

Results YTD 06/2020

ROULARTA MEDIA GROUP



Roeselare, August 17th, 2020

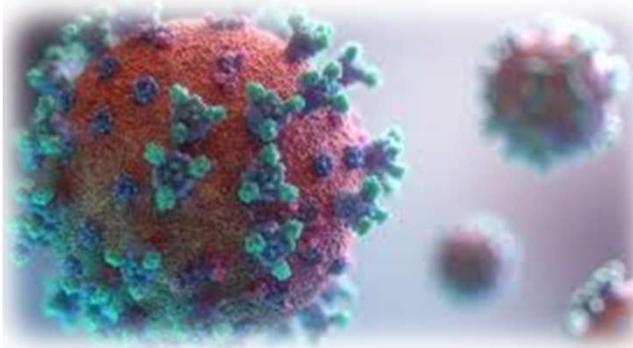
Key facts 1H20



1H20 KEY FACTS

Strong 2 first months in 2020

- As well in publicity revenue
- As in readers market
- As events



Estimated covid-19 impact in 1H20:

- Estimated impact on sales of € 20,6m with publicity revenue as the largest impacted
- Extensive list of counter measures were activated to keep operations smooth and reduce costs. Operations has not been disrupted. Many cost-down measures show immediate effect on P&L
- Limited increase of bad debt provision thanks to qualitative long term relationship with large customers and intensive management of smaller customers
- Positive gross operational Cash Flow of € 3,9m despite Covid-19



Restart of De Zondag on 3rd of May



Restart of De Streekkrant on 19th of May,



Restart of Sport Magazine on 5th of August

Investment in 50% Senior Publications Belgium



Acquiring the remaining 50% of the shares of Senior Publications Belgium for € 2,0m

Revenue and cost synergies are realised

From equity company to fully consolidated company

B/S total of € 5,0m & € 0,6m net profit at 31/12/'19

Net Asset value at acquisition €2,2m, cash acquired of €1,8m

The intangible of € 1,3m is amortized over 20 years



Increase of subscription revenue vs. last year



- Thanks to new deal for news and business magazines
- Thanks to spot-on marketing actions
- Thanks to focus on subscription strategy for Women brands
- During lockdown, thanks to the desire of the Belgian population to receive qualitative information
- Thanks to the integration of Plus Magazine



1H20 KEY FACTS

- Selling 50% shares of loss making Sailer to Bayard Group for 1€
- Selling 50% shares of loss making RMM (Focus/WTV) end of April for € 0,2m
- Binding offer and shareholder agreement is signed for Immovlan. Belfius participates for 30%.

Transaction is subject to a review by the Belgian competition authorities. We expect closing during quarter 4

- Due to a capital increase at Proxistore (no new cash from RMG), we diluted from 24.9% to 14%.
- No impact after impairment test, successful stress & going concern testing
- Sale of property resulted in a positive EBITDA impact of € 1,3m

