Transcript for "Press Conference 2026"

Andrea Gasparini (00:19-00:42)
Welcome to the presentation regarding today's press release for the first part of the conference call. The participants will be in listen-only mode. During the questions and answer session, participants are able to ask questions by dialing Pound Key five on their telephone keypad. Now, I will hand the conference over to CEO Thomas Caglar and CFO Andrea Gasparini. Please go ahead.

Thomas Caglar (00:43-08:19)
Good morning, and thank you for joining us. We are pleased to announce that Asmodee has entered into an agreement to acquire ATM Gaming, a fast-growing creator of social games. We believe this is a strong strategic fit and a compelling addition to our group.

Starting with the key highlights for this acquisition, it is important to understand that social games is the fastest growing category of the board games market, and that ATM Gaming is a leading player within this category. We believe that Asmodee provides the best global platform to unleash the full potential of ATM Gaming. While Asmodee will benefit from ATM gaming's IPs and digitally driven go-to-market know-how. Together, we will form a leading global player in social games. This acquisition is expected to contribute to Asmodee's organic growth engine, while being margin accretive.

For fiscal year 2026/2027, ATM Gaming is expected to contribute at least €50 million in net sales and in excess of €25 million in EBITDA. Before synergies, the earn-out incentives for ATM Gaming are structured to be triggered upon achieving an average annual EBITDA of €30 to €50 million over the next five years. Looking at the transaction, the purchase price amounts to €180 million, payable in cash and Class B shares. The sellers are also entitled to earn out payments up to €70 million in class B shares. Should the EBITDA generation mentioned above be realized?

As mentioned, Social Games is the fastest growing category in our market. Over the past six years, the category has grown by approximately 4% to 8% and is expected to continue outpacing the broader board game market through 2030. This growth is supported by successful titles, such as the ones you will recognize at the bottom of the slide. Importantly, the category combines strong new releases with long-lasting evergreen titles.

As a reminder, Asmodee operates across social, tabletop, and lifestyle games through both publishing and distribution. Within social games, we already have a strong position with titles such as Dobble and Exploding Kittens, the latter being a successful acquisition that has delivered solid growth. We also distribute leading titles such as Headbanz and, in some markets, ATM gaming products. Social games are particularly attractive due to their accessibility, short play sessions, high replayability, and affordable price points.

Against this backdrop, we are pleased to welcome ATM Gaming. They have demonstrated strong execution with titles such as Speed Bac, which has already scaled rapidly to nearly 2 million units in 2025 and over 3 million units across 2024-2025. The game shows clear potential to become an evergreen, supported by substantial commercial performance and top rankings on Amazon across multiple countries during peak season. Newer titles such as PBP and Mouton Mouton have also delivered strong early performance and received industry recognition, including the Grand Prix du Jouet in France. This highlights ATM Gaming's ability not only to create breakout titles, but also to replicate success across new IPs.

ATM Gaming was founded in 2018 by four entrepreneurs with strong industry and consulting backgrounds. Since then, the company has expanded internationally and broadened its portfolio across multiple social gaming formats between 2023 and 2025. ATM Gaming delivered a cash conversion of 116%, reaching approximately 34 million in net sales and €17 million in EBITDA in 2025. To date, they have sold more than 6 million games. The company employs 46 people, manages over 60 SKUs, and operates a hybrid model combining retail and third-party distribution.

They have also built a large and engaging community of more than 1.5 million followers. Now they are embarking on a new chapter by joining us.

A key differentiator is their strength in retail. Over the past three years, this has been their primary sales channel. And as you can see, during Christmas 2025, five of their titles ranked among the top ten in Amazon's Toys & Games category across major European markets. Quickstop reached the number one position in several countries, including France, Spain, Italy, Germany and Belgium. This performance is supported by strong capabilities in catalog optimization, full-funnel advertising, SEO, and real-time analytics, enabling repeatable launch success.

ATM Gaming has established a strong presence in France, Germany, Italy and Spain, with additional growth in adjacent markets. They have partnered with Asmodee since 2019, with today around 10% of their sales currently being distributed through our network, mainly in Italy and in Spain. Over time, we expect to further integrate distribution within Asmodee. Geographically, the combination is highly complementary. ATM Gaming is strong in Europe, while Asmodee provides a strong foothold in the US.

Together, this creates a balanced platform with significant expansion potential across both regions, but also beyond.

We share a common entrepreneurial culture and a strong focus on innovation, player experience and passion for creating shared experiences that bring people together. This explains why we have been successfully working together for several years across select geographies. The founding team brings a complementary mix of strategic, commercial and digital expertise. They will remain in place and continue to lead the studio, ensuring continuity while benefiting from Asmodee's global platform.

