

2023 Annual Revenue

Dynamic end to the year: €4.8m in Q4

Priorities in 2024: return to growth and improve results



PRESS RELEASE

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Kerlink (AKLK FR0013156007), a French network and IoT solutions provider, today published its annual revenue for 2023.

Fourth-quarter sales amounted to €4.8m, illustrating the expected increase in the Group's business activity compared with the first three quarters. Business growth at the end of the financial year was driven in particular by the implementation in summer 2023 of a new market access strategy, which is beginning to produce results. The Access, Maintain and Operate offers, more focused on the IoT core business, and Kerlink's technological expertise have been roundly applauded by the IoT ecosystem. These offers are based in particular on Zero-Touch Provisioning (ZTP), a new differentiating Plug&Play configuration feature that considerably facilitates the roll-out of IoT network infrastructure equipment.

"The fourth quarter was marked by the acquisition of significant new business," said Yann Bauduin, Chief Sales Officer. *"For example, the German company Zenner has entrusted us with the deployment of Netze BW's LoRaWAN® radio network. In the Smart City sector, this network can be used to make remote readings of water meters and parking sensors and remotely monitor buildings. The end of the year was also marked by a rebound in indirect sales through our distribution network, particularly in Europe. In this respect, the French company SPHINX has confirmed its role as a leading value-added distributor for the Kerlink Group, promoting our solutions in France, Spain and Italy, particularly in the world of industry."*

As part of its new business strategy, Kerlink is reinforcing the integration of its gateways with the solutions of the main LNS (LoRa Network Servers) suppliers on the market. Commenting on this aspect, Yann Bauduin stressed the relevance of the Group's value proposition: *"The opening up of Kerlink gateways to the main LNS suppliers strengthens the interoperability and reliability of IoT solutions. This is a key factor that serves to significantly strengthen our commercial message"*.

The increase in business activity in the last quarter resulted in a more limited than expected decline in revenue for the year. At 31 December 2023, sales performed on the IoT core business, were down 27% compared with 34% at the end of first-half 2023.

Annual revenue amounted to €13.7m overall, compared with €18.8m at end-December 2022. As a reminder, the Group recorded €3.8m in sales of solutions for the deployment of the Helium network, mainly in the NCSA (Americas) and APAC (Asia-Pacific) areas.

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The increase in sales in the fourth quarter should be assessed in conjunction with the initiatives taken at the end of the first half of the year to lower the profitability threshold, and in particular the reduction in payroll and the adaptation of the expense structure.

In addition, Kerlink recalls that in October 2023 it entered into an agreement with all its banking partners to restructure its financial debts. This debt rescheduling is reflected in the Group's cash position, which stood at nearly €4m at the end of December 2023, up from €3.8m at the end of first-half 2023.

The commercial transformation and the completion of this restructuring work have enabled Kerlink to resume more ambitious objectives.

In 2024, the Group's key focus will be on increasing business activity and improving its results.

Revenue by type of sale <small>In thousands of euros</small>	2023	Q4 2023	2022	Q4 2022
Equipment	9,699	3,747	14,171	4,696
Services	4,007	1,029	4,728	1,242
Total	13,706	4,776	18,898	5,937

IFRS – Unaudited figures

Revenue by geographic area <small>In thousands of euros</small>	2023	2022	Change	Q4 2023	Q4 2022	Change
NCSA (Americas)	920	1,499	-39%	407	299	36%
APAC (Asia-Pacific)	394	2,883	-86%	60	652	-91%
EMEA	12,392	14,516	-15%	4,309	4,987	-14%
Total	13,706	18,898	-27%	4,776	5,937	-20%

IFRS – Unaudited figures

Revenue by area of activity <small>In thousands of euros</small>	2023	Breakdown	Q4 2023	Q4 2022
Private operators	12,919	94%	4,678	5,414
Smart Cities & Quality of Life	5,659	44%	1,801	2,190
Smart Building & Industry	5,548	43%	2,236	2,684
Smart Agriculture & Environment	1,705	13%	642	533
HNT cryptocurrency revenue	7	-	-	6
Historic telecoms operators	787	6%	98	523
Total	13,706	100%	4,776	5,937

IFRS – Unaudited figures

About Kerlink

Kerlink Group is one of the world's leading providers of connectivity solutions for the design, rollout and operation of public and private networks dedicated to the Internet of Things (IoT). Its comprehensive portfolio of solutions includes industrial-grade network equipment, best-of-breed network core, network operations and management software, value-added applications and expert professional services, backed by strong R&D capabilities. More than 200,000 Kerlink installations have been deployed at more than 350 customers in 70 countries. Kerlink is a founding member 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, please visit our website at www.kerlink.com.

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