



# Initial Public Offering on the Euronext Paris market



The integrated pure play in video gaming

February 2020

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A detailed description of the Company’s business, financial situation and risk factors relating to the Company and the initial public offering is included in the prospectus of Nacon (the “Prospectus”) which was approved by the Autorité des marchés financiers (the “AMF”) under n° 20-047 on February 19, 2020, comprised of the registration document approved by the AMF on January 29, 2020 under n° 1.20-003 and a securities note dated February 19, 2020 (which contains, in particular, the summary of the Prospectus) to which you are invited to refer to. Copies of the Prospectus are available on the AMF website ([www.amf-france.org](http://www.amf-france.org)) as well as on the Company’s website (<https://ipo.nacongaming.com>). A free English translation of the registration document is available on the Company’s website.

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# Today's presenters...

**ALAIN  
FALC**

**CHAIRMAN  
& CEO**



**BENOIT  
CLERC**

**HEAD OF  
PUBLISHING**



## ...and further management team

**ANNE  
JANSSEN**

**CFO**



**LAURENT  
HONORET**

**COO**



**YANNICK  
ALLAERT**

**HEAD OF  
ACCESSORIES**



**DAVID  
TALMAT**

**HEAD OF  
MARKETING**



# Building two dedicated pure play businesses

 **BIGBEN**  
INTERACTIVE

 **BIGBEN**  
MOBILE & AUDIO

Sales as at 31 March 2019  
€134m

100%  
owned-  
subsidiary

 **nacon**

Sales as at 31 March 2019  
€113m

In October 2019, transfer of Gaming business to 100% owned-subsubsidiary NACON including :

- long-established legacy business (Publishing and Accessories),
- and more recent acquisitions (Development studios)

# Why **nacon** ?

## The creation of a pure play in video gaming

**Combining Publishing and Accessories** under the same strong brand

**Seizing opportunities of funding and growth** for NACON

**Channeling expertise and talent** of professionals from the same industry

**Creating value** by maximizing synergies which result from the vertical integration of businesses

**Developer-Publisher of video games  
in attractive genres**

Specialist in Racing, Sports, Simulation, Adventure genres



**Specialist in video gaming equipment**

Controllers, headsets and accessories  
under the official Sony license



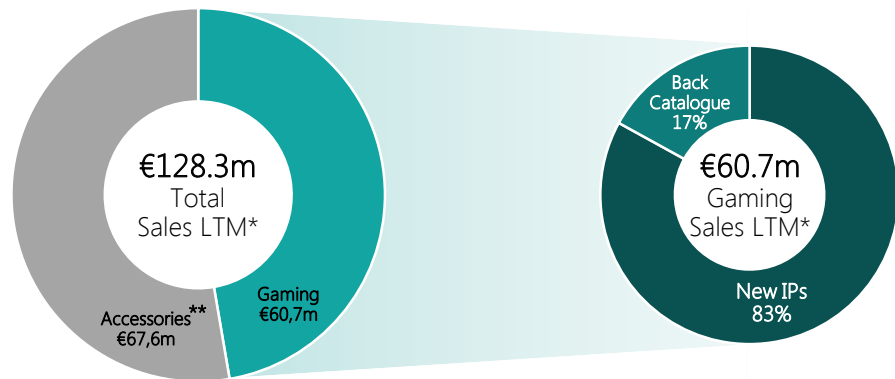
**SONY**



Enabling a  
**360° GAMING OFFER**

# A reference player with an international presence

~€128m Sales LTM*	~22% Sales CAGR '16/17A-'18/19A
~15% EBIT margin LTM*	>20% EBIT target margin no one-sided margin dilution
~€2m Development Capex per new title	~10-15 new games released per year



**450** EMPLOYEES AMONG WHICH  
**300** DEVELOPERS WORKING IN **8** STUDIOS

\* Figures shown as LTM (last twelve months) starting Sep 2019; \*\* including 'Other sales'



# Content

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MARKET

A white number '02' inside a black hexagonal shape.

LEADERSHIP

A white number '03' inside a black hexagonal shape.

BUSINESS MODEL

A white number '04' inside a black hexagonal shape.

FINANCIAL PROFILE

A white number '05' inside a black hexagonal shape.

GROWTH STRATEGY

A white number '06' inside a black hexagonal shape.

TERMS OF THE OPERATION







01

A large addressable market  
driven by structural tailwinds

02

03

04

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# Gaming

A major market in entertainment

**Music**  
Spotify, Deezer, Apple Music, Amazon Music, Qobuz, Tidal...  
**\$29bn** in 2018

**VOD Films**  
Netflix, Amazon, HBO, Apple, Disney, CanalPlay...  
**\$58bn** in 2018

**Gaming**  
Sony, Nintendo, Microsoft, Steam, Google, EPIC, Amazon...  
**\$164bn** in 2018

**X5,7**  
vs. Music

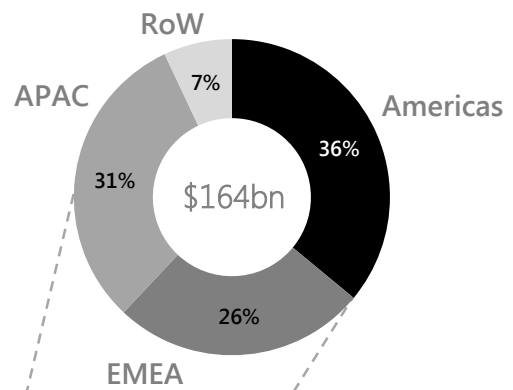
**X2,8**  
vs. Films

Source: IDG

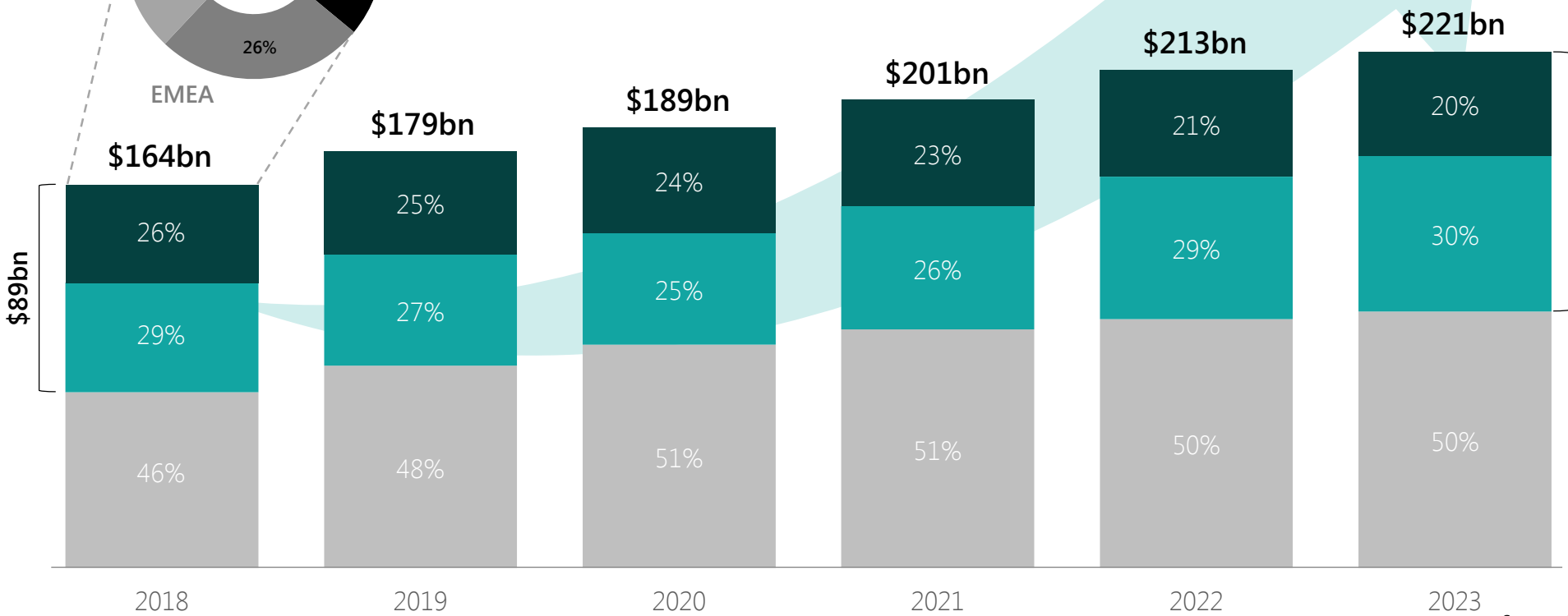
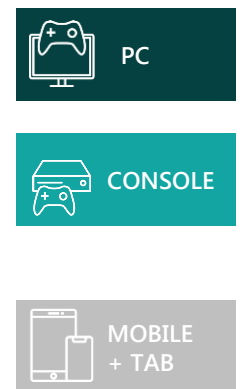
# Gaming

