



PRESS RELEASE

Saint-Vallier, 11 April, 2023

METALLIANCE publishes its annual results for 2022 and its outlook for 2023*

Increase of the turnover to 44.2 M€ after 33 M€ in 2021

**Resilience of net income at 43 K€ against 458 K€ in a context
of rising production costs**

EBITDA of €1.3 million versus €2 million

Equity stable compared to 2021 at €11 million

Cash position of €4.7 million as of April 1, 2023

Good outlook for 2023 with an order book of €103.5 million

METALLIANCE (EURONEXT ACCESS FR0010492181), a GAUSSIN Group subsidiary which specializes in the design and manufacture of industrial equipment and mobile machinery, announces that it has approved the annual financial statements for the year ended December 31, 2022.

The auditors' opinion reads as follows: "In our opinion, the financial statements give a true and fair view of the results of operations for the year ended December 31, 2022, and of the financial position and assets of the company at that date, in accordance with the accounting rules and principles applicable in France".

1. FY 2022 Highlights: Contracts for 31 Multi-service vehicles

METALLIANCE has won contracts for 31 MSVs (Multi Service Vehicles) during the year 2022, some of which are still to be delivered and invoiced in 2023. These contracts with customers in Australia, Singapore and Italy demonstrate the international success of the company's technology and know-how.

- **Contract for 12 MSV vehicles for the construction of the SYDNEY METRO - Western Sydney Airport in Australia**

METALLIANCE has obtained (see CP of September 19, 2022) an order for 12 vehicles, including 5 TSP50, 2 MSV30, 2 Menriders 20C and 3 MSV Maintenance, from the Australian joint venture composed of CPB Contractors (CIMIC Group) and Ghella (CPBG). These vehicles are destined for the Sydney Metro - Western Sydney Airport project in Australia, which includes the construction of two tunnels and six new stations. Two vehicles have already been delivered and the others will be delivered in 2023.

- **Contract for 3 electric underground vehicles for the SINGAPORE subway**

The joint venture Taisei Corporation - China State Construction Engineering Corporation Limited Singapore Branch, operating on behalf of the Land Transport Authority, the administration which manages Singapore's transport system, has placed an order with METALLIANCE (see CP of August 22, 2022) for 3 electric underground mobile machines to be used for the excavation of the extension of the Cross Island Phase 1 line of the Singapore metro. These 3 e-MSVs are mainly intended for the transport of segments, the transport of concrete and various logistics. The contract includes the design, manufacture, assembly, delivery and on-site commissioning of these 3 vehicles, which are to be delivered from summer 2023 until the end of 2023.

- **Contract for 4 MSV (TSP) for the construction of tunnels for the Naples-Bari high speed railroad line in ITALY**

METALLIANCE has obtained (see CP of June 21, 2022) an order for 4 rubber-tyred trains (TSP) from the joint venture Hirpinia AV Scarl, composed of the companies Webuild and Astaldi, on behalf of RFI/Italferr. The vehicles are to be used for the construction of the rail section between Apice and Hirpinia as part of the new Naples-Bari high-speed rail line in Italy. The contract includes the design, manufacture, delivery and commissioning of the vehicles. The vehicles were to be delivered in two stages, with the first two TSPs arriving at the Italian site in 2022 and the others in the spring of 2023.

- **Order for 12 MSVs for the construction of the Sydney Metro West in AUSTRALIA**

The joint venture between Acciona Construction Australia Pty Ltd and Ferrovial Construction (Australia) Pty Ltd (AFJV) has placed an order with METALLIANCE (see CP of June 7, 2022) for 12 rubber-tyred MSVs. These vehicles are intended for the construction of the central tunnel boring machine of the Sydney Metro West line in Australia. They will be delivered from spring 2023.

2. 34% increase in revenues in 2022 to €44.2 million from €33 million in 2021

METALLIANCE has achieved a turnover of 44.2 M€ in 2022 against 33 M€ on December 31, 2021, i.e., an increase of + 34%.

The increase in activity results in particular from the increase in subcontracting for SA GAUSSIN, amounting to €7,431K, and from the underground activity.

