# Activision Blizzard and Pearl Abyss comparison report

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## 

## Goals and objectives of the research

The purpose of the study: to compare Activision Blizzard and Pearl Abyss.

Research objectives:

* Find extended financial and corporate governance information from Activision Blizzard's public records
* Find extended financial and corporate governance information from Pearl Abyss public records
* Conduct a comparative analysis of Activision Blizzard and Pearl Abyss
* Draw conclusions based on the collected financial information, corporate governance information and comparative analysis of Activision Blizzard and Pearl Abyss

## Disclaimers

The information collected in this report reflects data from public reports of companies and is not questioned. Information provided from other sources, or reflecting the personal opinion of the researcher, is indicated additionally.

## Document markup

When converting the currency from the South Korean won (KRW) to the US dollar ($), the average annual exchange rate was used. KRW=1292

## Conclusions

### General information

| Parameter/Company | Activision Blizzard | Pearl Abyss |
| --- | --- | --- |
| Website | [activisionblizzard.com](https://activisionblizzard.com/) | [pearlabyss.com](https://pearlabyss.com/) |
| Country (location) | USA | South Korea |
| Country (issuer) | USA | South Korea |
| Year of foundation | 2008[[1]](#footnote-0) | 2010[[2]](#footnote-1) |
| Founder | Robert A. Kotick[[3]](#footnote-2)  Chief Executive Officer & Director | Dae-il Kim  Largest shareholder, 37% |
| Sector | Technology | Technology |
| Type | Public | Public |
| Year of IPO | 1993[[4]](#footnote-3) | 2017[[5]](#footnote-4) |
| Stock market | [NASDAQ](https://www.nasdaq.com/) | [KOSDAQ](http://global.krx.co.kr/main/main.jsp) |
| Ticker | ATVI | 263750 |

### Parent company

[Microsoft](https://en.wikipedia.org/wiki/Microsoft) plans to acquire Activision Blizzard at a price of $95 per share for $68.7 billion. When the deal is completed, Microsoft will become the third largest gaming company in the world by revenue, behind Tencent and Sony. The planned acquisition includes iconic franchises from Activision, Blizzard and King studios, such as: "[Warcraft](https://en.wikipedia.org/wiki/Warcraft)", "[Diablo](https://en.wikipedia.org/wiki/Diablo_(series))", "[Overwatch](https://en.wikipedia.org/wiki/Overwatch)", "[Call of Duty](https://en.wikipedia.org/wiki/Call_of_Duty)" and "[Candy Crush](https://en.wikipedia.org/wiki/Candy_Crush_Saga)", in addition to global esports activities through [Major League Gaming](https://en.wikipedia.org/wiki/Major_League_Gaming). The transaction is expected to close in fiscal year 2023.

Pearl Abyss has no parent company.

### Members of the board and Managers

Activision Blizzard Executives[[6]](#footnote-5)

| Leadership | | |
| --- | --- | --- |
| Name | Title | Since |
| [Robert A. Kotick](https://www.activisionblizzard.com/leadership/bobby-kotick) | Chief Executive Officer & Director | 1991 |
| [Armin Zerza](https://www.activisionblizzard.com/leadership/armin-zerza) | Chief Commercial Officer | 2021 |
| [Brian Bulatao](https://www.activisionblizzard.com/leadership/brian-bulatao) | Chief Administrative Officer | 2021 |
| [Grant Dixton](https://www.activisionblizzard.com/leadership/grant-dixton) | Chief Legal Officer | 2021 |
| [Lulu Cheng Meservey](https://www.activisionblizzard.com/leadership/lulu-cheng-meservey) | Executive Vice President, Corporate Affairs and Chief Communications Officer | 2022 |
| [Julie Hodges](https://www.activisionblizzard.com/leadership/julie-hodges) | Chief People Officer | 2021 |
| [Kristen Hines](https://www.activisionblizzard.com/leadership/kristen-hines) | Chief Diversity, Equity & Inclusion Officer | 2022 |
| [Rob Kostich](https://www.activisionblizzard.com/leadership/rob-kostich) | President of Activision | 2004 |
| [Mike Ybarra](https://www.activisionblizzard.com/leadership/mike-ybarra) | President of Blizzard Entertainment | 2021 |
| [Tjodolf Sommestad](https://www.activisionblizzard.com/leadership/tjodolf-sommestad) | President of King | 2022 |

