

iG investgame

Gaming Deals Activity Report Q1'22

Q1'22

Supermassive Start of the Year



In collaboration with **N A A V I K**

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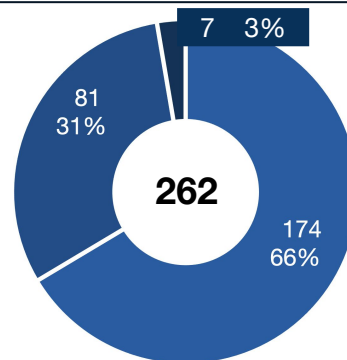
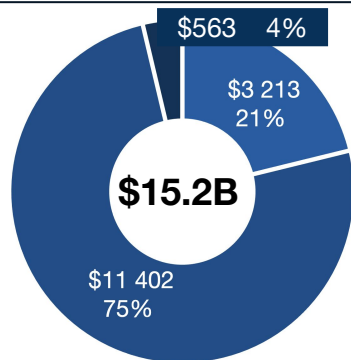
Q1'22 Closed Deals Tracked

By Deal Type

Value of Closed Deals*, \$m

Number of Closed Deals*

- Private Investments
- M&A
- Public Offerings



Total

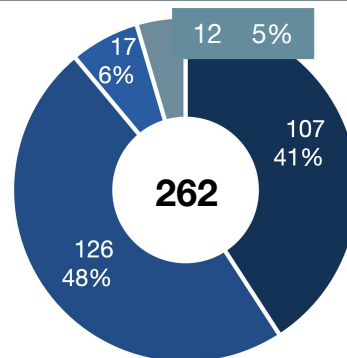
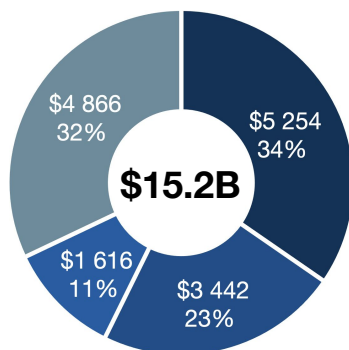
\$15.2B

value of 262 deals
(closed)



By Target Segment

- Gaming
- Platform&Tech
- Esports
- Other



\$100.3B

value of 269 deals (closed +
announced)

Note: (*) announced transactions are not included in the charts and graphs; see Methodology & Glossary

Executive Summary Q1'22

While the year of 2021 ended up smashing pretty much all the conceivable records in the Video Games industry, with the total value for both closed and announced transactions reaching a new record of \$80.4B across 967 deals, Q1'22 proved that Video Games can prosper even further as an industry: the total value of both closed and announced deals for the period achieved the jaw-dropping amount of \$100.3B (throughout 269 deals), already beating the full deal value of FY'21! Of course, the lion's share of this record belongs to the sensational \$68.7B Microsoft-Activision acquisition (which has yet to be approved), but either way, 2022 promises to be yet another exciting year for the industry — even despite some warning signs ahead.

In Q1'22, M&A deals reached almost the same results as in Q1'21 in terms of the deal count (81 closed deals), while the deal value saw a notable decrease of 23% YoY (\$11.4B). It should be noted, however, that almost 50% of the total deal value in Q1'21 came from the acquisition of ZeniMax Media by Microsoft for \$7.5B. The top 5 M&A deals contributed almost 68% of the total deal value, with only one being in the Gaming segment.

We saw a devastating Public Offerings YoY decrease, with only 7 deals of \$0.5B total value throughout Q1'22, against 38 deals of \$8.7B back in Q1'21. Nevertheless, we may already witness some potential improvements for the situation, with Take-Two underwritten public offering of Senior Notes for a total value of \$2.7B, and Embracer Group additional long-term debt funding for the total amount of \$0.4B. While some of the biggest private companies remain silent, we can still expect an increase in the activity, especially in the second half of 2022.

Private Investments started off with a robust first quarter, with 174 deals of \$3.2B total value; this represents the 36% growth YoY in the deal value (vs. \$2.4B in Q1'21), and 19% growth YoY in the deal count (vs. 146 in Q1'21). Blockchain gaming now dominates the Private Investment category, with 3 out of 5 top deals being related to the segment.

Gaming only

\$5.3B

value of 107 closed deals

\$90.3B

value of 113 deals (closed + announced)

Executive Summary Q1'22

The Gaming sector took up 35% of the total closed deals value, with \$5.3B across 107 deals — a significant YoY decrease against its performance in Q1'21 (\$21.5B across 162 deals, 82% of the total closed deals value), indicating investors generally cooling off their immense appetites for the pure Gaming companies, rising interests for the Blockchain gaming startups (88 deals in Q1'22 vs. 8 deals in Q1'21), and the general market corrections.

However, we don't expect this downward trend to continue further into 2022, since the cumulative deal value of the announced and closed Gaming transactions is \$90.3B, representing whopping 90% of the total value of the deals, announced and closed in Q1'22.

Blockchain-powered gaming again shows highly impressive YoY growth metrics: the total number of deals was up 11x YoY, while the total deal value was even stronger at 19.4x YoY (\$1.6B vs. \$83m); one of the many signs of dominance was that 50% of all Private Investments deal value deployed in Q1'22 have been associated with Blockchain.

However, the QoQ growth metrics have slowed down, compared to the 2021 QoQ growth rates, indicating the probable beginning of the 2022 market correction for the segment.

The top-15 gaming VCs entered this year with a tremendous growth in both the deal value (\$3B vs \$1.1B) and the deal number (100 vs. 43). Such significant results keep on proving the increasing venture interest in the Video Games industry, despite the lowering results in the Gaming sector. This quarter, BITKRAFT Ventures led the VC chart yet again, with 17 closed deals of \$208m total value; a16z and Makers Fund came in second and third respectively.

