



CRIME BOSS

ROCKAY CITY

Digital Bros
digital entertainment

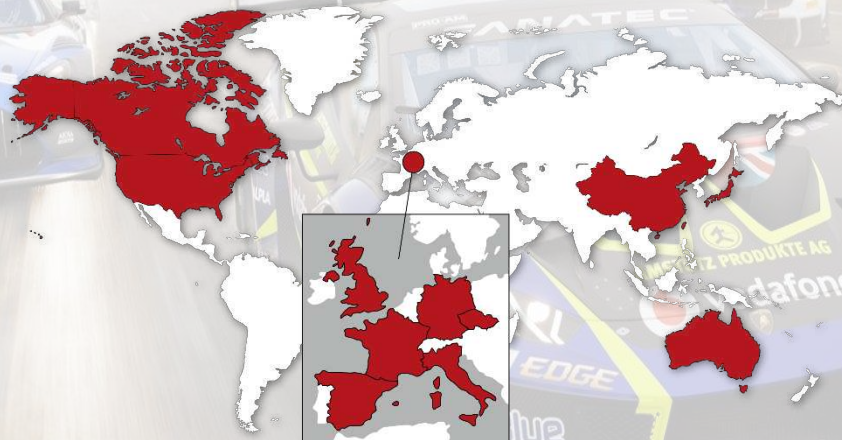
WE DEVELOP AND PUBLISH MULTIPLATFORM GAMES WORLDWIDE

Digital Bros
digital entertainment

Digital Bros is a global company that started operations in **1989 as a developer, publisher and distributor of videogames**. The Group sales are mainly digital, with marginal sales realized on the retail market. Since 2000, the parent company Digital Bros S.p.A. is listed on the **Euronext STAR segment of Borsa Italiana (DIB:MI)** and since 2022 DB is part of the Euronext Tech Leaders segment.



