
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 3, 2021

CORSAIR GAMING, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39533
(Commission File Number)

82-2335306
(IRS Employer
Identification Number)

47100 Bayside Pkwy
Fremont, California 94538

(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: (510) 657-8747

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	CRSR	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On August 3, 2021, Corsair Gaming, Inc. (“Corsair” or the “Company”) issued a press release announcing certain of its financial results for the quarter ended June 30, 2021. The full text of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. Attached hereto as Exhibit 99.2 is a presentation regarding the Company’s fiscal quarter ended June 30, 2021.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated August 3, 2021
99.2	Investor Presentation dated August 3, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

The information in this Current Report on Form 8-K and the Exhibit 99.1 and Exhibit 99.2 attached hereto shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by Corsair Gaming, Inc., whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CORSAIR GAMING, INC.

Date: August 3, 2021

By: _____ /s/ Michael G. Potter
Michael G. Potter
Chief Financial Officer
(Principal Financial Officer)



Corsair Gaming Reports Second Quarter 2021 Financial Results

Reports Record Second Quarter Revenue and Profit

FREMONT, CA, August 3, 2021 – [Corsair Gaming, Inc.](#) (NASDAQ:CRSR) (“Corsair”), a leading global provider and innovator of high-performance gear for gamers and content creators, today announced financial results for the second quarter ended June 30, 2021.

Second Quarter 2021 Highlights

- Net revenue was \$472.9 million, an increase of 24.3% year-over-year. Gamer and creator peripherals segment net revenue was \$155.2 million, an increase of 40.9% year-over-year. Gaming components and systems segment net revenue was \$317.7 million, an increase of 17.6% year-over-year.
- Gross profit was \$130.4 million, an increase of 24.1% year-over-year, with gross margin of 27.6%, flat year-over-year. Gamer and creator peripherals segment gross profit was \$54.6 million, an increase of 41.0% year-over-year. Gaming components and systems segment gross profit was \$75.7 million, an increase of 14.2% year-over-year.
- Operating income was \$34.7 million, a decrease of 4.7% year-over-year.
- Adjusted operating income was \$49.3 million, an increase of 3.9% year-over-year.
- Net income was \$27.7 million, or \$0.28 per diluted share, compared to net income of \$22.6 million in the same period last year, or \$0.26 per diluted share.
- Adjusted net income was \$35.7 million, or \$0.36 per diluted share, compared to adjusted net income of \$32.3 million in the same period last year, or \$0.37 per diluted share.
- Adjusted EBITDA was \$51.6 million, an increase of 4.0% year-over-year, with adjusted EBITDA margin of 10.9%, a decrease of 210 basis points year-over-year.
- As of June 30, 2021, we had cash and restricted cash of \$138.6 million, \$48.6 million capacity under our revolving credit facility and total long-term debt of \$270.0 million.
- Cash flows from operations was \$31.6 million, which decreased from \$73.6 million in the same period last year.

Definitions of the non-GAAP financial measures used in this press release and reconciliations of such measures to their nearest GAAP equivalents are included below under the heading “Use and Reconciliation of Non-GAAP Financial Measures.”

“I am pleased with our performance in the second quarter, where we delivered year-over-year revenue growth of 24%. Our results highlight the strength of the underlying fundamentals of our business, as gamers continue to purchase and upgrade their gear, even as entertainment outside of the home and travel began to open back up. We experienced growth in every category despite key components shortages, such as graphics cards for enthusiasts to build gaming PCs, logistics issues and port delays,” stated Andy Paul, Chief Executive Officer of Corsair.

“The mid-point of our full-year outlook calls for run-rate revenue of \$2 billion compared to our pre-IPO revenue of \$1.1 billion in 2019 which shows our strong improvement since then. We are investing in

R&D, marketing and infrastructure as we remain focused on expanding our resources. As an example, we are extremely excited by the recent launch our first camera, which has received an overwhelmingly positive response from the creator community. We have launched over 75 new products so far this year, which is an astounding pace of innovation,” concluded Andy Paul, Chief Executive Officer of Corsair.

“We utilized our increased cash flow to repay an additional \$25 million in debt during the second quarter, and we remain focused on further optimizing our capital structure and exploring options to reduce the carrying cost of our debt. During the second quarter, we experienced higher than expected costs for logistics, and we expect logistics costs to remain elevated in the third quarter. Shutdowns from the ongoing pandemic in several large regions we operate in also negatively impacted our operations. We are also continuing to invest in future growth to maintain our high new product launch rate,” said Michael G. Potter, Chief Financial Officer of Corsair.

Financial Outlook

For the full year 2021 our outlook remains unchanged from Q1 2021 at:

- Net revenue to be in the range of \$1.9 billion to \$2.1 billion.
- Adjusted operating income to be in the range of \$235 million to \$255 million.
- Adjusted EBITDA to be in the range of \$245 million to \$265 million.

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 non-GAAP financial measures to the most directly comparable GAAP measures without unreasonable efforts 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 these periods but would not impact the non-GAAP measures. Such items may include stock-based compensation charges, public offering related charges, depreciation charges and amortization, and other items. The unavailable information could have a significant impact on our GAAP financial results.

The foregoing forward-looking statements reflect our expectations as of today’s date. Given the number of risk factors, uncertainties and assumptions discussed below, actual results may differ materially. We do not intend to update our financial outlook until our next quarterly results announcement.

Please see “Use and Reconciliation of Non-GAAP Financial Measures” below for a discussion on how we calculate the non-GAAP measures presented herein and a reconciliation to the most directly comparable GAAP measure.

Recent Developments

- On July 15, 2021, Corsair under its Elgato brand announced the Facecam, a new premium webcam, alongside three more new products for content creators, including the Wave XLR, which is an XLR to USB Type-C microphone interface and digital audio mixer, and Wave Mic Arm and Wave Mic Arm LP, two fully adjustable boom arms for optimal desktop microphone positioning. Facecam features a high quality multi-layer glass lens and Sony sensor plus software to adjust
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contrast, white balance and exposure. Facecam outputs true Full HD at 1080p60fps without artifacts thanks to an advanced image engine that outputs uncompressed video.

- On June 29, 2021, Corsair announced a new series of full-tower ATX cases: the Corsair 7000D AIRFLOW and the Corsair iCUE 7000X RGB. With the launch of the 7000 Series, ORIGIN PC is adding the 7000D AIRFLOW and 7000X RGB cases to its award-winning line of GENESIS custom PCs. Boasting some of the highest-end hardware, from Intel Core™ i9 and AMD Ryzen™ CPUs to NVIDIA® GeForce RTX™ 30-Series graphics, ORIGIN PC's GENESIS line of desktops combines superpowered specs with maximum customization.
- On May 13, 2021, Corsair announced the launch of its flagship VIRTUOSO family of premium gaming headsets: the VIRTUOSO RGB Wireless XT. Connecting via hyper-fast SLIPSTREAM WIRELESS and Bluetooth® for simultaneous dual-wireless connections, in addition to high-fidelity USB and universal 3.5mm wired connection options, the VIRTUOSO RGB Wireless XT combines exquisite sound quality, comfort, and versatility.
- On May 6, 2021, Corsair announced the launch of its 5000D RGB Hydro X Edition and 5000X RGB Signature Series Mid-tower cases. Whether PC enthusiasts choose the 5000D RGB Hydro X Edition with the brand-new XD7 RGB distribution plate system or the attention-grabbing designs of the 5000X RGB SIGNATURE SERIES, there are now more options to make the Corsair 5000 Series the starting point for a standout PC.