The top-15 Strategic Investors together showed a phenomenal 6.5x growth in the deal value, with a combined amount of \$94B (vs. \$14.4B in Q1'21), across such mega-deals as Activision Blizzard acquisition by Microsoft (\$68.7B), Zynga acquisition by Take-Two Interactive (\$12.7B), and Bungie acquisition by Sony (\$3.6B).

Gaming M&As only

\$4.0B

value of 52 closed deals

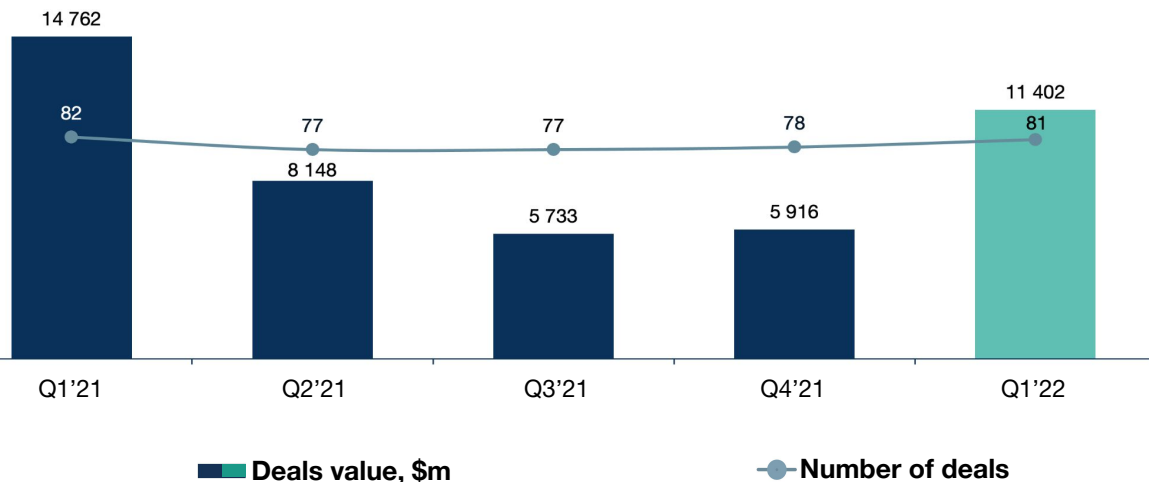
\$89.0B

value of 57 deals (closed + announced)

M&A Activity

In Q1'22, M&A deals reached almost the same results as in Q1'21 in terms of the deal number, with 81 closed deals, while the deal value saw a notable decrease of 23% YoY (\$11.4B). It should be noted, however, that almost 50% of the total deal value in Q1'21 comes from the acquisition of ZeniMax Media by Microsoft for \$7.5B.

Closed M&As in the Video Games Industry



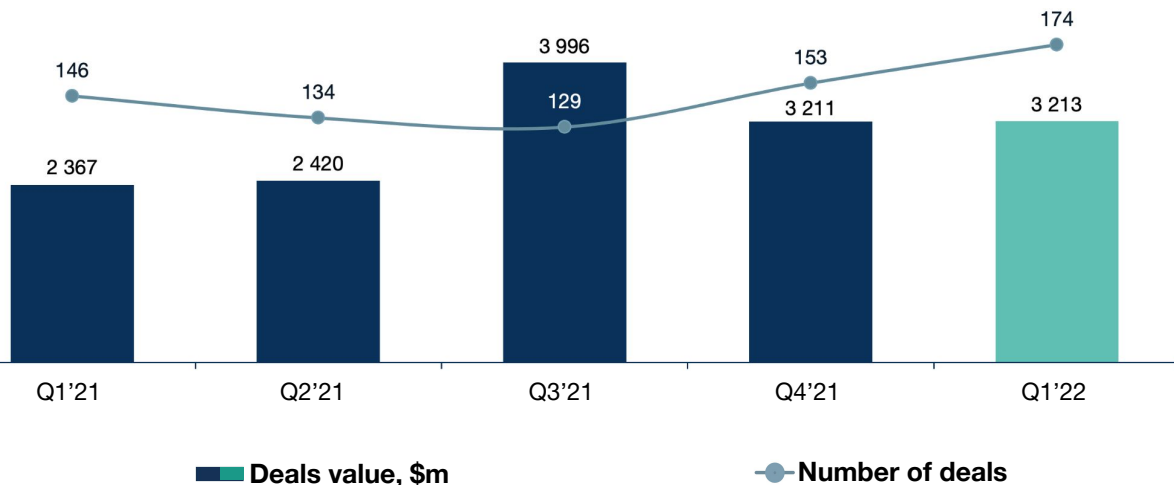
With the decreased share of the Gaming sector in the overall deal value, the Other sector (see Methodology & Glossary) with \$4.35B value (vs. \$1.3m in Q1'21) contributed 38% of the total M&A value, with 2 mega-deals here being Asmodee acquisition by Embracer for \$3.1B, and SteelSeries acquisition by GN Store Nord for \$1.2B; the Gaming sector moved to the second place (35% of the total M&A value), with the total deal value of \$4B (vs. \$14.3B in Q1'21); Platform&Tech and Esports segments shared the third place, showing significant growth in Q1'22 in terms of the deal value: \$1.5B vs. \$11.9m, and \$1.5B vs. \$17.1m respectively.

In Q1'22, **5 deals contributed almost 68% of the total deal value**, with only one being in the Gaming segment (Sumo Group acquisition by Tencent for \$1.3B), including the above-mentioned acquisitions of Asmodee and SteelSeries; also, MoPub acquisition by AppLovin (\$1.0B), and ESL Gaming acquisition by Savvy Gaming Group (\$1.0B).

