PRESS RELEASE

Figeac, July 11th, 2022

PROVISIONAL FULL-YEAR 2021/22 RESULTS:

FIGEAC AÉRO MEETS ITS FINANCIAL TARGETS FOR 2021/22

- **Revenue up by 37.8% in 2021/22 to €281.9 million (+36.5% like-for-like[1])**
- **Current EBITDA[2] at €32.3 million, a very sharp improvement**
- **Free cash-flows positive at €5.4 million**
- **Financial restructuring completed**
- **Targets set out in the Route 25 development plan confirmed**

The FIGEAC AÉRO Group (ticker: FGA), a leading partner for major aerospace manufacturers, has today released its provisional full-year 2021/22 results (for the year ended March 31st, 2022), which are currently being audited.

Commenting on the Group's 2021/22 results, Jean-Claude Maillard, Chairman and Chief Executive Officer of FIGEAC AÉRO, made the following statement: "*The FIGEAC AÉRO Group met all the targets it had set for financial year 2021/22, despite the difficult macroeconomic circumstances. 2021/22 was also the year in which the Group managed to turn around its operating performances thanks to the successful execution of its Transformation 21 plan and the roll-out of its Route 25 plan. Last of all, we now have what we need to achieve our goals having completed our financial restructuring. The Group is now in a more comfortable financial position and has the backing of a new core shareholder; it is therefore now set to complete its transformation and embark upon a new cycle of profitable growth.*"

[1] At constant scope and exchange rates
[2] Current EBITDA = current operating income + depreciation and amortisation + net provisions - Before the breakdown of R&D expenses capitalised by the Group by type

€k - IFRS (April 1st to March 31st)	2020/21 (audited)	2021/22 (provisional)	LFL change[1]
Revenue	**204,649**	**281,948**	**+36.5%**
Current EBITDA[2]	**2,039**	**32,289**	**+€28m**
Current EBITDA / Revenue	***1.0%***	***11.5%***	
EBITDA	**898**	**30,425**	**+€28m**
EBITDA / Revenue	**-**	***10.8%***	
Net depreciation, amortisation and provisions	(46,849)	(50,599)	
Current operating income (loss)	**(45,951)**	**(20,174)**	
COI / Revenue	**-**	**-**	
Other non-recurring operating income & expenses	(18,121)	(10,820)	
Share of net income of equity affiliates	(59)	(1,250)	
Operating income (loss)	**(64,131)**	**(32,245)**	
Cost of net financial debt	(5,457)	(6,195)	
Realised currency gains & losses	(1,547)	2,818	
Unrealised gains & losses on financial instruments	11,889	(3,774)	
Other financial income & expenses	(27)	(60)	
Income tax	2,099	(2,463)	
Consolidated net income (loss)	**(57,174)**	**(41,918)**	
Net income (loss), Group share	**(57,145)**	**(41,879)**	

Solid momentum with revenue growth reaching 37.8%, in line with the target

FIGEAC AÉRO's 2021/22 revenue totalled €281.9 million, which reflects a year-on-year increase of 37.8% (+36.5% at constant scope and exchange rates). The Aerostructures division, which accounts for 83.1% of the Group's total revenue, generated €234.2 million revenue and was the overall growth driver (+40.8% reported and +39.2% like-for-like), while the Group's other business activities[3] turned in revenue of €47.7 million (+24.7% reported and +24.5% like-for-like).

This solid business momentum is further evidence that the aerospace sector is gradually recovering, driven by increased aircraft production rates as confirmed by contractors in the single-aisle segment (examples include the A320 Neo and Boeing 737 MAX) following an unprecedentedly long and severe crisis.

The Group's operating performances are recovering, in keeping with the commitments set out in the Transformation 21 plan: current EBITDA improved sharply to €32.3 million, putting the margin at 11.5%

The measures taken under the Transformation 21 plan - a reduction in personnel expenses and general and administrative expenses, a drive to streamline the Group's production sites, selective insourcing of some of the purchases that were previously outsourced, optimised use of raw materials, streamlined general purchases – have paid off and reduced the Group's fixed costs by €30.7 million despite the inflationary pressures that arose in the end of the second half of the financial year.

So, with business activity in better shape and the cost base under control against a backdrop of rapid growth, current EBITDA increased by €30.2 million in 2021/22 to €32.3 million, enabling

[3] Oil & Gas, Mechanical Engineering, Surface Treatment and Assembly

the margin to expand by 10.5 points to 11.5% of revenue. The Aerostructures division generated current EBITDA of €36.3 million, while the other business activities reported -€4 million.

