

2024 Q2 Revenue

- **Q2 revenue down -4.5% to €252 million, due to:**
 - A reduction in exposure to certain contracts whose margins no longer correspond to Group standards, especially in the French and Spanish telecom markets
 - Delays in the ramp-up of fiber activities in Belgium due to negotiations between service providers aimed at rationalizing deployment investments
- **Revenue for the first six months remains broadly stable at €517 million**
- **Profitable growth drivers that continue to gain momentum:**
 - Continued diversification into energy-related activities, up +29% in Q2 (+56% in France)
 - Accelerated growth in Germany, up +36%, with the ramp up of fiber contracts
- **Positive outcome from negotiations with the main Italian customer:**
 - Business set to resume in Q3
- **Revision of 2024 full-year objectives:**
 - Revenue to decrease slightly for the full year
 - Group’s adjusted EBITDA margin expected to improve and adjusted EBITDA to increase

In millions of euros	Q2			H1		
	2024	2023	% change	2024	2023	% change
Total	252.0	263.8	-4.5%	517.0	519.1	-0.4%
<i>Benelux</i>	96.1	97.2	-1.1%	196.8	180.0	+9.4%
<i>France</i>	90.7	97.8	-7.2%	188.6	199.4	-5.4%
<i>Other Countries</i>	65.1	68.8	-5.4%	131.6	139.7	-5.8%

Gianbeppi Fortis, Chief Executive Officer of Solutions30, stated: “Solutions30’s second-quarter revenue’s evolution is primarily the natural consequence of the increased priority we have placed on margins in our more mature markets in order to preserve value creation. This has led us to reduce our exposure to certain contracts whose profitability no longer meets group standards, especially in the telecommunication markets in France and Spain. Although our deployment activities in Benelux remain very promising, they have been delayed due to a ‘wait-and-see’ attitude from telecom service providers, who are discussing how they could rationalize their investments, under the regulator’s guidance. Having passed the billion-euro revenue mark, Solutions30 now manages its business portfolio with a greater focus on profitability and cash generation. To this end, we are continuing to focus our development efforts on businesses that promise attractive growth and margins.”

Solutions30's consolidated revenue amounted to €252.0 million in the second quarter of 2024, down -4.5% compared to the same quarter in 2023, including an organic decline of -4.7% and an impact from acquisitions of +0.2% (the exchange rate effect is negligible).

For the first half of 2024, revenue remained stable overall (-0.4%) compared with the same period in 2023, with a very slight organic decline of -0.7% and a +0.3% impact from acquisitions.

Benelux

The Benelux, the group's largest region in terms of sales (38% of the total in Q2 2024), reported revenue of €96.1 million, a slight decrease of -1.1% (purely organic) compared to the same period last year, which had an exceptionally high growth rate of 87.7%.

Revenue from Connectivity solutions decreased by -3.7% to €75 million. After an extremely active year in 2023 (+108% in Q2 2023), Solutions30 kept its fiber-optic activities in Belgium at a high level. The impact from the federal elections held in June was minimal thanks to appropriate planning. However, deployment activities were delayed in the second quarter due to a wait-and-see attitude on the part of Belgian telecom service providers, who are in negotiations to streamline deployments across the country. Business prospects in Belgium remain excellent, with a sales pipeline worth around €330 million, providing excellent visibility for the teams in place.

Energy solutions continue to grow, with revenue up +9.2% in Q2 2024, reaching €15.9 million. This growth is fueled by the deployment of digital meters. The group's current diversification into low-voltage electrical grid services and photovoltaics represents an additional reserve of profitable future growth, as demonstrated by the recent contract won from Fluvius to modernize the low-voltage power grid in Flanders (see press release from April 23, 2024).

Technology solutions posted revenue of €5.2 million in the second quarter of 2024, up +9.5%.

For the first six months of the year, Benelux revenue totaled €196.8 million, up 9.4% on a purely organic basis.

France

In France, revenue for the second quarter of 2024 amounted to €90.7 million (36% of the total), down -7.2%, including an organic decline of -7.8% and the +0.6% impact from the acquisition of Elec-ENR, consolidated from July 2023.

Revenue from Connectivity solutions amounted to €60.2 million, down -13.6% compared to the same quarter in 2023. Amid a slowdown in the connection market, Solutions30 is enforcing strict selectivity, further prioritizing margins and cash generation over volume. To that end, the Group has significantly reduced its exposure to certain contracts whose margins no longer met group standards.