Despite the decrease in the deal value in Q1'22, we can't really say that this might lead to a continuous negative trend. From our perspective, **the aggressive M&A activity will continue**, indicated by the 3 announced mega-deals, of the total value of \$85B: Activision Blizzard acquisition by Microsoft (\$68.7B), Zynga acquisition by Take-Two Interactive (\$12.7B), and Bungie acquisition by Sony (\$3.6B).

Private Investment Activity

Private Investments in the Video Games Industry



2022 has started off with a robust first quarter, with **VC and Corporate placements accounting for 174 deals of \$3.2B** total value; this represents the 36% growth YoY in the deal value (vs. \$2.4B in Q1'21), and 19% growth YoY in the number of deals (vs. 146 in Q1'21).

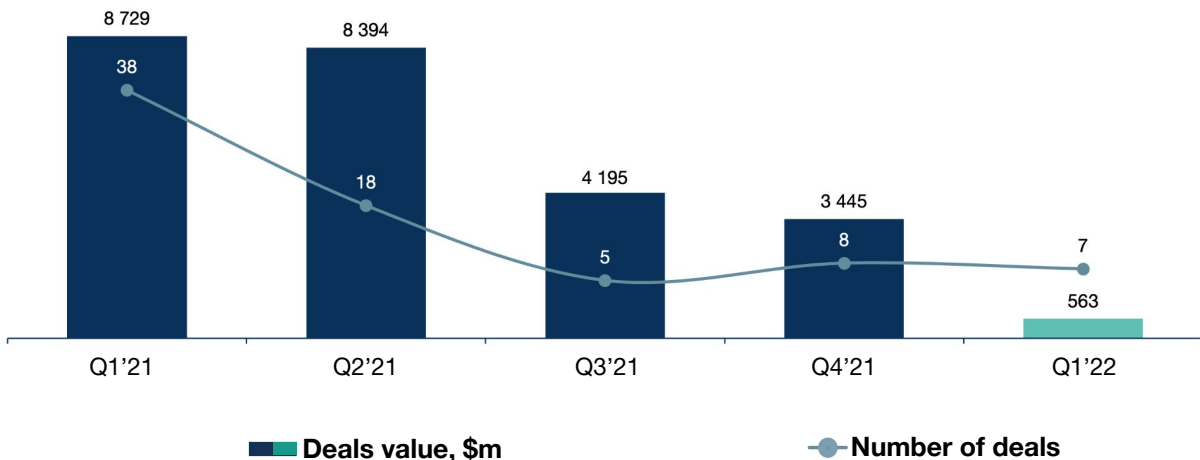
Early-stage investments have taken up more than half of the total deal value (56%), with \$1.8B of deployed capital across 153 deals; with Late-stage deals accounting for 41% (\$1.3B) across 12 deals, and Corporate placing \$68m across 9 deals.

Blockchain-powered tech now dominates the Private Investment category, with 3 out of 5 top deals being related to the segment: an outstanding \$450m Seed round of Yuga Labs (known for the BAYC, CryptoPunks, and Meebits NFTs) at \$4B post-money valuation, led by a16z crypto, taking up the first place; followed by Animoca round of \$359m at \$5B valuation, led by Liberty City, and Immutable \$200m Series C round at \$2.5B valuation, led by Temasek. The other two non-blockchain top deals include Dream Games \$255m Series C round at \$2.75B valuation, led by Index Ventures, and Thatgamecompany raising \$160m from TPG and Sequoia.

Overall, **50% of all Private Investments deal value deployed in Q1'22 have been associated with the Blockchain-powered gaming**, gathering \$1.6B across 85 deals; e.g., compare this to just \$82m across 8 deals in Q1'21, and \$3.1B across 132 deals in FY'21.

Public Offerings Activity

Public Offerings in the Video Games Industry



We saw a **devastating YoY decrease in the Public Offerings activity**, with only 7 deals of \$0.5B total value throughout Q1'22, against 38 deals of \$8.7B back in Q1'21.

- The Gaming segment contributed \$0.1B across 3 deals, with the Platform&Tech sector also showing somewhat weak results with only 2 transactions (including Versus Systems IPO), with the total disclosed proceeds of \$7m.

The reasons for Q1'22 being one of the lowest quarters for the Public Offerings activity might be partially correlated with the correction in the public markets, the increasing interest rate by the Fed, and the unstable political and financial situation in both Europe and the US.

We can already witness, however, **some potential improvements for the situation**, with Take-Two underwritten public offering of Senior Notes for a total value of \$2.7B, and Embracer Group additional long-term debt funding for the total amount of \$0.4B. While such huge companies as Epic Games, Discord, and Scopely, f.ex., remaining silent, we can still expect an increase in the Public Offerings activity, especially in the second half of 2022, depending on the Fed's future decision regarding the interest rate, and the potential financial stabilization.

