
**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): May 5, 2022

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 May 5, 2022, Corsair Gaming, Inc. (“Corsair” or the “Company”) issued a press release announcing certain of its financial results for the fiscal quarter ended March 31, 2022. The full text of the press release is furnished pursuant to Item 2.02 as Exhibit 99.1 to this Current Report on Form 8-K. A presentation regarding the Company's fiscal quarter ended March 31, 2022 is furnished pursuant to Item 2.02 as Exhibit 99.2 hereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated May 5, 2022, titled “Corsair Gaming Reports First Quarter 2022 Financial Results”
99.2	Investor Presentation dated May 5, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

The information in this Current Report on Form 8-K and 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 exhibits 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: May 5, 2022

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



Corsair Gaming Reports First Quarter 2022 Financial Results

FREMONT, CA, May 5, 2022 – [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 quarter ended March 31, 2022.

First Quarter 2022 Highlights

- Net revenue was \$380.7 million, in line with the Company’s preliminary revenue provided on April 21, 2022. This represents an increase of 23.4% compared to the pre-pandemic first quarter of 2020, and a decrease of 28.1% compared to the first quarter of 2021, which included stimulus checks and pent-up demand.
- Gamer and creator peripherals segment revenue was \$134.1 million, an increase of 76.8% compared to the pre-pandemic first quarter of 2020, and a decrease of 23.7% compared to the first quarter of 2021.
- GAAP operating income declined 103.7% to a loss of \$2.5 million compared to \$67.3 million in the first quarter of 2021. Adjusted operating income declined 83.4% to \$13.3 million compared to \$80.4 million in the first quarter of 2021.
- Adjusted EBITDA was \$15.4 million, compared to \$80.4 million in the first quarter of 2021.
- GAAP net loss per diluted share was \$0.05 compared to \$0.47 GAAP net income per diluted share in the first quarter of 2021. Adjusted net income per diluted share was \$0.09 compared to \$0.58 in the first quarter of 2021.

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.”

Andy Paul, Chief Executive Officer of Corsair, stated, “While we faced headwinds in Q1, with inflation, the continued Russia and Ukraine conflict, and high freight costs, we continue to see positive underlying growth trends in the gaming hardware sector. During Q1, GPU cards, which are the most expensive item in a gaming PC, were still at a high premium, roughly 150% of MSRP, and even with this premium we saw gaming PC build activity slightly higher than pre-pandemic and pre-GPU shortage levels. Our components segment grew by 6% in Q1 2022 compared with Q1 2020, the last Q1 before the pandemic and shelter at home. The surge of activity that we saw during the shelter at home period does not appear to have caused a pull forward in builds, more so an entrance of new gamers building for the first time. We expect that GPU cards will be back to MSRP in the near term, perhaps discounted below MSRP. We expect that with GPU and CPU products becoming available and reasonably priced, we will see a surge of self-built gaming PC activity in 2H22 and 2023. We see a similar positive trend with Peripherals. While the market appears to be generally down some 15% to 25%, compared to last year’s peak, it is still substantially above pre-pandemic levels. We grew 77% from Q1 2020 to Q1 2022, and as we outlined in our investor day presentations, we think that the peripheral market will continue to drive 20% to 25% annual growth. We also believe that with our expanding iCUE control software, and innovative new products pipeline, we will continue to take market share. Our latest market share data for Q1 from the United States and Europe,

shows that we are in the #1 position in every major category of component that we offer that are used to build gaming PCs, and substantially ahead of our nearest competitors.”

Michael G. Potter, Chief Financial Officer of Corsair, said, “We expect that Q1 2022 was the peak of pandemic-related high freight cost and promotional headwinds, and that gross margins will improve in the second half of the year. We ended the quarter in a strong liquidity position with our entire revolver undrawn, leaving us in position to continue to pursue growth opportunities and to continue to invest in product development. We continue to be active in pursuing growth investments with iDisplay being the most recent example.”

Financial Outlook

For the full year 2022, we currently expect:

- Net revenue to be in the range of \$1.6 billion to \$1.8 billion.
- Adjusted operating income to be in the range of \$100 million to \$120 million.
- Adjusted EBITDA to be in the range of \$110 million to \$130 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, depreciation 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.

Recent Developments

- Elgato announced the launch of HD60 X, a powerful new external capture card. Sporting state-of-the-art specs and seamless compatibility with the newest generation of game consoles, HD60 X equips anyone to stream and record their gameplay in the highest quality without limitations. You can then play high-fidelity games while livestreaming to Twitch or YouTube in Full HD 1080p60 quality, while simultaneously recording 1080p60 HDR10 footage to your hard drive. Instant Gameview technology syncs your broadcast with your gameplay, allowing you to monitor your capture feed with ultra-low latency.
 - Corsair announced a partnership with world-renowned publisher 2K, bringing immersive in-game RGB lighting integration for all CORSAIR iCUE RGB devices to Gearbox Software's highly anticipated Tiny Tina's Wonderlands[®]. PC players with CORSAIR iCUE products can enjoy exclusive real-time lighting effects that extend the game's action across their entire iCUE setup in the upcoming spinoff of the Borderlands[®] franchise.
 - Corsair announced the new CORSAIR iCUE 5000T RGB PC case. Boasting a unique contoured design in black or white and 208 individually addressable RGB LEDs, the 5000T RGB has the most integrated lighting ever built into a CORSAIR case. High-airflow mesh panels and room for up to
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two simultaneous 360mm radiators for outstanding cooling ensure the 5000T RGB makes an immediate and lasting impression.

- Corsair unveiled the newest entry in the best-selling K70 series: the CORSAIR K70 RGB PRO Mechanical Gaming Keyboard. Uniting the acclaimed design and aluminum build of a full-size K70 with renowned CORSAIR RGB lighting and tournament-grade performance, the K70 RGB PRO sets a new standard for a full-size gaming keyboard. Available with a wide array of trusted CHERRY MX mechanical switches and loaded with features to help gamers get the most from their setup, anyone can find a K70 RGB PRO to fit their style of play.

