
**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): February 8, 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 February 8, 2022, Corsair Gaming, Inc. (“Corsair” or the “Company”) issued a press release announcing certain of its financial results for the fiscal quarter and year ended December 31, 2021. 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 and year ended December 31, 2021 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 February 8, 2022, titled “Corsair Gaming Reports Fourth Quarter and Full Year 2021 Financial Results”
99.2	Investor Presentation dated February 8, 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: February 8, 2022

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



Corsair Gaming Reports Fourth Quarter and Full Year 2021 Financial Results

Reports record annual revenues of \$1.9 billion for 2021; guides continued growth for 2022

FREMONT, CA, February 8, 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 fourth quarter and full year ended December 31, 2021.

Full Year 2021 Highlights

- Net revenue was \$1,904.1 million an increase of 11.8% year-over-year. Gamer and creator peripherals segment net revenue was \$647.2 million, an increase of 20.0% year-over-year. Gaming components and systems segment net revenue was \$1,256.9 million, an increase of 8.1% year-over-year.
- Net income was \$101.0 million, or \$1.01 per diluted share, compared to net income of \$103.2 million in the same period last year, or \$1.14 per diluted share.
- Adjusted net income was \$144.9 million, or \$1.45 per diluted share, compared to adjusted net income of \$145.0 million in the same period last year, or \$1.60 per diluted share.
- Adjusted EBITDA was \$199.2 million, compared to adjusted EBITDA of \$213.0 million in the same period last year.

Fourth Quarter 2021 Highlights

- Net revenue was \$510.6 million, well above pre-pandemic fourth quarter levels and within 8.2% of Q4’20’s record \$556.3 million in which net revenues increased by 70.4%.
- Net income was \$24.7 million, or \$0.25 per diluted share, compared to net income of \$43.0 million, or \$0.43 per diluted share, in the same period last year.
- Adjusted net income was \$34.7 million, or \$0.35 per diluted share, compared to adjusted net income of \$53.0 million, or \$0.53 per diluted share, in the same period last year.
- Adjusted EBITDA was \$39.5 million, compared to adjusted EBITDA of \$72.5 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.”

“After the extraordinary growth in 2020 caused by gamers spending more time at home gaming and the large growth in the creator economy, we are pleased to see that after lockdowns and shelter at home were lifted, our Q421 net revenues were within about 8% of Q420. Despite the ongoing logistical and supply chain challenges impacting markets, including the lack of availability of reasonably priced GPUs in the retail channel, we experienced healthy growth over 2020 in both our operating segments. Our gamer and creator peripherals segment grew 20% year-over-year, demonstrating the underlying secular growth

trends in the overall gaming, esports, content creator and streaming hardware and services market. As we discussed during our recent Investor Day and with our record new product introductions of 141, including five new categories, we remain focused on expanding our presence in the market and are well positioned to continue to gain market share,” stated Andy Paul, Chief Executive Officer of Corsair.

“We are pleased with our strong financial performance to conclude 2021, with fourth quarter revenue and profitability metrics achieving the high end of our expectations. We remain focused on growth following the transformation of our debt levels and cost management efficiencies over the past few years. As we begin 2022, we expect to continue to experience elevated freight costs and ongoing supply chain issues, but we believe these circumstances will ease as the year progresses. As these macroeconomic conditions improve, we expect to increase our cash position, which should allow us to execute on M&A opportunities that fulfill our investment criteria or further reduce debt,” said Michael G. Potter, Chief Financial Officer of Corsair.

Financial Outlook

For the full year 2022 we currently expect:

- Net revenue to be in the range of \$1.9 billion to \$2.1 billion.
- Adjusted operating income to be in the range of \$195 million to \$215 million.
- Adjusted EBITDA to be in the range of \$205 million to \$225 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 and amortization, non-cash asset impairment charges, restructuring costs, 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

