

Rovio Entertainment Corporation
Annual General Meeting – March 31, 2020

CEO Review

Kati Levoranta

Content

- **Rovio in brief**
- **2019 review**
- **Strategy and outlook**



Leadership team



Kati Levoranta
CEO



René Lindell
CFO



Minna Raitanen
General Counsel



Alexandre Pelletier-Normand
Head of Games



Ville Heijari
CMO



Heini Kaihu
Head of HR

Rovio is a Games-First Entertainment Company with Global exposure

Games since 2003

Founded in
2003

Creator of
ANGRY BIRDS™

11
Live Games¹⁾

2
Top 100 US
grossing games²⁾

Studios in Stockholm and Espoo



Personnel

466
employees³⁾

47
nationalities

35
Average age

27%|73%
Women men

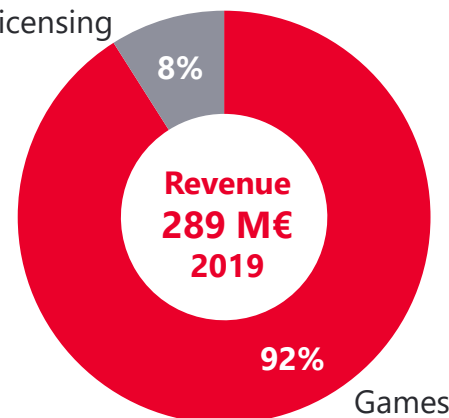
Games



Brand Licensing



Brand Licensing



Note: 1) Games which have normal or lean live ops (e.g. events) 2) US top grossing games chart on iPhone as of Q4 2019 3) Employees average at the end of 2019
Source: App Annie, Rovio

