

## PRESS RELEASE

### 2020 annual results: Visiativ's solid business model driven by recurring revenues

- Limited drop of 7% in activity, with recurring revenues up 5% to 70% of the Group's business
- Solid EBITDA margin of 7.5%, with a good performance by the VISIATIV PLATFORM division

Lyon, 24 March 2021 – 6 pm. The Visiativ group, which creates digital platforms for corporate transformation, is listed on Euronext Growth in Paris Visiativ (FR0004029478, ALVIV).

Visiativ's results for 2020 show the solidity of the Group's business model and a value proposition in line with companies' current needs. In particular, they reflect the strong development of activities resulting from Visiativ's specific solutions, a higher level of recurrent activity (up to 70% in 2020 for the Group as a whole) and its resilient profitability (EBITDA margin at 13.6% for the VISIATIV PLATFORM division in 2020).

Thanks to this solid performance, Visiativ is focused in 2021 on the execution of the CATALYST strategic plan, and confirms its EBITDA target of €30 million for 2023, driven by greater synergies between the various activities and optimised operating performance.

Figures in € m - Audited data French accounting standards	2019 (12 months)	H1 2020 (6 months)	H2 2020 (6 months)	2020 (12 months)	Change
<b>Revenues</b>	203.2	82.6	107.4	<b>189.9</b>	<b>-7%</b>
<i>Recurring revenues</i>	63%			70%	+5%
<b>EBITDA<sup>1</sup></b>	18.7	2.8	11.5	<b>14.3</b>	<b>-24%</b>
<i>EBITDA margin (%)</i>	9.2%	3.4%	10.7%	<b>7.5%</b>	
<b>Operating income</b>	13.6	-0.3	7.7	<b>7.4</b>	<b>-46%</b>
<i>Operating margin (%)</i>	6.7%	-	7.2%	<b>3.9%</b>	
<b>Net income, Group share</b>	2.6	-4.3	5.8	<b>1.5</b>	<b>-44%</b>

<sup>1</sup> EBIT + depreciation and amortisation.

At the end of fiscal year 2020, Visiativ generated consolidated revenues of €189.9 million, a fall of 7% (-8% in organic terms<sup>2</sup>) with a rebound in the 3DEXPERIENCE VAR division at the end of the year and another year of growth in the Consulting activity despite the effects of the COVID-19 public health crisis.

Recurring revenues (maintenance, SaaS, subscriptions) increased by 5% (+3% in organic terms<sup>2</sup>) in 2020, and now account for 70% of the Group's business (vs. 63% in 2019).

<sup>2</sup> Like-for-like growth restated for the impact of the consolidation of CCSL (01/07/2019), ABGI Canada (01/07/2019), Living Actor (01/12/2019) and MSC Associates (01/03/2020) at constant exchange rates.

Stable in Q4 (-1%), the **3DEXPERIENCE VAR** (Value-Added Reseller) division posted a limited annual decline of 8%. This is a good performance in light of the economic environment and the postponement of many investment projects pending agreements on grants under the recovery plan.

The **VISIATIV PLATFORM** division posted an annual decline of 4% (-7% in organic terms<sup>1</sup>) in 2020. Application solutions (Moovapps), down 9% in 2020, accelerated their transition towards the cloud, with SaaS invoicing up 11% year-on-year and now accounting for 30% of Moovapp sales (vs. 25% in 2019). Recurring revenues, including maintenance services, accounted for a total of 58% of publishing activity (49% in 2019). Consulting recorded annual growth of 7%, with Tax Credit Management activities remaining buoyant. Finally, Business Development activities were down 18% in 2020, with 21% drop-in 3D printing activities. This includes the Valla subsidiary, a majority stake in which is currently being sold.

In terms of international activity, which now accounts for 26% of the Group's total (vs. 24% in 2019), Visiativ posted growth of 2% (+1% in organic terms<sup>2</sup>), with strong growth in the US and the UK driven by Consulting activities.

### **EBITDA<sup>3</sup> margin resilient at 7.5% in 2020, and 10.7% in H2 2020**

Visiativ generated EBITDA<sup>3</sup> of €14.3 million in 2020, down 24% year-on-year. In an environment disrupted by the public health crisis, the EBITDA<sup>3</sup> margin stood at 7.5%, compared with a record 9.2% a year earlier, reflecting good cost control in the face of declining activity. The decision to partially operate the business implemented during the first lockdown helped to limit the operating loss in the first half of the year by €0.8 million.

The **3DEXPERIENCE VAR** division generated EBITDA of €4.2 million in 2020 (vs. €8.1 million in 2019), with an EBITDA margin of 3.7% (vs. 6.4% in 2019). The Group's determination to keep its teams operational during the crisis, in order to be able to capitalise on the recovery from its outset, weighed on this activity's profitability in 2020.

**The VISIATIV PLATFORM division** recorded EBITDA of €10.0 million in 2020 (vs. €10.7 million in 2019), with an EBITDA margin of 13.6%, almost unchanged from 2019 (13.8%). While it accounts for only 39% of the Group's business, this division accounted for 70% of EBITDA generated in 2020, illustrating Visiativ's virtuous strategy that favours the development of high value-added activities around its own solutions and whose business model is particularly resilient. It should be noted that the subsidiary Valla, currently being sold, weighed on operating performance with an EBITDA loss of €1.1 million in 2020 (-€0.8 million in 2019).

