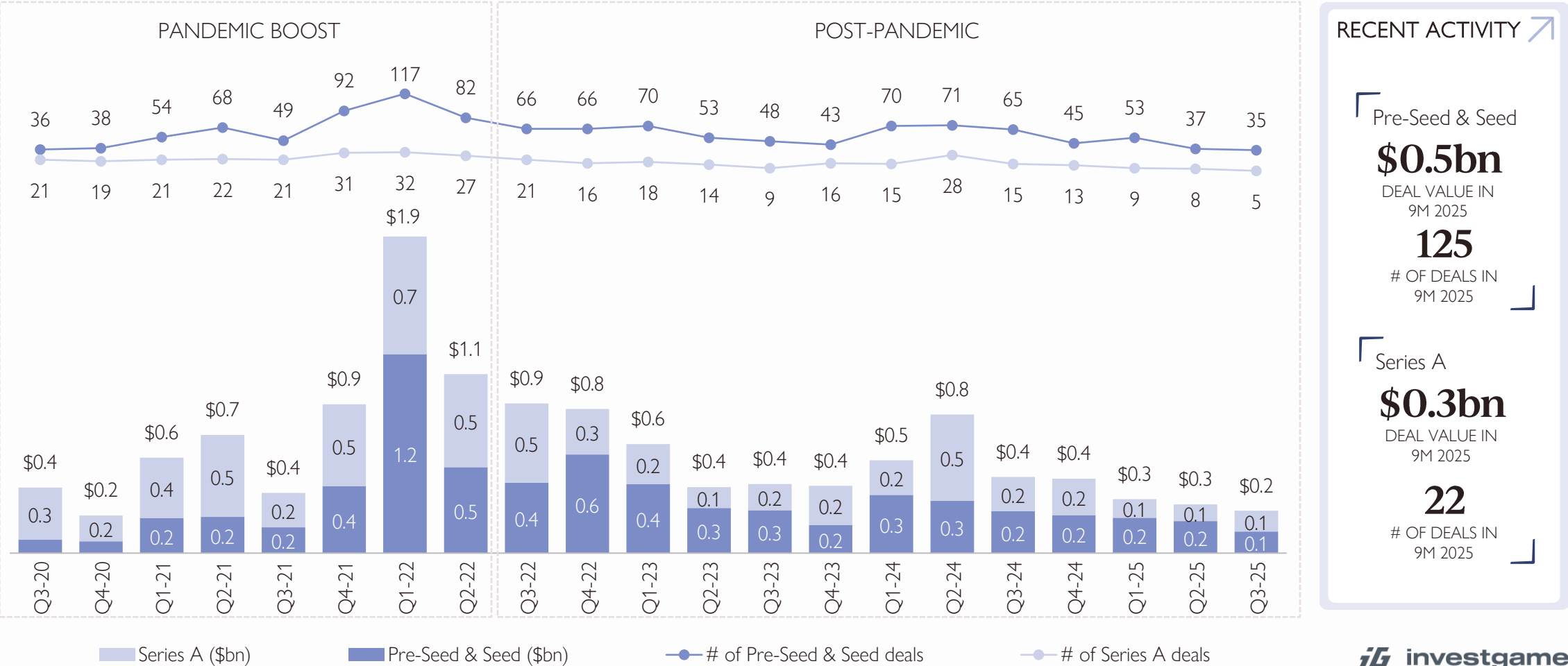
265

OF DEALS IN
9M 2025

LOWEST
QUARTERLY DEAL
VOLUME IN 5Y

Early-stage funding decline persists with Series A at five-year low

VC-led early-stage rounds (excl. web3 and esports)¹



Largest VC-led deals in Q3-25

GAMING CONTENT¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Jul-25		 ANTHOS 	Series A	\$60.0m
Jul-25			Seed	\$30.5m
Aug-25			Series B	\$15.0m
Sep-25	 Born		Series A	\$15.0m
Aug-25		n/a	Seed	\$8.0m
Jul-25			Seed	\$7.3m
Aug-25		 	Seed	\$5.0m
Aug-25			Seed	\$3.1m
Jul-25			Seed	\$2.5m
Sep-25			Seed	\$2.0m

PLATFORM & TECH¹

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Sep-25		n/a	Series B	\$100.0m
Aug-25		 	Series B	\$100.0m
Aug-25			Series B	\$58.0m
Aug-25			Series A	\$33.0m
Aug-25			Seed	\$5.4m
Jul-25			Seed	\$5.0m
Aug-25			Seed	\$5.0m
Sep-25			Seed	\$4.0m
Aug-25			Seed	\$3.3m
Aug-25			Seed	\$2.2m

Most active early-stage gaming VCs

Last twelve months activity¹

TOP-10 BY NUMBER OF DEALS (LTM)

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	 BITKRAFT	16	14	circle 
2	 A16Z GAMES	15	4	nunu.ai 
3	 Arcadia	14	3	goodjob games 
4	 GRIFFIN	11	10	AMPLITUDE STUDIOS 
5	 LATON	11	7	grand 
6	 vgames	9	5	Sett 
7	 SSU GAME VENTURES	9	2	my!gamez 
8	 PLAY	8	4	BIG GER 
9	 Lvp.	7	7	boby.ai 
10	 THE GAMES FUND	7	6	playgama 

TOP-10 BY DEAL VALUE (LTM)

 investgame

#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1	 BITKRAFT	\$113m	\$81m	circle 
2	 Bessemer Venture Partners	\$97m	\$15m	goodjob games 
3	 MENLO VENTURES	\$83m	\$83m	goodjob games
4	 PLAY	\$82m	\$24m	BIG GER 
5	 Arcadia	\$82m	\$9m	goodjob games 
6	 LATON	\$81m	\$20m	grand 
7	 A16Z GAMES	\$79m	\$18m	nunu.ai 
8	 GRIFFIN	\$64m	\$50m	AMPLITUDE STUDIOS 
9	ANTHOS 	\$60m	\$60m	goodjob games
10	Balderton capital	\$48m	\$48m	agave 

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