A growing market with strong potential

Estimated global market size

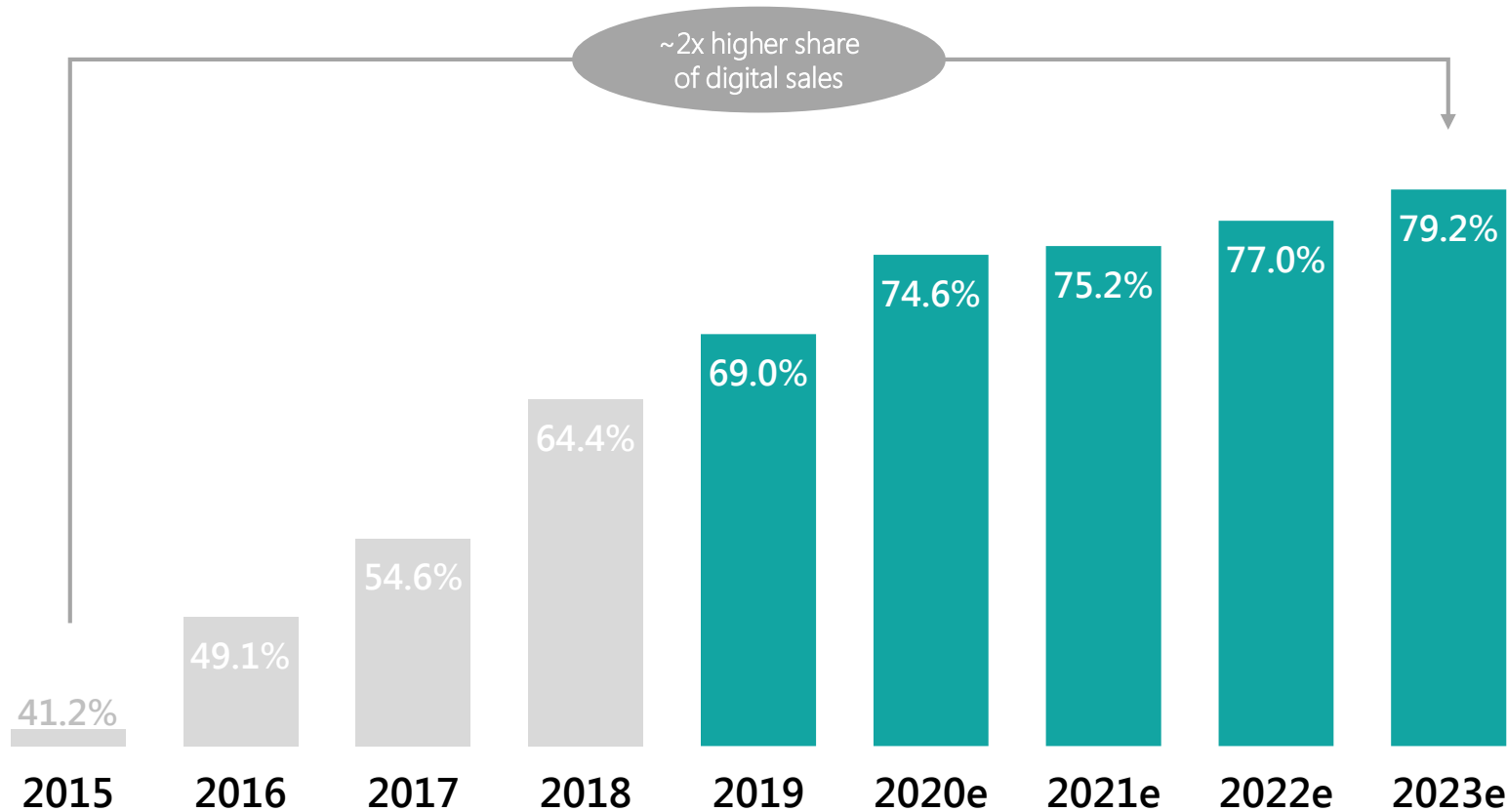


**+4.6% CAGR 2018-23**  
for NACON's target market



# The digital revolution

driven by innovation  
& changing consumer habits



Share of digital sales of total video game sales Source : IDG 2019 – world sales

**Key drivers**

- Cloud gaming/ 5G
- Universal access
- Multiplication of distribution channels
- Extended commercial lifetime of games
- Enhanced security
- Paymium model

01

02

Leading video gaming pure play  
positioned in the sweet spot of the industry

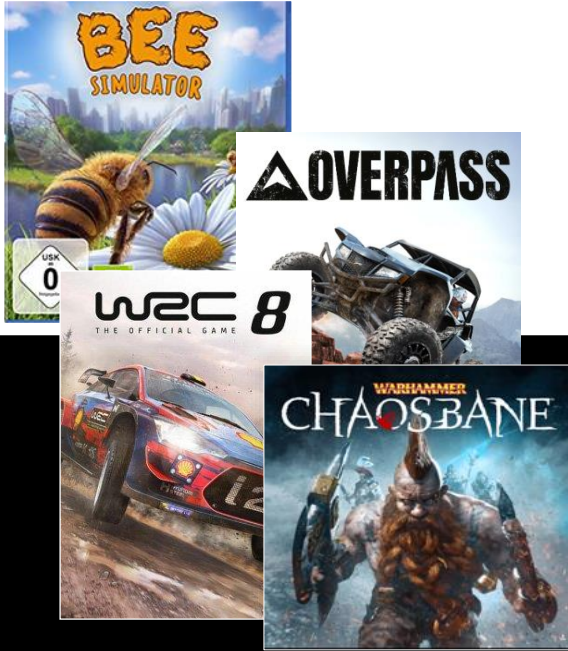
03

04

05

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# NACON is best positioned in the sweet spot of the industry



## Premium offer

The central role of the games developer

Increasing demand for exclusive content drives price

Developers with more content best positioned to negotiate exclusivity



## Distribution

Increased competition with the advent of new digital platforms (cloud and download)



