



Q1 2022: strong demand and +20% revenue growth

PRESS RELEASE

PARIS, April 12, 2022 - Ekinops (Euronext Paris - FR0011466069 – EKI), a leading supplier of telecommunications solutions for telecom operators and businesses, has published its consolidated revenue for the first quarter of FY 2022 (January 1 - March 31, 2022).

€m - IFRS Consolidated data (non-audited)	2021	2022	Change	Change at constant scope and exchange rates
Q1 revenue	23.2	27.8	+20%	+16%

SixSq has been consolidated since November 1, 2021.

Robust growth of almost +20% in Q1 2022

Ekinops reported Q1 2022 consolidated revenue of €27.8m, up by a very substantial +20% vs. Q1 2021 (+19% at constant scope).

At constant scope and exchange rates, revenue is up +16%, in line with the 2022 annual target for organic growth at least equal to that of 2021 (+12%).

All business lines show growth, with software and services up +64%

All the Group's businesses contributed to this solid quarterly performance. To be noted in particular the buoyancy of the Optical Transport activity which, in line with 2021, shows a strong increase over Q1 2022, thanks to the success of the 200 Gb/s and 400 Gb/s WDM systems.

Profiting from the strength of its Services activity, its SDN (Software Defined Networks) solutions, the network function virtualization solutions, and the contribution of SixSq's activities, revenue generated by software and services rose by +64% over the quarter.

The share of software and services continued to increase, and now accounts for 17% of the Group's quarterly revenue, versus 12% one year prior, and 14% for full year 2021.

Solid momentum of international sales: growth of +54% in North America

The quarter was marked by dynamic international growth of +34%. The share of international activity accounted for 67% of revenue in Q1 2022, an increase over Q1 2021 (60%) and stable vs. FY 2021.

In North America, which totals 18% of Group's sales, Ekinops achieved vigorous quarterly growth of +54% in Q1 2022 (+42% in US dollars). This performance is the result of an extremely solid increase in the activity of both Optical Transport and Access solutions.

EMEA (Europe - excl. France - Middle East & Africa) region, which represents 42% of the Group's activity, achieved growth of +21% for the quarter, underpinned largely by Optical Transport solutions, particularly in Germany.

After two years of severely impacted business environment by the pandemic, Asia-Pacific got back to a more sustained level of activity in H2 2021. Q1 2022 demonstrates the continuation of this trajectory with a substantial increase of +113% in quarterly sales. This rebound comes as a result of upbeat sales of Access products in the region. The arrival of an Australian operator, who chose Ekinops' Access solutions, into the Group's top 10 clients list illustrates the renewed vitality of this region.

Lastly, on its domestic market, the Group's activity remained virtually stable (-2%) in Q1 2022. It should be noted that Q1 2021 was marked by very sustained growth of +31% in France (activity stable over FY 2021).

2022 financial objectives confirmed

After an upbeat 2021, Ekinops has made an excellent start to 2022 with very robust demand. Nevertheless, the Group remains vigilant regarding the component crisis which should remain to the fore in the coming quarters.

The Group confirms its 2022 annual financial objectives:

- **robust organic growth**, at least equal to 2021 growth (+12%) and pushing towards +15%;
- **gross margin of between 52% and 56%**, in line with its long-term ambitions and factoring in the potential impact of the supply chain crisis on electronic components, which is still very much ongoing;
- **EBITDA margin between 14% and 18%**, integrating human and technological investments to execute the new growth plan.

Meanwhile, the Group is continuing to explore all acquisition opportunities that could create value for the company.

2022 financial calendar

Date	Release
May 25, 2022	General Meeting
July 11, 2022	Q2 2022 revenue
July 28, 2022	H1 2022 results
October 11, 2022	Q3 2021 revenue
January 11, 2023	FY 2022 revenue
March 7, 2023	2022 annual results

All press releases are published after Euronext Paris market close.

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About EKINOPS

Ekinops is a leading provider of open and fully interoperable Layer 1, 2 and 3 solutions to service providers around the world. Our programmable and highly scalable solutions enable the fast, flexible and cost-effective deployment of new services for both high-speed, high-capacity optical transport as well as virtualization-enabled managed enterprise services.

Our product portfolio consists of three highly complementary product and service sets:

- EKINOPS 360 provides optical transport solutions for metro, regional and long-distance networks with WDM for high-capacity point-to-point, ring and optical mesh architectures, and OTN for improved bandwidth utilization and efficient multi-service aggregation.
- OneAccess offers a wide choice of physical and virtualized deployment options for Layer 2 and Layer 3 access network functions.
- Compose supports service providers in making their networks software-defined with a variety of software management tools and services, including the scalable SD-WAN Xpress.

As service providers embrace SDN and NFV deployment models, Ekinops enables future-proofed deployment today, enabling operators to seamlessly migrate to an open, virtualized delivery model at a time of their choosing.

A global organization, Ekinops (EKI) - a public company traded on the Euronext Paris exchange - is headquartered in Lannion, France, and operates on four continents.

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For more information, visit www.ekinops.com