



2020 2ND HALF REVENUE 2020 REVENUE

Despite Covid crisis and the fire at its plating line at Egide USA, the Egide Group has succeeded to minimize their impact in 2020, and continues its recovery towards sustainable profitable growth.

- **Turnover 2020: €29.96 million (-5.8%)**
 - Resilience of activity in European market (+ 15.3% /2019)
 - Egide USA revenue was affected in 2H by production interruption (-28.3% /2019). The revenue lost in 2020 is in the range of €5 million, but no order cancellation was registered which means that it will be delivered in 2021.
 - Santier remains stable (+ 0.7% /2019)
 - Strong growth of Egide SA (+ 11% /2019)
- **Outlook**
 - The overall order backlog at year end confirmed resilience to the crises and showing same level compared to December 2019.
 - New customers were acquired to support future diversified growth given the difficulties to conduct proper commercial prospection due to Covid restrictions.
 - US customers remains loyal despite the fire. Some had to find temporary alternatives, but Egide USA remains their preferred supplier. The new plating workshop will be fully operational by early March 2021.
 - While recent business activity allows to anticipate growth in 2021, the persistence of Covid prevents any reliable projection in terms of activity or market trends.

Egide Group's unaudited consolidated revenue for 2020 was €29.96 million, down 5.8% compared to 2019.

While strong growth was achieved at Egide SA, US sales were temporally affected by the fire incident. Resultingly, the group sales for the 2nd half of 2020 amounted to 12.69 million euros down 25% compared to the 2nd half of 2019.

Sales in dollars represent 64% of the group's total revenue in 2020. For information, the average euro/dollar exchange rate in 2020 was 1.14 compared to 1.12 in 2019.

HIGHLIGHTS

Millions of euros	H2 2019	H1 2020	H2 2020*	H2oH1 Var. %	H2oH2 Var. %	FY 2019	FY 2020*	YoY Var. %	Comp. Var. %**
Egide SA	6.70	6.27	7.15	14.0%	6.7%	12.09	13.42	11.0%	11.0%
Egide USA	6.33	6.05	2.08	-65.7%	-67.2%	11.34	8.13	-28.3	-27.0%
Santier	3.89	4.95	3.47	-30.0%	-10.9%	8.36	8.42	0.7%	2.6%
Group	16.92	17.27	12.69	-26.5%	-25.0%	31.79	29.96	-5.8%	-4.8%

* unaudited

** at constant exchange rates

Millions of euros	FY 2019	FY 2020*	Variation
USA	18.22	14.60	-20.0%
Europe	8.66	10.00	15.3%
Asia & ROW	4.92	5.36	9.0%
Group	31.79	29.96	-5.8%

* unaudited

In Europe and Asia markets, the impact of the Covid pandemic was minimal, and the group was able to have good performance. In the US market, on the other hand, the second half of 2020 was impacted by the fire at Egide USA, in July, which implied an immediate disruption of the production for several weeks, followed by a cautious and deliberative restart of the manufacturing in order to meet stringent quality requirements

This variation includes the unknown impact of the COVID crisis and the estimated €5 million loss of revenues in Q3 and Q4 following the incident at the Egide USA site. Use of redundant plating facilities from the group as well as third party services were partially successful in meeting customer demands. The new state of the art plating facility in Egide USA is scheduled for completion by early March 2021.

Both Santier and Egide USA were able to participate in the Paycheck Protection Program administered by the US Small Business Administration, per the Coronavirus Air, Relief and Economic Security Act. Both loans have been fully forgiven in 2020, which, combined with the insurance policy for the Egide USA site, will offset the deterioration in profitability due to the interruption in deliveries.

During the fourth quarter of 2020, Santier rebuilt its backlog to 5 months of activity, which is a positive indicator of the business recovery. Santier's business cycle being shorter than the Group's average cycle, the order book, at the worst time of the year, had fallen to 4 months.

Egide SA operational performance continued its progression in 2H20 and new progress was achieved with its Industry 4.0 modernization plan. A first robotic cell for automated assembly and a Manufacturing Execution System are being rolled out in 2021.

