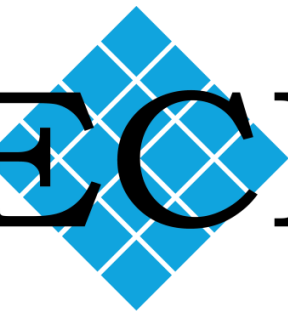
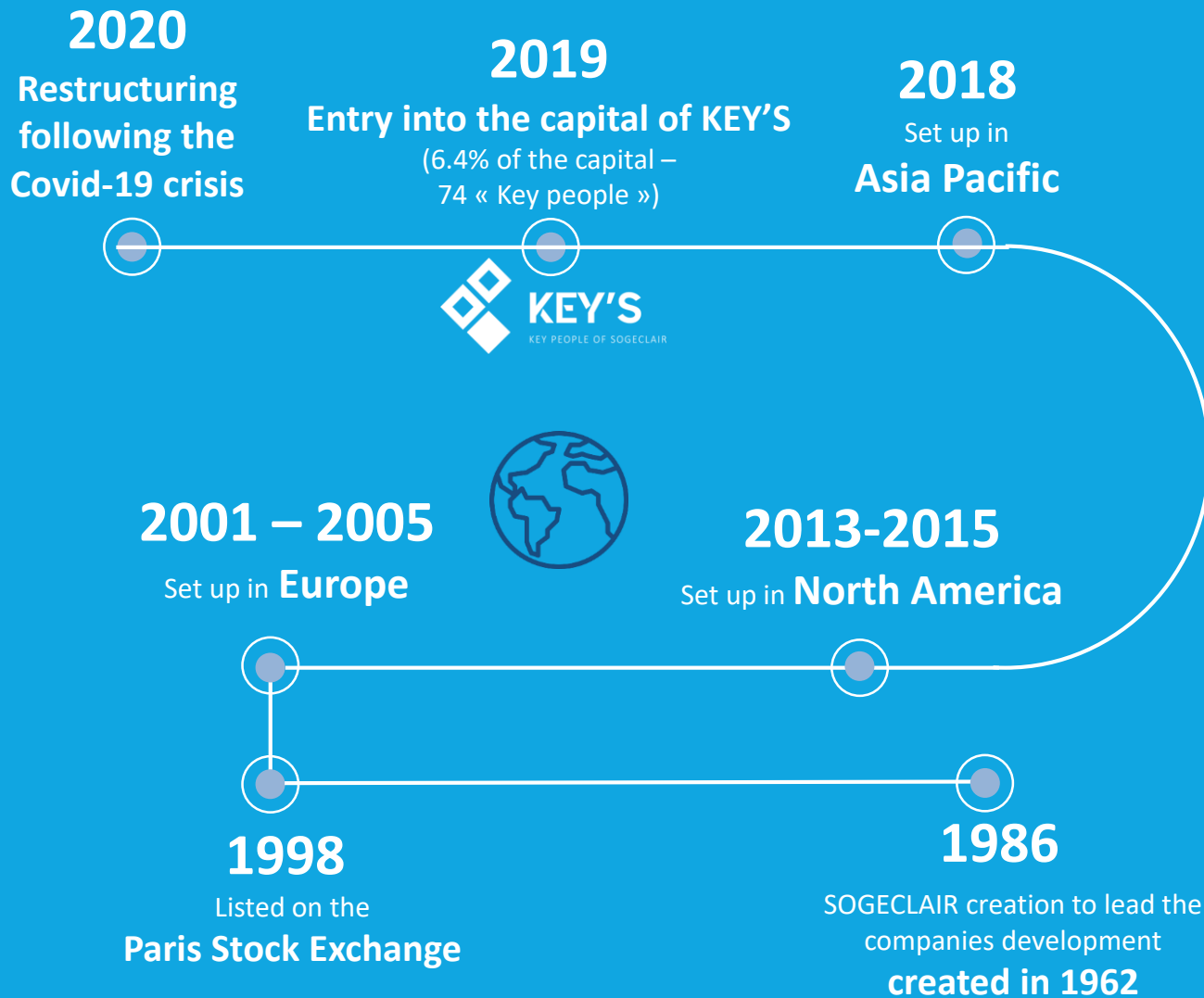


**SOGECLAIR**

The logo for SOGECLAIR features a blue diamond shape with a white grid pattern, positioned behind the letter 'E' in the company name.

**2020 RESULTS**

SOGECLAIR is a leading supplier of technological solutions and products with high added-value in the transportation industry (air and ground)



**SOGECLAIR is a family company listed on Euronext Paris**

# Achieved 2020

- ❖ Health measures by country
- ❖ Lowering of the break-even point
- ❖ Preservation of the cash
- ❖ Increased R&D investments
- ❖ Staff reduction (-350 departures at the end of 2020 and around 150 departures at the beginning of 2021)
- ❖ Closure of the subsidiary in Morocco and turnaround of the German subsidiary
- ❖ Provisions for restructuring costs of €10,3M
- ❖ Goodwill impairment of €2,1M
- ❖ Cancellation of deferred tax assets of €2M

# ACTIVITY HIGHLIGHTS

## ❖ Consequences of the Covid-19 crisis by market:

### Aeronautics and Space: 71% of turnover (- 38%)

- **Commercial Aeronautic (34% of turnover) decreases by 48%:** IATA forecasts a return to the pre-crisis situation between 2023 and 2025.  
→ Aircraft and equipment manufacturers are adapting their production rates, large and turboprop engines aircrafts are those that suffer the most from significant drops in production rates.
- **Business aviation (33% of turnover) decreases by 28%:** a safer alternative for high-contribution travelers. Competition between manufacturers supports the dynamic of the offer.  
→ Forecasts are more favorable for long-range aircrafts.
- **Space (4% of turnover) decreases by 7%:** the Covid-19 crisis accelerates the needs in terms of telecommunications and the observation is strongly supported by public investment.  
→ After the one-off effects of the containment, the activity returned to normal.