Conference Call and Webcast Information

Corsair will host a conference call to discuss the first quarter 2022 financial results today at 3:00 p.m. Pacific Time. The conference call will be accessible on Corsair's Investor Relations website at <https://ir.corsair.com>, or by dialing 1-877-407-0784 (USA) or 1-201-689-8560 (International) with conference ID 13728886. A replay will be available approximately 2 hours after the live call ends on Corsair's Investor Relations website, or through May 12, 2022 by dialing 1-844-512-2921 (USA) or 1-412-317-6671 (International), with passcode 13728886.

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, smart ambient lighting and esports coaching services, 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 includes subsidiary brands Elgato, which provides premium studio equipment and accessories for content creators, SCUF Gaming, which builds custom-designed controllers for competitive gamers, ORIGIN PC, a builder of custom gaming and workstation desktop PCs and laptops and Gamer Sensei brand, an esports coaching platform.

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 expectations regarding growth trends in the gaming hardware sector; our expectations regarding GPU and CPU prices and availability; the potential surge in self-built gaming PC activity in the second half of 2022 and 2023; our belief that with our expanding iCUE control software, and innovative new products pipeline, we will continue to take market share; our belief that Q1 2022 was the peak of pandemic-related high freight cost and that gross margins will improve in the second half of the year; whether we will be able to execute on M&A opportunities and or reduce our debt, as well as the timing of the foregoing; and our estimated full year 2022 net revenue, adjusted operating income and adjusted EBITDA; and our estimated 2026 net revenue target. 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, including the potential end of the pandemic and the cessation of pandemic-related restrictions, 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 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 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; the impact of global instability, such as the war between Russia and Ukraine, and any sanctions or other geopolitical tensions that may result therefrom; 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, the financial markets and 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 March 31, 2022 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 March 31, 2022 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 net income, adjusted net income per diluted share and adjusted EBITDA. 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 net income, adjusted net income per diluted share and adjusted EBITDA 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 net income, adjusted net income per diluted share and adjusted EBITDA 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 (loss) the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisitions, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, and non-deferred secondary offering costs.
- Adjusted net income, non-GAAP, is determined by adding back to GAAP net income (loss) the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisitions, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, non-deferred secondary offering 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 (loss) the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisitions, stock-based compensation, certain acquisition-related and integration-related expenses, non-deferred secondary offering costs, intangible asset amortization, depreciation, interest expense (including loss on extinguishment of debt) and tax expense (benefit).

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 Consolidated Statements of Operations
(Unaudited, in thousands, except per share amounts)

	Three Months Ended March 31,	
	2022	2021
Net revenue	\$ 380,691	\$ 529,414
Cost of revenue	289,935	369,086
Gross profit	90,756	160,328
Operating expenses:		
Sales, general and administrative	76,131	77,853
Product development	17,110	15,186
Total operating expenses	93,241	93,039
Operating income (loss)	(2,485)	67,289
Other (expense) income:		
Interest expense	(1,279)	(4,946)
Other expense, net	(499)	(2,425)
Total other expense, net	(1,778)	(7,371)
Income (loss) before income taxes	(4,263)	59,918
Income tax benefit (expense)	983	(13,195)
Net income (loss)	(3,280)	46,723
Less: Net loss attributable to noncontrolling interests	(407)	—
Net income (loss) attributable to Corsair Gaming, Inc.	\$ (2,873)	\$ 46,723
Calculation of net income (loss) per share attributable to common stockholders of Corsair Gaming, Inc.:		
Net income (loss) attributable to Corsair Gaming, Inc.	\$ (2,873)	\$ 46,723
Change in redemption value of redeemable noncontrolling interests	(2,261)	—
Net income (loss) attributable to common stockholders of Corsair Gaming, Inc.	\$ (5,134)	\$ 46,723
Net income (loss) per share attributable to common stockholders of Corsair Gaming, Inc.:		
Basic	\$ (0.05)	\$ 0.51
Diluted	\$ (0.05)	\$ 0.47
Weighted-average common shares outstanding:		
Basic	95,275	91,951
Diluted	95,275	100,211

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

	Three Months Ended March 31,	
	2022	2021
Net revenue:		
Gamer and Creator Peripherals	\$ 134,148	\$ 175,912
Gaming Components and Systems	246,543	353,502
Total Net revenue	<u>\$ 380,691</u>	<u>\$ 529,414</u>
Gross Profit:		
Gamer and Creator Peripherals	\$ 43,057	\$ 68,866
Gaming Components and Systems	47,699	91,462
Total Gross Profit	<u>\$ 90,756</u>	<u>\$ 160,328</u>
Gross Margin:		
Gamer and Creator Peripherals	32.1%	39.1%
Gaming Components and Systems	19.3%	25.9%
Total Gross Margin	23.8%	30.3%

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

	March 31, 2022	December 31, 2021
Assets		
Current assets:		
Cash and restricted cash	\$ 31,754	\$ 65,149
Accounts receivable, net	236,472	291,287
Inventories	300,423	298,315
Prepaid expenses and other current assets	57,877	51,024
Total current assets	626,526	705,775
Restricted cash, noncurrent	231	231
Property and equipment, net	19,607	16,819
Goodwill	348,424	317,054
Intangibles assets, net	249,841	225,709
Other assets	74,796	71,808
Total assets	\$ 1,319,425	\$ 1,337,396
Liabilities		
Current liabilities:		
Debt maturing within one year, net	\$ 4,754	\$ 4,753
Accounts payable	203,454	236,120
Other liabilities and accrued expenses	176,556	205,874
Total current liabilities	384,764	446,747
Long-term debt, net	241,709	242,898
Deferred tax liabilities	29,241	25,700
Other liabilities, noncurrent	52,176	53,871
Total liabilities	707,890	769,216
Temporary equity		
Redeemable noncontrolling interests	19,424	—
Permanent equity		
Corsair Gaming, Inc. stockholders' equity:		
Common stock and additional paid-in capital	489,755	470,373
Retained earnings	93,013	98,147
Accumulated other comprehensive loss	(2,494)	(340)
Total Corsair Gaming, Inc. stockholders' equity	580,274	568,180
Nonredeemable noncontrolling interests	11,837	—
Total permanent equity	592,111	568,180
Total liabilities, temporary equity and permanent equity	\$ 1,319,425	\$ 1,337,396

