



CODEMASTERS

EA's Recommended Acquisition of Codemasters Group Holdings plc

December 14, 2020

Disclaimer

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION (A "RESTRICTED JURISDICTION").

No offer or solicitation

This presentation is provided for informational purposes only and is not intended to and does not constitute an offer to subscribe for or purchase nor a solicitation of an offer to sell or the solicitation of any vote or approval in any jurisdiction in respect of, shares of Codemasters Group Holdings plc ("Codemasters").

Restrictions on certain information under the Code

Codemasters is a company subject to the jurisdiction of the UK Panel on Takeovers and Mergers and the City Code on Takeovers and Mergers (the "Code"). Under the Code, EA is prohibited from discussing any material information or significant new opinions which have not been publicly announced. Any person interested in securities of Codemasters is encouraged to consult their professional advisors. We encourage you to read the announcement made under Rule 2.7 of the Code and published on EA's website (<https://www.ea.com/codemasters-group>) on December 14, 2020.

Statements required by the Code

Each of EA's directors, whose names are set out on the "Board of Directors" page of EA's website (<https://ir.ea.com/corporate-governance/board-of-directors>), accepts responsibility for the information contained in this presentation. To the best of EA's directors' knowledge and belief (who have taken all reasonable care to ensure that such is the case), the information contained in this presentation is in accordance with the facts and, where appropriate, does not omit anything likely to affect the import of such information.

Forward-Looking Statements

This presentation contains certain forward-looking statements with respect to EA, Codemasters and the Combined Group. Statements including words such as "anticipate," "believe," "expect," "intend," "estimate," "plan," "predict," "seek," "goal," "will," "may," "likely," "should," "could" (and the negative of any of these terms), "future" and similar expressions also identify forward-looking statements. In addition, any statements that refer to projections of future financial performance or prospects, business and economic trends, markets projections, future capital expenditure, earnings, revenues, expenditure, losses, synergies, dividends, uncertain events and assumptions and other characterisations of future events or circumstances may be forward-looking statements. These forward looking statements are not guarantees of future performance and reflect the relevant management's current expectations. Actual results could differ materially from those discussed in the forward-looking statements and there are a number of factors which could cause actual results, development and outcomes to differ materially from those expressed in, or implied by such forward-looking statements and therefore such forward-looking statements are qualified in their entirety by the risks and uncertainties that apply to them. Many of these risks and uncertainties relate to factors beyond EA's and/or Codemasters' control and include but are not limited to, general business and market conditions (globally and locally), political, economic and regulatory influences, industry trends and competition, future interest and foreign exchange rates, changes in government and regulation (including health and safety and environmental), employment and labour relations, tax rates and any future business acquisitions, combinations or disposals. These forward-looking statements speak only as of the date of this presentation. All subsequent oral or written forward-looking statements attributable to EA, Codemasters and/or the Combined Group or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above. Neither EA nor Codemasters, nor any member of the EA Group or Codemasters Group, respectively, assumes any obligation to revise or update any forward-looking statement for any reason, except as required by law or regulation.

For a discussion of important factors which could cause actual results to differ from forward-looking statements in relation to Codemasters, refer to the annual report and accounts for the Codemasters Group for the financial year ended 31 March 2020 and the unaudited consolidated interim financial statements of Codemasters for the six months ended 30 September 2020.

EA's latest Quarterly Report on Form 10-Q, as well as in other documents EA has filed with the U.S. Securities and Exchange Commission, including EA's Annual Report on Form 10-K for the fiscal year ended 31 March 2020 contains additional information regarding forward-looking statements with respect to EA.

Publication on website

In accordance with Rule 26.1 of the Code, a copy of this presentation will be available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) at <https://www.ea.com/codemasters-group> by no later than 12 noon (London time) on the Business Day following this presentation.

Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this presentation.

