



**CORSAIR**

**Goldman Sachs  
Communacopia +  
Technology Conference**

September 13, 2022





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This presentation contains forward looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the Company's results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking statements, including, but not limited to: information or predictions concerning the Company's future financial performance, business plans and objectives, potential growth opportunities, potential pricing of products, potential market leadership, financing plans, competitive position, technological, industry or market trends and potential market opportunities. These statements are based on estimates and information available to the Company at the time of this presentation and are not guarantees of future performance. Actual results could differ materially from the Company's current expectations as a result of many factors, including, but not limited to: the impact the COVID-19 pandemic will have on demand for the Company's products as well as its impact on its operations and the operations of its manufacturers, retailers and other partners, and its impact on the economy overall, including capital markets; the Company's ability to build and maintain the strength of its brand among gaming and streaming enthusiasts and its ability to continuously develop and successfully market new gear and improvements to existing gear; the introduction and success of new third-party high-performance computer hardware, particularly graphics processing units and central processing units, as well as sophisticated new video games; fluctuations in operating results; the risk that the Company is not able to compete with competitors and/or that the gaming industry, including streaming and eSports, does not grow as expected or declines; the loss or inability to attract and retain key management; delays or disruptions at manufacturing and distribution facilities of the Company or third parties; currency exchange rate fluctuations or international trade disputes resulting in the Company's gear becoming relatively more expensive to its overseas customers or resulting in an increase in the Company's manufacturing costs; the impact of the coronavirus on the Company's business; and general economic conditions that adversely effect, among other things, the financial markets and consumer confidence and spending. The Company assumes no obligation, and does not intend, to update these forward-looking statements, except as required by law. Investors are urged to review in detail the risks and uncertainties outlined in Corsair's Securities and Exchange Commission filings, including but not limited to Corsair's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (once available) as well as the Risk Factors contained therein. You may get these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>.

## Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, including Adjusted Operating Income (Loss), Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income (Loss) and Adjusted Net Income (Loss) Per Share, which are not recognized under the generally accepted accounting principles ("GAAP") in the United States and designed to complement the financial information presented in accordance with GAAP in the United States because management believes such measures are useful to investors. The non-GAAP measures have limitations as analytical tools and you should not consider them in isolation of, or as an alternative to, measures prepared in accordance with U.S. GAAP. The non-GAAP measures used by the Company may differ from the non-GAAP measures used by other companies. The Company urges you to review the reconciliation of its non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures set forth in the Appendix to this presentation, and not to rely on any single financial measure to evaluate the Company's business.

## Market & Industry Data

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to the Company's industry, the Company's business and the market for the Company's products and its future growth. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of the Company's future performance and the future performance of the market for its products are necessarily subject to a high degree of uncertainty and risk.



# OUR FULL SUITE OF PRODUCTS

- Cases
- Power Supplies
- Custom Cooling
- CPU Coolers
- Fans
- Memory
- Storage
- Gaming PCs
- Acoustic Panels
- Capture Cards

Greenscreen

Lighting

Cameras

Monitors

Ambient Lighting

Headsets

Thunderbolt Docks

Stream Deck

Mice

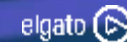
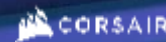
Keyboards

Mouse Pads

Microphones

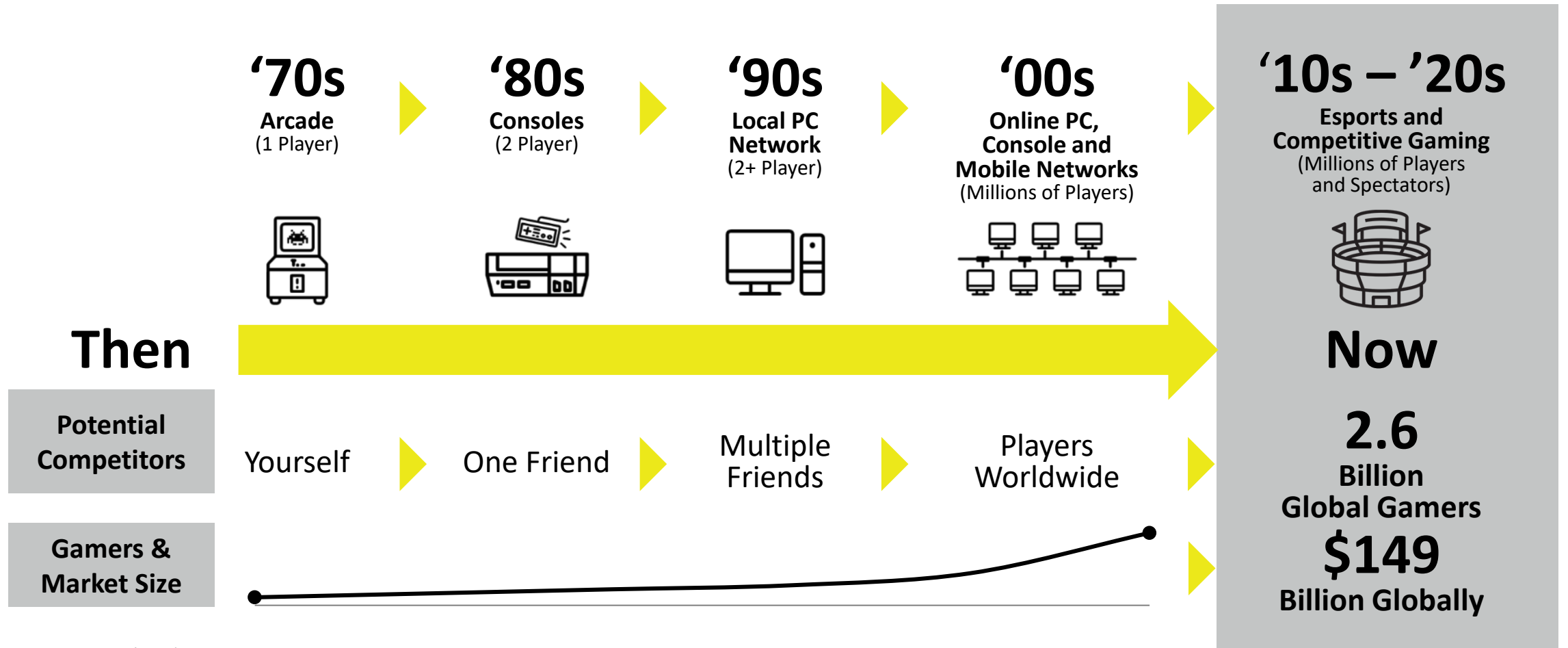
Gaming Controllers

Gaming Chairs





# MARKET EVOLUTION





# THREE MAIN PILLARS OF CORSAIR'S GROWTH

Robust growth in  
the markets  
where we participate



Continued gain in market share  
through years of experience,  
innovation and leading technology

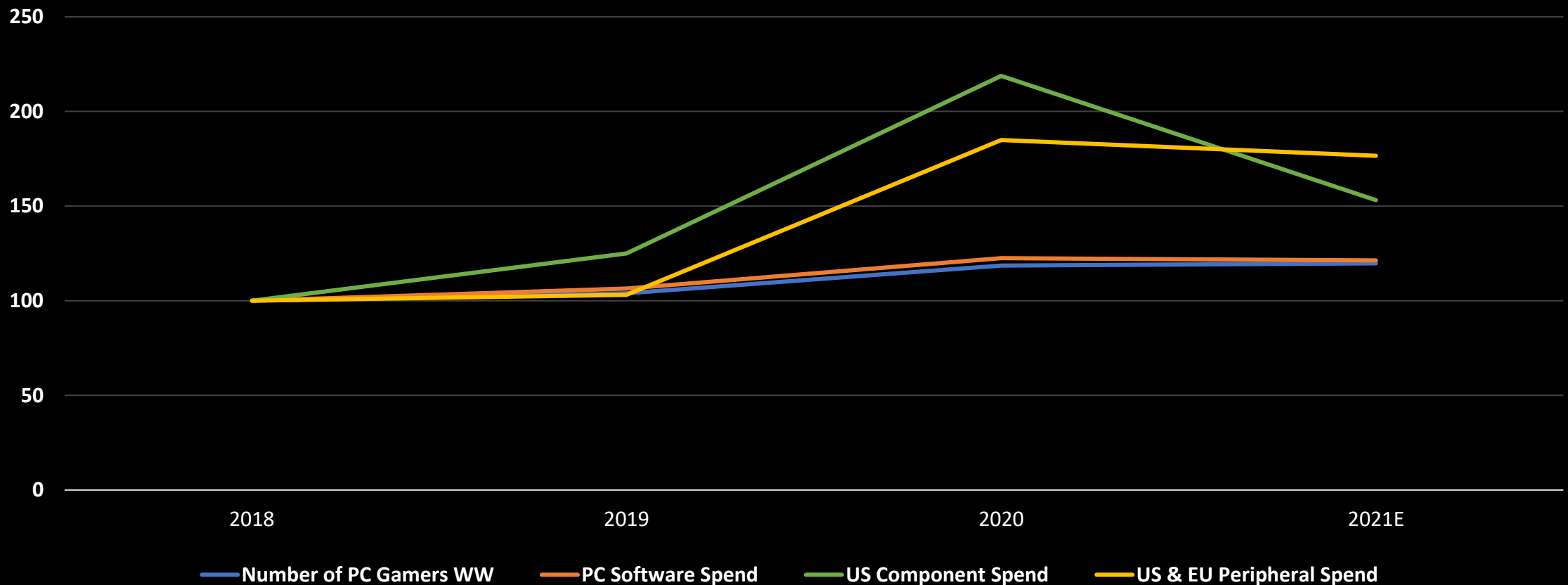


Entry into new categories  
via organic growth  
or acquisition





# MARKET DATA SHOWS THAT GAMING HARDWARE IS GROWING FASTER THAN NUMBER OF GAMERS AND GAMING SOFTWARE



Indexed to 100

Sources: Number of PC Gamers Worldwide and PC Software Spend: DFC Intelligence (as of Q4 2021); U.S. Components Spend; U.S. & E.U. Peripherals Spend: Corsair Management Estimates based on leading external data.



