

FULL YEAR 2022 RESULTS

- > **REVENUES UP 15% AT €90.6 MILLION [8% LIKE -FOR-LIKE]**
- > **MONTHLY RECURRING REVENUE PROGRESS BY 25%, EXCEEDING TOTAL TOPLINE GROWTH**
- > **EBITDA OF €5.0 MILLION; NET PROFIT AT BREAK EVEN**
- > **ALL FINANCIAL OBJECTIVES CONFIRMED**

Paris, April 6, 2023 - Ateme (ISIN: FR0011992700), the emerging leader in video delivery infrastructure, has published Full Year 2022 Results, as approved by its Board of Directors on 5 April 2023. The consolidated financial statements have been audited in full. The auditors' report will be published once the due diligence procedures required for the publication of the annual financial report have been completed.

Consolidated data (in € million)	FYI 2021	FYI 2022	Change 2022 vs 2021
IFRS			
Revenue	78.8	90.6	+15%
Gross profit	49.0	54.4	+11%
<i>Gross margin (%)</i>	<i>62%</i>	<i>60%</i>	
Operating profit	1.1	-0.2	
<i>Operating margin (%)</i>	<i>1.4%</i>	<i>-0.2%</i>	
Financial profit / loss	0.5	-0.2	
Tax income	0.2	0.3	
Group net profit	1.8	-0.1	
<i>Net margin (%)</i>	<i>2.3%</i>	<i>-0.1%</i>	
EBITDA¹	6.4	5.0	-1.4

¹ EBITDA = earnings before interest, tax, depreciation and amortisation. Underlying EBITDA equals Group pre-tax profit before deduction of interest, depreciation, amortisation and impairment charges on non-current assets, and staff share-based payments, but after impairment of inventories and trade receivables. It shows profit generated by business activities regardless of financing conditions, tax constraints and the upgrading of operating assets. Non-recurring expenses (one-off, unusual or infrequent items) are excluded

Market share gains

Total Revenues amounted €90.6 million² for the fiscal year ending 31 December 2022.

The Second Half gross margin (62%) represented an improvement on the First Half (58%), to stand at 60% on a full year basis, compared with 62% in 2021 and 55% in 2020.

The gross profit stood at €54.4 million, up 11%.

Monthly Recurring Revenues (MRR) increased by 25% from €1.96 million in January 2022 to €2.44 million in January 2023, ahead of expectations. This growth clearly exceeded topline growth, reflecting the efficiency of our transformation strategy.

Ongoing investment in growth in 2022

Ateme continued to invest in supporting its growth in 2022. Operating costs rose by 14% to €54.6 million notably with an increase in total headcount from 490 to 560 over the year. These additional investments were mostly directed at the R&D effort, up €4.8 million or 30% year-on-year and G&A, up €1.2 million or 24% year-on-year, while Sales and Marketing costs were virtually stable (+3%).

Operating profit stood at €-0.2 million, while net profit was virtually at zero, integrating a negative financial result and positive tax income.

EBITDA stood at €5.0 million, versus €6.4 million in 2021, reflecting continued investment in R&D maintained throughout 2022, and the timing of revenue recognition related to certain projects which shifted into 2023.

Shareholders' equity stood at €40.9 million at 31 December 2022 up from €39.6 million a year earlier.

Liquidity stood at €3.9 million vs €11.4 million a year earlier, due to the increase in working capital including a particularly strong increase in inventory (+€3.4 million) to address the stresses in the semiconductor industry in 2022 and meet the expected growth. In 2023 inventories are set to decrease, while the company is taking additional actions to reduce its customer accounts receivable, particularly high at the end of 2022.

At 31 December 2022, net debt amounted to €20.1 million vs €10.3 million (excluding IFRS 16). This includes €8 million of Research Tax Credit receivable mobilized.

Looking ahead

The global supply-chain context has been improving in the last months paving the way for a positive impact on the shipment and revenue recognition cycle, as well as a reduction in inventory and cash mobilization.