Conference Call and Webcast Information

We will host a conference call to discuss the second quarter 2021 financial results on August 3, 2021, at 5:30 a.m. PT. The conference call can be accessed live over the phone by dialing 1-855-327-6838, or for international callers 1-604-235-2082. A replay will be available from 8:30 a.m. PT on August 3, 2021 through August 10, 2021, by dialing 1-844-512-2921, or for international callers 1-412-317-6671. The replay passcode is 10015620.

The call will also be webcast live from our investor relations website at <https://ir.corsair.com>. Following completion of the call, a recorded replay of the webcast will be available on the website.

About Corsair Gaming, Inc.

Corsair Gaming, Inc. (NASDAQ:CRSR) is a leading global developer and manufacturer of high-performance gear and technology for gamers, content creators, and PC enthusiasts. From award-winning PC components and peripherals to premium streaming equipment and smart ambient lighting, Corsair delivers a full ecosystem of products that work together to enable everyone, from casual gamers to committed professionals, to perform at their very best.

Corsair also sells gear under our Elgato brand, which provides premium studio equipment and accessories for content creators, SCUF Gaming brand, which builds custom-designed controllers for competitive gamers, and ORIGIN PC brand, a builder of custom gaming and workstation desktop PCs and laptops.

Forward Looking Statements

Except for the historical information contained herein, the matters set forth in this press release are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, our estimated full year 2021 net revenue, adjusted operating income and adjusted EBITDA; the strength of our underlying fundamentals; ; and whether we will be able to optimize our capital structure, reduce the carrying cost of debt and continue

to reduce our existing debt. Forward-looking statements are based on our management's beliefs, as well as assumptions made by, and information currently available to them. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. Factors which may cause actual results to differ materially from current expectations include, but are not limited to: the impact the COVID-19 pandemic will have on demand for our products as well as its impact on our operations and the operations of our manufacturers, retailers and other partners, and its impact on the economy overall, including capital markets; our ability to build and maintain the strength of our brand among gaming and streaming enthusiasts and our ability to continuously develop and successfully market new gear and improvements; 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; the risk that we are 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 our or third-parties' manufacturing and distribution facilities; currency exchange rate fluctuations or international trade disputes resulting in our gear becoming relatively more expensive to our overseas customers or resulting in an increase in our manufacturing costs; the impact of the coronavirus on our business; general economic conditions that adversely effect, among other things, consumer confidence and spending; and the other factors described under the heading "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 to be filed with the Securities and Exchange Commission (SEC) on or about the date hereof and our subsequent filings with the SEC. Copies of each filing may be obtained from us or the SEC. All forward-looking statements reflect our beliefs and assumptions only as of the date of this press release. We undertake no obligation to update forward-looking statements to reflect future events or circumstances. Our results for the quarter ended June 30, 2021 are not necessarily indicative of our operating results for any future periods.

Use and Reconciliation of Non-GAAP Financial Measures

To supplement the financial results presented in accordance with GAAP, this earnings release presents certain non-GAAP financial information, including Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share. These are important financial performance measures for us, but are not financial measures as defined by GAAP. The presentation of this non-GAAP financial information is not intended to be considered in isolation of or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We use Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share to evaluate our operating performance and trends and make planning decisions. We believe that these non-GAAP measures help identify underlying trends in our business that could otherwise be masked by the effect of the expenses and other items that we exclude in such non-GAAP measures. Accordingly, we believe that Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects, and allowing for greater transparency with respect to the key financial metrics used by our management in our financial and operational decision-making. We also present these non-GAAP financial performance measures because we believe investors, analysts and rating agencies consider them useful in measuring our ability to meet our debt service obligations.

Our use of these terms may vary from that of others in our industry. These non-GAAP financial measures should not be considered as an alternative to revenues, operating income, net income, cash provided by

operating activities, or any other measures derived in accordance with GAAP as measures of operating performance or liquidity. Reconciliations of these measures to the most directly comparable GAAP financial measures are presented in the attached schedules.

We calculate these non-GAAP financial measures as follows:

- Adjusted operating income, non-GAAP, is determined by adding back to GAAP operating income the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisition, non-cash inventory impairment, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, non-deferred costs associated with the IPO, secondary offering costs, and debt modification costs.
- Adjusted net income, non-GAAP, is determined by adding back to GAAP net income the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisition, non-cash inventory impairment, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, non-deferred costs associated with the IPO, secondary offering costs, debt modification costs, loss on extinguishment of debt, and the related tax effects of each of these adjustments.
- Adjusted net income per diluted share, non-GAAP, is determined by dividing adjusted net income, non-GAAP by the respective weighted average shares outstanding, inclusive of the impact of other dilutive securities.
- Adjusted EBITDA is determined by adding back to GAAP net income the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisition, non-cash inventory impairment, stock-based compensation, certain acquisition-related and integration-related expenses, non-deferred costs associated with the IPO, secondary offering costs, debt modification costs, intangible asset amortization, depreciation and amortization, interest expense (including loss on extinguishment of debt) and tax expense.
- Adjusted EBITDA margin is determined by dividing adjusted EBITDA by net revenue for the respective periods.

We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view these non-GAAP financial measures in conjunction with the related GAAP financial measures.

Source: Corsair Gaming, Inc.

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Corsair Gaming, Inc.
Condensed Combined Consolidated Statements of Operations
(Unaudited, in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net revenue	\$ 472,903	\$ 380,407	\$ 1,002,317	\$ 688,925
Cost of revenue	342,552	275,343	711,638	505,239
Gross profit	130,351	105,064	290,679	183,686
Operating expenses:				
Sales, general and administrative	80,169	56,827	158,022	110,556
Product development	15,469	11,827	30,655	23,383
Total operating expenses	95,638	68,654	188,677	133,939
Operating income	34,713	36,410	102,002	49,747
Other (expense) income:				
Interest expense	(4,508)	(9,572)	(9,454)	(18,946)
Other (expense) income, net	(175)	11	(2,600)	(52)
Total other expense, net	(4,683)	(9,561)	(12,054)	(18,998)
Income before income taxes	30,030	26,849	89,948	30,749
Income tax expense	(2,285)	(4,249)	(15,480)	(6,932)
Net income	\$ 27,745	\$ 22,600	\$ 74,468	\$ 23,817
Net income per share:				
Basic	\$ 0.30	\$ 0.27	\$ 0.81	\$ 0.28
Diluted	\$ 0.28	\$ 0.26	\$ 0.74	\$ 0.28
Weighted-average shares used to compute net income per share				
Basic	92,792	84,098	92,374	84,089
Diluted	100,074	86,333	100,145	86,201

