

Aream &  
Co.

A horizontal, wavy graphic composed of many thin, overlapping lines that create a sense of motion and depth. The lines are colored with a gradient from bright orange on the left to light blue on the right. Scattered throughout the graphic are numerous small, semi-transparent hexagons and dots, some of which are connected by thin lines, giving it a network-like or molecular appearance. The background is a dark, solid blue.

# Video Game Market Update

Q2 2025



# Disclaimer

This report is provided for general information and discussion purposes only and is intended solely for subscribers. It does not constitute a financial promotion, investment advice, or a recommendation to engage in any investment activity.

The content reflects the views of the authors at the time of publication and may be subject to change without notice. Nothing in this report should be construed as an offer, invitation, or solicitation to buy or sell any financial instruments or to engage in investment activity, as defined by the Financial Services and Markets Act 2000 (FSMA).

This presentation is intended solely for the use of the recipient and may not be distributed to any other company or person without the prior written consent from Aream & Co.

Aream & Co. is a shared trading name with Aream Group LLP, Aream Advisors LLC and Aream Advisors GmbH. Aream Group LLP is a Limited Liability Partnership registered in England and Wales, Registered Number: OC426365, Registered Office Address: 1 Cavendish Place, London, England, W1G 0QF, United Kingdom. Aream Group LLP (FRN 839407) is an Appointed Representative of Frank Investments Limited (FRN 627697) which is authorised and regulated by the Financial Conduct Authority. Aream Advisors LLC is a US regulated Broker Dealer CRD#318177 and is registered with the Financial Industry Regulatory Authority (FINRA). Aream Advisors GmbH operates in the European Union as a Tied Agent of NFS Netfonds Financial Services GmbH (NFS). NFS is authorised and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).



# 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 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. (Q3'24 – Q2'25)




**VIRTUOS**

Acquisition of




**PIPEWORKS STUDIOS**

June 2025




**APPLOVIN**  
Apps Business

Sale to



**triplicated**

\$800 million  
May 2025




**dream**

Debt financing from


**Blackstone**

May 2025



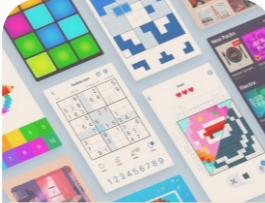
**MTG**

Acquisition of




**PLARIUM**

up to \$820 million  
February 2025




**Easybrain**

Sale to




**MINICLIP**  
PLAY GAMES

\$1.2 billion  
January 2025



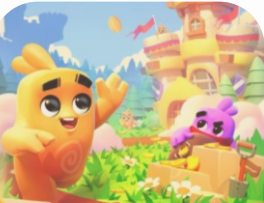
**Lessmore.**

Sale to




**MINICLIP**  
PLAY GAMES

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/RO K/NO**

August 2024




**Fusebox**

Sale to



**Nazara™**

\$27 million  
August 2024




**facepunch**

Minority Investment from


**Tencent 腾讯**

July 2024



**SWIFT GAMES**

Sale to



**ARES**  
INTERACTIVE

June 2024

**12**  
LTM  
GAMING  
TRANSACTIONS

**\$6bn+**  
LTM  
TRANSACTION  
VALUE<sup>1</sup>



1

# Executive Summary



# Q2-2025 in a nutshell

## VIDEO GAME MARKET ENVIRONMENT



- Mobile gaming has stabilized at ~\$20bn in quarterly consumer spend, though downloads continue to trend down
- PC gaming continues to grow, with Steam revenue up +20% YoY, powered by several standout indie launches
- Console momentum builds up: Nintendo's Switch 2 becomes its fastest-selling console, while PlayStation hits 120m+ MAUs in its most profitable hardware cycle

## DEALMAKING ACTIVITY



- Gaming M&A volume reaches \$6.2bn, driven by the sale of Niantic and a PE-led strategic round in Dream Games
- Deal activity remains concentrated in mobile, as PC/Console dealmaking lags
- Private gaming investments dip to a five-year quarterly low of \$0.4bn, as late-stage VC appetite weakens

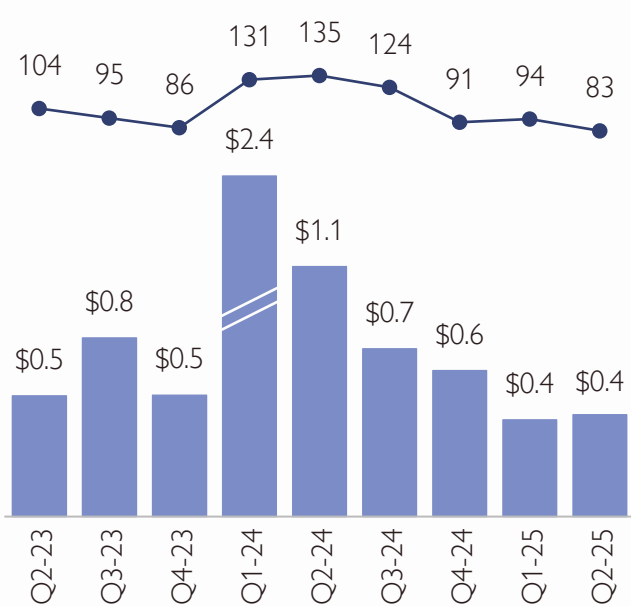
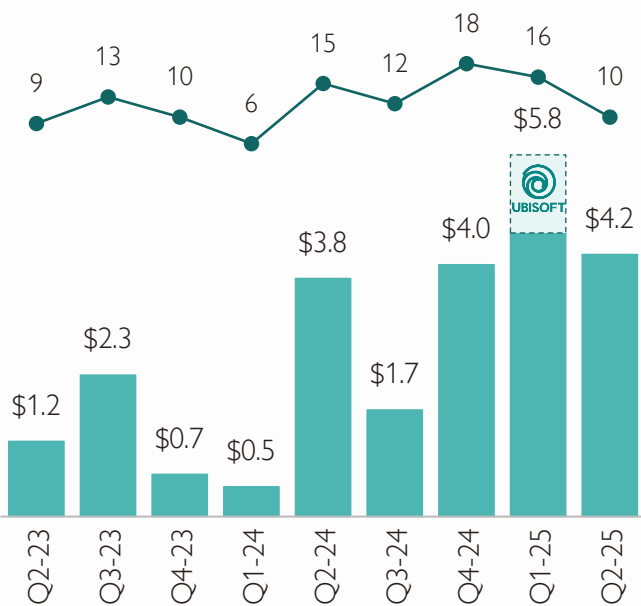
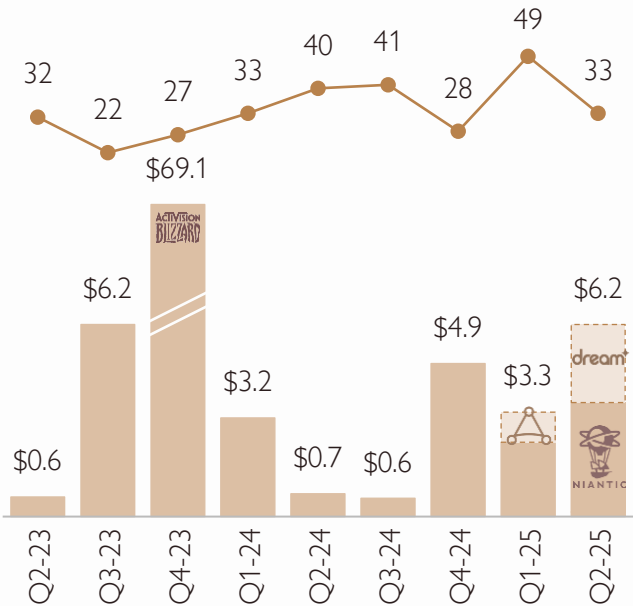
## CAPITAL MARKETS



- Public offerings raise \$4.2bn in Q2, with healthy demand across debt and equity issuance
- Gaming equities deliver robust YTD performance despite macro pressure, with many names trading close to their 52-week highs
- Valuation spread widens: PC/Console and diversified comps trade at 15x+ EBITDA, while mobile peers lag at historic lows

# M&A momentum persists while investment activity is under pressure

## Dealmaking activity in Q2-2025




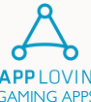













■ Closed Deal Value (\$bn) ■ Announced Deal Value (\$bn) ● # of Deals











# Mobile drives headline transactions

## Most significant gaming transactions in Q2-2025
















### MERGERS & ACQUISITIONS

TARGET	BUYER	VALUE	CATEGORY
 NIANTIC	 SCOPELEY SAVVY GAME GROUP	\$3.5bn	 Mobile
ANNOUNCED <sup>1</sup>			
 APPROVIN GAMING APPS	 tripledot	\$800m	 Mobile
ANNOUNCED			
 neptune	 KRAFTON	\$115m	 Mobile
 CURVE GAMES	 Nazara™	\$29m	 PC & Console
ANNOUNCED			
 dream	 CVC equity  Blackstone debt	n/a	 Mobile

### PUBLIC OFFERINGS

COMPANY	DEAL TYPE	VALUE	CATEGORY
 GameStop	Convertible senior notes	\$2.3bn	 Retail
 T2	Common stock issuance	\$1.0bn	 PC & Console
 bilibili	Convertible senior notes	\$690m	 Mobile
 儒意控股 RUYI HOLDINGS	Convertible bonds	\$300m	 Mobile
ANNOUNCED			
 CTW	IPO	\$17m	 Web

### PRIVATE INVESTMENTS

COMPANY	INVESTOR	VALUE	CATEGORY
 ARROWHEAD	 Tencent	\$80m	 PC & Console
 BIGGER	 Goodwater	\$25m	 Mobile
 HYBE	 IMM	\$21m	 Mobile
 AMPLITUDE STUDIOS	 GRIFFIN	\$14m	 PC & Console
 liftoff	 GENERAL ATLANTIC	n/a	 Tech