# ACTIVITY HIGHLIGHTS

## Transportation and Defense: 27% of turnover (- 15%)

- **Automotive (15% of turnover) decreases by 16%:** the environmental pressure is strong, it is the electric and low-emission vehicles which support the sector.
- **Rail (7% of turnover) decreases by 3%:** long-term public investment is reinforced by the recovery plans in each country.
- **Defense (5% of turnover) decreases by 29%:** a sector strongly supported by public investment.

# HIGHLIGHTS - TAKEN MEASURES

From the start of the crisis, SOGECLAIR has undertaken a certain number of actions in order to:

- ✓ Ensure health safety on each of its sites,
- ✓ Implement adaptation measures such as partial activity, reduction of subcontracting, mobility, staff reductions (around 30%), adaptation of organizations,
- ✓ Protect the cash flow (loans guaranteed by the State, tax and social deferment, activity and R&D support measures,...),
- ✓ Prepare the future by strengthening commercial and international activity, building new offers and strengthening cooperation between subsidiaries.

# HIGHLIGHTS - TAKEN MEASURES

The management team quickly took adaptive measures as early as the 2<sup>nd</sup> quarter:

- ✓ reduction in external expenses (€-3.8M),
- ✓ lower purchases (€-18.4M),
- ✓ lower salary costs (€-28M).

As the decisions were taken before June 30, the non-recurring costs associated with these measures were provisioned in the first half (€-11.1M).

Reorganization of the German subsidiary: costs of €700K provisioned in the second half.

At the same time, actions were taken to benefit from the measures contained in the recovery and support plans in the main countries where the Group operates.

Costs adapted to the activity allowed a return to positive operating in the second half of the year in:

- ✓ EBITDA
- ✓ Operating profit
- ✓ Net income

International turnover for 2020:  
**52.8% (€64.9M)**

**Headquarter**  
Blagnac - FRANCE

 **Production Sites**  
(5 with 3 in France)

 **Design Office**

Our international development started in the 2000s and keeps growing  
The Group has continued its industrial strengthening with today 5 factories in Toulouse (2), in *Ile de France* (1), in Montreal (1) and in Savannah (1), focused on the critical phases of manufacturing of our products.





# A UNIQUE OFFER

## OUR VISION

To be a reference player and a truly international long-term partner for the mobility industry by providing advanced technological solutions.



## OUR MISSION

To supply innovative technological products and services that increase the performance of mobility resources (aeronautics, space, automotive, rail, etc.) to OEMs, equipment manufacturers and operators.

### RESEARCH & DEVELOPMENT

- Materials
- Process
- Systems
- Software

### DESIGN & ENGINEERING

- Aerostructures
- Interiors
- Digital and virtual applications
- Vehicles Platforms

### PRODUCTS & MANUFACTURING

- Aerostructures and interiors
- Equipment
- Software & Simulators
- Vehicles Platforms
- Advanced test
- Additive Manufacturing

### SUPPORT

- Repairs
- Liaison engineering
- MRO

# COMPLEX SYSTEMS AND PRODUCTS

The product activity represents near to 49.5% of the turnover in 2020 vs 43% in 2019



