



(EURONEXT: ALFOC)

HALF YEAR 2021 2022 RESULTS AND Q3 REVENUE

JANUARY 20, 2022

HALF YEAR 2021-22 - P&L and EBITDA



(in millions of euros)

	H1 2021 2022 30/09/2021		H1 2020 2021 30/09/2020		Variation %
Revenue	85.1	100.0%	103.6	100.0%	-18%
Gross margin	21.9	26%	32.4	31%	-32%
Production costs	(2.8)	-3%	(3.6)	-3%	-21%
Sales and marketing	(7.9)	-9%	(6.4)	-6%	24%
General and administration	(4.1)	-5%	(4.5)	-4%	-9%
Other operating income (expenses)	0.2	0%	0.3	0%	-40%
Operating income	7.3	9%	18.2	18%	-60%
Financial income (expenses)	(0.3)		(1.6)		
Exceptional income (expenses)	(0.1)		(3.1)		
Income tax	(1.4)		(4.6)		
Minority interests	(0.1)		-		
Net income (attributable to the group)	5.5	6%	8.9	9%	-39%

Operating income	7.3		18.2		-60%
D&A and provisions	(23.4)		(17.2)		36%
EBITDA	30.7		35.5		-13%

KEY TAKEAWAYS

In H1, the group has successfully launched

- **Aliens: Fireteam Elite**
 - **Necromunda: Hired Gun**
 - **Insurgency: Sandstorm** Console
- Revenue holding well compared with pre-pandemic situation in H1 2019/2020

Gross margin reflects the

- lower revenue than last year H1
- Impairment loss on 2 games (**Hood** and **Age of Sigmar** launched in S1 2021/22)

Production Costs driven by higher capitalization of the cost our development teams

Marketing costs boosted by 5 games released in S1 (compared to 3 games released in H1 last year)

Financial expenses is related to new financing plan - FX impact is insignificant

HALF YEAR 2021-22 – B/S



(in millions of euros)	30/09/2021	31/03/2021
ASSETS		
Intangible assets	73.7	67.7
Goodwill	69.3	6.2
Property, plant & equipment	0.8	0.7
Financial assets	1.6	1.4
Total Non-Current Assets	145.3	76.0
Inventory and works in progress	2.0	1.5
Trade receivables	19.1	15.4
Other receivables, accruals and deferrals	15.7	6.7
Cash and cash equivalents	82.5	19.5
Total Current Assets	119.3	43.1
Total Assets	264.6	119.2
EQUITY & LIABILITIES		
Capital	7.7	6.4
Share premium	89.9	22.4
Reserves	39.5	26.5
Profit (loss) for the year	5.5	13.3
Total Equity (attributable to the group)	142.6	68.5
Minority Equity	1.2	0.0
Provisions	1.8	1.7
Borrowings and financial debt	66.4	12.5
Trade payables	34.8	24.1
Other payables, accruals and deferrals	17.9	12.3
Total Liabilities	264.6	119.2
Net Debt	(16.1)	(7.0)

KEY TAKEAWAYS

StremOn is consolidated since April 1 2021
Dotemu is consolidated since Sept 30 2021 (no impact on H1 2021/22 P&L)

Assets related to Games increased +9% at 73,2m€ (+0,5m€ other)

In H1, the group recorded a **Goodwill** related to **StremOn** and **Dotemu**

Total Equity more than doubled at 142,6m€ following the May 2021 capital increase (70,4m€)

The financial debt is at 66,m€ following the financing plan secured in July 2021

Net Treasury stands at +5,6m€ (including a payable related to an earn out) versus +7m€ in March 2021

HALF YEAR 2021-22 – CASH FLOWS



CASH FLOWS (in millions of euros)	30/09/2021	31/03/2021
Net income of consolidated companies	5.5	13.3
Net change in D&A and provisions	23.4	25.8
Gains (losses) from disposals	(0.2)	0.0
Intangible assets acquisition	(20.0)	(40.2)
Change in deferred taxes	0.3	(0.5)
Change in working capital	(9.2)	(1.7)
Net cash provided by (used in) operating activities	(0.2)	(3.3)
Purchases of property, plant, equipment and financial assets	(0.3)	(1.4)
Other purchases net of disposed financial assets	0.0	-
Net cash resulting from acquisitions of subsidiaries	(56.7)	(6.2)
Net cash provided by (used in) investing activities	(57.0)	(7.6)
Capital increase	68.8	0.1
Debt increase/(decrease)	51.6	10.8
Other changes in shareholders' equity	(0.3)	0.0
Net cash provided by (used in) financing activities	120.1	10.9
Effect of exchange rate changes	0.0	(0.2)
Increase (decrease) in cash and cash equivalents	63.0	(0.1)
Cash and cash equivalents at beginning of period	19.5	19.6
Cash and cash equivalents at end of period	82.5	19.5

KEY TAKEAWAYS

The group invested 19,5m€ in H12021/22 in its game development +13% versus H1 last year

Operational cash flow is break even

Investment in StreumOn and Dotemu represented 56,7m€

Capital increase is 68,8m€

Debt increase is 51,6m€

At the end of the period, cash and equivalents is 82,5m€

Q3 2021-22 – REVENUE



KEY TAKE AWAY

- Q3 Revenue is at 37,1m€ and YTD 122,3m€
- Solid performance of recent release **Insurgency Sandstorm** consoles
- Ongoing success of **additional and live ops content & back catalogue** titles
- **Dotemu** revenue is 1,4m€ - shift of some games to 2022 (TMNT...)
- **Expiration of Farming Simulator** retail and digital distribution rights
- **Digital** sales at 88%. 94% are derived **internationally**.