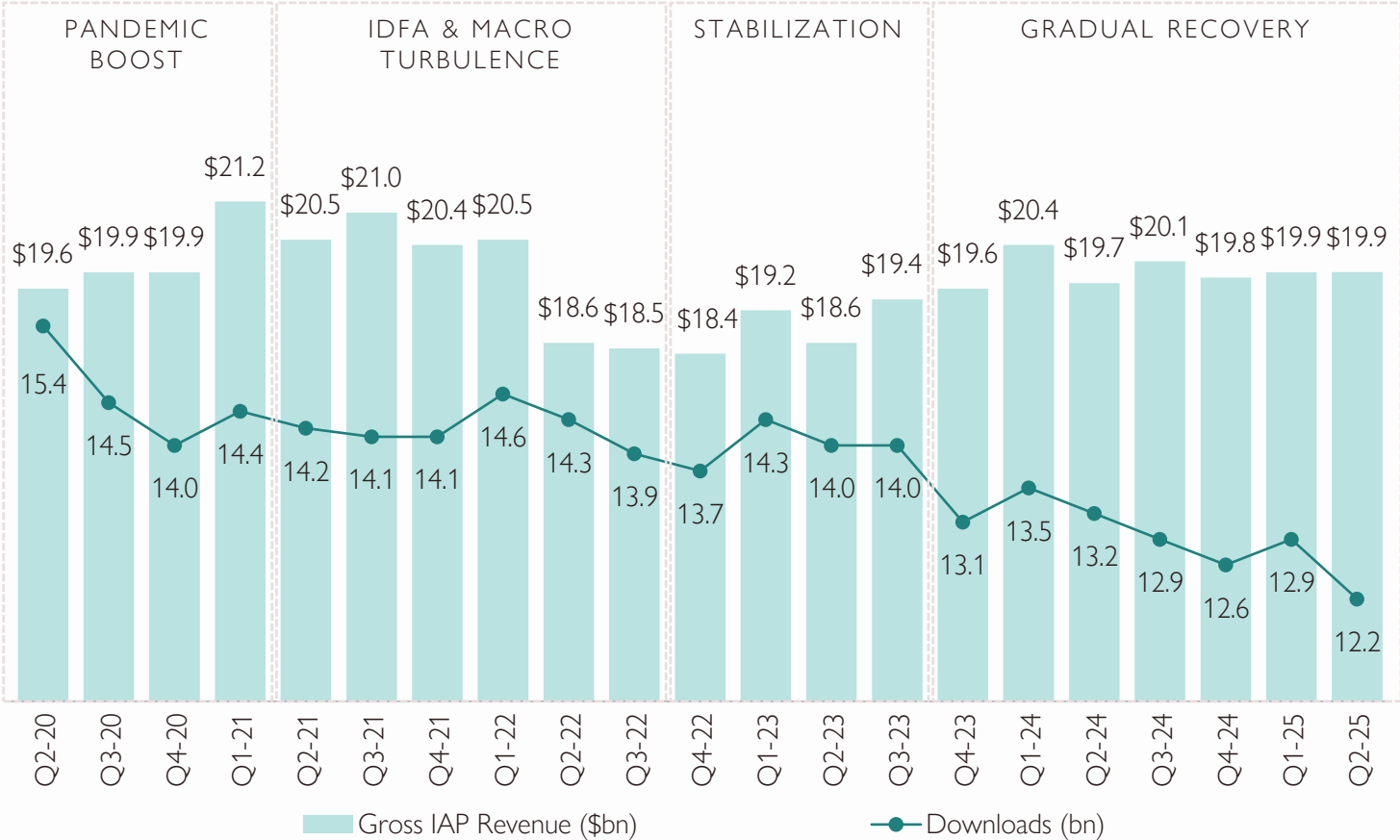
2

## Gaming Market Backdrop

# Mobile gaming settles into post-pandemic baseline

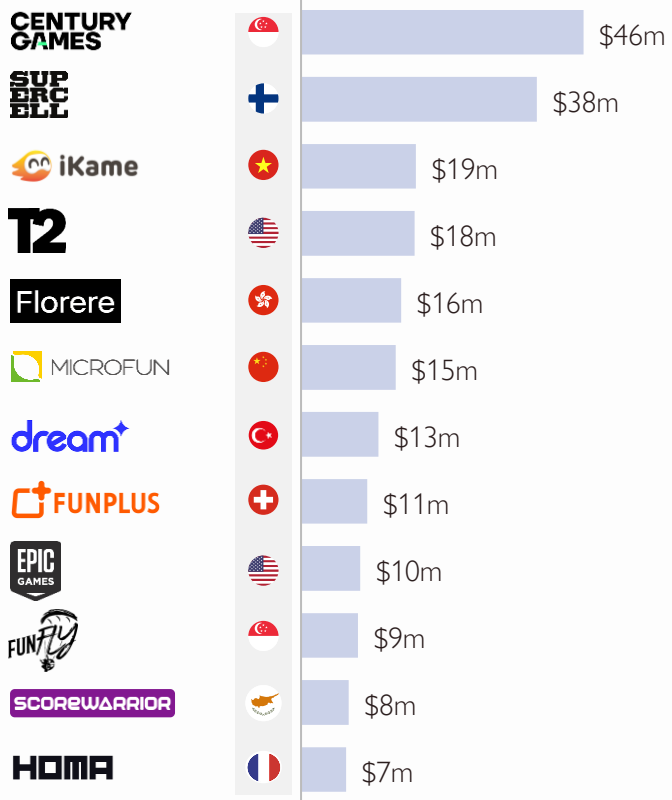
## Moderate revenue growth on a smaller install base signals improved monetization

GLOBAL MOBILE GAMING CONSUMER SPEND (GROSS IAP REVENUE)<sup>1</sup> 



TOP GROWING PUBLISHERS IN U.S. 

INCREMENTAL IAP REVENUE<sup>2</sup> (Q2-25 vs. Q1-25)

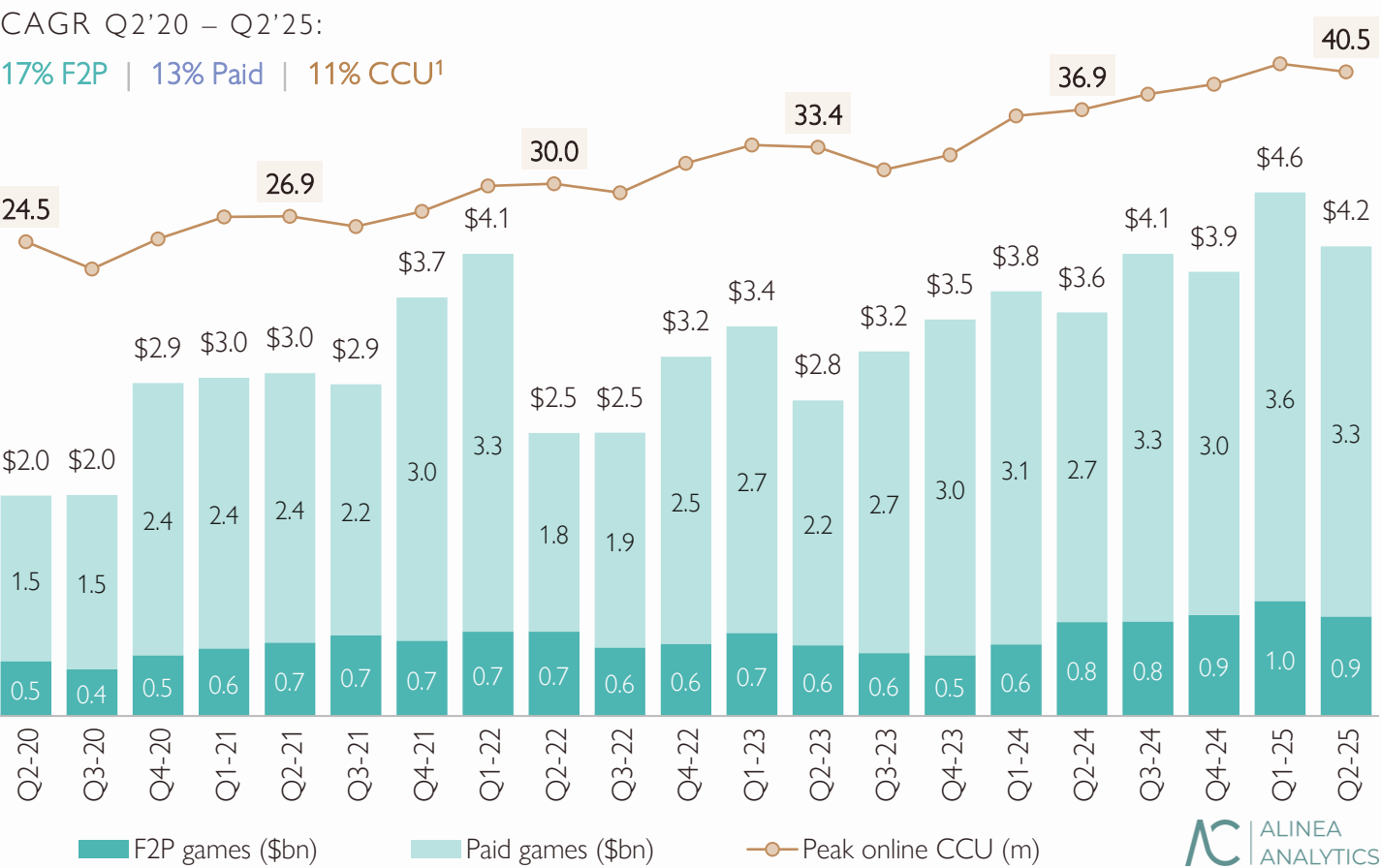


Source: SensorTower  
Note: (1) historical data has been updated due to changes in SensorTower's methodology following the acquisition of data.ai; (2) incremental gross IAP revenue growth in the United States (incl. 30% store commission)

# PC gaming continues strong user and revenue growth

+20% YoY growth over the last twelve months

## STEAM GROSS REVENUE & PEAK ONLINE USER ACTIVITY



## TOP-GROSSING RELEASES (Q2-25<sup>2</sup>)



 REMASTER \$89m 2.2m 22-Apr-25	 FRANCHISE \$84m 2.5m 29-May-25	 NEW IP \$81m 2.1m 24-Apr-25
 PORTED \$67m 1.4m 11-Jun-25	 3P IP \$52m 1.3m 10-Jun-25	 NEW IP \$29m 1.2m 16-June-25

