

We craft joy.

# Rovio Entertainment.

## Q1 2023 Earnings Call Presentation

April 28, 2023

# Today's speakers.



**René Lindell**

CFO



**Alex Pelletier-Normand**

CEO



**Timo Rahkonen**

VP, IR & Corporate Strategy

# Dial-in details.

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# Q1 2023 highlights.



Games' gross bookings  
in line with the market

- Comparable gross bookings +0.9% compared to Q4'22
- US market +1.6%



Angry Birds Dream Blast  
reached a new bookings record

- +67.7% compared to Q1'22
- +15.3% compared to Q4'22

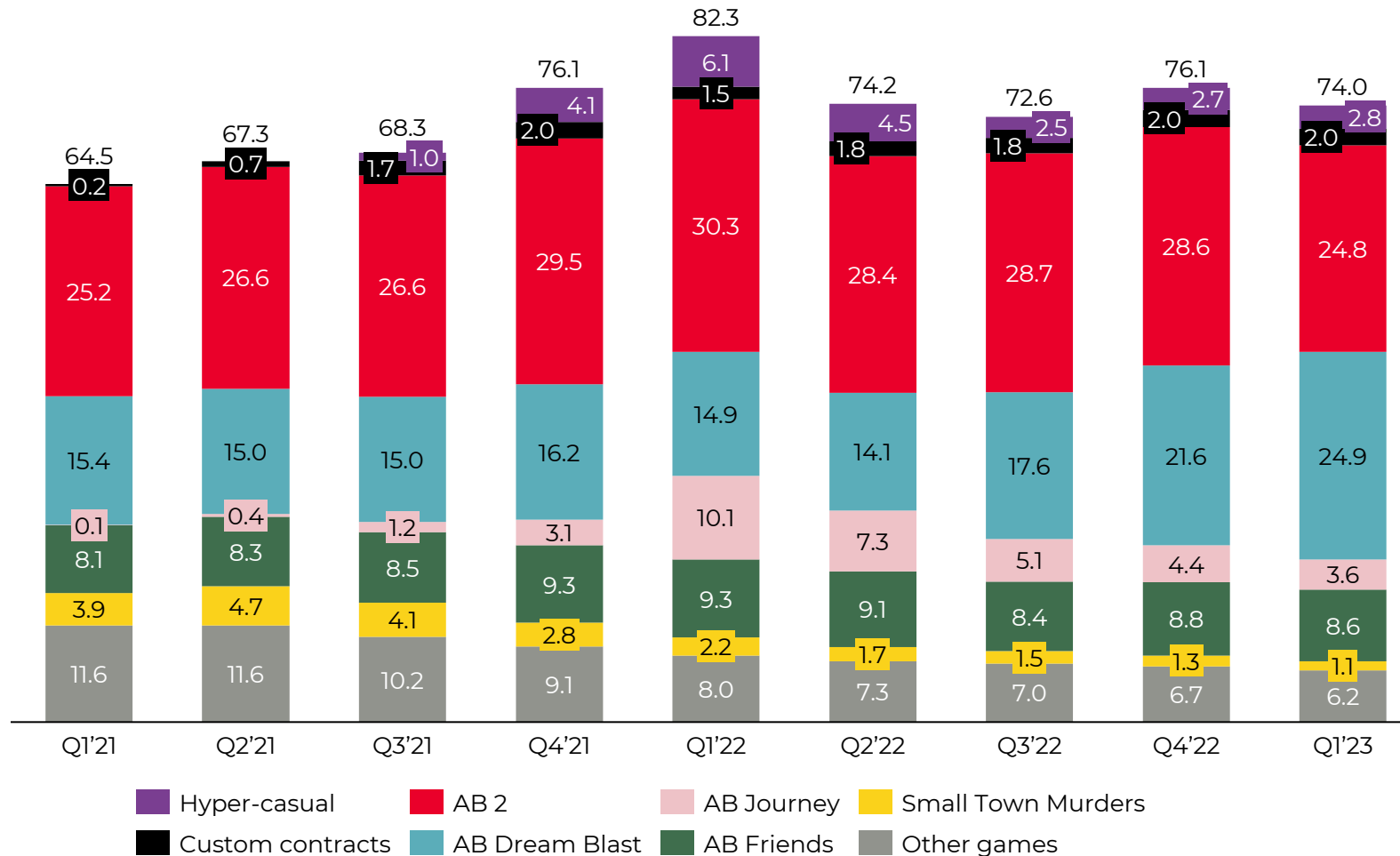


Our new games took  
leaps forward

- Moomin: Puzzle & Design showed promising retention test results in Japan
- Bad Piggies 2 soft launching

