

We craft joy.

Rovio Entertainment

Full Year and Fourth Quarter 2021
Earnings Results Presentation

February 11, 2022



Today's speakers



René Lindell
CFO



Alex Pelletier-Normand
CEO



Timo Rahkonen
VP, IR & Corporate Strategy



Dial in information:

PIN: 69986702#

- Finland : +358 9817 10310
- Sweden : +46 8566 42651
- United Kingdom : +44 3333 000804
- United States : +1 6319 131422

Q421 Highlights.

- **Strong growth:** Group revenue EUR 78.9 million, +15.2% y-o-y
- **Record Games revenue:** EUR 76.5 million, +18.8% y-o-y (+12.2% organic)
- **Good performance of top games:** Angry Birds 2 +12.6% y-o-y, Angry Birds Friends fifth consecutive quarter of growth
- **High profitability:** adjusted operating profit margin 16.6%
- **Ruby Games strong first full quarter:** EUR 4.2 million
- Angry Birds Journey steady scale for global launch
- Moomin: Puzzle & Design in Soft Launch

2021 Highlights.

- **Group revenue Growth:** +5.1% y-o-y (3.2% organic)
- **Record Games Revenue:** EUR 276.4 million +7.0% y-o-y (+5.0% organic)
- **Good profitability and cash flow:** Group adjusted operating profit margin 15.3%, operating cash flow EUR 44.0 million
- **Strategy shift towards casual :**
 - New studio in Toronto
 - Multi-year partnership to develop Moomin brand based games
- **Acquisition of Ruby Games** and expansion to hyper-casual market
- **Chief Sustainability Officer** position created and appointed

Angry Birds Journey Global Launch.

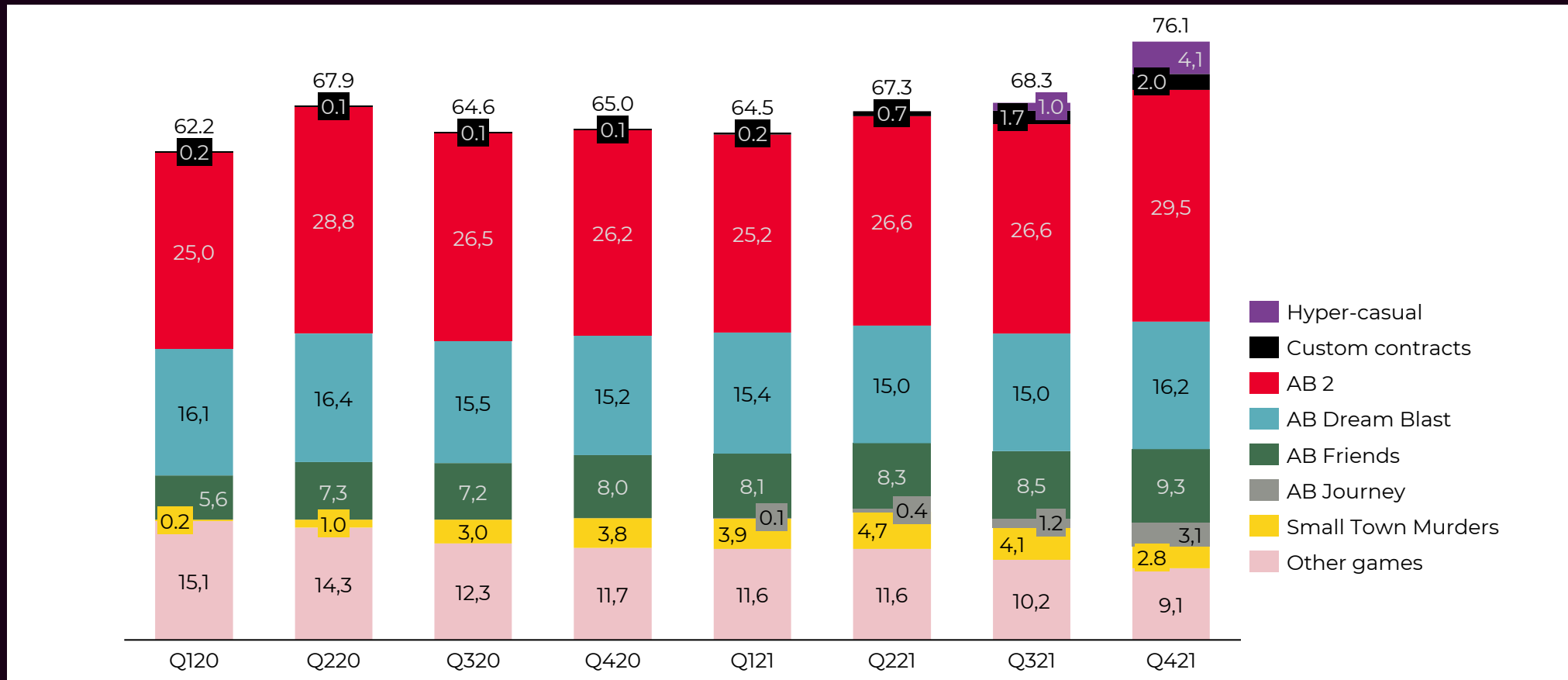
- Global launch January 20th, 2022
- KPI's after global launch are promising:
 - DAU >500k
 - Revenue annual run-rate > EUR 40 million (Rovio's 3rd largest game)



Q421: Record quarter

Good performance in top games, AB Journey already 4th biggest game, Ruby games included in first full quarter

GAMES GROSS BOOKINGS AND CUSTOM CONTRACTS (EUR MILLION)



Emerging titles.



Moomin: Puzzle & Design

Casual Puzzle & Decorate game based on Moomin IP



Hunter Assassin 2

First hybrid-casual game from Ruby

2021: Working towards our Sustainability vision:



We want to lead the industry in creating safe and joyful gaming experiences that are crafted in a diverse and inclusive work culture while respecting our planet.



Safe & Responsible Gaming

- Responsible use of player data
- Active participation in the industry



People & Society

- UNICEF Finland collaboration (continues next three years)
- Advancing Diversity, Equity and Inclusivity (DEI)

Chief Sustainability Officer,
Heini Kaihu
appointed



Climate & Environment

- Angry Birds climate & environmental campaigns
- Compensation of Co2 emissions

Strategic priorities supporting growth.

Casual focus

- Build on expertise
- Maximize the value of our network of users
- Fits with market landscape

Brands

- Leverage the Angry Birds brand
- Develop Angry Birds further through partnerships and additional touch points
- Develop deep new IPs that can become new gaming brands

Future of Gaming

- Ramp-up future of gaming initiatives and investments
- Active exploration of trends and opportunities

