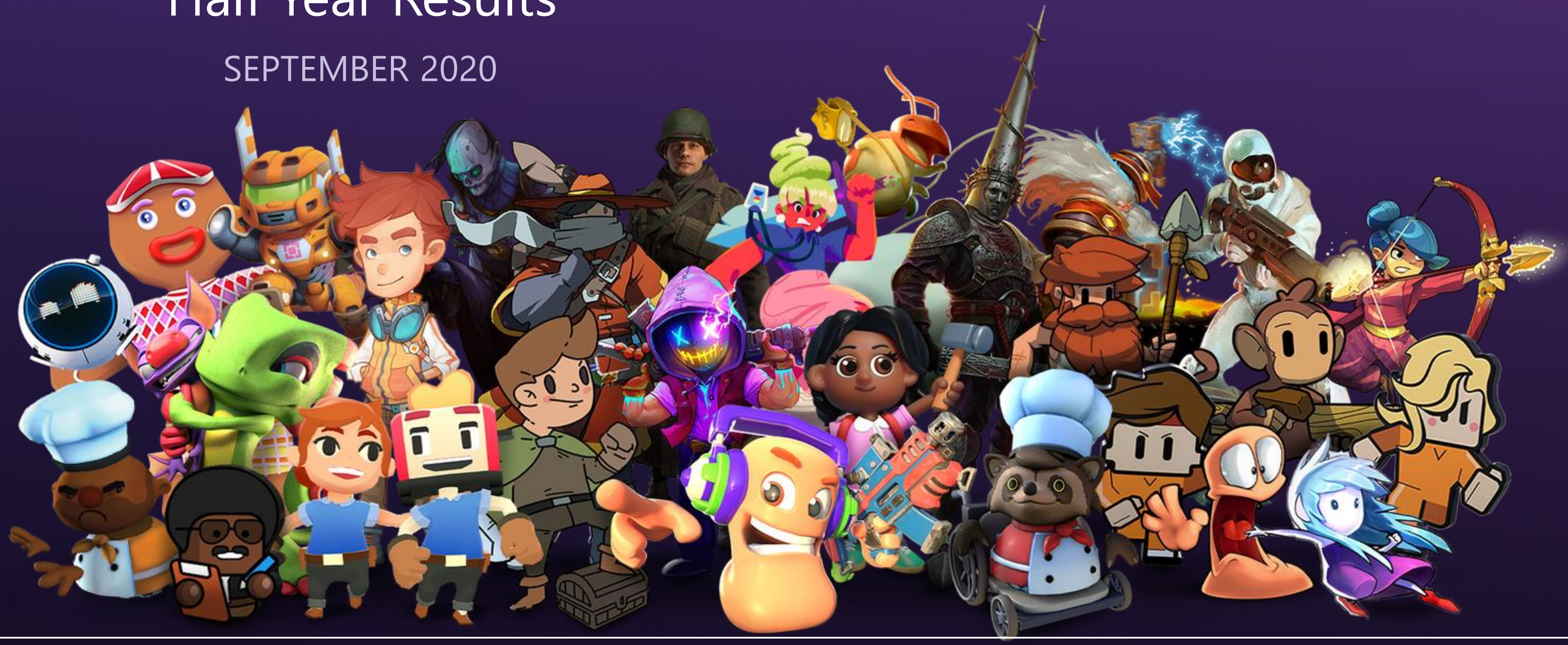
Debbie Bestwick
Chief Executive Officer
Mark Crawford
Chief Financial Officer

FY 2020
Half Year Results

SEPTEMBER 2020



2020 HIGHLIGHTS

team17

Record revenues in H1 2020 up 28% to **£38.8m**, **back catalogue** performing well on multi-player co-op and online games

3 New Releases launched as planned in late Q2 and additional DLC content released in H1

New partnership with **Tencent Games' NeXT Studios** to launch **Crown Trick in the West**

Continued investment in development and commercial talent with **headcount increased** to **228**

Greenlight process strengthens attending virtual conferences, **10 games** signed in H1 more than any previous half year period

Continued recognition & industry presence, awarded MCV Indie Publisher of the Year 2020

Announced **Worms Rumble** partnership with **Playstation**

Solid Pipeline of **8 new titles** announced for **H2** with a mix of own and third party IP

FINANCIAL HIGHLIGHTS

Revenue
£38.8m
increased 28%
(H1 2019: £30.4m)

