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.

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 Es swapped 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 favoring 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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Genesta Equity Research stock market recommendations reflect the absolute change expected in the share price from a six to twelve-months perspective (in local currencies).

1. Strong buy
   The absolute share price performance is expected to be at least +25 %

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 %

4. Sell
   The absolute share price underperformance is expected to be comprised between -10 % et -25 %

5. Strong Sell
   The absolute share price underperformance is expected to be at least -25 %


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<th>Date of 1st publication</th>
<th>Rating</th>
<th>Target Price</th>
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<td>May 3rd 2021</td>
<td>Equity Flash Strong Buy</td>
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<td>March 29th 2021</td>
<td>Annual Research Strong Buy</td>
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<td>February 1st 2021</td>
<td>Equity Flash Buy</td>
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<td>November 2nd 2020</td>
<td>Equity Flash Neutral</td>
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<td>September 24th 2020</td>
<td>Semi-annual Research Buy</td>
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<td>July 27th 2020</td>
<td>Equity Flash Strong Buy</td>
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