

24.5% SALES INCREASE IN Q1 DESPITE A STRONG COMPARISON BASIS

- **ROBUST GROWTH OF GAMING ACCESSORIES : +134.9%**
- **STRONGER DIGITAL SALES : 80.7% OF GAME SALES**
- **SURGE OF BACK CATALOGUE : +340%**

CONFIRMATION OF FINANCIAL TARGETS FOR FY 2020/21

IFRS – M€ Sales	2020/2021	2019/2020	Change
1 st Quarter	38.0	30.5	+ 24.5%
<i>Games</i>	14.5	20.0	- 27.4%
<i>Accessories</i>	22.5	9.6	+ 134.9%
<i>Others⁽¹⁾</i>	0.9	0.9	+ 1.1%

Non audited data

⁽¹⁾ *Mobile and Audio sales.*

Success of the RIG premium headset range and solid performance of digital gaming sales

In the first quarter of the 2020/21 fiscal year (April 1 to June 30, 2020), Nacon's sales were up by 24.5%, driven by the success of premium headsets which contributed to a sales upturn in Accessories and by the acceleration of digital sales of Games.

GAMES

Due to a strong comparison basis resulting from the release of several major titles at the beginning of the previous fiscal year, Games were down at 14.5 M€ (compared to 20.0 M€ for Q1 2019/20). Thanks to the acceleration of digital sales during the lockdown period, Nacon was able to offset the reduction in the number of new game releases with a 340% surge in back catalogue sales to 10.8 M€, an amount already equivalent to back catalogue sales for the entire 2019/20 fiscal year. Digital sales accounted for 80.7% of Games turnover.

The releases of *Hunting Simulator® 2* and *Pro Cycling Manager/Tour de France® 2020* over the period under review fulfilled expectations.

ACCESSORIES

Accessory sales were supported by a thriving market. With a reinforced range of accessories (Controllers, Headsets, etc.) Nacon was fully capable of meeting consumer expectations. In particular, the headset segment grew strongly thanks to the success of the RIG premium brand acquired in March 2020 and the opening of a subsidiary in the United States.

Outlook

The 2nd quarter of FY 2020/21 should confirm the upward trend in Nacon's activity.

- the expected releases of 2 new games (*WRC®9* and *Tennis World Tour®2*) will contribute to the growth of Games sales and digital sales should maintain their momentum;
- gaming accessories should confirm their growth potential thanks to restocking from customers (RIGs and controllers) generating a large order backlog.

Prospects for the second half are equally promising:

- the momentum of digital sales and the releases of new games (*Monster Truck Championship™*, *Warhammer Chaosbane®* on *PS5™*, *Handball 21™*, *Werewolf: the Apocalypse® - Earthblood™*, *Rogue Lords™* and *Vampire: The Masquerade™ - Swansong*) are expected to make a positive contribution to the Group's sales growth;
- the new partnership with Microsoft will also enable Nacon to launch a range of controllers compatible with their new console over this period.

For the full 2020/21 fiscal year, the Group is confident in its ability to meet its annual financial targets. Therefore Nacon confirms that it will achieve sales of between €140 and €150 million and a 18% Current Operating Income ⁽²⁾ rate.

The Group also reiterates the financial targets of its Nacon 2023 plan, with sales for the 2022/23 fiscal year ranging between 180 M€ and 200 M€ and a Current Operating Income ⁽²⁾ rate in excess of 20%.

(2) Current Operating Margin = Current Operating Income rate = Current Operating Income as a percentage of sales.

Next publication:

Sales for 2nd quarter of FY 2020/2021 : 26 October 2020

Press release after close of the Paris stock exchange

ABOUT NACON

2019-20 ANNUAL SALES
129.4 M€

HEADCOUNT
Close to 510 employees

INTERNATIONAL
16 subsidiaries and a distribution network
across 100 countries
<https://corporate.nacongaming.com/>

NACON is a company of the BIGBEN Group founded in 2019 to optimize its know-how through strong synergies in the video game market. By bringing together its 8 development studios, the publishing of AA video games, the design and distribution of premium gaming devices, NACON focuses 20 years of expertise at the service of players. This new unified business unit strengthens NACON's position in the market, enables it to innovate by creating new unique competitive advantages.

Company listed on Euronext Paris, compartment B
ISIN : FR0013482791 ; Reuters : NACON.PA ; Bloomberg : NACON:FP

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