

Press release

2020 FIRST HALF RESULTS

Revenue of **€8.3M** for the first half 2020 (vs. €11.9M in 2019)

EBITDA of **-€0.4M** in first half 2020 (vs. -€0.9M in 2019)

Levallois-Perret, July 30th, 2020, 6:00pm – AdUX group, a specialist in digital advertising and user experience (Code ISIN FR0012821890 - ADUX) released its results for the 1st half of the financial year 2020.

AdUX' activity has been strongly impacted by the health crisis and the economic slowdown linked to the Covid-19.

| (€m) | | Q1 2020 | Q1 2019 | Q2 2020 | Q2 2019 | H1 2020 | H1 2019 | Var. |
|-------|--------------|---------|---------|---------|---------|---------|---------|------|
| Group | Revenue | 4,8 | 5,3 | 3,4 | 6,6 | 8,3 | 11,9 | -30% |
| | Gross margin | 2,2 | 2,3 | 1,5 | 3,2 | 3,7 | 5,5 | -33% |
| | EBITDA | (0,2) | (1,1) | (0,1) | 0,2 | (0,4) | (0,9) | n.a |

Despite a promising start to the year (revenue for the months of January and February in 2020 were up), revenue of the first quarter had contracted in a limited way to -8%. This drop in revenue is explained by the development of the health crisis and the start of lockdown in March: Admovee was growing at the time and Quantum remained almost stable over the first three months of the year.

The health crisis and the lockdown of a large part of the European population have had an immediate impact on household consumption and on the marketing expenses of advertisers. As of March 2020, many advertising campaigns have been canceled or postponed to September 2020. The decrease was confirmed and accentuated in April and May 2020. Revenue for the second quarter therefore contracted sharply, recording an overall decline of 48%, which affected all activities.

The month of June seems to indicate the start of a recovery which will need to be confirmed in September 2020 after the summer months which are traditionally marked by low seasonal activity and considering that the full impact of the crisis remains largely unknown at this stage.

Analysis of the P&L

| In €M | H1 2020 | H1 2019 |
|---|-------------|-------------|
| Sales | 8,3 | 11,9 |
| Charges invoiced by the media | -4,5 | -6,3 |
| Gross profit | 3,7 | 5,5 |
| Purchases | -1,3 | -2,4 |
| Payroll charges | -2,8 | -4,1 |
| EBITDA ⁽¹⁾ | -0,4 | -0,9 |
| Depreciation and amortization | -0,8 | -0,8 |
| Current operating profit | -1,1 | -1,7 |
| Stock based compensation | 0,0 | 0,0 |
| Other non-current income and charges | 0,3 | -0,1 |
| Operating profit | -0,8 | -1,8 |
| Cost of indebtedness | 0,0 | 0,0 |
| Other financial income and charges | 0,0 | 0,0 |
| Earning of the consolidated companies | -0,9 | -1,8 |
| Share in the earnings of the companies treated on an equity basis | 0,0 | 0,0 |
| Earnings before tax of the consolidated companies | -0,9 | -1,8 |
| Income Tax | -0,1 | -0,1 |
| Net income of the consolidated companies | -0,9 | -2,0 |
| Net income from discontinued operations | 0,0 | 0,0 |
| Net income | -0,9 | -2,0 |
| Minority interests from continuing operations | 0,0 | -0,1 |
| Minority interests from discontinued operations | 0,0 | 0,0 |
| Including Group Share | -1,0 | -2,0 |

⁽¹⁾ Current operating income before allocations and reversals of depreciation, amortization and provisions.

AdUX' revenue fell by 30% over the period and therefore the gross margin followed a parallel trend with a decrease of 33%.

The control of external costs and the synergies operated with the Azerion Group allowed the company to reduce its external costs by €1 million (-45% vs. the first half of 2019).

The personnel costs decreased by €1.3 million (-31% vs. the first half of 2019) following the reduction in payroll costs initiated in 2019 and the use of partial unemployment from the start of the health crisis.

These cost reductions resulted in an improvement of EBITDA, which stands at -€0.4 million in the first half of 2020 (vs. -€0.9 million in the first half of 2019).

Amortization and depreciation remained stable at -€0.8 million, and current operating income reached -€1.1 million, improving by €0.5 million.

