

# Earnings Call

30 Nov 2023



# Endor at a Glance: manufacturer of premium simracing equipment for professionals that delivers an immersive driving experience

**Best in class**  
among producers of  
professional simracing  
equipment

Scalable  
**asset-light**  
**business model**

Design and  
development in  
**Germany**,  
assembled  
in **Asia**

CAGR 18-22:  
ca. **52%**

**€ 119m**  
2022 group  
revenue (+47% yoy)

Founded in **1997** and  
listed in  
Open Market since **2006**

# Enlargement of the Management Board as a prerequisite for further development



**Thomas Jackermeier**  
Chief Executive Officer

- Strategy
- Innovation
- IR



**Belma Nadarevic**  
Chief Marketing Officer

- Sales
- Marketing
- Customer Service



**Daniel Meyberg**  
Chief Operating Officer

- R&D
- Supply Chain Mgmt.
- Quality Mgmt.



**Matthias Kosch**  
Chief Financial Officer

- Finance
- HR
- IR

# Overview of the main product groups



Wheel Base/Racing Wheels



Steering Wheels



Pedals



Shifter / Handbrake

**Description**

Main product with direct drive motor for force simulation

Input device for racing simulators

Hardware with pedal functions for accelerating, brake and clutch

Hardware with gearshift and handbrake function

**Platforms**

Usable for PlayStation 4/5, Computer & Xbox

Universally usable for various platforms

Universally usable for various platforms

Universally usable for various platforms

**Product lines & prices**

CSL: 350-450€  
Podium: 1.000-1.500€

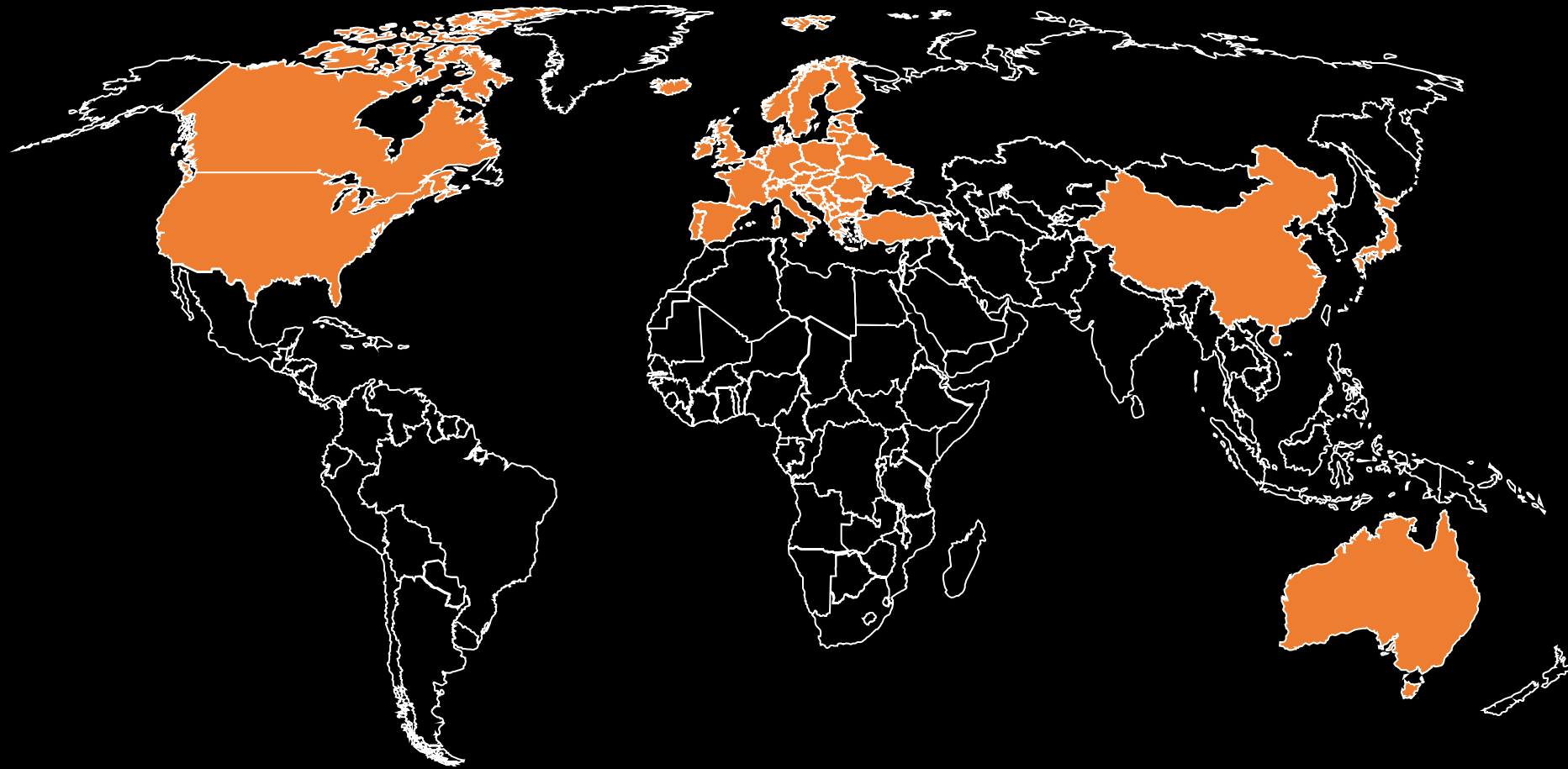
CSL: 120-200€  
Clubsport: 220-550€  
Podium: 300-1.500€

