

Carentoir, September 23, 2021

2021 INTERIM CONSOLIDATED RESULTS

Key items from the Guillemot Corporation Group's financial statements to June 30, 2021 are as follows:

First half (€ millions) January 1 – June 30, 2021	June 30, 2021	June 30, 2020	Change
Thrustmaster gaming accessories	66.8	38.9	+72%
Thrustmaster total	66.8	38.9	+72%
Hercules digital devices	3.5	2.3	+52%
OEM*	0.2	0.3	-33%
Hercules total	3.7	2.6	+42%
Total turnover	70.5	41.5	+70%
Net income from ordinary activities	13.3	3.1	+316%
Net operating income	13.3	3.1	+316%
Net financial income**	-9.3	5.3	-
Corporate income tax	-0.3	-1.1	-73%
Consolidated net income	3.7	7.3	-50%
Earnings per share	€0.24	€0.48	-50%

* Accessories developed for third party companies (Original Equipment Manufacturers).

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

Activity

The Group's turnover grew 70% in the first half of 2021, to €70.5 million. The Group posted second-quarter turnover of €34.7 million, up 23% compared with the second quarter of 2020, when turnover had already doubled relative to the same period in 2019.

This performance confirms buoyant sales of the Group's accessories in the Thrustmaster racing and flight segments, as well as the Hercules DJing segment.

All geographical regions (European Union and United Kingdom, North America and Other) posted growth in the second quarter, and demand remains high.

Results

The gross accounting profit margin came in at 55%, compared with 51.5% in the first half of 2020. The Group stepped up its recruitment efforts over the period, with its global headcount up 11% in the year to date, as well as running sales promotions and marketing campaigns to support business growth. Total costs increased by 38%.

Net operating income came in at €13.3 million, compared with €3.1 million for the six months to June 30, 2020.

The net financial expense of €9.3 million included an €8.8 million unrealized loss linked to the decline in the valuation of the portfolio of Ubisoft Entertainment SA shares. Consolidated net income totaled €3.7 million.

Key balance sheet items

(€m)	June 30, 2021	December 31, 2020
Shareholders' equity	80.2	79.7
Inventories	26.7	20.6
Net debt (excl. AFS securities)*	-15.1	-18.2
Current financial assets (AFS securities portion)	26.2	35.0

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

Group shareholders' equity stood at €80.2 million at June 30, 2021. The Group's net debt is negative at -€15.1 million excluding available-for-sale securities, the fair value of which stood at €26.2 million at June 30, 2021.

Over the first half of 2021, the Group built up a buffer of inventory to mitigate the shortage of electronic components and make provision for business growth. Against this backdrop, the value of net inventories was €26.7 million at June 30, 2021, up 29% from December 31, 2020.

Capitalized research and development costs over the six months to June 30, 2021 totaled €4.9 million, up €0.5 million.

Recent developments

The Group has secured its supply of components and is ramping up production to meet high demand for accessories in the run-up to the year's end. Price rises are in the process of being implemented to reflect increased costs for logistics and components. The logistics situation remains tight, with long delivery lead times and volume restrictions, though this is not expected to adversely affect the Group's forecasts. The Group is strengthening its logistical, commercial and trade marketing capabilities in Europe to take full advantage of growth among pan-European operators, particularly in the United Kingdom, Germany and the Benelux countries.

❖ **Thrustmaster**

○ **Racing news:** the *Formula Wheel Add-on Ferrari SF1000 Edition*, a gaming replica of the wheel used in the celebrated Ferrari SF1000, was launched in April 2021, featuring the first built-in screen able to display telemetry data from the leading single-seater racing games. The wheel was an immediate hit with the global community, with the launch attracting record audiences to Thrustmaster.