Corsair Gaming, Inc.
Segment Information
(Unaudited, in thousands, except percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net revenue:				
Gamer and Creator Peripherals	\$ 155,157	\$ 110,115	\$ 331,069	\$ 185,976
Gaming Components and Systems	317,746	270,292	671,248	502,949
Total Net Revenue	<u>\$ 472,903</u>	<u>\$ 380,407</u>	<u>\$ 1,002,317</u>	<u>\$ 688,925</u>
Gross Profit:				
Gamer and Creator Peripherals	\$ 54,634	\$ 38,743	123,500	\$ 60,876
Gaming Components and Systems	75,717	66,321	167,179	122,810
Total Gross Profit	<u>\$ 130,351</u>	<u>\$ 105,064</u>	<u>\$ 290,679</u>	<u>\$ 183,686</u>
Gross Margin:				
Gamer and Creator Peripherals	35.2%	35.2%	37.3%	32.7%
Gaming Components and Systems	23.8%	24.5%	24.9%	24.4%
Total Gross Margin	27.6%	27.6%	29.0%	26.7%

Corsair Gaming, Inc.
Condensed Combined Consolidated Balance Sheets
(Unaudited, in thousands)

	June 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash and restricted cash	\$ 138,320	\$ 133,338
Accounts receivable, net	258,789	293,629
Inventories	273,399	226,007
Prepaid expenses and other current assets	61,465	37,997
Total current assets	731,973	690,971
Property and equipment, net	16,034	16,475
Goodwill	314,205	312,760
Intangible assets, net	243,711	259,317
Restricted cash, noncurrent	231	230
Other assets	72,250	34,362
TOTAL ASSETS	\$ 1,378,404	\$ 1,314,115
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 261,656	\$ 299,636
Other liabilities and accrued expenses	232,373	205,745
Total current liabilities	494,029	505,381
Debt, net	270,013	321,393
Deferred tax liabilities	30,983	29,752
Other liabilities, noncurrent	53,693	20,199
TOTAL LIABILITIES	848,718	876,725
Stockholders' Equity:		
Common stock and additional paid-in capital	456,019	438,676
Retained earnings (accumulated deficit)	71,655	(2,813)
Accumulated other comprehensive income	2,012	1,527
Total Stockholders' Equity	529,686	437,390
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,378,404	\$ 1,314,115

Corsair Gaming, Inc.
Condensed Combined Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Cash flows from operating activities:				
Net income	\$ 27,745	\$ 22,600	\$ 74,468	\$ 23,817
Adjustments to reconcile net income to net cash provided by operating activities:				
Stock-based compensation	4,768	1,550	7,844	2,655
Depreciation	2,502	2,206	4,938	4,364
Amortization of intangible assets	8,712	8,392	17,414	16,839
Debt issuance costs amortization	515	703	1,052	1,282
Loss on debt extinguishment	358	392	797	392
Deferred income taxes	(2,183)	(1,537)	(5,188)	(1,531)
Other	(250)	236	1,066	738
Changes in operating assets and liabilities:				
Accounts receivable	45,924	(55,723)	32,508	(18,291)
Inventories	(45,387)	926	(58,895)	1,071
Prepaid expenses and other assets	(5,226)	(1,149)	(9,645)	5,163
Accounts payable	(10,674)	58,761	(37,662)	15,228
Other liabilities and accrued expenses	4,825	36,251	30,700	23,881
Net cash provided by operating activities	<u>31,629</u>	<u>73,608</u>	<u>59,397</u>	<u>75,608</u>
Cash flows from investing activities:				
Acquisition of business, net of cash acquired	—	—	(1,684)	—
Payment of deferred and contingent consideration	—	—	(4,353)	—
Purchase of property and equipment	(2,858)	(1,159)	(4,894)	(3,006)
Net cash used in investing activities	<u>(2,858)</u>	<u>(1,159)</u>	<u>(10,931)</u>	<u>(3,006)</u>
Cash flows from financing activities:				
Repayment of debt	(25,000)	(12,626)	(53,000)	(13,820)
Payment of other offering costs	—	(154)	—	(269)
Proceeds from issuance of shares through employee equity incentive plans	9,281	965	9,466	965
Payment of taxes related to net share settlement of equity awards	(7)	—	(7)	—
Net cash used in financing activities	<u>(15,726)</u>	<u>(11,815)</u>	<u>(43,541)</u>	<u>(13,124)</u>
Effect of exchange rate changes on cash	(76)	198	58	(110)
Net increase in cash and restricted cash	12,969	60,832	4,983	59,368
Cash and restricted cash at the beginning of the period	125,582	50,483	133,568	51,947
Cash and restricted cash at the end of the period	<u>\$ 138,551</u>	<u>\$ 111,315</u>	<u>\$ 138,551</u>	<u>\$ 111,315</u>

Corsair Gaming, Inc.
GAAP to Non-GAAP Reconciliations

Non-GAAP Operating Income Reconciliations

(Unaudited, in thousands, except percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Operating Income - GAAP	\$ 34,713	\$ 36,410	\$ 102,002	\$ 49,747
Acquisition accounting impact related to recognizing acquired inventory at fair value	—	(27)	—	394
Change in fair value of contingent consideration for business acquisition	21	—	93	—
Non-cash inventory impairment	518	—	518	—
Stock-based compensation	4,768	1,550	7,844	2,655
Intangible asset amortization	8,712	8,392	17,414	16,839
Acquisition-related and integration-related costs	538	774	746	1,750
Non-deferred IPO and secondary offering costs	—	316	1,031	754
Debt modification costs	—	—	—	288
Adjusted Operating Income - Non-GAAP	<u>\$ 49,270</u>	<u>\$ 47,415</u>	<u>\$ 129,648</u>	<u>\$ 72,427</u>
As a % of net revenue - GAAP	7.3%	9.6%	10.2%	7.2%
As a % of net revenue - Non-GAAP	10.4%	12.5%	12.9%	10.5%

Non-GAAP Net Income and Net Income Per Share Reconciliations

(Unaudited, in thousands, except per share amounts and percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 27,745	\$ 22,600	\$ 74,468	\$ 23,817
Acquisition accounting impact related to recognizing acquired inventory at fair value	—	(27)	—	394
Change in fair value of contingent consideration for business acquisition	21	—	93	—
Non-cash inventory impairment	518	—	518	—
Stock-based compensation	4,768	1,550	7,844	2,655
Intangible asset amortization	8,712	8,392	17,414	16,839
Acquisition-related and integration-related costs	538	774	746	1,750
Non-deferred IPO and secondary offering costs	—	316	1,031	754
Debt modification costs	—	—	—	288
Loss on debt extinguishment	358	392	797	392
Non-GAAP income tax adjustment	(6,970)	(1,717)	(9,059)	(3,432)
Adjusted Net Income - Non-GAAP	<u>\$ 35,690</u>	<u>\$ 32,280</u>	<u>\$ 93,852</u>	<u>\$ 43,457</u>
Diluted Net income per share:				
GAAP	\$ 0.28	\$ 0.26	\$ 0.74	\$ 0.28
Adjusted, Non-GAAP	\$ 0.36	\$ 0.37	\$ 0.94	\$ 0.50
Shares used to compute diluted net income per share:				
GAAP	100,074	86,333	100,145	86,201
Adjusted, Non-GAAP	100,074	86,333	100,145	86,201