Activision Blizzard Board of Directors[[7]](#footnote-6)

| Board of Directors | | |
| --- | --- | --- |
| Name | Title | Since |
| [Reveta Bowers](https://www.activisionblizzard.com/board-of-directors#:~:text=Board%20of%20Directors-,Reveta%20Bowers,-Director) | Director | 2018 |
| [Kerry Carr](https://www.activisionblizzard.com/board-of-directors#:~:text=of%20Developmental%20Studies.-,Kerry%20Carr,-Director) | Director | 2022 |
| [Robert Corti](https://www.activisionblizzard.com/board-of-directors#:~:text=from%C2%A0Hofstra%20University.-,Robert%20Corti,-Director) | Director | 2003 |
| [Brian Kelly](https://www.activisionblizzard.com/board-of-directors#:~:text=certified%20public%20accountant.-,BRIAN%20KELLY,-CHAIRMAN%20OF%20THE) | Chairman | 1991 |
| [Bobby Kotick](https://www.activisionblizzard.com/board-of-directors#:~:text=School%20of%20Law.-,BOBBY%20KOTICK,-DIRECTOR%3B%20CHIEF%20EXECUTIVE) | Director, Chief Executive Officer | 1991 |
| [Barry Meyer](https://www.activisionblizzard.com/board-of-directors#:~:text=of%20Duty%20Endowment.-,BARRY%20MEYER,-DIRECTOR) | Director | 2014 |
| [Robert Morgado](https://www.activisionblizzard.com/board-of-directors#:~:text=School%20of%20Law.-,ROBERT%20MORGADO,-LEAD%20INDEPENDENT%20DIRECTOR) | Lead Independent Director | 1997 |
| [Peter Nolan](https://www.activisionblizzard.com/board-of-directors#:~:text=of%20New%20York.-,PETER%20NOLAN,-DIRECTOR) | Director | 2013 |
| [Dawn Ostroff](https://www.activisionblizzard.com/board-of-directors#:~:text=from%20Cornell%20University-,DAWN%20OSTROFF,-DIRECTOR) | Director | 2020 |

Pearl Abyss Board Members[[8]](#footnote-7)

| Name | Title | Since |
| --- | --- | --- |
| Dae-Il Kim | Chairman | 2010 |
| Jin-Young Heo | Chief Executive Officer | 2022 |
| Jeong-Hyeon Han | Independent Director | 2017 |
| Hee-Hwan Ji | Chief Technology Officer | 2013 |
| Kevin Kim | Chief Business Officer | 2017 |
| Jae-Min Yoon | Vice President, Director & Head-Operating Business | 2011 |
| Sun-Hee Lee | Management Advisor | 2023 |
| Hyeong-Kyoo Choi | Management Advisor | 2018 |
| Jung-Hee Jin | Head of US office | 2018 |
| Seong-Joo Hong | Auditor | 2018 |

### Employees

| Indicator/Company | Activision Blizzard | Pearl Abyss |
| --- | --- | --- |
| Number of employees for 2021 | 9,800[[9]](#footnote-8) | 1,572[[10]](#footnote-9) |
| Number of employees for 2022 | 13,000[[11]](#footnote-10) | 1,452[[12]](#footnote-11) |
| Number of employees for 2023 | 17,000[[13]](#footnote-12) | 1,355[[14]](#footnote-13) |

### Shareholders

#### Shareholders structure

Data on the structure of Activision Blizzard shareholders are not found in the company's public reports. As of February 16, 2023, there were 1,441 registered holders of ordinary shares.[[15]](#footnote-14)

Pearl Abyss Shareholder Structure[[16]](#footnote-15)

| Name | % |
| --- | --- |
| Managements | 44% |
| Others | 37% |
| Foreign ownership | 14% |
| Treasury shares | 5% |

#### Shareholders

Total Shares Outstanding - 784,274,126[[17]](#footnote-16)

