

## 2021 first-half earnings

- **Half-year revenue growth of +131% (+124% at current exchange rates), with a stable level of losses despite the ramping up of investments**
- **Financial structure further strengthened with the €35m of funds raised (net of issue costs) through the initial public offering in July 2021**
- **Delayed ramp-up of R&D and additional needs of customers for the industrialisation of XpertEye within their organisations generating a growth gap and a revision of the guidance for 2021-2022**

AMA CORPORATION PLC ("AMA") (ISIN GB00BNKGC5 – ticker ALAMA), a pioneer for assisted reality solutions and a publisher and integrator of B2B software solutions for smart workplaces, is releasing its consolidated half-year earnings at 30 June 2021, approved by the Board of Directors during its meeting on 28 October 2021.

Unaudited consolidated earnings - IFRS (€'000)	First half of 2021	First half of 2020	Change
Revenues	3,935	1,754	+124%
Adjusted gross margin <sup>1</sup> % of revenues	2350 59.7%	1020 58.2%	+130% +1.5pts
Staff costs	(4,622)	(3,363)	+37%
Adjusted EBITDA <sup>2</sup>	(2,276)	(2,402)	+5%
EBIT	(3,700)	(3,602)	-3%
Financial income (expense)	(230)	(92)	-150%
Income from ordinary operations before tax	(3,930)	(3,694)	-6%
Consolidated net income	(3,202)	(3,502)	+9%

Christian Guillemot, co-founder and CEO of AMA: *"Driven by the growing digitalisation of frontline workers and the success of our XpertEye solution, we have started to launch significant innovations in the last few months. We have moved on to a new phase with our deployment, enabling our clients to industrialise our solutions on a large scale, for a growing number of equipment and professionals, across various countries. To effectively integrate the information systems of major groups, and meet the challenges involved with interoperability, we need to develop additional applications. These new R&D challenges are reflected in a shift in our business forecasts. With a constantly growing client portfolio, we are continuing to build a market leader for assisted reality serving field professionals".*

<sup>1</sup> The adjusted gross margin corresponds to the margin on purchases consumed excluding the depreciation of inventory.

<sup>2</sup> Adjusted EBITDA corresponds to EBIT + depreciation of property, plant and equipment and intangible assets + share-based payments in accordance with IFRS 2.

## 2021 first-half earnings: level of loss stable despite the ramping up of investments

For the first half of 2021, the AMA Group recorded €3.9m of revenues, up from €1.7m for the first half of 2020, with 124% growth at current exchange rates (+131% at constant exchange rates). AMA benefited from the robust development of its client portfolio, with both its longstanding clients (84% of growth) and the acquisition of 91 new clients during the first half of this year. The Group ramped up its signing of master agreements and set up its first strategic commercial partnerships in France and globally (Orange Business Services-OBS, TXT, 5G-Tours project, LLVision etc.).

The Group's gross margin came to €2.3m for the first half of 2021, with a margin rate of 59.7%, a 1.5-point improvement thanks to strong growth in software sales (+275%), which represent 29% of the Group's revenues for the period.

The strong progress with sales and the improvement in the gross margin during the first half of the year limited the operating loss to €(3.7)m, compared with €(3.6)m for the first half of 2020, offsetting to a great extent the increase in staff costs (+€1.3m). After €(0.2)m of financial income and expenses and €0.7m of tax income, the AMA Group's consolidated net income came to €(3.2)m.

## Financial structure further strengthened with the €35m of net funds raised through the initial public offering in July 2021

At 30 June 2021, net financial debt excluding IFRS 16 totalled €10.4m, compared with €2.5m at 31 December 2020. These data do not take into account the €35m capital increase (net of issue costs) carried out with the initial public offering on Euronext Growth at the start of July, further strengthening the Group's equity and free cash flow positions by the same amount.

## R&D ramp-up extended and additional client requirements for the industrialisation of XpertEye within their organisations, reflected in a growth gap and revised guidance for 2021-2022

AMA is currently working to meet the technological challenges relating to the integration and interoperability of its new applications within its clients' information systems and their additional needs. Under these conditions, the industrialisation of XpertEye within major groups is being held back. Based on the action plan drawn up, the Group has revised its product roadmap and its revenue assumptions for 2021 and 2022.

This step is vital to ensure the performance of AMA's open, multi-platform solution, securing its future margins and growth. The Group has also continued to further strengthen its positions with its existing clients and to bring new clients on board: at end-September 2021, AMA had a total of 447 clients, including 126 new clients.

