



ten square\_games

# COMPANY UPDATE

July 2, 2021



**1**

## **RORTOS ACQUISITION**

Entry to rapidly growing flight simulators segment

**2**

## **FISHING CLASH CHINA**

One of the largest and fastest growing mobile gaming markets

**3**

## **SISU GAME VENTURES - INVESTMENT**

Market insight leverage

# **RORTOS ACQUISITION**

# ABOUT RORTOS



- **The largest player** in a highly attractive flight simulation segment with a unique proprietary tech and **over 200m** lifetime installs
- **3 main live titles** and **3 titles under development** – both commercial and military flight subgenres
- 18-20' **CAGR revenue of ca. 48%** and **18-20' CAGR EBITDA of ca. 54%**
- **Well balanced revenue streams**  
(55% IAP, 26% subscription, 19% Ads)
- A team of ca. 20 FTEs based in Verona, Italy

## MANAGEMENT



**Antonio Farina**  
CEO & Game Director

- 32 years leading gaming studios
- Founder and CEO of Milestone for 20 years



**Roberto Simonetto**  
President & CTO

- 21 years in software and gaming development
- Flying enthusiast: glider and private pilot license

*\*Estimated normalized 2020 EBITDA, in accordance with the TSG's accounting principles*



# KEY PORTFOLIO TITLES

## AIRLINE COMMANDER



### F2P, IAP and Ads monetization

Launched in July 2018

- Conquer routes worldwide, fly amid real traffic and build your fleet!
- Fly from the main hubs to open routes towards all major airports
- Earn from contracts, take offs, landings, taxiing and exciting challenges
- Complete licenses to improve your skills
- The more you improve the more you earn with your airline

**40M+**

LIFETIME INSTALLS  
Organic traffic

**63%**

IAP  
LTM to Mar 2021

**€2.9M**

LTM NET REVENUE  
To Mar 2021

**1.7M**

MAU  
May 2021

## REAL FLIGHT SIMULATOR



### Premium and Subscription monetization

Launched in July 2019

- Explore sceneries and airports in high resolution
- Realistic satellite maps, 3D buildings, runways, procedures, air traffic
- Jump on board of real time flights, join other pilots in multiplayer
- Advanced multi panel system, ground systems, Instrument Landing System, different controls, VDG5, multi camera and real fuel consumption

**3.5M+**

LIFETIME INSTALLS  
100% Organic traffic

**84%**

SUBSCRIPTION  
LTM to Mar 2021

**€1.8M**

LTM NET REVENUE  
To Mar 2021

**1.0M**

MAU  
May 2021

## EXTREME LANDINGS



### IAP and Ads monetization

Launched in August 2014

- Test piloting skills and handle the most critical flight conditions of history
- Solve over 5000 possible situations to achieve the highest pilot level
- 6 missions to accomplish, 168 challenges to pass
- Over 500 accurate airports and weather conditions in real time

