

Revenues of the 2nd quarter 2021: strong organic growth of over 50% in all three divisions

Groupe Gorgé reported sales of €72 million during the 2nd quarter of 2021, up 52% on an organic basis. This increase is driven by a dynamic activity in all 3 divisions with several growth drivers:

- The **increase in revenues from the robotics activity** with record high revenues for a 2nd quarter (+54%),
- **Growth acceleration in 3D Printing**, driven by the recovery and the relevance of strategic orientations (+54%),
- **The ramp up of the Consulting in Engineering**, which continues its development trajectory (+93%),
- **The good performance revenues of the Protection of high-risk sites business** (+46% organic growth).

<i>(in € million)</i>	2 nd quarter				1 st semester			
	Q2 2020	Q2 2021	Change	Organic change ¹	H1 2020	H1 2021	Change	Organic change ¹
Drones & Systems	20.5	31.5	+54%	+54%	43.1	58.8	+36%	+36%
3D Printing	11.4	17.5	+54%	+54%	26.8	34.1	+27%	+27%
Engineering & Protection Systems	17.8	23.3	+31%	+51%	38.5	43.3	+13%	+25%
<i>Structure and intra-group eliminations</i>	-0.2	-0.5	n.s.	n.s.	-0.4	-0.7	n.s.	n.s.
Consolidated revenues	49.5	71.9	+45%	+52%	108.0	135.5	+25%	+30%
Backlog at the end of the period					617	601	-2.7%	-0.7%

¹ The change in scope concerns the Engineering & Protection systems division due to the sale of Van Dam in July 2020

Thanks to a good start of the year, **Groupe Gorgé recorded an organic growth of +30% during the first semester.**

Drones & Systems: increase in revenues generated by the robotics activity

Revenues are up sharply thanks to the success of several types of drones: on the one hand, the large-scale contract with Belgian and Dutch navies, whose contribution is increasing significantly this year, and on the other hand, sales of drones for other clients, both in the field of underwater mine warfare and for other applications in which the group's expertise is just as important. **These two parts of the business each grew by more than 60% this quarter compared with last year.**

For instance, significant progress has been made with several of the group's partners:



The fulfilment of the first milestone within the **modernisation programme for the Latvian Navy** of mine countermeasures vessels **with the UMIS system**. This €20 million contract won in 2020 will enter the assembly phase in the third quarter of 2021 as planned.



The success of the first sea trials of the Ulyx underwater drone, the new technological jewel of **the French oceanographic fleet** operated by Ifremer. Ulyx is the first drone capable of carrying out a 24-to-48-hour mission at a depth of 6,000 meters in complete autonomy. It will be operational for its first scientific missions in 2022 ([link to the video](#)).



Sales of ROVs (Remotely Operated Vehicles) for various applications such as oceanographic research, for the National Institute of the University of Taiwan, or underwater rescue operations, for the city of Geneva.

Groupe Gorgé has also announced its participation in the European Atlantis program, which aims to meet the inspection needs of offshore wind farms using ROVs.



The continuation of **ground and aerial drone projects** for several European and international clients, including the Iguana robot, the most recent model in the Group's range of UGVs (Unmanned Ground Vehicles).

In addition, the aeronautics activity is continuing its gradual recovery in a context of still restricted international travel. As a reminder, this activity was resized in 2020 to be profitable at the current level of activity.

3D printing: growth acceleration driven by the recovery and the relevance of strategic orientations

The 3D Printing division recorded revenues of over €17 million, up 54%. This performance is the combined result of a favourable base effect, the acceleration of the recovery pace, and the outperformance of activities in which the group has strengthened its position in recent years.

Systems division: a record 2nd quarter with +60% growth

The Systems division - which includes 3D software, 3D printers and related materials and services - is exceeding its 2019 revenue level by +4% and achieving both **the best 2nd quarter and the best 1st semester in its history**.

Machine sales, up sharply by more than 100% this quarter, are gradually recovering. Besides, **the growth trajectory of the Materials and Software activities is well underway and accelerated during the second quarter**. These two activities had already demonstrated their resilience last year thanks to the recurring profile of their revenues. **They posted a total growth of more than 40% this quarter** compared to last year and hence, **generated record high revenues**.

Products Division: a very dynamic recovery with a +51% increase

The Products division - which includes the design and manufacturing of on-demand parts and medical applications - reported revenues of €6.4m, up 51%. This increase is explained by a favourable base effect, a catch-up effect of the activity and the division's sustained recovery pace, which continues to accelerate with the lifting of restrictions.