- On January 20, 2022, Corsair hosted its 2022 Virtual Investor Day. Corsair included a discussion on the significant potential white space market opportunity in gaming hardware, provided an in depth review of its components business, and provided an explanation as to why Elgato solutions is driving the streaming and content creation market. Corsair also introduced an estimated \$3.5 billion net revenue target by fiscal 2026.
 - On January 5, 2022, Corsair announced that it acquired a 51% stake in iDisplay Technology (“iDisplay”), a leader in electronic development and design specializing in display technology. Taiwan-based iDisplay, founded in 1998, is a developer of consumer electronics, smart home controls, and streaming consoles. Its expertise has earned iDisplay a reputation as an innovator of small-form-factor displays, and it has developed a broad patent portfolio supporting its technology.
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- On January 5, 2022, Corsair announced the appointment of Thi La and Sarah Mears Kim to its Board of Directors, effective as of December 29, 2021.
- On January 4, 2022, Corsair announced the new CORSAIR ONE i300 range of compact desktop PCs, the latest in the award-winning CORSAIR ONE lineup. This powerhouse system takes advantage of the latest 12th Gen Intel® Core™ processors, debuting with a formidable Intel Core i9-12900K. Replete with an assortment of premium CORSAIR components – including VENGEANCE DDR5 memory – in an unbelievably small form-factor, the CORSAIR ONE i300 is the premier choice for PC gaming, creative applications, and more. The CORSAIR ONE i300 is a fully-loaded gaming PC with a unique, compact form-factor that takes up less desk space than a laptop. Within its 12-liter frame lies the latest-generation Core i9 processor from Intel, ready to deliver extraordinary speed and remarkable gaming performance – more than 20% faster than previous generations.
- On December 7, 2021, Corsair, under its SCUF Gaming brand, introduced SCUF Reflex, Reflex Pro, and an inaugural first-person shooter model, Reflex FPS. All three models of the Reflex controller are designed specifically for PlayStation 5 (PS5). SCUF Reflex encompasses all the groundbreaking features synonymous with SCUF excellence, delivering a heightened experience created specifically with PS5 gamers in mind. Reflex, Reflex Pro, and Reflex FPS include the patented paddle control system that helped make SCUF controllers the premier choice of competitive players everywhere – with an evolved controller design to improve performance for PlayStation gamers.
- On November 23, 2021, Corsair announced the first shipments to customers of its new range of ORIGIN NEURON, MILLENNIUM, GENESIS, M-Class, and L-Class desktops, putting today’s most powerful DDR5-equipped PCs in the hands of customers weeks ahead of the competition. Ideally placed within the CORSAIR group to access the latest components and technology, ORIGIN PC has benefitted from early access to high-performance CORSAIR DDR5 memory and the latest Intel Z690-chipset motherboards through close cooperation with industry partners such as Asus and MSI.
- On November 9, 2021, Corsair announced a colorful new lineup of its CORSAIR K65 RGB MINI 60% mechanical gaming keyboard: the Flavor Rush Series. These limited-edition keyboards, available exclusively from the CORSAIR webstore in the United States, are decked-out in four unique color schemes and kick off the new CORSAIR COLLECTIONS product line – limited-release gaming gear with unique color combinations and designs for personalizing your setup or building the ultimate PC gaming collection.

Conference Call and Webcast Information

We will host a conference call to discuss the fourth quarter and full-year 2021 financial results on February 8, 2022, at 2:00 p.m. PT. The conference call can be accessed live over the phone by dialing 1-877-407-0784, or for international callers 1-201-689-8560. A replay will be available from 5:00 p.m. PT on February 8, 2022 through February 15, 2022, by dialing 1-844-512-2921, or for international callers 1-412-317-6671. The replay passcode is 13726356.

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 freight costs and supply chain issues, including if and when such issues may ease; whether demand for DIY PC builds will increase; our expectations regarding our cash position; 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; 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 September 30, 2021 filed with the Securities and Exchange Commission ("SEC") on November 2, 2021, in our Annual Report on Form 10-K for the year ended December 31, 2021 to be filed with the SEC 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 and year ended December 31, 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 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 the acquisition accounting impact related to recognizing acquired inventory at fair value, change in fair value of contingent consideration for business acquisitions, non-cash discontinued licenses inventory, non-cash long-lived asset impairment, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, restructuring costs, 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 acquisitions, non-cash discontinued licenses inventory, non-cash long-lived asset impairment, stock-based compensation, intangible asset amortization, certain acquisition-related and integration-related expenses, restructuring costs, 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 acquisitions, non-cash discontinued licenses inventory, non-cash long-lived asset impairment, stock-based compensation, certain acquisition-related and integration-related expenses, restructuring costs, 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.
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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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net revenue	\$ 510,622	\$ 556,339	\$ 1,904,060	\$ 1,702,367
Cost of revenue	388,809	402,540	1,390,206	1,236,938
Gross profit	121,813	153,799	513,854	465,429
Operating expenses:				
Sales, general and administrative	81,538	81,127	315,672	257,004
Product development	15,138	13,779	60,288	50,064
Total operating expenses	96,676	94,906	375,960	307,068
Operating income	25,137	58,893	137,894	158,361
Other (expense) income:				
Interest expense	(1,017)	(6,021)	(17,673)	(35,137)
Other expense, net	(1,659)	(1,153)	(5,661)	(1,182)
Total other expense, net	(2,676)	(7,174)	(23,334)	(36,319)
Income before income taxes	22,461	51,719	114,560	122,042
Income tax (expense) benefit	2,254	(8,676)	(13,600)	(18,825)
Net income	\$ 24,715	\$ 43,043	\$ 100,960	\$ 103,217
Net income per share:				
Basic	\$ 0.26	\$ 0.47	\$ 1.08	\$ 1.20
Diluted	\$ 0.25	\$ 0.43	\$ 1.01	\$ 1.14
Weighted-average shares used to compute net income per share				
Basic	94,345	91,923	93,260	86,256
Diluted	99,657	99,771	100,004	90,577

