

2024 CONSOLIDATED INTERIM RESULTS

Key items from the Guillemot Corporation Group's financial statements to June 30, 2024 are as follows:

First half 2024 (€m) January 1 – June 30, 2024	June 30, 2024	June 30, 2023
Turnover	56.0	48.1
Net income from ordinary activities	3.6	-3.9
Net operating income	3.6	-3.9
Net financial income*	-0.3	-0.1
Corporate income tax	-0.8	1.1
Consolidated net income	2.5	-2.9
Earnings per share	€0.17	-€0.19

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

Business activity and results

In the first half of 2024, the Group's turnover grew 16% to €56 million in a relatively calm market.

Net operating income in the six months ended June 30, 2024 came in at €3.6 million, compared with a €3.9 million net operating loss for the same period in 2023. This performance was helped by an improvement in the accounting gross profit margin, which came out at 56%, close to its 2022 level, compared with 45% in the first half of 2023. Total costs (total operating expenses excluding purchases and changes in inventories) increased by 8%, with turnover up 16%.

The net financial expense of €0.3 million included a €1.2 million unrealized loss linked to the decline in the valuation of the portfolio of Ubisoft Entertainment S.A. shares. Consolidated net income came in at €2.5 million.

Key balance sheet items

(€m)	June 30, 2024	December 31, 2023
Shareholders' equity	102.7	101.8
Inventories	44.3	45.7
Net debt (excluding investment securities)*	-19.6	-16.7
Current financial assets (investment securities portion)	9.1	10.3

* Investment securities are not taken into account when calculating net debt.

Shareholders' equity stood at €102.7 million at June 30, 2024. The Group's net debt was negative at -€19.6 million excluding investment securities, the fair value of which was €9.1 million at June 30, 2024. At September 24, 2024, the value of the portfolio stood at €5.3 million following the recent fall in the price of Ubisoft Entertainment shares.

The value of net inventories stood at €44.3 million at June 30, 2024, down 3% from December 31, 2023, in anticipation of requirements in the run-up to the end of the year. Working capital decreased by €2.6 million over the first half of the year.

Net capitalized research and development costs increased by €0.6 million over the six months to June 30, 2024, to end the period at €11.1 million in net value.

Thrustmaster news

On September 19, 2024, Thrustmaster entered into a strategic sales agreement with JD.com, China's leading e-commerce operator and one of the brand's main Chinese distribution channels. This three-year strategic deal, signed at JD's headquarters in Beijing, will considerably boost Thrustmaster's influence and leadership in China and ensure that the brand's high-quality next-generation racing wheels, gamepads and joysticks will be more widely available to Chinese consumers.

- **Racing:** Thrustmaster is working towards launching new racing products that will expand the brand's presence in brick-and-mortar stores in the United States and Europe. On August 22, 2024, Thrustmaster unveiled its new upgradeable pedal set, *Raceline Pedals LTE (Long Term Evolution)*. Equipped with two metal pedals with a sandblasted finish, this fully adjustable pedal set is powered by H.E.A.R.T. magnetic technology for exceptional precision and maximum durability over time. The *EVO RACING 32R LEATHER* racing wheel continues to be stocked by more and more retailers internationally.

Thrustmaster will also be launching its brand-new Direct Drive racing wheel, which will be a gateway to "discovering the next generation of sim racing technology". The racing wheel received a very enthusiastic response from journalists and customers who were given the opportunity to blind test it at Gamescom in August, and experience its subtle yet accurate rendering of game effects.

- **Flight sim:** *Microsoft Flight Simulator 2024*, due to be released on November 19, should drive increased sales for Thrustmaster, enabling the brand to consolidate its position as the number one maker of flight sim accessories thanks to the partnership that will be put in place around this new product. Meanwhile, the launch of *AVA F/A-18 Super Hornet Flightstick* in the third quarter will further strengthen the range's ecosystem.

Hercules news

The DJing range continues to be stocked by more and more retailers and has garnered positive feedback in the trade press and on social media. A video posted by two young French YouTubers, Mathis and Gauthier, on September 17 described the *Hercules Stream 100* mass-market audio controller and *Hercules Stream 200 XLR*, more geared towards professional streamers and gamers, as "revolutionary" and "very well made". Hercules is also working on new bundles that will add turnkey solutions for all streamers, whether beginners or advanced users, to the *Hercules Stream* range.

Outlook

The Group is set to launch a number of major new products in the fourth quarter of 2024, and will be leveraging both the new 2024 version of the game *Microsoft Flight Simulator* and its partnerships to increase its market share.

