



Groupe OKwind announces strong commercial and financial performances

- **1st half 2023: strong improvement in the Company's profitability with EBITDA at €4.7 million (vs. -€0.1 million in H1 2022)**
 - o EBITDA rate of 12.5% in H1 2023, a level already exceeding the annual target
 - o Positive contribution from all business lines
- **3rd quarter 2023: another quarter of hypergrowth and business outlook confirmed**
 - o Revenue of Q3 2023 of €17.7 million, up by +93% vs. Q3 2022
 - o Increase in backlog¹ to €45.9 million at September 30, 2023, vs. €30.6 million at September 30, 2022
 - o Groupe OKwind is perfectly positioned to capture growth in new promising markets: water and sanitation, agrisolar, industrial sites, local authorities
- **2023 and 2026 financial targets confirmed**
 - o 2023: revenue of at least €85 million and consolidated EBITDA rate above 12%
 - o 2026: revenue of €175 million and consolidated EBITDA rate of around 20%

Torcé - France, October 16, 2023 - 5:45 pm CEST - Groupe OKwind (FR0013439627 - ALOKW), which is specialized in the design, manufacture and sale of smart energy generation and management systems dedicated to self-consumption, today announces its results for the first half of 2023, ended June 30, 2023, approved by the Board of Directors on October 16, 2023, and its revenue for the 3rd quarter of 2023.

Louis MAURICE, Founder and Chairman of Groupe OKwind, says: "Groupe OKwind once again delivered a solid performance with another quarter of strong growth and a sharp improvement in the Company's profitability. The hypergrowth phase we have been experiencing for several quarters has been coupled with rigorous cost management, enabling us to outperform our annual profitability target right from the first half. The first half of the year was also marked by the strengthening of our position in new growth markets, water and sanitation and agrisolar, where Groupe OKwind is clearly identified as a must-have partner. We have many projects currently under study, which are real growth drivers for 2024 and beyond. On the basis of these achievements, we confirm all our short- and medium-term financial targets".

¹ The backlog corresponds to orders for which a purchase order has been signed, some of which are invoiced on delivery and the remainder on commissioning of the trackers.

Simplified income statement as of June 30, 2023

In €k	30/06/2023	30/06/2022	Change in €k
Revenue	37,536	13,500	24,036
<i>of which BtoB</i>	33,528	11,561	21,967
<i>of which BtoC</i>	4,008	1,939	2,069
Other operating income	987	1,186	(199)
Purchases consumed	(19,634)	(6,675)	(12,959)
Personnel costs	(6,841)	(4,202)	(2,639)
Other operating expenses	(7,169)	(3,783)	(3,386)
Taxes	(184)	(129)	(55)
EBITDA	4,696	(102)	4,798
Net changes in depreciation and amortization	(871)	(626)	(245)
Operating profit	3,824	(729)	4,553
Financial expenses and incomes	(157)	(285)	128
Non-recurring expenses and incomes	(96)	(7)	(89)
Income tax	(739)	167	(906)
Net income (group share)	2,832	(854)	3,686

In the first half of 2023, Groupe OKwind experienced a period of strong activity. Half-year revenue thus reached €37.5 million, up +178% compared with June 30, 2022, and breaks down as follows:

- 89% of revenue from the BtoB segment: €33.5 million, up +190%,
- 11% of revenue from the BtoC segment: €4.0 million, up +107%.

Over the course of the first half of 2023, the Group control its costs in a context of inflation and hypergrowth. Staff costs have risen, following the structuring of teams to support the Company's hypergrowth momentum. Groupe OKwind now has 200 employees, compared with 139 a year earlier.

Other operating expenses amounted to €7.2 million, vs. €3.8 million in H1 2022, as a result of the sharp increase in Groupe OKwind's activity and is mainly related to subcontracting, equipment rental as well as transport costs.

After taking these items into account, EBITDA² at June 30, 2023, improved significantly to €4.7 million. The EBITDA rate for the first half of 2023 has reached 12.5%, exceeding the 2023 objective set over 12%.

Cash position as of June 30, 2023

At June 30, 2023, the Group's cash position stood at €9.3 million, compared with €13.9 million at December 31, 2022. This change can be best explained by:

- the strengthening of working capital requirement while the Company is experiencing a phase of hypergrowth;
- continued investment in R&D to enhance technology leadership;
- investment in Osmosun through Convertible Bonds for €0.75 million.

² Using the subtractive method, EBITDA is obtained by adding depreciation and provisions, net of write-backs, to operating income.

Commercial activity for the 3rd quarter of 2023

Firm orders booked since January 1st of the current fiscal year, consolidated at the end of September 2023, are up sharply to €60.3 million, compared with €47.3 million in September 2022 (+27.5%). As a result, the backlog at September 30, 2023, stood at €45.9 million, compared with €30.6 million at September 30, 2022.

At September 30, 2023, revenue increased by +145% to €55.3 million, compared with €22.5 million a year earlier.

