



H1 2026: marked improvement in operating results

Gross margin improves to 43.7% of revenue

Positive EBITDA¹

Q3 2026 revenue up 5%

Outlook for 2026

Revenue growth and positive EBITDA expected for the full year

PRESS RELEASE

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[Kerlink](#) (ALKLK FR0013156007), a specialist provider of networks and solutions for the Internet of Things (IoT), is publishing its half-year results and third-quarter revenue for the 2026 financial year.

H1 2026 revenue came to €7.3 million, up slightly on the first half of 2025 (+1%). Business was driven mainly by private operators, with higher sales of solutions for the Smart Building market in particular. Over the period, **service revenue rose by 12%** to €1.2 million, accounting for 16.5% of total revenue compared with 15% in the first half of 2025. This favourable shift in the product mix contributed to the improvement in profitability over the half-year.

Geographically, performance was mixed. Revenue in the EMEA region (89% of total activity) was up slightly. In the NCSA region (7% of activity), after a sharp decline in the first quarter, business grew by 29% in the second quarter. The Asia-Pacific region (4% of activity) confirmed its good momentum, with revenue up 30% over the half-year to €329k.

In a general context of constrained electronic component supply, the Group's level of activity illustrates Kerlink's ability to convert sustained order intake momentum into revenue.

¹ Earnings Before Interest, Taxes, Depreciation and Amortisation

Consolidated financial statements

On 20 October 2026, the Board of Directors approved the consolidated financial statements for the period ended 30 June 2026.

In thousands of euros – IFRS	30 June 2026	30 June 2025
Revenue	7,298	7,252
Cost of sales	- 4,108	- 4,188
Gross margin	3,190	3,064
Gross margin rate	43.7%	42.2%
Other operating costs	- 3,151	- 3,580
EBITDA	39	-516
Depreciation and amortisation	-395	-472
Operating income (expense)	- 357	- 988
Net financial income (expense)	- 554	- 141
o/w impairment of equity investments	- 428	-
Income tax	-1	-4
Group net income (expense)	- 912	- 1,133

These financial statements have been subject to a limited review by the statutory auditors, whose report is currently being issued.

Marked improvement in operating performance: higher gross margin, costs under control, positive EBITDA

Gross margin rose significantly (+1.5 percentage points) to 43.7% of revenue for the half-year, compared with 42.2% for the same period in 2025. It reached €3.2 million, compared with €3.1 million a year earlier. This reflects both the favourable shift in the product mix (higher contribution from services) and disciplined management of purchasing and pricing in a context of rising component costs.

Other operating costs fell by €0.4 million (-12%), reflecting the Group's rigorous cost management. It should be noted that personnel expenses were broadly stable, despite the recruitment in 2025 of staff dedicated to strengthening the sales offering.

As a result, maintaining revenue at a satisfactory level, combined with good management of the gross margin and operating expenses, translated into a marked improvement in EBITDA. It is now slightly positive, compared with -€0.5 million in the first half of 2025.

After depreciation and amortisation, operating income came to -€0.4 million, an improvement of €0.6 million year-on-year. Net financial income came to -€0.6 million, compared with -€0.1 million in the first half of 2025. It includes a €428k impairment of shares held by Kerlink in a non-consolidated company, with no impact on EBITDA or cash. Excluding this non-recurring item, net financial income was stable at -€0.1 million.

Group net income came to -€0.9 million, compared with -€1.1 million in the first half of 2025. Excluding the impairment of shares, it would have been -€0.5 million, reflecting the progress made in the Group's operating performance.

These results confirm Kerlink's ability to execute its strategic roadmap with discipline. The measures undertaken, such as cost control, a commercial focus on the highest-contributing activities and improved operational efficiency, are beginning to bear fruit and allow the Group to approach the coming months with confidence.

In thousands of euros – IFRS	30 June 2026	31 December 2025
Net assets and other non-current assets	4,603	4,887
Current assets	10,973	11,321
Cash and cash equivalents	2,341	2,273
Total assets	17,917	18,481
Shareholders' equity	1,131	2,032
Long- and medium-term financial liabilities	8,667	9,890
Other non-current liabilities	552	561
Current financial liabilities	1,945	968
Other current liabilities	5,622	5,030
Total liabilities	17,917	18,481

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At 30 June 2026, Group shareholders' equity under IFRS stood at €1.1 million, compared with €2.0 million at 31 December 2025. This change mainly reflects the net loss for the half-year (-€912k).

Overall, financial debt decreased by €0.2 million to €10.6 million, and net debt (financial debt less cash) stood at €8.3 million, compared with €8.6 million at 31 December 2025.

The increase in current financial liabilities (€1.9 million compared with €1.0 million) reflects the scheduled resumption of loan repayments from the end of Q1 2027, following the extension of loan maturities announced in October 2025.

At end-June 2026, financial debt (excluding lease liabilities under IFRS 16) amounted to €9.8 million (of which €0.6 million factored), compared with €9.9 million (of which €0.9 million factored) at 31 December 2025.