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

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net revenue:				
Gamer and Creator Peripherals	\$ 176,873	\$ 191,835	\$ 647,202	\$ 539,366
Gaming Components and Systems	333,749	364,504	1,256,858	1,163,001
Total Net Revenue	<u>\$ 510,622</u>	<u>\$ 556,339</u>	<u>\$ 1,904,060</u>	<u>\$ 1,702,367</u>
Gross Profit:				
Gamer and Creator Peripherals	\$ 52,840	\$ 68,856	\$ 224,920	\$ 189,742
Gaming Components and Systems	68,973	84,943	288,934	275,687
Total Gross Profit	<u>\$ 121,813</u>	<u>\$ 153,799</u>	<u>\$ 513,854</u>	<u>\$ 465,429</u>
Gross Margin:				
Gamer and Creator Peripherals	29.9%	35.9%	34.8%	35.2%
Gaming Components and Systems	20.7%	23.3%	23.0%	23.7%
Total Gross Margin	23.9%	27.6%	27.0%	27.3%

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

	December 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and restricted cash	\$ 65,149	\$ 133,338
Accounts receivable, net	291,287	293,629
Inventories	298,315	226,007
Prepaid expenses and other current assets	51,024	37,997
Total current assets	705,775	690,971
Restricted cash, noncurrent	231	230
Property and equipment, net	16,819	16,475
Goodwill	317,054	312,760
Intangible assets, net	225,709	259,317
Other assets	71,808	34,362
TOTAL ASSETS	\$ 1,337,396	\$ 1,314,115
Liabilities and Stockholders' Equity		
Current liabilities:		
Debt maturing within one year	\$ 4,753	\$ -
Accounts payable	236,120	299,636
Other liabilities and accrued expenses	205,874	205,745
Total current liabilities	446,747	505,381
Long-term debt	242,898	321,393
Deferred tax liabilities	25,700	29,752
Other liabilities, noncurrent	53,871	20,199
TOTAL LIABILITIES	769,216	876,725
Stockholders' Equity:		
Common stock and additional paid-in capital	470,373	438,676
Retained earnings (accumulated deficit)	98,147	(2,813)
Accumulated other comprehensive income (loss)	(340)	1,527
Total Stockholders' Equity	568,180	437,390
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,337,396	\$ 1,314,115

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

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Cash flows from operating activities:				
Net income	\$ 24,715	\$ 43,043	100,960	\$ 103,217
Adjustments to reconcile net income to net cash provided by operating activities:				
Stock-based compensation	3,579	1,510	17,235	5,796
Depreciation	2,719	2,613	10,300	9,318
Amortization of intangible assets	8,676	8,572	34,794	33,916
Debt issuance costs amortization	86	560	1,458	2,550
Loss on debt extinguishment	—	858	4,868	4,114
Deferred income taxes	(5,417)	(584)	(11,962)	(7,476)
Other	1,642	1,524	3,291	2,594
Changes in operating assets and liabilities:				
Accounts receivable	(38,112)	(33,425)	444	(91,492)
Inventories	31,580	(19,200)	(71,316)	(80,086)
Prepaid expenses and other assets	(5,387)	12,478	(13,177)	(7,953)
Accounts payable	(11,880)	23,750	(63,722)	116,522
Other liabilities and accrued expenses	(17,081)	26,930	7,019	77,933
Net cash provided by (used in) operating activities	(4,880)	68,629	20,192	168,953
Cash flows from investing activities:				
Acquisition of businesses, net of cash acquired	(3,162)	(455)	(4,846)	(1,291)
Payment of deferred and contingent consideration	(43)	—	(4,721)	—
Purchase of property and equipment	(3,297)	(3,917)	(10,974)	(8,989)
Net cash used in investing activities	(6,502)	(4,372)	(20,541)	(10,280)
Cash flows from financing activities:				
Proceeds from issuance of debt, net	—	—	248,513	—
Repayment of debt	(1,250)	(50,000)	(328,188)	(190,394)
Payment of debt issuance costs	(168)	—	(204)	(194)
Borrowings from line of credit	63,500	—	63,500	—
Repayments of line of credit	(63,500)	—	(63,500)	—
Proceeds from initial public offering, net of underwriting discounts and commissions	—	—	—	118,575
Payment of other offering costs	—	(2,873)	—	(8,455)
Proceeds from issuance of shares through employee equity incentive plans	3,379	113	14,872	1,337
Payment of taxes related to net share settlement of equity awards	(182)	—	(397)	—
Net cash provided by (used in) financing activities	1,779	(52,760)	(65,404)	(79,131)
Effect of exchange rate changes on cash	(1,346)	1,930	(2,435)	2,079
Net increase (decrease) in cash and restricted cash	(10,949)	13,427	(68,188)	81,621
Cash and restricted cash at the beginning of the period	76,329	120,141	133,568	51,947
Cash and restricted cash at the end of the period	\$ 65,380	\$ 133,568	\$ 65,380	\$ 133,568

Corsair Gaming, Inc.
GAAP to Non-GAAP Reconciliations

Non-GAAP Operating Income Reconciliations

(Unaudited, in thousands, except percentages)