By the end of October, AMA had met 78% of its recruitment targets. The Group has integrated 66 new staff since the start of the year, taking its headcount up to 186.

AMA recorded unaudited consolidated revenues of €1.3m for the third quarter (-18% versus Q3 2020), against the backdrop of a market deterioration linked to the supply chain and production pressures affecting many major industrial firms. For the first nine months of 2021, growth came to 61%, with revenues of €5.3m.

AMA now expects 2021 revenues to reach at least €6.5m, compared with €15.4m initially. AMA will adapt the pace of its sales force recruitment drive over the next few months in order to realign its organisation. AMA expects to see a return to sustained growth from the second half of 2022, driven by the completion of its R&D work enabling the industrial-scale deployment of its solutions and the ramping up of its commercial strategy.

## Half-year financial report

AMA Corporation PLC's financial report for the first half of 2021 was published on 29 October 2021 before start of trading. It is notably available online at [www.amaxperteye.com](http://www.amaxperteye.com)

**Next date:** 2021 fourth-quarter and full-year revenues: 31 January 2021 (before start of trading)

### Disclaimer

This press release contains certain non-factual elements, including but not restricted to certain statements concerning its future results and other future events. These statements are based on the current vision and assumptions of AMA Corporation PLC's leadership team. They include various known and unknown uncertainties and risks that could result in material differences in relation to the expected results, profitability and events. In addition, AMA Corporation PLC, its shareholders and its respective affiliates, directors, executives, advisors and employees have not checked the accuracy of and make no representations or warranties concerning the statistical or forward-looking information contained in this press release that is taken from or derived from third-party sources or industry publications. These statistical data and forward-looking information are used in this press release exclusively for information.

### About AMA

Whereas most collaborative working tools quickly reach their limits once outside the office space, AMA enables experts to work remotely with frontline workers using a secure software platform combined with video tools that are perfectly tailored to each business.

With nearly seven years' experience in remote assistance solutions, AMA helps industry and service providers of all sizes, as well as medical establishments, to accelerate their digital transformation. Deployed in more than 100 countries, AMA's assisted reality platform, XpertEye, addresses a wide range of use cases, from remote diagnostics to inspection, planning and workflow management. Its unique solutions for remote interactive collaboration enable businesses and institutions to increase productivity, speed up resolution times and maximise uptime.

AMA is a fast-growing company with offices in France, Germany, Romania, the United Kingdom, the United States, Canada, China (including Hong Kong) and Japan. AMA has a global presence and works across all time zones to forge close relationships with its clients wherever they are. AMA is listed on Euronext Growth Paris (GB00BNKGZC51 – ALAMA). Learn more at [www.amaxperteye.com](http://www.amaxperteye.com).

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# APPENDICES

Unaudited first-half earnings, approved by the Board of Directors on 28 October 2021.  
The financial statements at 30 June do not take into account the €35m capital increase (net of issue costs) carried out with settlement-delivery on 1 July 2021.

## Condensed half-year income statement

IFRS (€'000)	H1 2021	H1 2020
<b>Revenues</b>	<b>3,935</b>	<b>1,754</b>
Purchases consumed	(1,418)	(450)
Other income	1,997	1,084
Other purchases and external expenses	(1,950)	(1,345)
Staff costs	(4,622)	(3,363)
Depreciation of property, plant and equipment and intangible assets	(1,423)	(1,179)
Other expenses	(219)	(104)
<b>EBIT</b>	<b>(3,700)</b>	<b>(3,603)</b>
Financial income	33	8
Financial expenses	(263)	(100)
<b>Net financial income (expense)</b>	<b>(230)</b>	<b>(92)</b>
<b>Pre-tax income</b>	<b>(3,930)</b>	<b>(3,694)</b>
Corporate income tax income	728	192
<b>Net income for the period</b>	<b>(3,202)</b>	<b>(3,502)</b>
<b>Earnings for the period attributable to owners of the parent</b>	<b>(2,847)</b>	<b>(3,658)</b>
Non-controlling interests	(355)	(155)

## Quarterly revenues

Quarterly revenues - IFRS (€'000)	2021	2020	Change
First quarter	2,175	548	297%
Second quarter	1,848	1,196	55%
Third quarter	1,272	1,542	-18%

