

Revenue at 30 September 2021

Sales growth: +44% over the same period in 2020

Strong acceleration expected at the end of the year

2021 targets confirmed

PRESS RELEASE

Thorigné-Fouillard, 21 October 2021, 5:45pm.

Thorigné-Fouillard, France – Kerlink (AKLK – FR0013156007), specialising in IoT networks and solutions, is today publishing its revenue at 30 September 2021.

At the end of the first 9 months of the year, sales amounted to €10.8m, up 44% over the same period in 2020. Despite the pace of order execution being hampered by supply issues for certain electronic components, the 3rd quarter posted still solid growth. Revenues totalled €3.2m over the period, an increase of 17%.

It should be noted that Q3 2021 includes a more demanding comparison base. As a reminder, the same period in 2020 already started to see a gradual pick-up in activity.

In addition to the solid growth in activity, the 3rd quarter was also marked by the continued very good momentum in the order intake, ensuring high visibility on growth in the coming months. Against this backdrop, a record level of activity is already expected in the 4th quarter of the year. In light of these factors, Kerlink confirms the revenue target, which is expected to be between €16m and €19m for the full year, as previously announced. The achievement of this target would be a remarkable performance given the unprecedented context of tensions on semiconductor and raw material supplies affecting all global industrial and technology players.

Strong growth in activity with private operators and increase in the contribution of service revenues

Revenue by business line In thousands of euros	Q3 2021	Q3 2020	Change	Reminder Q3 2019	As at 30/09 2021	As at 30/09 2020	Change	Reminder As at 30/09 2019
Private operators	2,825	2,269	+24%	2,235	9,672	6,300	53%	7,593
Historic & alternative telecom operators	355	452	-21%	692	1,086	1,187	-8%	1,795
Total	3,180	2,721	+17%	2,927	10,758	7,487	+44%	9,389

IFRS – Unaudited 2021 figures

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Revenue by type of sale In thousands of euros	Q3 2021	Q3 2020	Change	Reminder Q3 2019	As at 30/09 2021	As at 30/09 2020	Change	Reminder As at 30/09 2019
Equipment	2,193	1,950	+12%	2,155	8,202	5,134	+60%	6,970
Services	987	771	+28%	772	2,556	2,353	+9%	2,419
Total	3,180	2,721	+17%	2,927	10,758	7,487	+44%	9,389

IFRS – Unaudited 2021 figures

Private network operators accounted for nearly 90% of the Group's revenues at the end of September, with revenues close to €10m. This performance once again illustrates the success of the Group's strategic shift towards this target, based on distribution partners, located around the world, and recurring revenues with certain long-standing customers.

The **quarterly revenue of value-added services rose 28%** to nearly €1m over the quarter. At the end of September, revenues from services had increased by nearly 10%.

Growth in all geographical regions

Revenue by geographic region In thousands of euros	Q3 2021	Q3 2020	Change	Reminder Q3 2019	As at 30/09 2021	As at 30/09 2020	Change	Reminder As at 30/09 2019
NCSA (Americas)	347	140	+148%	98	1,661	263	+531%	210
APAC (Asia Pacific)	299	210	+42%	287	786	553	+42%	629
EMEA (Europe, Middle East, Africa)	2,534	2,371	+7%	2,542	8,311	6,671	+25%	8,550
Total	3,180	2,721	+17%	2,927	10,758	7,487	+44%	9,389

IFRS – Unaudited 2021 figures

In the **Americas region**, the positive trend in sales can be attributed mainly to revenue from the partnership with Cal-Chip Connected Devices for the roll-out of the Helium project.

In the **APAC region** (Asia-Pacific), despite persistent health restrictions in some countries, the Group has managed to extend its offering to new customers, with an encouraging order intake momentum.

In the **EMEA region** (Europe, Middle East, Africa), revenue rose to €2.5m due to the increase in sales to private operators.

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Confirmation of 2021 outlook

Given the quality of the order book currently in the execution phase, the 4th quarter will see a strong increase. As anticipated, however, the performance for the period will be dependent on the availability of electronic components commensurate with the production needs to be covered in order to meet all customer requests. In an exceptional context, **Kerlink reaffirms its growth target by confirming the achievement in 2021 of revenue of more than €16m**, with a level of activity that could reach up to €19m depending on the evolution of this situation, which is currently weighing on all global players in the electronics sector.

This increase in activity is accompanied by an appropriate pricing policy and an upward adjustment in sales prices to pass on the increase in certain purchase prices observed today on the global component markets.

In addition to this expected growth in activity, **the 2021 financial year should also see strong growth in earnings.**

Kerlink is also preparing for the future with the commercial launch of the **new indoor gateway Wirnet™ iZeptoCell¹**. Capable of reducing the estimated costs of deploying an IoT network by up to 25%, the design of this new offering combining natively equipment and operating interfaces could mark a new stage in the deployment of networks serving a considerable number of connected objects and sensors, the Massive IoT. The first sales are expected during the 4th quarter for the Ethernet version, with take-off expected in 2022 and the arrival of the cellular version.

¹ See press release of October 19, 2021 "Kerlink Launches New Indoor LoRaWAN® gateway featuring' brand new operational approach critical for Massive IoT: Wirnet™ iZeptoCell"

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About Kerlink

Kerlink Group is a leading global provider of end-to-end connectivity solutions for designing, deploying, and operating public & private low power/wide area (LPWA) Internet of Things (IoT) networks. Its comprehensive product portfolio includes industrial-grade network equipment, best-of-breed network core, operations and management software, value-added applications and expert professional services, backed by strong R&D capabilities. Kerlink specializes in enabling future-proof intelligent IoT connectivity for three major domains: **Smart City & Quality of Life** – urban operations, utilities & metering, retail & public places, infrastructure & hubs, health; **Smart Building & Industry** – buildings & real estate, industry & manufacturing, asset monitoring & tracking, and **Smart Agriculture & Environment** – precision agriculture, cattle monitoring & farming, environment & climate, and wildlife protection. More than 140,000 Kerlink installations have been rolled out with over 350 clients in 70 countries. Based in France, with subsidiaries in the US, Singapore, India and Japan, Kerlink is a co-founder and board member of the LoRa Alliance® and the uCIFI Alliance™. It is listed on Euronext Growth Paris under the symbol ALKLK.

For more information, visit www.kerlink.com or follow us on our social media - Twitter @kerlink_news.



Upcoming events

2021 Full Year Revenue: January 27, 2022 after market close



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