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Paris – March 14, 2018, 5:45 pm

2017 Annual Results

Return to growth in First-Quarter 2018

- **2017 revenue of €34.2 million for the new business base⁽¹⁾**
- **EBITDA⁽²⁾ of €1.7 million for the new business base⁽¹⁾ and a net loss of €4.3 million including the loss of goodwill from divested entities**
- **A return to growth in first-quarter 2018**

Paris – March 14, 2018, 5:45 pm – Following the disposal of most of its traditional media sales operations, digital marketing specialist AdUX (ISIN code: FR0012821890 - HIM, HIM.FR) has released its 2017 annual results in its new configuration.

A new scope of business and a return to growth in 2018

Late 2017 saw AdUX complete the final disposals needed to withdraw from most of its traditional media sales activities. These included, in succession, its legacy operations in Germany,⁽³⁾ Latin America, Spain and Italy. The only remaining legacy business assets concern minor operations in Belgium and Portugal.

Reported revenue from the new business base stood at €34.2 million for the year, of which the Native Advertising (Quantum), Drive-to-Store Marketing (Admoove) and Social Marketing (Adpulse) divisions accounted for €24.2 million. These businesses will continue to grow in 2018 and are expected to account for nearly 85% of the revenue stream at the end of the year. Their vitality has enabled the Group to return to growth as early as first-quarter 2018 after a long adjustment and repositioning process.

⁽¹⁾ The new scope of consolidation comprises all of the Group's operations, adjusted for the disposal of Latam Digital Ventures and the legacy media sales businesses in Spain and Italy.

⁽²⁾ Earnings before interest, tax, depreciation and amortization, including a €0.9 million gain on the change in the holding company's property lease.

⁽³⁾ 55% of HiMedia Deutschland was sold in July 2015.



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Income Statement Analysis

(€ millions)	2017	2016	Change
Sales	34.2	39.3	(5.1)
Gross profit/(loss)	17.9	20.0	(2.1)
Purchases	(4.8)	(6.8)	2.0
Payroll costs	(11.4)	(11.8)	0.4
EBITDA⁽²⁾	1.7	1.4	0.3
Depreciation, amortization and provision expense, net	(2.7)	(1.7)	(1.0)
Current operating profit/(loss)	(1.0)	(0.3)	(0.7)
Other non-current income and expense, net	(0,2)	(0,2)	(0,0)
Operating profit/(loss)	(1,4)	(0,5)	(0,9)
Finance costs and other financial income and expense, net	(0,4)	(0,2)	(0,2)
Income tax	(0,1)	(0,1)	(0,0)
Net income/(loss) from consolidated companies	(2,0)	(0,7)	(1,2)
Net income/(loss) from discontinued operations and assets held for sale	(2,8)	(0,6)	(2,2)
Net income/(loss)	(4,7)	(1,3)	(3,4)
Minority interests from continuing operations	0,2	0,1	0,1
Minority interests from discontinued operations and assets held for sale	0,2	0,1	0,1
Attributable to AdUX shareholders	(4,3)	(1,1)	(3,2)

Despite the gains recorded by the Native Advertising, Drive-to-Store Marketing and Social Marketing divisions, consolidated revenue decreased by €5.1 million due to the sharp decline in contribution from the remaining businesses in Belgium, France and Portugal. The contribution of these businesses is expected to decline further in 2018, albeit at a more moderate pace.

With margins remaining stable, gross profit tracked the revenue trend line and amounted to €17.9 million for the year, down €2.1 million.

External costs were significantly reduced (by €2 million, or 29%), as were payroll costs (down €0.4 million, or 3%), although to a lesser extent due to recruitments in the Native Advertising and Social Marketing businesses. The decline in external costs included a €0.9 million gain on the holding company's property lease⁽⁴⁾, which was renegotiated in July 2017.

⁽⁴⁾ Accelerated recognition of the rent-free period initially granted. This was offset by the accelerated depreciation of the fixtures and fittings (excluding EBITDA), recognized in full-year EBIT in an amount of €0.8 million.

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Depreciation and amortization expense increased mainly because of the accelerated depreciation of the fixtures and fittings at the holding company's headquarters for €0.8 million, related to a change in the property lease.

Other non-current income and expense, net came to an expense of €0.2 million.

As a result, operating profit/(loss) amounted to a loss of €1.4 million and net income of the consolidated companies to a loss of €2 million.