# Q1'23: Sequentially stable performance continued at portfolio level – AB Dream Blast reached new heights.

## Games' gross bookings and custom contracts (€M)



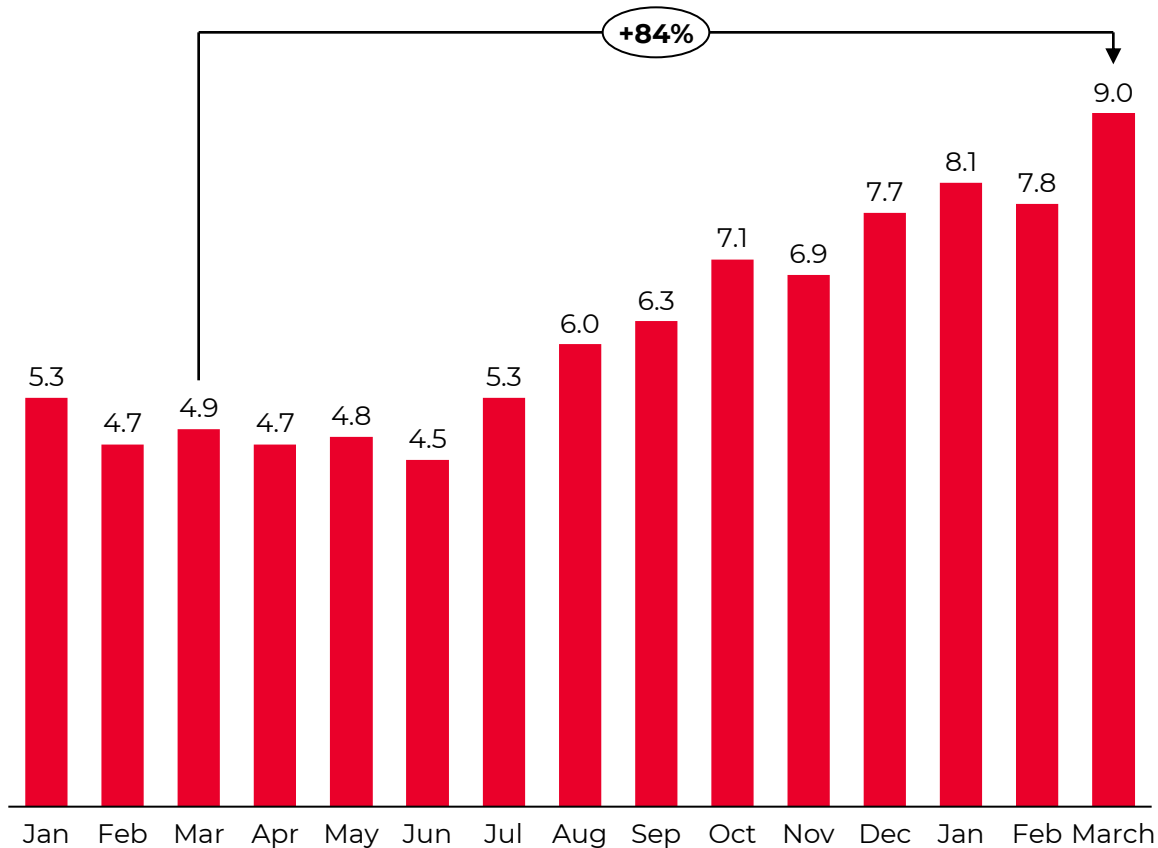
- Compared to Q1'22, games' gross bookings declined by 10.9%, largely due to the launch of Angry Birds Journey affecting the comparison figures
- Comparable gross bookings increased by 0.9% in Q1 compared to Q4'22



# AB Dream Blast continued to reach new heights.

Gross bookings grew by 67.7% compared to Q1'22

## Gross bookings January 2022 – March 2023 (€M)



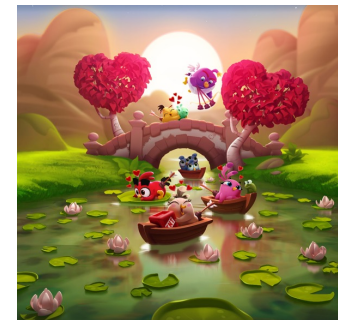
The gross bookings of Angry Birds Dream Blast grew by 67.7% compared to Q1'22 to a quarterly record of €24.9M, driven by:

- Investments in growing the game team with new great talent
- Improved player engagement and monetization through a new live operations framework, new event types and new game features
- Seasonal events, such as Valentine's Day

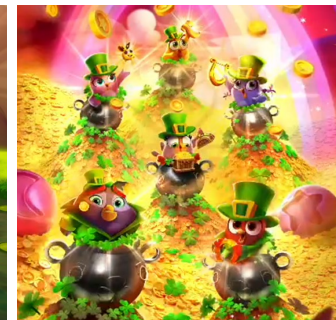
Quarterly growth continued in Q1, gross bookings being 15.3% higher than in Q4'22

The game also reached a new monthly record in March: €9.0M

Dream Blast was Rovio's biggest game in Q1



Seasonal events



New features and events

# Moomin: Puzzle and Design achieved promising results in the latest soft launch test.

- The latest soft launch test in Japan, Poland and Finland ended in April
- The test focused on mid-term retention and marketing in Japan
- Promising test results achieved – the game continues to be on the right track for global launch
- As a next step, we continue to add new content to the game, preparing for launch

