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Paris, July 25, 2018, 6:00 PM

First half of 2018 financial results EBITDA breaks even and growth target over the year is confirmed

- **Revenue of €16 Million in 2018 first-half**
- **Positive EBITDA of €0.1 Million for the period**
- **Confirmation of the growth perspective in the second half and over the financial year**

Paris, July 25, 2018, 6:00 PM – AdUX group, a specialist in digital advertising and user experience (ISIN FR0012821890 Code - HIM, HIM.FR) released its results of the first half of the financial year 2018.

A base of solid activity

The revenue of 2018 first half is €16 million, almost stable with respect to the first half of 2017⁽¹⁾ (€16.6 million), which shows a good resistance of the marketing of AdUX advertising products despite a very troubled advertising environment after the revelations about the security failures pertaining to personal data on social networks (Cambridge Analytica scandal) and in the context of uncertainty related to the coming into force of the GDPR (*General Data Protection Regulation*) in the European Union.

The Native advertising (Quantum) and Social Marketing (Adpulse) activities recorded a high growth throughout the half-year.

As planned, the Drive to Store (Admoove) activities in France started their recovery with an increase of 20% between the first and second quarter of 2018. The Group had foreseen the

⁽¹⁾ The financial statements as of June 30, 2017 have been prepared on the basis of the historical financial statements of the AdUX group less discontinued operations and assets held for sale (Spain, Italy, Latam) presented in Note 5 of the annual financial statements 2017



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implementation of the General Data Protection Regulation by abandoning its tracking SDK at the end of 2017 and focusing on the analysis of the bid request of automated market places (SSP).

The remaining historical activities continue to decrease as predicted and represent less than 30% of the revenue. Their weightage will increasingly reduce in the consolidated activity.

Overall, the activity of the group has shown good resistance in a particularly uncertain environment in the first half of the year. Even if the turnover could not increase in the first 6 months, the Group continues to be confident about its growth perspectives in the second half of the year.

Analysis of the profit and loss statement

On a revenue of €16 million, the gross margin is €8.5 million (-0.5 million Euros as compared to the first half of 2017) with a slight decrease in personnel costs at €5.5 million (-0.3 million Euros as compared to the first half of 2017) and a slight increase in external purchase costs at €2.9 million (+0.3 million Euros as compared to the first half of 2017) partly linked to the development of the activity on new geographies. Thus, the EBITDA reaches €0.1 million (-0.4 million Euros as compared to the first half of 2017). The depreciation charges remain stable at €1 million, and the current operating loss amounted €0.9 million.

In addition, to take into account the changes in its activity and the termination of an historical commercial contract in Sweden related to an acquisition made in 2006, the Group booked an impairment of goodwill for €8.5 million representing the main part of other non-current income and charges. After taking into account the financial charges and taxes, the consolidated net loss ended the first half at €10.4 million.

As of June 30, 2018, the company had €3.3 million in gross cash equivalents and a transferable participation in HiPay valued at €0.4 million.

Prospects

The resistance of the Group's activity in a particularly difficult context and the relevance of the positioning of its main Quantum (native advertising), Adpulse (social marketing) and Admoove (Drive to Store) products allow the group to show its confidence about its growth objectives over the financial year of 2018.



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Cyril Zimmermann, CEO of AdUX says “We have refocused on ‘UX friendly’ solid digital advertising models with high growth potential: Native Advertising, Drive-to-Store and Social Marketing. By approaching advertising in a responsible manner, AdUX meets the expectations of the end users, i.e. the internet users. By offering technological solutions to its partners (Agencies, Advertisers and Publishers) AdUX wants to make the digital media buying experience more efficient and easy”

The establishment of consolidated accounts have been supervised by the Board of Directors of AdUX SA on July 24, 2018, were audited and the corresponding certification report is in the process of being issued. The financial report pertaining to the accounts closed on June 30, 2018 will be available on the 26 July 2018 on the company’s website at www.adux.com under the “Investors” section.

An SFAF presentation of the results will take place over a conference call on July 26, 2018 at 9:00 AM. The supporting documentation will be available in the “Investors” section of the Company’s website, www.adux.com.

Next financial announcements:

Third quarter 2018 revenue, on November 8, 2018 after close of the trading.

About AdUX

A pioneer of the sector, AdUX is a European specialist of digital advertising and user experience. With a presence in 8 European countries, it has attained a turnover of 34 million Euros in 2017. Independent since its creation, the company is listed in the Euronext Paris Compartment C and is a part of the CAC Small, CAC All-Tradable and CAC PME indices.

