

Guillaume ANOMAN

Equity research analyst
guillaume.anoman@inextenso-finance.fr
+33 (0)6 47 25 53 79

Date of first publication: August 1st 2022**Guillemot**
Continued growth in Q2

After a very strong growth in the first quarter of 2022 (€55.9 M turnover, +56 % YoY), Guillemot once again demonstrated its ability to grow, and thus all the relevance of its offer despite 1/ a difficult logistical context and 2/ a particularly demanding base effect. Revenues for the quarter were €42.2 M, +22% YoY. The two brands of the group posted sustained growth this quarter, whether Thrustmaster with a +20% YoY growth (€39.6 M in sales) or Hercules (€2.6 M in sales), which benefited from its OEM activity to the tune of €0.3 M. These figures allow the group to post a H1 2022 turnover of €98.1 M, up +39% YoY, and thus reinforce management confidence in its objectives (sales above €200 M and EBIT > €30 M).

Strong Buy opinion reiterated, TP at **€19.70** (vs. €19.65 previously).

Recommendation**1. Strong Buy**

Closing Price on July 28 2022

€ 12.44

Target Price

€ 19.70 (+58.3%)**Market data**

Reuters / Bloomberg Ticker	GTCN.PA / GUI:FP
Market capitalisation (€m)	190.2
Enterprise value (€m)	185
Free Float (€m)	57.49 (30.2 %)
Number of shares	15287480
Daily volume	€ 517471
Capital turnover rate (1 year)	40%
High (52 weeks)	€ 16.54
Low (52 weeks)	€ 10.74

Performances

Absolute perf.	1 month	6 months	12 months
	8%	-25.5%	2.9%

**Current shareholding structure**

Free Float: 30.2 % ; Guillemot Family: 69.5%
Treasury stocks: 0.3 %

Agenda

2022 Results to be released on September 29th, 2022

Key figures

	2020	2021	2022E	2023E	2024E
Sales (€m)	120.6	176.8	216.7	238.6	258.2
Change (%)	98.1%	46.5%	22.6%	10.1%	8.2%
EBITDA (€m)	26.1	39.7	47.6	60	66.6
EBIT (€m) **	23.1	33	37.9	47.9	53.5
Ebit margin (%)	19.1%	18.7%	17.5%	20.1%	20.7%
Net profit gp (€m) *	22.1	30	34.2	46.2	51.8
Net margin (%) *	18.3%	17%	15.8%	19.4%	20.1%
EPS *	1.45	1.96	2.24	3.02	3.39

Ratios (Excluding Valuation of Ubisoft shares)

	2020	2021	2022E	2023E	2024E
EV / Sales	0.7	1	0.6	0.4	0.2
EV / EBITDA	3.2	4.7	2.7	1.5	0.7
EV / EBIT	3.7	5.6	3.5	1.9	0.8
P / E *	4.6	6.3	5.6	4.1	3.7
Gearing (%)	-23%	-6%	-66%	-83%	-84%
Net debt/EBITDA	-0.7	-0.1	-1.2	-1.7	-2.2
ROCE (%)	93%	49%	71%	108%	127%

* 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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A strong growth

Guillemot continues the momentum of an excellent first quarter 2022 with a turnover of €42.2 M in Q2 2022, up +22% YoY. In details:

- **Thrustmaster** posted a business volume of €39.6 M up +20 % YoY. This growth was mainly driven by the brand's two flagship activities: racing and flight simulation. Thrustmaster continues, enjoying its position as a quasi-leader, to take advantage of the public's enthusiasm for racing, and thus for racing games. The release of *F1® 22* has boosted sales. The 'Flying' segment benefited from the release of the film *Top Gun Maverick*, bringing a new DLC on *Microsoft Flight Simulator*, thus increasing sales of aerial joysticks. The release of the new *eSWAP S PRO CONTROLLER* also enhanced the brand's sales over the quarter. Beyond this news, the group has continued its efforts in terms of representation by participating in major events both in Racing (Canadian Grand Prix, 24H du Mans) and in the air industry (Royal International Air Tattoo).
- The **Hercules** brand, focused on DJing products, recorded sales of €2.3 M on its Hercules brand products and €0.3 M on its OEM offering, allowing the segment to display a total sales volume of €2.6 M, up +44% YoY.

With total sales in H1 2022 of €98.1 M, up +39% YoY, Guillemot demonstrates its ability to continue its growth trajectory thanks to the relevance of its offer and its excellent logistics management. These figures allow management to confirm its objective of a turnover of more than €200 M and an EBIT of more than €30 M.

Strong Buy opinion reiterated, TP at €19.70

The figures published this quarter by Guillemot once again demonstrate the quality of the Group's offer and the relevance of its communication strategy, as well as its "over-storage" strategy, which allows us to anticipate customer demand.

Confident in the company's ability, despite a challenging global environment, to continue its growth thanks to its niche positioning, we maintain our 2022 estimates unchanged (sales at €216.7 M and EBIT at €37.9 M). Taking into account changes in market data, our price target stands at **€19.70** (vs. €19.65 previously). **Strong Buy Opinion** reiterated.

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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 % and -10 %
4. Sell	The absolute share price performance is expected to be comprised between -10 % and -25 %
5. Strong Sell	The absolute share price performance is expected to be at least -25 %

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No	No	No	No	Yes	No	No

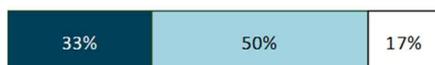
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Rating and target price evolution throughout the last 12 months

Date	Opinion	Objectif de cours
August 1 st 2022	Equity Flash Strong Buy	€ 19.70
July 5 th 2022	Sectoral study Strong Buy	€ 19.65
May 2 nd 2022	Equity Flash Strong Buy	€ 19.30
March 30 th 2022	Annual Research Strong Buy	€ 19.60
January 31 st 2022	Equity Flash Strong Buy	€ 26.50
November 2 nd 2021	Equity Flash Strong Buy	€ 24.50
September 27 th 2021	Semi-annual Research Strong Buy	€ 23.55

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

Distribution of ratings concerning companies belonging to the same sectors



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