# SIGNIFICANT WHITE SPACE OPPORTUNITY. THE MAJORITY OF GAMING HARDWARE TAM IS STILL CONSUMED BY A SMALL PERCENTAGE OF GAMERS



### Casual PC Gamers

Little Hardware Ownership, Younger Gamer (Casual PC Gamers)



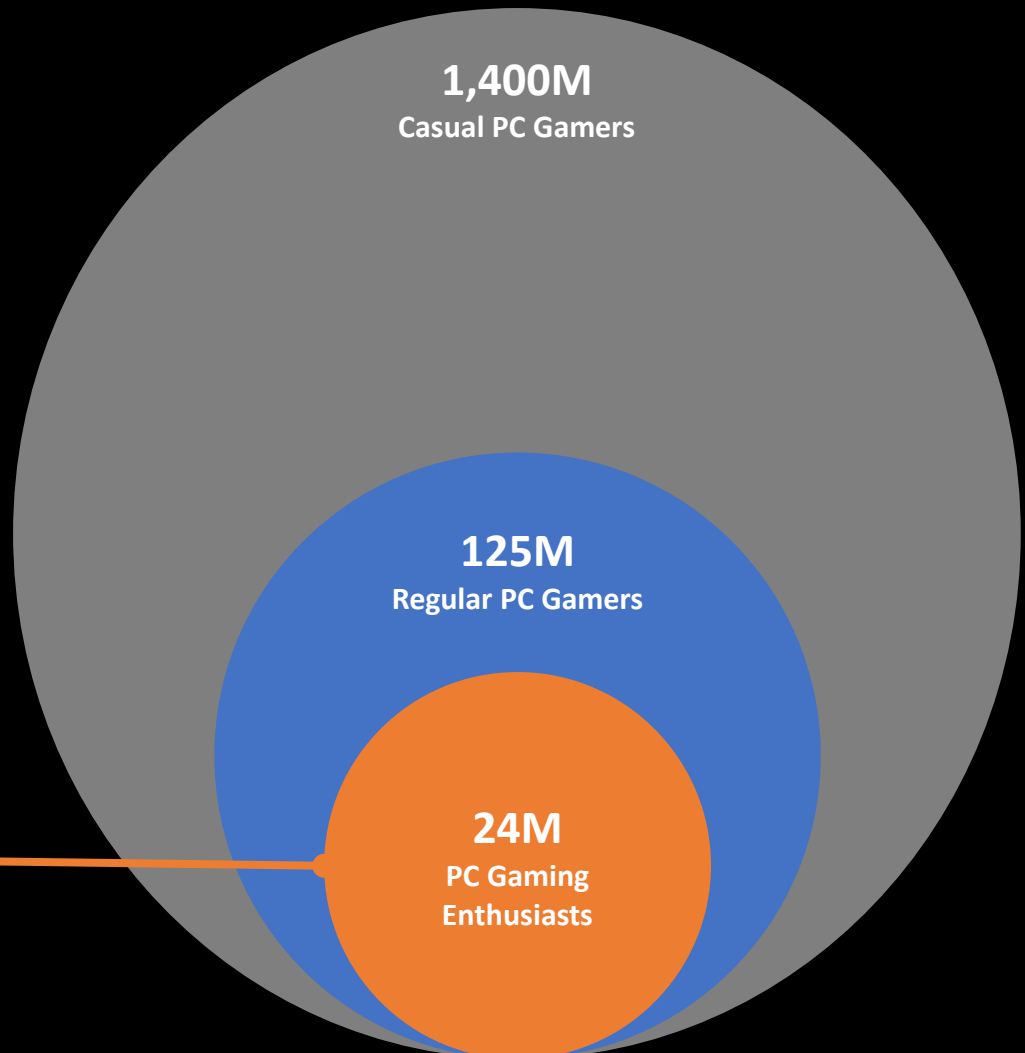
### Regular PC Gamers

Pre-Built Gaming PC



### PC Gaming Enthusiasts

Self Built Gaming PC



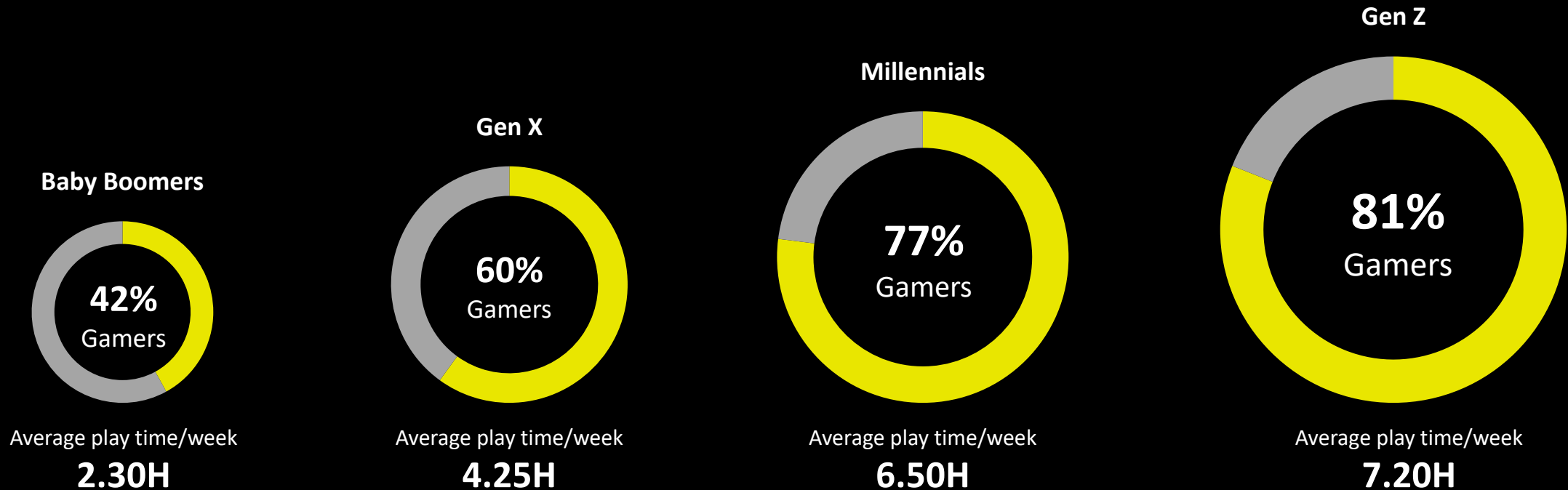
**50%+**  
of overall TAM  
spent in this fast-  
growing core  
segment

Source: DFC Intelligence (as of Q4 2021).  
Note: Total gamer counts eliminate double counting for gamers playing on multiple platforms.



# NUMBER OF GAMING HOURS INCREASING

As gaming hours increase, the installed base for gaming hardware can grow significantly





