

We craft joy.

Rovio Entertainment Financial statement bulletin

JANUARY–DECEMBER 2020.

Today's speakers



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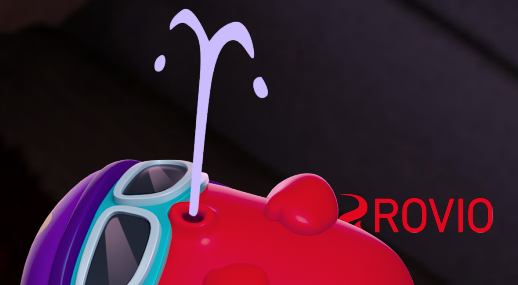
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Q420 and 2020 Highlights.

- Good profitability and cash flows in Q4 and throughout 2020.
- Angry Birds 2 grew y-o-y. Angry Birds Friends had the best quarter since Q318. Small Town Murders yearly increased to a run-rate of EUR 15m.
- Extensive preparation for the Apple's upcoming privacy policy change.
- Stockholm Studio implemented a strategy shift setting a foundation for future growth:
 - Advanced Casual games, with highly marketable visuals, Instantly fun core game combined with a deep meta game.



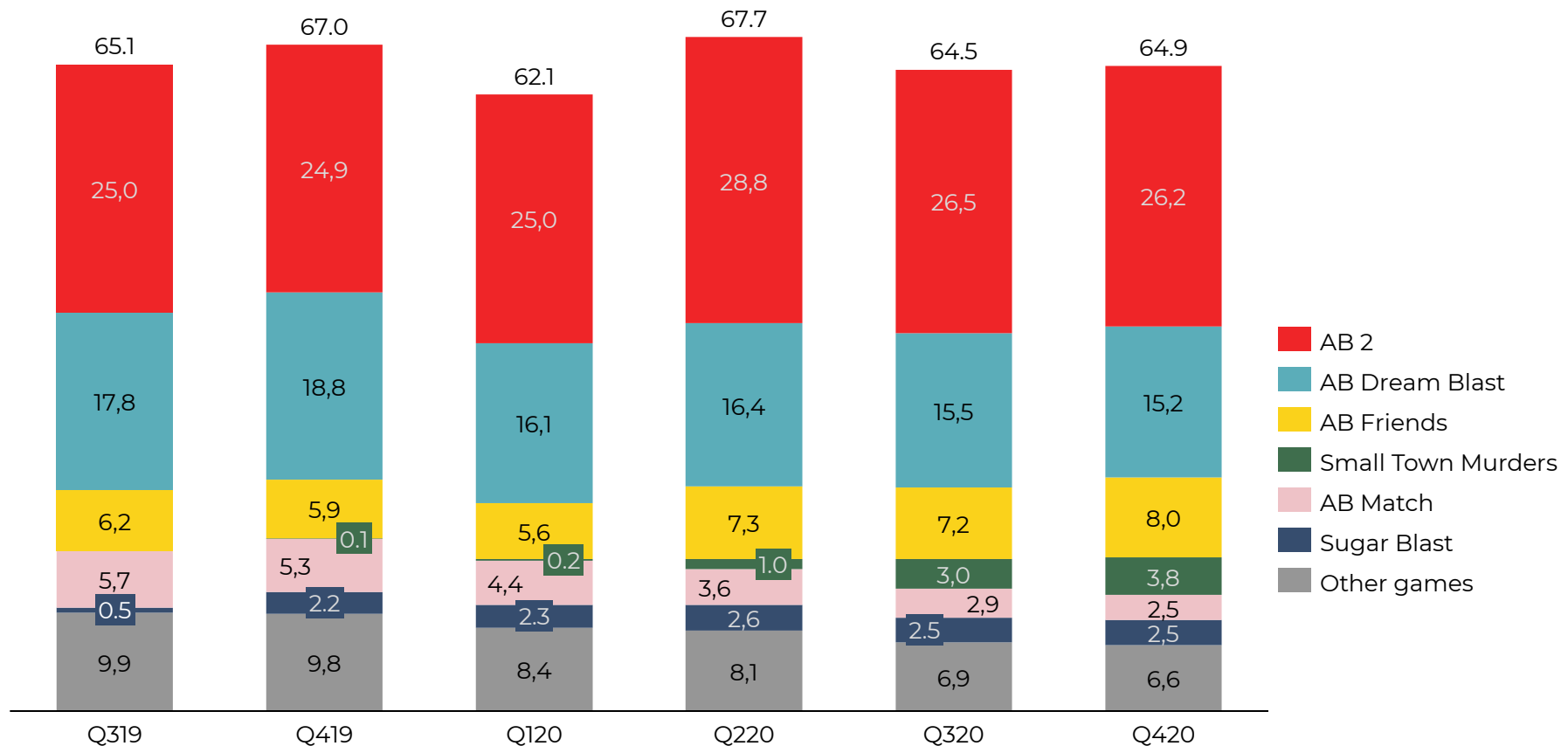
Q420 and 2020 Highlights.

- Two new studios expanding genre mastery:
 - Rovio Montreal founded in May focusing on Future of Gaming.
 - Rovio Copenhagen acquired in June developing RPG games.
- Key milestones met for Darkfire Heroes developed in our Copenhagen studio and Angry Birds Journey from Puzzle studio.
- Stable key game performance with moderate UA and on the 12m payback target.
- Alex Pelletier-Normand named CEO.



Q420: Angry Birds 2 and Angry Birds Friends grew y-o-y. Small Town Murders ramping up

GAMES GROSS BOOKINGS (EUR MILLION)



Emerging titles.

Global
launch in
April 2021

MOBILE ACTION RPG
**DARKFIRE
HEROES**

Soft
launched
January
2021

**ANGRY BIRDS
JOURNEY**

Diverse set up of studios, 8 games in development, 3 in soft launch



PUZZLE

- 7 live games
- 3 games in development
- Angry Birds Journey in soft launch



STRATEGY

- Hard Head Squad in soft launch



ADVANCED CASUAL

- 1 live game
- 1 game in development
- Strategy shift to Advanced Casual



RPG

- Darkfire Heroes Global launch scheduled for April 2021



FUTURE OF GAMING

- 1 internal and 1 external project in development



Agile strategy in a fast evolving market

- Leverage the Angry Birds brand further.
 - Dependency on paid UA increasing in the market.
- Nurture Angry Birds so it remains strong for decades to come, following Angry birds fans throughout their lives through different touch points.
- Increase our footprint in casual, leveraging our deep knowhow.
 - Apple's privacy policy changes pending in early 2021.
- Paving the way for years ahead, ramping up our Future of Gaming initiatives.
 - Pandemic accelerated changes in consumer behavior.
- Rovio M&A focus is in growth opportunities with clear synergies.
 - Consolidation continues in the gaming market.



