

2020 RESULTS

Turnover: €412.6m

Current operating income: €48.3m

The Group's Management Board met on 31 March 2021 and approved the 2020 financial statements, which were examined by the Supervisory Board on 9 April 2021. The audit work has been completed and the certification audit report will be issued once publication formalities have been duly completed for the Universal Registration Document, including the annual financial report.

Consolidated income statement (1 January – 31 December)

€m	2020 ¹	2019 ¹	Change	Proforma change ²
Turnover	412.6	368.6	+11.9%	-2.3%
Current operating income	48.3	43.0	+12.1%	-14.6%
Current operating margin	11.7%	11.7%		
Operating income	46.3	58.1	-20.3%	
Net income from continuing operations	22.2	35.7	-37.8%	
Net income/loss from discontinued operations	-19.6	-0.4		
Net income (Group share)	1.1	34.8		

¹ The scope of Spanish companies sold on 8 January 2021 is recognised under discontinued operations at 31 December 2020, pursuant to IFRS 5. The 2019 results were restated accordingly.

² Calculated by including in 2019 the pre-consolidation turnover and current operating income generated by Orone and ADM Value.

Tessi, a global provider of Business Process Services, posted 2020 turnover of €412.6 million, down 2.3% proforma like-for-like². This limited decline over the full year confirms the strength of its business model, in a year marked by the economic impacts of the COVID-19 health crisis.

Proforma like-for-like² current operating income fell 14.6% to €48.3 million, i.e. 11.7% of turnover. From the very beginning of the health crisis, the Group made the safety of its employees and customers its number one priority, and took the necessary measures to optimise costs and maintain its cash flow. Furthermore, 2020 current operating income includes a €2.2 million amortisation charge related to intangible assets derived from the ADM Value purchase price allocation, amortisable over 15 years.

Operating income amounted to €46.3 million, including €2.0 million in net non-recurring expenses relating in part to economic restructuring costs. In 2019, the Group recorded net non-recurring income of €15 million.

After recognition of a net financial expense of €11.1 million and tax charge of €13.0 million, net income from continuing operations amounts to €22.2 million, i.e. 5.4% of turnover.

The Spanish businesses sold in January 2021 generated a net loss of €19.6 million, including a €16.8 million asset impairment charge in line with market value. Net income (Group share) amounted to €1.1 million.

Financial structure

€m	31/12/2020	31/12/2019
Net debt (excluding advances)	200.2	235.6
Equity capital	182.8	186.7

Net debt fell to €200.2 million at 31 December 2020. This decrease was due to cash flow from operations of €74 million (including a €15 million reduction in working capital from continuing operations) which covered net investments of the year (€22 million) and the cash outflows related to financial interest (€8 million) and the payment of lease liabilities (€11 million for continuing operations).

The Group is in compliance with the leverage ratio authorised by its syndicated credit facility and has not had recourse to state guaranteed loans.

Proposed dividend: €3.40 per share

A dividend of €3.40 per share will be recommended at the next General Meeting of Shareholders.

Guidance

After the sale of certain Spanish companies, the Group has turned its focus towards more dynamic and profitable businesses in France, Spain, Switzerland and Latin America. The positive trend recorded in the fourth quarter continued at the start of the year.

While keeping a close eye on the changing environment, Tessi intends to continue its development in 2021 and aims to return to organic growth. The Group is also looking to seize external growth opportunities.

Next release

Q1 2020 turnover, 6 May 2021 after market close

About TESSI

Tessi is an international provider of Business Process Services that helps businesses digitise the customer experience. Tessi operates in 14 countries worldwide, has around 11,000 employees and posted 2020 turnover of €413.0 million. Tessi is listed on Euronext Paris - Compartment B (TES).

Read more at tessi.eu

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