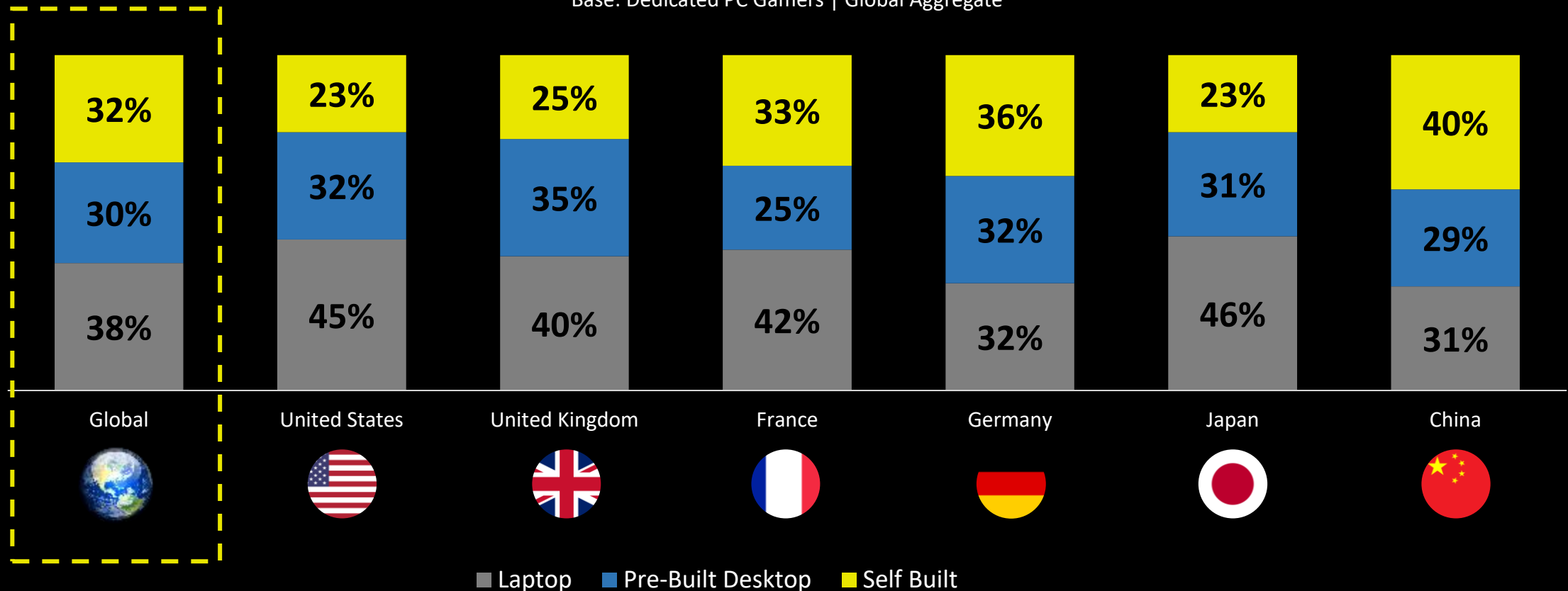


# 62% OF DEDICATED PC GAMERS USE A DESKTOP AS THEIR MAIN GAMING PC VS USING A LAPTOP

APPROXIMATELY 1/3 USING SELF BUILT PC

## Main Gaming PC Used

Base: Dedicated PC Gamers | Global Aggregate





# NEW GAMES CONSTANTLY REQUIRE HIGHER PERFORMANCE COMPONENTS

## Gamers want:

- 100+ frames per second
- 4K, 8K resolution
- Low latency

## Which drives:

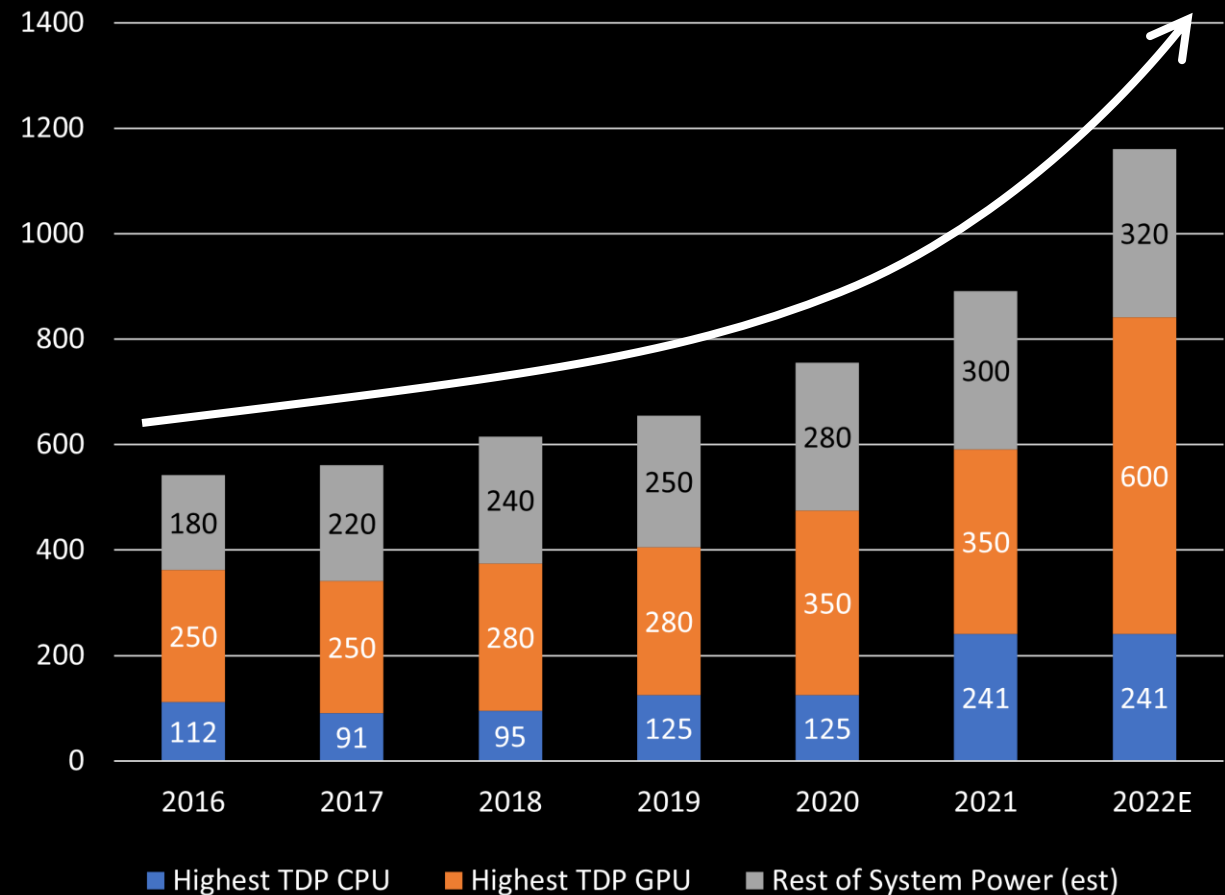
- More memory
- Higher power GPU
- Higher power CPU

## Which requires:

- Improved cooling
- Increased airflow
- PSU capacity and efficiency



### Desktop System Power Draw Over Time (Watts)





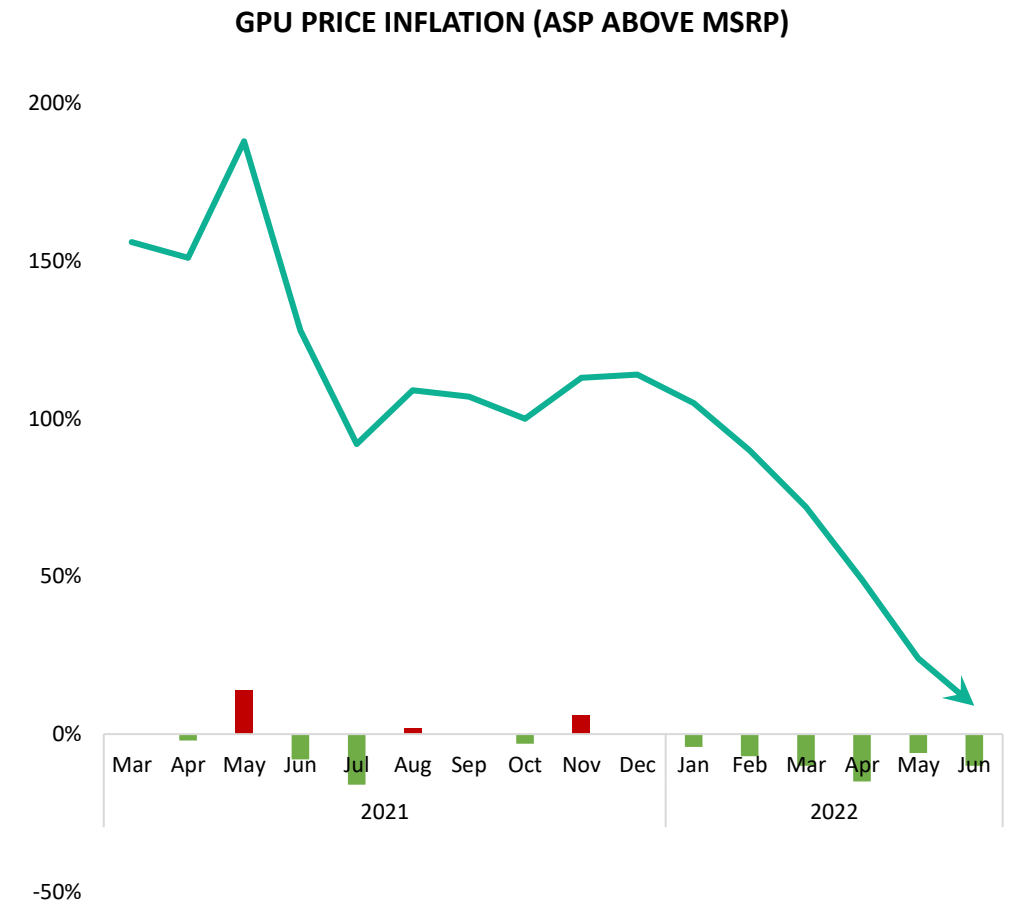
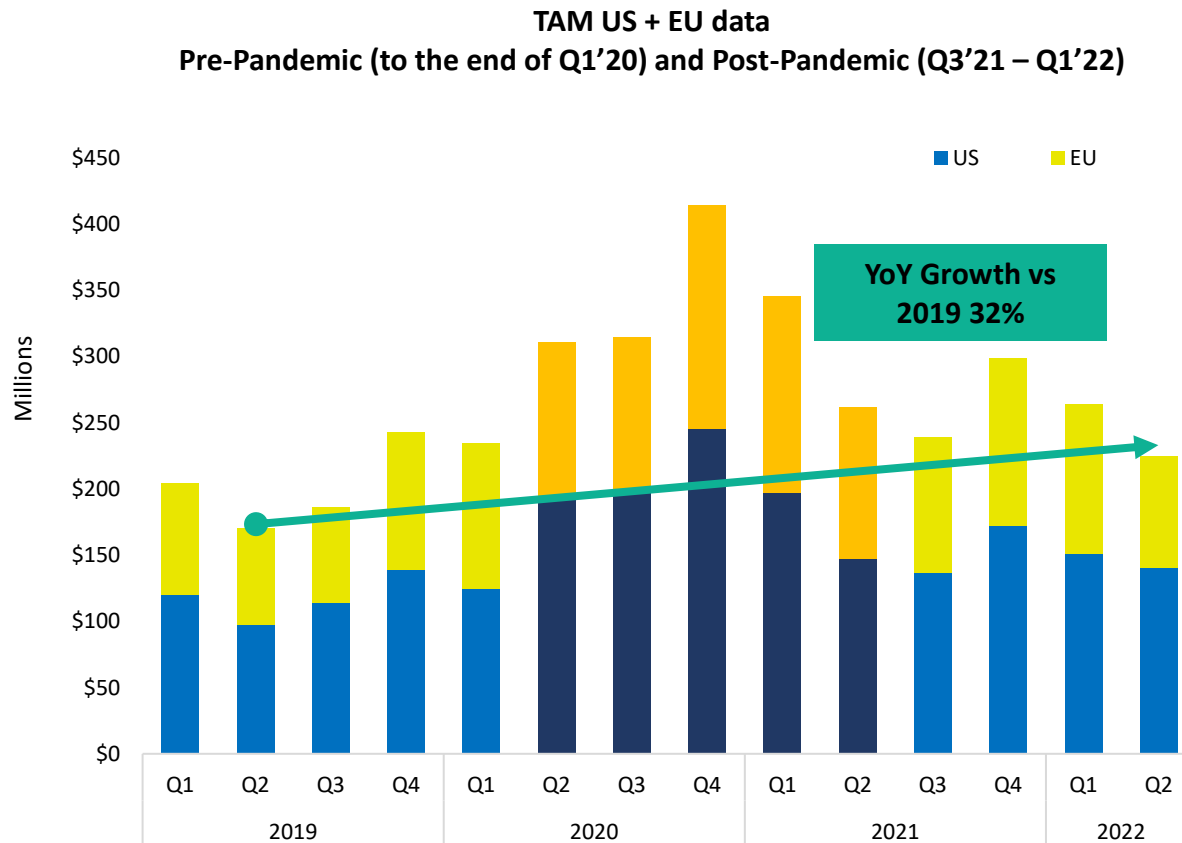
# Q2 2022 MARKET UPDATE