Roularta

Number of Share

13,141,123

Free Float

25%

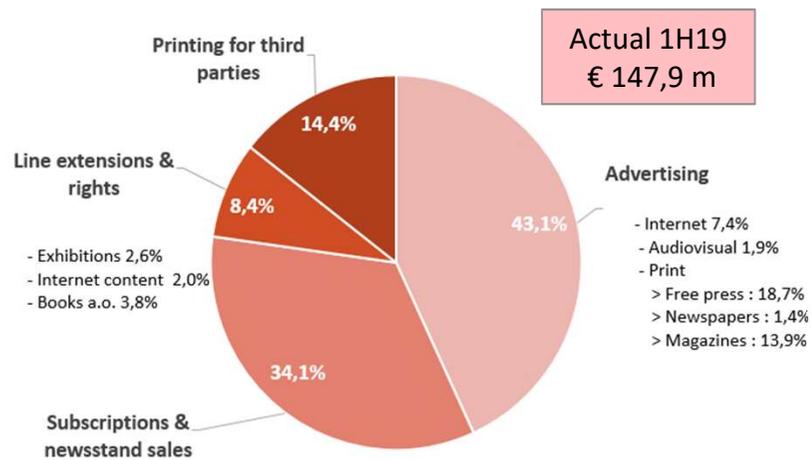
Stock evolution of the Roularta share



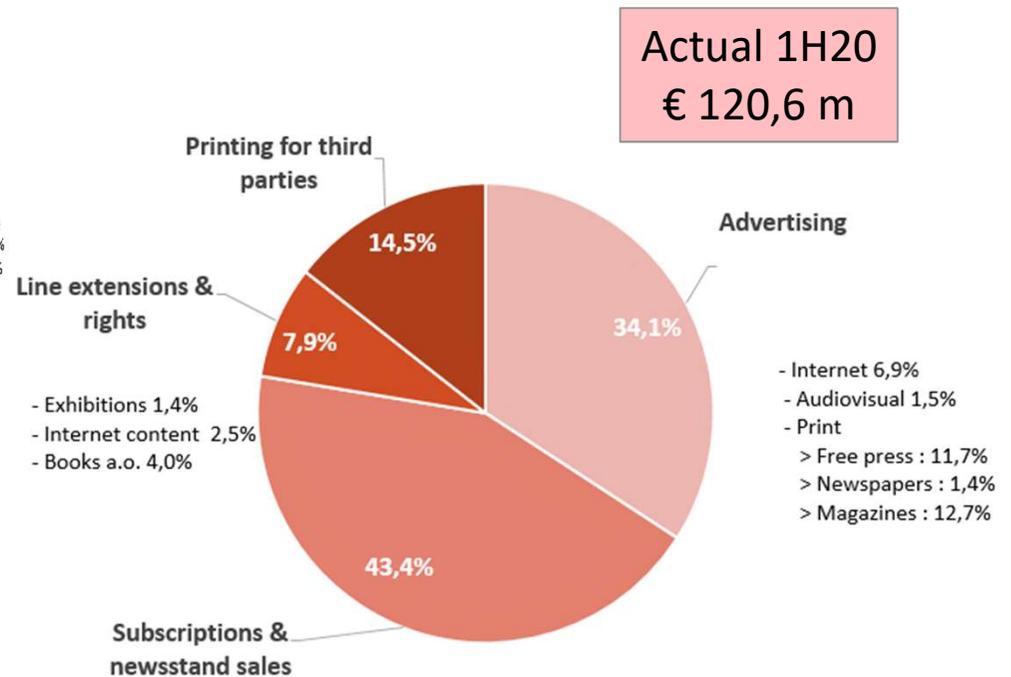
Sales YTD 06/2020



Sales analysis – consolidated sales per kind of revenue



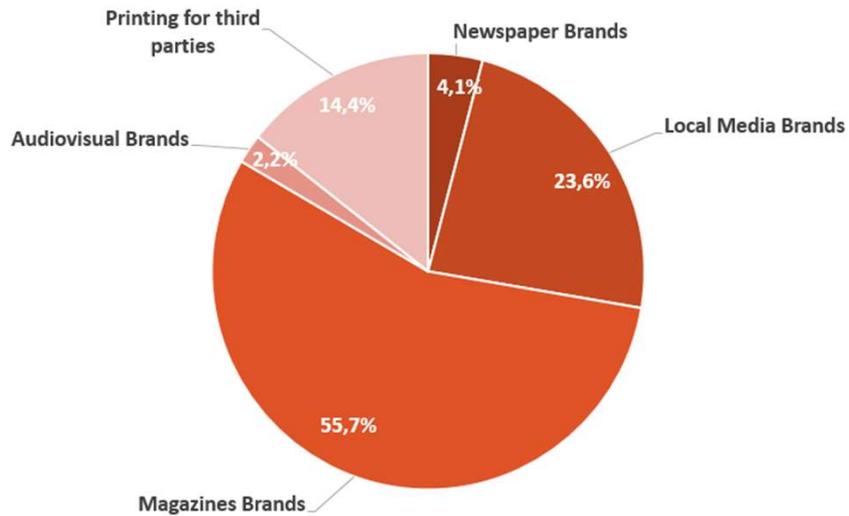
- Advertising**
- Internet 7,4%
 - Audiovisual 1,9%
 - Print
 - > Free press : 18,7%
 - > Newspapers : 1,4%
 - > Magazines : 13,9%



