



# A YEAR OF TRANSITION



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It has been an interesting and eventful time at Frontier. I joined the Board on 22 September 2022 and became Chairman at the start of December 2022, succeeding David Gammon, who had been Chairman for 10 years. My thanks go to my predecessor for his significant contribution to the evolution of Frontier throughout his tenure. There have been several other changes to the Board with Jonny Watts becoming Chief Executive Officer and David Braben moving to the role of President and Founder in August 2022. Alongside those changes, James Dixon stepped up to join the Board as Chief Operating Officer and Jessica Bourne was promoted to the role of General Counsel and Company Secretary.

More recently, on 1 June, Charles Cotton retired as a Non-Executive Director after nearly seven years on the Board, and I thank him for his contribution. On the same day, Leslie-Ann Reed joined the Board as Non-Executive Director and Chair of the Audit Committee.

I have long admired Frontier and the games it develops and publishes, and I am honoured to have been asked to join the team. I believe in Frontier's strategy to Select, Develop, Launch, & Nurture genre-leading games that best fit Frontier's expertise and competitive advantages to deliver long-term value to our stakeholders.

The financial year that ended 31 May 2023 was a challenging one. In January 2023 we announced a reset of our revenue expectations following a lower-than-expected sales contribution from *F1® Manager 2022*, the general sales underperformance across the portfolio during the Christmas holiday period, and the poorer than expected performance of the Foundry games. Subsequently, we took the difficult decision to cease all activity relating to acquiring new third-party titles within Foundry. We took this opportunity to refocus and reset, with all of the Group's efforts on Frontier's own internally developed portfolio of titles.

For FY23 we are reporting a loss before interest and taxation of £26.6 million after incremental non-cash charges totalling £28.7 million relating to the closure of Foundry and a cautious assessment of the future performance of the *F1® Manager* franchise following the initial underperformance of *F1® Manager 2023* which released in July 2023.

The Board is confident that the Company can return to attractive levels of financial performance over the medium-term, based on the strength of its existing portfolio and planned new releases.

Frontier is a people business. We have a team of talented people who work hard to develop and publish our games. I am very grateful to them for their dedication and commitment. We now have more than 900 people, some of whom are working in the studio, some remotely and others on a hybrid basis. In common with many businesses post-pandemic, we are constantly considering how best to operate to safeguard and accommodate the preferences of our people while efficiently managing the business. For the first time we have had people join us through acquisition, when on 1 November 2022 we completed the acquisition of developer Complex Games. I welcome all our new joiners to the Frontier team.

We want to ensure that the Board's time and expertise is utilised to support the strategic development of the Group. We consider updates on industry developments and market trends. The Board takes its governance responsibilities very seriously. The structures and processes we have in place are summarised in this Annual Report. We are placing increasing emphasis on environmental, social, and governance (ESG) matters to ensure we have the right framework in place to enable our business to operate in a sustainable and responsible way.

I would like to thank all our stakeholders, including our people, our players, and our shareholders, for their support.

**DAVID WILTON**  
**CHAIRMAN**

12 September 2023

