

THIRD-QUARTER 2020 TURNOVER UP 85%

Unaudited data (in € millions) January 1 – September 30, 2020	2020	2019	Change
<u>Third quarter</u>			
Thrustmaster gaming accessories ranges	36.7	20.1	+83%
Thrustmaster	36.7	20.1	+83%
Hercules digital devices	2.5	1.1	+127%
OEM*	0.1	0.0	-
Hercules	2.6	1.1	+136%
Total	39.3	21.2	+85%
<u>Cumulative (9 months)</u>			
Thrustmaster gaming accessories ranges	75.6	43.7	+73%
Thrustmaster	75.6	43.7	+73%
Hercules digital devices	4.8	2.7	+78%
OEM*	0.4	0.3	+33%
Hercules	5.2	3.0	+73%
Total	80.8	46.7	+73%

* Accessories developed to accompany products of third-party companies (Original Equipment Manufacturer).

The Group's turnover increased 85% in the third quarter of 2020, to €39.3 million.

In line with the second quarter, the good crop of flight simulation and car racing games, combined with a sharp rise in the number of new gamers, ensured continuing strong momentum in the racing and flying accessories market.

As expected, the June release of the first Thrustmaster *TCA Sidestick Airbus Edition* joystick, combined with the success of *Microsoft Flight Simulator*, released August 18, triggered a surge in sales of Thrustmaster flight simulation accessories.

The successful launch of the new *Hercules DJControl Inpulse 500* controller reinforced the success of the Inpulse range, allowing Hercules to more than double its sales over the period.

End consumer demand continued to grow strongly in the third quarter. The Group expanded distribution to over 140 countries and sales were up 65% in the European Union, 102% in North America and 126% in other countries.

Thrustmaster developments

➤ **Flying:** the launch of *Microsoft Flight Simulator* in August had a big impact on the Group's flight sim accessories, in particular the Thrustmaster Civil Aviation range, allowing Thrustmaster to step up its global presence in the joysticks category with a market share of over 70% by value in the United States (*source: © 2020 The NPD Group, Inc., all rights reserved; proprietary and confidential; property of NPD and its affiliates; licensed for use by NPD clients only*) and 58% by value in the top five European countries (*source: © GfK 2020, all rights reserved*) between January and August 2020.

➤ **Racing:** thanks to a very strong crop of new racing games over the period (F1 2020, Project CARS 3 and WRC 9, as well as forthcoming racing title DiRT 5), sales of racing wheels were buoyant.

➤ **ESWAP PRO CONTROLLER:** the *ESWAP PRO CONTROLLER* is enjoying a growing reputation among gaming communities, including players of *Rocket League*, a sports game whose conversion to being free to play has significantly boosted its audience.

Three new products are set to join the ESWAP ecosystem in November with the release of the backlit *ESWAP LED BLUE CRYSTAL PACK* and *ESWAP LED ORANGE CRYSTAL PACK*, as well as the *ESWAP S2 NXG MINI-STICK MODULE*.

➤ **Gaming headsets:** in mid-September, Thrustmaster announced that it was partnering with DTS to launch its *T.Racing Scuderia Ferrari Edition-DTS* headset, officially licensed by Ferrari. Thanks to this partnership, Xbox and PC gamers will have access to the DTS® Headphone:X app, which uses surround sound technology to offer an even more immersive gaming experience.

➤ **eSports:** eSports activity in the third quarter hinged around a number of events, notably including the *Le Mans Esports Series*, the final of which took place in mid-September, and the *Ferrari Hublot Esports Series* partnership, Ferrari's first ever eSports competition, in which Thrustmaster was proud to take part at the beginning of August.

Hercules developments

Up 73% over the first nine months of the year, Hercules' sales continue to grow strongly, thanks in particular to the market launch of the *DJControl Impulse 500* controller in July. This new DJ controller received a very warm welcome from the DJ community. In September, the DJ Mag magazine published a very positive write-up of the controller, awarding it a score of nine out of ten and classing it as a "DJ Star Product".

The new *Hercules HDP DJ60* headphones, launched in early October, offer professional-quality audio with sensitivity of 105 dB.

The *Hercules DJ Academy* has been boosted by a partnership with well-known DJ Hapa, founder of The DJ Coach, and new dedicated content has been included in the DJUCED software to help users master the art of mixing.

New console launches

The imminent arrival of new game consoles, with the *Xbox Series X/S* from Microsoft Corporation and the *PlayStation®5* from Sony Interactive Entertainment Inc., will be a key driver over the final part of 2020 and the next few years. All of the Group's officially-licensed *PlayStation®4* racing wheels and joysticks will work with the new PlayStation consoles. Similarly, all of the Group's Xbox One-licensed racing wheel and joystick accessories are compatible with the new Microsoft *Xbox Series X/S* consoles. The Group will gradually be updating its products' visual identities to highlight product compatibility.

COVID-19

The continuing epidemic could weaken consumer purchasing power. At the same time, fresh restrictions such as lockdowns and curfews could have the following impacts, already factored into the Group's forecasts:

- Changes to distribution channels in the event of store closures.
- Increased interest in video games and accessories as a result of people spending more time at home.

Financial standing at September 30, 2020

At September 30, 2020, the Group no longer had any net indebtedness (i.e. negative net indebtedness, amounting to €-8.1 million, excluding Marketable Investment Securities). The Group's MIS portfolio, composed of 443,874 Ubisoft Entertainment securities, was valued at €34.2 million.

Prospects

The Group is maximizing production to meet very strong demand for its accessories, and confirms its forecast of annual turnover in excess of €100 million and an operating profit margin of over 10% of turnover.

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, the Netherlands, Italy, Belgium, China [Hong Kong] and Romania) 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.

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