

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 10, 2023

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 No.)

115 N. McCarthy Boulevard  
Milpitas, California  
(Address of Principal Executive Offices)

95035  
(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 10, 2023, Corsair Gaming, Inc. (“Corsair” or the “Company”) issued a press release announcing certain of its financial results for the fiscal quarter ended March 31, 2023. 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, 2023 is furnished pursuant to Item 2.02 as Exhibit 99.2 hereto.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press Release dated May 10, 2023, titled “Corsair Gaming Reports First Quarter 2023 Financial Results”</a>
99.2	<a href="#">Investor Presentation dated May 10, 2023</a>
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 10, 2023

By: \_\_\_\_\_  
/s/ Michael G. Potter  
Michael G. Potter  
Chief Financial Officer  
*(Authorized Officer, Principal Financial Officer and Principal Accounting Officer)*



## Corsair Gaming Reports First Quarter 2023 Financial Results

Milpitas, CA, May 10, 2023 – [Corsair Gaming, Inc.](#) (Nasdaq: CRSR) (“Corsair” or the “Company”), a leading global provider and innovator of high-performance gear for gamers, streamers, content-creators, and gaming PC builders, today announced financial results for the first quarter ended March 31, 2023.

### First Quarter 2023 Select Financial Metrics

- Net revenue was \$354.0 million compared to \$380.7 million in the first quarter of 2022. Gaming components and systems segment net revenue was \$265.0 million compared to \$246.5 million in the first quarter of 2022, while Gamer and creator peripherals segment net revenue was \$88.9 million compared to \$134.1 million in the first quarter of 2022.
- Net loss attributable to common shareholders was \$1.1 million, or \$0.01 per diluted share, compared to a net loss of \$5.1 million, or \$0.05 per diluted share, in the first quarter of 2022.
- Adjusted net income was \$11.9 million, or \$0.11 per diluted share, compared to adjusted net income of \$9.2 million, or \$0.09 per diluted share, in the first quarter of 2022.
- Adjusted EBITDA was \$20.6 million, compared to \$15.4 million in the first quarter of 2022.
- Cash and cash equivalents were \$182.1 million as of March 31, 2023.

Andy Paul, Chief Executive Officer of Corsair, stated, “We are off to a strong start to 2023 with a 33% improvement in adjusted EBITDA compared to the year ago period. We are thrilled to see that enthusiast-level consumers continue to build new gaming PCs at a rate significantly above pre-pandemic levels. Recent third party data shows that Corsair continues to gain and hold leading market share positions in most of our categories of components used in those builds. The broader market for gaming peripherals is also holding up at a level significantly above pre-pandemic levels, although slightly behind 2022 levels, most notably in Europe. During 2023 we started to ship many new innovative products, including our FLEX OLED bendable monitor, engineered in partnership with LG. With lower priced GPUs coming to market and exciting new game titles being released this year, we are confident that the gaming market will continue to grow off the higher recent levels and we believe that Corsair can continue to gain market share in many of the new categories we are entering.”

Michael G. Potter, Chief Financial Officer of Corsair, stated, “We were able to build off the good start to the year and continue to improve our financial strength and flexibility. Gross margins increased 30 basis points compared to Q1 2022 as we benefited from lower freight expenses. We are also starting to see the benefit of cost actions we took last year with operating expenses down almost 10% year-over-year. Our working capital position also improved in Q1 reflecting the positive impact of our inventory reduction efforts in 2022, and we reduced debt by \$10 million, while preserving capital to invest further in growth.”

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## Financial Outlook

The Company reiterated its outlook for the full year 2023 for revenue to be flat to slightly up in a softer economic environment as compared to 2022. Corsair continues to expect an improvement for the full year 2023 in adjusted EBITDA led by an improvement in margin, normalized shipping costs and continued tight operating expense controls.

- Net revenue for the full year 2023 is expected to be in the range of \$1.35 billion to \$1.55 billion.
- Adjusted operating income to be in the range of \$75 million to \$95 million.
- Adjusted EBITDA to be in the range of \$90 million to \$110 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

- Expanded our gaming headset lineup, with new wireless versions of the HS65 and HS55 lightweight headsets. Both feature Dolby 7.1 surround sound and low-latency 2.4GHz wireless and Bluetooth® connectivity, giving multi-platform compatibility. The HS65 also features Sound ID for personalized audio profiles.
  - Fully rolled out the new MURALS feature in iCUE software, adding an intuitive new interface with which users can design and create system-wide lighting profiles in a variety of ways. Users can create a lighting profile from a sample video, image or even music, and apply that lighting profile across all their Corsair gear. MURALS also enables lighting synchronization and control for supported products from popular lighting manufacturers Philips HUE and Nanoleaf, further expanding the Corsair iCUE ecosystem of supported products.
  - Launched new high performance DDR5 memory kits with break-through capacities of up to 192GB for a 4-module kit, meeting the ever growing DRAM needs of gamers and content creators
  - Launched Corsair Build Kits, selling complete PC build kits for customers to assemble themselves, helping customers by removing the research and part hunting sometimes required when building a new PC. With six different kits ranging from entry level to range-topping, the kits include everything users need to build a new PC, including processor, graphics card and memory. Supported by in-depth video tutorials to help customers build their PC, Corsair Build Kits offer a new way for customers to shop for a new PC, while still building it themselves.
  - Announced a long-term partnership with world renowned gamer and streamer, Nick Kolchoff (known as Nickmercs), who will be exclusively using Corsair and Elgato Peripherals, Scuf Controllers and Origin gaming PCs for his game playing and streaming.
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- Launched a market place for 3<sup>rd</sup> party software providers to offer plug ins and software solutions for the growing installed base of Elgato Streamdecks.