CSL: 80-300€  
Clubsport: 400-600€

Clubsport: 60-260€  
Podium: 180-200€

**% of sales**



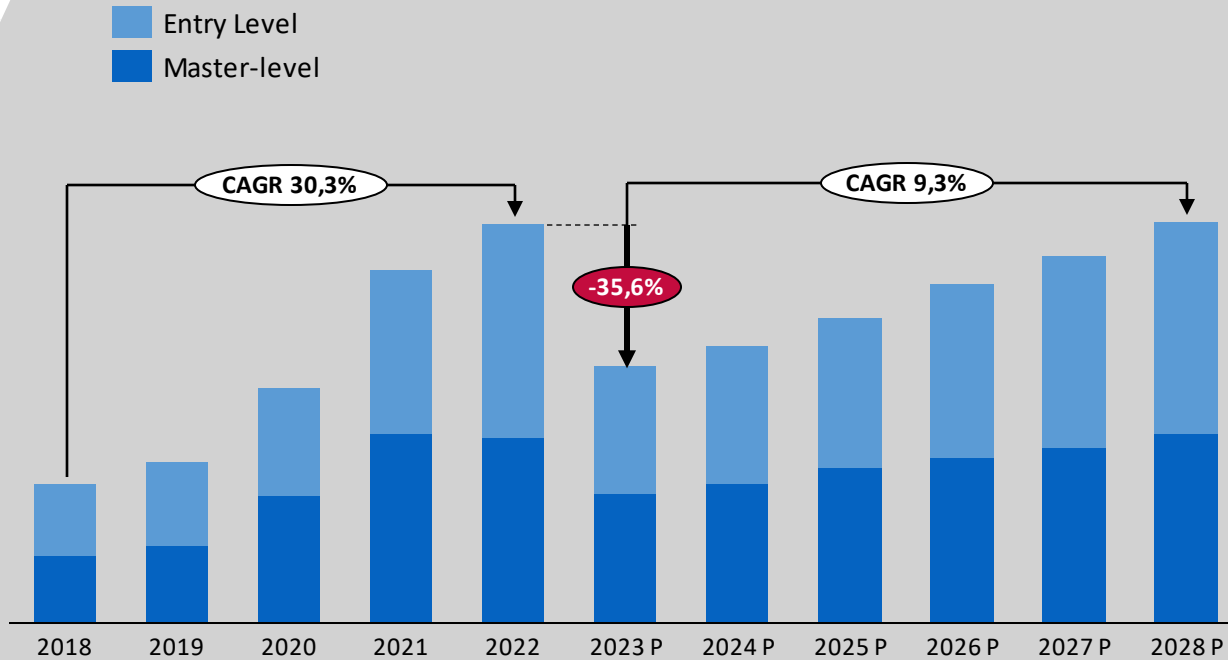


## Market growth & key data

Endor sells its products under the FANATEC brand exclusively via its own online store directly to end customers in Europe, the USA, Canada, Australia, China and Japan.

