

2022-23 HALF-YEAR RESULTS UP

- 138.5 M€ SALES (+11.6%)
- 11.8 M€ CURRENT OPERATING RESULT (+19.6%)
- 7.6 M€ NET RESULT (+9.6%)

STRONG GROWTH AMBITION REITERATED FOR FY 2023-24

- CONTINUATION OF THE GAMES PUBLISHING MOMENTIUM
- ENCOURAGING OUTLOOK FOR THE AUDIOVIDEO/TELCO BUSINESS

BIGBEN INTERACTIVE (ISIN FR0000074072) today releases its audited consolidated results for 1st Half Year 2022-23 (from April 1, 2022 to September 30, 2022) as approved by its Board of directors on 28 November 2022.

Consolidated in M€ - IFRS	09/2022	09/2021	Change
Sales	138.5	124.2	+11.6%
Gross margin ⁽¹⁾ <i>In % of Sales</i>	64.8 46.8%	51.4 41.4%	+26.0%
EBITDA ⁽²⁾ <i>In % of Sales</i>	28.3 20.4%	24.6 19.8%	+15.2%
Current operating income EBITA <i>In % of Sales</i>	11.8 8.5%	9.9 8.0%	+19.6%
Non recurrent items	(1.4)	(5.8)	
Operating income <i>In % of Sales</i>	10.5 7.6%	4.1 3.3%	+153.6%
Financial result	(0.3)	4.8	
Earnings before tax <i>In % of Sales</i>	10.2 7.4%	9.0 7.2%	+13.5%
Tax	(2.6)	(2.0)	
Net result for the period <i>In % of Sales</i>	7.6 5.5%	6.9 5.6%	+9.6%

Growth in business and results in the first half of 2022-23

In the first half of the year, the Bigben Group posted a 11.6% increase in sales to 138.5 M€, reflecting growth in its two business segments:

- BIGBEN Audio-Video/Telco posted sustained growth (+19.3% to 61.0 M€), mainly due to the strong momentum of the "Mobile" business and the success of the *Force@* ranges.

- NACON Gaming recorded a 6.2% increase in sales to 77.5 M€. Video games grew by 72.3% to 47.0 M€. However, total activity remains impacted by the weakness of the accessories market.

With the favorable evolution of the product mix in the Gaming activity and the success of the premium Audio-Video/Telco ranges, Gross Margin increased by 26.0% to 64.8 M€ in the first half. The Group's margin rate thus increased by 5.4 points to 46.8% (compared with 41.4% in HY1 2021-22).

Current Operating Income amounted to 11.8 M€, up 19.6% compared to HY1 2021-22. Net Income for the first half of 2022-23, penalized by the integration of Metronic, was only 7.6 M€.

Analysis of performance per business unit

Consolidated in M€ - IFRS	NACON-GAMING			BIGBEN - AUDIOVIDEO/TELCO		
	09/2022	09/2021	Change	09/2022	09/2021	Change
Sales	77.5	73.0	+6.2%	61.0	51.2	+19.3%
Gross Margin	47.6	38.0	+25.1%	17.2	13.7	+28.8%
<i>In % of sales</i>	61.4%	52.1%		28.2%	26.1%	
EBITDA	25.6	21.4	+19.8%	2.6	3.2	-15.9%
<i>In % sales</i>	33.1%	29.3%		4.4%	6.2%	
Current Operating Income	11.1	8.4	+31.4%	0.7	1.4	-49.2%
<i>In % of sales</i>	14.3%	11.6%		1.2%	2.8%	

Nacon Gaming posted first-half sales of 77.5 M€, up 6.2%, reflecting growth in the Games business. Over the period, this activity generated 47.0 M€ sales (+72.3%). With the launch of several iconic games in HY1, catalogue sales more than doubled to 25.4 M€, with a very strong growth in digital channels. Back catalogue sales (games released in previous years) also increased by 33.3% to 21.6 M€.

Over the first half of the year, Accessories sales amounted to 28.5 M€, down 34.7%. This activity remains marked by a very high base effect, particularly in the USA, and by a sharp decline in the global market for headsets.

Gross margin was 47.6 M€ or 61.4% of sales (52.1% in previous year). The product mix, with a lower relative weighting of Accessories (37% of total sales versus 60% in previous year) explains this increase in the gross margin rate.