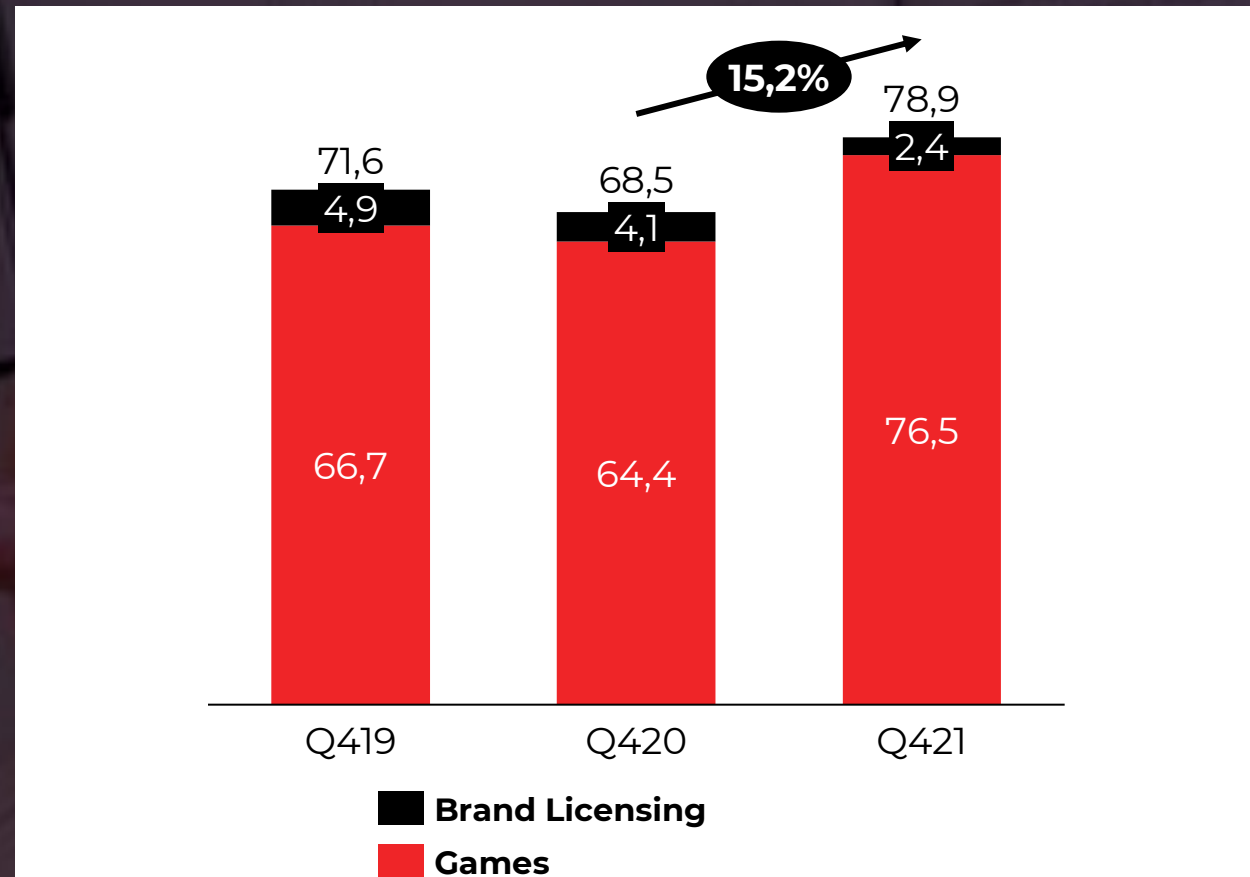
M&A

- M&A growth opportunities with clear synergies

Q421 and FY2021 Financials

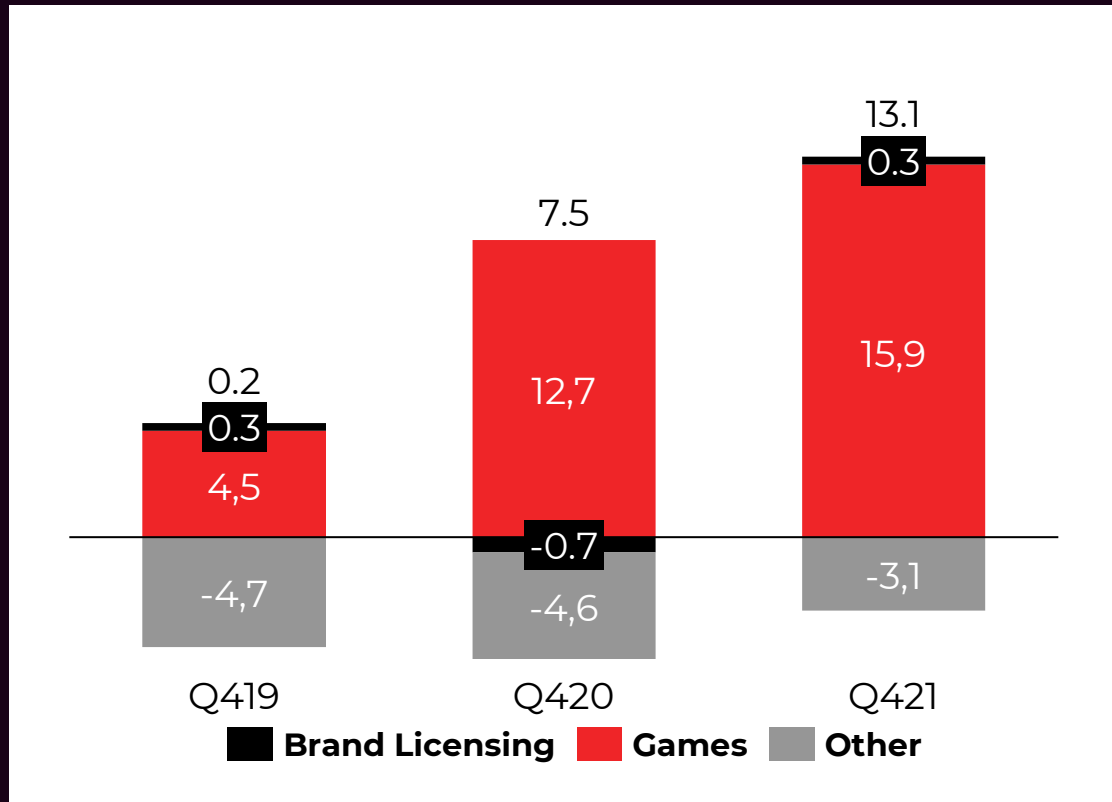
Q421: Group revenue +15.2%; Games revenue grew 18.8% and 9.0% on comparable basis

REVENUE (EUR MILLION)