# Annual growth is expected to be 9,3% in the simracing market

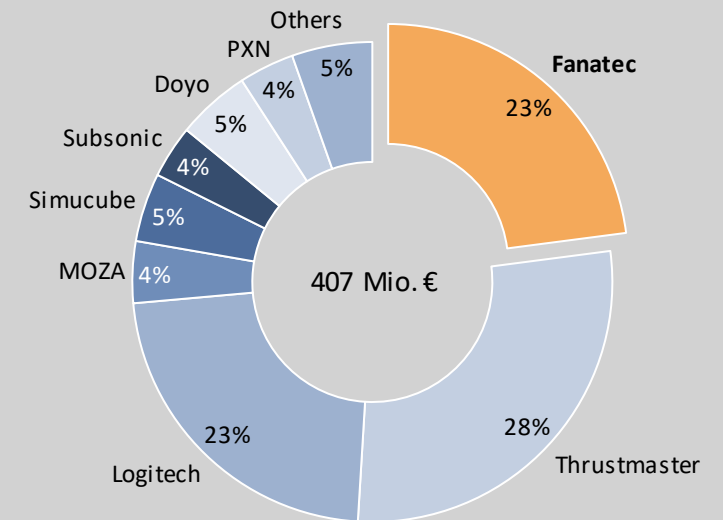
## Global Racing Wheel Market



After a slowdown in 2023, further growth of approx. 9,3% p.a. is forecasted

Source: Global PC Racing Wheel Market Research Report 2023

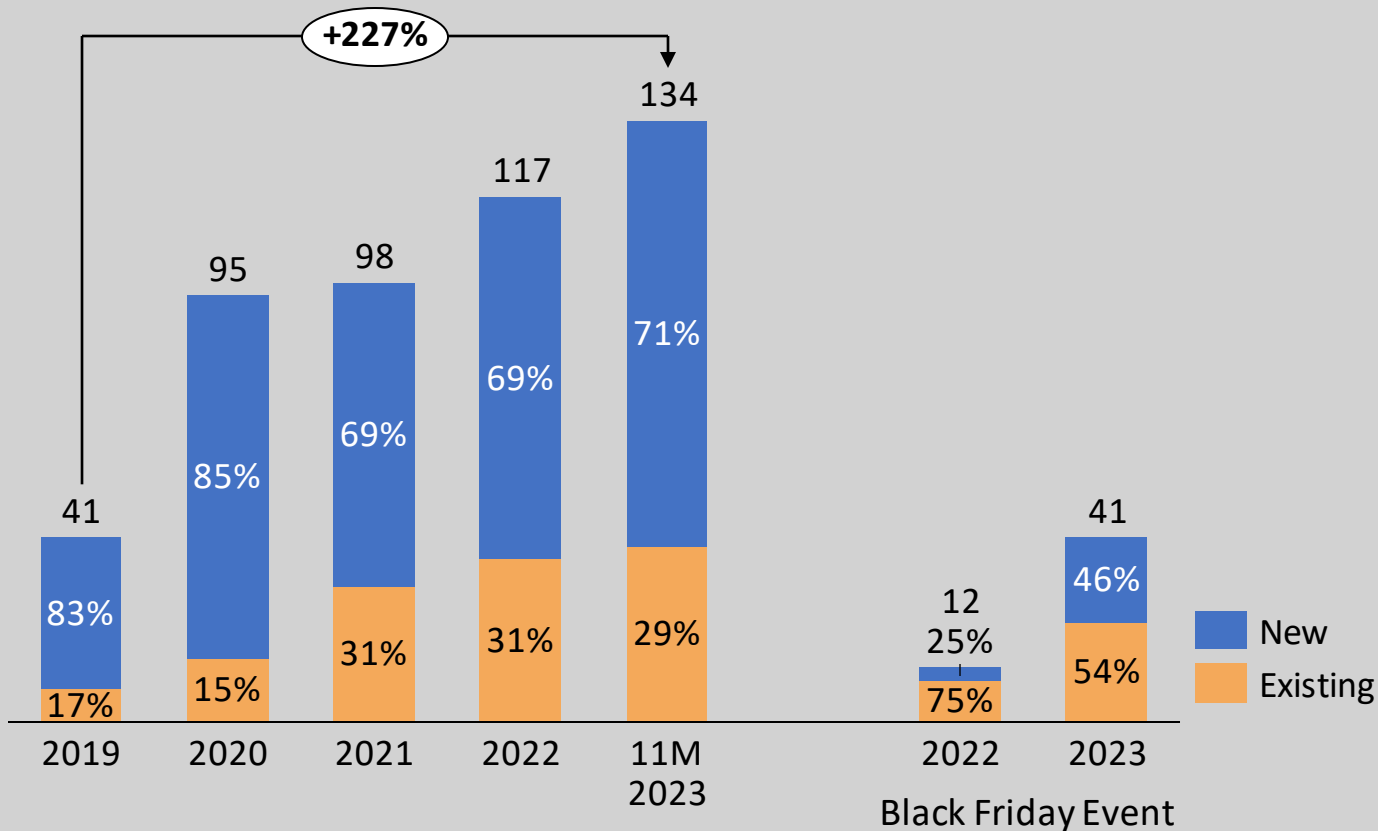
## Market share by manufacturer (%)