Future of Gaming

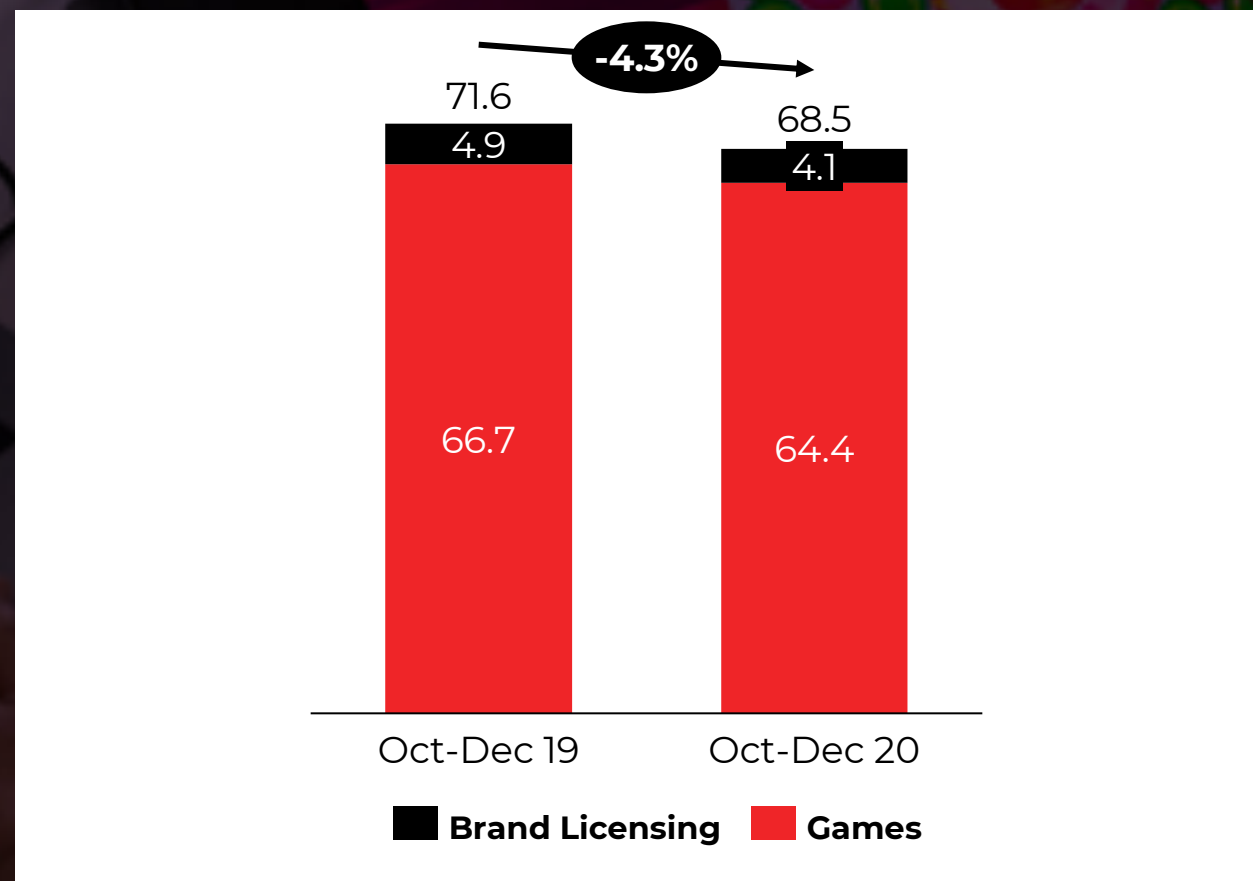
- Games as social networks of choice
- Highly social experiences with self-expression options
- Post platform
- Metaverse



Q420 and FY2020 Financials

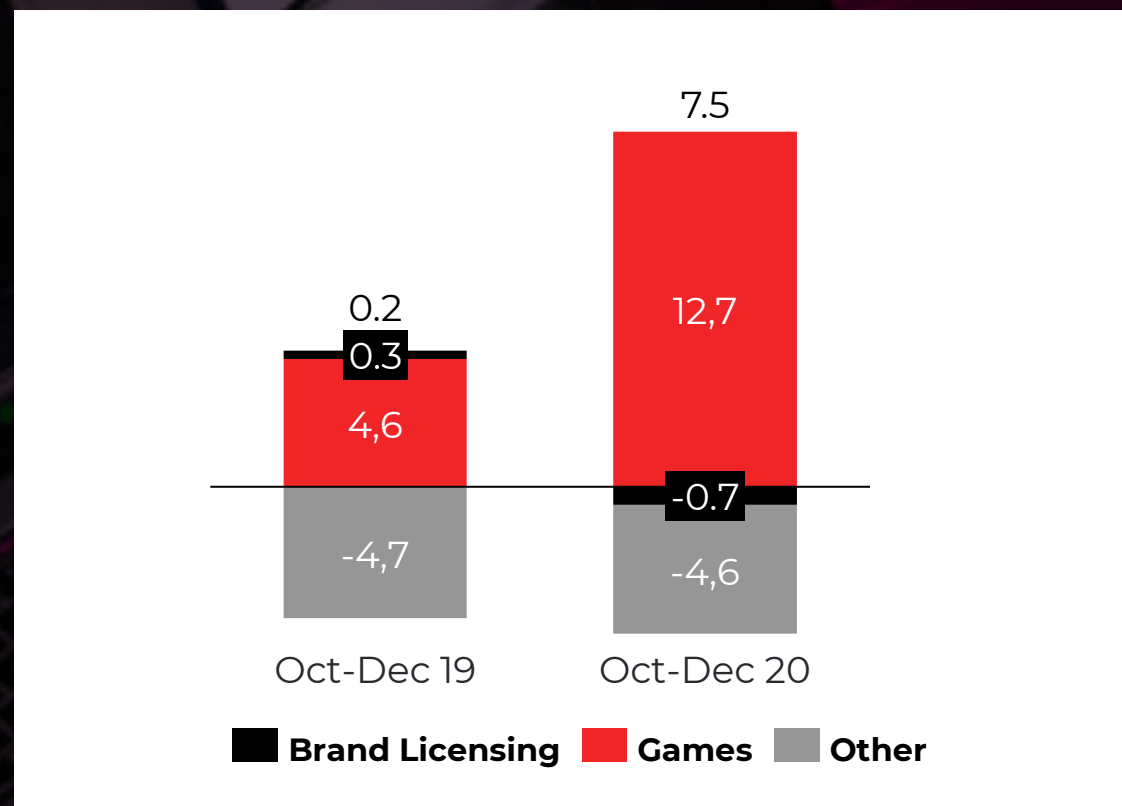
Q420: Group revenue -4.3%. Games gross bookings +2% in comparable FX.

