

FOURTH QUARTER AND FULL YEAR 2022 REVENUES

- > **FULL YEAR REVENUES UP 15%, 8% LIKE-FOR-LIKE**
- > **MONTHLY RECURRING REVENUES UP 25% IN THE LAST 12 MONTHS**
- ENTERING 2023 WITH €29M IN ANNUAL RECURRING REVENUES**
- > **MID-TERM FINANCIAL OBJECTIVES CONFIRMED**

Revenue in € thousands	2021(*)	2022	Change	Like-for-like ¹
First 9 months	53,668	64,163	+20%	+11%
Fourth Quarter	25,132	26,120	+4%	+0%
TOTAL	78,800	90,283	+15%	+8%

Revenue in € thousands	2021*	2022	Change	Like-for-like ¹
EMEA	31,118	31,860	+2%	+1%
USA / Canada	26,553	33,960	+28%	+16%
Latin America	8,140	9,257	+14%	+6%
Asia Pacific	12,990	15,206	+17%	+8%
TOTAL	78,800	90,283	+15%	+8%

(*) Following the disposal of the Enterprise business, financial statements have been prepared in accordance with the provisions of IFRS 5 related to discontinued operations

The statements are currently being audited.

MRR in € thousands	Jan 2022	Jan 2023
Monthly Recurring Revenue ²	1,960	2,443

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

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).

Paris, January 26, 2023 - Ateme (ISIN: FR0011992700), the emerging leader in video delivery infrastructure, posted revenues of €26.1 million for the Fourth Quarter of 2022, up 4%, and flat like-for-like.

Total revenues for the year to December 31, 2022, stood at €90.3 million, up 15% versus 2021 and by 8% on a like-for-like basis.

- > The USA / Canada region delivered the strongest growth and was the largest contributor to revenues in 2022, at €34.0 million, up 28% and 16% like-for-like.
- > EMEA finished the year with a strong Fourth Quarter, catching up after a slow start (-10% YoY at the end of Q3), ending 2022 with €31.9 million in revenues, up 2% and 1% like-for-like.
- > Asia-Pacific and Latin America delivered similar growth performances, with respectively €15.2 and €9.3 million in revenues, up by 17% and 14%, or 8% and 6% like-for-like respectively.

Significant increase in recurring revenue streams

Monthly recurring revenues (MRR) rose from €1.960m in January 2022 to €2.443m in January 2023, well ahead of expectations of €400k annual growth. As a result, Ateme is starting the year with €29 million in recurring revenues, strongly improving the quality and visibility of the topline.

Leading the way in technological developments

In 2022, Ateme continued to distinguish itself through the delivery of technological innovation on multiple fronts, including cutting-edge sport tech to enhance viewer experience and engagement. More details in the following press releases that can be found on Ateme website:

- [Avatel, pioneer in reducing latency of its OTT live broadcasts - Ateme](#)
- [Globo and Ateme provide immersive audio for live over-the-air commercial coverage of several events, including the World Cup in Qatar this year - Ateme](#)

The modernization of classic TV services and cost effective scaling up of video delivery infrastructures leading to greener OTT:

- [Ateme and ENENSYS support Rai Way's transition to DVBT-2 network - Ateme](#)
- [Ateme Powers Expansion of Skymedia OTT Service in Mongolia - Ateme](#)
- [Ateme's converged headend powers Ooredoo TV - Ateme](#)
- [Soccer Fans Spiked CDN Traffic 116% for Ateme Customers During the World Cup - Ateme](#)

And the recognition of innovations helping our customers to reach more viewers:

- [Ateme Wins Coveted IABM BaM Awards® 2022 for its 5G Streaming Solution - Ateme](#)

Looking ahead

The acceleration of revenues in the Second Half was weaker than expected, with a 48% / 52% split of the annual topline versus 45% / 55% on average in previous years. This reflected the absence of any significant hardware deals generating a one-off uplift to the topline, the shift into 2023 of the booking of certain deals, the delayed shipping and revenue recognition of some orders, and the growing number of recurring revenue contracts. Consequently, however, the product mix in the Second Half should be favorable in terms of gross margin.

Elsewhere, AteME continued to invest in the development of its business, notably through R&D, with a global head count (in terms of FTE) up from 486 to 560.

As a result of these investments, and despite the favorable product mix, EBITDA³ for FY 2022 is now expected at the low end of the range of our initial objective of €5 to 10 million.

Looking ahead our objectives for 2023 of revenues growth of 10% to 15% and EBITDA of 5 to 10 million euros are confirmed, secured by the expected rebound in Kyrion sales now that the supply chain issues encountered in 2022 have been resolved.

Our mid-term objectives for 2024 and 2026 are also confirmed. MRR are set to 3 million euros in 2024 and 4 million euros in 2026, covering some 50% of the company's cost base in 2024 rising to 60% in 2026, and resulting in an EBITDA above 10 million euros in 2024 and at 30 million euros in 2026.

Moreover, AteME is currently working to strengthen its strategy to take account of the new opportunities presented by the potential of breaking through into adjacent markets, for example enhancements to the interactive and immersive viewing experience based on AR/VR/Metaverse technologies. The seizure of such opportunities will require limited additional investments, whilst enabling AteME to offer even more differentiated and compellingly priced solutions, with an attendant positive impact on the topline, recurring revenues, and the profitability.

AteME will communicate on the outcome of this review in due course.

Michel Artières, Chairman and CEO of AteME, commented: *"AteME has had a successful year, in spite of the global context, with continuing supply chain challenges resulting from the covid pandemic, and the consequences of the war in Ukraine. Although we have fallen short of our revenue objective revised upwards during the year, we are encouraged by the quality of the product mix, while the MRR growth has exceeded our expectations for the second year in a row. We are in the process of deeply transforming the group business model, and though the global context is creating bumps in the road, we are heading in the right direction. We are very excited about offering more disruption with innovative technologies and viewing experience concepts, with some roll-outs to be presented at NAB in Las Vegas in April."*

³ EBITDA = earnings before interest, tax, depreciation and amortisation. Underlying EBITDA equals Group pre-tax profit before deduction of interest, depreciation, amortisation and impairment charges on non-current assets, and staff share-based payments, but after impairment of inventories and trade receivables. It shows profit generated by business activities regardless of financing conditions, tax constraints and the upgrading of operating assets. Non-recurring expenses (one-off, unusual or infrequent items) are excluded

Next publication:**March 23rd, 2023: Full Year 2022 Results**

About Ateme: Ateme 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, Ateme'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, Ateme'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, Ateme has 560 employees spread over its headquarters in France and 20 offices around the world including the USA, Brazil, Argentina, UK, Spain, Germany, the UAE, Singapore, China, Korea, and Australia.

Ateme 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 2022, Ateme served close to 1,000 customers worldwide with revenues of €90 million, of which more than 90% outside its home market.

Find out more: www.ateme.com.

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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.

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