### **Conference Call and Webcast Information**

Corsair will host a conference call to discuss the first quarter 2023 financial results today at 2:00 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 13737369. A replay will be available approximately 3 hours after the live call ends on Corsair's Investor Relations website, or through May 17, 2023 by dialing 1-844-512-2921 (USA) or 1-412-317-6671 (International), with passcode 13737369.

### **About Corsair Gaming, Inc.**

CORSAIR (Nasdaq: CRSR) is a leading global developer and manufacturer of high-performance gear and technology for gamers, content creators, and PC enthusiasts. From award-winning PC components and peripherals, to premium streaming equipment and smart ambient lighting, CORSAIR delivers a full ecosystem of products that work together to enable everyone, from casual gamers to committed professionals, to perform at their very best. Corsair also sells gear under its Elgato brand, which provides premium studio equipment and accessories for content creators, SCUF Gaming brand, which builds custom-designed controllers for competitive gamers and ORIGIN PC brand, a builder of custom gaming and workstation desktop PCs.

### **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, Corsair's expectations regarding market headwinds and tailwinds, its belief that the self-built gaming PC market will continue to improve, its expectations regarding 2023, including lower priced graphics processing units, new game releases, its ability to continue to release innovative and what it believes to be industry leading products, whether cost actions will benefit margins and its estimated full year 2023 net revenue, adjusted operating income and adjusted EBITDA. 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: current macroeconomic conditions, including the impacts of high inflation and risk of recession on demand for our products; the lingering impacts and future outbreaks of the COVID-19 pandemic and its impacts on our operations and the operations of our manufacturers, retailers and other partners, as well as its impacts 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

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our overseas customers or resulting in an increase in our manufacturing costs; 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 Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission ("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 ended March 31, 2023 are also 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 (loss), adjusted net income (loss), adjusted net income (loss) 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 (loss), adjusted net income (loss), adjusted net income (loss) per share and adjusted EBITDA to evaluate our operating performance and trends and make planning decisions. We believe that these non-GAAP financial 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 these non-GAAP financial measures 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 measures because we believe investors, analysts and rating agencies consider it 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 net revenue, operating income (loss), net income (loss), 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 (loss), non-GAAP, is determined by adding back to GAAP operating income (loss), the impact from amortization, stock-based compensation, certain acquisition-related and integration-related costs, and other costs.
  - Adjusted net income (loss), non-GAAP, is determined by adding back to GAAP net loss, the impact from amortization, stock-based compensation, certain acquisition-related and integration-related costs, and other costs, and the related tax effects of each of these adjustments.
  - Adjusted net income (loss) 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.
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- Adjusted EBITDA is determined by adding back to GAAP net income (loss), the impact from amortization, stock-based compensation, depreciation, interest expense, certain acquisition-related and integration-related costs, tax benefit, and other costs.

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.

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

	Three Months Ended March 31,	
	2023	2022
Net revenue	\$ 353,964	\$ 380,691
Cost of revenue	268,560	289,935
Gross profit	85,404	90,756
Operating expenses:		
Sales, general and administrative	67,529	76,131
Product development	16,838	17,110
Total operating expenses	84,367	93,241
Operating income (loss)	1,037	(2,485)
Other (expense) income:		
Interest expense	(2,828)	(1,279)
Other expense, net	(496)	(499)
Total other expense, net	(3,324)	(1,778)
Loss before income taxes	(2,287)	(4,263)
Income tax benefit	639	983
Net loss	(1,648)	(3,280)
Less: Net income (loss) attributable to noncontrolling interest	364	(407)
Net loss attributable to Corsair Gaming, Inc.	\$ (2,012)	\$ (2,873)
Calculation of net loss per share attributable to common stockholders of Corsair Gaming, Inc.:		
Net loss attributable to Corsair Gaming, Inc.	\$ (2,012)	\$ (2,873)
Change in redemption value of redeemable noncontrolling interest	958	(2,261)
Net loss attributable to common stockholders of Corsair Gaming, Inc.	\$ (1,054)	\$ (5,134)
Net loss per share attributable to common stockholders of Corsair Gaming, Inc.:		
Basic	\$ (0.01)	\$ (0.05)
Diluted	\$ (0.01)	\$ (0.05)
Weighted-average common shares outstanding:		
Basic	101,685	95,275
Diluted	101,685	95,275

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

	<b>Three Months Ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Net revenue:</b>		
Gamer and Creator Peripherals	\$ 88,942	\$ 134,148
Gaming Components and Systems	265,022	246,543
Total Net revenue	<u>\$ 353,964</u>	<u>\$ 380,691</u>
<b>Gross Profit:</b>		
Gamer and Creator Peripherals	\$ 26,648	\$ 43,057
Gaming Components and Systems	58,756	47,699
Total Gross Profit	<u>\$ 85,404</u>	<u>\$ 90,756</u>
<b>Gross Margin:</b>		
Gamer and Creator Peripherals	30.0%	32.1%
Gaming Components and Systems	22.2%	19.3%
Total Gross Margin	24.1%	23.8%