# Premium quality allows for premium pricing in the AA segment

## Market segmentation of video games by category

Sales for consoles in value, retail & digital - World 2018

**nacon**  
AA, the preferred niche for games in the expert genre

**AAA**  
MAJORS  
  
63%

**AA**  
MID PUBLISHERS  
  
34%

**A**  
ENTRY PUBLISHERS  
  
4%

Selected examples

# of new releases per year

Budget

€69.99

75

<20

€20-200m

€69.99

79

~100

€1-20m

€39.99

68

>200

<€1m



# 03

GAMES

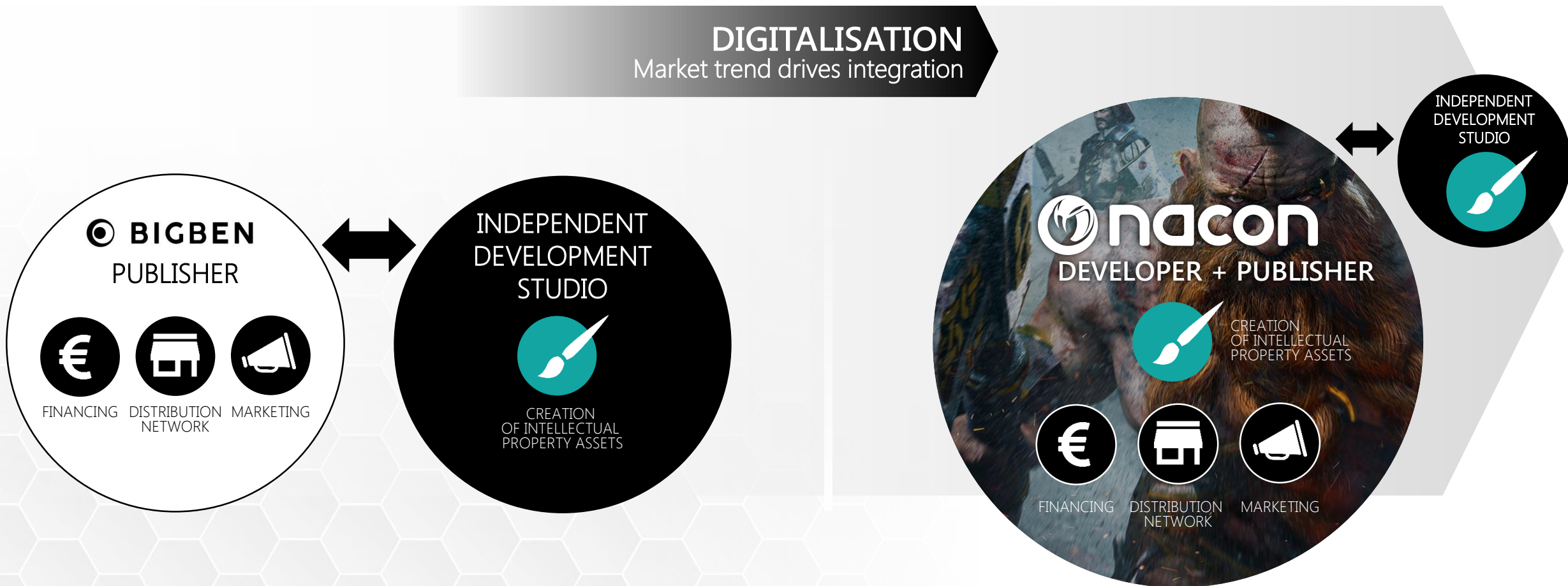
## Highly scalable Developer-Publisher business model

focusing on category killers & loyal fan base in fast growing niche segments



# The Developer-Publisher model

## Build expertise and secure competitive advantages



# A focused buy-and-build strategy to accelerate profitable growth

## Integration of key technical competences and strategic assets



25 games  
100 employees  
Paris - Lyon



50 games  
100 employees  
Paris - Bordeaux - Montréal



30 games  
40 employees  
Paris



Rising to 30 employees in time  
Milan



6 games  
30 employees  
Paris

JULY 2017 – OCT 2018

JUNE 2018

OCT 2018

JULY 2019

SEPT 2019

# On-going improvement of expertise and customer satisfaction



## metacritic

Average rating awarded by major Gaming media



Investment costs capitalized on successive developments

Creation of barriers to entry on high potential gaming segments

Continuous progress in optimizing the underlying technological engine

# Scalable business model

with continuous content expansion  
backed by comprehensive production capabilities



**8 integrated studios + 12 partner studios**



**10-15 games launched/year and ~30 games under continuing development**



**Proven expertise in the target genres :**  
Racing, Sports, Simulation, Adventure,  
as well as Action, RPG (Role playing genre) and Narrative



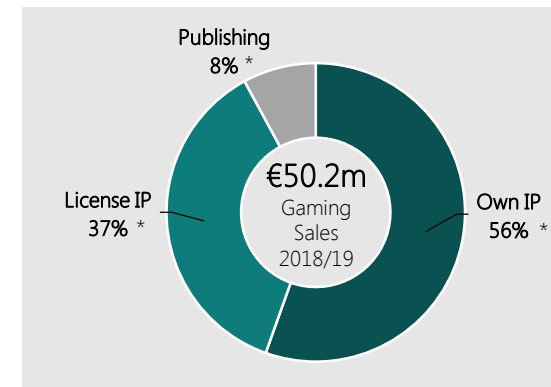
**Pooling of technological resources (KT Engine...)**



# One of the largest portfolios of premium **AA** video games

Over 100 GAMES developed FOR CONSOLE AND PC FORMATS including :

- 10 games with proprietary IP (Pro Cycling Manager, Rugby, Styx, Tennis World Tour, V-Rally,...)
- +200 licensing contracts signed per year (WRC®, Tour de France®, Warhammer®,...)



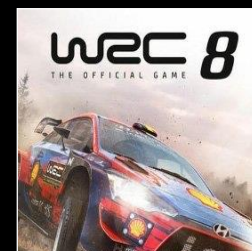
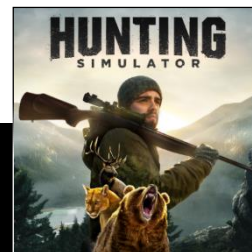
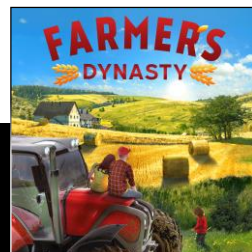
Across 4 strategic genres:

