



# 2020 HALF-YEAR RESULTS

*17 September 2020*

CONTENT

BRANDS

TECHNOLOGIES



I

**REWORLD MEDIA,**

**B TO C CONTENT, SERVICES & BRAND PLATFORM**

**B TO B AdTECH PUBLISHER**



**WE ARE,**

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**AN OWNER OF MEDIA BRANDS**

**AN OWNER AND PUBLISHER OF  
MULTI MEDIA – MULTI FORMAT CONTENTS**

**THE OWNER AND INTEGRATOR OF  
TECHNOLOGICAL SOLUTIONS**

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# A ROBUST GROUP: SIZE, PROFITABILITY, FINANCIAL CAPACITY .....

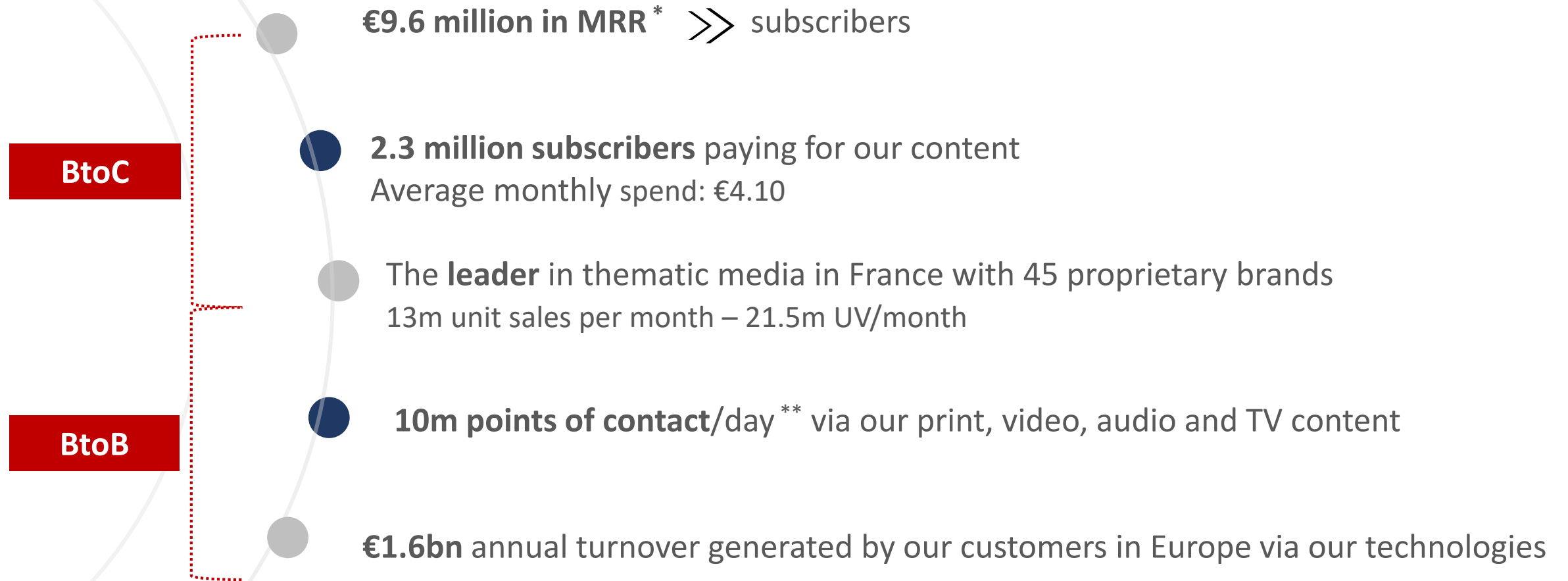
- Turnover - 1<sup>st</sup> Half 2020: €200.7m  
2019 pro forma: €462.2m
- EBITDA - 1<sup>st</sup> Half 2020: €15.1m, up from previous period  
2019 pro forma\*: €40.4m
- Available cash: €92M\*\*  
Equity: €89m
- 970 employees in 11 countries