430 people worldwide

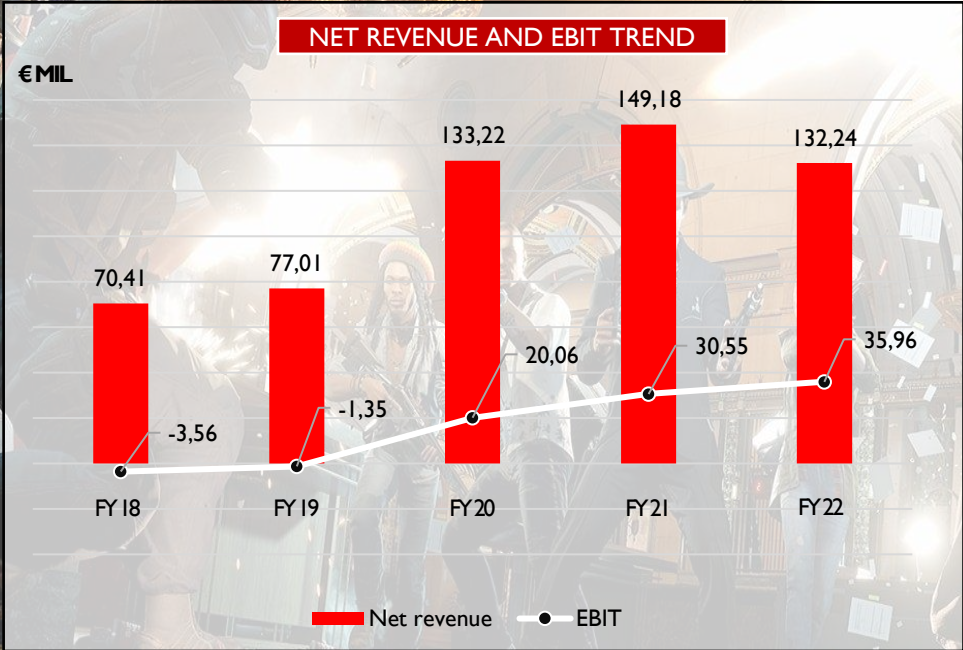


STUDIOS

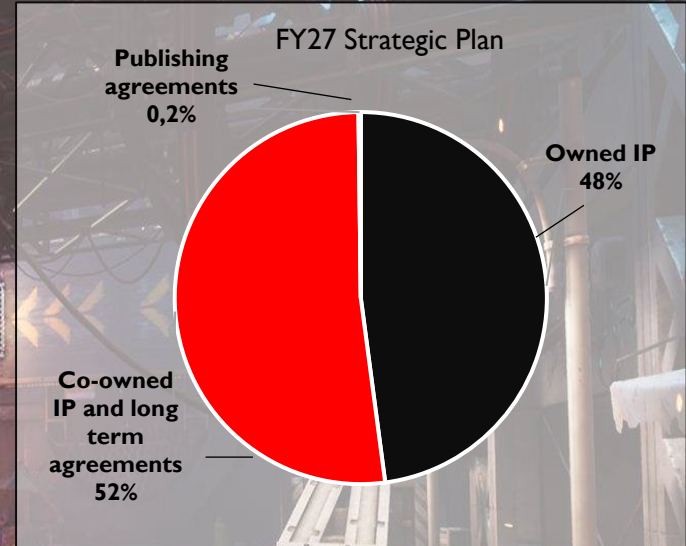
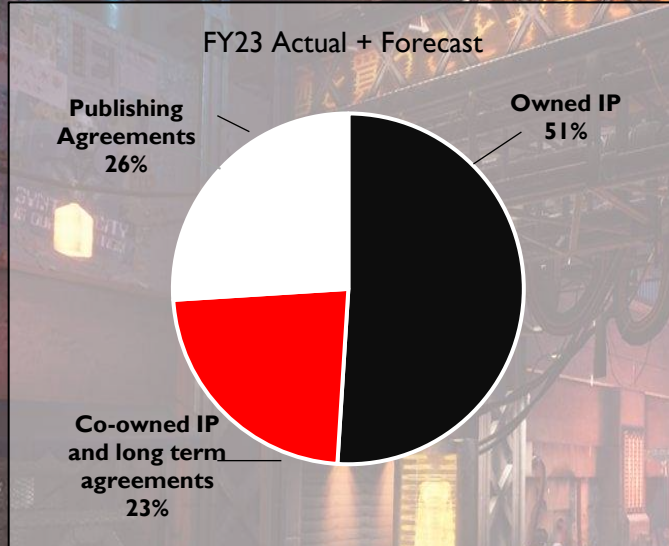


PUBLISHING

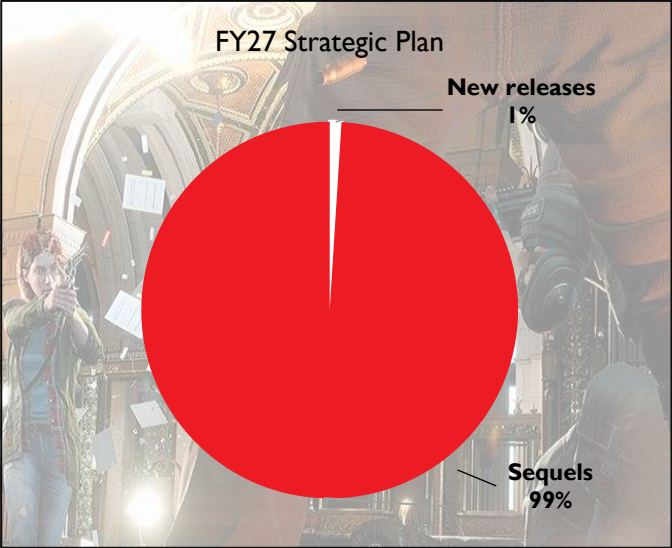
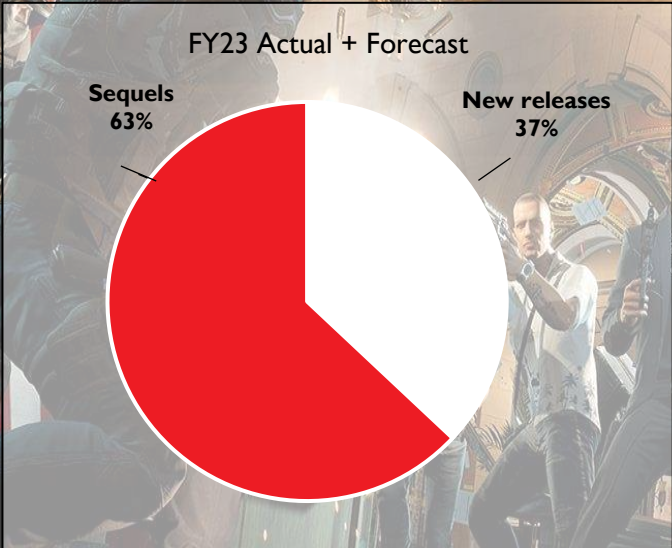




