



H1 2020 TURNOVER

European digital services group SQLI today announces its consolidated turnover for the first half of 2020¹, marked by the health crisis and a severe market downturn, particularly in France. For the first half ended 30 June 2020, turnover fell 10.3% to €110.3m (down 13.3% at constant consolidation scope and exchange rates²). As a result of the management measures put in place, the Group expects to achieve a positive EBIT for the first half.

€m - IFRS - unaudited	H1 2019	H1 2020	Change
TURNOVER	123.0	110.3	-10.3%
o/w COMMERCE & EXPERIENCE	52.8	55.8	+5.7%
o/w DIGITAL & TECHNOLOGY	70.2	54.5	-22.4%

>50% OF REVENUES GENERATED BY COMMERCE & EXPERIENCE

The **Commerce & Experience** business segment, which comprises the European digital agency operations, posted growth of 5.7% in the first half of 2020. With €55.8m in turnover, it was the largest business segment (51% of revenues).

This performance includes a €2.4 million contribution from Redbox Digital, an e-commerce agency based in the UK and Middle East consolidated since 1 March 2020. This instantly accretive acquisition increases SQLI's growing international presence, complements its portfolio of key accounts (including AXA Insurance, Nahdi Medical, Nespresso, Fortnum & Mason and Universal Music Group) and enables SQLI to become one of the 10 "Global Elite Partners" of Adobe/Magento, the world's leading e-commerce platform.

Although revenues were inevitably impacted by the lockdowns in the second quarter, **Commerce & Experience** managed to deliver a number of key client wins (including Boulanger, Brut  l  , Carlsberg, Colruyt and Soufflet) and secured a new contract with Nespresso, one of its top clients.

Meanwhile, **Digital & Technology** turnover fell 22.4% to €54.5m in H1 2020. The impact of the health crisis was particularly severe for clients in aerospace which is an important sector for the Group and accounting for nearly half of the decline in turnover. In addition to the effect of the economic downturn, turnover was also negatively impacted following a streamlining of the offering and the discontinuation of loss-making activities in the second half of 2019.

Despite this backdrop, **Digital & Technology** managed to acquire a number of key clients over the period (Clinique Pasteur Toulouse, Ecoles Nationales V  t  rinaires, Legrand and Tarkett in particular) and has commercial opportunities in its Certified Training offering.

¹ Estimated unaudited data

² Exchange rate effect: +1 pp / change in consolidation: +2 pp

>50% OF WORKFORCE OUTSIDE FRANCE

The Group has taken the necessary measures to mitigate the impact of the situation on its results, in particular via partial unemployment mechanism for around 30% of its employees in France, adjustments within its base of subcontractors, and a hiring freeze.

As at 30 June 2020, SQLI employed 2,164 people (excluding interns), versus 2,191 as at 31 December 2019, 51% of whom are based outside France. The service centre based in Morocco alone has some 480 individuals, with a high utilisation rate of 83%.

TRENDS AND OUTLOOK

Thanks to the strong performance by **Commerce & Experience** abroad, and despite the impact of the health crisis on **Digital & Technology** in France, SQLI expects to achieve a positive EBIT in the first half of 2020. At the same time, the Group has obtained a €25m PGE state-guaranteed loan with five banks to strengthen its liquidity position.

The Group will provide an update on its outlook for the end of the year in the presentation of its H1 results, amid the ongoing health crisis and economic uncertainties.

SQLI will publish its H1 2020 results on 24 September 2020 after close of trading.

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About SQLI: Founded in 1990, SQLI is an international digital services group, combining the best technologies and methods to create user focused applications and services and e-Commerce solutions that enhance the customer experience.

Its unique positioning as a trade, technology and skill transformation specialist, combined with the production capacity of its digital services centres, enable SQLI Group to help European key accounts increase their sales, reputation and internal performance over the long term.

SQLI's 2,200 employees are spread over 32 agencies in 13 countries: France, Switzerland, Luxembourg, Belgium, the United Kingdom, Ireland, Germany, Sweden, the Netherlands, Denmark, Spain, South Africa and Morocco. SQLI posted turnover of €239 million in 2019 and has been listed on Euronext Paris (SQL) since July 21, 2000.

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