



Quadiant – Strong revenue performance in the first quarter of 2021 with organic growth of 11.1%

Strong organic growth driven by all solutions

- **Total sales of €246 million in Q1 2021, up 11.1%¹ organically** vs. Q1 2020 (up 3.0% on a reported basis)
- **Good dynamics across all solutions:**
 - **Intelligent Communication Automation** up 5.8% organically, supported by a 21.4% growth in subscription-related revenue, continuing strong performance of YayPay and a promising start of newly-acquired Beanworks
 - Marked rebound in **Mail-Related Solutions** (+6.3% organic growth) fueled by a 30%+ growth in hardware sales
 - Sustained high growth in **Parcel Locker Solutions** (+67.9% organically)
- Strong organic growth in **North America** (+13.7%), coupled with a much improved performance in **Europe** (+7.2%)

Dynamic business and operational execution

- **Customer acquisitions** (ICA: 600+ customers in Q1 2021 ; PLS: new universities onboarded and Relais Colis in France ; MRS: top tier financial institution in France, State of California) and **contract extensions** (e.g. Lowe's contract extended to Canada in PLS)
- **Product launches** (Inspire Evolve, iX range in Germany, new outdoor locker solutions, expansion of Quadiant Impress Distribute) and **new partnership between YayPay and Sage**
- **Continued recognition from market research firms** (Quadrant, Aspire)

2021 upgraded outlook

- **2021 organic revenue growth compared to 2020 now expected above 4%, versus former guidance of minimum 2%**
- **2021 organic current EBIT² growth compared to 2020³ now expected between 5 and 6%, versus former guidance between 4 and 6%**

Paris, 26 May 2021,

Quadiant (Euronext Paris: QDT), a leader in business solutions for meaningful customer connections through digital and physical channels, today announces its first-quarter 2021 consolidated sales.

Geoffrey Godet, Chief Executive Officer of Quadiant, stated: "We entered the second phase of our Back to Growth strategic plan on a very strong footing. With our continued leading positions and our new operating model now well established, we are reaping the benefits of strong execution across all our solutions. It has been another busy quarter in terms of new customer acquisitions, exciting product launches and new partnerships. Deploying our end-to-end Intelligent Communication Automation software solutions, we continue to progressively shift our client base to a SaaS model while benefiting from the strong addition of recently acquired accounts payable and accounts receivables solutions. We also experienced a strong rebound in our mail-related business as evidenced by the high growth in hardware sales. Finally, we have further increased our installed base of smart parcel lockers, resulting into a steady growth in subscription-related revenues. As the economy continues to recover, we also recorded an improved usage of all our solutions which is strong evidence of the relevance of our offering. Based on the strong double-digit organic growth achieved in the first quarter, we are upgrading our guidance for the full year."

¹ Q1 2021 sales are compared to Q1 2020 sales, from which is deducted, prorata temporis, revenue from ProShip and the graphics activities in Australia and New Zealand and to which is added, prorata temporis, revenue from YayPay and Beanworks, for a consolidated amount of -€6.7 million, and are restated after a €12 million negative currency impact over the period.

² Current EBIT = current operating income before acquisition-related expenses.

³ On the basis of 2020 current operating income before acquisition-related expenses excluding Parcel Pending's earn-out reversal, i.e. €145 million.



FIRST-QUARTER 2021 SALES INCREASED BY 11.1% ORGANICALLY

Consolidated sales amounted to €246 million in the first quarter of 2021, a 3.0%-increase compared to the first quarter of 2020. Organic growth was +11.1%. Changes of scope are related to the divestment of ProShip end-February 2020, the acquisition of YayPay end-July 2020, the divestment from the Graphics activities in Australia and New Zealand on 21 January 2021 and the acquisition of Beanworks on 23 March 2021.

Quadient's strategy is to promote subscription-related revenues in all solutions, particularly through SaaS⁴ subscription and rental sales.