Direct Holders Activision Blizzard[[18]](#footnote-17)

| Name | Equities |
| --- | --- |
| [Vivendi](https://en.wikipedia.org/wiki/Vivendi_Games) | 41,499,688[[19]](#footnote-18) |
| [Robert A. Kotick](https://en.wikipedia.org/wiki/Bobby_Kotick) | 3,924,881[[20]](#footnote-19) |
| [Armin Zerza](https://www.activisionblizzard.com/leadership/armin-zerza) | 196,167[[21]](#footnote-20) |
| [Grant Michael Dixton](https://www.activisionblizzard.com/leadership/grant-dixton) | 120,905[[22]](#footnote-21) |
| [Brian Bulatao](https://www.activisionblizzard.com/leadership/brian-bulatao) | 92,101[[23]](#footnote-22) |
| [Robert J. Corti](https://www.activisionblizzard.com/board-of-directors#:~:text=from%C2%A0Hofstra%20University.-,Robert%20Corti,-Director) | 69,154[[24]](#footnote-23) |
| [Barry M. Meyer](https://www.activisionblizzard.com/board-of-directors#:~:text=of%20Duty%20Endowment.-,BARRY%20MEYER,-DIRECTOR) | 58,599[[25]](#footnote-24) |
| [Jesse Yang](https://www.linkedin.com/in/jesse-yang/) | 51,421[[26]](#footnote-25) |
| [Brian G. Kelly](https://www.activisionblizzard.com/board-of-directors#:~:text=certified%20public%20accountant.-,BRIAN%20KELLY,-CHAIRMAN%20OF%20THE) | 29,102[[27]](#footnote-26) |
| [Reveta F. Bowers](https://www.activisionblizzard.com/board-of-directors#:~:text=Board%20of%20Directors-,Reveta%20Bowers,-Director) | 22,831[[28]](#footnote-27) |

Fund Holders Activision Blizzard[[29]](#footnote-28)

| Name | Equities |
| --- | --- |
| [The Vanguard Group, Inc](https://en.wikipedia.org/wiki/The_Vanguard_Group) | 58,037,611 |
| [BlackRock, Inc](https://en.wikipedia.org/wiki/BlackRock) | 57,581,831 |
| [Berkshire Hathaway, Inc](https://en.wikipedia.org/wiki/Berkshire_Hathaway) | 49,439,781 |
| [Public Investment Fund](https://en.wikipedia.org/wiki/Public_Investment_Fund) | 37,909,164 |
| [State Street Corp](https://en.wikipedia.org/wiki/State_Street_Corporation) | 30,289,410 |
| [FMR, LLC](https://en.wikipedia.org/wiki/Fidelity_Investments) | 25,913,593 |
| [Geode Capital Management, LLC](https://en.wikipedia.org/wiki/Geode_Capital_Management) | 15,408,285 |
| [Pentwater Capital Management, LP](https://pwcm.com/) | 15,390,000 |
| [Flossbach von Storch, AG](https://de.wikipedia.org/wiki/Flossbach_von_Storch) | 10,427,584 |
| [Aristotle Capital Management, LLC](https://www.aristotlecap.com/) | 10,282,219 |

Pearl Abyss Shareholders[[30]](#footnote-29) [[31]](#footnote-30)

| Name | Equities | % |
| --- | --- | --- |
| Total Number of Issued Shares | 64,235,855[[32]](#footnote-31) | 100% |
| Others | 32,791,795 | 51.0% |
| Dae-Il Kim | 23,552,510 | 36.7% |
| Managements | 4,899,150 | 7.6% |
| Treasury Shares | 2,959,575 | 4.6% |
| Employee Stock Ownership Association | 32,825 | 0.1% |

Pearl Abyss Issued shares[[33]](#footnote-32)

| Name | % |
| --- | --- |
| Percentage of shares with voting rights | 95.4% |
| Percentage of shares without voting rights | 4.6% |

### 

### Mergers, acquisitions and subsidiaries

Pearl Abyss Acquisitions:

* In 2018 Pearl Abyss acquired [CCP Games](https://www.ccpgames.com/) for $425 million.[[34]](#footnote-33)
* In 2020 Pearl Abyss founds [Vic Game Studio](https://www.vicgamestudios.com/) as a game development company[[35]](#footnote-34)
* In 2021 Pearl Abyss acquired [Factorial Games](https://factorialgames.com/) for $17.7 million.[[36]](#footnote-35)

Based on the [Investor relations May 2023](https://www.pearlabyss.com/Download?_fileNo=20989) Pearl Abyss report, the number of subsidiaries, as of March 31, 2023, is 22 pcs.