3. METALLIANCE's results for the year 2022

Income statement of METALLIANCE				
€ in thousands	2022	2021	Variation in K€	Variation in %
Turnover	44 196	32 991	11 205	34%
Production left in stock	6 280	3 415	2 865	84%
Self-constructed assets	709	1 043	(334)	(32%)
Total activities	51 185	37 449	13 736	37%
	-	-		
Production costs	(49 884)	(35 614)	(14 270)	40%
Operating margin	1 301	1 835	(534)	(29%)
	-	-		
Other products and expenses	40	128	(88)	(69%)
licensing revenues	-	-	-	#DIV/0!
EBITDA	1 341	1 963	(622)	(32%)
	-	-		
Depreciation charge net of reversals	(1 021)	(1 487)	466	(31%)
EBIT	320	476	(156)	(33%)
Financial profit/loss	(256)	(157)	(99)	63%
Extraordinary income/loss	(200)	(14)	(186)	1 329%
Income taxes	179	153	26	17%
Net profit/loss	43	458	(415)	(91%)

Over the year, EBITDA was positive at €1.3 million

EBITDA decreased by 32%, impacted by higher production costs due to the increase in the price of raw materials and components of between 5% and 40% depending on the type and origin. The start of the war in Ukraine had repercussions on the Group's activity, with certain resources affected leading to blockages in the production chain. Margins were also impacted by the increase in transport costs, in particular sea freight, which rose exceptionally, as well as in raw materials and energy costs. The decrease in EBITDA is also explained by one-off costs linked to the start-up of new production capacities.

EBITDA thus fell from €2 million to €1.3 million, or 3% of sales.

The operating result was €320K

After taking into account operating allowances and reversals, i.e., a little more than €1 million in 2022, operating income amounts to €320,000, down 33%, since it was €476,000 at December 31, 2021.

In this context, net income decreases to 43 K€ from 458 K€ in 2021.

4. Cash position of €4.1 million as of December 31, 2022, and increasing to €4.7 million as of April 1, 2023

METALLIANCE has a cash position of 4.1 M€ on December 31, 2022, down by 3.3 M€ compared to December 31, 2021, due to the increase in activity and working capital requirements, including production in stock, which has risen from 3.4 M€ to 6.2 M€.

5. Equity of METALLIANCE

The company has strengthened its reserves by 8% in 2022, bringing its equity to €11.04 million in 2022, compared with €10.99 million in 2021. It remains higher than the amount of financial debt.

The amount of the repayment of the PGE (state-guaranteed loan) represents 16% of the initial debt at 31/12/2022.

METALLIANCE has also just carried out a capital increase reserved for the benefit of GHR, a subsidiary of the GAUSSIN group, for a total gross amount of €2.5 million (*cf. PR of March 28, 2023*), with the aim of increasing its equity and financing its working capital requirements.

6. Order book*

Order Book Metalliance S.A.				
	At 31 december 2022		At 31 March 2023	
	En K€	En %	En K€	En %
Underground work	28 185	29%	26 832	26%
CSMEI Activity	1 364	1%	1 136	1%
Other activities - subcontracting	69 041	70%	75 485	73%
		-		-
Total order book	98 590	100%	103 453	100%

METALLIANCE's (non-consolidated) order book is up, at more than €103 million as of March 31, 2023, not including the quasi-firm and subscriptions. It is carried in particular by the subcontracting activity on behalf of GAUSSIN. The underground works activity represents more than a quarter of the order book.

7. Outlook for 2023: a strong increase in industrial capacity*

METALLIANCE is experiencing a strong increase in industrial power, driven by the operation of the new 28,000 m² industrial site leased in Saint-Vallier and dedicated to the assembly of the GAUSSIN group's ATM® and APM® vehicles (see CP of 7 April 2022).

The main objective is to increase the production of vehicles for North America. These production lines will make it possible to integrate a modernized supply chain and assembly lines sized for the production of 800 to 1,000 electric vehicles per year. The site will eventually have a production capacity of 1,600 vehicles per year, with eight production lines capable of manufacturing 200 vehicles each.

This industrial ramp-up is part of the "factory of the future" project, with a commitment to continuous improvement through digital transformation and operational excellence. Sensitive to environmental issues, the company plans to pursue ISO 14001 level 2 certification by 2023, after obtaining level 1 in 2022, with an energy optimization project.

In addition to this activity on behalf of GAUSSIN, forecasts for its traditional products are also growing. The company is continuing its development with the delivery of vehicles for logistics for tunnels under construction, all over the world: in Australia, South-East Asia, North America and of course in Western Europe, following the contracts announced in 2022.

Here too, electric vehicle technology is continuing to develop and is gaining ground on diesel vehicles.

The modernization and securing of the GAUSSIN group's IT tools, in particular through the One Gaussin project, which aims to start up the SAGE X3 ERP by January 2024 at the latest, should benefit METALLIANCE in particular for the optimization of the supply chain and promote synergies within the group.

Finally, the company has adapted its 2023 catalog sales prices to the evolution of inflation and component costs with the objective of increasing the gross margin and improving profitability.