Fanatec with around 23% market share

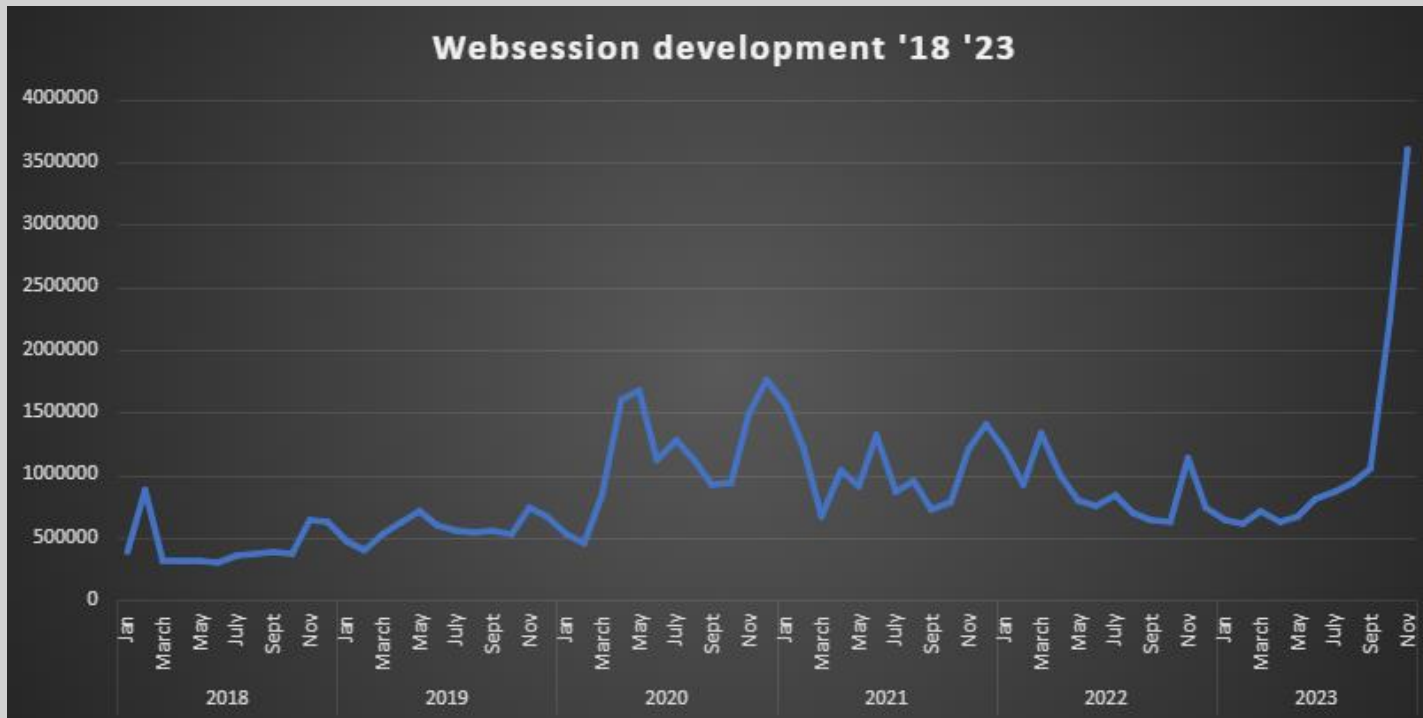
# Endor's customer base is growing strongly and sustainably

Customer base (in TSD) / Break down in new and existing customers (in % of total customers)



- Endor's customer base and the number of new customers has increased year on year
- Despite the higher customer base, the share of new customers has also increased in 2023, for the first time since 2020
- In 2022, 69% of the customer base was new, while in 2023, this number increased to 71%
- During Black Friday 2022, 25% of the customers were new, while in 2023 the new Back Friday customers amount to 46%

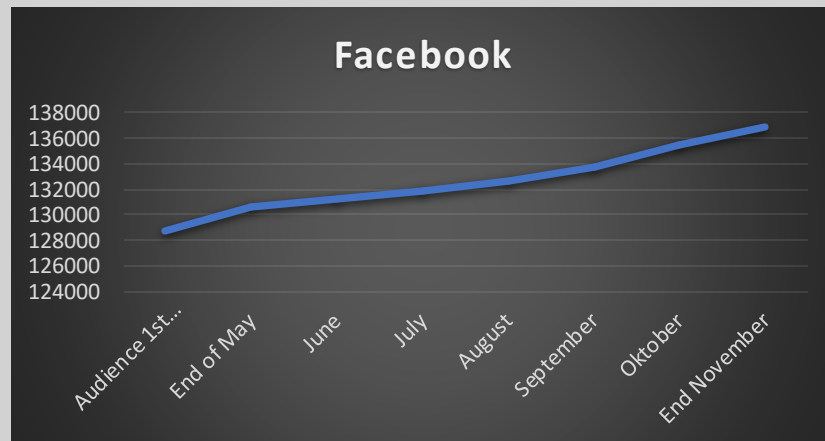
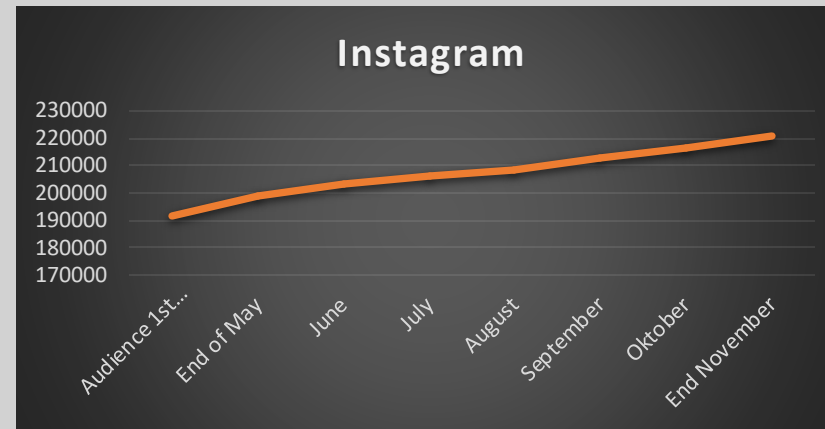
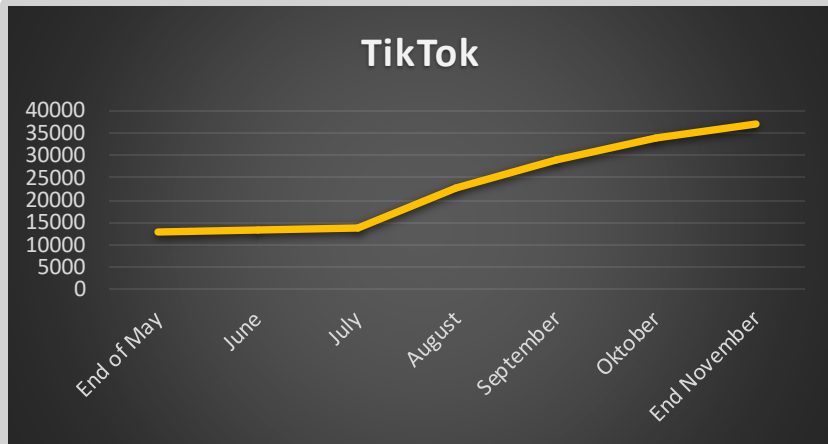
# Endor's web sessions development since 2018



