

# APPENDIX 1

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

<i>(In € thousands)</i>	December 31, 2020 (Jan-Dec)	December 31, 2019 (Feb - Dec)
Licenses and maintenance	109,201	75,320
Consulting	22,864	25,718
Other	508	1,159
<b>Revenue</b>	<b>132,573</b>	<b>102,197</b>
Cost of sales	(33,838)	(33,873)
Research and development costs	(30,867)	(29,832)
Selling and marketing expenses	(40,242)	(38,841)
General and administrative expenses	(23,589)	(21,476)
<b>Current operating result</b>	<b>4,037</b>	<b>(21,825)</b>
Other operating income and expenses	9	1
<b>EBIT</b>	<b>4,046</b>	<b>(21,824)</b>
<b>Financial result</b>	<b>(1,355)</b>	<b>(2,563)</b>
Share of profit of associates	(258)	26
<b>Income before income tax expense and minority interests</b>	<b>2,433</b>	<b>(24,361)</b>
Provision for income tax	1,008	(3,447)
<b>Net income before minority interests</b>	<b>1,425</b>	<b>(20,914)</b>
Minority interests	11	32
<b>NET INCOME (GROUP SHARE)</b>	<b>1,414</b>	<b>(20,946)</b>
Earnings per share <i>(in €)</i>	0,25	(4,06)
Diluted earnings per share <i>(in €)</i>	0,25	(4,06)

### Statement of comprehensive income

<i>(In € thousands)</i>	December 31, 2020 (Jan - Dec)	December 31, 2019 (Feb - Dec)
<b>Net income before minority interests</b>	<b>1,425</b>	<b>(20,914)</b>
<b>Other comprehensive income recycled to income</b>		
Change in the fair value of hedging instruments	11	(12)
Translation differences	(1,698)	866
<b>Other comprehensive income (loss) not recycled to income</b>		
Actuarial gains and losses	(133)	(688)
<b>Income and expenses recorded directly in equity</b>	<b>(1,820)</b>	<b>166</b>
<b>COMPREHENSIVE INCOME</b>	<b>(395)</b>	<b>(20,748)</b>
Attributable to Group equity holders	(403)	(20,792)
Attributable to minority interests	8	44