The Group maintains its forecast of sales growth and a net operating profit for fiscal 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 statement of net income to June 30, 2024

(€k)	Jun 30, 2024	Jun 30, 2023
Net turnover	56,007	48,111
Purchases	-23,995	-19,996
Change in inventories	-551	-6,256
External expenses	-10,966	-10,960
Employee expenses	-9,113	-8,360
Taxes and duties	-335	-299
Additions to amortization and depreciation	-3,498	-2,978
Additions to provisions	-993	-901
Other income from ordinary activities	79	146
Other expenses from ordinary activities	-3,003	-2,359
Net income from ordinary activities	3,632	-3,852
Other operating income	0	0
Other operating expenses	0	0
Net operating income	3,632	-3,852
Income from cash and cash equivalents	447	319
Cost of gross financial debt	-62	-53
Cost of net financial debt	385	266
Other financial income	441	0
Other financial expenses	-1,185	-380
Corporate income tax	-834	1,050
Net income before minority interests	2,439	-2,916
O/w net income from discontinued operations	0	0
Attributable to minority interests	0	0
Net income attributable to equity holders of the parent	2,439	-2,916
Basic earnings per share	0.17	-0.19
Diluted earnings per share	0.16	-0.19

Consolidated balance sheet at June 30, 2024

(€k)	Jun 30, 2024	Dec 31, 2023
Goodwill on acquisitions	0	0
Intangible assets	23,787	23,739
Property, plant and equipment	11,084	8,592
Financial assets	509	593
Tax assets	335	543
Deferred tax assets	4,494	4,634
Non-current assets	40,209	38,101
Inventories	44,333	45,725
Trade receivables	26,731	36,057
Other receivables	3,426	3,620
Financial assets	9,073	10,258
Current tax assets	1,037	4,215
Cash and cash equivalents	28,430	25,728
Current assets	113,030	125,603
Total assets	153,239	163,704

LIABILITIES AND EQUITY

(€k)	Jun 30, 2024	Dec 31, 2023
Capital (1)	11,617	11,617
Premiums (1)	8,076	8,076
Reserves and consolidated income (2)	82,812	81,881
Currency translation adjustments	229	210
Group shareholders' equity	102,734	101,784
Minority interests	0	0
Consolidated shareholders' equity	102,734	101,784
Employee benefit liabilities	1,909	1,709
Borrowings	4,622	4,821
Other liabilities	0	0
Deferred tax liabilities	15	15
Non-current liabilities	6,546	6,545
Trade payables	21,890	25,442
Short-term borrowings	4,206	4,251
Taxes payable	889	815
Other liabilities	16,935	24,832
Provisions	39	35
Current liabilities	43,959	55,375
Total liabilities and equity	153,239	163,704

(1) Of the consolidating parent.

(2) Of which net income for the period of €2,439k.

Consolidated statement of cash flows to June 30, 2024

(€k)	Jun 30, 2024	Jun 30, 2023
Cash flows from operating activities		
Net income from consolidated companies	2,439	-2,916
+ Additions to amortization, depreciation and provisions (except on current assets)	3,740	3,195
- Reversals of amortization, depreciation and provisions	-177	-1,399
-/+ Unrealized gains and losses arising from changes in fair value	1,185	235
+/- Expenses and income arising from stock options	110	265
-/+ Capital gains and losses on disposals	0	66
Change in deferred taxes	141	-1,135
Operating cash flow after cost of net financial debt	7,438	-1,689
Cost of net financial debt	-385	-266
Operating cash flow before cost of net financial debt	7,053	-1,955
Inventories	1,392	7,020
Trade receivables	9,326	9,216
Trade payables	-3,552	-9,953
Other	-4,527	-7,341
Change in working capital	2,639	-1,058
Net cash flows from operating activities	10,077	-2,747
Cash flows from investing activities		
Acquisitions of intangible assets	-2,084	-2,738
Acquisitions of property, plant and equipment	-1,817	-817
Disposals of property, plant and equipment and intangible assets	1	0
Acquisitions of non-current financial assets	-24	-122
Disposals of non-current financial assets	108	173
Net cash from acquisitions and disposals of subsidiaries	0	0
Net cash flows from investing activities	-3,816	-3,504
Cash flows from financing activities		
Increases in capital and cash injections	0	0
Buybacks of treasury shares	-1,567	0
Dividends paid	0	-3,761
Borrowings	0	0
Repayment of borrowings	-1,667	-3,148
Impact of IFRS 16 adoption	-334	436
Other cash flows from financing activities	-12	-108
Total cash flows from financing activities	-3,580	-6,581
Impact of foreign currency translation adjustments	21	51
Change in cash	2,702	-12,781
Net cash at the beginning of the period	25,728	35,225
Net cash at the end of the period	28,430	22,444