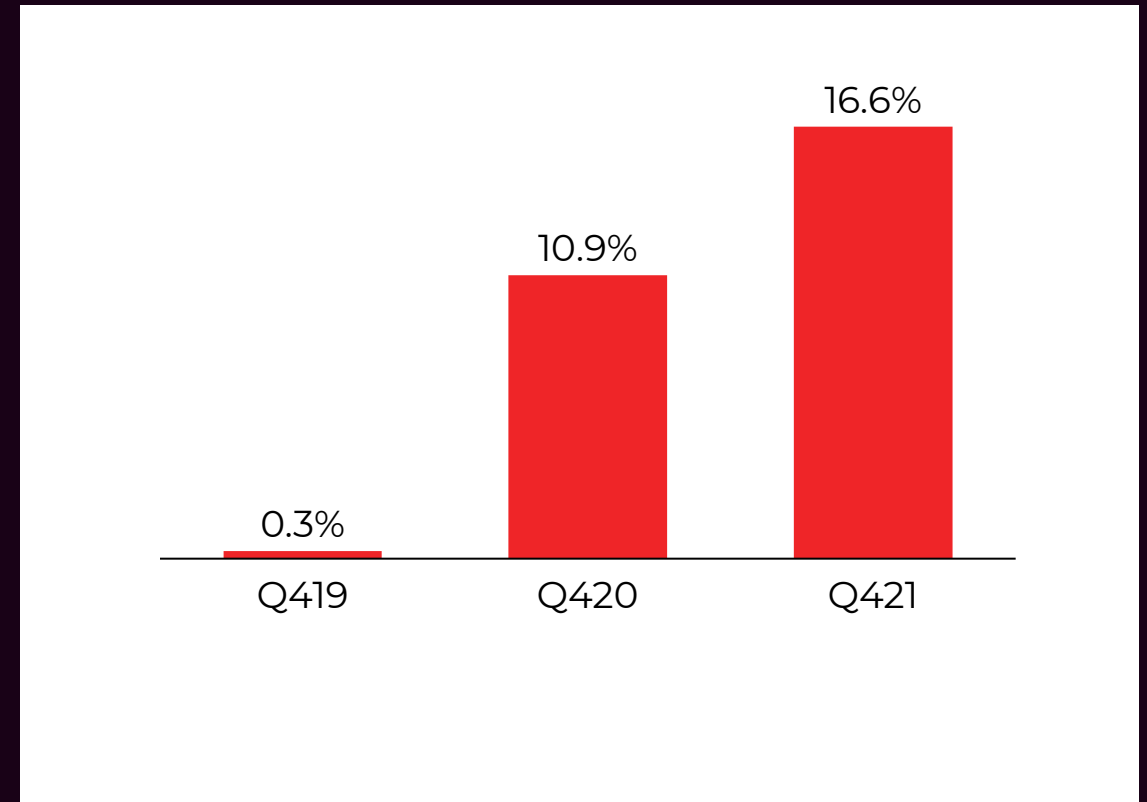


Q421: Profitability at a high level

ADJUSTED OPERATING PROFIT(EUR MILLION) (*)



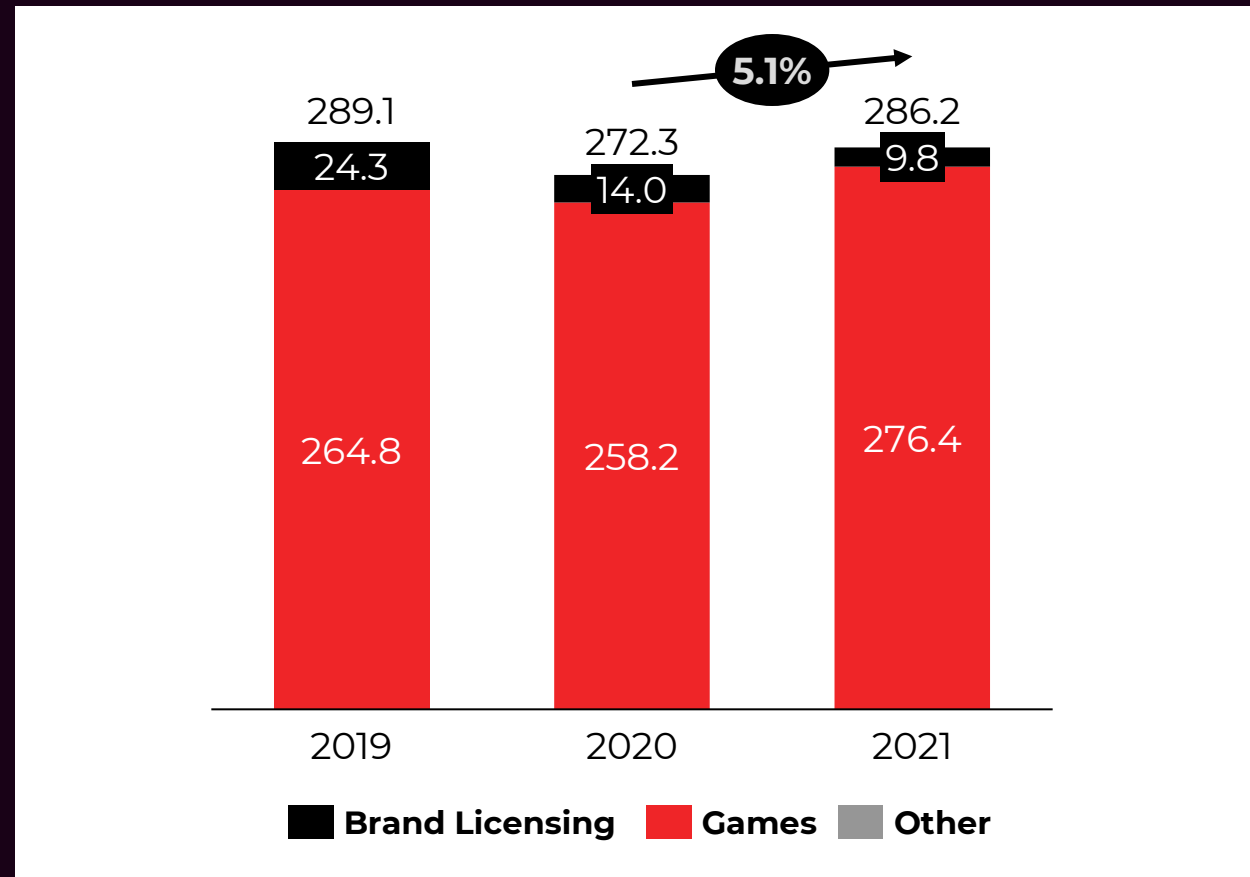
ADJUSTED OPERATING PROFIT MARGIN (%)



(*) Adjustments in Q419 were EUR 0.3m, in Q420 EUR 4.6m and in Q421 EUR 5.1m.

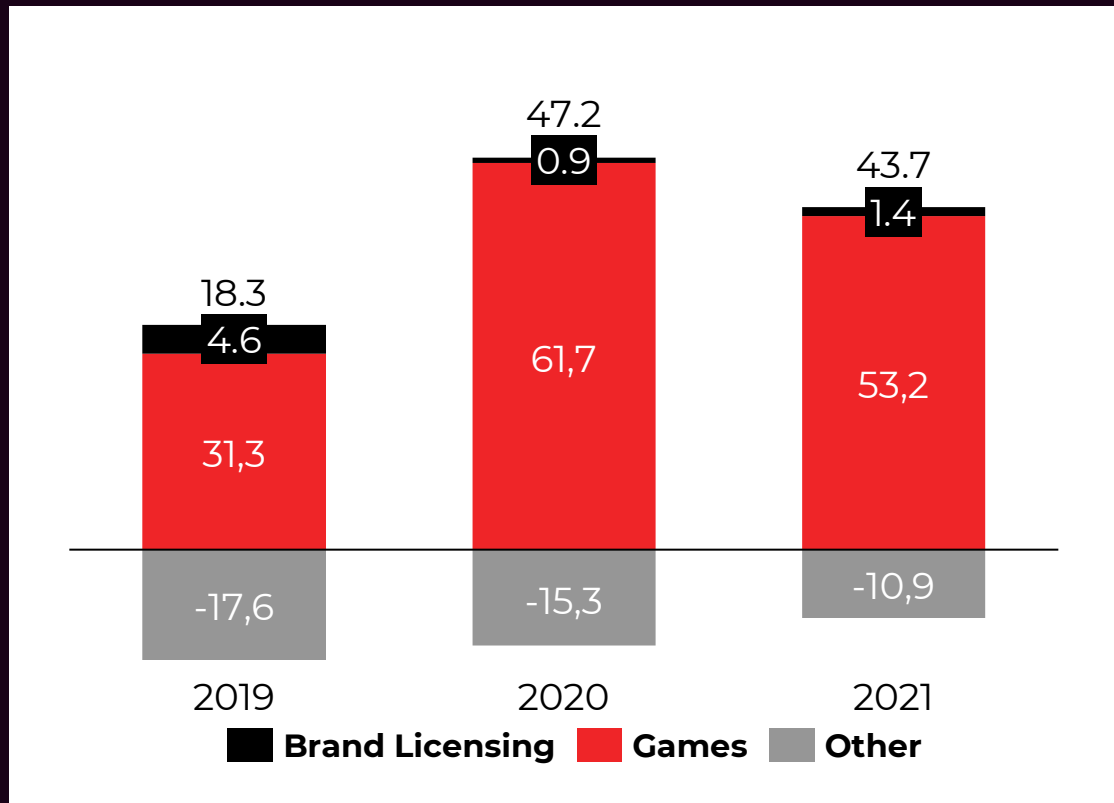
2021: Group revenue +5.1%; Games grew 7.6% on comparable basis