## CONSOLIDATED BALANCE SHEET

<i>(In € thousands)</i>	December 31, 2020	December 31, 2019
<b>Assets</b>		
<b>Non-current assets</b>	<b>145,297</b>	<b>151,473</b>
Goodwill	41,002	41,448
Intangible assets	63,424	62,139
Property, plant and equipment	4,696	5,633
Rights-of-use assets	17,742	20,680
Investment in associates	728	1,099
Deferred tax assets	14,685	17,204
Other non-current assets	3,014	3,264
Cash-flow hedging instruments	6	6
<b>Current assets</b>	<b>71,062</b>	<b>82,182</b>
Trade receivables	33,486	44,732
Other current receivables	11,912	13,720
Prepaid expenses	3,198	3,489
Cash and cash equivalents	22,466	20,241
<b>TOTAL ASSETS</b>	<b>216,359</b>	<b>233,655</b>
<b>Liabilities</b>		
<b>Equity</b>	<b>87,861</b>	<b>85,983</b>
<b>Equity (Group share)</b>	<b>87,779</b>	<b>85,912</b>
Capital	18,110	18,055
Additional paid-in capital	26,280	25,833
Reserves and retained earnings	42,477	61,982
Net income (loss)	1,414	(20,946)
Translation differences	(502)	987
<b>Minority interests</b>	<b>82</b>	<b>71</b>
<b>Non-current liabilities</b>	<b>63,737</b>	<b>62,166</b>
Long term share of financial debt	39,264	30,457
Non-current lease obligation	12,324	16,227
Provision for employee benefits	11,474	11,016
Deferred tax liabilities	—	3,761
Cash-flow hedging instruments	14	28
Other long term debt	661	677
<b>Current liabilities</b>	<b>64,761</b>	<b>85,506</b>
Short-term share of financial debt	8,148	19,143
Current lease obligation	5,184	4,406
Trade payables	6,655	8,631
Accrued compensation; taxes and others short-term liabilities	22,754	24,230
Provisions for contingencies, risks and disputes	1,624	675
Contract liabilities	20,396	28,421
<b>TOTAL LIABILITIES</b>	<b>216,359</b>	<b>233,655</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(In € thousands except number of shares)</i>	Number of shares	Capital	Additional paid-in capital	Net income, reserves and retained	Translation differences	Equity attributable to parent company owners	Minority interests	Total Equity
<b>At January 31, 2019</b>	<b>6,017,892</b>	<b>18,053</b>	<b>25,818</b>	<b>61,197</b>	<b>(205)</b>	<b>104,861</b>	<b>771</b>	<b>105,632</b>
Change in fair value of hedging instruments				(12)		(12)		(12)
Translation differences					848	848	18	866
Actuarial gains and losses				(682)		(682)	(6)	(688)
<b>Income and expenses recognized directly in equity</b>				<b>(694)</b>	<b>848</b>	<b>154</b>	<b>12</b>	<b>166</b>
Net income				(20,946)		(20,946)	32	(20,914)
<b>Comprehensive income</b>				<b>(21,640)</b>	<b>848</b>	<b>(20,792)</b>	<b>44</b>	<b>(20,748)</b>
Proceeds from issue of shares	600	2	15			17		17
Treasury shares				22		22		22
Share-based payments				690		690		690
Transactions with non-controlling interests				583	344	927	(750)	177
Other movements				187		187	6	193
<b>At December 31, 2019</b>	<b>6,018,492</b>	<b>18,055</b>	<b>25,833</b>	<b>41,039</b>	<b>987</b>	<b>85,912</b>	<b>71</b>	<b>85,983</b>
Change in fair value of hedging Instruments				11		11		11
Translation differences					(1,695)	(1,695)	(3)	(1,698)
Actuarial gains and losses				(133)		(133)	—	(133)
<b>Income and expenses recognized directly in equity</b>				<b>(122)</b>	<b>(1,695)</b>	<b>(1,817)</b>	<b>(3)</b>	<b>(1,820)</b>
Net income				1,414		1,414	11	1,425
<b>Comprehensive income</b>				<b>1,292</b>	<b>(1,695)</b>	<b>(403)</b>	<b>8</b>	<b>(395)</b>
Proceeds from issue of shares	18,100	54	447			526		526
Treasury shares				33		33		33
Share-based payments				783		783		783
Transactions with non-controlling interests						—		—
Other movements				722	206	928	3	931
<b>AT DECEMBER 31, 2020</b>	<b>6,036,592</b>	<b>18,109</b>	<b>26,280</b>	<b>43,894</b>	<b>(502)</b>	<b>87,779</b>	<b>82</b>	<b>87,861</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(In € thousands)</i>	<b>December 31, 2020</b> <b>(Jan - Dec)</b>	<b>December 31, 2019</b> <b>(Feb - Dec)</b>
<b>Net income before minority interests</b>	<b>1,425</b>	<b>(20,914)</b>
Share of profit of associates	258	(26)
Amortization and provisions <sup>(1)</sup>	11,575	8,882
Net impact of capitalization of research & development costs	(1,841)	(1,300)
Income taxes (current and deferred)	1,008	(3,446)
Income taxes paid	(1,620)	(1,980)
Unrealized financial gains and losses	114	100
Share-based payment transactions	783	690
Gains (losses) on sales of assets	20	114
<b>Operating cash flow <sup>(1)</sup></b>	<b>11,722</b>	<b>(17,880)</b>
Trade receivables	9,544	19,446
Trade payables	(1,865)	(293)
Other receivables and other liabilities	(10,445)	(865)
<b>Change in working capital requirement</b>	<b>(2,766)</b>	<b>18,288</b>
<b>Net cash from operating activities</b>	<b>8,956</b>	<b>409</b>
Purchase of intangible assets	(918)	(591)
Purchase of property, plant and equipment	(1,105)	(1,390)
Proceeds from the sale of assets	175	
Acquisition of subsidiaries, net of cash acquired		(795)
Other investment operations	131	(7)
<b>Net cash used for investing activities</b>	<b>(1,717)</b>	<b>(2,783)</b>
Proceeds from loans	13,723	14,422
Repayment of borrowings and lease debt <sup>(1)</sup>	(19,351)	(10,148)
Proceeds from issue of shares	526	17
Purchase and proceeds from disposal of treasury shares	33	22
Dividends paid		
<b>Net cash used from financing activities</b>	<b>(5,069)</b>	<b>4,313</b>
Effect of exchange rate changes on cash and cash equivalents	55	216
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,225</b>	<b>2,153</b>
Opening cash position	20,241	18,087
Closing cash position	22,466	20,241
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>2,225</b>	<b>2,154</b>
<p>(1) IFRS 16 application results in an increase of amortization cost and reimbursement of lease debt, it thus implies an improvement of Operating cash flow by € +5.7 million in 2020 (versus € +5.2 million in previous year), and increase of repayments in the financing part of the Cash Flow Statement for € -5.7 million (versus € -5.2 million in 2019)</p>		