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

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net income (loss)	\$ (3,280)	\$ 46,723
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Stock-based compensation	5,147	3,076
Depreciation	2,604	2,436
Amortization of intangible assets	10,138	8,702
Debt issuance costs amortization	86	537
Loss on debt extinguishment	—	439
Deferred income taxes	(4,078)	(3,005)
Other	567	1,316
Changes in operating assets and liabilities:		
Accounts receivable	54,434	(13,416)
Inventories	(662)	(13,508)
Prepaid expenses and other assets	(8,147)	(4,419)
Accounts payable	(35,308)	(26,988)
Other liabilities and accrued expenses	(27,607)	25,875
Net cash provided by (used in) operating activities	<u>(6,106)</u>	<u>27,768</u>
Cash flows from investing activities:		
Acquisition of business, net of cash acquired	(19,534)	(1,684)
Payment of deferred consideration	—	(4,353)
Purchase of property and equipment	(4,365)	(2,036)
Net cash used in investing activities	<u>(23,899)</u>	<u>(8,073)</u>
Cash flows from financing activities:		
Repayment of debt	(1,250)	(28,000)
Borrowing from line of credit	293,000	—
Repayment of line of credit	(293,000)	—
Payment of contingent consideration	(292)	—
Proceeds from issuance of shares through employee equity incentive plans	523	185
Payment of taxes related to net share settlement of equity awards	(887)	—
Net cash used in financing activities	<u>(1,906)</u>	<u>(27,815)</u>
Effect of exchange rate changes on cash	(1,484)	134
Net decrease in cash and restricted cash	(33,395)	(7,986)
Cash and restricted cash at the beginning of the period	65,380	133,568
Cash and restricted cash at the end of the period	<u>\$ 31,985</u>	<u>\$ 125,582</u>

Corsair Gaming, Inc.
GAAP to Non-GAAP Reconciliations

Non-GAAP Operating Income Reconciliations
(Unaudited, in thousands, except percentages)

	Three Months Ended March 31,	
	2022	2021
Operating Income (loss) - GAAP	\$ (2,485)	\$ 67,289
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—
Change in fair value of contingent consideration for business acquisitions	—	72
Stock-based compensation	5,147	3,076
Intangible asset amortization	10,138	8,702
Acquisition-related and integration-related costs	243	208
Non-deferred secondary offering costs	—	1,031
Adjusted Operating Income - Non-GAAP	\$ 13,318	\$ 80,378
<i>As a % of net revenue - GAAP</i>	<i>-0.7%</i>	<i>12.7%</i>
<i>As a % of net revenue - Non-GAAP</i>	<i>3.5%</i>	<i>15.2%</i>

Non-GAAP Net Income and Net Income Per Share Reconciliations
(Unaudited, in thousands, except per share amounts and percentages)

	Three Months Ended March 31,	
	2022	2021
Net income (loss) - GAAP	\$ (3,280)	\$ 46,723
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—
Change in fair value of contingent consideration for business acquisitions	—	72
Stock-based compensation	5,147	3,076
Intangible asset amortization	10,138	8,702
Acquisition-related and integration-related costs	243	208
Non-deferred secondary offering costs	—	1,031
Loss on debt extinguishment	—	439
Non-GAAP income tax adjustment	(3,349)	(2,089)
Adjusted Net Income - Non-GAAP	\$ 9,174	\$ 58,162
Diluted net income per share:		
Adjusted, Non-GAAP	\$ 0.09	\$ 0.58
Weighted-average common shares outstanding:		
Adjusted, Non-GAAP	100,290	100,211

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

	Three Months Ended March 31,	
	2022	2021
Net Income (loss) - GAAP	\$ (3,280)	\$ 46,723
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—
Change in fair value of contingent consideration for business acquisitions	—	72
Stock-based compensation	5,147	3,076
Acquisition-related and integration-related costs	243	208
Non-deferred secondary offering costs	—	1,031
Intangible asset amortization	10,138	8,702
Depreciation	2,604	2,436
Interest expense (includes loss on debt extinguishment)	1,279	4,946
Income tax expense (benefit)	(983)	13,195
Adjusted EBITDA - Non-GAAP	\$ 15,423	\$ 80,389
<i>Adjusted EBITDA margin - Non-GAAP</i>	<i>4.1%</i>	<i>15.2%</i>



Q1 2022 FINANCIAL RESULTS

May 5, 2022





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, potential pricing of products, potential market leadership, financing plans, competitive position, technological, industry or market trends and potential market opportunities; the Company's cash and use plans and potential cash balance; and the Company's financial guidance for 2022. 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, including the potential end of the pandemic and the cessation of pandemic-related restrictions 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; the impact of global instability such as the war between Russia and Ukraine, and any sanctions or other geopolitical tensions that may result therefrom; 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 March 31, 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, 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.



MARKET UPDATE

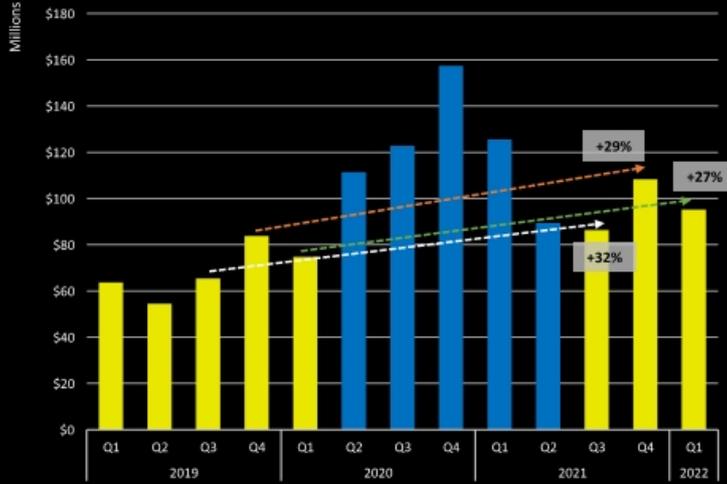




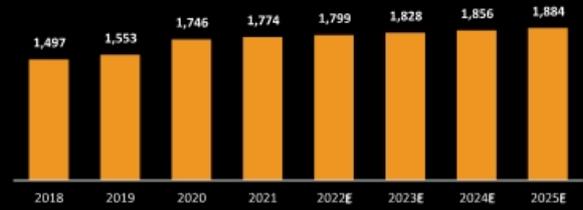
US GAMING ENTHUSIASTS APPEAR TO BE A LEADING INDICATOR OF SELF BUILT PC DEMAND INCREASE AS GPU PRICES FALL