**24.5M+**

LIFETIME INSTALLS  
100% Organic traffic

**80%**

IAP  
LTM to Mar 2021

**€0.4M**

LTM NET REVENUE  
To Mar 2021

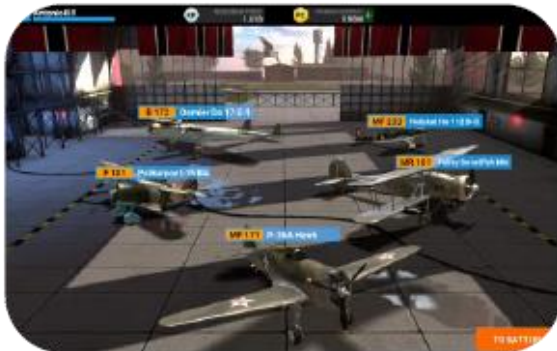
# DEVELOPMENT PIPELINE – DOGFIGHT GAME

## DOGFIGHT GAME

### F2P, IAP and Ads monetization

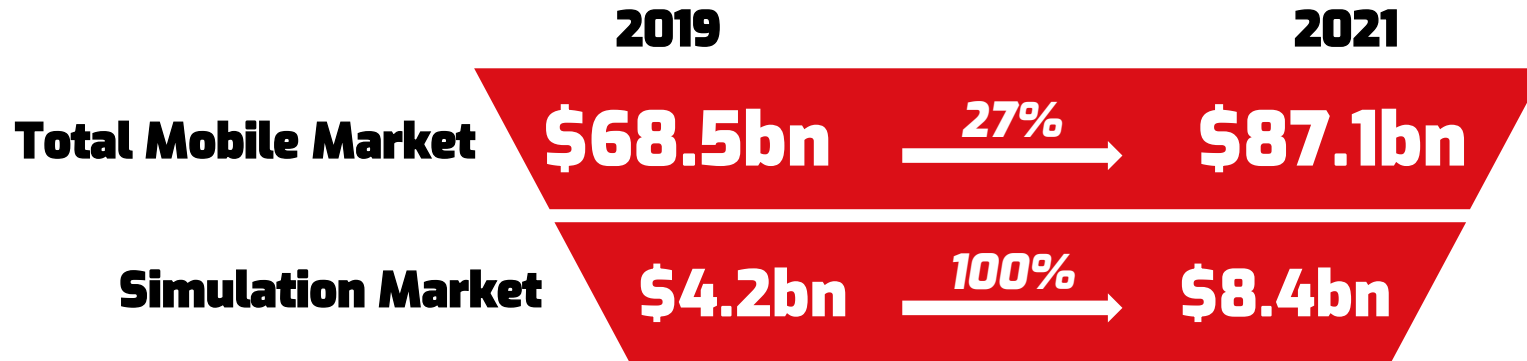
Currently in closed Beta

- The most advanced dogfight game on mobile offering intense multiplayer battles at 60FPS
- Thousands of upgrades and customizations with plenty of maps and game modes
- Over 80 World War II planes





# POTENTIAL OF SIMULATION MARKET



- Investment hypothesis assumes that flight simulator segment has significant potential comparable to fishing and hunting

## DOWNLOADS IN 2020



\*Almost entirely organic downloads

Source: TSG research

# INVESTMENT RATIONALE

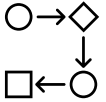
- ① **Diversification of TSG's revenue and portfolio** – flight simulators as a new pillar in TSG's portfolio
- ② **Fast growth segment** – flight simulators are one of the fastest growing mobile gaming categories
- ③ **The leading flight simulators studio** – largest catalogue of mobile flight simulators
- ④ **Hard to replicate Flight Simulation Engine** – entirely developed in-house
- ⑤ **Strong management team** – combining over 50 years of gaming and software experience
- ⑥ **High synergy potential** – leveraging TSG's know-how



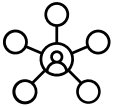
# SYNERGY POTENTIAL



**Introduction of User Acquisition and Marketing – using TSG's smart growing approach**



**Leverage on TSG product know-how**  
- deployment of the "Clash metagame" solution  
- introduction of live-ops



**Deploy TSG's Machine Learning systems**



**Application of Business Intelligence solutions**



**Provide Customer Support and VIP service out of Wroclaw**



**Leveraging on TSG's talent recruitment platform**

# INTEGRATION AND DEVELOPMENT PLAN

## First 6 months

## Next 12 months

- Implement TSG Machine Learning systems

- Build User Acquisition competence

- Long-term engagement

- Long-term retention

- Provide Customer Support and VIP service out of Wrocław

- Share game development competence

- Monetization

- Players' motivation

- Connect with TSG's IT systems

- Provide access to TSG's recruitment network

- Deploy functionalities of Fishing Clash and Hunting Clash metagame

**Initial analysis, roadmap creation and quick wins**

**Further development and creation of new titles with mutual benefit**

# TRANSACTION INSIGHTS

**Enterprise Value:**  
**EUR 45.0M**

**Equity Value:**  
**EUR 46.7M**

- Implied valuation multiple of 9.8x EV/EBITDA
- 100% shares of RORTOS to be acquired by Ten Square Games
- Earnout provisions entitling the sellers to further payments until 2025