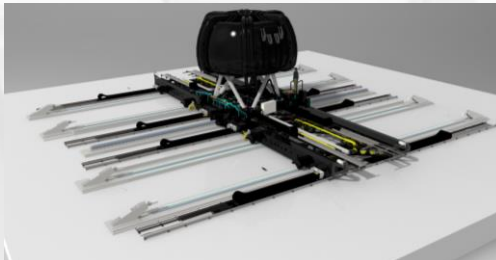
*HUTP – fast attack vehicle*



*Driving simulator - Roads*



*Subway simulator*



*Vehicle simulator*



*Full tank access cover  
(thermoplastic)*



*Baro Setting Control Box  
(cockpit equipment)*



*Aircraft interior*

# SOGECLAIR

## AEROSPACE DIVISION

Engineering & Products

## SIMULATION DIVISION

Simulators and simulation  
software

## VEHICULE DIVISION

Engineering &  
manufacturing of mission  
vehicles



**Mechanical  
engineering**



**Virtual  
reality**



**Deep  
learning**



**Systems  
integration**



## AEROSPACE

*74% of turnover*

*Serie: 43%*

*Products: 31%*

*Development: 26%*

## SIMULATION

*25% of turnover*

*Products: 100%*

## VEHICLE

*1% of turnover*

*Products: 100%*

Canada  
France  
Spain  
Tunisia  
United-Kingdom  
United-States

Australia  
France  
India  
United-Kingdom  
United-States

France

Cross-cutting R&D and know-how for mobility

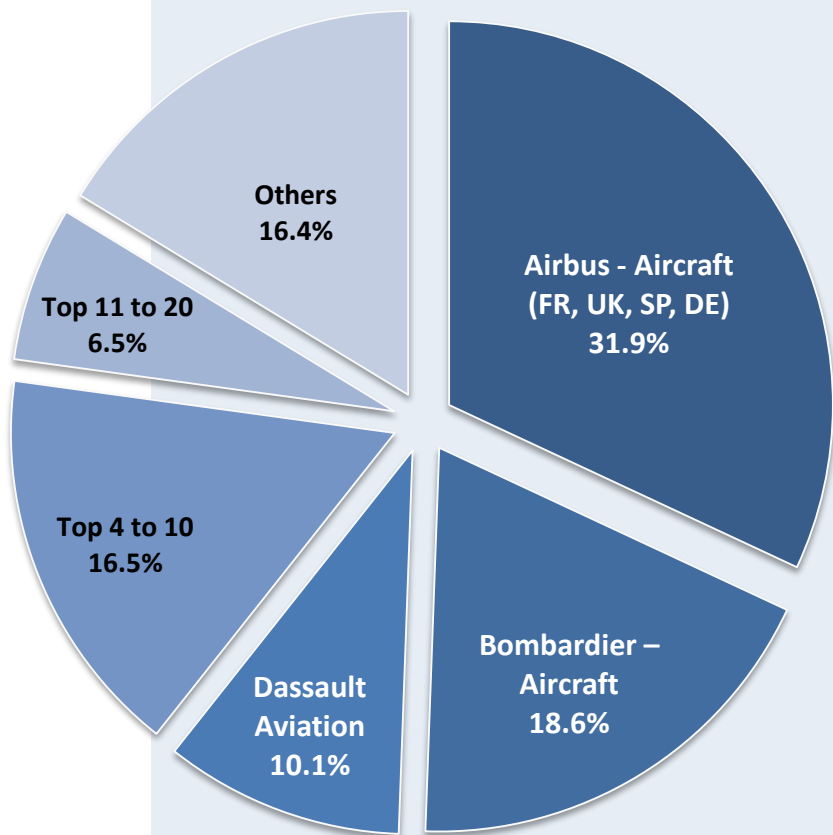


# **2020 RESULTS**

# 2020: CUSTOMER

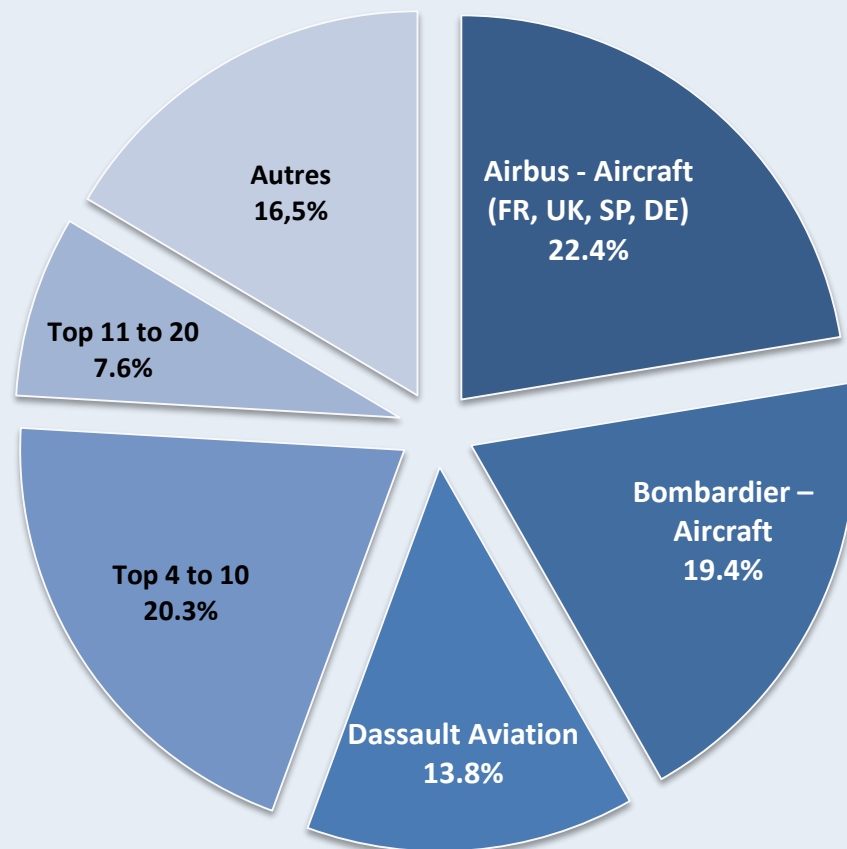
## 2019

Turnover: €185.0 M



## 2020

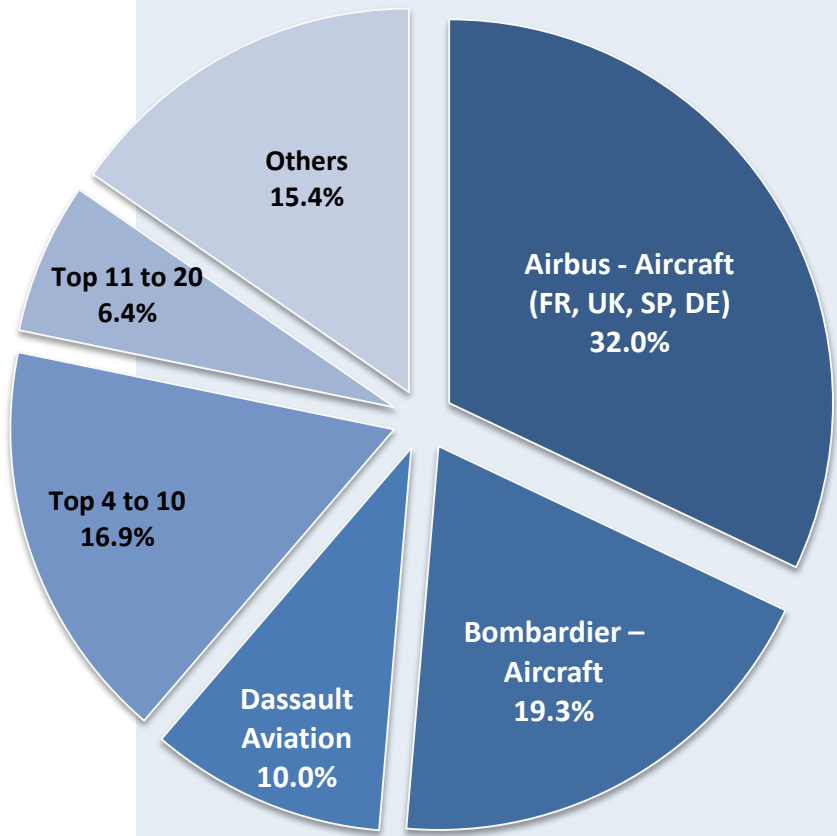
Turnover: €123.1 M



# 2020 : CLIENTS

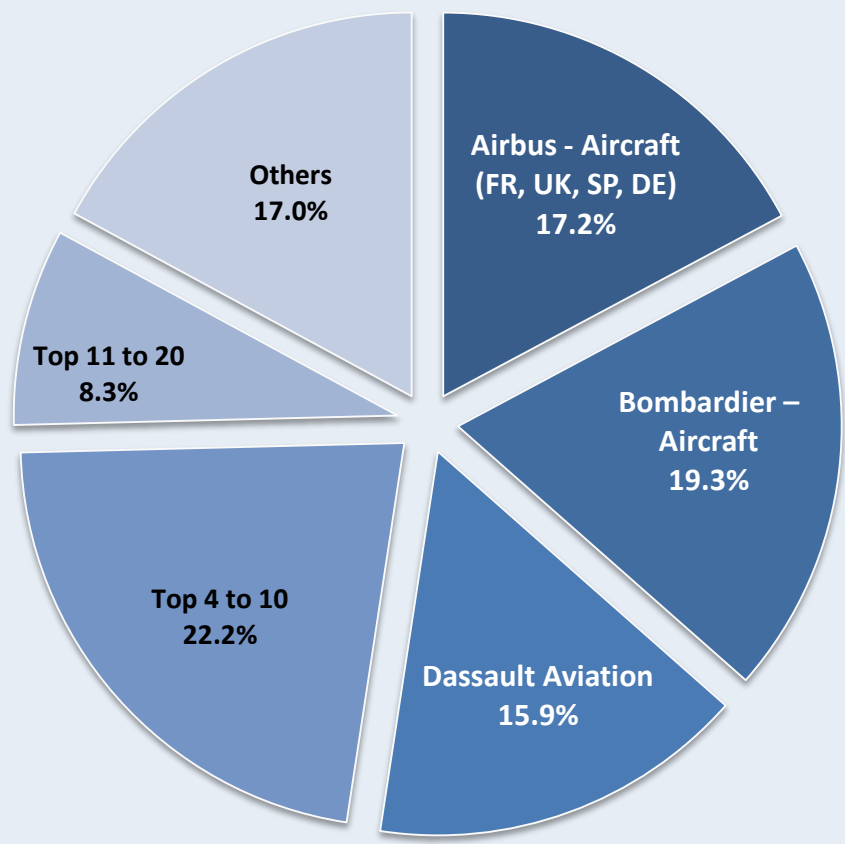
## Q1 2020

Turnover: €43.3 M



## Q2 to Q4 2020

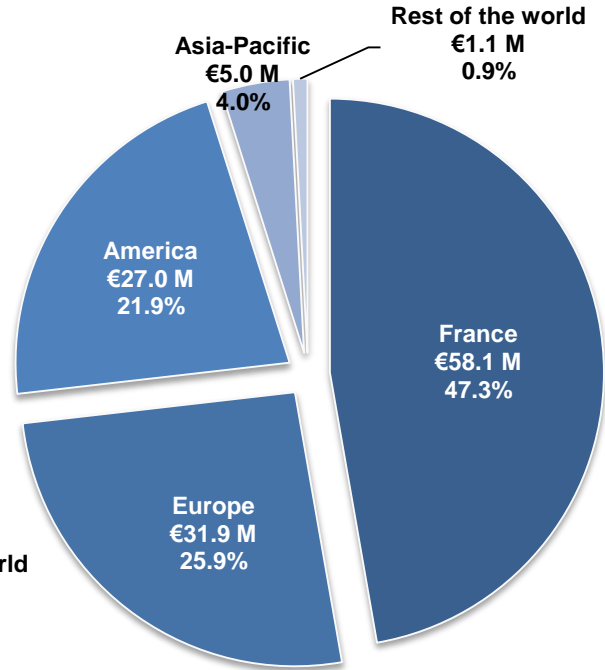
Turnover: €79.8 M



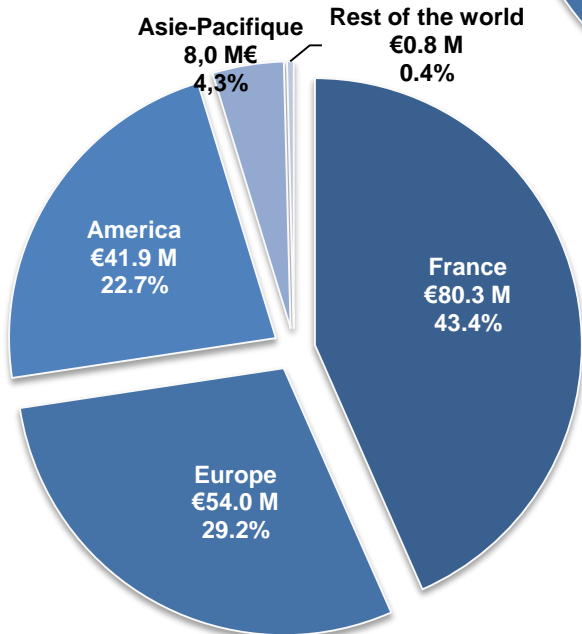
# KEY FIGURES

## TURNOVER

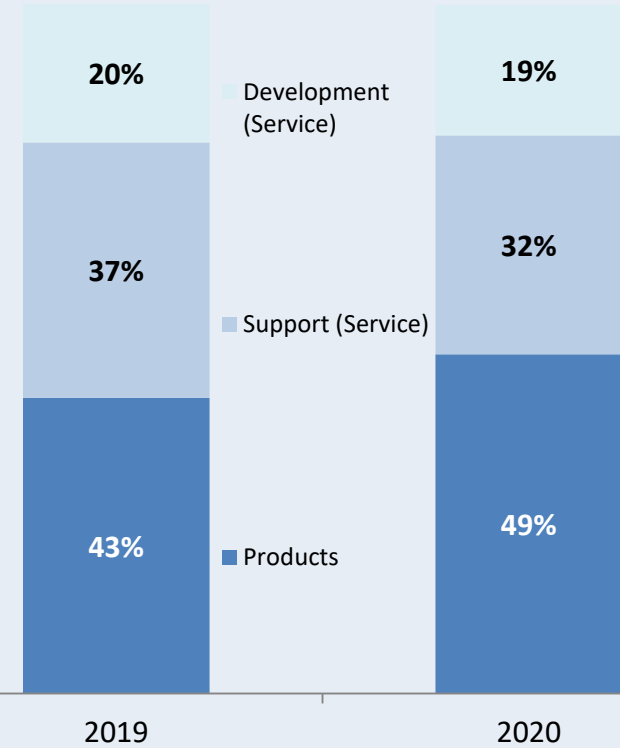