2023 first half and post-closing highlights

- **Strengthening of the partnership with Purecontrol**
The aim is to accelerate the deployment of Groupe OKwind's self-consumption solutions in the water and sanitation market, both in France and Europe;
- **Signing of a strategic collaboration agreement with OSMOSUN® and subscription to the company's capital on the occasion of its IPO**
Development of technological and commercial synergies with the aim of positioning itself in the water treatment and brackish water desalination markets;

Development strategy and outlook

Groupe OKwind has maintained a solid sales momentum, demonstrating its ability to cope with this phase of hypergrowth while improving its bottom-line profitability.

The Company has thus accelerated its development across all its business lines and laid the foundations for future growth by diversifying its offering into new growth markets such as agrisolar as well as water and sanitation.

Backed by a robust business model and a rapidly expanding backlog, Groupe OKwind confirms all its financial objectives for 2023 and 2026.

Availability of the 2023 half-year financial report

The half-year financial statements were approved by the Board of Directors and reviewed on October 16, 2023. The 2023 half-year financial report will be available by October 31, 2023, on the Investor Relations website (www.okwind-finance.com), in the Documentation section.

About Groupe OKwind

Founded in 2009 by Louis Maurice, Chairman and CEO, Groupe OKwind develops solutions for the production and consumption of green energy in short supply chains. Our comprehensive approach, combining energy generation and management, aims to strengthen energy autonomy and thus accelerate the ecological transition. Thanks to its unique technological ecosystem, Groupe OKwind enables self-consumption to assert itself as a new avenue for energy. A solution that can be quickly deployed, managed in real time and at a competitive price, without subsidies. Every day, we work to deploy local, low-carbon, fixed-cost energy for professionals and individuals. In 2022, Groupe OKwind generated consolidated revenues of €41.8 million and today has 200 employees, with more than 3,500 installations throughout France.

For more information: www.okwind.fr



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APPENDICES

Consolidated income statement by nature

<i>In €k</i>	06/2023	06/2022	<i>Change. in %</i>
Revenue	37,536	13,500	+178%
Other operating income	987	1,186	-17%
Purchase and consumables used	(19,634)	(6,675)	+194%
Personnel costs	(6,841)	(4,202)	+63%
Other operating expenses	(7,169)	(3,783)	+90%
Taxes	(184)	(129)	+43%
EBITDA	4,696	(102)	<i>n.a</i>
Net changes in depreciation and amortization	(871)	(626)	+39%
Operating profit	3,824	(729)	<i>n.a</i>
Financial income and expenses	(157)	(285)	-45%
Non-recurring incomes and expenses	(96)	(7)	<i>n.a</i>
Income tax	(739)	167	<i>n.a</i>
Net income (group share)	2,832	(854)	<i>n.a</i>
Earnings per share (in €)	0.34	(0.13)	- <i>n.a</i>

Cash-flow statement

<i>In €k</i>	06/2023	12/2022	06/2022
Net income of the consolidated group	2,832	2,199	(854)
Total cash-flow	3,687	3,156	(349)
Change in inventories related to operations	(2,517)	(3,548)	(1,550)
Change in receivables related to operations	(10,581)	(8,729)	(368)
Change in operating liabilities	5,166	8,484	2,584
Net cash flow from operating activities	(4,245)	(636)	317
Acquisition of fixed assets	(2,502)	(3,188)	(1,728)
Disposal of fixed assets	42	45	12
Net cash flow from investing activities	(2,460)	(3,143)	(1,716)
Capital increase (reduction)	-	17,339	-
Bond issuance	426	6,882	5,341
Loan repayments	(1,121)	(3,165)	(2,104)
Net change in medium-term investments	(1,000)	(8,000)	-
Net change in bank overdrafts	3,840	1,850	1,850
Net cash flow from financing activities	2,145	14,906	5,088
Change in cash and cash equivalents	(4,599)	11,127	3,689
Closing cash position³	9,294	13,853	6,415

³ Cash and cash equivalents 9643 k€ and bank overdrafts -349 k€ (within Borrowings).

Consolidated balance sheet

<i>Assets (in €k)</i>	06/2023	12/2022
Intangible assets	10,407	9,715
Property, plant and equipment	1,864	1,680
Financial assets	2,509	1,724
Investments in associates	213	213
Total fixed assets	14,994	13,333
Inventory and work in progress	7,840	5,323
Trade receivables and related accounts	30,224	19,949
Other receivables and accruals	2,740	2,372
Marketable securities	9,000	8,000
Cash and cash equivalents	9,643	13,853
Total Assets	74,441	62,830
<i>Liabilities (in €k)</i>	06/2023	12/2022
Equity	8,261	8,232
Premiums related to capital	15,582	15,582
Retained earnings and consolidated net income	7,783	5,276
Total shareholders' equity	31,626	29,090
Provisions	386	249
Borrowings and financial liabilities	21,936	18,164
Accounts payable and related accounts	10,052	6,212
Other liabilities and accruals	10,441	9,115
Total Liabilities	74,441	62,830