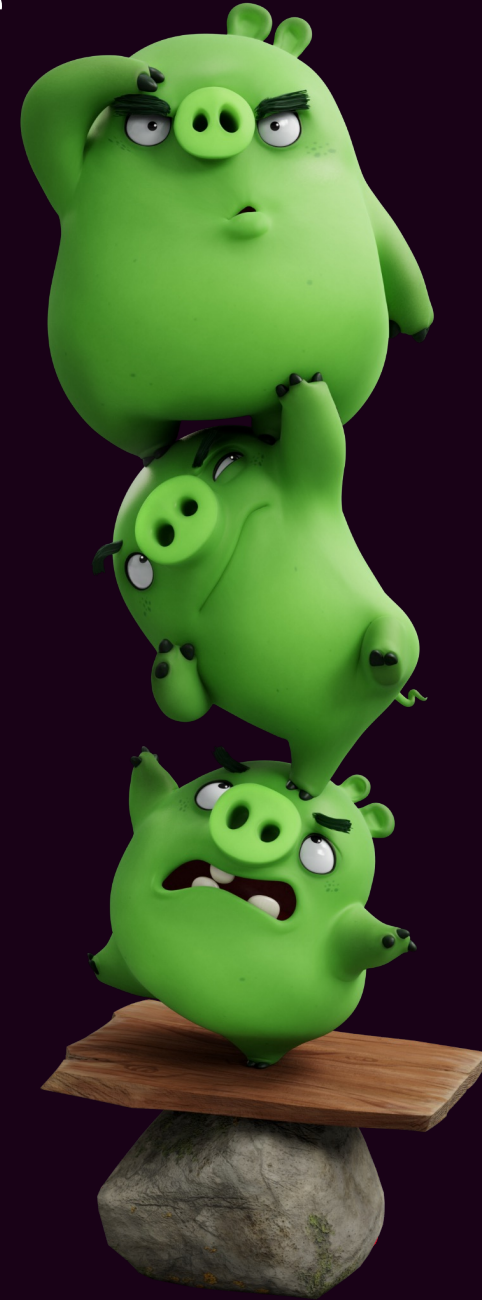


# Bad Piggies 2 soft launching.



# Sega announced a recommended cash offer to the shareholders of Rovio.

- On April 17, Sega announced a recommended cash offer of EUR 9.25 per share to the shareholders and EUR 1.48 per option to the option holders of Rovio. The total value of the Offer amounts in aggregate to approximately EUR 706 million.
- Shareholders in Rovio who in aggregate hold Shares corresponding to approximately 49.1 percent of the outstanding Shares and votes in Rovio, have irrevocably undertaken to accept the Offer, subject to certain customary conditions.
- The Board of Directors of Rovio has unanimously agreed to recommend that the shareholders and the option holders of Rovio accept the Offer.
- The Offer is currently expected to be completed during the third quarter of 2023.

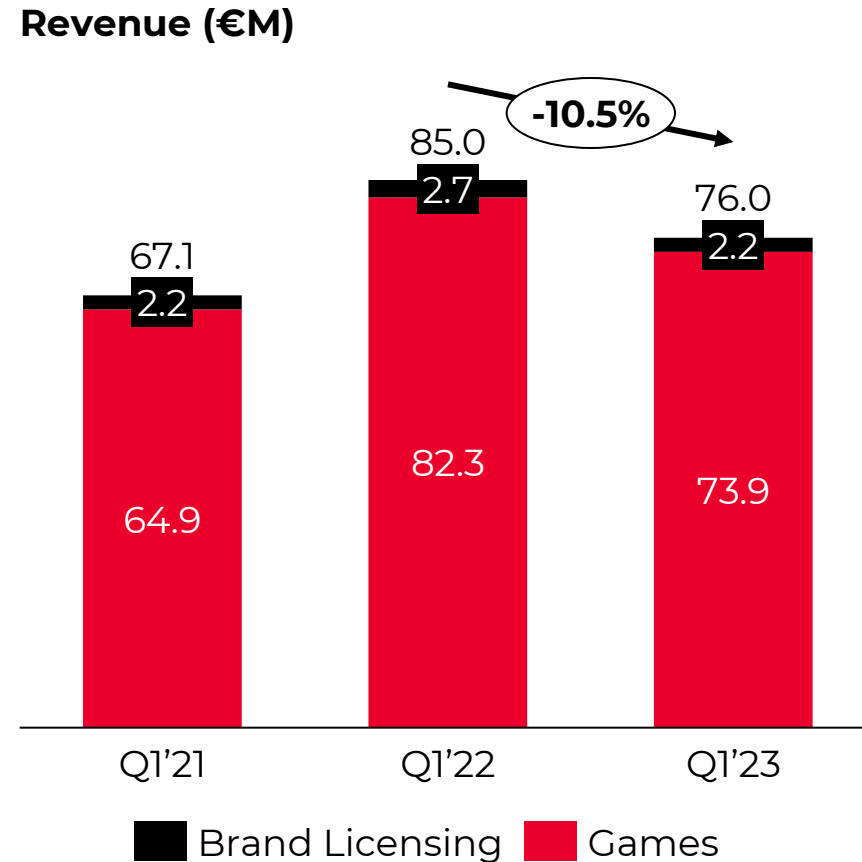


# Q1 2023 Financials.



# Q1'23: Revenue declined against a tough comparison period.

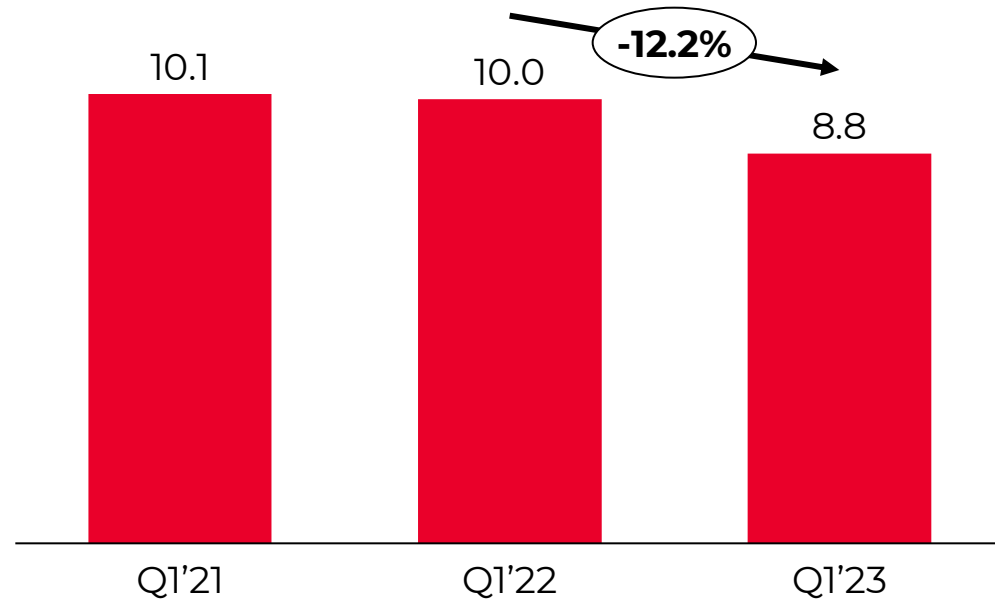
Comparable revenue declined by 13.2%. The Angry Birds Journey launch peak in Q1'22 impacted the comparison period.