Corsair Gaming, Inc.
Adjusted EBITDA Reconciliations
(Unaudited, in thousands, except percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 27,745	\$ 22,600	\$ 74,468	\$ 23,817
Acquisition accounting impact related to recognizing acquired inventory at fair value	—	(27)	—	394
Change in fair value of contingent consideration for business acquisition	21	—	93	—
Non-cash inventory impairment	518	—	518	—
Stock-based compensation	4,768	1,550	7,844	2,655
Acquisition-related and integration-related costs	538	774	746	1,750
Non-deferred IPO and secondary offering costs	—	316	1,031	754
Debt modification costs	—	—	—	288
Intangible asset amortization	8,712	8,392	17,414	16,839
Depreciation	2,502	2,206	4,938	4,364
Interest expense (includes loss on debt extinguishment)	4,508	9,575	9,454	18,946
Tax expense	2,285	4,249	15,480	6,932
Adjusted EBITDA - Non-GAAP	\$ 51,597	\$ 49,635	\$ 131,986	\$ 76,739
<i>Adjusted EBITDA margin - Non-GAAP</i>	<i>10.9%</i>	<i>13.0%</i>	<i>13.2%</i>	<i>11.1%</i>



Q2 FISCAL YEAR 2021 FINANCIAL RESULTS

August 3rd, 2021



DISCLAIMER

Forward Looking Statements

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, 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, 2021 (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>.

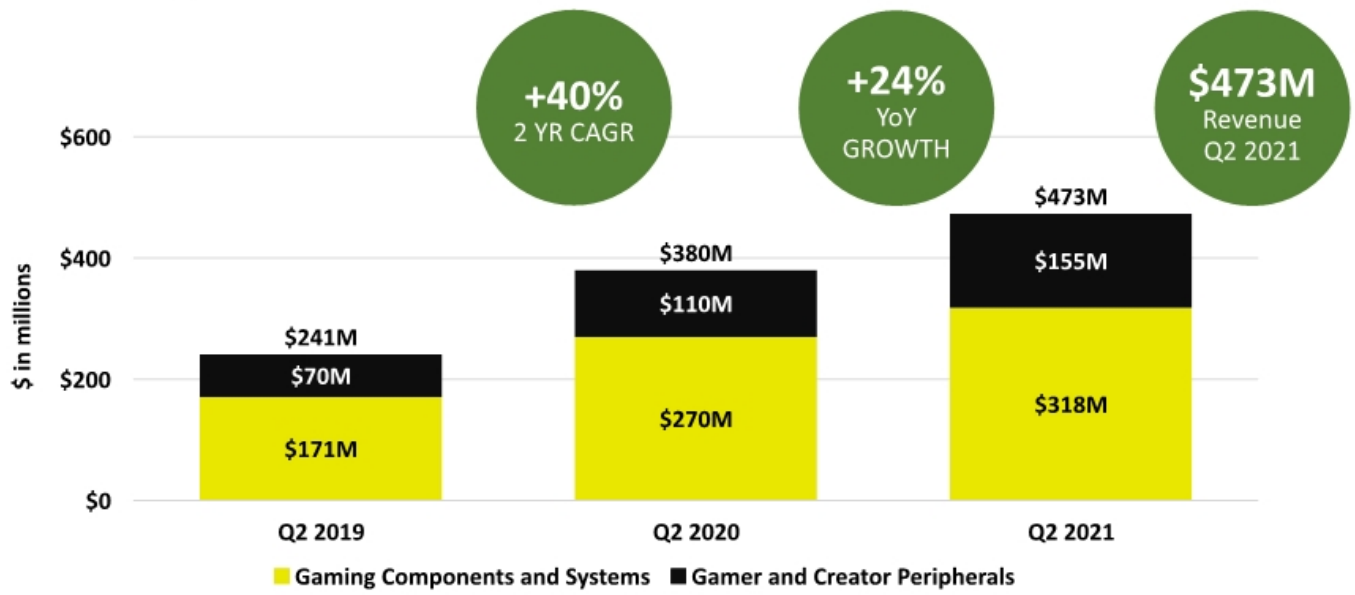
Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, such as adjusted EBITDA, 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.

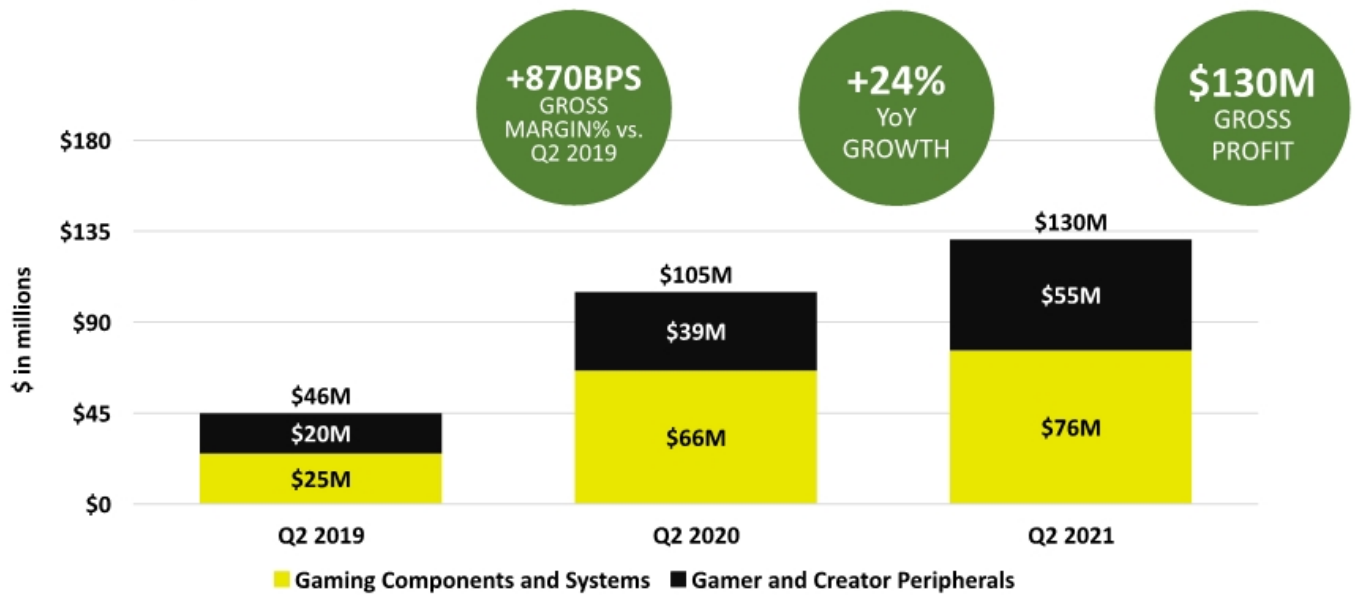
Market & Industry Data

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. Unless otherwise specified, all figures are as of March 31, 2021.

