

2022 full-year earnings

2023 first-quarter revenues

AMA CORPORATION PLC (AMA), a publisher and integrator of secure productivity applications, designed for connected frontline workers, is releasing its consolidated full-year earnings at December 31, 2022, approved by the Board of Directors during its meeting on April 26, 2023.

| IFRS (€'000) | 2022 | 2021 | Change |
|------------------------------------|----------|---------|---------|
| Revenues | 4,285 | 6,572 | -34.8% |
| Adjusted gross margin ¹ | 2,640 | 4,072 | -35.2% |
| % of revenues | 62% | 62% | +0 pts |
| Staff costs | (10,159) | (9,707) | -4.7% |
| Adjusted EBITDA ² | (9,045) | (6,093) | -48.4% |
| Income from ordinary operations | (12,370) | (9,511) | -30.1% |
| Non-recurring income and expenses | (8,395) | | |
| EBIT | (20,765) | (9,511) | -118.3% |
| Financial income (expense) | (62) | (284) | +78.1% |
| Pre-tax income | (20,827) | (9,795) | -112.6% |
| Consolidated net income | (21,387) | (9,878) | -116.5% |

Christian Guillemot, AMA co-founder and CEO: “2022 was marked by a number of challenges linked to managing changes in a post-covid period and the deterioration in the economic and geopolitical environment. Faced with difficulties predicting the development of our market, we recorded accounting impairments which affected our earnings. Nevertheless, our cash management was improved through the cost reduction measures rolled out, effective from the second half of 2022. This was accomplished while maintaining an international commercial strategy and continuing to improve our software solutions. For instance, we further enhanced our XpertEye solution with a number of additional features, while making it simpler to use thanks to the On & Live concept. We also improved our commercial offering through initiatives aimed at facilitating the widespread adoption of different uses of our solutions. These key steps forward enabled us to successfully renew virtually all of the projects started in 2020 with our most significant clients and to further expand our client base. In view of these developments, combined with the continued improvement in the quality and price of the hardware associated with our solutions, orders are expected to pick up again in 2023”.

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

2 Adjusted EBITDA corresponds to EBIT + depreciation of property, plant and equipment and intangible assets + share-based payments in accordance with IFRS 2+ income from ordinary operations

2022 earnings

AMA recorded revenues of €4.3m in 2022, compared with €6.6m in 2021, down 34.8% at current exchange rates. This trend continues to reflect the wait-and-see approach adopted by clients faced with an unfavorable economic environment.

The percentage of revenues generated by Software, AMA's core business with its XpertEye platform, increased by +5% (at current exchange rates) compared with 2021, climbing to 63% of revenues for the year (versus 37% in 2021), for a total of €2.6m. However, the percentage of Hardware revenues contracted by 63% to represent 27% of 2022 revenues, compared with 46% the previous year, for a total of €1.1m. Hardware comprises a range of equipment (connected glasses, external video sources, etc.) supplied by third parties that complement the use of XpertEye.

In 2022, AMA further strengthened its client base, with 497 clients, up from 490 in 2021. AMA consolidated its positions with its existing clients, primarily major groups (e.g. Merck, Alstom, Air Liquide, Boehringer, KPMG), by renewing the vast majority of the significant contracts signed in 2020, but with lower average basket values, linked in particular to the non-renewal of Hardware. The churn rate remained limited to 7.9% of 2021 revenues and corresponded primarily to clients representing €4.2k of revenues on average over the year. In 2022, AMA welcomed 119 new clients on board.

Adjusted EBITDA shows a loss of €9.0m, compared with a €6.1m loss in 2021. The global cost reduction plan launched in June 2022 had positive impacts from the second half of 2022, although these were not particularly visible in terms of the annual comparison between 2022 and 2021. For instance, in 2022, staff costs increased by €0.5m (+4.7%) compared with 2021, but decreased by -32% between the first half and second half of 2022. The total headcount at end-2022 was 87 people, compared with 184 at the end of 2021. The operating loss was reduced by €1.4m during the second half of the year compared with the first half of 2022.

The following profit and loss items were impacted by non-recurring expenses and impairments. In accordance with IAS 36 and IAS 38, faced with the slowdown in the assisted reality market, which was confirmed in 2022, intangible assets were depreciated by €7.4m. Non-current expenses also include €1m linked to the reduction in the workforce (PSE employment protection plan). Factoring in these elements, AMA recorded an operating loss of -€20.8m for 2022. From the second half of 2022, AMA recognized all of its R&D expenditure as expenses. Following this pivotal year, AMA is positioned to set off again with new foundations in place for 2023.

Financial structure at end-2022

AMA had €8.6m of cash at end-2022. In view of the cost reduction measures rolled out, AMA is in a position to cover its cash requirements in 2023. AMA also has €16m of unused credit lines.

2023 first-quarter revenues and launch of the new commercial offering

For the first quarter of 2023, AMA is reporting unaudited consolidated revenues of €0.8m at constant exchange rates (-24% versus Q1 2022). The majority of the new commercial offers were rolled out in March and therefore did not impact the first quarter. However, the amounts of software orders are still trending up, reflecting the positive response to the new Enterprise Model commercial offer, designed to facilitate the XpertEye solution's larger-scale deployment in major groups.

Outlook for 2023

AMA aims to continue moving forward with its commercial development strategy, while maintaining a streamlined cost structure.

To contribute to the emergence of assisted reality solutions for frontline workers and provide businesses, major groups and institutions with solutions to meet the challenges linked to productivity, savings and managing climate impacts, AMA:

- is further strengthening its key partnerships with organizations such as Orange Business, which are increasingly contributing to the distribution and use of XpertEye solutions, as well as Soti, Akila, Thalos, inUSE and Rofim for software integration, and Cellnex, HubOne, Dust or Inmarsat for network connectivity aspects.
- is offering new commercial initiatives at the start of 2023, including free trial offers and the Enterprise Model, with a view to accelerating XpertEye's distribution and use through packages of licenses and volume-based offers.

- Accentuates specific actions and concrete data information enabling its customers to use XpertEye as a real accelerator of their digital and ecological transition. For example, AMA provides its customers with personalized assessments and reports on the CO2 emissions avoided by using XpertEye, for instance by reducing their travel.
- is incorporating AI to increase its solution's impacts by enabling its clients for instance to expand the skills available in the field by facilitating, thanks to AI, access to the company's knowledge bases.

In view of these developments, combined with the continued improvement in the quality and price of the hardware associated with XpertEye solutions, orders are expected to pick up again in 2023.

Next financial press release

2023 second-quarter revenues: July 28, 2023 (before start of trading)

About AMA

Since 2015, AMA, a software developer and integrator, is helping industry and service providers of all sizes, as well as medical establishments, to accelerate their digital transformation. AMA's XpertEye suite of applications addresses a wide range of use cases, from remote diagnostics to inspection, planning, and workflow management. These unequalled remote interactive collaboration solutions empower customers to improve productivity, speed up resolution time, and maximize uptime while reducing their carbon footprint.

With offices in France, Germany, Spain, the United States, 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.amaxpertheeye.com.

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