PRESS RELEASE

GENTILLY, 25/3/2020

2019 Annual Results:
Substantial decline in losses

Equity warrants exercised
€877,000 capital increase in Q1 2020

Covid-19
Business Continuity Plan (BCP) implemented

Anevia, a leading provider of OTT and IPTV software solutions, today announced its financial results for 2019, approved by the Board of Directors.

French GAAP In € millions, at 31/12 [1]	2019	2018 [2]
Revenues	15.8	14.1
Gross margin	12.8	11.1
As a % of revenue	*81%*	*78%*
Operating expenses	(14.5)	(14.7)
Operating profit	(1.7)	(3.7)
Research tax credit & subsidies	1.2	1.2
Operating income (expense) plus Research Tax Credit	(0.5)	(2.5)
Net income	(0.6)	(2.6)

The consolidated financial statements have been audited. The auditors' report will be issued once the management report has been verified.

BUSINESS ACTIVITY IN 2019

Organic growth of 11% in 2019

As expected, Anevia recorded organic revenue growth of 11.4% in 2019 compared to 2018, driven by accelerated sales in the Telecom business in the second half of the year. The Telecom and Enterprise businesses both contributed to this growth.

The Telecom business posted a 14.2% increase in revenue over the period, to €12.0m, making 2019 its **fourth consecutive year of double-digit growth**. Over the period 2016-2019, it recorded a **compound annual growth rate (CAGR) of almost 20%**.

In 2019, Anevia benefitted from the combined impact of the following factors:

- **Healthy business with its existing customer base**, involving sustainable, multi-year projects;
- **The acquisition of new customers**, especially in Asia and the EMEA region.

The Enterprise business chalked up another year of growth, with revenue increasing 3.0% to €3.8m. **This performance confirms the sustainability of this business line.**

1 R&D costs are fully expensed and partially funded by the Research Tax Credit.

2 Figures include Keepixo's revenues, which were consolidated in the accounts from 1 January 2018.

2019 ANNUAL RESULTS

Substantial decline in losses

Gross margin grew 16% in 2019, driven by a favorable product mix, amid sales of higher-margin software and services. **The result was a three-point increase in gross margin, from 78% to 81%, during the year.**

This performance, combined with the company's firm grip on personnel expenses over the period (37% of 2019 revenue, compared with 42% in 2018), enabled **Anevia to substantially reduce its operating losses**, from €3.7m to €1.7m, resulting in an improvement of nearly €2m over the year.

The research tax credit (CIR) was stable year-on-year at €1.2m.

The addition of this research tax credit therefore reduced operating losses, which came to -€0.5m, compared to -€2.5m in 2018. As anticipated, the acceleration in business activity helped **Anevia achieve break-even in H2**.

Net income was negative at -€0.6m, compared to -€2.6m in 2018, representing an increase of €2m.

UPDATE ON EQUITY WARRANT ISSUANCE

29% of class A warrants exercised within three months after issuance and 70% of class B warrants exercised

As at 28th February, 2020, 1,322,420 class A warrants had been exercised, at an exercise price of €2.25. This represents 29% of the 4,586,978 free class A warrants issued to shareholders in December 2019.

The class A warrants exercised by February 28, 2020, which was the last day of the accelerated exercise period, resulted in the issuance of 240,440 new shares, each of which was allotted one class B warrant, such that 240,440 class B warrants were then issued.

In March 2019, 168,240 of these class B warrants were exercised, at a unit price of €2, resulting in the creation of 168,240 new shares.

These shares were admitted to trading on the same line as Anevia's existing shares (ISIN code: FR0011910652).

At its meeting of 25th March, the Board of Directors therefore noted that the class A and class B warrants that had been exercised had increased the share capital by a gross amount of €877,470,000. It formally recognised the increase in Anevia's capital stock to €249,782.90, henceforth consisting of 4,995,658 shares with a par value of €0.05.

On the date of this publication, the Group has 3,264,558 class A warrants and 72,200 class B warrants in circulation.

For further information about these A and B warrants, please refer to the press release published on the company's website: https://anevia.com/finance/ on December 16, 2019 and which sets out the terms and conditions of the plan to allocate free equity warrants to shareholders.

