



UBISOFT REPORTS FIRST-QUARTER 2023-24 SALES

Q1 performance ahead of target

Successful Ubisoft Forward event offered tangible evidence of line-up strength & confirmed key strategic pillars with major brands and long-lasting Live games

Confirmation of 2023-24 targets

- **Net bookings of €267.7 million**, ahead of target of around €240.0 million

	In €m Q1 2023-24	Reported change vs. Q1 2022-23	% of total net bookings	
			Q1 2023-24	Q1 2022-23
IFRS 15 sales	288.9	-9.2%	NA	NA
Net bookings	267.7	-8.7%	NA	NA
Digital net bookings	241.3	-8.0%	90.2%	89.4%
PRI net bookings	127.4	-17.0%	47.6%	52.3%
Back-catalog net bookings	245.7	-4.2%	91.8%	87.4%

Paris, July 20, 2023 – Today, Ubisoft released its sales figures for the first quarter of fiscal 2023-24, i.e., the three months ended June 30, 2023.

Yves Guillemot, Co-Founder and Chief Executive Officer, said *"This quarter, we delivered a better-than-expected performance and we continued to progress on our two-pillar strategy of reaching a significantly larger audience and growing our recurring revenues. We showcased our promising big-brand games and Live experiences during the highly regarded Ubisoft Forward event, positioning us favorably for the upcoming months and years. In addition to increased engagement and positive sentiment from players, Ubisoft Forward was an important moment of pride for our teams across the world. Our test phases for our Free-to-Play titles during the quarter provided key data to our teams as they are getting the games ready for release. We also announced that Level Infinite will be publishing Assassin's Creed Codename Jade on mobile. It reflects the powerful appeal of our brands and the significant value creation our shareholder agreement with Tencent is delivering. This publishing partnership greatly enhances our medium-term mobile footprint while delivering significant financial value to the benefit of Ubisoft and its shareholders. As we look to the future, we are confident that our sharp focus on our biggest opportunities coupled with significant cost reductions will result in meaningful progression of revenue, earnings and cash-flow generation over the coming years."*

Q1 ACTIVITY

Tom Clancy's Rainbow Six® Siege net bookings and DAUs grew double digit year-on-year, driven by strong activity throughout the quarter on the back of its new Year 8 Season 2 and seasonal events. Other Live games performed well with Tom Clancy's The Division® 2 witnessing strong activity thanks to new seasonal content and The Crew® 2 reaching near record MAUs in June ahead of The Crew® Motorfest release.

This quarter also saw numerous test phases for our upcoming free-to-play initiatives. Tom Clancy's Rainbow Six® Mobile, Tom Clancy's The Division® Heartland and Tom Clancy's The Division® Resurgence have gathered valuable data during their respective betas. XDefiant held a three-day open session to test its technical infrastructure and the changes implemented on the back of the feedback received from the closed beta. The community praised the close collaboration between the developers and the players.

Later this summer, The Crew Motorfest will offer fans a chance to test the game between July 21st and July 23rd through a 3-day closed beta. Skull and Bones™ will launch a closed beta on August 25, giving players a chance to experience the multiplayer pirate open-world game first-hand as the team continues to work toward its release later this fiscal year. Finally, Assassin's Creed Codename Jade will hold a closed beta between August 3rd and August 11th.

SUCCESSFUL UBISOFT FORWARD EVENT OFFERED TANGIBLE EVIDENCE OF LINE-UP STRENGTH

Held live from Los Angeles on June 12, the Ubisoft Forward conference unveiled previously unseen gameplay and trailers from some of Ubisoft's most anticipated upcoming releases, including big brands like Assassin's Creed® Mirage, Avatar: Frontiers of Pandora™, Star Wars Outlaws™ and long-lasting live games, such as The Division Resurgence and The Crew Motorfest. Ubisoft Forward was an opportunity for Ubisoft to reconnect with all its stakeholders, including media, partners, industry peers, and, most importantly, players. Hundreds of journalists, content creators and partners also had access to live demos and hands-on experiences. This year's show saw 64% higher max concurrent live views and a 26-point progression of community sentiment versus the previous Forward, and total organic views surpassed 24 million. The event generated 102 million impressions on social media and more than 4,000 media articles. Finally, Forward was a special moment of pride for Ubisoft's global teams, who shared in the celebration of their work.