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

	March 31, 2023	December 31, 2022
<b>Assets</b>		
Current assets:		
Cash and restricted cash	\$ 181,819	\$ 153,827
Accounts receivable, net	220,992	235,656
Inventories	188,481	192,717
Prepaid expenses and other current assets	41,678	40,593
<b>Total current assets</b>	<b>632,970</b>	<b>622,793</b>
Restricted cash, noncurrent	234	233
Property and equipment, net	34,128	34,927
Goodwill	348,210	347,747
Intangibles assets, net	207,082	216,255
Other assets	74,701	75,290
<b>Total assets</b>	<b>\$ 1,297,325</b>	<b>\$ 1,297,245</b>
<b>Liabilities</b>		
Current liabilities:		
Debt maturing within one year, net	\$ 8,372	\$ 6,495
Accounts payable	188,035	172,033
Other liabilities and accrued expenses	152,485	164,470
<b>Total current liabilities</b>	<b>348,892</b>	<b>342,998</b>
Long-term debt, net	220,390	232,170
Deferred tax liabilities	17,680	18,054
Other liabilities, noncurrent	46,054	48,589
<b>Total liabilities</b>	<b>633,016</b>	<b>641,811</b>
<b>Temporary equity</b>		
Redeemable noncontrolling interest	20,646	21,367
<b>Permanent equity</b>		
Corsair Gaming, Inc. stockholders' equity:		
Common stock and additional paid-in capital	602,378	593,496
Retained earnings	36,169	37,223
Accumulated other comprehensive loss	(5,276)	(6,881)
<b>Total Corsair Gaming, Inc. stockholders' equity</b>	<b>633,271</b>	<b>623,838</b>
Nonredeemable noncontrolling interest	10,392	10,229
<b>Total permanent equity</b>	<b>643,663</b>	<b>634,067</b>
<b>Total liabilities, temporary equity and permanent equity</b>	<b>\$ 1,297,325</b>	<b>\$ 1,297,245</b>

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

	Three Months Ended March 31,	
	2023	2022
<b>Cash flows from operating activities:</b>		
Net loss	\$ (1,648)	\$ (3,280)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Stock-based compensation	7,246	5,147
Depreciation	2,897	2,604
Amortization	9,741	10,138
Deferred income taxes	(2,209)	(4,078)
Other	128	653
Changes in operating assets and liabilities:		
Accounts receivable	14,623	54,434
Inventories	4,672	(662)
Prepaid expenses and other assets	(1,077)	(8,147)
Accounts payable	18,156	(35,308)
Other liabilities and accrued expenses	(10,703)	(27,607)
Net cash provided by (used in) operating activities	41,826	(6,106)
<b>Cash flows from investing activities:</b>		
Acquisition of business, net of cash acquired	—	(19,534)
Purchase of property and equipment	(4,677)	(4,365)
Net cash used in investing activities	(4,677)	(23,899)
<b>Cash flows from financing activities:</b>		
Repayment of debt	(10,000)	(1,250)
Borrowing from line of credit	—	293,000
Repayment of line of credit	—	(293,000)
Payment of other offering costs	(497)	—
Payment of contingent consideration	(950)	(292)
Proceeds from issuance of shares through employee equity incentive plans	2,117	523
Payment of taxes related to net share settlement of equity awards	(556)	(887)
Net cash used in financing activities	(9,886)	(1,906)
Effect of exchange rate changes on cash	730	(1,484)
Net increase (decrease) in cash and restricted cash	27,993	(33,395)
Cash and restricted cash at the beginning of the period	154,060	65,380
Cash and restricted cash at the end of the period	\$ 182,053	\$ 31,985

**Corsair Gaming, Inc.**  
**GAAP to Non-GAAP Reconciliations**

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

	Three Months Ended March 31,	
	2023	2022
<b>Operating Income (Loss) - GAAP</b>	\$ 1,037	\$ (2,485)
Amortization	9,741	10,138
Stock-based compensation	7,246	5,147
Acquisition-related and integration-related costs	140	243
Other	—	275
<b>Adjusted Operating Income - Non-GAAP</b>	<u>\$ 18,164</u>	<u>\$ 13,318</u>
<i>As a % of net revenue - GAAP</i>	0.3%	-0.7%
<i>As a % of net revenue - Non-GAAP</i>	5.1%	3.5%

