

## EARNINGS GROW IN FULL-YEAR 2022

Guillemot Corporation's financial statements (audited financial statements approved by the Board of Directors at its meeting held March 22, 2023, with the statutory auditors' report relating to certification pending) may be summarized as follows:

(€ millions) January 1 – December 31, 2022	Dec. 31, 2022	Dec. 31, 2021	Change
Turnover	188.0	176.8	+6%
Thrustmaster	175.5	167.8	+5%
Hercules	12.5	9.0	+39%
Net income from ordinary activities	34.2	33.0	+4%
Net operating income	34.2	33.0	+4%
Net financial income*	-6.7	-16.4	-
Corporate income tax	-7.2	-2.9	-
Consolidated net income	20.4	13.7	+49%
Basic earnings per share	€1.33	€0.90	+48%

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

The Group's turnover grew 6% in full-year 2022 to €188 million, with turnover up 5% at Thrustmaster and 39% at Hercules. The Group achieved record turnover and profit in a complex market.

Net income from ordinary activities totaled €34.2 million in 2022, up 4% year on year and equivalent to 18% of turnover. The Group maintained an accounting gross profit margin of over 54%.

At the same time, total expenses increased 6%. The Group's investment in research and development increased to €8.4 million in 2022, equating to 4.5% of consolidated turnover.

The net financial expense of €6.7 million included a €7.4 million revaluation loss on current financial assets (available-for-sale securities) consisting of 443,874 Ubisoft Entertainment shares.

Consolidated net income for the year totaled €20.4 million. At its meeting held March 22, 2023, Guillemot Corporation S.A.'s Board of Directors agreed to propose the payment of a dividend of €0.25 per share.

### Balance sheet items

(€ millions)	Dec. 31, 2022	Dec. 31, 2021
Shareholders' equity	104.4	90.4
Inventories	57.2	40.9
Net debt*	-21.3	-5.2
Current financial assets (AFS securities)	11.7	19.1

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

Group shareholders' equity stood at €104.4 million at December 31, 2022.

Net debt at December 31, 2022 was negative at -€21.3 million, with the Group having positive net cash of €35.3 million.

Net cash flows from operating activities were positive at €32.8 million, with working capital requirements rising slightly by €1.9 million, linked to a 40% increase in inventories over the year.

In the second half of the year, the Group purchased 200,000 treasury shares under the share buyback program approved at the shareholders' general meeting held June 9, 2022.

The Group has a portfolio of 443,874 Ubisoft Entertainment shares valued at €11.7 million at December 31, 2022.

### **Strategic assessment and development priorities**

The Group's investments in research and development enable it to remain at the cutting edge of technology and open up new market segments.

The Group is working on broadening the scope of its Hercules and Thrustmaster product ranges and is pursuing its strategy of shifting its products upmarket, for example by incorporating Direct Drive technology into its racing wheels and an innovative racing functionality into its gamepads.

The Group also aims to satisfy a more elite and passionate customer base in the flight-related segment, with plans to launch new high-end products in this category in the third quarter.

Hercules is finalizing the development of a new category of products that will expand the brand's sales. In the DJ market, Hercules will be unveiling a major new release at the forthcoming NAMM Show in America this April.

### **2023 outlook**

Given a particularly unfavorable base effect compared with the first half of 2022, which was boosted by two major events (launch of the game *Gran Turismo 7* and release of the *Top Gun: Maverick* movie and DLC), and distribution networks' will to reduce inventory levels resulting in significant delays in restocking, 2023 is set to be a mixed year, with turnover sharply down in the first half but expected to grow in the second half.

The second half of 2023 will bring a strong crop of new racing games (*Forza Motorsport*, *Test Drive Unlimited Solar Crown*, a new *WRC* game by EA/Codemasters, *F1®23*, *The Crew®2 Season 8*, *Rennsport*, etc.), giving a significant boost to consumer needs in terms of racing accessories.

For fiscal year 2023, the Group now expects turnover of approximately €140 million and is targeting a net operating profit.

The potential offered by the Group's new product ranges provides good prospects for a return to significant growth as of 2024.

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 11 countries (France, Germany, Spain, the UK, the United States, Canada, Italy, Belgium, Romania, the Netherlands and China [Shanghai, Shenzhen and Hong Kong]) and distributes its products in more than 150 countries worldwide. The Group's mission is to offer high-performance, ergonomic products which maximize the enjoyment of digital interactive entertainment for end users.

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**APPENDICES**  
(All figures in €k)

**Consolidated income statement at December 31, 2022**

(€k)	Dec. 31, 2022	Dec. 31, 2021
<b>Net turnover</b>	<b>188,047</b>	<b>176,755</b>
Purchases	-105,064	-102,391
External expenses	-31,931	-31,372
Employee expenses	-14,421	-12,825
Taxes and duties	-806	-714
Additions to amortization and depreciation	-5,444	-4,453
Additions to provisions	-2,206	-2,226
Change in inventories	18,553	21,782
Other income from ordinary activities	289	341
Other expenses from ordinary activities	-12,774	-11,898
<b>Net income from ordinary activities</b>	<b>34,243</b>	<b>32,999</b>
Other operating income	0	0
Other operating expenses	0	0
<b>Net operating income</b>	<b>34,243</b>	<b>32,999</b>
Income from cash and cash equivalents	135	12
Cost of gross financial debt	100	124
<b>Cost of net financial debt</b>	<b>35</b>	<b>-112</b>
Other financial income	706	0
Other financial expenses	-7,397	-16,293
Corporate income tax	-7,235	-2,887
<b>Net income before minority interests</b>	<b>20,352</b>	<b>13,707</b>
O/w net income from discontinued operations	0	0
Attributable to minority interests	0	0
<b>Net income attributable to equity holders of the parent</b>	<b>20,352</b>	<b>13,707</b>
Basic earnings per share	1.33	0.90
Diluted earnings per share	1.34	0.89

