



Tuesday 20 October 2020

First-half 2020 results

First half: AURES reported operating profit and net attributable profit despite the severe impact of the Covid-19 crisis on all Group entities.

RTG (US) reported an operating profit for the first time.

€K	<i>First-half 2020</i>	<i>First-half 2019</i>	<i>Change</i>
Consolidated revenue	42,896	57,229	-25.0%
Consolidated operating profit	887	3,505	-74.7%
<i>Operating margin (%)</i>	<i>2.1%</i>	<i>6.1%</i>	
Net attributable profit	414	1,970	-79.0%
<i>Net margin</i>	<i>0.97%</i>	<i>3.4%</i>	

Revenue

As our products are designed for the retail, hospitality and local business markets, the lockdown restrictions and closure of points of sale severely impacted the Group's business operations as from mid-March 2020.

First-half 2020 revenue amounted to €42.9 million, a year-on-year decline of 25%.

Operating profit

Thanks to our effective crisis management involving staff cuts (mainly at RTG), short-time working arrangements in Europe and Australia, and the Paycheck Protection Program (PPP) in the US, the Group posted an operating profit of €887K, representing 2.1% of revenue.

This low operating margin chiefly reflects the downbeat revenue figure due to the Covid-19 crisis. It includes €416K in amortisation charged against intangible assets related to the acquisition of RTG.

Adjusted for this amortisation charge (accounted for for the first time in the 2019 reporting period), operating profit was €1,303K, representing 3% of revenue.

It should be noted that less than two years after first being included in the Group's reporting scope, RTG posted operating profit (excluding intangible asset amortization) for the first time, coming in at €336K for first-half 2020 (versus an operating loss of €299K for first-half 2019).

Net profit

Net attributable profit for the period amounted to €414K, representing a net margin of 0.97%. Excluding intangible asset amortization, net attributable profit was €722K, representing a net margin of 1.68%.

Net profit including non-controlling interests was €441K.

At its meeting held on 20 October 2020, the Board of Directors reviewed and approved the 2020 interim financial statements.

The review procedures carried out on these financial statements by the Statutory Auditors are currently being finalised.

Outlook

As it is impossible to know when the Covid-19 crisis will end, any forecasts are subject to a high degree of uncertainty. However, assuming the health crisis stabilises, the Group is aiming to report operating profit for full-year 2020.

Upcoming events

Q3 2020 revenue release: Thursday 22 October 2020 after close of trading on the Paris stock market.

About the AURES Group

Founded in 1989 and listed on Euronext since 1999, AURES is an IT manufacturer providing a complete range of hardware solutions for the POS market (point of sale and services, retail, hospitality, etc.) and the kiosk sector (interactive terminals and integration).

The AURES Group has a global presence with its headquarters in France, subsidiaries in the UK, Germany, Australia and the US, and a network of partners, distributors and resellers in over 60 other countries.

At the end of 2018, AURES acquired US company Retail Technology Group Inc. (RTG), a major North American player in POS maintenance (hardware and software) and IT services.

Group revenue amounted to €116 million in 2019.

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