Top-15 VC Funds

Rank*	Venture Capital Fund	# of Total Deals	Total Deal Value**, \$m	# of Leading Deals	Leading Deals Value**, \$m	Selected Lead Deals
1	BITKRAFT Ventures	17	208	10	87	Lightforge Games, GGWP, Inworld Ai, Studio 369
2	Andreessen Horowitz (a16z)	5	502	5	502	Yuga Labs, Carry1st, Pahdolabs, Alta, Battlebound
3	Makers Fund	10	440	6	21	Alta, Trailblazer Games
4	Index Ventures	2	295	2	295	Dream Games, Backbone
5	Griffin Gaming Partners	12	145	2	61	Spyke, Digital Insight Games
6	Tiger Global	4	168	2	85	PortalOne, Metafy
7	Galaxy Interactive	5	53	2	14	Ncore, Mirror World
8	The Games Fund	5	12	5	12	HypeMasters, Made on Earth Games
9	Sisu Games Ventures	10	31	5	4	Roleverse, Extra Dimension Games, DieNo Games
10	Play Ventures	7	57	2	8	Original Games, Block Tackle, Kek Entertainment
11	Sequoia Capital	7	547	1	7	Galaxy Fight Club
12	Hiro Capital	2	118	1	76	FRVR
13	Transcend Fund	4	196	1	5	Gardens
14	vgames	8	-	7	-	-
15	Lightspeed Venture Partners	5	227	-	-	-

Note: (*) based on the internal weighted average ranking system; (**) based on investments with the disclosed deal value

Top-15 Strategic Investors*

Rank**	Strategic Investor	# of deals	Disclosed Value, \$m	Deal Type	Investment Focus
1	Microsoft	1	68 700	M&As	PC&console
2	Take-Two Interactive	1	12 700	M&As, Corporate	PC&console, Mobile
3	Sony	5	3 640	M&As, Corporate	PC&console, Tech
4	Saudi PIF (incl. Savvy Gaming Group)	5	2 735	M&As, Corporate	PC&console, Esports
5	Tencent incl. subsidiaries	6	1 263	M&As, Corporate	PC&console, Mobile
6	Embracer Group	2	3 100	M&As	PC&console, Mobile, Board Games
7	AppLovin	1	1 050	M&As	Tech, Mobile
8	Team 17	3	217	M&As	PC&console
9	Nexters	3	125	M&As	Mobile
10	Krafton	4	78	M&As, Corporate	Mobile, Tech
11	Overwolf	3	33	M&As, Corporate	P2E, Tech
12	Nacon	2	61	M&As	PC&console
13	Stillfront Group	1	301	M&As	Mobile, PC&console
14	Scopely	2	20	M&As, Corporate	Mobile
15	Ubisoft	2	16	Corporate	PC&console, P2E

Note: (*) including recently announced and unclosed transactions; (**) based on the internal weighted average ranking system, this rating reflects most active strategics, thus the deal value alone does not guarantee the top spot — the number of deals is substantial too.

In Q1'22, the **top-15 Strategic Investors showed a phenomenal 6.5x growth** in terms of the deal value, with a combined amount of \$94B (vs. \$14.4B in Q1'21) across 41 deals (vs. 78 in Q1'21).

Microsoft took the first place with the biggest and probably one of the most influential deals in the gaming industry yet, — the acquisition of Activision Blizzard for \$68.7B.

The acquisition of the mobile gaming company Zynga for \$12.7B helped Take-Two Interactive reach second place of the rating.

Not only Sony started the year with 5 deals, but the company also initiated one of the mega-deals: the acquisition of Bungie, an original developer of the *Halo* series and a studio behind the *Destiny* franchise, for \$3.6B.

For the first time ever in the list, there is a strategic investor from the MENAP region, — Saudi Private Investment Fund ('PIF'), with 5 deals of \$2.7B total value, including investments in 3 public gaming companies.

Other notable investors include:

- Tencent with 6 deals, including Sumo Group takeover for \$1.3B;
- Embracer Group with 2 deals, including the acquisition of the board games developer and publisher Asmodee, for \$3.1B;
- AppLovin with \$1.05B MoPub acquisition.

With the already skyrocketing results in Q1'22 (compared to FY'21), and the announcements from such notable Strategic Investors as Embracer, Sony, and Microsoft, as well as the increased activity from the MENAP investors, **we see a very strong possibility of the even more sizable deals** happening in the year of 2022.

Q1'22 Largest Closed and Announced M&A Transactions

 Microsoft  ACTIVISION®

\$68.7B

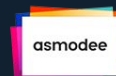


 zynga.

\$12.7B

 SONY  BUNGIE® **\$3.6B**

 EMBRACER+
GROUP



\$3.1B



\$883m stake in Feb'22
\$332m stake in Feb'22
\$235m stake in Mar'22



\$1.05B for the 100% stake

\$450m for the 100% stake

Gaming Companies

 **investgame**

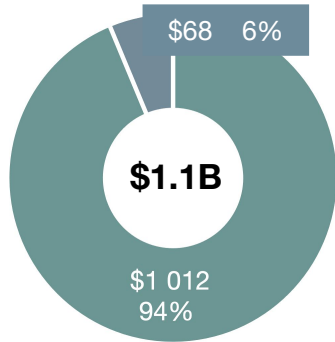
Gaming: Investment Activity

With \$1.1B throughout 52 deals, **Gaming investment activity has been seeing a decline in the deal value**, demonstrating a 2.5x YoY decrease in the deal value against Q1'21 (\$2.7B), plus a 1.9x YoY decline in the number of deals (52 vs. 96); this, along with the Q2-Q4'21 numbers, might seem like a somewhat fading interest of investors in the pure Gaming companies, what with the rising interest in Blockchain-powered gaming, combined with the generally harsher market conditions of today.

