



Paris, June 9, 2021 – 6 p.m.

Annual financial statements 2020-2021:

Rebound in operating income in the second half of the year

Improvement in international operating margin
10% organic growth expected in 2021-2022

SII Group, a specialist in engineering business lines, is announcing its 2020-2021 annual results, which were approved by the Management Board on 09 June 2021 and not yet audited.

Eric Matteucci, Chairman of the Management Board, commented: *"The second half of this financial year enables us to staunch the wounds of the crisis that began in early 2020. The last quarter of the financial year saw organic growth return to our markets in France. This return to a normative performance resulted in a positive operating result for France for the year as a whole. The very good performances of our activities in several countries abroad enabled us to post an increase in operating margin outside France. All of these results were achieved thanks to the trust of our clients and the enthusiasm of all our employees to meet and exceed expectations. The situation we are currently experiencing has made us confident and eager to begin a new profitable growth year that is full of promise."*

In €m Ended March 31, 2021 (not yet audited)	2019-2020	2020-2021	Change
Revenue	676.33	654.19	-3,3%
Operating profit on activity	44.43	38.66	-13.0%
Operating margin on activity (as a % of revenue)	6.57%	5.91%	-0.66 pt.
Net operating income	43.14	34.70	-19.6%
Net operating margin (as a % of revenue)	6.38%	5.30%	-1.08 pt.
Consolidated net income	26.98	24.73	-8.3%
Consolidated net income, Group share	27.19	24.93	-8.3%
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Average headcount	8,356	8,488	+132
Headcount at the end of the period	8,601	8,789	+188



A financial year supported by continued growth in international activities

Revenue for the year ended 31 March 2021 stood at €654.2m, down 3.3% at current rates (-1.5% at constant rates), with historical growth momentum temporarily blocked by the health crisis.

In France, revenue stood at €315.5 million, down 9.2%, however, with an improvement in activity quarter after quarter and a return to growth in the last quarter. The Telecommunications and Energy sectors posted growth over the year, up 10% and 8% respectively. In general, the Defense and Banking/Insurance sectors also held up particularly well over the year. At the end of March 2021, in France, the SII Group had 4,142 employees, compared with 4,207 at the end of March 2020. Despite the adverse context, the group continued to roll out its HR strategy, a key element of its future growth. As a result of the SII Group's strong commitment to its employees, it was awarded first place in the Great Place To Work France 2021 ranking.

International activities amounted to €338.7m in revenue over the year, representing growth of 6.6% at constant rates. International activity was up over each quarter of the year. Poland posted remarkable growth of 20.2% (at constant rates) with good results in the Banking/Mutual Insurance, Health and Electronics sectors. Germany was down 27.5% due to its exposure in the aviation and automotive sectors, similar to Spain.

At the end of the financial year, the SII Group had a total of 8,789 employees, compared with 8,601 at the end of 2019-2020.

Margin resilience and solid financial structure

At the end of March 2021, the SII Group delivered operating profit on activity of €38.7m. The operating margin improved significantly in the second half of the year, with the gradual recovery in activity. Over the year, it stood at 5.9%, down just 0.7 points. Despite the adverse context, the SII Group continued its internal structuring process as a guarantee of commercial and operational efficiency. While keeping the local branch at the heart of its DNA, the group has gradually increased the cross-functionality of its resources both in response to calls for tenders and relationships with its clients. Although the health crisis had a significant impact on the average group AREH¹ in the 1st half of the year, the latter improved from month to month to 83.1% for the year as a whole, compared to 88.4% in 2019-2020.

In France, operating profit stood at €4.5m, representing an operating margin of 1.4%, impacted by the health crisis and continued structural investments to prepare to come out of the crisis and return to growth dynamics. The second half of the year saw a sharp improvement in profitability compared to the first half of the year due to the ongoing improvement in the AREH. Internationally, the operating margin rose 0.8 points to 8.9%. This excellent performance was driven by strong activity in Poland, which delivered solid profitable growth. While Spain and Germany continue to see their performance decelerate, Romania and Chile are making significant progress.

¹ Activity rate excluding holidays (billed / billable, holidays excluded)



After accounting for financial profit and taxes, net profit stood at €24.7m, representing a net margin of 3.8%.

At the end of March 2021, SII Group enjoys a solid financial structure. Its net cash position increased after this atypical financial year. It stood at €88.4m excluding lease debts under IFRS 16 (€38.2m including IFRS 16 debts), compared with €57.2m at end-March 2020. This balance sheet structure gives it the financial resources to capture future growth.

Proposed dividend of €0.15 per share

In this context of economic recovery, the SII Group will propose, at the General Meeting of Shareholders to be held on 16 September 2021, the payment of a dividend of €0.15 per share.

Outlook: return to double-digit organic growth and improved profitability

The SII group has good prospects for most of its business sectors and geographic regions. In the context of a post-health crisis recovery, the group can count on solid assets: the efficiency of its teams, whose organization continues to be strengthened, the ability to seize opportunities thanks to strong sector and geographical diversity, and a high-quality HR policy, which is essential to capturing future growth.

On the assumption of a stable health situation, **SII expects organic growth of 10% and an improvement in its operating margin in 2021-2022**. Thus, at the end of March 2022, strong organic growth in revenues is expected compared to pre-health crisis revenue (as at 31 March 2020). The first quarter 2021-2022 will have a strong positive base effect, as the first quarter of 2020-2021 took place during the first lockdown.

Next financial announcement:

Fiscal 2021-2022 first quarter revenue, Thursday, August 12, 2021 after closing market

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About SII

Serving as a true partner for technology matters, SII Group provides solutions with added value to projects at major companies. Relying on teams of expert engineers and methods applying the highest quality standards, SII's business has a balanced focus on:

- - Technology consulting (IT, electronics, and telecoms),
- - Digital services (technical IT and networks).

SII Group has organized itself to offer the responsiveness and flexibility of personalized service. SII has nine offices in France serving as profit centers with robust operational resources and the ability to support major international clients, serving companies in 18 countries on four continents.

In the 2020-2021 financial year, which ended on 31 March, SII Group recorded revenues of €654.2m.