

## PRESS RELEASE

### 2019 annual results: another sharp rise in profitability

- Revenues up +25%, with organic growth of +7%
- +42% increase in EBITDA: record EBITDA margin of 9.2%

Lyon, 17 March 2020 – 6 p.m. Visiativ, a creator of digital platforms to accelerate corporate transformation, is listed on Euronext Growth in Paris (FR0004029478, ALVIV).

**2019 saw the completion - yet again one year ahead of schedule - of the Next100 business plan launched in 2017, with:**

- **Consolidated revenues of €203.2 million in 2019**, an increase of +25%, with +7% in organic growth over the period. This represents a doubling in revenues since 2016 (reminder: €105.9m);
- **Recurrent revenues accounted for 63% of revenues in 2019** (vs. 57% in 2016);
- **An acceleration in the Group's international development, with 24% of revenues now generated outside France**, compared with 13% in 2018 and 9% at the start of the business plan;
- **EBITDA of €18.7 million, up +42% in 2019**, for a record EBITDA margin of 9.2%, representing a threefold increase since 2016 (reminder: €6.2 million, for an EBITDA margin of 5.9%);
- **Operating income of €13.6 million, up +53% in 2019, and an operating margin of 6.7%**, also a threefold increase since 2016 (€4.6 million, for an operating margin of 4.4%).

**2020 has begun with new ambitions set under the CATALYST 2023 business plan announced at the start of the year, which aims to affirm Visiativ's role as a strategic partner in accelerating corporate innovation and transformation. CATALYST 2023 sets five strategic priorities: a new operating structure, enhanced governance, robust financial performance with a target of €30 million in EBITDA in 2023, an innovative human resources strategy and strong CSR commitments.**

Figures in € m - Audited data French accounting standards	2018 (12 months)	2019 (12 months)	Change
<b>Revenues</b>	163.2	<b>203.2</b>	<b>+25%</b>
<b>EBITDA<sup>1</sup></b>	13.1	<b>18.7</b>	<b>+42%</b>
<i>EBITDA margin (%)</i>	8.0%	<b>9.2%</b>	
<b>Operating income</b>	8.9	<b>13.6</b>	<b>+53%</b>
<i>Operating margin (%)</i>	5.4%	<b>6.7%</b>	
<b>Net income Group share before goodwill</b>	3.3	<b>4.6</b>	<b>+39%</b>
<b>Net income Group share</b>	3.3	<b>2.6</b>	<b>(20%)</b>

<sup>1</sup> Earnings Before Interest, Tax, Depreciation and Amortisation.

In 2019, Visiativ generated consolidated revenues of €203.2 million, up +25% year on year, with +7% in organic growth<sup>1</sup>.

Recurrent revenues (maintenance, SaaS, subscriptions) increased by +30% in 2019 (+9% in organic growth). Recurrent revenues accounted for 63% of consolidated revenues (up from 60% in 2018).

In 2019, international revenues climbed by +126% (+20% in organic growth), accounting for 24% of consolidated revenues (13% in 2018).

### Record EBITDA margin of 9.2%, up +120 points

Under the CATALYST 2023 business plan, the Group's operating performance will now be measured for two core business lines:

- **3DEXPERIENCE VAR (Value-Added Reseller)**, covering activities relating to the integration of Dassault Systèmes solutions (2019 revenues: €126.2 million), and
- **Visiativ Platform**, incorporating activities using Visiativ's proprietary technology: consulting in innovation, operational excellence and transformation, publishing of software, apps and platforms, and business development (cloud computing, rapid manufacturing and Moment'Up) (2019 revenues: €77.0 million).

This new segmentation is intended to provide a fairer reflection of the Group's performance, in particular as a result of leveraging operational and business synergies to foster cross-selling.

Visiativ's profitability continued to improve in 2019. EBITDA amounted to €18.7 million, up +42% year-on-year. EBITDA margin reached a record 9.2% in 2019, and stood at 12.9% in the 2<sup>nd</sup> half of the year.

- **3DEXPERIENCE VAR** posted EBITDA of €8.1 million in 2019, up +42%, representing an EBITDA margin of 6.4%, compared with 5.3% in 2018, underpinned by strong international growth.
- **Visiativ Platform** generated EBITDA of €10.6 million, an increase of +43%, for an EBITDA margin of 13.8%, versus 13.5% in 2018. While Publishing and Consulting made a positive contribution to EBITDA, Business Development activities (€12.9 million in revenues, up +31%) dragged down operating performance with EBITDA of -€1.8 million in 2019, compared with -€0.4 million in 2018, due to sales and industrial organisational changes. Excluding Business Development activities, the **Visiativ Platform** business line recorded an increase in EBITDA margin to 19.3% (up from 17.3% in 2018).

Operating income came to €13.6 million, rising +53% in 2019. The operating margin stood at 6.7%, after 5.4% in 2018.

