

METAVISIO (THOMSON Computing) sees improved EBITDA margin in 2022 versus 2021. The company almost tripled its shareholders' equity in 2022 versus 2021. METAVISIO has a positive outlook for 2023 and 2024. METAVISIO revises down revenue guidance for 2022 due to difficult 2022 consumer electronics environment.

PONTAULT-COMBAULT, 27 February 2023 – 08:00 am – METAVISIO (THOMSON Computing) (FR00140066X4; ticker symbol: ALTHO), a French company specializing in the research, design, and marketing of laptops under the THOMSON Computing brand, announces today, according to Regulation (EU) No. 596/2014 which stipulates that issuers must make public as soon as possible any material information directly concerning the issuer, that the company will not meet the revenue target for 2022 of €70 million that was communicated to the market on 16 June 2022.

Although the figure for 2022 revenue has not yet been finalised nor audited by statutory auditors, the company expects 2022 revenue to be in the range of €30-32 million.

The variance from the previously communicated 2022 revenue target is primarily due to the following factors:

- The IT industry experienced two exceptional years in 2020 and 2021 resulting from the outbreak of the Covid-19 pandemic, the related lockdowns, the massive development and growth of remote work and stay-at-home online purchasing and entertainment, which drove record orders for electronic goods. As a result, METAVISIO approximately doubled the number of units delivered between 2019 and 2021. This record increase was mainly related to increased deliveries to all French retailers, which accounted for 85% of revenue in 2021.
- On the other hand, the year 2022 was very difficult for the entire IT industry with a large decline of sales worldwide due to (i) the above-mentioned exceptional sales of new consumer electronics and an accelerated laptops replacement cycle in 2020 and 2021; (ii) the gradual return to in-office work; and (iii) dramatic disruptions due to the start of the war in Ukraine in Q1 2022, which created marked economic uncertainty in Europe.
- According to the authoritative industry research firm GFK, the personal computer market size contracted by 28% in Europe in 2022.
- METAVISIO sales have generally tracked market growth trends over the past three years, first with an increase in METAVISIO revenue by approximately 50% from 2019 to 2021, followed by a contraction of approximately 50% from 2021 to 2022, resulting from a marked drop in sales in France versus the rest of Europe.
- Indeed, in France, METAVISIO's big-box retailer partners, that had excess inventory of Thomson products and of other brands, preferred to sell down existing inventory rather than place new orders. The slowdown in new customer orders was particularly pronounced starting in March with the added uncertainty due to the start of the war in Ukraine.

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- However, in 2022, METAVISIO managed to achieve very strong international expansion with more than 25 countries opened at the end of the year, allowing Thomson products to be on the shelves of consumer brand retailers in international markets, including Canada, Latin America, India, the Middle East and Eastern Africa starting in Q1 2023. METAVISIO's international expansion, originally planned for 2020 and 2021, was delayed as a result of border closures due to the pandemic which impeded travel.
- Therefore a large part of the previously anticipated revenue for Q4 2022 has been pushed to the first half of 2023. For example, in the large and growing market of India, where METAVISIO opened a subsidiary, local orders from both distribution partners and from the government sector or government-affiliated entities, originally planned for Q4 2022, were postponed to Q1 and Q2 of 2023.

From an earnings standpoint, despite the challenging economic situation in 2022, METAVISIO has minimized the impact on, and in certain cases even improved, key financial indicators:

- **METAVISIO is expecting a decline of only 13% in EBITDA to €5.5 million in 2022** versus close to record EBITDA of €6.7 million in 2021.
- In fact, METAVISIO is expecting to markedly improve its EBITDA to revenue margin from 11% in 2021 to 18% in 2022.
- **The company's net income is expected to remain positive for 2022.**
- In addition, **METAVISIO will have almost tripled its shareholders' equity from €7.8 million as at 31 December 2021 to €19.8 million as at 31 December 2022**, as a result of two successful capital raises, totaling €8 million, in 29 June 2022 and in 29 November 2022, and the conversion of €4 million of convertible notes into new shares. This represented an increase in shareholders' equity of €12 million in 2022.
- The company has also **more than halved bond debt**, which declined from €15 million to €5.7 million in 2022.

