

## PRESS RELEASE

### DPA delivers solid first-quarter performance as impact of coronavirus crisis gradually becomes apparent

#### Highlights of first quarter 2020:

- Revenue: 37.6 million euro (Q1 2019: 36.7 million)
- Gross profit: 11.7 million euro (Q1 2019: 11.5 million)
- Gross margin: 31.2% (Q1 2019: 31.4%)
- EBITDA: 6.0 million euro (Q1 2019: 5.0 million)
- EBITDA margin: 16.0% (Q1 2019: 13.6%)
- Result: 2.9 million euro (Q1 2019: 2.0 million)
- One more working day in Q1 2019: impact of 0.6 million euro on revenue and 0.5 million euro on gross profit and EBITDA

<b>Key figures DPA Group N.V.<sup>1</sup></b> <i>in millions of euro unless indicated otherwise</i>	<b>Q1 2020</b>	<b>Q1 2019</b>
Revenue	37.6	36.7
Gross profit	11.7	11.5
Gross margin	31.2%	31.4%
Operating costs	5.7	6.5
EBITDA	6.0	5.0
EBITDA margin	16.0%	13.6%
Result	2.9	2.0

<sup>1</sup> These figures have not been audited. DPA publishes figures in accordance with IFRS 16.

#### Commenting on the first-quarter results, DPA CEO Arnold van Mameren said:

*“DPA is set up in a clean, lean and mean way with a compact and efficient organisational structure. This is reflected in our strong start in the first quarter of 2020, with revenue growth of 2.5% and EBITDA up 20%. The lockdown measures in connection with COVID-19 that have been in place since mid-March had a limited impact on the results given the short period of time that they were in effect this quarter.*

*The diversity and coherence of our activities are and remain extremely important because together we are able to continue to meet the demand of our clients for experienced professionals. I am proud of the efforts and ingenuity of our employees to continue to work and develop professionally.”*

*“We are constantly taking suitable measures to ensure our professionals can keep working as best as possible during this ‘intelligent lockdown’ and can meet the changing needs of our clients. At the same time we are seeing to it on a daily basis that sufficient liquidity is available from the operating cash flow known at the time and the available credit facility to cover operating costs and meet our financial commitments. As the impact of COVID-19 increases we are also looking into the support measures provided by the Dutch government.”*

#### Development of results in the first quarter of 2020

Revenue rose by 2.5% to 37.6 million euro (Q1 2019: 36.7 million) in the first quarter of 2020. The quarter contained 64 working days, one more working day than in the first quarter of 2019. This had an impact of around 0.6 million euro on revenue and 0.5 million on gross profit and EBITDA.

In the first quarter of 2020 DPA benefitted from the strong foundation that was laid in 2018 and 2019. This involved simplifying the organisational structure and further optimising the internal processes. The result was a 12.3% drop in indirect costs to 5.7 million euro (Q1 2019: 6.5 million). Due to the decline in indirect costs and the rise in gross profit, EBITDA rose 20% to 6.0 million euro (Q1 2019: 5.0 million). The EBITDA margin increased to 16.0% (Q1 2019: 13.6%). Net profit came in at 2.9 million euro (Q1 2019: 2.0 million).

## Employees

The ongoing pressure on the job market caused relatively high employee turnover in the first quarter of 2020. DPA works with the best professionals and that means employees who are highly sought-after by other employers. At 31 March 2020 the number of employees under contract at DPA was 1,196 professionals (31 December 2019: 1,266) and 185 internal employees (31 December 2019: 178). This decline in the number of professionals is the result of the expected completion of a project that the Legal & Government cluster was able to execute for a number of years. On 31 March 2020 DPA had 190 self-employed professionals under contract on a full-time basis (31 December 2019: 179).

Our focus at the end of 2019 and in the first few months of 2020 was on focus-driven growth. As a result, the ratio of direct/indirect staff (professionals under contract/internal employees) decreased in the first quarter of 2020 from 7.1 on 31 December 2019 to 6.5 on 31 March 2020.

(on an FTE basis)	31-3-2019	30-6-2019	30-9-2019	31-12-2019	31-3-2020
Professionals	1,255	1,234	1,240	1,266	1,196
Self-employed professionals	159	215	185	179	190
Internal employees	195	186	172	178	185

## Outlook

DPA continues to pursue its strategy of building a solid organisation that is relevant to its professionals and clients each and every day. In 2020 DPA will do everything in its power to continue on the path it has embarked on. In view of the impact of COVID-19 on market demand DPA expects the number of employees to fall for the full year 2020. Due to uncertainty surrounding the coronavirus crisis it is not possible to estimate the impact on future results.

## DPA Group N.V.

DPA connects organisations with professionals who have the right knowledge and know-how. The company gives its employees room to be driven about their profession and continuously work on their professional and personal development. This enables them to help clients realise improvements and innovations. DPA is listed on Euronext Amsterdam. Further information can be found at [www.dpa.nl](http://www.dpa.nl)

## Further information

For more information please contact Sharon van Straalen at [sharon.vanstraalen@dpa.nl](mailto:sharon.vanstraalen@dpa.nl) or on +31 (0)6 5141 1647.

## Disclaimer

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