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

	Three Months Ended March 31,	
	2023	2022
Net loss attributable to common stockholders of Corsair Gaming, Inc. <sup>(1)</sup>	\$ (1,054)	\$ (5,134)
Less: Change in redemption value of redeemable noncontrolling interest	958	(2,261)
Net loss attributable to Corsair Gaming, Inc.	(2,012)	(2,873)
Add: Net income (loss) attributable to noncontrolling interest	364	(407)
<b>Net Loss - GAAP</b>	(1,648)	(3,280)
<b>Adjustments:</b>		
Amortization	9,741	10,138
Stock-based compensation	7,246	5,147
Acquisition-related and integration-related costs	140	243
Other	—	275
Non-GAAP income tax adjustment	(3,550)	(3,349)
<b>Adjusted Net Income - Non-GAAP</b>	<u>\$ 11,929</u>	<u>\$ 9,174</u>
<b>Diluted net income (loss) per share:</b>		
GAAP	\$ (0.01)	\$ (0.05)
Adjusted, Non-GAAP	\$ 0.11	\$ 0.09
<b>Weighted-average common shares outstanding - Diluted:</b>		
GAAP	101,685	95,275
Add: Dilutive effect of stock options and RSUs	4,147	5,015
Adjusted, Non-GAAP	105,832	100,290

(1) Numerator for calculating net loss per share-GAAP

**Corsair Gaming, Inc.**  
**GAAP to Non-GAAP Reconciliations**

**Adjusted EBITDA Reconciliations**  
(Unaudited, in thousands, except percentages)

	Three Months Ended March 31,	
	2023	2022
<b>Net loss - GAAP</b>	\$ (1,648)	\$ (3,280)
Amortization	9,741	10,138
Stock-based compensation	7,246	5,147
Depreciation	2,897	2,604
Interest expense, net	2,828	1,279
Acquisition-related and integration-related costs	140	243
Other	—	275
Income tax benefit	(639)	(983)
<b>Adjusted EBITDA - Non-GAAP</b>	<b>\$ 20,565</b>	<b>\$ 15,423</b>
<i>Adjusted EBITDA margin - Non-GAAP</i>	5.8%	4.1%



# Q1 2023 FINANCIAL RESULTS

May 10, 2023





# 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. 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: current macroeconomic conditions, including but not limited to the impacts of high inflation and the risk of a recession on consumer confidence and demand for our products; the lingering impacts and future outbreaks of the COVID-19 pandemic and its impacts on its operations and the operations of its manufacturers, retailers and other partners, as well as its 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; and the other factors described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission ("SEC") and its subsequent filings with the SEC. 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 SEC filings. You may get these SEC documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>.

## Non-GAAP Financial Measures

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

## Market & Industry Data

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

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# Q1 2023 MARKET UPDATE





# CORSAIR GAINING IN HEALTHY SELF-BUILT PC MARKET

Self-Built PC market fueled by new GPUs and CPUs with more lower priced options soon to come.

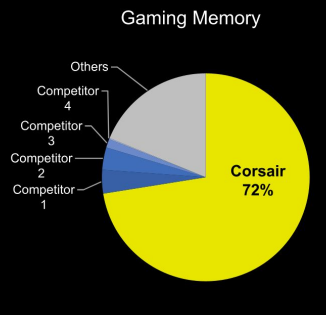
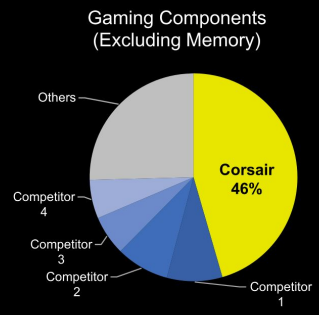
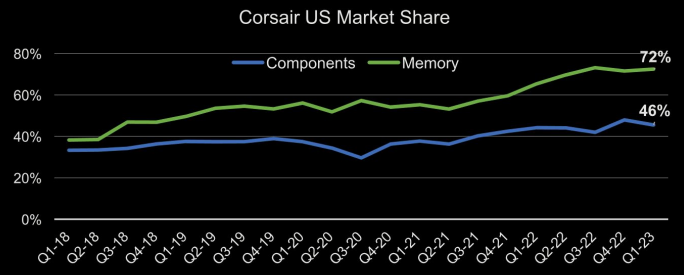
More people in major markets building gaming PCs now than pre-pandemic.

Corsair has consistently gained market share in our core business over the past 3 years.

## Gaming Components and Memory



## Gaming Components and Memory

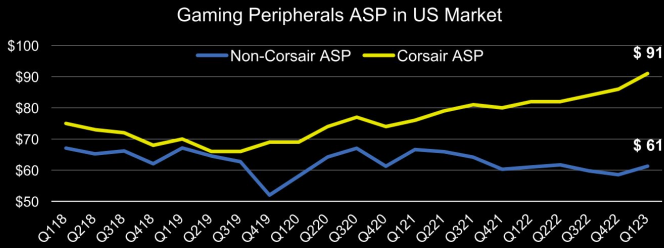




# MARKET FOR CASUAL GAMERS AND CONTENT CREATORS RECOVERING, BUT STILL DISCOUNTING IN THE CHANNEL

- Market fueled by heavy discounting from competitors still reducing inventories.
- Corsair focusing on high end peripherals for enthusiasts, and our core business in gaming.
- Expect market growth in this category in 2H23.

## Gaming Peripherals



## Gaming Peripherals

2023Q1 Market Growth vs. 2019Q1





# LARGER MEMORY REQUIREMENTS BY GAMES IS DRIVING DEMAND FOR NEW BUILDS AND UPGRADES

New popular PC games are increasingly utilizing more demanding PC hardware to play at the highest settings, especially memory.