Activision Blizzard Acquisitions:

* In 2015 Activision Blizzard acquired [King Digital Entertainment](https://www.king.com/ru) for $5.9 billion.[[37]](#footnote-36)
* In 2016 Activision Blizzard acquired [Major League Gaming](https://ru.wikipedia.org/wiki/Major_League_Gaming) for $46 million.[[38]](#footnote-37)
* In 2021 Activision Blizzard acquired [Digital Legends](http://www.digital-legends.com/), the transaction price is unknown.[[39]](#footnote-38)

### Company strategy

Activision Blizzard strategy[[40]](#footnote-39):

* Expanding audience reach
* Premium (AAA) Games
* Increase player investment
* Distribution of intellectual property on different platforms, in different geographical regions and business models

Pearl Abyss strategy[[41]](#footnote-40):

* Premium (AAA) Games
* Expanding Live Content
* High level of sound and graphics
* AI development and improvement of its own engine

### Games

#### Genres of games

The main game genres[[42]](#footnote-41):

* Sandbox
* Real-time strategy (RTS)
* Shooter:
  + FPS
  + TPS
* Multiplayer online battle arena (MOBA)
* Role-playing:
  + RPG
  + ARPG
  + CRPG
  + MMORPG
  + TRPG
  + Roguelike
  + Roguelite
* Simulation and sports
* Puzzler and party game
* Action-adventure
* Survival and horror
* Platformer

#### Famous game franchises

| Activision Franchises**[[43]](#footnote-42)** | |
| --- | --- |
| Name | Genre |
| [3D Ultra Minigolf](https://en.wikipedia.org/wiki/3D_Ultra_Minigolf_(game_series)) | Simulation and sports |
| [Assault Heroes](https://en.wikipedia.org/wiki/Assault_Heroes) | Shooter, Action-adventure |
| [Cabela's](https://en.wikipedia.org/wiki/List_of_Cabela%27s_video_games) | Simulation and sports |
| [Call of Duty](https://en.wikipedia.org/wiki/Call_of_Duty) | Shooter |
| [City Building](https://en.wikipedia.org/wiki/City_Building_(series)) | Simulation and sports |
| [Crash Bandicoot](https://en.wikipedia.org/wiki/Crash_Bandicoot) | Platformer |
| [Empire Earth](https://en.wikipedia.org/wiki/Empire_Earth) | RTS |
| [Geometry Wars](https://en.wikipedia.org/wiki/Geometry_Wars) | Shooter |
| [Guitar Hero](https://en.wikipedia.org/wiki/Guitar_Hero) | Simulation and sports |
| [King's Quest](https://en.wikipedia.org/wiki/King%27s_Quest) | Action-adventure |
| [Pitfall!](https://en.wikipedia.org/wiki/Pitfall!) | Platformer |
| [Police Quest](https://en.wikipedia.org/wiki/Police_Quest) | Simulation and sports |
| [Space Quest](https://en.wikipedia.org/wiki/Space_Quest) | Action-adventure |
| [Skylanders](https://en.wikipedia.org/wiki/Skylanders) | Role-playing |
| [Spyro](https://en.wikipedia.org/wiki/Spyro) | Platformer |
| [Tony Hawk](https://en.wikipedia.org/wiki/Tony_Hawk%27s_(series)) | Simulation and sports |
| [True Crime](https://en.wikipedia.org/wiki/True_Crime_(series)) | Action-adventure |
| [Ultimate Soccer Manager](https://en.wikipedia.org/wiki/Ultimate_Soccer_Manager) | Simulation and sports |
| [Zork](https://en.wikipedia.org/wiki/Zork) | Action-adventure |

| Blizzard Franchises[[44]](#footnote-43) | |
| --- | --- |
| Name | Genre |
| [StarCraft](https://en.wikipedia.org/wiki/StarCraft) | RTS |
| [Warcraft](https://en.wikipedia.org/wiki/Warcraft) | RTS, Role-playing |
| [Diablo](https://en.wikipedia.org/wiki/Diablo_(series)) | Role-playing |
| [Overwatch](https://en.wikipedia.org/wiki/Overwatch) | Shooter |