Racing

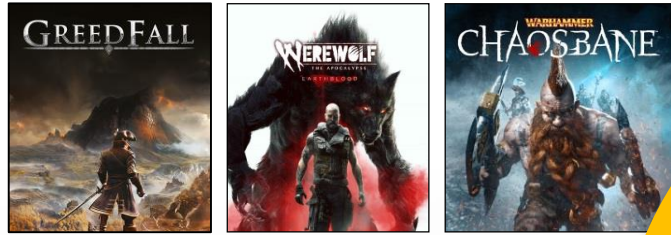
Sport

Simulation

Adventure

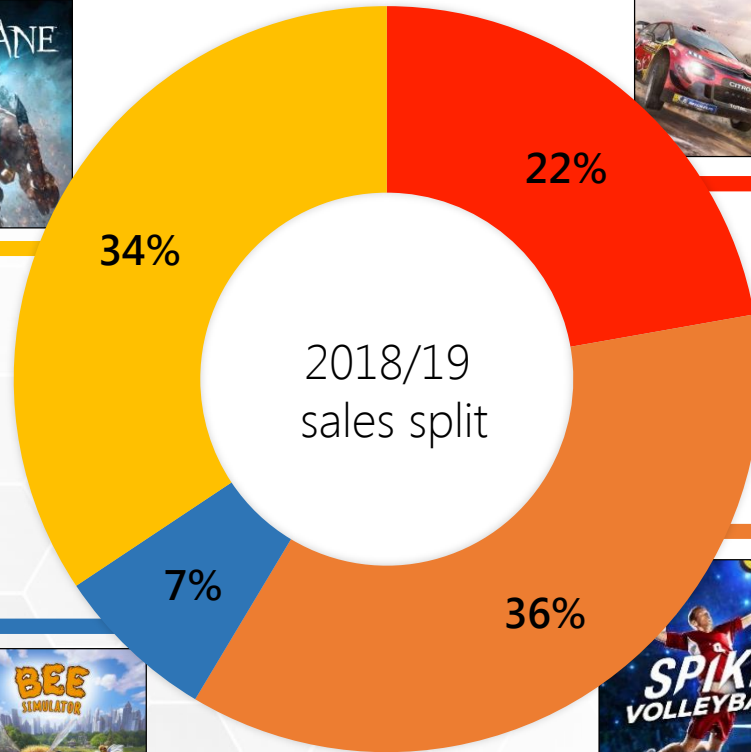


# A broad and well balanced portfolio



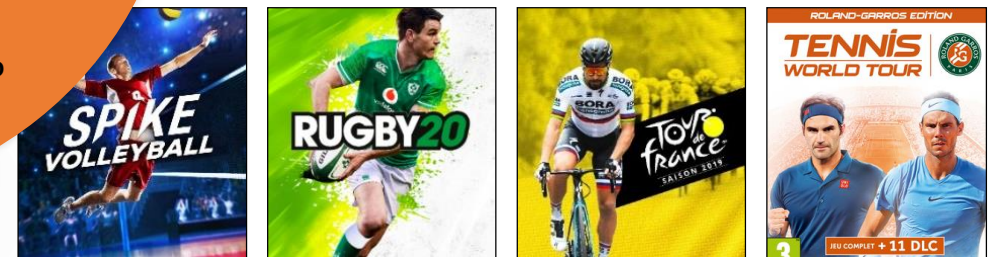
Adventure

Simulation



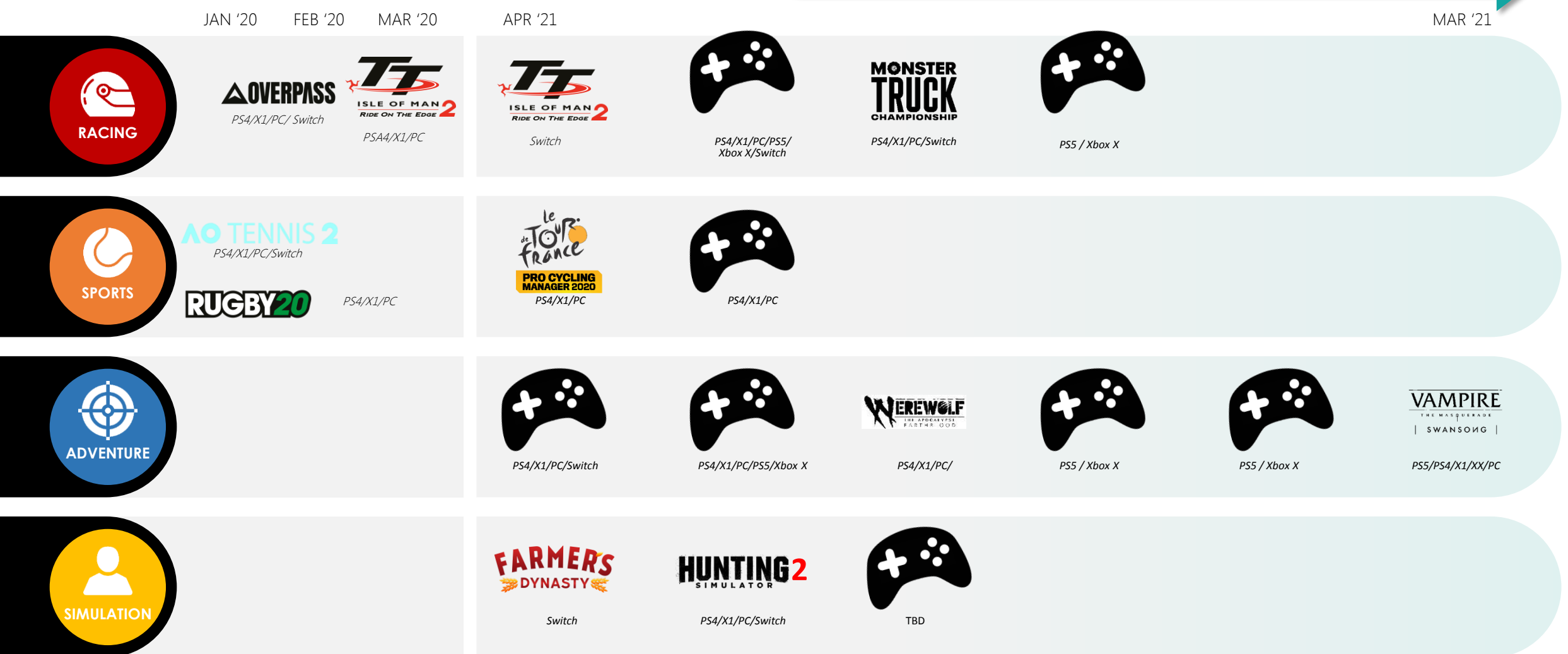
Racing

Sport



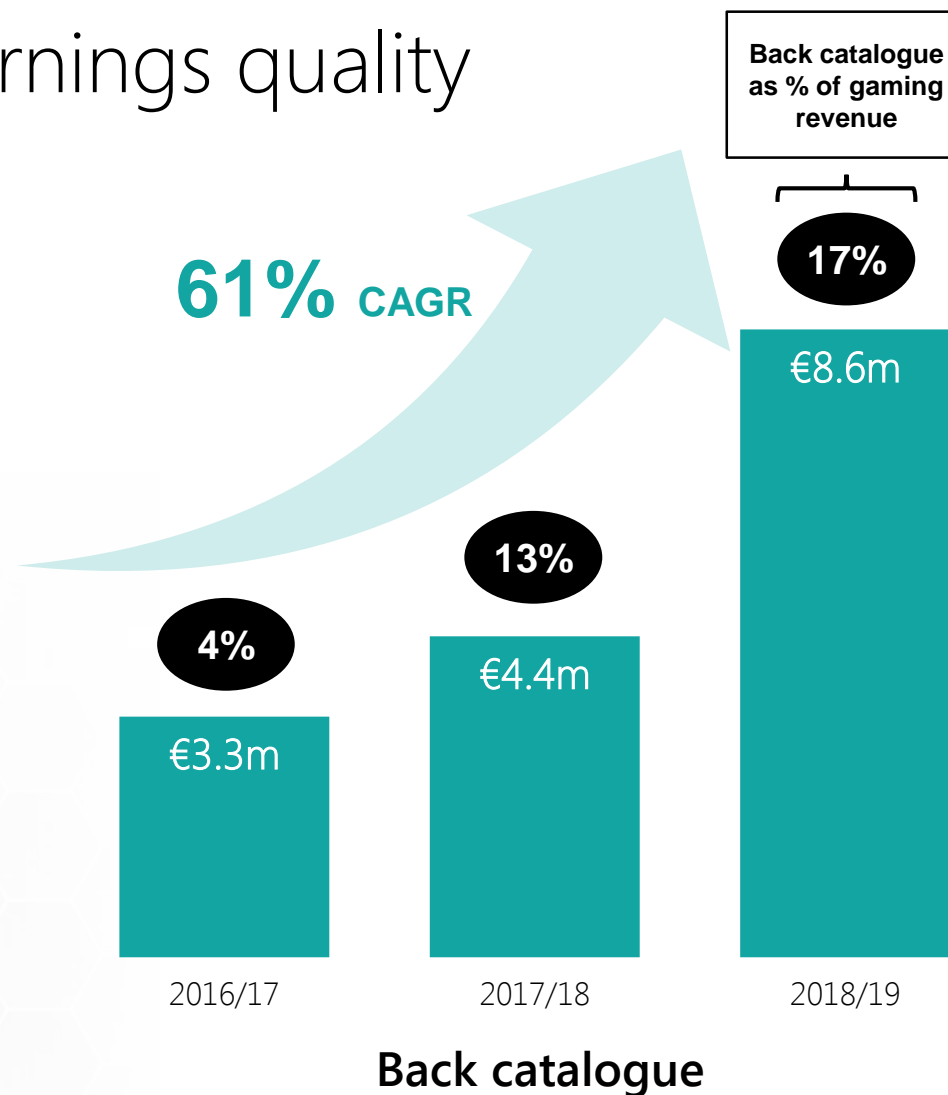
# Line-up Jan 2020 - Mar 2021

Annual development costs of ~€30m per year on average set to increase to ~€40-50m in the near future



# Strong back catalogue

## secures recurring revenues & high earnings quality







# 03 ACCESS

**Best-in-class & high-margin  
hardware technology**  
with favourable market structure

# NACON, the premium reference for gaming controllers

## STRONG BARRIERS TO ENTRY

Through acquired know-how and experience



## HIGH-END MARKET POSITION

35 patents



## INCREASING LEVEL OF SATISFACTION

Generated through continuously considering and implementing advice received from the gaming community