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Operating Income - GAAP	\$ 25,137	\$ 58,893	\$ 137,894	\$ 158,361
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	-	-	394
Change in fair value of contingent consideration for business acquisition	(3)	954	(345)	954
Non-cash discontinued licenses inventory	-	-	1,003	-
Non-cash long-lived asset impairment	853	-	853	-
Stock-based compensation	3,579	1,510	17,235	5,796
Intangible asset amortization	8,676	8,572	34,794	33,916
Acquisition-related and integration-related costs	216	680	1,343	3,156
Restructuring costs	10	-	709	-
Non-deferred IPO and secondary offering costs	-	428	1,031	1,633
Debt modification costs	-	-	-	623
Adjusted Operating Income - Non-GAAP	\$ 38,468	\$ 71,037	\$ 194,517	\$ 204,833
<i>As a % of net revenue - GAAP</i>	<i>4.9%</i>	<i>10.6%</i>	<i>7.2%</i>	<i>9.3%</i>
<i>As a % of net revenue - Non-GAAP</i>	<i>7.5%</i>	<i>12.8%</i>	<i>10.2%</i>	<i>12.0%</i>

Non-GAAP Net Income and Net Income Per Share Reconciliations

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

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 24,715	\$ 43,043	\$ 100,960	\$ 103,217
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	-	-	394
Change in fair value of contingent consideration for business acquisition	(3)	954	(345)	954
Non-cash discontinued licenses inventory	-	-	1,003	-
Non-cash long-lived asset impairment	853	-	853	-
Stock-based compensation	3,579	1,510	17,235	5,796
Intangible asset amortization	8,676	8,572	34,794	33,916
Acquisition-related and integration-related costs	216	680	1,343	3,156
Restructuring costs	10	-	709	-
Non-deferred IPO and secondary offering costs	-	428	1,031	1,633
Debt modification costs	-	-	-	623
Loss on debt extinguishment	-	858	4,904	4,114
Non-GAAP income tax adjustment	(3,330)	(3,032)	(17,582)	(8,850)
Adjusted Net Income - Non-GAAP	\$ 34,716	\$ 53,013	\$ 144,905	\$ 144,953
Diluted Net income per share:				
GAAP	\$ 0.25	\$ 0.43	\$ 1.01	\$ 1.14
Adjusted, Non-GAAP	\$ 0.35	\$ 0.53	\$ 1.45	\$ 1.60
Shares used to compute diluted net income per share:				
GAAP	99,657	99,771	100,004	90,577
Adjusted, Non-GAAP	99,657	99,771	100,004	90,577

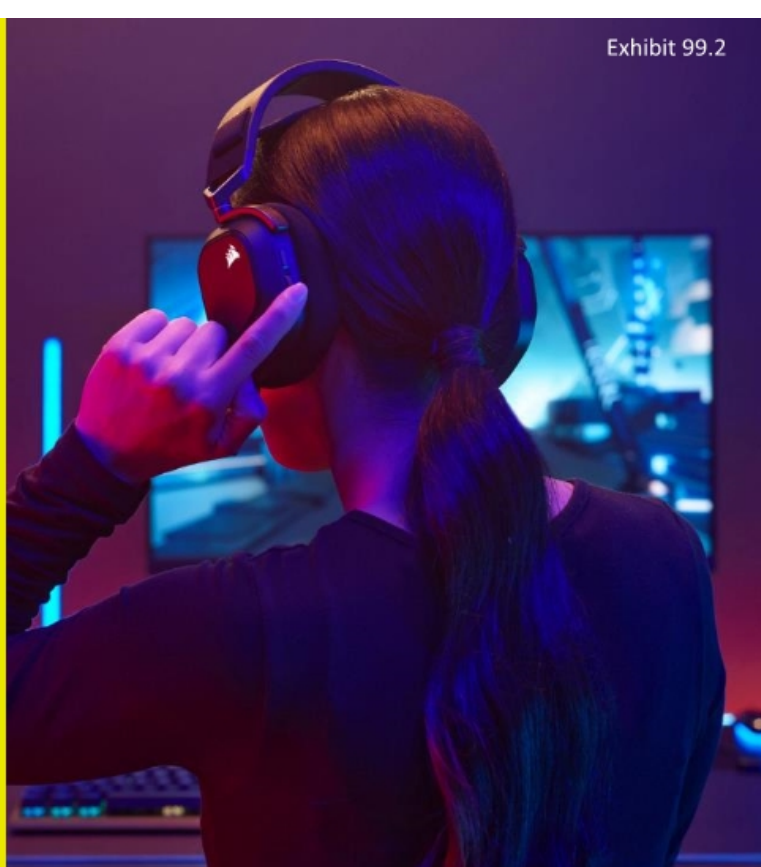
Corsair Gaming, Inc.
Adjusted EBITDA Reconciliations
(Unaudited, in thousands, except percentages)

