

## Broadpeak publishes first-half 2023 revenue

- Business activity up 12.5% in the first six months, with a sharp acceleration in Q2 (+31%)
- Half-year marked by further advances in technology (Advanced CDN) and sales
- Confirmation of all financial targets for 2023 and beyond

Cesson-Sévigné (France), 25 July 2023

**Broadpeak** (ISIN: FR001400AJZ7 – Ticker: ALBPK), a leading provider of video streaming software solutions, is publishing its revenue for first-half 2023.

Revenue (in €K) (unaudited data)*	H1 2022	H1 2023	Change
Americas	7,730	<b>7,482</b>	-3%
EMEA	7,160	<b>7,377</b>	+3%
APAC	1,161	<b>3,201</b>	+176%
<b>TOTAL</b>	16,050	<b>18,061</b>	+12.5%

At 30 June 2023, Broadpeak revenue amounted to €18.1m, compared with €16.1m a year earlier. These figures should be considered in the light of the traditional seasonality of business activity, over 60% of the annual total being generated in the second half of the year. Revenue grew 12.5% in the first half of the year. This growth, fully organic, includes a positive currency effect of €0.2m<sup>1</sup>. At constant exchange rates, revenue was up 11% in H1 2023.

Consistent with the Group's announcement in its most recent publication (press release of 16 May 2023), a substantial order from a US telecom operator, initially expected in the first quarter, was booked in the second quarter of the fiscal year, for over €2 million. This partly explains the 31% increase in revenue in the second quarter after a decline of 8% in the first.

<sup>1</sup> At the average rate recorded on sales in the first half of 2022.

### **Strong performance in Asia and favourable change in product mix**

Active in over 50 countries, Broadpeak has significantly strengthened its positions in APAC (Asia-Pacific), almost tripling revenue (+176%) in H1 2023 by expanding its customer roster and increasing revenue with existing customers. The Americas region posted a highly contrasted performance, with a 53% decrease in H1 and a 40% increase in H2, resulting from the delay in the US order. In addition, the half-yearly trend in the region (-3%), and that in EMEA (+3%), includes a demanding comparison base following a particularly strong H2 2022 (+49% and +33%, respectively). The outlook remains extremely favourable in both regions, particularly with the roll-out of the SaaS offering, interest in which is growing in the launch phase.

Regarding the product mix, Licences & Services revenue, together with that of Maintenance & SaaS, which contribute more to gross margin, accounted for 86.6% of Group revenue at 30 June. The first half was marked by a sharp reduction in the share of equipment (servers, routers and storage systems) to 13.4% of sales, compared with 29.9% a year earlier. This decline reflects a medium-term trend in which customers are increasingly using third-party partners (public cloud) for their infrastructure rather than internal investments. Furthermore, the first half of 2022 saw a non-standard increase in equipment sales, particularly in connection with the World Cup®.

### **Strengthened value proposition and confirmed sales momentum**

Broadpeak continued to invest in the first half of the year to strengthen its technological lead and expand its market penetration. In terms of innovation, a new version of the CDN technology, the Group's core offering, was launched in the first half. Backed by the new BkS450 software, "Advanced CDN" is strong in ecological terms – consuming four times less energy than the previous generation – and delivers an exceptional streaming experience. This disruptive innovation was awarded the "Best of Show" TV Tech award at the NAB Show 2023 in Las Vegas.

Advanced CDN is experiencing promising business starts, while momentum remains strong in Multicast ABR software solutions (for events with major audiences). In addition, the Origin Packager solution, an essential part of the Cloud PVR (live channel recording) range, was selected by three new customers in H1 2023: the Austrian TV operator ORS Group, Taiwan Mobile, and the Mexican company Izzi Telecom. As a result, the top-three video operators in Mexico are now part of the customer roster of Broadpeak, which also provides MegaCable and TotalPlay.

Meanwhile, the Group continues to ramp-up its SaaS offer (broadpeak.io) through new customers and alliances. In early July, the Group formed a partnership with streaming platform publisher Okast to launch a new generation of Fast channels (free TV financed by advertising and broadcasted on streaming). The Fast 2.0 range incorporating broadpeak.io boosts customisation and the monetisation of content.

The offering will be in the spotlight in September at the IBC Amsterdam show, an essential event for media, video and tech professionals.

### Financial targets confirmed for the current financial year and through 2026

The change in the product mix in favour of Licenses & Services and Maintenance & SaaS revenue will have a mechanically positive effect on gross margin in first-half 2023. This increase in gross margin confirms the outlook on an increase in EBITDA for full-year 2023, in line with the target announced by the Group when publishing its annual results in April.

In parallel, the sales momentum of recent months provides Broadpeak with strong visibility on the development of its business, with revenue growth expected to be stronger in the second half of 2023 than in the first half.

In the longer term, the Group remains fully confident that it will meet the objectives announced at the time of its IPO. Broadpeak confirmed its target revenue of €100 million by 2026, of which 40% in recurring revenue (Maintenance & SaaS), with an EBITDA margin of 20% (vs. 9% in 2021).

### Upcoming events:

- 2023 half-year Results: 17 October 2023, after market close

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### About Broadpeak

Since its creation, Broadpeak has grown with a sole purpose in mind: to roll out software solutions worldwide streaming content that people love with a compelling quality of experience. These solutions target the world's leading players, including

large TV and telecom operators and global broadcasting platforms (OTTs), as well as new media in the corporate, sports and entertainment segments. At the end of 2022, Broadpeak had 150 customers across 50 countries, representing 200 million spectators worldwide. These include leading players such as Bouygues Telecom, Orange, Telecom Italia, Deutsche Telekom, HBO, Mola TV, StarHub TV+ and Megacable. Broadpeak has more than 320 employees in 23 countries. The company is mainly based in France (head office in Cesson Sévigné near Rennes) but is also present in the United States (Denver), Canada (Ottawa), Brazil (Sao Paulo), Singapore and Dubai. Broadpeak generates approximately 90% of its revenue internationally. Since 2015, Broadpeak has posted average annual growth of more than 30%. For 2026, the objective is to reach €100 million in sales, i.e. a more than threefold increase in activity compared to 2021, with an EBITDA margin of 20%.