

Press Release

First quarter 2024 revenues

Sales down 20% as reported

*Accelerating synergies
now estimated (net of costs) at 40 million euros for 2024
and over 200 million euros from 2026 onwards*

GUIDANCE CONFIRMED

Paris (France), April 24, 2024 - **Vantiva (Euronext Paris: VANTI)** today announced its unaudited sales for the first quarter of 2024.

"Connected Home" sales fell by 21.7% over the quarter, despite the integration of the Home Networks business in 2024 and the contribution of the diversification activities. This is due to a strong first quarter in Q1 2023, destocking in the sector and a slowdown in capex from operators.

"Supply Chain Solutions" sales were down 13.2%.

- Group sales totaled 458 million euros for the quarter, down 20% as reported (-19.1% at constant exchange rates).
- The contribution of Connected Home was 358 million euros, down 21.7% after the integration of the Home Networks business for 2024 (-20.8% at constant exchange rates). This amount includes 18 million euros of revenues from the diversification activities.
- The contribution from SCS was 100 million euros, down 13.2% (-12.4% at constant exchange rates).
- Vantiva accelerates the implementation of synergies linked to the integration of Home Networks and continues to optimize "Supply Chain Solutions".
- The group is now targeting 40 million euros in synergies (net of costs) by 2024, linked to the integration of Home Networks.
- Synergy potential much greater than initially expected and estimated at over 200 million euros from 2026 onwards compared to over 100 million euros initially expected.
- The 2024 guidance is confirmed.



Luis Martinez-Amago, group Managing Director, comments:

"As expected, the first quarter was very weak, due to the general slowdown in demand against a backdrop of persistently high inventories, and we had prepared ourselves accordingly. The basis for comparison is also unfavorable, since Q1 23 was a strong quarter, stemming from a cycle of high demand due to the precautions taken during the chip crisis, with an exceptional level of activity at some of our strategic customers. The scale of the slowdown is in line with our forecasts and justifies the strong adjustment measures we are currently deploying. We expect business to pick up gradually in the second quarter and second half of the year. The integration of Home Networks is proceeding according to plan and will generate the expected synergies more rapidly than anticipated, enabling the group to defend its profitability in this market context, and to be ready to benefit from the market recovery".

I- Q1 2024 sales

In € million, continuing operations	Q1 2024	Q1 2023	Current exchange rates	Constant exchange rates
Revenue	458	573	-20.0%	-19.1%

First quarter highlights

The downturn in "Connected Home" sales is in line with our forecasts at the start of the year. It can be explained by a first quarter 2023 which saw an exceptional level of deliveries with some of our biggest customers, both Vantiva and Home Networks. The return to normal with these customers and a general downturn in business, linked to the need to clear inventories, are therefore at the root of this downturn. A sequential improvement is expected from the second quarter of 2024 onwards.

The integration of the Home Networks business is proceeding according to plan, and the group is accelerating the implementation of synergies, which should reach, net of costs, around 40 million euros by 2024 and exceed 200 million euros from 2026 onwards.

The "SCS" business also saw a decline in sales, albeit more contained. Diversification activities helped limit the impact of the structural decline in demand for optical disks.

The 2024 guidance is confirmed.

Outlook

The group confirms its guidance for fiscal 2024:

- EBITDA > €140 million
- FCF⁽¹⁾ > €0 million

⁽¹⁾ After interest and taxes and before restructuring and Home Networks acquisition costs



II- Analysis by division and highlights

Connected Home

Breakdown of sales by product

<i>In € million, continuing operations</i>	Q1 2024	Q1 2023	Current exchange rates	Constant exchange rates
Revenue	358	458	-21.7%	-20.8%
<i>Of which by product</i>				
Broadband	212	380	-44.2%	-43.7%
Video	127	77	65.2 %	67.5%
Diversification	18	0	ns	

“**Connected Home**” sales totaled 358 million euros in the first quarter, down 21.7% despite the contribution of Home Networks activities for 2024, and accounted for 78% of group sales (80% in Q1 2023). At constant exchange rates, the decline would have been 20.8% compared with Q1 2023 as reported.

Sales were impacted by continued weak activity due to order reductions by our customers in a context of destocking, and also by a particularly high basis for comparison due to an exceptional level of deliveries with certain strategic customers in North America and Europe.

The integration of Home Networks explains the sharp rise in Video sales.

Diversification activities contributed 18 million euros, and the group signed new contracts for its "Internet of Things" (IoT) activities.

Supply Chain Solutions

<i>In € million, continuing operations</i>	Q1 2024	Q1 2023	Current exchange rates	Constant exchange rates
Revenue	100	115	-13.2%	-12.4%

First quarter **SCS sales** totaled 100 million euros, representing 22% of group sales (20% in Q1 2023). This represents a 13.2% decline compared with Q1 2023, and at constant exchange rates would have been down 12.4%. This variation is the result of contrasting trends: demand for optical discs continues to fall, but is partially offset by price increases, while sales of vinyl discs and logistics services have risen.





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Warning: Forward Looking Statements

This press release contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted, or implied by such forward-looking statements. For a more complete list and description of such risks and uncertainties, refer to Vantiva's filings with the French Autorité des marchés financiers (AMF). The Universal Registration Document (Document d'enregistrement universel) for fiscal year 2022 was filed with the Autorité des marchés financiers on April 26, 2023, under no. D.23-0337, and an amendment was filed with the Autorité des marchés financiers on December 8, 2023, under no. D.23-0337-A01.

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About Vantiva

Pushing the Edge

Vantiva shares are admitted to trading on the regulated market of Euronext Paris (VANTI).

Vantiva, formerly known as Technicolor, is headquartered in Paris, France. It is an independent company which is a global technology leader in designing, developing and supplying innovative products and solutions that connect consumers around the world to the content and services they love – whether at home, at work or in other smart spaces. Vantiva has also earned a solid reputation for optimizing supply chain performance by leveraging its decades-long expertise in high-precision manufacturing, logistics, fulfillment and distribution. With operations throughout the Americas, Asia Pacific and EMEA, Vantiva is recognized as a strategic partner by leading firms across various vertical industries, including network service providers, software companies and video game creators for over 25 years. The group's relationships with the film and entertainment industry goes back over 100 years by providing end-to-end solutions for its clients.

Following the acquisition of CommScope's Home Networks in January 2024, Vantiva continues its 130-year legacy as a global leader in the connected home market.

Vantiva is committed to the highest standards of corporate social responsibility and sustainability across all aspects of their operations.

For more information, please visit vantiva.com and follow Vantiva on [LinkedIn](#) and [Twitter](#).

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