

First-quarter revenues 2022: +6.6% (+5.3% cer¹)

Solid growth in ESI's focus industries

- **Growth of +6.6% (5.3% cer) driven by license growth at +7.1% (+5.8% cer)**
- **Double-digit growth in Asia driven by key customers**

ESI Group, Paris, France, (ISIN Code: FR0004110310, Symbol: ESI), today releases its revenues for the first quarter of 2022 (period from January 1st to March 31st) approved by the Board of Directors on May 2nd, 2022.

Cristel de Rouvray, Chief Executive Officer of ESI Group, comments: “As announced in October 2021, Q1 FY22 was the inaugural quarter of our “OneESI 2024 – Focus to Grow” 3-year plan. We rolled out a holistic transformation including, for the first time in ESI’s history, a streamlined approach to global management of sales. At 6.6% (5.3% cer), Q1 FY22 growth is in line with the guidance issued in early March and constitutes a notable performance, demonstrating our ability to maintain solid growth momentum while conducting ambitious changes. This performance has been achieved in a challenging macroeconomic and geopolitical context, which is further testimony to the strength and resilience of our solutions. I am impressed by our team’s energy, resiliency, and commitment to our OneESI plan as we undertake to enhance both growth and profitability to deliver long-term value to our shareholders.”

Revenues (€m)	Q1-2022	Q1-2021	Change	Change Constant exchange rate (cer)
Q1 - Licenses	53.2	49.6	+7.1%	+5.8%
Q1 – Services	5.1	5.1	+1.7%	+0.6%
Q1 - Total	58.3	54.7	+6.6%	+5.3%

ESI Group now presents its revenues pro forma excluding special projects (public grants for R&D projects).

In the first quarter of its fiscal year (January 1, 2022 - March 31, 2022), ESI recorded revenues of €58.3m, up to 6.6% (+5.3% constant exchange rate - cer); at the upper end of the range of the communicated guidance (+4% to +6%).

Licensing revenue increased by +7.1% (+5.8% cer). The growth was led by the Repeat Business with an increase of +8.5%. Services revenues were stable at +1.7% (+0.6% cer).

ESI experienced growth across nearly all industries over the quarter, with the Automotive industry continuing to be one of the key drivers of ESI Group’s performance along with the 3 other focus industries (Aerospace, Heavy Industry, and Energy) which represented more than 90% of the company’s revenue.

Geographically, the Asian region led the growth, at +11.5% cer and +11.7% cer for its licenses business. This growth in the Asian region was primarily driven by customers for whom ESI is a key strategic

¹ Constant exchange rate

partner, and further growth potential was fostered by ongoing account management initiatives. The EMEA and Americas regions grew respectively at +3.1% cer and +1.2% cer.

General Assembly Meeting information

ESI Group's Annual General Meeting will be held on Tuesday, June 28, 2022 at 1:30 pm CET. Participation and document consulting procedures are detailed in the notice of meeting will be made available on the company's website. Shareholders are invited to regularly consult the section dedicated to the Shareholders' Meeting on the Company's website: [HERE](#)

Group's new corporate document available for shareholders

- 2021 Universal Registration Document – [HERE](#)

Forward-looking statement

At constant exchange rate	H1 ²	2022	2023	2024
Revenue Growth Goal (excluding special projects³)	4% - 6%	4% - 6%	6% - 8%	7% - 9%
Adjusted EBIT⁴ Goal		10% - 12%	15% - 17%	20% - 22%

The Group will organize an investor's conference on September 27th, 2022, and will give an update on the plan and extend its guidance to 2025.

In the light of recent events and the Russian aggression against Ukraine over the last weeks, ESI Group has decided to suspend all business development with Russia and Belarus customers, which represents less than 1.5% of revenues in 2021.

These statements are subject to a number of risks and uncertainties, including those related to the COVID-19 virus and the war in Ukraine and associated further economic and market disruptions; further adverse changes or fluctuations in the global economy; further adverse fluctuations in our industry, foreign exchange fluctuations, changes in the current global trade regulatory environment; fluctuations in customer demands and markets; fluctuations in demand for our products including orders from our large customers; cyber-attacks; expense overruns; and adverse effects of price changes or effective tax rates. The company directs readers to its Universal Registration Document – Chapter 3 presenting the risks associated with the company's future performance.

Upcoming events

- Annual General Meeting – June 28th, 2022
- Half-year results – September 7th, 2022 (5:35 pm CET)
- Investor's conference – September 27th, 2022

² Excluding Russian business potential impact on revenue

³ For the 3-year plan, the growth of revenue excludes special projects (public grants for R&D projects)

⁴ Adjusted EBIT is a non-GAAP indicator based on EBIT (IFRS). Adjusted EBIT corresponds to EBIT before stock-based compensation expenses, restructuring charges, impairment, and amortization of intangibles related to acquisitions, IFRS 16 standard on leases, and other non-recurring items.



Contacts

ESI Group

Florence Barré

investors@esi-group.com

+33 1 49 78 28 28

Verbatee - Press & Shareholder Relations

Jérôme Goer, j.goer@verbatee.com, +33 6 61 61 79 34

Aline Besselièvre, a.besselièvre@verbatee.com, +33 6 61 85 10 05

About ESI Group

Founded in 1973, ESI Group envisions a world where Industry commits to bold outcomes, addressing high-stakes concerns - environmental impact, safety & comfort for consumers and workers, adaptable and sustainable business models. ESI provides reliable and customized solutions anchored on predictive physics modeling and virtual prototyping expertise to allow industries to make the right decisions at the right time while managing their complexity. Acting principally in automotive & land transportation, aerospace, defense & naval and heavy industry, ESI is present in more than 20 countries, employs 1200 people around the world, and reported 2021 sales of €136.6 million. ESI is headquartered in France and is listed on compartment B of Euronext Paris.

For further information, go to www.esi-group.com.

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