- 05/23: Fanatec started approaching the “Entry Level” market with the CSL DD 199,- campaign. This resulted in a growth in website sessions that has continued into the Black Friday week.
- The hockey stick growth in October and November is the direct result of product launches and the Black Friday week. Which has resulted in a record number of web sessions in the history of Fanatec.



# Endor's social media development in 2023



- In the last 6-month Fanatec has seen a steady growth in Social media followers and interactions.
- This is a result of an increase in the number of posts over the different channels (2/3 average per week), creation of an internal content creation team and improved community management.

# Website performance Fanatec.com vs competitors 08/2023-10/2023

fanatec.com vs. thrustmaster.com mozaracing.com logitechg.com + Add

Website Performance PDF Aug 2023 - Oct 2023 (3 Months) Worldwide All traffic

Metric	fanatec.com	thrustmaster.com	mazaracing.com	logitechg.com
Monthly visits	1.667M	1.047M	637,368	<b>4.635M</b> 🏆
Monthly unique visitors	713,972	552,216	301,970	<b>3.283M</b> 🏆
Visits / Unique visitors	<b>2.34</b> 🏆	1.90	2.11	1.41
Deduplicated audience <small>BETA</small>	618,174	484,557	268,405	<b>2.985M</b> 🏆
Visit duration	<b>00:03:44</b> 🏆	00:02:59	00:03:40	00:01:56
Pages per visit	<b>5.74</b> 🏆	3.89	4.35	3.28
Bounce rate	<b>39.82%</b> 🏆	42.84%	40.24%	44.58%
Page Views	9.569M	4.079M	2.772M	<b>15.20M</b> 🏆

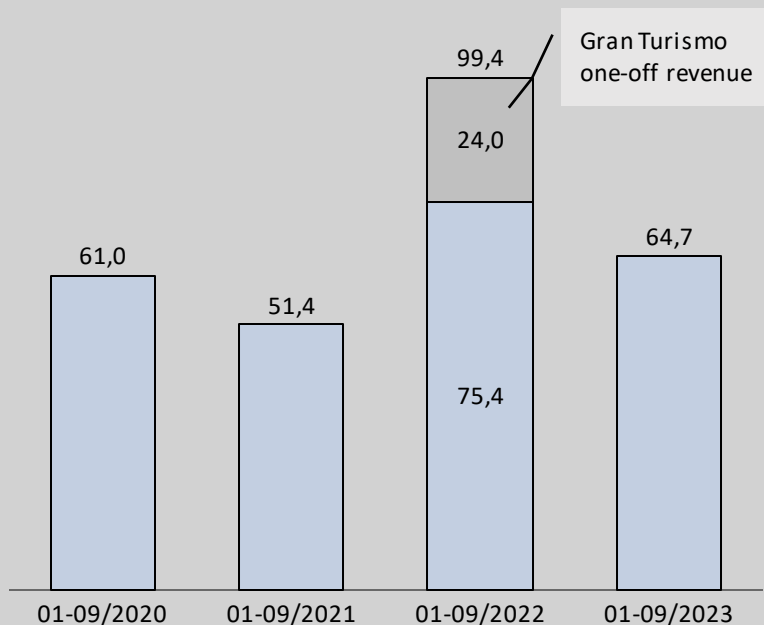
# New Headquarter in Landshut to be finished soon