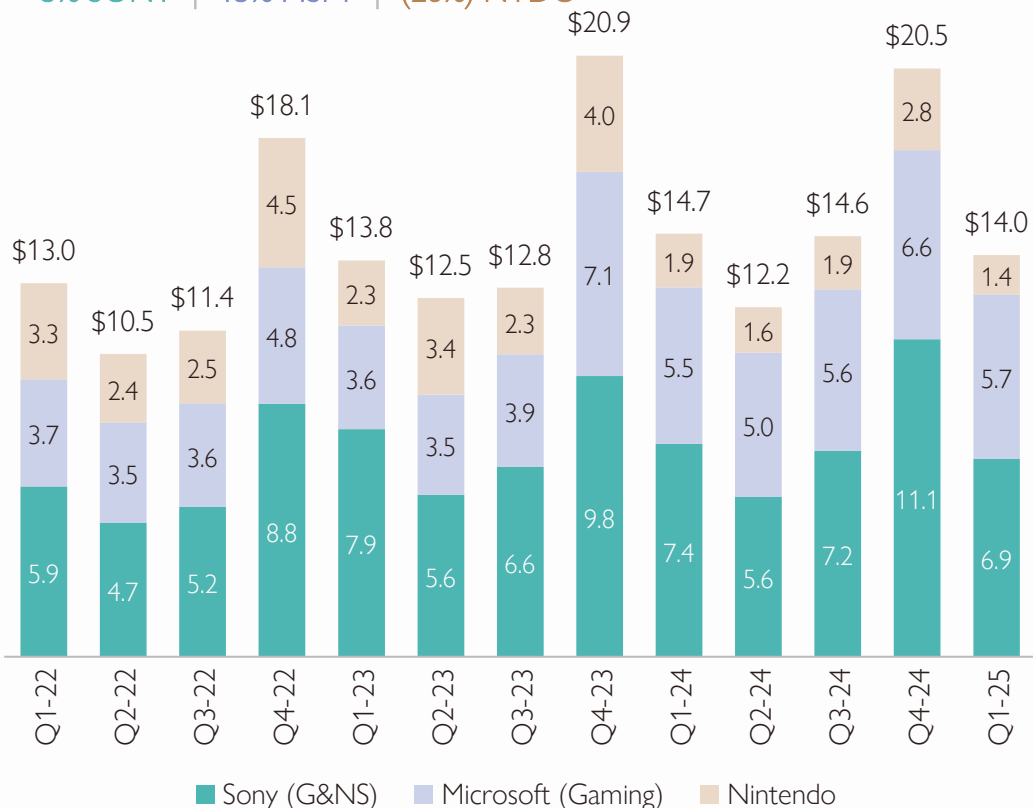
# Console market shows steady performance amid industry transitions

## Platform holders navigate hardware cycles and major release timing


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


➤ CAGR Q1'22 – Q1'25:


5% SONY | 15% MSFT | (26%) NTDO



### EARNINGS NOTES

 Q1-25 Gaming revenue **increased 5% YoY**, with Xbox content and services growing 8% YoY (driven by Game Pass, Call of Duty, Minecraft) offsetting a 6% hardware decline

 FY24 G&NS sales **increased 9% YoY**, driven by growth in third-party software sales and FX rates impact. PS5 is the most profitable console generation to-date with over 77m units sold

 FY25 sales **declined by 30%**, affected by decrease in hardware and software sales ahead of Nintendo Switch 2 launch (after reporting period)

### LATEST MARKET NEWS



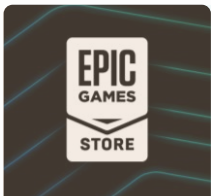
#### GTA VI Delay

- Initially planned for H2-2025, postponed to May 2026
- Projected revenue impact of ~\$3bn in 2025 CY
- Opportunity for publishers to fill-in the “shelves” and drive sales



#### Release of Nintendo Switch 2

- Switch 2 becomes Nintendo's fastest-selling console with 3.5m units sold in four days
- Strong third-party titles lineup with AAA publishers porting games to Switch



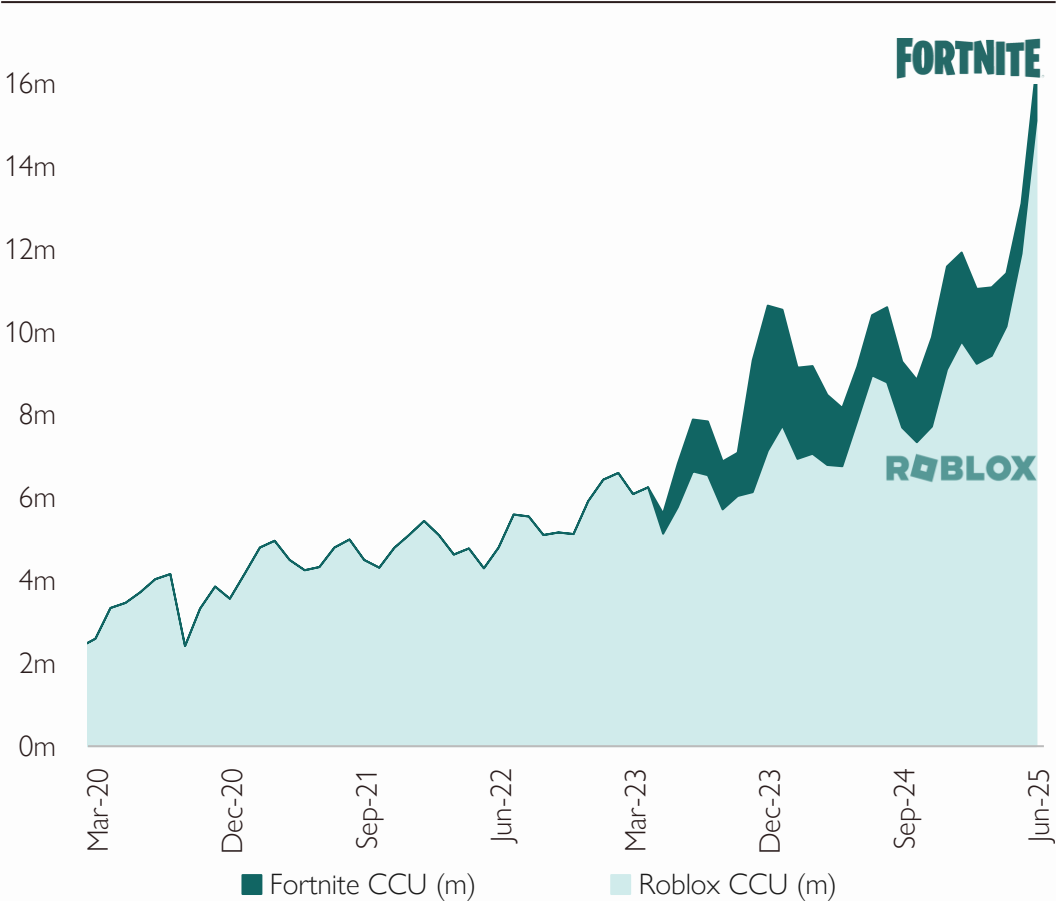
#### Epic Games Store & Engine Fee Update

- No revenue share on the first \$1m revenue annually across all platforms
- Unreal Engine royalties cut to 3.5% for Epic Store simultaneous releases