## A STRONG INTERNATIONAL DISTRIBUTION NETWORK

over 100 countries



## REFERENCE BRAND

Aimed at the whole gaming community, from professionals to beginners

A prestigious partnership with

# SONY

The market reference for eSports PS4 controllers

OFFICIALLY LICENSED BY SONY SINCE 2015



DISTRIBUTED IN MORE THAN 100 COUNTRIES



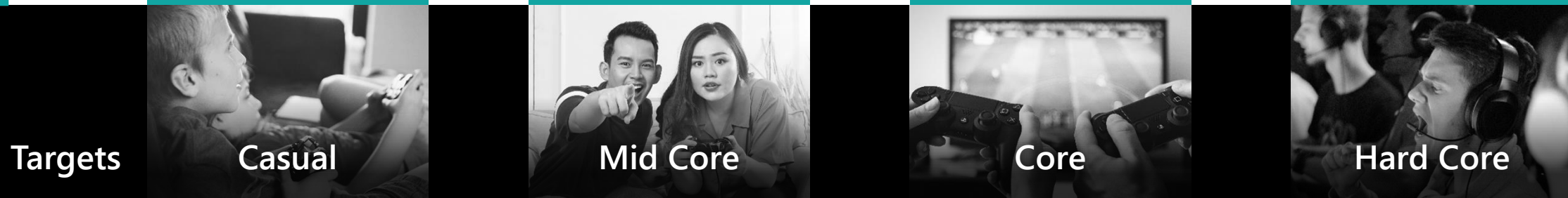
# RIG

RECENT ACQUISITION

# NACON, the best premium offer tailored to each segment of controllers



\*non audited data



Targets

Casual

Mid Core

Core

Hard Core

# Partner of the greatest **eSport** tournaments

A marketing strategy that relies on ambassadors and influencers to strengthen the credibility of the brand & foster referrals from professional gamers to consumers



**CRIMSON**

Member of eSport AS MONACO Club  
N° 2 French gamer on Street Fighter V,



**JULIEN TELLOUCK**

Star TV presenter  
GameOne gaming channel,  
and reviewer on Fun Radio



**SITIMENTYO**

N°1 gamer on  
Call of Duty in Japan



**KAYANE**

Multiple world champion  
for combat games

01

02

03

04

**A highly attractive financial profile**

with strong and balanced cash generation, double digit revenue  
& triple digit profitability growth

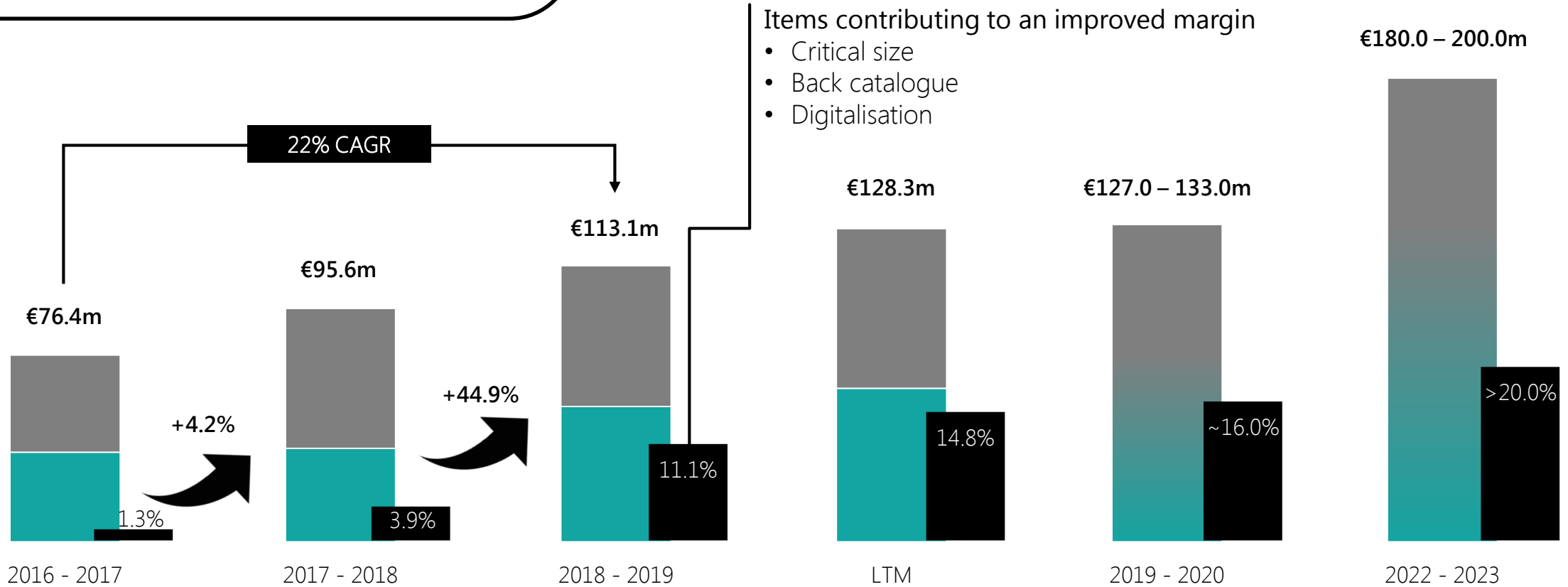
05

06

# A track record of strong and steady growth

Sales (€m) and profitability (current EBIT in %)

■ Gaming ■ Accessories ■ EBIT margin



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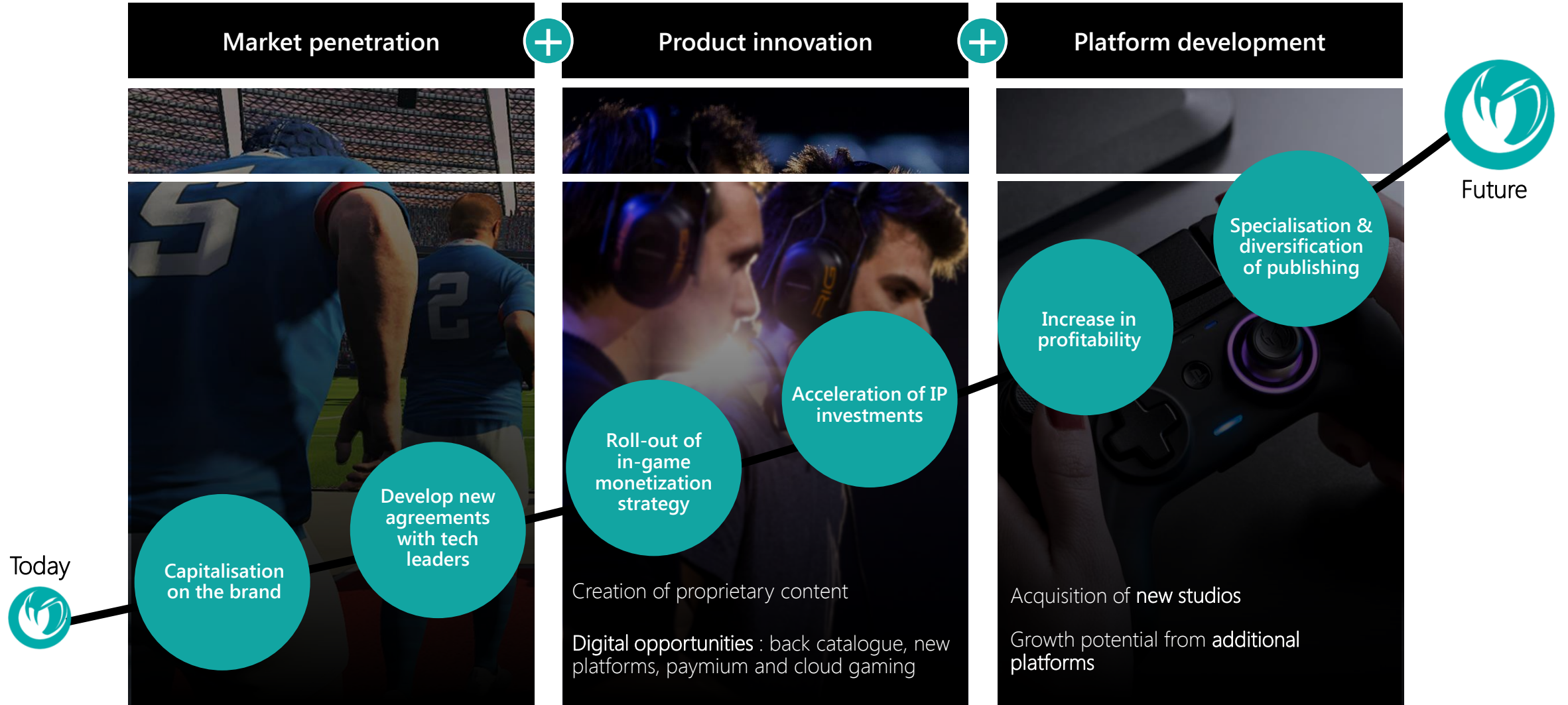
05

Clear building blocks for future growth  
backed by entrepreneurial management team

06



# Building blocks for future growth





# 2020-2022 Become a leader of the AA segment

## Increase in profitability

Digital opportunities: back catalogue, new platforms, paymium and cloud gaming with 5G

## Capitalisation on the brand

Publishing business unit to benefit from Nacon's awareness in accessories, its sales force and its retail distribution network



## 1 Acceleration of IP investments

Creation of proprietary content  
Acquisition of new studios  
Increase in average budgets for selected games

## 2 Specialisation & diversification of Publishing

Lookout for new high-potential genres  
Development of new niches

2020-2022 Entering into new markets

**Technology partnerships**  
Strengthening the partnership with SONY  
Developing new agreements with other technology leaders (platforms, console manufacturers, ...)



