



Q1 2024 revenue:
28.3 m€

PRESS RELEASE

PARIS, 15 April 2024, – 6:00 p.m. – Ekinops (Euronext Paris - FR0011466069 – EKI), a leading supplier of telecommunications solutions for telecom operators and enterprises, has published its consolidated revenue for Q1 2024 (January 1 - March 31, 2024).

€m - IFRS Consolidated data (non-audited)	2023	2024	Change
Q1 revenue	31.9	28.3	-11%

In Q1 2024, Ekinops' consolidated revenue totaled 28.3 m€, down as expected compared to Q1 2023 (-11%), given a high basis for comparison (reminder: +15% quarterly growth last year).

This level of quarterly revenue is in line with the Q3 and Q4 2023 trend (27.8 m€ and 30.3 m€ respectively), in an economic environment that remains slow.

The quarterly performance is identical at constant exchange rates.

+3% growth in Access in Q1, decline in Optical Transport

After three consecutive quarters of decline, sales of **Access** solutions grew in Q1 2024, with activity up +3% vs. Q1 2023. On a sequential basis, Access sales in Q1 2024 were up +33% vs. Q4 2023.

This trend was driven by a rebound in sales in France (+19% in Q1 2024) after a decline of -18% in the domestic market in 2023. Access equipment inventory levels with major operator customers are gradually easing but have not yet returned to usual levels. In EMEA (excluding France), the other main region for this line of business, sales remain down (-13% in Q1).

After a record year in 2023 (+27% growth over the full year), sales of **Optical Transport** solutions started 2024 in decline (-27% over the quarter). Beyond the significant base effect with the same quarter last year (+32% growth in Q1 2023), this downturn is due to telecom operators' cautious investment and network deployment policies, combined with large inventories of optical transport solutions. The launch, in Q2 2024, of the new 800G (800 gigabits per second) optical solution, which will double the capacity of optical links and extend the reach of networks, has also contributed to a *wait-and-see* attitude among some customers.

The share of revenue generated by **Software & Services** amounted to 15% of quarterly revenue (vs. 14% in Q1 2023 and 17% in FY 2023).

Sales up +15% in France in Q1 2024, down -24% internationally

Ekinops reported a solid performance in **France** at the beginning of FY 2024, with quarterly revenue up +15% vs. Q1 2023, driven by a rebound in sales of Access solutions, the Group's core business in its domestic market. Optical Transport solutions posted a quarterly decline of -10% in France, following a hyper-growth of +57% in this business line in FY 2023. In Q1 2024, Ekinops generated 43% of its revenue in France (vs. 32% in FY 2023).

Internationally, Ekinops saw a downturn in business at the start of the year in all regions. International business accounted for 57% of total revenue over the quarter (vs. 68% for FY 2023).

In **North America**, quarterly sales totaled 7.0 m€, vs. 6.7 m€ in Q4 2023. This region accounted for 25% of the Group's business activity in Q1 2024 (unchanged from FY 2023). Reminder: Q1 2023 was marked by a historic level of activity (€9.5m, up +86%), with significant deliveries of optical solutions to a major US service provider, covering 16 states.

The **EMEA region (Europe - excluding France - Middle East & Africa)** posted a -21% decline in quarterly sales, with a more pronounced drop in Optical Transport activity, following strong sales growth in 2023, particularly in Germany and Eastern Europe. The EMEA region accounted for 30% of Ekinops' total business activity in Q1 2024 (vs. 41% for FY 2023).

Asia-Pacific, which accounted for a mere 3% of the Group's total business activity in Q1 2024 (vs. 2% for FY 2023), recorded sales of 0.8 m€, relatively stable over the past three consecutive quarters.

Enriching SD-WAN offering: acquisition of Infovista's "5View" software suite

Ekinops announces the acquisition of the "5View" software suite from Infovista, an infrastructure management software editor for mobile and fixed networks.

5View is a solution for analyzing application performance across networks. It collects data in real time, stores and aggregates it to provide reports for analyzing problems, service level agreements (SLAs) and long-term network capacity management. It also provides the necessary visibility of application traffic in the context of an SD-WAN solution.

5View suite will enable Ekinops to extend its software offering (Compose) for telecom operators and enterprises. 5View will be integrated with Ekinops' SD-WAN solutions, but also brings value to any operator or business seeking to increase visibility over applications in its network, regardless of their network technology.

The acquisition of the 5View software suite also strengthens Ekinops' R&D team with 4 engineers, based in France, who will continue to maintain and enhance the solution within the Group's team.

The volume of business associated with this acquisition is close to 1 m€, generated from operators and enterprises, located in EMEA (Europe, Middle East & Africa) and Asia-Pacific. Moreover, Ekinops and Infovista signed a commercial agreement enabling the latter to continue integrating and selling 5View software as an integral part of its own network insurance services solutions.

With this acquisition, Ekinops can step up its strategy with an enhanced SD-WAN offering and increased Software & Services revenues. In the longer term, the technologies used by the 5View suite could be extended to other sectors requiring high-volume data processing.

The acquisition will be carried out in cash, using Ekinops' available cash.

Outlook

2024 kicked off with a stabilized level of sales comparable to the 2nd half of 2023, against a backdrop of economic slowdown, with limited signs of recovery at this stage.

In Access, the improved Q1 sales in France in a context of operators easing equipment inventories is an encouraging sign. The Group confirms that it is aiming for a rebound in Access equipment sales during 2024, both in France and in EMEA, as the economy recovers.

In Optical Transport, the launch of the new 800G product and a new OTN (Optical Transport Network) solution should boost business momentum over the coming semesters.

Beyond the acquisition of 5View, Ekinops remains committed to external growth, with the objective to carrying out one or more transactions that could augment its R&D staff, strengthen its offering and complete its customer base, with a preference for non-dilutive financing.

2024 financial calendar

Date	Release
May 23, 2024	General Meeting
July 11, 2024	Q2 2024 revenue
July 29, 2024	H1 2024 results
October 15, 2024	Q3 2024 revenue
January 13, 2025	FY 2024 revenue
March 5, 2025	2024 annual results

All press releases are published after Euronext Paris market close.

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About EKINOPS

Ekinops is a leading provider of open, trusted and innovative network connectivity solutions to service providers around the world. Our programmable and highly scalable solutions enable the fast, flexible, and cost-effective deployment of new services for both high-speed, high-capacity optical transport as well as virtualization-enabled managed enterprise services.

Our product portfolio consists of three highly complementary product and service sets: EKINOPS360, OneAccess and Compose.

- EKINOPS360 provides optical transport solutions for metro, regional and long-distance networks with WDM for high-capacity point-to-point, ring, and optical mesh architectures, and OTN for improved bandwidth utilization and efficient multi-service aggregation.
- OneAccess offers a wide choice of physical and virtualized deployment options for Layer 2 and Layer 3 access network functions.
- Compose supports service providers in making their networks software-defined with a variety of software management tools and services, including the scalable SD-WAN Xpress and SixSq Edge-to-Cloud solutions.

As service providers embrace SDN and NFV deployment models, Ekinops enables future-proofed deployment today, enabling operators to seamlessly migrate to an open, virtualized delivery model at a time of their choosing.

A global organization, Ekinops (EKI) - a public company traded on the Euronext Paris exchange operates on four continents.

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For more information, visit www.ekinops.com