REVENUE (EUR MILLION)

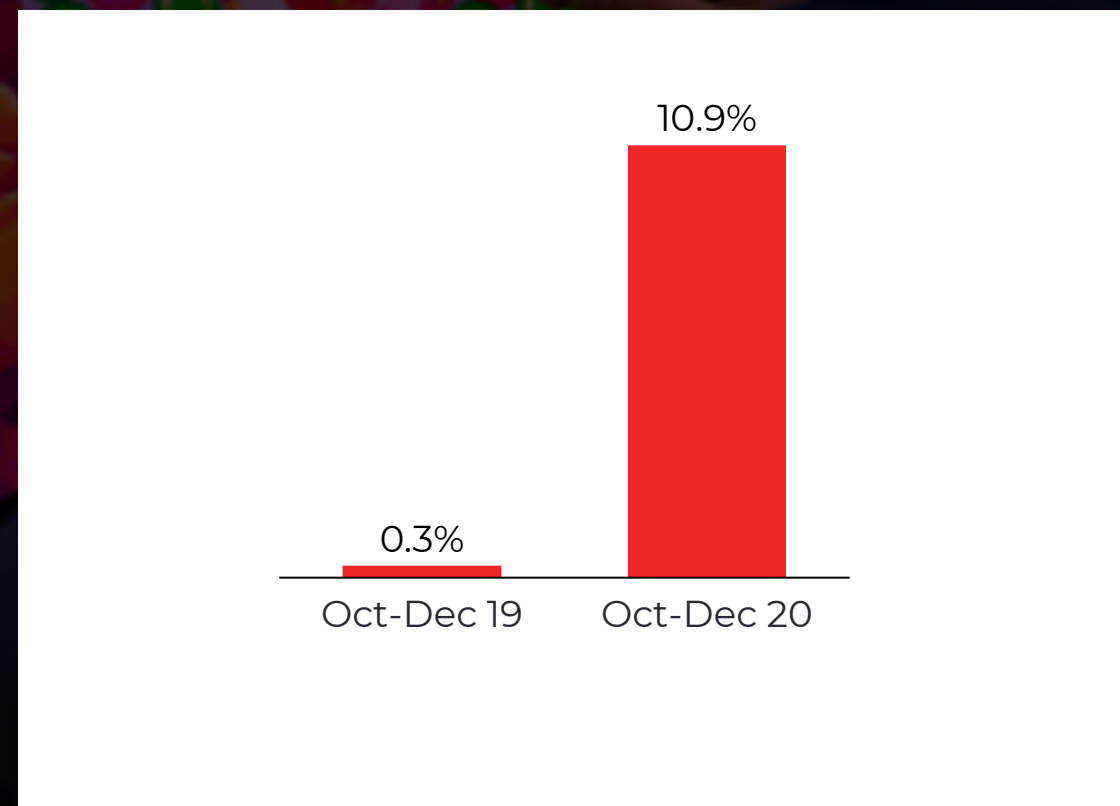


Q420: Profitability improved from moderate level of UA and stability of key games

ADJUSTED OPERATING PROFIT(EUR MILLION) (*)



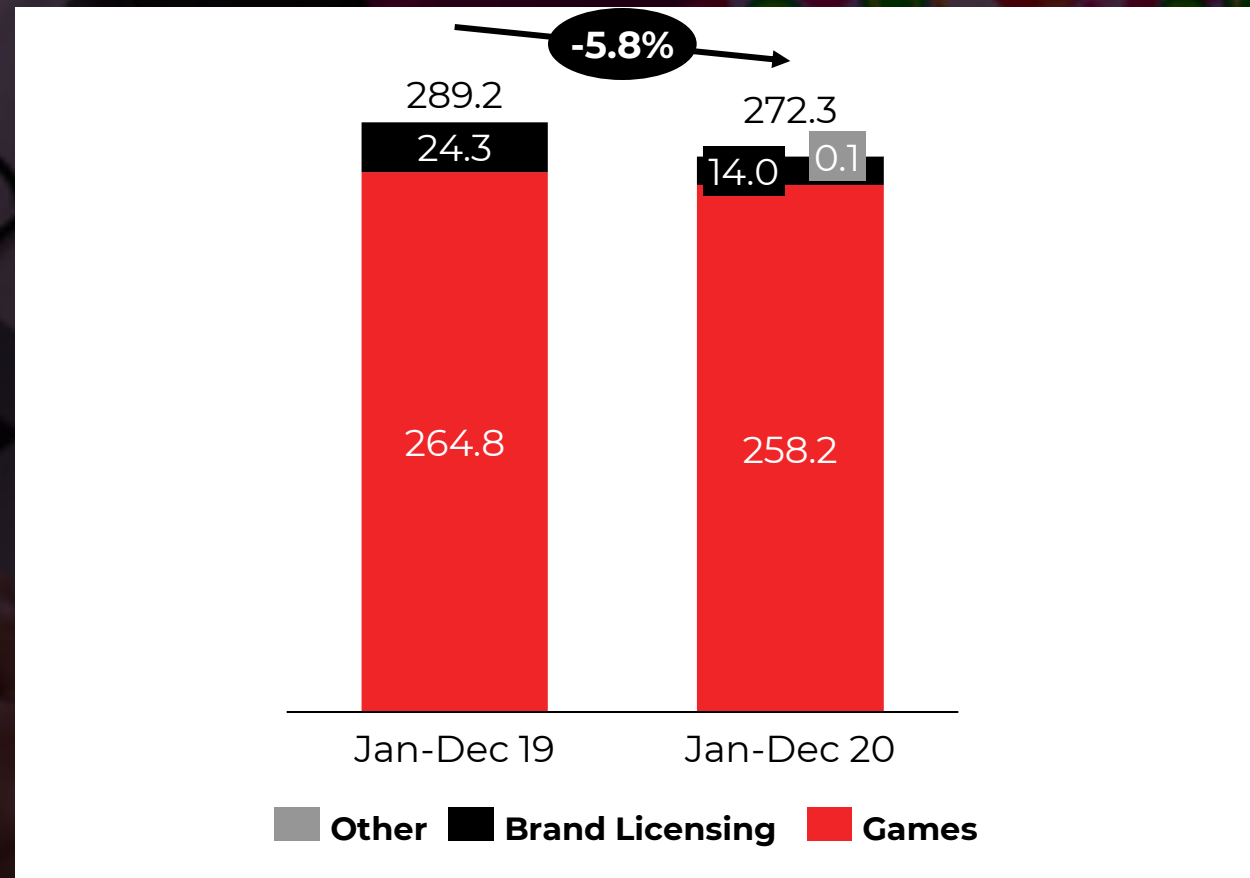
ADJUSTED OPERATING PROFIT MARGIN (%)



(*) Adjustments in the Oct-Dec 2020 were EUR 4.6m. In the Oct-Dec 2019 period adjustments were EUR 0.3m.