## Consolidated balance sheet at December 31, 2022

<b>ASSETS</b> (€k)	<b>Dec. 31, 2022</b>	<b>Dec. 31, 2021</b>
Goodwill on acquisitions	0	0
Intangible assets	23,276	16,176
Property, plant and equipment	8,184	5,176
Financial assets	668	473
Tax assets	495	359
Deferred tax assets	4,267	5,312
<b>Non-current assets</b>	<b>36,890</b>	<b>27,496</b>
Inventories	57,203	40,925
Trade receivables	34,743	59,872
Other receivables	4,079	6,609
Financial assets	11,723	19,118
Current tax assets	318	157
Cash and cash equivalents	35,245	12,027
<b>Current assets</b>	<b>143,311</b>	<b>138,708</b>
<b>Total assets</b>	<b>180,201</b>	<b>166,204</b>
<b>LIABILITIES AND EQUITY</b> (€k)	<b>Dec. 31, 2022</b>	<b>Dec. 31, 2021</b>
Capital (1)	11,771	11,771
Premiums (1)	10,551	10,551
Reserves and consolidated income (2)	81,645	67,411
Currency translation adjustments	438	693
<b>Group shareholders' equity</b>	<b>104,405</b>	<b>90,426</b>
Minority interests	0	0
<b>Consolidated shareholders' equity</b>	<b>104,405</b>	<b>90,426</b>
Employee benefit liabilities	1,586	1,377
Borrowings	8,345	2,096
Other liabilities	0	0
Deferred tax liabilities	14	0
<b>Non-current liabilities</b>	<b>9,945</b>	<b>3,473</b>
Trade payables	38,887	38,068
Short-term borrowings	5,636	4,770
Taxes payable	2,437	2,725
Other liabilities	18,734	26,684
Provisions	157	58
<b>Current liabilities</b>	<b>65,851</b>	<b>72,305</b>
<b>Total liabilities and equity</b>	<b>180,201</b>	<b>166,204</b>

(1) Of the consolidating parent company.

(2) Of which net income for the period: €20,352k.

## Consolidated statement of cash flows to December 31, 2022

(€k)	Dec. 31, 2022	Dec. 31, 2021
<b>Cash flows from operating activities</b>		
Net income from consolidated companies	20,352	13,707
+ Additions to amortization, depreciation and provisions (except on current assets)	5,803	4,880
- Reversals of amortization, depreciation and provisions	-117	-23
-/+ Unrealized gains and losses arising from changes in fair value	7,395	15,877
+/- Expenses and income arising from stock options	550	50
-/+ Capital gains and losses on disposals	1	-7
Change in deferred taxes	1,057	-1,828
<b>Operating cash flow after cost of net financial debt</b>	<b>35,041</b>	<b>32,656</b>
Cost of net financial debt	35	112
<b>Operating cash flow before cost of net financial debt</b>	<b>35,076</b>	<b>32,768</b>
Currency translation adjustment on gross cash flow from operations	-295	23
Inventories	-16,278	-20,314
Trade receivables	25,129	-31,627
Trade payables	818	7,061
Other	-11,612	8,205
<b>Change in working capital requirements</b>	<b>-1,943</b>	<b>-36,675</b>
<b>Net cash flows from operating activities</b>	<b>32,803</b>	<b>-3,996</b>
<b>Cash flows from investing activities</b>		
Acquisitions of intangible assets	-4,974	-3,324
Acquisitions of property, plant and equipment	-2,961	-2,115
Disposals of property, plant and equipment and intangible assets	19	8
Acquisitions of non-current financial assets	-205	-8
Disposals of non-current financial assets	13	21
Net cash from acquisitions and disposals of subsidiaries	0	0
<b>Net cash flows from investing activities</b>	<b>-8,108</b>	<b>-5,418</b>
<b>Cash flows from financing activities</b>		
Increases in capital and cash injections	0	0
Buybacks of treasury shares	-2,629	0
Dividends paid	-3,813	-3,818
Borrowings	10,098	1,328
Repayment of shareholders' current accounts	0	0
Repayment of borrowings	-4,578	-5,120
Repayment of debt and interest (IFRS 16)	-631	-222
Other cash flows from financing activities	57	0
<b>Total cash flows from financing activities</b>	<b>-1,496</b>	<b>-7,832</b>
<b>Impact of foreign currency translation adjustments</b>	<b>20</b>	<b>239</b>
<b>Change in cash</b>	<b>23,219</b>	<b>-17,007</b>
Net cash at the beginning of the period	12,006	29,013
Net cash at the end of the period	35,225	12,006