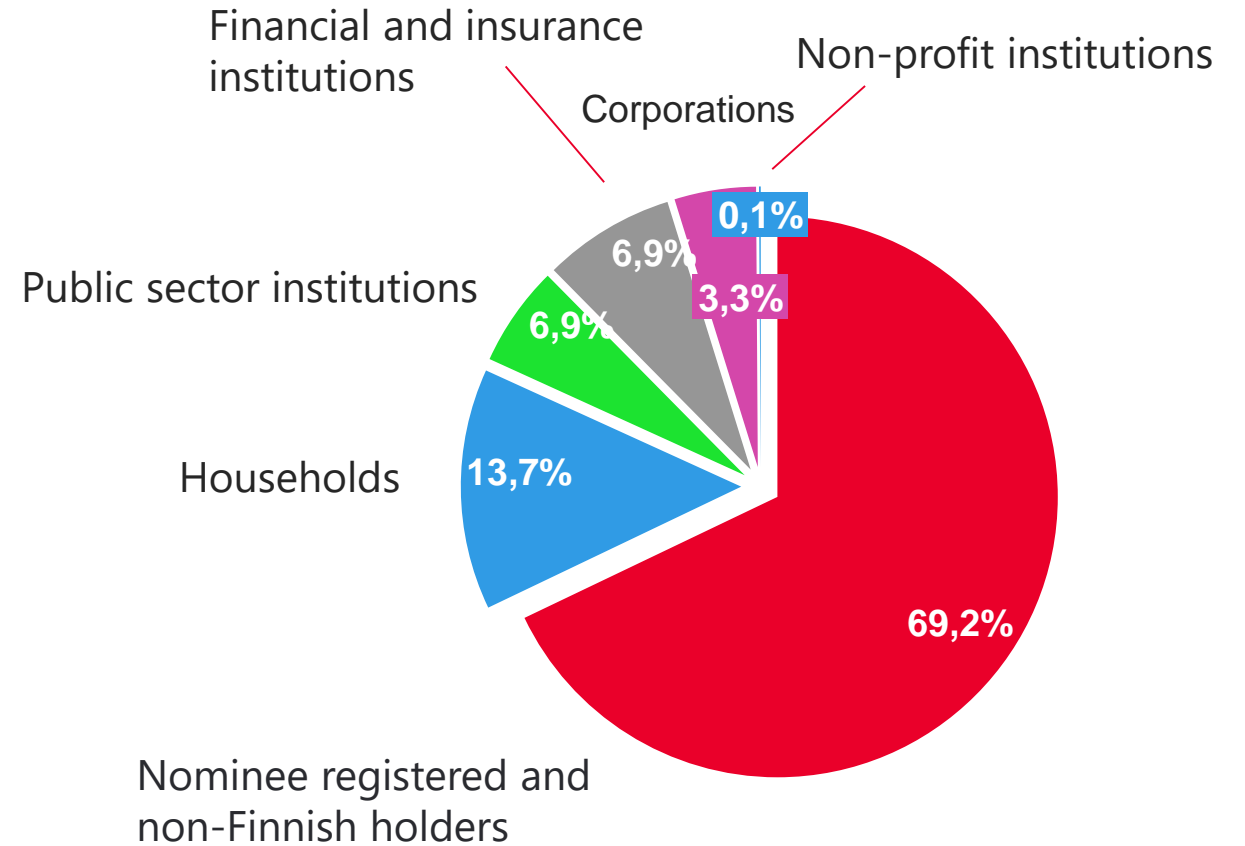
Competitive advantages

- Capable, committed and innovative personnel
- Global Angry Birds brand
- Diverse game portfolio and a large player base
- High quality
- Effective user acquisition and live operations
- Strong balance sheet and cash flows



Ownership structure and stock

- Number of stocks 81 268 111*
- Number of shareholders 17 683*
- Earnings per share 0.17 euroa (0.31)
- Equity per share 2.07 euroa (2.07)



