

Press Release

11 February 2021

KEYRUS

insight into value

4th quarter 2020 revenues: €67.9m

2020 consolidated revenues: €260.9m

Variation: -9.0% (-9.8% in organic* terms)

Consolidated revenues (€m)	2020	2019	Variation
1 st quarter	70.6	74.1	-4.7%
2 nd quarter	63.4	71.4	-11.2%
3 rd quarter	60.9	67.3	-9.6%
4 th quarter	67.9	73.8	-8.0%
Total	260.9⁽¹⁾	286.7	-9.0%

Levallois, 11 February 2021 – the **Keyrus** Group recorded revenues of 67.9 million euros in the fourth quarter of 2020, down by 8.0% (-9.2% at constant scope and exchange rates) as compared with the fourth quarter of 2019. For 2020 as a whole, the decrease in revenues was 9.0% (-9.8% at constant scope and exchange rates).

Large Account activities decreased by 12.3% compared to the fourth quarter of 2019 (-13.8% at constant scope and exchange rates). Mid-Market activities grew by 7.3% (+7.1% at constant scope and exchange rates).

The decline in the Large Account segment remained essentially concentrated in Europe, and notably in France, where demand continued to be severely affected by the health crisis. This crisis has had less of an impact on the U.S. market, where growth remained strong.

Keyrus undertook two strategic investments during the fourth quarter: in France, it acquired, in November 2020, a majority holding in the Xiomega Consulting company, a specialist in providing consulting services to IT departments and managing digital transformation projects; in the United States, **Keyrus** acquired, in December 2020, a majority holding in RunAsCloud, a company specialized in Cloud-strategy consulting. These two acquisitions contributed €1.0m to fourth-quarter revenues.

Against the background of a market in which, on the one hand, there continues to be uncertainty regarding the recovery of investment cycles, notably in markets outside Asia and the United States, but in which, on the other hand, companies' digital and data transformation issues remain a priority, **Keyrus** continues to have confidence both in its strategy and its ability

to maintain its leading position as an international-level specialist player in Data, Digital, and Move-to-Cloud business lines.

Overall, 2020 witnessed a decrease in revenues from Large Account activities of 12.0% (12.8% at constant scope and exchange rates) and the acceleration of significant transformations at various levels of the organization so as to prepare for the post-Covid recovery.

Across all of the geographical areas in which it operates, **Keyrus** continues to apply precautionary measures to address health risks, notably by limiting business travel to that which is strictly necessary, and promoting homeworking.

The Mid-Market segment, the activities of which are carried on by our **Absys Cyborg** subsidiary, saw its revenues increase significantly in the final quarter, thanks mainly to a healthy recovery in service-delivery activities, with subscription sales having also remained on an upward trend. This upturn in service activity had been announced in the publication of revenues for the third quarter, and it enabled **Absys Cyborg** to end the financial year with an annual increase of 1.5% (1.1% at constant scope and exchange rates), with the proportion of recurring contractual business having increased to the point where it accounted for nearly 50% of annual revenues.

The Group nevertheless remains highly alert to the risk that the current crisis could bring of small and medium-sized companies failing during the current financial year.

Measures & Impact relating to the Covid-19 crisis

On the financial front, in July 2020 the Group obtained the agreement of its partners to the granting of a State-backed loan of €10m, which, when added to available cash, is bolstering **Keyrus**'s financial ability to face up to the effects of this unprecedented crisis. On an operating level, the Group and its subsidiaries have set up arrangements to monitor cashflow and update forecasts on a weekly basis.

As at 31 December 2020, cashflow forecasts did not reveal any financing difficulties or non-compliance with covenants.

Keyrus will publish its 2020 annual results on 22 April 2021, after market close.

Breakdown of revenues by operational sector

Consolidated revenues (€m)	Large Accounts		Mid-Market		Total	
	2020	2019	2020	2019	2020	2019
1 st quarter	53.0	56.9	17.6	17.2	70.6	74.1
2 nd quarter	48.6	56.0	14.8	15.4	63.4	71.4
3 rd quarter	46.8	53.2	14.1	14.1	60.9	67.3
4 th quarter	50.5	57.6	17.4	16.1	67.9	73.8
Total	197.0 ⁽¹⁾	223.8	63.9	62.9	260.9⁽¹⁾	286.7