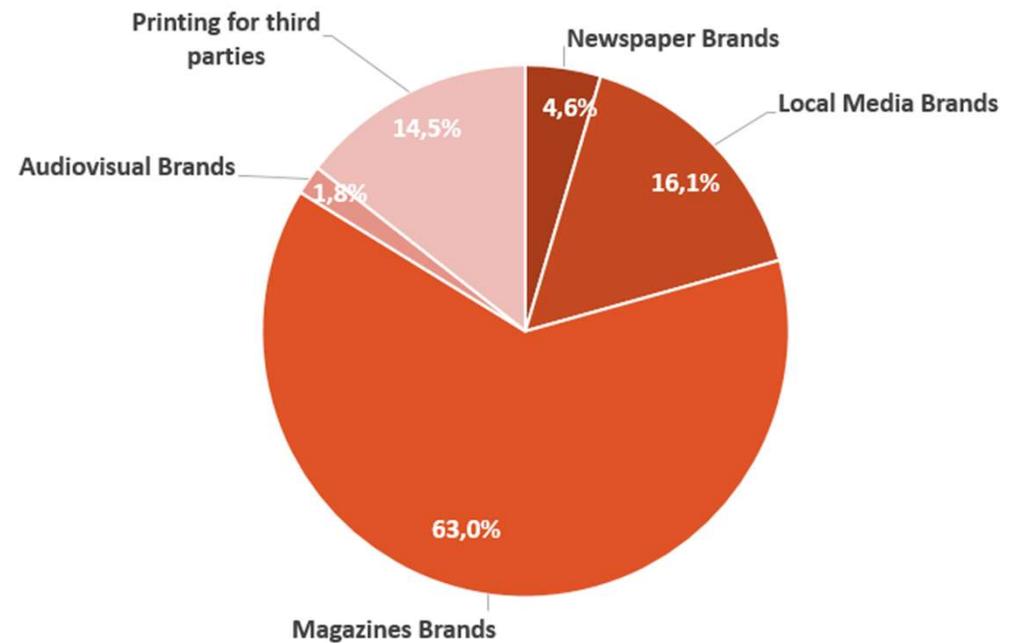
- Advertising**
- Internet 6,9%
 - Audiovisual 1,5%
 - Print
 - > Free press : 11,7%
 - > Newspapers : 1,4%
 - > Magazines : 12,7%

Sales analysis – consolidated sales per business unit

Actual 1H19
€ 147,9 m



Actual 1H20
€ 120,6 m



Results YTD 06/2020



Consolidated results 1H20 KEY FIGURES

in millions of euros	30/06/20	30/06/19	Trend	Trend (%)
INCOME STATEMENT				
Sales	120,6	147,9	-27,3	- 18,5%
<i>Adjusted sales ⁽¹⁾</i>	<i>119,6</i>	<i>147,9</i>	<i>-28,3</i>	<i>- 19,2%</i>
EBITDA ⁽²⁾	5,4	10,7	-5,3	- 49,2%
<i>EBITDA - margin</i>	<i>4,5%</i>	<i>7,2%</i>		
EBIT ⁽³⁾	-1,6	3,9	-5,5	- 139,8%
<i>EBIT - margin</i>	<i>-1,3%</i>	<i>2,6%</i>		
Net finance costs	-0,1	0,0	0,0	+ 132,3%
Income taxes	0,2	-0,1	0,3	- 432,9%
Net result	-1,4	3,8	-5,2	- 137,0%
Net result attributable to minority interests	-0,1	-0,3	0,2	+ 62,4%
Net result attributable to equity holders of RMG	-1,3	4,1	-5,4	- 130,8%
<i>Net result attributable to equity holders of RMG - margin</i>	<i>-1,1%</i>	<i>2,8%</i>		
Number of full time equivalent employees at closing date ⁽⁴⁾	1.191	1.248		

