

PRESS RELEASE

H1 2021 results

Strong sales momentum in an unstable environment

EBITDA up sharply (3.8x to €3.8m)

New investments for Kibolt

2021 guidance adjusted

Mortagne-sur-Sèvre, France, 29 September 2021, COGELEC (ISIN: FR0013335742/ticker: COGEC), the French leader in access control systems for building complexes, is today releasing its results for the first half of 2021.

The Board of Directors approved the 2021 half-year financial statements at its meeting of 27 September 2021. These financial statements were audited, and the associated certification reports are currently being prepared.

IFRS (€m) Limited review	H1 2021 IFRS 16	H1 2020 IFRS 16	% change
Revenue	26.1	17.7	47.8%
- France	23.0	15.7	46.8%
- Exports	3.1	2.0	55.8%
Gross margin	16.9	11.8	43.0%
<i>As a % of revenue</i>	<i>64.8%</i>	<i>67.0%</i>	<i>-3.3%</i>
Personnel expenses	-9.1	-7.2	26.2%
External expenses	-4.1	-3.4	20.2%
EBITDA⁽¹⁾	3.8	1.0	272.2%
Current depreciation and amortisation allocations/reversals	-2.6	-2.0	26.2%
Current operating income (expense)	1.2	-0.8	257.6%
Other non-current income and expenses	-3.5	-0.1	1336.9%
Operating income (expense)	-2.2	1.0	-117.3%
Financial income (expense)	0.2	-0.2	215.6%
Tax expenses	-0.2	-0.6	-68.9%
Net income (expense)	-2.2	-1.8	-20.8%

⁽¹⁾ COGELEC defines EBITDA as operating income before depreciation, amortisation and impairment of assets, net of reversals.

Business growth in a complex environment as the crisis comes to an end

H1 2021 revenue amounted to €26.1m, up 47.8% year-on-year, with growth accelerating in the second quarter despite a tense context linked in particular to the postponement of AGMs in France and Europe within co-ownerships, the various waves of confinement in European countries and the difficulties in supplying electronic components.

Revenue earned in France came out at €23.0m, up 46.8%, against a backdrop of a robust business recovery in Q2. International revenue continued to climb, ending the first half up 55.8% to €3.1m, versus €2.0m in H1 2020.

Subscriptions totalled €6.6m, accounting for 25% of revenue at end-June 2021, up 19.6% year-on-year and reflecting continuous growth for six half-year periods in a row, demonstrating the strength of the business model.

Sharp improvement in EBITDA driven by sales momentum

The gross margin amounted to €16.9m (64.8% of revenue), attributable to the change in the Equipment/Subscriptions product mix, which skewed in favour of Equipment sales in H1 2021.

The Group expanded its workforce to keep this sales momentum going, focusing in particular on the production and logistics teams, as well as the R&D and tech support departments. Personnel expenses were on the rise, with a total headcount of 311 employees at 30 June 2021 compared to 296 at 30 June 2020.

The increase in external expenses mainly reflected the Group's growing use of temporary employees, which had been suspended in H1 2020 due to the lockdown, and also higher transport costs as business picks up again and with travel costs on the rise again now that the borders are open, making business trips, jobs and events possible again. EBITDA ended up improving significant over the period to €3.8m.

In the short term, technological enhancement will be necessary for Kibolt to capture medium-term market potential

Managed via an application, the Kibolt Universal Smart Key provides secure access to all equipped doors. After the Kibolt universal key was launched in Q2 2021, initial customer feedback demonstrated the product's full potential while also highlight certain features calling for adjustments. To carry out new product developments, preserve the customer base and capitalise on the broad market potential, the Group thus decided to suspend sales of the current Kibolt generation. The new Kibolt generation should be out by September 2022 at the latest.

Other non-current operating income and expenses, which were exceptionally high over the first half, included virtually all costs associated with the decision to postpone the Kibolt launch, i.e. €3.4m.

Current operating income amounted to +€1.2m vs. an expense of -€0.8m last year. After taxes and the impact of the one-time decision to postpone the Kibolt launch, the Group posted a net result of -€2.2m.

At 30 June 2021, total equity stood at €7.8m. Financial debt under IFRS was €23.9m and included the €9m government-backed loan taken out in April 2021. The Group ended H1 2021 with a cash position of €23.0m.

Post-H1, on 22 July, RAISE Investissement acquired a 35% stake in Cogelec Développement, the controlling entity of S.R.C., the majority shareholder of Cogelec. RAISE Investissement is a fund that invests in growing, high-potential French ISEs.

Continued growth in France and abroad, coupled with a new EBITDA target

COGELEC expects revenue to continue climbing both in France and internationally over full-year 2021, driven by the Intratone brand. However, given mainly the continuing supply chain bottleneck liable to weigh on hardware sales in H2, the FY 2021 EBITDA target been revised to around 10% of revenue.

For 2022, the Group expects strong growth in France and Europe, accompanied by an increase in the EBITDA/revenue ratio.

*The financial report for the 2021 interim financial statements
has been made public and filed with the AMF.
It is available in French on the Company's website at:
<https://www.cogelec.fr/investisseurs/documentations/>*

Upcoming events

Publication of Q3 revenue: 21 October 2021, after market close

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About COGELEC

COGELEC is the French leader in access control systems for building complexes. In 2007, COGELEC created the first global wireless interphone with subscription offer, under the Intratone brand.

COGELEC has already outfitted 1.4 million homes, out of a potential total of 15.4 million homes in France. COGELEC is an international group also offering its solutions in Germany, the United Kingdom, the Netherlands, Belgium and Luxembourg.

Based on an indirect distribution model, combined with very close-knit relations with end clients (social landlords and building complex management associations), COGELEC posted revenue of €40.4m in 2020.

COGELEC is listed on the Euronext Growth Paris, and is part of the Growth AllShare, Tech Croissance and PEA-PME 150 indices.

For more information: www.cogelec.fr