

PRESS RELEASE

H1 2019 results: Very strong increase in profitability

Operating profit: € 2,112k (x 2.3)

Net income Group share: € 1,761k (+ 513%)

Confirmed annual outlook : Strong growth in business and profitability

Levallois-Perret, France, June 18th, 2019, Qwamplify (ISIN: FR0010889386 - Mnemonic: ALQWA), a major player in France for Media & Data marketing solutions, announces today its unaudited results, for the 1st Half of fiscal 2019 (October 2018 to March 2019).

RESULTS 1ST SEMESTER 2019 (Oct 2018 - Mars 2019)

In thousands of Euros

	<i>H1 2019</i>	<i>H1 2018</i>	<i>Variation</i>
Sales Turnover (T.O.)	12 483	11 758	5,9%
Gross Margin (GM)	8 580	7 750	10,8%
<i>in % of the T.O.</i>	68,73%	65,91%	
Gross operating surplus	2 218	1 416	56,6%
<i>in % of the G.M.</i>	25,85%	18,27%	
Operating Income	2 112	929	127,3%
<i>in % of the G.M.</i>	24,62%	11,99%	
Current result before Tax	2 018	1 005	101%
Earnings of companies accounted for by the equity method	449	39	1219%
Net income of the consolidated group	2037	-182	
<i>in % of the G.M.</i>	23,74%	ns	
Minority Interests	277	279	-0,80%
Net income Group share	1761	-426	513%
<i>in % of the G.M.</i>	20,50%	-5,30%	
In Euros / share	0,32€	-0,08 €	

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Very strong financial performance in H1 2019 :

Strong growth in activity driven by the Media division

As previously anticipated by the company, the group's activity was driven by all activities of the Media division (SMA, SEO, SEA, RTB, Regie ...), which experienced a 30% increase in its gross margin during 1st semester. This performance largely offset the slight decline in the non-Media division (activation), which recorded a 4.7% decline in gross margin.

This semester confirms the success of the transformation of the group initiated for several years and the relevance of the Media positioning.

Significant increase in profitability

Strong gross margin growth and very good expense control enabled the Group to record a very strong increase in EBITDA of € 2.2 million, or nearly 26% of gross profit.

With no impact on depreciation this half-year, operating income also increased significantly and was multiplied by 2.3 to reach € 2.1 million.

For the first time, the company uses the equity method in the amount of 380 K € of the company BILENDI. Conversely, unlike the previous year, the exceptional result is positive, with most of the restructuring charges recorded in 2018.

Net income attributable to the group rose sharply to € 1.7 million, more than 20% of the gross margin.

This 1st Half perfectly reflects the Group's strategy put in place these recent years, that is growth and profitability.

A healthy financial structure

The company has a solid balance sheet structure with gross cash of € 12.1 million and total financial debts of € 12.7 million.

Recent highlights:

Strengthening the board of directors:

In order to support the Group's strategy of profitable growth and media positioning, Qwamplify has changed the composition of the board, which now consists of Cédric Reny, President, Laurence Houdeville (experienced in data and agency), Julie Coulon (management control , Banking & Finance) and Vincent Bazi

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(Nextstage, also shareholder of the company). In addition, Julien Braun (former director) has been appointed Managing Director of Qwamplify.

100% increase in the capital of Highten:

Since April 30, Highten is 100% owned (vs. 50,16% previously). As a reminder, the company had achieved gross profit of € 1.3 million and operating income of € 103 k in 2018. This consolidation will have an impact on the second half of the year and will thus reinforce the results of the second half. This integration completes the Group's non-media digital offering in the B2B segment.

THE OUTLOOK 2019 IS CONFIRMED:

In the continuity of the first half, the group is confident in its annual outlook ie a double-digit growth of its results and a largely positive net result.

Cédric RENY, President, declares: " The Group confirms that the reversal made is highly value-creating. We are demonstrating the relevance of our Media and Data strategy and our ability to reduce our costs, particularly on the historic core that is stabilizing (the Mobile SDK activity will be permanently stopped at the end of September). I am confident that we will continue to demonstrate our ability to grow and deliver value generating results for years to come. "

NEXT PRESS RELEASE

Q3 Sales Turnover, 2019 - Results : July 23rd, 2019.

About Qwamplify

Qwamplify is a European digital & data marketing group serving major brands and e-retailers to develop their sales. The Group offers digital solutions (emailing, SEA & SMA, SEO, RTB, co-registration...), innovative promotional solutions. Since 1997, Qwamplify has gained a strong reputation among more than 800 announcers, among them: La Poste, Delonghi, Kärcher, Manitou, Sony, Coca-Cola, Daxon, Hager, Etam, Carrefour, Certideal 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, 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 25.85 % of the capital.

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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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