Gross profit
£18.3m
increased 21%
(H1 2019: £15.1m)

Gross profit margin
47.3%
(H1 2019: 49.8%)

Adjusted EBITDA*
£14.9m
Increased 24%
(H1 2019: £12.0m)

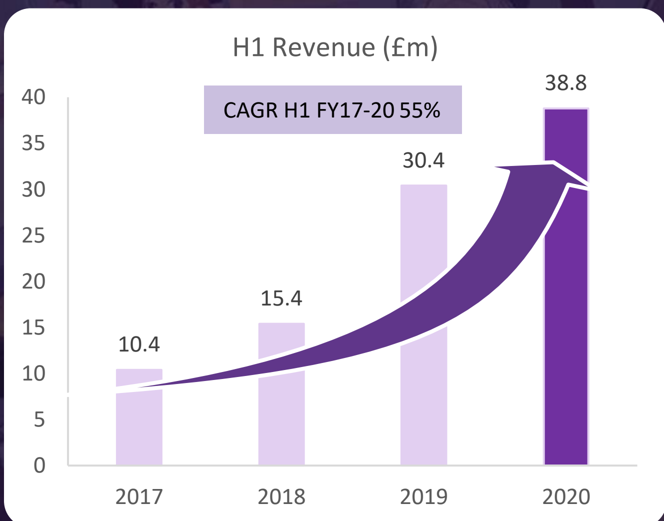
Net cash position
£50.4m
(H1 2019: £35.8m)

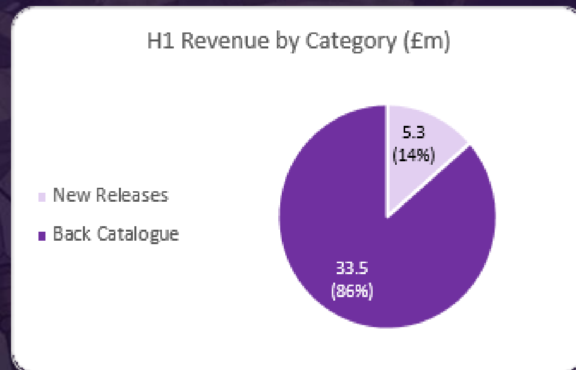
Adjusted Earnings per share**
8.9p
increased 22%
(H1 2019: 7.3p)

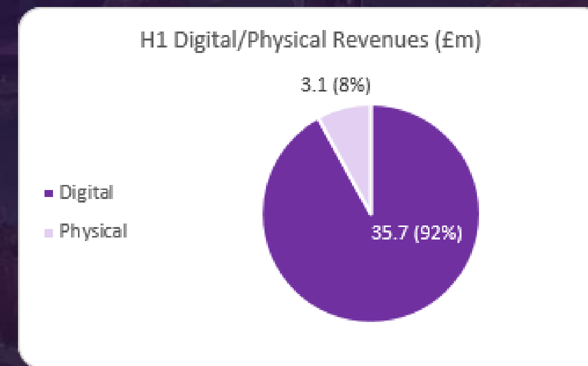
**Adjusted EBITDA is defined as operating profit adjusted to add back depreciation of property, plant and equipment, amortisation of brands and impairment of intangible assets (excluding capitalised development costs), exceptional items, share based payment costs and one-off amortisation accounting estimation change relating to prior periods. Exceptional items are those items believed to be exceptional in nature by virtue of their size and or incidence.*

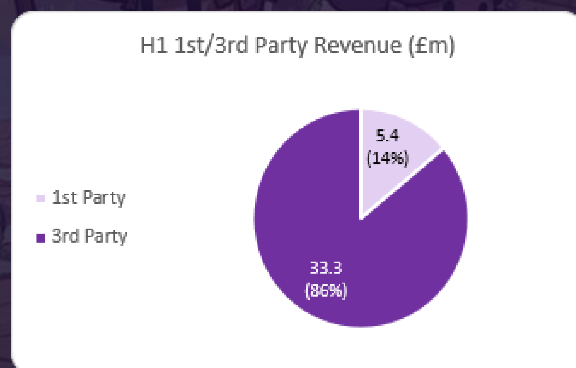
***Adjusted earnings per share is calculated by dividing the adjusted profit after tax by the weighted average number of ordinary shares in issue as adjusted for the dilutive effect of share options*