*\*Integration of ex-Mondadori France assets as at 1-01-19*

*\*\* Available cash + State-guaranteed loan of €23m in July 2020*

# A POWERFUL AND DIVERSIFIED GROUP

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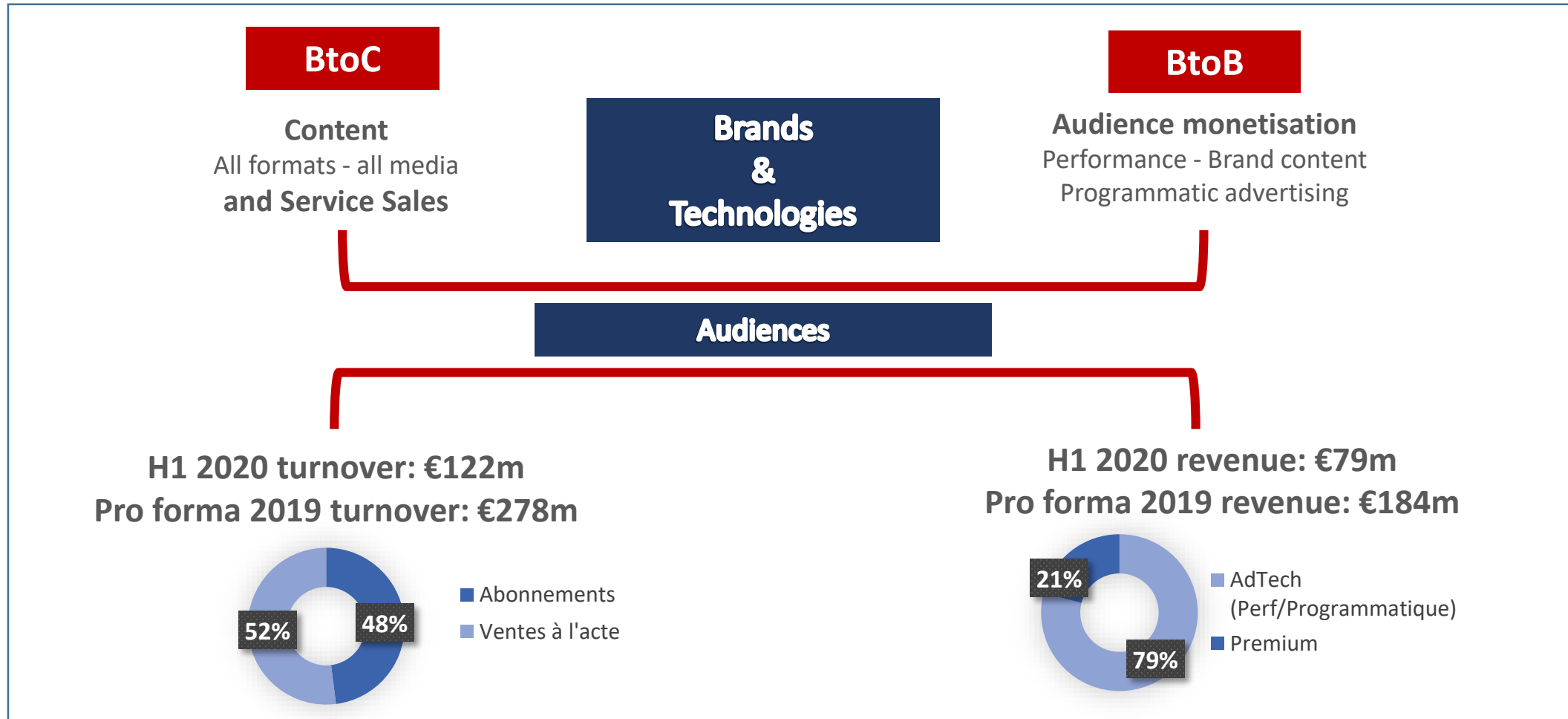
\* Monthly Recurring Revenue

\*\* Internal source

# A VIRTUOUS BINARY MODEL

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- Reworld Media operates under a disruptive model, both BtoC and BtoB, that takes advantage of new trends in content consumption and technologies



\*Integration of ex-Mondadori France assets as at 1-01-19

BtoC

# 900,000 MULTI-MEDIA PROPRIETARY CONTENT ITEMS

BACKED BY OUR MEDIA BRANDS

More than 1,000 hours of TV programmes

5 channels

500 podcast productions

5 million listeners/month

25,000+ proprietary videos

80 million views/month <sup>(1)</sup>

More than 850,000 text content items

on over 20 topics



H1 2020 turnover: €122m / 2019 pro forma turnover\*: €278m / €9.6m MRR / 13M sales acts per month <sup>(2)</sup>

