



Ekinops delivers 23% revenue growth in 2022 at record €127.6 million

PRESS RELEASE

PARIS, January 11, 2023 – 6:00 pm - EKINOPS (Euronext Paris - FR0011466069 – EKI), a leading supplier of telecommunication solutions for telecom operators and enterprises, has published its revenue for the 2022 financial year, ending on December 31, 2022.

€m - IFRS Non-audited data	2021	2022	Change
H1 revenue	50.8	63.3	+25%
H2 revenue	52.8	64.3	+22%
12-month revenue	103.6	127.6	+23%

SixSq has been consolidated since November 1, 2021.

Ekinops ended FY 2022 with consolidated revenue of €127.6m, up 23% from the previous year (+19% at constant exchange rates).

Q4 2022 revenue totaled €31.5m versus €28.7 million a year earlier, representing an increase of 10% (+6% at constant exchange rates) despite the particularly strong pressure on the supply chain at year-end. The difficulties in delivering some orders at the end of the year resulted in a shortfall of a few million euros of revenue in Q4 2022 which will be shipped in early 2023 without causing major disruption to customers. At the same time, business activity and order intake remained vigorous in Q4.

Robust momentum for all business lines with over 38% increase in software and services

The Group's brisk growth in 2022 was fueled by strong demand for all its product lines, particularly for Optical Transport solutions (up 29% in 2022) which was boosted by the success of 200 Gb/s and 400 Gb/s WDM systems, notably in North America.

Access solutions reported annual growth of 20%, mainly driven by the sharp rebound in business in France.

The share of Software & Services continued to grow, representing 15% of Group revenue in 2022. Full-year revenue generated by Software & Services rose by over 38%, driven by sales of software which facilitates network functions' virtualization and by a company focus on providing more services.

Strong growth internationally with 56% increase in North America

2022 was characterized by international growth which remained dynamic, up 17% for the full year. International business accounted for 64% in 2022 (vs. 67% for FY 2021).

In North America, activity continued to record robust growth with business volumes totaling €29.8m versus €19.1m in 2021, representing a very significant increase of 56% (+39% in USD). Ekinops benefited from strong demand for Optical Transport equipment in the region. North America represented 23% of Group's total sales in 2022 (vs. 18% in 2021).

Asia-Pacific posted a strong growth trajectory in 2022, up 38% on a full-year basis. The region accounted for 7% of Ekinops' total business activity in 2022 (vs. 6% in 2021).

EMEA (Europe, excluding France, the Middle-East and Africa), generated FY 2022 revenue of €43.5m, slightly down by 2% versus the prior year, largely owing to a base effect (note that the EMEA region delivered the strongest growth in 2021 at +29%). EMEA represented 34% of Ekinops' total business activity (vs. 43% in 2021).

The Group restored sharp growth in France; in its domestic market, Ekinops' 2022 sales amounted to €45.9m, significantly up by 36% (vs. -0.3% in 2021), representing 36% of Group total revenue (vs. 33% in 2021). This growth is the result of a strong increase in sales achieved with Ekinops' long-standing customers.

2022 guidance confirmed for gross margin and EBITDA

FY 2022 was marked by the accelerated growth momentum reported in 2021, despite persistent supply problems for certain electronic components which only now seem to ease.

Bolstered by this successful performance, Ekinops confirms its annual guidance for 2022:

- **gross margin between 52% and 56%;**
- **EBITDA margin between 14% and 18%.**

Ekinops will publish its 2022 annual results on March 7, 2023.

Didier Brédy, Chairman and CEO of Ekinops, said:

"2022 reflects a considerable acceleration in our growth, from +12% in 2021 to +23% in 2022, despite a disrupted market environment and a challenging year-end for production.

2023 is off to an excellent start, with high demand, illustrated by our record order intake for this period of the year. We continue to win market share thanks to our differentiated offer in our segments, coupled with our ability to meet better than others the lead times required by existing and new customers.

We can already foresee yet another year of double-digit growth for Ekinops."

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About EKINOPS

Ekinops is a leading provider of open, trusted and innovative network connectivity 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: EKINOPS360, OneAccess and Compose.

- EKINOPS360 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 and SixSq Edge-to-Cloud solutions.

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 operates on four continents.

Name: Ekinops
ISIN code: FR0011466069
Ticker: EKI
Total number of shares: **26,431,086**

For more information, visit www.ekinops.com