



RESULTS FOR THE 1ST HALF OF 2023 MARK EGIDE GROUP'S RECOVERY

- **H1 2023 sales: 19.2 million euros, up 20%.**
- **Operating loss reduced by 74%:**
from 1.3M€ at June 30, 2022 to 0.3M€ at June 30, 2023
- **EBITDA up 1.3M€** in first-half 2023 compared with first-half 2022.
- **Net loss reduced by more than 50%:**
from 2M€ at June 30, 2022 to 0.9M€ at June 30, 2023.
- **Continuation of strategy focused on the recovery of the American subsidiaries and on the Defense and Aerospace markets.**

[Egide Group](#) (Euronext Growth Paris™- ISIN : FR0000072373 - Mnémo : ALGID), worldwide provider of hermetic packages and heat dissipation solutions for sensitive electronic components, is today announcing its results for the 1st half of 2023.

The main financial indicators below illustrate Egide's rapid and significant recovery:

	H1 2023*		H1 2022		Variation		2022	
	M€	% CA	M€	% CA	M€	% CA	M€	% CA
Sales	19,19		16,02		3,17	20%	33,86	
EBITDA **	1,30	7%	-0,04	0%	1,34		-1,72	-5%
Operating income	-0,34	-2%	-1,29	-8%	0,96	-74%	-4,33	-13%
Net income	-0,89	-5%	-2,02	-13%	1,13	-56%	-5,62	-17%

* Unaudited

** Operating income excluding depreciation and amortization

The Audit Committee and the Board of Directors met to approve the half-year financial results as of June 30, 2023. As a reminder, on Euronext Growth, the half-year financial statements are not submitted to an audit by the statutory auditors (Euronext Growth Rules, art. 4.2.1). The financial statements presented below are not and will not be audited.

1. H1 2023 REVENUE

Egide Group

In million euros	H1 2023*		H1 2022		Var.	
	M€	% sales	M€	% sales	M€	% sales
Egide SA	8.62	45%	7.64	48%	0.98	13%
Egide USA	6.35	33%	4.25	27%	2.10	49%
Santier	4.22	22%	4.13	26%	0.09	2%
Group	19.19	100%	16.02	100%	3.17	19.8%

* Unaudited

In the first half of 2023, Egide Group reported €19.2 million revenues, up 20% on the first half of 2022 and up 9% on the second half of 2022. At constant exchange rates, sales growth was 19%; the favorable currency effect amounted to 1%.

This increase in Egide's business in the first half of 2023 compared with the same period in 2022 is all the more significant given that, in the previous year, Egide lost 8% in first-half sales compared with 2021. This performance is in line with an upward trend in the Defense and Aerospace markets.

All market segments are growing, except for Microwave, which remains stable. Growth in the Group's sales came mainly from the Thermal Imaging (+1.6M€), Power (+0.6M€) and Optronics (+0.7M€) markets.

Egide Group

In million euros	H1 2023*		H1 2022		Var.	
	M€	% sales	M€	% sales	M€	% sales
Thermal imaging	7.48	39%	5.91	37%	1.57	27%
Power	3.67	19%	3.02	19%	0.65	22%
Optronics	2.93	15%	2.19	14%	0.74	34%
Microwave/RF	2.84	15%	2.90	18%	-0.06	-2%
Others	2.27	12%	2.00	12%	0.27	13%
Group	19.19	100%	16.02	100%	3.17	20%

* Unaudited

2. IMPROVED PROFITABILITY

Group performance improved at all levels:

- Increase in sales: +3.17M€, or +20%,
- Increase in EBITDA from -0.04M€ at June 30, 2022 to 1.30M€ at June 30, 2023,
- Reduction in operating loss: 0.96M€, i.e. 74%,
- Reduction in net loss: 1.1M€, i.e. 56%.

The Group's consolidated operating loss has been sharply reduced from 1.29M€ in the first half of 2022 to 0.33M€ in the first half of 2023, representing a 74% reduction of the loss. This is mainly due to a smaller increase in personnel costs (+9%), raw materials (+14%) and external expenses (+5%) compared with the 20% growth in sales.

On the other hand, the financial loss increased due to the cost of financial debt, which rose from 0.2M€ to 0.5M€.

The net loss has been reduced from 2M€ in the first half of 2022 to 0.9M€ in the first half of 2023, representing a 56% reduction of the loss.

