

Ryan Cohen finally have a seat on the board of GME

Let's talk about the holiday sales numbers first

GameStop Reports 2020 Holiday Sales Results

Grapevine, Texas (January 11, 2021) - GameStop Corp. (NYSE: GME), today reported worldwide sales results for the nine-week holiday period ended January 2, 2021 reflecting a 4.8% increase in comparable store sales and a 309% increase in E-Commerce sales. Total sales declined 3.1% driven by an 11% decrease in the company's store base due to its planned de-densification strategy, temporary store closures around the world due to government mandates and lower store traffic, particularly later in December, due to the significant impacts of COVID-19. The Company believes the industry-wide traffic decline during the Holiday period adversely impacted comparable sales for the nine-week period in the high single-digit to low double-digit percentage point range. In addition, significant worldwide supply chain constraints impacted the ability to distribute products to customers across all sales channels. However, the Company experienced unprecedented demand for recently launched gaming consoles, and while consumer demand far outpaced constrained supply in the nine-week period, the Company believes these products will drive sales well into 2021 as console availability from our suppliers improves later in the year.

Holiday Sales (the nine-week period ended January 2, 2021 compared to the nine-week period ended January 4, 2020)

- **Total comparable store sales** increased 4.8% compared to last year and reflected a 29.6 percentage point sequential improvement from the third quarter of fiscal 2020. These positive results were adversely impacted in the high single-digit to low double-digit percentage point range, as a result of a significant reduction in consumer traffic related to the increase in COVID-19 cases;
- **Net sales** were \$1.770 billion, a 3.1% decrease compared to 2019, as strong console demand was offset by store closures under the Company's planned de-densification strategy, temporary store closures mandated by local governments due to COVID-19, and industry-wide limited supply of new gaming consoles, and supply chain constraints broadly;
- **E-Commerce sales**, which are included in comparable store sales, rose 309% and represented approximately 34% of total company sales, with total worldwide E-Commerce sales year to date reaching over \$1.35 billion, far exceeding the Company's \$1.0 billion growth objective;
- **Regional Sales**, in Australia/New Zealand, where the Company's operations were materially less impacted by the effects of the COVID-19 pandemic, total comparable sales for the nine-week period increased approximately 31%, outperforming the Company's other operating regions.

Numbers do not look so great

What we should be looking for is how the company lowered its SG&A cost and generate more cash flow even with lower sales

Also interesting to note that 34% of sales were online

About GameStop.

GameStop Corp., a Fortune 500 company headquartered in Grapevine, Texas, is a digital-first omni-channel retailer, offering games and entertainment products in its over 5,000 stores and comprehensive E-Commerce properties across 10 countries. GameStop, through its family of brands offers the best selection of new and pre-owned video gaming consoles, accessories and video game titles, in both physical and digital formats. GameStop also offers fans a wide variety of POP! vinyl figures, collectibles, board games and more. Through GameStop's unique buy-sell-trade program, gamers can trade in video game consoles, games, and accessories, as well as consumer electronics for cash or in-store credit. The company's consumer product network also includes www.gamestop.com and Game Informer® magazine, the world's leading print and digital video game publication.

General information about GameStop Corp. can be obtained at the Company's corporate website. Follow @GameStop and @GameStopCorp on Twitter and find GameStop on Facebook at www.facebook.com/GameStop.

Change in language, GME mentions the ecommerce business now.

GME adding three new board members and will reduce board to only 9 members in June

Pursuant to the Agreement, the Company has agreed to increase the size of its board of directors (the "Board") by three directors to a total of 13 directors and appoint Alain (Alan) Attal, Ryan Cohen and James (Jim) Grube (the "New Directors") as members of the Board, each with a term expiring at the Company's 2021 annual meeting of stockholders (the "2021 Annual Meeting"). The Company has further agreed that, effective at the 2021 Annual Meeting, the size of the Board will be reduced by four directors to a total of nine directors. The Board will nominate each of the New Directors (or their replacements appointed in accordance with the terms of the Agreement) and current directors Paul Evans, Reginald Fils-Aimé, George Sherman, William Simon, Carrie Teffner and Kurt Wolf for election as directors at the 2021 Annual Meeting.

New Director Biographies

- Alan Attal is a successful e-commerce executive and entrepreneur with more than two decades of experience building and managing businesses. From 2017 through 2018, Mr. Attal served as the Chief Marketing Officer of Chewy Inc. and oversaw an annual acquisition budget of more than \$300 million, which was allocated to broadcast, direct mail and digital advertising and engagement initiatives. From 2011 through early 2017, he served as the company's Chief Operating Officer and oversaw its expansion from three people to more than 10,000 employees and \$3 billion in revenues.
- Ryan Cohen is the manager of RC Ventures and a sizable stockholder of GameStop Corp. Mr. Cohen previously founded and served as the Chief Executive Officer of Chewy Inc. (NYSE: CHWY), where he oversaw the company's growth and ascension to market leadership in the pet industry. Mr. Cohen led the company through its successful sale to PetSmart Inc. for more than \$3.3 billion prior to stepping down in 2018. The company is now listed on the New York Stock Exchange with an equity market capitalization of approximately \$40 billion. Mr. Cohen has extensive experience in retail, technology and e-commerce.
- **Jim Grube** is a successful business and finance executive with more than two decades of corporate experience. He was most recently the Chief Financial Officer of Vacasa, North America's leading vacation rental management company. He previously served as the Chief Financial Officer of Chewy, Inc. from 2015 through 2018. He was formerly the Senior Vice President of Finance at Hilton (NYSE: HLT) from 2009 through 2015 and a Director of Finance at Amazon (NASDAQ: AMZN) from 2007 through 2009. He began his career working at other leading companies across the technology and transportation sectors.

Director	Position	Ownership	Dec-21	Jan-21	Jun-21
Lizabeth Dunn	Pro4ma Founder	0.09%			
Raul Fernandez	Proxicom Founder	0.10%			
James Symancyk	CEO Petsmart	0.00%			
Kathy Vrabeck	Chairman	0.19%			
Alan Attal	Former CMO Chewy	0.00%			
Ryan Cohen	Founder Chewy	12.90%			
Paul Evans	Permit Capital	2.80%			
Reginald Fils-Aime	Former CEO Nintendo America	0.00%			
Jim Grube	Former CFO Chewy	0.00%			
George Sherman	CEO	3.39%			
William Simon	Fomer COO Walmart USA	0.00%			
Carrie Teffner	Former CFO Petsmart	0.12%			
Kurt Wolf	Hestia Capital	1.94%			
Other Insiders		11.84%			
Total Insiders		33.37%			

Ryan Cohen is not allowed to do the following without the approval of the board until around February 2022:

- Buy more than 20% of the company
- Change the board of directors
- Bring any proposal to shareholders