Net income from discontinued operations and assets held for sale came to a loss of €2.8 million, primarily reflecting the loss of goodwill allocated to Spain (for a negative impact of €6.3 million) and the sale of Latam Digital Ventures (for a positive impact of €2.2 million).

After minority interests, the consolidated net loss ended the year at €4.3 million.

Financial position

At December 31, 2017, the company had €4.6 million in gross cash and cash equivalents and a transferable equity interest in HiPay valued at €0.4 million.

Outlook

The new legal framework on personal data protection that will soon come into effect (the General Data Protection Regulation in May 2018 and the proposed ePrivacy Regulation) inspired a change of position and technology for the Drive-to-Store business in 2017. As a result, Admoove has repositioned itself to focus on a geomarketing business that complies with the predicted changes to legislation and that will also be more scalable. To do this, it will work with the main existing advertising marketplaces. The impact of this move will be felt progressively during 2018.

Native Advertising and Social Marketing are expected to continue to grow strongly during the year, with Native consolidating its international expansion.

AdUX's three core businesses are therefore projected to enjoy strong growth during the year and drive an increase in consolidated revenue from 2018.

"We have refocused on digital advertising models with higher growth potential – Native Advertising, Drive-to-Store and Social Marketing – whose expansion is being driven by new consumer shopping habits and by advertiser needs. In 2018, we are beginning a new phase of growth," said Cyril Zimmerman, Chairman and Chief Executive Officer of AdUX.

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Approved by the AdUX SA Board of Directors on March 13, 2018, the annual and consolidated financial statements have been audited and the corresponding certification report is being prepared. The annual report on the financial statements for the year ended December 31, 2017 will be available within the legal deadline on the Company's website, www.adux.com, under the "Investors" heading.

The annual results will be presented to analysts at a meeting on March 15, 2018 at 10 a.m. The supporting documentation will be available in the "Investors" section of the Company's website, www.adux.com.

Investor calendar

First-quarter 2018 revenue on Thursday, May 3, 2018 after close of trading.

About AdUX

AdUX is an industry pioneer and European leader in digital marketing.

With operations in six European countries, the Group reported revenue of €34 million in 2017.

Independent since its creation, the company is listed on Euronext Paris, in compartment C, and is included in the CAC Small, CAC All-Tradable and CAC SME indices.

ISIN code: FR0012821890/LEI: 969500IIE66C3CFB1K57/Symbol: ADUX

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This press release may contain certain forward-looking statements. Although AdUX Group believes that these statements are based on assumptions that were reasonable as of the date of this press release, they are by their very nature subject to risks and uncertainties that could cause actual results to differ from those indicated or projected in these statements. AdUX Group operates in a continually changing environment and new risks may emerge. AdUX Group assumes no obligation to update these forward-looking statements to reflect any new information, future events or other circumstances.



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Consolidated Financial Statements for FY 2017 and 2016

<i>in thousands of Euros</i>	31 dec.2017	31 dec.2016 (restated) ⁽¹⁾	31 dec.2016 (published)
Sales	34 247	39 323	59 151
Charges invoiced by the media	- 16 330	- 19 307	- 32 324
Gross profit	17 918	20 016	26 827
Purchases	- 4 816	- 6 819	- 8 882
Payroll costs	- 11 412	- 11 820	- 16 829
EBITDA	1 691	1 377	1 116
Depreciation and amortization	- 2 677	- 1 650	- 1 775
Current operating profit	- 987	- 273	- 659
Stock based compensation	- 258	- 37	- 37
Other non-current income and charges	- 168	- 162	- 37
Operating profit	- 1 412	- 472	- 734
Cost of indebtedness	- 30	86	- 58
Other financial income and charges	- 399	- 306	- 239
Earning of the consolidated companies	- 1 842	- 691	- 1 031
Share in the earnings of the companies treated on an equity basis	-	48	48
Earnings before tax of the consolidated companies	- 1 842	- 643	- 983
Income Tax	- 120	- 97	- 333
Net income of the consolidated companies	- 1 962	- 740	- 1 316
Net income from discontinued operations and assets held for sale	- 2 778	- 576	-
Net income	- 4 740	- 1 316	- 1 316
Including minority interests	207	125	224
Minority interests from discontinued operations	245	98	-
Including Group share	- 4 288	- 1 092	- 1 092

