H1 FY24 EARNINGS

October 26, 2023

DISCLAIMER

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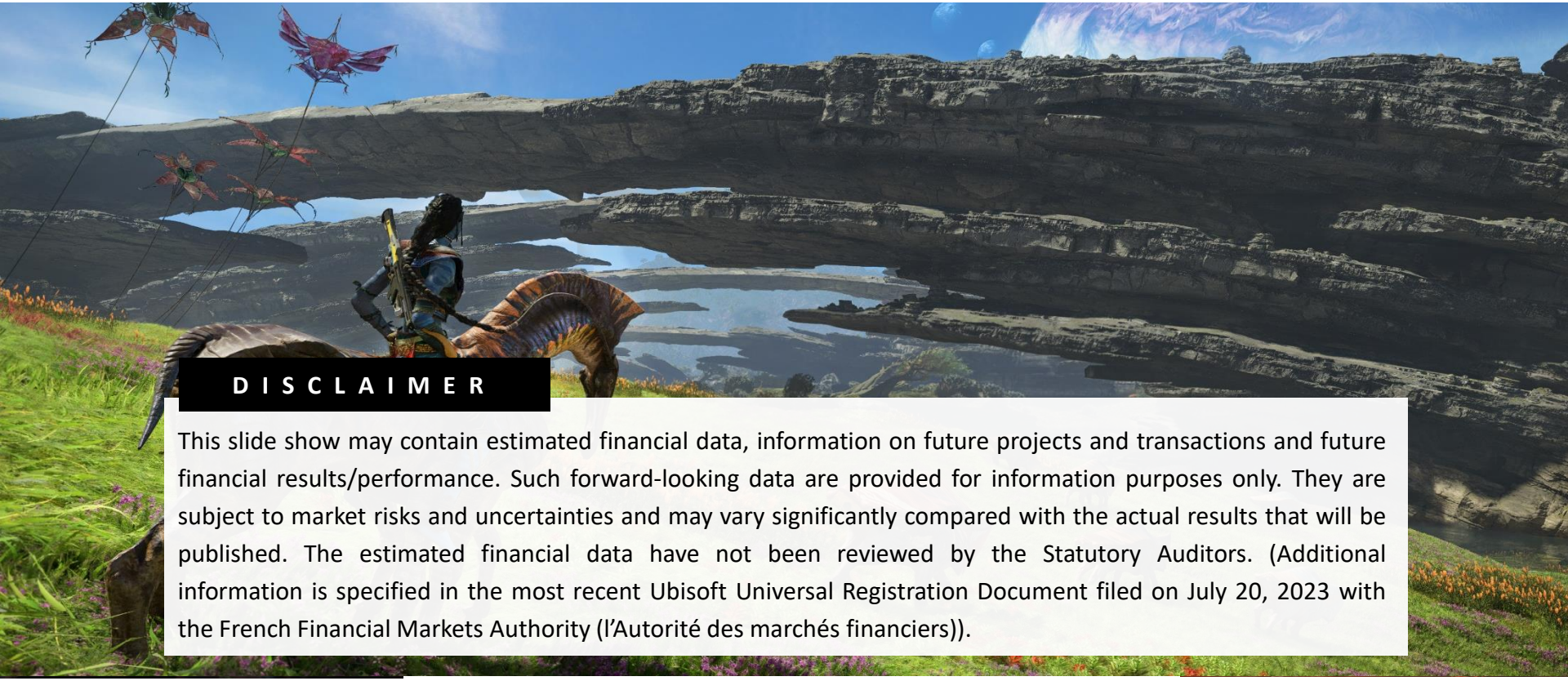

DISCLAIMER

This slide show may contain estimated financial data, information on future projects and transactions and future financial results/performance. Such forward-looking data are provided for information purposes only. They are subject to market risks and uncertainties and may vary significantly compared with the actual results that will be published. The estimated financial data have not been reviewed by the Statutory Auditors. (Additional information is specified in the most recent Ubisoft Universal Registration Document filed on July 20, 2023 with the French Financial Markets Authority (l'Autorité des marchés financiers)).

AGENDA

H1 FY24 PERFORMANCE

FY24 TARGETS

H1 FY24: RECORD NET BOOKINGS

	6-MONTHS
NET BOOKINGS	**€822m**, +17.6% YoY
DIGITAL REVENUES	**€717m**, +12% YoY, **87%** of total net bookings
PLAYER RECURRING INVESTMENT	**€514m**, +22% YoY, **63%** of total net bookings
BACK-CATALOG	**€695m**, +37% YoY, **85%** of net bookings

KEY HIGHLIGHTS

ROBUST ACTIVITY IN H1

- Unique active players: 94m, slightly up YoY
- Monthly Active Users: 36m, slightly down YoY

MUCH STRONGER-THAN-EXPECTED Q2 PERFORMANCE

- Q2 total net bookings of €555m, well above target of approximately €350m.
- Outperformance notably driven by much stronger than expected revenues from back-catalog thanks to both its underlying overperformance and monetization through partnerships
- Overperformance also reflects a record launch for The Crew Motorfest and higher Assassin's Creed Mirage pre shipments
- Remarkable performance of Rainbow Six Siege: High double digits net bookings growth, continued strong activity and solid acquisition
- Assassin's Creed back-catalog sustained performance on the back of the Assassin's Creed Mirage launch
- The Crew 2 Exceptional engagement with a record month in terms of MAUs contributing to record franchise quarter activity.