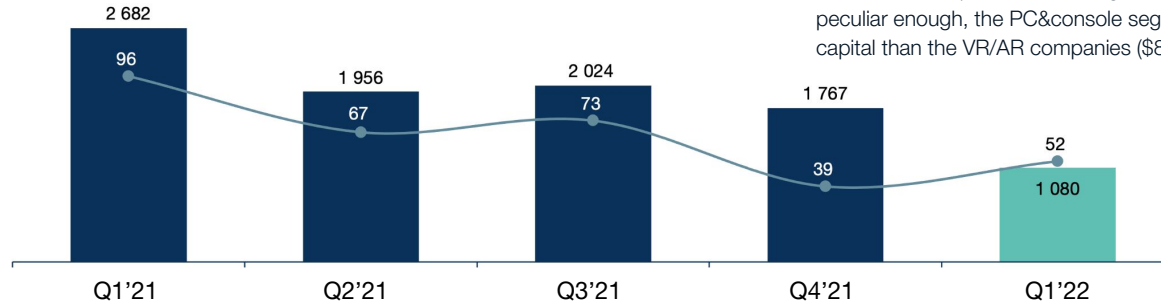
- 8 Late-stage placements provided \$678m (63%), topped by \$255m Series C of Dream Games, against 5 deals of \$730m total value in Q1'21;

- However, 37 Early-stage VC deals contributed \$334m of disclosed deal value (31%), with the biggest deal being a casual games platform Frvr raising \$76m from Hiro Capital (lead), Accel and Makers, followed by the \$55m social mobile games studio Spyke Seed round, and two \$25m Series A deals, raised by Gamefam (Roblox games developer) and Frost Giant Studios (indie games studio); for comparison, there were 50 Early-stage Gaming deals in Q1'21, with the total disclosed deal value of \$260m, meaning the rounds have become less frequent, but bigger on average (\$6.4m/round in Q1'21 vs. \$10.1m/round in Q1'22);
- No PIPE deals have been announced or closed in Q1'22, in a stark contrast to Q1'21, which saw 13 deals of \$1.6B total value.

Q1'22: Deal Value, \$m



Investment Activity* in the Gaming Sector



Mobile companies dominated the sector's activity, with \$600m put across 23 deals, followed by Multiplatform (\$308m across 11 deals), and VR/AR segments (\$88m across 5 deals); peculiar enough, the PC&console segment has seen fewer capital than the VR/AR companies (\$84m throughout 13 deals).

VC Corporate PIPE, Other

Deals value, \$m

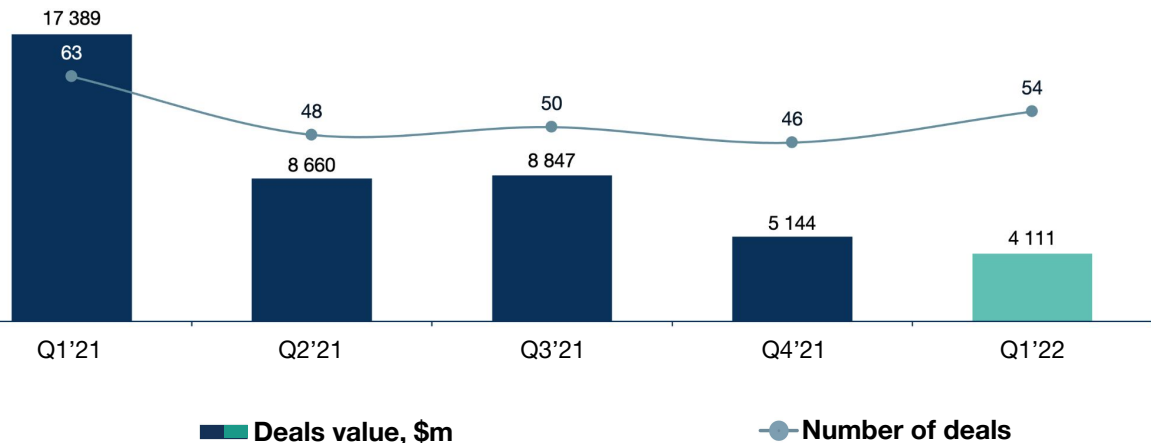
Number of deals

Note: (*) Investment Activity includes Private Investments and PIPE, Other

Gaming: M&A and Exits Activity

Exits* in the Gaming Sector

Note: (*) Exits include M&As, direct listings, SPACs, and IPOs



The Gaming sector in Q1'22 showed a dramatic decline of 76% YoY to \$4.1B in the deal value, with a slight decrease in the total number of deals (from 63 in Q1'22 to 54 in Q1'22).

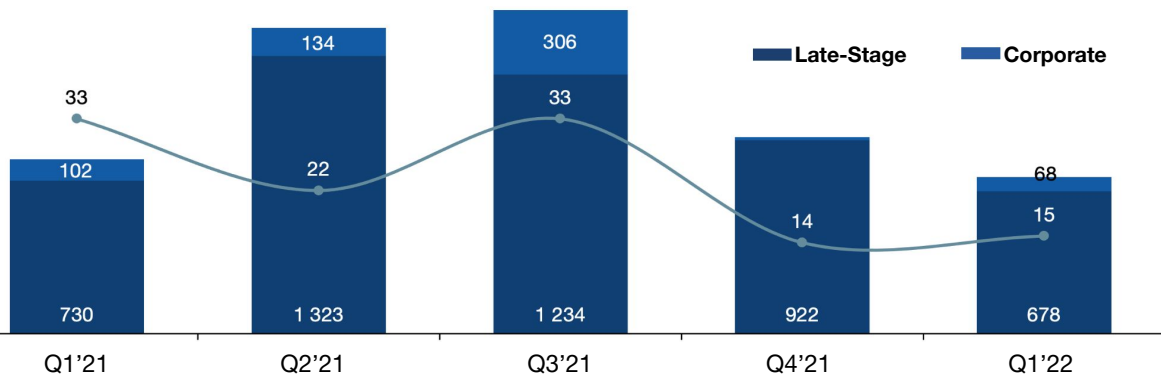
M&A deals continued to be the main contributor to the exit activity, with the overall share increase from 85% (\$14.7B) in Q1'21 to 98% (\$4.0B) in Q1'22. Meanwhile, Exits contributions showed a notable decrease from 7 public listings in Q1'21 with a total value of \$2.6B, to just 2 deals of \$0.1B total value (2% of the total value).