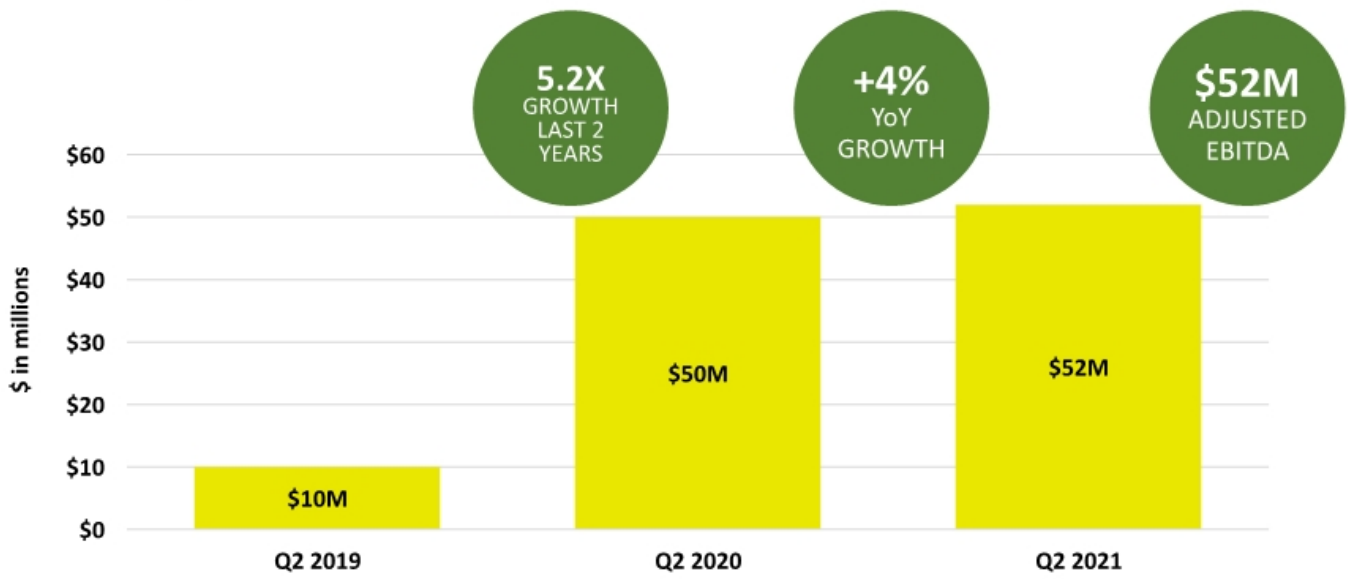
2021 Q2 REVENUE: \$473M



2021 Q2 GROSS PROFIT: ALMOST TRIPLE 2019 Q2



2021 Q2 ADJUSTED EBITDA



Note: See appendix on non-GAAP reconciliations.

Q2 PRODUCT HIGHLIGHTS



FACECAM

Elgato Facecam is an enthusiast webcam for content creators and streamers, engineered to make you look amazing.

Fusing pro-camera technology with plug-and-play convenience, **Facecam** offers a huge step up in quality over traditional webcams, with powerful software control integrated into the **Elgato Ecosystem**.

The **Elgato Prime Lens**, a state-of-the-art Sony STARVIS sensor and uncompressed 1080p 60fps video combine to provide incredible image quality, without the fuss, elevating your content whether your audience is thousands or 1-on-1.



Premium design and tons of advanced imaging features that ensure you look good.

– Digital Trends

The Elgato Facecam is a strong debut webcam that focuses on streamers who want the cleanest, most lag-free picture.”

– PC Gamer

ELGATO XLR DOCK



The **Elgato Wave XLR** brings the benefits of an **Elgato** mic to content creators' existing XLR microphones. Proprietary Clipguard technology, a capacitive mute and powerful Wave Link audio mixing software give your existing mic a major boost.

The intuitive software custom-built for content creators, **Wave Link XLR** ensures perfect audio quality and total control for your Twitch stream, YouTube video or podcast.

Elgato Stream Deck works seamlessly with **Wave Link XLR** to give you complete studio control and create multi actions to adjust audio, lighting and camera settings simultaneously — all with a single tap.

CHAMPION SERIES PERIPHERALS

We partnered with professional eSport players to develop a tournament ready keyboard and mice Champion series, emphasis on lightweight, compact, durability, and high throughput powered by **Corsair AXON** technology.



The K70RGB TKL Comes with additional features I have not seen on other keyboards before. I can swap from my custom macros and lighting to a no-distraction tournament mode that comes within seconds. That is really convenient"

-Tabsen, Big Clan

"I really like the lightweight and the shape of the Sabre RGB Pro. It helps with fast reactions that require high precision"

-Tizian, Big Clan

Big Clan, home to world class players in CS:Go, League of Legends, Starcraft and many other leading games

VIRTUOSO RGB XT

The flagship of the **CORSAIR** gaming headset line, the **VIRTUOSO RGB XT** offers an incredible sound and impeccable clarity, with even more ways to connect to your media.

Listen via **CORSAIR SLIPSTREAM** Wireless, with up to 60ft of wireless range, Bluetooth, USB or 3.5mm, for a single high-end headset that's able to connect to all your gaming devices.

Plush memory foam earpads, a lightweight headband and aluminum construction, ensure a premium gaming audio experience, for all-day comfort.

"The constant Bluetooth connection is a major upgrade and the improvements to comfort make them a very reasonable all-day wear. For music, the Virtuosos are one of the best gaming headsets I've heard yet."

– IGN



4000, 5000 and introducing the 7000

With the launch of the **7000** Series, we continue to refresh our industry leading line-up of enthusiasts PC chassis.

The **4000** Series, launched in September 2020, is now the bestselling enthusiast chassis in the USA*, with the **5000** Series adding additional features and cooling options, and the **7000** Series a full-tower chassis capable of housing today's most ambitious builds.

This new line-up, offering clearer naming and differentiation for features important to PC builders such as high-airflow design and built-in RGB lighting has made choosing a **CORSAIR** chassis



H170i ELITE CAPELLIX

The **H170i ELITE CAPELLIX** is the largest all-in-one (AIO) liquid cooler **CORSAIR** has shipped to date, boasting a huge 420mm radiator and three 140mm fans.

Able to cool today's most demanding CPUs with ease, the **H170i** allows PC enthusiasts to reduce temperatures and increase clock speeds all while keeping fan noise to a minimum.

