

PROJECT OCEAN - December 2024

An opportunity to acquire a leading location-based entertainment social gaming technology platform, with 32 sites globally and a strong venue pipeline. Our client have been mandated by the Administrators to secure expressions of interest in acquiring the business as a going concern out of Administration. In addition to the acquisition price, the business is likely to require \$5m to \$10m of growth capital post-acquisition to fund working capital and to invest in scaling the business.

Overview

- Our client has been appointed by the Administrators to run an Accelerated M&A process to seek a buyer for the business and assets out of Administration, whilst they trade the business as a going concern
- Given a limited cash runway, the deadline for indicative offers is **5pm on 20th December 2024** with completion targeted for as early as possible in January 2025.
- The Company opened its first location in 2019 and now supports **32 sites globally**.
- The Company delivered **\$15.6m of revenue** and **\$3.9m of venue-level contribution** in FY24, with owner operated (“OO”) venues achieving market leading 4-wall margins of 50-70%.
- In addition to its OO venues, the Company franchises venues and operates rooms at third-party concession locations. Games on offer last between **30-60 minutes**, with a price point of between **\$28-\$42 per person**.
- We expect that interested parties will need to provide evidence of proof of funding in excess of \$20m.

Key Highlights

- The Company has benefitted from **more than \$60.5m of VC funds invested to date**, with shareholders who have a combined AUM of over \$900Bn.
- The Company is **yet to become EBITDA-positive** in its short history since 2019, but it is in the **scaling and growth stage of development** and has **vast potential to become the leading global social gaming technology platform**
- The Company has a **robust content pipeline** built by its **in-house game studio** under **licensing arrangements with top tier studios** as well as proprietary and third-party developer creations. New game titles make the experience **highly repeatable** and **enable economies of scale**.
- The Company have forecast that they will reach profitability during FY26F and then scale significantly thereafter.

Financial Highlights

P&L

Y/e 31 March \$'000	Actual FY23A	Forecast					
		FY24A	FY25O	FY26F	FY27F	FY28F	FY29F
Revenue	11,186	15,646	20,947	37,238	49,420	59,380	68,695
Contribution	4,610	3,913	7,570	20,244	28,117	35,508	42,540
EBITDA	(6,875)	(7,255)	(1,943)	6,230	14,334	21,967	29,269
Venues	20	29	43	60	85	119	161

For Further Information

Further information is available upon completion of a Non-Disclosure Agreement (NDA) which will permit access to a comprehensive Information Memorandum. Enquiries should be directed In the first Instance to :

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Important Notice

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