

Focus Home Interactive benefited from a good momentum with organic revenue up 29% for the 1st semester 2020/21

- Second quarter revenue up 4% organically thanks to a solid back-catalogue performance
- New governance implemented to further accelerate growth
- Revenue guidance range upgraded to €130M - €150M for 2020/21

PARIS, FRANCE – 22 October 2020 – FOCUS HOME INTERACTIVE (FR0012419307 ALFOC), a leading French publisher of video games, has published its unaudited second quarter and first semester revenue 2020/2021 (from 1st April to 30 September 2020).

First semester and second quarter revenue 2020/21

In million of Euros	Q2 2020/21	Q2 2019/20	Growth	S1 2020/21	S1 2019/20	Growth
Catalogue	11.9	22.5	-47%	49.0	50.1	-2%
Back-catalogue	26.7	14.7	+81%	53.8	29.7	+81%
Revenue constant scope	38.6	37.2	+4%	102.9	79.8	+29%
Deck13	0.7	-	-	0.7	-	-
Group Revenue	39.3	37.2	+6%	103.6	79.8	+30%

Jürgen Goeldner, Chairman of the Management Board, declared: "Focus Home Interactive achieved a great performance once again, increasing revenue by nearly a third in the first half of 2020/21 despite a challenging comparison basis. This led us to upgrade our revenue guidance for the current year. This semester, we also welcomed a long-term partner: Neology, our new significant shareholder. The governance of the Group changed subsequently with the appointments of Fabrice Larue as Chairman of the Supervisory Board and Christophe Nobileau as Managing Director as well as the creation of an Executive Committee. I am convinced that the support from our new partner and this new organisation, will help us to further accelerate our long-standing growth journey."

John Bert, COO, added: "We are very proud of the performance this quarter with the back-catalogue compensating for the absence of major releases. Our very good first quarter catalogue revenue, along with our strong back-catalogue performance in the first half-year, demonstrated the Group's unique ability to identify and publish major successes while extending the lifespan of our games. However, we continue to evolve in an uncertain business environment with the COVID-19 crisis and subsequent restrictions continuing to weigh on the development process of our games. Consequently, some titles might be delayed."

Solid performance driven by back-catalogue momentum

For the first six months of the fiscal year and including revenues generated by Deck13 Interactive GmbH (Deck13), Focus Home Interactive reported revenues of €103.6M, an increase of +30% in comparison with the same period last year and +29% at constant scope. This performance has been driven by a stunning first quarter and a very strong momentum in back-catalogue with sales up +81% during the semester. Digital sales accounted for 91% of total sales for the first half of 2020/21 compared to 84% for the same period last year.

During the second quarter 2020/21, Focus Home Interactive managed to generate organic growth despite a tough comparison basis with 2Q revenue up +135% in 2019/20 and a limited number of new major games launched. The catalogue reached €11.9M of revenue thanks to SnowRunner, Hardspace: Shipbreaker - early access and the good performance of Othercide and Necromunda Underhive Wars. Meanwhile, Focus Home Interactive's back-catalogue exceeded expectations, with revenue up +81% to €26.7M thanks to the very good sales of Farming Simulator, Greedfall and World War Z, demonstrating once again the capacity of the Group to generate revenues during the life cycle of its games.

The acquisition of Deck13 was finalised on 25 June 2020 and the contribution of the studio to Focus Home Interactive is €0.7M in revenue during the second quarter 2020/2021.

New studios partnerships

Focus Home Interactive pursued its active development and announced two new partnerships in the recent weeks.

On 29 September 2020, Focus Home Interactive announced a **new partnership with Flying Wild Hog**. Based in Poland, the studio is known for its smash hit Shadow Warrior series. Bringing over ten years of expertise in creating some of the very dynamic titles on the market, this collaboration sees the studio developing their most ambitious game to date.

On 12 October 2020, Focus Home Interactive announced its **partnership with Douze-Dixièmes**. Based in Paris, France, Douze-Dixièmes is a passionate independent studio formed by seven people from a range of creative backgrounds. From animation to video games, this powerful cooperation of talent aims to create unique, touching and meaningful gaming experiences where narration meets the art to deliver truly memorable journeys.

New governance to further accelerate growth

Following the sale by Nabuboto and Innelec Multimedia of all their Focus Home Interactive shares to Neology Holding on 27 July 2020, the governance of the Company changed with Mr Fabrice Larue becoming Chairman of the Supervisory Board. Thereafter, on 28 September 2020 an Executive Committee was created and Mr Christophe Nobileau was appointed Managing Director to accelerate the deployment of the Group's growth strategy. Mr. Christophe Nobileau will bring to the Group his experience in the fields of media, animation, distribution and finance.

Business update to take the uncertain business environment into consideration

The current restrictions and partial lockdown in major countries continue to have consequences for the work organisation of some of our partner studios. This may lead to the game development process being longer than expected.

Updated outlook, with 2020/21 guidance increased

The current environment impacted by the COVID-19 pandemic is still generating business volatility and uncertainty. Future revenues as well as development costs may be more difficult to predict. Given its current level of visibility, Focus Home Interactive increased its revenue guidance for 2020/21 fiscal year following the better than expected strong performance in the first semester, but keeping with its revenue guidance for 2021/22 fiscal year.

Revenue guidance:

- For the end of the 2020-21 fiscal year: €130M - €150M compared to €110M - €130M previously (at constant scope)
- For the end of the 2021-22 fiscal year: €150M - €200M (at constant scope)

Upcoming events

Event	Date
2020-21 – 3 rd quarter revenue & HY results	Thursday 21 st January 2021
2020-21 – 4 th quarter revenue	Tuesday 20 th April 2021
2020-21 – FY results	Thursday 24 th June 2021

About Focus Home Interactive

FOCUS HOME INTERACTIVE is a leading French publisher of video games. Its aim 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, Mudrunner, Call of Cthulhu and Farming Simulator, the Group generated revenues of €143 million in 2019/20, up 13% compared to the last comparable period. FOCUS HOME INTERACTIVE generates more than 90% of its sales internationally. For additional information, visit www.focus-home.com



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