| King Franchises[[45]](#footnote-44) | |
| --- | --- |
| Name | Genre |
| [Candy Crush Saga](https://king.com/game/candycrush) | Puzzler and party game |
| [Bubble Witch Saga](https://king.com/game/bubblewitch2) | Puzzler and party game |
| [Farm Heroes Saga](https://king.com/game/farmheroes) | Puzzler and party game |
| [Diamond Diaries Saga](https://king.com/game/diamonddiaries) | Puzzler and party game |
| [Pet Rescue Saga](https://king.com/game/petrescue) | Puzzler and party game |

| Pearl Abyss Games[[46]](#footnote-45) | |
| --- | --- |
| Name | Genre |
| [Black Desert](https://en.wikipedia.org/wiki/Black_Desert_Online) | Role-playing |
| [Black Desert Mobile](https://en.wikipedia.org/wiki/Black_Desert_Mobile) | Role-playing |
| [EVEOnline](https://en.wikipedia.org/wiki/Eve_Online) | Role-playing |
| [Shadow Arena](https://store.steampowered.com/app/1226470/Shadow_Arena/) | Role-playing |
| [Black Clover Mobile](https://play.google.com/store/apps/details?id=com.garena.game.bc&hl=en_US&pli=1) | Role-playing |

#### TBA Games

Pearl Abyss Game Announcements[[47]](#footnote-46):

* [Crimson Desert](https://crimsondesert.pearlabyss.com/)
* [DokeV](https://dokev.pearlabyss.com/)
* [Plan 8](https://plan8.pearlabyss.com/)

Release dates have not been announced.

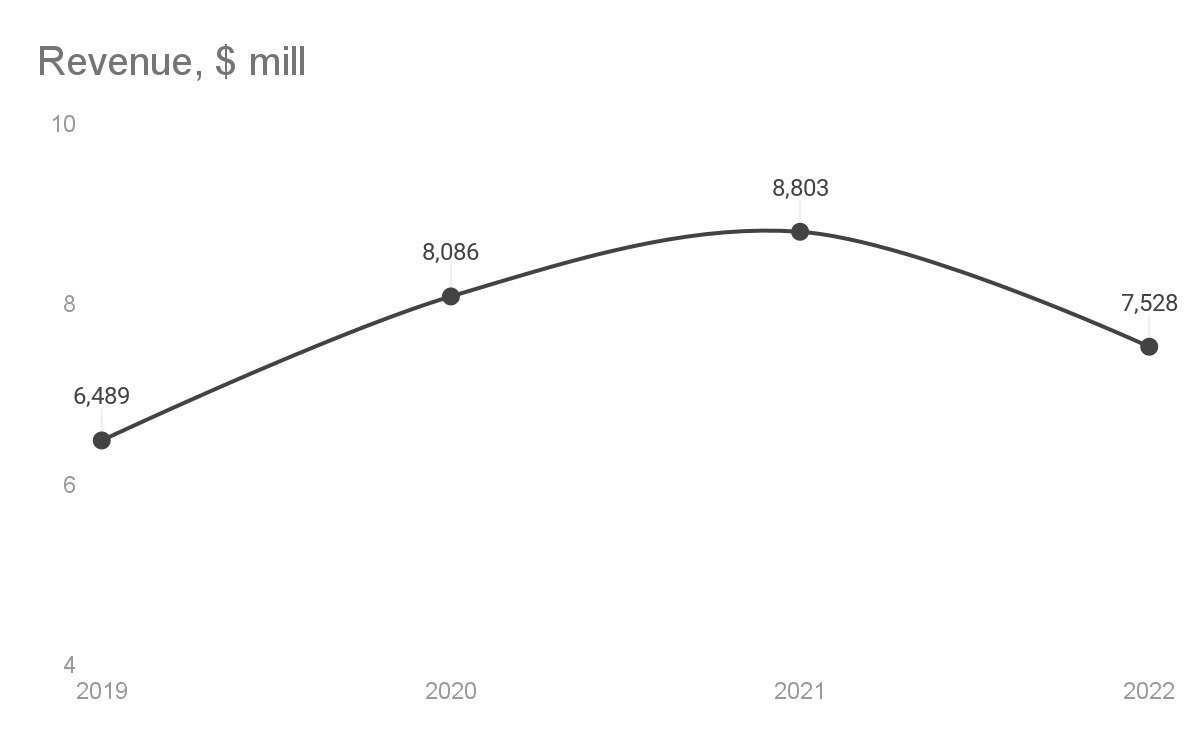
Activision Blizzard Game Announcements[[48]](#footnote-47):