REVENUE (EUR MILLION)

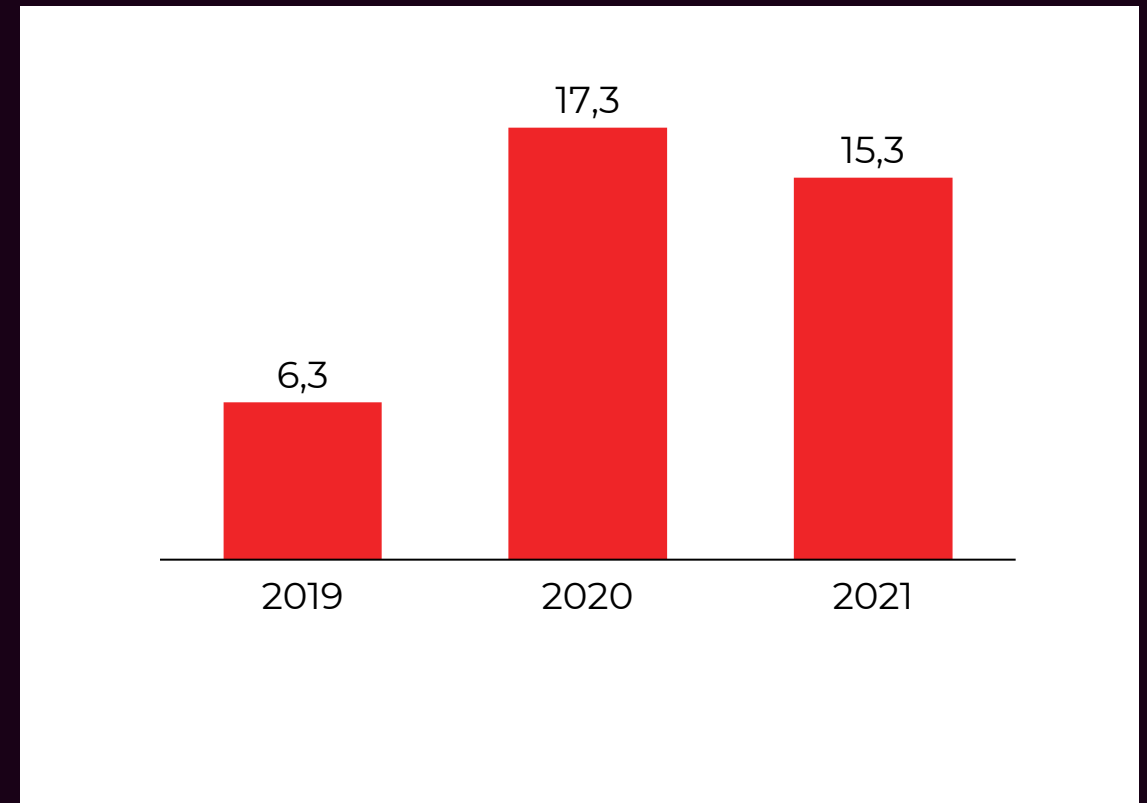


2021: Profitability good – lower y-o-y due to increase in UA for game launches

ADJUSTED OPERATING PROFIT(EUR MILLION) (*)



ADJUSTED OPERATING PROFIT MARGIN (%)

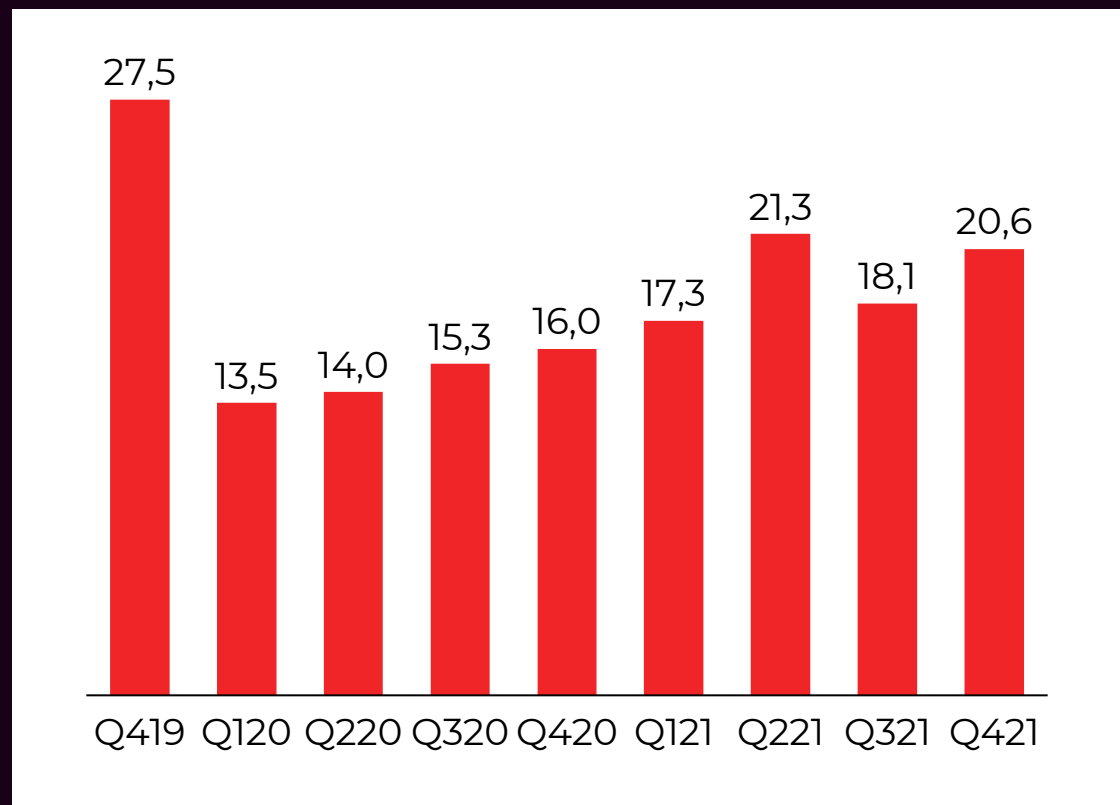


(*) Adjustments in Q419 were EUR 0.3m, in Q420 EUR 4.6m and in Q421 EUR 5.1m.

