

## **EXOSENS ANNOUNCES THE APPROVAL OF ITS REGISTRATION DOCUMENT BY THE FRENCH AUTORITÉ DES MARCHÉS FINANCIERS (“AMF”) AND TAKES A FIRST STEP TOWARDS ITS IPO ON EURONEXT PARIS**

PRESS RELEASE

MÉRIGNAC, FRANCE – 23 MAY 2024

- Exosens is a global leader in amplification, detection and imaging technologies, providing mission and performance-critical electro-optical components to OEM customers in 4 value-added industries with long-term structural growth drivers (defense, life sciences and environment, industrial control and civil nuclear instrumentation).
- A fast-growing and highly profitable high-tech platform with difficult-to-replicate positions, Exosens recorded €318.8 million pro forma<sup>1</sup> sales in 2023 up from €166.2 million in 2021 (39% *pro forma* CAGR 2021-23) combined with steady margins (2023 pro forma adjusted EBITDA margin reaching approximately 29%).
- Exosens is considering an initial public offering (“IPO”) on Euronext Paris with a targeted capital raise of c.€180 million to finance its innovation and growth strategy in high-tech fast growing markets.
- Groupe HLD, which acquired Exosens in 2021, intends to sell a portion of its shareholding in the IPO. Following the IPO, Exosens will continue to be controlled by Groupe HLD.

Exosens SAS (“Exosens” and the “Group”), a high-tech company focused on providing mission and performance-critical amplification, detection and imaging technology components, announces today the approval of its registration document, dated 22 May 2024, by the French financial markets authority (Autorité des marchés financiers, “AMF”), under number n° I. 24 – 010

The approval of Exosens’ registration document constitutes a first step of its contemplated IPO on the regulated market of Euronext Paris. The completion of the IPO is subject to the approval by the

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<sup>1</sup> References to “pro forma” data refer to the pro forma financial information of the Company for the 12-month fiscal year ended 31 December 2023, prepared as if the Group had completed the acquisition of ProxiVision, El-Mul and Telops on 1 January 2023. The pro forma financial information is presented for illustrative purposes only and does not represent the results that would have been achieved if the acquisition of ProxiVision, El-Mul and Telops had actually been completed on 1 January 2023. The pro forma financial information does not necessarily reflect the Group’s actual results and should not be considered as an indication of the Group’s results for any future period.

AMF of the prospectus relating to the trading of the shares on the regulated market of Euronext Paris, as well as favorable market conditions.

**Jérôme Cerisier, CEO of Exosens, said:** *"Thanks to our long history and deep technological heritage, we are very proud to be a global leader in light amplification and to be recognized internationally as a major innovator in the world of detection and imaging. Leveraging our unique innovation capabilities and excellent reputation among end-users, we bring technologies to high-end and demanding markets benefiting from strong secular growth where our technology is the key driver of ultimate performance and a key differentiating factor. Over the past years, Exosens organically outperformed market growth and deployed a selective and synergetic acquisition strategy thanks to its worldwide commercial network as well as its unique operational excellence and R&D know-how. The planned IPO is the next logical step for us, it will provide greater flexibility to seize future growth opportunities and enable us to continue pursuing a highly profitable growth trajectory while achieving our mission to provide innovative components for a safer world."*

**Jean-Hubert Vial, partner at Groupe HLD, said:** *"Groupe HLD is proud to launch Exosens' IPO process. In 3 years, with its impressive management team, we have turned the company into a global leader in electro-optical detection and imaging technologies and significantly expanded its end market. This strategy, which we have been pursuing since 2021, is now taking on a new dimension. The listing and the arrival of new shareholders alongside Groupe HLD will provide Exosens with increased resources to boost its investment capacity and pursue its ambitious growth trajectory."*

Exosens' high-tech engineering components serve a wide range of sophisticated applications and activities such as night vision goggles, equipment for electronic warfare, semiconductor inspection, machine vision, electrical grid maintenance, gas detection, life sciences applications, nuclear instrumentation, defense, and scientific research. The Company is one of the few players with operations across the full light and particles spectrum and is a natural compounding platform for technology providers across its two segments.