This strong performance was driven by **medical activities** (growth of more than 100% year-on-year), **in particular audiology**, which posted a record high quarter and semester, exceeding its pre-crisis level. Groupe Gorgé reorganized this activity in 2020 with the merger of three companies under the Interson-Protac banner to create the French leader in custom earmolds. This semester, the group is beginning to benefit from the increase in activity thanks to the **full reimbursement of hearing aids** by the French social security system, coupled with the growing adoption of 3D printing solutions by audiologists.

Engineering & Protection systems: revenues up 51% on a comparable basis

This division's momentum is driven by the **Consulting in Engineering and Technology activity**, whose progression accelerates significantly in 2021. This activity, which was already growing in 2020, has almost **doubled its revenues this quarter** (+93% compared with last year).

The **protection of high-risk sites business** (fire protection and technical doors for nuclear sites), which is more mature and less technologically dense, is continuing to develop with a level of revenue that exceeds that of 2019 (+46% organic change this quarter compared to last year).

Good visibility thanks to the backlog and favourable growth prospects

A well-renewed backlog of €600 million

The commercial dynamic has enabled the company to renew its backlog, which remains stable compared to the same period last year (-0.7% at comparable scope). This performance is even more positive as it takes place in a context of partial economic recovery and where international travel is still restricted, delaying investment decisions. **With more than €600 million of backlog secured** for the coming years, equivalent to 2.6 years of revenue, Groupe Gorgé benefits from a solid revenue base and a good level of visibility for the future. The Group is therefore in a good position to strengthen its growth drivers, develop new ones and repeat its past successes.

Update on the progress of the Australian robotic mine-hunting program

During the second quarter, Groupe Gorgé reached a **new milestone by forming a partnership with the Australian company Total Marine Technology (TMT) to respond jointly to the tender of the Royal Australian Navy to renew its mine-hunting equipment with robotized solutions**. The Group has thus established a strategic partnership with a local player specializing in robotic equipment for harsh maritime environments ([link to the dedicated press release](#)).

The Australian MCM program is well on track, with a request for tender expected in the fourth quarter 2021 and an introduction of operational capability in 2023/2024. The Australian Navy has indicated **a budget of A\$3.3 to A\$5 billion (€2.1 to €3.2 billion)** for future mine countermeasure and hydrographic vessels.

Building on this local partnership, its 20-year relationship with the Royal Australian Navy and its unique drone system, Groupe Gorgé is committed to provide Australia with the most technologically advanced and effective solution for this program.

Acceleration of the 3D Printing development strategy with the return of the external growth dynamic

At the beginning of the third quarter, Groupe Gorgé resumed its external growth dynamic by entering a new geographical area for its Products division through **the acquisition of 100% of Creabis, a German company specializing in 3D printing services for plastics parts** ([link to the dedicated press release](#)). The size of the new entity, with a fleet of around 50 printers, **will allow the creation of one of the largest 3D printing services in Europe**. The group is also strengthening its position in the German market, Europe's main industrial engine and a fertile ground for 3D printing services thanks to its highly developed network of industrial SMEs. Besides, Groupe Gorgé is already present in Germany through its Materials business, which has grown strongly since its acquisition in 2014.

The performance of the 2nd quarter and 1st semester confirms Groupe Gorgé's positioning and development ambitions in the short and medium term. **The high-tech activities in which the group has strengthened its position in recent years are driving revenue growth**, such as Robotics, 3D printing and Consulting in Engineering and Technology. In each of its divisions, Groupe Gorgé can rely on deep and well-oriented markets, a solid revenue base and growth opportunities. **In the second semester, revenue growth should remain strong**.

Next financial meeting: publication of 2021 first semester results on September 16 after market.

On this occasion, Raphaël Gorgé, Chairman and Chief Executive Officer, and Loïc Le Berre, Deputy Chief Financial Officer, will comment Groupe Gorgé's results to the financial community and answer analysts' questions during a conference call.

About Groupe Gorgé

Groupe Gorgé is a high-tech industrial group driven by a strong entrepreneurial culture. The Group is present in 3D printing, drones, engineering, and protection systems and employs nearly 1,850 people. The Group generated revenue of €231 million in 2020.

More information on www.groupe-gorge.com

Groupe Gorgé is listed on Euronext Paris Compartment B (GOE).

Upcoming events

- 16/09/2021 (after market): H1 2021 results
- 28/10/2021 (after market): Q3 2021 revenue

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