

Paris, July 16, 2021 – 17.45 CET

SECOND QUARTER AND FIRST HALF 2021 REVENUES

- ≡ First Half Revenues down 4% like for like¹ and up 12% on a reported basis
- ≡ Catch-up expected in Q3 thanks to strong pipeline
- ≡ Monthly Recurring Revenues close to €1.7 million

Revenue in € thousands	2020	2021	Change	Like for like ¹
First quarter	12,364	15,520	26%	8%
Second quarter	16,674	16,916	1%	-14%
First half	29,038	32,436	12%	-4%

Revenue in € thousands	H1 2020	H1 2021	Change	Like for like ¹
EMEA	7,963	13,339	68%	12%
USA / Canada	12,670	10,465	-17%	-16%
Latin America	3,000	4,276	42%	-1%
Asia Pacific	5,404	4,357	-19%	-16%
TOTAL	29,038	32,436	12%	-4%

Data subject to limited review by ATEME's statutory auditors.

MRR in € thousands	July 2020	July 2021
Monthly Recurring Revenue ²	1,100	1,685

Alternative performance indicator, not subject to ATEME's statutory auditors' review.

Paris, 16 July 2021 - ATEME (ISIN: FR0011992700) reported revenues of €16.9m for the Second Quarter, up by 1% reported and down 14% like for like. The decline mainly reflects delays in booking and shipping three large orders.

Revenues amounted to €32.4m for the Six Months to 30 June 2021, up by 12% on a reported basis and down by 4% like for like with differing contributions from the four regions:

- ≡ EMEA revenues rose 68% year-on-year to €13,339K, a strong performance on the back of organic growth of 12% and the addition of Anevia sales. The region starts Q3 with a strong backlog, including a significant contribution of a large deal sealed in Q1 with a Tier1 content provider in the UK.

¹ At constant exchange rate and perimeter

² Alternative performance indicator, not subject to ATEME's statutory auditors' review: Monthly Recurring Revenue is defined as the sum of (1) the monthly revenue from support contracts in hand, and (2) the monthly revenue from multi-year licensing contracts in hand (capex), and (3) the monthly revenue from license lease contracts (OPEX).



- ≡ The **USA/Canada** region delivered revenues of €10,465K, down 17%, and by 16% like for like. The region starts Q3 with a strong pipeline and is expected to catch up on 2020 revenues by the end of Q3.
- ≡ **Latin America** revenues were up 42% to €4,276K, thanks to a significant contribution of Anevia revenues. On a like-for like basis they declined by 1%.
- ≡ **Asia Pacific** revenues were down 19% to €4,357K, reflecting a negative base effect (+34% last year). The contribution of Anevia in this region is minor.

Monthly recurring revenues amounts to almost €1.7m in July 2021, with a high ratio of renewal of existing support contracts in all regions.

Impact of the pandemic and global semiconductor shortage

With international travel restrictions still mostly in place, very few customers worldwide have begun meeting with suppliers again while the main industry trade shows have been rescheduled (from April to October for the NAB in Las Vegas and from September to December for the IBC in Amsterdam). If the travel situation improves thanks to the roll-out of the vaccination and these events successfully attract visitors, they could trigger a rebound in Fourth Quarter sales.

Elsewhere, some semiconductor companies are facing production challenges which are impacting the major server manufacturers. This is leading to higher lead times and costs, in turn delaying delivery and impacting the gross margin for projects where our clients are sourcing their hardware through us. We are securing buffer inventory to mitigate impact on customers.

Outlook for the Full Year

A strong Q3 is expected thanks to:

- A high backlog and strong pipeline going into the Third Quarter;
- The anticipated acceleration of Anevia's NEA software sales following significant efforts to promote it to Ateme's installed base;
- The expected improvement in the Covid-19 situation and positive impact of the NAB show in October.

For the Full Year, we therefore expect to exceed our 10-15% growth target on a reported basis and to deliver 0-5% growth on a like-for-like basis.

