

## First-half 2020 revenue

(in € millions)	H1 2020 <sup>1</sup>	H1 2019	Change	Q2 2020 <sup>1</sup>	Q2 2019	Change
Smart Safety Systems	43.1	57.1	-24.5%	20.5	35.9	-42.8%
Protection of High-Risk Installations	38.5	43.5	-11.5%	17.8	22.9	-22.5%
3D Printing	26.8	35.3	-24.0%	11.4	17.9	-36.5%
Structure and disposals	(0.4)	(0.5)	n.s.	(0.2)	(0.4)	n.s.
<b>Consolidated revenue</b>	<b>108.0</b>	<b>135.4</b>	<b>-20.2%</b>	<b>49.5</b>	<b>76.4</b>	<b>-35.2%</b>
<b>Backlog at end of period</b>	<b>617</b>	<b>641</b>				

First-half 2020 revenue for **Groupe Gorgé** was heavily affected by the Covid-19 pandemic, which impacted the Group's various divisions to differing extents. First-half 2020 revenue was €108 million, down 20.2% on a reported and comparable basis, including a drop of 35.2% in second-quarter 2020.

In the **Smart Safety Systems** division, first-half 2020 revenue was down 24.5% to €43.1 million, including a drop of 42.8% in second-quarter 2020. As expected, this decline was due to the sharp contraction of the aeronautics market (down 36.1% in the first half) for the Aerospace business, the impact of health measures on production and project execution, and a challenging base effect in the Robotics activity, down 18.9% in the first half.

At June 30, 2020, the division's backlog had reached a high level at €531 million. The division maintained strong business momentum in the second quarter; orders booked (excluding the Belgian-Dutch contract) were higher than those booked in the second quarter of 2019.

In the **Protection of High-Risk Installations** division, revenue showed a certain resilience and totaled €38.5 million, down 11.5% on a reported basis and 9.8% on a comparable basis<sup>2</sup>. This trend reflects the resilience of the France Fire Protection activity and the stability of the Nuclear sector, whereas the Oil & Gas business, which merged with competitor InterDam in early July, penalized performance in the first half. Excluding this activity, first-half revenue would decline of only 5.6%.

At June 30, 2020, the division's backlog totaled €80.6 million, stable compared with March 31, 2020. The division expects good commercial prospects in the second half, especially in the Nuclear division.

Revenue for the **3D Printing** division was €26.8 million in first-half 2020, compared to €35.3 million one year earlier. As expected, second-quarter 2020 revenue was adversely affected by the health crisis and the total shutdown of practitioners' offices during the lockdown. It was down

<sup>1</sup> Unaudited figures

<sup>2</sup> Excluding Hoekstra-Suwald Techniek BV sold in April 2019 and The Wind Factory sold in early 2020

36.5% to €11.4 million. The division nevertheless recorded a gradual improvement in all its activities throughout the quarter, and a strong recovery in the month of June, which was up 12% compared to June 2019.

## **2020 outlook**

The Group is confident in its outlook and expects revenue to recover in the second half of 2020, while remaining cautious, given the uncertainties associated with the health and macroeconomic environment.

Its end markets are diverse and should not be the most heavily affected by the current crisis in the long term, except for the aerospace sector (10% of the Group's revenue), which has been hit more severely. Thus, ECA Group is expecting to sign an export contract worth more than €20 million in third-quarter 2020 for the supply of unmanned mine warfare systems. This new four-year project reflects the strong momentum of the Group's technologies.

Since the start of the crisis, Groupe Gorgé has implemented cost savings and production adjustment initiatives. These actions enable the business slowdown to be mitigated to a certain extent, while the Group continues to invest in technologies to support future growth. Nevertheless, the business slowdown will clearly affect the profitability of first-half 2020. Moreover, the Group is conducting an in-depth review of the consequences of the crisis and, in particular, any impairment losses. This impairment would have no effect on cash.

Groupe Gorgé has major assets: diversified activities able to withstand cyclical effects, a firm backlog of €617 million, and a solid financial position with available cash of more than €80 million, and €30 million in confirmed credit lines available at June 30, 2020. Its position will be further strengthened in the second half with the proceeds of the sale of a real estate asset, completed in early July for €6.5 million.

Lastly, the Group completely withdrew from the Oil & Gas market in early July with the capital merger of Van Dam with its competitor InterDam. The Group will hold 15% of the new group, a leader in the specialist doors and walls market for Oil & Gas. This merger will result in a gain on disposal of around €3 million, recognized in second-half 2020.

**Next financial release:**

**First-half 2020 results released on Tuesday September 22, 2020, after market closing.**

Raphaël Gorgé, Chairman and Chief Executive Officer, as well as Loïc Le Berre, Chief Financial Officer, will comment on Groupe Gorgé's results answer questions from the financial community during a conference call in French starting **at 10:00 a.m. on Wednesday September 23, 2020.**

Details about the conference call will be available one week in advance in the Investor Relations section of Groupe Gorgé's website: <http://www.groupe-gorge.com/blog/category/finance/communiques/>

A presentation and replay of the conference call will be available on Groupe Gorgé's website, [www.groupe-gorge.com](http://www.groupe-gorge.com).

### About Groupe Gorgé

Founded in 1990, Groupe Gorgé is an independent group that specializes in high-tech industries. Today, the Group is active in the fields of security and protection in extreme environments, as well as in the 3D printing sector.

### Smart Safety Systems:

Developing complete, innovative technological solutions for complex missions in hostile and confined environments.

### Protection of High-Risk Installations:

Protecting people and ensuring the active and passive protection of installations for energy markets and industrial and tertiary sectors in France. Ensuring the maintenance of these protection systems.

### 3D Printing:

Enabling major industry players to find new routes to successful innovation and production processes by providing 3D printers, premium material, software and 3D printed parts.

The Group reported revenue of €274,6 M in 2019. It is backed by close to 1,800 employees and operations in 7 countries.

Groupe Gorgé is listed on Euronext Paris compartment B  
ISIN: FR0000062671  
Ticker: GOE

**More information on**  
**[www.groupe-gorge.com](http://www.groupe-gorge.com)**



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### Forward Looking Statement

Groupe Gorgé press releases may contain forward-looking statements regarding Groupe Gorgé's targets. These forward-looking statements reflect Groupe Gorgé's current expectations. Such forward-looking statements and targets depend on known and unknown risks, uncertainties and other factors that could cause actual results, performance or events to differ materially from those anticipated herein. The risks and uncertainties that could affect the Group's future ability to achieve its targets include, in addition to those indicated in the press release: the strength of competition; the development of markets in which the Group operates and notably the 3D printing division; currency fluctuations; obtaining the export authorizations that may be required for certain activities; control of costs and expenses; changes in tax legislation, laws, regulations or their enforcement; our ability to successfully keep pace with technological advances; our ability to attract and retain qualified personnel and key staff; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements; manufacturing and supply chain bottlenecks; the performance of our business partners (subcontractors, agents, suppliers, etc.). Some of these risk factors are set forth and detailed in our Universal registration document (including the annual financial report filed with the French *Autorité des Marchés Financiers*), available on our website [www.groupe-gorge.com](http://www.groupe-gorge.com). This list of risks, uncertainties and other factors is not limitative. Other unanticipated, unknown or unforeseeable factors, such as changes in the economic situation or financial markets, could also have a material adverse effect on our targets.

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