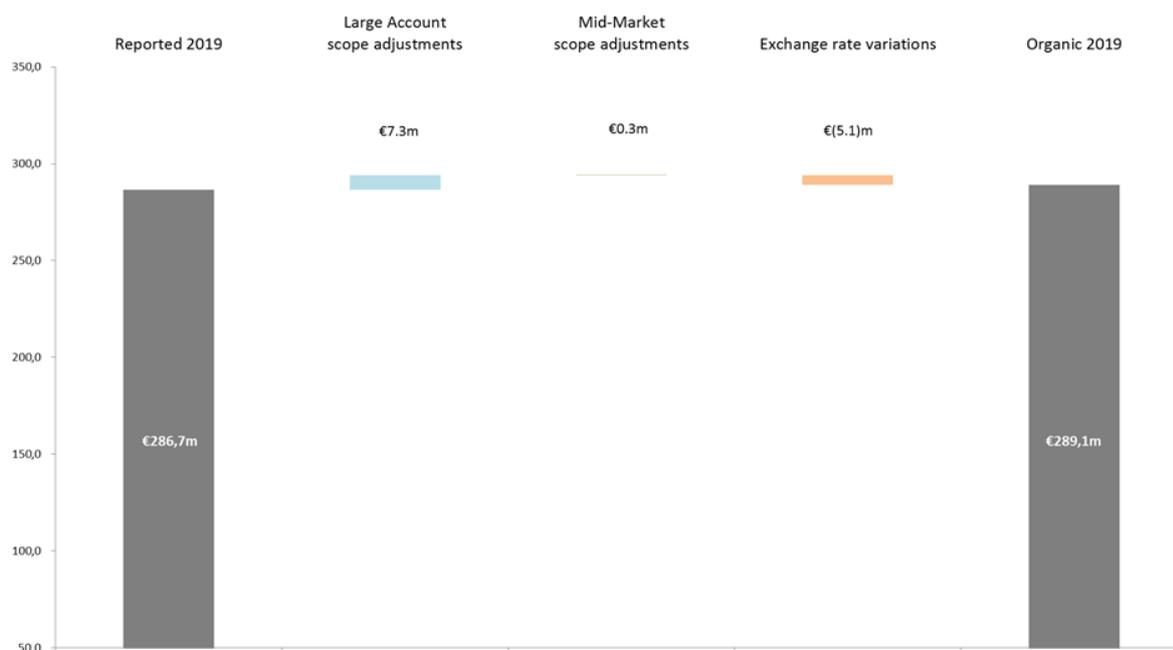
(1) B&C Technologies, which was acquired by the **Keyrus** Group in March 2020, had, up until 30 September 2020, been treated as fully integrated. On 31 December 2020, and with the approval of its auditors, the **Keyrus** Group reconsidered its method for consolidating B&C Technologies and decided to adopt the equity method. As a consequence, €1.9m of the revenues in the first three quarters are, therefore, not taken into account in the total revenues for 2020.

* DEFINITION OF THE NOTION OF ORGANIC GROWTH IN REVENUES

The notion of organic growth in revenues involves presenting the revenues of the preceding year (N-1, in this case, the 2019 financial year) restated in such a way as to apply the exchange rates and scope of consolidation of the current year (N, in this case, the 2020 financial year). The Group then calculates a figure for organic N-1 revenues by:

- using the exchange rates of year N to calculate the reported revenues of companies outside the Eurozone in year N-1 ;
- adding to the reported revenues for year N-1 the N-1 revenues of companies that came within the scope of consolidation in year N ;
- deducting from the reported revenues for year N-1 the N-1 revenues of companies that went out of the scope of consolidation in year N.

In 2020, the adjustments to go from reported 2019 revenues to organic 2019 revenues look as follows:



ABOUT THE KEYRUS GROUP

Keyrus – Large Account Activities

An international player in consulting and technologies and specialist in Data and Digital, **Keyrus** is dedicated to helping enterprises take advantage of the Data and Digital paradigm to enhance their

performance, facilitate and accelerate their transformation, and generate new drivers of growth and competitiveness.

Placing innovation at the heart of its strategy, **Keyrus** develops a value proposition that is unique in the market and centred around an innovative offering founded upon a combination of three major and convergent areas of expertise:

- **Data Intelligence :**
Data Science – Artificial Intelligence - Big Data & Cloud Analytics – Business Intelligence – EIM – CPM/EPM
- **Digital Experience :**
Innovation & Digital Strategy – Digital Marketing - DMP & CRM – Digital Commerce – Digital Performance – User Experience
- **Management & Transformation Consulting :**
Strategy & Innovation – Digital Transformation – Performance Management – Project Support

Absys Cyborg – Mid-Market Activities

Absys Cyborg is a specialist in the publication and integration of management solutions:

- **Management, ERP, and CRM software**
- **Hosting and Managed Services**
- **Collaborative solutions**
- **Reporting and Business Intelligence**
- **Consulting, Project Management Support Steering, IT Strategy**

Absys Cyborg is the leading integrator of Sage and Microsoft solutions and positions itself as a recognized expert in all the product lines of the Sage editor (Sage 100, Sage Pay, Sage FRP 1000, Sage X3) and Microsoft Dynamics.

Present in 20 countries on 4 continents, the **Keyrus** Group has over 3,000 employees.

Keyrus is quoted in compartment C of the Eurolist of Euronext Paris
(Compartment C/Small caps – ISIN Code: FR0004029411 – Reuters: KEYR.PA – Bloomberg: KEY:FP)
Further information at: www.keyrus.com