Even with the notable decrease in all the segments in both the deal count and the deal value, the PC&console segment still took up the first place in Q1'22, and contributed 42% of the total deal value (\$1.7B vs. \$9.4B in Q1'22) in 22 deals (vs. 31 deals in Q1'21). Multiplatform, for the first time, overtook Mobile at the second place, with the total amount of \$1.6B (vs. \$0.9B in Q1'21) across 10 deals (vs. 11 deals), while the Mobile segment came in third deal number-wise (17 deals vs. 15 deals), with the total amount of only \$0.8B (vs. \$6.9B in Q1'21).

It might seem that there is a continuous negative trend in terms of the deal value, but this fall-off might be potentially offset by both the already announced mega-deals (such as Zynga acquisition by Take-Two Interactive (\$12.7B), and Bungie acquisition by Sony (\$3.6B)), and the M&A activity of huge strategic investors, including Embracer Group, which has \$1B of cash and credit facilities at hand to finance the future acquisitions. Meanwhile, we see a clear drop of interest in the Public Offerings activity, due to the current market correction and the increasing interest rate by the Fed.

Gaming: Late-stage VC & Corporate

Late-stage VC & Corporate Activity in the Gaming Sector, \$m



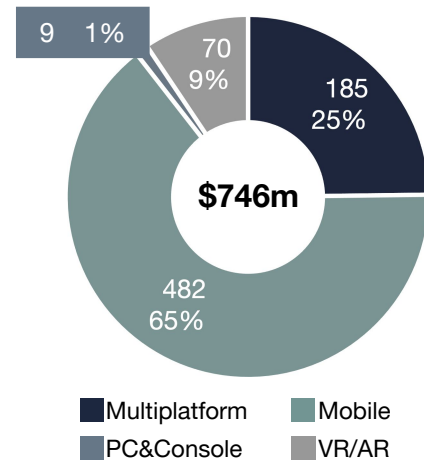
The number of the Late-stage VC & Corporate deals in Q1'22 was down more than half compared to Q1'21, with the **deal value showing only a slight decline** (-10.3% YoY). At the same time, the average size of the disclosed deals fell 2x (\$62m in Q1'22 vs. \$119m in Q1'21), while the deal count increased from 7 in Q1'21 to 12 in Q1'22.

The segment ratio has significantly changed, compared to Q1'21: a year ago, the Mobile segment brought in only 22% in the deals value, while Multiplatform was responsible for 68% of all the capital raised. In Q1'22, **Mobile was the largest segment** in terms of the total deal value with \$482m raised (65%) across 7 deals, followed by Multiplatform with 3 deals of \$185m total value (26%).

3 deals comprised 71% of the Late-stage VC & Corporate deal size in Q1'22:

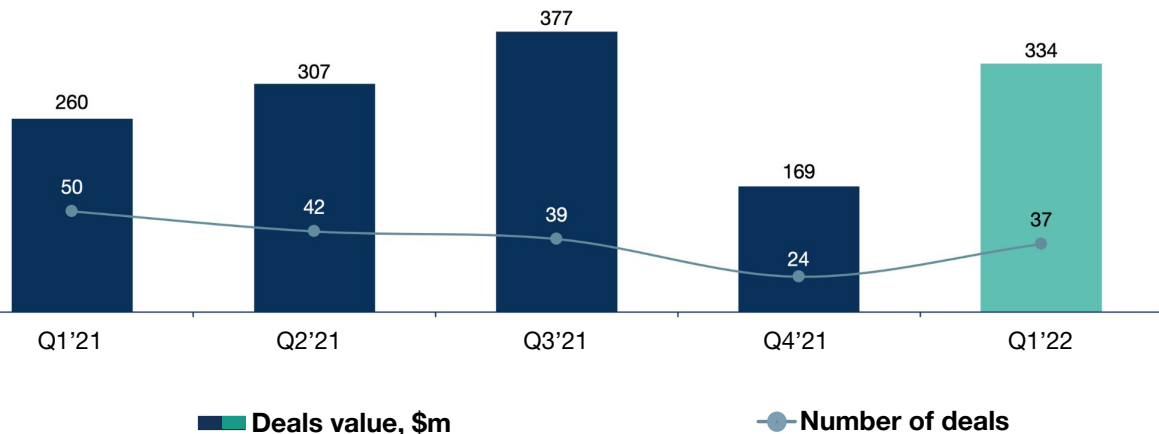
- Turkish mobile games developer Dream Games closed \$255m Series C round, led by Index Ventures, bringing the company's valuation to \$2.75B;
- US-based multiplatform games developer Thatgamecompany received \$160m investment from TPG and Sequoia;
- UK-based mobile gaming studio Tripledot secured \$116m of Series B funding at \$1.4B valuation, in a round led by 20VC.

Q1'22: Deals Value, \$m



Gaming: Early-stage VC

Early-stage Investment Activity in the Gaming Sector, in \$m



Compared to Q1'21, **Early-stage investments in Q1'22 decreased in quantity** with 37 deals (-26% YoY), but increased in terms of the amount of funding — \$334m (+28% YoY).

Thus, in Q1'22 the average check showed a 1.6x growth YoY (\$10.1m/round vs. \$6.4m/round), while the declined number of deals could potentially indicate **either more demanding requirements for the potential targets, or the lowering interest in this particular segment.**

25 Seed rounds were closed with a total amount of \$129m (vs. 38 deals of \$137.5m in Q1'21), while 12 Series A rounds amounted for \$205m, or 61% of the total deal value (vs. \$123m, or 47% in Q1'21).