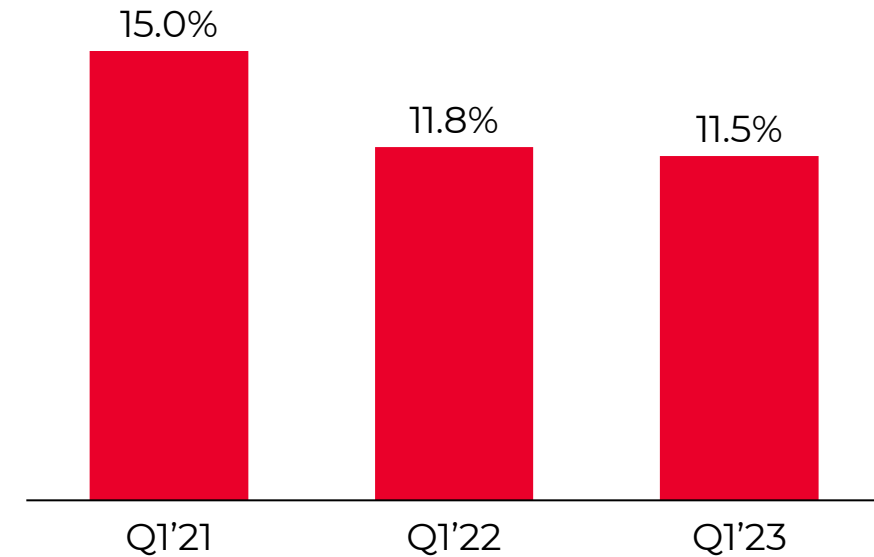
# Q1'23: Adjusted operating profit declined due to lower revenue.

Adjusted operating profit margin declined slightly

Adjusted operating profit (€M)\*



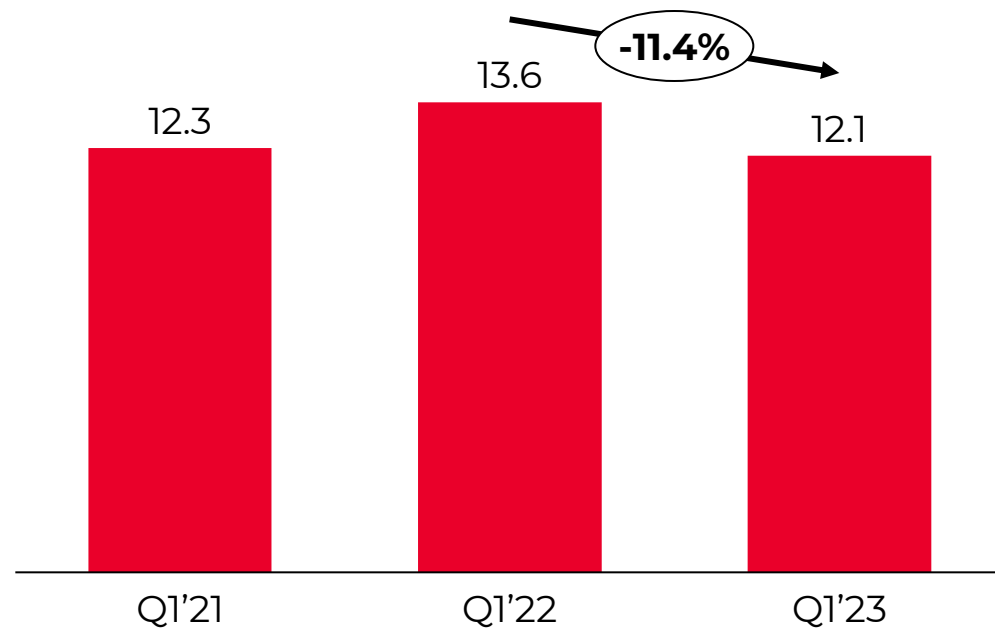
Adjusted operating profit margin (%)\*



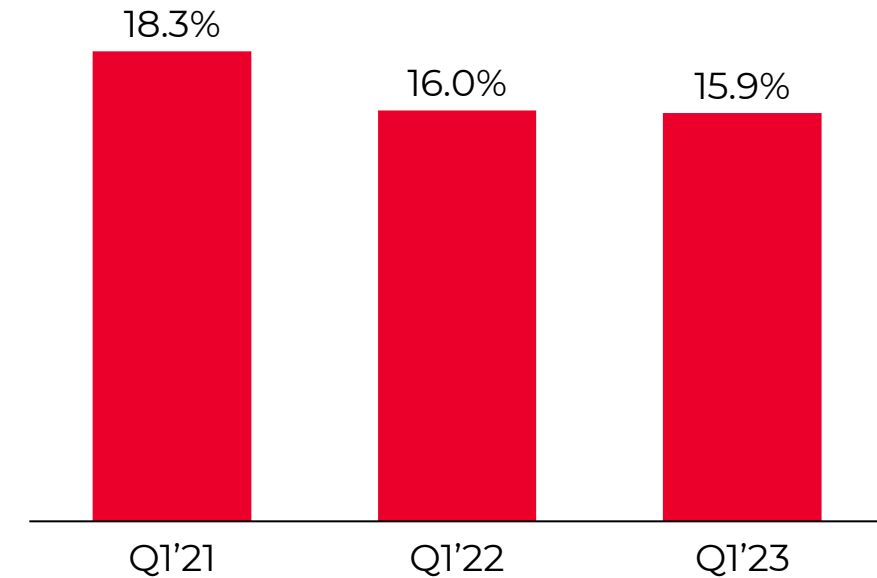
# Q1'23: Adjusted EBITDA declined due to lower revenue.