2020: €123.1 M



2019: € 185.0 M



## ACTIVITIES



Products are holding up better than service activities

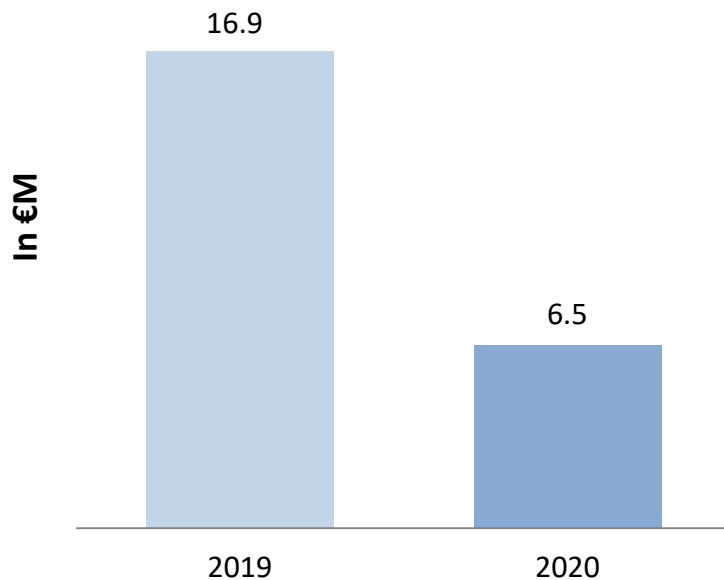


## 2020 ACCOUNTS (€K)

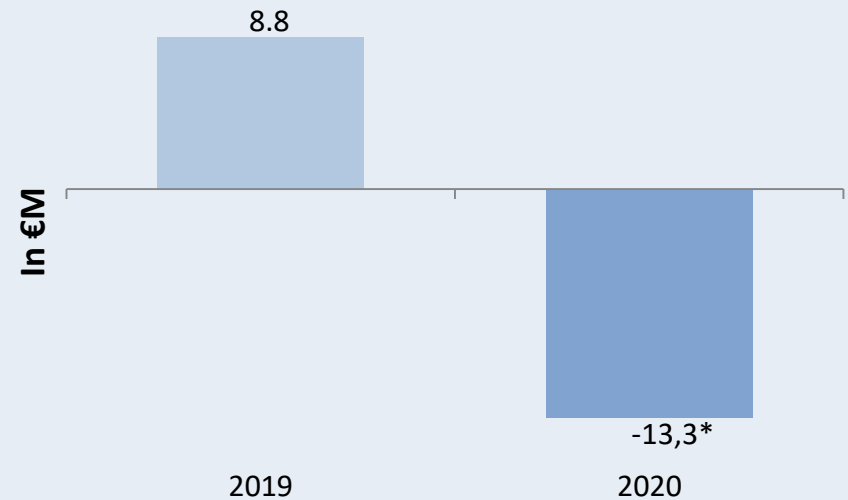
	2019	2020
Turnover	184,972	123,052
EBITDA	16,906	6,492
Operational Result	8,813	-13,251
Net Result	5,830	-13,861
Net Debt* (including qualified pre-payments)	23,798	18,486*
*of which IFRS 16	9,112	6,589
**of which deferral of social deadlines	0	10,169

# KEY FIGURES

## EBITDA at 5.3% of TURNOVER



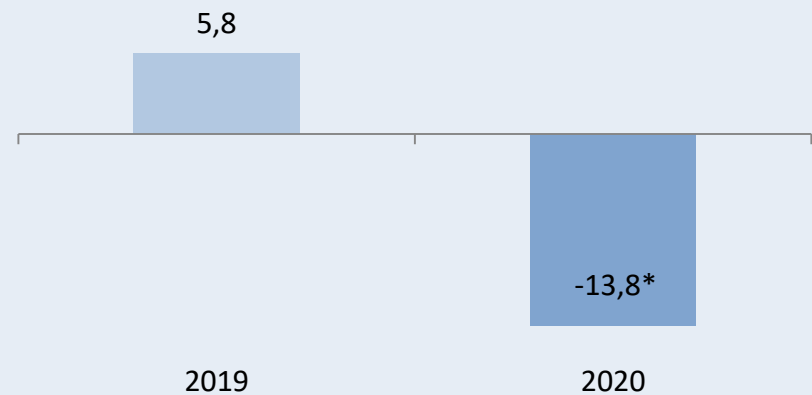
## OPERATING INCOME AT -10.8% of TURNOVER



❖ \*of which restructuring costs: (€10.3M)

❖ \*of which goodwill impairment (€2.1M)