The Multiplatform segment took up the first place with \$123m (37%) raised across 8 deals (vs. \$79m across 13 deals in Q1'21); it overcame the Mobile segment, which raised \$117m (35%) throughout 16 deals (vs. \$139m throughout 23 deals in Q1'21). PC&console came in third, with \$76m (23%) raised across 10 deals (vs. \$25m across 8 deals back in Q1'21).

The top 4 deals with the total deal value of \$181m contributed almost 54% of all value, including FRVR Series A round of \$76m, Spyke Seed round of \$55m raised, and two Series A rounds of Frost Giant Studios and Gamefam, each raising \$25m.

The US market was still the most attractive one for investors, with \$134m (40% of the total deal value) raised across 12 deals (vs. \$102.9m, raised across 14 deals in Q1'21). Turkey came in second, with \$66m (20% of all value) raised throughout 5 deals (vs. \$59m throughout 14 deals in Q1'21).

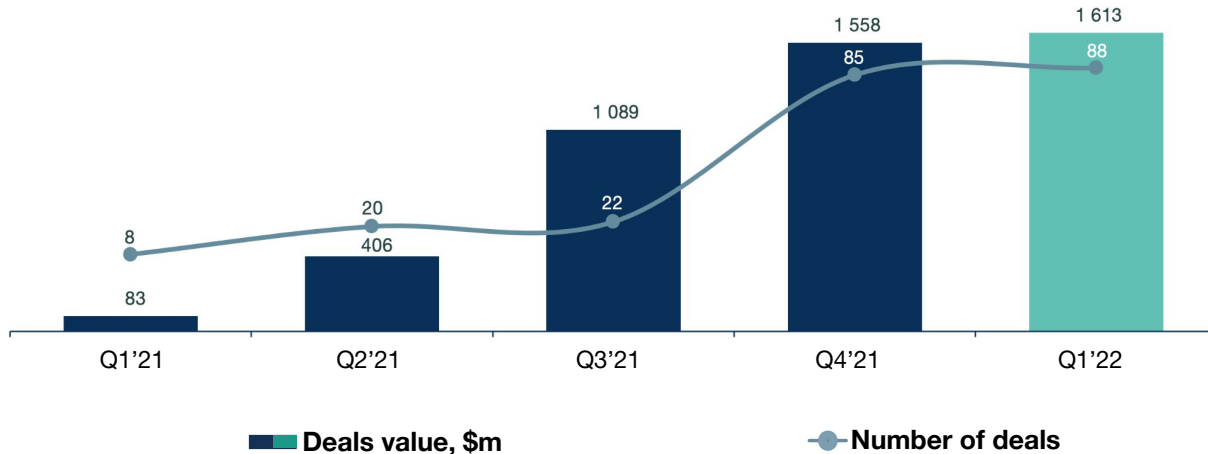
Blockchain Gaming

 **investgame**

Blockchain Gaming Deals

Presented by  NAAVIK

Blockchain Gaming Deals in the Video Game Industry**



In Q1'22, we continue to see highly impressive YoY growth metrics in the blockchain gaming portion of the industry: the total number of deals was up 11x YoY (88 vs. 8), while the total deal value was even stronger at 19.4x YoY (\$1.6B vs. \$83m).

While the above showcases the continued investor interest in the potential future of uniquely enabled business models through blockchain games, the QoQ growth metrics have slowed down a bit, compared to the QoQ growth rates of 2021, probably indicating the beginning of the 2022 market correction we predicted in the [last report](#). The total number of deals for Q1'22 saw a 3.5% QoQ growth (88 vs. 85), and the total deal value was 3.5% higher QoQ (\$1.6B vs. \$1.56B).

The biggest Q1'22 deals were Yuga Labs \$450m Seed round (led by a16z crypto), Animoca Brands \$358m Series B+ (led by Liberty City Ventures and 10T Holdings) and Immutable \$200m Series C (led by Temasek).

Note: (*) the following analysis has been provided by Naavik consulting firm, based on InvestGame data; (**) only closed deals are reflected in the graphs

Blockchain Gaming Deals



Over the quarter, ~88% of the deal count and ~57% of the deal value was concentrated in Seed round investments. The latter was mainly due to Yuga Labs massive \$450m Seed round raise. However, even on removing that outlier, the average Seed round check sizes were still bigger than in the previous quarters (~\$6.6m/deal vs ~\$3.4m/deal in Q4'21).

Around half of all the Seed round deals were higher than the ~\$4m/deal average, with New Sin City, MetaMagnet, Idle StoneAge, Sidus Heroes, Eternal Labs, and Affyn seeing Seed check sizes >=\$20m.

The remaining ~43% of the quarter's deal value was in various Series A/B/B+/C across a total of 11 deals. The top 4 notable were Animoca Brands at \$359m (Series B+), Immutable at \$200m (Series C), Everyrealm at \$60m (Series A), and Fan Controlled Football (FCF) at \$40m (Series B).

If there was one head-scratcher investment this past quarter, it was Yuga Labs \$450m 'Seed' round! With the company valued at \$4B and top-tier VCs like a16z, LionTree and FTX participating in the round, they want to create a 'truly decentralized and interoperable' gaming metaverse, that 'makes all other metaverses obsolete'.

Not only were we left with more questions than answers while consuming [their pitch deck](#), but the lofty goals/promises pitched around a fully interoperable, SDK-ready, 'MetaRPG' gaming metaverse experience raised all kinds of red flags. That said, Yuga Labs now has a significant war chest, and the BAYC NFTs are owned by some of the most popular people in the world. In other words, they have a development budget to put to use, and theoretically have the strongest influencer marketing roster ever! This will definitely be one company to watch over 2022/23.