**International roll-out**

Expanding into new markets especially in Americas (US, LATAM...)

2

**Evolution of product range**

Increasing brand awareness across a larger number of gamers

3

1

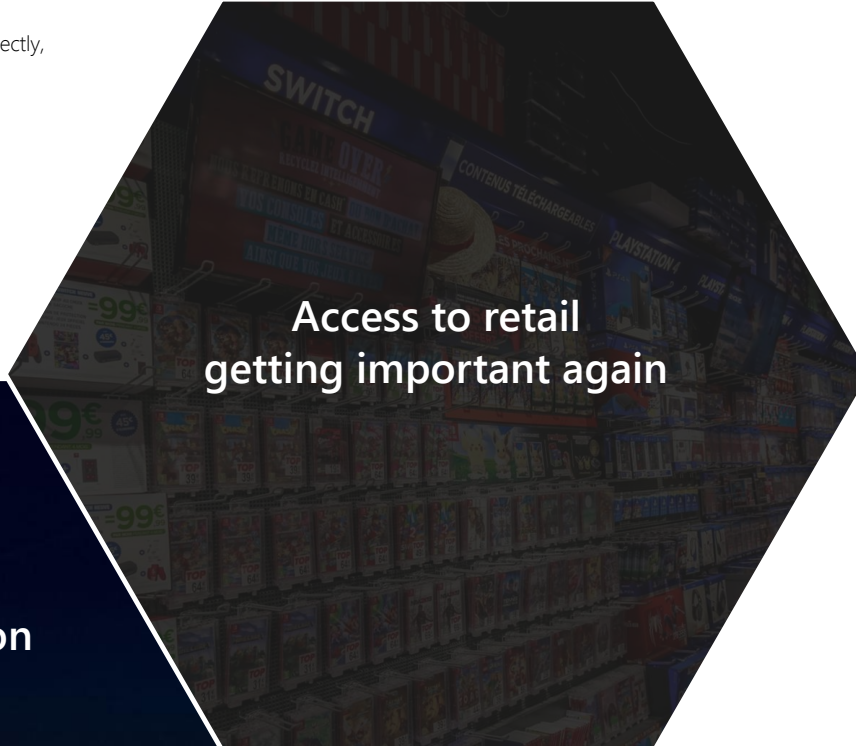
# Cloud gaming will be the next game changer



Device agnostic



Mobile gaming  
driven by 5G introduction



Access to retail  
getting important again



IS ONE OF THE ONLY GAMING COMPANIES  
WHICH CAN DELIVER CONTROLLERS  
WITH OWN CONTENT

# **nacon** - Why to invest in Nacon?

01

**MARKET** Large addressable market driven by structural tailwinds

02

**LEADERSHIP**

Leading video gaming pure play best positioned in the sweet spot of the industry

03

**BUSINESS MODEL**

GAMES / Highly scalable Developer-Publisher business model focusing on category killers & loyal fan base in fast growing niche segments  
ACCESSORIES / Best-in-class and high-margin hardware technology with favourable market structure

04

**FINANCIAL PROFILE**

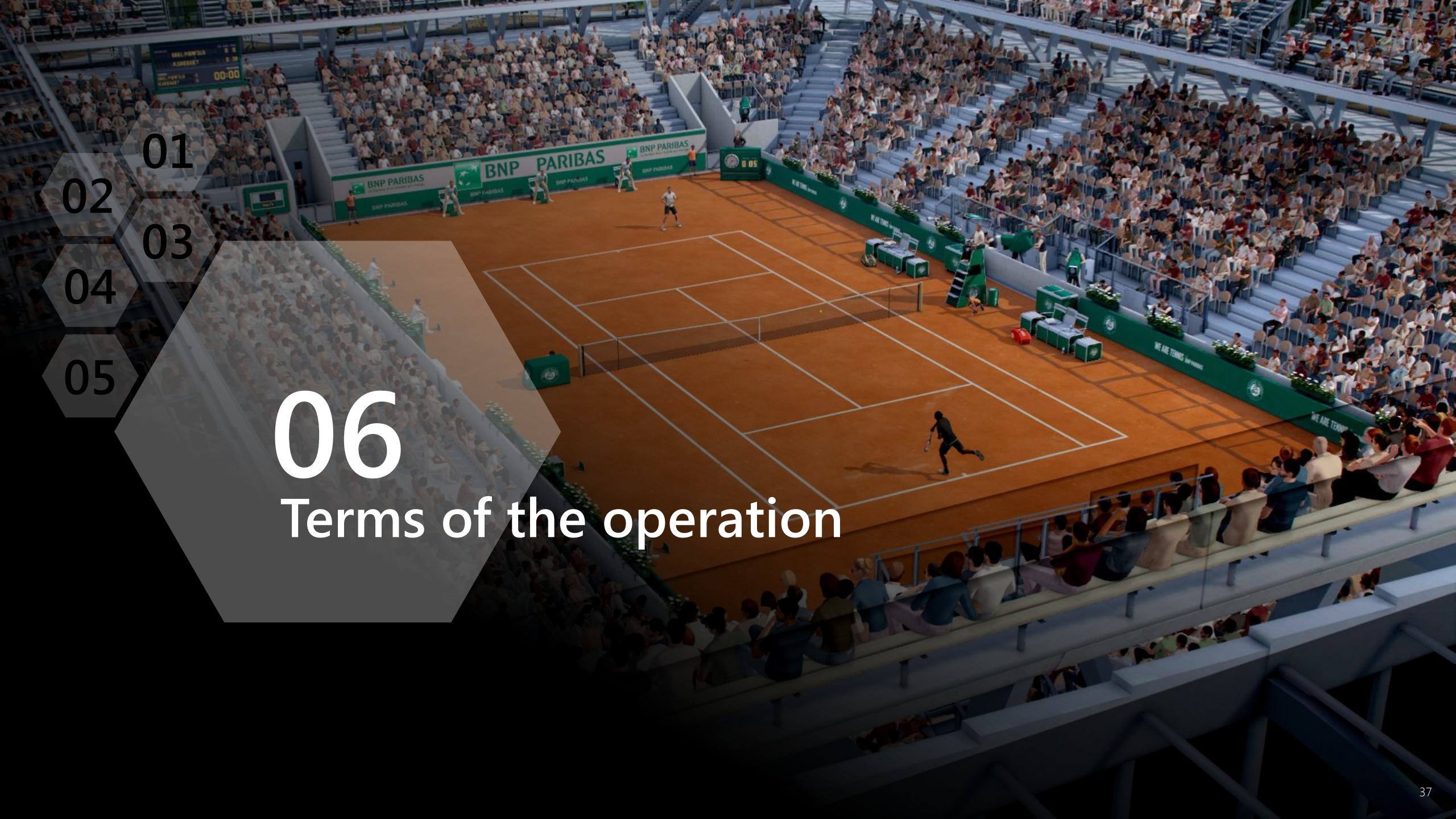
Highly attractive with strong and balanced cash generation, double digit revenue and triple digit profitability growth

05

**GROWTH STRATEGY**

Clear building blocks for future growth backed by entrepreneurial management team





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Terms of the operation

# Offering summary



**Name of Issuer** NACON  
ISIN : FR0013482791 – Name of the shares: NACON

**Listing market** Regulated market of Euronext in Paris (“Euronext Paris”)

**Structure of the Offering** The Offered Shares are intended to be distributed as part of an overall offering (the “Offering”), consisting of:

- a public offering in France in the form of an open price offering (offre à prix ouvert), mainly intended for individuals (the “French Public Offering” or “FPO”);
- an international offering mainly aimed at institutional investors (the “International Offering”) comprising a private placement in France and an international private placement in certain countries (with the exception, in particular, of the United States of America, Canada, Australia and Japan).