# SELF BUILT GAMING PC MARKET IMPROVING AS GPU PRICES GO BACK TO MSRP

## MARKET NOW BIGGER THAN PRE-PANDEMIC LEVEL

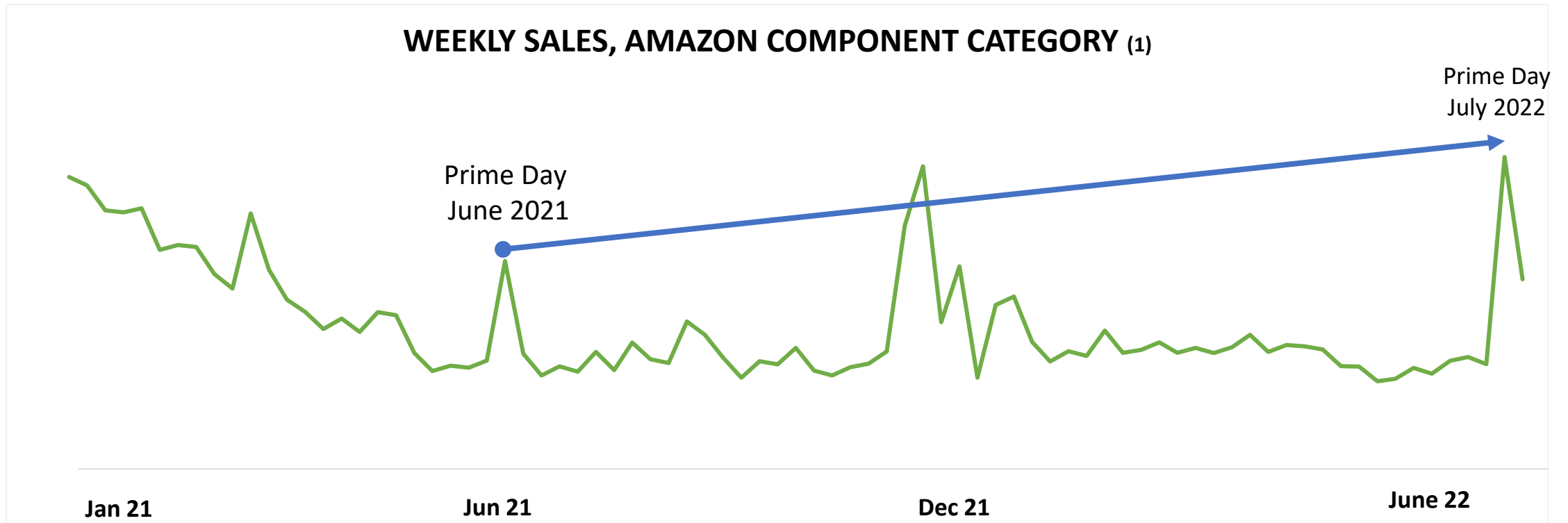


Data Sources:

1. Total Components Sales Revenue data: NPD (US) plus Stackline (EU5) - Includes: Cases, PSU, Fans, Water Cooling, and Memory (DRAM)
2. GPU Price Inflation: Techspot - Nvidia GPU pricing update from eBay



# COMPONENTS CATEGORY SHOWED GOOD YOY GROWTH DURING AMAZON PRIME WEEK

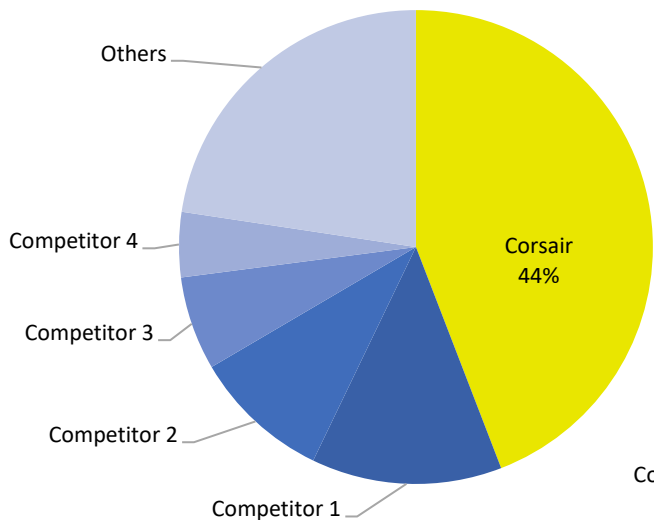


(1) Amazon US and top 5 EU countries. Component Category contains Cases, PSUs, and Cooling products

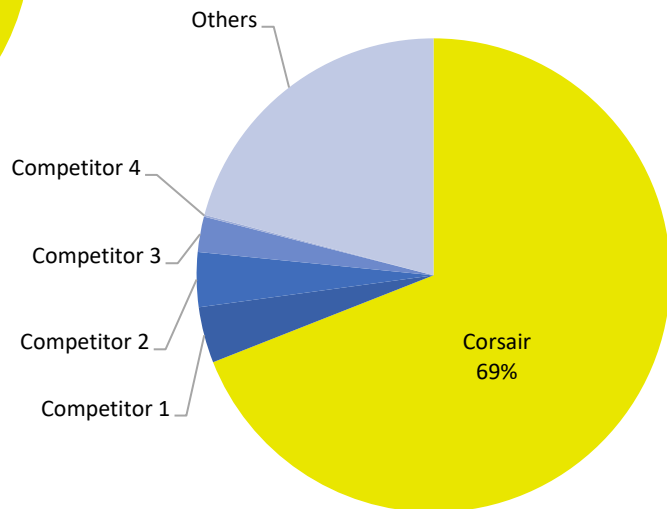


# CORSAIR CONTINUES TO GAIN SHARE IN THE SELF BUILT GAMING PC SPACE (US DATA)

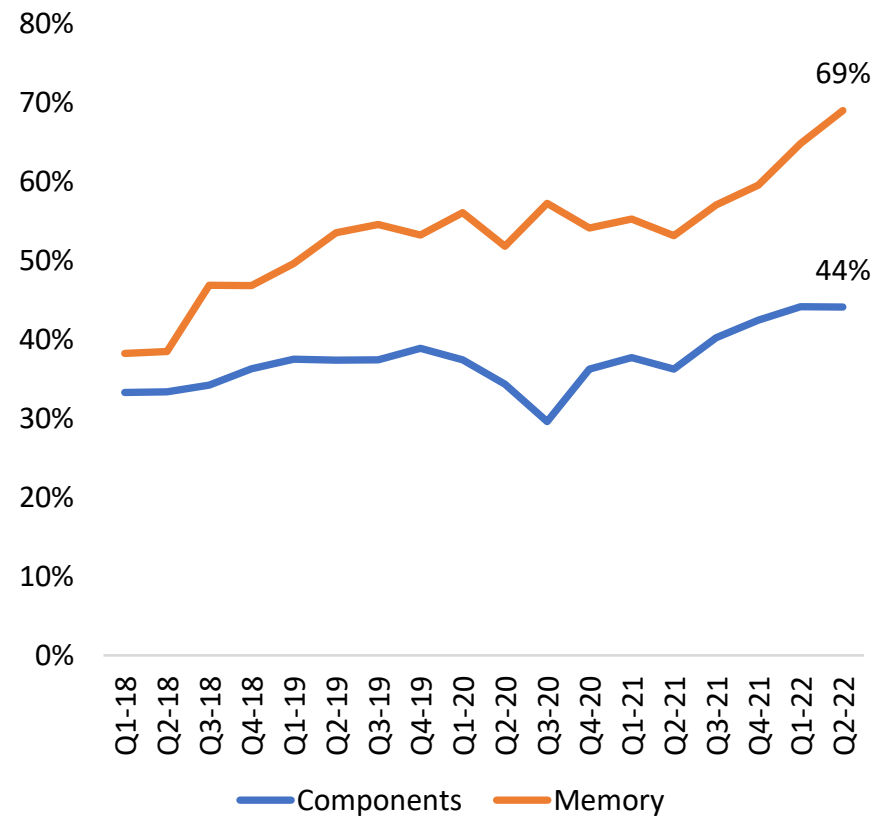
### GAMING COMPONENTS (EXCLUDING MEMORY)