Popular titles such as Hogwarts Legacy (12M+ copies sold) require 32GB+ of memory to run at ultra settings and 4K on PC.

The eagerly awaited Diablo 4 also requires a minimum of 32GB of memory to play at Ultra 4K detail settings for the best experience.

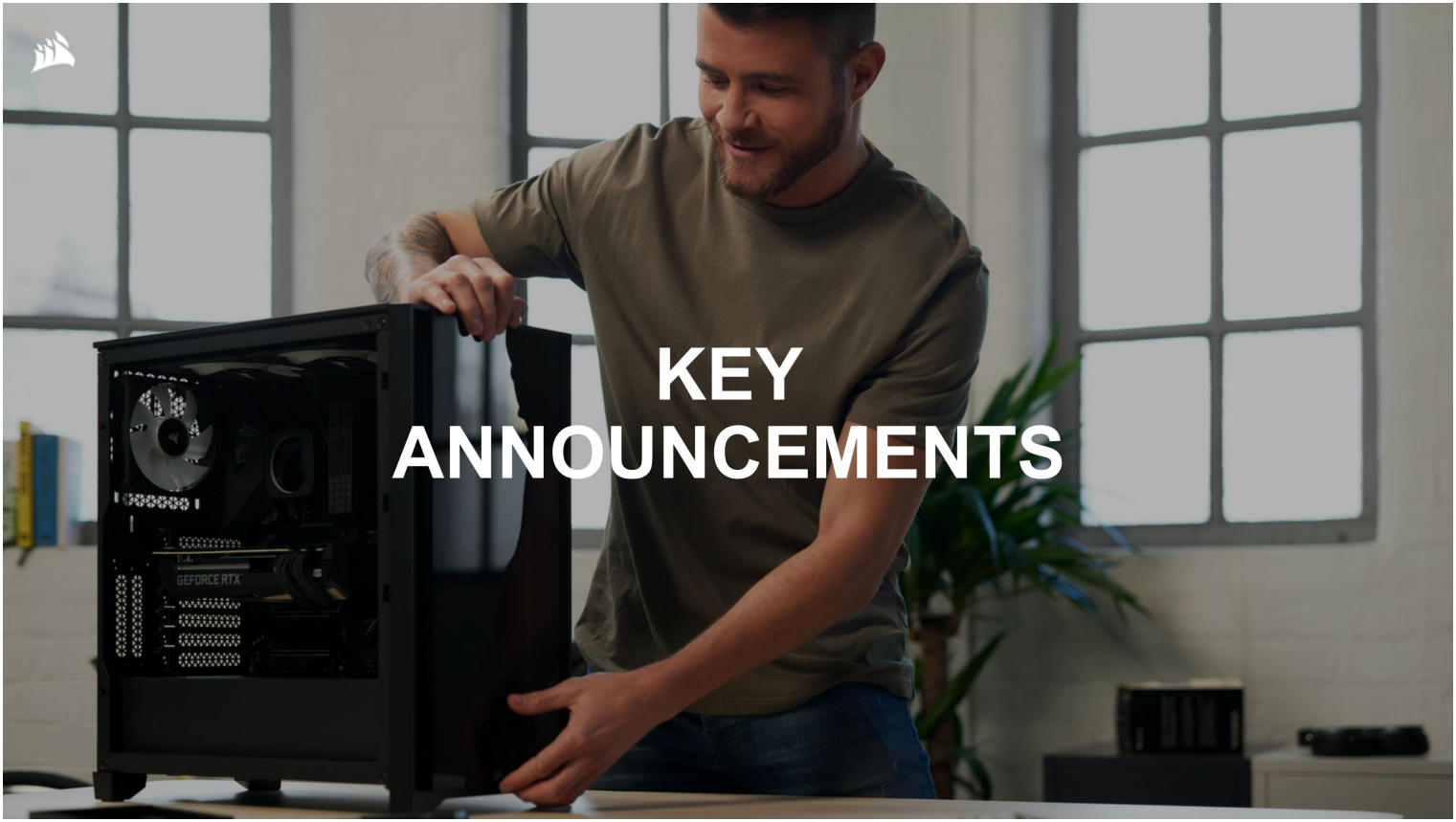
75% of PC gamers currently have 16GB or less of memory\* in their PC.



Source – \*Steam Hardware survey March 2023  
Hardware Requirements - Publisher Recommendations



# KEY ANNOUNCEMENTS





# HIGH PERFORMANCE, HIGH DENSITY DDR5 MEMORY

Corsair in Q1 2023 introduced new high performance 32GB and 48GB Memory modules.

These can be used in kits of 2 or 4 modules to provide up to 192GB of high-speed memory.





