



Ekinops Q4 revenue up 13%

Full year 2021 revenue of €103.6m, + 12% Y-o-Y

PRESS RELEASE

PARIS, January 12, 2022 - Ekinops (Euronext Paris - FR0011466069 – EKI), a leading supplier of telecommunications solutions for telecom operators and businesses, has published its revenue for the 2021 financial year, ending on December 31, 2021.

€m - IFRS Non-audited	2020	2021	Change	Change at constant perimeter and exchange rates
Q1 revenue	21.1	23.2	+10%	+12%
Q2 revenue	24.7	27.6	+12%	+14%
Q3 revenue	21.6	24.1	+11%	+12%
Q4 revenue	25.3	28.7	+13%	+11%
12-month revenue	92.8	103.6	+12%	+12%

SixSq has been consolidated since November 1, 2021.

Annual revenue tops the €100m mark

Ekinops ended FY 2021 with a robust Q4, once again posting double-digit organic growth. Consolidated revenue totalled €28.7m in the fourth quarter, up 13% from fourth-quarter 2020 (+11% at constant perimeter and exchange rates).

Buoyed by strong business activity throughout 2021, Ekinops topped the €100m mark for the first time with annual consolidated revenue of €103.6m, an increase of 12% (Y-o-Y comparable basis).

All business lines post growth, with an over 60% increase in software and services

The positive trend was fueled by growth in all the Group's businesses (Transport, Access and Software), and notably by powerful sales momentum in Optical Transport solutions across all geographical regions.

Bolstered by the success of the Software Defined Networks (SDN) and virtualization offering, and by the contribution of two months of business from SixSq, the share of software and services continued to grow,

accounting for over 14% of Group revenue in 2021 (compared with 10% in 2020). Full-year revenue generated by software and services rose by over 60%, consistent with Ekinops' targets.

Business stable in France in 2021 and up 18% internationally, with +21% in the USA

Ekinops posted dynamic growth internationally in 2021, up 18% for the full year. Business was particularly strong in North America and the EMEA region (Europe (excluding France), Middle East and Africa). International business accounted for 67% of total business in 2021 (vs 63% for full-year 2020).

Business volumes totalled €19.1m in North America, for a growth of 21% year on year (+25% in US dollars, or \$22.5m). The performance was driven by a further strong increase in Optical Transport equipment sales and by Access solutions, which confirmed their North American ascent in 2021. North America accounted for 18% of Ekinops' total business activity in 2021 (vs 17% in 2020).

The EMEA region posted revenue of €44.6m, up 28% on extremely strong growth in Optical Transport solutions and continued solid growth in Access. The EMEA region accounted for 43% of Ekinops' total business activity in 2021 (vs 37% in 2020). EMEA highlights included strong business momentum in Germany, where Ekinops has made substantial sales investments in the last few semesters. Demonstrating this success, the Group's number-two customer in 2021 was a German operator, which rolled out Ekinops' Optical Transport solutions for its fiber infrastructure across the country.

Asia-Pacific business continued to be adversely affected by the consequences of the pandemic, with revenue down 28% for full-year 2021. However, business has turned around in the region, with activity in H2 2021 outstripping H1 2021 by over 50%. The Asia-Pacific region accounted for 6% of Ekinops' total business activity in 2021 (vs 9% in 2020).

Business activity was practically stable in France (-0.3%). Revenue came out at €33.8m relative to strong activity in 2020 (+9%). France accounted for 33% of Group business in 2021 (vs 37% in 2020).

2021 guidance confirmed for gross margin and EBITDA

Ekinops fully achieved its double-digit growth objective in 2021 despite persistent supply problems for certain electronic components. These issues ultimately had very little impact on business activity as Ekinops successfully controlled the supply chain, passed component pricing tensions onto equipment sales prices, and increased the share of software and services in its business mix.

Bolstered by this dynamic growth, Ekinops is confirming its annual guidance for a gross margin between 52% and 56% and an EBITDA margin between 14% and 18%.

Regarding external growth, after the acquisition of SixSq, a software-as-a-service (SaaS) startup editor for Edge Computing, Ekinops continues to explore other value-creating acquisition opportunities.

Ekinops will disclose its 2022 guidance when publishing its 2021 annual results on March 8, 2022.

Commenting, Didier Brédy, Chairman and CEO of Ekinops, said:

"Ekinops once again set new records in 2021. Having achieved our strongest-ever fourth quarter, we topped the mark of €100m in annual revenue for the very first time by posting double-digit organic growth in four consecutive quarters.

All our business lines reported growth in 2021, with a special mention going to the sharp increase in Optical Transport products in North America and EMEA alike. When buying OTN technology in 2019, our objective was to triple sales of Optical Transport products in five years. We have already doubled these sales in a little over two years and we are considerably ahead of our target.

A further point of satisfaction in 2021 was the strong development in software and services activities. These now account for 14% of our activity, compared with 10% in 2020, and serve to improve our profitability.

For all these reasons, I am particularly optimistic that we will continue to grow our business activity substantially in 2022."

2022 financial calendar

Date	Release
January 12, 2022	FY 2021 revenue
March 8, 2022	2021 annual results
April 12, 2022	Q1 2022 revenue
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