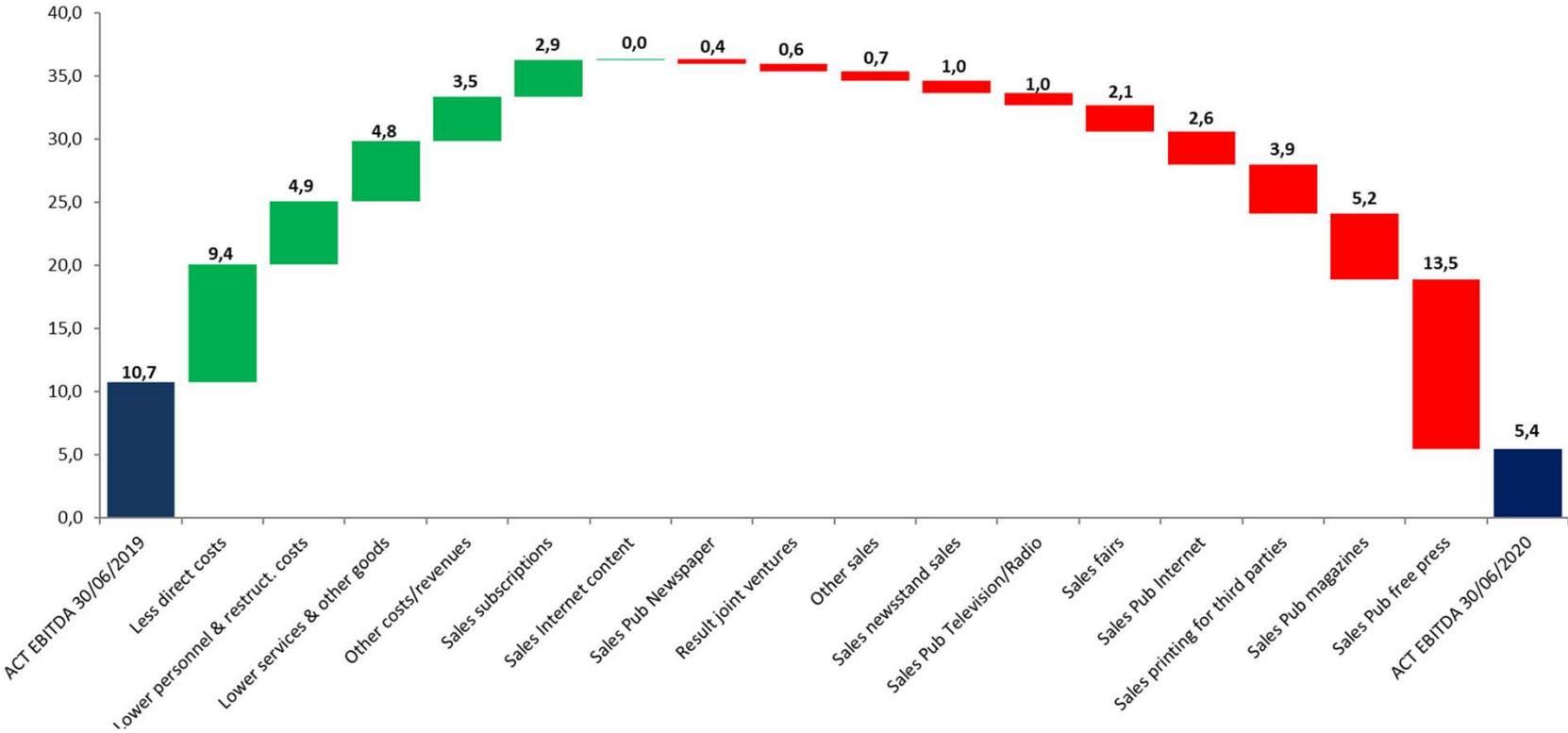
(1) Adjusted sales = sales on a like-for-like basis with previous year, i.e. excluding changes in the consolidation scope.

(2) EBITDA = EBIT + depreciations, write-downs and provisions.