Last fiscal year revenue decreased by 11.4%, but EBIT increased at € 36 million, a 17.7% increase YoY, generated by the revenue of fully owned IPs and back catalogue products.



- **Owned IPs:** Premium & F2P video games developed by internal studios or IP ownership
- **Co-owned IPs and long-term agreements:** Premium video games with IP co-ownership or > 10 years agreement
- **Publishing agreements:** worldwide publishing agreements



€ mil	31.03.23	31.03.22	Change €	Change %
Net revenue	89,177	82,934	6,243	7.5%
Gross operating margin (EBITDA)	30,470	31,541	(1,071)	-3.4%
Operating margin (EBIT)	17,948	19,064	(1,116)	-5.9%
Profit / (loss) before tax	21,623	22,437	(814)	-3.6%
Net profit/(loss)	15,711	15,716	(5)	0.0%

FISCAL YEAR ENDING JUNE 30TH, 2023

SOURCE: DIGITAL BROS

- **Net revenue increased by 7.5% YoY**, benefitting from 505 Go Inc. Euro 12.7 million revenue in the period;
- **Assetto Corsa** continuously outperforms with **Euro 17.7 million revenue** in the period.

OUTLOOK

- The PC version of Crime Boss: Rockay City launched on Epic on March 28th, 2023. The console version is expected scheduled in Q4 together with Miasma Chronicles on all platforms on May 23rd, 2023.
- Increasing consolidated revenue expected for the entire fiscal year, benefitting from the revenue realized by the newly acquired 505 Go!.
- More than €80 million investments planned in FY2023, and as a result of that, increasing revenues expected for at least the next two fiscal years.
- Current fiscal year EBIT expected to remain in line with FY22 outstanding results.
- Net financial position expected to decrease until the end of current fiscal year.

REVENUE BREAKDOWN

FY23 Q3 ACTUAL - PREMIUM GAMES & FREE TO PLAY

PREMIUM GAMES (€ mil)

	31.03.23	31.03.22	Change €	Change %
Net revenue	69,349	74,170	(4,821)	-6.5%
Gross operating margin (EBITDA)	35,398	36,186	(788)	-2.2%
Operating margin (EBIT)	24,980	25,968	(988)	-3.8%

FISCAL YEAR ENDING JUNE 30TH, 2023

SOURCE: DIGITAL BROS

Outstanding profitability margins for Premium Games:

- **EBITDA at 51% of the net revenue**
- **EBIT at 36% of the net revenue**

FREE TO PLAY (€ mil)

	31.03.23	31.03.22	Change €	Change %
Net revenue	17,235	5,441	11,784	n.m.
Gross operating margin (EBITDA)	2,248	1,057	1,191	n.m.
Operating margin (EBIT)	1,202	(399)	1,601	n.m.

FISCAL YEAR ENDING JUNE 30TH, 2023

SOURCE: DIGITAL BROS

- Newly-acquired **505 Go!** revenue in the period, boosting **Free to Play** revenue up by **31.6% YoY**.
- **Puzzle Quest 3** launched on consoles on **April 18th**.