* [Diablo IV](https://en.wikipedia.org/wiki/Diablo_IV)
* [Call of Duty: Warzone Mobile](https://www.callofduty.com/warzonemobile)
* Next full-fledged premium game in the Call of Duty franchise
* Provide permanent content for various franchises throughout the year:
  + Continuation of in-game content for [Call of Duty: Modern Warfare II](https://en.wikipedia.org/wiki/Call_of_Duty:_Modern_Warfare_II_(2022_video_game)), which includes seasonal content updates for [Call of Duty: Warzone 2.0](https://en.wikipedia.org/wiki/Call_of_Duty:_Warzone_2.0)
  + Seasonal content Updates for [Overwatch 2](https://en.wikipedia.org/wiki/Overwatch_2)
  + Other significant new content for key Blizzard games
  + Releases of content, features and services across the King portfolio with a constant focus on the [Candy Crush](https://en.wikipedia.org/wiki/Candy_Crush_Saga) franchise

### 

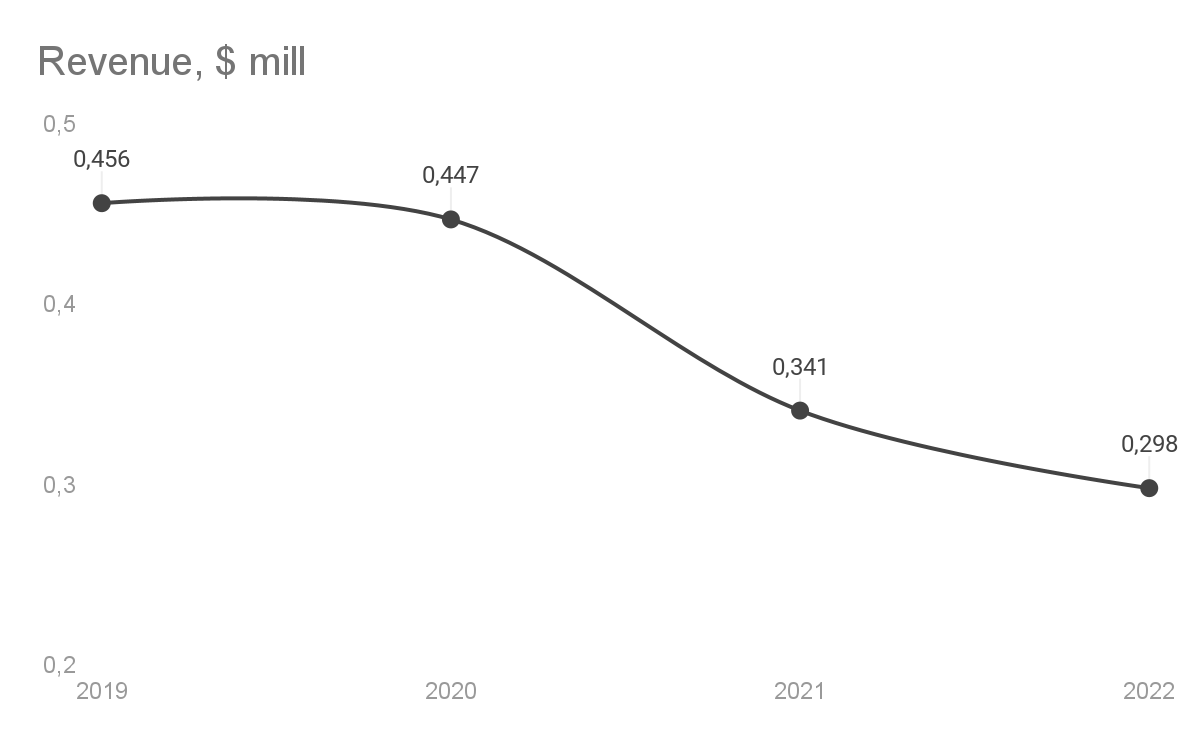
### Revenue retrospective

[Activision Blizzard](https://investor.activision.com/financial-information/quarterly-results) Revenue Retrospective.