### GAMING MEMORY



### CORSAIR MARKET SHARE



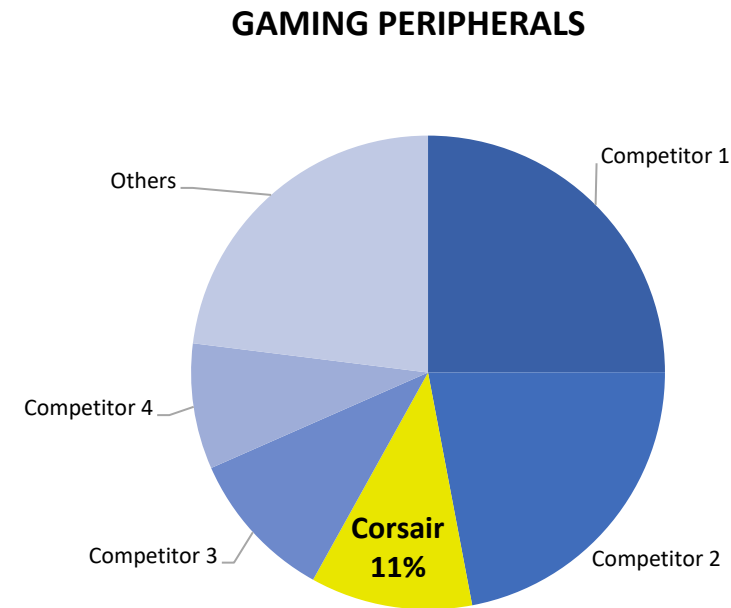
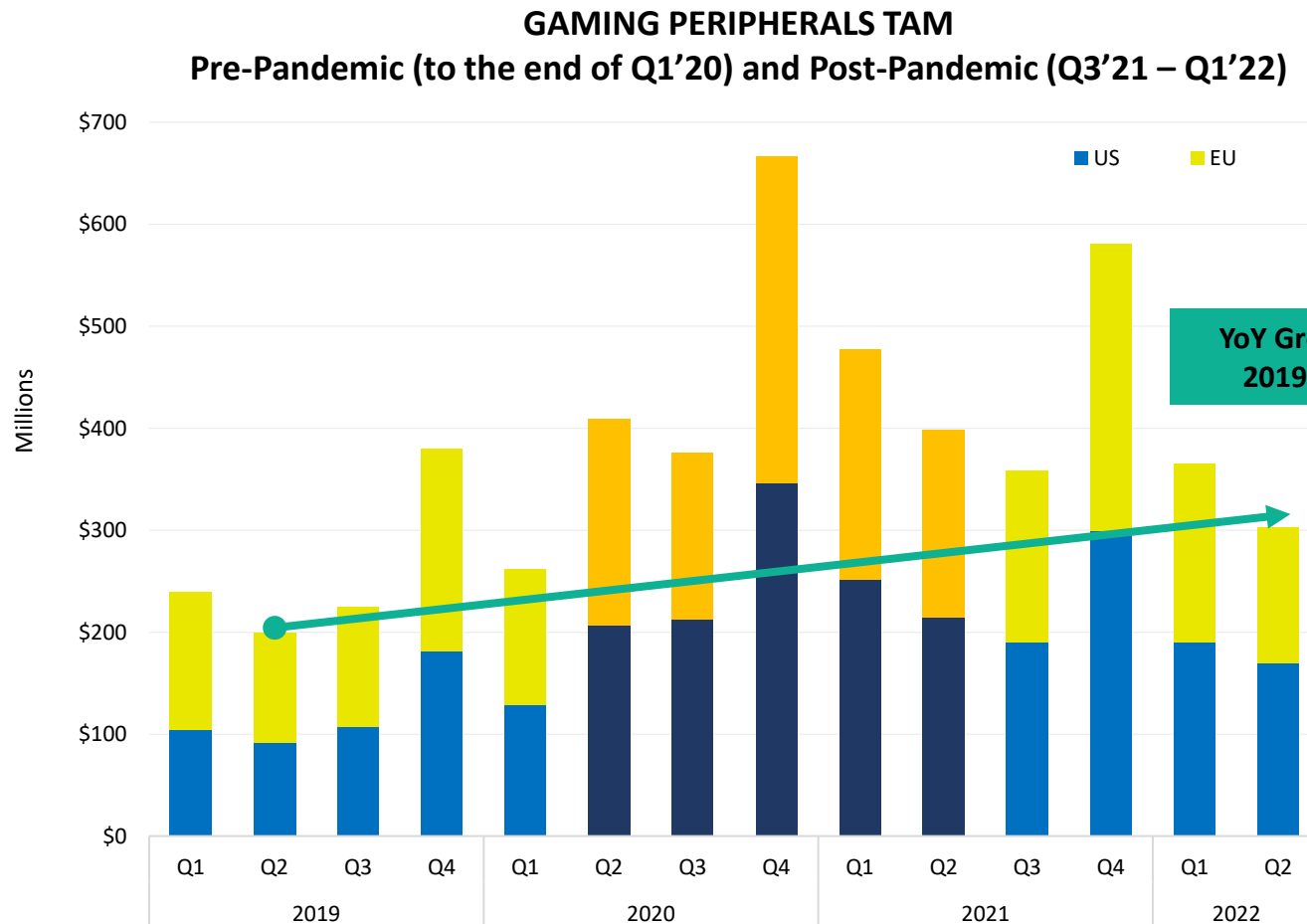
Data Sources:

1. Gaming Components & Memory Share: NPD (US) – 2022Q2 Market Share
2. Share is based on Sales Revenue. Components includes: Cases, PSU, Fans, and Water Cooling. Memory is DRAM



# PERIPHERAL MARKET ALSO SHOWING LONG TERM GROWTH TRENDS

## CORSAIR BALANCING MARGIN AND REVENUE DURING 1H22



Data Sources:

1. Total Gaming Peripherals Sales Revenue data: NPD (US) plus GFK (EU) - Includes: Keyboards, Headsets, Mice
2. Gaming Peripherals Share: NPD (US) plus GFK (EU) – 2022Q2 Market Share

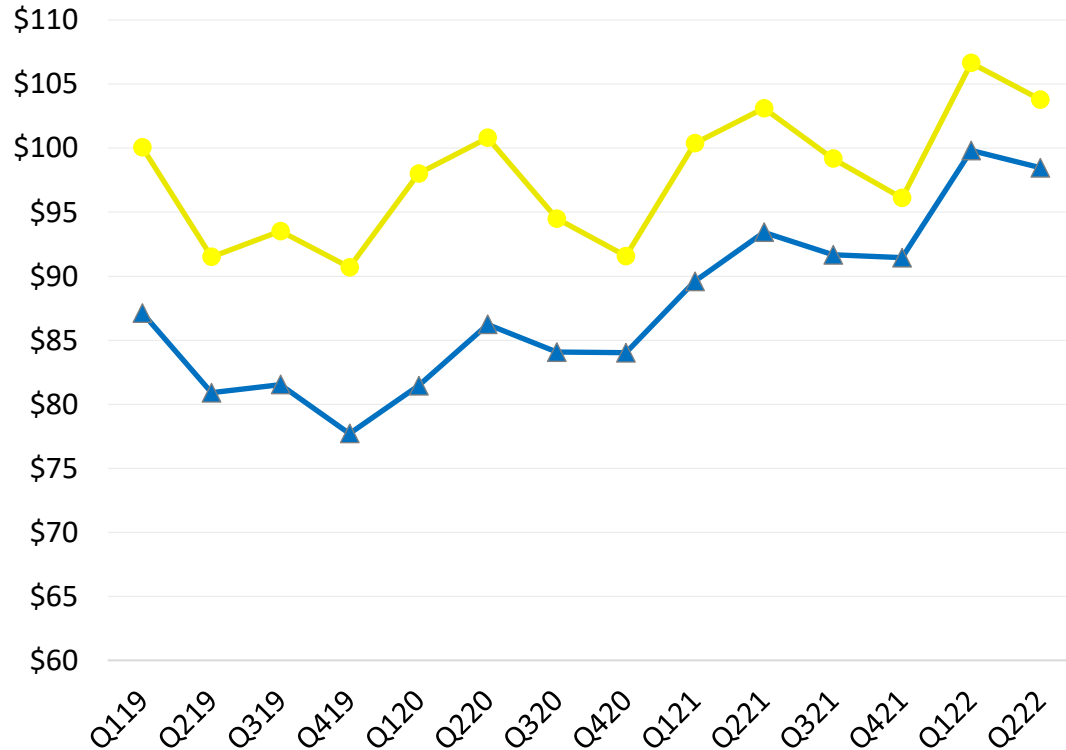


# CORSAIR CONTINUES TO HAVE AN ASP ADVANTAGE

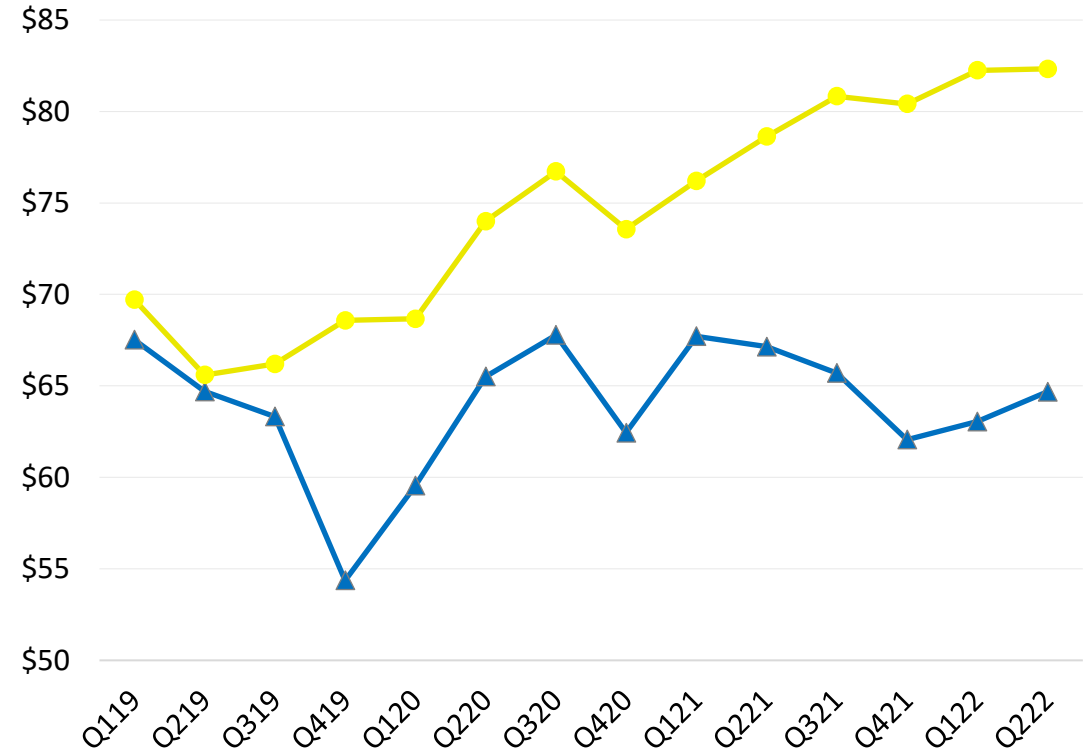
MARKET DATA ON GAMING PERIPHERALS ARTIFICIALLY LOWER IN 2022 DUE TO WIDESPREAD DISCOUNTING