OUR COMPETITIVE POSITIONING IN THE VIDEOGAME INDUSTRY

AAA Games:

Games with a development budget above 100 million

AA Games:

Games with a development budget between 10-100 million

A Games:

Games with a development budget below 10 million

AAA
Games

AA
Games

A
Games

ACTIVISION
BLIZZARD

T2
TAKE-TWO
INTERACTIVE



FRONTIER

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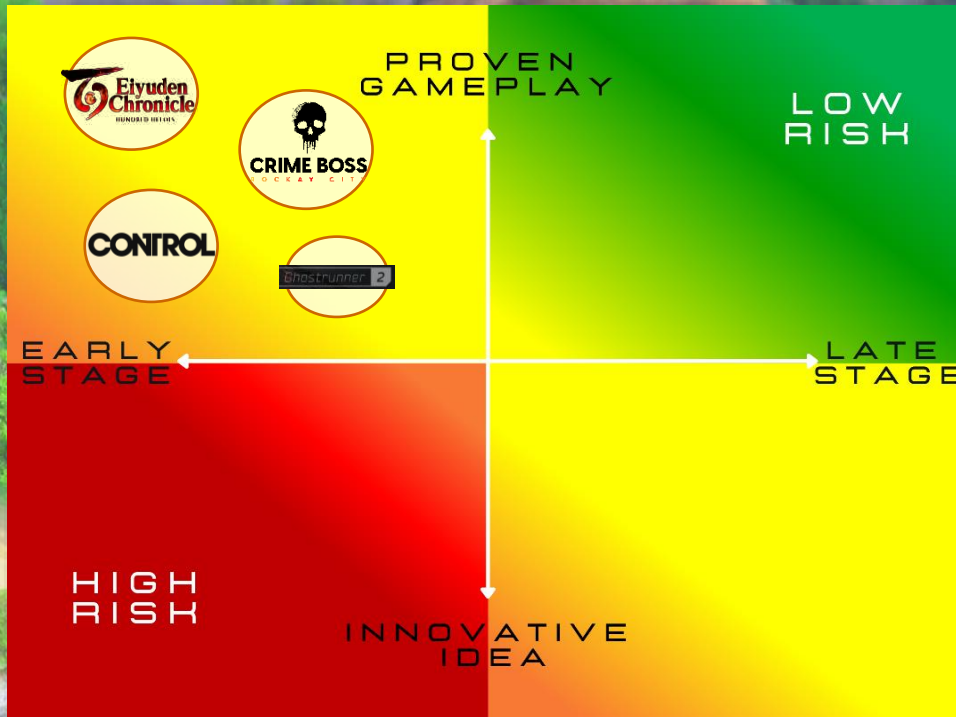
ENAD
GLOBAL

FOCUS
ENTERTAINMENT

team17

STUDIO INTEGRATION

INVESTMENT SELECTION AND ACQUISITION OF NEW IPS



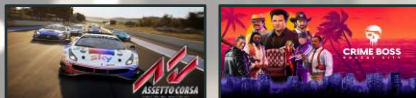
To hedge the risk of our investments, we:

- Obtain a **contractual way-out** at prototype
- Control the IP of the game, through:
 - **acquisition of a majority stake** in the developer or the **set up of a brand-new studio**
 - **joint-ventures** and/or the **acquisition of the IP**
 - **long-term publishing agreements**