Net income Group share reaches -€0.9 million, compared to -€2 million in the first half of 2019.

Events & Perspectives

It is too early to assess the impact of this crisis on the profitability of the Company for the whole of the 2020 financial year, but it is probable that the Company will not be in a position to achieve growth of revenue over the full year. However, it will maintain its efforts to recover its profitability thanks in particular to commercial and cost synergies put in place with its majority shareholder Azerion.

In view of the Dutch roots (and Amsterdam HQ base) of the Company's main shareholder Azerion Holding B.V., which currently holds 54.95% of the Company's share capital, AdUX has started preparation to apply for a secondary listing on the Euronext Amsterdam stock market, in addition to its existing listing on Euronext Paris. This second listing will allow the Company to benefit from better visibility on the Dutch market, which has significant development potential given Azerion's strong presence. The dual listing of AdUX on both Euronext Paris and Euronext Amsterdam should also allow the Company to further diversify its investor base. Listing on Euronext Amsterdam is currently expected to become effective between September 2020 and the end of 2020.

The establishment of consolidated accounts have been supervised by the Board of Directors of AdUX SA on July 28, 2020, 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, 2020 will be available within the legal deadlines on the company's website at www.adux.com under the "Investors" section.

Next financial announcements

Third quarter results 2020

Thursday the 19th of November, 2020 after closing of the stock market.

ABOUT ADUX

A pioneer of the sector, ADUX is a European specialist of digital advertising and user experience. With a presence in 6 European countries, it attained a turnover of 25 million of euros in 2019. The company is listed in the Euronext Paris Compartment C and holds the "Innovative Company" label. This label offers, for a period of 3 years, the possibility for the FCPI to invest in the capital of ADUX, and for their subscribers to benefit from the corresponding tax benefits.

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For more information, please visit www.adux.com
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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.

Consolidated income statements for the half-years ending on 30th June 2020 and 30th June 2019

| <i>In thousands of euro</i> | 30 June 2020 | 30 June 2019 |
|---|---------------------|---------------------|
| Sales | 8 286 | 11 854 |
| Charges invoiced by the media | -4 547 | -6 307 |
| Gross profit | 3 739 | 5 547 |
| Purchases | -1 299 | -2 373 |
| Payroll charges | -2 800 | -4 074 |
| EBITDA ⁽¹⁾ | -360 | -900 |
| Depreciation and amortization | -757 | -768 |
| Current operating profit | -1 118 | -1 667 |
| Stock based compensation | - | -12 |
| Other non-current income and charges | 316 | -126 |
| Operating profit | -802 | -1 805 |
| Cost of indebtedness | -26 | -32 |
| Other financial income and charges | -48 | 43 |
| Earning of the consolidated companies | -876 | -1 794 |
| Share in the earnings of the companies treated on an equity basis | - | -20 |
| Earnings before tax of the consolidated companies | -876 | -1 814 |
| Income Tax | -71 | -139 |
| Net income of the consolidated companies | -948 | -1 952 |
| Minority interests from continuing operations | -41 | -90 |
| Including Group Share | -988 | -2 042 |
| | 30 June 2020 | 30 June 2019 |
| Weighted average number of ordinary shares | 6 277 925 | 3 678 537 |
| Earnings per share, Group share (in euro) | - 0,16 | - 0,56 |
| Weighted average number of ordinary shares (diluted) | 6 277 925 | 3 678 537 |
| Diluted earnings per share, Group share (in euro) | - 0,16 | - 0,56 |

⁽¹⁾ Current operating income before allocations and reversals of depreciation, amortization and provisions.

Consolidated balance sheets as of 30th June 2020 and 31st December 2019

| | 30 June 2020 | 31 Dec 2019 |
|---------------------------------------|---------------|---------------|
| ASSETS - In thousands of euro | | |
| Net Goodwill | 2 468 | 2 468 |
| Net intangible fixed assets | 1 191 | 1 498 |
| Net tangible fixed assets | 189 | 240 |
| Right of use assets related to leases | 1 033 | 1 193 |
| Deferred tax credits | - | - |
| Other financial assets | 173 | 173 |
| Assets held for sale | - | - |
| Non-current assets | 5 053 | 5 572 |
| Customers and other debtors | 12 201 | 14 245 |
| Other current assets | 8 940 | 11 560 |
| Cash and cash equivalents | 1 803 | 3 172 |
| Current assets | 22 944 | 28 977 |
| TOTAL ASSETS | 27 998 | 34 548 |

