

Héricourt, January 26, 2023

GAUSSIN Group's updated sales forecasts for fiscal year 2023

Preamble: *As a reminder, GAUSSIN Group's invoicing method is based on the completion method, which consists of recognizing sales and income at the end of the operation, i.e. when the products are delivered.*

GAUSSIN (ALGAU - FR0013495298) is currently closing its accounts at 12/31/2023. Sales and order book figures will be published and released to the market on February 14, 2024. The full financial statements will be available at the end of April 2024. However, initial estimates of closing operations reveal a substantial difference between the sales forecasts communicated to the market during the year and the figures that are expected to be published. GAUSSIN Group therefore wishes to inform the market of this now.

The forecasts drawn up at the beginning of 2023 were based on a robust order book with leading customers, on the ramp-up of its industrial facilities at Saint-Vallier for the assembly of its logistics vehicles, and on a forecast of sustained activity in the underground sector; for these reasons, GAUSSIN Group thought it would be able to record sales in excess of €100 million for the 2023 financial year (see PR of January 16, 2023).

At this stage of the closing process, it now appears that sales are unlikely to exceed €40 million for the 2023 financial year.

This substantial shortfall is the result of major difficulties, most of which were concentrated in the last quarter of 2023.

Following the acceptance of the ATM Full Elec vehicle to US specifications by our major customer on July 7, 2023 (see PR of July 20, 2023), GAUSSIN Group focused on ensuring the supply of parts and boosting its production capacities throughout the summer. The delivery of 355 ATM FULL Elec to the North American market was the main contributor to 2023 sales.

With such a project, the company expected to face a number of development and quality challenges on the first batch of vehicles. However, the situation was exacerbated by persistent delays in component deliveries by suppliers and, even more seriously, by the disorganization of the company following the appointment of a new Chief Operating Officer: this appointment, made at the request of the CSG Group, was announced to the market at the beginning of October 2023 (see PR of October 12, 2023). This new manager accumulated irrational and contradictory decisions which totally disorganized the company and created internal conflict and organizational disruption. This has had a direct impact on Group sales as a whole. For example, deliveries were suspended, suppliers and customers were not prioritized, and prospects did not receive a favorable response to their sales requests.

As a result, the Chief Operating Officer was dismissed at the beginning of December due to serious disagreements over the Group's operational and financial management (see PR of December 7, 2023). This governance crisis prevented the company from ramping up production and deliveries before the end of the financial year, despite the return of the historic management team around Christophe GAUSSIN.

As sales are only recorded on delivery, this situation explains to a large extent the difference between today's figures and forecasts. At December 31, the company had only been able to deliver 14 ATM

FULL Elec vehicles to its North American customers. A further 26 vehicles were about to be delivered on December 31 and have since been delivered, but have not been included in the 2023 sales figure. In spite of these difficulties, dialogue is being maintained with North American customers to plan further deliveries.

These setbacks have been compounded by the following:

- Weaker underground activity, which will decline this year due to late deliveries in December, whereas industrial activity grew over the year, as evidenced by the level of our work-in-progress
- The absence of signed licenses, despite our stated ambition and intense negotiations with numerous partners until the end of the financial year. It should be remembered that a single license usually generates sales of up to €15 million.

Work is continuing on the analysis and preparation of the consolidated financial statements. The company will keep the market informed of any new developments.

The company has also been informed that its subsidiary Metalliance has been placed under a safeguard procedure. Although GAUSSIN Group has no further information on this subject at this stage, it should be noted that a safeguard procedure means that Metalliance is facing difficulties but is not in a state of suspension of payments.

Next steps

February 14: Publication of 2023 sales

About GAUSSIN

GAUSSIN is an engineering company that designs, assembles and markets innovative products and services for the transport and logistics sectors. Its expertise encompasses the transport of goods and people, autonomous technologies for driverless use such as Automotive Guided Vehicles, and the integration of all types of batteries, notably electric and hydrogen. With over 50,000 vehicles worldwide, GAUSSIN enjoys a strong reputation in four fast-growing markets: port and airport terminals, logistics and people mobility. The Group has signed contracts with global companies such as Qatar Airways Cargo, Maersk APMT, UPS and Amazon. Each of these partners is a world leader in its sector. GAUSSIN has broadened its business model by signing licensing agreements, accelerating the worldwide distribution of its technology. The acquisition of METALLIANCE marks the emergence of an international group present in all segments of intelligent, clean vehicles.

GAUSSIN has been listed on Euronext Growth in Paris since 2010 (EURONEXT GROWTH - FR0013495298). More information on www.GAUSSIN.com



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