H1 2025 results: 13.1% EBITDA margin and 5.9% current operating margin

PRESS RELEASE

PARIS, 28 July 2025 – 6:00 pm – EKINOPS (Euronext Paris - FR0011466069 – EKI), a leading supplier of telecommunication solutions for telecom operators and enterprises, reports its H1 2025 financial statements (for the period ended 30 June 2025) as approved by the Board of Directors on 28 July 2025. The statutory auditors have conducted an interim review of these half-year financial statements.

m€ - IFRS	H1 2024 (6 months)	**H1 2025** (6 months)	FY 2024 (12 months)
Revenue	**57.5**	**57.2**	**117.7**
Gross margin	**32.2**	**32.0**	**64.5**
As a %	*56.1%*	*55.9%*	*54.8%*
Operating expenses	29.3	28.6	58.1
EBITDA[1]	**8.2**	**7.5**	**18.0**
As a %	*14.3%*	*13.1%*	*15.3%*
Current operating income (EBIT)	**3.0**	**3.4**	**6.5**
Operating income	**2.6**	**2.0**	**-5.0**
Consolidated net income	**1.5**	**-0.5**	**-7.0**

[1] EBITDA (Earnings before interest, taxes, depreciation and amortization) corresponds to current operating income restated for (i) amortization, depreciation and provisions, and (ii) income and expenses relating to share-based payments.

H1 2025 revenue: 57.2 m€

Over H1 2025, Ekinops' revenue came to 57.2 m€, nearly identical to H1 2024 (-1% at constant scope and exchange rates).

Olfeo, the French provider of SSE (Secure Service Edge) cybersecurity software, acquired at the end of May 2025 and consolidated since 1 June 2025, contributed 0.5 m€ to H1 2025 revenue.

Driven by several major equipment deployment projects in Europe, particularly in Germany, **Optical transport** equipment sales rebounded by +10% in H1 2025.

Access solutions sales declined by -7% over the same period, impacted by a -10% drop in France. The decline is solely concentrated on Ekinops' largest customer, which had recorded strong growth in 2024

(+21%). Access business activity, excluding Ekinops' largest customer, recorded double-digit growth in H1 2025.

Sales generated by **Software & Services** showed strong growth of +22%, driven by Ekinops' service offerings and the consolidation of Olfeo since June 1st, 2025. At mid-year, Software & Services accounted for 20% of the Group's revenue, compared to 17% a year earlier.

Geographically, H1 sales in France declined by -6% following a strong growth in 2024 (+18%), while international business grew by +4%. International sales accounted for 59% of total revenue at the end of the period (vs. 56% a year earlier), including 20% in North America (down -8% at constant US dollar in H1, but up +9% at constant US dollar in Q2), 32% in Europe (excluding France, up +15%), and 6% in the Rest of the World (stable performance).

+14% growth in current operating income in H1 2025

Gross margin for H1 2025 stood at 32.0 m€, nearly stable compared to the same period last year, representing a gross margin rate of 55.9%, vs. 53.6% in H2 2024 and 56.1% in H1 2024.

Half-year EBITDA[1] amounted to 7.5 m€, compared to 8.2 m€ in H1 2024, with a -2% decrease in operating expenses reflecting Ekinops' continuous cost optimization efforts (including a -15% reduction in general expenses, -6% in R&D costs, and +8% increase in sales and marketing expenses).

As a result, the EBITDA margin stood at 13.1% for the period, vs. 14.3% a year earlier.

After accounting for net depreciation, amortization and provisions (4.7 m€, including 0.7 m€ relating to intangible assets identified post purchase price allocation), and non-cash income relating to share-based payments (0.6 m€), current operating income reached 3.4 m€ in H1 2025, up +14% from in H1 2024 (3.0 m€).

The current operating margin thus represented 5.9% of H1 2025 revenue, compared to 5.1% a year earlier.

Adjusted EBIT margin of 7.0% in H1 2025

Excluding amortization of intangible assets identified post purchase price allocation, adjusted current operating margin (adjusted EBIT[2]) came to 7.0%, stable compared to H1 2024.

After accounting for 1.4 m€ in operating expenses, mainly related to M&A activities and the implementation of the new ERP software, operating income amounted to 2.0 m€, vs. 2.6 m€ a year earlier.

Taking into account a financial result of -2.3 m€, which includes a one-time financial expense of 2.0 m€ related to the deconsolidation of the Ekinops Brasil subsidiary (impact of historical conversion reserves), and an income tax expense of -0.2 m€, the net result for H1 2025 stood at -0.5 m€, compared to 1.5 m€ in H1 2024.

H1 2025 operating cash flow: 1.0 m€

At the end of H1 2025, despite nearly stable business activity, Ekinops generated positive operating cash flow of 1.0 m€. The change in working capital requirements amounted to +5.1 m€ over the period, reflecting a normalization in inventory management, resulting in a significant decrease in trade payables, and in a slight increase in trade receivables.

Cash flow from investments (non-current assets and R&D) totaled -15.4 m€, including -0.6 m€ in CAPEX (equipment investments), -2.1 m€ in capitalized R&D, and -12.6 m€ related to the acquisition of Olfeo.

[1] EBITDA (Earnings before interest, taxes, depreciation and amortization) corresponds to current operating income restated for (i) amortization, depreciation and provisions, and (ii) income and expenses relating to share-based payments.

[2] Adjusted EBIT corresponds to current operating income adjusted for amortization of intangible assets identified after allocation of goodwill, Technologies developed and Customer relations.