<sup>(1)</sup> Centrics site - <sup>(2)</sup> OJD and internal

\*Integration of ex-Mondadori France assets as at 1-01-19

BtoC

## A GROWING RANGE OF OFFERS

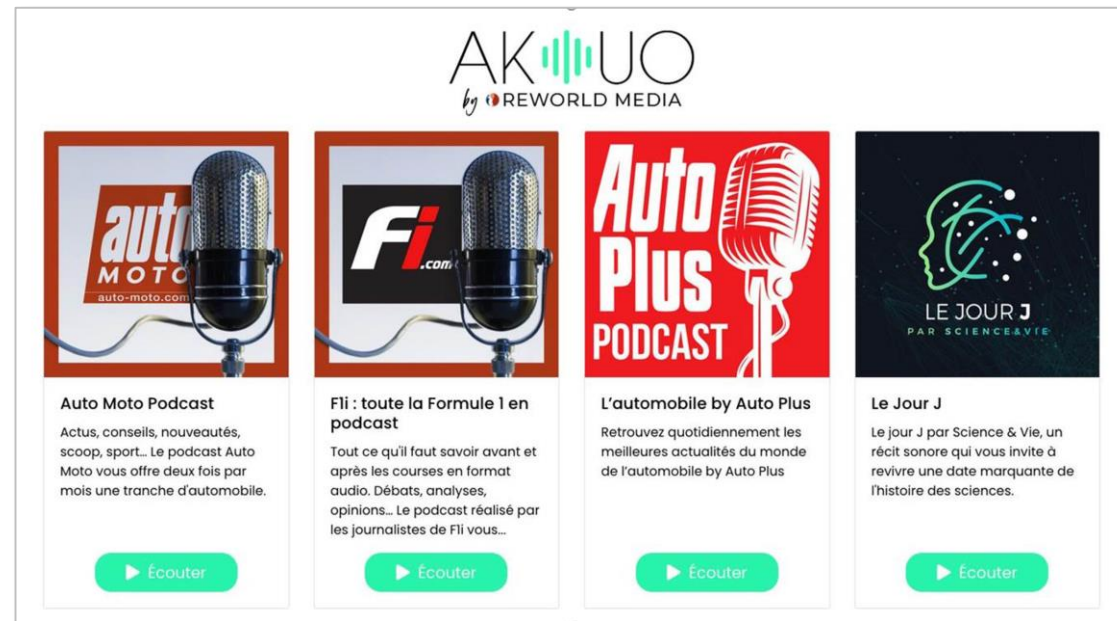
.....

>> How to increase the average spend and build loyalty in retail customers...

Travel offers



Subscription Podcast listening platform  
New in Oct 2020!



Legal assistance and real estate  
search services



Training  
Educational content sales



Subscription-based  
thematic TV channels





# AN ADTECH OFFER WITH HIGH ADDED VALUE

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- ✓ Cutting-edge technologies integrated into our Performance business, with **Tradedoubler**
  - 20 years of expertise, 250 experts, 15 sites in Europe
  - an unparalleled network of 180,000 affiliate sites
  - 2,000 customers, affiliation programmes in more than 80 countries
- ✓ Hypercontextual targeting solutions developed, proprietary tools enabling ad turnover optimisation by format
- ✓ KPI optimisation for advertisers at controlled costs