## Condensed half-year balance sheet

IFRS (€'000)	H1 2021	H1 2020
Property, plant and equipment	1,352	832
Intangible assets	6,607	5,461
Rights of use	1,648	1,110
Financial assets	129	108
Deferred tax assets	1,276	504
<b>Non-current assets</b>	<b>11,012</b>	<b>8,014</b>
Inventories	1,634	1,661
Current tax receivables	142	
Trade and other receivables	2,646	3,672
Other current assets	2,816	1,834
Cash and cash equivalents	2,001	2,368
<b>Current assets</b>	<b>9,239</b>	<b>9,535</b>
<b>Total assets</b>	<b>20,251</b>	<b>17,549</b>
Share capital	2,427	6,245
Issue premiums		
Translation reserves	49	40
Retained earnings	(3,000)	500
<b>Equity attributable to owners of the parent</b>	<b>(524)</b>	<b>6,785</b>
<b>Non-controlling interests</b>	<b>(772)</b>	<b>(745)</b>
<b>Total shareholders' equity</b>	<b>(1,296)</b>	<b>6,040</b>
Borrowings and financial debt	1,765	2,397
Lease liabilities	1,108	675
Defined benefit plan liabilities	175	171
Provisions		
Other liabilities		
Deferred tax liabilities	3	2
<b>Non-current liabilities</b>	<b>3,051</b>	<b>3,245</b>
Bank overdrafts	5,877	1,128
Current tax liabilities	149	46
Borrowings and financial debt	4,707	1,321
Lease liabilities	549	449
Trade and other payables	2,714	974
Client contract liabilities (deferred income)	2,217	2,487
Provisions	538	538
Other liabilities	1,747	1,324
<b>Current liabilities</b>	<b>18,498</b>	<b>8,267</b>
<b>Total liabilities</b>	<b>21,548</b>	<b>11,511</b>
<b>Total shareholders' equity and liabilities</b>	<b>20,251</b>	<b>17,550</b>

## Half-year cash-flow statement

IFRS (€'000)	H1 2021	H1 2020
<b>Net income for the period</b>	<b>(3,202)</b>	<b>(3,502)</b>
Adjustments for:		
Depreciation of property, plant and equipment	665	594
Depreciation of intangible assets	758	585
Net financial income (expense)	230	92
Income from disposal of property, plant and equipment	41	2
Cost of share-based payments	1	21
Corporate income tax income	(728)	(192)
Other items	6	(9)
Total adjustments	972	1,092
<b>Total operating cash flow</b>	<b>(2,330)</b>	<b>(2,410)</b>
Change in:		
Inventories	(115)	(825)
Trade and other receivables	902	(1,235)
Contract liabilities	(300)	1,178
Advances and deposits	54	45
Trade and other payables	1,725	(16)
Employee benefits and provisions	26	30
Other current receivables / payables	(1,666)	4
Other working capital requirement items	740	6
<b>Total changes</b>	<b>625</b>	<b>(819)</b>
<b>Cash flow from operating activities</b>	<b>(1,604)</b>	<b>(3,229)</b>
Tax paid	(89)	333
<b>Net cash from operating activities</b>	<b>(1,693)</b>	<b>(2,896)</b>
Acquisition of property, plant and equipment and intangible assets	(1,909)	(574)
Income from disposal of property, plant and equipment and intangible assets	7	17
Capitalised development costs	(1,861)	(1,064)
Investment subsidies (incl. research tax credit offsetting capitalised costs)	121	124
Increase in financial assets	(35)	(36)
Decrease in financial assets	14	2
Interest received	-	-
<b>Net cash from investment activities</b>	<b>(3,663)</b>	<b>(1,531)</b>
Capital increase	-	-
Receipts from new borrowings and financial debt	982	432
Receipts from lease liabilities	1,097	247
Repayment of borrowings and financial debt	(1,421)	(174)
Payment of lease liabilities	(369)	(258)
Interest paid on borrowings and current accounts	(70)	(56)
Interest paid on lease liabilities	(7)	(7)
<b>Net cash from financing activities</b>	<b>212</b>	<b>184</b>
<b>Net change in cash and cash equivalents</b>	<b>(5,144)</b>	<b>(4,243)</b>
Cash and cash equivalents at 1 January	1,240	2,342
Impact of the change in exchange rates on cash held	28	(27)
<b>Cash and cash equivalents at 30 June</b>	<b>(3,876)</b>	<b>(1,928)</b>