

PRESS RELEASE

Toulouse, 20 May 2021 at 7 am

ACTIA GROUP: FIRST QUARTER 2021 TURNOVER

IFRS, in € millions	2021*	2020	Var.
Q1	113.2	117.1	(3.3%)
o/w Automotive	100.0	108.5	(7.8%)
o/w Telecoms	13.2	8.7	+52.4%

* Unaudited data

ACTIA Group turnover for the first quarter 2021, at €113.2 million, fell by 3.3% as a result of a slowdown in production due to the shortage of electronic components which affected a part of the Automotive Division. With a more favourable basis for comparison, the Telecoms Division, at €13.2 million, grew by 52.4%. Focused on smaller production runs that help to address the supply difficulties for cutting edge electronics, the business tends to benefit from the fact that its contracts have long cycles. Setting up a special team to manage the semiconductor crisis has helped to reduce late deliveries by sourcing components from brokers. In this way, ongoing negotiations have resulted in a better level of deliveries from the manufacturers, even higher than their forecasts. On the sales front, the teams are fully motivated and a major success has been achieved in the area of satellites, which benefits both divisions, worth more than €150 million over 5 years, with production due to start at end 2022.

For the first quarter, the sales of the foreign subsidiaries reached €62.9 million, a drop of 10.4%, while those of the French companies amounted to €50.3 million, an improvement of 7.3%. With 71.8% of revenue coming from foreign customers, as opposed to 75.0% for the same period in 2020, the slowdown in the Americas, above all in South America where the health crisis continues to badly affect local economies, and the decreases in some European countries (including Sweden, Germany and Belgium) due to supply difficulties, have not been offset by the increase in revenue in China and Africa.

The **Automotive Division** generated 88.3% of the Group's quarterly sales. The 6.4% decline in the OEM business, which represented 79.3% of the Automotive Division's sales, was a reflection of the shortage of components that particularly badly affected the longer production runs with a high proportion of electronics content produced for the area of Telematics. On the other hand, the smaller production runs held up better with Rail continuing to enjoy further growth. The products and solutions for Diagnostics, Infotainment and Electromobility were mainly held back by the lack of activity in terms of public transport due to travel restrictions during the health crisis, a trend that the supply difficulties for components occasionally exacerbated. The Aftermarket business, at 10.1% of the Automotive Division's sales, fell by 9.4%: the low levels of investment in the area of Technical Inspection, related to the lack of major new programmes being initiated by governments, hides the increase in garage equipment, and a slightly lower improvement in fleet management solutions. The electronic subcontracting business, or MDS, at 10.6% of the Automotive Division's sales, was a result of the weakness in the aeronautics sector and reflected the slowdown in the business of electronics manufacturers.

The **Telecoms Division** represented 11.7% of the Group's quarterly sales. The big improvement of 52.4% was due to the favourable basis for comparison in SatCom and the ramping up of solutions for the Power and Rail markets. It was almost a case of business as usual, while the technological and commercial successes underline ACTIA's cutting edge expertise and positive medium- to long-term prospects.

2021 OUTLOOK

For the time being, obliged to adapt to the rate of deliveries of electronic components, the business is performing significantly below the Group's expectations. Faced with the instability caused by successive lockdowns and easings, the Group continues to adapt with agility by negotiating, for example, ongoing double-shift working in Tunisia. Thanks to the commitment of its teams, ACTIA Group has continued to honour its deliveries and has avoided significantly affecting its

customers' production, even if the adapting capacity has led to under-utilisation of its own means of production. Supply difficulties are expected to continue into the second quarter and the lack of information from components manufacturers limits visibility for the second half.

From the financial standpoint, the cost structure, which had been reduced compared to the same period in 2020, could absorb a part of the delays in deliveries. The additional costs caused by the lack of supplies and the increases in the prices of some raw materials are estimated to be about €8 million. The Group maintains strict control over expenditure. Short-time working measures (10% of long-term short-time working in the automotive industry in France) were put in place in early 2021. In addition to being able to benefit from a number of recovery programmes that will result in support amounting to about €8 million over 2 to 4 years, the Group has asked to draw on the balance of its right to State guaranteed loans (PGEs), amounting to €50 million, thus securing its financial position with a view to the recovery and ongoing increases in its order book.

ACTIA aims at growth over the long-term through its ability to serve cutting edge technological markets, driven by the digital and energy transition. Its modern industrial facilities that meet the highest quality and safety standards, and latest generation industrial management systems (PLM, ERP) that bring operational and financial efficiency. Looking beyond the uncertainties that currently affect the global economy, the Group, thoroughly diversified and international, plans to organise itself to achieve, as it always has done, long-term growth driven by its preeminent expertise in its major markets. Its customer portfolio and order book for the coming years attest to solid prospects for growth enabling it to envisage, 4 to 5 years from now, sales in excess of €800 million.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 20 May 2021 at 5 pm. Shareholders have been asked to vote by postal ballot. The documentation for the AGM is available on www.actia.com (menu "Investors" / "General Meetings").

The 2020 Universal Registration Document, filed on 29 April 2021, is available on www.actia.com (menu "Investors" / "Financial information" / "Universal Registration Documents").

ABOUT ACTIA

ACTIA Group is a mid-market company (ETI) founded in 1986. It is at once family-owned and international and its head office is located in France. The family aspect guarantees the long-term future of the Group and its independence with an ever-present entrepreneurial spirit. ACTIA's business is to design and produce electronics to control systems in the particularly demanding fields of the automotive, rail, aeronautics, space, defence, power and telecommunications industries.

The commitments made by ACTIA are reflected in the Group's ambitious contributions to addressing societal issues: mobility, connectivity, safety and the environment. Control over the design and production of products bearing the ACTIA signature is a true guarantee of quality. Without exception, all Group employees share this belief in quality in a fully certified environment.

KEY FIGURES

- 2020 Turnover: €438.6 million.
- Nearly 3,720 employees around the world, including over 1,000 engineers and technicians working in R&D.
- Present in 16 countries.
- 14 to 18% of turnover reinvested every year in R&D.

STOCK MARKETS

- Euronext C
- ISIN FR0000076655 – Mnemonic: ATI Reuters: MRSP.PA – Bloomberg: AIELF: FP
- Indices: CAC ALL SHARES – CAC ALL-TRADABLE – CAC INDUSTRIALS – CAC MID&SMALL – CAC SMALL – EN TECH CROISSANCE – GAÏA INDEX

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UPCOMING DATES

Annual General Meeting: Thursday 20 May 2021 at 5 pm
Q2 Turnover 2021: Wednesday 4 August 2021 at 7 am

