

2019/20 ANNUAL RESULTS:

- **SALES: 263.5 M€ (+7.3%)**
- **CURRENT OPERATING INCOME: 23.7 M€ (+9.0%)**
- **NET RESULT: 16.2 M€ (-6.3%)**

NEW « BIGBEN 2023 » PLAN:

- **2022/23 SALES: 350 M€**
- **2022/23 CURRENT OPERATING INCOME RATE: 13%**

BIGBEN INTERACTIVE (ISIN FR0000074072) today releases its audited consolidated results for the financial year closing on 31 March 2020 as approved by its Board of directors on 25 May 2020.

Consolidated in M€ IFRS	03/2020	03/2019	Change.
Sales	263.5	245.5	+7.3%
Gross margin ⁽¹⁾ <i>In % of Sales</i>	108.9 41,3%	97.6 39.8%	+11.6%
EBITDA ⁽²⁾ <i>In % of Sales</i>	52.5 19.9%	44.9 18.3%	+16.8%
Result from current operations <i>In % of Sales</i>	23.7 9.0%	21.7 8.9%	+9.0%
Non recurrent items <i>(including Bonus Shares)</i>	(2.9)	0.6	
Operating result <i>In % of Sales</i>	20.8 7.9%	22.3 9.1%	-6.7%
Financial result <i>Including currency gain (loss)</i>	(1.1) 0.3	0.5 1.5	
Earnings before tax <i>In % of Sales</i>	19.7 7.5%	22.8 9.3%	-13.3%
Tax	(3.5)	(5.4)	
Net result for the period <i>In % of Sales</i>	16.2 6.2%	17.3 7.1%	-6.3%
<i>Of which Minority shareholders</i>	0.1	0	

(1) Gross Margin = Sales - Cost of goods sold; other Operating revenues are posted between Gross Margin and EBITDA

(2) EBITDA = Current Operating Income before depreciation and amortization of tangible and intangible assets

Improvement in current operating profitability

Bigben achieved sales of €263.5 M€ in the 2019/20 financial year (ending 31 March 2020), up 7.3% on the previous year. Growth was driven by the momentum of the Gaming and Audio businesses and by the success of the *Force®* range products for Mobile phones.

Gross margin rose by 11.6%, thanks in particular to strong growth in digital gaming sales.

EBITDA totaled 52.5 M€, up by nearly 7.6 M€, representing a ratio of 19.9% of sales for the year.

Investments for developing the games catalogue resulted in depreciation and amortization increasing by 5.6 M€ to 28.8 M€. Therefore Current Operating Income increased more moderately by 9.0% to 23.7 M€, representing 9.0% of sales compared to 8.9% in 2018/19. However, this achievement remained lower than the target initially set for the year, mainly due to the sharp drop in activity observed in the 4th quarter of the financial year, following the Covid-19 health crisis.

After taking into account negative non-recurring items for 2.9 M€ (including 2.3 M€ of expenses related to bonus share plans), a net financial expense of 1.1 M€ and income tax of 3.5 M€, Net Profit came to 16.2 M€, or 0.82 € per share ⁽³⁾, down slightly when compared to previous fiscal year.

⁽³⁾ On the basis of the number of shares as at 31 March 2020

Analysis of performance by business units

Consolidated in M€ IFRS	NACON-GAMING			BIGBEN - AUDIO/TELCO		
	03/2020 ⁽⁵⁾	03/2019 ⁽⁴⁾	Change	03/2020	03/2019	Change
Sales	129.4	113.1	14.4%	134.1	132.4	1.3%
Gross Margin ⁽¹⁾	79.1	62.4	26.7%	29.9	35.2	-15.2%
<i>In % of Sales</i>	<i>61.1%</i>	<i>55.2%</i>		<i>22.3%</i>	<i>26.6%</i>	
EBITDA ⁽²⁾	48.4	33.4	45.0%	4.1	11.6	-64.3%
<i>In % of Sales</i>	<i>37.4%</i>	<i>29.5%</i>		<i>3.1%</i>	<i>8.7%</i>	
Current Operating income	22.6	12.5	80.3%	1.1	9.2	-88.4%
<i>In % of Sales</i>	<i>17.5%</i>	<i>11.1%</i>		<i>0.8%</i>	<i>6.9%</i>	

⁽⁴⁾ The partial asset contribution of the Gaming business to Nacon by Bigben Interactive was carried out with an accounting effect as of October 1, 2019. Assets and liabilities contributed were recognized at their carrying amount. In order to ensure the comparability of financial statements, comparative data is taken from the "combined financial statements", which take into account financial flows as well as income statement and balance sheet items related to the Gaming business prepared from the accounting books of Bigben Interactive and its Gaming subsidiaries. These financial flows include acquisitions of studios from the date of acquisition.

