



Press Release

Paris, 16 February 2022

2021 Full Year revenues

Significant rise in total revenues up 62%
Significant growth in proprietary productions up 91%
Digital platforms accounting for 76% of sales
Guidance confirmed: €110 million cumulative operating revenues in 2022-2023
A very strong growth environment

Xilam Animation (Code ISIN: FR0004034072, Symbol: XIL), the independent animation production and distribution company, announces its revenues for the year ending 31 December 2021.

Marc du Pontavice, Chairman and CEO of Xilam, says: *“This 2021 financial year is a turning point in the group's history, since it marks Xilam's historic breakthrough into the tightly closed world of digital platforms. The result is an increase in revenues, both in terms of value and volume. It is the clear recognition of the Group's ability to innovate and anticipate the expectations of a rapidly changing global market, which has placed animation at the heart of its growth. Xilam is therefore particularly well positioned to take advantage of this situation.”*

(<i>'000 euros</i>)	31.12.2021 ⁽¹⁾	31.12.2020	% variation
Sales of new productions and developments	20,179	10,585	+91%
New Production Grants ⁽²⁾	8,988	2,719	+231%
Total new production and development products	29,167	13,304	+119%
Total catalogue products	6,307	8,633	-27%
Total revenues and other income	35,474	21,937	+62%
Other grants and current operating income (including CIA) ⁽³⁾	3,870	2,715	+43%
Total operating revenues	39,334	24,651	+60%

⁽¹⁾ Unaudited data

⁽²⁾ exclusive of audiovisual tax credit

⁽³⁾ including an estimate of the audiovisual tax credit



Significant increase in revenues, which grew by 62%

Xilam's total revenues and other income amounted to €35.5 million as of 31 December 2021, an increase of 62% compared to 2020. This increase is notably driven by record income from new productions which almost doubled to €20.2 million. As expected, the catalogue revenues experienced a temporary slowdown compared to the 2020 period. After factoring in other subsidies and current operating income, the total operating revenues was close to €40 million, up 60% compared to 2020, a historic level for the studio.

This excellent business performance was nevertheless reduced by three issues:

- The postponement in delivering the *Trico* series over the 2022 period: this series, which breaks new artistic and technological ground due to the CGI slapstick format, has suffered from disruptions linked to Covid in India, where Xilam had part of the series produced.
- Part of the pre-financing for the co-production of *Lupin's Tales* by a foreign channel had to be recognised as a reduction in expenses, rather than revenues.
- Administrative delays have postponed recognising some subsidies until 2022.

The other notable event during the financial year was the group's rapid international development (78% of sales), particularly on digital platforms which now account for 76% of sales.

Record new productions up 92%

Xilam announces revenues for new productions and developments of €20.2 million for the 2021 financial year, up 91% compared to 2020. Subsidies represent nearly €9 million, a very significant increase due to the large share of proprietary programmes among the year's deliveries. The total income for new development productions therefore amounts to €29 million, more than double compared to 2020, even if Covid slowed the pace of some deliveries.

This historical rise is the result of the Xilam's editorial efforts over the last few years, which has led to a sharp rise in orders. It is also due to an increase in value since the orders from platforms come with significantly higher budgets.

Over the 2021 financial year, the main deliveries of proprietary programmes were *Lupin's Tales*, a pre-school series coproduced by France Télévisions, Youku (China) and RAI (Italy), as well as the two new brands of the *Oggy and the Cockroaches* franchise: *Oggy Oggy*, for which production finished at the end of 2021, and *Oggy and the Cockroaches - Next Gen*. Both series have been purchased by Netflix for worldwide distribution under the *Netflix Original* label (*Oggy Oggy* from July 2021 and *Oggy and the Cockroaches - Next Gen* from Summer 2022).

Xilam also delivered all the episodes of *Tangranimo* to France Télévisions, *Athléticus 3* to ARTE and *Chicky 2 and 3* to France Télévisions (these last two series are short formats), as well as more than half of the episodes of the *Pfffirates* series to TF1.

Temporary drop for the catalogue

As announced, the catalogue revenues experienced a temporary drop of 27% to €6.3 million during the 2021 financial year. This is mainly a cyclical effect insofar as there were no renewal scheduled in 2021 for the two main properties of the catalog : *Oggy* and *Zig and Sharko*. This will not affect the forecasts already announced, predicting a sharp rise for 2022.



Record level of investments during the year and many developments underway

In 2021, production investments amounted to €30 million, an increase of 25% solely in the proprietary production segment. These strong results represent a total of 14 projects in production, including 3 for the pre-school segment, 9 for the kids segment and 2 for the non-kids segment). 7 of these productions are intended for SVOD platforms.

Conversely, investments in non-proprietary productions (work for hire) amounted to only €0.3 million (compared to €5.3 million in 2020).

Strong objectives and prospects: guidance 2022-2023 confirmed

Xilam enters 2022 with a record of 21 projects under development, 2 films and 19 series, including 4 for the pre-school segment, 8 for kids and 9 for non-kids, a segment that is growing very strongly due to demand from platforms.

Thanks to its merchandising experience gained with the *Oggy Oggy* pre-school series (with a first toy line planned for Christmas 2022), 2 new pre-school projects are being developed with a merchandising potential in the medium term.

In an environment that has never been as dynamic, driven by record investments by digital platforms, Xilam confirms its guidance of cumulative operating revenues at €110 million for the 2022-2023.

The "Scale 2023" plan, announced in February 2020 (before the global Covid crisis), forecast €188m in cumulative revenues over the 4-year cycle (2020-2023). Xilam therefore expects to achieve 93% of its objective by 2023, despite a context that has impacted production conditions and deadlines.

Xilam has all the assets to pursue the deployment of its ambitions, which will be presented on Thursday, February 17, as part of the 'Ambition 2026' plan.

Key dates

Publication of the 'Ambition 2026' strategic plan 17 February 2022 (before market)

Publication of annual results 2021: 31 March 2022 (after market).

About Xilam

A major player in animation, Xilam is an integrated studio founded in 1999 that creates, produces and distributes original programs in more than 190 countries for both children and adult audiences. Xilam content is broadcast on television, and is also available on SVOD platforms including Netflix, Disney+, Amazon and NBC Universal, and AVOD streaming platforms including YouTube and Facebook. With its creativity and capacity for innovation recognized worldwide, and editorial and commercial expertise at the cutting edge of its industry, Xilam is positioned as a key player in a fast-growing market. Each year, Xilam builds real successes and capitalises on its powerful historical brands including *Oggy and the Cockroaches*, *Zig & Sharko* and *Chicky*, as well as new properties such as *Oggy Oggy* for a preschool audience, *Mr. Magoo* and *Trico*. Xilam's expanding and strong catalogue now consists of over 2,700 episodes and three feature films, among which Academy Award® nominated adult feature film *I Lost My Body*. Xilam has a unique expertise in CGI. The Studio employs more than 500 individuals, including 400 artists, across its studios in Paris, Lyon, Angoulême and Ho Chi Minh in Vietnam. Xilam is listed on Euronext Paris Compartment B – Eligible to PEA - SRD long.



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