US COMPONENTS TAM

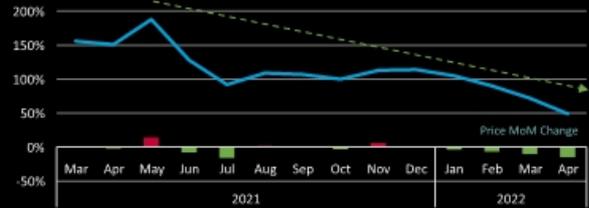
Pre-Pandemic (to the end of Q1'20) and Post-Pandemic (Q3'21 – Q1'22)



WORLDWIDE TOTAL PC GAMERS



GPU Price Inflation (ASP above MSRP)

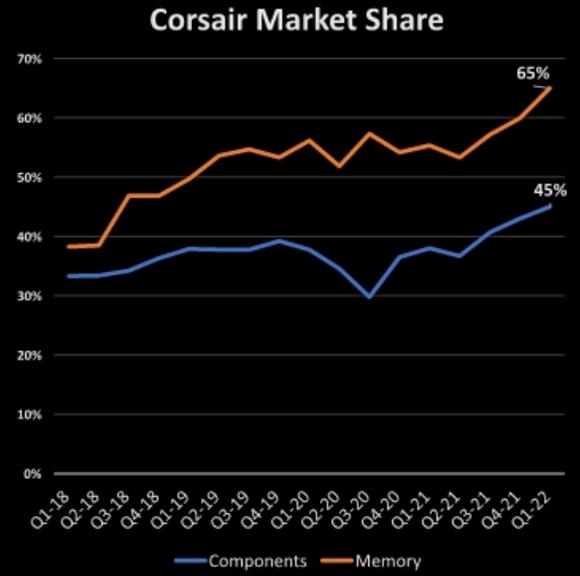
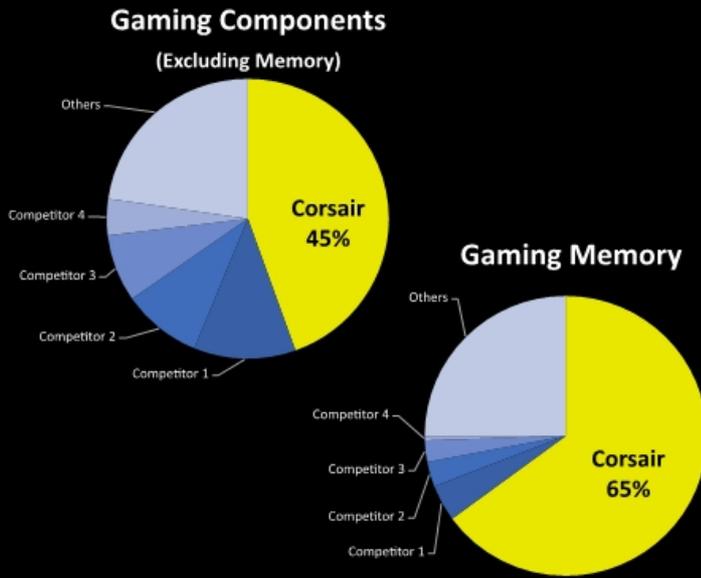


Data Sources:

1. Total Components Sales Revenue data: NPD North Americas - Includes: Cases, PSU, Fans and Water Cooling
2. Number of PC Gamers: DFC Intelligence Forecasts - WW PC Games Forecast 2022E
3. GPU Price Inflation: Techspot - Nvidia GPU pricing update from eBay



CORSAIR CONTINUES TO DOMINATE IN THE SELF BUILT GAMING PC SPACE



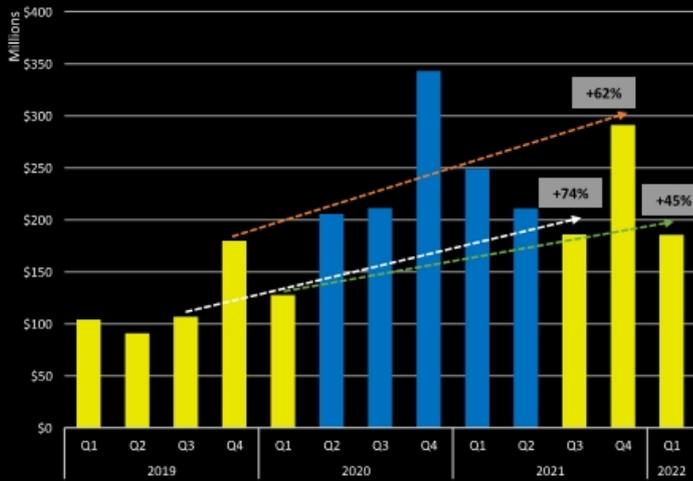
Source: Corsair Management Estimates based on leading external data as of March 2022.