Revenue from Energy Solutions continues to grow strongly, up +56% in the second quarter to €15.3 million. Driven by the energy transition, the positive trends related to photovoltaic infrastructure continue. Solutions30 has first-rate expertise in this field, and is gradually establishing itself as a key player. To speed up its growth in the energy sector, the group is actively pursuing its strategy of targeted acquisitions. Following the rapid integration of Elec-ENR, Solutions30 has just won its first joint contract with So-Tec, in which the group acquired a stake in May 2024 (see press release from May 16, 2024), illustrating the potential for commercial synergies with this company.

Revenue from Technology solutions is down -16.6% to €15.3 million. The decline in IT support volumes continued in the second quarter. The 2024 Olympics in Paris should provide a growth driver for the third quarter, with Solutions30 present at several Olympic venues to provide technical support for IT and payment systems.

For the first six months, revenue in France amounted to €188.6 million, down -5.4% (-6.3% organic).

Other Countries

In other countries, the group posted revenue of €65.1 million in the second quarter of 2024, down -5.4% organically, and stable excluding Italy.

In Germany, the ramp-up of fiber activities has begun, and growth accelerated sharply in the second quarter, to +36%. Revenue amounted to €19.7 million, making Germany this geographical segment's leading contributor. Solutions30 continues to invest in this promising market, which is set to become its third pillar in Europe. Following the acquisition of Gaertner's activities (see today's press release), the group will extend its connection and maintenance capabilities, notably with Deutsche Telekom.

Solutions30 continues its successful expansion in Poland, where revenue totaled €13.9 million, up +15.2%, thanks to solid positioning in a fast-growing market for the fiber business.

In Italy, revenue amounted to €13.9 million, down -21%, as anticipated. Since the second half of 2023, the Group has voluntarily slowed down its operations with its main fiber customer. Negotiations with this customer have reached a positive outcome, and a return to normal business - with more favorable economic conditions - is expected during the third quarter.

In Spain, revenue is down -27% to €10.4 million. The high priority placed on margins over volumes has led Solutions30 to reduce its exposure to this country's mature fiber market. In the second quarter, the group decided not to renew a contract whose margins no longer met group standards.

Finally, revenue in the United Kingdom fell by 31% to €7.3 million, again reflecting increased selectivity and a focus on improving profitability.

For the first half of the year, total revenue from the "Other Countries" segment amounted to €131.6 million, down -5.8%.

Outlook

In a market environment expected to remain mixed across regions in the second half of the year, Solutions30 intends to keep prioritizing margins over volumes in its most mature markets, and reallocating resources to markets with promising opportunities for profitable growth.

Thus, the selectivity decisions made in the second quarter regarding certain telecom contracts in France and Spain will continue to translate into lower revenue from those businesses.

At the same time, the strong growth seen in the Energy solutions business, especially in France, and the ramp up of fiber deployments in Germany are expected to continue. Business in Italy is expected to return to normal in the third quarter, under improved economic conditions.

After a year of very high growth in 2023, business in the Benelux region is expected to remain strong, though it may slow temporarily due to ongoing discussions among telecom service providers about pooling their investments and, to a lesser extent, the electoral context.

For 2024 as a whole, Solutions30 now forecasts a **slight decrease in revenue** compared with 2023.

Solutions30 maintains its forecast of an **improvement in the group's adjusted EBITDA margin** compared with 2023, translating into an **increase in adjusted EBITDA**.

Webcast for investors and analysts

Date: Wednesday, July 24, 2024
18:30 (CET) – 17:30 (GMT)

Speakers

Gianbeppi Fortis, Chief Executive Officer
Jonathan Crauwels, Chief Financial Officer
Amaury Boilot, Group General Secretary

Connection details

Webcast in English: https://channel.royalcast.com/solutions30-en/#!/solutions30-en/20240724_1

Upcoming events

2024 HY Earnings Report	September 18, 2024
Capital Markets Day	September 26, 2024

About Solutions30 SE

Solutions30 provides consumers and businesses with access to the key technological advancements that are shaping our everyday lives, especially those driving the digital transformation and energy transition. With its network of more than 16 000 technicians, Solutions30 has completed over 65 million call-outs since its inception and led over 500 renewable energy projects with a combined maximum output surpassing 1600 MWp. Every day, Solutions30 is doing its part to build a more connected and sustainable world. Solutions30 has become an industry leader in Europe with operations in 10 countries: France, Italy, Germany, the Netherlands, Belgium, Luxembourg, Spain, Portugal, the United Kingdom, and Poland.

The capital of Solutions30 SE consists of 107,127,984 shares, equal to the number of theoretical votes that can be exercised. Solutions30 SE is listed on the Euronext Paris exchange (ISIN FR0013379484- code S30). Stock indexes: MSCI Europe ex-UK Small Cap | CAC Mid 60 | NEXT 150 | CAC Technology | CAC PME.

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