## NET RESULT at -11.3% of TURNOVER

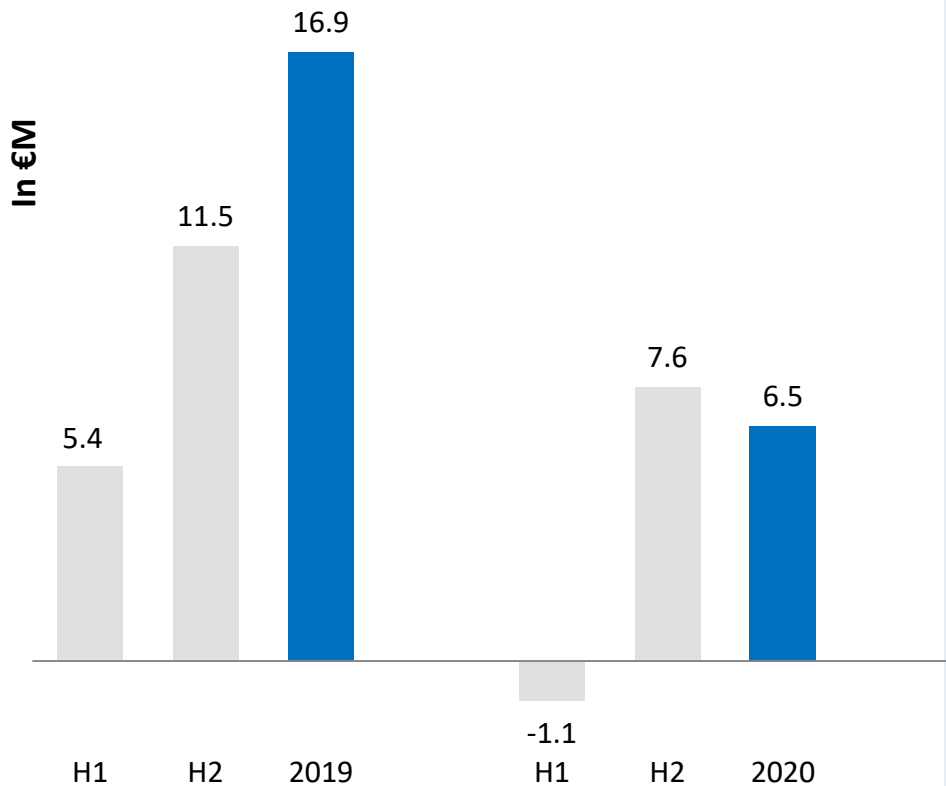


❖ \*of which reversal of deferred tax assets (€2M)

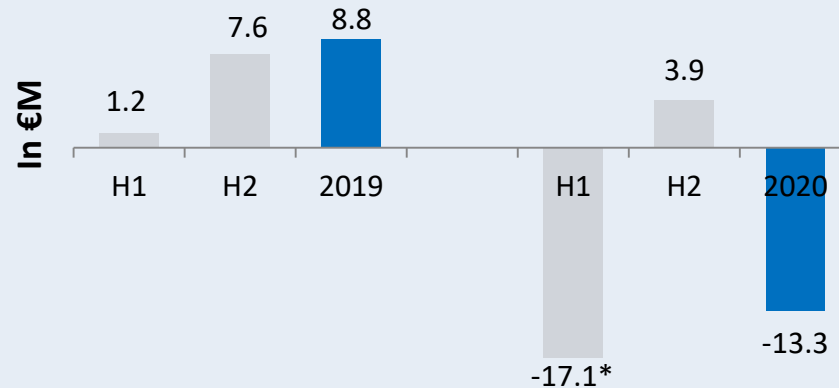


# KEY FIGURES

## EBITDA at 5.3% of turnover



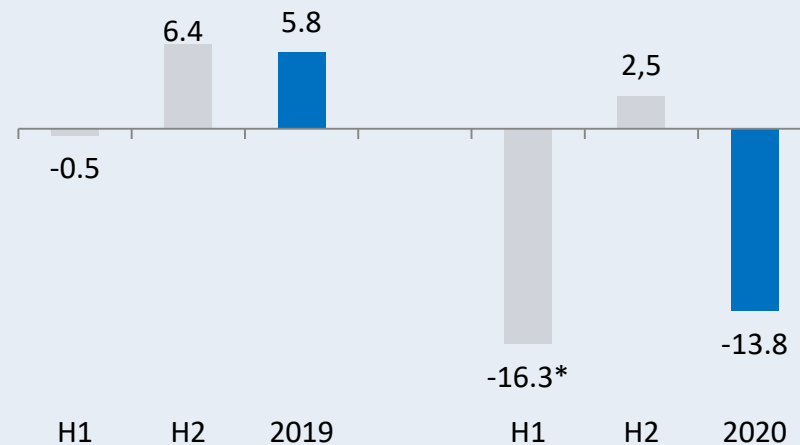
## OPERATING INCOME AT -10.8% of TURNOVER



❖ \*of which restructuring costs: (€11.1M)

❖ \*of which goodwill impairment (€2.1M)

## NET RESULT at -11.3% of TURNOVER



❖ \*of which reversal of deferred tax assets (€2M)



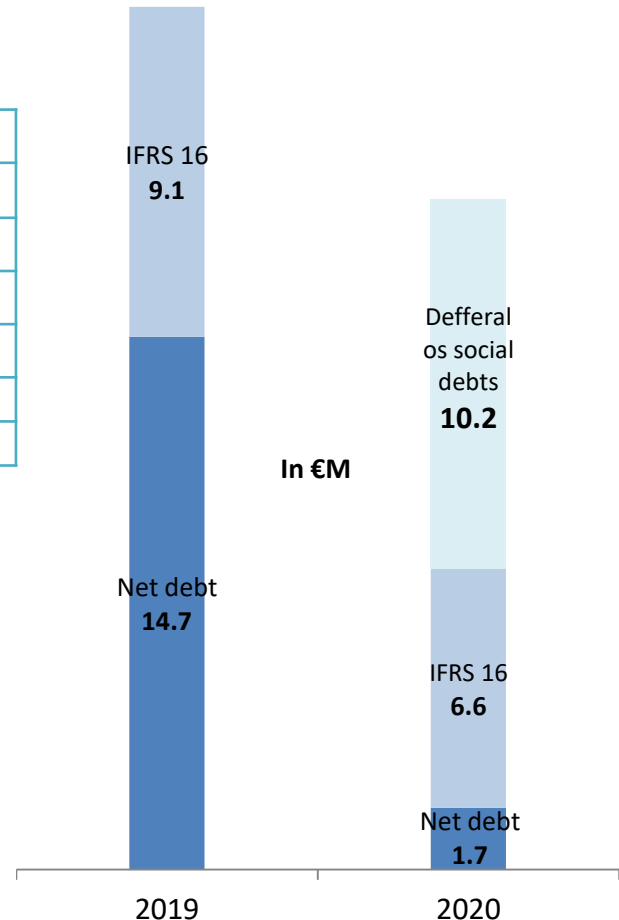
# KEY FIGURES

## GEARING (including qualified pre-payment)

€M	2019	2020
Net debt excluding IFRS 16	14.7	1.7
IFRS 16	9.1	6.6
Deferral of social debts		10.2
Total restated net debt <sup>(1)</sup>	23.8	18.5
Shareholders' equity <sup>(2)</sup>	66.0	47.6
<b>Gearing total restated <sup>(1)/(2)</sup></b>	<b>36.0%</b>	<b>38.9%</b>

The strong balance sheet and cash position allows for an immediate repayment of around 50% of the State guaranteed loans.