FINANCIAL POSITION AT 29th FEBRUARY, 2020

On 31st December, 2019, Anevia had -€0.5m in shareholder equity, with €1.8m in free cash flow and net debt of €0.7m.

The 2019 accounts were prepared in accordance on a going concern basis, given that cash forecasts for the coming 12 months point to a positive cash position. The following factors are taken into account:

- Advance financing of the research tax credits (CIR) for 2019 and 2020: €319k recognised in January 2020. Quarterly CIR funding is estimated at €1,220k for FY 2020;
- Strengthening of the Group's share capital through the exercise of 1,322,420 class A warrants and 168,240 class B warrants, the proceeds of which amounted to €877k in Q1 2020;
- Changes in the payment deadlines for certain debts, whose negotiation is still being finalised.

At 29th February, 2020, Anevia had €2.2m in cash and financial debt of €2.6m. Note that this cash position did not include the €466k (of the total €877k) raised as a result of the class A and class B warrants exercised in March and not yet recognised in the accounts at 29th February, 2020.

There are 3,264,558 class A warrants and 72,200 B class warrants still in circulation. Should all of these be exercised, Anevia would raise an additional €1,480k in funds.

COVID-19 OUTBREAK

The Group is monitoring the COVID-19 epidemic closely, and placing its employees' health as a top priority.

To date, Anevia has implemented all the necessary security measures to protect their health and safety, which include introducing a travel ban and the ability to work from home for all Group employees.

Meanwhile, thanks to the Agile working methods adopted by the company several years ago, together with the collaborative and remote business steering tools that employees have been using for a long time and its highly adaptable, responsive teams, Anevia will ensure the continuity of its business operations over the period and maintain the high quality of service expected by its clients.

Although the duration and impact of the epidemic are hard to predict, Anevia has identified several risks as a result of this exceptional situation. In particular:

- The Enterprise business unit could see a decline in business activity over the coming months, mainly due to the likely slump in the hotel industry as hotel and travel sector activity weakens, or even grinds to a halt, thus slowing plans to open new hotels or refurbish existing ones;
- Although supplies of servers for the Enterprise business unit's activity are secure through to the end of June 2020, these could fall short if the situation were to continue beyond that date;
- The Telecom business could also face shortages in supplies of servers and storage units further out. These are required for the roll-out and extension of video broadcasting infrastructures to meet operator and broadcaster demand in the face of rising consumption;
- Restrictions on the movement of people could potentially have an impact on Anevia's production and execution capabilities;
- The extension of customer payment deadlines.

PRIORITIES FOR 2020

This year, Anevia will focus on pushing ahead with its R&D efforts to ensure that its unique and comprehensive technology offer for operators and media broadcasters remains ahead of the game.

To maintain business momentum, Anevia will be stepping up efforts by:

- Intensifying its sales efforts to get new customers, especially in Europe, the US and the Middle East;
- Further developing its existing customer base, driven both by an increasing demand for capacity and a stronger service offer.

Next publication: H1 2020 revenue, on 22nd July, 2020.

About ANEVIA

Anevia is a leading OTT and IPTV software provider of innovative multiscreen solutions for the delivery of live TV, streaming video, time-shifted TV and video on demand services. The company offers a comprehensive portfolio of video compression, multiscreen IPTV head-ends, Cloud DVR and CDN solutions to enable viewers to enjoy a next-generation TV experience – anywhere, anytime and on any screen - including 4K UHD content. The solutions have been widely adopted by globally renowned telecom and pay-TV operators, TV broadcasters and video service providers in hospitality, healthcare and corporate businesses.

Founded in 2003, Anevia has a track record of being first to market with advanced video technologies. The company is a member of and active contributor to several TV, media and hospitality industry associations. Headquartered in France, with regional offices in the USA, Dubai and Singapore, Anevia is listed on the Paris Euronext Growth market.

For more information please visit www.anevia.com.

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ALANV EURONEXT GROWTH

Name: ANEVIA
ISIN Code: FR0011910652
Ticker symbol: ALANV
Number of shares comprising the share capital: 4,995,658

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