7-Jul-26

EGIDE

Euronext Growth - FR0000072373 – ALGID

✓ **2026 : a turning point ?**

Results broadly in line with our expectations

- FY2025 revenue of €31.3m (+4%)
- Consolidated EBITDA of €1.0m versus €0.1m in 2024 (EBITDA margin of 3.1%)
- Underlying EBITDA (excluding exceptional items) of €0.7m versus -€0.45m
- Operating income (EBIT) of -€2.0m, broadly in line with our expectation (-€1.7m)
- Net loss of €3.1m (vs. our forecast of -€2.8m)

Balance sheet stronger than expected

- Working capital requirement reduced to 36 days of sales versus 62 days in 2024
- Net financial debt down to €4.6m from €7.5m in 2024
- Net gearing of 142%, significantly better than our previous estimate of 238%

Gross EBITDA by site

- **France:** €1.3m (7.6%) versus €0.5m (3.2%) in 2024
- **USA:** €1.1m (10.5%) versus -€1.1m in 2024
- **Santier:** -€1.7m versus €0.2m (3.1%) in 2024

FY2025 results came in broadly in line with our expectations but mark a genuine change in Egide's operating profile. For the first time in several years, both strategic manufacturing sites are profitable, while Santier is now being phased out.
Two elements deserve particular attention.

1) France and the US delivered positive EBITDA in both H1 and H2.
The turnaround of the Cambridge facility is unquestionably the key event of the year. After four consecutive years of losses, the US operation generated EBITDA of more than €1m, compared with -€1.1m in 2024, supported by a €2.6m increase in revenue. Excluding Covid-related subsidies, the EBITDA margin stands at 7.2%.
Meanwhile, Bollène continued to improve its profitability, with its EBITDA margin increasing from 1.4% in 2023 to 7.6%.
Conversely, Santier suffered from insufficient business volume, with losses widening to €1.7m (H1: -€0.7m; H2: -€0.9m), further validating management's decision to discontinue operations in San Diego.

At the consolidated level, Egide still reported an operating loss of €2.0m, mainly reflecting Santier's losses as well as €3.0m of depreciation and provisions, including €1.1m related to current asset impairment. Net income came in at -€3.1m, impacted by €1.1m of net financial expenses.

2) The biggest positive surprise came from working capital.
Working capital requirements declined to 36 days of sales, compared with 62 days in 2024, representing the lowest level in several years and well below the ten-year average of 77 days.
This improvement was driven by both lower inventories (72 days versus 96 days in 2024) and improved receivables management (30 days versus 37 days).
As a result, net debt declined by more than €2m, despite another year of significant net losses.
Beyond its immediate impact on leverage, this improvement reflects stronger control over the operating cycle, a key prerequisite for achieving sustainable value creation.

Outlook
Management remains cautious given the geopolitical tensions in the Middle East but reiterated that Defence markets continue to provide strong support for business activity.
We share this cautious stance. While Defence remains a favourable end-market, the key challenge in 2026 will be less about revenue growth than about demonstrating that the profitability achieved in 2025 can be sustainably replicated without exceptional items.

In our view, **2026 will be the validation year for the group's new operating perimeter.** Three milestones will need to be confirmed:
continued growth and higher profitability at Bollène;
completion of the restructuring of the US operations;
sustainable free cash flow generation.
We therefore consider 2026 to be a transition year. The costs associated with Santier's closure (which we estimate at around €2m at the net income level), together with the time required to transfer certain contracts to Cambridge, are likely to continue masking the underlying operational improvements achieved within the new scope of the business.
As a result, we believe the group's true earnings power will only become fully visible from 2027 onwards.

GreenSome Finance

Spec. Buy *vs Under Review*

Annual Results + Contact

BPI Label – Innovative company- PEA-PME Eligible

TARGET	BEFORE
€ 1.31	Under Review
SHARE PRICE (7/6/26)	POTENTIAL
€ 1.072	**+22,5%**
CAPITALISATION	FREE FLOAT
€ 21m	€ 17.9m

Ratios		2025	2026e	2027e
EV/Sales		0,82	0,93	0,85
EV/EBIT		nr	nr	49,2
P/E		nr	nr	nr
P/CF		-13,5	11,5	-5,0
Dividend Yield		0,0	0,0	0,0

Data per share	2024	2025	2026e	2027e
EPS	-0,12	-0,16	-0,08	-0,01
%Change	nr	nr	nr	nr
FCF	-0,09	0,08	-0,23	0,00
%Change	nr	nr	nr	nr
Dividend	-	-	-	-