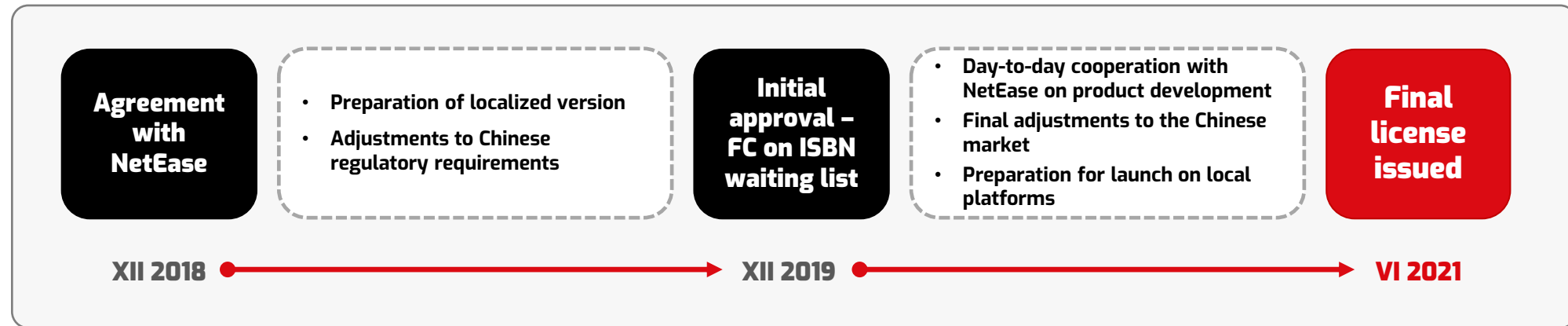
- No additional approval of an antitrust authority is required.
- Completion of the transaction is expected in the upcoming week.