LEVEL INFINITE TO PUBLISH MOBILE GAME ASSASSIN'S CREED CODENAME JADE

Following the licensing partnership on mobile announced in July 2022, Level Infinite, a Tencent subsidiary, will publish Assassin's Creed Codename Jade, an open world action adventure/RPG game which will be released on iOS and Android devices.

It is one of the biggest publishing deals ever signed in the industry. It reflects the strength of our brands in a context of scarcity of high-quality IPs and, as such, our capacity to increasingly value our IPs. With Tencent being one of the industry's leaders of the massive mobile segment, it also confirms our brands' potential in the free-to-play market.

This publishing agreement greatly enhances Ubisoft's medium-term mobile footprint while delivering significant financial value to the benefit of its shareholders. It is another positive step in the long-term strategic relationship between Tencent and Ubisoft. Last September's shareholding transaction with Tencent was essential to deliver Ubisoft's full value creation

potential and provided the Group with the opportunity to expand collaboration through new partnerships as well as the necessary stability for its long-term development, while keeping all options open.

UBISOFT FURTHER STRENGTHENS ITS BOARD WITH THE PROPOSED NOMINATION OF TWO NEW HIGHLY QUALIFIED INDEPENDENT DIRECTORS

Ubisoft is continuously adapting its organization to best respond to the rapidly changing industry while accelerating on the execution of its strategy. In this context, the Company is strengthening its Board of Directors with a view to further enriching the diversity of skills and expertise of its independent members. To that end, Ubisoft's Board has proposed the nomination of two new independent directors, Katherine Hays and Olfa Zorgati, with strong international executive backgrounds at its upcoming September Annual General meeting.

Katherine Hays has more than 20 years of experience across esports, gaming, advertising, media and entertainment as an entrepreneur and executive. She is currently an independent member of the Board of Technicolor Creative Studios, serves as an advisor to numerous esports start-ups, and is a senior advisor to institutional investors within the United Arab Emirates. Olfa Zorgati has extensive financial and management experience, with a deep expertise in technology. She is currently Chief Financial Officer as well as Executive Vice-President Operations and is on the Executive Committee of ESI Group, a c.€1bn market cap software and technology company listed on Euronext Paris, which she joined in 2018.

Additionally, Claude France, who joined the Board in July 2022 to bring her digital and tech expertise as well as her experience in managing large scale organizations, will be appointed as the new Lead Independent Director as well as Chair of the Audit & Risk Committee.

Over the past decade, Ubisoft's Board has demonstrated its commitment to continuously adapting its governance to the best standards. To that end, the Board created the Lead Independent Director role in 2016 and added independent directors so that they comprised a majority of all Board members in 2016. The Audit Committee and the Nomination, Compensation and Governance Committee have been fully independent since 2013. The Board also complied with the Copé-Zimmermann law to have at least 40% gender diversity by 2017. If the two candidates proposed by the Board are approved by shareholders, the Board will have women representation of 55%.

Note

The Group presents indicators which are not prepared strictly in accordance with IFRS as it considers that they are the best reflection of its operating and financial performance. The definitions of the non-IFRS indicators are appended to this press release.

Sales and net bookings

In € millions	Q1 2023-24	Q1 2022-23
Sales (IFRS 15)	288.9	318.2
Deferred revenues related to IFRS 15	(21.2)	(24.9)
Net bookings	267.7	293.3

IFRS 15 sales for the first quarter of 2023-24 came to €288.9 million, down -9.2% (-8.2% at constant exchange rates¹) compared with the €318.2 million generated in first-quarter 2022-23.

First-quarter 2023-24 net bookings totaled €267.7 million, exceeding the target of around €240.0 million and down -8.7% (-7.7% at constant exchange rates) on the €293.3 million figure for the first quarter of 2022-23.

OutlookSecond-quarter 2023-24

Net bookings for the second quarter of 2023-24 are expected to come in at around €350 million.

Full-year 2023-24

The Company confirms its financial targets. It expects strong top line growth and non-IFRS operating income at approximately €400 million.

The FY24 line-up includes Assassin's Creed Mirage, Avatar: Frontiers of Pandora, Rainbow Six Mobile, The Division Resurgence, another large game as well as Just Dance® 24 edition, Prince of Persia The Lost Crown, Skull and Bones, The Crew Motorfest and XDefiant.