Income Statement (€m)	2024	2025	2026e	2027e
Net Sales	30,0	31,3	27,5	30,3
%Change	-18,3%	4,4%	-12,1%	10,0%
EBITDA	0,1	1,0	1,2	2,0
% Sales	0,5%	3,1%	4,4%	6,7%
EBIT	-2,0	-2,0	-0,8	0,5
% Sales	-6,7%	-6,5%	-2,8%	1,7%
Net Result	-2,4	-3,1	-3,5	-0,2
% Sales	-7,9%	-9,9%	-12,6%	-0,6%

Cash Flow Statement (€m)	2024	2025	2026e	2027e
FCF	-1,9	1,6	-4,5	0,0
Net Debt	7,5	4,6	9,9	9,9
Shareholder Equity	6,2	3,2	-0,2	-0,4
Gearing	122,0%	142,2%	nr	nr
ROCE	-9,2%	-14,0%	-4,3%	2,9%

Shareholders	
iXcore	14,8%
Other	85,2%

Performances	2026	3m	6m	1 Year
Egide	8,1%	9,4%	46,9%	97,1%
Euronext Growth	8,5%	5,9%	8,0%	10,1%
12 months Low-High	0,36	1,75		

Liquidity	2026	3m	6m	1 Year
Cumulative volume (000)	22 852	8 454	21 877	35 039
% of capital	116,5%	43,1%	111,5%	178,6%
% of Free Float	178,3%	66,0%	170,7%	273,4%
€ Million	24,7	9,7	23,6	36,0

Next Event H1 Sales : July, 27

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Egide has signed a research contract with GreenSome.

Conclusion

The closure of Santier removes the Group's main source of value destruction, although the final exit cost remains to be determined. In addition, the increasing exposure to the Defence and Optronics markets provides a significantly more supportive commercial environment than in recent years, although this still needs to translate into sustainable profitable growth.

For the first time in several years, Egide simultaneously displays four positive signals:

- profitability restored at both strategic manufacturing sites;
- planned closure of Santier;
- sharp improvement in working capital;
- lower financial leverage.

The key issue is no longer the Group's survival but rather its ability to convert this operational turnaround into sustainable profitability.
The remaining point of attention is the weakness of shareholders' equity, which continues to limit the Group's financial flexibility. Demonstrating a sustainable ability to generate cash has now become the Company's main short-term objective.

Speculative Buy *(upgraded from Under Review) /* **Target price**: **€1.31**(vs. Under Review)

Egide's new operating profile materially changes our assessment of the investment case.
The closure of Santier removes the Group's main loss-making activity, while Cambridge has demonstrated that it can return to profitability consistent with its industrial potential. At the same time, the remarkable improvement in working capital highlights a renewed ability to generate cash.
However, shareholders' equity remains a source of vulnerability and could require additional financing. This justifies maintaining a speculative bias despite the significant improvement in the Group's operating profile.
Nevertheless, we now believe that the risk/reward profile has become materially more attractive.

Current valuation appears to reflect the Company's past difficulties rather than the earnings potential of its new operating perimeter.
Our new target price is**€1.31** and recommendation **Speculative Buy**.
The speculative rating reflects the fact that Egide's business profile has not yet been fully stabilized, particularly in the United States, while shareholders' equity remains weak based on our forecasts.

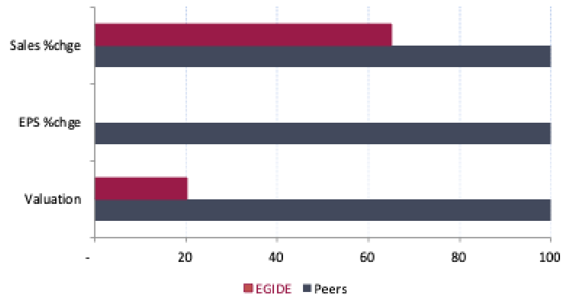
For the record, the delayed publication of the annual accounts resulted in a trading suspension on 12 June under Euronext's Penalty Bench procedure.

Snapshot Egide

Egide articulates its activity through two technologies, glass-metal and ceramic cases which makes it one of the few actors in the world to control them. These housings make it possible to ensure perfect hermeticity in environments that may be subject to high thermal and / or atmospheric stresses. Egide provides highly resistant interconnection boxes in sensitive environments (Space, Defense, Security, Aeronautics, Telecommunications, Energy, ...), solutions that guarantee the optimal reliability of electronic systems or complex chips. In February 2017, the group acquired Santier, a US company specializing in the manufacture of dissipative components and materials.

