

PRESS RELEASE

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ACTIA GROUP: Q3 2021 TURNOVER

IFRS, in € millions	2021*	2020	Var.
Q1	113.2	117.1	(3.3%)
Q2	112.2	84.9	+32.2 %
H1	225.4	202.0	+11.6 %
Q3*	108.5	104.4	+3.9%
of which Automotive	95.1	94.2	+0.9%
of which Telecoms	13.3	10.2	+29.8%
9 months*	333.9	306.4	+9.0%
of which Automotive	293.4	279.3	+5.1%
of which Telecoms	40.4	27.1	+48.7%

*Unaudited data.

ACTIA's revenue for the third quarter, at €108.5 million, was up by 3.9%. The organisation put in place to manage the shortage of components helped to limit the adverse effects, but the major declines in production across a large number of sectors are reflected in the shipments and sales of ACTIA Group, lower than both its expectations and its capacity. They also hide the ongoing growth in the order book. Over 9 months, ACTIA generated revenues of €333.9 million, an annualized growth rate of 9.0%. As you will recall, ACTIA expects to achieve revenues in excess of €800 million within the next 4 to 5 years.

In the third quarter, the sales of the foreign subsidiaries reached €56.7 million, down by 6.2%, and those of the French companies amounted to €51.7 million, an improvement of 17.8%. International customers represented 70.8% of third quarter sales, compared to 72.2% for the same period in 2020. Across the 9 months, the revenues generated by the French companies rose by 25.3% to €156.2 million. However, sales to international customers fell slightly by 2.2%, as they were more vulnerable to the supply situation for components and also the health crisis, representing 70.5% of consolidated revenue.

The **Automotive Division** generated 87.7% of the Group's quarterly turnover with revenue of €95.1 million, an increase of 0.9%, which was nevertheless limited by the components crisis. However, in view of the effects of the components shortage on the global economy with, for example, the 19% drop in automobile production in the third quarter¹, the mobilisation of the crisis management unit and the active management of production planning proved highly effective. The OEM* business, representing 69.2% of the division's turnover, was thus able to grow by 1.5% over the quarter, despite the gradual winding down of a significant light vehicle contract, which was offset by the ramping up of new contracts in the areas of Trucks and Buses & Coaches. The Aftermarket*** business, representing 7.9% of the division's turnover, fell by 10.8%. The electronics outsourcing MDS*** business, representing 10.6% of the division's turnover, grew by 8.0%, reflecting the effectiveness of commercial efforts and the operational measures taken by the Group since the start of the health crisis to support the fullest possible use of its production facilities.

During the quarter, the Group's main subsidiary, ACTIA Automotive, was also assessed by EcoVadis with a score of 62/100, placing it in the top 25 (silver medal).

The Telecoms Division generated 12.2% of the Group's quarterly turnover. However, the rate of growth of 29.8% remained well below the Group's expectations due to delays in the acceptance of export shipments and supply difficulties.

(1) Source: IHS Markit forecast, October 2021.

2021 OUTLOOK

For the time being, with the need to adapt to the availability of electronic components, growth in the business is more sluggish than the Group had expected. Given the current situation, the Group believes that it can ensure an increase in revenues for the year, but remains subject to the production patterns of its key account customers and also to supplies.

From the financial point of view, the cost structure, leaner than in 2020, will be able to absorb some of the additional costs caused by the out-of-stock situations and the higher prices of some raw materials. Negotiations with customers to share the burden of the extra costs are ongoing. The Group maintains strict control over expenditure and, in early 2021, set up a short-time working scheme (10% long-term short-time working in France for the Automotive Division). In addition to being eligible to benefit from a number of recovery plan programmes in France, with more than €9 million in 2- to 4-year financing having been granted (2/3 in the form of subsidies and 1/3 in repayable advances), the Group has asked for the balance of its allowable state guaranteed loans to be activated: this is a total of €50.7 million to be used to secure its financial position in preparation for the recovery and the ongoing growth in its order book. 95% of its requests have been approved to date.

ACTIA chooses to continue to pursue long-term growth and develop its ability to serve the market for leading edge technologies, driven by the digital and energy transition. With modern industrial facilities that meet the highest quality and safety standards, ACTIA continues to deploy latest generation industrial management tools (PLM, ERP), sources of operational and financial efficiency. Beyond the uncertainties that currently handicap the global economy, the Group, well diversified and international, continues, as it always has done, to pursue its long-term development, driven by cutting edge expertise in major markets. Its customer portfolio and its future order book underpin the solid growth forecast for the coming years and will enable it, within the next 4 to 5 years, to exceed revenues of €800 million.

**OEM: Original Equipment Manufacturer*

***Aftermarket: including repairs and maintenance*

****MDS: Manufacturing Design & Services*

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, of whom more than 1,000 engineers and technicians working in R&D.
- Present in 16 countries.
- 14 to 18% of revenue 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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DATES FOR THE DIARY

The 2022 financial calendar will be published early in the new year.