In terms of bottom line, the First Half is expected lower than the previous years as a result of:

- Continued investments in R&D, with a total group headcount up from 460 to 490;
- Expected negative contribution from Anevia which was structurally non profitable and exposed to the same seasonality as Ateme;
- Meaningful synergies from the acquisition of Anevia remain expected predominantly from 2022 onwards.

As a result, our EBITDA target of €5m in 2021 appears challenging; our target of €10m for 2022 remains achievable.

With an MMR² of close to €1.7m in July 2021, we are well on track to achieve our target of €3m MRR by 2024.



Ateame Chairman and Chief Executive Officer, Michel Artières, said: *“The revenue outturn of the First Half of 2021 is below our objective for the Full Year, while profitability for the First Half is also expected below previous years. This reflects our proactive investment strategy to boost our software roadmap in order to ensure the market leadership position of the combination of Titan and Nea. These actions will start to pay off in the Second Half, as reflected in the strong pipeline. In addition, the progression of MRRs is ahead of expectations, taking account of the traditional seasonality of our industry, highlighting our successful efforts to drive growth and profitability over the medium-term.”*

Next publication:

Sept. 28, 2021: 2021 Half-Year Results

About Ateame: Ateame is a global leader of video compression and delivery solutions helping Tier-1 Content Providers, Service Providers and Streaming Platforms to boost their viewership and subscription engagement.

Leveraging a unique R&D task force in the video industry, Ateame’s solutions power green sustainable TV services, improve end-users’ quality of experience, optimize the total cost of ownership of TV/VOD services and generate new revenue streams based on personalization and ad insertion. Beyond the technology agility, Ateame’s value proposition is to partner with his customers by offering a great flexibility in the engagement and business models matching their financial priorities. A consequence is a rapid shift to Recurring Revenues, boosting the company resilience and creating long term value for the shareholders.

Founded in 1991, Ateame has 490 employees spread over its headquarters in France and 20 offices around the world including the USA, Brazil, Argentina, UK, Spain, Germany, Russia, the UAE, Singapore, China, Korea, and Australia.

Ateame has been listed on the Paris Euronext market since 2014 and in November 2020 it made the acquisition of Anevia, a provider of OTT and IPTV software solutions. In 2020, Ateame served close to 1,000 customers worldwide with revenues of €70.7 million, of which 93% outside its home market.

Name: ATEME - ISIN Code: FR0011992700 - Ticker: ATEME - Compartment: C

ATEME

Michel Artières
President and CEO

INVESTOR RELATIONS

Olivier Lambert
Tel: +33 (0)4 72 18 04 91
ateame@actus.fr

PRESS RELATIONS

Anne-Catherine Bonjour
Tel: +33 (0)1 53 67 36 93
acbonjour@actus.fr

DISCLAIMER

This press release does not constitute or form part of and should not be construed as any offer for sale of or solicitation of any offer to buy any securities of ATEME, nor should it, or any part of it, form the basis of or be relied on in connection with any contract or commitment whatsoever concerning ATEME’s assets, activities or shares.

All statements other than historical facts included in this presentation, including without limitations, those regarding ATEMEs’ position, business strategy, plans and objectives are forward-looking statements.

The forward-looking statements included herein are for illustrative purposes only and are based on management’s current views and assumptions. Such forward-looking statements involve known and unknown risks. For illustrative purposes only, such risks include but are not limited to impact of external events on customers and suppliers; the effects of competing technologies competition generally in main markets; profitability of the expansion strategy; litigation; ability to establish and maintain strategic relationships in major businesses; and the effect of future acquisitions and investments.

ATEME expressly disclaims any obligation or undertaking to update or revise any projections, forecasts or estimates contained in this presentation to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law. These materials are supplied to you solely for your information and may not be copied or distributed to any other person (whether in or outside your organization) or published, in whole or in part, for any purpose.