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For more information, please visit www.adux.com and infofin@adux.com
Follow us on Twitter: @AdUX_France

LinkedIn: http://www.linkedin.com/company/adux_fr

Investors and analysts contact

infofin@adux.com

Press Contact

Antidox
Nicolas Ruscher
nicolas.ruscher@antidox.fr

This statement may contain certain forward-looking statements. Although the AdUX Group believes that these statements are based on reasonable assumptions as on the date of publication of this statement, they are, by their very nature, subject to risk and uncertainty that can create a difference between the actual figures and those indicated in or inferred from these statements. The AdUX Group operates in a continually changing sector where new risk factors can emerge at any time. The AdUX Group is under no obligation whatsoever to update these forward-looking statements based on new information, events or other circumstances.

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Consolidated income statements for the half-years ending on 30 June 2018 and 30 June 2017

| <i>In thousands of euro</i> | 30 June 2018 | 30 June 2017 (restated) ⁽²⁾ | 30 June 2017 (published) |
|--|---------------------|---|-----------------------------|
| Sales | 16 042 | 16 587 | 26 087 |
| Charges invoiced by the media | -7 577 | -7 606 | -13 819 |
| Gross profit | 8 465 | 8 982 | 12 268 |
| Purchases | -2 851 | -2 598 | -3 469 |
| Payroll charges | -5 549 | -5 864 | -8 446 |
| EBITDA ⁽¹⁾ | 66 | 521 | 353 |
| Depreciation and amortization | -1 010 | -961 | -988 |
| Current operating profit | -944 | -440 | -635 |
| Stock based compensation | -340 | -106 | -106 |
| Other non-current income and charges | -9 296 | 353 | 332 |
| Operating profit | -10 581 | -193 | -410 |
| Cost of indebtedness | -26 | -20 | -20 |
| Other financial income and charges | 52 | 18 | 78 |
| Earning of the consolidated companies | -10 555 | -195 | -351 |
| Share in the earnings of the companies treated on an equity basis | - | - | - |
| Earnings before tax of the consolidated companies | -10 555 | -195 | -351 |
| Income Tax | -231 | -115 | -105 |
| Net income of the consolidated companies | -10 786 | -310 | -456 |
| Net income from discontinued operations | 257 | -146 | - |
| Net income | -10 529 | -456 | -456 |
| Minority interests from continuing operations | 179 | 30 | 124 |
| Minority interests from discontinued operations | - | 95 | - |
| Including Group Share | -10 351 | -332 | -332 |
| | 30 June 2018 | 30 June 2017 | 30 June 2017 |
| Weighted average number of ordinary shares | 2 886 088 | 2 886 088 | 2 886 088 |
| Earnings per share, Group share (in euro) | - 3.59 | - 0.11 | - 0.11 |
| Weighted average number of ordinary shares (diluted) | 2 886 088 | 2 886 088 | 2 886 088 |
| Diluted earnings per share, Group share (in euro) | - 3.59 | - 0.11 | - 0.11 |
| Weighted average number of ordinary shares | 2 886 088 | 2 886 088 | 2 886 088 |
| Earnings per share from continuing and discontinued operations (in euro) | - 3.74 | - 0.11 | - 0.16 |
| Weighted average number of ordinary shares (diluted) | 2 886 088 | 2 886 088 | 2 886 088 |
| Diluted earnings per share of continuing activities (in euro) | - 3.74 | - 0.11 | - 0.16 |

⁽¹⁾ Current operating income before appropriations and reversals for depreciation and provisions.

⁽²⁾ The financial statements as of June 30, 2017 have been prepared on the basis of the historical financial statements of the AdUX group less discontinued operations and assets held for sale (Spain, Italy, Latam) presented in Note 5.