To us, Asmodee is the best platform to scale ATM gaming. Further, they will benefit from our global distribution network and operational capabilities, particularly in expanding into new geographies. At the same time, we gain exposure to a fast-growing player in the most dynamic category of the market. Their expertise in digital marketing and social media will also strengthen our go-to-market capabilities. I will now hand over to Andrea for more details on the financials.

Andrea Gasparini (08:20-11:16)
Thank you, Thomas, and good morning, everyone. This transaction also comes with very strong financials for fiscal years 2026 and 2027. ATM Gaming is expected to contribute with at least 15 million in net sales and in excess of €25 million in EBITDA before synergies and incentives for ATM Gaming are structured to be triggered. Upon achieving an average annual EBITDA between €30 to €50 million over the next five years. And as Tomas said, ATM Gaming is expected to contribute towards organic growth while being margin accretive.

Moving into the transaction in more detail. The purchase price amounts to €180 million and consists of three different parts. The first one is an upfront cash payment of €120 million on a cash-free and debt-free basis, payable at closing, which we expect by the end of April 2026. The second part is €30 million in newly issued Asmodee Class B shares to be issued in connection with the closing of the transaction. So still in April 2026, and the remaining 30 million is a deferred payment that will be paid in cash in June 2027.

The cash consideration payable in connection with the acquisition is expected to be financed using the company's available cash. The sellers are also entitled to an earn-out payment up to €70 million, conditional upon the achievement of performance-related targets by ATM Gaming, equivalent to an average yearly EBITDA generation ranging between €30 to €50 million over the next five years. Any earn-out consideration will be paid in newly issued Asmodee Class B shares; the earn-out features an early payment mechanism up to a maximum of 25 million that may be payable based on ATM Gaming's performance during the fiscal year 2627, calculated on a linear basis between the two EBITDA metrics, and any such advance would be deducted from the total earn-out cap of 70 million and would be non-refundable. Once paid, the remaining amount, if any, would be determined based on the overall performance of ATM Gaming over the five fiscal years from April 1st, 2026 to March 31st, 2031. And with this, I'm handing back to Tomas.

Thomas Caglar (11:16-12:12)
So thank you, Andrea. To conclude, this acquisition strengthens Asmodee's position in social games, the fastest growing category of the market. It combines our global platform with ATM Gaming's IPs and digital capabilities. The transaction is expected to support our organic growth and to be margin accretive. ATM Gaming represents our fifth acquisition in the past 12 months, and our M&A pipeline remains quite active.

We are well positioned to continue executing on our strategy. Before opening the floor for questions, I would like to thank our teams and advisors who have worked tirelessly to get us here today. So a big congrats to them. I think this is a playbook acquisition for us today, and I will now open the floor for questions.

Andrea Gasparini (12:15-12:33)

If you wish to ask a question, please dial Pound Key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial Pound Key six on your telephone keypad.

The next question comes from Simon Johnson from ABG. Please go ahead.

Thomas Caglar (12:35-13:21)
Yes. Hello, everyone. Thanks for taking my questions. And congratulations on the acquisition. The digital looks very, very interesting. I just wonder, in terms of the synergies, I think you touched briefly on the geographical expansion potential, but can you maybe talk a bit more about what you see in terms of synergies and connect it to what you have done historically with other similar acquisitions.

And is it mainly geographical expansion, or are there other factors to consider, or is geographical expansion the sole factor? Is it mainly the US and Nordics, you see? And how fast do you think you could start to see effects on that.

Andrea Gasparini (13:22-14:44)
Hi Simon, thanks for this. Great questions. Effectively, the main synergy is on geographical expansion. As we have highlighted today, ATM Gaming is strong in France, Germany, Spain, and Italy, and in all of those territories. The playbook of combining direct retail by ATM Gaming with distribution, largely through our teams, especially in Italy and Spain, has proven extremely powerful and successful, with half of our games being placed in the top ten toys and games over last Christmas in each of those countries.

So, what we look forward to is to replicate this in the rest of the world, continuing in Europe, where there are still many territories where the games have not yet been properly launched. We are just starting to work on those, of course, North America and the rest of the world also represent some exciting opportunities, especially with the complementarity with Exploding Kittens. So we really want to leverage those catalogs in both directions. IK even stronger in Europe. And ATM stronger in North America.

Thanks, Antoine.

Thomas Caglar (14:47-14:54)
All right. So this will ensure we continue to benefit in terms of sales.

Andrea Gasparini (14:54-15:00)
As we say, it's two distant cousins. That would greatly benefit working together.

