

PRESS RELEASE

H1 2020 Results

- Health crisis has limited impact

- Rally expected in H2 2020

Mortagne-sur-Sèvre, France, 29 September 2020, COGELEC (ISIN: FR0013335742/ticker: COGEC), the French leader in access control systems for building complexes, is today releasing its results for the first half of 2020.

The Board of Directors approved the 2020 half-year financial statements at its meeting of 29 September 2020. These financial statements were audited and the associated certification reports are currently being prepared.

IFRS (€m)	H1 2020	H1 2019	Change
Revenue	17.7	19.0	-7.0%
- France	15.7	17.3	-9.1%
- Export	2.0	1.7	+14.8%
Gross margin	11.8	12.0	-1.1%
<i>As a % of revenue</i>	<i>67%</i>	<i>63%</i>	<i>+6.3%</i>
Personnel expenses	-7.2	-7.0	+2.7%
External expenses	-3.4	-3.8	-11.7%
EBITDA⁽¹⁾	1.0	1.0	NA
Depreciation and amortisation allocations/reversals	-1.9	-1.4	+32.2%
Current operating income	-0.8	-0.5	-68.8%
Operating income	-1.0	-0.5	-125.1%
Financial income	-0.1	-0.1	NA
Tax expenses	-0.6	-0.9	-30.4%
Net income	-1.8	-1.4	-28.8%

⁽¹⁾ COGELEC defines EBITDA as operating income before depreciation, amortisation and impairment of assets, net of reversals.

Results show solid resilience in public health crisis

Revenue for the first half of 2020 came to €17.7m, down 7% on H1 2019.

In France, revenue declined 9.1% in H1 2020 as a result of the public health crisis. After an over 40% decline in April, sales gradually recovered starting in May and showed growth in June. COGELEC continued to chalk up growth abroad, with a 14.8% increase in revenue over the first six months of the year.

Subscriptions accounted for 31% of total revenue and were up 14.1% at €5.5m, testifying to the relevance of the business model.

Gross margin was stable at €11.8m. The increase in the gross margin rate to 67% during the first-half period stems from the favourable product mix.

Personnel expenses inched up slightly with the rise in average headcount, offset by the decrease in variable compensation and the implementation of short-time working in the amount of €0.4m. The reduction in external charges reflects the decrease in business travel, missions and reception expenses, and in the use of temporary staff.

EBITDA was stable at €1.0m, with underlying operating income of -€0.8m, following the additional amortisation recorded in respect of Kibolt. After taking account of tax expenses, net income came to -€1.8m.

At 30 June 2020, the company had share capital of €12.9m. Financial debt declined to €10.5m, from €12.1m a year earlier. The Group ended H1 2020 with a gross cash position of €13.0m.

Finally, and as a reminder, COGELEC did not file any requests to defer the payment of its taxes or social security contributions, or for any state-guaranteed loans. The Group does not envisage any risk of non-payment at this stage.

Gradual rally in business activity in France, sales momentum resuming on international markets and targets for 2020, 2021 and 2022 confirmed

COGELEC remained in constant contact with its clients during the period and has not lost any orders, which should be positive in terms of the recovery.

COGELEC is expecting stable business in France and double-digit growth internationally for FY 2020. Activity growth is expected to be weak in 2020, but should, however, be accompanied by a positive EBITDA.

In 2021, COGELEC expects to see a sharp rally in growth in France and increased traction in Europe, with Intratone. The 2021 financial year should also gain from sales of Kibolt as they take off in France. EBITDA is expected to reach between 15% and 20% of revenue in 2021.

As for 2022, the Group is expecting to chalk up strong growth in France, extremely robust growth in international markets and sales of Kibolt. EBITDA is expected to exceed 20% of total revenue in 2022.

*The financial report for the 2020 interim financial statements
has been made public and filed with the AMF.*

*It is available in French on the Company's website at:
<https://www.cogelec.fr/investisseurs/documentations/>*

Upcoming events

Publication of Q3 revenue: 22 October 2020, after market close
Publication of Q4 revenue: 11 February 2021, after market close

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About COGELEC

COGELEC is the French leader in access control systems for building complexes. As early as 2007, COGELEC created the first universal wireless intercom subscription service under the Intratone brand.

COGELEC has already outfitted more than 1 million homes, out of a potential total of 15.4 million homes in France. COGELEC is an international group also offering its solutions in Germany, the United Kingdom, the Netherlands, Belgium and Luxembourg.

Based on an indirect distribution model, combined with very close-knit relations with end clients (social landlords and building complex management associations), COGELEC posted revenue of €40m in 2019.

COGELEC is listed on Euronext, compartment C and is listed on the CAC SMALL, CAC MID & SMALL and CAC ALL TRADABLE indices.

For more information: www.cogelec.fr