2020: Group revenue -5.8%. Games gross bookings stable in comparable FX.

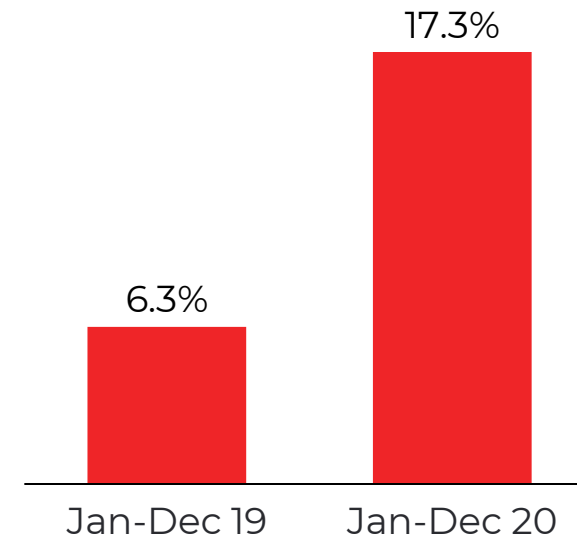
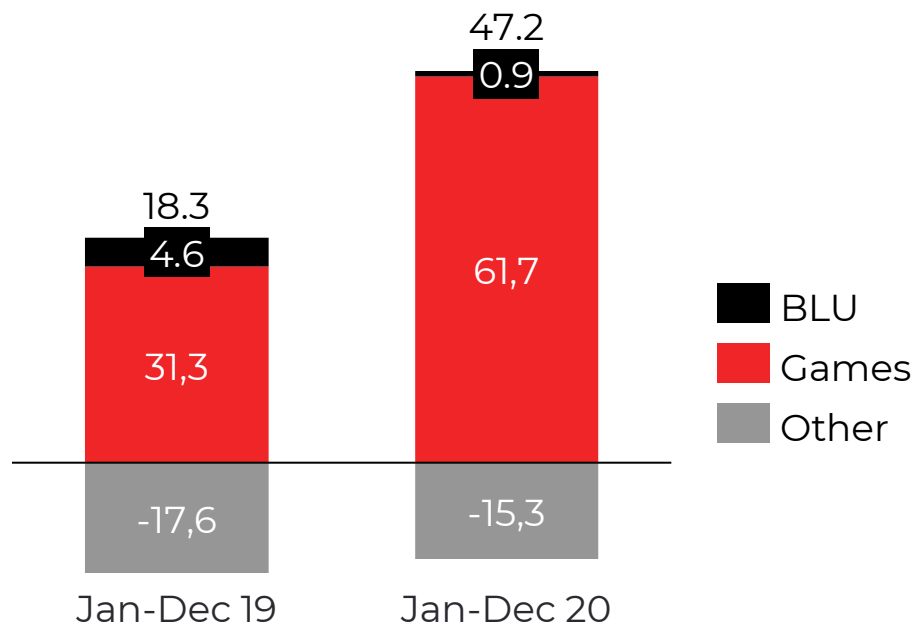
REVENUE (EUR MILLION)



2020: Record adjusted operating profit

ADJUSTED OPERATING PROFIT(EUR MILLION) (*)

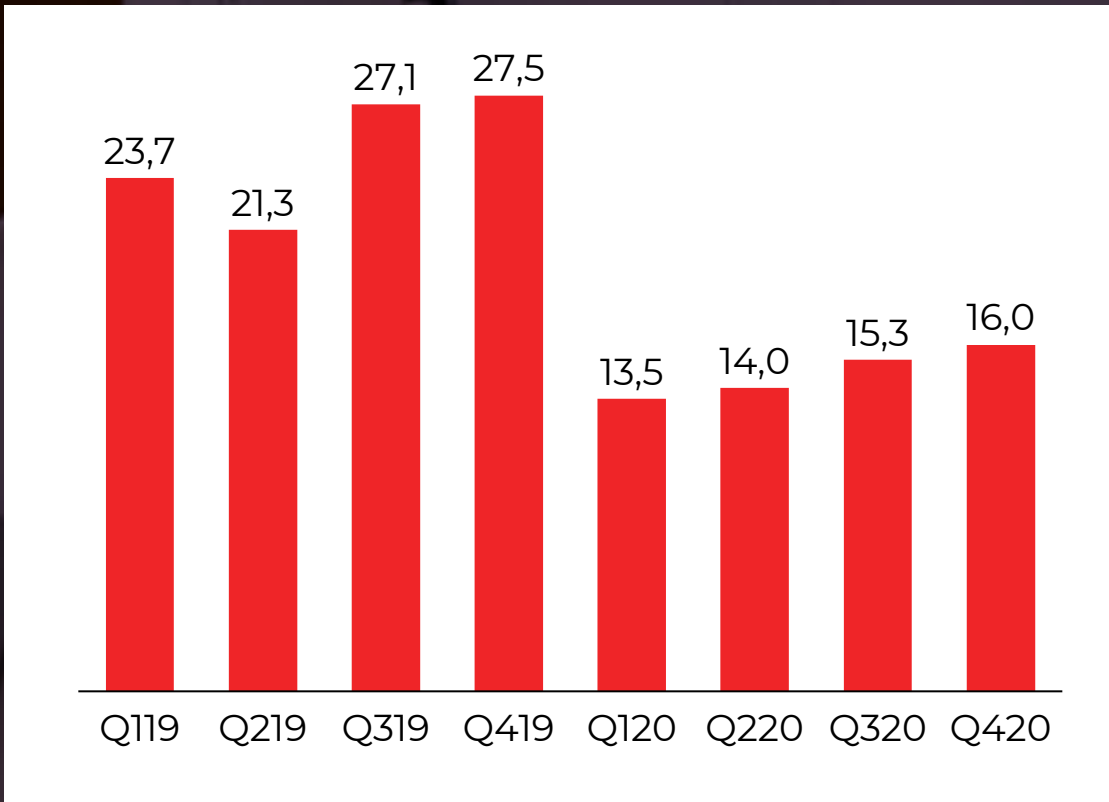
ADJUSTED OPERATING PROFIT MARGIN (%)