## Qualified audience monetisation developing into technological automation

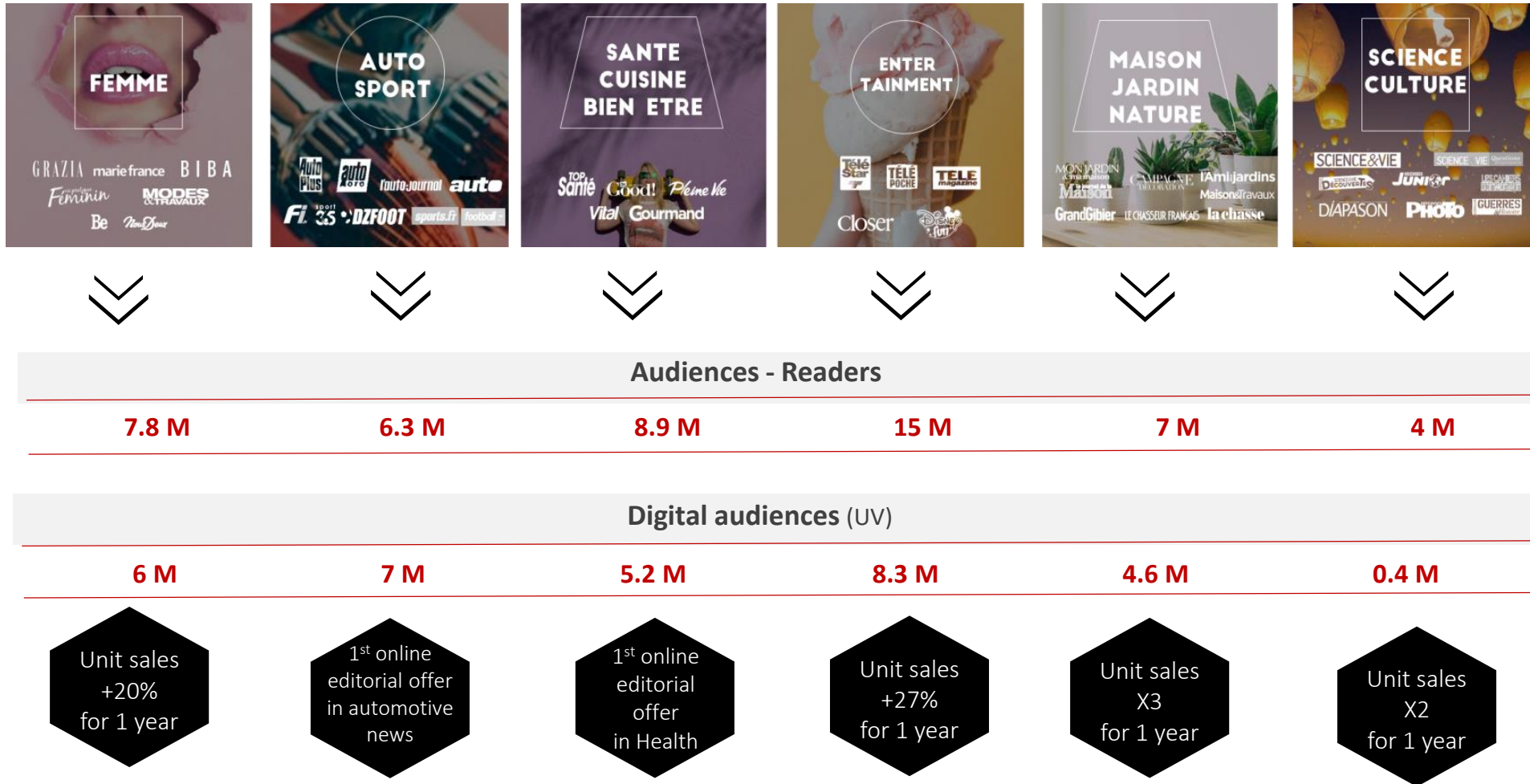


➤➤ H1 2020 turnover: €79m / 2019 pro forma turnover\*: €184m / €1.6 billion in annual turnover generated

# AFFINITY AUDIENCE MONETISATION

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2 billion advertising spaces sold in 2020 each month





II

**1<sup>ST</sup> HALF 2020**

**A TIME OF OPERATIONAL ACCELERATION**

**PROFITABILITY EXCEEDING EXPECTATIONS**

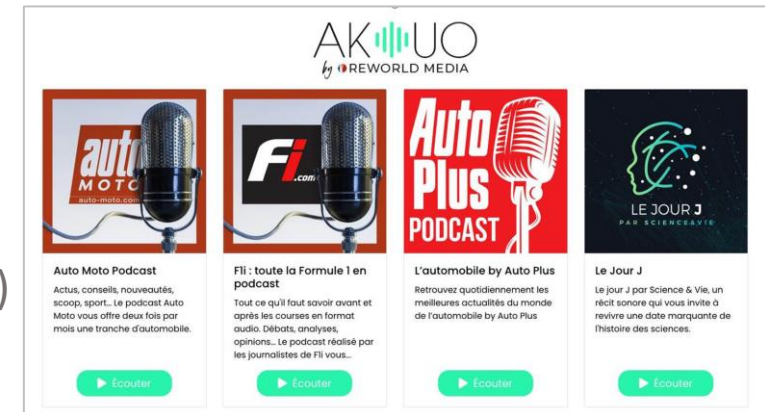
# A TIME OF ACCELERATION, CONTRASTING WITH THE ENVIRONMENT

## » An intense production and content diversification dynamic

- 10 new sites / redesigns in 6 months
- 2 new media brands, 3 new print packages
- 150 Live programmes on the social media
- Reworld Media TV: 4 thematic channels launched bringing the number of channels in the Group to 6
- 15 new podcast programmes and proprietary platform launched
- Surge in BtoC customer offer development

