

Raphaëlle POULAIN

Equity research analyst
rpoulain@genesta-finance.com
+33 (0)1.45.63.68.62

Date of first publication: 3rd May 2021**Guillemot****On the way to new peaks...**

Following on an exceptional 2020 financial year, Guillemot is starting 2021 with a turnover level of € 35.8 million for its 1st quarter, up + 167% compared to Q1 2020. All geographic areas addressed by the group are up by more than + 100%, with consumer demand remaining incredibly strong. Benefiting from the efforts made during the previous fiscal year, particularly in terms of commercial efforts (*etailers* networks, new countries, etc.) but also of logistics organization, Guillemot confirms its annual outlook (Turnover > € 150 million and EBIT > € 20 million). Taking into account more favorable market data (weaker WACC), our TP goes up to € 21.25. Strong Buy Opinion.

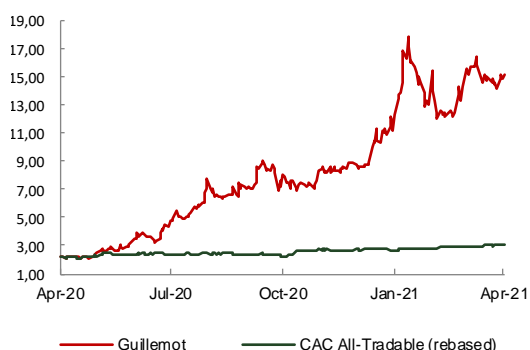
Recommendation	1. Strong Buy
Closing Price on 29 April 2021	15,18 €
Target Price	€ 21,25 (+40%)

Market data

Reuters / Bloomberg Ticker	GTCN.PA / GUI:FP
Market capitalisation (€m)	232,06
Enterprise value (€m)	213,86
Free Float (€m)	56,16 (24,2 %)
Number of shares	15 287 480
Daily volume	€ 731 833
Capital turnover rate (1 year)	46,36%
High (52 weeks)	€ 17,90
Low (52 weeks)	€ 2,14

Performances

Absolute perf.	1 month	6 months	12 months
	-1 %	+91,6 %	+569,9 %

**Current shareholding structure**

Free Float : 26,6 % ; Guillemot Brothers & Family : 72,8 % ; Treasury stock : 0,7 %

Agenda

Q2 2021 Sales to be released on July 29th, 2021

Key figures

	2019	2020	2021E	2022E	2023E
Sales (€m)	60,9	120,6	163,2	189,4	212,8
Change (%)	-25,1%	98,1%	35,3%	16,0%	12,4%
EBITDA (€m)	2,0	26,1	29,7	35,3	37,9
EBIT (€m) **	-2,6	23,1	22,9	27,8	29,1
Ebit margin (%)	-4,3%	19,1%	14,0%	14,7%	13,7%
Net profit gp (€m) *	-2,4	22,1	21,8	26,6	27,4
Net margin (%) *	-3,9%	18,3%	13,3%	14,0%	12,9%
EPS *	-0,16	1,45	1,42	1,74	1,79

Ratios

	2019	2020	2021E	2022E	2023E
EV / Sales	0,6	0,7	1,2	0,9	0,6
EV / EBITDA	17,1	3,2	6,5	4,7	3,5
EV / EBIT	ns	3,7	8,5	5,9	4,5
P / E *	ns	4,6	10,7	8,7	8,5
Gearing (%)	20%	-23%	-38%	-53%	-64%
Net deb. / EBITDA	5,1	-0,7	-1,3	-1,9	-2,6
ROCE (%)	-8%	93%	75%	82%	81%

* Restated items for unrealized capital gains / losses on the securities portfolio

** Including, during FY 2020, a €4.1m recognition as reversal of impairment on the Thrustmaster brand

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The group able to address an ever-strong demand for "Racing" and "Flying" accessories

Guillemot has started its 2021 fiscal year very well, with a growth in sales of + 167% compared to the first quarter of 2020, reaching € 35.8 million. In details:

- **Thrustmaster** posted a turnover of € 34.0 million in Q1 2021 (+ 172% yoy). Product news was marked by new successes: in particular 1 / add-ons to the *Flying* environment accompanying the success of the *Thrustmaster Civil Aviation - Airbus range* and 2 / the worldwide extended marketing of *Eswap X Pro Controller* gamepads and its new modules concept, after the enthusiasm met in the United States with expert critics at the end of 2020. Thrustmaster also launched at the beginning of the year the marketing of its new wheel under Ferrari license, the *Formula Wheel Add-On Ferrari SF1000 Edition*, a real replica of the Formula 1 wheel.
- The **Hercules** brand, on the basis of a contribution to all of the group's activity to be improved, has a turnover of € 1.8 million, up + 100% compared to Q1 2020, still benefiting from the quality of its Djing products, with a new edition of the *DJControl Inpulse 500*, an edition including in particular the reference software *Serato DJ Pro*.

Guillemot is reaping the benefits of its commercial and logistics efforts deployed during fiscal year 2020...

As a reminder, during the whole 2020 fiscal year, Guillemot had increased its operational capacity, whether at the commercial level (by multiplying direct distribution partnerships, in particular at the *etailers* level, and by addressing new countries), but also by ensuring that its logistics organization adapts to significantly higher demand in terms of volume than in previous years.

We believe that the group has thus reached a commercial and operational level paving the way to new peaks in terms of turnover for the entire fiscal year and the years to come.

Opinion and Recommendation

With relative quarter-to-quarter growth expected to slow down (also taking into account the pressures observed on transport and components), we maintain our scenario for the current year, with expected turnover of € 163.2 million and EBIT of € 22.9 million, data consistent with the group's guidance. Price target raised to € 21.25. Strong Buy.

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2. Buy	The absolute share price performance is expected to be comprised between +10 % and +25 %
3. Neutral	The absolute share price performance is expected to be comprised between +10 % et -10 %
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Rating and target price evolution throughout the last 12 months

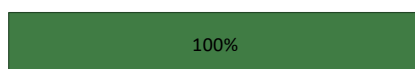
Date of 1 st publication	Rating	Target Price
May 3 rd 2021	Equity Flash Strong Buy	€ 21.25
March 29 th 2021	Annual Research Strong Buy	€ 18.80
February 1 st 2021	Equity Flash Buy	€ 12.45
November 2 nd 2020	Equity Flash Neutral	€ 8.80
September 24 th 2020	Semi-annual Research Buy	€ 7.65
July 27 th 2020	Equity Flash Strong Buy	€ 6.85

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■ Strong Buy ■ Buy □ Neutral ■ Sell ■ Strong Sell

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