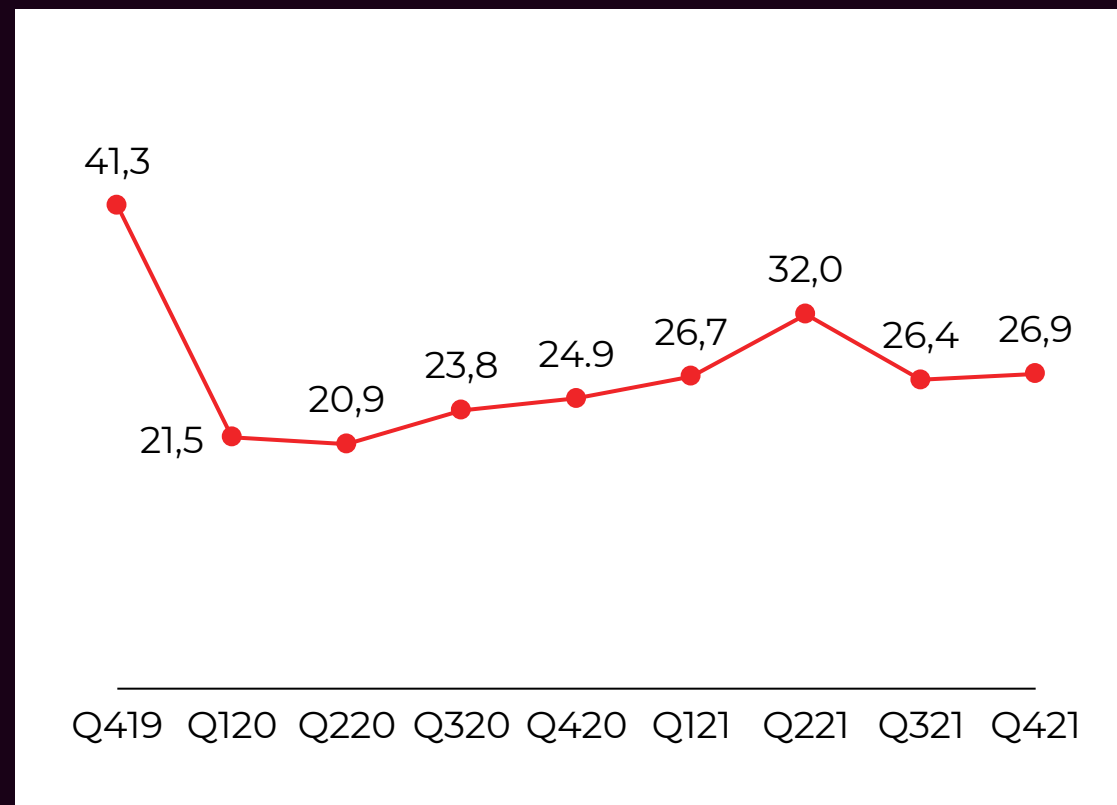
Q421: UA investments increased

Angry Birds 2 and Angry Birds Dream Blast UA increased q-o-q; Angry Birds Journey UA scaled up in preparation for the global launch in January 2022

USER ACQUISITION INVESTMENTS (EUR MILLION)



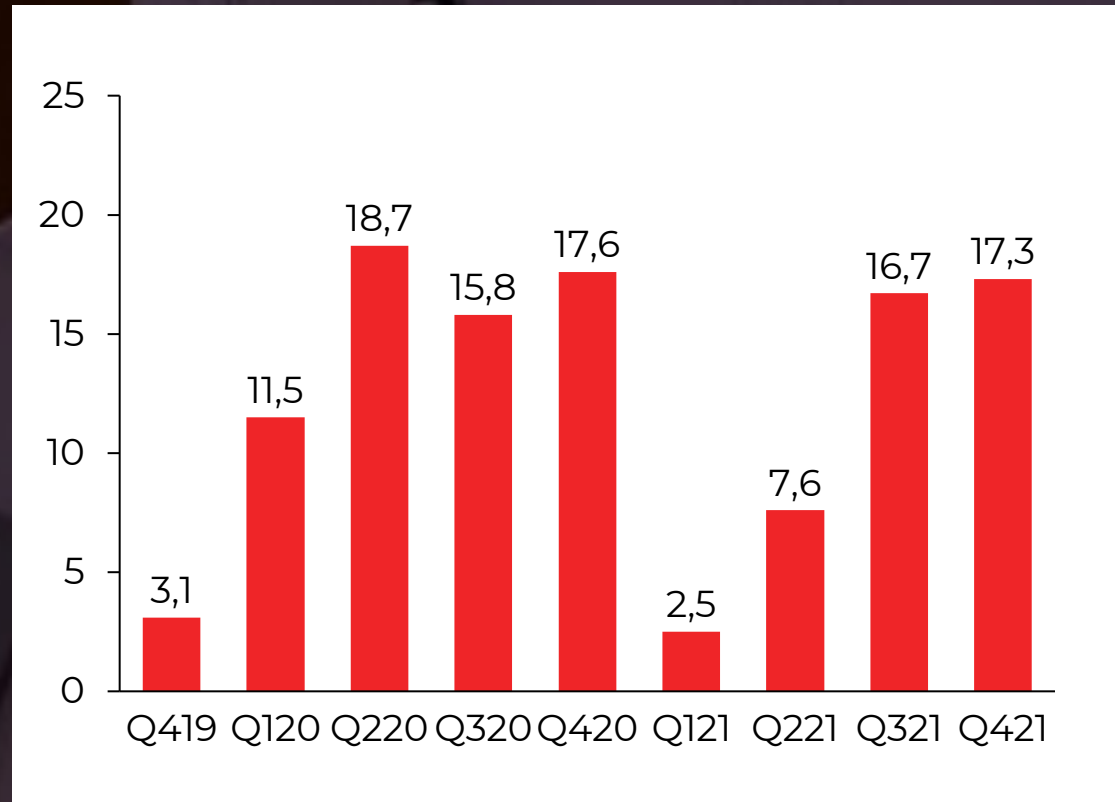
USER ACQUISITION AS % OF GAMES REVENUE



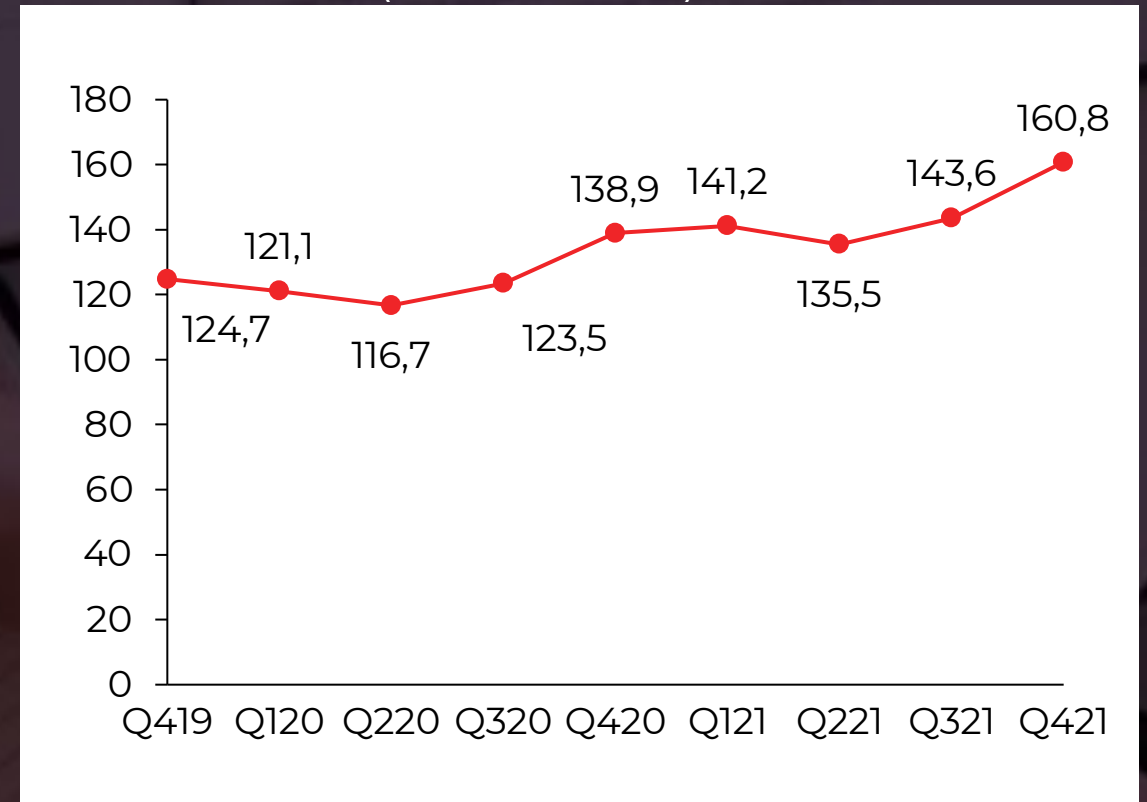
Q421: Solid operating cash flow

Cash balance end of year 2021 EUR 160.8 million

OPERATING CASH FLOW (EUR MILLION)

