

PRESS RELEASE

FY 2018-19 full-year earnings
Paris, July 31, 2019 – 8pm



SMART SOLUTIONS FOR A SMART WORLD

2018-19 FULL-YEAR EARNINGS

- **Organic growth of 7%**
- **Current operating income back to the green**
- **Improved financial situation**
- **Continued growth for FY 2019-20**

At the Board meeting on July 24, 2019, the Directors reviewed and approved the annual financial statements for FY 2018-19, ended March 31, 2019.

Consolidated financials

€m	2018-19 (12 months)	2017-18 (12 months)
Revenues	29.7	27.7
Current operating income	0.1	(0.1)
Pre-tax current income	(3.8)	(2.7)
Consolidated net income	(3.8)	(2.3)
Net income (Group share)	(3.0)	(1.9)

Key developments

During FY 2018-19, the Group redefined its business model around its two core business divisions:

- *Technology Consulting (31%)*, on which the Group increased its listings and set out its expertise for autonomous vehicles and new mobility solutions, such as the Milla shuttle, an electric, autonomous and smart vehicle, presented at the CES in Las Vegas in January 2019 and now in its test phase;
- *Digital Transformation (69%)*, on which the Group is making robust progress, while enlarging its cybersecurity positions through significant strategic partnerships.

This specific repositioning around high-growth markets and the premiumization of the solutions offered are making it possible to achieve solid progress with sales, both in France and internationally. These trends are contributing to the upturn in current operating income, which came in positive for the full year.

To support its development, the Group continued moving forward with its recruitment strategy over the year to support the deployment of its solutions. At March 31, 2019, it had 515 employees, up from 492 at March 31, 2018.

Earnings

The Group's full-year revenues¹ at March 31, 2019 climbed to €29.7m, with 7% year-on-year growth. International operations represent 22% of the Group's full-year revenues.

Current operating income for the year is back to the green at €0.1m, compared with a €(0.1)m at March 31, 2018. This change, which confirms the improvement in the business model, reflects the higher gross margin and effective cost management despite the intense level of commercial and recruitment investments, particularly during the second half of the year.

Net income (Group share) shows a €(3.0)m loss. It includes €(3.8)m of non-current expenses, with i/ losses and provisions relating to EOLEN's tax inspections €(2.6)m, ii/ the retroactive cancellation of an agreement €(0.4)m, and iii/ the writedown of client relationships €(0.6)m.

Financial position

After factoring in earnings for the year, shareholders' equity (Group share) represents €(0.2)m, compared with €(2.2)m at March 31, 2018. This includes a total of €5.1m for the capital increases carried out through (i) the end of the conversion of the ORNANE bonds² issued on February 7, 2018, the conversion of the entire issues from June 11 and August 28, 2018 and part of the ORNAN bonds issued on February 13, 2019, and (ii) the exercising of the BSAR A redeemable warrants³ freely distributed following the general meeting on July 28, 2017.

The financial situation improves with a net debt of €(10.2)m at March 31, 2019, compared with €(13.3)m for the previous year. This amount includes in particular the outstanding bonds that have not yet been converted €(3.6) m, the advances granted by the factor €(3.1) m. Bank loans represented €2.4m at end-March 2019, compared with €3.6m last year. Cash and cash equivalents totaled €4.0m, compared with €1.0m last year.

2019-20 Outlook

The GECI International Group, with its high-tech and international expertise, is rolling out its development strategy, particularly in Brazil, with the ramp-up of the telecommunications business and the opening of three new offices in Brazilia, Salvador de Bahia and Belo Horizonte. . In addition, the Group has already begun to intensify its offers linked to new mobilities, such as the Milla shuttle presented in Las Vegas last January, and to the cyber security platform development with intelligent and innovative solutions covering issues related to the digital environment and the smart city.

Additional information

In accordance with the regulations, the Group has decided to no longer report its quarterly revenues from 2019-20 financial year.

Next dates

- General meeting on September 19, 2019

The 2018-19 annual financial report is available on the company website at www.geci.net.

¹ After adjustment following financial elements reported by the subsidiaries in relation to revenues reported on May 15, 2019.

² On June 11, 2018, the company issued the fourth tranche of ORNANE bonds, representing 200 of the 280 remaining ORNANE bonds (unit value of €10,000), and no BSA warrants. All of the 200 ORNANE bonds issued have been converted, with 5,263,157 new shares created.

On August 28, 2018, the company issued the final tranche of ORNANE bonds, representing 80 ORNANE bonds (unit value of €10,000), and no BSA warrants. By January 15, 2019, the 80 ORNANE bonds issued had been converted, with 8,151,514 new shares created.

On February 13, 2019, the company issued 400 ORNAN bonds (unit value of €10,000), without any BSA warrants attached. By March 31, 2019, 20 ORNAN bonds had been converted, with 1,818,181 new shares created.

³ As authorized by the extraordinary general meeting on July 28, 2017, the Group freely awarded 77,326,418 BSAR A warrants to the Company's shareholders on July 31. During FY 2018-19, 51,664 free BSAR A warrants were exercised, with 12,619 new shares created, for a gross total of €3,407. The contract runs through to July 31, 2021. The BSAR A warrants are listed on Euronext.

ABOUT GECI INTERNATIONAL

“Smart Solutions for a Smart World”

The GECI International Group is the Digital Transformation and Technology Consulting specialist. With its platform of Cybersecurity products and solutions and its Mobility expertise, it integrates the market’s best innovations to benefit its clients, from key accounts to SMEs and startups.

Backed by a network of partner companies and expert capabilities worldwide, GECI International is positioned, with agility, across the entire value chain for projects (consulting, integration, IT outsourcing and training) and is committed to designing smart solutions and services.

The GECI International Group is listed on the regulated market Euronext Paris - Compartment C - and is part of the CAC Small and CAC Technology indices. GECI International is eligible for the SRD long-only deferred settlement service. ISIN (shares): FR0000079634 – GECP / ISIN (BSAR A warrants): FR0013266764 - GECBT

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