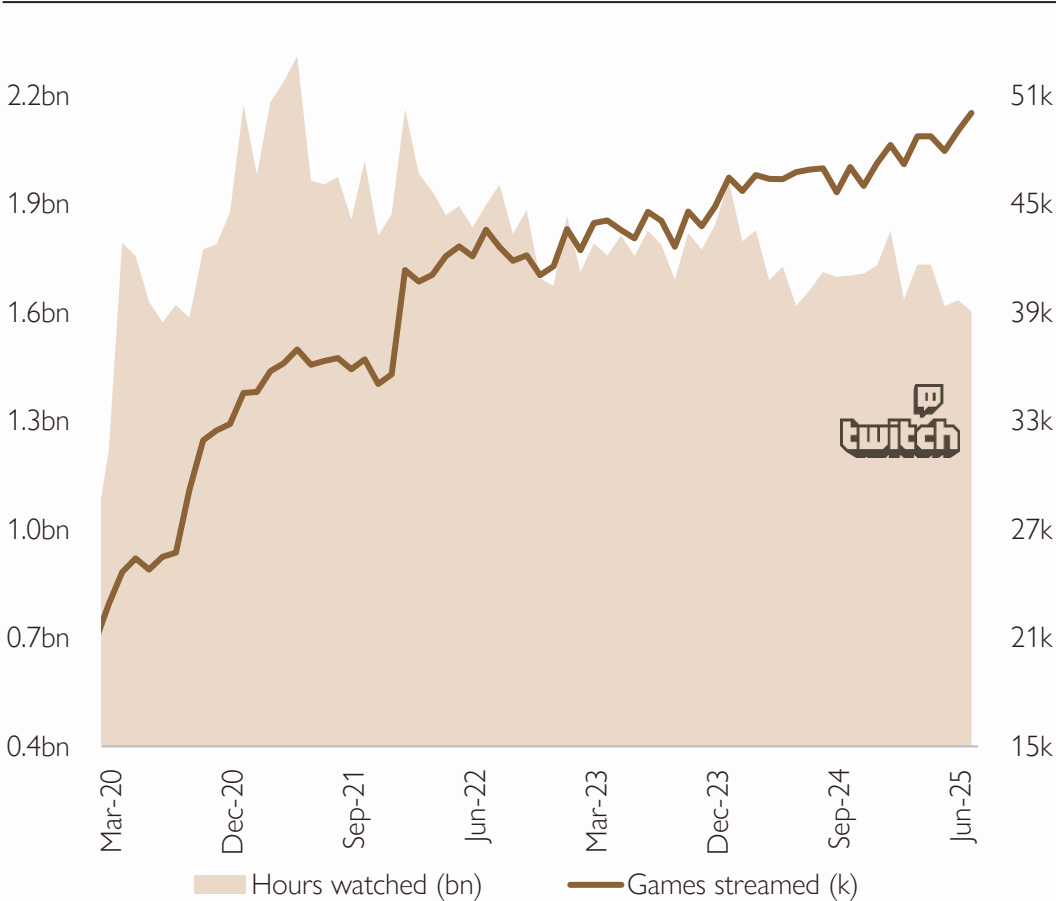


# UGC platforms and streaming engagement reach new peaks

CONCURRENT USERS ON MAJOR UGC PLATFORMS<sup>1</sup>

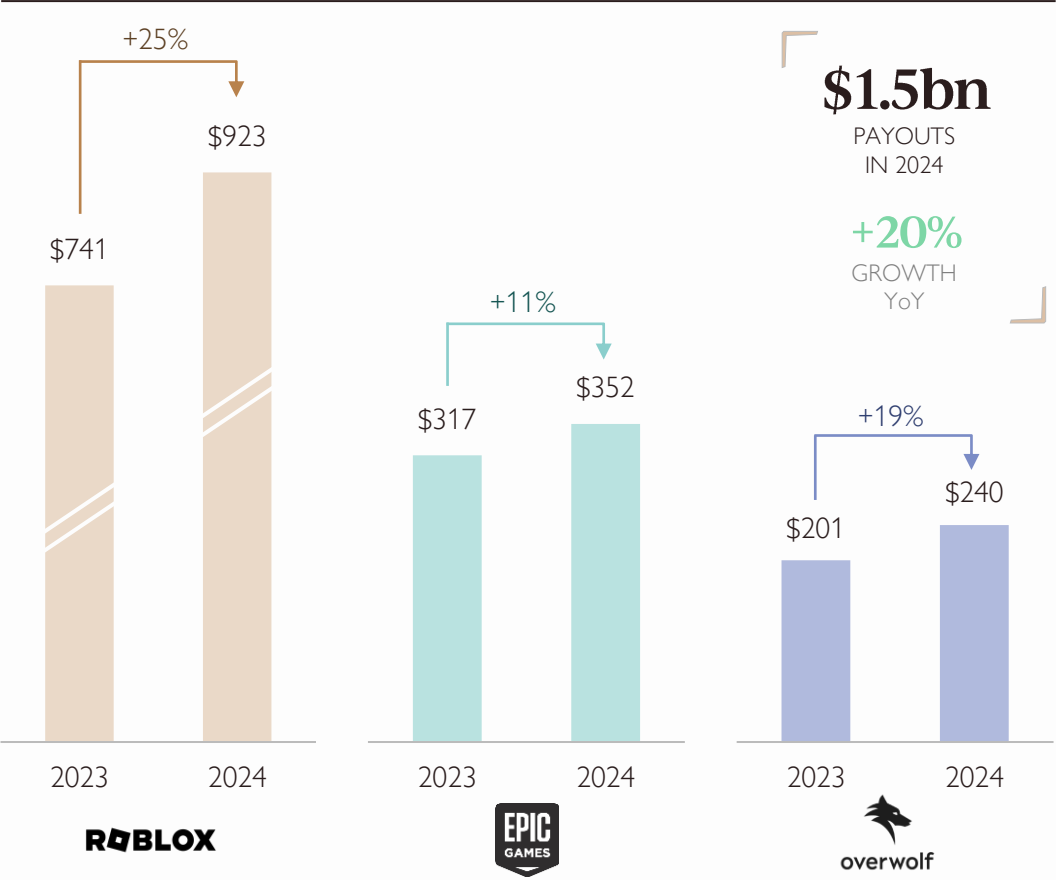


GAMING VIEWERSHIP AND STREAMING STATS



# Surge in creator economy payouts accelerated strategic dealmaking activity in UGC space

PAYOUTS TO CREATORS BY PLATFORM (\$M)



RECENT TRANSACTIONS IN UGC SPACE (2024 – 2025 YTD)

	INVESTOR	TARGET	PLATFORM	DATE
ACQUISITIONS	SUPER LEAGUE	Supersocial	ROBLOX	Q2-25
	JO GO	RHO CREATIVE	FORTNITE	Q2-25
	VOLDEx	BROOKHAVEN ULTIMATE FOOTBALL	ROBLOX	Q1-25 / Q2-24
	ocketWorlds	infinite canvas	ROBLOX	Q1-25
	BS	Living Lands & Studio	ROBLOX	Q2-24
INVESTMENTS	SPLITTING POINT	[ 🌻 ] Grow a Garden	ROBLOX	Q2-25
	Gaijin	THE PIT	FORTNITE	Q2-25
	RAINE SHAMROCK CAPITAL	VOLDEx	ROBLOX	Q1-25
	GENERAL CATALYST TIRTA	FOAD	FORTNITE	Q3-24
	Lvp.	LNW LOOK NORTH WORLD	FORTNITE	Q3-24

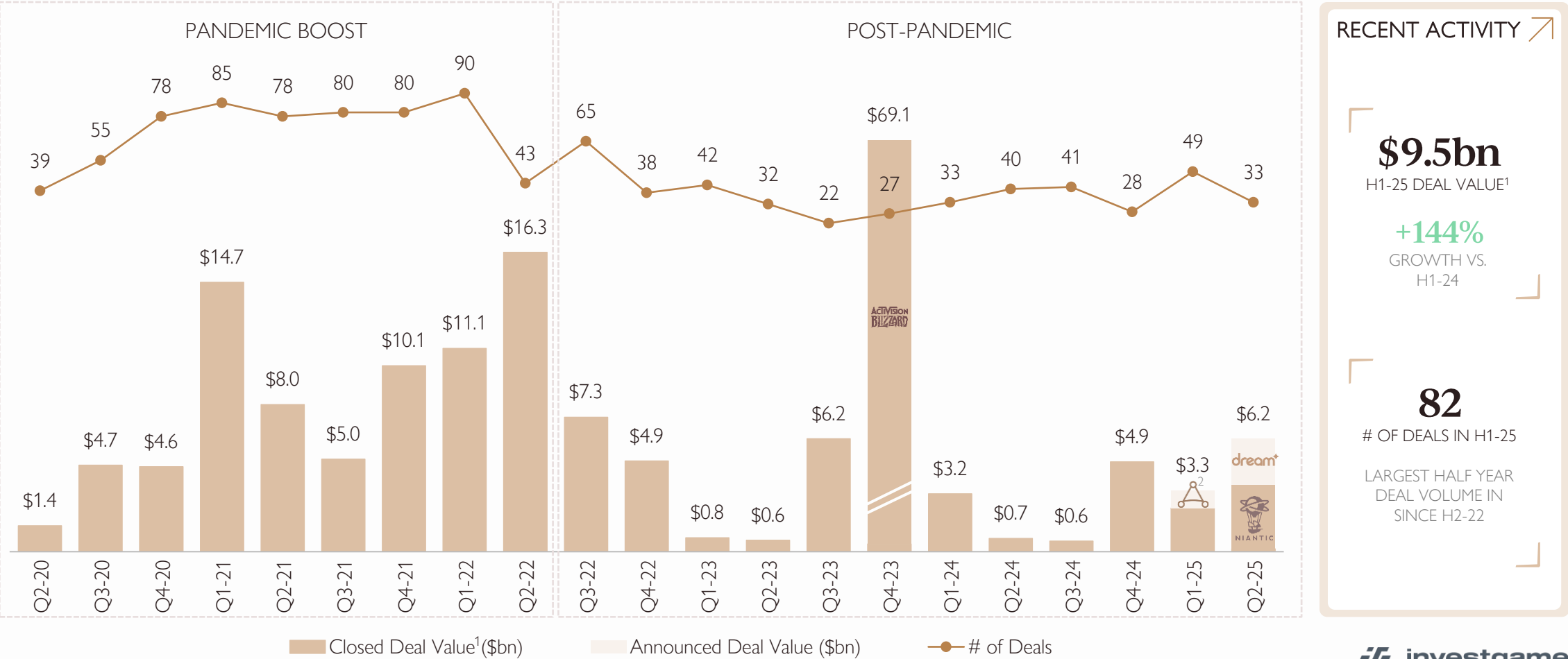


# 3

## Mergers & Acquisitions

# M&A activity hits post-pandemic high in H1-2025







Quarterly activity incl. both minority & majority stake transactions







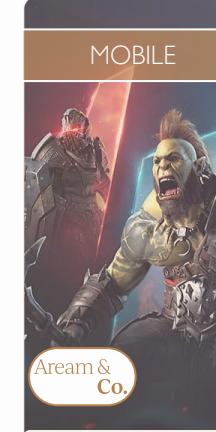

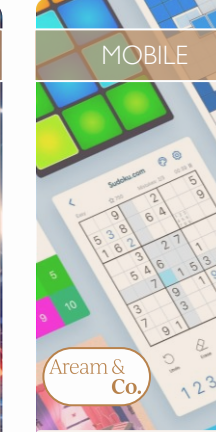






















# Mobile dominance continues across gaming M&A landscape

## Largest gaming acquisitions of the last twelve months

		iG investgame	
		MOBILE	SERVICES
			
TARGET	ACQUIRER	 <b>NIANTIC GAMES</b>	 <b>Keywords Studios</b> Imagine More
EV <sup>1</sup>	SALES	 <b>SCOPELY SAVVY GAMES GROUP</b>	 <b>BPEA CPP Investments</b> IEQT TEMASEK
LTM MULTIPLES <sup>2</sup>	DATE	<b>\$3.5bn</b>	<b>\$2.7bn</b>
EBITDA		<b>3.5x</b>	<b>3.2x</b>
		<b>n/a</b>	<b>15.9x</b>
		<b>May-25</b>	<b>Oct-24</b>

MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	MOBILE	SERVICES
								
 NIANTIC GAMES	 dream+	 APLOVIN GAMING APPS	 neptune	 PLARIUM	 CORE GAMING	 Easybrain	 SuperPlay	 Keywords Studios Imagine More
 SCOPELY SAVVY GAMES GROUP	 CVC Equity	 tripledot	 KRAFTON	 MTG	 Siyata	 MINICLIP PLAY GAMES	 Playtika	 BPEA CPP Investments IEQT TEMASEK
<b>\$3.5bn</b>	n/a	<b>\$800m</b>	<b>\$292m</b>	<b>\$620m<sup>4</sup></b>	<b>\$160m<sup>5</sup></b>	<b>\$1.2bn</b>	<b>\$700m</b>	<b>\$2.7bn</b>
<b>3.5x</b>	n/a	<b>0.6x</b>	<b>3.2x</b>	<b>1.0x</b>	<b>2.0x</b>	<b>3.8x</b>	<b>2.6x</b>	<b>3.2x</b>
<b>n/a</b>	n/a	<b>n/a</b>	<b>n/a</b>	<b>4.5x</b>	<b>n/a</b>	<b>9.3x</b>	<b>n/a</b>	<b>15.9x</b>
<b>May-25</b>	<b>May-25</b> (announced)	<b>May-25</b> (announced <sup>3</sup> )	<b>Apr-25</b> (announced)	<b>Feb-25</b>	<b>Feb-25</b> (announced)	<b>Jan-25</b>	<b>Nov-24</b>	<b>Oct-24</b>

Aream & Co.