Following the July launch of the brand's flagship T-GT II, at the end of August Thrustmaster disclosed information about its first next-generation hybrid racing wheel designed to master all tracks. The T248, officially licensed for PlayStation®5, PlayStation®4 and PC, will be available in Europe, the Middle East and North America from October 21. Its hybrid belt-and-gear mechanism provides powerful *Force Feedback* at an affordable price. The Xbox One and Xbox Series X|S version of the T248 will be launched in the fourth quarter of this year. The release of Gran Turismo™ 7, scheduled for March 4, 2022, is expected to boost demand for PlayStation®5 racing wheels.

○ **Flight news:** Thrustmaster continues to expand its joystick range, adding exciting new products including an Airbus bundle — the TCA Captain Pack — to celebrate the success of this range, as well as a new flight yoke for Xbox and PC. The launch of *Microsoft Flight Simulator* for the Xbox Series X|S also heightened gamers' interest in Thrustmaster's *T.Flight Hotas One* — the only Xbox Series X|S-compatible joystick available when the game was launched.

With joystick sales by value up 100.2% in Europe and 32.2% in the United States in the first half of 2021, Thrustmaster has consolidated its position as the top seller of joysticks by both volume and value in the United States and the top five European countries of France, the United Kingdom, Germany, Spain and Italy (*sources — GfK: © GfK 2021. All rights reserved. Europe 5 — NPD: data for the U.S. market only. Racing wheel data excludes Nintendo Switch accessories. © 2021 The NPD Group, Inc. All rights reserved. Proprietary and confidential. Property of NPD and its affiliates. Licensed for use by NPD clients only.*)

○ **ESWAP controller news:** following its successful launch, the *ESWAP X PRO CONTROLLER* is already well-established in the gaming community. To promote the ecosystem, Thrustmaster will be launching a number of packs in the second half of this year: the *Red Color Pack*, *LED Crystal Packs* (backlit modules) and the *ESWAP X S2 NXG MINI-STICK MODULE*. The ESWAP family's reputation continues to grow as more and more professional gamers adopt the controller.

❖ **Hercules**

On September 10, Hercules launched a new area within its DJing website: the [Hercules DJ Mix Room](#). This new service helps DJs improve their sets by allowing them to download royalty-free music so that their sets can be freely shared. Hercules has also created additional services such as customized graphics and emojis in response to recurring demand from DJs keen to liven up their livestreams.

Outlook

The Group is maintaining its forecast of turnover in excess of €150 million, equating to full-year growth of over 25% in 2021, and is now forecasting net income from ordinary activities in excess of €25 million.

Guillemot Corporation is a designer and manufacturer of interactive entertainment hardware and accessories. The Group offers a diversified range of products under the *Hercules* and *Thrustmaster* brand names. Active in this market since 1984, the Guillemot Corporation Group is currently present in 10 countries (France, Germany, Spain, the UK, the United States, Canada, Italy, Belgium, Romania and China [Shanghai, Shenzhen and Hong Kong]) and distributes its products in more than 140 countries worldwide. The Group's mission is to offer high-performance, ergonomic products which maximize the enjoyment of digital interactive entertainment for end users.

Contact: Guillemot Financial Information — Telephone: +33 (0) 2 99 08 08 80 — www.guillemot.com

APPENDICES

(All figures in €k)

Consolidated statement of net income to June 30, 2021

(All figures in €k)	Jun 30, 2021	Jun 30, 2020
Net turnover	70,462	41,519
Purchases	-39,557	-15,772
External expenses	-11,453	-7,724
Employee expenses	-5,767	-5,167
Taxes and duties	-336	-306
Additions to amortization and depreciation	-1,938	-1,718
Additions to provisions	-1,896	-1,086
Change in inventories	7,683	-4,375
Other income from ordinary activities	252	170
Other expenses from ordinary activities	-4,163	-2,444
Net income from ordinary activities	13,287	3,097
Other operating income	0	0
Other operating expenses	0	0
Net operating income	13,287	3,097
Income from cash and cash equivalents	7	3
Cost of gross financial debt	53	80
Cost of net financial debt	-46	-77
Other financial income	0	5,400
Other financial expenses	-9,221	0
Corporate income tax	-327	-1,089
Net income before minority interests	3,693	7,331
O/w net income from discontinued operations	0	0
Attributable to minority interests	0	0
Net income attributable to equity holders of the parent	3,693	7,331
Basic earnings per share	€0.24	€0.48
Diluted earnings per share	€0.24	€0.48