The Amplification segment is the historical business of Exosens. It represented c.66% of pro forma sales in 2023, as the Company benefited from its position as a global leader in the light amplification market. This activity, which provides the key technology behind night vision goggles that offer tactical advantages to armies globally, is currently benefitting from global defense spending increase as well as necessity to increase infantry equipment rate in night vision goggles.

In the Detection & Imaging segment, Exosens offers a broad portfolio of high-end components such as digital cameras with various wavelengths, ion, electron, neutron and gamma-ray detectors, providing tailor-made solutions to meet the needs of end-users facing complex issues in challenging environments in the areas of defense and surveillance, life sciences, nuclear instrumentation and industrial control. This business represented c.34% of pro forma sales in 2023.

Both businesses benefit from significant R&D and cross-selling synergies due to a common technology backbone and commercial team. Over the medium term, Exosens intends to have a balanced business mix between Amplification and Detection & Imaging segments.

With its 10 industrial and R&D sites and approximately 1,600 employees, Exosens is at the forefront of technological and industrial innovation, offering its customers reliable and innovative technologies focusing on high technology markets globally in which lengthy designed-in-house processes result in difficult-to-replicate positions. This allows Exosens to establish long-term relationships with its clients.

Exosens has expanded its product portfolio in recent years through the acquisition of companies recognized as leaders in their respective markets, such as Xenics in December 2022 (design and manufacture of short-wave infrared (SWIR) image sensors and cameras), ProxiVision in June 2023 (design and manufacture of ultraviolet sensors and cameras), El-Mul in July 2023 (supply of advanced, high-performance particles detectors for electron microscopy and mass spectrometry) and Telops in October 2023 (design and manufacture of hyper-spectral imaging systems and high-performance infrared cameras).

Exosens differentiates itself by:

- **Targeting leadership positions in strong growth markets.** Exosens aims to be a leader in high-growth markets where performance standards are extremely high and critical, and benefit from broad underlying trends, including: semiconductor inspection, methane detection, neutron monitoring in nuclear reactors and predictive maintenance for high-voltage power lines.
- **Meeting customer needs by leveraging unique innovation capabilities.** Exosens draws on its strong capacity for innovation to develop new technologies and improve the size, weight and power consumption of its products, as well as their performance (particularly sensitivity and speed) and ergonomics. This innovation is deployed in the Group's four end markets: defense, life sciences, industrial control and nuclear instrumentation.
- **Building customer intimacy to generate growth and secure recurring revenue.** Exosens intends to build on its long-term relationships with its major customers in order to grow and secure the repeatability of its sales.
- **A selective acquisition strategy creating value through synergies and increased growth potential.** Exosens' growth strategy also relies on a dynamic external growth policy to accelerate sales growth through carefully targeted and selected acquisitions while ensuring high commercial, R&D and operational synergies.

- **Embedding sustainability at its core.** Exosens provides life-critical solutions to make the world safer by developing protection and prevention solutions in various fields including threat detection, detection of methane emissions, neutron and gamma detectors in nuclear reactors supporting transition to sustainable energy, predictive maintenance for high voltage powerlines, train inspection, innovative waste sorting solutions for circular economy and resource protection, and innovative cell analysis solutions for industry (especially the food and pharmaceutical industries).

### **A solid, profitable and fast-growing financial profile**

Over the last few years, Exosens has demonstrated its ability to generate strong growth, both organically and through targeted acquisitions, while maintaining a high level of profitability and cash flow generation.

Over the 2021-2023 period, Exosens' sales almost doubled from €166.2 million in 2021 to €318.8 million (on a pro forma basis) in 2023, representing a CAGR of over 38%. This performance was driven by a combination of strong organic growth and a targeted acquisition strategy centered on detection and imaging applications.

The Group's adjusted EBITDA also recorded strong growth over the 2021-2023 period, rising from €47.5 million in 2021 to €92.2 million (pro forma) in 2023 (a CAGR of +39% over the period). Exosens' adjusted gross margin has risen, from 39.4% in 2022 to 44.9% (on a pro forma basis) in 2023, thanks to higher prices, a better product mix and improved operating performance.