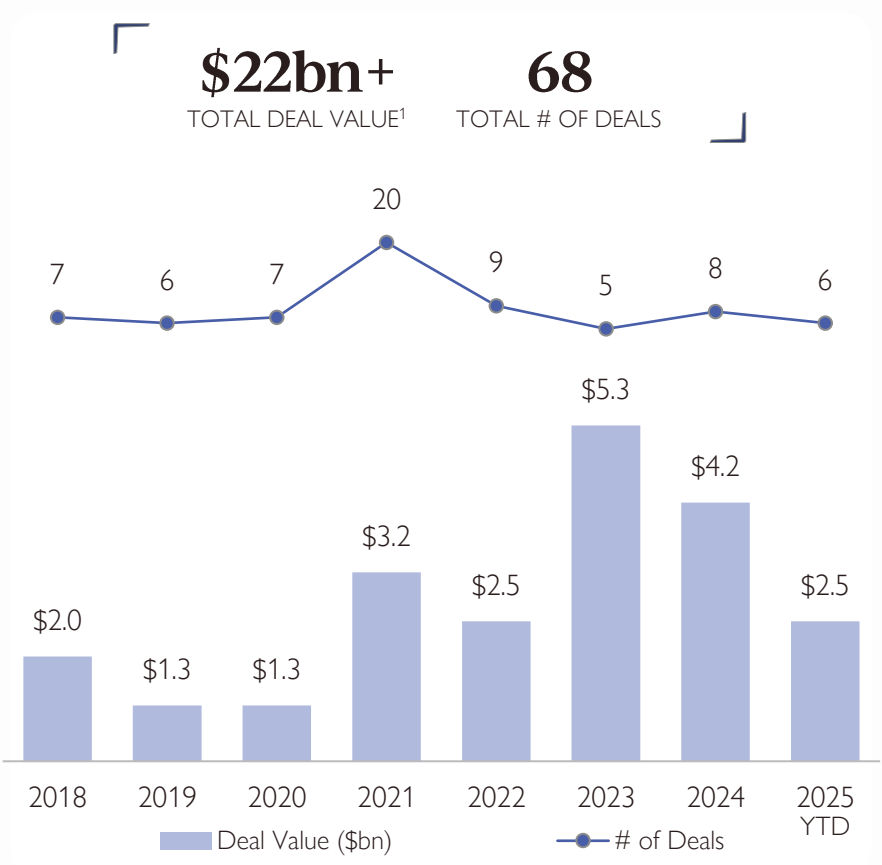
Source: InvestGame

Note: (1) upfront enterprise value excl. earnout consideration; (2) based on upfront enterprise value; (3) the deal has been officially closed on July 1<sup>st</sup>, 2025; (4) incl. \$20m deferred payment; (5) fair value consideration in the reverse merger

# Private equity accelerates investments to record levels

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

### PE-BACKED GAMING TRANSACTIONS SINCE 2018



### LARGEST PE-BACKED TRANSACTIONS SINCE 2024

#### CONTROL TRANSACTIONS



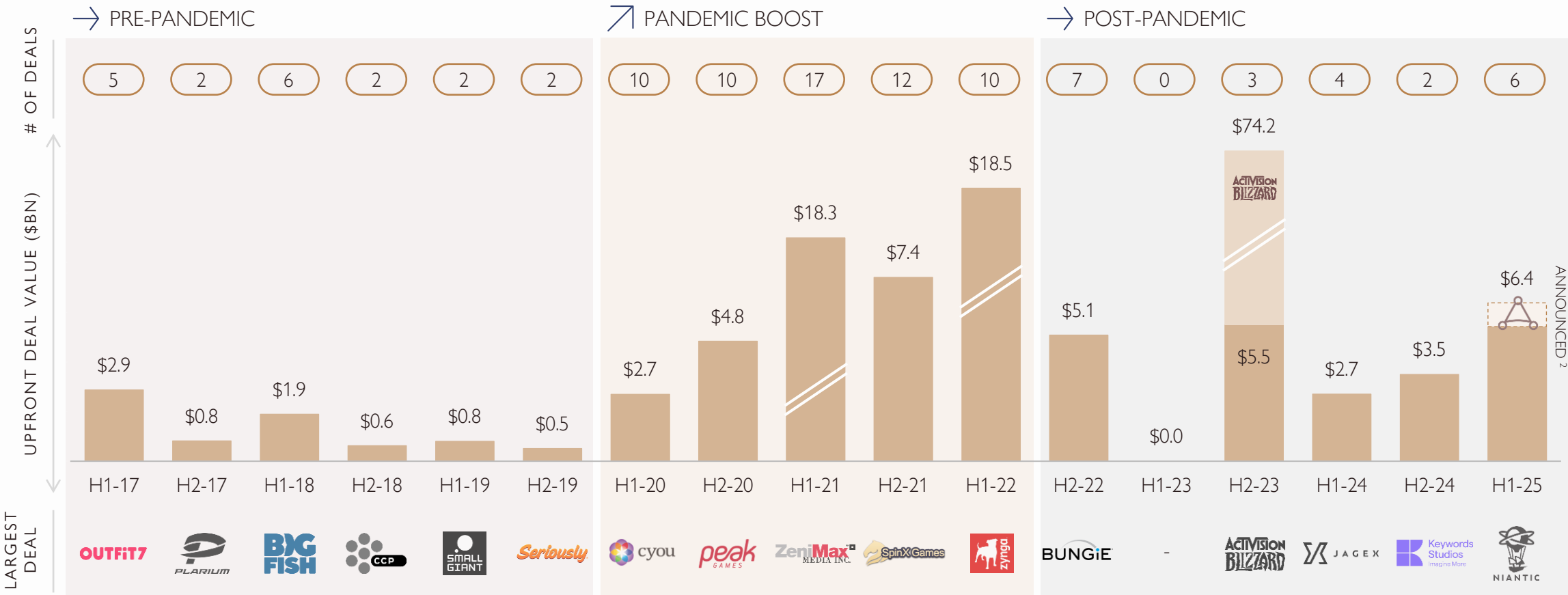
#### MINORITY TRANSACTIONS



# Large-scale content M&A recovery accelerates in H1-2025

## M&A activity with game developers and publishers rebounds

GAMING CONTENT CONTROL M&A DEALS (UPFRONT VALUATION >\$100M<sup>1</sup>)