Other current liabilities stood at €5.6 million, up €0.6 million over the period. Combined with the reduction in inventories and trade receivables, this helped optimise the working capital requirement (WCR) and **strengthen the Group's cash position, which remained stable compared with 31 December 2025.**

Cash flow from operating activities (€1.0 million compared with €0.6 million in H1 2025) enabled the Group, in particular, to fund increased investment in research and development: capitalised development costs reached €0.6 million over the half-year, compared with €0.3 million a year earlier.

Simplified cash flow statement

In thousands of euros – IFRS	30 June 2026	30 June 2025
Cash flow from operating activities	1,040	589
<i>o/w change in WCR</i>	<i>1,054</i>	<i>897</i>
Cash flow from investing activities	-643	-316
Cash flow from financing activities	-332	-2,017
Effect of changes in exchange rates on cash	2	-15
Net change in cash position	68	-1,759
Opening cash position	2,273	4,814
Closing cash position	2,341	3,054

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Q3 2026: 5% growth and solid execution of the order book

Revenue for Q3 2026 came to €3.5 million, compared with €3.4 million in Q3 2025, up 5%.

Building on the momentum of the second quarter, Kerlink continued to execute its order book efficiently, despite a component supply environment that remains tight. Against a backdrop of rising component costs, Kerlink is rigorously managing its procurement and sales policy in order to preserve its margin while securing product availability for its customers.

Beyond the sales momentum in the *Smart Building & Industry* segment, the growth in services seen in the first half was confirmed in the third quarter of 2026, with sales up 64% on the same period last year, illustrating Kerlink's ability to offer value-added, tailor-made solutions to its customers.

Geographically, revenue in the EMEA region (89% of total activity) rose slightly. In the NCSA region (9% of activity), after a difficult first quarter, the second and third quarters showed strong growth. The Asia-Pacific region (2% of activity) delivered a mixed performance: after a very strong first half, third-quarter sales were down sharply. It should, however, be noted that an unfavourable basis of comparison makes performance over the period harder to interpret.

Revenue for the first nine months of the year came to €10.8 million, compared with €10.6 million, up 1.9%.

Revenue by type of sales In thousands of euros	Q3 2026	Q3 2025	Change
Equipment	2,815	2,939	-4%
Services	711	434	+64%
Total	3,526	3,373	+5%

IFRS – Unaudited figures

Revenue by geographical area In thousands of euros	Q3 2026	Q3 2025	Change
NCSA (Americas)	323	227	+42%
APAC (Asia-Pacific)	76	142	-46%
EMEA (Europe, Middle East & Africa)	3,128	3,005	+4%
Total	3,526	3,373	+5%

IFRS – Unaudited figures

Revenue by business line In thousands of euros	Q3 2026	Q3 2025	Change
Historical and alternative telecom operators	146	151	-3%
Private operators	3,379	3,222	+5%
<i>Smart Cities & Quality of Life</i>	910	985	-8%
<i>Smart Building & Industry</i>	2,080	1,732	+20%
<i>Smart Agriculture & Environment</i>	389	504	-23%
Total	3,526	3,373	+5%

IFRS – Unaudited figures



2026: revenue growth and positive EBITDA

The operating performance for the half-year reflects the effects of the transformation plan rolled out by Kerlink in support of profitable and sustainable growth. The management team reaffirms its commitment to extending the positive momentum initiated by the Group. Given the solid sales performance in recent months, including a good third quarter, and the quality of its order book to date, **Kerlink is targeting a year of growth combined with positive EBITDA for the 2026 financial year as a whole.**

To consolidate its momentum, Kerlink will draw on its solid, value-creating and highly distinctive fundamentals:

- Recognised technological expertise as a pioneer of LoRaWAN[®], a now mature technology with widely proven benefits;
- A comprehensive, integrated offering covering all requirements for the deployment of IoT infrastructure solutions, from industrial-grade network equipment to operating software and value-added services;
- A balanced business model, combining a historical equipment base with a growing contribution from recurring service revenue in recent months;
- A leading installed base and an established international presence, giving the Group a benchmark position in its market.

Artificial intelligence, a performance driver for Kerlink and its customers

Kerlink is leveraging artificial intelligence (AI) as a driver of transformation across both its organisation and its offerings. Internally, AI is accelerating software development and data analysis and improving operational efficiency, under the oversight of a dedicated committee responsible for ensuring the security and regulatory compliance of its deployment.

Across its offerings, AI operates at three levels: embedded in devices to detect events and anomalies in the field, integrated into platforms to flag what requires action, and conversational through Wanesy[®] Management Cockpit tools, which enable users to query data in natural language. Customers can thus detect issues earlier, analyse faster and unlock new use cases.

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 320,000 Kerlink installations have been deployed at more than 780 customers in 86 countries. Kerlink is a founding member and board member of the LoRa® 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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Next publication

2026 full-year revenue
28 January 2027 after the market closes
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