**Categories of orders that may be issued in response to the FPO** Two categories of orders may be issued in response to the FPO:

- P Orders: priority orders reserved for natural persons who are Bigben Interactive shareholders (recognised in their securities account at the close of the accounting day on [19] February 2020). They can only apply to 10 to 500 shares. These orders are intended to be serviced at least twice as much as A Orders up to a limit of 500 shares and have priority over A Orders.
- A Orders: orders other than P Orders, which are therefore non-priority orders, that may be issued as part of the FPO.

**Indicative price range** The Offering Price may fall between €4.90 and €5.80 per share

**Offering Size** Initial amount: circa €88.4m (16,528,927 new shares)  
Extension Clause: circa €97.3m including 1,652,892 new additional shares  
Over-Allotment Option: circa €107.0m including 1,818,181 new additional shares  
based on mid-point of the indicative price range

**Market capitalisation after IPO** €436.7m up to €455.3m in the event that the Extension Clause and the Over-Allotment Option are fully exercised and based on mid-point of the indicative price range

**Subscription commitments received** for €21.9m, including €10m from the investment fund Bpifrance Capital I (represented by its management company Bpifrance Investissement) (it being specified that the appointment as director of Bpifrance Investissement or a representative designated by the investment fund Bpifrance Capital I will be proposed), representing circa 24.77% of the total amount of the Offering (excluding the extension clause and the over-allotment option) on the basis of the mid-point of the indicative price range

**Placement** Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners: Gilbert Dupont , Louis Capital Markets UK LLP and Berenberg

# Timetable for the transaction

**19 February 2020**

Approval of the Prospectus by the AMF

**20 February 2020**

Publication of the press release announcing the Offering and the release of the Prospectus  
Publication by Euronext of the notice of opening of the FPO / Opening of the FPO and the International Offering

**27 February 2020**

Closing of the FPO at 5:00 pm (Paris time) for physical subscriptions and at 8:00 pm (Paris time) for online subscriptions

**28 February 2020**

Closing of the International Offering at 12:00 pm (Paris time)  
Determination of the Offering Price  
Signature of the Placement Agreement  
Publication by Euronext of the notice of the result of the Offering / Publication of the press release stating the Offering Price and the result of the Offering

**3 March 2020**

Settlement-delivery of the OPO and Global Placement

**4 March 2020**

Start of trading in the Company's shares on Euronext Paris on a trading line entitled "NACON"  
Start of the stabilisation period (if applicable)

**27 March 2020**

Deadline for exercise of the overallotment option / End of any stabilisation period

# Shareholding structure

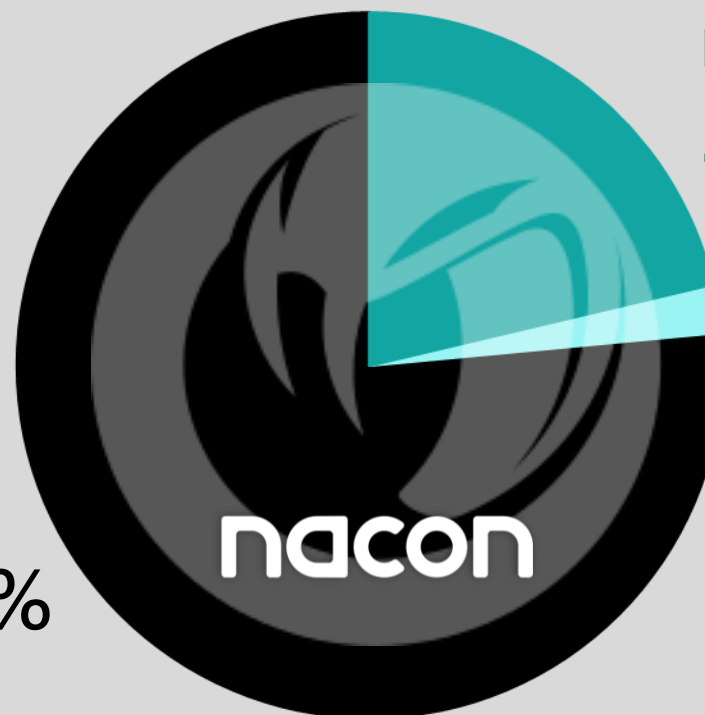
PRE-IPO

© **BIGBEN**  
INTERACTIVE  
**100%**



POST-IPO\*

© **BIGBEN**  
INTERACTIVE  
**76.5%**



Free Float  
**21.3%**

BPI France  
Capital I  
**2.2%**

\*in the event that the Extension Clause and the Over-Allotment Option are fully exercised, BPI France Capital I orders 100% served and based on a price in the middle of the range





# IPO counsels

Joint Global Coordinators, Joint Lead  
Managers and Joint Bookrunners



Auditors



Legal counsels



Financial communication





# APPENDIX

# Profit & Loss statement

(in € thousands)	2016/17	2017/18	2018/19	H1 2018/19	H1 2019/20
Revenue	76,448	95,568	113,101	48,537	63,708
Purchases consumed	(45,889)	(55,697)	(50,691)	(20,745)	(24,497)
<b>Gross profit</b>	<b>30,559</b>	<b>39,872</b>	<b>62,410</b>	<b>27,792</b>	<b>39,211</b>
Other operating revenue	692	320	546	115	287
Other purchases and external expenses	(14,113)	(15,267)	(18,319)	(9,016)	(10,002)
Taxes other than income tax	(499)	(539)	(899)	(271)	(442)
Personnel costs	(8,536)	(9,299)	(9,834)	(4,530)	(5,047)
Other operating expenses	(97)	(496)	(544)	(188)	(466)
Depreciation and amortisation of non-current assets	(6,976)	(10,864)	(20,817)	(9,574)	(12,867)
<b>Recurring operating income</b>	<b>1,031</b>	<b>3,728</b>	<b>12,542</b>	<b>4,328</b>	<b>10,674</b>
Bonus share and stock-option plans	(212)	(632)	(1,321)	(477)	(971)
Other non-recurring operating items			2,243	496	
Income from equity affiliates	(20)	57	(87)	(86)	(1)
<b>Operating income</b>	<b>798</b>	<b>3,152</b>	<b>13,377</b>	<b>4,260</b>	<b>9,703</b>
<b>Net financial income/expense</b>	<b>332</b>	<b>(855)</b>	<b>(383)</b>	<b>105</b>	<b>(452)</b>
<b>Pre-tax income</b>	<b>1,130</b>	<b>2,297</b>	<b>12,995</b>	<b>4,365</b>	<b>9,251</b>
Income tax	(146)	(128)	(2,289)	(1,099)	(2,741)
<b>Net income for the period</b>	<b>984</b>	<b>2,169</b>	<b>10,706</b>	<b>3,266</b>	<b>6,510</b>

Comments
<p>In 2018/19, NACON's sales amounted to €113.1m, up 18.3% relative to 2017/18 and up 47.9% relative to 2016/17, driven in particular by strong sales in the Publishing and Accessories businesses:</p> <ul style="list-style-type: none"> <li>Games generated annual sales of €50.3m, up 44.4%. The success of Tennis World Tour® and Warhammer Inquisitor Martyr offset the impact caused by the release of Warhammer Chaosbane and Sinking City being delayed until the first quarter of 2019/20</li> <li>Accessories revenue amounted to €55.2m, up 5.8%, due to the success of licensed PlayStation® 4 controllers designed by the Group</li> </ul> <p>High gross profit margins increasing from 2016/17 onwards, driven in particular by, e.g.:</p> <ul style="list-style-type: none"> <li>A positive product mix effect, partly due to the rise in digital sales</li> <li>Strong sales of the <i>Revolution Pro Controller</i> products and higher digital sales</li> </ul>