- Relocation planned in May 2024
- 9.930 m<sup>2</sup> with office spaces, meeting rooms, R&D and testing areas, warehouse
- Designed to provide an attractive work environment and to make recruitment easier
- Total construction cost amounts to ca. 32 m€ (plus operating and business equipment of 3m€)
- The new building was partially financed by the banks with 20 m€ (plus equity and subsidies)
- Due to higher costs a subsequent financing of ca. 5,5-8,5 m€ is being negotiated with the banks

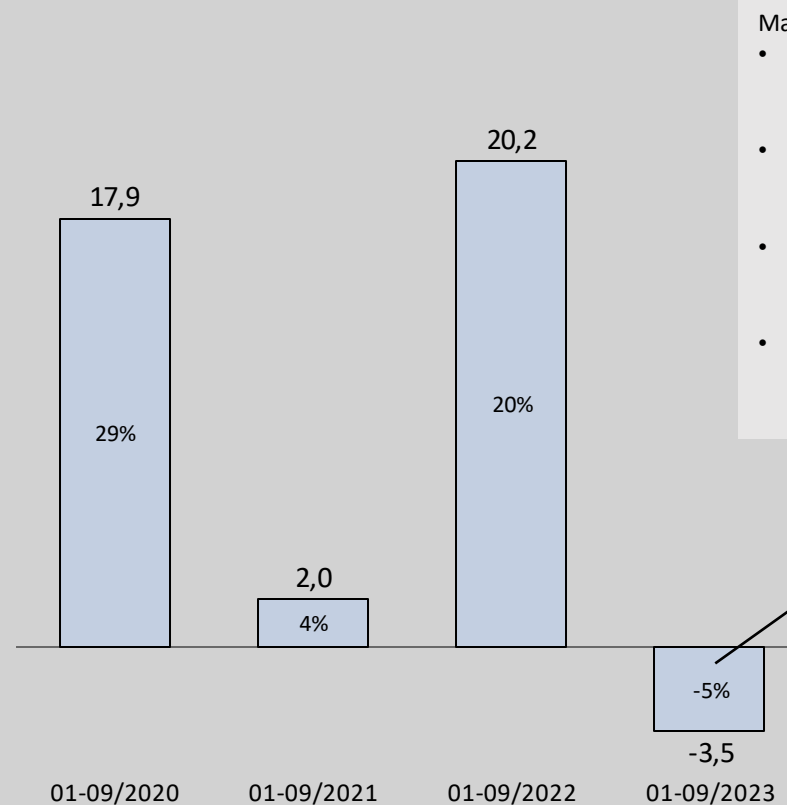


# Revenue and EBITDA development 9M

Sales revenue (Mio. €)



EBITDA (Mio.€ / % of total sales)

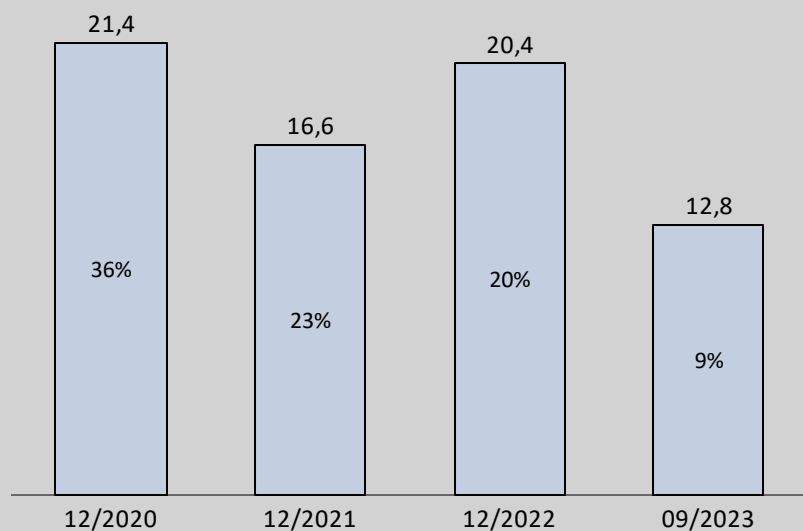


Main EBITDA effects:

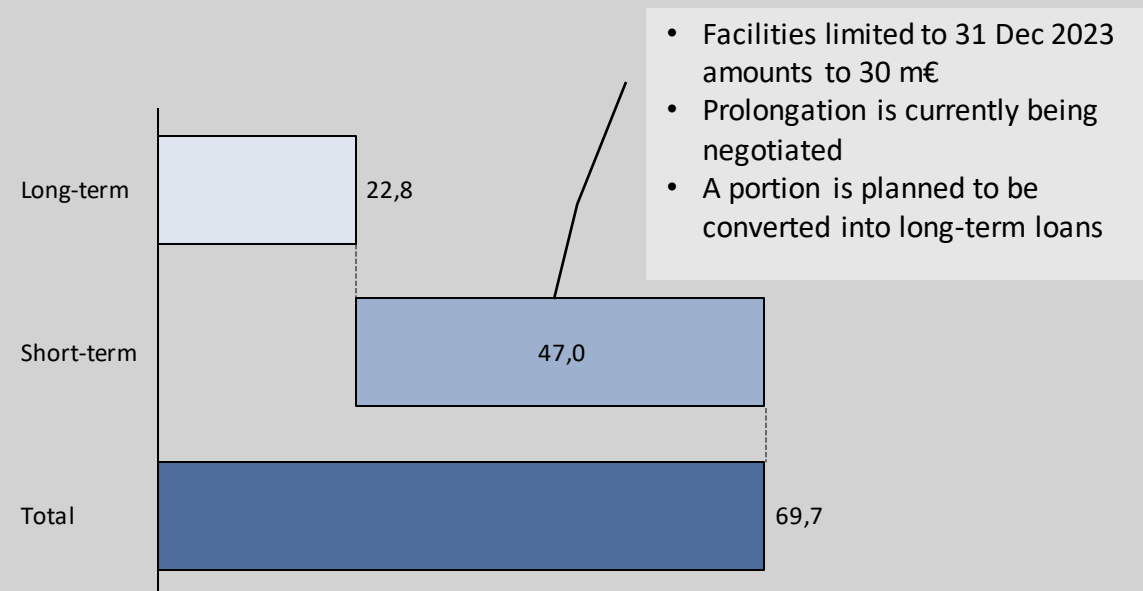
- reduced product availability in Q1/23, ca. 3,5mEUR
- higher airfreight and logistics costs, ca. 2,4mEUR
- lower margin in the entry level market
- higher operating costs