- ❖ Available cash in 2020: €45.9 M versus €19.0 M in 2019 before a €10M capital increase subscribed on 15/01/2021 by Dassault Systèmes into the subsidiary A.V. Simulation at 55%



# Dividends

The Board of Directors meeting on 11 March 2021 has proposed the payment of a dividend of €0,90 per share.

An option to pay the dividend in shares will be proposed with a 10% discount for the 20 days preceding the General Meeting.

The CEO, who holds 32% of the capital, and his family, who holds 31%, have expressed their preference for payment in shares.

Taking into account a 4.6% treasury stock, approximately 1/3 of the shares could benefit from a cash payment.



SOGECLAIR



AEROSPACE  
DIVISION

Engineering & Products

# AEROSPACE

In €M	H1 2019	H1 2020	H2 2019	H2 2020	2019	2020	Variation 2020-2019
Turnover	74.9	51.2	72.9	39.3	147.8*	90.5**	-38.8%
EBITDA	2.9	-0.6	7.4	1.5	10.4	0.9	-90.9%
As a % of turnover	3.9%	-1.1%	10.2%	3.9%	7.0%	1.0%	

\*of which €41.7M for the products activity so that 28%

\*\*of which €28.4M for the products activity so that 31%

- **Decrease of rates production in commercial aviation (-40%)**
- **Transfer of work (business aviation)**
- **Winning of multi-year engineering contracts**
- **Winning of a contract to supply full tank access cover for a future program**
- **Winning of project in the context of recovery plan**

# SIMULATION DIVISION

Simulators and simulation  
software



# SIMULATION

In €M	H1 2019	H1 2020	H2 2019	H2 2020	2019	2020	Variation 2020-2019
Turnover	14.2*	17.2*	20.7*	13.7*	34.9*	31.0*	-11.4%
EBITDA	1.3	-1.4**	3.2	4.6	4.5	3.3	-26.8%
As a % of turnover	9.1%	-7.9%	15.3%	33.8%	12.8%	10.6%	

\*100% products activity

→ The EBITDA for the 1<sup>st</sup> half 2020 endures the impact of losses to completion provisioned during the exercise Y-1.

- **Mobility constraints that slow down the installation of simulators**
- **Winning of a contract for a new automotive simulator**
- **Preparation of the entry of Dassault Systèmes into the capital of A.V.Simulation subsidiary (effective on 2021/01/15)**
- **R&D activities strengthened**
- **Inter-subsidary cooperations accelerated**

## VEHICLE DIVISION

Engineering & manufacturing  
of mission vehicles  
(military and industrial)

# VEHICLE

In €M	H1 2019	H1 2020	H2 2019	H2 2020	2019	2020	Variation 2020-2019
Turnover	1.5*	<b>0.4*</b>	0.8*	<b>1.2*</b>	2.2*	<b>1.6*</b>	-29.2%
EBITDA	0.1	<b>-0.4</b>	0.05	<b>0.3</b>	0.2	<b>-0.1</b>	NS
As a % of turnover	8.5%	<b>-94.2%</b>	6.1%	<b>28.8%</b>	7.6%	<b>-4.8%</b>	

\*100% products activity

- **2020 turnover excluding intragroup neutralization decreased by 23.4%**
- **Investments in preparation for international markets**
- **Agreement for the international marketing of counter-mining vehicles and obtaining administrative authorizations**

## Perspectives

With an aeronautics market which, according to international studies, is not expected to return to its pre-crisis rhythm before 2023-2025, SOGECCLAIR is forecasting, after an unfavorable first quarter, a slight growth for 2021.

The cost structure, which has already been adapted, and the evolution of the offer towards a higher added value will be the driving force behind an improvement in the margin.

# 2021 FORECAST PRESS RELEASE DATES



Q1 2021 Turnover – [2021/05/05](#)



H1 2021 Turnover – [2021/07/21](#)



2021 H1 Results – [2021/09/08](#)

*Quiet period from 2021/08/25 to 2021/09/08*



Q3 2021 Turnover – [2021/11/03](#)



# **APPENDIXES**



## Appendix 1: Consolidated income statement

<b>INCOME STATEMENT</b> (in €k)	<b>2019</b>	<b>2020</b>
Turnover	184,972	123,052
Other operating income	6,206	7,255
Cost of goods sold	-77,680	-55,324
Payroll expenses	-94,296	-66,328
Taxes and duties	-1,344	-1,232
Depreciation and amortisation	-7,768	-7,172
Other expenses	-952	-932
<b>Current Operating Income</b>	<b>9 138</b>	<b>-680</b>
Income from the sale of consolidated investments		
Other operating income and charges	-319	-12,566*
<b>Operating income before income from equity method affiliates</b>	<b>8,819</b>	<b>-13,247</b>
Share of income from equity method affiliates	-6	-4
<b>Operating income</b>	<b>8,813</b>	<b>-13,251</b>
Net finance costs	-1,076	-1,493
Other financial income and expenses	62	15
<b>Income before taxes</b>	<b>7,799</b>	<b>-14,729</b>
Income tax expense	-1,969	868**
<b>Net profit</b>	<b>5,830</b>	<b>-13,861</b>
Part of group	4,959	-14,311
Part of minority	870	450

\*Impact of structuration costs <10,386> and goodwill <2,108>

\*\*Deactivation of deferred tax assets <€2,002>



## Appendix 2: Consolidated Balance Sheet - Assets

<b>ASSETS</b> (in €k)	<b>2019</b>	<b>2020</b>
Goodwill	15,154	12,679*
Intangible assets	7,411	7,517
Tangible assets	15,638	11,827
Equity method investments	230	226
Financial fixed assets	3,578	3,513
<b>Non-current assets</b>	<b>42,012</b>	<b>35,762</b>
Inventory	12,565	10,848
Trade notes, receivables and related accounts	69,967	45,121
Other current debtors	16,440	18,836
Deferred income tax	5,804	8,011
Cash and cash equivalents	18,960	45,877
<b>Current assets</b>	<b>123,735</b>	<b>128,693</b>
<b>TOTAL ASSETS</b>	<b>165,747</b>	<b>164,455</b>