(3) EBIT = operating result, including the share in the result of associated companies and joint ventures.

(4) Number of FTEs; joint ventures (Mediafin, Bayard etc.) not included

Waterfall EBITDA CONSOLIDATED 1H19 – 1H20 (in € m)



Segment reporting 1H20 KEY FIGURES (in € m)

MEDIA BRANDS	30/06/2020	30/06/2019	Trend	Trend (%)
SALES	104,7	129,2	-24,4	- 18,9%
<i>Adjusted sales ⁽¹⁾</i>	<i>103,7</i>	<i>129,2</i>	<i>-25</i>	<i>- 19,7%</i>
Gross margin	82,8	97,6	-14,8	- 15,2%
<i>% on sales</i>	<i>79,0%</i>	<i>75,6%</i>		

PRINTING SERVICES	30/06/2020	30/06/2019	Trend	Trend (%)
SALES	30,5	40,0	-9,5	- 23,8%
<i>Adjusted sales ⁽¹⁾</i>	<i>30,5</i>	<i>40,0</i>	<i>-10</i>	<i>- 23,8%</i>
Gross margin	16,5	20,1	-3,6	- 18,0%
<i>% on sales</i>	<i>54,0%</i>	<i>50,2%</i>		

(1) Adjusted sales = sales on a like-for-like basis with previous year, i.e. excluding changes in the consolidation scope.

Capex & depreciations

Capex Consolidated (mio €)	30/06/20	30/06/19
Software	1,8	1,4
Land & Buildings	0,1	0,1
Machines & Equipment	0,6	0,5
Assets under construction	3,8	
Other (furniture & vehicles, ...)	0,1	0,8
Total	6,4	2,8

- Asset under construction – advance on new printing press (€ 3,2m) + € 0,3m related printing press capex
- Right-Of-Use Assets recognised under IFRS 16 are not included in the CAPEX table, since they don't incur a "cash-out".
- Intangible asset (€ 1.3m) recognized upon acquisition Senior shares is not included here as this is not a CAPEX

Depreciations (mio €)	30/06/20	30/06/19
Titles & PPA	1,8	1,8
Software & other intangibles	1,4	1,3
Tangible assets	3,0	3,3
Total	6,3	6,5

- 1H20 & 1H19 fully comparable as both include IFRS16 depreciations (approx € 0,7m)

Consolidated cash flow statement

Consolidated cash flow statement (in thousands of euros)	30/06/2020	30/06/2019
Net cash flow relating to operating activities (A)	2.586	11.656
Net cash flow relating to investing activities (B)	-5.014	-10.593
Net cash flow relating to financing activities (C)	-1.161	-6.749
Total decrease / increase in cash and cash equivalents (A+B+C)	-3.589	-5.686
Cash and cash equivalents, beginning balance	101.438	95.956
Cash and cash equivalents, ending balance	97.849	90.270

Cash from operating activity @ € +2,6m mainly driven by a positive ebitda of € 5,4m, dividends received from Senior NL (€ 1,25m) but an increased working capital of € -1,3m. In EBITDA there are a number of non-cash items* for a total of € 2,9m which are removed to calculate the cash from operating activity.

* Gain on sold buildings (€ 1,3m), gain on Proxistore dilution (€ 0,6m), gain on RMM sale (€ 0,4m), result of equity companies (€ 0,5m)

Cash flow from investing activity @ € -5,0m relates mainly to the next advance payment of € -3,2m for the new Lithoman printing press, € -0,6m other machinery, € -1,8m software capex, the consideration paid for the 50% extra shares of Senior Publications NV minus the cash acquired (€ -0.1m) and the second (and last) earnout on the Sterck acquisition (€ -0,175m). On the other hand, € 1,6m proceeds on the sale of the Aalst & Turnhout buildings came in and additionally € 0,2m for the sale of the RMM investment.

Cash flow from financing activity @ € -1,1m no longer contains the debt towards Senior Publications NV as the entity is now fully consolidated (€ -0,5m). It includes also the repayment of debt relating to the recognised IFRS 16 lease liabilities (€ -0,7m).