## » Sharp audience growth

- Record-high audience of 20.5 million UV in April (+30% vs Y-1)



# A BUSINESS AND TRANSFORMATION PLAN THAT HAS ACCELERATED .....



## **Integration of Mondadori France assets successfully completed**

- A very favourable change in the digitisation programme  
Audiences\*: Biba +456%, Pleine Vie +438%, Auto Journal +167%, Science & Vie +136%, Auto Plus +70%, etc.
- Grazia brand restructured (last brand significantly exposed to Print advertising)
- Move to Boulogne and Bagneux sites completed (in September)
- Publication uninterrupted

**And,**

**French press distribution network reorganised for efficiency**

**€33 million in financing secured (€23 million in State-guaranteed loan and €10 million in BPI Atout Loan)**

# OVER €200 MILLION IN CONSOLIDATED TURNOVER OVER THE HALF-YEAR

## CONSOLIDATED PROFITABILITY DOUBLED

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### Consolidated turnover\* at 30/06/20: €200.7m

Multiplied by a factor of 2.3 compared to H1-2019

Scope effect: integration of ex-Mondadori assets at 1<sup>st</sup> August 2019

- **BtoC turnover: €122.2m**

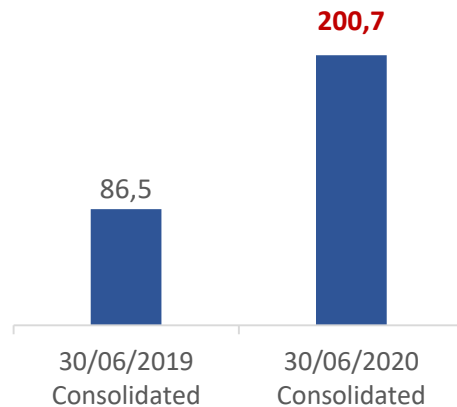
Subscriber portfolio recurrence over entire scope

- **BtoB turnover: €78.5m**

Low exposure to print advertising (5% of Group turnover)

The Performance business is not exposed to the crisis (28% of Group sales)

Change in consolidated turnover as at 30/06/20 (€m)



### Consolidated EBITDA\* at 30/06/20: €15.1m

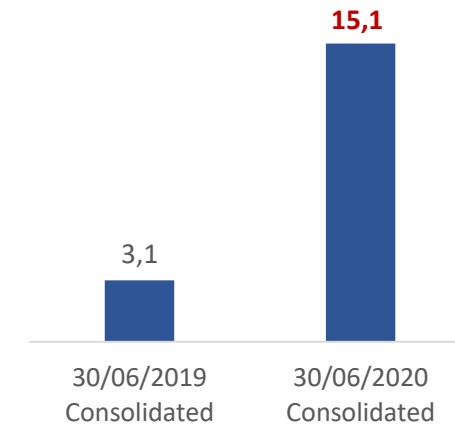
Multiplied by a factor of 5 compared to H1-2019

> **Profitability doubled to 7.6% of turnover**

vs 3.6% in H1-2019

Scope effect: integration of ex-Mondadori assets at 1<sup>st</sup> August 2019

Change in consolidated EBITDA as at 30/06/20 (€m)