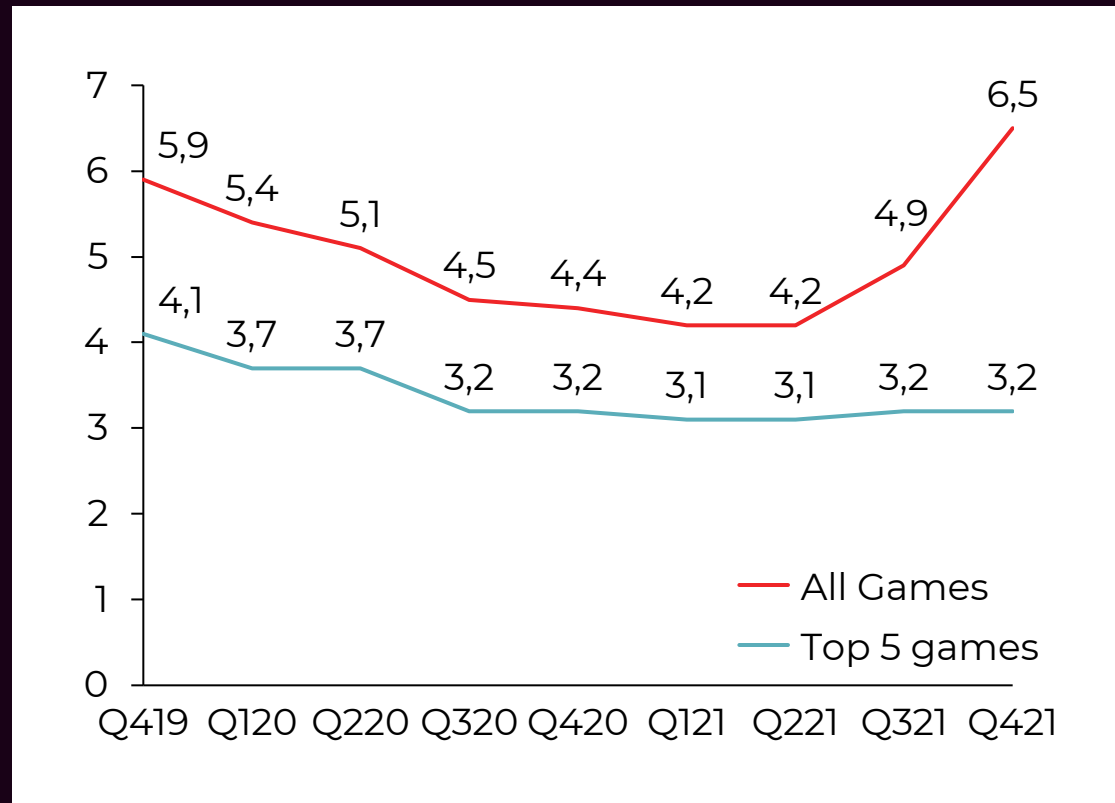


CASH BALANCE (EUR MILLION)

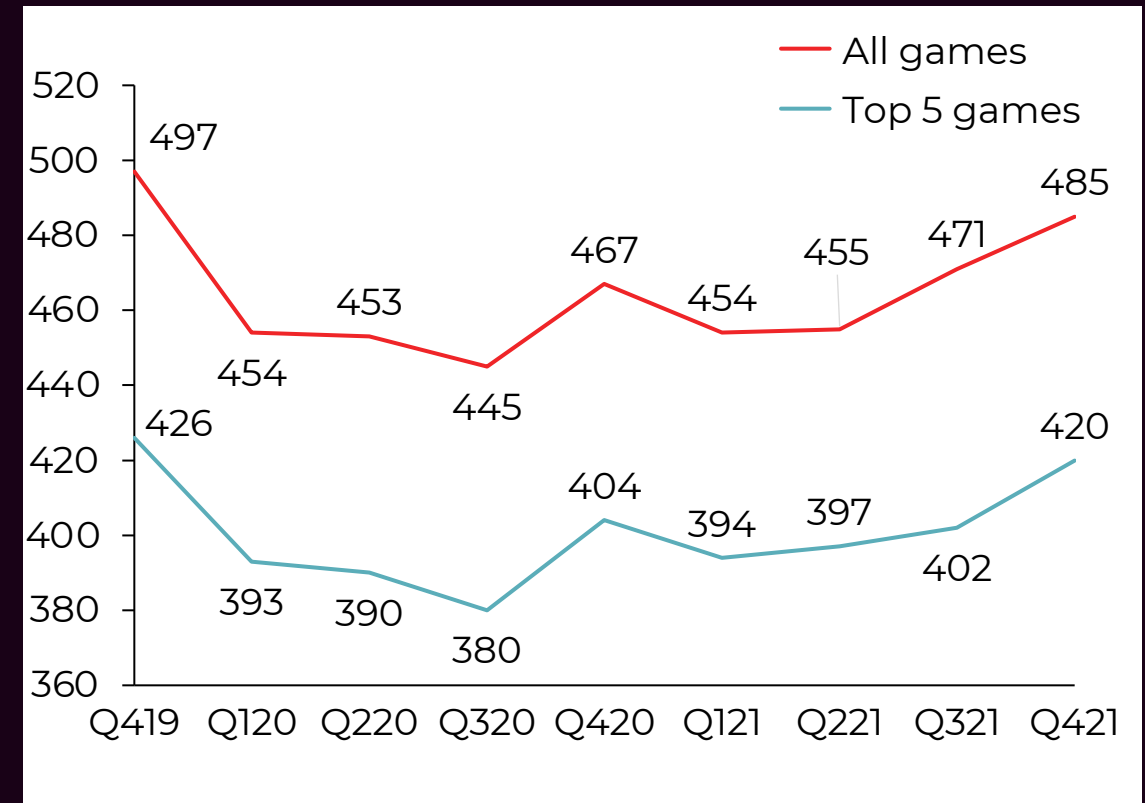


Q421: DAU increased to 6.5 million driven by hyper-casual studio Ruby Games

DAILY ACTIVE USERS (MILLIONS) (*)



