

SALES FOR FIRST HALF OF FY 2020/21: 86.6 M€ (+35.9 %)

- **GAMING ACCESSORIES: 51.6 M€ (+ 118 %)**
- **BACK CATALOGUE: 18.0 M€ (+242%)**

IFRS – M€ Sales	2020/2021	2019/2020	Change
1 st Quarter (April, May, June)	38.0	30.5	+ 24.5%
2 nd Quarter (July, August, September)	48.6	33.2	+ 46.4%
<i>Games</i>	18.3	17.8	+ 3.0%
<i>Accessories</i>	29.0	14.1	+ 106.5%
<i>Others⁽¹⁾</i>	1.3	1.4	- 5.9%
1 st Half (from April to September)	86.6	63.7	+ 35.9%
<i>Games</i>	32.8	37.8	- 13.1%
<i>Accessories</i>	51.6	23.7	+ 118.0%
<i>Others⁽¹⁾</i>	2.2	2.3	- 3.2%

Non audited data

⁽¹⁾ Mobile and Audio sales.

Acceleration of activity growth in the 2nd quarter 2020/2021: + 46.4%.

In Q2 FY 2020/2021 (1 July to 30 September 2020), Nacon generated a 48.6 M€ turnover, up 46.4%, driven by sales of premium headsets and increased digital gaming sales.

GAMES

Over the period, the Games business posted 18.3 M€ sales, up 3.0% when compared with Q2 2019/2020. The business benefited from the launch of the WRC® 9 game (Metacritic average score: 82) and the Tennis World Tour® 2 game. A significant proportion of WRC® 9 sales is expected in November with the release of the new Next Gen consoles, PlayStation®5 and Xbox Series X|S. Digital sales remained at a high level, with a strong increase in the contribution from the back catalogue (7.0 M€ compared with 2.8 M€ in Q2 2019/2020).

ACCESSORIES

In Q2 2020/2021, Nacon's Accessories business recorded a stronger-than-expected growth with 29.0 M€ sales, up 106.5%, in a very active market. This achievement mainly resulted from the successful marketing of RIG headsets in the USA and sustained sales of official controllers for PlayStation®4 consoles.

A very brisk first half

Over the first half of FY 2020/2021 (from 1 April to 30 September 2020), despite a high basis of comparison in Q1 2020/2021 (several major titles were released in Q1 2019/2020), sales rose 35.9% to 86.6 M€. Over the period as a whole, the business was driven in particular by growth in digital sales of games (72% of total games sales) and by a range of accessories that benefited from strong demand for premium headsets.

Favourable outlook

Business in the second half of FY 2020/2021 (from 1 October 2020 to 31 March 2021) is expected to be bustling thanks to:

- the concomitance of two generations of consoles (Current Gen: *PlayStation®4* and *Xbox one*, and Next Gen: *PlayStation®5* and *Xbox Series X|S*) on which Nacon will simultaneously operate almost all of its future productions;
- the growth in digital sales and the release of Next Gen versions of *WRC® 9*, *Tennis World Tour® 2*, and *Hunting Simulator® 2*, as well as the launch of 5 new games (*Warhammer: Chaosbane®*, *Monster Truck Championship*, *Blood Bowl 3*, *Handball 21*, *Werewolf: the Apocalypse® - Earthblood*, *Rogue Lords*);
- the order book for headsets from major American retailers for the Christmas season;
- the release of the *Revolution X* and *Pro Compact* controller range for the new Microsoft console, and a special *MG-X Series* for Cloud Gaming.

Improvement expected in Current Operating Income⁽²⁾ in FY first half

For the first half of FY 2020/2021, Nacon anticipates a sharp rise in Current Operating Income thanks to sales growth and tight control of operating expenses.

Annual targets and 2023 Nacon Plan

Nacon has revised upwards (press release dated 1 September 2020) its FY 2020/2021 sales target to between 150 M€ and 160 M€ and has confirmed a Current Operating Income rate⁽²⁾ of 18% for this financial year.

Should the trend of good first-half results be confirmed in the coming weeks, Nacon may once again revise upwards its full-year sales target, which will be specified upon release of the 2020/21 half-year results.

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

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

Next publication:

First-half results for FY 2020/21:

Monday 30 November 2020: Press release after close of the Paris stock exchange

Tuesday 1 December 2020: Presentation to the financial community (SFAF meeting)

ABOUT NACON

2019-20 ANNUAL SALES

129.4 M€

HEADCOUNT

Over 550 employees

INTERNATIONAL

17 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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