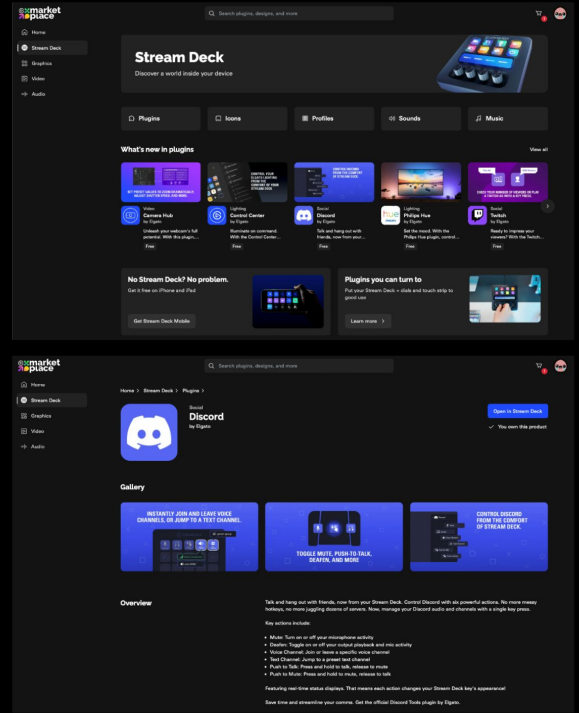
# ELGATO x MARKETPLACE

Stream Deck is a category-defining “smart keyboard” for intuitive control of ever evolving digital workflows.

Via the Stream Deck SDK, the community is able to build integrations between Stream Deck and their favorite applications and tools.

With the launch of the Elgato Marketplace, developers will be able to easily market and sell their creations to Elgato's large and rapidly growing install base.

We expect this new platform will lead to a virtuous cycle of further expansion of Stream Deck integrations, leading to more users, leading to a more attractive opportunity for developers.





# BUILD KITS

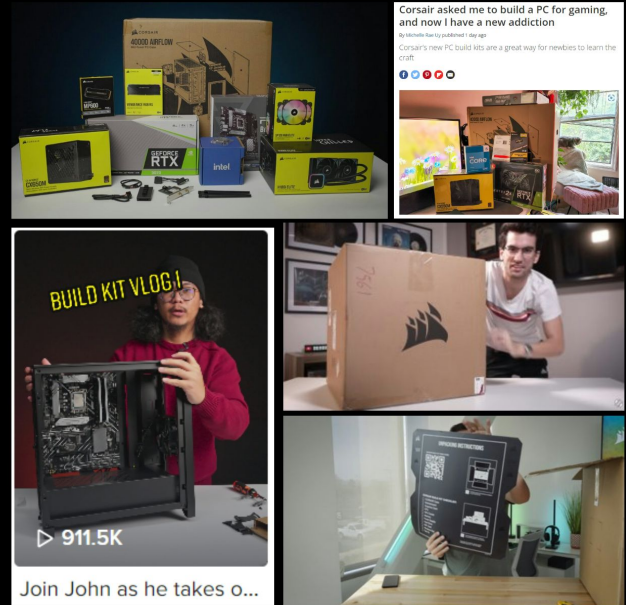
A new initiative, allowing customers to skip the research and hunting for parts when building a new PC.

Growing our self-built TAM by providing an easy out of the box solution for people who are interested in building a PC but without the experience to do it alone.

Six different kits, with everything you need to build a fantastic new PC, including processor, graphics card, memory etc.

All kits are supported by in-depth tutorial build videos that show users step-by-step how to assemble their PC.

*"With its PC Build Kits, Corsair has essentially picked and laid everything out for me. The kits come with easy-to-follow, and mostly clear, step-by-step instructions and a video tutorial. All I needed to do was... build." – TechRadar*







# iCUE: EXPANDING OUR RGB CONTROL SOFTWARE

We continue to develop our iCUE software with engaging new features, adding MURALS, a new lighting profile creation interface.

MURALS brings the Corsair product ecosystem together within iCUE, alongside partners Nanoleaf and Philips HUE, to easily control and sync lighting across a broad range of products from a single interface.

Users can easily create new profiles, turning an image, a video, or even music, into an amazing lighting profile that extends across all their compatible products in seconds.





# HS65 & HS55 WIRELESS HEADSETS

Expanding our line-up of popular wireless gaming headsets, the HS65 and HS55 WIRELESS are lightweight, versatile and offer great gaming audio.

Two wireless ways to connect via low-latency 2.4GHz wireless or *Bluetooth*®, offering the versatility to listen across all your systems and devices.

The HS65 WIRELESS also offers advanced audio personalization with Sonarworks SoundID, for sound tailored to you.

*"I would recommend the HS65 Wireless to anyone looking for an affordable gaming headset with immersive surround sound and personalized sound profiles." – TheGamer.com*





# NICKMERC'S STRATEGIC PARTNERSHIP

Corsair has announced a multi-year partnership with the world-famous gaming streamer Nick "NICKMERC'S" Kolcheff.

Nick is a well-known personality in the gaming community, with over 15 million followers and an average daily viewership of 60,000.

Nick will exclusively play and stream using Corsair's high-performance gaming gear, SCUF controllers, Elgato streaming hardware, and gaming PCs from Origin PC.

"Not only will I start rocking the best gear gaming has to offer, but I have a lot to say on what makes a truly elite product and gaming experience." – NICKMERC'S





# FINANCIAL RESULTS

CORSAIR CONFIDENTIAL

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# Q1 2023 RESULTS<sup>(1)</sup>

Strong performance of components, with the components and systems segment growing 7.5% year over year, as the introduction of new GPUs and CPUs from NVIDIA, AMD and Intel positively impacted the self-built gaming PC market. The growth was offset by a soft peripheral market compared to Q1'22, particularly in Europe, however still well above pre-pandemic levels.