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 24,715	\$ 43,043	\$ 100,960	\$ 103,217
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	-	-	394
Change in fair value of contingent consideration for business acquisition	(3)	954	(345)	954
Non-cash discontinued licenses inventory	-	-	1,003	-
Non-cash long-lived asset impairment	853	-	853	-
Stock-based compensation	3,579	1,510	17,235	5,796
Acquisition-related and integration-related costs	216	680	1,343	3,156
Restructuring costs	10	-	709	-
Non-deferred IPO and secondary offering costs	-	428	1,031	1,633
Debt modification costs	-	-	-	623
Intangible asset amortization	8,676	8,572	34,794	33,916
Depreciation	2,719	2,613	10,300	9,318
Interest expense (includes loss on debt extinguishment)	1,017	6,021	17,673	35,137
Tax expense (benefit)	(2,254)	8,676	13,600	18,825
Adjusted EBITDA - Non-GAAP	<u>\$ 39,528</u>	<u>\$ 72,497</u>	<u>\$ 199,156</u>	<u>\$ 212,969</u>
<i>Adjusted EBITDA margin - Non-GAAP</i>	7.7%	13.0%	10.5%	12.5%



Q4 & FISCAL YEAR 2021 FINANCIAL RESULTS

February 8, 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; whether demand for DIY PC builds will increase; the Company's plans to reduce its debt; 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; 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 Annual Report on Form 10-K for the year ended December 31, 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 operating income, adjusted net income, adjusted net income per share, adjusted EBITDA and adjusted EBITDA margin, 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.



Q4 PRODUCT HIGHLIGHTS



NEW TECHNOLOGY – DDR5 MEMORY

DDR5 Launched alongside Intel's Z690 platform, for the **biggest upgrade in performance memory** in 7 years.

Corsair DDR5 was **trusted by over 100 leading media outlets and tech influencers** to test the new platform and memory standard

Consumer demand is extremely high and **increased ASPs accompany a surge in upgrades** alongside Intel's new 12th Generation processors

Corsair DDR5 is **leading the way in performance**, shipping kits up to 6,400MHz and overclockers pushing speeds even higher



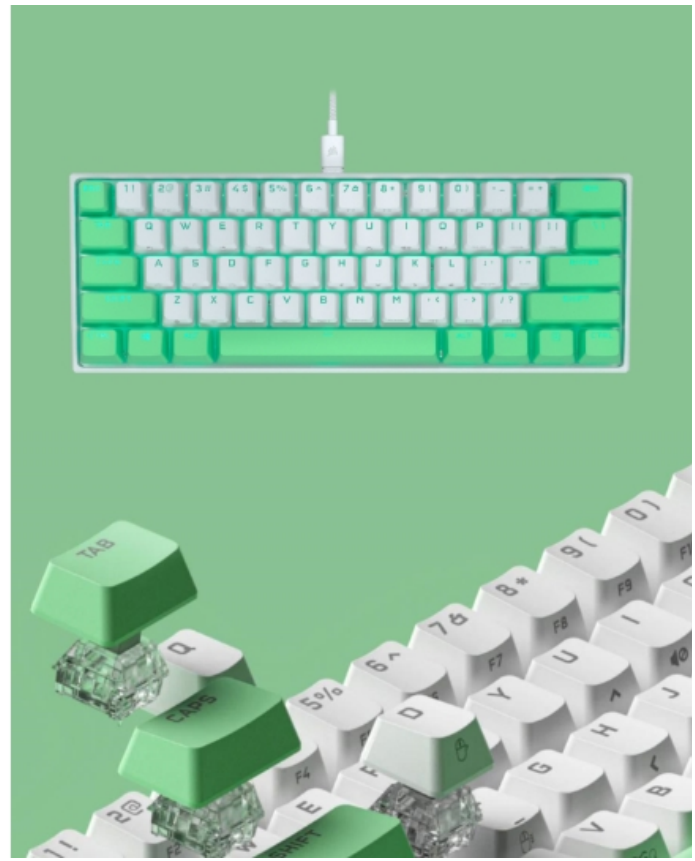


NEW CATEGORY – CORSAIR COLLECTIONS

Introducing Corsair Collections – custom & limited release, direct to consumer products

Debuted with the new Flavor Rush Series of K65 RGB MINI keyboards

Unique and deeper personalization for our most engaged customers





NEW CONTROLLER – PLAYSTATION 5 CONTROLLER

SCUF controller made for PlayStation 5 – the SCUF Reflex

Patented SCUF remappable paddles and adjustable controls give players the edge in the most competitive games

Incredible customer demand saw our initial launch stock sell out in minutes.