¹ Sales at constant exchange rates are calculated by applying to the data for the period under review the average exchange rates used for the same period of the previous fiscal year.

Conference call

Ubisoft will hold a conference call today, Thursday July 20, 2023, at 6:15 p.m. Paris time/5:15 p.m. London time/12:15 p.m. New York time.

The conference call will take place in English and can be accessed live and via replay by clicking on the following link:

<https://edge.media-server.com/mmc/p/vybfyia4>

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Disclaimer

This press release 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 been approved by the Board of Directors, and have not been audited by the Statutory Auditors. (Additional information is provided in the most recent Ubisoft Registration Document filed on July 20, 2023 with the French Financial Markets Authority (l'Autorité des Marchés Financiers)).

About Ubisoft

Ubisoft is a creator of worlds, committed to enriching players' lives with original and memorable entertainment experiences. Ubisoft's global teams create and develop a deep and diverse portfolio of games, featuring brands such as Assassin's Creed®, Brawlhalla®, For Honor®, Far Cry®, Tom Clancy's Ghost Recon®, Just Dance®, Rabbids®, Tom Clancy's Rainbow Six®, The Crew® and Tom Clancy's The Division®. Through Ubisoft Connect, players can enjoy an ecosystem of services to enhance their gaming experience, get rewards and connect with friends across platforms. With Ubisoft+, the subscription service, they can access a growing catalog of more than 100 Ubisoft games and DLC. For the 2022-23 fiscal year, Ubisoft generated net bookings of €1,739 million. To learn more, please visit: www.ubisoftgroup.com.

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APPENDICES

Definition of non-IFRS financial indicators

Net bookings corresponds to sales restated for the services component and including unconditional amounts related to license or distribution agreements recognized independently of the achievement of performance obligations.

Player Recurring Investment (PRI) corresponds to sales of digital items, DLC, season passes, subscriptions and advertising.

Non-IFRS operating income calculated based on net bookings corresponds to operating income less the following items:

- Stock-based compensation expense arising on free share plans, group savings plans and/or stock options.
- Depreciation of acquired intangible assets with indefinite useful lives.
- Non-operating income and expenses resulting from restructuring operations within the Group.

Breakdown of net bookings by geographic region

	Q1 2023-24	Q1 2022-23
Europe	33%	29%
North America	51%	51%
Rest of the world	16%	20%
TOTAL	100%	100%

Breakdown of net bookings by platform

	Q1 2023-24	Q1 2022-23
CONSOLES	50%	47%
PC	31%	27%
MOBILE	10%	12%
Others*	9%	14%
TOTAL	100%	100%

*Ancillaries, etc.

Title release schedule
2nd quarter (July – September 2023)

DIGITAL + PHYSICAL

THE CREW® MOTORFEST	AMAZON LUNA, PC, PLAYSTATION® 4, PLAYSTATION® 5, XBOX ONE, XBOX SERIES X/S
UNO®	PLAYSTATION® 5, XBOX X

DIGITAL ONLY

FOR HONOR®: Year 7 - Season 3	PC, PLAYSTATION® 4, XBOX ONE
MARIO + RABBIDS®: SPARKS OF HOPE DLC3	NINTENDO SWITCH
RIDERS REPUBLIC™: Season 8 + Skate DLC	AMAZON LUNA, PC, PLAYSTATION 4, PLAYSTATION 5, XBOX ONE, XBOX SERIES X/S
RIDER WORLDS	IOS, ANDROID
THE CREW® 2: Season 9 - Episode 1	PC, PLAYSTATION 4, PLAYSTATION 5, XBOX ONE, XBOX SERIES X/S
THE CREW® 2: Season 9 - Episode 2	PC, PLAYSTATION 4, PLAYSTATION 5, XBOX ONE, XBOX SERIES X/S
THE SETTLERS®: NEW ALLIES Consoles	PLAYSTATION 4, PLAYSTATION 5, XBOX ONE, XBOX X, NINTENDO SWITCH
TOM CLANCY'S RAINBOW SIX® SIEGE: Year 8 - Season 3	AMAZON LUNA, PC, PLAYSTATION 4, PLAYSTATION 5, XBOX ONE, XBOX SERIES X/S
XDEFIANT: Season 0	PC, PLAYSTATION 5, XBOX SERIES X/S
