#10 FEATURE BY GDEU

AI's Ever-Growing Presence in Gaming: $1.8B in VC Investments

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VC INVESTMENTS IN AI-FOCUSED GAMING STARTUPS OVER FROM 2020 TO 2024

TOTAL DEAL ACTIVITY
2020-2024

$1.8B
DEAL VALUE

264
OF DEALS

METHODOLOGY
- Clear focus on AI-driven solutions / products
- Developing new technological solutions for game development/content creation
- Received VC financing between 2020 and 2024
- Excluding studios using AI for internal purposes as end users

I IN-GAME CONTENT GENERATION
AI tools that generate game assets, worlds, dialogue, or NPC behaviors directly inside game engines

$1.2B DEAL VALUE | 119 # OF DEALS

Visual Asset Generation	NPC & Behaviour AI	Narrative & Dialogue
Pika, Scortium, stability.ai, Leonardo.Ai	DIDIMO, inworld, Parametrix.ai	SERIES ai, OZONE STORYTECH, rct.ai

II DEVELOPMENT INFRASTRUCTURE
AI platforms that boost productivity, automate testing, or manage game analytics, infrastructure, and backend services

$0.4B DEAL VALUE | 72 # OF DEALS

Cloud & Infrastructure	Performance Monitoring	Engines & Frameworks
GCORE, Decart, RADIANARC	MODULATE, ggwp, HELIKA	modl.ai, peer, Solsten, seele

III OTHER AI-FOCUSED
AI applied to marketing, community management, monetization, or consumer-facing tools outside core game development

$0.2B DEAL VALUE | 73 # OF DEALS

Marketing & Influencer Tools	Video & Content Clipping	Player Analytics &Coaching
CLOUT KITCHEN, incrmntal, REFORGED LABS	MEDAL, POWDER, SIZZLE.GG	leetify, ChessUp, STATESPACE

LARGEST VC INVESTMENT ROUNDS AMONG AI-FOCUSED GAMING STARTUPS FROM 2020 TO 2024

DATE	TARGET	HQ	RAISED	TYPE	SUB-SEGMENT	INVESTORS
Oct'22	stability.ai		$101m	SEED ROUND	CONTENT	COATUE, Lightspeed
Jan'22	Parametrix.ai		$100m	SERIES B	CONTENT	SEQUOIA, 5Y CAPITAL
Jun'24	Pika		$80m	SERIES B	CONTENT	SPARK CAPITAL, Greycroft, Lightspeed
Jun'24	stability.ai		~$80m*	n/a	CONTENT	COATUE, Lightspeed, SOUND)))
Jul'24	CORE		$60m	SERIES A	DEVELOPMENT	WARGAMING.NET LET'S BATTLE, CONSTRUCT, HRZ HanRiver
Jun'22	READY PLAYER ME		$56m	SERIES B	CONTENT	a16z Games, 444 CAPITAL, Heartbeat VENTURES
Jul'23	FUTUREVERSE		$54m	SERIES A	CONTENT	rippleLabs, 10T
Aug'23	inworld		$50m	SERIES B	CONTENT	Lightspeed, Stanford University, SAMSUNG NEXT
Aug'22	inworld		$50m	SERIES A	CONTENT	Section 32, intel capital
Jan'24	LUMA AI		$43m	SERIES B	CONTENT	andreessen horowitz

Note: (*) based on reports by Reuters

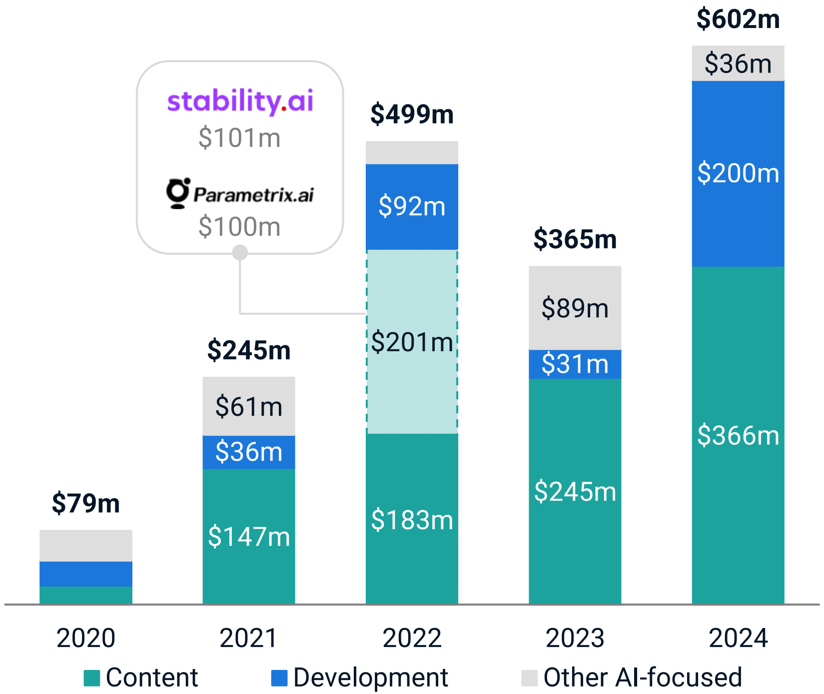
MOST ACTIVE VCs BY THE NUMBER OF INVESTMENTS IN AI-FOCUSED GAMING STARTUPS FROM 2020 TO 2024