The information on the official website is provided from 1995.

[Pearl Abyss](https://www.pearlabyss.com/en-us/IR/Data) Revenue Retrospective.



The information on the official website is provided from 2016.

### Financial statements for the fiscal year 2022

Activision Blizzard reporting period - until December 31, 2022

Pearl Abyss reporting period - until December 31, 2022

#### Sales per Business

Activision Blizzard Operating Segment sales volume[[49]](#footnote-48)

| Name | Intersegment net revenues, mill $ | Net Revenue, mill |
| --- | --- | --- |
| Activision | - | 3,275 |
| King | 0,076 | 2,785 |
| Blizzard | - | 1,936 |
| **Segment net revenues** | **8,072** | |

Activision Blizzard Consolidated Net Revenue[[50]](#footnote-49)

| Name | Revenue, mill $ |
| --- | --- |
| Segment net revenues | 8,072 |
| Revenues from non-reportable segments | 0,518 |
| Net effect from recognition (deferral) of deferred net revenues | -0,986 |
| Elimination of intersegment revenues | -0,076 |
| **Consolidated net revenues** | **7,528** |

Net revenue through Activision Blizzard distribution channels[[51]](#footnote-50)

| Name | Revenue, mill $ | Year-to-Year |
| --- | --- | --- |
| Digital online channels | 6,633 | -13% |
| Retail channels | 0,290 | -39% |
| Other | 0,605 | -8% |
| **Total consolidated net revenues** | **7,528** | **-14%** |

Sales volume by Activision Blizzard platforms[[52]](#footnote-51)

| Name | Revenue, mill $ | Year-to-Year |
| --- | --- | --- |
| Console | 1,753 | -34% |
| PC | 1,653 | -29% |
| Mobile and ancillary | 3,517 | 11% |
| Other | 0,605 | -8% |
| **Total consolidated net revenues** | **7,528** | **-14%** |

Console product sales accounted for 23% of net revenue in 2022[[53]](#footnote-52).

Activision Blizzard Product development, Sales and Marketing[[54]](#footnote-53)

| Name | In mill $ | % of consolidated net revenues |
| --- | --- | --- |
| Product development | 1,421 | 19% |
| Sales and marketing | 1,217 | 16% |

The increase in product development costs for the year ended December 31, 2022, compared to the year ended December 31, 2021, was due to an increase in development costs by $475 million. The higher development costs were primarily due to the expansion of development teams and increased share-based remuneration, which was partially offset by a higher capitalization of development costs of $391 million.[[55]](#footnote-54)

The increase in general and administrative expenses for the year ended December 31, 2022 compared to the year ended December 31, 2021 was mainly due to:

* An increase of $142 million in fees for lawyers and other professional employees, mainly due to employment-related issues, including a $35 million agreement with the SEC announced on February 3, 2023, and a proposed deal with Microsoft
* A $58 million decrease in insurance case receipts, as insurance payments were received in the previous year related to a network outage that occurred in 2018 as a result of changes made by a third-party partner that unintentionally affected the ability of some users to play and spend money in King games[[56]](#footnote-55)

Sales from Activision Blizzard franchises

| Name | 2020, % of revenue | 2021, % of revenue | 2022, % of revenue |
| --- | --- | --- | --- |
| Call of Duty, Warcraft, Candy Crush[[57]](#footnote-56) | 79 % | 82 % | 79 % |

Pearl Abyss Sales volume[[58]](#footnote-57)

| Name | In mill $ |
| --- | --- |
| Operating expenses | 285.8 |
| Operating profit | 12.7 |
| **Revenue** | **298.5** |

Revenue from the Pearl Abyss gaming business[[59]](#footnote-58)

| Name | Revenue, mill $ |
| --- | --- |
| Black Desert | 226.78 |
| EVE | 56.347 |

#### Sales per region

Activision Blizzard sales by region[[60]](#footnote-59)

| Name | In mill $ | % |
| --- | --- | --- |
| Americas | 4,208 | 56.0% |
| EMEA[[61]](#footnote-60) | 2,236 | 29.7% |
| Asia Pacific | 1,084 | 14.3% |
| **Total consolidated net revenues** | **7,528** | **100%** |