# Equity and Financial Debt

Equity (Mio. €)  
in % of total assets

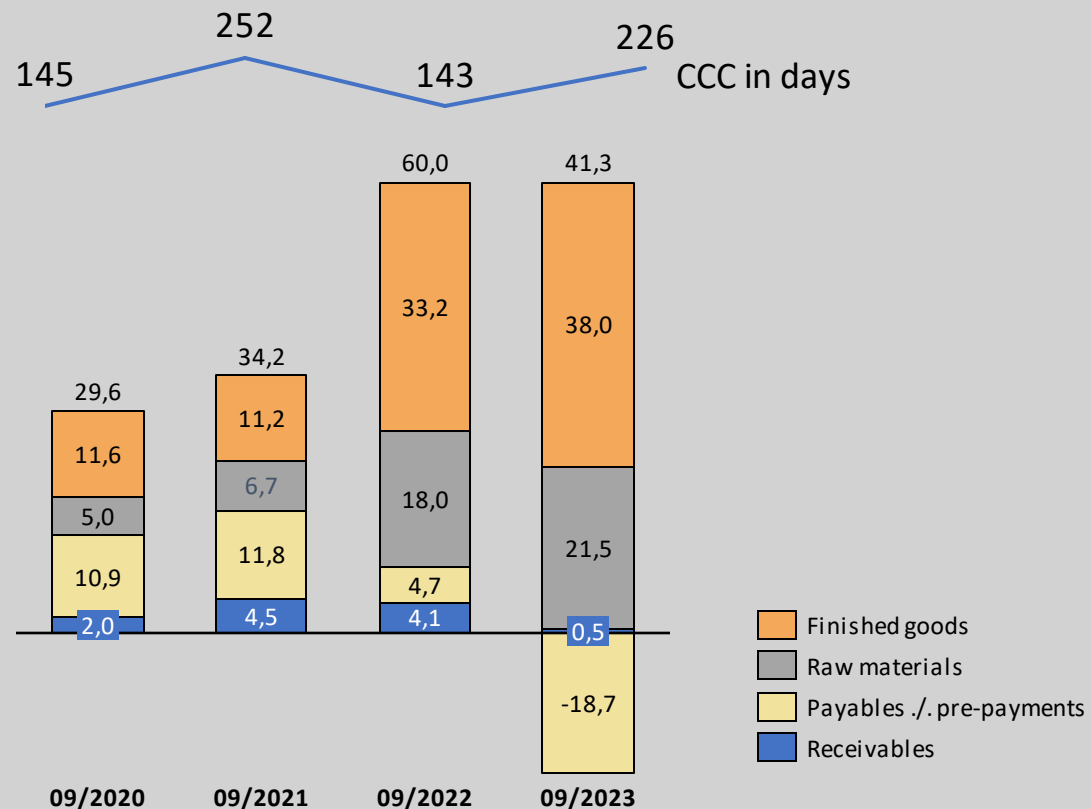


Financial Debt (Mio. €) 09/2023



# Working Capital 9M

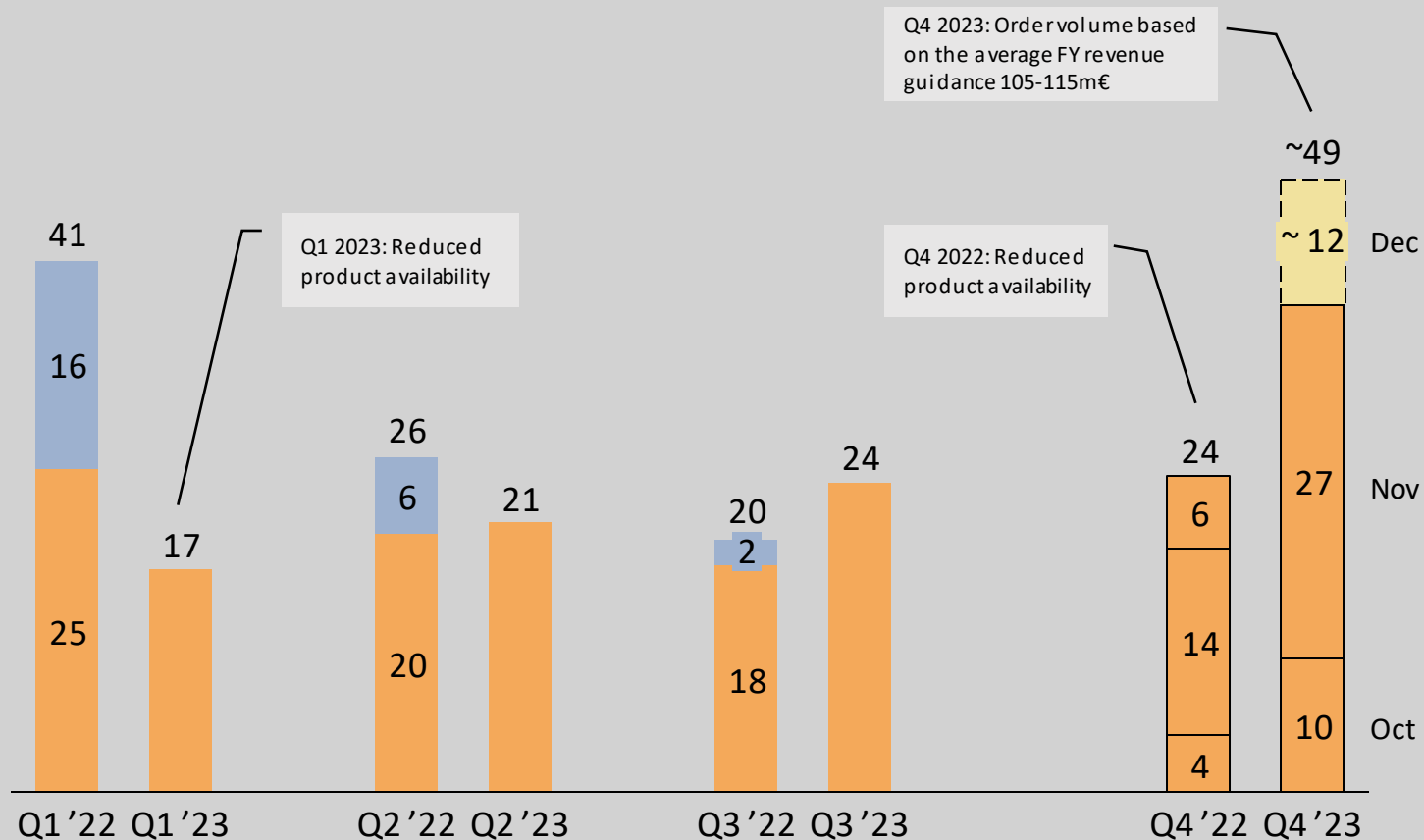
Working Capital (Mio. €) / Cash Conversion Cycle (in days)



- Inventory increase of finished goods since 2022 as a result of the limited availability of goods at that time
- Reduction of finished goods was initiated in Q4/2023
- High inventory of EE components is a result of the chip crisis. Consumption review and impairment test will be done at the end of 2023.
- Accounts payables will be reduced starting Q4/2023

# Quarterly Order Volume 2023 vs. 2022

Order volume incl. shipping fee (Mio. €)



- Gran Turismo launch leads to significant one-off order volume in 2022 in the amount of 24 m€
- After deduction of this one-off effect Q2-Q4 2023 performed better than in PY
- Black Week 2023 and product availability leads to strong order volume in Q4 2023

# Management Board confirms guidance for 2023

	Guidance Oct 2023	Guidance Aug 2023
Revenue in EUR m	105-115	105-125
EBITDA margin	Mid-single digit percentage range	Lower double-digit percentage range



# Why will there be significant growth in 2024?

- Important product launches shifted from Q4 2023 to Q1 2024
- ClubSport DD series will open up a new market segment. Excellent user and reviewer feedback so far
- GranTurismo DD Extreme is a very attractive upgrade to the big installed base of GT DD Pro users
- Expanding the user base because of the low entry level price of CSL DD -> High amount of upgrade orders
- Expanding the market segment „Cockpits“ with fresh and attractive products

# Additional Measures to increase profitability and share price in 2024



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