Consolidated Balance Sheet

ASSETS (in thousands of euros)	30/06/20	31/12/19	Trend
NON-CURRENT ASSETS	183.220	182.720	501
Intangible assets	54.776	54.734	42
Property, plant and equipment	61.494	59.894	1.599
Investments accounted for using the equity method	58.577	60.042	-1.465
Other investments, loans, guarantees	2.701	2.402	300
Trade and other receivables	122	100	22
Deferred tax assets	5.550	5.548	2
CURRENT ASSETS	157.610	170.695	-13.085
Inventories	5.257	6.047	-790
Trade and other receivables	42.576	60.061	-17.485
Tax receivable	585	688	-103
Cash and cash equivalents	97.849	101.438	-3.590
Deferred charges and accrued income	11.343	2.460	8.883
TOTAL ASSETS	340.830	353.414	-12.584

Systematic write down of all intangibles since June 2018 + new intangible 'brands' recognized on Senior Publications NV (€1,3m)

(1) Asset under construction – advance on new printing press (€ 3,2m); YTD already € 5,8m
 (2) Other capex : mainly machinery : € 0,6m
 (3) IFRS 16 right-of-use assets additions (€ 0,4m)
 minus
 (4) Regular depreciations (€ -2,3m)
 (5) IFRS 16 depreciations (€ -0,7m)
 (6) Sales of buildings (€-0,4m)

- Share in net result equity cies: € +0,5 m (see further for breakdown)
- Dividend upstream Senior NL (€ -1,3m)
- Senior Publications NV no longer included in investments accounted for using the equity method (€ -1,1m) as fully consolidated as of 1 Mar 2020

Barter costs are being recognized according to use during the year. Similar movement on liabilities side (deferred income).

Consolidated Balance Sheet

LIABILITIES (in thousands of euros)	30/06/20	31/12/19	Trend
EQUITY	227.120	228.424	-1.304
Group's equity	226.670	227.846	-1.176
<i>Issued capital</i>	80.000	80.000	
<i>Treasury shares</i>	-23.594	-23.643	49
<i>Retained earnings</i>	165.336	166.610	-1.273
Result of the current year	-1.273	10.854	-12.127
Retained results	166.609	155.756	10.854
<i>Other reserves</i>	4.928	4.879	49
<i>Translation differences</i>			
Minority interests	449	578	-129
NON-CURRENT LIABILITIES	17.270	17.626	-356
Provisions	7.742	8.268	-526
Employee benefits	5.533	5.180	352
Deferred tax liabilities	199	142	57
Financial debts	3.509	3.748	-239
Other payables	287	287	
CURRENT LIABILITIES	96.441	107.364	-10.924
Financial debts	1.272	1.754	-482
Trade payables	30.231	45.321	-15.090
Advances received	25.915	25.794	120
Employee benefits	17.019	16.513	505
Taxes	1.062	338	724
Other payables	8.836	10.884	-2.048
Accrued charges and deferred income	12.107	6.759	5.347
TOTAL LIABILITIES	340.830	353.414	-12.584

1H20 net result € -1,3m

€ - 0,7m payment leasing debts
+ additional lease liabilities for new leases
(vehicles) in 1H20 (€ +0,4m)
- decrease ICO cashpool account with Senior BE (€
-0,5m)

- Current account ↓ towards (some former) equity
accounted companies (€ -1,5m Sailer, € -1,1m
Senior SA, € -0,8 m Senior NL, € + 0,4m
Belgomedica)
- Payment of € -0,18 m earn-out on Sterck.
- Increase of withholding tax payable € + 1,2m

Prospects



We remain positive in term of subscription revenues

We reconfirm our investing strategy in Printing machinery

We accelerate our investments in digitalisation and software development

Income from publicity will be dependent on covid-19 and general economic conditions

Printing for 3rd parties: we foresee our loyal customer base to remain but requesting a lower volume per order

