

2021 ANNUAL RESULTS

Guillemot Corporation's financial statements (audited financial statements approved by the Board of Directors at its meeting held on March 23, 2022, pending the statutory auditors' certification report) may be summarized as follows:

(€m) January 1, 2021 – December 31, 2021	Dec 31, 2021	Dec 31, 2020	Change
Turnover	176.8	120.6	+47%
Thrustmaster	167.8	112.6	+49%
Hercules	9.0	8.0	+13%
Net income from ordinary activities	33.0	19.0	+74%
Net operating income	33.0	23.1	+43%
Net financial income*	-16.4	7.4	-
Corporate income tax	-2.9	-0.7	-
Consolidated net income	13.7	29.8	-54%
Basic earnings per share	€0.90	€1.95	-54%

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

The Group delivered strong growth, with annual turnover up 47% to €176.8 million. Fourth-quarter growth came in at 65%.

Net income from ordinary activities came in at a record €33.0 million in 2021. The accounting gross profit ratio increased by over two percentage points, despite higher component and container prices.

At the same time, total expenses were up 44% and the workforce increased 18% over the period.

Net financial income of €-16.4 million included a €15.9 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 €13.7 million. At its meeting held on March 23, 2022, the Board of Directors of Guillemot Corporation S.A. agreed to propose the payment of a dividend of €0.25 per share.

The Group invested €6.5 million in research and development in 2021, equating to 3.7% of consolidated turnover.

Balance sheet items

(€m)	Dec 31, 2021	Dec 31, 2020
Shareholders' equity	90.4	79.7
Inventories	40.9	20.6
Net debt*	-5.2	-18.2
Current financial assets (AFS securities)	19.1	35.0

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

Group shareholders' equity stood at €90.4 million at December 31, 2021. Net debt was negative at December 31, 2021, amounting to €-5.2 million (with the Group having positive net cash of €12 million and debt of €6.8 million). Net cash flows from operating activities were negative at €-4 million, due to an increase in working capital requirements over the course of the year. This increase was driven by strong fourth-quarter growth in turnover (up 65%), the need to build up inventory as a result of supply chain tensions, and delays in customer payments due to logistics chain disruptions.

The Group has a portfolio of 443,874 Ubisoft Entertainment shares valued at €19.1 million at December 31, 2021.

2021 highlights

The Group's performance was the result of a combination of factors against the backdrop of a complex economic, logistical and public health environment.

- Sales of Thrustmaster accessories in the Racing and Flight segments and those of Hercules DJ product lines showed strong momentum, and the Group successfully launched its new *T248* racing wheel officially licensed for PlayStation®5 and its *TCA Yoke Pack Boeing Edition* licensed by Boeing.
- The Group secured its supply of components.
- Production capacity was increased and products were pre-routed in Europe and the United States in anticipation of strong demand for accessories in the run-up to the year's end.
- Product pricing was adjusted to reflect the increased costs of logistics and components.
- Logistical, commercial and trade marketing organization in Europe were strengthened.
- The Group entered into new direct e-tail and omnichannel agreements.
- The U.S. eShop was launched in December.

Recent developments

The Group expects the public health, logistical and geopolitical situation to remain complex in 2022, and is putting in place policies to cushion the effects on growth. This includes building up an inventory buffer of components and maintaining sufficient product inventory to keep up with buoyant demand for the Group's accessories.

2022 outlook

For full year 2022, the Group maintains its forecast turnover in excess of €200 million and is forecasting net income from ordinary activities in excess of €30 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 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 to December 31, 2021

(€k)	Dec 31, 2021	Dec 31, 2020
Net turnover	176,755	120,619
Purchases	-102,391	-59,656
External expenses	-31,372	-17,554
Employee expenses	-12,825	-11,000
Taxes and duties	-714	-779
Additions to amortization and depreciation	-4,453	-3,616
Additions to provisions	-2,226	-3,488
Change in inventories	21,782	1,849
Other income from ordinary activities	341	254
Other expenses from ordinary activities	-11,898	-7,659
Net income from ordinary activities	32,999	18,970
Other operating income	0	4,110
Other operating expenses	0	0
Net operating income	32,999	23,080
Income from cash and cash equivalents	12	8
Cost of gross financial debt	124	137
Cost of net financial debt	-112	-129
Other financial income	0	7,661
Other financial expenses	-16,293	-132
Corporate income tax	-2,887	-699
Net income before minority interests	13,707	29,781
O/w net income from discontinued operations	0	0
Attributable to minority interests	0	0
Net income attributable to equity holders of the parent	13,707	29,781
Basic earnings per share	0.90	1.95
Diluted earnings per share	0.89	1.95

