

PRESS RELEASE
Paris, 26 March 2021 (6:00pm)

ADLPartner / ADLPerformance: PROGRESS WITH EARNINGS IN 2020

- **Net sales of €139.3m, up 0.5%**
- **Operating income up 21% to €9.3m, supported by the development of a resilient model faced with the crisis**
- **Proposed dividend of €0.81 per share**
- **2025 ambition: continue moving forward with diversified growth and become a European leader for cross-channel data marketing**

Bertrand Laurioz, ADLPerformance Group Chairman and CEO: “Our results for 2020 reflect our Group’s sound foundations, particularly during a crisis period. With net sales up 0.5%, and 24% growth in our net income after minority interests, we are demonstrating the resilience of our diversified model. These results also illustrate the success of the Group’s dynamic transformation which, thanks to our new transversal commercial organization, is helping drive the development of our subsidiaries and the various companies joining us.

After acquiring three companies last year in the digital marketing sector, we aim to continue moving forward with our robust external growth in 2021 through acquisitions of companies with complementary capabilities and expertise, as shown by our recent acquisition of an interest in the integrated media agency Grand Mercredi, specialized in the seniors segment.

We have embarked on a major development of our activities with the ambition to become a European leader for cross-channel data marketing by 2025. The strength of our financial resources combined with the increase in our capabilities will enable us to benefit from a significant leverage effect for the development of our Group”.

KEY DEVELOPMENTS

Despite the health crisis and the end of sales under the France Abonnements brand as announced, the Group successfully maintained a slight level of net sales growth in 2020. Specifically, the rollout of a new commercial organization around business divisions has supported the development of offers for each market.

In this context, the portfolio-based activities showed their resilience and their ability to bounce back. Following a second quarter significantly affected by the first lockdown, the Magazines business recorded a marked upturn in partnership-based subscription recruitment during the second half of the year, enabling the active open-ended subscriber portfolio to stabilize at 2.7 million units. The Insurance business continued to grow (+9%), helping drive the development of the policyholder portfolio, generating recurrent revenues.

The Digital Marketing business (marketing services and consulting), which represents 37% of consolidated net sales, recorded 20% growth in its gross margin (€31m), linked primarily to the robust development of the subsidiary Converteo, a market leader for digital and data strategy consulting. The marketing services business, held back by the impact of the health crisis, was further strengthened with the integration of the three acquisitions made during the year: i) in January, the acquisition of the assets of Ividence, an adtech company specialized in programmatic native advertising for media newsletters, ii) in July, the acquisition of a majority interest in AWE, a BtoB digital marketing agency, and iii) in August, the acquisition of the assets of Pschhh, a strategic planning and creation agency.

EARNINGS

Consolidated net sales¹ came to €139.3m, up 0.5% from 2019, while the gross sales volume² is stable at €287.5m.

Operating income came to €9.3m, up 21% from 2019, which was negatively affected by a provision for restructuring linked to the realignment measures for the magazine activities. In 2020, the progress with earnings for ADLPartner SA, the further reduction in the loss of the subsidiary ADLP Assurances, and the growing contribution by the subsidiary Converteo made it possible to offset the Spanish subsidiary's stable results and the drop in performance for the marketing services subsidiaries.

After factoring in a higher tax expense (€2.9m), consolidated net income totaled €6.2m in 2020, up 19% from 2019.

After deducting minority interests, net income (Group share) represents €6.5m, with a net margin rate of 4.7%, versus 3.8% in 2019.

Consolidated data (€m)	2020	2019	Change
Net sales	139.31	138.64	+0.5%
Operating income	9.31	7.67	+21.4%
% of net sales	6.7%	5.5%	
Consolidated net income	6.21	5.23	+18.6%
% of net sales	6.7%	5.5%	
Net income (Group share)	6.49	5.24	+23.9%
% of net sales	4.7%	3.8%	

FINANCIAL STRUCTURE

Consolidated shareholders' equity represented €23.1m at 31 December 2020, up €0.5m from 31 December 2019, primarily factoring in earnings for the year (+€6.5m), the exceptional dividend paid in December 2020 (-€1.8m), the impact of the takeover of AWE (-€4.8m) and the impact of changes in the basis for consolidation (+€1.2m).

The Group's net cash climbed €13m to €42.0m at 31 December 2020, compared with €29.0m at 31 December 2019. This progress reflects the Group's growth (organic and external), the strong increase in the Magazines business at the end of the period, and the specific features of its business model, which operates with negative working capital requirements. Financial debt represents €13.3m, compared with €6.8m at 31 December 2019, primarily comprising commitments to buy out the minority interests in Converteo and AWE.

Net asset value³ (Group share), calculated based on shareholders' equity and the value of the active open-ended subscription portfolio, is up 1.8% to €130.9m at 31 December 2020 (€33 per share excluding treasury stock). It does not include the portfolio of insurance policies.

OUTLOOK

The Group's results for 2020 confirm the relevance of its strategy to diversify its markets and continue building on its robust growth. The Group is continuing to optimize its commercial investments in its magazine and insurance activities to further strengthen its portfolios generating recurrent revenues. Alongside this, it is capitalizing on its significant financial resources to sustainably strengthen its position as a major player for digital marketing in Europe thanks to an aggressive external growth strategy. Confident about its prospects, the ADLPerformance Group aims to become a European leader for cross-channel data marketing by 2025.

DIVIDEND

Taking into account the absence of an ordinary dividend in 2020, the payment of an exceptional dividend of €0.45 per share on 18 December 2020, and its confidence in the future, ADLPartner's Board of Directors will

submit a dividend of €0.81 per share for approval at the General Meeting on 18 June 2021, to be paid out on 25 June 2021.

ADDITIONAL INFORMATION

The social and consolidated financial statements for 2020 were approved by the Board of Directors on 26 March 2021. The statutory auditors have completed the audit procedures on the social and consolidated accounts. The certification report will be issued once the necessary procedures have been finalized for publishing the full-year financial report.

NEXT DATES

- 2020 annual financial report on 16 April 2021 (after close of trading)
- 2021 first-quarter net sales on 28 May 2021 (after close of trading)

ADLPartner / ADLPerformance in brief

With its extensive cross-channel marketing track record and deep data expertise, the ADLPerformance Group designs, markets and implements customer acquisition, loyalty and relationship management services on its own behalf or for its partners across all distribution channels. The Group works with 50% of the companies from the CAC 40 and large numbers of mid-market firms. The Group recorded net sales of €139m in 2020 and employs more than 500 people.

ADLPartner is listed on the regulated market Euronext Paris – Compartment C.
ISIN: FR0000062978–ALP - Bloomberg: ALP:FP – Reuters: ALDP.PA

www.adlperformance.com

CONTACTS

ADLPartner / ADLPerformance

Investor Relations & Financial Information

tel: +33 (0)1 41 58 72 03

relations.investisseurs@adlpartner.fr

Calyptus

Cyril Combe

tel: +33 (0)1 53 65 68 68

adlpartner@calyptus.net

¹ Net sales (determined in line with the French professional status for subscription sales) only include the amount of remuneration paid by magazine publishers; for subscription sales, net sales therefore correspond to a gross margin, deducting the cost of magazines sold from the amount of sales recorded. For acquisition and management commissions linked to sales of insurance policies, net sales comprise current and future commissions issued, acquired by the accounting reporting date, net of cancellations.

² Gross sales volume represents the value of subscriptions and other products sold. It is equal to net sales for the insurance business.

³ Net asset value represents the amount of equity plus the discounted value of future net revenues generated by the active open-ended subscription portfolio. It does not include the portfolio of insurance policies.