Adjusted EBITDA margin remained stable

Adjusted EBITDA (€M)\*

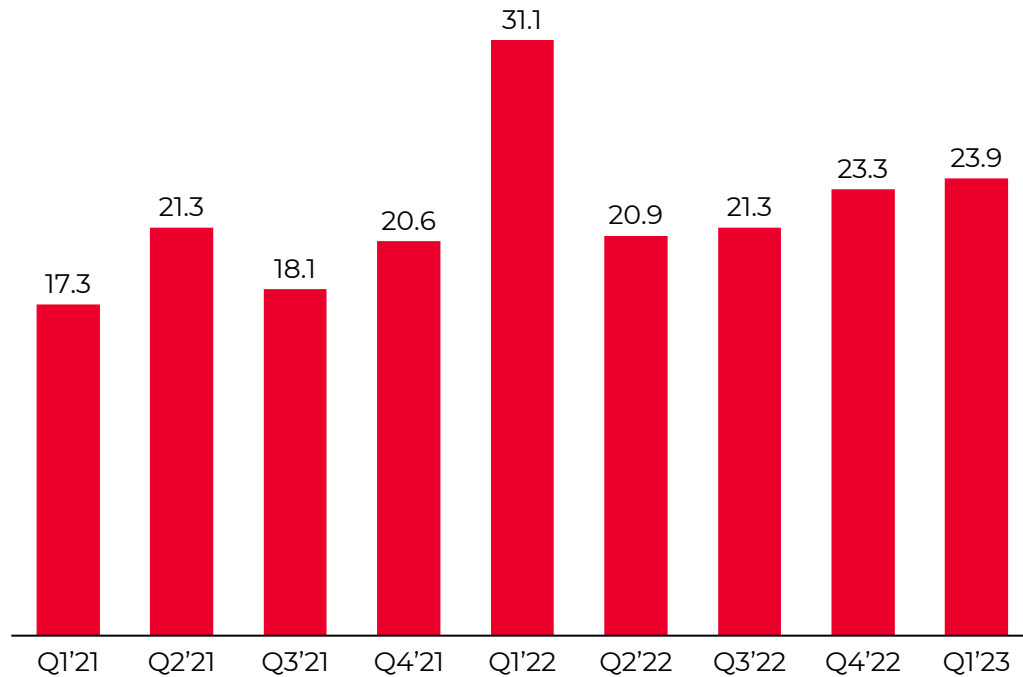


Adjusted EBITDA margin (%)\*

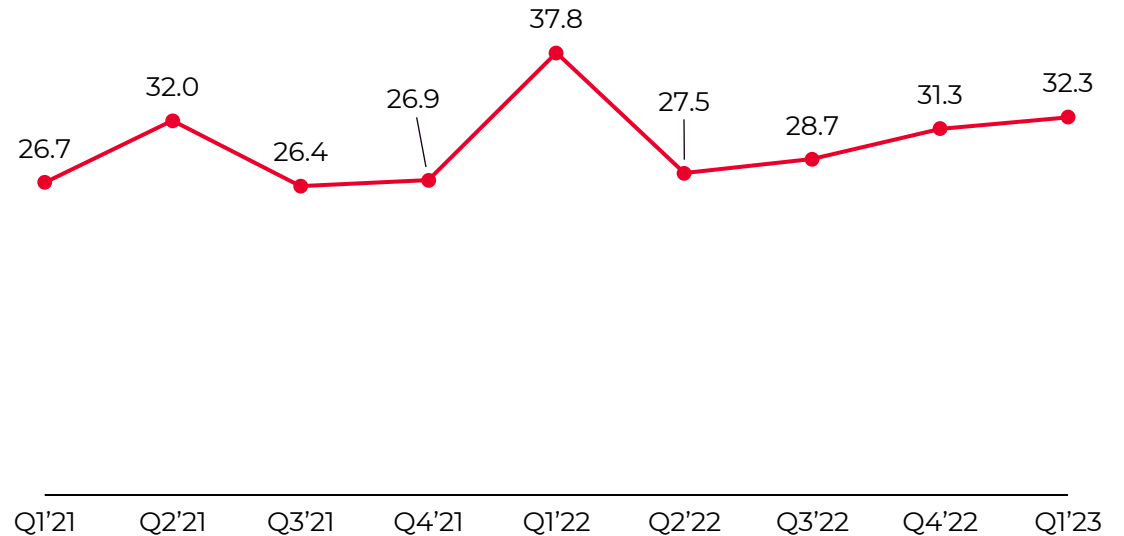


# Q1'23: UA investments increased, driven by the strong performance of AB Dream Blast.

User acquisition investments (€M)