Current operating income for the first half of the year rose by 31.4% to 11.1 M€, or 14.3% of sales.

Bigben - Audio-Video/Telco posted 61.0 M€ sales up 19.3%. Sales of mobile accessories were up 16.4% to 46.9 M€. They benefited from the removal by manufacturers of originally included chargers and pedestrian kits ⁽¹⁾ from most new smartphones, and from the very good performance of the Force® ranges. Audio-Video sales rose by 29.6% to 14.0 M€ (including 6.1 M€ from the consolidation of Metronic).

A product mix increasingly oriented towards premium brands enabled the gross margin rate to improve over the first half to 28.2% of revenues (vs. 26.1% in H1 2021-22).

Current Operating Income for the year was 0.7 M€, compared with 1.4 M€ last year. Excluding the impact of Metronic, COI would have increased over the first half.. Actions are currently being taken to improve Metronic's profitability.

A solid financial structure including major investments in the Gaming business

At September 30, 2022, Bigben Group had a solid balance sheet structure with 300.8 M€ shareholders' equity and 62.0 M€ cash. Net debt stood at 125.3 M€ at the end of the year, representing a 42 % gearing ⁽²⁾. During the first half of the year, the Group continued to invest for growth through the development of games (over 30 M€ capex in HY1 2022-23) and finalized the acquisition of Daedalic (32 M€ in HY1 2022-23).

Group's cash-flow increased to 31.2 M€ (+23.7%) in the first half of 2022-23.

Expected growth in results for 2022-23

The Group has a sustained publishing activity at the end of the financial year and can count on the extension of the Force® ranges.

Thus, the BIGBEN Group is confident in its ability to generate, over the 2022-23 fiscal year, sales and current operating income that are higher than the previous fiscal year.

(1) Pedestrian kits refer to wired headphones for smartphones

(2) Excluding IFRS 16 rental debt and earnout debt from acquisitions

Ambition for strong growth in FY 2023-24

Nacon Gaming

In FY 2023-24, NACON will continue to pursue a sustained and varied publishing activity. FY 2022-23 releases will feed FY 2023-24 back catalogue and will mechanically accelerate growth.

The highly anticipated release of *The Lord of the Rings Gollum™*, an emblematic character from the world of J.R.R. Tolkien from the novel *The Lord of the Rings*, is now scheduled for HY1 2023-24.

Bigben - Audio-Video/Telco

Bigben Audio-Video/Telco's business will continue to benefit from market trends that are favorable to its development:

- the launch by manufacturers of new ranges of smartphones without chargers and pedestrian kits⁽¹⁾
- Diversification of sales channels to penetrate the refurbished smartphone market

In this buoyant context, Bigben Audio-Video/Telco intends to continue developing its Premium brands, together with an extended listing of these ranges. The extension of the Force® ranges and an increase in synergies with the Metronic group should contribute to business growth.

Given the growth that should be sustained for NACON Gaming and the BIGBEN Audio-Video/Telco activity that should remain well oriented in FY 2023-24, the Group anticipates a strong growth as of next fiscal year and reaffirms its confidence in its medium-term prospects.

Next event:

Q3 2022-2023 sales, 23 January 2023,

Press release after close of the Euronext Paris stock exchange

ABOUT BIGBEN INTERACTIVE

SALES 2021-22

275.7 M€

HEADCOUNT

Over 1200 employees

INTERNATIONAL

31 subsidiaries and a distribution network
in more than 100 countries

www.bigben-group.com

Bigben Interactive is a European player in video game development and publishing, in design and distribution of smartphone and gaming accessories as well as in audio products. The Group, which is recognized for its capacities in terms of innovation and creativity, intends to become one of Europe's leaders in each of its markets

Company listed on Euronext Paris, compartment B – Index : CAC Mid & Small – Eligible SRD long
ISIN : FR0000074072 ; Reuters : BIGPA ; Bloomberg : BIGFP

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LEXICON

GROSS MARGIN: Sales - Cost of goods sold; other operating revenues posted between Gross Margin and EBITDA

EBITDA: Current operating income before depreciation and amortization of tangible and intangible assets

COI RATE: Operating income before non-recurring items as a percentage of sales