The breakdown of consolidated net income by entity as of June 30, 2023 is as follows:

Net Income (in K€, IFRS)	H1 2023*		H1 2022		Variation		H2 2022		2022 (restated excluding IFRS 5)	
	M€	% sales	M€	% sales	M€	% sales	M€	% sales	M€	% sales
Egide SA	155	2%	- 37	0%	192	-519%	707	9%	670	4%
Egide USA	-436	-7%	- 312	-7%	-124	40%	-2295	-42%	-2607	-27%
Santier	-43	-1%	- 879	-21%	836	-95%	-1441	-31%	-2320	-27%
Egide USA LLC (holding)	-11	0	- 66	0%	55	-83%	-7		-73	
Group net income	- 335	-2%	- 1 294	-8%	959	-74%	- 3 036	-17%	- 4 330	-13%

* Unaudited

In the first half of 2023, the net loss was reduced by:

- 1.1 million, or 56% compared with the first half of 2022. This reduction in the loss is mainly due to Santier and Egide USA LLC.
- 2.7 million compared with the second half of 2022 (-1.8 M€ for Egide USA and -1.4 M€ for Santier).

This very quick and significant recovery is the result of the new strategy implemented by the new management, which is focused on the profitability achieved with:

- better control of gross margins,
- a strategy focused on military and aerospace markets.

3. CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2023

Assets				Liabilities			
In K€	June 30, 2023	Dec. 31, 2022 restated*	Dec. 31, 2022 published*	In K€	June 30, 2023	Dec. 31, 2022 restated*	Dec. 31, 2022 published*
Intangible assets	69	11	11	Shareholders' equity	5 574	6 506	6 506
Rights of use assets	2 813	2 866	859	Long-term liabilities	1 207	747	747
Tangible assets	6 016	6 542	1 053	Right-of-use liability - non-current	2 817	2 953	642
Financial assets	560	584	456	Long-term financial debt	3 724	3 227	922
Deferred tax assets	156	156	156	Other non-current liabilities	962	1 061	1 061
Non-current assets	9 614	10 159	2 534	Non-current liabilities	8 711	7 988	3 372
Inventories and outstanding	7 699	8 439	3 545	Suppliers and other creditors	7 461	6 464	2 706
Trade and other receivables	7 612	6 240	3 360	Current portion of long- term debt	5 705	6 328	3 679
Cash	819	1 077	678	Right-of-use liability - current	689	618	369
Other current assets	2 396	1 989	1 855	Current liabilities	13 855	13 410	6 754
Current assets	18 525	17 745	9 438	Non-current liabilities held for sale	-	-	11 272
Non-current assets held for sale	-	-	15 933	Total liabilities	28 140	27 905	27 905
Total Assets	28 140	27 905	27 905				

* The balance sheet has been restated in accordance with IFRS 5 to present assets "held for sale" on each line of the balance sheet, instead of on a single line at the bottom.

Shareholders' equity amounted to €5.63 million, or 20% of the balance sheet total.

The 932k€ decrease in shareholders' equity from 6,506k€ at December 31, 2022 to 5,574k€ at June 30, 2023 is explained by:

- 888k€ net loss, 85k€ currency exchange adjustment and 40k€ other P&L items.

- The 545k€ decrease in the net value of fixed assets due to depreciation, the 723k€ increase in non-current liabilities and the 335k€ decrease in working capital (calculated as the difference between current assets and current liabilities).
- The 0.72M€ increase in non-current liabilities is mainly due to a 0.5M€ increase in provisions for employee litigation in France, and a 0.5M€ increase in financial debts, slightly reduced by 0.15M€ in loan repayments.

4. OUTLOOK

The Egide Group's priority is to ensure the recovery of its American subsidiaries. Numerous actions have been implemented, including:

- Appointment of a new management team in the USA and hiring of key executives,
- Strategy based on military and aerospace markets and profitability rather than sales at all costs,
- Improved performance by increasing margins per customer and per product with price increases and better cost control,
- Cross-selling and synergies at Group level.

The second priority is to improve the Group's financial situation. To achieve this goal, in early September Egide raised €2.6 million in cash via a €1.9 million capital increase and a 750k€ bond issue, which must be repaid by December 14, 2023.

The Egide Group will also continue to modernize its Bollène plant in France, installing several new machines (Agglomeration press, punching, cutting, CNC machining, X-ray fluorescence spectrometer) in the summer of 2023, representing an investment of 1M€ (excl. VAT) financed by leasing.

FINANCIAL CALENDAR

Half Year 2023 Results presentation to analysts & Investors	October 26; 2023 – 02: 30 pm
Availability of the 2023 Half-Year Financial Report	October 26; 2023
2023 full year sales	January 29, 2024

CONTACTS

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About EGIDE - Keep up to date with all the Group's news online: www.egide-group.com and [LinkedIn](#)

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 Growth Paris™- ISIN : FR0000072373 - Mnémo : ALGID