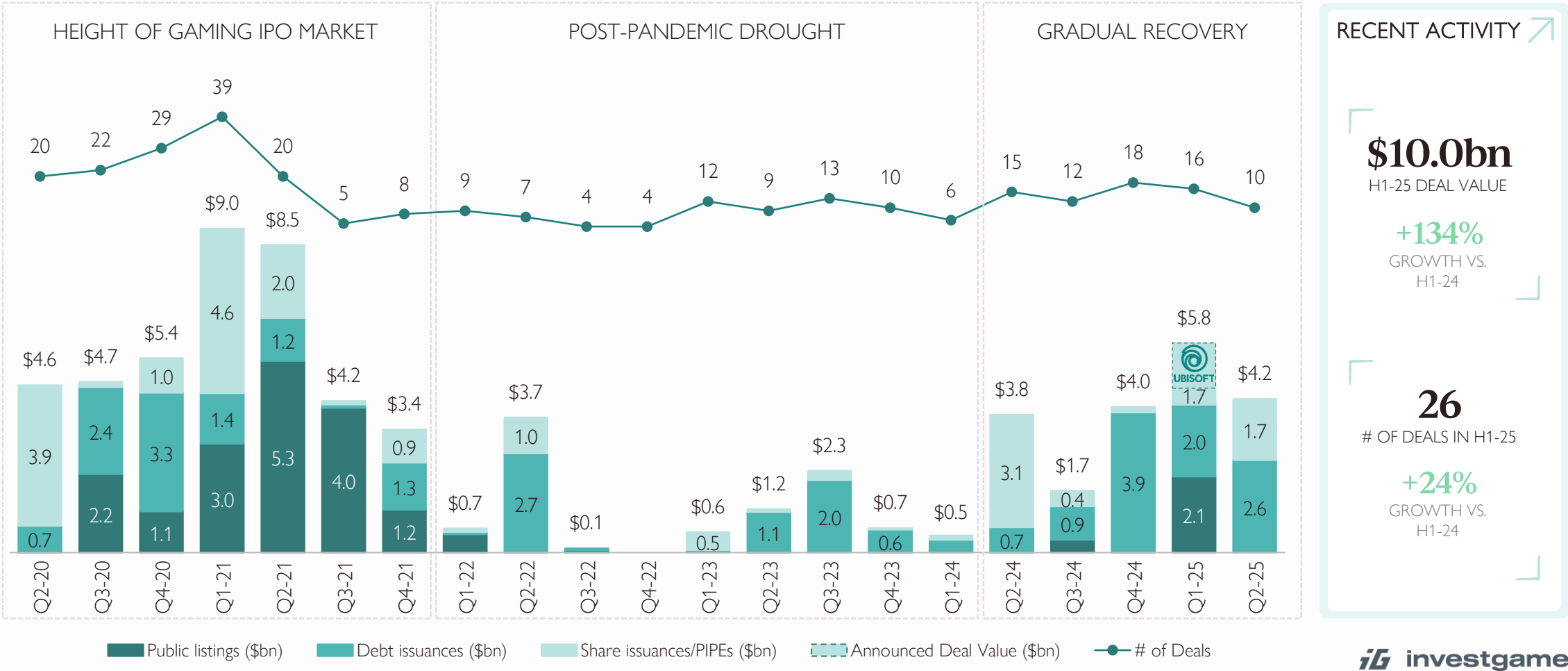


# 4

## Public Markets





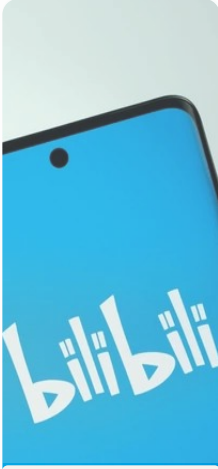






# Public gaming markets reach four-year activity peak in H1-2025



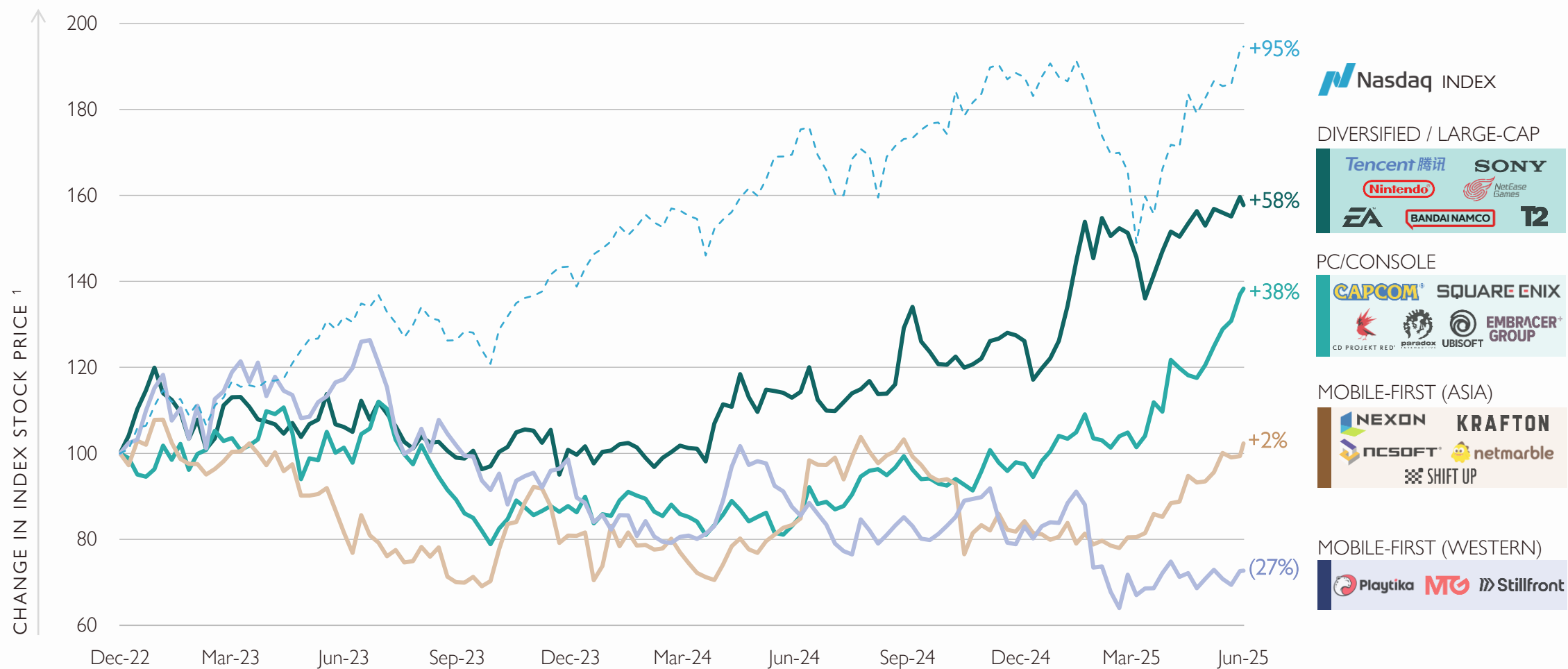
# Capital markets support both debt refinancing and equity issuances

## Largest public market transactions over the last twelve months

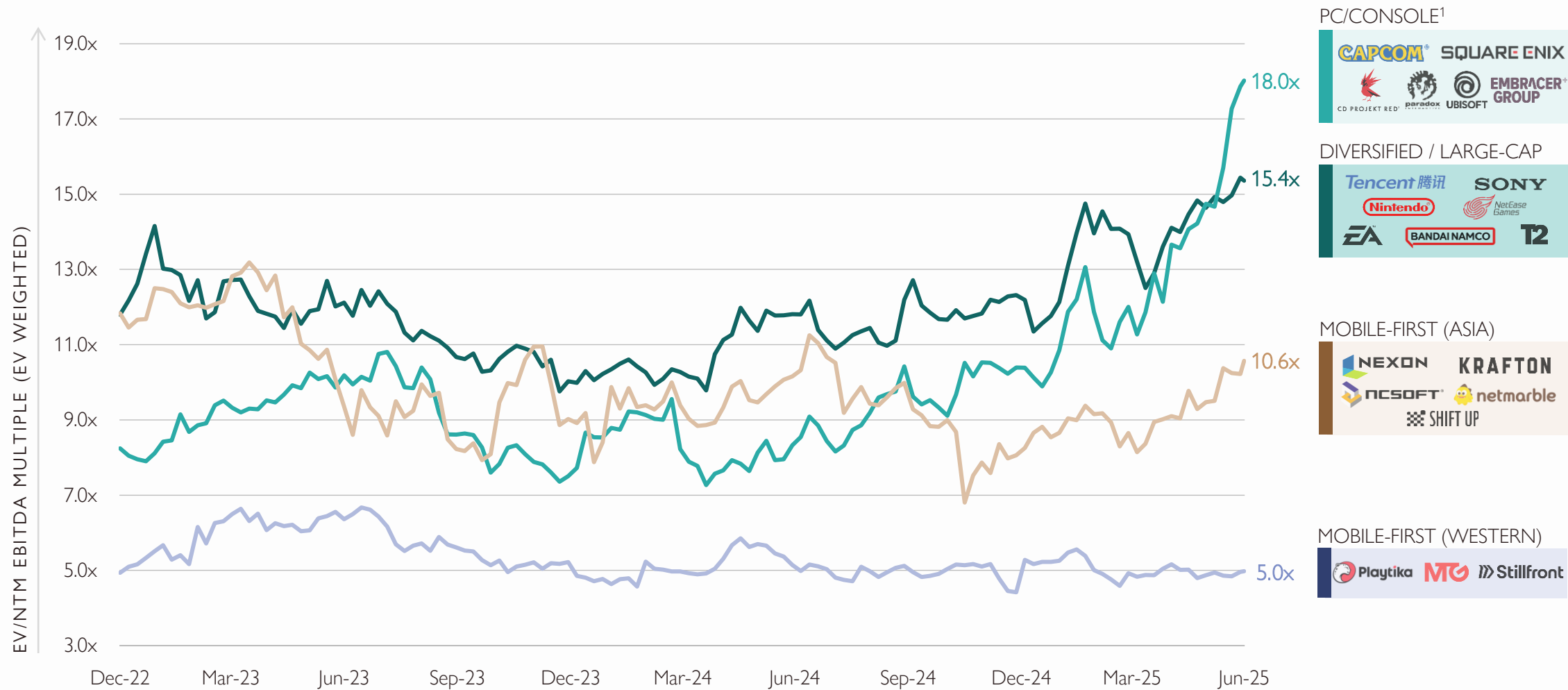
iG investgame

									
COMPANY	<b>GameStop</b>	<b>T2</b>	<b>bilibili</b>	ANNOUNCED <b>UBISOFT</b>	<b>KADOKAWA</b>	<b>Unity</b>	<b>asmodee</b>	<b>APPLOVIN</b>	<b>EMBRACER+ GROUP</b>
DEAL TYPE	Convertible senior notes	Common stock	Convertible senior notes	Investment (PIPE)	PIPE	Convertible senior notes	Public spin-off	Senior note	RCF <sup>3</sup>
CAPITAL RAISED	\$3.55bn Notes \$2.3bn Notes \$1.3bn	\$1.04bn	\$0.69bn	\$1.25bn	\$0.36bn Tencent ~\$39m <sup>1</sup> SONY \$320m	\$0.60bn	\$2.10bn (market cap at listing) +10% debut price <sup>2</sup>	\$3.55bn	\$0.70bn RCF \$50m RCF \$652m
DATE	Jun-25 / Mar-25	May-25	May-25	Mar-25 (announced)	Mar-25 / Jan-25	Feb-25	Feb-25	Nov-24	Aug-24 / Jul-24

# Large caps and PC/Console publishers maintain solid share price gains into Q2 2025



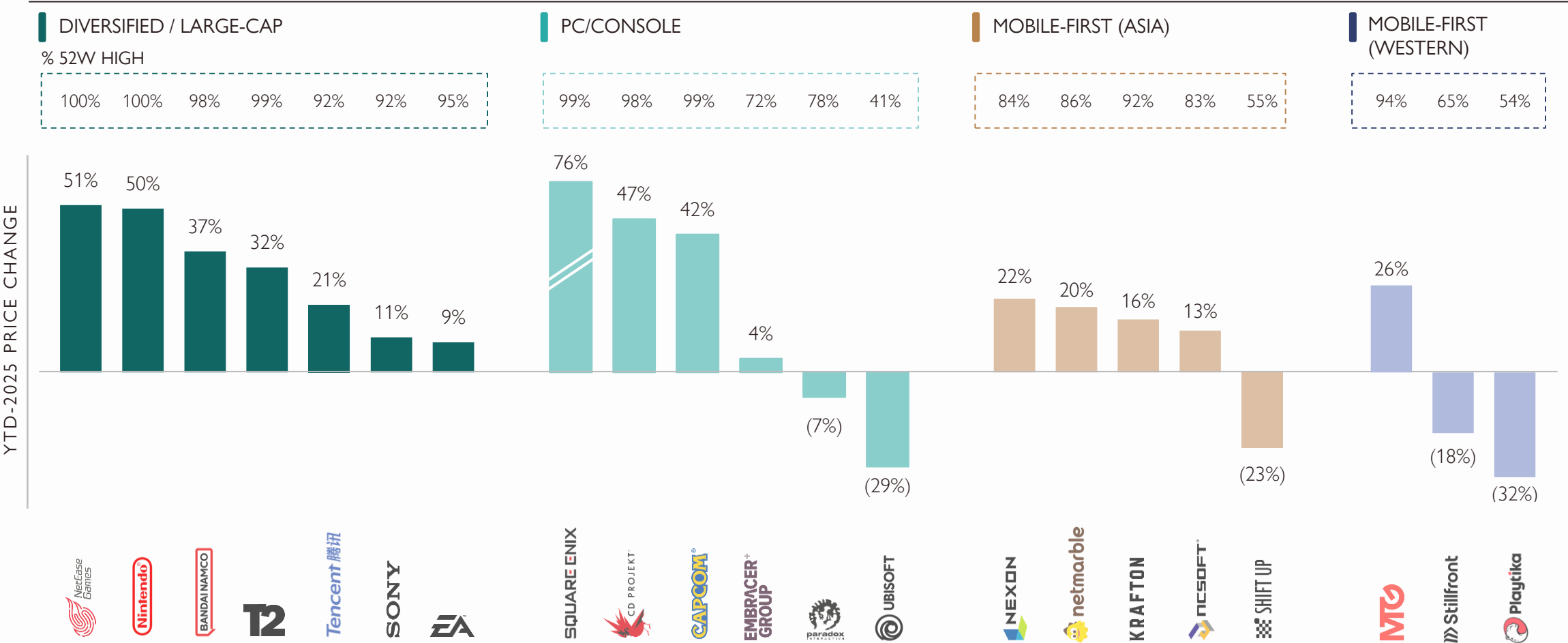
# Valuation divergence accelerates: PC/Console and Diversified publishers trade above 15x EBITDA while mobile peers remain at historic lows





