



Ekinops reports Q1 revenue of €23.2 m, up 10%

Double-digit growth targeted in 2021

PRESS RELEASE

PARIS, April 12, 2021 - 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 2021 (January 1 - March 31, 2021).

€m - IFRS - unaudited	2020	2021	Change	Change at constant exchange rates
Q1 revenue	21.1	23.2	10%	12%

Double-digit growth in Q1 2021

In Q1 2021, Ekinops posted consolidated revenue of €23.2 million, up 10% compared to Q1 2020. At constant exchange rates, Y-o-Y revenue increased by 12% over the quarter.

After a year of stable activity in 2020, an excellent performance given the market environment, the Group returns to double-digit growth right from the first quarter of 2021, in line with its long-term ambitions.

Sharp increase in business in France and the United States

France and the United States were the main growth drivers in the first quarter of 2021.

In its home market, Ekinops grew strongly by 31% over the quarter, due to improved sales to existing customers and to increasing success of its new solutions.

In the United States, growth was 7% in the first quarter, and 17% in dollar terms. After the impacts of the health crisis in the second half, the region is now experiencing a solid recovery, in particular for optical transport solutions.

Activity in EMEA (Europe - excluding France - Middle East and Africa) was stable (0%) in Q1.

Finally, revenue in Asia Pacific continued last year's slump, down 27% on the first quarter 2021 after having fallen by 24% in 2020, but the trend should reverse over the course of the year.

In the first quarter of 2021, the international market represented 60% of Group revenue (vs. 63% in FY 2020): 42% in EMEA, 14% in the United States and 4% in Asia-Pacific. France accounted for 40% of the period revenue.

Outlook: double-digit growth now targeted in 2021

Despite the ongoing health crisis, the Group’s performance in Q1 2021 highlights its ability to capture telecom operators’ investments, which are gradually increasing once more.

Pressure on the supply of certain electronic components is likely to curb global equipment production over the coming months, and may result in delays in deliveries in the second half of the year for all equipment vendors.

However, thanks to this very strong start to the year and effective supply chain management, Ekinops is now more confident for the rest of the financial year and is able to set a double-digit growth target in 2021.

As a reminder, the Group has also set 2021 targets for a gross margin of between 52% and 56% and an EBITDA margin of between 12% and 16% of sales.

Meanwhile, Ekinops continues to explore all external growth opportunities with the potential to create value for the company.

Didier Brédy, Chairman & CEO of Ekinops, made the following comments:

“Following the disruptions of 2020, getting back to double-digit revenue growth in Q1 2021 demonstrates the Group’s ability to perform strongly.

The strengthening of our positions with established customers in France shows the company can build market share in an environment that remains complex and highly competitive. We continue to achieve major commercial successes, such as that announced last week in North America with the first Tier 1 operator to have adopted our virtualized solutions. These are the long-awaited results of our investments and efforts to win over major North American operators.

This strong start to the year and the gradual increase in market demand for our high-end solutions have made us more optimistic for the rest of the year, and in our ability to post solid double-digit growth in 2021.”

2021 financial calendar

Date	Release
May 27, 2021	General Meeting
July 12, 2021	Q2 2021 revenue
July 29, 2021	H1 2021 results
October 12, 2021	Q3 2021 revenue
January 12, 2022	FY 2021 revenue
March 8, 2022	2021 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