Market ASP Corsair ASP

### COMPONENT AND MEMORY ASP



### GAMING PERIPHERAL ASP



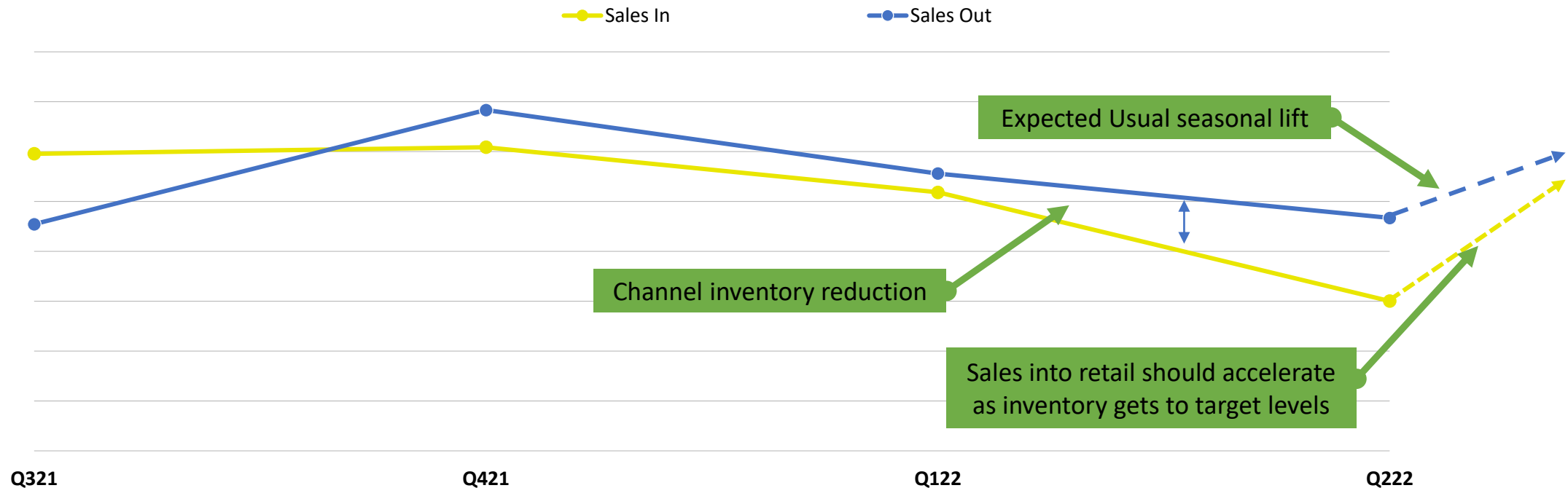




# SALES IN TO RETAILERS LOWER THAN FROM RETAILERS TO CONSUMERS BECAUSE OF INVENTORY OVERHANG

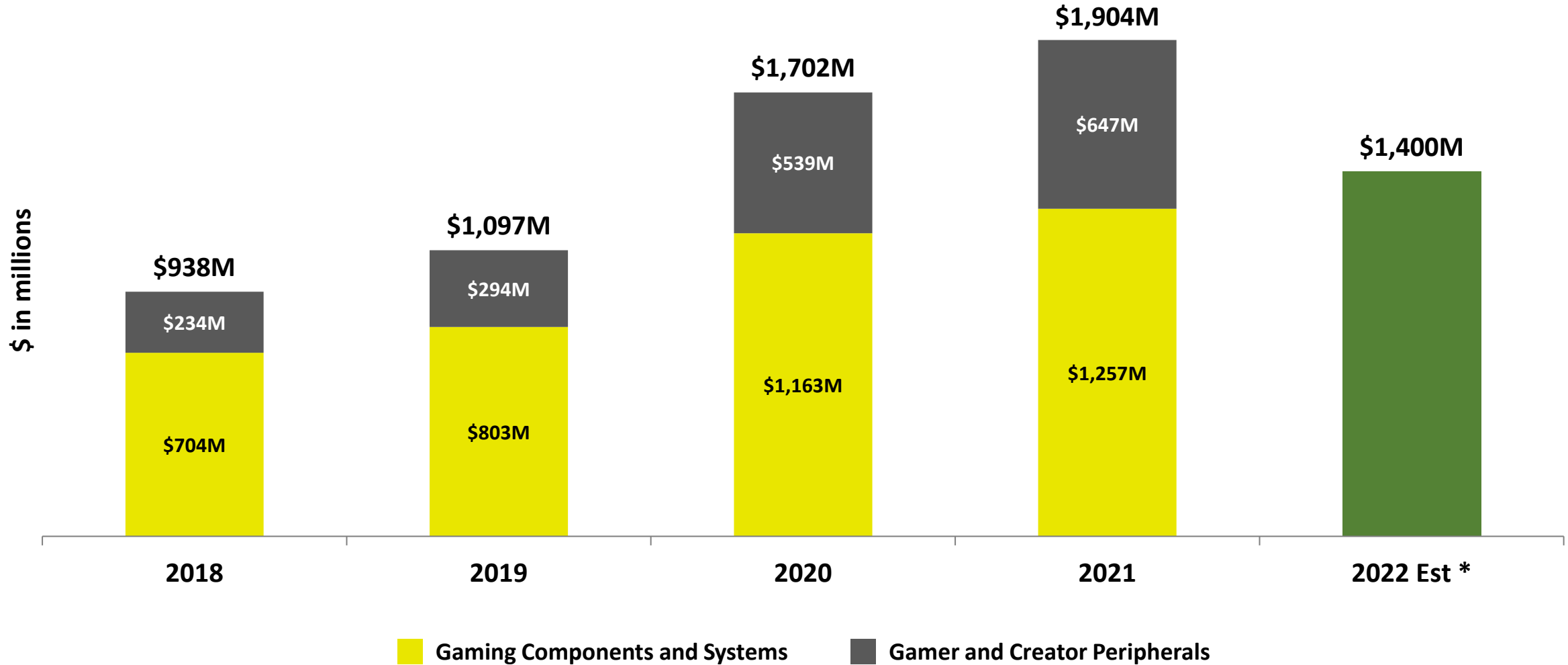
COMPONENTS INVENTORY NOW APPROACHING TARGET, EXPECT PERIPHERALS WILL TAKE ANOTHER QUARTER TO RESOLVE

SALES IN AND SALES OUT FROM CORSAIRS LARGEST RETAILER  
(SALES OUT NORMALIZED TO SALES IN ASP)





# REVENUE DATA BY SEGMENT



\* Represents mid-point of revenue guidance for 2022 provided August 4<sup>th</sup>, 2022

Note: 2018 and 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions of Elgato in 2018 and Origin and SCUF in 2019.



# Q2 2022 PRODUCT ANNOUNCEMENTS





# CORSAIR VOYAGER a1600 GAMING LAPTOP

**Announced May 23rd 2022**

A world first Gaming & Streaming laptop with the integration of Elgato Stream Deck and Camera Hub Software.

Powered by leading AMD Ryzen Processors and Radeon graphics for amazing mobile performance.

***“Corsair Is Joining The Competitive World Of Gaming Laptops, And Its Debut Machine Looks Pretty Special.” - TECHSPOT***





# K70 RGB MINI WIRELESS

Expands our MINI 60% layout range of keyboards, a rapidly growing segment.

Built around user customization with swappable key switches, accent pieces, cables and keycaps.

Wireless for even more flexibility and ultra-clean setups, while further expanding our SLIPSTREAM WIRELESS ecosystem.