# RESILIENT GROUP OPERATIONS

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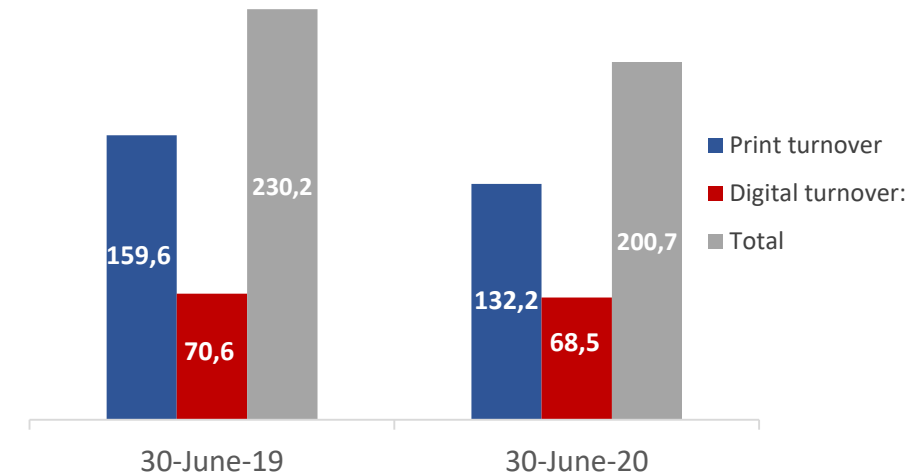
## >> A controlled decline in turnover in the 1<sup>st</sup> Half despite the deteriorated economic context

**€200.7m** in turnover in the 1<sup>st</sup> half-year, -13% vs 2019 pro forma\*

- **Digital turnover €68.5m:** Digital division turnover demonstrated high resilience, at -3%  
Digital Branding accounted for 20% of Group sales vs. Performance at 80%
- **Print turnover €132.2m:** in the deteriorated context of the 1<sup>st</sup> half-year, the Group was able to curb the decline in Print turnover, -17%
  - Print advertising -48% : now only represents 5% of Group's revenue
  - Subscriptions and retail: -12% limited decrease, despite the impact of restructuring in the distribution network

## >> 24% of turnover is earned internationally

Change in pro forma half-year turnover (€m)



\* Integration of ex-Mondadori France assets at 1/01/19 \*\* Digital: Digital and Diversification

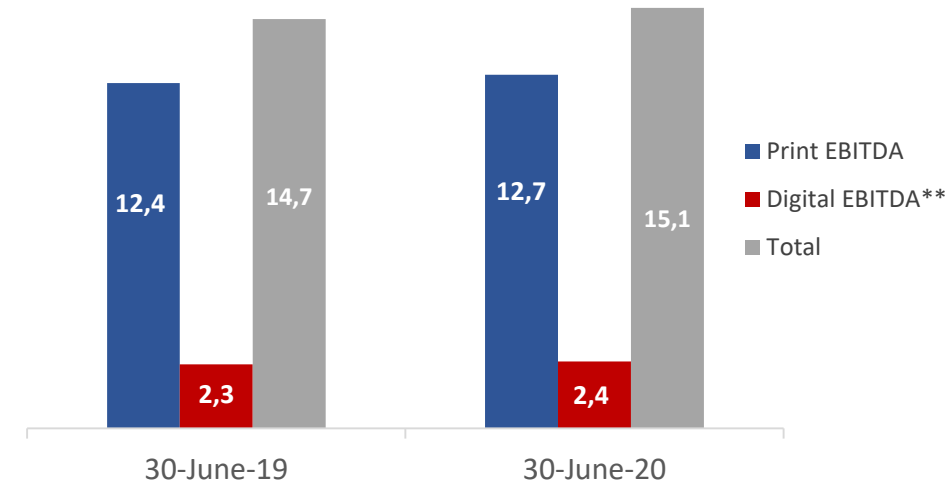
# INCREASE IN PRO FORMA EBITDA

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» In a heavily deteriorated environment, the Group managed to grow its profitability in the 1<sup>st</sup> Half of 2020 to €15.1m (+3%)

- **Growth in profitability** enabled by the good integration of ex-Mondadori assets and the good management of variable costs in the 2<sup>nd</sup> quarter of 2020
- €2.4m EBITDA digital (+4% vs H1-2019) : stable digital profitability rate at 3% > investments maintained in this strategic activity in favour of the group's development
- **Increase in margin to 7.5%** vs 6.4% in H1-2019

Change in half-year pro forma EBITDA (€m)