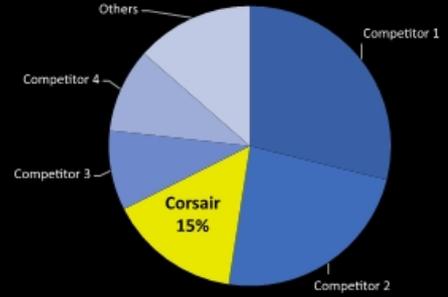
PERIPHERAL MARKET ALSO SHOWING LONG TERM GROWTH TRENDS

US GAMING PERIPHERALS TAM

Pre-Pandemic (to the end of Q1'20) and Post-Pandemic (Q3'21 - Q1'22)

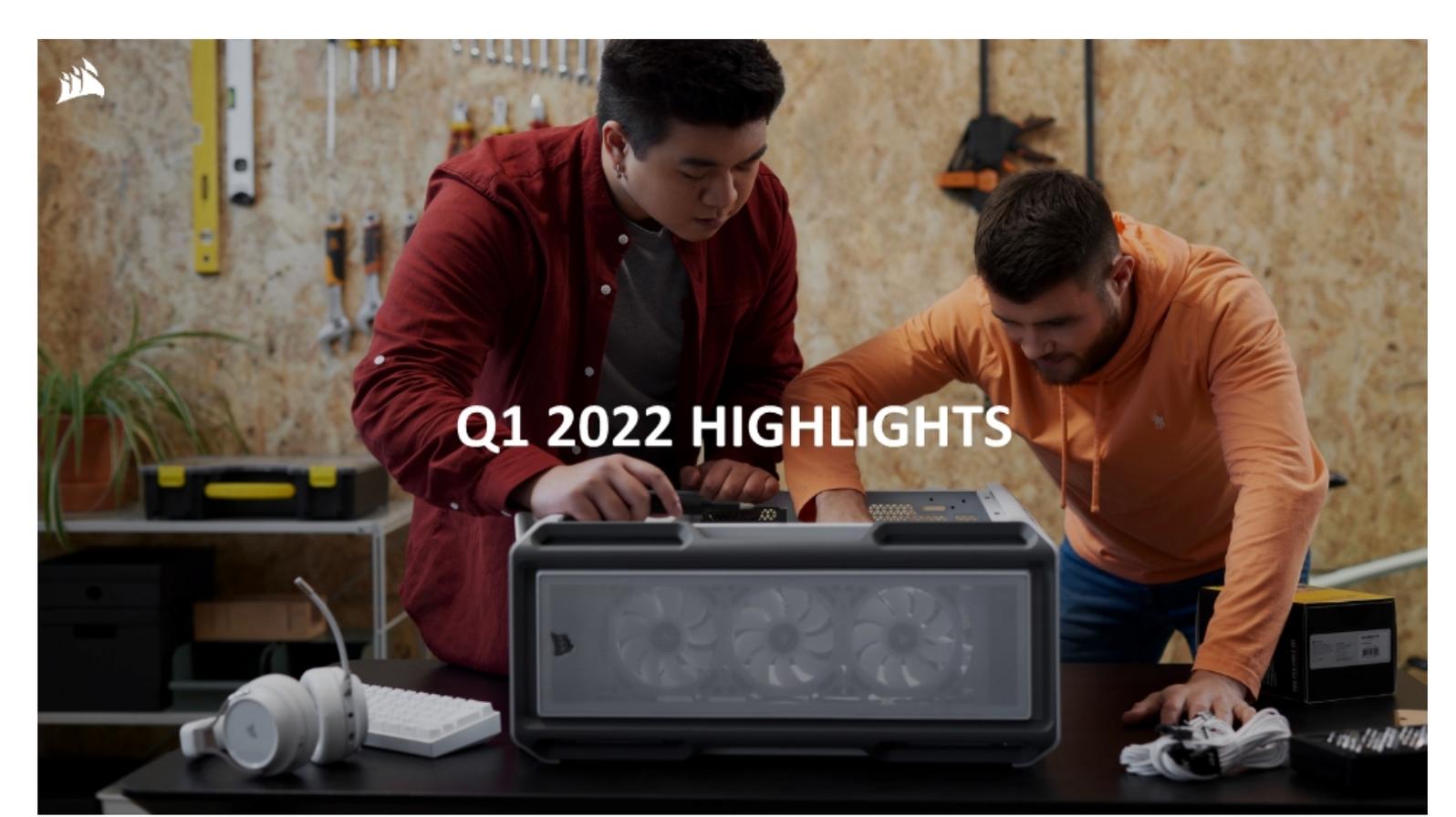


US GAMING PERIPHERALS SHARE



Data Sources:

1. Total Gaming Peripherals Sales Revenue data: NPD North Americas - Includes: Keyboards, Headsets, Mice
2. Gaming Peripherals Share: NPD (North Americas) plus GFK (Europe) - 2022Q1 Market Share

A photograph of two men in a workshop setting. The man on the left is wearing a red jacket and is looking at a computer case. The man on the right is wearing an orange hoodie and is also looking at the computer case. The computer case is open, showing three fans. On the table in front of them are a white keyboard, a white headset, and some cables. The background shows a workshop with various tools hanging on the wall.

Q1 2022 HIGHLIGHTS



NEW PRODUCTS – 5000T RGB & LC100

The latest addition to our **celebrated range of enthusiast PC cases**.

Category-leading deeply-integrated RGB lighting.

Capable of **housing today's most powerful PC hardware and cooling**.

LC100 Case Accent Lighting Triangles deliver **unique visual design and customization**.

Comes complete with **pre-installed RGB fans, RGB lights and iCue controller**





MP600 PRO LPX – EXPANSION FOR SONY PLAYSTATION 5

Designed to work to provide storage upgrades for the Sony PlayStation 5

Provides excellent cooling, and meets or exceeds all requirements for the PS5 storage expansion giving flawless upgrades

