

## Press release

### Third quarter 2021 activity: Continued growth in Gross Profit Reinforced outlook with the signing of the TalkTalk contract

Paris, October 20, 2021,

NETGEM's activity in the third quarter of 2021 was marked by the good deployment momentum of the NetgemTV platform in B2B (2C) "Content as a service" mode:

- ✓ The signing of the agreement with TalkTalk, as announced on October 12, 2021, a Tier 1 British operator, for the supply of the NetgemTV platform as part of the next-generation TalkTalk 4K service.
- ✓ The continued growth of the subscriber base in Finland with Elisa.
- ✓ The commercial launch of new content platforms in France, in particular VIVA by VIDEOFUTUR, FRANCE CHANNEL and the announcement of the PREMIERE MAX by VIDEOFUTUR partnership.
- ✓ Growth in gross margin confirmed thanks to our recurring revenue model.

For Mathias Hautefort, CEO of NETGEM, *"This 3rd quarter was marked by the launch of numerous services with our partners and a sustained commercial activity. In October, we signed a new contract in the UK with TalkTalk. We are strengthening our presence in the fast-growing digital entertainment market, which we address with a virtuous business model and thanks to our SaaS NetgemTV platform, proven and validated by the largest premium content owners."*

#### Revenue and gross profit (in millions of euros, IFRS, unaudited)

Netgem Group	2021 Q3	2020 Q3	2021 YTD	2020 YTD	Change Q3 / Q3	Change YTD
Revenue	6.3	6.6	21.0	22.0	-4%	- 4%
Gross profit	4.0	3.6	13.0	11.1	+ 10%	+ 17%

The "Content-as-a-Service" model and the growth of the subscriber base led to posting a growth of 17% of gross profit over the first 9 months of the year and 10% over the quarter, compared to the same periods in 2020.

Over the past quarter, the English operator Origin, a customer of the Group, suddenly placed itself under the protection of an administrator. In this context, and out of prudence, Netgem has taken the decision not to recognize 500 K€ of turnover corresponding to unpaid invoices related to revenues from the TV customer base and associated services until the end of September. As Origin's customer base was acquired by TalkTalk in October,

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Origin's former NetgemTV subscribers will be billed by Netgem to TalkTalk in the future.

Despite the global shortage of components, which will have restrained growth throughout 2021, and after taking into account the exceptional negative impact of Origin, of the order of 3 growth points, the group is aiming for growth of 12% of its Gross Profit in 2021.

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### Financial communication calendar

- Q4 2021 revenue and gross profit January 25, 2022, before market
- 2021 results March 31, 2022, before market

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### About Netgem

Netgem develops, markets and operates the NetgemTV digital entertainment platform which allows telecommunications operators and digital content publishers to create or boost their entertainment offers in streaming mode, accessible on all screens, supplemented if necessary by optimized WiFi SuperStream.

Netgem deploys NetgemTV in Europe and the United States, according to a B2B "Content-as-a-Service" model, requiring no infrastructure investment and generating recurring income over time, indexed to the number of active end-users.

With more than 25 years of experience in the digital entertainment market, Netgem has acquired the recognition of leading telecommunications operators, the know-how necessary to conclude agreements with the largest content owners, and the right combination of hardware and software technological skills to offer its customers the most robust solutions.

*Netgem is listed on Euronext Growth.*

*(ISIN: FR0004154060, Reuters: ETGM.PA, Bloomberg: ALNTG FP)*

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