

ICAPE GROUP REPORTS STRONG GROWTH IN 2022 HALF-YEAR RESULTS AND PROVIDES AN UPDATE ON ITS ACTIVITY

- **Success of the IPO on Euronext Growth® in Paris**
- **Strong growth in half-year revenue, +51% to €110.2 million**
- **Strong increase in EBITDA, +170% to €4.9 million, and EBIT, +413% to €2.8 million**
- **Significant improvement in net income**
- **Reaffirmation of short and medium-term objectives**
- **Acceleration of the M&A strategy following the acquisitions of MON PRINT and Lusodabel, respectively in Denmark and Portugal**

Fontenay-aux-Roses, France, 5:45 p.m. CEST on October 5th, 2022 - ICAPE Group (ISIN code: FR001400A3Q3 - mnemonic: ALICA), a global technology distributor of printed circuit boards, today announces its results for the first half of the current fiscal year, ending June 30, 2022, as approved by the Board of Directors on October 5, 2022.

Cyril CALVIGNAC, ICAPE Group's CEO, stated: *"The results for the first half of the year demonstrate the dynamic demand for the solutions we offer worldwide. Thanks to the synergies generated by the combination of organic development and an offensive acquisition strategy, our profitable growth is being actively deployed, as illustrated by the improvement in our margin and the controlled increase in our structural costs. In this context, all of the Group's financial indicators are progressing significantly. We naturally intend to continue the pace of acquisitions during the second half of 2022 in order to achieve our objective of €230 million in revenue for the year. All these elements enable us to reassert our short and medium-term commercial and financial objectives."*

Simplified income statement

In €m (IFRS standards)	H1 2021	H1 2022	Var.
Revenue	72.8	110.2	+51.3%
<i>% growth</i>		<i>51.3%</i>	
<i>Cost of goods sold</i>	<i>(55.2)</i>	<i>(81.0)</i>	<i>+46.8%</i>
<i>Transportation fees</i>	<i>(3.5)</i>	<i>(5.8)</i>	<i>+62.6%</i>
<i>Agent fees</i>	<i>(0.8)</i>	<i>(0.6)</i>	<i>-18.2%</i>

Gross Margin	13.4	22.8	+70.9%
<i>% revenue</i>	<i>18.3%</i>	<i>20.7%</i>	<i>+2.4 pts</i>
<i>Salary</i>	<i>(8.5)</i>	<i>(13.1)</i>	<i>+53.6%</i>
<i>G&A</i>	<i>(3.1)</i>	<i>(4.9)</i>	<i>+58.1%</i>
EBITDA	1.8	4.9	+170.3%
<i>% revenue</i>	<i>2.5%</i>	<i>4.5%</i>	<i>+2 pts</i>
<i>D&A</i>	<i>(1.3)</i>	<i>(2.1)</i>	<i>+64.2%</i>
EBIT	0.6	2.8	+412.5%
<i>% revenue</i>	<i>0.8%</i>	<i>2.6%</i>	<i>+1.8 pt</i>
Financial result	(0.7)	(0.6)	<i>n.a.</i>
Income before tax	(0.2)	1.1	<i>n.a.</i>
Income tax	(0.1)	(0.3)	<i>n.a.</i>
Net income	(0.3)	0.9	<i>n.a.</i>

Commercial activity and financial results

As of June 30, 2022, half-year revenue reached €110.2 million, up by more than 50% compared to the first half of 2021. This strong growth is notably driven by Europe and the United States. The ICAPE activity, related to the distribution of PCB, represents more than 85% of the half-year revenue and 15% for the DIVSYS and CIPEM activities, dedicated to the distribution of “custom-made” technical parts. At the end of June, ICAPE Group recorded an order backlog of €71.8 million. The commercial gross margin increased by 71% and represents more than 20% of the revenue of the first half of 2022.

Expenses allocated to salary amounted to €13.1 million, an increase of more than 54% compared with the first half of 2021. This increase is explained by the acceleration of investments in human resources in anticipation of the future growth expected by the Group. Over the same period, the increase in general and administrative expenses remains under control given the expansion of the scope, including an increased number of subsidiaries, and the resumption of business travel compared to the first half of 2021.

Taking these elements into account, EBITDA improved significantly from €1.8 million to €4.9 million, or +170%, in the first half of 2022. EBIT and net income also show strong growth, reaching €2.8 million (+413%) and €0.9 million respectively at the end of June 2022.

As of June 30, 2022, ICAPE Group reported a net financial debt of €18.3 million resulting from a cash position of €16.6 million and a level of financial debts amounting to €34.9 million.

First half 2022 and post-closing highlights

In July 2022, the Company successfully completed, within the framework of its IPO, a capital increase of approximately €17 million, increased to €17.4 million following the partial exercise of the over-allotment option. This offering was notably subscribed by institutional, industrial and financial investors, as well as numerous individual investors.

In line with its commitments, the Group completed the acquisition of the Danish company MON PRINT as well as Lusodabel, a major supplier of PCB solutions in Portugal and Spain. The consolidation of these two operations will take place as of January 1st, 2022 and both are now subsidiaries of ICAPE Group.