Roularta looks with confidence and its strong balance sheet to the future

Consolidated result

(in thousands of euros)	30/06/2020	30/06/2019	Trend
Sales	120.635	147.949	-27.314
Own construction capitalised	1.239	1.113	126
Raw materials, consumables and goods for resale	-23.151	-32.538	9.387
Gross Margin	98.723	116.524	-17.801
<i>% on sales</i> <i>ppts</i>	<i>81,8%</i>	<i>78,8%</i>	<i>+3,1 ppts</i>
Services and other goods	-51.658	-56.489	4.831
Personnel costs	-45.036	-49.975	4.939
Other operating results	2.865	-474	3.339
Share in the result of associated companies and joint ventures	544	1.127	-583
EBITDA	5.438	10.713	-5.275
Depreciation, write-down and provisions	-6.990	-6.814	-176
<i>Depreciation and write-down of intangible and tangible assets</i>	<i>-6.260</i>	<i>-6.480</i>	<i>221</i>
<i>Write-down of inventories and debtors</i>	<i>-396</i>	<i>-10</i>	<i>-386</i>
<i>Provisions</i>	<i>-334</i>	<i>-323</i>	<i>-11</i>
<i>Impairment losses</i>	<i>0</i>	<i>0</i>	<i>0</i>
Operating result - EBIT	-1.552	3.899	-5.451
<i>% on sales</i> <i>ppts</i>	<i>-1,3%</i>	<i>2,6%</i>	<i>-3,9 ppts</i>
Financial income	49	81	-32
Financial expenses	-132	-116	-16
Income taxes	233	-70	303
Net result of the consolidated companies	-1.402	3.793	-5.195
<i>% on sales</i> <i>ppts</i>	<i>-1,2%</i>	<i>2,6%</i>	<i>-3,7 ppts</i>
Attributable to:			
Minority interests	-129	-342	214
Equity holders of Roularta Media Group	-1.273	4.136	-5.409

Consolidated cash flow statement

in thousands of euros	30/06/20	30/06/19
Net result of the consolidated companies	-1.402	3.793
Share in the results of associated companies and joint ventures	-544	-1.127
Dividends received from associated companies and joint ventures	1.250	5.530
Income tax expense/income	-233	70
Interest expenses	132	116
Interest income (-)	-49	-81
Losses/gains on disposal of intangible assets and property, plant and equipment	-1.308	-17
Non-cash items	6.016	6.835
<i>Depreciation of (in) tangible assets</i>	6.260	6.480
<i>Share-based payment expense</i>	49	21
<i>Increase / decrease in provisions</i>	334	323
<i>Other non-cash items</i>	-627	10
Gross cash flow relating to operating activities	3.863	15.119
Changes in trade receivables	18.925	2.336
Changes in inventories	837	24
Changes in trade payables	-16.290	-2.935
Other changes in net working capital (a)	-4.750	-2.500
Change in net working capital	-1.279	-3.075
Income taxes paid	83	-355
Interest paid	-131	-116
Interest received	50	82
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)	2.586	11.656

Consolidated cash flow statement

Cash flow from investing activities	30/06/20	30/06/19
Intangible assets - acquisitions	-1.973	-1.390
Tangible assets - acquisitions	-4.422	-1.388
Tangible assets - other movements	1.638	21
Net cash flow relating to acquisition of subsidiaries and sector acquisitions	-299	-7.868
Net cash flow relating to disposal of subsidiaries and sector acquisitions	200	
Net cash flow relating to loans to investments accounted for using the equity method	-175	
Other investments, loans, guarantees - other movements	17	32
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)	-5.014	-10.593

Cash flow from financing activities	30/06/20	30/06/19
Movement in capital		
Treasury shares	49	41
Other changes in equity	0	0
Proceeds from current financial debts		
Redemption of current financial debts	-509	64
Repayment of lease liabilities	-704	-700
Decrease in non-current receivables	3	119
Increase in non-current receivables		
NET CASH FLOW RELATING TO FINANCING ACTIVITIES (C)	-1.161	-6.749
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS	-3.589	-5.686
Cash and cash equivalents, beginning balance	101.438	95.956
Cash and cash equivalents, ending balance	97.849	90.270