	COMPANY	HQ	# OF DEALS	DEAL VALUE*	SELECTED INVESTMENTS
#1	andreessen horowitz	🇺🇸	20	$233m	LUMA AI, PLAI LABS, SERIES ai
#2	BITKRAFT	🇺🇸	12	$177m	inworld, SERIES ai, SPLASH
#3	Y Combinator	🇺🇸	8	$23m	nunu.ai, campfire, REFORGED LABS
#4	PLAY	🇸🇬	7	$61m	beyondOS., carter, scenario
#5-7	Lightspeed	🇺🇸	6	$350m	Pika, stability.ai, inworld
#5-7	KONVOY	🇺🇸	6	$110m	Solsten, HIBERWORLD, StageZero TECHNOLOGIES
#5-7	GALAXY INTERACTIVE	🇺🇸	6	$58m	rct.ai, BUILDBOX, Solsten
#8-9	GRIFFIN GAMING PARTNERS	🇺🇸	5	$36m	modl.ai, latitude, 99wp
#8-9	Alumni Ventures	🇺🇸	5	$37m	ALTERA, ANYTHING WORLD, ADVENTR
#10	MAKERS FUND	🇺🇸	4	$122m	Pika, beyondOS., 99wp

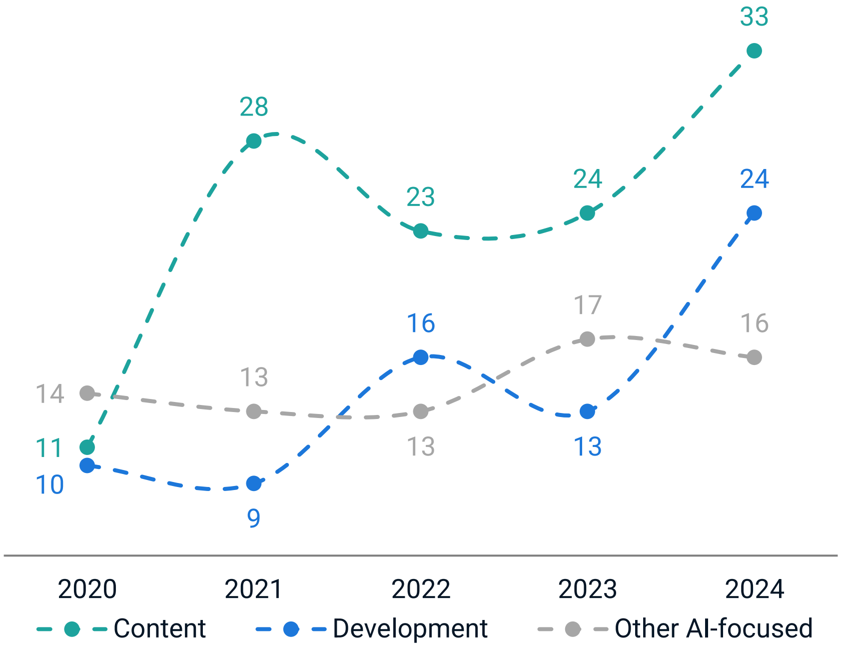
Note: (*) total deal value of the rounds participated in by a VC fund

The trend is clear and steady – the deal value grew at a CAGR of ~35% from 2022 to 2024. Simultaneously, deal activity remained strong: total deals rose from 35 in 2020 to 73 in 2024

VALUE RAISED BY SUB-SEGMENT ($M)

