

PRESS RELEASE

2018 ANNUAL RESULTS

Sharp rise of the 2018 Operating Income : € 2.175 million (+ 763%)

Gross margin of self-financing / € 2.029 million

Continuation of the results growth in 2019

Levallois-Perret, France, January 29, 2019, Qwamplify (ISIN: FR0010889386 - Mnemonic: ALQWA), a major player in France for Media & Data digital marketing solutions, announces today its annual results for FY 2018 (ended September 30, 2018), approved by the Board of Directors on January 29, 2019.

RESULTS 2018 (12 months)

In thousands of Euros

	2018	2017	Variation
Sales Turnover (T.O.)	23 699	19 318	+22,7%
Gross operating surplus	3 404	1 206	+182%
<i>in % of the T.O.</i>	14,4%	6,2%	
Operating Income	2 175	252	+763%
<i>in % of the T.O.</i>	9,2%	1,3%	
Financial result	69	460	-85%
<i>in % of the T.O.</i>	0,3%	2,4%	
Current result before Tax	2 244	712	+215%
<i>in % of the T.O.</i>	9,5%	3,7%	
Exceptional result	- 510	257	-298,0%
<i>in % of the T.O.</i>	-2,2%	1,3%	
Corporation Tax	726	1 031	-30%
Net consolidated result	- 149	- 97	-54%
<i>in % of the T.O.</i>	-0,6%	-0,5%	
Net consolidated result part of the Group	- 428	- 690	+38%
<i>in % of the T.O.</i>	-1,8%	-3,6%	

QWAMPLIFY « Innovative Agency of the year 2018 »

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Return of a 2-digit EBITDA margin and strong increase in operating income :

Thanks to the strong growth recorded over the year and taking into account the good maintenance of the expenses realized in 2018, the company returned to a 2-digit EBITDA margin of 14.4%. This performance can be explained in particular by :

- The growth of more than 22% in turnover, particularly due to the change in scope with the strong contribution of Advisers in the Media division
- The Group's return to organic growth (5%) and the good momentum of the Media division
- The reducing expenses of the activation division.

This strong improvement in operating profitability also allowed us to achieve a auto-financing gross cash flow of more than 2 million Euros, the best in 5 years, whereas it was negative in 2017 (-487K €).

In addition, operating income amounted to € 2,175K, impacted by provisions and depreciation, which amounted to € 940K, including € 700K related to the amortization of the SDK Mobile platform. This activity is currently being reorganized and will be included in the activation section in 2019.

The net profit group share stands at € -428K in 2018, up 38% despite a negative exceptional result of € 510 mainly due to the 100 % depreciation of the Audience + shares.

The equity accounting of Bilendi has no impact on the 2018 result, having become effective in the middle of the second half of the year, it will not be integrated until the 2019 financial year.

Solid financial structure

The Group has gross cash of more than € 13 million and a net cash position of € 4.4 million as of September 30, 2018. Cash was impacted by the repurchase of minority interests during the year and the second part of the Advisers price.

The return to positive net operating cash flow (+ 155%) at € 1.48 million confirms the Group's strong recovery and the success of the strategy put in place three years ago.

OUTLOOK FOR 2019 :

The Group is confident for 2019 and will continue to deploy its new offering. It anticipates a slight organic growth in 2019 strongly driven by the Media offer but still impacted by a moderate slowdown in the activation division historical activities.

The Group also expects double-digit growth in its results in 2019 and a return to positive net result and free cash-flows. It will also be able to count on the equity method of the results of Bilendi, in which the Group holds 26.2% of the capital.

QWAMPLIFY « Innovative Agency of the year 2018 »

Cédric Reny, CEO, comments : «The change in the Group's model is producing the expected results, and we are very confident for a second year of growth in our results in 2019. Our new agency model is a success, especially in the highly dynamic Media division. We will remain very vigilant on the control of our expenses of the historical division while strongly reducing our losses on the CRM Mobile part, which division has been depreciated at 100% ».

NEXT PRESS RELEASE

Q1 2019 sales turnover : February 12, 2019

About Qwamplify

Qwamplify is a European digital & data marketing group serving major brands and e-tailers to develop their sales. The Group offers digital recruitment solutions on web (emailing, SEA & SMA, co-registration), innovative promotional solutions and CRM (digital platforms). For 22 years, Qwamplify has gained a strong reputation among more than 800 advertisers, including : Butagaz, Delonghi, Kärcher, Manitou, Michelin, Sony, Coca-Cola, Daxon, Hager, Etam, Carrefour or Rue du Commerce.

Qualified as an "Innovative Company" by Bpi France, the Group, listed on Euronext Growth since 2010, headquartered in Levallois-Perret, is also located in Aix-en-Provence, Marseille, Nice and Bordeaux in France and in Italy, UK, Finland and Sweden. In its last financial year, it closed sales of € 23.7M at the end of September 2018, up 22%. The Group had net cash of € 4.4M as of September 30, 2018. Qwamplify is also the first shareholder of Bilendi with 26.18% of the capital.

CONTACTS

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Listed on Euronext Growth Paris



ISIN : FR0010889386 – Mnemonic : ALQWA

Eligible to PEA-PME

Labelized « Innovative Company » - BPI France

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