<i>In millions of euros</i> <i>Unaudited</i>	Q3 2021/22	Q3 2020/21	Variation	9M 2021/22	9M 2020/21	Variation
Catalogue	19.2	16.9	13%	61.4	66.6	-7.8%
Back-catalogue	17.9	20.8	-14%	60.9	74.8	-18.6%
Group Revenue	37.1	37.7	-2%	122.3	141.4	-13.5%
<i>Of which Dotemu</i>	<i>1.4</i>			<i>1.4</i>		
Revenue at constant perimeter	35.8	37.7	-5%	120.9	141.4	-14.5%



GAMES OUTLOOK

GAMES OUTLOOK (1/3)



HARDSPACE: SHIPBREAKER
BLACK BIRD INTERACTIVE



A PLAGUE TALE: REQUIEM
ASOBO STUDIO



EVIL WEST
FLYING WILD HOGS



GAMES OUTLOOK (2/3)



UNANNOUNCED TITLE
DECK13



UNANNOUNCED TITLE
TINDALOS INTERACTIVE



GAMES OUTLOOK (3/3)



WINDJAMMERS 2
DOTEMU



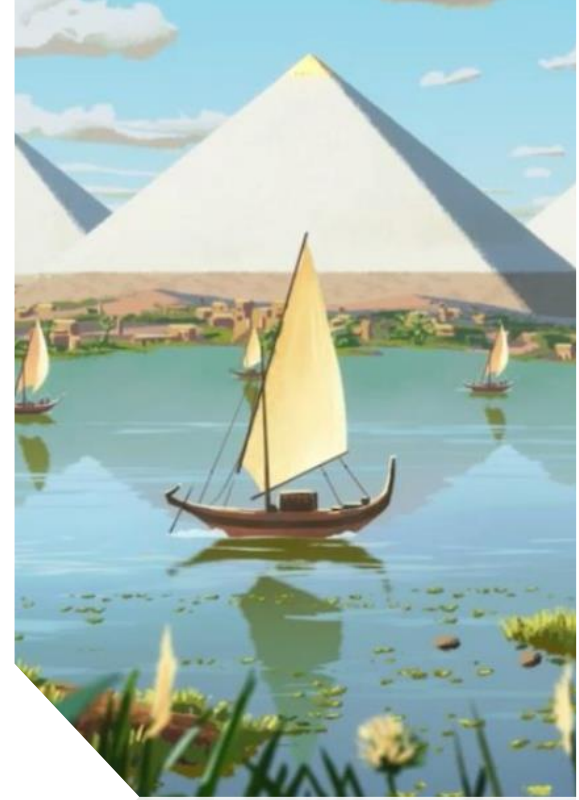
**TEENAGE MUTANT NINJA TURTLE:
SHREDDER'S REVENGE**
TRIBUTE GAMES



METAL SLUG: TACTICS
LEIKIR STUDIO



PHARAOH: A NEW ERA
TRISKELL INTERACTIVE



IN A NUTSHELL

SUSTAINED GROWTH AMBITIONS & DIVERSIFIED EXPERTISE

€122.3M revenues in the first 9 months of 2021/22

Major success of **Insurgency : Sandstorm** and continued performance of back catalogue titles supported by additional live ops and content and first contribution in Q3 of **Dotemu** €1.4M

Reinforced creative capacities with the acquisitions of **StreumOn** (April 2021), **Dotemu** (Aug. 2021) and after H1 close: **Douze Dixièmes** (Oct. 2021) –

At the end of December, the Group has over 300 Headcounts including over **100 developers**

STRONG PIPELINE

Major titles outlook:

- **Hardspace: Shipbreaker** (Black Bird Interactive)
- **A Plague Tale: Requiem** (Asobo)
- **Evil West** (Flying Wild Hog)
- **Windjammers 2** (Dotemu)
- **Teenage Mutant Ninja Turtle: Shredder's Revenge** (Tribute Games)
- **Metal Slug: Tactics** (Leikir)
- **Pharaoh: A New Era** (Triskell Interactive)

Renewal of partnership with Saber Interactive with **+5 new games to 2023-2026 line-up** & the Group announced a long-awaited title at the Game Award 2021: **Warhammer 40,000: Space Marine 2** (GamesWorkshop & Saber)

REINFORCED CORPORATE FUNDAMENTALS

Success of the **capital increase** (€70.35M)
New debt **financing plan** (€140M)

Policy in favour of employees share holding : retention plan for top 34 managers and Comex and recent capital increase reserved for employees

Higher CSR commitment : **Improved Gaïa from 31 to 62/100**

2021/22 guidance confirmed set between €120 million and €150 million, albeit likely to be in the mid-range
Strong Pipeline for the upcoming years

Financial calendar



Event	Date
2021-22 – 4 th quarter revenue	Thursday 20 th April, 2022
2021-22 – FY results	Thursday 24 th June, 2022