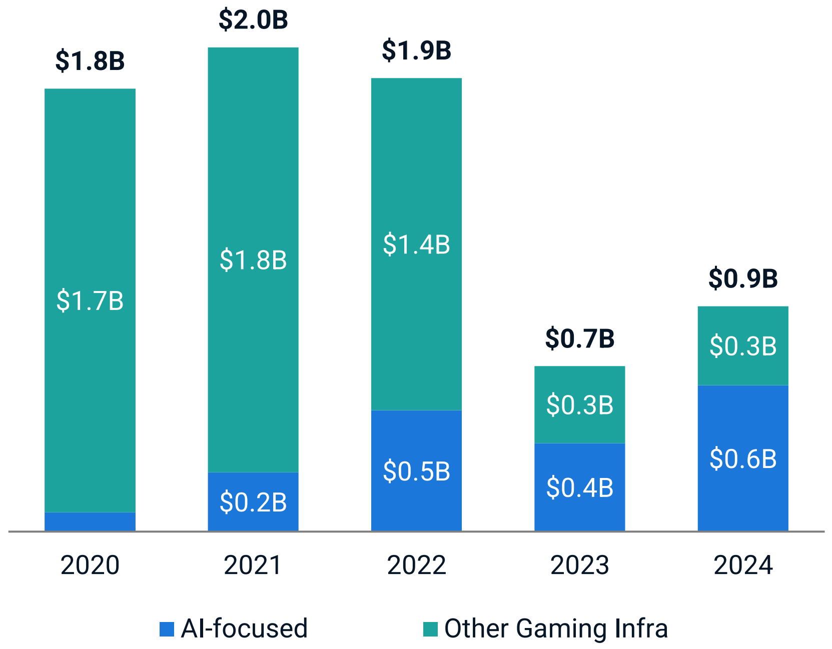


NUMBER OF DEALS BY SUB-SEGMENT

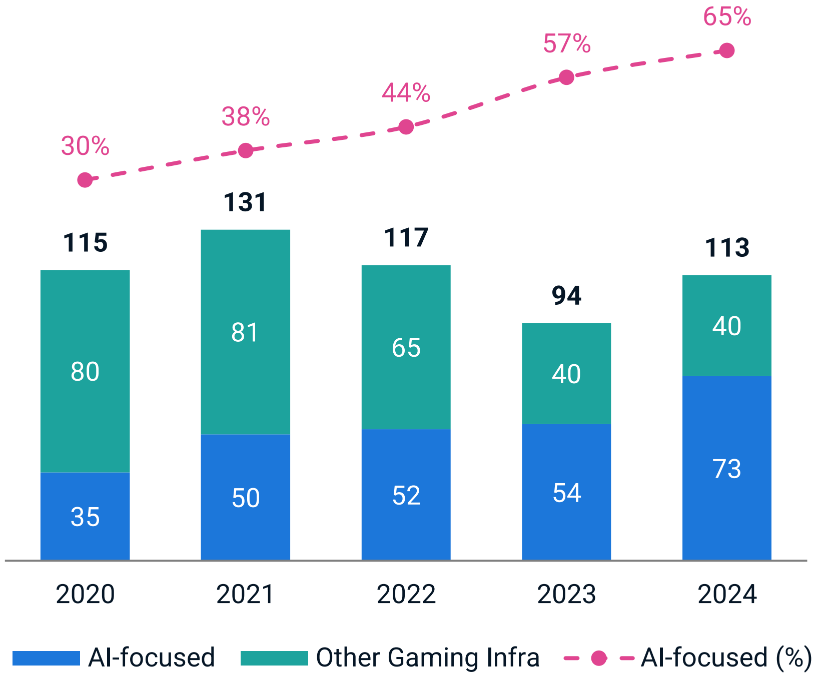


By 2024, AI-focused startups' share rose to ~65% of total number of deals, which marks a strategic shift in investor preferences – from broad platform bets to verticalized AI tooling designed for scalability and efficiency

TOTAL RAISED IN GAMING INFRA COMPANIES* ($B)



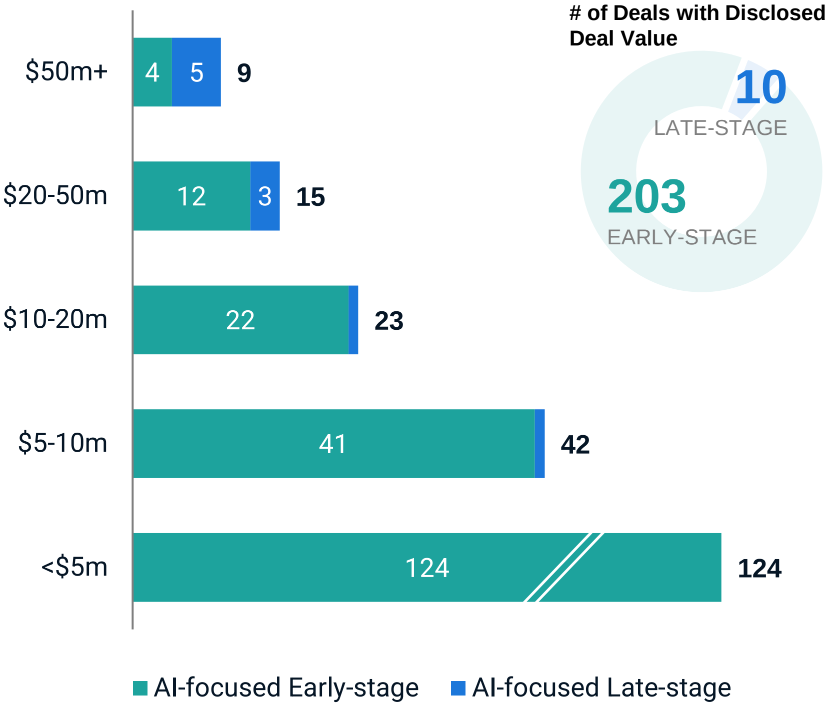
NUMBER OF DEALS IN GAMING INFRA COMPANIES



Note: (*) excl. blockchain-powered Gaming Infra companies

Early-stage AI-focused rounds dominate, and while the average check tripled from 2020 to 2024, most remain in the sub-$5m range

AI-FOCUSED ROUNDS WITH DISCLOSED VALUE BY SIZE



AVERAGE CHECK IN EARLY-STAGE GAMING INFRA ($M)