## APPENDIX 2

### 2019 COMPARABLE INFORMATION

Further to the change of closing date and to ensure good comparability of information, the main aggregates of 2019 financial statements have been recalculated on comparable basis from January to December 2019, in accordance with AMF Recommendation 2013-08. These recalculated data can be directly compared to 2020 ones.

Data presented here below have been adjusted from IFRS 16 standard application (impact on 2020 EBIT of +€0.4 million and on 2020 Operating cash flow of +€5.7 million).

<i>(In € million)</i>	2020 Jan - Dec	2019 Jan - Dec	Variation	Variation %
Revenue	132.6	146.2	(13.6)	(9.3 %)
Gross margin	98.7	107.4	(8.7)	(8.1 %)
Research and development costs	(30.9)	(31.7)	0.8	(2.7 %)
Selling and marketing expenses	(40.2)	(44.3)	4.1	(9.2 %)
General and administrative expenses <i>adjusted (before IFRS 16)</i>	(23.9)	(23.1)	(0.8)	3.1 %
<b>EBIT <i>adjusted (before IFRS 16)</i></b>	<b>3.7</b>	<b>8.3</b>	<b>(4.6)</b>	<b>(55.7 %)</b>

<i>(In € million)</i>	2020 Jan-Dec	2019 Jan - Dec
Operating cash-flow <i>adjusted (before IFRS 16)</i>	5.9	5.7
Change in working capital requirement	(2.8)	4.9
Acquisition of intangible and tangible assets	(2.0)	(2.6)
Other investment and financing flows <i>adjusted (before IFRS 16)</i>	1.1	(0.2)
<b>Total change in cash explained</b>	<b>2.2</b>	<b>7.8</b>
Opening cash position as of January 1 <sup>st</sup>	20.2	12.4
Closing cash position as of December 31 <sup>st</sup>	22.4	20.2
<b>Change in cash position</b>	<b>2.2</b>	<b>7.8</b>

The 12 months comparable income statement substantially differ from 11 months results due to materiality of revenue recognized in January.

2019 comparable information have been established through performing an additional consolidation closing for ESI Group and all subsidiaries as of December 31, 2018, enabling to add January 2019 income statement to the one of 11-month fiscal year. The consolidation process applied was the same as for a usual year-end closing.

More specifically, licensing revenue being calculated on a monthly basis, as well as costs directly linked to revenue (royalties paid to third parties, commissions paid to agents), staff costs, net impact of the capitalization of development costs and net amortization, depreciation and provisions. These items of the income statement were calculated as of December 31, 2018.

Services revenue, which consists mainly of consulting fees, was recognized according to the percentage of completion method at end December 2018, for all entities with monthly monitoring. In the absence of monthly monitoring, a prorata by month for the last quarter of fiscal year 2018 has been calculated – this approach being acceptable given the month-to-month linearity of this activity's sales.

Some other external costs may result from prorata temporis estimates, such as office rental expenses which are invoiced quarterly.

## APPENDIX 3

### DETAILS OF EBIT ADJUSTED CALCULATION

<i>(In € million)</i>		<b>FY 2020</b>	<b>FY 2019 Jan- Dec</b>
<b>A</b>	<b>EBIT</b>	<b>4.0</b>	<b>8.4</b>
<b>B</b>	Operating lease retreatment	6.0	5.4
<b>C</b>	Amortization of rights-of-use	(5.6)	(5.2)
<b>B+C=D</b>	IFRS 16 impact on EBIT	0.4	0.2
<b>A-D</b>	<b>Adjusted EBIT</b>	<b>3.7</b>	<b>8.3</b>