

06 May 2021

PUBLICATION OF TURNOVER FIGURES FOR THE 1st QUARTER OF 2021

- **6.3% growth at constant scope and exchange rates**
- **A high level of cash flow generation**

AKWEL (FR0000053027, AKW, PEA-eligible), the automotive and HGV equipment and systems manufacturer specialising in fluid management and mechanisms, posted consolidated turnover of €273.3m in the first quarter of 2021, virtually unchanged compared to the first quarter of 2020. However, activity remains down by -6.7% compared to the first quarter of 2019.

Consolidated turnover for the 1st quarter of 2021 (from 1 January to 31 March)

In € millions - unaudited	2021	2020	Variation	LFL variation ^(*)
1 st quarter	273.3	273.5	-0.1 %	+6.3 %

(*) Comparing like-for-like figures

A STILL FRAGILE RECOVERY IN THE GLOBAL MARKET

The evolution of the world market in the first quarter of 2021 had two main characteristics: a rebound in automotive production, mainly driven by China (+10.6% overall but -2.7% outside China⁽¹⁾) and increasing difficulties in sourcing raw materials and electronic components for car and equipment manufacturers. In this still fragile context, AKWEL recorded growth of +6.3% on a like-for-like basis. The currency impact was -€17.5m compared to the first quarter of 2020, of which the Turkish lira accounts for -€10.3m and the US dollar accounts for -€6.3m.

OUTPERFORMANCE IN EUROPE AND NORTH AMERICA

The geographical breakdown of turnover by production zone was as follows:

- France: €77.8m (-2.6%)
- Europe (excluding France) and Africa: €86.3m (+3.8%)
- North America: €67.1m (-4.0%)
- Asia and the Middle East (including Turkey): €40.5m (+3.9%)
- South America: €1.6m (-2.4%)

On a like-for-like basis, AKWEL continues to outperform its benchmark markets in its main regions of operation, excluding China, which accounts for less than 3% of the group's business.

⁽¹⁾ Source: IHS Markit, April 2021

EXCELLENT PERFORMANCE BY THE AIR AND OIL ACTIVITIES

Products and Functions turnover was €262.8m, that is a posted growth of 0.8%. The most significant increases were in the Oil business which has seen new start-ups, and in the Air business, which continues to grow. The Decontamination product family continues to grow via more atypical aftermarket sales in SCR tanks. Conversely, the Washing product family continued to decline, following decisions to change the range, and the Control business, which is highly localised in North America, was penalised by the dollar exchange rate.

As for Tooling, turnover fell by 14% to €8.0m.

THE GROUP CONTINUES TO GENERATE SIGNIFICANT FREE CASH FLOW

In line with the trend from 2020, the group was able to generate through its operating performance, an improvement in working capital and the control of investment budgets significant free cash flow amounting to €22.2m in the first quarter of 2021.

2021 OUTLOOK

As indicated during the presentation of the 2020 results, the strong tensions on raw materials and electronic components are reducing the visibility on the evolution of the global automotive market. Against this backdrop, AKWEL nevertheless expects its business to grow in the current year, although it will remain lower than in 2019, with profitability and cash generation not reaching the record levels recorded in 2020.

Next press release: Turnover for the first half of 2021, on 29 July 2021, after markets close.

An independent, family-owned group listed on the Euronext Paris Stock Exchange, AKWEL is an automotive and HGV equipment and systems manufacturer specialising in fluid management and mechanisms, offering first-rate industrial and technological expertise in applying and processing materials (plastics, rubber, metal) and mechatronic integration.

Operating in 20 countries across every continent, AKWEL employs almost 11,200 people worldwide.

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