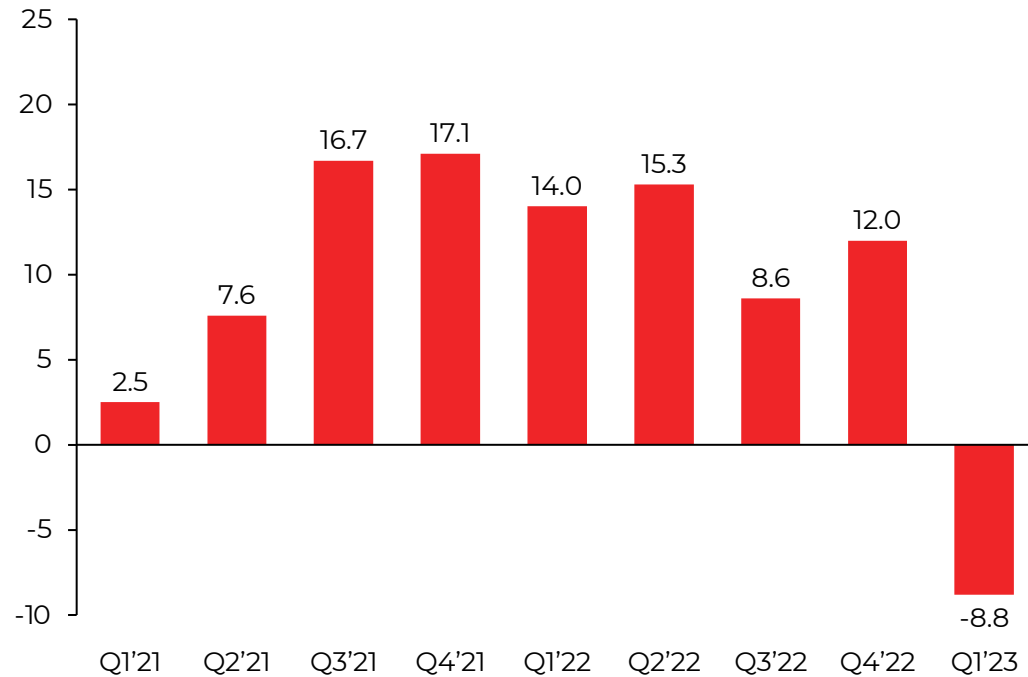


User acquisition as % of games' revenue (%)\*

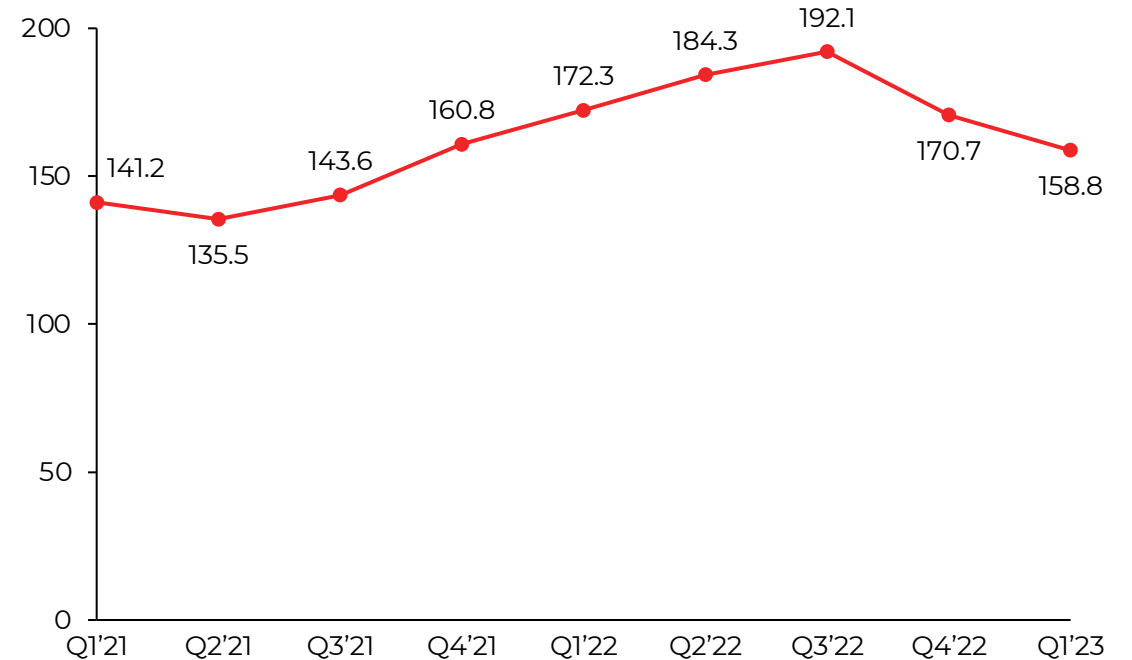


# Q1'23: Operating cash flow declined due to '22 accrued bonus payments and the New Mexico settlement.

Operating cash flow (€M)



Cash balance (€M)



# Outlook for 2023 is unchanged.

We expect our comparable revenue and adjusted operating profit to be at last year's level.

## **Additional information on user acquisition investments in Q2-2023:**

User acquisition investments in Q2 2023 are expected to be 27–32% of games' revenues.

# Q&A.

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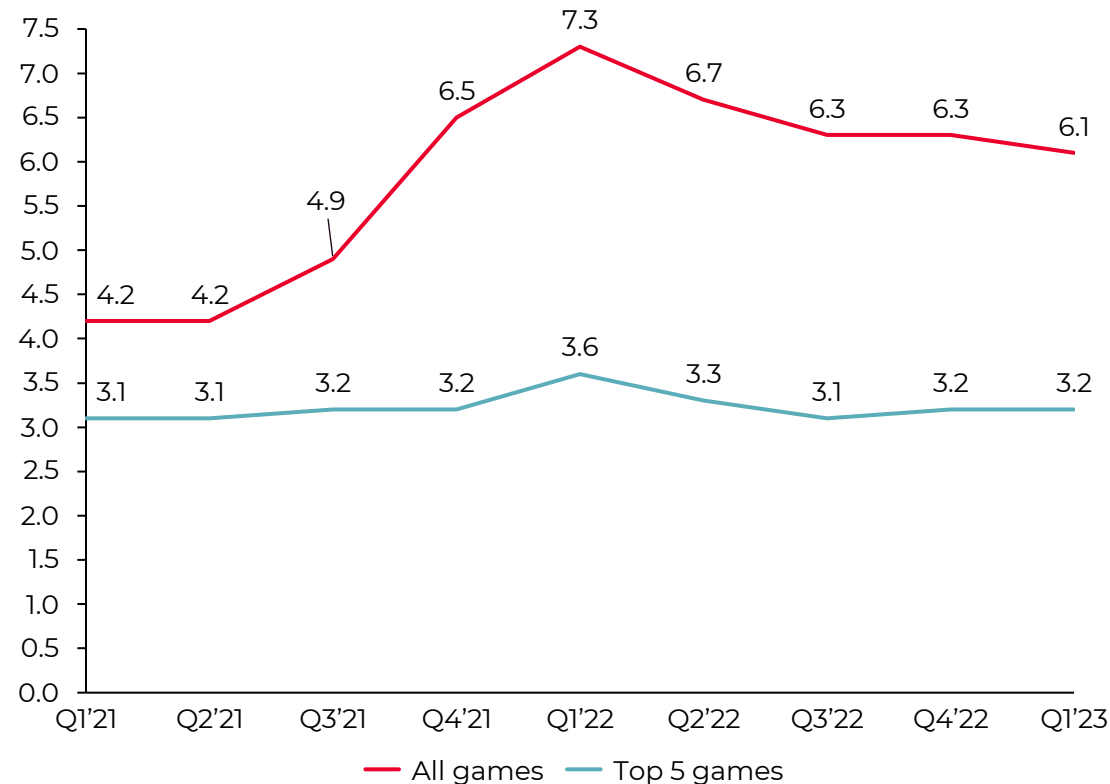