After factoring in depreciation, amortisation and provisions (-€50.6 million, affected by a €1.3 million increase in provisions against current assets), the current operating result improved by €25.8 million to -€20.1 million.

Non-recurring items (-€10.8 million) included, among others, the costs of implementing the Group's financial restructuring plan and additional asset depreciation following impairment tests. The operating result for financial year 2021/22 therefore increased by €31.9 million to -€32.2 million.

After incorporating the Group's financial result and income tax, the net result (Group share) improved by €15.3 million in financial year 2021/22 to -€41.9 million. As a reminder, financial year 2020/21 benefited from unrealised gains on financial instruments to the tune of €11.9 million.

Financial structure: positive free cash-flows at €5.4m

Cash-flows from operating activities rose very sharply in financial year 2021/22 to €34.4 million, versus -€14.3 million a year earlier. This reflects a significant improvement in the Group's cash-flows (before the cost of financial debt and taxes) to €18.4 million (-€1 million a year earlier) and effective control over WCR against a backdrop of rapid growth and supply chain issues (affecting the costs of raw materials, transport and energy).

Net operating expenditure over the period amounted to €29.1 million (net from a recoverable deposit guarantee and including the capital injection for the joint venture in Saudi Arabia). Most of this expenditure was devoted to R&D efforts, including the FAST project aimed at rolling out the new ERP across the Group and collaborative projects launched alongside clients aimed at improving productivity. A share of these investments also went towards carrying out maintenance on the Group's entire fleet of machinery.

So free cash-flows at March 31st, 2022 were in positive territory and under control, having improved by €38.3 million since March 31st, 2021 to €5.4 million; they included an €8.5 million outflow for the restructuring costs incurred by the PSE (employment protection plan).

The Group's available cash at March 31st, 2022 (before transactions involved in the financial restructuring) amounted to €49.3 million while net financial debt[4] totalled €334 million.

FIGEAC AÉRO completed its financial restructuring after the year-end date, including:

- a €53.5 million rights issue and €10 million bond issue reserved to Ace Aéro Partenaires,
- the rescheduling of its main bank loans up to 2028,
- a €66 million "PGE Aéro" (state-guaranteed loan allocated to aerospace firms), asset-based financing in the amount of around €30 million, and the arrangement of currency hedges totalling a cumulative amount of €227 million out to March 2025,
- new terms and conditions applied to the bonds redeemable into cash and/or new and/or existing shares (the "ORNANEs"), mainly consisting of the maturity date extended to October 2028, adjustments made to the conversion ratio (1:3.4) and coupon (+62.5bps), and also including the effective completion of the partial redemption of 777,605 ORNANEs for a total nominal amount of €20 million.

[4] Excluding financial liabilities not bearing interest

FIGEAC AÉRO has thus shored up its financial resources and its balance sheet is now better suited to its strategy, thus enabling it to remain securely on the path towards value-creating growth.

On a proforma basis at March 31st, 2022, the Group's shareholders' equity amounted to €95 million, its available cash to €154.7 million and its net financial debt[4] to €304.4 million.

Roll-out of the Route 25 business plan

As an extension of the Transformation 21 optimisation plan, FIGEAC AÉRO is now rolling out Route 25, a medium-term business plan that aims to restore revenue to its pre-Covid levels while also delivering a robust and profitable economic performance.

Route 25 is built on 4 structural pillars:

- sustainable and non-capital-intensive revenue growth achieved on the back of existing contracts, new market share gains and increased sales of services. The Group accordingly announced a new partnership in Saudi Arabia in order to establish a commercial footprint in the Middle East but also to access Saudi Arabia's markets for military and commercial industrial offsets.
- an optimum industrial footprint, with pre-established industrial processes for the Group's France and Best Cost facilities, the ramp-up of its Best Cost facilities (in Tunisia, Morocco and Mexico), and increased automation based on the Industry 4.0 model. Examples include the Group's repositioning in Mexico and the merger of its two Moroccan sites which was completed in late 2021.
- optimised operating and production costs.
- improved management systems thanks to the Group's new ERP, the roll-out of which was completed in April 2022, and its digitalisation drive.

2024/25 outlook confirmed

As far as aircraft production rates are concerned, the main contractors have confirmed that production rates are going to increase substantially between now and mid-2023 to 65 aircraft per month for the Airbus A320 NEO family (versus 45 currently) and to 42 Boeing 737 MAX aircraft per month (versus 24 currently). Airbus has confirmed that it will step up production of its single-aisle aircraft to 75 per month by 2025. The long-haul segment will recover more gradually, and the Group does not see production rates moving back up to significant levels for another few months.

