

Paris, 25 January 2021

BUSINESS RESILIENCE IN SPITE OF HEALTH CRISIS

- 2020 revenues at €56.1 million, a slight decline of 4% in the context of health crisis
- Growth in recurring revenues (Subscriptions/Support maintenance) of 16% over the year, reflecting the transition to a SaaS model.
- Draft tender offering initiated by Dalet Holding¹

DALET, a leading provider of software solutions for the creation, management and distribution of multimedia content for broadcasters, operators and content producers, announced today consolidated revenues (unaudited) for financial year 2020.

(Unaudited) In € millions	2019	2020	Change
Licenses	14.7	12.3	-16%
Subscription	0.5	2.4	349%
Maintenance - Support	20.6	22.2	8%
Services	16.2	14.6	-10%
Revenues excluding Hardware	52.0	51.4	-1%
Hardware	6.5	4.6	-29%
Total Revenues	58.5	56.1	-4%

Stable revenues excluding Hardware, in line with expectations

DALET recorded revenue for financial year 2020 of €56.1 million, a modest 4% decrease, reflecting the resilience of the business. Excluding Hardware sales, a non-strategic revenue stream which decreased over 2020, revenues were down 1%, despite the effects of the health crisis.

Licenses revenues totaled €12.3 million, down 16% compared to 2019, disrupted by the postponement or slowdown of certain milestones on projects in the context of the health crisis.

Recurring revenues were up 16% over the year, driven by the full-year integration and growth in subscription revenues from the Flex Media platform (vs. 6 months in 2019) and the steady increase in maintenance/support invoicing (+8% to €22.2 million).

On a geographical basis, DALET's EMEA revenues for 2020 were up by 6% at €27.1 million. The effect of the health crisis was more pronounced in the Americas where sales are down -9% at €23.8 million. Revenues for Asia-Pacific were €5.1 million (-25%).

2020 Operating Margin Estimate

In 2020, marked by the economic and health crisis, DALET demonstrated the resilience of its activities. The group has implemented appropriate cost-saving measures since the beginning of the health crisis,

¹ Takeover vehicle ultimately controlled by Long Path Partners



enabling it to control the evolution of its sales and marketing sales costs as well as its general and administrative costs. In this context, DALET anticipates a current operating result close to breakeven for the year 2020.

Filing of draft tender offer for the shares of DALET SA²

Following the acquisition last December of a majority block (3,212,354 Dalet shares representing approximately 80.7% of the share capital and 80.1% of the voting rights of Dalet), at a price of €13.52 per share, Dalet Holding, a takeover vehicle ultimately controlled by Long Path Partners, filed on January 11, 2021, a draft simplified tender offer, at the same price of €13.52 per share, for all Dalet shares not held.

This price represents a significant premium of +36.6% compared to the closing share price prior to the announcement of the entry into exclusive negotiations for the acquisition of a majority equity interest, and +38.9% compared to the volume weighted average share price over the last 120 trading days.

As of January 22, 2021, Dalet Holding held 3,305,267 Dalet shares representing approximately 83.1% of the share capital and 82.5% of the voting rights of DALET. The public offering is expected to take place during the first quarter of 2021.

In the event that the shares held by Dalet's minority shareholders represent less than 10% of Dalet's share capital and voting rights at the closing of the simplified tender offer, Dalet Holding would request the implementation of a squeeze-out procedure for Dalet's shares from the Euronext market in Paris.

Next publication: 2020 full financial results in April 2021³

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

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² This Offer is made only in France and participation in the Offer may be subject to legal restrictions outside France.

³ Subject to the timing and outcome of the simplified tender offer initiated by Dalet Holding