Animoca Brands \$358m Series B+ is important not just for them as a company, but for the brands and companies they partner with across their ecosystem. They were valued at \$2.2B in 2021, and 2022 kicked off stronger with a \$5.4B valuation. They currently have one of the broadest investment portfolios across the blockchain space, and it is probably their Blockchain Gaming, Infrastructure, Marketplaces, and DeFi portfolio companies that will showcase the largest upsides. Read more about Animoca Brands core strategy and investment philosophy [here](#) and [here](#).

Note: (*) the following analysis has been provided by Naavik consulting firm, based on InvestGame data

Blockchain Gaming Deals

Presented by  N A A V I K

Immutable, the creator of the NFT-focused layer-2 scaling protocol Immutable X, secured a \$200m Series C, launching the Sydney-based startup to a \$2.5B valuation. The funds will mostly be used to double their team size to 350 people over 2023, through investing in a global partnerships + gaming advisory team and tripling their product and engineering teams. Immutable ecosystem and ambitions have grown to a point where it isn't just a games company; it's also a platform company that aims to serve many games companies. Read more about their past, present and future [here](#).

Arguably the most interesting investment of the last quarter was FCF's \$40m Series B. FCF is pro (American) football re-imagined for the modern digital world, where real games (with real players) are played in a single, high tech studio arena, streamed live on Twitch, and viewers call the plays. The teams are currently owned by various famous content creators, musicians, sports personalities etc., and viewers who do want to call the plays in real time need to purchase the NFTs of the team they support.

All in all, it's a pretty novel way to recycle personal brands into sellable NFTs with tangible real-world utility, and definitely a company to keep an eye on.

Overall, it seems like the blockchain gaming deal market moved into its second stage of maturity, wherein the companies garnering most of the funding attention are no longer the ones building platform layers on which future blockchain games could live, but rather the blockchain gaming studios themselves.

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Note: (*) the following analysis has been provided by Naavik consulting firm, based on InvestGame data

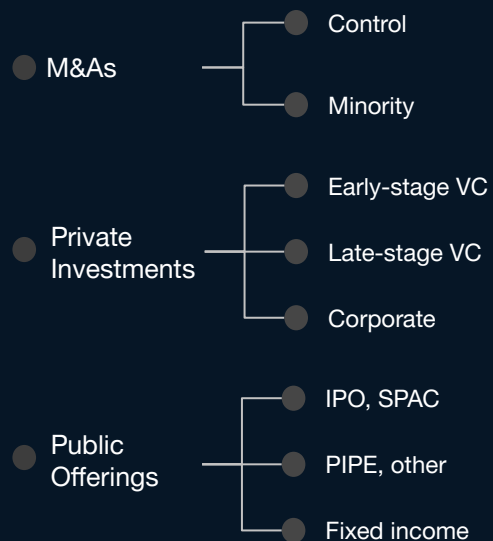
Appendix

Methodology & Glossary

InvestGame tracks closed transactions (unless otherwise noted) in the Video Games industry, with target companies having core business operations related Video Games market. Please note that we do not track pure gambling, betting, and non-gaming blockchain/web3 companies. All deals values are given in the U.S. dollars or converted to the U.S. dollars at the prevailing spot rate from the closing date of transaction.

The private data contained in this report is based on information from sources believed to be reliable, but accuracy and completeness cannot be guaranteed. Sources include public media, our business partners, data provider S&P Capital IQ, and market insights. The information, opinions, estimates, and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate.

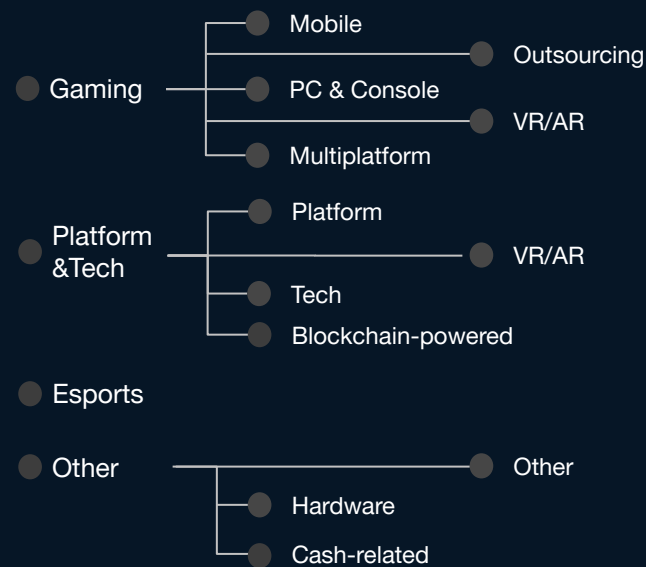
Deal Types Overview



Deal Type Terms Glossary

- **Control M&As** — mergers and acquisitions resulting in the change of control (50%+ ownership)
- **Minority M&As** — sale of a minority stake in the business
- **Early-stage VC** — pre-seed, seed, and Series A rounds with a lead VC fund
- **Late-stage VC** — Series B, Series C, and later-lettered venture rounds
- **Corporate Investments** — investment with a lead investor being corporation
- **IPOs** — the process of company going public including IPOs, SPACs, and direct listings
- **Fixed-income** — debt-related instrument with fixed payments and interest payments
- **PIPE, other** — private investment in public equity, direct share issue, and other transactions with publicly traded stock

Target's Sector Overview



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We would love to thank our dear friends at [Hiro Capital](#) for supporting this Report. **Please note that this support did not in any way affect the integrity or fairness of the data, and the analysis presented.**

We would also like to extend thanks to our friends at [Naavik](#) for covering the Blockchain Gaming Deals part of this report.

Thank you for reading!

