



Thunderful Group

ACQUIRES
ROBOT TEDDY

OCTOBER 27, 2021



THIS IS THUNDERFUL GROUP

A European company operating in two business segments:

- **Games** – developing, publishing and investing in games for mainly PC and consoles
- **Distribution** – distributing Nintendo products, games, gaming accessories and toys
- **Vision:** To be a leader in a world where everyone can play
- **Mission:** To provide creative entertainment products of the highest quality for people of all ages

EMPLOYEES

371*

GAMES IN PUBLISHING PIPELINE

26*

GAMES IN DEVELOPMENT

13*

BRAND PORTFOLIO

c.100

NINTENDO PARTNERSHIP SINCE

1981



* June 30 2021

BUSINESS STRATEGY

ACCELERATE INVESTMENTS

- Increase investments in the development and publishing of games.
- Acquire complementary businesses and intellectual property rights.
- Acquire development studios and other gaming companies that operate in a decentralized structure.

MAINTAIN AND DEVELOP IP-CENTRIC OPERATIONS

- Use IP rights and brands to create and develop experiences in new media and for new platforms.
- Ensure presence on platforms and in channels.
- Increase the share of proprietary brands.

HIGH-QUALITY PERFORMANCE IN THE GROUP'S BUSINESS SEGMENTS

- Uphold an entrepreneurial culture with strong focus on quality.
- Retain and develop staff and internal competence.
- Retain and develop co-operations and partnerships.

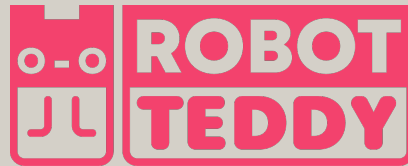


THE ACQUISITION OF
ROBOT TEDDY

ROBOT TEDDY IN BRIEF



CALLUM UNDERWOOD, CEO



RANJANI NATARAJAN, COO

ROBOT TEDDY IN BRIEF

Robot Teddy is a consultancy, founded by Callum Underwood. It manages business and strategy for multiple successful studios and games, including Among Us, SUPERHOT, and Gang Beasts. Alongside this, Robot Teddy provides support to multiple funds and publishers across scouting and business development.

- Headquartered in the United Kingdom.
- 11 staff distributed across the United Kingdom, Philippines, South Africa, The Netherlands and Canada.
- Currently working with 14 clients.
- Key partnered studios include Innersloth (Among Us), Boneloaf (Gang Beasts), SUPERHOT (SUPERHOT VR), Triband (What The Golf?), Fern Turtle (Viewfinder).



FOUNDED IN 2017	LTM AUG'21 SALES, GBP 3.2M	
EMPLOYEES 11	LTM AUG'21 EBIT, GBP 2.7M	CLIENTS 14

RATIONALE FOR THE TRANSACTION

A PARTNERSHIP ENABLING THUNDERFUL TO LAUNCH A NEW INVESTMENT PILLAR

- Robot Teddy and their founder Callum Underwood have established a well-earned reputation for their business development work in the industry.
- Successful history of managing business development, release management, and strategy for several clients and partners, including Among Us developer Innersloth, SUPERHOT, Gang Beasts developer Boneloaf, What The Golf? developer Triband, Bunnyhug and many more.
- Exceptionally well-connected and trusted by the global development community.
- Distributed business, present in all parts of the world. The headquarters is in the UK, and they have partners in the Philippines, South Africa, Netherlands, and Canada.
- Extends our ability to engage with developers who are not looking for a publishing partners for their projects.

OUR AGENDA

- Build an investment pillar, alongside our successful publishing and development ones, that will widely expand the range of developers we will be able to partner with.
- Set up an investment fund to support the development of game prototypes and vertical slices.
- Set up a VR investment fund focused on the development of VR games, a booming sector that is rife with opportunity when it comes to self-publishing.
- Robot Teddy will continue to offer support to developers who want to self-publish.
- The Robot Teddy network will further strengthen our ability to spot great opportunities at the earliest possible stages.



THE TRANSACTION STRUCTURE AND FINANCING

TRANSACTION STRUCTURE

- **Upfront consideration: 10.0 MGBP on a cash and debt free basis**
 - 7.0 MGBP in cash
 - 3.0 MGBP to re-invest in Thunderful Group by way of a direct issue of new shares
- **Earnout consideration: Up to 12.0 MGBP**
 - Subject to fulfilment of financial and operational milestones until 31 December 2025
 - Payable in up to 4.0 MGBP in shares and up to 8.0 MGBP in cash
- **Total consideration: 22.0 MGBP**

FINANCING

- Preliminary management accounts for the period LTM-Aug'21 expects net sales of 3.2 MGBP and EBIT of 2.7 MGBP.
- Upfront consideration of 10.0 MGBP is equivalent to 3.7x Robot Teddy's EBIT for LTM-Aug'21 and the total consideration of up to 22.0 MGBP is equivalent to 8.1x.
- The cash consideration will be financed with available cash and credit facilities.
- For the share consideration, the Sellers will re-invest 3.0 MGBP in Thunderful Group by way of a direct issue* of 575.338 shares at a 10-day VWAP resulting in a dilution of 0.83%.



GBP/SEK of 11,8207 as the Swedish Riksbank rate as of October 25, 2021 and 10 days VWAP as of market close October 25, 2021

THANK YOU!

CONTACT

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