Rapid success in **securing placements in buyers guides** and recommendations





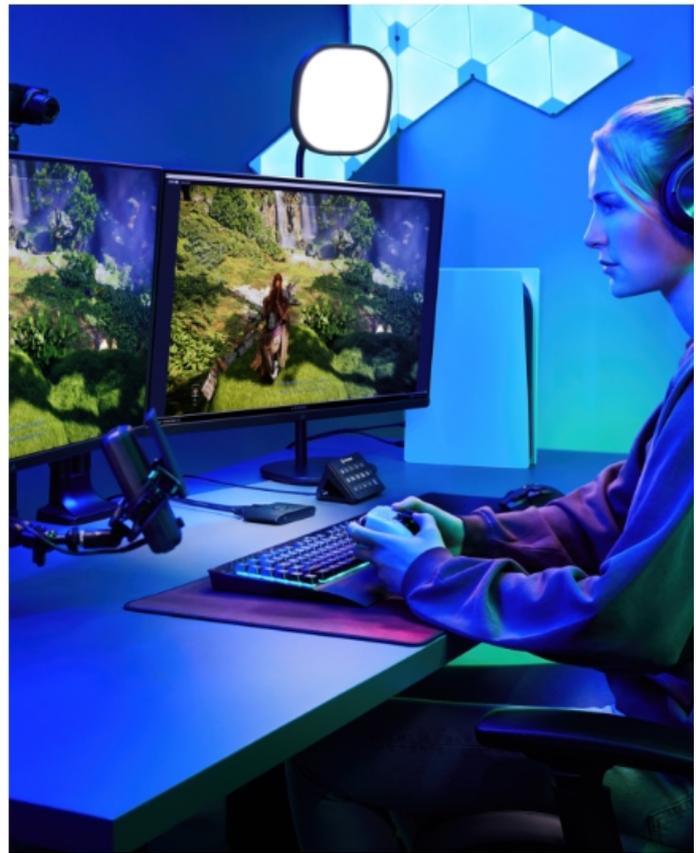
ELGATO HD60X – CAPTURE NEXT GEN CONSOLE, PC, CAMERAS AND MORE

Our most accessible capture hardware, **upgraded for the next generation of consoles.**

Captures video from **all next-gen consoles**, PCs, cameras, and more.

High-frame rate, high resolution pass-through to **enjoy games at their best** while streaming.

Capture at 1080p 60fps or 4K 30fps with HDR10.



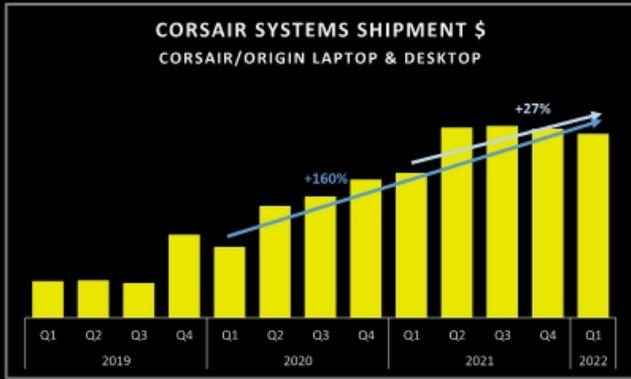


THE ELGATO STREAM DECK PLATFORM CONTUNES TO EXHIBIT STRONG GROWTH





SYSTEMS BUSINESS SHOWING SOLID GROWTH





iCUE INTEGRATION TINY TINA'S WONDERLANDS

Tiny Tina's Wonderlands is our latest addition to an expanding library of iCUE integrated game software.

Our first partnership with 2K Games brings together the magical world of Tiny Tina's Wonderlands and Corsair iCUE software.

Bringing immersive in-game RGB lighting integration for all players with Corsair iCUE RGB devices, enabling players to enjoy exclusive real-time lighting effects that extend the game's actions across their entire setup.



