

Strategic refocusing of activities: Groupe Gorgé distributes most of its Prodways Group shares to its shareholders

Groupe Gorgé today announces its plan to distribute most of its shares in Prodways Group, a key player in 3D Printing, to its shareholders. The Group currently holds 56.31% (or €95 m¹ in value) of the Prodways Group share capital. This plan would be subject to the approval of the shareholders at a Combined General Meeting to be held in December. Following this operation, Prodways Group would be deconsolidated and Groupe Gorgé would strengthen its positioning as a specialist player focused primarily on autonomous robotics.

A major new step for Groupe Gorgé

Launched in 2018, the strategy to refocus the Group's activities began with **the sale of certain subsidiaries in the Engineering & Protection Systems** division positioned in highly cyclical sectors (automotive, Oil & Gas): sale of AI Group in 2018, followed by CIMLEC in 2019 and VanDam in 2020. A major milestone in this strategy was reached in 2020 with the **strengthening of the Drones & Systems division**, thanks to the merger-absorption of ECA, now wholly-owned by Groupe Gorgé.

This exceptional distribution plan in Prodways Group shares is fully in line with this strategic shift and should mark a further step forward in the Group's simplification. Following the operation, Groupe Gorgé would have two business divisions: the Engineering & Protection Systems division and the Drones & Systems division. The latter would account for nearly 60% of the company's revenues and around 90% of its income and backlog². **Groupe Gorgé would then position itself primarily as a specialist recognized as one of the global leaders in autonomous robotics and integrated systems.**

¹ Closing price of €3.3 as of October 26, 2021

²Based on information provided in the first half 2021 results

Thanks to this strategic shift in focus, the Group would benefit from greater visibility, a stronger stock market profile and hence potentially a higher valuation, which has been held back for a number of years by the company's diversified profile. Groupe Gorgé will thus have a more focused investment capacity to develop its fast-growing Drones & Systems division and seize consolidation opportunities in the sector.

This operation would also strengthen the market profile of Prodways Group, whose **free float would increase significantly from 34% to around 60%**³. The Gorgé family would remain the Group's first shareholder. Prodways Group would thus benefit from a better liquidity profile and an enhanced ability to raise capital to seize growth opportunities and forge development partnerships in France and abroad.

The recruitment of a new CEO for Prodways Group is underway and should be finalized by the end of the year. Raphaël Gorgé, the current CEO, will remain in his position until the arrival of the new manager. He would also retain his position as Chairman of the Board of Directors and will remain involved in Prodways Group's long-term strategy, having created and developed the company since 2013

An operation set to be finalized by the end of the year

The Groupe Gorgé Board of Directors has approved the principle of this exceptional in-kind distribution plan and will meet on November 2 to approve the schedule. The operation will be subject to a vote at a Combined General Meeting to be held on December 14, 2021. Subject to the operation's approval by the Meeting, the operation will be carried out in December in the form of an exceptional distribution of reserves and an interim dividend. Groupe Gorgé would distribute most of its Prodways Group shares and will retain less than 10% of the share capital.

The precise calendar and detailed terms of the operation will be released at a later date.

In addition to eliminating the stock market discount that has penalized Groupe Gorgé for several years, this operation would allow the distribution of nearly €80 million to shareholders in the form of Prodways Group shares and to generate a capital gain of more than €55 million, which would be recognized in earnings for the year 2021⁴.

³ Subject to changes in the share price and the terms of the transaction, which will be specified at a later date, the final amount will depend on the change in the Prodways Group share price, Groupe Gorgé distributable reserves and the number of shares actually distributed.

⁴ Assuming a Prodways Group share price of €3.3 and that Groupe Gorgé retains approximately 10% of the capital

Conference call

On Wednesday October 27, 2021, Raphaël Gorgé, Chairman and CEO, and Loic Le Berre, Chief Financial Officer, will answer analysts' questions during a conference call to be held in English from 10.00 am (Paris time).

To participate in the conference call, you may dial any of the following telephone numbers approximately ten minutes prior to the scheduled start time:

- France: +33 (0) 1 70 71 01 59 / Access code: 29424665#
- United Kingdom: +44 (0) 2 07 19 43 759 / Access code: 29424665#
- Germany: +49 (0) 6 92 22 22 54 29 / Access code: 29424665#

About Groupe Gorgé

Groupe Gorgé is a high-tech industrial group driven by a strong entrepreneurial culture. The Group operates in the fields of 3D printing, drones, engineering and protection systems and employs around 1,850 people in seven countries. The Group reported revenue of €231 million in 2020.

More information is available at www.groupe-gorge.com

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

Upcoming releases

- October 28, 2021 (after close of trading): Q3 2021 revenue

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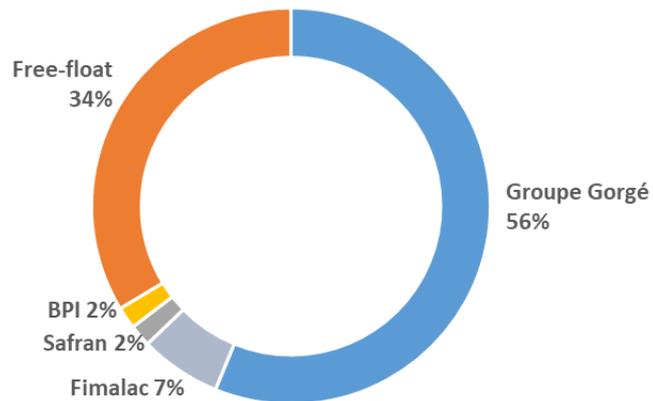


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Appendix

Breakdown of Prodways Group share capital
€168m market capitalization as of October 26, 2021



Breakdown of Groupe Gorgé share capital
€266 m market capitalization as of October 26, 2021