Change in Q1 2021 sales

In million euros	Q1 2021	Q1 2020 ^(a)	Change ^(a)	Change at constant rates ^(a)	Organic change ^(a)
Major Operations	226	215	+5.2%	+10.7%	+10.3%
<i>Intelligent Communication Automation</i>	44	42	+4.4%	+7.8%	+5.8%
<i>Mail-Related Solutions</i>	159	158	+0.9%	+6.3%	+6.3%
<i>Parcel Locker Solutions</i>	22	15	+54.0%	+67.9%	+67.9%
Additional Operations	20	24	-15.6%	-16.1%	+21.1%
Group total	246	239	+3.0%	+8.0%	+11.1%

In million euros	Q1 2021	Q1 2020	Change	Change at constant rates	Organic change
Major Operations	226	215	+5.2%	+10.7%	+10.3%
<i>North America</i>	123	118	+4.9%	+14.5%	+13.7%
<i>Main European countries^(b)</i>	91	85	+7.1%	+7.2%	+7.2%
<i>International^(c)</i>	12	12	-5.6%	-1.0%	-1.0%
Additional Operations	20	24	-15.6%	-16.1%	+21.1%
Group total	246	239	+3.0%	+8.0%	+11.1%

(a) 2020 data was restated to take into account the product reclassification from Intelligent Communication Automation to Mail-Related Solutions

(b) Austria, Benelux, France, Germany, Ireland, Italy, Switzerland, United Kingdom.

(c) International includes the activities of Parcel Lockers Solutions in Japan and of Customer Experience Management (ICA) outside of North America and the Main European countries.

Major Operations

Major Operations recorded revenue of €226 million (92% of total sales) in the first quarter of 2021, up by 10.3% on an organic basis compared to the first quarter of 2020.

Sales in **North America** (55% of Major Operations sales) posted a double digit organic growth in Q1 2021 (+13.7%), driven by a strong rebound in Mail-Related Solutions activity as well as continued dynamics in Parcel Locker Solutions business.

Main European countries posted a sharply improved performance in Q1 2021 (+7.2%) compared to Q1 2020, notably benefiting from double-digit organic growth in France.

The **International** segment posted a slight decrease in revenue in Q1 2021 (-1.0%) compared to Q1 2020.

⁴ SaaS = Software as a Service



Intelligent Communication Automation

Intelligent Communication Automation sales stood at €44 million in the first quarter of 2021, up by 5.8% organically compared to the first quarter of 2020.

Subscription related revenue (70% of Intelligent Communication Automation in Q1 2021) continued to show a strong double-digit growth for both SMBs (+31%) and large accounts (+15%), driven by sustained increases in SaaS and volume-based activities.

Trends in professional services revenue have improved while license sales recorded a sharp decline, mainly due to the shift in business model to SaaS for both SMBs and large accounts.

Moreover, Intelligent Communication Automation benefitted from the continuing strong performance of YayPay and a promising start of Beanworks.

Overall, Intelligent Communication Automation recorded strong business dynamics with the gain of more than 600 new customers during the quarter, an increase in usage for Quadiant Impress and Quadiant Inspire platforms, and the launch of new products (version 1.2 of Quadiant Impress Distribute, a new business intelligence and dashboards module for YayPay). In addition, the quarter recorded continued recognition from market research firms (Quadrant, Aspire).

Mail-Related Solutions

Mail-Related Solutions sales stood at €159 million in the first quarter of 2021, up by 6.3% organically compared to the first quarter of 2020.

Sales experienced positive organic growth across all geographies, with sustained performance in North America.

Subscription related revenue (73% of Mail-Related Solutions sales in Q1 2021), was virtually stable (-0.9%), showing the resilience of the installed base.

Hardware sales experienced a strong rebound with organic growth above 30% including new customers such as a government contract with the State of California and a top tier financial institution in France.

In addition, the iX series of our mailing machines was launched in Germany.

Parcel Locker Solutions

Parcel Locker Solutions sales stood at €22 million in the first quarter of 2021, up +67.9% organically compared to the first quarter of 2020.