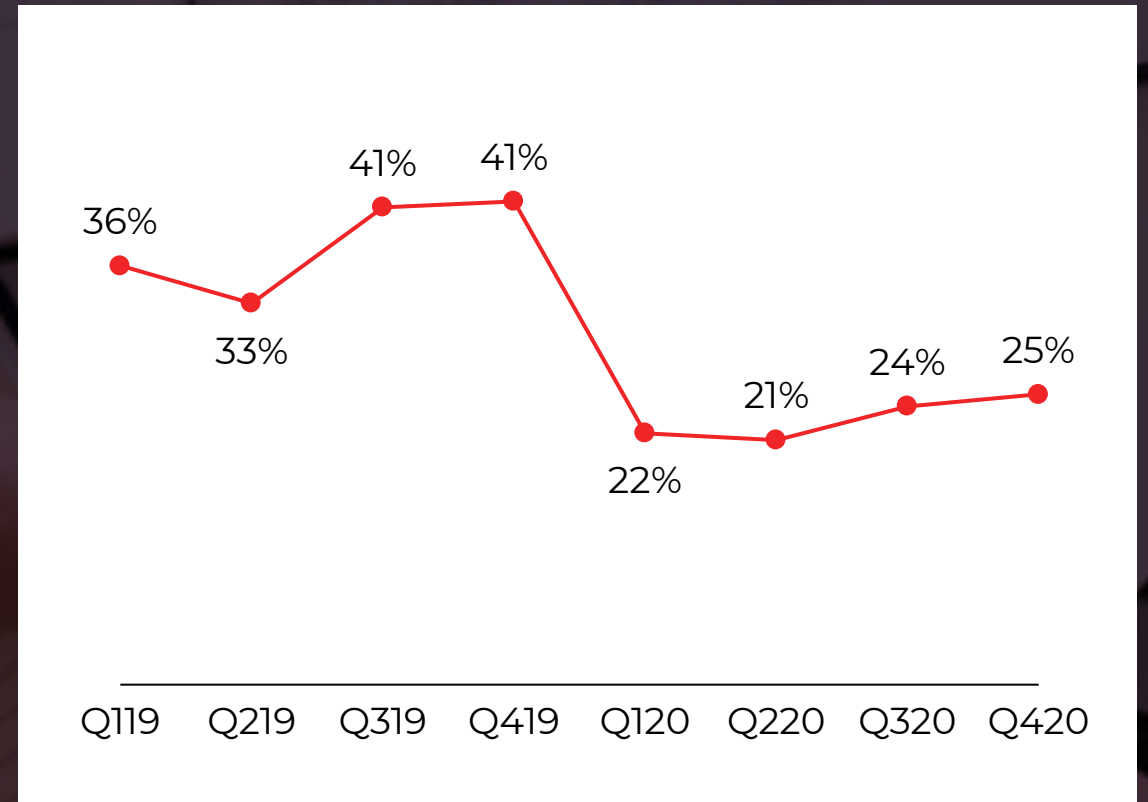
(*) Adjustments in the Jan-Dec 2020 were EUR 4.7m. In the Jan-Dec 2019 period adjustments were EUR 0.3m.

Q420: Incremental q-o-q growth in user acquisition

USER ACQUISITION INVESTMENTS (EUR MILLION)