*Source: Euroclear 31.12.2019

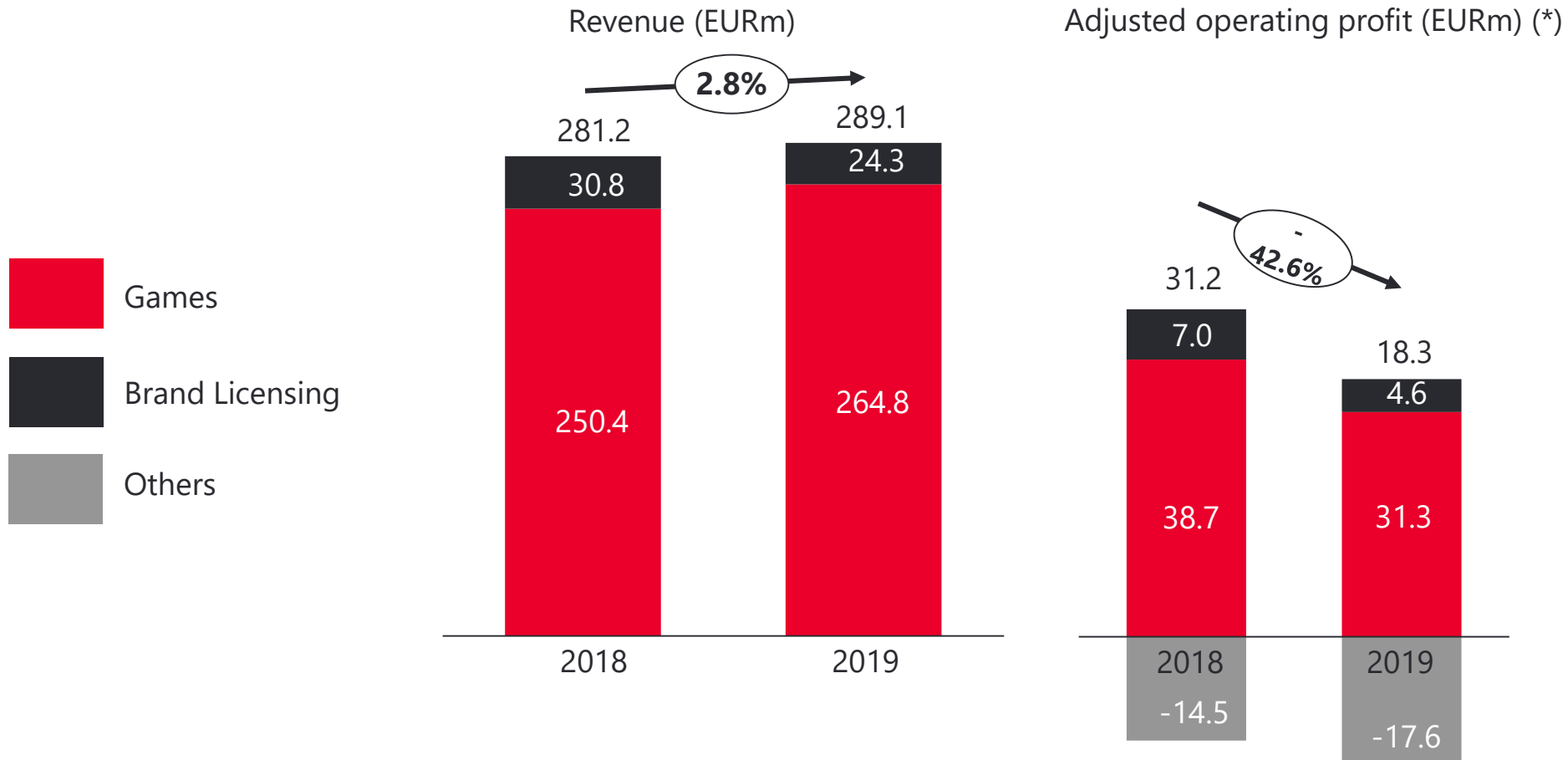
2019

Highlights of 2019

- We successfully launched two new games:
 - Angry Birds Dream Blast (January 2019)
 - Sugar Blast (September 2019), based on new IP
- We further developed our new games pipeline based on Angry Birds characters and new IPs
- The Angry Birds Movie 2 premiered in August 2019 and received good reviews and audience scores
- We signed Angry Birds long-form animated series deal with Netflix, scheduled for release in second half of 2021
- Angry Birds turned 10 years in December 2019