After taking into account a net financial expense of -€1.5 million (against -€1.2 million in 2018), recurrent income before tax rose by +57%.

Extraordinary items amounted to -€0.7 million (compared with -€0.1 million in 2018), primarily reflecting a loss on the sale of shares in a non-consolidated subsidiary.

Profit after tax totalled €7.9 million, up by +40% on 2018. After recognising an amortisation expense of €2.0 million in 2019, representing the entire goodwill on Valla, consolidated income amounted to €5.8 million, up +12%.

The bigger share of income attributable to non-controlling interests meant that the Group's share of net income came to €2.6 million in 2019, compared with €3.3 million a year earlier. Excluding the amortisation of goodwill on Valla, net income Group share amounted to €4.6 million, an increase of +39%.

### A robust financial structure at 31 December 2019

Cash flow generation was strong in 2019, with cash flows rising by +45% to +€14.7 million.

<sup>1</sup> Like-for-like growth restated for the impact of the consolidation of ABGI Group (from 01/04/2018), Valla (from 01/04/2018), Innova Systems (from 01/07/2018), Audros Technology (from 01/07/2018), Dimensions Group (from 01/12/2018), ABGI UK (formerly Jumpstart) (from 01/01/2019), CCSL (from 01/07/2019) and Living Actor (from 01/12/2019).

The Group's working capital requirement (-€7.3 million) is traditionally impacted by the seasonal nature of the business, which sees a sharp increase in client accounts receivable at the end of the year. Cash flows from operations amounted to +€7.4 million.

Cash flows relating to investments totalled -€16.5 million in 2019, including -€9.1 million for acquisitions (Jumpstart, CCSL and Living Actor) and -€6.8 million in capex.

Cash flows from financing activities came to +€5.2 million, including +€5.8 million in new borrowings net of repayments.

Over the financial year, the net cash position declined by -€3.6 million, to stand at €31.7 million at 31 December 2019.

Net financial debt totalled €26.4 million, and shareholders' equity amounted to €53.0 million, representing a gearing ratio of 50% at year-end 2019, in line with interim guidance.

### Acquisition of MSC Associates Ltd. in the United Kingdom

Visiativ is announcing the acquisition of 100% of MSC Associates Ltd., a UK financing and innovation consultancy. Based in London, MSC Associates will complement Visiativ's presence in the UK, where it already provides consulting services in Edinburgh, Manchester and Birmingham.

In 2019, MSC Associates generated revenues of £1.2 million (€1.4 million) and a higher level of profitability than Visiativ.

The acquisition is fully in line with the objectives of the CATALYST 2023 business plan, which focuses on accretive acquisitions.

### Outlook for 2020

2020 marks the launch of the CATALYST 2023 business plan, which gives priority to ramping up the Group's profitability, with a target of €30 million in EBITDA by 2023.

To achieve this, 2020 will focus on implementing the main profitability drivers: optimising operating performance, integrating and building synergies with the recently acquired companies, prioritising organic growth and focusing on highly accretive acquisitions.

It is too soon to provide accurate information about how the Covid-19 pandemic will impact the Group's activity. Visiativ is carefully watching trends in its business and doing all it can to help its clients manage this unprecedented situation. In light of the economic uncertainties surrounding the ongoing health crisis, Visiativ is not announcing financial targets for 2020 at this point. The Group will keep the market informed of any significant change in its activity levels.

Preventive measures have been taken to reduce the risk of contamination among staff in France and abroad.

### Financial agenda

- Q1 2020 revenues: **Wednesday 22 April 2020**
- Annual General Meeting: **Thursday 28 May 2020**
- H1 2020 revenues: **Wednesday 29 July 2020**
- H1 2020 results: **Wednesday 23 September 2020**
- Q3 2020 revenues: **Wednesday 21 October 2020**
- FY 2020 revenues: **Wednesday 27 January 2021**
- FY 2020 results: **Wednesday 24 March 2021**

These dates have yet to be confirmed and may be subject to change if necessary. All publications will be issued after close of trading on Euronext Paris.

**ABOUT VISIATIV**

A true platform of human and digital experiences, Visiativ is a global player with multiple areas of expertise (consulting, software editing and integration, platform creation, IT outsourcing). Through its unique value proposition, it helps accelerate companies' innovation and transformation. Working with mid-caps since its foundation in 1987, the Visiativ Group posted 2019 revenues of €203 million and boasts a diverse portfolio of over 18,000 customers. Covering all of France's business hubs and with operations worldwide (Belgium, Brazil, Canada, USA, the Netherlands, Luxembourg, Morocco, UK and Switzerland), Visiativ has over 1,000 employees. The Visiativ share (ISIN code FR0004029478, ALVIV) is listed on Euronext Growth Paris. The share is eligible for the PEA and PEA-PME personal equity plans and FCPI/FIP investment funds, thanks to its status as an "innovative business" recognised by Bpifrance.

For further information, visit [www.visiativ.com](http://www.visiativ.com)

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