

## Press Release

22 September 2022



## Half year results 2022

**Revenues: €167.2m +18.6%** (organic growth\* +13.6%)

**Current operating profit: €5.3m**

**Operating profit: €4.3m**

**Net profit: €3.1m**

In millions of euros	H1.2022	H1.2021
Revenues	167.2	141.0
Current operating profit	5.3	3.6
Operating profit	4.3	2.7
Net profit	3.1	3.7
Net profit (Group share)	1.8	1.6

**Levallois-Perret, 22 September 2022:** The **Keyrus** Board of Directors met on 22 September 2022 and approved the consolidated accounts for the first half of 2022.

### Operating performance

The **Keyrus** Group recorded consolidated revenues of €167.2m for the first half of 2022, an 18.6% increase on the first half of 2021 (+13.6% at a constant scope and exchange rate). According to published data, revenues for the Key Accounts segment grew 22.6% and Mid-Market segment revenues grew 6.7%.

Growth in **Key Accounts business**, up €23.8m (+15.8% organic growth), is notable in almost the majority of regions, particularly in North America (+38% organic growth) and in the UK where strong growth is mainly driven by new contracts signed at the end of the previous financial year.

Growth in Belgium, where profitability has improved considerably, in Canada, driven in particular by the new Toronto office, and in Israel with its dynamic technology partnerships, confirms the Group's significant bounce back in the 1<sup>st</sup> half of 2022. The recovery has been slower in France, where profitability has not reached the anticipated level.

Lastly, the restructuring of the Keyrus Life Science business activities has not yet produced, at this point, the profits expected.

**Mid-Market activities** undertaken by the Group subsidiary Absys Cyborg show organic growth of 6.7% for the first half of 2022. Order processing is up 19.2% over the rolling 12-month period.

TRADING MARKET  
Euronext Growth – Paris

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FR0004029411

REUTERS  
KEYR.PA

BLOOMBERG  
ALKEY :FP

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The share of contractual recurring revenues, representing 52.6% of revenues, continues to grow at a faster rate than non-recurring revenues.

However, during the first half of 2022, the profitability of Absys Cyborg has decreased compared to 2021 levels due to payroll increase and significant investments in training for new employees.

In addition, the company Azuneed, which provides the employee management portal SaaS solution and was owned by Absys Cyborg, was transferred to its major partner Sage. Absys Cyborg remains the distributor of the solution.

The Group's current operating profit stands at €5.3m against €3.6m on 30 June 2021. This increase was driven mainly by the growth of the Key Accounts business.

Operating profit and net profit for the Group increased to €4.3m and €3.1m respectively, against €2.7m and €3.7m in 2021. The drop in net profit is due to the increased cost of debt and the drop in financial income.

The latter includes, as in 2021, a non-recurring element resulting from the revaluation of shares in the start-up Rivery.io, incubated within our Israeli subsidiary. However, this income represents €1.5m in 2022, against €2.9m in the previous financial year.

Net debt stands at €42.8m on 30 June 2022 against €33.9m one year earlier, and €24.8m on 31 December 2021. This increase is largely explained by the outflows linked to external growth operations carried out during the first half of 2022 and the repayment of social and tax charges carried forward in 2020 in the context of the pandemic.

The Group's net cash position stands at €41.4m against €48.5m at the end of the 2021 financial year.

On 30 June 2022, cash flow forecasts show no financing difficulties, and the Group complies with its banking "covenants".

### Operating profit and loss account summary by operating sector

M€	Key accounts		Mid-Market		Total	
	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021
Revenues	129.5	105.6	37.7	35.4	<b>167.2</b>	<b>141.0</b>
Current operating profit	4.1	1.2	1.2	2.4	<b>5.3</b>	<b>3.6</b>
Operating profit	2.9	0.5	1.4	2.3	<b>4.3</b>	<b>2.8</b>

### Outlook

The **Key Accounts segment** continues to consolidate its offer portfolio - Data Intelligence - Digital Experience – Management & Transformation. To strengthen its value proposition, the group continues to acquire key resources.

This way, the Group can bolster its strategic trajectory based on the construction of an integrated digital services offer in order to accompany its clients through the transformation of their 'Data assets' into shares.

The Group’s Management is taking care to ensure the proper integration of its recent acquisitions in France and Latin America. In addition, a return to profitability on the French market remains one of the Group’s main priorities.

The **Mid-Market segment** provided by our subsidiary Absys Cyborg anticipates an organic growth strategy as well as boosting the share of recurrent revenue in its overall revenue, firmly anchored in its longstanding partnerships with Sage and Microsoft.