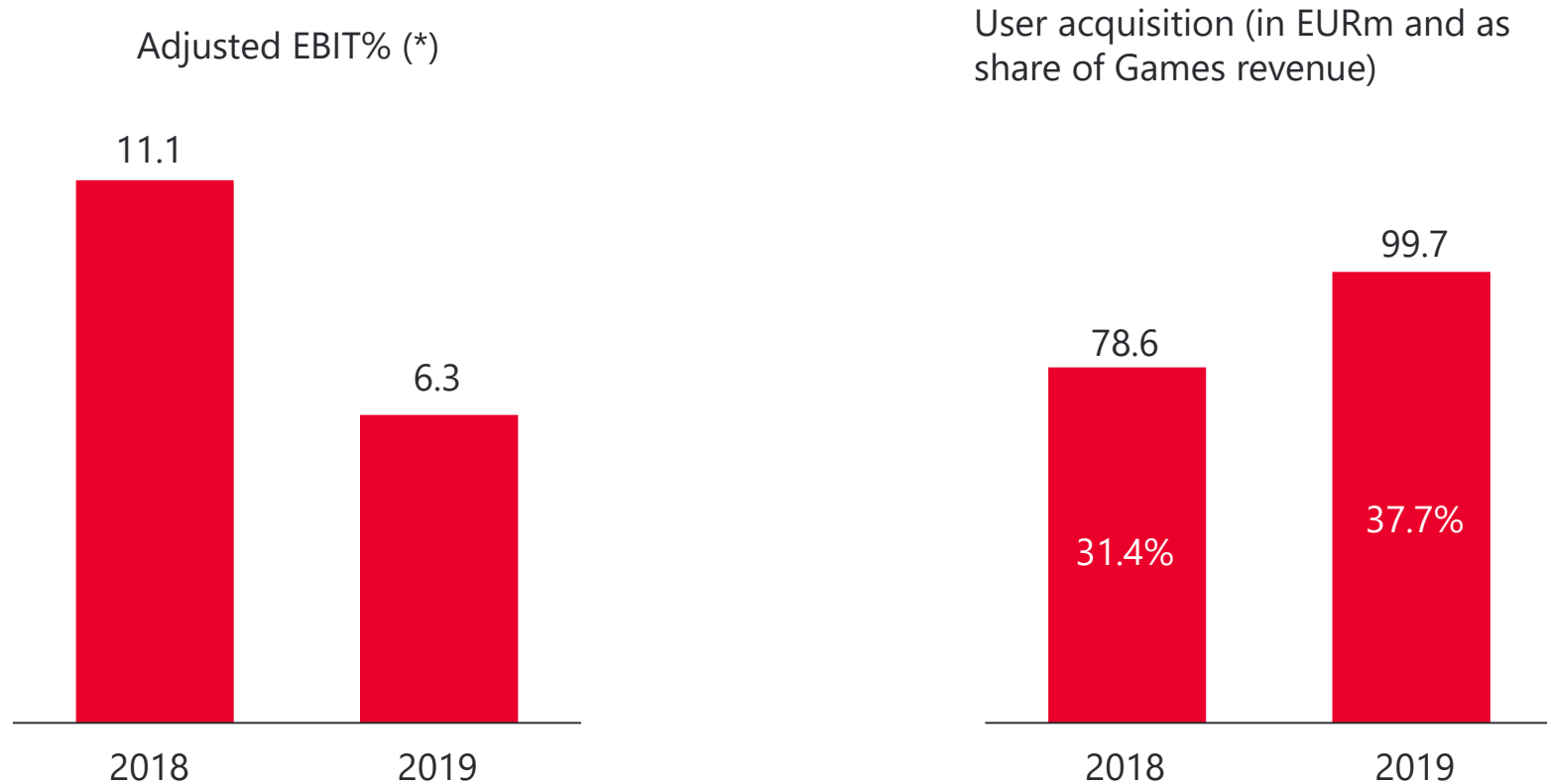


2019 Revenue grew, adjusted operating profit declined



(*) Adjustments in Jan-Dec 2018 were in total EUR -0.3 million related to closure of London games studio and purchase of PlayRaven game studio. Adjustments in Jan-Dec 2019 were in total EUR +0.3 million related to restructuring of Brand Licensing unit.

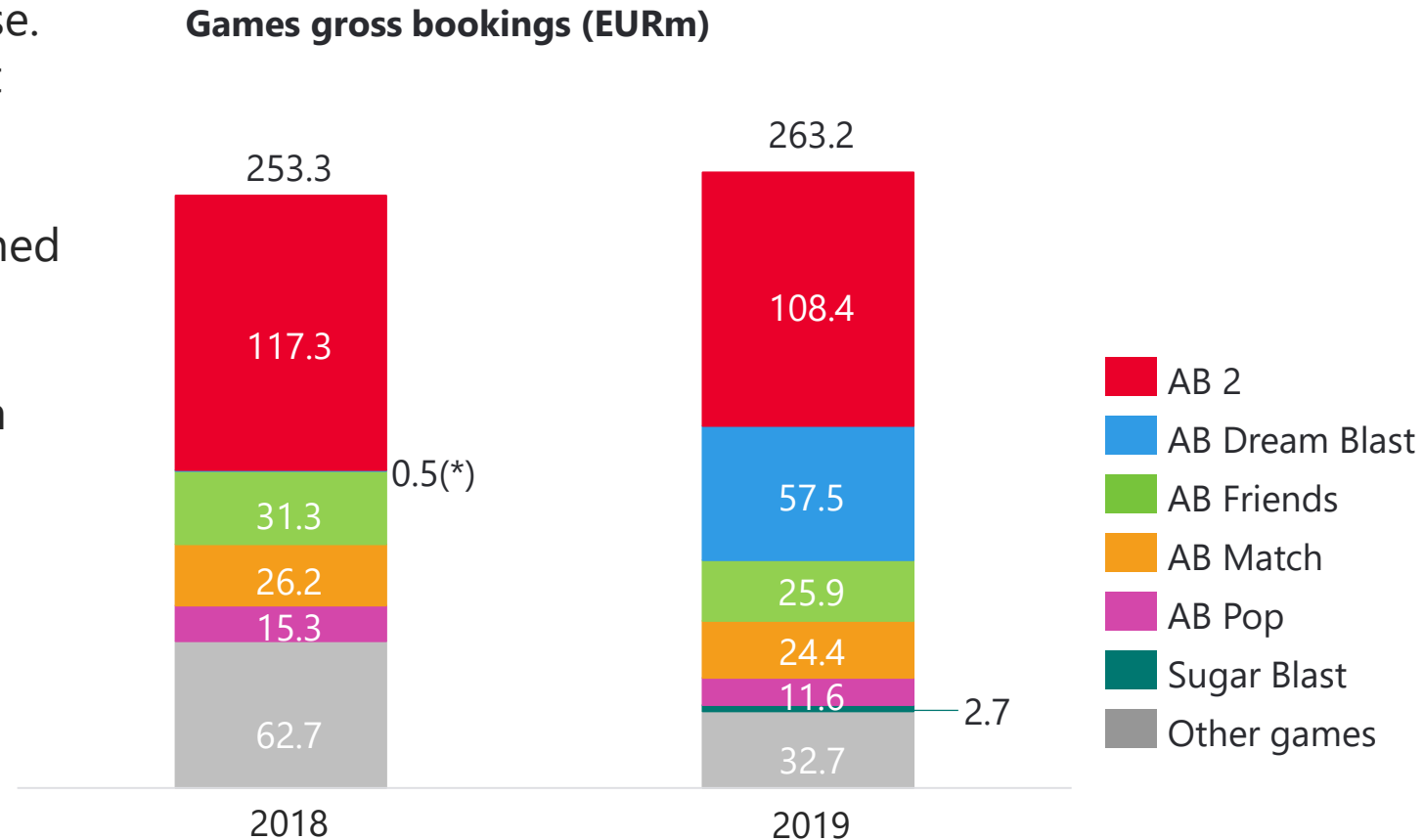
2019 Profitability was impacted by the increase in user acquisition



