

Airwell

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2023 REVENUE AT RECORD LEVEL: €65.0M (+17%), ABOVE EXPECTATIONS

AN EXPECTED EBITDA MARGIN OF 5% IN 2023, TWO YEARS BEFORE THE TARGET DATE

The Airwell Group (Euronext Growth, ALAIR), creator of smart energy ecosystems, reports record revenue in 2023 of €65m, up 17%. This level of business, above initial targets, was driven by very sharp growth in the fourth quarter of 42% that benefited from excellent momentum in France. This region is the Group's leading market in 2023.

Airwell has shown its ability to increase its market share both within and outside France despite a difficult environment for the new housing market. This strong performance has once again confirmed the relevance of Airwell's positioning in complete solutions that are focused on energy efficiency and perfectly in line with market expectations. These results also bear witness to the visionary strategy that it put in place several years ago with a view to pre-empting sector trends.

This very strong sales momentum is also combined with a significant rise in profitability. Airwell is aiming for an EBITDA margin of 5% in 2023, two years in advance on its target (2025).

French standards (€m) – unaudited	Q4 2022	Q4 2023	Change (%)	2022	2023	Change (%)
Mainland France	4.4	9.1	+107.5%	21.7	31.9	+47.0%
Overseas territories	1.6	1.9	+19.3%	9.2	6.8	-27.0%
International	6.9	7.3	+6.0%	24.8	26.4	+6.4%
TOTAL	12.9	18.3	+42.2%	55.7	65.0	+16.7%

Very strong business growth in the fourth quarter (+42%)

In the fourth quarter of 2023, Airwell generated revenue of €18.3m, up sharply by 42.2% from the fourth quarter of 2022. Revenue was up in all geographic regions.

France enjoyed the largest quarterly rise, with revenue of €9.1m, up 107.5% from the same period in the previous year. Airwell is broadly outperforming its market due to the differentiated positioning of its products. This is shown by the 155% rise in sales of air-water heat pumps in the fourth quarter of 2023,



despite the market slowing significantly in 2023 due to the fall in the number of new housing projects. The revenue generated in France also includes the contribution of €0.6m made by Amzair Industrie (now Airwell Industrie), which was consolidated on 1 July 2023.

In the 2023 financial year, France generated revenue of €31.9m, up sharply (47%) from the 2022 financial year and is now the Group's leading market with a 49% share of 2023 sales (+10 points from 2022). At constant consolidation scope, revenue was €30.6m.

The **French overseas territories**, which suffered a temporary downturn in the third quarter due to disruption caused by the reorganisation of a distributor in the Antilles, recovered strongly to €1.9m in the fourth quarter of 2023 (up 19.3% from the fourth quarter of 2022). **In the 2023 financial year, the revenue came to €6.8m (down 27.0%), i.e. 10% of aggregate sales.**

The International region returned to growth in the fourth quarter of 2023 and posted revenue of €7.3m up 6.0% (with the delays of RAC products orders from the previous quarter). **Over the financial year as a whole, revenue came to €26.4m (up 6.4% from 2022), representing 41% of sales.**

All told, Airwell posted record revenue of €65.0m, up sharply by 16.7% and above expectations. The breakdown in sales per sector remains broadly unchanged from 2022, with the residential and commercial markets representing 95% and 5%, respectively.

In terms of the breakdown of products on the residential market, sales of air-water heat pumps surged by 57% in 2023 (to €21.9m). RAC sales remained relatively stable at €25.6m (down 1.6%). Its renewable energy offering (photovoltaic panels) also grew to €3.1m at the end of 2023 (from €0.9m in 2022).

Strong growth in the EBITDA margin expected to reach 5% in 2023

On the strength of this solid level of business, Airwell is expecting an EBITDA margin of 5% in 2023 (compared with 2.8% in 2022), thereby achieving its 2025 target two years early.

In 2024, Airwell will look to continue its profitable growth trajectory at the same pace as in 2023. The Group will draw on its strategy of increasing its market share and will take advantage of the significant incentive policies in France on the general renovation market and in relation to heat pumps *Made in France* more broadly.

In the Antilles, Airwell has established its own teams to work in this high-potential region and, on 1 February 2023, opened its first showroom in Jarry (Guadeloupe), together with a training centre.

The 2024 financial year will also see the roll-out of its service offering for smart and connected homes ("Ma Maison Hybride") and the launch of its financing offer for energy-related renovations in the residential sector.

The Group also restates its ambitions for 2025 to generate revenue of more than €100m and will provide a new EBITDA margin target when it publishes its full-year results for 2023.

Next release: Full-year 2023 results, 23 April 2024, before the market opens

About Airwell

Founded in 1947 in France, Airwell is France's leading designer of heat pumps in the field of climatic and thermal engineering. A major operator, the French pioneer in heat pumps and then the leading European manufacturer in the 1970s, Airwell became Groupe Airwell in 2021. In a market driven by the energy transition, the company aims to become a reference in Europe, and a key player in climate and thermal solutions based on needs and uses on a global level, with a presence in 80 countries. The French developer of climatic and thermal solutions continued to develop in an effort to optimise the energy consumption of its products, protect natural resources and capture solar energy, thereby significantly reducing its customers' environmental footprints. Based in Montigny-le-Bretonneux (78), Groupe Airwell has more than 100 employees. In March 2023, Groupe Airwell became a member of the Communauté du Coq Vert run by Bpi France and ADEME (French Agency for Ecological Transition).

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