

## Press Release

### Activity Q3 2020: Continuing net income growth

Paris, October 21, 2020,

Netgem's activity in the third quarter of 2020 was marked by a continuation of the commercial dynamics of its "as a service" model with operators (in B2B and B2B2C mode) or with its direct customers (in B2C mode), which overall represents more than 90% of the activity this quarter. The highlights for the quarter are:

- Growth in net income, confirmed quarterly and more markedly from year to year due to the integration of Vitis,
- Continued growth of the subscribers base in Finland with Elisa, in Great Britain with various Very Broadband operators and in France with the integration of Comcable in particular,
- The launch at the beginning of October of the new range of MESH products in France to VIDEOFUTUR customers.

For Mathias Hautefort, CEO of NETGEM, "The third quarter was marked by a revival of post-containment B2C and B2B2C commercial activities, in particular on the French and British markets, which should have a positive impact on net revenue of the coming quarters. NETGEM's technological platform in SaaS mode - associated with the Group's expertise in Content - demonstrates its technical and economic robustness, and new operator customers should be launched in the coming months"

#### Turnover and net revenue ( \*) (in millions of euros, IFRS, unaudited)

Netgem Group	Q3 2020	Q2 2020	Q3 2019	Change Q3 / Q2	Change. Q3 / Q3	9 months 2020	9 months 2019	Change 9 months
Turnover	6.6	7.4	5.7	- 11%	+ 16%	22.0	18.8	+ 17%
Net revenue	6.4	6.3	3.2	+ 2%	+ 100%	19.5	9.9	+ 97%

(\*) defined as the turnover less the cost of the equipment sold.

In the 3rd quarter of 2020, despite an 11% drop in turnover resulting from the foreseen decline in historical BOX activities, net revenue was up 2% compared to the previous quarter. This reflects the now predominant share of subscribers fleet management services within the Group's activity. The consolidation of the French activities (Vitis) brings € 4.0m out of the total net revenue of € 6.4m, and drives the 100% growth over the same period in 2019.

The Group's gross cash position amounted to € 8.0 million at the end of September. A credit line of € 1.6 million was drawn in early October in anticipation

of future collections of research tax credits.

## Approval of the transfer of the listing to Euronext Growth

As indicated in the press release dated September 11, 2020, this transfer of listing will allow the Group to benefit from the dynamics and visibility of Euronext Growth, while controlling its overheads. Euronext Growth has indeed asserted itself since its creation as the preferred market for growth companies with a market capitalization of less than one billion euros and a free float of more than 2.5 million euros.

NETGEM's General Meeting of Shareholders held on October 20, 2020 approved the application for admission of the Company's shares to trading on the Euronext Growth Paris market, and concomitant delisting from Euronext Paris (compartment C). NETGEM's Board of Directors met on the same day and decided to implement this transfer, which will be effective in January 2021 subject to Euronext's agreement.

In a separate press release, also dated October 21, 2020, NETGEM details the reasons, the terms, the main consequences and the provisional timetable for this transfer. It is also recalled on this occasion that NETGEM's shares are eligible to the PEA - PME scheme.

## Financial communication calendar

• Q4 2020 revenue and net revenue	January 22, 2021, pre-market
• 2020 results	March 19, 2021, pre-market
• Q1 2021 turnover and net revenue	April 21, 2021, pre-market
• Annual general meeting	May 26, 2021
• H1 2021 results	July 30, 2021, pre-market
• Q3 2021 sales and net revenue	October 20, 2021, pre-market

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## About Netgem

Netgem is an independent provider of ultra-broadband consumer services. The customers managed by the Group are located in Europe, mainly in France, Great Britain and Finland. They are managed for Netgem's own account (in France) and for the account of third-party operators. In France, the Group operates in rural areas in conjunction with infrastructure investments underwritten by public authorities aiming to reduce the digital divide and improve regional planning.

The Group stands out thanks to its end-to-end technological mastery of its digital TV, video and music streaming offer with a unified and unique experience on TV, mobile and voice control, including the biggest brands of local and global content.

Netgem is listed on Euronext Paris Compartment C  
(ISIN: FR0004154060, Reuters: ETGM.PA, Bloomberg: NTG: FP) [www.netgem.com](http://www.netgem.com)