Absys Cyborg will continue to make investments around its offers to publish innovative solutions and host its clients on the Private Cloud.

**Eric Cohen**, Chief Executive Officer, says: *“Our performance in the first half of 2022, in line with the 2021 financial year, demonstrates the resilience of the Keyrus group and its ability to optimize the effects of the economic bounce-back. We have proven our ability to protect our margins at the same time as strengthening the dynamics of growth in the majority of our regions.*

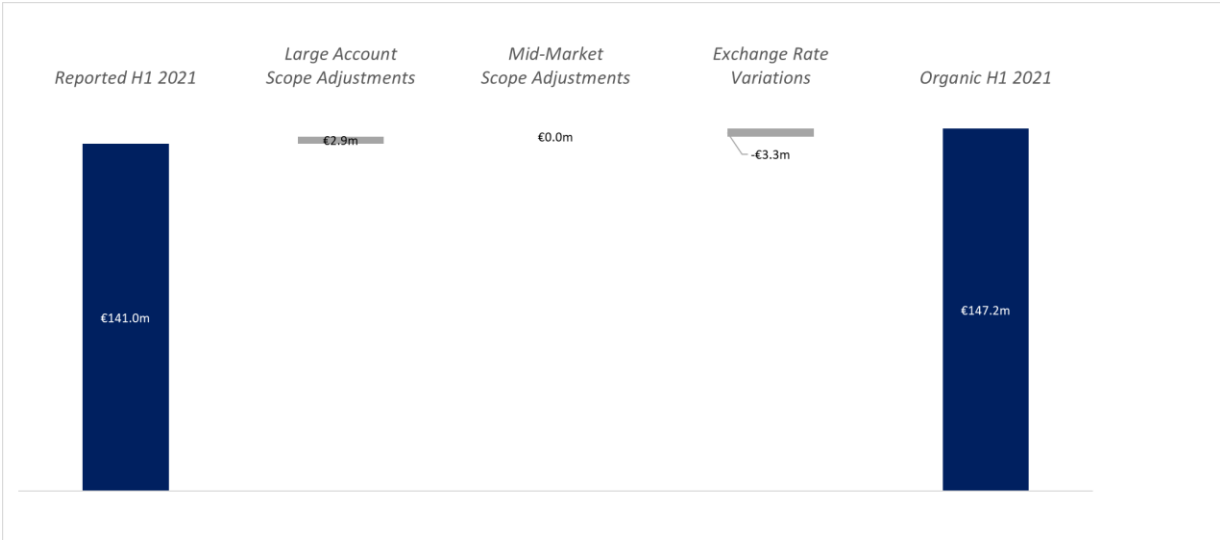
*We will have to pay attention to how we manage the consequences of inflation, pressure on wages, shortages of resources and more complicated methods of financing, at the same time as preserving our margins and our quality of service. The second half of 2022 and the financial year to come will therefore be periods marked by serious challenges.”*

**\* DEFINITION OF THE CONCEPT OF ORGANIC REVENUE GROWTH**

The concept of organic revenue growth consists of presenting the revenues for the previous year (N-1, here the 2021 financial year), reprocessed in a way that uses the exchange rate and scope of consolidation for the current year (N, here the 2022 financial year), The Group then calculates organic N-1 revenues by:

- Using the exchange rate for the year N to calculate the revenues published by companies outside the eurozone in the year N-1;
- Adding to the revenues published for the year N-1 the N-1 revenues for companies that have come within the scope of consolidation for the year N;
- Deducting from the revenues published for the year N-1 the N-1 revenues for companies that have left the scope of consolidation for the year N;

In 2022, the reprocessing that takes us from the published 2021 revenues to the organic 2021 revenues is presented as follows:



**\*\* NET CASH POSITION**

Cash and cash equivalents, entered in the balance sheet under assets, minus bank overdrafts

## ABOUT KEYRUS

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An international player in the consulting and technology sectors and a specialist in data and digital technology, **Keyrus** is dedicated to helping companies 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 centered around five major service groups, each comprised of multiple solutions:

. **Automation and Artificial Intelligence**

. **Human-Centric Digital Experience**

. **Data and Analytics enablement**

. **Cloud and Security**

. **Business transformation and Innovation**

Building on the combined expertise of more than 3,300 employees active across 22 countries and 4 continents, **Keyrus** is one of the leading international experts in data, consulting and technology.

**Keyrus** is listed on Euronext Growth Paris.

(ALKEY – ISIN Code: FR0004029411 – Reuters: KEYR.PA – Bloomberg: ALKEY:FP).

Further information at: [www.keyrus.com](http://www.keyrus.com)