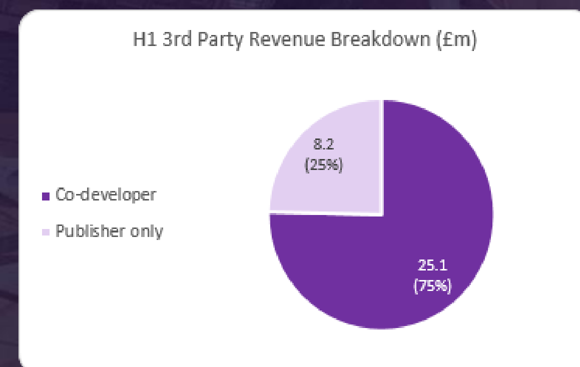
REVENUE ANALYSIS











- FY20 revenues grew 28% vs prior year with 3 new releases launched and additional DLC
- Developed & co-developed titles represent 79% of revenues
- Growing back catalogue with portfolio of over 345 Digital Revenue Lines

INCOME STATEMENT

	6 months ended 30 June 2020	6 months ended 30 June 2019	12 months ended 31 Dec 2019	Growth
Revenue	**38.8**	**30.4**	**61.8**	**28%**
Gross Profit	18.3	15.1	29.5	21%
Gross Profit %	47.3%	49.8%	47.7%	
Administrative Expenses	(5.0)	(4.9)	(10.6)	2%
Operating Profit	13.3	10.2	18.9	30%
Adjusted EBITDA	**14.9**	**12.0**	**22.1**	**24%**
Adjusted EBITDA %	38.4%	39.5%	35.8%	
Profit after tax	11.0	8.8	16.6	25%
Basic and Diluted EPS	8.5 pence	6.8 pence	12.9 pence	25%
Basic and Diluted Adjusted EPS	8.9 pence	7.3 pence	13.6 pence	22%

KEY HIGHLIGHTS

- Revenue growth driven by back catalogue and lock down impact
- Gross profit % movement linked to sales mix
- Admin costs reflect underlying growth in headcount offset by Covid impacted reduced overheads
- Resulted in solid Adj. EBITDA growth of 24%
- Effective tax rate dropped back down to normalised level
- EPS has continued to grow in line with gross profit

BALANCE SHEET & CASHFLOW

BALANCE SHEET	30 June 2020	30 June 2019	31 Dec 2019
Assets			
Non-current assets	46.6	41.1	43.2
Current assets	12.5	8.5	11.4
Cash and cash equivalents	50.4	35.8	41.9
Total Assets	**109.5**	**85.4**	**96.5**
Non-current liabilities	4.6	3.2	4.5
Current liabilities	12.9	10.2	11.9
Total Liabilities	**17.5**	**13.4**	**16.4**
Equity	92.0	72.1	80.1
Total liabilities and equity	**109.5**	**85.5**	**96.5**

CASHFLOW STATEMENT			
Cash generated from operating activities	17.4	14.3	25.0
Tax paid	(4.2)	(0.6)	(2.5)
Net cash inflow from operations	**13.2**	**13.7**	**22.5**
Net cash from investing activities	(4.6)	(1.5)	(4.2)
Net cash from financing activities	(0.1)	0.0	0.0
Net increase in cash and cash equivalents	**8.5**	**12.3**	**18.3**
Cash and cash equivalents at beginning of period	41.9	23.5	23.5
Cash and cash equivalents at the end of period	**50.4**	**35.8**	**41.9**
Operating cash conversion*	**114%**	**109%**	**103%**

BALANCE SHEET & CASHFLOW

- Non-current asset increase:
  - Yippee acquisition goodwill
  - Higher capitalised dev. costs
  - Wakefield studio investment and lease liability (overlaps H2 2019)
- Current assets increase predominantly trade driven
- Current liabilities elevated by 3rd party sales mix and corresponding royalty payments
- Tax payment scheme change impacts current liabilities and cashflow vs prior year
- Business remains highly cash generative
- Maintaining clean balance sheet with increased cash reserves

**Operating cash conversion defined as cash generated from operating activities as per the statement of cash flows, divided by the EBITDA including the add back of amortisation of development costs*

SUMMARY & OUTLOOK

Pipeline	Solid pipeline of releases including 2 internal IP planned for H2 and future years
IP	Continue to benefit from back catalogue and life cycle management initiatives
Footprint	Leverage our expanded resources and facilities to underpin growth aspirations
M&A	Will evaluate selective acquisitions that align with our strategy and values
Outlook	Well positioned to deliver on 2020 goals