Strategically, operationally and commercially,

- The opening, completed in 2022, of 25 new countries is expected to allow METAVISIO to take full advantage of an expected global laptop sales rebound in 2023.
- Industry research firm GFK forecasts that the personal computer market is expected to indeed experience, in 2023 and 2024, average annual growth of 6% to 10% depending on the territory.¹
- Fears of a material impact to the European economy from the war in Ukraine and from elevated gas prices due to Russian supply disruptions have subsided due to clearer potential geo-political outcomes to the war in Ukraine and a mild European winter that resulted in lower than expected gas prices.
- In a rebounding market, buyers are expected to remain very price-sensitive, where METAVISIO's business model allows the company to be particularly well positioned.

¹ Spring: Global TCG market consumer electronics, GFK 2022

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METAVISIO is indeed known for its innovative high-quality products at competitive prices, with an entry-level and mid-range positioning.

METAVISIO's expected 2022 results should also be viewed in conjunction with the information announced by the company in its 10 February 2023 and 17 February 2023 press releases, which are more relevant than ever for 2023:

- The company is working on two stages of capital raising with the assistance of the American investment bank Riverside Management Group, with the target to double the value of the company's shareholders' equity from €19.8 million as at 31 December 2022, to more than €40 million at the end of Q3 2023:
 - a first capital raise is planned to be completed by the end of the first quarter of 2023; and
 - a second capital raise is planned to be completed at the same time as the listing of the company's shares on the Nasdaq market in the United States (which could take the form of a dual-listing or a reverse-merger with a company already listed on Nasdaq).
- METAVISIO's listing on Nasdaq is expected to improve METAVISIO's visibility to retail investors, the Wall Street analyst community and all institutional investors specialising in consumer electronics and retail sector stocks.
- A Nasdaq listing is also expected to enhance the company's stock liquidity, facilitate the company's ability to fund acquisitions and future growth, and overall enhance shareholder value through a valuation more in line with the company's publicly traded comparables.
- As a result of the expected new capital raises, METAVISIO plans to continue its growth in 2023 with a hiring program on four continents.
- METAVISIO expects the continuation of its international expansion into India, the United States, Africa and of course in Europe.
- On 1 March 2023, a Business-to-Business (B2B) director with 30 years of experience in the IT Sector and Government procurement will join the company, and will add new B2B and Business-to-Government (B2G) verticals to complement the traditional retail vertical that has contributed to METAVISIO's historic success.
- METAVISIO is today the only European and French IT company present on four continents in retail and soon in B2B and B2G, through the well-known THOMSON brand.
- The ambition and strategy laid out by METAVISIO's Chairman and CEO are clear: (i) achieve a target revenue of €1 billion by 2030 by (ii) maintaining METAVISIO's positioning of research, design, and marketing innovative and high-quality entry-level and mid-range products at some of the most competitive prices in any market; (iii) entry into new customer segments such as B2B and B2G; (iv) expanding internationally; and (v) making key acquisitions, where necessary, with a combination of cash and Nasdaq-listed stock.

The 2022 financial results will be published **on March 30, 2023 after the market closes.**

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About METAVISIO



METAVISIO is a French company specialized in the research, design, and marketing of laptops under the THOMSON Computing brand. Created in 2013, METAVISIO – THOMSON Computing offers a range of products equipped with "the latest technologies at the best price". METAVISIO is eligible for PEA-PME and has the Innovative Company qualification (FCPI). More information on: www.metavisio.eu

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements" within the meaning of securities laws. Forward-looking statements include statements regarding the company's intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, the company's ongoing and planned product and business development; the company's intellectual property position; the company's ability to develop commercial functions; expectations regarding product launch and revenue; the company's results of operations, cash needs, spending, financial condition, liquidity, prospects, growth and strategies; the industry in which the company operates; and the trends that may affect the industry or the company. Forward-looking statements are not guarantees of future performance and actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, as well as market and other conditions. All such statements speak only as of the date made, and the company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Contacts

Shareholder Information

METAVISIO

contact.investisseurs@metavisio.e

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Phone : +33 1 60 60 45 74

Corporate Press Relations

AYA

Communication

Alexander Borreil

aborreil@aya-

communication.fr

Phone : 06 76 32 27

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