

1ST HALF YEAR 2021/22 SALES: 72.8 M€ (-15.9%)

- HIGH COMPARISON BASIS AND LOGISTICAL DELAYS
- FAVOURABLE OUTLOOK IN 2ND HALF YEAR
- CONFIRMATION OF 2021/22 AND 2022/23 TARGETS

IFRS – M€ Sales ⁽¹⁾	2021/22	2020/21	Change
1 st Quarter (April-June)	33.7	38.0	-11.3%
<i>Games</i>	12.2	14.5	-16.0%
<i>Accessories</i>	20.6	22.5	-8.8%
<i>Others⁽²⁾</i>	0.9	0.9	0.5%
2 nd Quarter (July-September)	39.2	48.6	-19.5%
<i>Games</i>	14.9	18.3	-18.7%
<i>Accessories</i>	23.2	29.0	-20.1%
<i>Others⁽²⁾</i>	1.1	1.3	-17.2%
1 st Half year (April-September)	72.8	86.6	-15.9%
<i>Games</i>	27.1	32.8	-17.5%
<i>Accessories</i>	43.7	51.6	-15.1%
<i>Others⁽²⁾</i>	2.0	2.2	-10.0%

(1) Non audited data

(2) Mobile and Audio sales

Strong base effect in Q2 and shipping delays (sea/land)

In the 2nd quarter of FY 2021/22, Nacon achieved 39.2M€ sales. These were down 19.5% compared to the 2nd quarter of 2020/21 due to an unfavourable base effect on the one hand, and on the other, to the situation of the American market, which was strongly impacted by disruptions in the Asia/USA supply chain.

GAMES

Over the period the video games business generated 14.9 M€ sales, down 18.7% compared with Q2 2020/21 when sales were boosted by a higher level of editorial activity.

The releases of WRC@10 (Metacritic scores for *PlayStation@5*: 76 and *Xbox@ Series X|S*: 81), *RIMS Racing* and *Rogue Lords* achieved good commercial results.

With few new games released in FY 2020/21, the back catalogue nevertheless demonstrated its resilience with sales of 6.9 M€, virtually stable compared to Q2 2020/21.

ACCESSORIES

In Q2 2021/22, the Accessories business recorded 23.2 M€ sales, down 20.1% compared to Q2 2020/21, which was considered to be an exceptional quarter. Against a backdrop of component shortages, the Group

strengthened its positions in Europe by anticipating supplies and proactively managing its inventories, particularly of controllers for the *PlayStation®4* console. In North America, sales were strongly impacted by transportation difficulties; many deliveries initially planned for September have been postponed to October and November.

A high basis of comparison for the whole of the first half of 2021/22

In 1st Half year of FY 2021/22, sales fell by 15.9% to 72.8 M€, compared with a 35.9% increase in the first half of 2020/21, which benefitted in particular from the very positive effects of the first confinement on the video games market (games and accessories).

Outlook: strong growth expected in the second half

In 2nd Half year of FY 2021/22, Nacon expects sales to grow with more game releases including *Cricket22®*, *Rugby22®*, *Blood Bowl 3®*, *Train Life*, *Hotel Life* and the highly anticipated *Vampire: The Masquerade®-Swansong*, a narrative RPG (Role Playing Game) based on the famous role playing game.

At the same time, the Accessories business will be supported by the launch of the *Revolution X Pro* controller for *Xbox®*, continued sales of headsets (*PlayStation®4*, *PlayStation®5*, *Xbox® Series X|S*) and controllers for *PlayStation®4* and *Xbox® Series X|S*.

Nacon confirms its FY 2021/22 targets with sales between 180 M€ and 200 M€ and a 20% COI* rate.

In addition, Nacon will continue its acquisition policy begun in 2018 (takeover of 3 studios in the first half of the year) in order to bring its catalog and intellectual properties up to its ambitions.

Banking on its advance in its development plan and the provisional release in the upcoming financial year of 4 major games (*Test Drive Unlimited Solar Crown*, *Steelrising™*, *The Lord of the Rings™: Gollum™* and *Session™*), Nacon confirms for FY 2022/23 its targets of sales between 230 and 260 M€ as well as a COI * Rate above 20%.

* *Current Operating Profit as a percentage of sales = Current Operating Margin*

Next meeting:

Half-yearly results 2021/2022

Monday 29 November 2021: Press release after close of the Paris stock exchange

Tuesday 30 November 2021: SFAF meeting

ABOUT NACON	
2020-21 ANNUAL SALES 177.8 M€	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 14 development studios, the publishing of AA video games, the design and distribution of premium gaming devices, NACON focuses 30 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.
HEADCOUNT Over 700 employees	
INTERNATIONAL 20 subsidiaries and a distribution network across 100 countries https://corporate.nacongaming.com/	Company listed on Euronext Paris, compartment B ISIN : FR0013482791 ; Reuters : NACON.PA ; Bloomberg : NACON:FP
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