# Balance Sheet

(in € thousands)	March 2017	March 2018	March 2019	H1 2018/19	H1 2019/20
Goodwill	1,088	1,088	23,454	17,397	28,931
Right-of-use asset					3,611
Other intangible assets	14,606	21,815	52,139	49,562	63,879
Property, plant and equipment	237	362	950	419	981
Shares in equity affiliates	47	535	44	43	44
Other financial assets	53	257	514	429	786
Deferred tax assets	1,687	2,734	3,269	2,134	2,736
<b>Non-current assets</b>	<b>17,718</b>	<b>26,790</b>	<b>80,370</b>	<b>69,983</b>	<b>100,968</b>
Inventories	17,822	20,135	20,449	21,939	25,354
Trade receivables	24,333	27,202	32,970	30,177	33,282
Other receivables	4,461	4,083	6,787	8,158	10,173
Current tax assets			1,096		591
Cash and cash equivalents	6,702	6,580	6,769	13,686	12,922
<b>Current assets</b>	<b>53,318</b>	<b>58,000</b>	<b>68,071</b>	<b>73,960</b>	<b>82,321</b>
<b>TOTAL ASSETS</b>	<b>71,036</b>	<b>84,790</b>	<b>148,441</b>	<b>143,943</b>	<b>183,289</b>

(in € thousands)	March 2017	March 2018	March 2019	H1 2018/19	H1 2019/20
Share capital	0	0	0	0	10
Contribution of BigBen	39,776	40,408	53,675	50,259	54,636
Consolidated reserves	0	984	3,153	3,153	13,859
Net income for the period	984	2,169	10,706	3,266	6,510
Exchange differences	5	(2)	10	10	26
<b>Equity attributable to equity holders of the parent</b>	<b>40,765</b>	<b>43,559</b>	<b>67,544</b>	<b>56,688</b>	<b>75,041</b>
Non-controlling interests					(31)
<b>Total equity</b>	<b>40,765</b>	<b>43,559</b>	<b>67,544</b>	<b>56,688</b>	<b>75,009</b>
Long-term provisions	133	145	542	302	718
Long-term financial liabilities	700	11,719	32,236	29,235	43,594
Long-term lease liabilities					2,140
Deferred tax liabilities			76		
<b>Non-current liabilities</b>	<b>833</b>	<b>11,864</b>	<b>32,855</b>	<b>29,537</b>	<b>46,451</b>
Short-term provisions	530	530	530	536	530
Short-term financial liabilities	9,334	5,439	12,717	11,942	17,711
Short-term lease liabilities					1,533
Trade payables	13,434	16,055	18,598	19,348	26,162
Other payables	5,719	6,744	15,703	25,079	14,700
Current tax liabilities	422	600	494	812	1,194
<b>Current liabilities</b>	<b>29,439</b>	<b>29,367</b>	<b>48,042</b>	<b>57,718</b>	<b>61,829</b>
<b>Total equity and liabilities</b>	<b>71,036</b>	<b>84,790</b>	<b>148,441</b>	<b>143,943</b>	<b>183,289</b>

# Cash Flow statement (1/2)

Net cash flow from operating activities	2016/17	2017/18	2018/19	H1 2018/19	H1 2019/20
Net income for the period	984	2,169	10,706	3,266	6,510
<i>Elimination of income and expenses that have no cash impact or are unrelated to operating activities</i>					
Income from equity affiliates	20	(57)	87	86	1
Additions to depreciation, amortisation and impairment	6,976	10,864	20,817	9,574	12,867
Change in provisions	(25)	12	83	14	354
Net gain or loss on disposals	7	(2)	(6)		
Net financial items	380	478	706	263	488
Other non-cash income and expense items	212	632	(922)	(19)	971
Income tax expense	146	128	2,289	1,099	2,741
<b>Funds from operations</b>	<b>8,700</b>	<b>14,224</b>	<b>33,759</b>	<b>14,283</b>	<b>23,933</b>
Inventories	1,922	(2,313)	(314)	(1,653)	(4,906)
Trade receivables	(6,546)	(2,228)	(3,883)	(3,440)	(2,579)
Trade and other operating payables	1,499	3,379	(8,072)	2,576	1,070
<b>Change in WCR</b>	<b>(3,126)</b>	<b>(1,161)</b>	<b>(12,268)</b>	<b>(2,518)</b>	<b>(6,415)</b>
<b>Cash from operating activities</b>	<b>5,574</b>	<b>13,062</b>	<b>21,491</b>	<b>11,766</b>	<b>17,518</b>
Income tax paid	(308)	(998)	(1,643)	(219)	(300)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>5,266</b>	<b>12,064</b>	<b>19,848</b>	<b>11,547</b>	<b>17,218</b>

## Comments

Net cash flow from operating activities increased from €5.3m to €19.9m in 2018/19, mainly due to:

- Steadily rising funds from operations, which continued to benefit from improving operating income. NACON's funds from operations totaled €33.8m in 2018/19 as opposed to €14.2m in 2017/18 and €8.7m in 2016/17,
- Changes in the working capital requirement, which dragged down cash flow by €12.3m in 2018/19, €1.2m in 2017/18 and €3.1m in 2016/17, because of e.g.:
  - in 2018/19, changes in trade payables (sharp decrease in the number of suppliers and related payables as studios were brought in-house) and trade receivables (release of two NACON® - branded controllers at the end of the financial year),
  - in 2017/18, an increase in trade receivables (release of a major game at the end of the financial year)
  - in 2017/18, an increase in trade receivables (releases of games at the end of the financial year)

# Cash Flow statement (2/2)

	2016/17	2017/18	2018/19	H1 2018/19	H1 2019/20
<b>Net cash used in investing activities</b>					
Acquisition of intangible assets	(13,658)	(17,957)	(29,423)	(15,179)	(18,653)
Acquisition of property, plant and equipment	(120)	(241)	(484)	(93)	(294)
Disposals of property, plant and equipment and intangible assets	11	3	38		
Purchases of non-current financial assets	(0)	(430)	(10)	(9)	(256)
Proceeds from sales of non-current financial assets	0	2	87	3	3
Disbursements relating to acquisitions of subsidiaries net of net cash acquired			(13,786)	(10,763)	(7,039)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(13,767)</b>	<b>(18,624)</b>	<b>(43,579)</b>	<b>(26,040)</b>	<b>(26,239)</b>
<b>Cash flow from financing activities</b>					
Increase in equity through BigBen	7,237				
Interest paid	(380)	(478)	(706)	(264)	(486)
Cash from new borrowings	961	13,801	28,940	22,281	19,354
Repayments of borrowings and debts	(130)	(822)	(5,798)	(1,474)	(4,880)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>7,688</b>	<b>12,501</b>	<b>22,436</b>	<b>20,544</b>	<b>13,988</b>
Impact of changes in exchange rates			1	1	1
<b>Net change in cash and equivalents</b>	<b>(813)</b>	<b>5,941</b>	<b>(1,294)</b>	<b>6,053</b>	<b>4,968</b>
Cash and cash equivalents at start of period	(1,546)	(2,358)	3,583	3,583	2,289
<b>Cash and cash equivalents at end of period</b>	<b>(2,358)</b>	<b>3,583</b>	<b>2,289</b>	<b>9,636</b>	<b>7,256</b>

## Comments

Net cash flow from investing activities increased from €13.8m to €43.6m in 2018/19, mainly due to:

- **NACON's increasing business levels**, particularly in publishing and development (€29.4m invested in 2018/19, more than double the €13.7m figure for 2016/17),
- **The net amounts disbursed on acquiring three development studios**, i.e. Cyanide, Kylotonn and Eko Software (€13.8m in 2018/19)

Net cash flow from financing activities increased from €0.8m to €22.7m in 2018/19, mainly due to:

- **New borrowings** totalling €28.9m in 2018/19 (€28m more than in 2016/17) **to finance game development costs and the acquisition of development studios** Cyanide, Eko Software and Kylotonn,
- **Repayments on borrowings** totalling €5.8m in 2018/19, €0.8m in 2017/18 and €0.1m in 2016/17, the differences between those years relating to the fact that no repayments were due on many loans for the first two years



# Thank you



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