Reaffirmation of commercial and financial targets

Based on the performances achieved over the period, ICAPE Group reaffirms its ambition to reach a revenue of about €230 million by the end of 2022, including at least €23 million from the acquisitions made during the year - representing about €35 million of revenue in full year. The Group intends to pursue its external growth strategy through the acquisition of companies meeting the following criteria:

- moderate size,
- large portfolio of local customers,
- gross margin above 25% while being profitable,
- strong potential for commercial synergies with the Group.

The Company also confirms all the targets communicated during the IPO.

About ICAPE Group

Founded in 1999, ICAPE Group acts as a key technological expert in the PCB supply chain. With a global network of 30 subsidiaries and a major presence in China, where most of the world's PCB production is done, the Group is a one-stop-shop provider for the products and services which are essentials for customers. In 2021, ICAPE Group generated consolidated revenue of €169 million.

For more information, visit www.icape-group.com

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Appendices - Financial Statements (IFRS)

Consolidated balance sheet

<i>(In thousands of euros)</i>	30/06/2022	30/06/2021	31/12/2021
Goodwill	11,837	4,592	5,605
Intangible assets	9,682	2,096	2,688
Tangible assets	5,204	3,678	4,838
Rights of use	6,710	5,063	5,981
Non-current financial assets	338	234	222
Deferred tax assets	1,137	788	587
Other non-current assets	5	-	5
Total non-current assets	34,914	16,451	19,905
Current financial assets	1	-	21
Inventories and work in progress	16,769	8,574	15,799
Accounts receivable and other debtors	49,038	38,336	45,791
Other current assets	1,774	750	1,178
Cash	16,684	14,929	26,006
Total current assets	84,266	62,590	88,815
Total Assets	119,180	79,041	108,721
Equity	2,303	3,008	2,291
Share premium	408	1,916	327
Treasury shares	-	(5,887)	-
Translation differences	668	(116)	215
Other reserves (including other non-recyclable comprehensive income)	2,609	3,236	32
Net income for the period	948	(288)	2,451
Total equity, group share	6,937	1,869	5,316
Non-controlling interests	783	18	693
Total Equity	7,720	1,887	6,009
Borrowings and financial liabilities	9,470	2,714	9,910
Non-current lease liabilities	5,668	4,486	5,178
Commitments to employees	565	577	662
Deferred tax liabilities	733	182	3
Other non-current liabilities	297	53	297
Total non-current liabilities	16,733	8,012	16,050
Borrowings and bank overdrafts	25,470	21,458	21,744
Current lease liabilities	1,680	1,130	1,391
Accounts payable and other creditors	55,072	45,873	62,209
Current tax liabilities	1,259	443	738
Other current liabilities	11,247	238	580
Total current liabilities	97,727	69,142	86,661
Total liabilities	111,460	77,154	102,711
Total liabilities and equity	119,180	79,041	108,721

Consolidated cash flows

<i>(In thousands of euros)</i>	30/06/2022	30/06/2021	31/12/2021
Net income	886	(289)	2,487
Ajustments			
Elimination of depreciation, amortisation and provisions	1,917	1,312	2,469
Elimination of gains and losses on disposal and dilution gains and losses	76	0	19
Calculated income and expenses related to share-based payments	26	43	86
Cash flow after net borrowing cost and tax	2,905	1,067	5,061
Elimination of tax expense (income)	257	70	731
Elimination of the net borrowing cost	338	89	296
Cash flow before cost of net borrowing cost and tax	3,500	1,226	6,088
Change in working capital requirement	(9,651)	(7,357)	(4,709)
Taxes paid	(113)	(379)	(986)
Cash flow from operating activities	(6,264)	(6,510)	393
Acquisition of subsidiaries, less cash acquired	(2,650)	(3,918)	(6,190)
Acquisition of property, plant and equipment and intangible assets	(3,265)	(949)	(2,213)
Change in loans and advances granted	206	6	(31)
Disposal of property, plant and equipment and intangible assets	23	7	77
Cash flow from investment activities	(5,686)	(4,907)	(8,357)
Capital increase	92	11	376
Net disposal (acquisition) of treasury shares	-	(25)	(25)
Borrowings	3,718	4,073	11,917
Repayment of borrowings	(1,754)	(1,328)	(2,487)
<i>of which IFRS 16 borrowings</i>	<i>(833)</i>	<i>(504)</i>	<i>(1,144)</i>
Financial interest paid	(345)	(79)	(300)
<i>of which net financial interest paid IFRS 16</i>	<i>(110)</i>	<i>(95)</i>	<i>(189)</i>
Dividends paid to Group shareholders	-	(224)	(224)
Cash flow from financing activities	1,711	2,429	9,258
Impact of exchange rate fluctuations (*)	951	251	938
Change in cash	(9,288)	(8,737)	2,232
Cash and cash equivalents	26,006	23,682	23,682
Bank overdrafts (passive cash)	(109)	(16)	(16)
Opening cash position	25,897	23,666	23,666
Cash and cash equivalents	16,684	14,929	26,006
Bank overdrafts (passive cash)	(75)	(0)	(109)
Closing cash	16,609	14,929	25,897
Change in cash	(9,288)	(8,737)	2,232

(*) includes mainly exchange rate variations linked to the USD currency for +440 K€ in June 2022 against 217 K€ in June 2021.