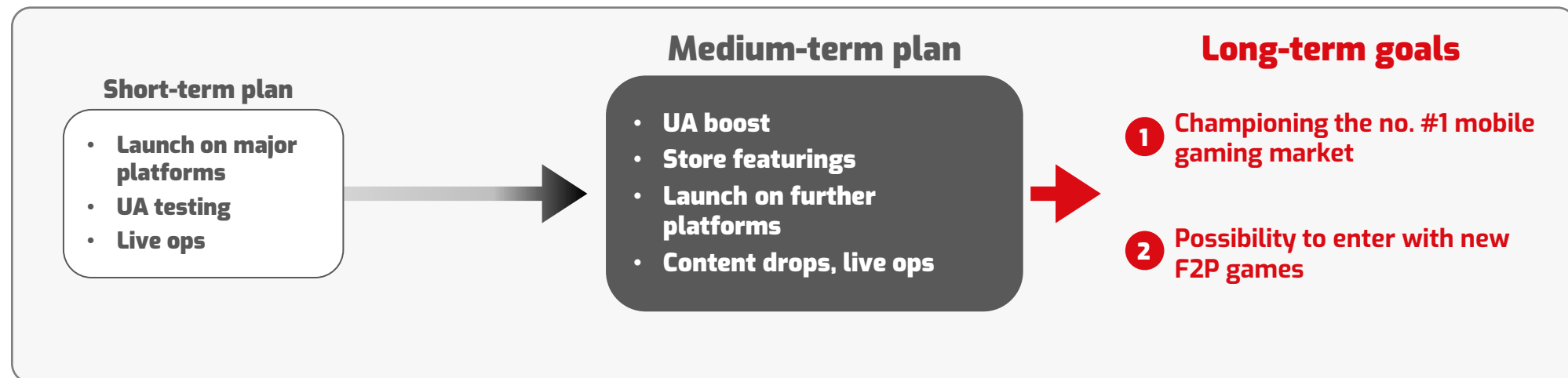
# **FISHING CLASH IN CHINA**

# FISHING CLASH JOURNEY TO CHINA

## The Journey



## Development plan



# **SISU GAME VENTURES - INVESTMENT**



# COOPERATION WITH TOP VC FUND GLOBALLY



## SELECTED PORTFOLIO STUDIOS



Network Next

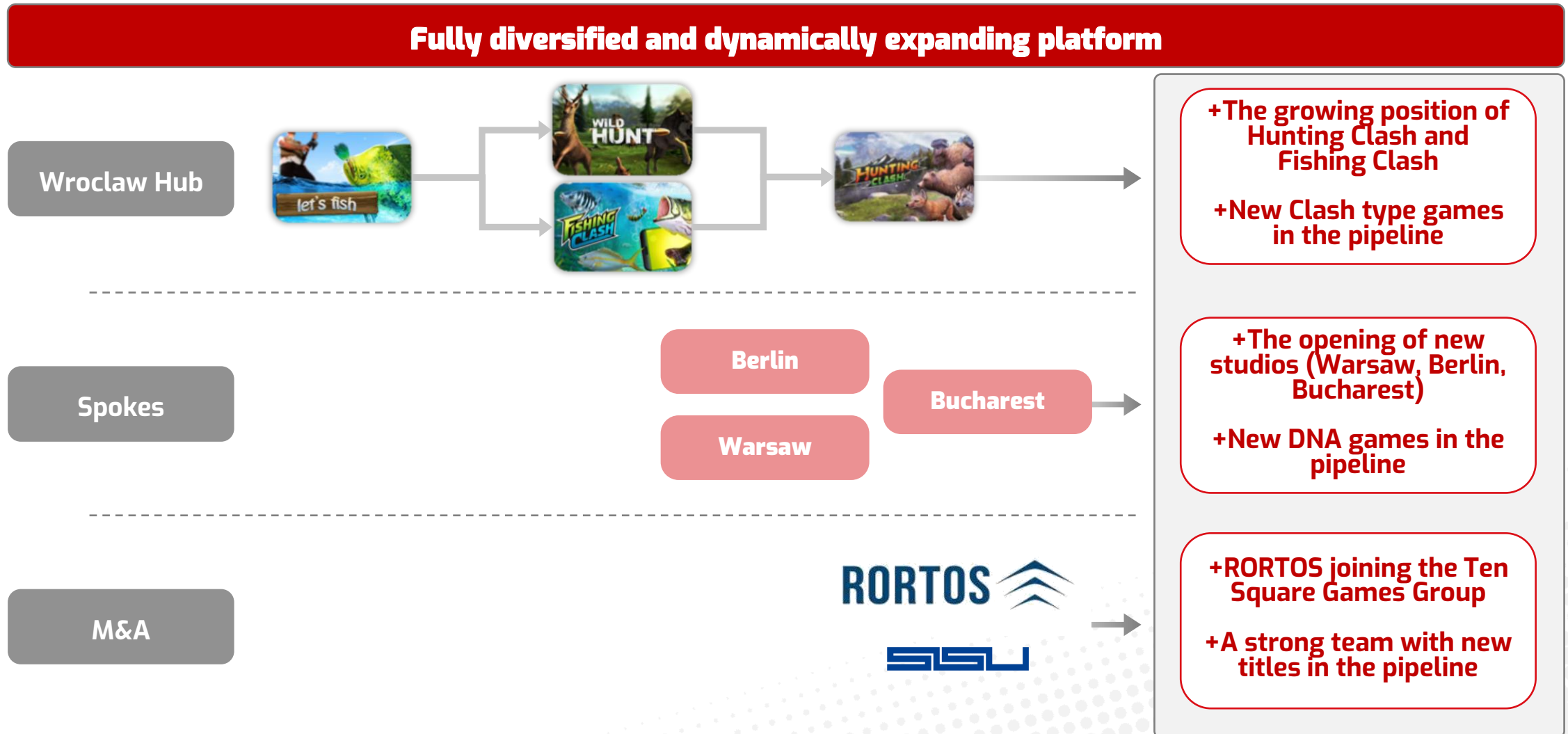


- We have declared investment up to USD 3m in Sisu Game Ventures of which USD 1.2m will be transferred after first capital call (July 2021)
- Sisu is **the most active VC fund** in the games industry with **58+ investments**, reviewing over **150 investments annually**
- It is **one of the first two games industry dedicated venture capital funds** in the world
- Sisu has had **6 portfolio company exits** to companies like **Zynga, King and Amazon** which includes the now billion dollar acquisition (with earn outs) of Small Giant
- **The team behind Sisu** has been involved in starting 16 game studios over the past 30+ years
- Sisu is an **early-stage investor** and prides itself on being first money in with the majority of their investments

## BENEFITS FOR TEN SQUARE GAMES

- 1 Access to Sisu's global network and information about potential deals**
- 2 Global recognition thanks to Sisu's co-investments with top mobile gaming brands**
- 3 Mobile gaming diversified know-how**
- 4 Potential return on investment as Sisu is one of the most successful VC in the world**

# STRATEGY STATUS



# Q&A SESSION



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# THANK YOU!

IR Contact

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