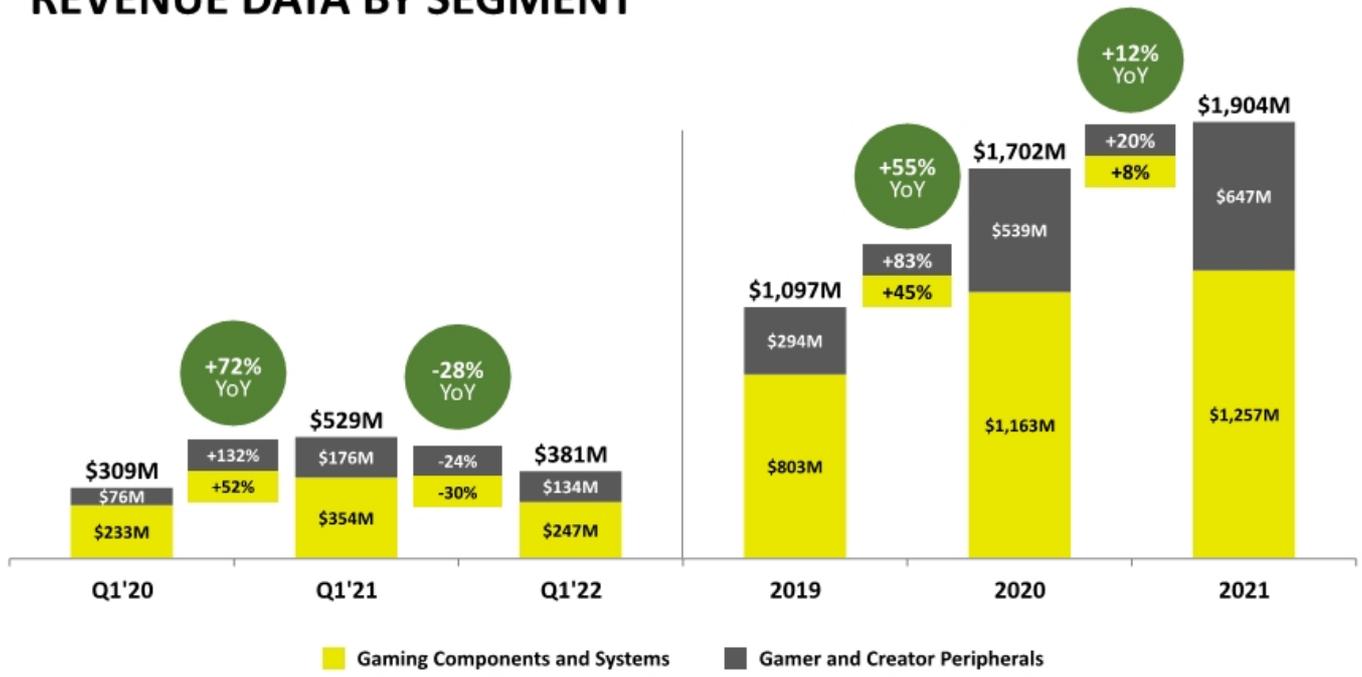


FINANCIAL RESULTS





REVENUE DATA BY SEGMENT

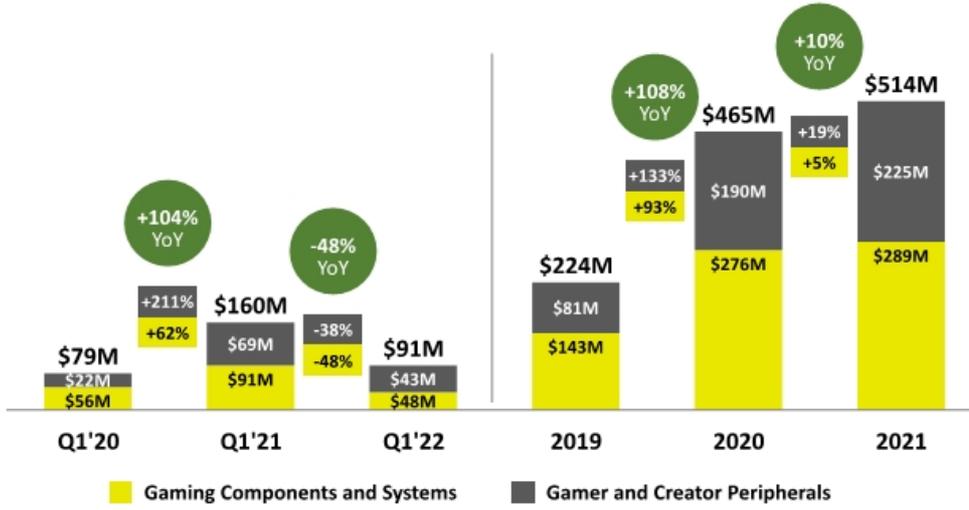


Note: 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions of Origin and SCUF in 2019.

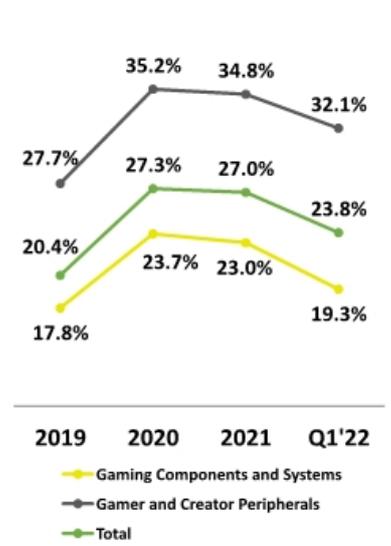


GROSS MARGIN SEGMENT DATA

SEGMENT GROSS PROFIT



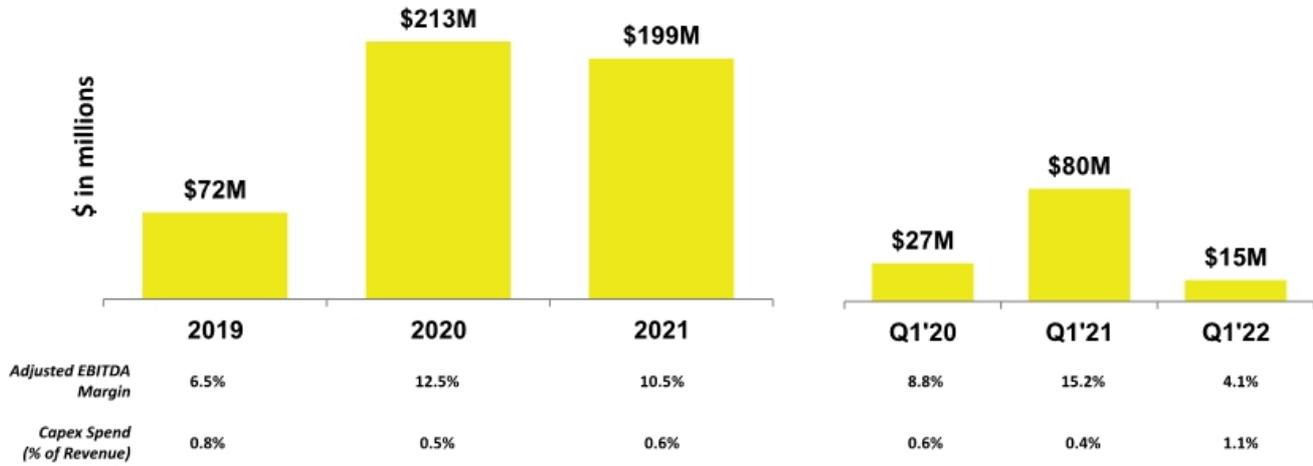
SEGMENT GROSS MARGIN



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



ADJUSTED EBITDA; LOW CAPEX



Note: See appendix on non-GAAP reconciliations; 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions Origin and SCUF in 2019.



Q1 RESULTS

Revenue down vs. Q1'21 which was the record first quarter buoyed by stimulus checks and pent-up demand.

Revenue up 23.4% compared to Q1'20 the last pre-pandemic quarter.

EMEA region accounted for over 70% of the year over year revenue decrease. Inflation, Russia and Ukraine conflict and drop in particularly European consumer sentiment dampened demand.

Gross profit margin decreased from Q1'21 due to significant increases in logistics costs, especially ocean freight rates, a return of more normal promotional activity and lower absorptions on reduced revenues.

Sequentially gross profit margin was roughly flat to Q4'21's 23.9%.

(\$ in millions except EPS and percentages)	Q1'22	Q1'21	Y/Y
Net Revenue	\$380.7	\$529.4	-28.1%
Gross Profit	\$90.8	\$160.3	-43.4%
Gross Profit Margin	23.8%	30.3%	-650 bps
Operating Income (Loss)	(\$2.5)	\$67.3	-103.7%
Adjusted Operating Income	\$13.3	\$80.4	-83.4%
Net Income (Loss)	(\$3.3)	\$46.7	-107.0%
Earnings per Share (diluted)	(\$0.05)	\$0.47	-110.6%
Adjusted Net Income	\$9.2	\$58.2	-84.2%
Adjusted Earnings per Share (diluted)	\$0.09	\$0.58	-84.5%
Adjusted EBITDA	\$15.4	\$80.4	-80.8%

Note: See appendix on non-GAAP reconciliations



GAMING COMPONENTS AND SYSTEMS Q1 2022 RESULTS

Revenue decrease vs. Q1'21 primarily driven by shortage of reasonably priced GPUs and supply and logistics constraints. 6.0% revenue growth above pre-pandemic Q1'20 despite the GPU shortage holding back new builds.