H1 FY24: NON-IFRS P&L

in € millions, except for per share data	H1 2023-24		H1 2022-23	
		%		%
IFRS15 Sales	**836.0**		**731.2**	
Deferred revenue related to IFRS15 standard	(13.6)		(31.7)	
Net bookings	**822.4**		**699.4**	
Gross profit based on net bookings	**734.1**	**89.3**	**618.1**	**88.4**
Non-IFRS R&D expenses	(400.7)	(48.7)	(452.2)	(64.7)
Non-IFRS Selling expenses	(160.6)	(19.5)	(154.9)	(22.2)
Non-IFRS G&A expenses	(129.3)	(15.7)	(149.9)	(21.4)
Non-IFRS SG&A expenses	(289.9)	(35.2)	(304.8)	(43.6)
Non IFRS current operating income	**43.5**	**5.3**	**(139.0)**	**(19.9)**
Net Financial Income	(22.6)		(0.5)	
Income Tax	(19.4)		28.3	
Non IFRS consolidated net income	**1.6**		**(111.1)**	
Net income attributable to owners of the parent company	1.7		(111.0)	
Net income attributable to non-controlling interests	(0.1)		(0.1)	
Non IFRS Diluted earnings per share attributable to parent company	**0.01**		**(0.93)**	
Number of shares fully diluted	**144,041**		**120,001**	

- **SG&A down 15.0 M€**
  - Variable marketing expenses: 101 M€ or 12.2% of net bookings (86 M€ & 12.2% in H1 FY23)
  - Fixed structure costs: 189 M€ or 23.0% of net bookings (219 M€ & 31.3% in H1 FY23)

H1 FY24: R&D

In € millions	H1 2023-24	H1 2022-23
Depreciation of in-house software-related production	224.9	273.2
Depreciation of external software-related production and licenses	4.6	2.8
Royalties	9.4	12.4
Non Capitalized R&D & others*	161.8	163.9
Total R&D P&L	**400.7**	**452.2**
Capitalized in-house software-related production	447.1	483.2
Capitalized external software-related production and licenses (excluding future commitments)	8.6	13.0
Royalties	9.4	12.4
Non Capitalized R&D & others*	161.8	163.9
Total R&D Cash	**626.9**	**672.5**

*mostly Post-Launch content

H1 FY24: CASH FLOWS & CLOSING CASH POSITION

In € millions	H1 2023-24	H1 2022-23
Non-IFRS Opening cash position	**(662.0)**	**(282.7)**
Cash flows from operation	**(188.7)**	**(292.5)**
Change in WCR	**(72.6)**	**224.1**
Cash flows from operating activities	**(261.3)**	**(68.3)**
Net investment in capital assets	(22.8)	(41.7)
Net free cash flow	**(284.2)**	**(110.0)**
Net acquisitions/disposals	0.0	(30.7)
Proceeds from issue of capital and other financial flows	40.3	(3.8)
Net acquisitions/disposals of own shares	12.4	100.4
Equity component (OCEANE)	(7.3)	(2.7)
Effect of exchange rate fluctuations	20.0	(1.7)
Decrease/(increase) in net debt	**(218.8)**	**(48.6)**
Closing cash position	**(880.8)**	**(331.3)**

AGENDA

H1 FY24 PERFORMANCE

FY24 TARGETS

Q3 & FY24 TARGETS

Q3 FY24e	**NET BOOKINGS:** Approximately €610m
FY24e	**NET BOOKINGS:** Strong growth **NON-IFRS OPERATING INCOME:** Approximately €400m

The lineup for the remainder of the fiscal year reflects key strategic pillars:
New releases across big brands and long-lasting Live games

Premium	Free-to-play
Avatar: Frontiers of Pandora Assassin's Creed Mirage Assassin's Creed Nexus VR Just Dance 2024 Edition Prince of Persia The Lost Crown Skull and Bones	Rainbow Six Mobile The Division Resurgence XDefiant

APPENDIX

H1 FY24: IFRS / NON-IFRS RECONCILIATION

In € millions except for per share data	H1 2023-24			H1 2022-23		
	IFRS	Adjustments	Non-IFRS	IFRS	Adjustments	Non-IFRS
IFRS 15 Sales	**836.0**			**731.2**		
Deferred revenues related to IFRS 15		(13.6)			(31.7)	
Net bookings			**822.4**			**699.4**
Total Operating expenses	**(819.9)**	**41.0**	**(778.9)**	**(946.5)**	**108.1**	**(838.4)**
Stock-based compensation	(40.0)	40.0	0.0	(46.3)	46.3	0.0
Non current operating income & expense	(1.0)	1.0	0.0	(61.8)	61.8	0.0
Operating Income	**16.1**	**27.4**	**43.5**	**(215.3)**	**76.4**	**(139.0)**
Net Financial income	(29.9)	7.3	(22.6)	(3.2)	2.7	(0.5)
Income tax	(20.7)	1.3	(19.4)	28.3	0.0	28.3
Consolidated Net Income	**(34.4)**	**36.0**	**1.6**	**(190.2)**	**79.1**	**(111.1)**
Net income attributable to owners of the parent company	(34.3)		1.7	(190.1)		(111.0)
Net income attributable to non-controlling interests	(0.1)		(0.1)	(0.1)		(0.1)
Weighted average number of shares in issue	123,180,752	20,860,712	144,041,464	120,001,344		120,001,344
Diluted earnings per share attributable to parent company (in €)	(0.28)	0.29	0.01	(1.58)	0.66	(0.93)