



DON'T NOD reports on activity in the first half of 2024

Paris, September 23, 2024 - DON'T NOD, an independent French studio that creates, develops, and publishes video games, today reports on its first-half 2024 activity and roadmap, following on from the announcements made at the presentation of the 2023 full-year results and considering its financial performance in H1 2024.

Oskar Guilbert, Chairman and Chief Executive Officer said: *"We are obviously disappointed by our recent performance in an extremely competitive and selective market. Despite an excellent critical reception, Jusant and Banishers: Ghosts of new Eden unfortunately did not achieve the commercial results we had hoped for, resulting in a deterioration in our 2024 half-year results and leading us to consider all possible options regarding our roadmap."*

H1 2024¹ activity

Consolidated figures in €000, unaudited	H1 2023	H1 2024
Revenues	2,663	1,871
- incl. development	2,050	19
- incl. sales	613	1,852
Capitalized production ²	13,800	12,710
Total operating revenues³	16,463	14,581

For the first half of 2024, DON'T NOD posted an 11% decline in operating revenues to €14.6 million, versus €16.5 million in H1 2023. This increase reflects:

- | an increase in sales (+€1.2 million), mainly driven by the back catalog (*Vampyr* and the *Life is Strange* license) and the contribution of *Jusant* (released at the end of October 2024) and *Banishers: Ghosts of new Eden* (released mid-February 2024), which performed well below expectations;
- | development revenues down (-€2.0 million), reflecting the completed development of *Banishers: Ghosts of new Eden*;
- | a reduction in capitalized production (-€1.1 million), resulting from the temporary suspension of 2 production lines.

¹ All figures relating to the consolidated financial statements at June 30, 2024 in this press release are currently under limited review by our Statutory Auditors.

² Costs incurred on co-produced and self-published games until release

³ Revenues + capitalized production



These operating revenues will not cover operating expenses (excluding depreciation, amortization and provisions), meaning that operating EBITDA⁴ is expected to show a loss (of around -€1.0 million) for the first half of 2024.

Performance enhancement measures

In this context of underperformance, DON'T NOD has decided to:

- | Partially write down, in the amount of €24 million, the assets of *Jusant* and *Banishers: Ghost of New Eden*, given the inability to demonstrate future cash flows commensurate with the value of these assets;
- | Focus its efforts and resources on the Intellectual Property in production offering the highest potential return on investment in the short (and medium) term, with:
 - *Lost Records: Bloom & Rage*, the first game developed by the Montreal studio and the creative minds behind the *Life is Strange* franchise. Played for the first time by the press at Gamescom, *Lost Records: Bloom & Rage* has received a particularly positive reception, and its new trailer has engaged millions of players on our social networks (first episode scheduled for February 2025 and the second for March 2025). At the same time, discussions are continuing with industry leaders to secure economic benefits;
 - Two in-house projects (P10 and P14) scheduled for release before the end of 2027, with titles yet to be announced. In order to bolster sales potential and increase partnership opportunities with industry leaders, project design has been refocused to reach a wider audience, which involves scrapping certain developments (P10);
 - Support for two external publishing projects (due for release in 2025), which will contribute to revenues from next year onwards.
- | Temporarily pausing two projects in the design phase in Paris (P12 and P13), entailing a write-down of €7.6 million. This decision will enable us to prioritize resources and maximize the chances of success of the titles with the greatest potential at present.

Taken together, these decisions will lead to an impairment of fixed assets of €31.6 million, and to the recognition of a non-recurring expense of around €8.5 million. These factors will have a significant impact on 2024 half-year results, with no cash impact (cash position expected to be €45.5 million at the end of June 2024).

⁴ Operating income + Depreciation and amortization charges & provisions net of reversals + tax credits



DON'T NOD is also exploring other options that could be implemented as soon as possible to secure its operations and enhance value creation. The purpose of this review is to give DON'T NOD the ability to compete more successfully in a constantly evolving industry, and to respond effectively to the expectations of players and partners, while continuing to offer innovative, high-quality experiences.

About DON'T NOD

DON'T NOD is an independent French publisher and developer with studios in Paris and Montréal creating original narrative games in the adventure (*Life is Strange™*, *Tell Me Why™*, *Twin Mirror™*), RPG (*Vampyr™*, *Banishers: Ghosts of New Eden™*), and action (*Remember Me™*) genres. The studio is internationally renowned for unique narrative experiences with engaging stories and characters and has worked with industry leading publishers: Square Enix, Microsoft, Bandai Namco Entertainment, Focus Entertainment and Capcom. DON'T NOD creates and publishes its own IPs developed in-house such as *Harmony: The Fall of Reverie™*, *Jusant™* and *Lost Records: Bloom & Rage™*, as well as using its knowledge and experience to collaborate with third-party developers whose editorial visions parallel the company's own. Step into the studio's immersive and innovative universe at dont-nod.com

DON'T NOD (ISIN code: FR0013331212 - ALDNE) is listed on Euronext Growth Paris

DON'T NOD

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