# Appendix.



# Q1'23: Numbers of users and payers stable sequentially.

## Daily active users (million)\*

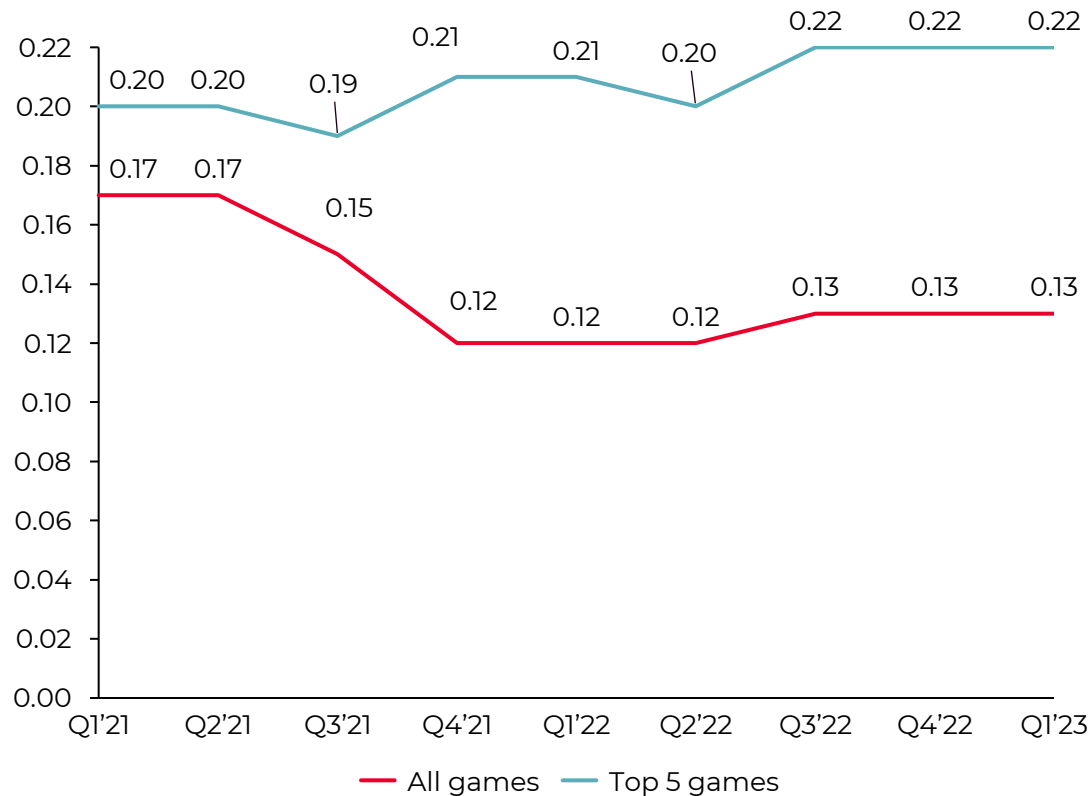


## Monthly unique payers (thousand)\*

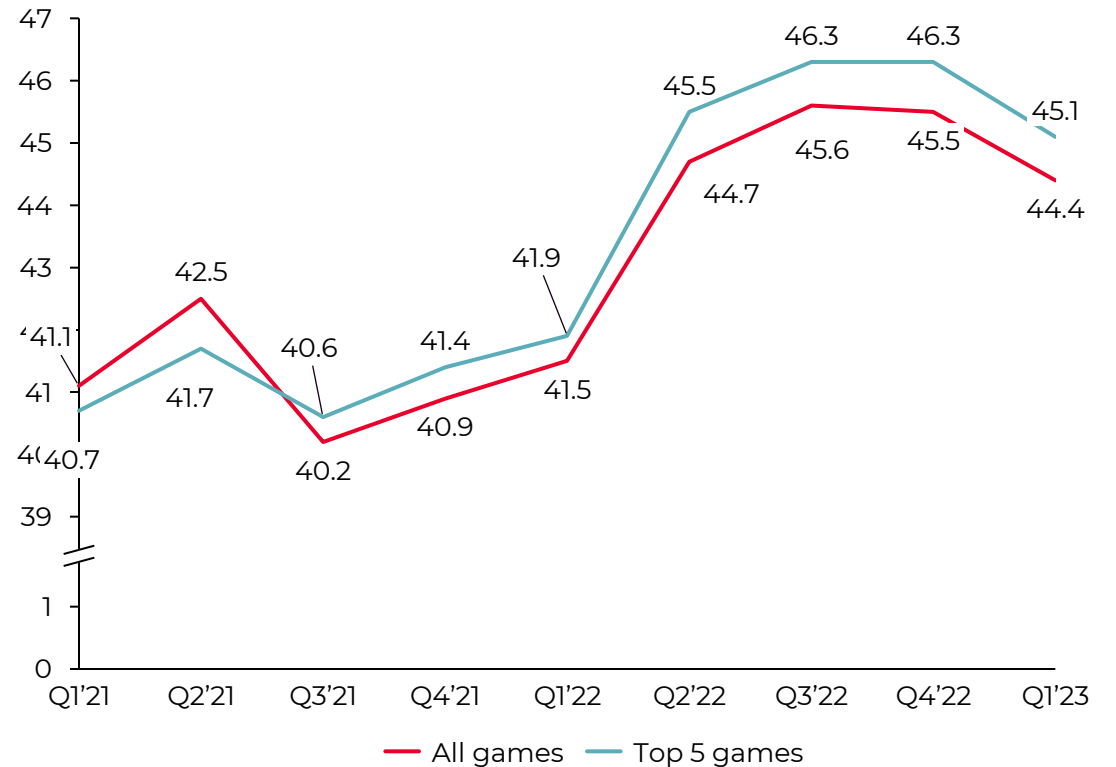


# Q1'23: ARPPDAU stable – MARPPU declined.

Average revenue per daily active user (€)\*

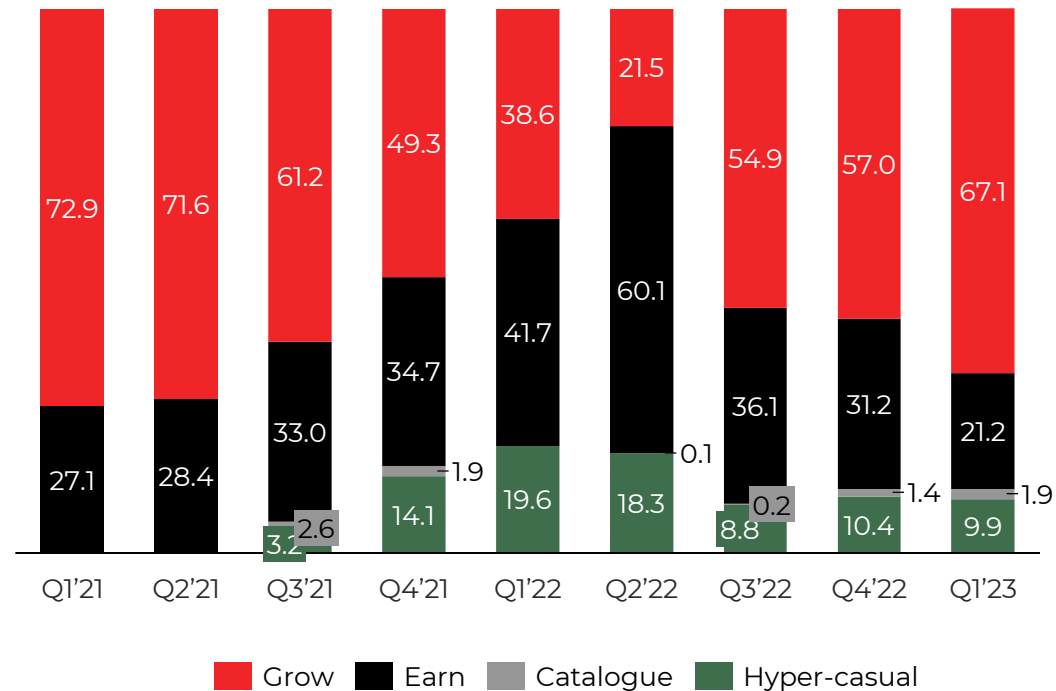


Monthly average revenue per paying user (€)\*

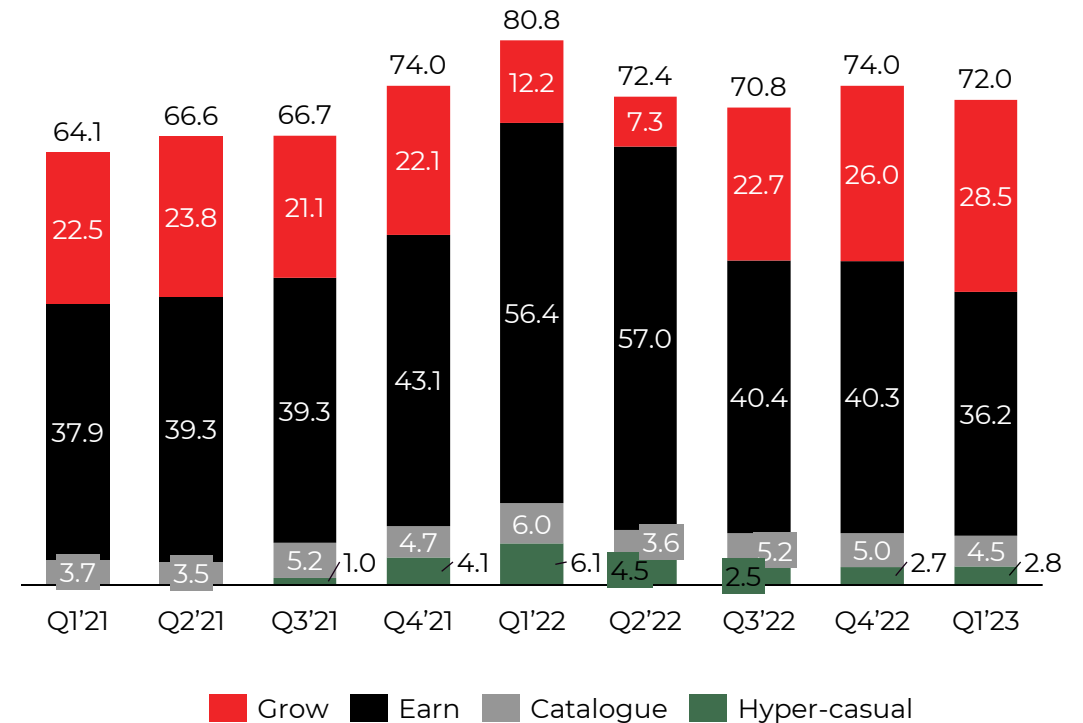


# Q1'23: User acquisition focused on the Grow category.

Share of total user acquisition per game category (%)\*



Games' gross bookings (€M)



\*Games categories per life-cycle. Each quarter presents the categorization during that specific period. Categories in Q1'23:

**Grow:** Angry Birds Journey, Angry Birds Dream Blast + games in soft launch

**Earn:** Angry Birds 2, Angry Birds Friends, Small Town Murders, Angry Birds Match

**Catalogue:** Other games

**Hyper-casual:** Ruby Games

# IR contacts and financial reporting in 2023.

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**Financial reporting in 2023:**

Half-year report January–June 2023 on August 11

Interim report January–September 2023 on October 27