Pearl Abyss sales by region[[62]](#footnote-61)

| Name | In mill $ | % |
| --- | --- | --- |
| America, Europe | 151,090 | 53.3% |
| Asia | 77,138 | 27.2% |
| Domestic (South Korea) | 53,057 | 18.7% |
| Others | 2,134 | 0.8% |
| **Total** | **283,419** | **100%** |

### 

#### Financial statements[[63]](#footnote-62)[[64]](#footnote-63)

| Parameter/Company | Activision Blizzard | Year-to-year | Pearl Abyss | Year-to-year |
| --- | --- | --- | --- | --- |
| Revenue, mill $ | 7,528 | -14.48 % | 298.200 | -12.58 % |
| Dividends, Per Share Amount $ | 0.47[[65]](#footnote-64) | - | - | - |
| Net Income, mill $ | 1,513 | -43.94 % | 33.240 | -166.30 % |
| Total Current Assets, mill $ | 14,469 | +15.24 % | 430.200 | -29.43 % |
| Total Long-Term Assets, mill $ | 12,914 | +3.31 % | 514.900 | -3.98 % |
| Total Assets, mill $ | 27,383 | +9.29 % | 945.100 | -17.52 % |
| Total Current Liabilities, mill $ | 3,555 | +47.45 % | 182.600 | -21.15 % |
| Total Long-Term Liabilities, mill $ | 4,585 | -9.14 % | 221.900 | -27.72 % |
| Total Liabilities, mill $ | 8,140 | +9.16 % | 404.500 | -24.89 % |
| Total Equity, mill $ | 19,243 | +9.34 % | 540.600 | -10.99 % |
| Cash flows from operating activities, mill $ | 2,220 | -8.04 % | 36.760 | -32.46 % |
| Cash flows from investing activities, mill $ | -4,994 | -8.36 % | -83.470 | 58.42 % |
| Cash flows from financing activities, mill $ | -534.000 | -2.50 % | -17.480 | -109.80 % |

#### 

## Analyst's opinion

### Activision Blizzard

Activision Blizzard is an old-timer of the computer games industry, rich in the number of game franchises known around the world, diverse in game genres.

The company has been paying dividends since 2010, and the number of employees is increasing from year to year. In 2022, Activision Blizzard reduced its long-term liabilities by 9.14%, and also increased assets, 4 times exceeding all liabilities. The company adheres to its strategy of expansion and involvement of players.

In 2022, there was a drop in revenue by 14.48% and a drop in net profit by 43.94%, a drop in shares. One of the reasons is the underestimated expectations of the company itself for the 4th quarter of 2022. The company announced this in the report for the 3rd quarter of 2022, as a result of which the company's shares fell by more than 10%. The decline in revenue was triggered by the postponement of the releases of Overwatch 2 and Diablo IV for an indefinite period. In connection with the news of the acquisition of Activision Blizzard business by Microsoft, revenue growth is expected in fiscal year 2023.

### Pearl Abyss

Pearl Abyss has been operating in the computer games industry since 2010. The company produces games in the Role-playing genre and does not pay dividends. In a relatively short period of existence, the company has managed to achieve tremendous success. The lion's share of the company's revenue comes from Black Desert Online. According to the results of 2022, it amounted to $226.78 million with total revenue of $298.5 million.

The number of Pearl Abyss employees is decreasing slightly year after year. The company is working on the development of artificial intelligence, adheres to the strategy of producing games with improved graphics and sound quality. In the second half of 2023, the release of Crimson Desert was announced. The release dates of two expected projects: Do keV and PLAN 8 have not been announced. The developers reported that Pearl Abyss is preparing a roadmap for implementing player-to-earn (P2E) into its projects and creating a metaverse. The studio plans to create additional P2E applications based on blockchain technology.

Pearl Abyss revenue for 2022 fell by 12.58%, the number of short-term and long-term liabilities of the company increased by 21.15% and 27.72%, respectively, but the company's assets are sufficient to repay these obligations. Net profit fell by 166.3%. The company promises revenue growth due to the release of new titles and the release of updates on existing ones.

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