

Focus Home Interactive

Revenue of €41.2 million in Q1 2021/22

- Revenue growth in Q1 2021/22 to be set against the exceptional basis for comparison of Q1 2020/21, driven by the first lockdown period
- New bank financing plan put in place to accelerate the Group's external growth and organic development
- Revenue target of €150 to 200 million postponed to 2022/23, following the decision to postpone game releases due to the impact of the successive lockdown periods
- Adjusted revenue target for 2021/22 between €120 and 150 million

PARIS, FRANCE – 22nd July 2021 – FOCUS HOME INTERACTIVE (FR0012419307 ALFOC), a leading French actor in the video games industry, announced its revenue for the first quarter 2021/22 for the period ending June 30, 2021.

Fiscal Year 2020/21 Revenue

In millions of euros Non audited	Q1 2021/22	Q1 2020/21	Variation
Catalogue	17.0	37.1	-54%
Back-catalogue	23.8	27.1	-11%
Deck 13	0.3	-	-
Group	41.2	64.3	-36%

Christophe Nobileau, Chairman of the Management Board, declared: "Although the health context and the successive lockdown period allowed us to achieve very good performance in 2020/21, they have carried weight in the development of our future games. In line with our long-term growth ambitions, we have decided to postpone the release of certain games in order to guarantee our quality standards and the future success of these titles. This has an immediate impact on our 2021/22 revenue target, which has now been shifted to 2022/23 on a like-for-like basis. At the same time, we are actively pursuing our search for external growth opportunities on the strength of our financial capacity (of more than €200 million), while maintaining a reasoned approach to pricing. We are convinced that these decisions strengthen our Group and its capacity to create value".

John Bert, Managing Director, added: "We started the year with a wealth of game releases in the first quarter. However, the health context has heavily impacted on our production processes and our upcoming releases for the rest of the year. By deciding to postpone certain games, we are affirming our high standards and demonstrating our position as a responsible publisher committed to quality and solicitous about offering the best possible experience to our players. Focus teams and our partner studios are strongly committed to the many upcoming launches to make them commercial and critical successes on a par with those that constitute the Group's history. With the high-quality partnerships we have recently signed and the ambitious games currently in development, we are confident in the future".

Revenue growth in Q1 2021/22 marked by an exceptional comparison base driven by the first lockdown period

Focus Home Interactive's revenues were down 36% to €41.2 million for the first quarter of 2021/22. Digital sales were stable and accounted for 90% of revenues for the first quarter of 2021/22.

This quarter was marked by the releases of **Necromunda Hired Gun**, **Warhammer Age of Sigmar: Storm Ground** and **Hood Outlaws & Legends**. While **Necromunda Hired Gun**, developed by StreamOn Studio, the Group's latest acquisition, was a great success, the other two games had contrasting success stories.

As for **Hood Outlaws & Legends**, the teams are currently working on a new game mode (PvE), as well as on new content and optimisations that should help boost and improve player engagement and retention. This quarter also saw **SnowRunner** brought to Nintendo Switch and Steam as well as the launch of Season 2. The Group also announced the release of **Exodus**, a new PC expansion for the best-selling title **Insurgency: Sandstorm**. Catalogue revenues amounted to €17.0 million, down 54% compared to last year, which was the highest quarter in the Group's history.

Back-catalogue revenues amounted to €23.8 million, down 11% compared to last year, which was also a high basis for comparison. This first quarter 2021/22 was marked by **SnowRunner**, **World War Z** and **Greedfall's** good performances.

Perspectives

Due to the health context, which has heavily impacted on the game development process, Focus Home Interactive has decided to postpone the release of several titles to offer the best possible experience to players. The additional development time will allow us to collect further feedback from players via playtests and thus improve the optimisation and the finishing stages of the games.

Focus Home Interactive's editorial line stands out with innovative concepts and the Group wishes to continue to offer unique experiences to gamers around the world. The latest releases underline the extent to which quality and user experience are essential in turning game concepts into commercial successes.

Focus Home Interactive now anticipates revenues:

- for the financial year 2021/22 between €120 million and €150 million (on a like-for-like basis)
- for the financial year 2022/23 between €150 to €200 million (on a like-for-like basis)

In the short and medium term, Focus Home Interactive is developing and financing ambitious games with its German studio Deck13 and its French studio StreamOn, as well as with about fifteen partner studios such as Asobo, Saber, Dontnod Entertainment, Tindalos Interactive, etc., which will enable it to pursue its growth story.

New bank financing in place

On July 20th, the Group signed a new €140 million financing plan, in addition to the €70,4 million capital increase completed in May 2021. This new financing is structured as follows

- €80 million syndicated bank loan from a pool of 7 banks with an amortisable tranche, a bullet tranche and a revolving loan with maturities of up to 6.5 years
- A Euro PP of €50 million euros subscribed with 3 institutional investors with a maturity of 7 years
- And a €10 million loan from the BPI.

This new financing, which is unsecured, will enable the Group to (i) refinance its current syndicated loan, (ii) meet its upcoming development projects and (iii) accelerate its international and national growth through acquisitions. The financing consists of a drawn portion and a portion that can be drawn upon over 36 months in line with investment or external growth requirements.

This financing offers the Group a number of advantages: (i) optimized financing terms, (ii) reduced amortizable maturities with an increased proportion of bullet financing, and (iii) diversification of financing sources with a pool of leading relationship banks, international banks and institutional investors.

Upcoming events

Event	Date
Annual General Meeting 2021/22	23 September 2021
2021/22 – 2 nd quarter revenue	21 October 2021
2021/22 – 3 rd quarter revenue & HY results	20 January 2022
2021/22 – 4 th quarter revenue	21 April 2022
2021/22 – FY results	24 June 2022

About Focus Home Interactive

FOCUS HOME INTERACTIVE is one of Europe's leading video game publishers and developers. Its vocation is to support leading international studios in the development, production monitoring, marketing, sales and financing of their projects. As a publisher of strong brands such as The Surge, Vampyr, and A Plague Tale: Innocence, the Group generated revenues of €171 million in 2020/21, up 20% compared to the previous comparable period. FOCUS HOME INTERACTIVE generates 95% of its sales internationally. For additional information, visit www.focus-home.com

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