Strong cash flow generation has enabled Exosens to record a high level of cash conversion since 2021 (around 70% on average per year) and a steady deleveraging, with its net debt to adjusted EBITDA ratio improving from 4.4x in 2021 to 3.3x in 2023.

### **Strategy and Outlook**

The Group's strategy is to further build on its leading high-tech platform across the particle and light spectrum and to grow in high value-added markets through innovation, its global commercial reach and selective acquisitions, aiming for balanced revenue between Amplification and Detection & Imaging. Exosens aims to generate a high level of profitability and cash flow.

For the financial year ending 31 December 2024, Exosens targets organic sales growth at the top end of the 15%-20% range compared with pro forma sales for the financial year ended 31 December 2023, and total sales growth, including the contribution over 12 months of the acquisitions made in 2024, of around 30% compared with pro forma sales for the financial year ended 31 December 2023.

In 2024, Exosens aims to achieve an adjusted EBITDA of at least €115 million (excluding any acquisitions completed in 2024), as well as a net debt-to- Adjusted EBITDA ratio of around 1.60x by year-end (including acquisitions planned in 2024). During Q1 2024, Exosens' revenue increased significantly as a result of a strong start of the year, and profitability improved significantly at Group level and across both segments. The Q1 2024 performance confirms the Group's expectations with respect to its ability to achieve its 2024 financial objectives.

In the medium term, Exosens forecasts a doubling of sales between 2023 (on a pro forma basis) and 2027, reflecting a CAGR of approximately 18% over the period. Adjusted EBITDA is targeted to grow in the high single-digit percentage range during the 2025-2027 period. The Company anticipates a dividend payout ratio of 20%-25%<sup>2</sup> of net profit per annum over the 2025-2027 period. For the financial year ending 31 December 2027, Exosens aims to maintain a net debt-to-Adjusted EBITDA ratio of around 2x.

### **IPO on Euronext Paris**

As part of its contemplated IPO, Exosens intends to raise c.€180 million in order to reduce debt, support its M&A strategy and increase its financial flexibility. Groupe HLD intends to sell a portion of its shareholding at IPO and will maintain a majority ownership stake in the Group post-IPO.

As part of the Company's contemplated IPO, Bpifrance Participations has informed the Company of its intention to subscribe to new shares to be issued by the Company, such that it would hold 4.50% of the Company's post-IPO share capital.

BNP Paribas, Citigroup and J.P. Morgan are acting as Joint Global Coordinators and Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale are acting as Joint Bookrunners (together, the "Banks") in the contemplated IPO. Lazard is acting as independent financial adviser. White & Case LLP is acting as legal advisor to Exosens and Cleary Gottlieb Steen & Hamilton LLP is acting as legal advisor to the Banks.

**Availability of the registration document** - Exosens Group's Registration Document is available on the Group's website dedicated to its IPO process ([ipo.exosens.com](http://ipo.exosens.com)) as well as on the AMF's website ([www.amf-france.org](http://www.amf-france.org)). It is also available free of charge upon request from the Group at Exosens, Domaine de Pelus, 18 Avenue de Pythagore, Axis Business Park Bat 5e, 33700 Mérignac, France.

Exosens draws the attention of potential investors to Chapter 3: 'Risk Factors' in the Registration Document approved by the AMF.

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<sup>2</sup> Half-year stub dividend (50% of annual net profit) paid in 2025

**ABOUT EXOSENS:**

Accompanied by Groupe HLD since 2021, Exosens is a high-tech company, with more than 85 years of experience in the innovation, development, manufacturing and sale of high-end electro-optical technologies in the field of amplification, detection and imaging. Today, it offers its customers detection components and solutions such as travelling wave tubes, advanced cameras, neutron & gamma detectors, instrument detectors and light intensifier tubes. This allows Exosens to respond to complex issues in extremely demanding environments by offering tailor-made solutions to its customers. Thanks to its sustained investments, Exosens is internationally recognized as a major innovator in optoelectronics, with production and R&D carried out on 10 sites, in Europe and North America and with over 1,600 employees.

For more information: [exosens.com](https://www.exosens.com)

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