Subscription related revenue (50% of Parcel Locker Solutions sales in Q1 2021), posted a double digit growth (+20.2%) driven by the increase in the installed base in the United States in 2020.

Hardware sales increased sharply driven by the dynamics in the US retail market as well as pick up in universities.

The UK market recorded a promising start during this quarter.

Overall, during this quarter, Parcel Locker Solutions recorded customer acquisitions with the onboarding of new universities and the signature of the contract with Relais Colis in France as well as the extension of Lowe's contract to Canada. In Q1 2021, more than 900 units were installed and usage increased to reach 70%.

Additional Operations

Additional Operations recorded revenue of €20 million (8% of total sales) in the first quarter of 2021, up 21.1% on an organic basis compared to the first quarter of 2020.

Growth mainly reflected the increase in revenue from Automated Packing Systems "CVP".



FULL-YEAR 2021 UPGRADED OUTLOOK

Quadiant is uniquely positioned in the market due to the booming e-commerce activities and acceleration of digitalization of processes, customer experiences, and business communications.

Taking into account the strong performance achieved in Q1 2021, full-year 2021 expected organic sales growth is upwardly revised to above 4% (vs. former guidance of minimum 2% organic sales growth) as well as organic current EBIT⁵ growth compared to 2020⁶ now expected between 5 and 6% in 2021 (vs. former guidance of between 4 and 6 % organic current EBIT growth).

Q1 2021 BUSINESS HIGHLIGHTS

Quadiant moves up three places in the 2020 Gaïa Research Ranking

On 18 February 2021, Quadiant announced it is sixth in the 2020 Gaïa Research global ranking, moving up three places compared to the previous year. Quadiant that it also holds the fifth position among companies with revenues above €500 million. Every year, the rating recognizes the best performing companies in France in environmental, social and corporate governance (ESG), among a selected panel of 230 small and medium-sized companies listed on Euronext Paris.

Quadiant nearly doubles US Smart Locker Installations in 2020 and reaches 13,000 units worldwide

On 1 March 2021, Quadiant announced its base of smart locker stations has surpassed 13,000 worldwide, representing more than 600,000 boxes overall and positioning Quadiant as the second largest global provider of Parcel Locker Solutions.

Acquisition of Beanworks, a Leading FinTech in SaaS Accounts Payable Automation Solutions

On 22 March 2021, Quadiant announced the signing of a definitive agreement to acquire Beanworks, a fast-growing market leader specializing in Software as a Service (SaaS) Accounts Payable Automation solutions.

Quadiant Increases its Commitment to ESG by Joining the United Nations Global Compact as a Signatory Member

On 25 March 2021, Quadiant announced it has joined the United Nations Global Compact, the world's largest corporate sustainability initiative. Quadiant joins more than 12,000 companies across the globe in aligning strategies and operations with the UN Global Compact's ten universal principles on human rights, labor, environment and anti-corruption.

Quadiant and Major Parcel Delivery Player Relais Colis Sign Strategic Partnership to Roll-Out 500 Parcel Lockers in French Retail Stores

On 13 April 2021, Quadiant announced a strategic partnership with Relais Colis, a major player in parcel delivery to consumers in France. Through the partnership, Quadiant will drive the roll-out of its new Parcel Pending Lite automated lockers to large and medium-sized retail partners of the Relais Colis network in France.

Through an agreement for 500 units to be progressively installed in France over three years, Relais Colis is trusting Quadiant in what will be one of the first large-scale deployments of the new Parcel Pending Lite unit after its global launch in 2020. This innovative and patented solution provides multiple benefits to Relais Colis, to the stores where it will be installed and to online shoppers.