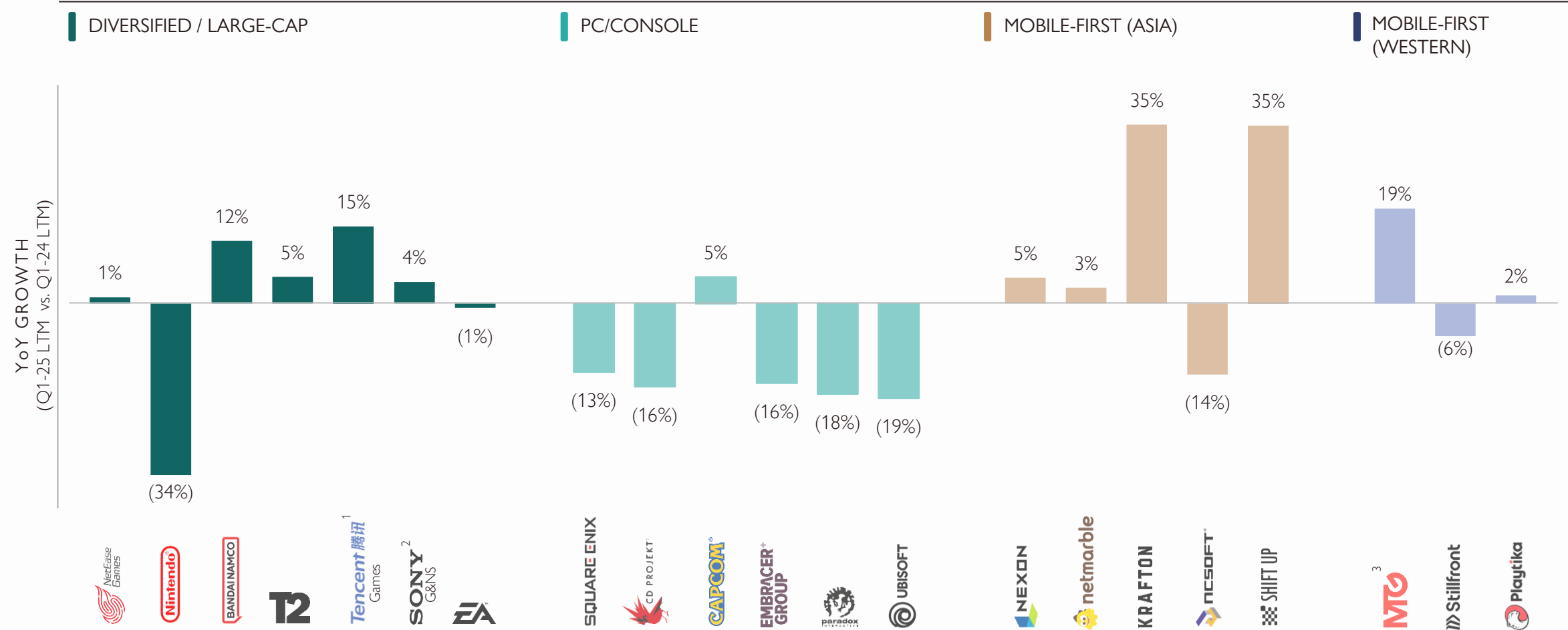
# Investor sentiment has recovered with majority of gaming stocks hitting 52-week highs and strong double-digit YTD gains

SHARE PRICE PERFORMANCE AS OF 30<sup>ST</sup> JUNE 2025



# PC/Console publishers face tough comps following prior year's strong release slates, while mobile and large-cap show positive momentum

REPORTED LTM REVENUE GROWTH AS OF Q1-25CY



# Premium valuations reward growth and profitability combination

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



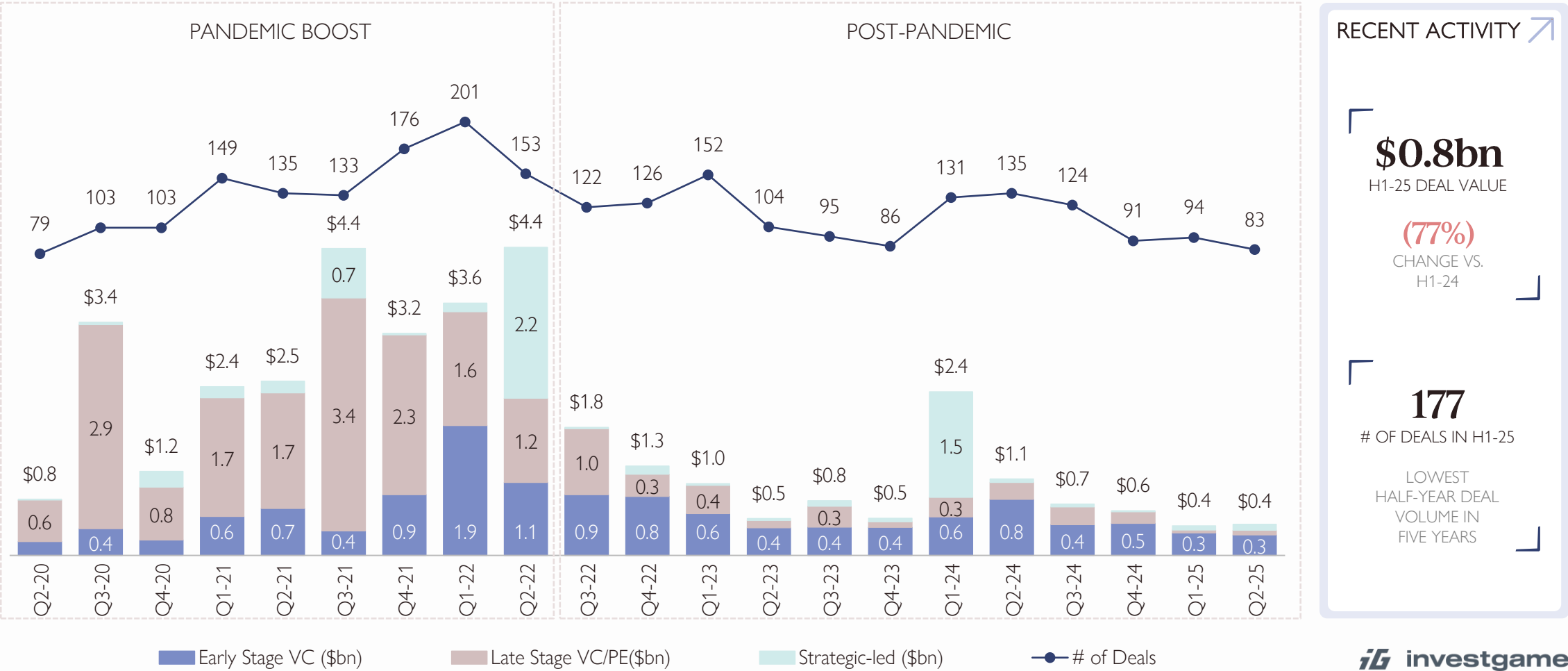
Source: FactSet as of June 30, 2025  
Notes: (1) Cash EBITDA = EBITDA – Capex; (2) MTG's organic revenue growth adjusted for Plarium; (3) Playtika's revenue growth adjusted for SuperPlay; (4) Embracer's revenue growth adjusted for Asmodee and Coffee Stain spin-off



5

## Private Investments

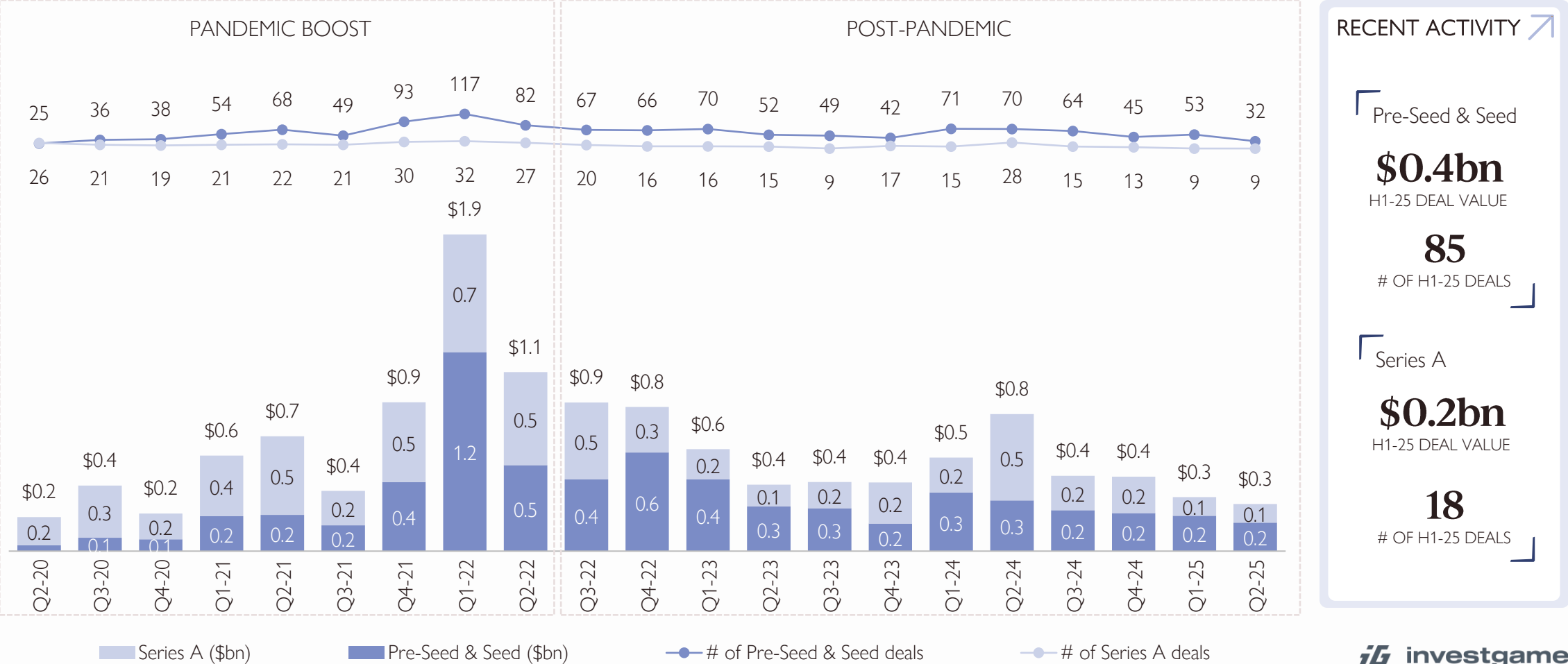
# Gaming investments plunge in H1-2025, hitting lowest activity levels in five years




