Stunning RGB lighting is delivered by 33 ultra-bright, low-power **CORSAIR CAPELLIX RGB LEDs**, alongside and 8 RGB LEDs per-fan for stunning RGB lighting and massive customization.

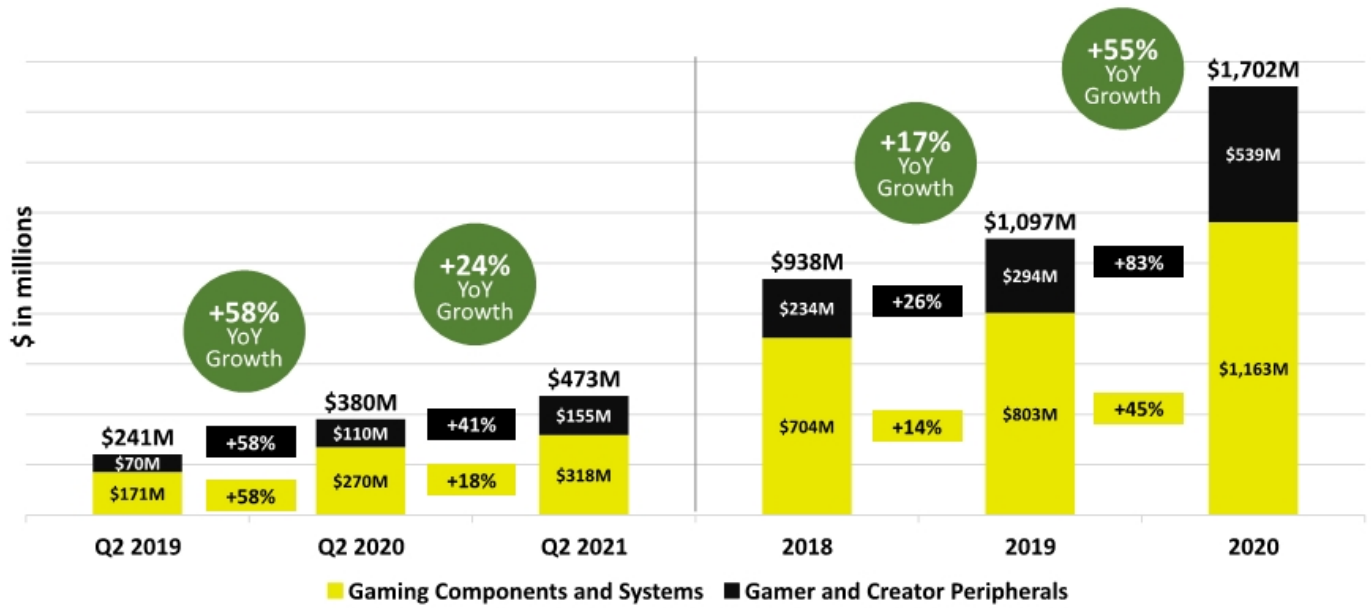




**COMPLETE STREAMING, GAMING AND
CONTENT CREATION ECOSYSTEM**

FINANCIAL RESULTS

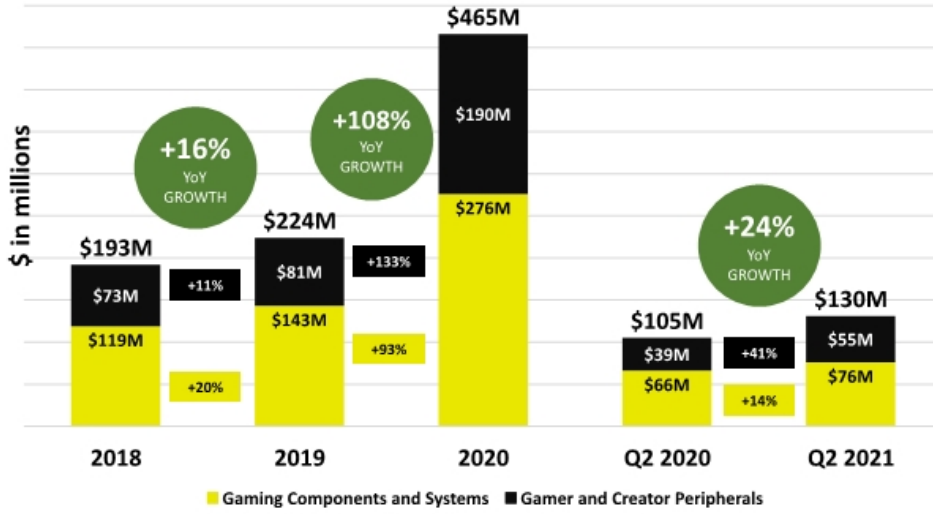
STRONG TOP-LINE GROWTH: REVENUE



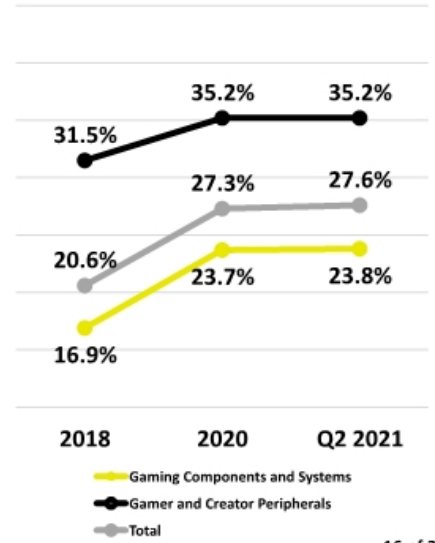
Note: 2018 and 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions of Elgato in 2018 and Origin and SCUF in 2019

GROSS MARGIN DATA BY SEGMENT

SEGMENT GROSS PROFIT

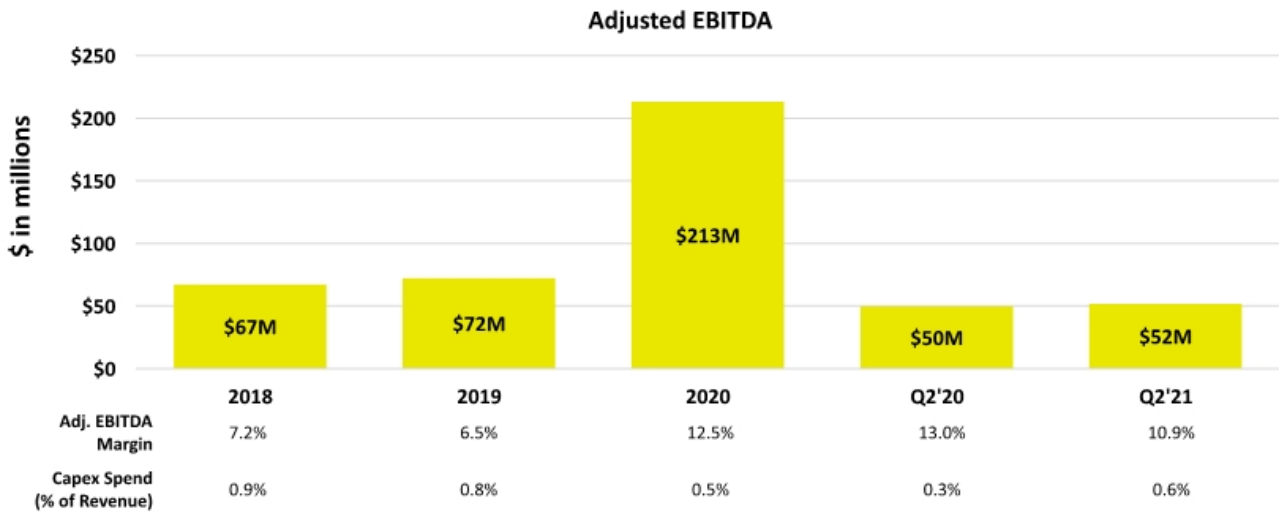


SEGMENT GROSS MARGIN



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

EXPANDING ADJUSTED EBITDA WITH LOW CAPEX



Note: See appendix on non-GAAP reconciliations; 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.

