

Paris, 12 May 2020

FIRST QUARTER REVENUES

RECURRING REVENUES GROW 24%, DRIVING OVERALL REVENUE GROWTH IN Q1

- Recurring revenues grow 24% and make up 48% of Q1 revenues, reflecting progress toward a key strategic objective
- Notwithstanding COVID-19 headwinds, DALET's largest market of North America grows 17%
- Solid bookings through April and €40 million of 2020 billable bookings for the remaining 9 months of 2020
- Strong balance sheet and ample liquidity

| (Unaudited) In € millions | Q1 2019 | Q1 2020 | Change |
|---------------------------------------|-------------|-------------|------------|
| Licences | 3.0 | 2.0 | -31% |
| Subscription | 0.0 | 0.5 | ns. |
| Maintenance - Support | 4.6 | 5.2 | +14% |
| Services | 3.0 | 2.9 | -3% |
| Revenues excluding Hardware | 10.5 | 10.6 | +1% |
| Hardware | 1.2 | 1.3 | +6% |
| Total revenues for the quarter | 11.7 | 11.8 | +1% |

DALET, a leading provider of software solutions for the creation, management and distribution of multimedia content for broadcasters, operators and content producers, had a solid start to the financial year despite disruption caused by the COVID-19 crisis, with first quarter revenues of €11.8m, a small increase of 1% over last year.

Strong growth in recurring revenues: +24%

In Q1 2020, the Group posted strong growth in Maintenance/Support revenues (+14%) and in Subscription revenues, amounting to €0.5m, from the Flex Media platform acquired in July 2019. This strong performance reflects the growing use of DALET's service offerings by customers, as well as the relevance of the Flex media platform in its markets. The Group also renewed two major subscription-based license contracts on the Flex platform during the period.

The share of recurring revenue, a key performance indicator for the business, reached 48% in the first quarter.

License sales fell to €2.0 million, due to a very unfavorable base effect (strong growth in early 2019), a slowdown in activity due to COVID-19 (postponement of certain projects' milestones).

Continued strong growth in Europe and North America

Revenue growth in the Americas was strong, up +17% to €5.7 million, reflecting increased traction in the United States. In Europe, business grew by +7% to €4.7 million. Asia-Pacific, which experienced strong

growth in the first quarter of 2019 with significant project wins in Japan and Australia, came in below last year at €1.0 million.

Good level of business resilience given COVID-19 headwinds

As indicated in April (see Press Release of April 22, 2020), the development of the COVID-19 crisis in Europe and the United States is leading some customers to slow down or postpone their investments, thus impacting the Group's growth objectives for the financial year 2020.

We have seen some increased activity from our customers, but given that the timing and strength of the recovery remains uncertain, the Group is still not in a position to communicate guidance for the full year. Nevertheless, DALET, with a very strong balance sheet and ample liquidity, expects to limit the effects of the crisis on the Group's business, thanks in part to a growing share of recurring revenues (36% in FY 2019, 48% in Q1 2020) and to its very robust order book.

Over the first 4 months of 2020, the Group recorded order bookings of €7.7 million (compared with €11.8 million over the same period in 2019 and €8.1 million in 2018). The Group's billable order book for the remaining 9 months of the 2020 financial year stands at €40 million after taking into account the project milestones postponed to 2021 already announced by customers.

The Group is focused on growing its market share during this disruption in its markets and is closely monitoring the situation. We will keep the market informed of any significant developments in our business.

Next publication

Q2-2020 revenues on 27 July 2020 after the close of trading

About DALET Digital Media Systems

DALET solutions and services enable media organizations to create, manage and distribute content faster and more efficiently, fully maximizing the value of assets. Based on an agile foundation, DALET offers rich collaborative tools empowering end-to-end workflows for news, sports, program preparation, post-production, archives and enterprise content management, radio, education, governments and institutions.

DALET platforms are scalable and modular. They offer targeted applications with key capabilities to address critical functions of small to large media operations - such as planning, workflow orchestration, ingest, cataloguing, editing, chat & notifications, transcoding, play out automation, multi-platform distribution and analytics.

The integration of the Ooyala Flex Media Platform business has opened vast opportunities for DALET customers to deploy successful strategies that better address their audience with agile multi-platform content distribution in a wider range of markets, such as sports for teams and leagues, brands and corporate organizations, as well as Media and Entertainment companies looking to scale up their digital offerings.

DALET solutions and services are used around the world at hundreds of content producers and distributors, including public broadcasters (BBC, CBC, France TV, RAI, TV2 Denmark, RFI, Russia Today, RT Malaysia, SBS Australia, VOA), commercial networks and operators (Canal+, FOX, MBC Dubai, Mediacorp, Fox Sports Australia, Turner Asia, Mediaset, Orange, Charter Spectrum, Warner Bros, Sirius XM Radio), sporting organizations (National Rugby League, FIVB, Bundesliga) and government organizations (UK Parliament, NATO, United Nations, Veterans Affairs, NASA).

DALET is traded on the NYSE-EURONEXT stock exchange (Eurolist C): ISIN: FR0011026749, Bloomberg DLT:FP, Reuters: DALE.PA. For more information on DALET, visit www.dalet.com

Contacts

Actus Finance & Communication : Investors: Olivier Lambert +331 53 67 36 33
Press-Media: Vivien Ferran +331 53 67 36 34