| | 30 June 2020 | 31 Dec 2019 |
|--|---------------|---------------|
| LIABILITIES - In thousands of euro | | |
| Share capital | 9 417 | 9 417 |
| Premiums on issue and reserves | -14 080 | -13 130 |
| Treasury shares | -97 | -84 |
| Consolidated net income (Group share) | -989 | -400 |
| Shareholders' equity (Group share) | -5 748 | -4 197 |
| Minority interests | 67 | 26 |
| Shareholders' equity | -5 682 | -4 171 |
| Long-term borrowings and financial liabilities | 960 | 1 510 |
| Long-term lease liabilities | 809 | 959 |
| Non-current Provisions | 505 | 480 |
| Deferred tax liabilities | - | - |
| Liabilities held for sale | - | - |
| Non-current liabilities | 2 274 | 2 949 |
| Short-term financial liabilities and bank overdrafts | 2 617 | 3 407 |
| Short-term lease liabilities | 291 | 293 |
| Current provisions | 1 972 | 2 052 |
| Suppliers and other creditors | 19 702 | 20 296 |
| Other current debts and liabilities | 6 825 | 9 723 |

| | | |
|--------------------------|---------------|---------------|
| Current liabilities | 31 405 | 35 771 |
| TOTAL LIABILITIES | 27 998 | 34 548 |

Consolidated statement of cash flows for 2020 and the half-year ending on 30th June 2020 and on 30th June 2019

| In thousands of euro | 30 June 2020 | 31 Dec 2019 | 30 June 2019 |
|---|--------------|---------------|---------------|
| Net income | -948 | -372 | -1 952 |
| Depreciation of the fixed assets | 688 | 1 564 | 771 |
| Value losses | - | - | - |
| Other non-current without impact on the cash | 82 | -1 435 | 77 |
| Cost of net financial indebtedness | 26 | 52 | 32 |
| Share in associated companies | - | 16 | 20 |
| Net income on disposals of fixed assets | -47 | -75 | -174 |
| Cash flow from discontinued operations | - | - | - |
| Costs of payments based on shares | - | 12 | 12 |
| Tax charge or proceeds | 71 | 58 | 139 |
| Operating profit before variation of the operating capital need | -128 | -179 | -1 076 |
| Variation of the operating capital need | -375 | -2 572 | -737 |
| Cash flow coming from operating activities | -503 | -2 752 | -1 813 |
| Interest paid | -11 | -34 | -32 |
| Tax on earnings paid | -69 | -35 | -12 |
| NET CASH FLOW RESULTING FROM OPERATING ACTIVITIES | -583 | -2 820 | -1 857 |
| Income from disposals of fixed assets | - | - | - |
| Valuation at fair value of the cash equivalents | - | - | - |
| Proceeds from disposals of financial assets | - | -31 | - |
| Disposal of subsidiary, after deduction of cash transferred | - | 1 214 | 1 184 |
| Acquisition of a subsidiary | - | 132 | 132 |
| Acquisition of fixed assets | -351 | -894 | -442 |
| Variation of financial assets | - | -2 | - |
| Variation of suppliers of fixed assets | -46 | -139 | -84 |
| Effect of the perimeter variations | -2 | -35 | -35 |
| NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES | -399 | 245 | 754 |
| Proceeds from share issues | - | 3 885 | - |
| Redemption of own shares | -13 | 106 | 65 |
| New borrowings | 400 | 1 165 | 585 |
| Repayments of borrowings | -776 | -1 409 | -382 |
| Other financial liabilities variation | 1 | - | - |
| Dividends paid to minority interests | - | - | - |
| NET CASH FLOW COMING FROM FINANCING ACTIVITIES | -387 | 3 746 | 268 |
| Effect of exchange rate variations | -0 | 0 | -4 |

| | | | |
|---|--------|-------|-------|
| NET VARIATION OF CASH AND OF CASH EQUIVALENTS | -1 369 | 1 171 | -838 |
| Cash and cash equivalents on January 1 st ADVERTISING AND USER | 3 172 | 2 001 | 2 001 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 1 803 | 3 172 | 1 163 |