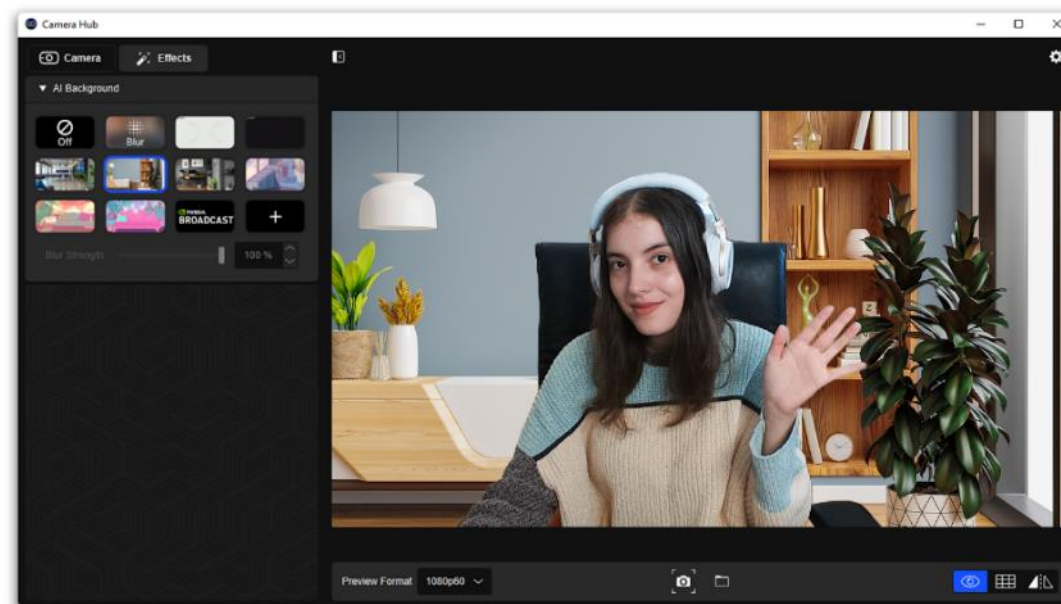
# NVIDIA BROADCAST PARTNERSHIP

Integrating powerful NVIDIA RTX-powered broadcast features into both CORSAIR iCUE and Elgato Camera Hub / Wave Link Software.

Use NVIDIA RTX graphics cards to reduce noise and echo on audio with advanced noise cancellations.

AI-enhanced filters on Elgato Camera Hub offer better edge detection and smooth backgrounds.

Available to all CORSAIR and Elgato customers now, (with compatible NVIDIA RTX graphics cards).





## CORSAIR XENEON FLEX OLED

# OVERVIEW

- First-to-market with revolutionary bendable OLED allows users to set their curve
  - Huge Size at 45" and 3440x1440 resolution
  - Phenomenal image quality and color accuracy thanks to LG Display W-OLED technology
  - Best-in-class response time eliminates motion blur for smooth, blur-free gaming
  - G-sync compatible and AMD Freesync Premium
  - Integrated stand with front and rear I/O
- 
- Announced: August 25<sup>th</sup> 2022
  - Reviews: November 2022
  - Available: Q1 2023





# FINANCIAL RESULTS







# Q2 RESULTS

During the 1H'22 and particularly Q2'22 macro-economic headwinds, inflation, the Russia-Ukraine war have affected consumer spending, particularly in Europe and supply chain lead times are shortening

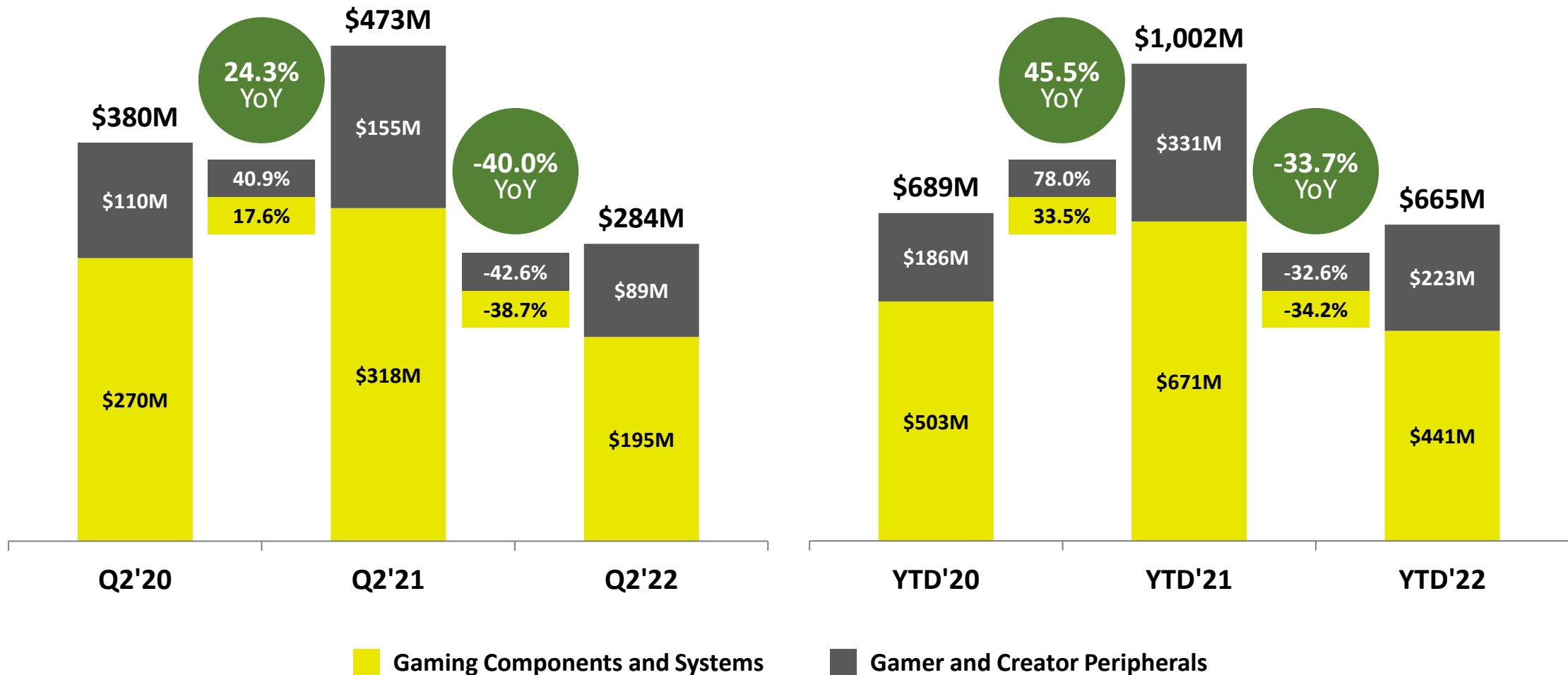
This has resulted in inventory build up in our warehouses and retail channel, causing channel partners to delay ordering while they clear excess inventory.

We took inventory reserves in excess of normal run rate to address overhang in the channel of \$19.5m impacting Q2 gross margin by 690 bps.

(\$ in millions except EPS and percentages)	Q2'22	Y/Y	YTD'22	Y/Y
Net Revenue	\$283.9	-40.0%	\$664.6	-33.7%
Gross Profit	\$36.5	-72.0%	\$127.2	-56.2%
Gross Profit Margin	12.8%	-1480 bps	19.1%	-990 bps
Operating Income (Loss)	(\$55.0)	-258.3%	(\$57.4)	-156.3%
Adjusted Operating Income (Loss)	(\$14.2)	-128.8%	(\$0.9)	-100.7%
Net Income (Loss)	(\$51.8)	-286.8%	(\$55.1)	-174.0%
Earnings (Loss) per share (diluted)	\$ (0.62)	-321.4%	\$ (0.68)	-191.9%
Adjusted Net Income (Loss)	(\$19.0)	-153.2%	(\$9.8)	-110.5%
Adjusted Earnings (Loss) per Share (Diluted)	\$ (0.20)	-155.6%	\$ (0.10)	-110.6%
Adjusted EBITDA	(\$11.0)	-121.4%	\$4.4	-96.7%