RECORD Q2

Net revenue growth of 24.3% to \$472.9 million and adjusted EBITDA of \$51.6 million.

Margins were negatively impacted by higher than expected logistics costs, including ocean and air freight, as well as pandemic related shutdowns impacting operations. Despite this overall gross margin % remained flat with Q2'21 at 27.6%.

The company continues to invest in R&D and marketing for future growth and new product introductions averaged over 3 per week during the quarter.

Cash flow from operations of \$31.6 million was used to pay off \$25 million of debt.

Note: See appendix on non-GAAP reconciliations

(\$ in millions except EPS and percentages)	Q2'21	Q2'20	Y/Y
Net Revenue	\$472.9	\$380.4	24.3%
Gross Profit	\$130.4	\$105.1	24.1%
Gross Profit Margin	27.6%	27.6%	0 bps
Operating Income	\$34.7	\$36.4	-4.7%
Adjusted Operating Income	\$49.3	\$47.4	3.9%
Net Income	\$27.7	\$22.6	22.8%
Earnings per Share (diluted)	\$0.28	\$0.26	7.7%
Adjusted Net Income	\$35.7	\$32.3	10.6%
Adjusted Earnings per Share (diluted)	\$0.36	\$0.37	-2.7%
Adjusted EBITDA	\$51.6	\$49.6	4.0%

GAMER AND CREATOR PERIPHERALS

Gamer and Creator Peripherals segment net revenue increased by 40.9% led by sales of Elgato branded streaming products, as well as other peripherals including SCUF controllers.

Gamer and Creator Peripherals segment net revenue was almost a third, 32.8% of total net revenue, an increase of 390 basis points over Q2'20.

Gamer and Creator Peripherals segment gross profit up 41.0% to \$54.6 million.

Gamer and Creator Peripherals segment gross margin of 35.2%, flat year over year. Gross margin % was impacted by increased freight costs.

(\$ in millions except percentages)	Q2'21	Q2'20	Y/Y
Net Revenue	\$155.2	\$110.1	40.9%
% of Total Net Revenue	32.8%	28.9%	390 bps
Gross Profit	\$54.6	\$38.7	41.0%
Gross Profit Margin	35.2%	35.2%	0 bps



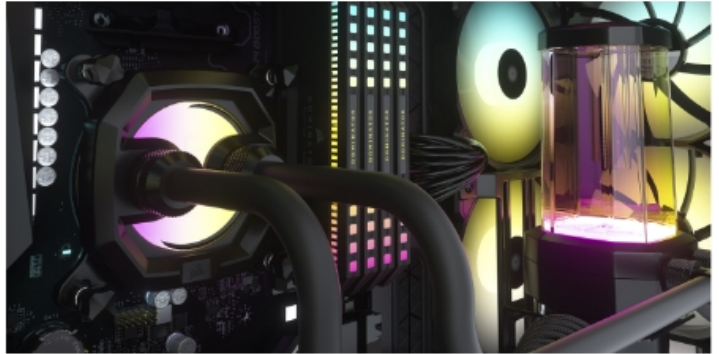
GAMING COMPONENTS AND SYSTEMS

Gaming Components and Systems segment net revenue growth of 17.6%, as more consumers buy and build \$2K+ gaming PCs.

Gaming Components and Systems segment gross profit was \$75.7 million, an increase of 14.2%.

Gaming Components and Systems segment gross margin was 23.8%, a decrease of 70 basis points, due to increased logistic costs as tight container availability drove up ocean freight costs.

(\$ in millions except percentages)	Q2'21	Q2'20	Y/Y
Net Revenue	\$317.7	\$270.3	17.6%
% of Total Net Revenue	67.2%	71.1%	-390 bps
Gross Profit	\$75.7	\$66.3	14.2%
Gross Profit Margin	23.8%	24.5%	-70 bps



FULL-YEAR 2021 GUIDANCE ⁽¹⁾

Financial Metrics	2021 Guidance
Net Revenues	\$1.9-2.1 billion
Adjusted Operating Income	\$235-255 million
Adjusted EBITDA	\$245-265 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.

DEBT SUMMARY

Repaid additional \$25 million of term loan debt during Q2'21, bringing YTD total to \$53 million.

Expect to reduce debt in full-year 2021 by a total of ~\$100 million subject to business conditions and any need for additional growth capital.

(\$ in millions)	June 30, 2021
Cash (excluding restricted cash)	\$134.6
Term Loan (face value)	\$273.9
Total debt	\$273.9
Net debt	\$139.4

APPENDIX



USE OF NON-GAAP FINANCIAL MEASURES

To supplement the financial results presented in accordance with GAAP, this presentation includes certain non-GAAP financial information, including Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share. These are important financial performance measures for us but are not financial measures as defined by GAAP. The presentation of this non-GAAP financial information is not intended to be considered in isolation of or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We use Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share to evaluate our operating performance and trends and make planning decisions. We believe that these non-GAAP measures help identify underlying trends in our business that could otherwise be masked by the effect of the expenses and other items that we exclude in such non-GAAP measures. Accordingly, we believe that Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Per Share provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects, and allowing for greater transparency with respect to the key financial metrics used by our management in our financial and operational decision-making. We also present these non-GAAP financial performance measures because we believe investors, analysts and rating agencies consider them useful in measuring our ability to meet our debt service obligations.

Our use of these terms may vary from that of others in our industry. These non-GAAP financial measures should not be considered as an alternative to revenues, operating income, net income, cash provided by operating activities or any other measures derived in accordance with GAAP as measures of operating performance or liquidity. Reconciliations of these measures to the most directly comparable GAAP financial measures are presented in the appendix.

We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view these non-GAAP financial measures in conjunction with the related GAAP financial measures.