Three ways to win with Reflex, Reflex Pro and Reflex FPS



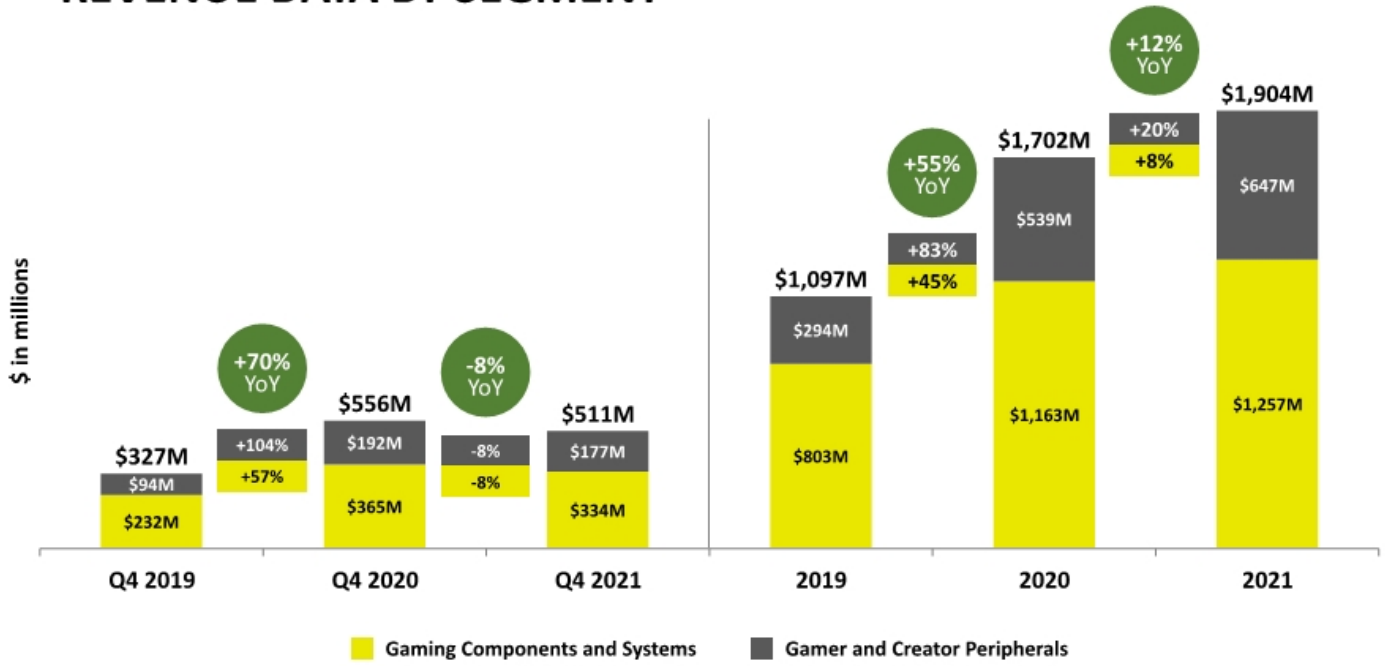


FINANCIAL RESULTS





REVENUE DATA BY SEGMENT

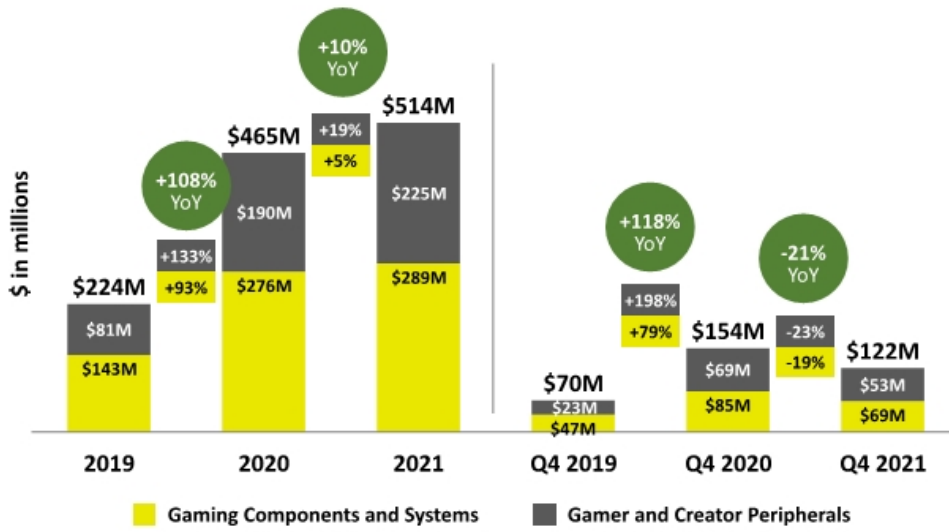


Note: 2019 financials are not presented on a pro-forma basis for CORSAIR's acquisitions of Origin and SCUF in 2019.