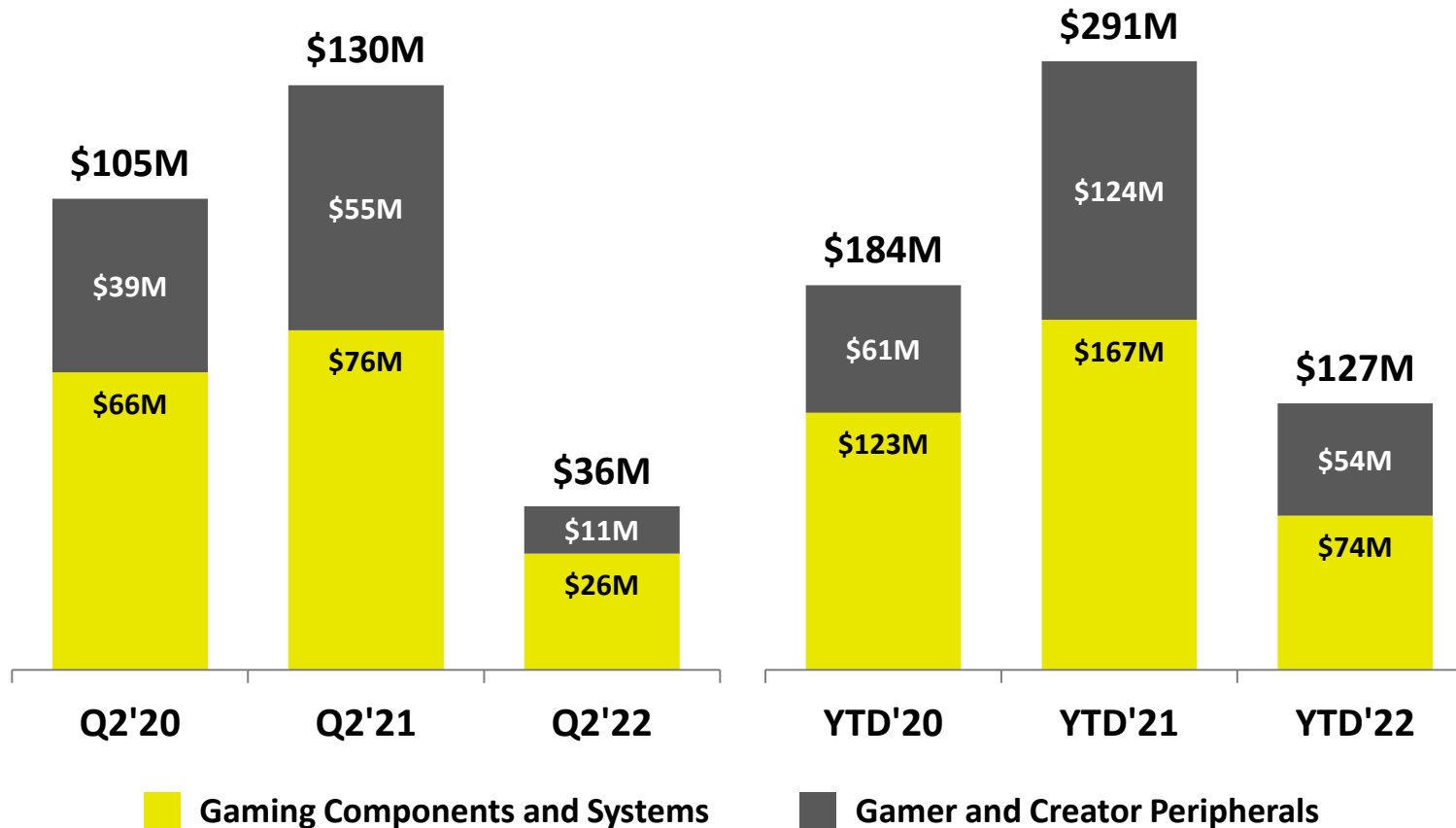
# REVENUE DATA BY SEGMENT



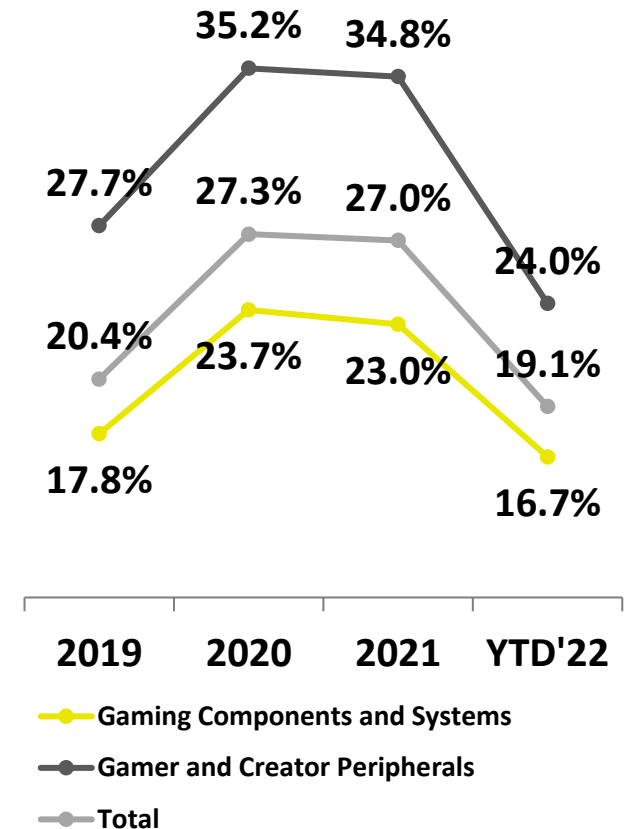


# GROSS MARGIN DATA BY SEGMENT

### SEGMENT GROSS PROFIT



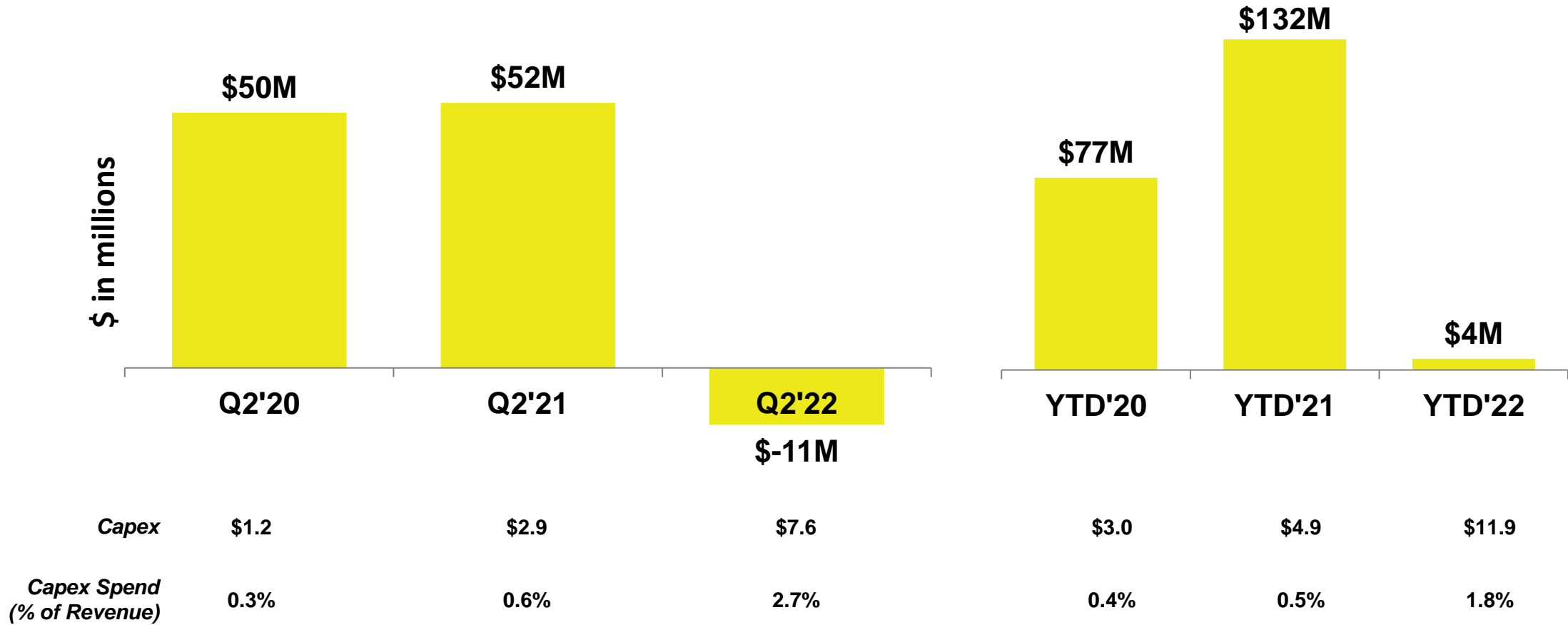
### SEGMENT GROSS MARGIN



Note: 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions of Origin and SCUF in 2019.



# ADJUSTED EBITDA



Note: CAPEX YTD'22 includes \$5.4 million spend on new leased headquarters in Milpitas California



# FINANCIAL GUIDANCE FY2022 <sup>(1)</sup>

Financial Metrics	2022 Guidance
Net Revenues	\$1.35-1.45 billion
Adjusted Operating Income	\$35-50 million
Adjusted EBITDA	\$50-65 million

(1) Given the number of risk factors, uncertainties and assumptions, many of which are discussed in slide 2, actual results may differ materially. We do not intend to update our financial outlook until our next quarterly results announcement. Estimates should not be viewed as a substitute for our full annual financial statement and are not necessarily indicative of the results to be expected for any future period. Certain non-GAAP measures included in our financial outlook were not reconciled to the comparable GAAP financial measures because the GAAP measures are not accessible on a forward-looking basis. We are unable to reconcile these forward-looking into non-GAAP measures to the most directly comparable GAAP measures without unreasonable effort because we are currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact GAAP measures for this period but would not impact the non-GAAP measures. Such items may include stock-based compensation charges, public offering related charges, depreciation and amortization, and other items. The unavailable information could have a significant impact on our GAAP financial results.



# ESG 2022 Scoreboard

	<u>January 1</u>	<u>March 31</u>	<u>June 30</u>	<u>12 month*</u>
 Environmental	10	8	7	5
 Social	10	9	6	5
 Governance	10	10	9	8

- Hired a small dedicated team to focus on ESG reporting and improvements. The team has quickly moved the company from the last decile to the 5<sup>th</sup> decile in the Electronic Devices & Appliances industry, by disclosing what Corsair was already doing and by publishing our current policies.
- ESG Phase 1, Q1-Q2: Update/Introduce ESG Public Documents to reflect current Corsair policies
- ESG Phase 2, Q3-Q4: Utilize new data and metrics from facilities & suppliers to further improve our ratings
- ESG Phase 2.5, Late Q3 to Early Q4: 1<sup>st</sup> Annual Sustainability Report

Ratings by ISS (Institutional Shareholder Services) ESG arm. Scoring from 10-1, the lower scores the better.

\*Target in 12 months

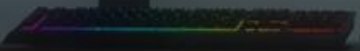


THANK YOU





# APPENDIX







# HOW DOES iCUE HELP US WIN?

iCUE amplifies the value of our product. Hardware alone is not enough – both performance and personalization are the hallmark of a winning product family

We believe that when enthusiasts and gamers use our iCUE ecosystem it encourages them to purchase more of our products

Our internal data shows that 35% of iCUE gaming component users later purchase one or more Corsair peripherals





# STREAM DECK – THE CORE OF YOUR CREATIVE WORKFLOW

Stream Deck ties together the Elgato product ecosystem, enabling powerful control of audio, video, lighting and more

Software Development Kit released in 2019 allows third party developers to integrate their products and services natively with Stream Deck

New communities and companies continue to discover Stream Deck organically





# CORSAIR WILL CONTINUE TO DEVELOP TECHNOLOGY THAT ALLOWS GAMERS TO BE AT THEIR BEST

- Our focus is on PC enthusiasts and competitive gamers
- As people spend more time gaming, we believe that creating a competitive advantage will be increasingly important