Business at the beginning of 2023 is rather well oriented, especially in North America thanks to a shift in some closings from 2022 to 2023. The year should also see further benefits from the synergies resulting from the acquisition of Anevia, with a significant ramp up in NEA sales. Furthermore, the growth of operational investments will slow down after the important efforts made in 2022.

² €90.6 million after cut-off review vs €90.3 million reported on January 26th

All financial objectives are therefore confirmed, notably:

- revenue growth of 10-15% in 2023;
- EBITDA of €5-10 million in 2023, above €10 million in 2024, and €30 million in 2026;
- ongoing development of Monthly Recurring Revenues, with an objective of €3 million in 2024 and €4 million in 2026.

Leading the way in technology

Ateme continues to distinguish itself through the delivery of technological innovation, strengthening its position in the ecosystem. More details in the following press releases that can be found on Ateme website.

High Quality of Experience bringing more fans to the screens

- [Ateme Behind Telefónica's Goals for World Cup - Ateme](#)
- [Ateme, Six Floor Solutions and Pushologies Launch Automated Fan Engagement Solution - Ateme](#)

Embracing the 5G Opportunity

- [Cellnex Tests 5G Broadcast Emissions at ISE and MWC - Ateme](#)
- [Ateme's Complete Video Encoding and Delivery Suite Validated on Red Hat OpenShift - Ateme](#)

Accelerating the Partnership with AWS, targeting a more sustainable streaming

- [Ateme on AWS Marketplace - Ateme](#)
- [Ateme's 5G Streaming Solution Integrates with AWS Wavelength 5G MEC Infrastructure - Ateme](#)
- [Ateme Completes AWS ISV Accelerate Program - Ateme](#)
- [Ateme Launches Audience-Aware Streaming Solution to Help Operators Address Sustainability Targets - Ateme](#)

Michel Artières, Chairman and CEO of Ateme, commented: *"Our 2022 trajectory is broadly in line with our short and medium term development plan: while topline growth was occasionally below expectations due to the postponement of year-end deliveries to 2023, growth in MRR was well above target, and EBITDA, at the lower end of our target range, reflects our ongoing R&D investment efforts. We are focused on controlling expenses in line with the evolving operating environment and we reiterate our 2023-2026 revenue and profitability objectives, with the priority remaining the continued transition to a recurring revenue model."*

Next publication:

May 10th, 2023: 2023 First Quarter Revenue

June 28th, 2023: New date for the Annual Shareholder Meeting

About AteME: AteME is a global leader of video compression and delivery solutions helping Tier-1 Content Providers, Service Providers and Streaming Platforms to boost their viewership and subscription engagement.

Leveraging a unique R&D task force in the video industry, AteME's solutions power green sustainable TV services, improve end-users' quality of experience, optimize the total cost of ownership of TV/VOD services and generate new revenue streams based on personalization and ad insertion. Beyond the technology agility, AteME's value proposition is to partner with his customers by offering a great flexibility in the engagement and business models matching their financial priorities. A consequence is a rapid shift to Recurring Revenues, boosting the company resilience and creating long term value for the shareholders.

Founded in 1991, AteME has 560 employees spread over its headquarters in France and 20 offices around the world including the USA, Brazil, Argentina, UK, Spain, Germany, the UAE, Singapore, China, Korea, and Australia.

AteME has been listed on the Paris Euronext market since 2014 and in November 2020 it made the acquisition of Anevia, a provider of OTT and IPTV software solutions. In 2022, AteME served close to 1,000 customers worldwide with revenues of €90 million, of which more than 90% outside its home market.

Find out more: www.ateme.com.

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The forward-looking statements included herein are for illustrative purposes only and are based on management's current views and assumptions. Such forward-looking statements involve known and unknown risks. For illustrative purposes only, such risks include but are not limited to impact of external events on customers and suppliers; the effects of competing technologies competition generally in main markets; profitability of the expansion strategy; litigation; ability to establish and maintain strategic relationships in major businesses; and the effect of future acquisitions and investments.

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