

Press Release

28 September 2021



2021 Half-Year Results

Revenues: €141.0m +6.1% (organic growth* +4.5%)

Current operating income: €3.6m

Operating income: €2.7m

Net income: €3.7m

In millions of euros	H1 2021	H1 2020 **
Revenues	141.0	132.8
Current operating income	3.6	2.5
Operating income	2.7	2.0
Net income	3.7	(1.4)
Net income (Groupe Share)	1.6	(2.5)

Levallois-Perret, 28 September 2021 : the consolidated accounts for the first half of 2021 have been approved by the Board of Directors at its meeting on 28 September 2021.

Operating Performance

The **Keyrus** Group recorded revenues of 141.0 million euros in the first half of 2021, an increase of 6.1% (+4.5% at constant scope and exchange rates) as compared with the first half of 2020.

Large Account activities posted organic growth of 3.0% (5.1% based on reported figures) in the first half of 2021. This growth was driven mainly by North America, Asia, and Africa & the Middle East, whilst the economic impact of the health crisis continued to be felt markedly in Europe and Latin America.

Mid-Market activities, conducted by the Group's Absys Cyborg subsidiary, posted growth of 9.2% in organic terms and based on reported figures in the first half of 2021. The excellent level of this half-year performance, both in terms of business growth and profitability, is down to an increase in productivity and contractually-recurring business and to a rise in orders (5.7% on a rolling 12-month basis).

The Group's current operating income was €3.6m as against €2.5m in the first half of 2020.

Operating income and net income Group share stood at €2.7m and €1.6m respectively, as against €2.0m and €(2.5)m in the first half of 2020.

The Group's net indebtedness stood at €31.0m as at 30 June 2021 as against €33.9m one year previously and €18.9m as at 31 December 2020. This increase in net indebtedness in the first half of the year results mainly from an increase in the WCR due to the payment of deferred social security charges in accordance with the payment plan negotiated with the authorities under the government measures adopted as a result of the health crisis (€3.7m), the recurring seasonality of the operating WCR (notably €3.1m on deferred revenue from contracts), and outflows of €3.1m related to external growth transactions.

As at 30 June 2021, cashflow forecasts did not reveal any financing difficulties.

Outlook

On the Large Account segment, the **Keyrus** Group is pursuing its investments to modernize its management and performance management tools so as to maintain its agile and responsive management over the long term and make lasting improvements to its economic performance.

From a broader, strategic perspective, **Keyrus**'s offerings are becoming progressively more verticalized, according to business sector, function, and/or business process, so as to provide end-to-end solutions integrating the 3 dimensions of these offerings: Data, Digital, and Management Consulting, meeting the digital transformation challenges of companies and organizations.

As for the Mid-Market segment, thanks to the recurrent-business nature and to the robustness of its business model, it showed itself to be highly resilient in 2020. The growth in its order book enables us to look forward to a solid second half of the year in terms of profitability. The segment is also showing its ability to absorb significant fluctuations in business activity. However, the limited visibility on the French SME and intermediate-sized business market is reason to remain cautious about this momentum over the long-term.

On both its segments, the **Keyrus** Group continues to emphasize the importance of innovation, service quality, and the client relationship, and it anticipates both organic and external growth continuing in the short term.

Eric Cohen, President-CEO, comments : *"Our first half-year in 2021 has been part of a gradual rebound in activity, depending on our various geographical regions.*

Our positioning as a hyper-specialist in Data, recognized at international level with 25 years of experience and project accomplishments, the convergence of our three spheres of expertise, Data, Digital, and Management & Transformation to make our proposals stand out and to enhance their value, and our culture of enterprise and innovation all enable us to look forward to the future with confidence, in spite of the uncertain economic environment.

More than ever before, our development project is part of a responsible approach in response to social and societal challenges within which the very essence of our data-related activities takes on its full meaning.

*Data provides insights into the way we all behave and the manner in which the world is changing, taking shape, and improving for future generations. Naturally, **Keyrus** will bring to bear all its knowledge and mastery of data science to help its clients meet a great many of our society's current and future challenges."*

Summary statement of operating income by operating sector

In €m	Large Accounts		Mid-Market		Total	
	H1 2021	H1 2020 **	H1 2021	H1 2020	H1 2021	H1 2020 **
Revenues	105.6	100.4	35.4	32.4	141.0	132.8
Current operating income	1.2	1.0	2.4	1.5	3.6	2.5
Operating income	0.5	0.7	2.3	1.3	2.7	2.0

Management and impact of the COVID crisis

The emergence of the COVID-19 virus in the first quarter of 2020, followed by its spread, had an impact on economic activity in the 2020 financial year. In the first half of 2021, the Group focused on managing the process of exiting lockdown and adapting its Delivery modes to the health recommendations.