Adjusted EBITDA up by a third as operating expenses reduced by almost 10% due to reduction in freight rates and implementation of cost controls.

Gross margin up 30 bps as lower freight rates and tariffs costs have normalized to close to pre-pandemic levels.

(\$ in millions except EPS and percentages)	Q1'22	Q1'23	% Y/Y
Net Revenue	\$380.7	\$354.0	-7.0%
Gross Profit	\$90.8	\$85.4	-5.9%
Gross Profit Margin	23.8%	24.1%	30 bps
Operating Income (Loss)	(\$2.5)	\$1.0	-141.7%
Adjusted Operating Income	\$13.3	\$18.2	36.4%
Net Loss attributable to common stockholders	(\$5.1)	(\$1.1)	-79.5%
Loss per Share (Diluted)	\$(0.05)	\$(0.01)	-80.0%
Adjusted Net Income	\$9.2	\$11.9	30.0%
Adjusted Earnings per Share (Diluted)	\$0.09	\$0.11	22.2%
Adjusted EBITDA	\$15.4	\$20.6	33.3%

1. See appendix for reconciliation of non-GAAP metrics to most comparable GAAP metrics.



# Q1 2023 SEGMENT RESULTS

Growth in components and systems segment is driven by the introduction of new GPU and CPU by NVIDIA, AMD and Intel, which prompted enthusiast-level PC gamers to upgrade and or build new gaming PCs. Additional lower cost, higher volume GPUs such as the 4070 and 4060 to be introduced during Q2'23.

Components and systems segment gross margin expanded 290 bps due to lower freights and increased efficiencies.

Gamer and Creator Peripherals market remains softer than last year, particularly in Europe, but well above pre-pandemic levels. Though there are signs the above normal promotional activity level in the market is easing, it continued to be elevated in Q1'23 as competitors clear their excess inventory, which impacted gross margin.

Gaming Components and Systems			
(\$ in millions except percentages)	Q1'22	Q1'23	% Y/Y
Net Revenue	\$246.5	\$265.0	7.5%
% of Total Net Revenue	64.8%	74.9%	1010 bps
Gross Profit	\$47.7	\$58.8	23.2%
Gross Profit Margin	19.3%	22.2%	290 bps

Gamer and Creator Peripherals			
(\$ in millions except percentages)	Q1'22	Q1'23	% Y/Y
Net Revenue	\$134.1	\$88.9	-33.7%
% of Total Net Revenue	35.2%	25.1%	-1010 bps
Gross Profit	\$43.1	\$26.6	-38.1%
Gross Profit Margin	32.1%	30.0%	-210 bps

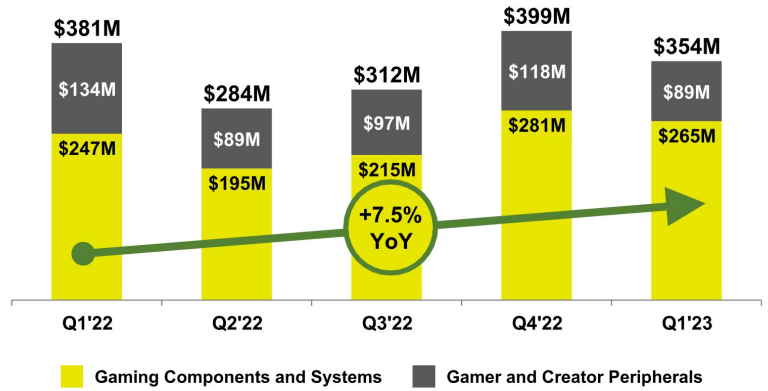


# STRONG ACTIVITY IN SELF-BUILT GAMING SYSTEMS, MARKET SOFTER FOR CASUAL PERIPHERALS PURCHASE

REVENUE BY SEGMENT

7.5% YoY Growth for Gaming Components and Systems driven by more demanding PC Gaming requirements and new GPUs and CPUs.

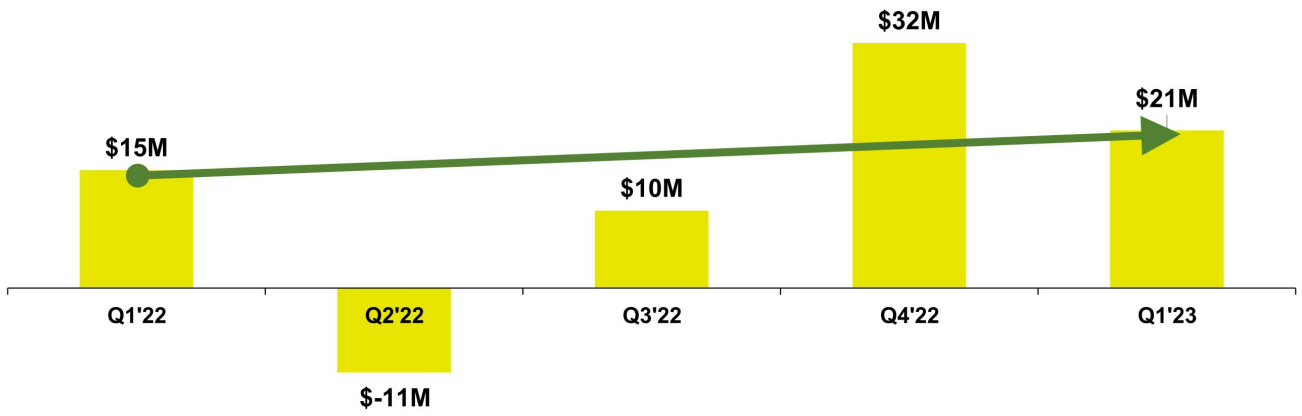
Expect to resume growth in Gamer and Creator Peripherals during 2H 2023.