Post closing events

- **Appointment of Sophie Burcklen to the Board of Directors of METALLIANCE.** The company has announced (*see PR of January 27, 2023*) the appointment of Sophie Burcklen to its Board of Directors. She joins the other directors: Christophe Gaussin, Brice Chambard, Jean-Paul Meunier and Jean-Claude Cothenet, who chairs the Board. She will bring to the Board an excellent understanding and experience of the IT and technology challenges facing companies today, as well as best practices on the expectations and role of the Board of Directors and the CSRD (Corporate Sustainability Reporting Directive) issues ahead.
- **Capital increase of 2.5 million euros.** This capital increase reserved for the benefit of GHR (a subsidiary of the GAUSSIN group) for a total gross amount of €2.5 million (*cf. PR of March 28, 2023*) is aimed at financing the company's working capital requirements. It allows to increase the equity of the company while reinforcing its cash flow.

Next steps

Publication of GAUSSIN's 2022 results: April 27, 2023

METALLIANCE Centenary (visit of the ATM® North America production line and demonstration of vehicles): June 16, 2023

METALLIANCE Open Day: June 17, 2023

About METALLIANCE

METALLIANCE is a French manufacturer and inventor of multi-service vehicles for underground works logistics, more commonly known as MSVs (Multi Service Vehicles). It designs and builds mobile machines or equipment for the realization of infrastructures in the world of transport (road, rail, metro), and energy (oil and gas, gas, steam...).

Since July 2020, METALLIANCE has been part of GAUSSIN, an engineering group which designs, assembles and markets innovative products and services in the field of freight transport and clean and intelligent mobility. GAUSSIN has been listed on Euronext Growth in Paris since 2010.

More information on www.metalliance-tsi.com et www.gaussin.com

About GAUSSIN

GAUSSIN is an engineering company that designs, assembles and markets innovative products and services in the field of transport and logistics. Its know-how covers the transport of goods and people, autonomous technologies for driverless use such as Automotive Guided Vehicles, and the integration of all types of batteries, particularly electric and hydrogen batteries. With more than 50,000 vehicles worldwide, GAUSSIN enjoys a strong reputation in four rapidly expanding markets: port and airport terminals, logistics and people mobility. The group has signed agreements with global companies: Qatar Airways Cargo, Maersk APMT, UPS and Amazon. Each of these partners is a world leader in its sector. GAUSSIN has expanded its business model by signing licensing agreements to accelerate the distribution of its technology throughout the world. The acquisition of METALLIANCE is the culmination of the emergence of an international group present in all segments of intelligent and clean vehicles.

GAUSSIN won twice the Dubai World Challenge - Global Competition for Autonomous Transport, in 2019 and 2021.

In January 2022, GAUSSIN successfully completed the 2022 Dakar Rally with its H2 Racing Truck®, the first hydrogen vehicle to take part in the race and generate zero CO2 emissions.

In March 2022, Christophe Gaussin was named "Hydrogen Personality of the Year" during a ceremony at the French National Assembly as part of the Hydrogénies - Trophées de l'Hydrogène.

GAUSSIN is listed on Euronext Growth in Paris since 2010 (EURONEXT GROWTH - FR0013495298).

More information on www.GAUSSIN.com



Contacts

GAUSSIN

Christophe Gaussin, invest@gaussin.com
+33(0)3.84.46.13.45

Ulysse Communication

Nicolas Daniels, ndaniels@ulyse-communication.com
+33(0)6.63.66.59.22

Charles Courbet, ccourbet@ulyse-communication.com
+33(0)6.28.93.03.06

More information on www.gaussin.com

*This press release contains forward-looking statements. Forward-looking statements are not historical facts but rather projections and estimates and their underlying assumptions, statements relating to plans, objectives, intentions and expectations regarding financial results, events, operations, future services, product development and the related potential or future performance. These forward-looking statements can often be identified by the words “expect”, “anticipate”, “believe”, “intend”, “estimate” or “plan”, and other similar terms. Although the management of GAUSSIN believes these forward-looking statements to be reasonable, investors are warned that such statements are subject to numerous risks and uncertainties, which are difficult to predict and generally beyond the control of GAUSSIN. This may mean that actual results and events differ materially from those expressed, implied or anticipated in forward-looking information and statements. These risks and uncertainties include uncertainties relating to supply difficulties linked to the health situation, the shortage of raw materials or current conflicts, the decisions of State authorities, changes in exchange rates and interest rates, and inflation. GAUSSIN makes no commitment to update forward-looking information and statements, subject to applicable regulations, in particular articles 223-1 et seq. of the general regulations of the French stock market authority (AMF).