⁽⁵⁾ Following the creation of Nacon in July 2019 and the start of its operations in October 2019, Nacon's consolidated financial statements as of March 31, 2020 comprise six months of "combined financial statements" for the Gaming business prepared on the basis of the accounting records of Bigben Interactive and its Gaming subsidiaries for the April to September 2019 period, to which the financial flows and items of the new entity for the October 2019 to March 2020 period have been added.

Nacon - Gaming posted a strong sales growth (+14.4%) driven by the acceleration in digital sales of video games. These contributed to the improvement in operating indicators with increases of respectively 45.0% in EBITDA and 80.3% in Current Operating Income.

Bigben - Audio/Telco's sales declined in the last quarter due to the effects of the Coronavirus crisis and increased slightly over the year (+1.3%). Despite the dynamic performance of own-brand products and with the desire to maintain market share, gross margin contracted to 22.3% in a market in transition pending the deployment of 5G. Other operating costs increased, leading to an erosion in current operating profitability, which reached 1.1 M€ compared to 9.2 M€ in FY 2018/19.

Balance sheet structure strengthened by the capital increase of the Nacon subsidiary

As at March 31, 2020, Bigben Group's share of shareholders' funds amounted to 282.4 M€ compared to 164.3 M€ as at March 31, 2019. They mainly benefited from the capital increase of the Nacon subsidiary carried out through

an Initial Public Offering of 23.33% of its shares in March 2020, raising 109 M€ on the market and increasing shareholders' funds by 103 M€ after deduction of IPO costs.

Thanks to the funds raised during Nacon's IPO, the Group had 118.1 M€ cash at 31 March 2020. After deducting a 74.7 M€ financial debt and excluding rental liabilities related to IFRS 16, net cash was positive at 43.4 M€.

Outlook

In order to harmonize its plan with that of its listed subsidiary announcing a "NACON 2023" plan, Bigben has decided to extend its "BIGBEN 2022" plan by one year.

The "BIGBEN 2023" plan will be based on the development of its Nacon-Gaming business unit and the in-depth renewal of the ranges of its Bigben-Audio/Telco business unit, with financial targets for the 2022/23 financial year of 350 M€ sales and a Current Operating Income rate ⁽⁶⁾ equal to 13%, emphasizing the regular improvement of the Current Operating Margin ⁽⁶⁾.

For 2020/21, the Nacon-Gaming unit notes that the Covid-19 crisis no longer has an impact on accessory sales and continues to boost digital game sales. On the other hand, sales of the Bigben Audio/Telco unit remain strongly impacted at the beginning of the current financial year by negative effects on Mobile Accessories and Audio products despite the launch of a sanitary range. This innovative range offers masks, sanitary kits, Ultra-Violet sterilizers, disinfectant sprays for smartphones and wireless earphones.

The Group is confident in its ability to launch the games scheduled in its line-up. At the same time, it anticipates the release of new Gaming accessories, the opening of new distribution channels for Audio products and the development of *Justgreen@* ranges for Telco, which will provide the growth drivers expected for the second half of the year.

Bigben will pay particular attention to controlling its operating expenses, which will be adapted to its level of activity. Current operating income should therefore be only slightly impacted thanks to the higher margin level of digital sales.

In view of the uncertainties linked to the current economic environment, Bigben has decided to postpone the announcement of its 2020/21 financial targets until next autumn. However the Nacon-Gaming business unit already issues a very favourable forecast for the current financial year ⁽⁷⁾.

Dividend 2020

Due to the current health crisis and in a spirit of corporate social responsibility, the Board of Directors decided, at its meeting of May 25, 2020, not to submit the distribution of a dividend for the 2019/2020 fiscal year to the vote of the next Shareholders' Meeting.

⁽⁶⁾ *Current Operating Income rate = Current Operating Income reported to Sales = Current Operating Margin*

⁽⁷⁾ *Press release of Nacon on 25 May 2020*

Upcoming publication:

Sales for 1st quarter of FY 2020/2021: Monday 27 July 2020, after close of business on Euronext Paris stock market

ABOUT BIGBEN INTERACTIVE

SALES 2019-2020
263.5 M€

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

HEADCOUNT
Over 730 employees

Company listed on Euronext Paris, compartment B – Index : CAC SMALL – Eligible SRD long
ISN : FR0000074072 ; Reuters : BIGPA ; Bloomberg : BIGFP

INTERNATIONAL
21 subsidiaries and a distribution network in 100 countries
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