(*) Adjustments in Jan-Dec 2018 were in total EUR -0.3 million related to closure of London games studio and purchase of PlayRaven game studio. Adjustments in Jan-Dec 2019 were in total EUR +0.3 million related to restructuring of Brand Licensing unit.

2019 Games gross bookings grew by 5.7%

- Angry Birds Dream Blast was a great release. The game grew to become our 2nd biggest game
- Sugar Blast, based on a new IP, was published in September
- Angry Birds 2 revenues were stabilized at a much lower level of user acquisition
- Angry Birds Friends, Match and Pop were operated at high level of profitability
- Revenue from “other games” declined as expected



(*) Angry Birds Dream Blast was in soft launch in 2018.

Outlook and strategy

2020 Outlook

During 2020 we aim to launch 1-3 new games. The timing of new game launches depends on how the games progress in soft launch. Therefore, we do not give a full year 2020 revenue guidance.

We start the year at a lower user acquisition level than we ended last year. Due to lower user acquisition investments and the planned cost savings in Hatch Entertainment Ltd. our adjusted operating profit improves.

Basis for 2020 outlook

Our strategy is to seek growth in the Games business through improving the performance of our key games and developing new games.

Brand Licensing segment is optimized for profit at a lower revenue which is expected to decline approximately 50% year-on-year in 2020.

Hatch Entertainment annualized expenses are expected to be approximately EUR 5 million (2019: EUR 10.9 million) on an adjusted basis after restructuring and aligning with its new strategy.

Rovio strategy: focus on Games growth

GAMES

Our unique approach to drive growth in core F2P games

Diversified portfolio

User acquisition

Genre mastery

Live operations

Our growth enablers

Technology & Machine Learning

M&A

Mobile gaming streaming service



Our cornerstones



Passionate & skilful teams



Corporate responsibility

Our values



Be bold



Embrace innovation



Act with integrity

ANGRY BIRDS



Values

EMBRACE INNOVATION
ACT WITH INTEGRITY
BE BOLD

Corporate Responsibility

Safe and responsible gaming

Responsibility of licensed products

Employee wellbeing and diversity

Responsible business conduct

Environment



Thank you!

