

# GAMING CORPS



## December Letter from our CEO – Magnus Kolaas

Much is happening between quarterly reports, with Gaming Corps is in the midst of a major transformation with the closure of the studio in Uppsala and focus on Gaming Corps | Austin (formerly Red Fly) as well as the company currently looking at acquisitions, there is a need to communicate some activities. The most important are listed below. The goal is to build a profitable Gaming Corps over time. To do that the company had to close the studio in Uppsala when The Descendant did not sell well enough. The assessment was that the cost base of two studios would be too large and it would be too costly to obtain the games that are in the pipeline. Then Uppsala had no games in the pipeline, so the board and management elected to focus on the Austin studio where the company would receive the best possible conditions.

### **Red Fly becomes Gaming Corps | Austin**

- On Friday the first of two PDP prototypes was delivered, the second will be delivered before December 31, 2016. At the beginning of next year, the discussions on a work-for-hire assignment based on the prototypes begin. The prototypes are based on PDP's new technology.
- Slam Dunk 2 will get a first update via Karmafy which is expected to run in-app purchases. Karmafy works together with good causes. Part of their income is reinvested in advertising with the aim to drive more traffic to the app.
- Real Madrid Slam Dunk will be tested on a smaller scale within a few weeks to launch early Q1 2017.
- Right now, Gaming Corps is in the final stages of selecting an agent for Dawn of Fire, one of the IPs that came with the acquisition of Red Fly Studio. A playable demo is expected to be presented to the games publishers in the first half of 2017. Red Fly Studio has invested approximately 3.5 million USD.

### **Uppsala and The Descendent**

- The studio in Uppsala is set to be completely phased out in late January 2017.
- The Descendant game is now available on a variety of distribution channels except STEAM. Revenues have increased but at low levels.
- Recently the game launched on the Russian distribution platform mail.ru in a localized version. The Descendent will be one of the first games on mail.ru platform.
- A licensing and distribution agreement has been signed with Microids. This will provide additional revenue from the game

#### **General questions:**

Email: [info@gamingcorps.com](mailto:info@gamingcorps.com)

#### **IR and PR related questions:**

Email: [ir@gamingcorps.com](mailto:ir@gamingcorps.com)

**About Gaming Corps AB:** Gaming Corps develops computer games based on their own IP's and well-known international brands. The Company's shares are traded on Nasdaq First North under the ticker GCOR. The company's Certified Advisor is Remium Nordic AB.

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### **Acquisition**

- Gaming Corps is in discussions with potential acquisition candidates. The least common denominator is positive cash flow and operations that create synergies with Gaming Corps | Austin (Red Fly Studio).
- The company is also looking at various financing solutions to facilitate / enable the acquisition and to otherwise develop the business.

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