The surge of activity during shelter at home does not appear to have caused a large pull forward in builds, more so entrance of new gamers building for the first time.

GPU pricing in Q1 were at ~150% of MSRP and have continued to come down towards MSRP, possibly below. Expect a surge of new build activity in 2H'22 and 2023.

Gross profit margin decreased from the record Q1'21 primarily due to significant increases in logistics costs, especially ocean freight and lower absorption on reduced volumes.

(\$ in millions except percentages)	Q1'22	Q1'21	Y/Y
Net Revenue	\$246.5	\$353.5	-30.3%
% of Total Net Revenue	64.8%	66.8%	-200 bps
Gross Profit	\$47.7	\$91.5	-47.8%
Gross Profit Margin	19.3%	25.9%	-660 bps





GAMER AND CREATOR PERIPHERALS Q1 2022 RESULTS

Revenue decreases 23.7% vs. Q1'21, but up a healthy 76.8% above pre-pandemic Q1'20.

Steamdeck and Scuf controllers outperformed the segment as a whole.

Gross profit margin was down 700 bps from record Q1'21 due to supply chain and logistics costs as well as return to a normal promotional environment.

Sequentially gross profit margin was up 220 bps over Q4'21 largely due to the favorable mix shift towards Elgato and Scuf branded products.

(\$ in millions except percentages)	Q1'22	Q1'21	Y/Y
Net Revenue	\$134.1	\$175.9	-23.7%
% of Total Net Revenue	35.2%	33.2%	+200 bps
Gross Profit	\$43.1	\$68.9	-37.5%
Gross Profit Margin	32.1%	39.1%	-700 bps





FINANCIAL GUIDANCE FY2022 ⁽¹⁾

Financial Metrics	2022 Guidance
Net Revenues	\$1.6 - 1.8 billion
Adjusted Operating Income	\$100-120 million
Adjusted EBITDA	\$110-130 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. This guidance is as of May 5th, 2022.



DEBT SUMMARY

During Q1'22 we used \$19.5 million in net cash to acquire a 51% stake in iDisplay, \$4.4 million for CAPEX and made principal debt repayment of \$1.25 million.

We continue to prioritize investments in new markets and R&D to bolster development efforts. Barring such opportunities we look to bring our cash back to Q3'21 or Q4'21 levels.

(\$ in millions)	March 31, 2022
Cash (excluding restricted cash)	\$29.0
Term Loan (face value)	\$247.5
Total debt	\$247.5
Net debt	\$218.5



THANK YOU







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	
	March 31,	
	2022	2021
Operating Income (loss) - GAAP	\$ (2,485)	\$ 67,289
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—
Change in fair value of contingent consideration for business acquisitions	—	72
Stock-based compensation	5,147	3,076
Intangible asset amortization	10,138	8,702
Acquisition-related and integration-related costs	243	208
Non-deferred secondary offering costs	—	1,031
Adjusted Operating Income - Non-GAAP	<u>\$ 13,318</u>	<u>\$ 80,378</u>
<i>As a % of net revenue - GAAP</i>	-0.7%	12.7%
<i>As a % of net revenue - Non-GAAP</i>	3.5%	15.2%



GAAP TO NON-GAAP RECONCILIATIONS

Non-GAAP Net Income and Earnings Per Share Reconciliations (Unaudited, in thousands, except per share amounts and percentages)

	Three Months Ended	
	March 31,	
	2022	2021
Net income (loss) - GAAP	\$ (3,280)	\$ 46,723
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—
Change in fair value of contingent consideration for business acquisitions	—	72
Stock-based compensation	5,147	3,076
Intangible asset amortization	10,138	8,702
Acquisition-related and integration-related costs	243	208
Non-deferred secondary offering costs	—	1,031
Loss on debt extinguishment	—	439
Non-GAAP income tax adjustment	(3,349)	(2,089)
Adjusted Net Income - Non-GAAP	\$ 9,174	\$ 58,162
Diluted net income per share:		
Adjusted, Non-GAAP	\$ 0.09	\$ 0.58
Weighted-average common shares outstanding:		
Adjusted, Non-GAAP	100,290	100,211



GAAP TO NON-GAAP RECONCILIATIONS

Adjusted EBITDA Reconciliations

(Unaudited, in thousands, except percentages)

	Three Months Ended March 31,			Year Ended December 31,		
	2022	2021	2020	2021	2020	2019
Net income (loss) - GAAP	\$ (3,280)	\$ 46,723	\$ 1,217	\$ 100,960	\$ 103,217	\$ (8,394)
Acquisition accounting impact related to recognizing acquired deferred revenue at fair value	—	—	—	—	—	1,067
Acquisition accounting impact related to recognizing acquired inventory at fair value	275	—	421	—	394	1,604
Change in fair value of contingent consideration for business acquisitions	—	72	—	(345)	954	(635)
Non-cash discontinued licenses inventory	—	—	—	1,003	—	—
Non-cash long-lived asset impairment	—	—	—	853	—	—
Stock-based compensation	5,147	3,076	1,105	17,235	5,796	3,848
Acquisition-related and integration-related costs	243	208	976	1,343	3,156	3,099
Restructuring costs	—	—	—	709	—	—
Executive transition costs	—	—	—	—	—	984
Non-deferred IPO and secondary offering costs	—	1,031	438	1,031	1,633	1,135
Debt modification costs	—	—	288	—	623	836
Intangible asset amortization	10,138	8,702	8,447	34,794	33,916	30,123
Depreciation	2,604	2,436	2,158	10,300	9,318	7,384
Interest expense (includes loss on debt extinguishment)	1,279	4,946	9,371	17,673	35,137	35,548
Income tax expense (benefit)	(983)	13,195	2,683	13,600	18,825	(5,005)
Adjusted EBITDA - Non-GAAP	\$ 15,423	\$ 80,389	\$ 27,104	\$ 199,156	\$ 212,969	\$ 71,594
<i>Adjusted EBITDA margin - Non-GAAP</i>	<i>4.1%</i>	<i>15.2%</i>	<i>8.8%</i>	<i>10.5%</i>	<i>12.5%</i>	<i>6.5%</i>