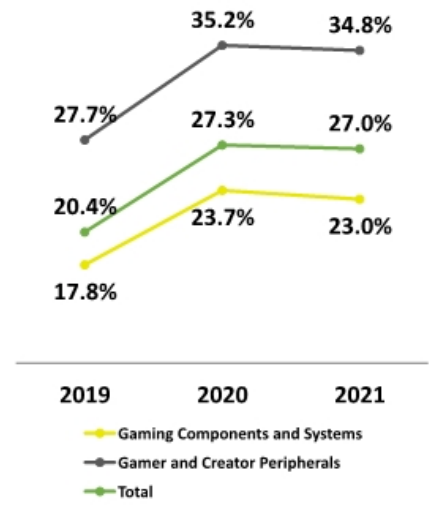


GROSS MARGIN DATA BY SEGMENT

Segment gross profit



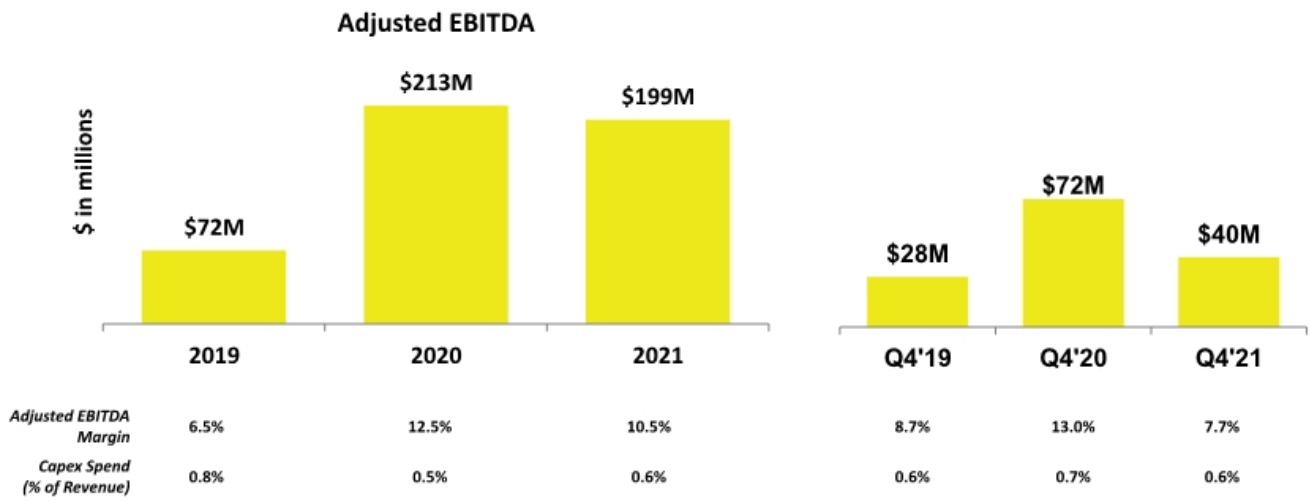
Segment gross margin



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



EXPANDING ADJUSTED EBITDA WITH 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.



2021 & Q4 RESULTS

In 2021 Net Revenues grew at 11.8%, following extraordinary 55.2% growth the year prior as gamers spend more time at home gaming and started to invest in dedicated gaming and streaming hardware. This growth came despite being restrained by supply chain challenges, including the lack of availability in the retail channel of reasonably priced GPUs which curtailed the demand for new PC builds and its components.

As in prior years the higher margin Gamer and Creator Peripherals segment growth outpaced the company's and provided a favorable mix impact on overall gross margins. However, this was not enough to offset the adverse impact of higher logistics and supply chain costs including ocean and air freight particularly in the second half of 2021. We estimate these costs impacts on gross margin compared to 2020 to be approximately 1% for the year and approximately 2% for the quarter.

(\$ in millions except EPS and percentages)	Q4'21	Y/Y	2021	Y/Y
Net Revenue	\$510.6	-8.2%	\$1,904.1	+11.8%
Gross Profit	\$121.8	-20.8%	\$513.9	+10.4%
Gross Profit Margin	23.9%	-370 bps	27.0%	-30 bps
Operating Income	\$25.1	-57.3%	\$137.9	-12.9%
Adjusted Operating Income	\$38.5	-45.8%	\$194.5	-5.0%
Net Income	\$24.7	-42.6%	\$101.0	-2.2%
Net Income per Share (diluted)	\$0.25	-41.9%	\$1.01	-11.4%
Adjusted Net Income	\$34.7	-34.5%	\$144.9	0.0%
Adjusted Net Income per Share (diluted)	\$0.35	-34.0%	\$1.45	-9.4%
Adjusted EBITDA	\$39.5	-45.5%	\$199.2	-6.5%

Note: See appendix on non-GAAP reconciliations



GAMING COMPONENTS AND SYSTEMS 2021 RESULTS

Net Revenue growth of 8.1% in 2021 despite the lack of availability in the retail channel for much of the year of reasonably priced GPUs which caused many enthusiasts to hold off building a performance gaming PC.

We believe that as reasonably priced GPUs become more available there should be pent-up demand for building high performance gaming PCs.

Corsair grew market share in both gaming memory and non-memory components.