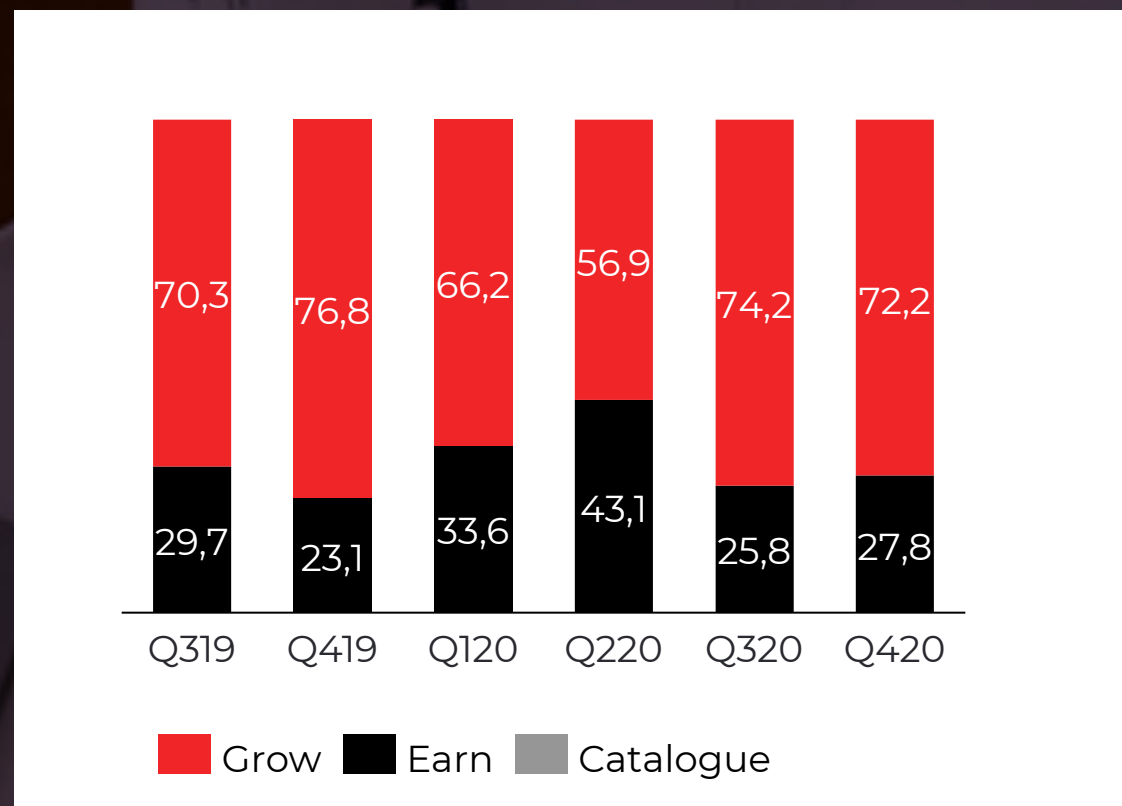


USER ACQUISITION AS % OF GAMES REVENUE

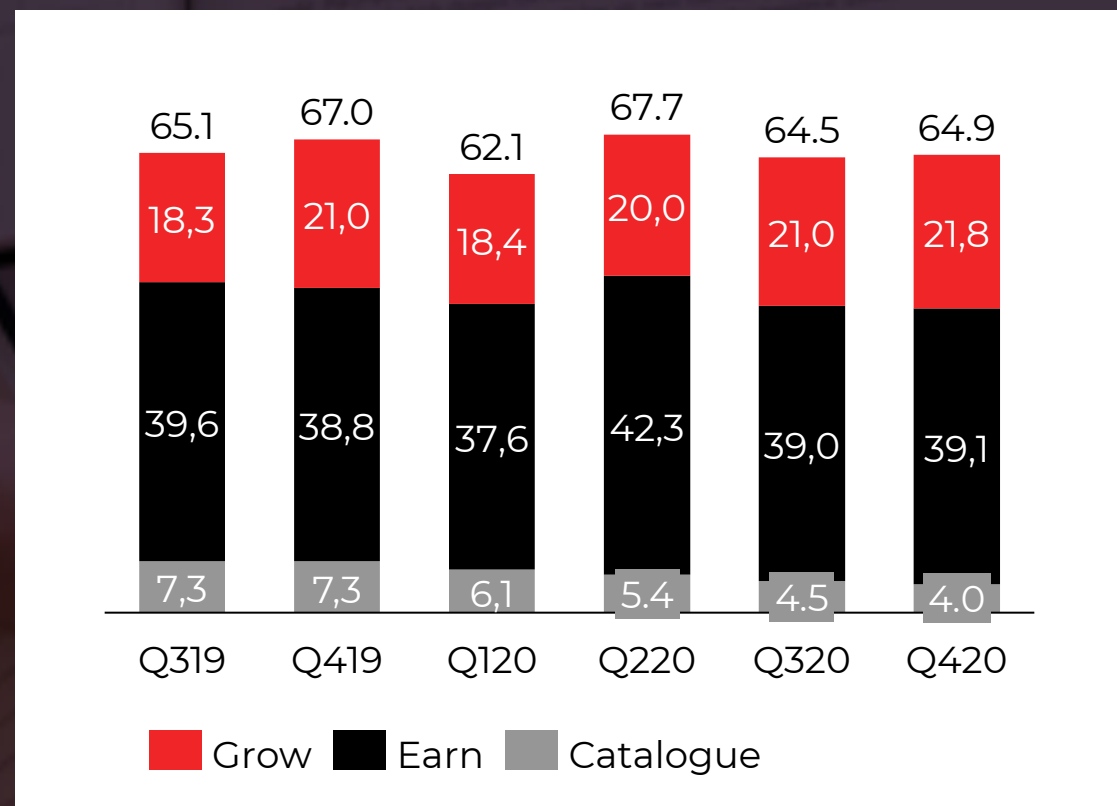


Q420: 72.2% of UA to grow games category

SHARE OF TOTAL UA PER GAME CATEGORY (%) (*)



GAMES GROSS BOOKINGS (EUR MILLION)



(*) Games categories per life-cycle:

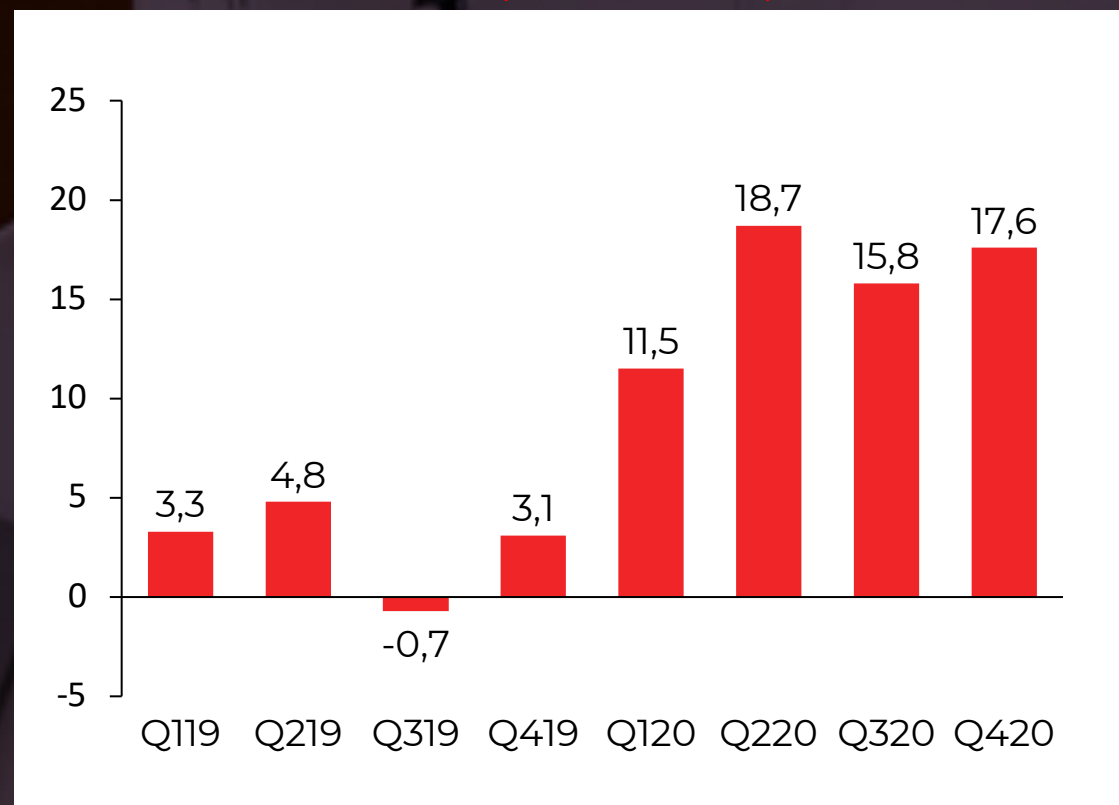
Grow: Sugar Blast, Angry Birds Dream Blast, Small Town Murders, games in soft launch