	31 dec.2017	31 dec.2016	31 dec.2016
Weighted average number of ordinary shares	2 886 088	2 886 088	2 886 088
Earnings per share, Group share (in euro)	-1,49	-0,38	-0,38
Weighted average number of ordinary shares (diluted)	2 886 088	2 886 088	2 886 088
Diluted earnings per share, Group share (in euro)	-1,49	-0,38	-0,38
Weighted average number of ordinary shares	2 886 088	2 886 088	
Earnings per share of the consolidated companies (in euro)	-0,68	-0,26	
Weighted average number of ordinary shares (diluted)	2 886 088	2 886 088	
Diluted earnings per share of the consolidated companies (in euro)	-0,68	-0,26	

⁽¹⁾ The financial statements at 31 December 2016 have been prepared with the historical financial statements of AdUX decreased to the combined financial statements (Spain, Italy, Latam) presented in the Financial Statements 2017 notes.



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Consolidated Balance Sheets as at December 31st, 2017 and December 31st, 2016

ASSETS - in thousands of euros	31 dec.2017	31 dec.2016
Net Goodwill	14 523	20 860
Net intangible fixed assets	968	1 413
Net tangible fixed assets	371	1 319
Deferred tax credits	14	54
Other financial assets	1 104	1 484
Non-current assets	16 980	25 131
Customers and other debtors	15 859	26 101
Other current assets	13 856	13 988
Current financial assets	371	3 259
Cash and cash equivalents	4 551	5 690
Current assets	34 637	49 037
TOTAL ASSETS	51 617	74 168

LIABILITIES - in thousands of euros	31 dec.2017	31 dec.2016
Share capital	4 329	4 329
Premiums on issue and on conveyance	83 870	83 870
Reserves and retained earnings	-68 961	-64 485
Treasury shares	-4 241	-5 722
Consolidated net income (Group share)	-4 288	-1 092
Shareholders' equity (Group share)	10 709	16 900
Minority interests	-383	375
Shareholders' equity	10 326	17 274
Long-term borrowings and financial liabilities	1 687	3 416
Non-current Provisions	791	696
Non-current liabilities	-	-
Deferred tax liabilities	349	264
Non-current liabilities	2 827	4 376
Short-term financial liabilities and bank overdrafts	1 631	480
Current provisions	-	-
Suppliers and other creditors	26 077	40 612
Other current debts and liabilities	10 756	11 425
Current liabilities	38 464	52 517
TOTAL LIABILITIES	51 617	74 168



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Table of Consolidated Cash Flows for FY 2017 and 2016

in thousands of euros	31 dec.2017	31 dec.2016
Net income	-4 740	-1 316
<i>Ajustments for :</i>	-	-
Depreciation of the fixed assets	2 861	1 642
Value losses	-	-
Other non-current without impact on the cash	109	-146
Cost of net financial indebtedness	48	-86
Share in associated companies	-	-48
Net income on disposals of fixed assets	-2 711	-1 568
Cash flow from discontinued operations	2 916	115
Cash flow from business to be divested	-	-
Costs of payments based on shares	258	37
Tax charge or proceeds	120	97
Operating profit before variation of the operating capital need	-1 139	-1 273
Variation of the operating capital need	-1 722	-4 482
Cash flow coming from operating activities	-2 861	-5 755
Interest paid	-48	86
Tax on earnings paid	-506	-275
NET CASH FLOW RESULTING FROM OPERATING ACTIVITIES	-3 414	-5 944
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	5 635	6 303
Acquisition of a subsidiary	-606	-1 767
Acquisition of fixed assets	-1 457	-1 279
Variation of financial assets	103	80
Variation of suppliers of fixed assets	-134	-398
Effect of the perimeter variations	-2	-
NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES	3 538	2 940
Proceeds from share issues	-95	3
Redemption of own shares	36	97
New borrowings	-	1 576
Repayments of borrowings	-607	-
Other financial liabilities variation	-676	-406
Dividends paid to minority interests	-13	-19
NET CASH FLOW COMING FROM FINANCING ACTIVITIES	-1 355	1 251
Effect of exchange rate variations	91	9
NET VARIATION OF CASH AND OF CASH EQUIVALENTS	-1 139	-1 743
Cash and cash equivalents on January 1st	5 690	7 434
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4 551	5 690