FIGEAC AÉRO's commercial development continues in the European and American markets, driven by its strategy aimed at gaining market share. The latest major contracts awarded by Collins Aerospace, Rolls Royce and Airbus Atlantic (ex-Stelia) are now at the fully industrial stage.

Meanwhile, the Group is currently bidding for a large number of tenders launched by the industry's main contractors and involving significant workloads in both the single-aisle and long-haul segments; the results of these tenders are expected in the coming weeks.

FIGEAC AÉRO can count on its two joint ventures to increase its chances of winning these contracts – one JV with China's Nanshan Aluminium and the other in Saudi Arabia – both of which are strategically located for aircraft and equipment manufacturers alike. The first of these is continuing to develop on the industrial front, having signed a cooperation agreement with the city of Nanjing which will soon host the JV's first machines. The second, based in Jeddah, has been manufacturing its first parts for the past six months and should obtain AS/EN9100 certification by the end of the summer.

FIGEAC AÉRO is therefore confident that it will meet the targets it has set for financial year 2024/25:

- revenue between €400 million and €430 million,
- current EBITDA between €67 million and €73 million,
- free cash-flows in positive territory at between €20 million and €28 million,
- a reduction in net financial debt to between €280 million and €300 million.

The company is nevertheless keeping a close eye on the public health situation, especially in China where restrictions have an immediate impact on air traffic in the region; and on the repercussions of the Russia-Ukraine conflict and the runaway inflation, which remain under control for the time being. Thanks to its global industrial footprint and limited need to make growth investments between now and 2025, the Group will be able to secure cash-flows from its operating activities; this in turn will enable it to begin reducing its debt and focus more on pursuing its ultimate goal, which is to become the world's leading supplier of metal parts for the aerospace industry.

ABOUT FIGEAC AÉRO

The FIGEAC AÉRO Group, a leading partner for major aerospace manufacturers, specialises in producing light alloy and hard metal structural parts, engine parts, landing gear and sub-assemblies. FIGEAC AÉRO is a global group operating in France, the USA, Morocco, Mexico, Romania and Tunisia. The Group generated annual revenue of €282 million in the year to March 31st, 2022.

FIGEAC AÉRO
Jean-Claude Maillard - Chairman and Chief Executive Officer
Tel.: +33 (0)5 65 34 52 52

Camille Traineau
Corporate Development Director
Institutional Relations / IR
Tel.: +33 (0)5 81 24 61 90 / camille.traineau@figeac-aero.com

ACTUS Finance & Communication
Corinne Puissant - Analyst/Investor Relations
Tel.: +33 (0)1 53 67 36 77 / cpuissant@actus.fr

Manon Clairet - Press Relations
Tel.: +33 (0)1 53 67 36 73 / mclairet@actus.fr

APPENDICES

BALANCE SHEET - €k - IFRS	31/03/2021	31/03/2022
Fixed assets	297,592	275,902
Other non-current assets	17,586	16,867
Inventory	179,952	182,241
Contract assets	27,518	26,658
Trade receivables	36,327	61,084
Current tax assets	7,063	7,688
Other current assets	22,522	20,438
Cash and cash equivalents	80,470	49,303
TOTAL ASSETS	**669,030**	**640,181**
Shareholders' equity	84,688	41,464
Non-current financial liabilities	351,406	208,862
Non-current liabilities	30,587	30,702
Short-term financial liabilities	18,930	16,167
Current portion of financial liabilities (1)	40,561	153,956
Debt not bearing interest	13,098	10,202
Repayable advances	4,214	4,153
Trade payables and related accounts	44,812	87,943
Current liabilities	80,734	86,732
TOTAL LIABILITIES	**669,030**	**640,181**

(1) the classification of financial debt between the current portion and non-current portion does not factor in the effects of the Group's financial restructuring agreement which it announced on April 5th, 2022.

Cash-flow statement - €k IFRS	31/03/2021	31/03/2022
Cash-flow before cost of financial debt and taxes	(955)	18,429
Change in working capital requirement	(13,376)	16,024
Net cash-flow from operating activities	**(14,331)**	**34,453**
Net cash-flow from investing activities	**(29,390)**	**(29,052)**
FREE CASH-FLOW	**(43,721)**	**5,401**
Scope effects		
Acquisitions or disposals of treasury shares	115	(78)
Change in borrowings and repayable advances	28,353	(37,580)
Inventory carrying transaction with Aerotrade	10,193	3,693
Net cash-flow from financing activities	**38,661**	**(33,965)**
Change in cash position	**(5,060)**	**(28,564)**
Change in translation adjustment	**(192)**	**49**
Net cash position	**61,540**	**33,025**