Earn: Angry Birds 2, Angry Birds Friends, Angry Birds Match, Angry Birds Pop

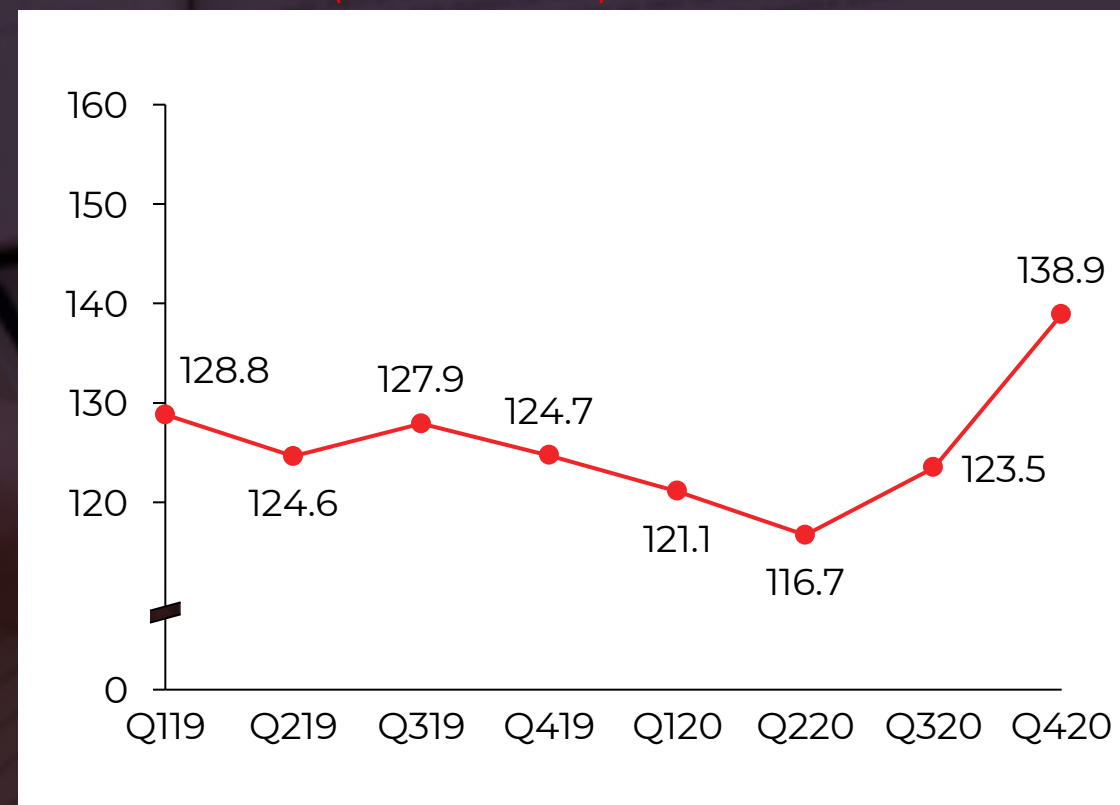
Catalogue: Other games

Q420: Increase in cash flows continued

OPERATING CASH FLOW (EUR MILLION)



CASH BALANCE (EUR MILLION)



Hatch focus going forward on cloud gaming implementation with Rovio

- Hatch Kids to be ramped down in March 2021 as the performance in soft launch did not show enough potential to scale
- The proprietary cloud streaming technology will be utilized in Rovio's projects as part of our Future of Gaming initiatives, including projects in our Montreal studio
- Cost savings are estimated at EUR 3 million annualized taking in effect late Q2 2021.

2020 Dividend proposal: 12 cents per share

- The board of directors is proposing to the AGM on 30 March, 2021, a dividend of 12 euro cents (2019: 9 euro cents) per share for 2020, which is 33.3% increase y-o-y.
- Based on the outstanding shares at 31.12.2020, the dividends would amount to EUR 8,8 million, which represents 25% of net profit excluding items affecting comparability.

Outlook 2021

The mobile gaming market continues to grow with casual gaming being a major growth driver. The ongoing changes in consumer behavior and underlying market trends are accelerated by the COVID pandemic and plays an important role in both current games operation and new game development. This combined with industry changes like Apple's privacy policy fuels the near-term uncertainty in the market environment.

We will focus on improving the performance of our key live games and on launching new innovative products. We continue to show diligence in our UA spend. Depending on market conditions, the performance of our investments, and the launch of new games, we aim to increase our UA investments to build growth for the coming years. This may have implications on short-term profitability.

We will continue investing in our Future of Gaming initiatives, taking advantage of the trends we see in consumer behavior and building our positioning in the rapidly evolving market.

In addition, we seek growth through synergistic acquisitions that can deliver long-term value growth.

Q&A



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Thank you!

We will be back with the next earnings call on April 29th!

<https://investors.rovio.com/en>



A dark, top-down view of a meeting table. Two laptops are open, one showing a video of two people. A white coffee cup with red liquid is in the center. Hands of people are visible around the table, some holding pens. The overall scene is dimly lit, with the central text being the brightest element.