Thomas Caglar (15:03-15:30)
All right. Makes sense. I have a follow-up on synergies. Fair enough. You said that, obviously, you think there is potential to significantly increase the earnings here. Is that mainly from the synergies, or do you think that they could also get some earnings not just from continuing to grow in their current markets.

Andrea Gasparini (15:32-15:53)
So the first driver is their organic growth. Their organic growth is with their existing reach. But it's also combined with expanding their distribution. That's how we have built it into the business plan that led to structuring the earn-out in this way. So it's a combination of both.

Thomas Caglar (15:55-16:15)
All right. Then you have the final technical one, as you commented on the EBITDA here. And I just wonder if you can say something about depreciation costs for this. Maybe you touched on it and I missed it, but do you expect a similar rate as the rest of the group? Or is there something to consider here?

Andrea Gasparini (16:16-16:30)
Yes. Given the profile and the size of the business, there is on their side as well a relatively CapEx-light model. So no big impacts on group ratios.

Thomas Caglar (16:32-16:34)
Okay. Cool. Thanks so much for that.

Andrea Gasparini (16:35-16:36)
Thanks, Simon.

Thomas Caglar (16:39-16:43)
The next question comes from Marieline from Bernstein. Good morning, Marie.

Andrea Gasparini (16:52-16:54)
Good morning, Marieline.

Thomas Caglar (16:58-17:01)
Marie line, you are now unmuted. Please go ahead.

Andrea Gasparini (17:08-17:08)

Thomas Caglar (17:09-17:13)
The next question comes from Rasmus Engberg from Kepler. Please go ahead.

Andrea Gasparini (17:14-17:34)
Hi, guys. Thanks for taking my question and congratulations on a very interesting deal. Can you just go back to the earlier question? Is it so that you are considering now taking over some of the distribution since you seem to mainly cooperate in Italy and Spain? Or am I misunderstanding things here?

Thomas Caglar (17:35-18:05)
So what we look for? Hi, Rasmus. First, what we look for is to have the best combination possible between ATM Gaming's current setup and our capabilities. Of course, we will try and help them grow in additional markets. And, for the rest of your question, it will be on a case-by-case basis, depending on what makes most sense in terms of market reach and how.

Andrea Gasparini (18:06-18:15)
What do you take from them in Italy and Spain? Does it work both ways there already, or how does that cooperation work?

Thomas Caglar (18:15-18:52)
Yes. Usually, the way the dual model works is that ATM Gaming is handling retailers directly. So the entire, I would say digital activation and digital sales through mainly Amazon. And then in order to have the full reach across all channels, they work with local distributors. And in Italy and in Spain, it's our local teams that very successfully have accompanied them in building their business. And this is the type of dual model hybrid model that we want to maintain in the future because we feel that it's the source of future success and growth.

Andrea Gasparini (18:54-19:28)
Thank you. Thank you. Very clear answer. So then, you will consider that in many other markets, I suppose? Then can you also. And just on the financial side, Andrea, it's up to 70 million in earn-out. Are you able to say something about what you will recognize?

It will be a discounted value, I suppose, but also if you give an indication on what we should add to the potential at this point, or is it too early?

Thomas Caglar (19:29-20:16)
Now, of course, we have built, as always, a joint business plan. This is how we've always explained is the best framework to craft a joint business plan. That, of course, has ambitious and, as always, upside and downside. So, there is a range which is accretive for Asmodee, value creative for ATM Gaming, and all the stakeholders involved. So it's in that range.

We cannot communicate exactly what type of early milestone performance will be generated. But it's within the ranges.

Andrea Gasparini (20:17-20:29)
And when I ran some numbers, it seems that, as is almost always the case, obviously, that the bigger the earn-out, the lower the multiple you pay is actually on the entire company. Right?

Thomas Caglar (20:30-20:52)

That's the virtuous, positive aspect of having a joint business plan that delivers growth in the future. It's beneficial for entry multiples and it creates a more balanced structure for the deal.

Andrea Gasparini (20:54-20:55)
Thank you so much.

Thomas Caglar (20:56-20:58)
Thank you. Thanks, Rasmus.

Andrea Gasparini (21:01-21:07)
As a reminder, if you wish to ask a question, please dial Pound Key five on your telephone keypad.

Thomas Caglar (21:10-21:38)
We do not have anybody else in the queue. We leave a few seconds. We have no written question either. So unless someone dials in. We will conclude this call.

All right. I don't see anybody joining. So thanks again, everybody, for joining. This is a great step for us today. And a great tribute to our M&A abilities. Thank you very much.

Andrea Gasparini (21:39-21:39)
Thank you.