Transaction Summary

- Electronic Arts Inc. ("EA") has made an offer for the acquisition of Codemasters Group Holdings plc ("Codemasters")
 - Codemasters' Board is recommending that the company's shareholders accept EA's offer
 - Codemasters' Board has also withdrawn its prior recommendation for the recent offer made by Take-Two Interactive Software, Inc. ("Take-Two Offer")
- Headquartered in Southam, UK, Codemasters is one of the most recognized British video game developers and publishers, with a 30-year track record of producing successful racing games
- Codemasters' shareholders will receive all-cash consideration of 604 pence per share, representing:
 - Implied transaction enterprise value of \$1.2 billion¹
 - 38.9% premium to Codemasters' share price of 435 pence on 5 November 2020²
 - 14.4% premium to the implied value of the cash-and-stock Take-Two Offer as of 11 December 2020³
- The acquisition is to be financed with EA's cash on hand
- The acquisition is expected to grow net bookings and underlying profitability
- Transaction expected to close in calendar Q1 of 2021, subject to regulatory approvals

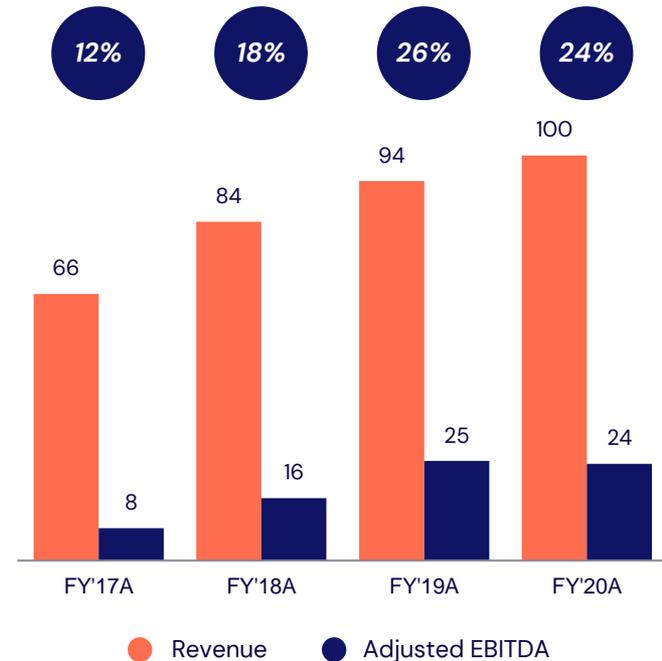
Codemasters at a Glance

Company Overview

- World-leading developer and publisher with a heritage of over 30 years in the games industry
- Employs nearly 800 people across four studios in the UK, and an art facility in Kuala Lumpur, Malaysia
- Deep creative talent which has produced high-quality, award-winning racing games for many years, including the *Formula One* franchise, *DiRT*, *GRID* and *Project Cars*
- Management team with significant experience in the video game industry, who will continue to lead the Codemasters business within EA's organization:
 - Frank Sagnier, CEO
 - Rashid Varachia, CFO
 - Clive Moody, SVP of Product Development
 - Jonathan Bunney, SVP of Publishing

Financial Profile (\$MM)¹

Adjusted EBITDA Margin (%)



Strategic Rationale

Accelerates Growth

Grows EA's presence in racing, creating a global leader in racing entertainment

Brings talented game teams, technology and IP to EA

Will enable EA to release new racing experiences annually

Natural fit and clear opportunities with EA SPORTS portfolio

Expected to grow net bookings and underlying profitability

Creates Value

Will grow Codemasters' titles by giving Codemasters access to EA's technology, central services and marketing resources, and its 330M-strong player network – effectively expanding Codemasters' total addressable market

Will improve and accelerate development and innovation, and the identification and adoption of best practices; will enable cross-fertilization of ideas, expertise and technology between the racing development teams of the combined group

Combined Market-Leading Portfolio of Racing Experiences

										
Series Launch	2009	2023 ^{1,2}	1998	2007	2008	2015	2020 ¹	1994	2001	2009
Latest Release	2020	–	2019	2020	2019	2020	–	2020	2020	2013
Metacritic Score³	88	–	84	80	75	69	–	75	78	4.6 ⁴
Setting	Track	Rally	Rally	Rally	Track	Track	Track	Street	Street	Track
IP	Licensed	Licensed	Owned	Owned	Owned	Owned	Owned	Owned	Owned	Owned
Platforms	Console, PC, Mobile	Console, PC	Mobile	Console, PC	Console, PC	Mobile				

Electronic Arts

Source: Publicly available information

1. Denotes planned launch
2. Codemasters has secured the rights to develop future WRC games beginning in 2023
3. Reflects average Metascore for most recent game release across all available platforms
4. Average rating from Google Play / Apple App Store