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Consolidated balance sheets as of 30 June 2018 and 31 December 2017

| ASSETS - In thousands of euro | 30 June 2018 | 31 Dec 2017 |
|--------------------------------------|---------------------|--------------------|
| Net goodwill | 6 040 | 14 523 |
| Net intangible fixed assets | 638 | 968 |
| Net tangible fixed assets | 230 | 371 |
| Deferred tax credits | 4 | 14 |
| Other financial assets | 1 065 | 1 104 |
| Non-current assets | 7 976 | 16 980 |
| Customers and other debtors | 14 664 | 15 859 |
| Other current assets | 12 412 | 13 856 |
| Current financial assets | 385 | 371 |
| Cash and cash equivalents | 3 278 | 4 551 |
| Current assets | 30 739 | 34 637 |
| TOTAL ASSETS | 38 715 | 51 617 |

| LIABILITIES - In thousands of euro | 30 June 2018 | 31 Dec 2017 |
|--|---------------------|--------------------|
| Share capital | 4 329 | 4 329 |
| Premiums on issue and on conveyance | 22 775 | 83 870 |
| Reserves and retained earnings | -11 906 | -68 961 |
| Treasury shares | -4 279 | -4 241 |
| Consolidated net income (Group share) | -10 351 | -4 288 |
| Shareholders' equity (Group share) | 569 | 10 709 |
| Minority interests | -555 | -383 |
| Shareholders' equity | 13 | 10 326 |
| Long-term borrowings and financial liabilities | 1 461 | 1 687 |
| Non-current provisions | 719 | 791 |
| Non-current liabilities | - | - |
| Deferred tax liabilities | 351 | 349 |
| Non-current liabilities | 2 531 | 2 827 |
| Short-term financial liabilities and bank overdrafts | 1 631 | 1 631 |
| Current provisions | - | - |
| Suppliers and other creditors | 23 289 | 26 077 |
| Other current debts and liabilities | 11 251 | 10 756 |
| Current liabilities | 36 171 | 38 464 |
| TOTAL LIABILITIES | 38 715 | 51 617 |



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Table of consolidated cash flows for the half-years ending on 30 June 2018 and on 31 December 2017 and on 30 June 2017

| In thousands of euro | 30 June 2018 | 31 Dec 2017 | 30 June 2017 |
|--|---------------|---------------|---------------|
| Net income | -10 529 | -4 740 | -456 |
| <i>Ajustments for :</i> | | | |
| Depreciation of the fixed assets | 914 | 2 861 | 975 |
| Value losses | 8 483 | - | - |
| Other non-current without impact on the cash | 673 | 109 | 191 |
| Cost of net financial indebtedness | 26 | 48 | 20 |
| Share in associated companies | - | - | - |
| Net income on disposals of fixed assets | 192 | -2 711 | -764 |
| Cash flow from discontinued operations | -1 001 | 2 916 | 305 |
| Cash flow from business to be divested | - | - | - |
| Costs of payments based on shares | 340 | 258 | 106 |
| Tax charge or proceeds | 231 | 120 | 115 |
| Operating profit before variation of the operating capital need | -671 | -1 139 | 491 |
| Variation of the operating capital need | 121 | -1 722 | -1 377 |
| Cash flow coming from operating activities | -551 | -2 861 | -886 |
| Interest paid | -26 | -48 | -20 |
| Tax on earnings paid | -335 | -506 | -327 |
| NET CASH FLOW RESULTING FROM OPERATING ACTIVITIES | -911 | -3 414 | -1 233 |
| Income from disposals of fixed assets | - | - | - |
| Valuation at fair value of the cash equivalents | - | - | - |
| Proceeds from disposals of financial assets | - | - | - |
| Disposal of subsidiary, after deduction of cash transferred | 583 | 5 635 | 1 817 |
| Acquisition of a subsidiary | -12 | -606 | -545 |
| Acquisition of fixed assets | -516 | -1 457 | -698 |
| Variation of financial assets | 40 | 103 | 3 |
| Variation of suppliers of fixed assets | -6 | -134 | -13 |
| Effect of the perimeter variations | - | -2 | -2 |
| NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES | 88 | 3 538 | 561 |
| Proceeds from share issues | -0 | -95 | -95 |
| Redemption of own shares | -38 | 36 | 170 |
| New borrowings | - | - | - |
| Repayments of borrowings | -240 | -607 | -240 |
| Other financial liabilities variation | -172 | -676 | -218 |
| Dividends paid to minority interests | - | -13 | - |
| NET CASH FLOW COMING FROM FINANCING ACTIVITIES | -450 | -1 355 | -384 |
| Effect of exchange rate variations | 0 | 91 | 52 |
| NET VARIATION OF CASH AND OF CASH EQUIVALENTS | -1 273 | -1 139 | -1 003 |
| Cash and cash equivalents on January 1 st | 4 551 | 5 690 | 5 690 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 3 278 | 4 551 | 4 687 |