

Weekly News Digest #15

13

of announced deals

\$3.1B

announced deals' size

9

of closed deals



Epic Games raised \$1B in a private placement at \$28.7B valuation

Epic Games has announced the completion of a \$1B funding round, including a \$200m strategic investment from Sony. The current equity valuation of the company is \$28.7B, which represents a substantial (+65%) increase over Epic's previous funding round in August 2020 (raising \$1.78B at \$17.3B valuation).

According to Tim Sweeney, the investment will allow the company to accelerate its work on building the unique metaverse around Fortnite, Rocket League, and Fall Guys, while also providing game developers with the infrastructure, including Unreal Engine, Epic Online Services, and the Epic Games Store.

Taking into account the recently announced 3 acquisitions (RAD Game Tools, Mediatonic, Capturing Reality) since the beginning of 2021, Epic Games will most probably use the proceeds to continue its add-on acquisitions spree.



Krafton applies for IPO

South Korean video game holding **Krafton** has filed for preliminary approval to undertake an IPO on Korea Exchange (KRX), according to [Reuters](#).

Reuters also refers to Seoul-based analysts, who expect the IPO to become one of the year's biggest deals, estimating Krafton at ~\$18B valuation, which is substantially less than the \$27.2B reported by [Eugene Investment & Securities](#) in January.

The largest shareholders are Chang Byung-gyu (the founder of Krafton) with a 16.4% stake as of 2020, followed by Tencent's 15.5%.



Update: AppLovin makes \$2B IPO, with share prices falling 18.5% after the first day of trading

California-based mobile gaming, tech, and analytics company **AppLovin (NASDAQ: APP)** has secured approximately \$2B during an IPO with 90% primary and 10% secondary shares.

AppLovin's final price was \$80 per share, while the company's presumed price range was \$75 to \$85 per

share. The price fell by \$18.5% reaching \$65.2 at the end of its first day of trading. The company's current market cap is around \$21B (vs. \$31B market cap at IPO).

Read more about AppLovin's business in [our previous digest](#).



Dapper Labs is raising a new round at \$7.5B+ valuation

Just at the end of March 2021, InvestGame [reported](#) that Canada-based NFT development platform **Dapper Labs** raised \$305m in the funding round led by **Coatue Management** at a \$2.6B valuation. Other participants included Andreessen Horowitz, The Chernin Group, Venrock, and others.

Now according to [The Information](#), the company behind *NBA Top Shot*, *CryptoKitties*, etc. is raising another round in the midst of the NFT hype train, again led by Coatue Management, but now at a much higher valuation of more than \$7.5B. The round is said to not be closed yet, which means that the valuation could still become bigger.

Notable Transactions

MERGERS & ACQUISITIONS

US-based Creative Solutions, a division of US-based technology hardware company **The Vitec Group** [has acquired](#) US-based tech company **Lightstream**, which develops broadcasting and streaming apps and solutions with a focus on video games for up to \$35.9m.

According to [Daniel Ahmad](#), **Tencent** has acquired a 20.6% stake in **Surgical Scalpels Studio**, the developer behind the space shooter game, known as Project Boundary, to be released on PS4 and PC platforms in 2021.

VENTURE FINANCING

Canada-based esports and entertainment holding company **OverActive Media** [has announced](#) a second closing on its \$40m private placement.

US-based high school esports infrastructure company **Generation Esports** [has raised](#) \$10.8m in a Series A funding round led by **Altos Ventures** to finance the company's community programs.

Poland-based live streaming tech company **inSTREAMLY** [has closed](#) its \$1.3m Seed investment round to expand its live stream advertisement platform into new markets.

Singapore-based **Jambox Games** [has raised](#) \$1.1m of Seed funding and introduced a mobile game publishing platform to assist independent developers in India and Southeast Asia.

Singapore-based esports organization **RSG** [has received](#) a \$1m investment from Singapore-based esports private equity fund FrontSight Capital Fund, run by **Tembusu Partners**.

PUBLIC OFFERING

US-based esports digital media company **Enthusiast Gaming** [has filed](#) for listing on NASDAQ to expand the shareholder base and support the development of the company.



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