After factoring in net depreciation and amortisation, operating income totalled €7.4 million, representing an operating margin of 3.9% (7.2% in the second half of the year alone).

Financial income came in at -€2.9 million, compared with -€1.5 million in 2019. The figure included a financial impairment of €1.0 million on a subsidiary (QOLID) in H1, and an increase in financial expenses following the arrangement of the State-Guaranteed Loan (PGE).

Consolidated net income amounted to €1.8 million in 2020. In 2020, increases in the shareholding in the holding company controlling the Consulting business, now 97%-owned by Visiativ, as well as in the capital of the ABGI USA and ABGI France subsidiaries, significantly reduced minority interests, leading to a net income, Group share of €1.5 million, compared with €2.6 million in 2019.

### **Operating cash flow doubled in 2020 to €14.4 million**

2020 was marked by solid operating cash flow generation, which came in at €14.4 million, compared with €7.4 million in 2019, with an increase in cash flow of €9.3 million and a change in working capital requirements of +€5.1 million, thanks to strong accounts receivable, despite unfavourable seasonal effects at the end of the year and company support measures.

<sup>3</sup> EBIT + depreciation and amortisation

Investment operations used €23.1 million over the year, including €8.7 million allocated to CAPEX and €14.3 million to strengthening Visiativ's investments in the Consulting and Publishing businesses, and the acquisition of MSC Associates Ltd. in the UK.

Financing flows amounted to €42.5 million, with +€42.4 million in subscriptions for loans net of repayments following the arrangement of a State-Guaranteed Loan (PGE) of €39.2 million in Q2 2020. In light of the current public health situation and the proposed financial conditions, Visiativ is contemplating with its banking partners a deferral for one year followed by a repayment over five years of the PGE.

The net change in cash flow was €33.5 million over the year, bringing free cash to €65.3 million at 31 December 2020 (vs. €31.7 million at end-2019).

Net financial debt totalled €35.4 million, and shareholders' equity amounted to €46.8 million, representing a gearing ratio of 76% at end-2020.

### Acquisition of French company AJ Solutions

Visiativ has announced the acquisition of 100% of AJ Solutions, a distributor of all Dassault Systèmes SOLIDWORKS solutions since 2003.

With a strong presence in the Grand Est and Île-de-France regions, AJ Solutions complements Visiativ's geographical coverage in mainland France.

In 2020, AJ Associates generated revenues of €2.8 million, with a profitability level similar to that of Visiativ. The company will be consolidated from 1 March 2021.

The acquisition of AJ Solutions is fully in line with the objectives of the CATALYST strategic plan, which focuses on highly accretive acquisitions.

### Acceleration of Visiativ's CSR commitment in 2020, in line with the CATALYST plan

In 2020, Visiativ rethought and structured its social and environmental responsibility (CSR) policy, in order to meet the Group's development challenges beyond its financial objectives.

The CSR policy now has four key focuses: **Responsibility**, to ensure continuous transparency and integrity in respect of all stakeholders, **Social and Environmental Footprint**, with the contribution of human and financial resources to supporting the Group's social and environmental commitments, **Employee experience**, to foster the fulfilment, commitment and development of individuals within the corporate project, and **Ecosystem**, to bring together the Visiativ ecosystem in innovation initiatives and to meet the challenges of tomorrow.

As it does for its financial performance within the CATALYST plan, Visiativ has defined non-financial "SMART" objectives for 2023 and is committed to a process of perfect transparency in its actions and monitoring the performance of its social commitments. These objectives are available in Visiativ's 2020 CSR Report ([click here to view the CSR Report](#)).

Also with an approach based on trust and transparency, Visiativ plans to continue to enhance its commitments and actions through the benchmarks of Gaia Rating (rating of 64/100 during the 2020 campaign, a significant increase) and Ecovadis, for which Visiativ aims to reach the "Gold" level by 2023.

### Outlook

Visiativ was faced with a particularly unfavourable market environment for the first year of roll-out of the CATALYST plan. Against this backdrop, the Group has demonstrated the solidity of its development model and its main strengths in times of crisis: strong recurring sales (70%), accelerated by the transition of Moovapps activities to the cloud, offers that match companies' needs (digitisation, advice on innovation, cloud, etc.), the depth of its client portfolio that means it is not dependent on any particular client or sector, and the growth driver of international activities, which now account for more than a quarter of its business.

In addition, 2020 was also marked by the renewal and strengthening of its governance, the strategic and accretive strengthening of the Consulting division's capital, and the structuring of a dynamic and voluntary CSR policy.

Visiativ has thus taken steps to take advantage of the end of the crisis in 2021, reap the benefits of company investments under the France Relance plan and continue to execute its CATALYST plan, which aims to increase synergies between its various activities and optimise operating performance to reach EBITDA of €30 million by 2023.

## 2021 financial agenda

Events	Dates
Q1 2021 revenues	<b>Wednesday 21 April 2021</b>
Annual General Meeting	<b>Thursday 27 May 2021</b>
Q2 2021 revenues	<b>Wednesday 28 July 2021</b>
H1 2021 results	<b>Wednesday 22 September 2021</b>
Q3 2021 revenues	<b>Wednesday 20 October 2021</b>
FY 2021 revenues	<b>Wednesday 26 January 2022</b>
FY 2021 results	<b>Wednesday 23 March 2022</b>

These dates are given as an indication 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 digital transformation. Working with mid-caps since its foundation in 1987, the Visiativ Group posted 2020 revenues of €190 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.

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

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