Consolidated balance sheet at December 31, 2021

ASSETS (€k)	Dec 31, 2021	Dec 31, 2020
Goodwill on acquisitions	0	0
Intangible assets	16,176	15,425
Property, plant and equipment	5,176	4,499
Financial assets	473	447
Tax assets	359	404
Deferred tax assets	5,312	3,489
Non-current assets	27,496	24,264
Inventories	40,925	20,611
Trade receivables	59,872	28,245
Other receivables	6,609	3,887
Financial assets	19,118	34,995
Current tax assets	157	142
Cash and cash equivalents	12,027	29,024
Current assets	138,708	116,904
Total assets	166,204	141,168

LIABILITIES AND EQUITY (€k)	Dec 31, 2021	Dec 31, 2020
Capital (1)	11,771	11,771
Premiums (1)	10,551	10,551
Reserves and consolidated income (2)	67,411	57,352
Currency translation adjustments	693	35
Group shareholders' equity	90,426	79,709
Minority interests	0	0
Consolidated shareholders' equity	90,426	79,709
Employee benefit liabilities	1,377	1,383
Borrowings	2,096	6,020
Other liabilities	0	0
Deferred tax liabilities	0	0
Non-current liabilities	3,473	7,403
Trade payables	38,068	31,007
Short-term borrowings	4,770	4,853
Taxes payable	2,725	3,470
Other liabilities	26,684	14,676
Provisions	58	50
Current liabilities	72,305	54,056
Total liabilities and equity	166,204	141,168

(1) Of the consolidating parent company

(2) Of which net income for the period: €13,707k

Consolidated statement of cash flows to December 31, 2021

(€k)	Dec 31, 2021	Dec 31, 2020
Cash flows from operating activities		
Net income from consolidated companies	13,707	29,781
+ Additions to amortization, depreciation and provisions (except on current assets)	4,880	4,802
- Reversals of amortization, depreciation and provisions	-23	-4,130
-/+ Unrealized gains and losses arising from changes in fair value	15,877	-7,661
+/- Expenses and income arising from stock options	50	0
-/+ Capital gains and losses on disposals	-7	0
Change in deferred taxes	-1,828	-2,339
Operating cash flow after cost of net financial debt	32,656	20,453
Cost of net financial debt	112	129
Operating cash flow before cost of net financial debt	32,768	20,582
Currency translation adjustment on gross cash flow from operations	23	-34
Inventories	-20,314	779
Trade receivables	-31,627	-8,665
Trade payables	7,061	14,599
Other	8,205	4,852
Change in working capital	-36,675	11,565
Net cash flows from operating activities	-3,996	31,984
Cash flows from investing activities		
Acquisitions of intangible assets	-3,324	-2,322
Acquisitions of property, plant and equipment	-2,115	-1,226
Disposals of property, plant and equipment and intangible assets	8	23
Acquisitions of non-current financial assets	-8	-3
Disposals of non-current financial assets	21	52
Net cash from acquisitions and disposals of subsidiaries	0	0
Net cash flows from investing activities	-5,418	-3,476
Cash flows from financing activities		
Increases in capital and cash injections	0	0
Dividends paid	-3,818	0
Borrowings	1,328	359
Repayment of shareholders' current accounts	0	0
Repayment of borrowings	-5,120	-3,979
Principal repayments and interest on lease liabilities (IFRS 16)	-222	-174
Other cash flows from financing activities	0	0
Total cash flows from financing activities	-7,832	-3,794
Impact of foreign currency translation adjustments	239	-178
Change in cash	-17,007	24,536
Net cash at the beginning of the period	29,013	4,477
Net cash at the end of the period	12,006	29,013