Cash flow from financing activities totaled +5.1 m€, including +10.0 m€ from a drawdown on the syndicated credit facility to support external growth, and -4.5 m€ in repayments of bank loans and factoring liabilities.

As a result, the cash position decreased by 9.6 m€ in H1 2025.

Net cash position[3] of 11.0 m€ as of 30 June 2025

ASSETS €m – IFRS	12/31 2024	06/30 2025
Non-current assets	**82.0**	**100.8**
o/w goodwill	28.4	46.4
o/w intangible assets	13.4	16.0
o/w right-of-use assets	11.6	11.0
Current assets	**57.0**	**61.7**
o/w inventories	22.8	19.8
o/w trade receivables	23.7	25.0
Cash	**46.4**	**36.7**
TOTAL	**185.4**	**199.3**

LIABILITIES €m – IFRS	12/31 2024	06/30 2025
Shareholders' equity	**112.1**	**112.8**
Financial borrowings	**16.9**	**25.7**
o/w bank loans	15.0	25.2
o/w factoring	1.9	0.5
French research tax credit pre-financing	**2.3**	**2.3**
Trade payables	**17.8**	**13.0**
Lease liabilities	**12.2**	**11.5**
Other liabilities	**24.1**	**34.0**
o/w deferred revenues	2.9	11.8
TOTAL	**185.4**	**199.3**

During H1 2025, the increase in goodwill is mainly due to the integration of Olfeo into Ekinops' accounts, prior to the allocation of this goodwill (PPA – Purchase Price Allocation), which must be completed within twelve months of the acquisition.

As of the end of June 2025, available cash totaled 36.7 m€, for financial borrowings[4] of 25.7 m€, primarily consisting of bank loans.

As of 30 June 2025, Ekinops maintained a solid financial position, with net cash of 11.0 m€ following the acquisition of Olfeo, with shareholders' equity of 112.8 m€.

Outlook for FY 2025

Despite a challenging economic and geopolitical environment, Ekinops continues to anticipate a gradual recovery of the telecommunications market over the coming quarters, driven by emerging applications such as AI and Cloud.

The start of Q3 2025 shows no significant shift compared to recent months. Excluding the impact of Ekinops' largest customer on Access equipment sales, business activity remains on a growth trajectory, with improved momentum in Optical Transport. As a whole, Access solutions are expected to face challenging prospects due to temporary reduced demand from its largest customer over the coming months.

[3] Net cash = cash and cash equivalents – borrowings (excluding bank debt relating to French research tax credit (CIR) pre-financing and IFRS 16 lease liabilities)

[4] excluding bank debt relating to French research tax credit (CIR) pre-financing and IFRS 16 lease liabilities

In this context, and halfway through the year, Ekinops is targeting consolidated full-year revenue of between 110 m€ and 120 m€ (compared to 117.7 m€ in 2024) and plans to further strengthen its cost-control efforts (operating expenses down -7% in FY 2024 and -2% in H1 2025).

Progress on the *Bridge* Plan

Launched at the end of 2024, the ***Bridge*** strategic plan, designed to accelerate Ekinops' leadership in the most dynamic segments of its markets, namely cybersecurity (SASE[5]) in Access and data center interconnection (DCI) in Optical Transport, has continued to move forward, particularly with the development of new products dedicated to these segments.

The acquisition of Olfeo will enable Ekinops to quickly deliver sovereign network cybersecurity solutions to operators. By combining Ekinops' SD-WAN technology with Olfeo's SSE[6] solutions, Ekinops will position itself as a European player capable of offering an all-in-one SASE network security solution as early as 2026.

In the DCI segment, Ekinops will be able to launch its first dedicated data center interconnection solution in Q4 2025, followed by a full suite of DCI optical solutions. These will be built around new chassis, new management software, including OneOS6, and all associated modules, featuring numerous innovations that provide a strong competitive edge.

Through the ***Bridge*** plan, Ekinops reaffirms its ambition to return to double-digit growth, with a target of generating more than 30% of its annual revenue from its Software & Services business by 2028, over 50% of which in Annual Recurring Revenue (ARR). In terms of profitability, the Group is aiming for an EBITDA margin of around 20%.

Financial calendar

Date	Release
October 14, 2025	Q3 2025 revenue
January 14, 2026	FY 2025 revenue
March 10, 2026	2025 annual results

All press releases are published after Euronext Paris market close.

[5] *Secure Access Service Edge*

[6] *Security Service Edge*

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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.
- 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 Nuvla Edge-to-Cloud and Olfeo SSE 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.

Ekinops (EKI) - a public company traded on the Euronext Paris exchange, operates globally.

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For more information, visit www.ekinops.com

Appendices – Alternative performance indicators

EBITDA

The Group has opted to communicate this metric in view of (i) its significance for the analysis of financial performance, and (ii) the vesting terms applicable to the Group's employee bonus share and stock option plans.

As such, the Group defines EBITDA as current operating income restated for (i) amortization, depreciation, provisions and write-offs, and (ii) expenses and income related to share-based payments.

The Group defines adjusted EBIT as current operating income restated for amortization of intangible assets identified post purchase price allocation, i.e. developed technologies and customer relations.

€m - IFRS	H1 2024	H1 2025
Current operating income (EBIT)	**3.0**	**3.4**
Amortization of developed technologies and customer relations	1.1	0.7
Adjusted current operating income (Adjusted EBIT)	**4.1**	**4.1**
Depreciation, amortization and provisions	3.6	4.0
Share-based payments	0.6	-0.6
EBITDA	**8.2**	**7.5**