By taking action as early as 15 March 2020 to set up a Crisis Unit dedicated to managing the pandemic, the Group had already shown itself to be highly responsive to the situation. This Unit was headed up by the President-CEO with the purpose of continuously assessing the situation in France and all the countries where the Group operates.

Given how the pandemic situation has now changed, we have scaled back these arrangements. However, we are continuing to keep a very close eye on developments in this pandemic crisis. The key arrangements, built on the effective measures taken during the previous financial year, are ready to be reactivated if required.

* DEFINITION OF THE NOTION OF ORGANIC GROWTH IN REVENUES

The notion of organic growth in revenues involves presenting the revenues of the preceding year (N-1, in this case, the 2020 financial year) restated in such a way as to apply the exchange rates and scope of consolidation of the current year (N, in this case, the 2021 financial year). The Group then calculates a figure for organic N-1 revenues by:

- using the exchange rates of year N to calculate the reported revenues of companies outside the Eurozone in year N-1 ;
- adding to the reported revenues for year N-1 the N-1 revenues of companies that came within the scope of consolidation in year N ;
- deducting from the reported revenues for year N-1 the N-1 revenues of companies that went out of the scope of consolidation in year N.

In the first half of 2021, the adjustments to go from reported 2020 revenues adjusted for Black Tiger, to organic 2020 revenues look as follows:



** CONSOLIDATION SCOPE

B&C Technologies (trading name Black Tiger) had, up until 30 September 2020, been consolidated using the full integration method. On 31 December 2020, and with the approval of its auditors, the Keyrus Group reconsidered its method for consolidating B&C Technologies. The analysis undertaken with regard to IFRS 10 led the Management to integrate B&C Technologies according to the equity method. In order to present comparable information, the figures as at 30 June 2020 set out herein have been adjusted in scope to exclude B&C Technologies and a bridge table between this presentation and the reported 2020 Half-Year accounts is set out below.

In thousands of €	30 June 2020 6 month Reported	BlackTiger Adjustment	30 June 2020 6 month Restated
Revenues	133 974	-1 125	132 849
Total revenues from ordinary activities	134 208	-1 125	133 083
Current operating income	2 620	-164	2 456
Operating income	1 970	6	1 976
Pre-tax income	1 465	8	1 473
Net income	-1 455	21	-1 433

ABOUT THE KEYRUS GROUP

Keyrus – Large Account Activities

An international player in consulting and technologies and specialist in Data and Digital, **Keyrus** is dedicated to helping enterprises take advantage of the Data and Digital paradigm to enhance their performance, facilitate and accelerate their transformation, and generate new drivers of growth and competitiveness.

Placing innovation at the heart of its strategy, **Keyrus** develops a value proposition that is unique in the market and centred around an innovative offering founded upon a combination of three major and convergent areas of expertise:

- **Data Intelligence :**
Data Science – Artificial Intelligence - Big Data & Cloud Analytics – Business Intelligence – EIM – CPM/EPM
- **Digital Experience :**
Innovation & Digital Strategy – Digital Marketing - DMP & CRM – Digital Commerce – Digital Performance – User Experience
- **Management & Transformation Consulting :**
Strategy & Innovation – Digital Transformation – Performance Management – Project Support

Absys Cyborg – Mid-Market Activities

Absys Cyborg is a specialist in the publication and integration of management solutions:

- **Management, ERP, and CRM software**
- **Cloud-based Hosting and Managed Services**
- **Collaborative solutions**
- **Reporting and Business Intelligence**
- **Consulting, Project Management Support Steering, IT Strategy**

Absys Cyborg is the leading integrator of Sage and Microsoft solutions and positions itself as a recognized expert in all the product lines of the Sage editor (Sage 100, Sage Pay, Sage FRP 1000, Sage X3) and Microsoft Dynamics.

Present in 21 countries on 4 continents, the **Keyrus** Group has 3,000 employees.

Keyrus is quoted on Euronext Growth Paris
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Further information at: www.keyrus.com