



## 2020 BUSINESS REVIEW: RAMP-UP OF SELF-PUBLISHING PROJECTS AND SOLID PERFORMANCE FROM BACK CATALOG

- Capitalized production multiplied by 2.5
- Strong growth in back catalog revenue: royalties up 83%
- Acceleration of self-publishing strategy: operating revenues<sup>1</sup> up 31% to €23.6 million

**March 31, 2021.** DONTNOD Entertainment, an independent French studio that creates and develops video games, today publishes its 2020 business review.

Audited figures - €m	2020	2019	Change
<b>Revenues</b>	<b>13.5</b>	<b>13.9</b>	<b>-3%</b>
- incl. publisher fees	9.7	11.9	-18%
- incl. royalties	3.8	2.1	+83%
<b>Capitalized production</b>	<b>10.1</b>	<b>4.1</b>	<b>+147%</b>
<b>Operating revenues<sup>1</sup></b>	<b>23.6</b>	<b>18.0</b>	<b>+31%</b>

### Robust growth in operating revenues

For the 2020 financial year, DONTNOD Entertainment posted operating revenues of €23.6 million, up 31% from €18.0 million in 2019. This performance was driven by:

- capitalized production multiplying by 2.5 to €10.1 million, including the end of **TWIN MIRROR™** development and the ramp-up of **Project 7**, for which the studio holds the intellectual property rights, and **Project 8**, a new co-production in partnership with FOCUS Home Interactive;
- royalties up 83% to €3.8 million, reflecting the release of **TWIN MIRROR™** and strong momentum from the back catalog generated by brisk sales of **LIFE IS STRANGE™** and **VAMPYR™** which, three years after its launch, has benefited from release on PS+ and numerous promotions during the year.

Meanwhile, in line with the Group's strategy aimed at capturing more value from original creations by self-publishing more games, the studio recorded a fall in publisher fees, down 18% to €9.7 million in 2020.

Therefore, in view of the operating revenues recorded for the period, a solid improvement in 2020 operating EBITDA<sup>2</sup> is forecast.

### Ramp-up of the strategy to develop new intellectual property through self-publishing

Post-closing, DONTNOD bolstered its equity and cash base by €50 million through a capital increase subscribed by institutional investors and **Tencent Holdings Limited** (€30 million investment).

<sup>1</sup> Revenues + capitalized production

<sup>2</sup> Operating income + Depreciation and amortization charges & provisions net of reversals + Video game tax credit (CIJV)



DONTNOD is therefore perfectly placed to ramp up its development plan aimed at capturing more value generated from its original creations by self-publishing more games and extending the reach of its catalog to mobile platforms in Asia. The entire pipeline has thus been enhanced with new self-published IP in line with the positive industry trends in favor of creators of high-quality original games that gain international recognition, such as DONTNOD

Against this backdrop, following the creation of the new publishing and marketing departments to promote game releases, in early 2021 DONTNOD joined SELL (Syndicat des Editeurs de Logiciels de Loisirs), which brings together the leading video game publishers in France. This new milestone is a reflection of the studio's desire to contribute towards the development of a sector with significant international reach that is a strong driving force for the French economy.

Moreover, the quality of the games developed by the studio have once again been recognized. The narrative adventure **TELL ME WHY™**, the first collaboration with **Microsoft**, won the "Best message-bearer game" and "Best narrative design" awards at the Pégases 2021 awards. These awards further support the commercial development of this new original creation.

Lastly, DONTNOD is continuing to develop the new co-production with FOCUS Home Interactive as well as the design/pre-production of 5 other self-published titles scheduled for release between 2022 and 2025.

**Next publication:** 2020 results on Monday 19 April 2021 (after Euronext Paris market closing).

## About DONTNOD Entertainment

Founded in 2008, DONTNOD is an independent French studio that develops "AA" budget video games in popular genres, such as adventure (LIFE IS STRANGE™, TWIN MIRROR™), action (REMEMBER ME™) and RPG (VAMPYR™). Every new game is an original, natively multi-screen creation with a unique narrative experience and gameplay (consoles, PC, smartphones, tablets, Mac and TV) and is aimed at a wide audience, whether released in episodes by adopting the successful TV series format, or in "one shot" format. The studio has built an international reputation amongst leading publishers such as Microsoft, Square Enix, Focus Home Interactive, Bandai Namco Entertainment and Capcom.

DONTNOD (ISIN code: FR0013331212 - ALDNE) is listed on Euronext Growth Paris.

Step into the studio's immersive and innovative universe at [dnt-nod.com](https://dnt-nod.com)

### DONTNOD Entertainment

Oskar GUILBERT  
Chief Executive Officer

Benoît GISBERT-MORA  
Chief Financial Officer  
[invest@dnt-nod.com](mailto:invest@dnt-nod.com)

### ACTUS finance & communication

Corinne PUISSANT  
Analyst/Investor relations  
Tel.: 33 (0)1 53 67 36 77 - [cpuissant@actus.fr](mailto:cpuissant@actus.fr)

Anne-Catherine BONJOUR  
Press relations  
Tel.: 33 (0) 53 67 36 93 - [acbonjour@actus.fr](mailto:acbonjour@actus.fr)