GAAP TO NON-GAAP RECONCILIATIONS

Non-GAAP Operating Income Reconciliations

(Unaudited, in thousands, except percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Operating Income - GAAP	\$ 34,713	\$ 36,410	\$ 102,002	\$ 49,747
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	(27)	-	394
Change in fair value of contingent consideration for business acquisition	21	-	93	-
Non-cash inventory impairment	518	-	518	-
Stock-based compensation	4,768	1,550	7,844	2,655
Intangible asset amortization	8,712	8,392	17,414	16,839
Acquisition-related and integration-related costs	538	774	746	1,750
Non-deferred IPO and secondary offering costs	-	316	1,031	754
Debt modification costs	-	-	-	288
Adjusted Operating Income - Non-GAAP	<u>\$ 49,270</u>	<u>\$ 47,415</u>	<u>\$ 129,648</u>	<u>\$ 72,427</u>
<i>As a % of net revenue - GAAP</i>	7.3%	9.6%	10.2%	7.2%
<i>As a % of net revenue - Non-GAAP</i>	10.4%	12.5%	12.9%	10.5%

GAAP TO NON-GAAP RECONCILIATIONS

Non-GAAP Net Income and Net Income Per Share Reconciliations

(Unaudited, in thousands, except per share amounts and percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 27,745	\$ 22,600	\$ 74,468	\$ 23,817
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	(27)	-	394
Change in fair value of contingent consideration for business acquisition	21	-	93	-
Non-cash inventory impairment	518	-	518	-
Stock-based compensation	4,768	1,550	7,844	2,655
Intangible asset amortization	8,712	8,392	17,414	16,839
Acquisition-related and integration-related costs	538	774	746	1,750
Non-deferred IPO and secondary offering costs	-	316	1,031	754
Debt modification costs	-	-	-	288
Loss on debt extinguishment	358	392	797	392
Non-GAAP income tax adjustment	(6,970)	(1,717)	(9,059)	(3,432)
Adjusted Net Income - Non-GAAP	\$ 35,690	\$ 32,280	\$ 93,852	\$ 43,457
Diluted Net income per share:				
GAAP	\$ 0.28	\$ 0.26	\$ 0.74	\$ 0.28
Adjusted, Non-GAAP	\$ 0.36	\$ 0.37	\$ 0.94	\$ 0.50
Shares used to compute diluted net income per share:				
GAAP	100,074	86,333	100,145	86,201
Adjusted, Non-GAAP	100,074	86,333	100,145	86,201

GAAP TO NON-GAAP RECONCILIATIONS

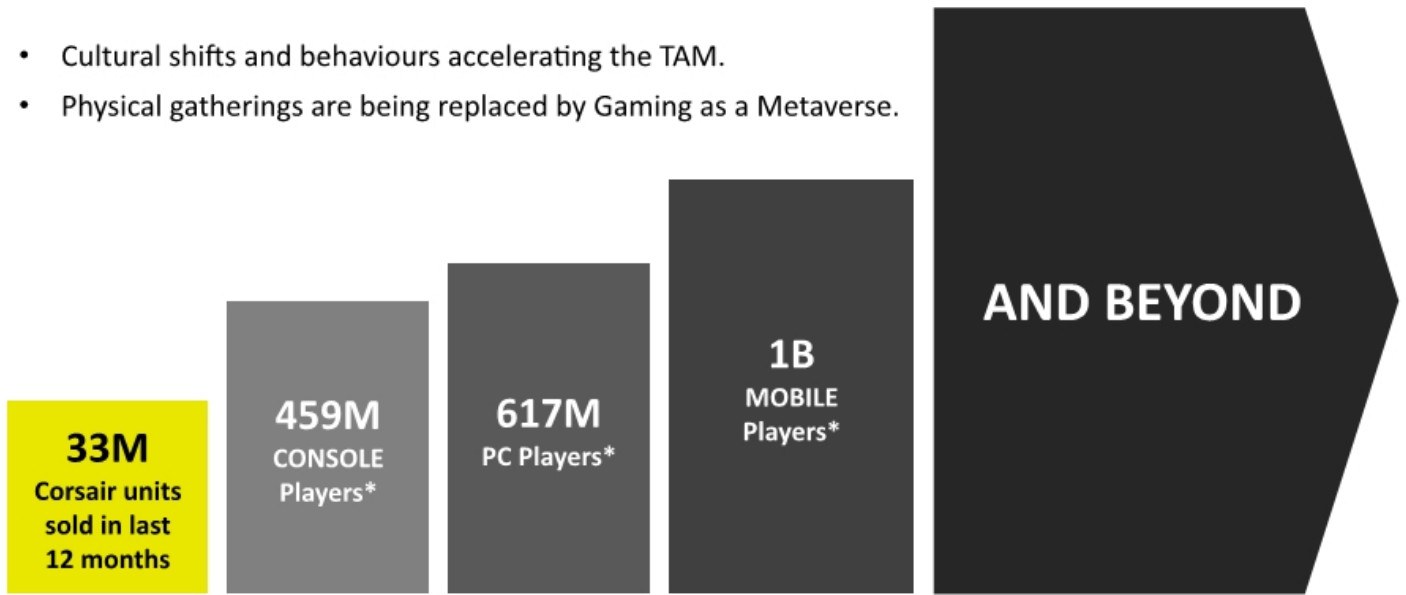
Adjusted EBITDA Reconciliations

(Unaudited, in thousands, except percentages)

	Three Months Ended June 30,			Six Months Ended June 30,	
	2021	2020	2019	2021	2020
Net Income (loss) - GAAP	\$ 27,745	\$ 22,600	\$ (7,432)	\$ 74,468	\$ 23,817
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	(27)	-	-	394
Change in fair value of contingent consideration for business acquisition	21	-	-	93	-
Non-cash inventory impairment	518	-	-	518	-
Stock-based compensation	4,768	1,550	1,077	7,844	2,655
Acquisition-related and integration-related costs	538	774	336	746	1,750
Executive transition costs	-	-	411	-	-
Non-deferred IPO and secondary offering costs	-	316	211	1,031	754
Debt modification costs	-	-	-	-	288
Intangible asset amortization	8,712	8,392	8,069	17,414	16,839
Depreciation	2,502	2,206	1,916	4,938	4,364
Interest expense (includes loss on debt extinguishment)	4,508	9,575	8,939	9,454	18,946
Tax expense (benefit)	2,285	4,249	(3,547)	15,480	6,932
Adjusted EBITDA - Non-GAAP	\$ 51,597	\$ 49,635	\$ 9,980	\$ 131,986	\$ 76,739
<i>Adjusted EBITDA margin - Non-GAAP</i>	10.9%	13.0%	1.0%	13.2%	11.1%

OUR OPPORTUNITY

- Cultural shifts and behaviours accelerating the TAM.
- Physical gatherings are being replaced by Gaming as a Metaverse.



Source: Newzoo. *Represents gamers who have spent money in the last 6 months

28 PRODUCT CATEGORIES. BEST IN CLASS BRANDS



- CORSAIR
- elgato
- ORIGIN
- SCUF GAMING
- Gamer Sensei
- VISUALS BY IMPULSE

Also Available: Ambient Lighting, Green Screen, Gaming Chairs, Gaming Systems, Docks, Coaching and Content