Fondamental Matrix

Investment Profile



Target Price & rating history

Date	Type	Opinion	Price per share	Target Price
3/20/26	US Refocusing	Under Review	€ 1.015	Under Review
1/23/26	2025 Annual Sales	Sell	€ 1.05	€ 0.85
10/20/25	H1 Results	Neutral	€ 0.47	€ 0.52
7/3/25	H1 Sales	Neutral	€ 0.572	€ 0.52

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Financial Data

Income Statement (€ m)	2022	2023	2024	2025	2026e	2027e
Revenues	15,5	36,7	30,0	31,3	27,5	30,3
Purchase	5,7	15,0	10,4	11,6	10,2	11,1
Externals costs	2,4	5,9	5,5	5,3	4,4	4,7
Personnals Costs	6,3	16,2	14,0	14,1	11,9	12,7
EBITDA	0,9	-0,3	0,1	1,0	1,2	2,0
Amortization	0,5	2,4	2,2	3,0	2,0	1,5
other	0,1	0,0	0,0	0,0	0,0	0,0
EBIT	0,6	-2,7	-2,0	-2,0	-0,8	0,5
Financial Result	-0,2	-0,8	-0,7	-1,1	-0,7	-0,7
Tax	-0,1	0,3	0,2	0,0	0,0	0,0
Net Result	0,3	-3,1	-2,4	-3,1	-3,5	-0,2

Balance Sheet (€ m)	2022	2023	2024	2025	2026e	2027e
Fixed Assets	2,5	9,5	8,2	6,5	6,8	6,3
Stock Inventories	3,5	7,0	8,0	6,2	5,7	6,3
Accounts Recevaible	3,4	3,0	3,1	2,6	3,1	3,4
Other Currents Assests	1,9	2,8	3,0	2,0	1,5	1,7
Cash & Equivalents	0,7	3,2	1,8	2,8	-2,5	-2,5
TOTAL Assets	27,9	25,3	24,2	20,2	14,6	15,1
Shareholders' Equity	6,5	6,9	6,2	3,2	-0,2	-0,4
Provisions	0,7	0,8	0,5	1,5	0,6	0,6
Financial Debt	4,6	9,2	9,4	7,4	7,4	7,4
Accounts Payables	2,7	4,4	6,0	5,8	5,0	5,5
TOTAL Liabilitites	27,9	25,3	24,2	20,2	14,6	15,1

Cash Flow Statements (€ m)	2022	2023	2024	2025	2026e	2027e
Cash Flow from Operating Activities	0,9	-1,6	-1,3	-0,6	-2,1	0,9
Change in Net Working Capital	-1,4	-2,0	0,3	-2,4	2,2	0,5
Cash Flow from Operations	-0,5	0,4	-1,6	1,8	-4,2	0,3
Cash Flow from Investing	-0,1	-0,3	-0,3	-0,3	-0,3	-0,3
Capital Increase	0,0	3,7	1,6	0,0	0,0	0,0
Funding Flow	0,9	0,0	-1,2	-2,3	0,0	0,0
Cash Flow from Financing	0,8	2,1	0,5	-1,4	0,0	0,0
Net Change in cash position	-0,9	2,1	-1,4	0,1	-4,5	0,0

RATIOS	2022	2023	2024	2025	2026e	2027e
	5,9%	-0,8%	0,5%	3,1%	4,4%	6,7%
EBIT Margin	3,8%	-7,5%	-6,7%	-6,5%	-2,8%	1,7%
Net Margin	2,2%	-8,4%	-7,9%	-9,9%	-5,4%	-0,6%
ROE	5,2%	-44,5%	-38,5%	-95,7%	626,0%	42,9%
ROCE	4,6%	-11,5%	-9,2%	-14,0%	-4,3%	2,9%
Gearing	75,8%	140,9%	122,0%	142,2%	-4185,5%	-2377,7%
FCF per share	0,19	0,01	-0,09	0,08	-0,23	0,00
EPS (€)	0,03	-0,2	-0,1	-0,2	-0,1	0,0
Dividend per share (€)	0,0	0,0	0,0	0,0	0,0	0,0
Dividen Yield	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Distribution rate	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Estimates : GreenSome Finance

Rating Definition

BUY	NEUTRAL	SELL
Upside > +10%	-10% < Upside < +10%	Upside < -10%

Disclosures

Corporate Finance operation in progress or completed during the last 12 months	GreenSome Consulting and affiliate owns common equity securities of this subject company	Financial Analysis Contract	Notice to the company before publication	Liquidity Contract	Liquidity Provider
NO	NO	YES	YES	NO	NO