Acquisition of
a majority
stake

Joint ventures
and/or acquisition
of the IP

Long-term
publishing
agreements



MERCURYSTEAM
PROJECT
IRON



A STRONG PIPELINE AHEAD



CRIME BOSS

R O C K A Y C I T Y

- **FIRST PERSON SHOOTER HEIST GAME SET IN THE THRIVING METROPOLIS OF ROCKAY CITY IN THE 90S.** WIN THE FIERCE TURF WAR RAGING ON IN THE CITY TO BECOME ITS CRIME BOSS
- **PLAY WITH ICONIC ACTORS:** MICHAEL MADSEN, CHUCK NORRIS, KIM BASINGER, DANNY GLOVER, DAMION POITIER, DANNY TREJO AND VANILLA ICE
- **SINGLE PLAYER** AND MULTIPLAYER MODE: JUMP INTO THE **PVE CO-OP MULTIPLAYER** AND TAKE ON THRILLING HITS AND HEISTS WITH UP TO FOUR PLAYERS
- DEVELOPED BY THE GROUP INTERNAL STUDIO **INGAME STUDIOS** FOR PS5, XBOX X|S, PC
- **GAAS (GAME AS A SERVICE) TITLE:** LONGER LIFE CYCLE EXPECTED AND ADDITIONAL CONTENT DROP PLANNED. **EXPECTED RECURRING REVENUE FOR MULTIPLE YEARS TO COME**
- OFFICIALLY ANNOUNCED AT THE 2022 GAME AWARDS
- **WORLDWIDE PC (EPIC) LAUNCH ON MARCH 28TH, 2023. CONSOLE VERSION LAUNCH IN FY23 Q4**



MIASMA

CHRONICLES

- **TACTICAL ADVENTURE SET IN A POST-APOCALYPTIC AMERICA RAVAGED BY A FORCE KNOWN AS THE “MIASMA”**
- **DEVELOPED BY THE BEARDED LADIES**, DEVELOPER OF MUTANT YEAR ZERO: ROAD TO HEAVEN
- **IP OWNED BY THE GROUP AND DEVELOPED FOR PC, PS5 and XBOX SERIES X|S**
- **SET FOR MULTIPLATFORM RELEASE ON MAY 23RD, 2023**





- **THE #1 RACING SIMULATOR:**
 - Fully licensed GT cars from top manufactures including Ferrari, Lamborghini, McLaren
 - Outstanding level of detail with circuit laser scan technology
- **THE OFFICIAL GAME OF ESPORT TOURNAMENT FIA MOTORSPORT GAMES**
- **ASSETTO CORSA COMPETIZIONE:**
OFFICIAL GAME OF THE BLANCPAIN GT SERIES
- **DEVELOPED BY THE GROUP INTERNAL STUDIO KUNOS SIMULAZIONI**
- **MORE THAN 7 MILLION COPIES SOLD**
REVENUES EXCEEDING €109 MILLION
- **SECOND VERSION IN DEVELOPMENT –**
EXPECTED RELEASE IN FY24



CONTROL

- **CINEMATIC THIRD PERSON ACTION** GAME BUILT ON REMEDY'S PROPRIETARY **NORTHLIGHT®** TECHNOLOGY
- DEVELOPED BY **REMEDY ENTERTAINMENT**, DEVELOPER OF AAA VIDEO GAMES
- WORLDWIDE PUBLISHING RIGHTS ON PC AND ALL CONSOLE FORMATS
- **MORE THAN 3 MILLION COPIES SOLD**
REVENUES EXCEEDING €92 MILLION
- **€25 MIL INVESTMENT SPIN OFF SERVICE-BASED GAME "CONDOR" IN PROOF-OF-CONCEPT STAGE**
- **€50 MIL INVESTMENT "CONTROL 2" IN PROOF-OF-CONCEPT STAGE**





SUPPORTING STARBREEZE STRATEGIC GROWTH AND BALANCE SHEET STRENGTHENING

Starbreeze, a Swedish video game developer and publisher owner of the famous PAYDAY IP, on April 28th, 2023 has announced a **SEK 450 mil rights issue** to be approved by the EGM of May 24th.

Digital Bros has undertaken to:

- **vote in favor of the rights issue** together with the other major shareholders of the Swedish company;
- **subscribe for the pro-rata share** of the rights issue corresponding to **approximately SEK 54 million**;
- **underwrite the rights issue for a maximum SEK 100 million of non-subscribed shares**. The payment of such shares will be made through a partial set-off against the credit of SEK 165 million part of Starbreeze reconstruction plan and agreed to be reduced at SEK 150 million for the purpose of the anticipated payments;
- **convert the total outstanding convertible loan of approximately SEK 215 million within 30 days** from the last date of the subscription period of the rights issue and after having received the new conversion price recalculated after the completion.

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Digital Bros S.p.A.

Via Tortona, 37 - 20144 Milan, Italy

For more info: www.digitalbros.com - ir@digitalbros.com