



Carentoir, March 25, 2021

## **2020 ANNUAL RESULTS**

Guillemot Corporation's financial statements (audited financial statements approved by the Board of Directors at its meeting of March 24, 2021, pending the statutory auditors' report on certification) are as follows:

(€m) January 1 – December 31, 2020	Dec 31, 2020	Dec 31, 2019	Change
Turnover	120.6	60.9	+98%
Thrustmaster	112.6	56.2	+100%
Hercules	8.0	4.7	+70%
Current operating income	19.0	-2.6	
Operating income	23.1	-2.6	
Financial income *	7.4	-4.6	
Corporate income tax	-0.7	0.8	
Consolidated net income	29.8	-6.4	
Basic earnings per share	€1.95	-€0.42	

\* Financial income includes the cost of net financial debt as well as other financial expenses and income.

The Group posted strong growth in the year, with full-year turnover up 98% at €120.6 million.

The global COVID-19 pandemic meant 2020 was an unusual year for the Group, characterized by a new market configuration. Consumers showed more interest in video games and enhanced their gaming equipment.

Current operating income came in at a record €19.0 million in 2020. Operating income totaled €23.1 million after recognizing a reversal of impairment on the Thrustmaster brand, now valued in the financial statements at its original purchase cost of €9.4 million. The accounting gross profit margin rose almost 5 percentage points.

At the same time, total expenses were up 39%, with the workforce increasing 7% over the period.

Financial income of €7.4 million included a €7.7 million revaluation gain on current financial assets (available-for-sale securities) consisting of 443,874 Ubisoft Entertainment shares. Consolidated net income for the year came in at €29.8 million, compared with a consolidated net loss of €6.4 million in 2019. At its meeting of March 24, 2021, the Board of Directors of Guillemot Corporation S.A. decided to propose the payment of a dividend of €0.25 per share.

In 2020, the Group invested €5.4 million in research and development, equating to 4.5% of consolidated turnover.

## **Balance sheet items**

(€m)	Dec 31, 2020	Dec 31, 2019
Shareholders' equity	79.7	50.3
Inventories	20.6	21.4
Net debt*	-18.2	10.2
Current financial assets (AFS securities)	35.0	27.3

\* Available-for-sale (AFS) securities are not taken into account when calculating net debt.

Group shareholders' equity stood at €79.7 million at December 31, 2020. The Group generated strong cash flow in 2020, with net cash from operating activities coming in at €32 million. Net debt at December 31, 2020 was negative at -€18.2 million. The Group also has a portfolio of 443,874 Ubisoft Entertainment shares valued at €35.0 million at December 31, 2020.

## **2020 highlights**

- The Group's alignment with new distribution channels meant it was able to successfully supply consumers thanks to direct shipping agreements with the largest global e-tailers.
- The Group ramped up production in response to the success of its flying and racing ranges.
- The Group broadened its product range, launching the *Thrustmaster Civil Aviation* (TCA) line to coincide with the release of Microsoft Flight Simulator, the new *ESWAP X PRO CONTROLLER* to coincide with the release of the Xbox Series X/S consoles and, under the Hercules brand, the new *DJControl Impulse 500* console.
- The Group expanded its presence in the eSports market through a number of partnerships – for example with “the Ferrari Esports FDA Team and Ferrari Esports Series”, the “Le Mans Esports Series and 24 Hours of Le Mans Virtual”, “Jean Alesi Esports Academy” and “DiRT Rally 2.0 World Series” – and its Gran Turismo range of racing wheels officially licensed by Polyphony Digital.

## **Market developments and strategy**

- The Group has observed that consumers are putting more time and effort into their passion and interactive home entertainment. This is reflected in a desire to add to their simulation and eSports gear so as to enjoy higher levels of realism and superior performance.
- The Group has noted the potential this represents for Hercules and Thrustmaster and will be investing heavily in stepping up the development of its ranges of products and services.  
The Group aims to keep in step with these latest developments so as to continue to deliver sustained growth.

## **2021 outlook**

The Group is observing strong momentum in the racing and flying accessories markets.

For 2021, the Group is forecasting turnover in excess of €150 million and current operating income in excess of €20 million.

Guillemot Corporation designs and manufactures interactive entertainment hardware and accessories. The Group offers a diversified range of products under the Hercules and Thrustmaster brands. Active in this market since 1984, the Guillemot Corporation Group currently operates in ten countries (France, Germany, Spain, the United Kingdom, the United States, Canada, Italy, Belgium, Romania and China/Hong Kong) and distributes its products in more than 140 countries worldwide. The Group's mission is to offer high-performance, user-friendly products that maximize enjoyment for end users of digital interactive entertainment solutions. Contact: Guillemot Financial Information – Tel.: +33 (0) 2 99 08 08 80 - [www.guillemot.com](http://www.guillemot.com)