REVENUE PER APPLICATION

<i>Millions of Euros</i>	H2 2019	H1 2020	H2 2020*	H2oH1 Var. %	H2oH2 Var. %	FY 2019	FY 2020*	Var. %	<i>Change on a comparative basis **</i>
Therm. imaging.	5.03	4.46	4.97	11.5%	-1.1%	9.25	9.43	2.0%	2.1%
Power	4.11	5.54	1.98	-64.3%	-51.8%	8.40	7.52	-10.5%	-8.8%
Optronics	2.01	2.13	2.17	2.0%	8.1%	4.79	4.30	-10.2%	-9.1%
RF/MW	3.24	3.41	1.55	-54.4%	-52.0%	5.25	4.96	-5.4%	-4.1%
Others	2.53	1.73	2.01	16.0%	-20.7%	4.10	3.74	-8.8%	-7.7%
Group	16.92	17.27	12.69	-26.5%	-25.0%	31.79	29.96	-5.8%	-4.8%

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** *At constant exchange rates*

Thermal Imaging

This activity globally continued its growth thanks to significant growth from historical customers in Europe and Middle-East (+22%), and from Asian customers (+26%) where new accounts and new projects were won in China, South Korea and India.

This segment is very active and Egide is enlarging its customer base with a need to use hermetic package and assembly solutions for high performing night visions systems for security and defense.

Power

This segment was the most affected by the fire since it is an important portion of Egide USA business. When abstracting 2H Egide USA figures, trend remains a double-digit growth for the group in 2020.

Optronics

In this application segment, Egide's business is mainly made up of telecom sub-assemblies packaging and of various lasers applications. The laser activity declined mainly due to specific niche markets where some customers had excess inventory and a reduction in demand in the short term due to Covid. The optronics market is expected to improve in 2021: the telecommunications markets have shown a growing demand to qualify Egide on new programs for the very high-speed optical transmission markets. Currently in the prototype phase, billings for these new programs will be visible in 2022 or 2023 as soon as Egide is qualified.

RF/MW

Putting aside the temporary fire impact in 2H20, this segment is also growing thanks to Egide's good exposure on the military/aerospace customers in US, Europe and Middle-East. High frequency applications are strategic to Egide and investments in further innovations and engineering resources in this domain is planned. Demand in markets requiring higher frequency ranges hermetic solutions is increasing.

Others

This segment represents many different small activities with no true significant trend. It does include however revenues in new markets which are growing thanks to the diversification undertaken by the Group. Thus, several contracts with new representatives have been signed in Germany, Russia and Spain to complement existing export channels and increase Egide's presence in countries with commercial potential in the markets we serve.

OUTLOOKS

New customers who started business with Egide in 2019 and 2020 now represent 1.5 M€ of sales. Due to the long cycle time of Egide's products, this number is expected to grow significantly in the following 3 years. Although the Covid does not allow visiting customers or attending shows, actions are made to pursue the prospection by other means.

Backlog for the company is comparable with year-end 2019 level.

Egide USA facility reconstruction is complete, and installation of new plating equipment started in January and should be completed by early March.

For Santier, 2021 starts off well due to good bookings in Q4.

Egide SA expects some growth in 2021, initiating some new business in Power, High-end Fibercom HTCC enclosures, oil and gas prospection and sensors.

While the persistence and the severity of the pandemic prevents any reliable projection in terms of activity or market trends, the Egide Group considers that it benefits from a strong strategic positioning focused on priority market segments, a new organization that has become more agile, and a relevant international presence strengthened by commercial partnerships in Europe and Asia. Therefore, the Egide Group maintains its ambition to have three units in slight growth in 2021.

FINANCIAL CALENDAR

March 30 2021 : 2020 financial results (after French market closure)

March 31, 2021: Videoconference - Presentation of the 2020 Annual Results - SFAF meeting - the connection information will be transmitted later on.

CONTACTS

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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's eligibility for tax efficient French innovation-focused mutual funds (FCPI) was renewed on May 14, 2018.

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