# Early-stage funding retreats further, reflecting investor caution

VC-led early-stage rounds (excl. web3 and esports)<sup>1</sup>
























# Largest VC-led deals in Q2-2025

## GAMING CONTENT<sup>1</sup>

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
Jun-25			Series A	\$25.0m
Apr-25		  	Series B+	\$21.0m
May-25			Series A	\$13.6m
Jun-25			Series A	\$11.0m
May-25			Series A	\$7.0m
May-25			Seed	\$7.0m
Jun-25		 	Seed	\$4.6m
May-25			Seed	\$3.6m
Apr-25			Seed	\$3.0m
May-25			Seed	\$2.3m

## PLATFORM & TECH<sup>1</sup>

DATE	TARGET	INVESTOR LEAD	DEAL TYPE	AMOUNT
May-25			Series A	\$15.0m
Apr-25			Series B	\$13.5m
May-25			Seed	\$13.0m
May-25			Seed	\$12.0m
May-25			Seed	\$10.0m
Jun-25			Seed	\$9.0m
Jun-25		 	Seed	\$8.0m
May-25			Seed	\$6.5m
Jun-25			Seed	\$5.8m
Jun-25			Seed	\$4.2m

# Emerging private financing market trends

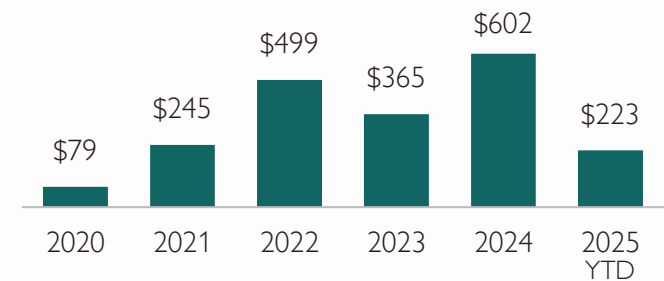
## AI INFRASTRUCTURE DOMINATES GAMING FUNDING



AI gaming startups accounted for 65% of infra deals in 2024 (up from just 4% in 2020) as capital shifts toward scalable, cross-sector tools



DEAL VALUE OF AI GAMING STARTUPS (\$M)



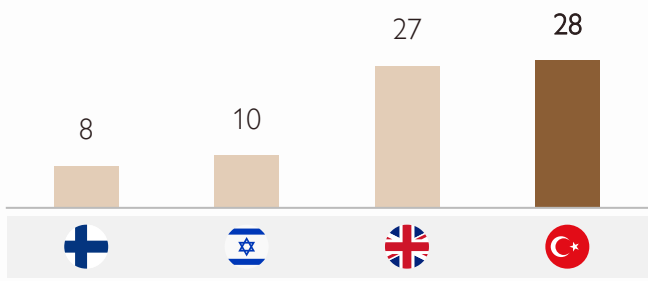
## TURKEY EMERGES AS A MOBILE GAMING POWERHOUSE



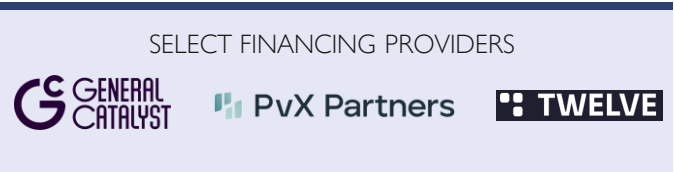
Turkey is now one of the world's top hubs for mobile game development, driven by local studio successes and strong early-stage deal flow



# OF VC-LED DEALS IN 2024-2025'H1



## COHORT FINANCING RESHAPES USER ACQUISITION CAPITAL



Debt financing providers now fund up to 80% of user acquisition budgets, offering mobile studios non dilutive growth capital

## STUDIOS LEVERAGING COHORT FINANCING



# Most active early-stage gaming VCs

## Last twelve months activity<sup>1</sup>

TOP-10 BY NUMBER OF DEALS (LTM)

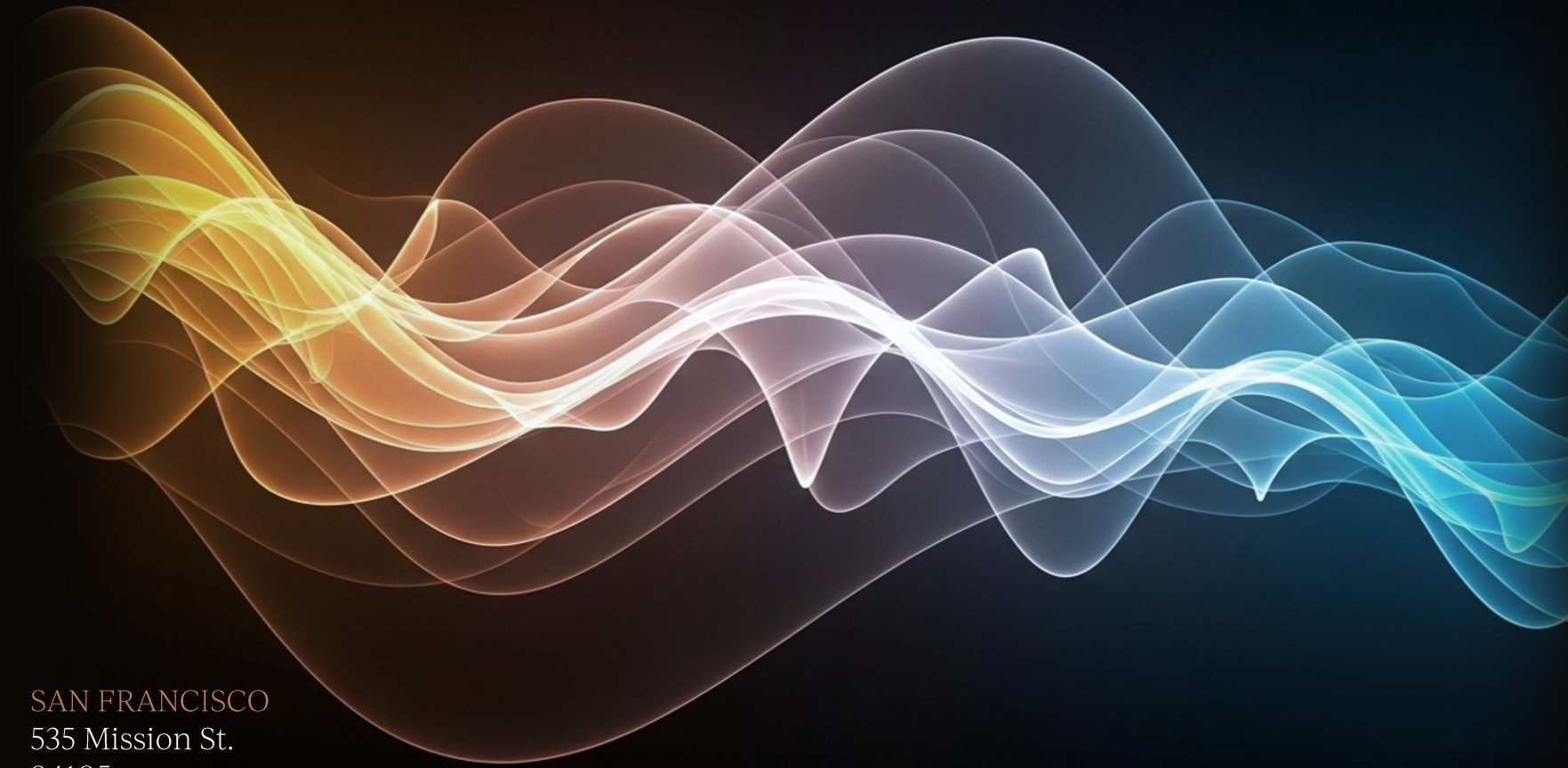
#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1		20	6	 <b>nunu.ai</b>
2		19	13	 <b>STARFARM</b>
3		11	7	<b>grand</b> 
4		11	5	STUDIO 42 
5		10	6	 <b>BANDITOS</b>
6		9	8	 <b>boby.ai</b>
7		8	6	 <b>BIT ODD</b>
8-9	<b>GEM Capital</b>	7	5	STUDIO 42 
8-9	<b>THE GAMES FUND</b>	7	5	<b>playgama</b> 
10	<b>LUDUS</b>	7	3	 <b>MA GE</b>

TOP-10 BY DEAL VALUE (LTM)



#	FUND NAME	DEALS TOTAL	DEALS LED	SELECTED INVESTMENTS
1		\$123m	\$40m	 <b>STARFARM</b>
2		\$107m	\$21m	 <b>nunu.ai</b>
3		\$98m	\$27m	STUDIO 42 
4		\$82m	\$9m	 <b>goodjob games</b>
5	<b>LATON</b>	\$69m	\$20m	<b>grand</b> 
6		\$64m	\$50m	 <b>BIT ODD</b>
7		\$59m	\$41m	 <b>TellerNovel</b>
8	<b>Goodwater</b>	\$55m	\$25m	 
9	<b>Balderton capital</b>	\$48m	\$18m	<b>agave</b> <b>grand</b>
10		\$42m	\$11m	<b>cañtwheel</b> <b>nunu.ai</b>

# Aream & Co.



## LONDON

1 Cavendish Place  
W1G 0QF

## BERLIN

Str. 3-5 Neue  
Schönhauser  
10178

## SAN FRANCISCO

535 Mission St.  
94105

[info@aream.co](mailto:info@aream.co)

+44 20 3111 7500

[LinkedIn](#)