**APPENDICES**  
(All figures in €k)

**Consolidated income statement to December 31, 2020**

(€k)	Dec 31, 2020	Dec 31, 2019
<b>Net turnover</b>	<b>120 619</b>	<b>60 875</b>
Purchases	-59 656	-28 782
External expenses	-17 554	-13 150
Employee expenses	-11 000	-9 777
Taxes and duties	-779	-346
Additions to amortization and depreciation	-3 616	-3 424
Additions to provisions	-3 488	-1 140
Change in inventories	1 849	-3 198
Other income from ordinary activities	254	397
Other expenses from ordinary activities	-7 659	-4 045
<b>Current operating income</b>	<b>18 970</b>	<b>-2 590</b>
Other operating income	4 110	0
Other operating expenses	0	0
<b>Operating income</b>	<b>23 080</b>	<b>-2 590</b>
Income from cash and cash equivalents	8	16
Cost of gross financial debt	137	391
<b>Cost of net financial debt</b>	<b>-129</b>	<b>-375</b>
Other financial income	7 661	0
Other financial expenses	-132	-4 262
Corporate income tax	-699	813
<b>Net income before minority interests</b>	<b>29 781</b>	<b>-6 414</b>
O/w net income from discontinued operations	0	0
Attributable to minority interests	0	0
<b>Group net income</b>	<b>29 781</b>	<b>-6 414</b>
Basic earnings per share	1,95	-0,42
Diluted earnings per share	1,95	-0,42

## Consolidated balance sheet at December 31, 2020

<b>ASSETS</b> (€k)	<b>Dec 31, 2020</b>	<b>Dec 31, 2019</b>
Goodwill on acquisitions	0	0
Intangible assets	15,425	11,401
Property, plant and equipment	4,499	4,598
Financial assets	447	268
Tax assets	404	880
Deferred tax assets	3,489	1,149
<b>Non-current assets</b>	<b>24,264</b>	<b>18,296</b>
Inventories	20,611	21,390
Trade receivables	28,245	19,579
Other receivables	3,887	1,644
Financial assets	34,995	27,334
Current tax assets	142	955
Cash and cash equivalents	29,024	5,851
<b>Current assets</b>	<b>116,904</b>	<b>76,753</b>
<b>Total assets</b>	<b>141,168</b>	<b>95,049</b>
<b>LIABILITIES AND EQUITY</b> (€k)	<b>Dec 31, 2020</b>	<b>Dec 31, 2019</b>
Capital (1)	11,771	11,771
Premiums (1)	10,551	10,551
Reserves and consolidated income (2)	57,352	27,440
Currency translation adjustments	35	580
<b>Group shareholders' equity</b>	<b>79,709</b>	<b>50,342</b>
Minority interests	0	0
<b>Consolidated shareholders' equity</b>	<b>79,709</b>	<b>50,342</b>
Employee benefit liabilities	1,383	1,208
Borrowings	6,020	8,007
Other liabilities	0	0
Deferred tax liabilities	0	0
<b>Non-current liabilities</b>	<b>7,403</b>	<b>9,215</b>
Trade payables	31,007	16,409
Short-term borrowings	4,853	8,027
Taxes payable	3,470	427
Other liabilities	14,676	10,587
Provisions	50	42
<b>Current liabilities</b>	<b>54,056</b>	<b>35,492</b>
<b>Total liabilities and equity</b>	<b>141,168</b>	<b>95,049</b>

(1) Of the consolidating parent company.

(2) Of which net income for the period: €29,781k.

## Consolidated statement of cash flows to December 31, 2020

(€k)	Dec 31, 2020	Dec 31, 2019
<b>Cash flows from operating activities</b>		
Net income from consolidated companies	29,781	-6,414
+ Additions to amortization, depreciation and provisions (except on current assets)	4,802	3,968
- Reversals of amortization, depreciation and provisions	-4,130	0
-/+ Unrealized gains and losses arising from changes in fair value	-7,661	3,950
+/- Expenses and income arising from stock options	0	0
-/+ Capital gains and losses on disposals	0	-3
Change in deferred taxes	-2,339	-275
<b>Operating cash flow after cost of net financial debt</b>	<b>20,453</b>	<b>1,226</b>
Cost of net financial debt	129	375
<b>Operating cash flow before cost of net financial debt</b>	<b>20,582</b>	<b>1,601</b>
Currency translation adjustment on gross cash flow from operations	-34	-13
Inventories	779	3,535
Trade receivables	-8,665	4,200
Trade payables	14,599	-2,473
Other	4,852	-1,320
<b>Change in working capital requirement</b>	<b>11,565</b>	<b>3,942</b>
<b>Net cash flows from operating activities</b>	<b>31,984</b>	<b>5,155</b>
<b>Cash flows from investing activities</b>		
Acquisitions of intangible assets	-2,322	-2,345
Acquisitions of property, plant and equipment	-1,226	-702
Disposals of property, plant and equipment and intangible assets	23	5
Acquisitions of non-current financial assets	-3	-7
Disposals of non-current financial assets	52	32
Net cash from acquisitions and disposals of subsidiaries	0	0
<b>Net cash flows from investing activities</b>	<b>-3,476</b>	<b>-3,017</b>
<b>Cash flows from financing activities</b>		
Increases in capital and cash injections	0	0
Dividends paid	0	-1,980
Borrowings	359	11,000
Repayment of shareholders' current accounts	0	0
Repayment of borrowings	-3,979	-4,326
Principal repayments and interest on lease liabilities (IFRS 16)	-174	-441
Other cash flows from financing activities	0	0
<b>Total cash flows from financing activities</b>	<b>-3,794</b>	<b>4,253</b>
<b>Impact of foreign currency translation adjustments</b>	<b>-178</b>	<b>91</b>
<b>Change in cash</b>	<b>24,536</b>	<b>6,482</b>
Net cash at the beginning of the period	4,477	-2,005
Net cash at the end of the period	29,013	4,477