



PRESS  
RELEASE

## 2019 ANNUAL RESULTS

Annual revenue: €90.4m, up 10.4%,  
7.2% at constant exchange rates

Angers, March 26, 2020 – Evolis, the world leader in plastic card personalization and printing solutions, announced its results for the 2019 financial year, approved by its Board of Directors on March 17, 2020.

In €m	2018	2019	Change
<b>Revenue</b>	<b>81.9</b>	<b>90.4</b>	<b>10.4%</b>
Operating profit (1)	11.5	10.4	-9.6%
<i>Operating margin</i>	14.1%	11.5%	-2.5 pts
Payment in shares	-1.0	0	-100.0%
Current operating income	10.5	10.4	-1.1%
Current operating margin	12.9%	11.5%	-1.3 pts
Other expenses and other operating profit	-1.8	0.3	-115.7%
<b>Operating profit</b>	<b>8.8</b>	<b>10.7</b>	<b>21.9%</b>
<b>Operating margin</b>	<b>10.7%</b>	<b>11.8%</b>	<b>1.1 pts</b>
Net financial profit	0.1	0.2	104.6%
Income tax	-2.7	-3.0	9.0%
<b>Net profit</b>	<b>6.1</b>	<b>7.9</b>	<b>29.1%</b>
<b>Net margin, as a % of revenue</b>	<b>7.5%</b>	<b>8.8%</b>	<b>1.3 pts</b>

(1) Operating profit reflects Evolis' operating performance, excluding payment in shares, (with no impact on cashflow) and excluding one-off items.

### GROWTH DRIVEN BY PROJECTS' BUSINESS

Revenue for the financial year ended at €90.4m, up 10.4% (+7.2% at constant exchange rates) with an improved performance in the second half, driven by favorable currency effects and robust momentum in Projects.

**Revenue for our Channel business**, which accounts for 63.5% of total 2019 revenue, came out at €57.4m (+2.9%). In China, business declined due to one-off order delays while growth resumed in the Americas due to structuring efforts. Activity remained stable in the other regions. The positive impact of the Edikio Guest solution launched early 2019 is yet to be seen.

**Projects activity** recorded growth of +31.2%, propelled by the Asia-Pacific and Americas regions with business secured in the banking, government and education sectors. Conversely, the EMEA region is still impacted by geopolitical tensions in the Middle East.

**In terms of regions**, all posted growth at end-2019. EMEA (€44.1m) ended the year with growth of 4.2%, despite geopolitical tensions in the Middle East. The Americas (€25.2m) grew +25.5%, underpinned by strong momentum in Projects as well as team organization. Lastly, growth in the Asia-Pacific region (€21.1m) was up 7.8%, despite a softer channels performance in China and the absence of major projects in India during the election period.

### 2019 ANNUAL RESULTS: PROFITABILITY MAINTAINED

The gross margin rate (59.9%) remained stable year-on-year despite an unfavorable channels-projects mix, thanks to a favorable exchange rate.

Operating profit stood at €10.7m, representing an operating margin of 11.8%, up slightly on 2018 (10.7%). The impact of continued structuring seen in first-half 2019, specifically on personnel expenses, diminished over the year, an indication of the Group's well-controlled cost structure.

### PROPOSED DIVIDEND OF €0.23 PER SHARE

In order to finance a portion of debt interest, the Group has decided to propose a dividend of €0.23 per share at the General Shareholders' Meeting to be held on May 26, 2020.

### 2020 REVENUE GROWTH OUTLOOK

In an economy already affected by geopolitical tensions and an ongoing health crisis that will significantly impact results, Evolis cannot reasonably expect the same performance this year from its Projects business, which was the key growth driver in 2019. The Group, whose production site has slowed down in the past ten days, remains confident in its capacity to adapt. However, in light of these uncertain circumstances, the Group is not in a position to provide guidance for revenue.

**Next financial publication:**

**First-half 2020 results:**

**September 29, 2020, after close of the market**

#### **ABOUT EVOLIS** (Euronext Growth: ALTV0)

Evolis designs, manufactures, and markets a comprehensive range of solutions for identifying people and goods. With Evolis' printing systems and software, you can personalize the graphic design and encoding of ID cards, regardless of their technology. Our solutions have multiple uses: health cards, driver's licenses, bank cards, employee badges, student cards, price tags, presentation labels, and many more. Today, Evolis is world leader in the decentralized issuance of these cards and badges, standing out from competitors through its personalized solutions. The Group also markets a broad range of card accessories in addition to electronic signature pads, training and service offers.

Founded in 2000, Evolis has more than 380 employees based in its head office and production site in Angers (France), as well as its subsidiaries in: Miami, Boston, Singapore, Shanghai, Tokyo, Bombay, Lisbon, Paris and Lyon. Evolis' solutions are sold in over 140 countries. In 2019, the Group generated revenue of €90.4 million.

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