



2021 FY RESULTS

- Despite the continued difficulties resulting from the Covid pandemic, the Egide Group has continued resiliency providing growth in 2021.
 - 2021 revenues: €32.50m (+8.5% /2020)
 - EBITDA after rent: €1.5m (vs. €3.8m in 2020).
 - Group Net Profit: €0.05m (vs. €0.98m in 2020).
 - The Egide SA and Egide USA business units are growing (+ 5.8% and +31.7% respectively), while Santier is essentially neutral.
- 2022 outlook:
 - There is optimism as the order intake at the end of 2021, driven largely by the Defense sector, provides a solid foundation for growth in 2022.
 - Project to convert fixed asset into cash with the sale-leaseback of the Cambridge facility
 - Labor shortages in the US, and risks related to Covid-19 lingering crisis, will need to be overcome in 2022 to meet expectations.
 - Geopolitical situation in Europe should have a positive effect on product demand at all factories although a concrete sign regarding order intake has yet to be seen.

The results presented below are unaudited consolidated financial statements for 2021 but reviewed by the Audit Committee on March 29th, 2022. Certification of accounts is expected in the coming weeks.

<i>In €M - Unaudited</i>	FY 2021		H2 2021		H1 2021		FY 2020	
REVENUE	32.50	100%	15.90	100%	16.60	100%	29.97	100%
Consumed purchases	-13.12	-40%	-6.87	-43%	-6.25	-38%	-10.73	-36%
Inventory changes	0.46	1%	0.46	3%	0	0%	-0.82	-3%
Personnel costs	-14.05	-43%	-7.20	-45%	-6.85	-41%	-13.64	-46%
External costs*	-6.50	-20%	-2.45	-15%	-4.05	-24%	-3.29	-11%
Taxes	-0.32	-1%	-0.15	-1%	-0.17	-1%	-0.31	-1%
Other exp. & indemn.**	3.13	10%	0.87	5%	2.26	14%	2.33	8%
EBITDA (gross)	2.09	6%	0.55	3%	1.54	9%	3.52	12%
Depreciation. Amort.& provisions***	-1.38	-4%	-0.36	-2%	-1.02	-6%	-1.55	-5%
OPERATING INCOME (Ebit)	0.71	-2%	0.19	1%	0.52	3%	+1.97	7%
Financial items	-0.46	-1%	-0.23	-1%	-0.23	-1%	-0.56	-2%
Income Taxes****	-0.19	-1%	-0.14	-1%	-0.05	0%	-0.42	-1%
NET RESULT	0.05	0%	-0.19	-1%	0.24	1%	0.98	3%

*: +0.5 Business Interruption & -2.84 outside plating

** : + 0,7 PPP + 2,6 Fixed Assets paid by insurance

***: + 0,5 release of 2018 Egide SA impairment & - 0.3 impairment GW Santier

****: Incl. -338k€ reduction of US Tax Asset + 200k€ activation of French Tax Asset

CONSOLIDATED FINANCIALS 2021

REVENUE

[The Egide Group](#) confirms its growth in 2021 despite the difficulties linked to the health crisis which slowed down the commercial activity. The Egide Group's consolidated revenue for 2021 was €32.50 million, up 8.5% compared to 2020.

The revenue had been impacted in H1-2021 by delays in the reconstruction of the Cambridge plating shop due to supply of materials for the plating equipment. Before the end of the year, the plating shop was 100% operational, and had been audited by a number of key customers in the US Aerospace and Defense markets. The overall growth would have been greater if not for the labor shortages experienced in the US due to the pandemic. Both technical professionals and direct labor demand have not been fulfilled in H2. This will require new strategies in 2022 as the labor market continues to be tight in the US. The revenue of the American entities represents 56% of the total revenue of the group.

For information, the average euro/dollar exchange rate in 2021 was 1.18 compared to 1.14 in 2020.

RESULTS AS OF 12/31/2021

- EBITDA (restated of rents) amounted to €1.5m, compared with €3.8m in 2020.
- Non recurrent items (fire insurance and expenses, PPP, impairment) represent a positive impact of 1.09m€ in 2021 vs 4.53m€ in 2020, which decrease is mainly due to plating subcontracting (shown in External costs) of 2.84m€ in 2021.