\*Goodwill <2,108>





## Appendix 3: Consolidated Balance Sheet - Liabilities

<b>LIABILITIES</b> (in €k)	<b>2019</b>	<b>2020</b>
Capital	3,098	3,098
Share premium	7,269	7,269
Own shares	-680	-745
Reserves and accrued profits	50,662	31,817
<b>Equity capital, group share</b>	<b>60,349</b>	<b>41,439</b>
Minority interests	5,696	6,122
<b>Consolidated shareholders' equity</b>	<b>66,044</b>	<b>47,561</b>
Non-current provisions	5,453	4,291
Non-current qualified pre-payments	1,227	1,299
Non-current financial liabilities	24,349	19,932
Other non-current liabilities	1	241
<b>Non-current liabilities</b>	<b>31,030</b>	<b>25,763</b>
Current qualified pre-payments	614	614
Current part of non-current financial liabilities	9,739	31,888*
Current financial liabilities	6,827	462
Current provisions	332	7,124
Trade creditors, instalments and related accounts	21,177	15,776
Social and tax debts	23,834	27,655
Other current liabilities	6,149	7,612
<b>Current liabilities</b>	<b>68,672</b>	<b>91,131</b>
<b>TOTAL LIABILITIES</b>	<b>165,747</b>	<b>164,455</b>

\*Of which State Guaranteed Loans 23,659.5



## Appendix 4: Consolidated sector-by-sector analysis

INCOME STATEMENT (in €k)	AEROSPACE		VEHICULE		SIMULATION		HOLDING	
	2019	2020	2019	2020	2019	2020	2019	2020
Turnover	147,788	90,510	2,241	1,587	34,943	30,952		4
Other operating income	2,402	2,727	324	206	3,450	4,289	30	32
External expenses	-57,512	-37,361	-1,514	-1,059	-17,623	-15,693	-1,031	-1,211
Payroll expenses	-76,153	-49,687	-1,691	-1,432	-14,238	-13,700	-2,215	-1,509
Taxes and duties	-815	-653	-51	-49	-238	-258	-240	-271
Depreciation and amortisation	-4,539	-4,739	-337	-269	-1,868	-982	-1,024	-1,182
Other expenses	-760	-496	-22	-1	-64	-327	-106	-108
Intra-Group operations	-4,588	-4,098	885	671	-1,757	-1,989	5,460	5,416
<b>Current operating result</b>	<b>5,825</b>	<b>-3,798</b>	<b>-165</b>	<b>-345</b>	<b>2,604</b>	<b>2,291</b>	<b>874</b>	<b>1,171</b>
Other operating profits and expenses	364	-11,757*		-5	-432	-132	-251	-673*
<b>Operating result before earnings of equity method affiliates</b>	<b>6,190</b>	<b>-15,554</b>	<b>-165</b>	<b>-350</b>	<b>2,171</b>	<b>2,159</b>	<b>623</b>	<b>499</b>
Share in earnings of equity method affiliates	-6	-4						
<b>Operating income</b>	<b>6,184</b>	<b>-15,559</b>	<b>-165</b>	<b>-350</b>	<b>2,171</b>	<b>2,159</b>	<b>623</b>	<b>499</b>

\*Impact of structuration costs <10,386> and goodwill <2,108>



## Appendix 5: Cashflow Statement

### CONSOLIDATED CASHFLOW STATEMENT

(in €k)

	2019	2020
<b>Consolidated net result (including minority interests)</b>	5,830	-13,861
+/- Amortisation and provisions (excluding those linked to current assets)	7,673	15,691
-/+ Latent gains and losses linked to fair value variations	-28	-29
-/+ Transfer capital gains and losses	-26	3
-/+ Dilution profits and losses	458	-604
+/- Share in the result linked to equity method affiliates	6	4
- Dividends (non consolidated securities)		-37
<b>Self-financing capacity after net finance costs and tax</b>	<b>13,913</b>	<b>1,168</b>
+ Net finance costs	628	717
+/- Tax charge (including deferred tax)	1 969	-868
<b>Self-financing capacity before net finance costs and tax (A)</b>	<b>16,510</b>	<b>1,017</b>
- Tax paid (B)	2,276	-3,183
+/- Variation in working capital requirement linked to the activity (including debt related to personnel benefits) (C)	-10,145	28,008
<b>= CASHFLOWS FROM OPERATING ACTIVITIES (D) = (A + B + C)</b>	<b>8,641</b>	<b>25,843</b>
- Outflows linked to the acquisition of tangible and intangible assets	-3,642	-3,918
+ Inflows linked to the sale of tangible and intangible assets	142	10
- Outflows linked to the acquisition of financial assets (non-consolidated securities)	-35	
+/- Impact of variations in scope		-1,033
+ Dividends received (equity method affiliates, non-consolidated securities) * see alternative processing 7.2		37
+/- Variation in loans and advances granted	-511	-1,305
+ Investments grants received		68
<b>= CASHFLOWS FROM INVESTMENT ACTIVITIES (E)</b>	<b>-4,047</b>	<b>-6,141</b>
Acquisition of non-controlling interests	-1,272	
+ Sums received from shareholders at time of capital increases	4,868	
-/+ Buyback and sale of own shares	174	-65
- Dividends allocated for payment during the year		
- Dividends paid to the parent company shareholders	-1,845	-2,662
- Dividends paid to the integrated company minority interests	-239	
+ Revenue from loan issues	6,869	24,827
- Loan reimbursements (including leasing contracts)	-9,251	-7,782
- Net finance costs (including leasing contracts)	-713	-567
<b>= NET CASHFLOWS FROM FINANCING ACTIVITIES (F)</b>	<b>-1,410</b>	<b>13,752</b>
+/- Impact of changes in currency exchange rates (G)	-188	-170
<b>= NET CASH VARIATION (D + E + F + G)</b>	<b>2,997</b>	<b>33,283</b>

The SOGECLAIR logo features the company name in a bold, black, serif font. A blue diamond-shaped graphic, composed of smaller white diamonds, is positioned behind the letter 'E'.

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