# CASH FLOW

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In €M*	30/06/2020	31-12-19
EBITDA	15.1	29.6
Cash impact	5.0	-7.4
<b>Operating flows</b>	<b>20.1</b>	<b>22.2</b>
Exceptional items	-15.3	-23.7
<b>Operational flows</b>	<b>4.7</b>	<b>-1.5</b>
Capex	-2.5	-4.0
Capital increase	0.9	20.9
Financing	11.5	66
Acquisition	0.4	-51.4
Entry into scope		6.8
<b>Cash flow generation</b>	<b>14.8</b>	<b>37.0</b>
State-guaranteed loan received in July 2020	23.0	
<b>Cash flow generation with State-guaranteed loan</b>	<b>37.8</b>	<b>37.0</b>

## €20.1 million in cash generated by operating flows in 1<sup>st</sup> half 2020

- **Favourable cash effect** stemming from payment adjustments enabled by the health crisis
- **€15 million in exceptional items** due mainly to the liquidation of Prestalis and the restructuring of the Grazia brand
- **€11.5 million in financing:**  
 €10 million ATOUT BPI loan secured (PGE of €23 million in July 2020)  
 Loan repayments delayed

# CONSOLIDATED INCOME STATEMENT AS AT 30 JUNE 2020

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In €M*	30/06/2020	30/06/2019	Change
Turnover	200.7	86.5	x2.3
Operating costs	185.6	83,4	
EBITDA	15.1	3.1	x5
Depreciation	-1,9	-1.6	
EBIT	13.2	1.5	x8.8
Financial results	-1.4	-0.9	
Exceptional income	-20.3	-0.5	
Taxes	9.0	0.2	
Reversal of goodwill	-0.1	-0.1	
Consolidated net income	0.4	0.2	x2
Minority interests	-0.2	-0.1	
Net income Group share	0.6	0.1	x6

- More than €13m in EBIT vs. €1.5m in Y-1
- Financial result: €-1.4m, including interest on bank loans
- Exceptional income of -€20,3m consisting primarily of Presstalis and the restructuring of the Grazia brand
- Taxes: accounting valuation of ordinary losses
- Net income slightly up at €0.6m

## STRENGTHENED CASH POSITION: €92\* MILLION IN CASH AT 30/06/20

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In €M*	30/06/2020	31-12-19
Gross cash	92.0	54.0
Financial debts	131.8	96.0
Net cash and cash equivalents	-39.8	-42.0

A cash and debt position under control:

- Stronger cash position to €92m
- Net debt as at 30/06/2020: €39,8m
  - ✓ A €10 million ATOUT loan with a 5-year term was received from BPI and a €23 million State-guaranteed loan from the banking pool
  - ✓ Renegotiations resulting in banking terms favourable to the group
- Debt leverage less than 1x EBITDA

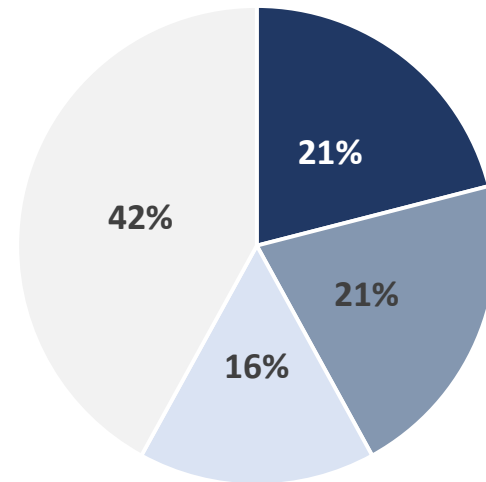
Solid equity as at 30/06/2020: €89.3m

\* Consolidated financial statements as at 30/06/20 and receipt of €23m in State-guaranteed loan financing in July 2020

# DISTRIBUTION OF CAPITAL SHAREHOLDER VALUE

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>> Distribution of capital as at 31/08/2020



- Management
- Institutional investors
- Arnolfo Mondadori Editore SPA
- Floating

>> ALREW - FR001082027

- Number of shares: 51,816,696
- Euronext Growth since 16 June 2014
- Bloomberg: ALREW FP

Share price:

- At 15/09/20: €2,55

Market capitalisation €132m

High - 12 months € 2.99

Low - 12 months € 1.50

Average volume – 12 months 36 034 shares





III

OUR AMBITION, **€1BN** IN *TURNOVER*

A NEW EQUITY STORY

COMPANY MODELS, REFERENT ON THEIR  
**BTOC/BTOB** MARKETS

# AN AGGRESSIVE STRATEGY

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Continuing to seek external growth on substantial targets in the content sectors, subscriber base and technology solutions >> 1 billion in turnover

