

## 1<sup>st</sup> HALF 2022/23 SALES: 77.5 M€ (+6.2%)

NACON (ISIN FR0013482791) today announces its consolidated sales for the first half of FY 2022-2023 (period from 1 April 2022 to 30 September 2022).

IFRS – M€ Sales - non audited	2022-23	2021-22	Change
1 <sup>st</sup> Quarter (April-June)	<b>42.4</b>	33.7	<b>+25.8%</b>
2 <sup>nd</sup> Quarter (July-Sept.)	<b>35.2</b>	39.3	<b>-10.6%</b>
<b>Games</b>	<b>19.4</b>	15.1	<b>+28.6%</b>
Of which : Catalogue	10.5	8.0	+31.1%
Back catalogue	8.9	7.1	+25.7%
<b>Accessories</b>	<b>14.6</b>	23.2	<b>-37.2%</b>
<b>Others <sup>(1)</sup></b>	<b>1.2</b>	1.1	<b>+14.4%</b>
1 <sup>st</sup> Half-Year (April-Sept.)	<b>77.5</b>	73.0	<b>+6.2%</b>
<b>Games</b>	<b>47.0</b>	27.3	<b>+72.3%</b>
Of which : Catalogue	25.4	11.0	+130.0%
Back catalogue	21.6	16.2	+33.0%
<b>Accessories</b>	<b>28.6</b>	43.7	<b>-34.7%</b>
<b>Others <sup>(1)</sup></b>	<b>2.0</b>	2.0	<b>-0.5%</b>

(1) Mobile & Audio sales

### **NACON posted 35.2 M€ sales for Q2 2022-23**

**VIDEO GAMES:** Catalogue sales (new games) rose by 31.1% to 10.5 M€, driven by the latest releases. The quarter saw the release of *Steelrising™* and *Session Skate Sim™* in September. However Catalogue sales for the period, although buoyant, remained below the Group's forecast.

The very good performance of the Back Catalogue (games released in previous years) posting sales up 25.7% to 8.9 M€, validates the Group's medium-term strategy.

**ACCESSORIES:** Over the quarter, Accessories sales came to 14.6 M€, down 37.2%. This business remains impacted by a very high base effect, particularly in the USA, and by a sharp decline in the global headset market.

### **Expected trends for the second half of the year**

After the release of *Vampire: The Masquerade®- Swansong*, *Session Skate Sim™* and *Steelrising™* in the first half of the year, publishing will see busy news in the second half of 2022-23.

The third quarter will see the release after a two-month slippage of *WRC Generations*. Recognised as the best rally game on the market, it will bring together all the generations of cars (from 1973 to 2022) for the first time.

In addition, several games scheduled for Q3 will finally be released in Q4:

- *Blood Bowl®3*, a game close to American football in a fantasy environment, a new installment in the successful *Blood Bowl* franchise
- *Chef Life*, in partnership with the Michelin Guide.
- *Clash*, in the thriving fighting game segment.
- *Transport Fever 2 Console Edition*, for PlayStation®4, PlayStation®5, Xbox One and Xbox Series.

In Accessories, despite the commercial success of the *RIG pro* Series 300, 500 and 800 gaming headsets, activity in the second half of the year should remain on the same trend as in the first half.

## **FY 2022-23 targets**

Against this backdrop of Catalogue sales that will fall short of expectations, due in particular to the later release of several major games, of a downturn in the Accessories business and tensions in the supply of new consoles, NACON will not be able to achieve its 2022/2023 targets of sales in excess of 250 M€ and current operating income in excess of 50 M€.

Nevertheless, sales for the year and current operating income will be up on the previous year due to the combined effect of the increase in catalogue sales and the thriving back catalogue.

The highly anticipated release of *The Lord of the Rings Gollum™*, an iconic character from the world of J.R.R. Tolkien's novel *The Lord of the Rings*, is now scheduled for 2023.

## **FY 2023-24**

NACON anticipates a strong growth driven both by sales of games to be released at the end of FY 2022-23 which will thus feed the back catalogue, and by a qualitative and varied publishing output. This development of the back catalogue will automatically accelerate growth and have a positive impact on operating profitability.

On the strength of this observation, NACON reaffirms its firm confidence in its medium-term prospects.

## **Upcoming events:**

### **Half-year results 2022-2023**

*Monday 28 November 2022 : Press release after close of the Paris stock exchange*

*Tuesday 29 November 2022 : SFAF Meeting*

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<b>ABOUT NACON</b>	
<b>2021-22 ANNUAL SALES</b> 155.9 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 16 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.
<b>HEADCOUNT</b> Over 900 employees	
<b>INTERNATIONAL</b> 23 subsidiaries and a distribution network across 100 countries <a href="https://corporate.nacongaming.com/">https://corporate.nacongaming.com/</a>	Company listed on Euronext Paris, compartment B ISIN : FR0013482791 ; Reuters : NACON.PA ; Bloomberg : NACON:FP
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