Quadiant Recognized as Technology Leader in CCM and Customer Journey Mapping by Global Research Firm

On 19 April 2021, Quadiant announced it is the only customer communications management (CCM) solutions provider that has been recognized as a leader in both CCM and customer journey mapping in two separate SPARK Matrix™ research reports recently published by Quadrant Knowledge Solutions, a global research and consulting firm. Additionally, Quadiant is the only technology company to appear in both reports, which highlights Quadiant's unique position in bridging the CCM and customer experience management (CXM) markets.

⁵ Current EBIT = current operating income before acquisition-related expenses.

⁶ On the basis of 2020 current operating income before acquisition-related expenses excluding Parcel Pending's earn-out reversal, i.e. €145 million.



Quadiant was named a technology leader in the 2021 SPARK Matrix for CCM, recognized for offering a variety of CCM offerings that enable greater control over customer communications and provide a holistic view of CCM workflows, with key features that include streamlined processes, enhanced efficiency and personalized omnichannel communications from a single cloud-based or on-premises platform.

In the SPARK Matrix Customer Journey Mapping report, Quadiant was named a leader for its software as a service (SaaS) journey mapping tool that incorporates the digital and physical touchpoints across an organization with which customers interact into lucid journey maps.

POST-CLOSING EVENTS

Quadiant Introduces Inspire Evolve, a Cloud-based Customer Communications Management Solution, and Continues Software Strategy of SaaS Footprint Expansion

On 4 May 2021, Quadiant announced the global launch of Inspire Evolve, a high-performance, software-as-a-service (SaaS) customer communications management (CCM) solution. The solution supports rapid enterprise transformation by empowering all employees, regardless of technical expertise, with the ability to control customer communications with little reliance on IT. With Inspire Evolve, customer communications can be maintained and delivered in the cloud by individual lines of business in the moment they are needed.

Inspire Evolve addresses the growing demand for a powerful cloud-based customer communications solution that easily integrates with and streamlines existing technology, requiring minimal implementation lead times and helping teams rapidly design and deliver secure, personalized human-centric communications.

Quadiant's Accounts Receivable Automation Solution YayPay Joins Sage Marketplace to address Small and Medium Businesses Needs

On 24 May 2021, Quadiant announced that its software-as-a-service (SaaS) accounts receivable (AR) automation solution YayPay by Quadiant is now available to small and medium-sized businesses through the web-based Marketplace of Sage, the global leader in cloud business management solutions.

Part of Quadiant's Intelligent Communication Automation (ICA) solutions portfolio, YayPay will be made available to Sage X3 clients via the Sage Marketplace, a web-based application listing both resale and referral independent software vendor partner applications that integrate with Sage cloud products. This partnership aligns Quadiant with one of the world's leading providers of business management and financial technologies.



CONFERENCE CALL & WEBCAST

Quadiant will host a conference call and webcast on **26 May 2021** at 6:00 pm Paris time (5:00pm London time). The meeting will be held in English.

To join the webcast, click on the following link: [Webcast](#).

To join the conference call, please use one of the following phone number:

- France: +33 (0) 1 70 37 71 66;
- United States: +1 212 999 6659;
- United Kingdom: +44 (0) 33 0551 0200;

Password: QUADIENT

A replay of the audio webcast will be available for a period of one year.

CALENDAR

- 1 July 2021: **Annual General Meeting** (<https://invest.quadiant.com/en-US/annual-general-meetings>);
- **Education session on the Mail-Related Solutions activity** (event details will be communicated later);
- 27 September 2021: **First half 2021 results and second quarter 2021 sales**.

About Quadiant®

Quadiant is the driving force behind the world's most meaningful customer experiences. By focusing on three key solution areas, Intelligent Communication Automation, Parcel Locker Solutions and Mail-Related Solutions, Quadiant helps simplify the connection between people and what matters. Quadiant supports hundreds of thousands of customers worldwide in their quest to create relevant, personalized connections and achieve customer experience excellence. Quadiant is listed in compartment B of Euronext Paris (QDT) and is part of the CAC® Mid & Small and EnterNext® Tech 40 indices.

For more information about Quadiant, visit <https://invest.quadiant.com/en-US>.

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