# COST CONTROL AND MARGIN RECOVERY HAS DRIVEN EBITDA GROWTH

In Millions (\$)



1. See appendix for reconciliation of non-GAAP metrics to most comparable GAAP metrics.





# FINANCIAL GUIDANCE FY2023<sup>(1)</sup>

Financial Metrics	2023 Guidance
Net Revenues	\$1.35-1.55 billion
Adjusted Operating Income	\$75-95 million
Adjusted EBITDA	\$90-110 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.

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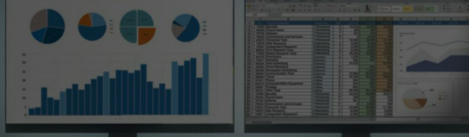
# DEBT SUMMARY

<b>(\$ in millions)</b>	<b>March 31, 2023</b>
Cash (Excluding restricted cash)	\$179.1
Term Loan (face value)	\$230.0
Total Debt	\$230.0
Net Debt	\$50.9

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# APPENDIX





# USE OF NON-GAAP FINANCIAL MEASURES

To supplement the financial results presented in accordance with GAAP, this presentation includes certain non-GAAP financial information, including Adjusted Operating Income (Loss), Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income (Loss) and Adjusted Net Income (Loss) 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 these non-GAAP financial measures to evaluate our operating performance and trends and make planning decisions. We believe that these non-GAAP financial 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 financial measures. Accordingly, we believe that these non-GAAP financial 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 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.

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# GAAP TO NON-GAAP RECONCILIATIONS

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

	Three Month Ended	
	March 31,	
	2022	2023
<b>Operating Income (Loss) - GAAP</b>	\$ (2,485)	\$ 1,037
Amortization	10,138	9,741
Stock-based compensation	5,147	7,246
Acquisition-related and integration-related costs	243	140
Other	275	—
<b>Adjusted Operating Income - Non-GAAP</b>	<u>\$ 13,318</u>	<u>\$ 18,164</u>
<i>As a % of net revenue - GAAP</i>	-0.7%	0.3%
<i>As a % of net revenue - Non-GAAP</i>	3.5%	5.1%



# GAAP TO NON-GAAP RECONCILIATIONS

## Non-GAAP Net Income (Loss) and Net Income (Loss) Per Share Reconciliations

(Unaudited, in thousands, except per share amounts)

	Three Month Ended	
	March 31,	
	2022	2023
Net loss attributable to common stockholders of Corsair Gaming, Inc. <sup>(1)</sup>	\$ (5,134)	\$ (1,054)
Less: Change in redemption value of redeemable noncontrolling interest	(2,261)	958
Net loss attributable to Corsair Gaming, Inc.	(2,873)	(2,012)
Add back: Net income (loss) attributable to noncontrolling interest	(407)	364
<b>Net loss - GAAP</b>	<b>(3,280)</b>	<b>(1,648)</b>
<b>Adjustments:</b>		
Amortization	10,138	9,741
Stock-based compensation	5,147	7,246
Acquisition-related and integration-related costs	243	140
Other	275	—
Non-GAAP income tax adjustment	(3,349)	(3,550)
<b>Adjusted Net Income - Non-GAAP</b>	<b>\$ 9,174</b>	<b>\$ 11,929</b>
<b>Diluted net income (loss) per share:</b>		
GAAP	\$ (0.05)	\$ (0.01)
Adjusted, Non-GAAP	\$ 0.09	\$ 0.11
<b>Weighted-average common shares outstanding - Diluted:</b>		
GAAP	95,275	101,685
Add: Dilutive effect of stock options and RSUs	5,015	4,147
Adjusted, Non-GAAP	100,290	105,832

(1) Numerator for calculating net loss per share-GAAP



# GAAP TO NON-GAAP RECONCILIATIONS

## Adjusted EBITDA Reconciliations

(Unaudited, in thousands, except percentages)

	Three Month Ended	
	March 31,	
	2022	2023
<b>Net Loss - GAAP</b>	\$ (3,280)	\$ (1,648)
Amortization	10,138	9,741
Stock-based compensation	5,147	7,246
Depreciation	2,604	2,897
Interest expense, net	1,279	2,828
Acquisition-related and integration-related costs	243	140
Other	275	—
Income tax benefit	(983)	(639)
<b>Adjusted EBITDA - Non-GAAP</b>	<b>\$ 15,423</b>	<b>\$ 20,565</b>
<i>Adjusted EBITDA margin - Non-GAAP</i>	<i>4.1%</i>	<i>5.8%</i>