Considering all these elements, the Egide Group generated a net profit of €0.05m on December 31, 2021 (compared to €0.98 in 2020).

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2021

ASSETS *			LIABILITIES *		
	2021	2020		2021	2020
Fixed assets	9.5	6.5	Equity	11.4	10.6
Usage rights of leased assets	2.0	2.3			
Other financial fixed assets	0.5	0.5	Accruals	0.9	0.8
Differed tax assets	0.7	0.8	Financial debt	7.8	6.6
Inventory, AR and other assets	13.8	16.3	Rent debts	2.2	2.5
Cash	1.6	1.4	AP & other	5.8	7.3
TOTAL	28.1	27.8	TOTAL	28.1	27.8

* In €M – Unaudited

Fixed assets include depreciation of 0.3M€ because of Impairment of Santier and 2.6M€ Capex financed by the insurance in Cambridge + 0.4M€ in Egide SA + 0.5 M€ release of impairment depreciation from 2018 in Egide SA.

The financial debts include the reclass of 1.8M€ from long to short term due to covenants in Egide USA and Santier not respected. The current financial institution has given the company until June 30th to find another partner. Investment grant waiting for depreciation and lease to be recognized as profit.

The working capital represents 90 days of revenue.

SIGNIFICANT SUBSEQUENT EVENTS AFTER DECEMBER 31ST, 2021 : LEASE BACK PROCESS FOR EGIDE USA IN CAMBRIDGE

Egide USA (Cambridge) would sell its building to strengthen its cash position and finance future investments. A Lease arrangement for the facility is being negotiated with the potential owner for 15 years, with option for an additional 10 years. Negotiations and due diligence audits are in progress with a contract expected to be signed before end H1 2022 for \$6M.

This operation would allow Egide Group to reduce its American debt to almost zero, and make a capital gain of nearly \$3M.

2022 OUTLOOK

The good rhythm of our order book build-up over the end of 2021, driven largely by the Defense sector, provides a solid foundation for growth in 2022.

Geopolitical situation in Europe should have a positive effect although a concrete sign regarding order intake has yet to be seen. Defense contractors in both the EU and US have indicated, without clear purchase orders, that they expect their respective businesses to be strong in H2.

In addition, the sale-leaseback of the Cambridge facility (underway in H1-2022) will strengthen the Group's cash position.

Egide SA expects an acceleration of its revenues through new customer acquisition in the thermal imaging market, by multiple new engagements for next generation high speed communication transceivers. Multiple new important projects acquired in 2021 will ramp in 2022 boosting Israel and China regions revenue.

Egide USA's HTCC ceramics order book has recovered with close to \$ 1 million backlog, including two new customers. A multi-year multi-million \$ agreement with its largest power customer has been confirmed with new orders. And significant increase is expected for the thermal battery market. A new sales team in the US is working to develop new opportunities for Santier's capabilities – thermal management materials and machining capabilities. Order intake in Q1 appears to reflect that the team is successful.

Jim Collins, Chairman and CEO, comments: *"While many businesses have been hampered significantly by the pandemic, Egide Group continues to be resilient and defy the challenges brought by the pandemic and our industrial fire in Cambridge. Our loyal customers continue to support our business units, and it has resulted in very strong order intake in Q4-2021 and Q1-2022. We expect 2022 to be a year of improved revenue and margins for the Group."*

FINANCIAL CALENDAR

General Meeting : June 16, 2022

2022 H1 revenue: July 21, 2022

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About Egide - www.egide-group.com

Egide is a group with an international dimension. specialized in the manufacture of hermetic packages and heat dissipation solutions for sensitive electronic components. It operates in cutting edge markets with strong technology barriers to entry in all critical industry segments (Thermal Imaging. Optronics. High-Frequency. Power Units...). Egide is the only pure player in this market niche with manufacturing bases in France and the United States.

Egide is listed on Euronext Paris™- Segment C - ISIN code: FR0000072373 – Reuters: EGID.PA – Bloomberg: GID