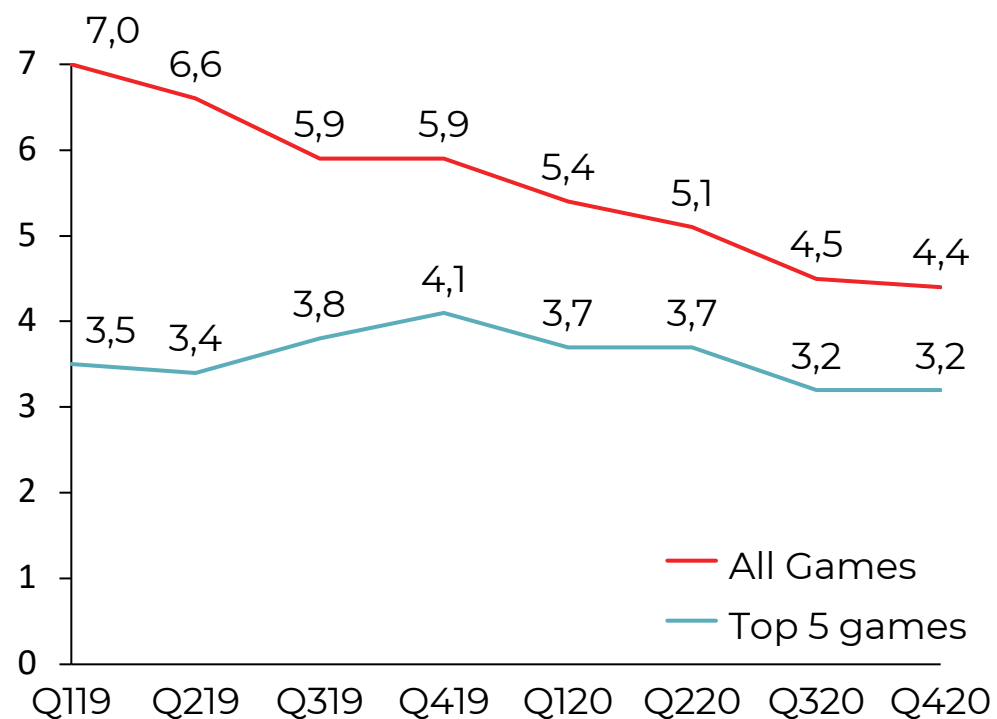
 ROVIO

Appendix

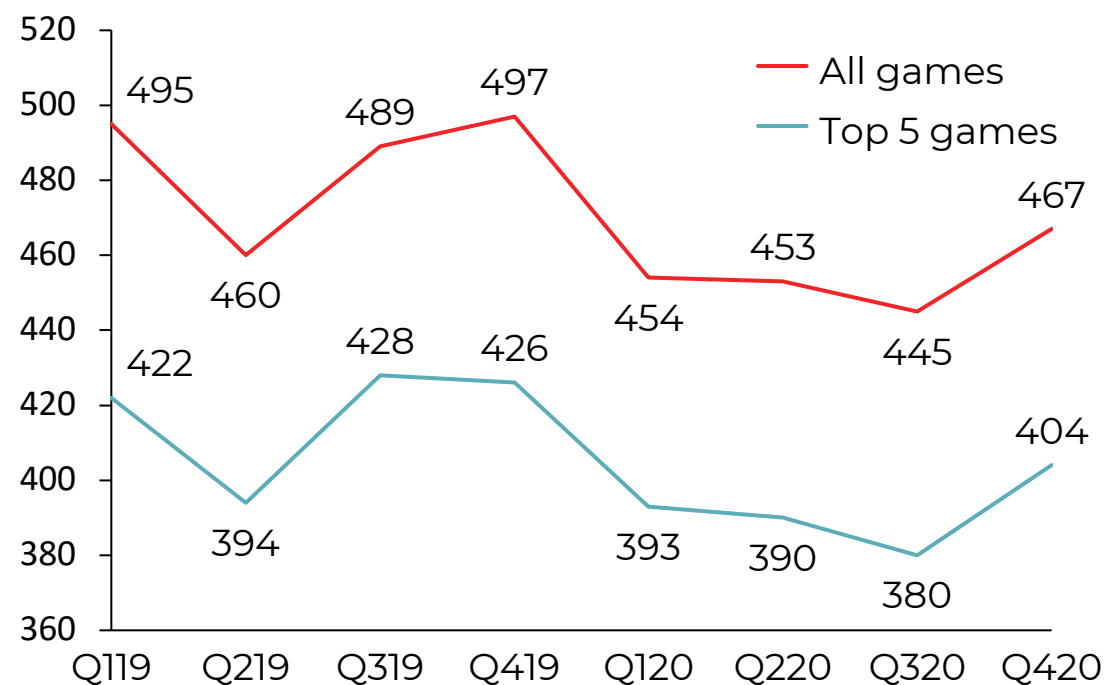


Q420: Pickup in MUP

DAILY ACTIVE USERS (MILLIONS)

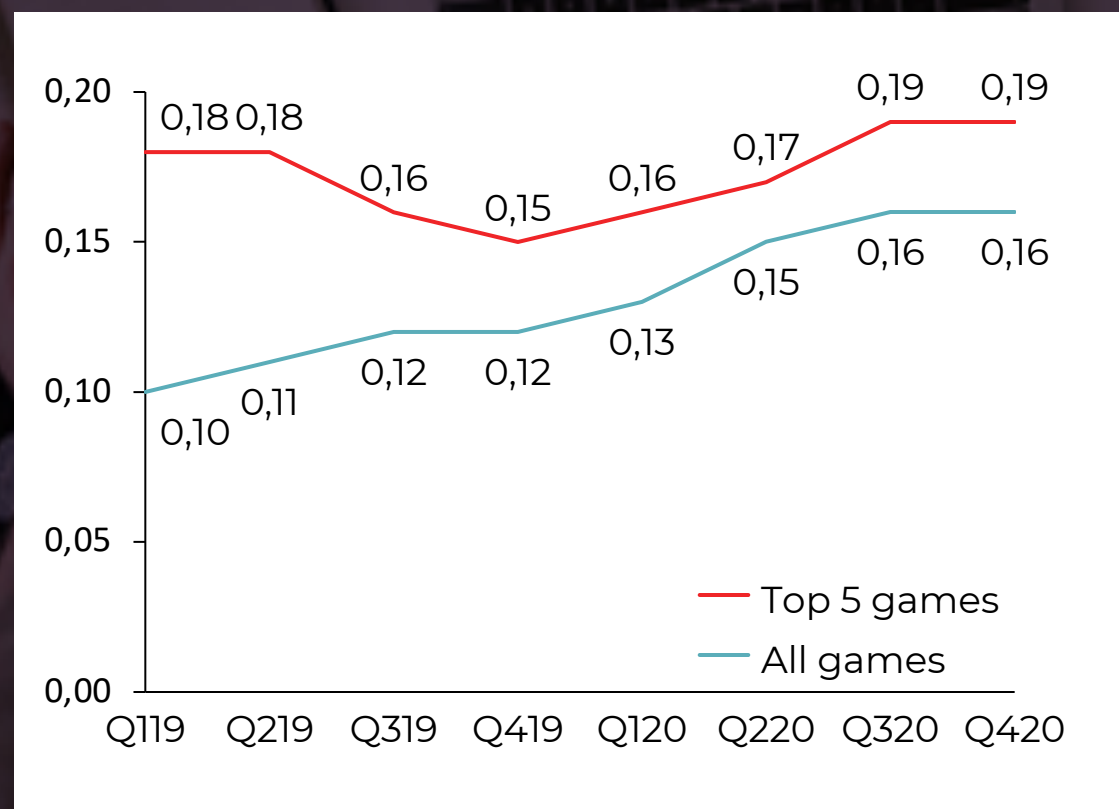


MONTHLY UNIQUE PAYERS (THOUSANDS)



Q420: Steady improvement in ARPPDAU

AVERAGE REVENUE PER DAILY ACTIVE USER (EUR)



MONTHLY AVERAGE REVENUE PER UNIQUE PLAYER (EUR)