Gross margins were adversely impacted by higher logistics costs including ocean and air freight particularly in the second half of 2021, with ocean freight costs per container running as much as 4-5x above normal pre-pandemic levels

(\$ in millions except percentages)	Q4'21	Y/Y	2021	Y/Y
Net Revenue	\$333.7	-8.4%	\$1,256.9	+8.1%
% of Total Net Revenue	65.4%	-10 bps	66.0%	-230 bps
Gross Profit	\$69.0	-18.8%	\$288.9	+4.8%
Gross Profit Margin	20.7%	-260 bps	23.0%	-70 bps





GAMER AND CREATOR PERIPHERALS 2021 RESULTS

2021 Net Revenue grew by 20.0%, led by our Elgato branded streaming and creator products, which outgrew the overall segment. 2021 Net Revenue grew significantly despite being impacted by IC shortages and a 4-6 weeks increase in transit times, which caused our premium high value products to be in tight supply.

Q4 Segment Gross Profit Margins were adversely impacted by increased logistics and supply chain costs as well as a return towards a more normal level of promotional activity. Ocean freight costs per container ran as much as 4-5x higher than normal pre-pandemic levels.

(\$ in millions except percentages)	Q4'21	Y/Y	2021	Y/Y
Net Revenue	\$176.9	-7.8%	\$647.2	+20.0%
% of Total Net Revenue	34.6%	10 bps	34.0%	+230 bps
Gross Profit	\$52.8	-23.3%	\$224.9	+18.5%
Gross Profit Margin	29.9%	-600 bps	34.8%	-40 bps





FINANCIAL GUIDANCE FY2022 ⁽¹⁾

Financial Metrics	2022 Guidance
Net Revenues	\$1.9-2.1 billion (0% - 10% growth)
Adjusted Operating Income	\$195-215 million
Adjusted EBITDA	\$205-225 million

(1) Given the number of risk factors, uncertainties and assumptions, many of which are discussed in slide 2, actual results may differ materially. 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

In Q3 2021, refinanced long-term debt, substantially reducing the interest rate, doubled revolver to \$100 million and reduced outstanding debt by \$24 million to \$250 million of face value.

During 2021 we reduced the face value of our debt by \$78.2 million and we estimate an interest expense savings of over \$2 million per quarter at current balance.

Based on our current net leverage ratio our interest rate on the long-term debt is LIBOR plus 1.50%.

We expect to continue to reduce debt over time on a more opportunistic basis subject to business conditions and any need for growth capital.

(\$ in millions)	December 31, 2021
Cash (excluding restricted cash)	\$62.4
Term Loan (face value)	\$248.8
Total debt	\$248.8
Net debt	\$186.3





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 net income, adjusted net income per share, adjusted EBITDA and adjusted EBITDA margin. 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 share, adjusted EBITDA and adjusted EBITDA margin 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 share, adjusted EBITDA and adjusted EBITDA margin 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Operating Income - GAAP	\$ 25,137	\$ 58,893	\$ 137,894	\$ 158,361
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	-	-	394
Change in fair value of contingent consideration for business acquisition	(3)	954	(345)	954
Non-cash discontinued licenses inventory	-	-	1,003	-
Non-cash long-lived asset impairment	853	-	853	-
Stock-based compensation	3,579	1,510	17,235	5,796
Intangible asset amortization	8,676	8,572	34,794	33,916
Acquisition-related and integration-related costs	216	680	1,343	3,156
Restructuring costs	10	-	709	-
Non-deferred IPO and secondary offering costs	-	428	1,031	1,633
Debt modification costs	-	-	-	623
Adjusted Operating Income - Non-GAAP	\$ 38,468	\$ 71,037	\$ 194,517	\$ 204,833
<i>As a % of net revenue - GAAP</i>	4.9%	10.6%	7.2%	9.3%
<i>As a % of net revenue - Non-GAAP</i>	7.5%	12.8%	10.2%	12.0%



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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net Income - GAAP	\$ 24,715	\$ 43,043	\$ 100,960	\$ 103,217
Acquisition accounting impact related to recognizing acquired inventory at fair value	-	-	-	394
Change in fair value of contingent consideration for business acquisition	(3)	954	(345)	954
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Restructuring costs	10	-	709	-
Non-deferred IPO and secondary offering costs	-	428	1,031	1,633
Debt modification costs	-	-	-	623
Loss on debt extinguishment	-	858	4,904	4,114
Non-GAAP income tax adjustment	(3,330)	(3,032)	(17,582)	(8,850)
Adjusted Net Income - Non-GAAP	\$ 34,716	\$ 53,013	\$ 144,905	\$ 144,953
Diluted Net income per share:				
GAAP	\$ 0.25	\$ 0.43	\$ 1.01	\$ 1.14
Adjusted, Non-GAAP	\$ 0.35	\$ 0.53	\$ 1.45	\$ 1.60
Shares used to compute diluted net income per share:				
GAAP	99,657	99,771	100,004	90,577
Adjusted, Non-GAAP	99,657	99,771	100,004	90,577



GAAP TO NON-GAAP RECONCILIATIONS

Adjusted EBITDA Reconciliations

(Unaudited, in thousands, except percentages)

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THANK YOU