**BtoC**

**Content/Services**

H1 2020 turnover: €122m  
2019 proforma turnover\*: €278m

> Increased content and service offerings

**guaranteed by our media brands**

- Increase in subscriber numbers and fee-for-service sales
- Increase in average spend
- Strong ambitions to step up MRR, building from the current €9.6m

**BtoB**

**AdTech**


H1 2020 turnover: €79m  
2019 pro forma turnover\*: €184m

> Technological developments

- Developing advertising inventory, currently at 2bn / month
- New monetisation formats
- Consolidating our performance business

# COMPANY MODELS, REFERENT ON THEIR BtoC/BtoB MARKETS

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**REWORLD  
MEDIA**

**BtoC**

Sale of content/services by subscription  
or by act

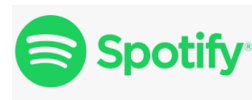
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**REWORLD  
MEDIA**

**BtoB**

**Adtech**

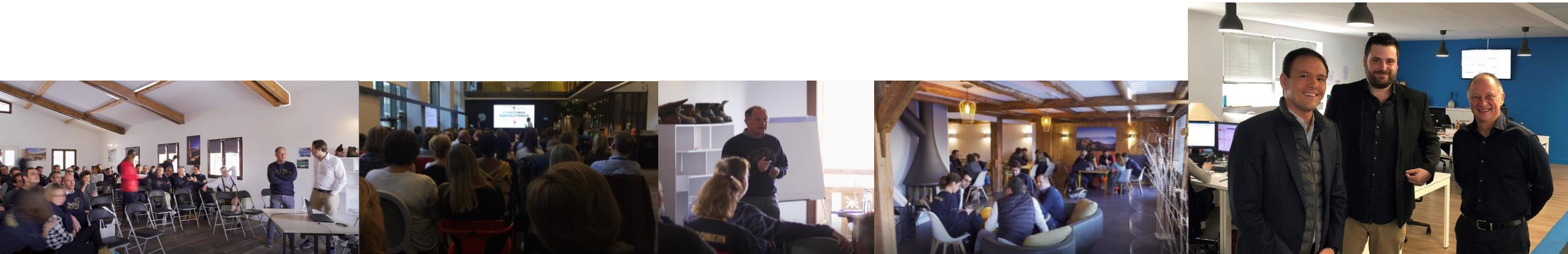
*H1 2020 turnover: €79m  
2019 proforma turnover: €184m*



# A STRONG AND SHARED AMBITION: TO BECOME ONE OF THE NEXT UNICORNS

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- A group with an **entrepreneurial culture**, true to its DNA from the outset
- Teams headed by **20 manager-entrepreneurs**, experts in their fields
- A united team of managers, **who hold 28% of the Group's capital** (fully diluted)
- The **support of prominent figures** including Fleur Pellerin, member of the Board of Directors, and Cédric O, Secretary of State responsible for the Digital Transition and Electronic Communication
- A group **driven by core values**: Audacity, Creativity, Innovation, Entrepreneurship, Passion and Performance
- Actively recruiting new talents, while also offering training and support initiatives for young entrepreneurs







# A RESPONSIBLE AND COMMITTED COMPANY

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## > **Support for entrepreneurship**

Reworld Media, partner of “50 Impact” and the annual forum “Be a boss” (2015)

## > **Training and support for young talent by Reworld Media Campus (May 20)**

Bachelor Communication/Media Content Manager, Level 6 degree registered with the RNCP. One year of work-study training within the Group

## > **Support for talented corporate projects via Reworld Media Ventures**

## > **Development that fosters the digital transformation of regional SMEs with Reworld Media Proximité (June 20)**

A la carte access to the Group's resources: marketing, training, all-content production, etc.

## > **Group publications printed using processes based on recyclable paper from eco-responsible parks**

## > Latest CSR news:

### **Solidarity with Lebanon**

Spaces provided free of charge to support organisations in the Group's publications

## > A few indicators

### **Social**

Permanent staff: 95%

Employee turnover: 20%

Gender balance: 45% women at the Group and 40% on the Management Committee

Absenteeism rate: 7%

### **Governance**

Board of Directors with 2 independent members out of 4



## CONTACTS

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