Consolidated balance sheet at June 30, 2021

ASSETS	Net Jun 30, 2021	Net Dec 31, 2020
<i>(All figures in €k)</i>		
Goodwill on acquisitions	0	0
Intangible assets	16,477	15,425
Property, plant and equipment	4,750	4,499
Financial assets	571	447
Tax assets	272	404
Deferred tax assets	4,702	3,489
Non-current assets	26,772	24,264
Inventories	26,679	20,611
Trade receivables	26,372	28,245
Other receivables	4,811	3,887
Financial assets	26,206	34,995
Current tax assets	139	142
Cash and cash equivalents	23,860	29,024
Current assets	108,067	116,904
Total assets	134,839	141,168
LIABILITIES AND EQUITY		
	Jun 30, 2021	Dec 31, 2020
<i>(All figures in €k)</i>		
Capital (1)	11,771	11,771
Premiums (1)	10,551	10,551
Reserves and consolidated income (2)	57,374	57,352
Currency translation adjustments	478	35
Group shareholders' equity	80,174	79,709
Minority interests		
Consolidated shareholders' equity	80,174	79,709
Employee benefit liabilities	1,458	1,383
Borrowings	4,779	6,020
Other liabilities	0	0
Deferred tax liabilities	0	0
Non-current liabilities	6,237	7,403
Trade payables	29,836	31,007
Short-term borrowings	3,992	4,853
Taxes payable	584	3,470
Other liabilities	13,962	14,676
Provisions	54	50
Current liabilities	48,428	54,056
Total liabilities and equity	134,839	141,168

(1) Of the consolidating parent.

(2) Of which net income for the period of €3,693k.

Consolidated statement of cash flows to June 30, 2021

(All figures in €k)	Jun 30, 2021	Jun 30, 2020
Cash flows from operating activities		
Net income from consolidated companies	3,693	7,331
+ Additions to amortization, depreciation and provisions (except on current assets)	2,071	1,762
- Reversals of amortization, depreciation and provisions	-9	0
-/+ Unrealized gains and losses arising from changes in fair value	8,789	-5,247
+/- Expenses and income arising from stock options	0	0
-/+ Capital gains and losses on disposals	-7	0
Change in deferred taxes	-1,213	876
Operating cash flow after cost of net financial debt	13,324	4,722
Cost of net financial debt	46	77
Operating cash flow before cost of net financial debt	13,370	4,799
Currency translation adjustment on gross cash flow from operations	-14	0
Inventories	-6,068	5,618
Trade receivables	1,873	-1,456
Trade payables	-1,171	1,899
Other	-4,815	687
Change in working capital	-10,181	6,748
Net cash flows from operating activities	3,129	11,470
Cash flows from investing activities		
Acquisitions of intangible assets	-1,651	-1,195
Acquisitions of property, plant and equipment	-864	-488
Disposals of property, plant and equipment and intangible assets	6	0
Acquisitions of non-current financial assets	0	-2
Disposals of non-current financial assets	13	52
Net cash from acquisitions and disposals of subsidiaries	0	0
Net cash flows from investing activities	-2,496	-1,633
Cash flows from financing activities		
Increases in capital and cash injections	0	0
Dividends paid	-3,818	0
Borrowings	679	363
Repayment of shareholders' current accounts	0	0
Repayment of borrowings	-2,560	-1,763
Repayment of IFRS 16 liability and interest	-222	-183
Other cash flows from financing activities	0	0
Total cash flows from financing activities	-5,921	-1,583
Impact of foreign currency translation adjustments	121	-108
Change in cash	-5,167	8,146
Net cash at the beginning of the period	29,013	4,477
Net cash at the end of the period	23,846	12,623