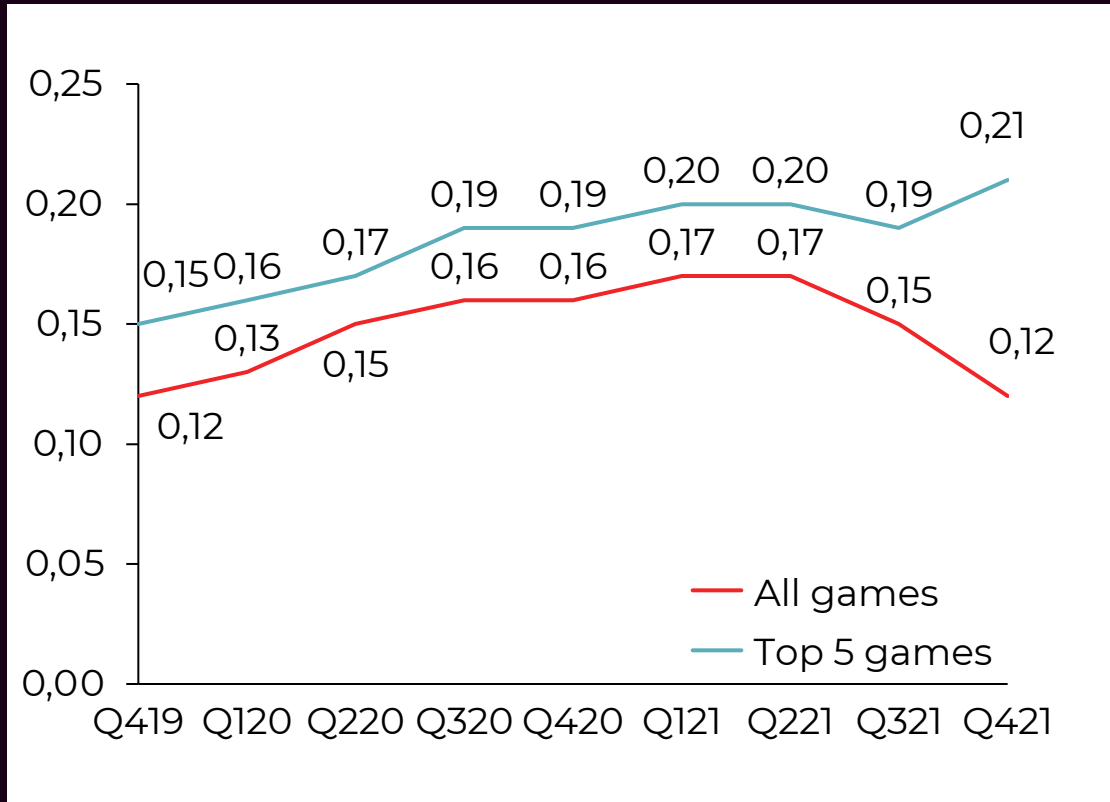
MONTHLY UNIQUE PAYERS (THOUSANDS) (*)



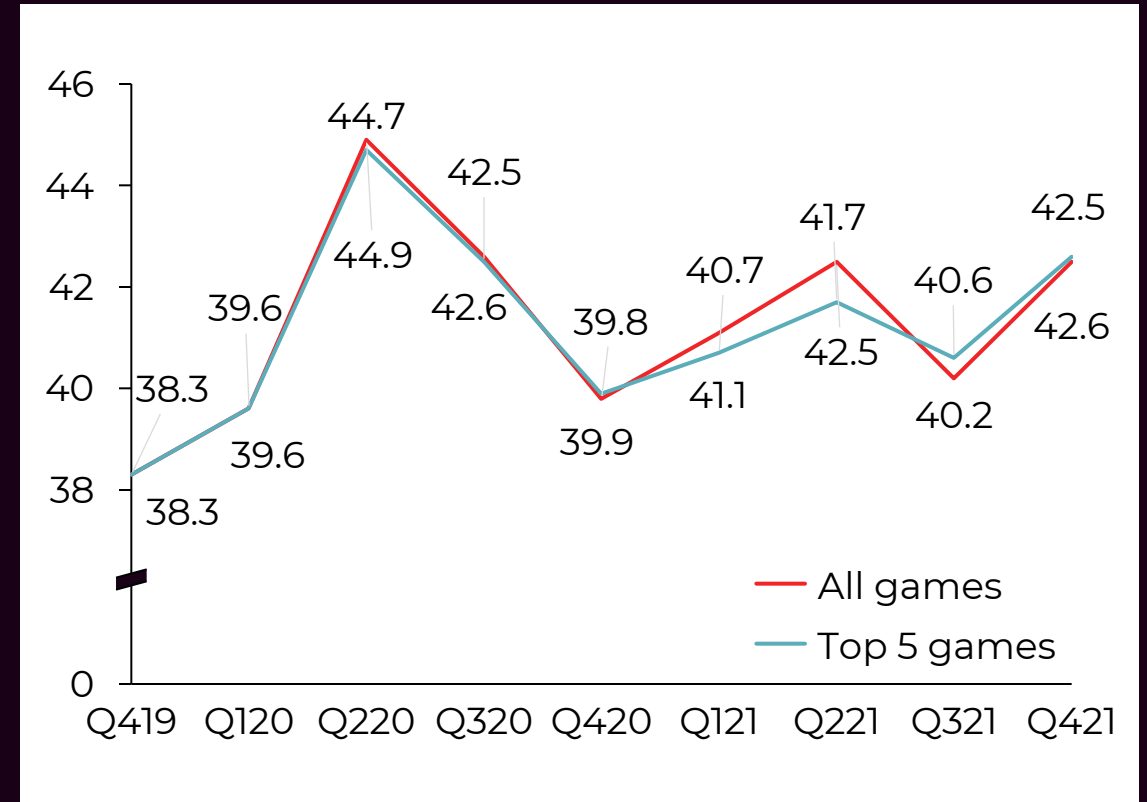
(*) Ruby Games DAU included starting September 2021. Ruby Games excluded from MUP.

Q421: ARPPDAU increased in Top 5 games; Hyper-casual games reduced average portfolio ARPPDAU

AVERAGE REVENUE PER DAILY ACTIVE USER (EUR) (*)



MONTHLY AVERAGE REVENUE PER UNIQUE PAYER (EUR) (*)



(*) Ruby Games ARPPDAU included starting in September 2021. Ruby Games excluded from MARPPU.

2021 Dividend proposal: 12 cents per share

- The board of directors is proposing to the AGM a dividend of EUR 0.12 (2020: EUR 0.12) per share for 2021.
- Based on the outstanding shares at 31.12.2021, the dividends would amount to EUR 8.9 million, which represents 25.6% of net profit excluding items affecting comparability.

Outlook 2022

Building on the positive momentum in our top live games, the launch of Angry Birds Journey in January 2022 and having the full benefit of the Ruby Games acquisition from the start of the year, we are expecting strong topline growth for the year. Depending on the speed of growth and the investments in user acquisition to fuel that growth, especially in the case of new games, and our larger investments in new games development, the adjusted operating profit is expected to be lower year-on-year.

The user acquisition investments for Q1-2022 is expected to be around 40% of games revenues.

Q&A



Dial in information:





PIN: 69986702#

- Finland : +358 981710310
- Sweden : +46 856642651
- United Kingdom : +44 3333000804
- United States : +1 6319131422

Appendix



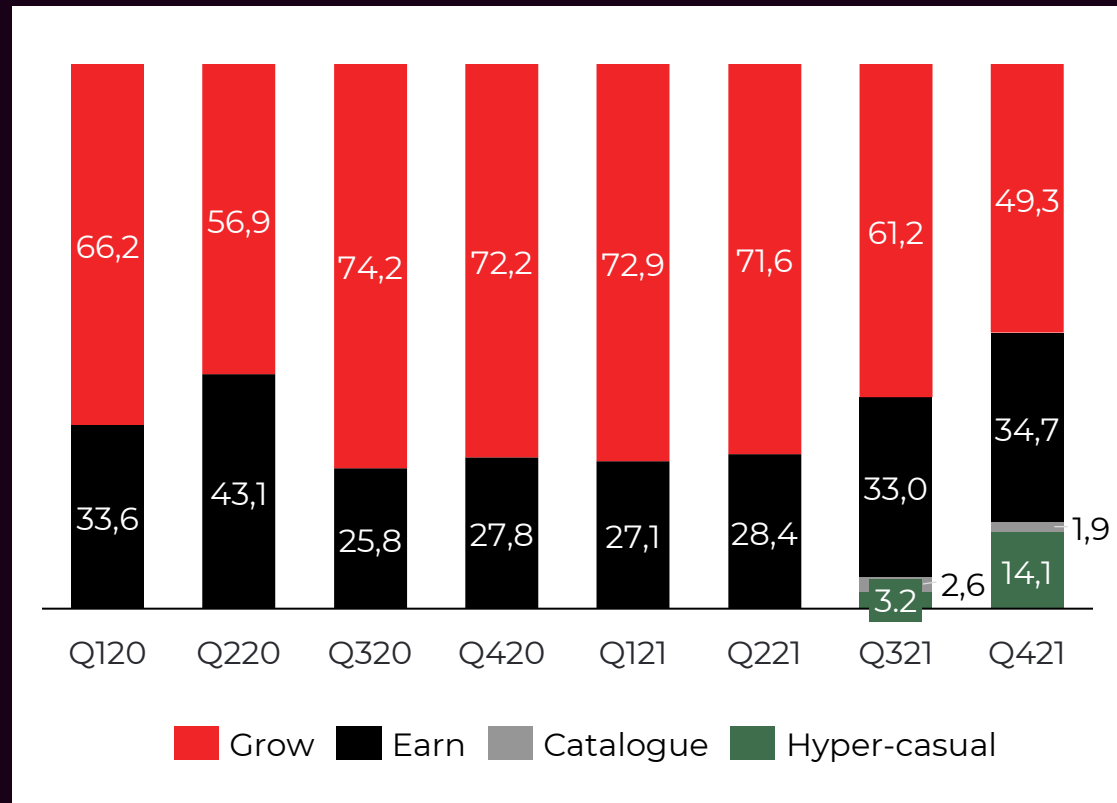
Rovio Q4 2021

Group Revenue	Games Revenue	Group Adj. EBIT
78.9 M€ ▲ 15.2% y-o-y	76.5 M€ ▲ 18.8% y-o-y	13.1 M€ ▲ 7.5 M€ Q4 20
Group Adjusted EBIT %	Quarterly Highlights	
16.6% 10.9% Q4 20	<ul style="list-style-type: none">Record quarterly revenue for Games, +18.8% y-o-yAll Top 3 games grew year-on-yearAngry Birds 2 had the highest gross bookings since Q1 2019 and Angry Birds Friends had 5th consecutive quarter of growth	
Top 3 Games	Greenlit for global launch	
 ANGRY BIRDS 2	 ANGRY BIRDS Dream Blast	 ANGRY BIRDS FRIENDS
 ANGRY BIRDS JOURNEY		

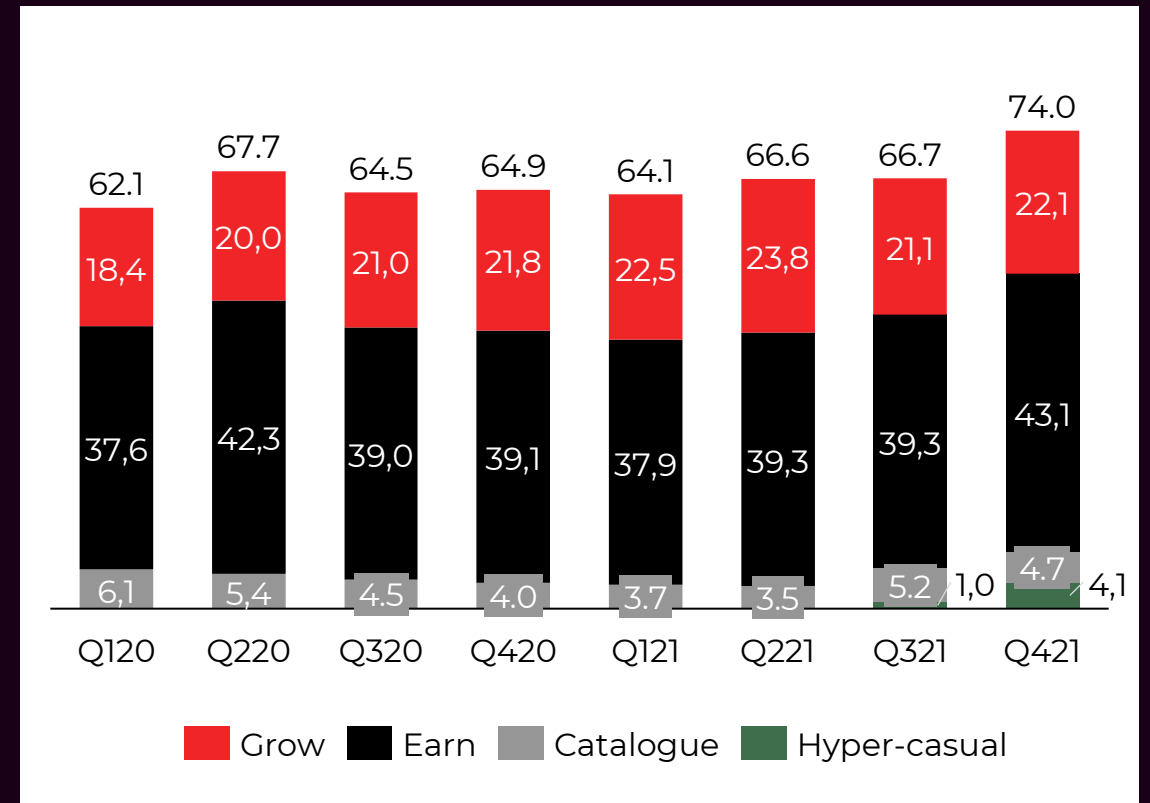


Q421: Ruby Games contributed full quarter; Darkfire Heroes moved to catalogue

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



GAMES GROSS BOOKINGS (EUR MILLION)



(*) Games categories per life-cycle. Each quarter presents the categorization during that specific period. Categories in Q421:

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

Earn: Angry Birds 2, Angry Birds Friends, Angry Birds Match, Angry Birds POP!

Catalogue: Other games

Hyper-casual: Ruby Games

Focus on casual.

Leverage core capabilities and expertise

Maximize the value of our network of users

Move away from high-CPI and more expensive development required by Mid-Core market



Casual



ESPOO
PUZZLE



TORONTO

Hyper- & hybrid-casual



IZMIR
RUBY GAMES

Future of gaming



FWD
MONTREAL

Advanced casual



STOCKHOLM

Mid-casual



ESPOO
CASUAL
STRATEGY



COPENHAGEN
CASUAL RPG

IR contacts & financial reporting in 2022

Please contact our Investor Relations:

Timo Rahkonen
VP, IR & Corporate Strategy
timo.rahkonen@rovio.com
+358 40 730 3442

Minna Eloranta
Senior Investor Relations Manager
minna.eloranta@rovio.com
+358 50 486 2017

RovioIR@rovio.com, <https://investors.rovio.com/>

Financial reporting in 2022:

Interim Report Q1 2022 29 April

Half-year Report 2022 11 August

Interim Report Q3 2022 28 October

AGM 7 April

A dark, top-down view of a meeting table. Two laptops are open, one on the left and one on the right. A red coffee cup sits between them. Several hands are visible, some resting on the table, others holding pens. The overall scene is dimly lit, with the central text being the brightest element.

 ROVIO