

## PRESS RELEASE

### DPA continues solid performance in third quarter of 2020

#### Highlights of third quarter of 2020:

- Revenue: 31.0 million euro (Q3 2019: 36.2 million)
- Gross profit; gross margin: 10.3 million euro; 33.2% (Q3 2019: 11.7 million; 32.3%)
- Restructuring costs due to COVID-19 pandemic in Q3 2020: 0.7 million euro
- EBITDA; gross margin: 5.0 million euro; 16.1% (Q3 2019: 5.5 million; 15.3%)

#### Highlights YTD 2020:

- Revenue: 102.4 million euro (2019: 111.5 million)
- Gross profit; gross margin: 30.6 million euro; 29.9% (2019: 34.6 million; 31.0%)
- EBITDA; gross margin: 13.6 million euro; 13.3% (2019: 15.1 million; 13.5%)
- Goodwill impairment: 7.3 million euro (2019: 0.0 million euro)
- Restructuring costs due to COVID-19 pandemic: 1.8 million euro
- One fewer working day than in 2019: impact of 0.5 million on revenue and 0.4 million on gross profit and EBITDA

Condensed income statement <sup>1</sup>	2020 YTD	2019 YTD	2020 Q3	2019 Q3
<i>in millions of euros or %</i>				
<b>Net revenue</b>	<b>102.4</b>	<b>111.5</b>	<b>31.0</b>	<b>36.2</b>
Cost of sales	71.8	76.9	20.7	24.5
<b>Gross profit</b>	<b>30.6</b>	<b>34.6</b>	<b>10.3</b>	<b>11.7</b>
Gross margin	29.9%	31.0%	33.2%	32.3%
Selling and general administrative expenses excl. depreciation and amortisation	17.0	19.5	5.3	6.1
<b>EBITDA</b>	<b>13.6</b>	<b>15.1</b>	<b>5.0</b>	<b>5.5</b>
EBITDA margin	13.3%	13.5%	16.1%	15.3%
Depreciation and amortisation	-13.3	-6.5	-2.0	-2.1
Result of sale of Group companies	0.0	0.1	0.0	0.1
<b>EBIT</b>	<b>0.3</b>	<b>8.7</b>	<b>3.0</b>	<b>3.5</b>
EBIT margin	0.3%	7.8%	9.7%	9.6%
Financial income and expenses	-0.3	-0.6	-0.1	-0.3
Result of associates	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>0.0</b>	<b>8.1</b>	<b>2.9</b>	<b>3.2</b>
Tax on profit	-1.8	-2.1	-0.7	-0.8
<b>Net result</b>	<b>-1.8</b>	<b>6.0</b>	<b>2.2</b>	<b>2.4</b>

<sup>1.</sup> The quarterly figures have not been audited.

### Commenting on the results, DPA CEO Arnold van Mameren said

“The COVID-19 pandemic has had a hold on us for more than eight months now, greatly changing our personal and professional life in the process. Despite the uncertainty this has caused, we have been able to limit the effect it is having on our activities. I am grateful for our customers’ flexibility and for our staff’s productivity. As a result everyone has now adapted to working remotely in the safest and healthiest way possible.

In times that the economy is going through a rough patch we feel it relatively quickly in our results because clients postpone projects. DPA was nevertheless able to remain well on track in the third quarter, a feat that is visible in our financial performance. It goes without saying that we continue to monitor developments closely to ensure that DPA stays relevant to clients and is able to quickly respond to current issues. This strategy combined with our focus on digitalisation and cost efficiency sees to it that DPA can continue to provide excellent career propositions to professionals, even in these challenging times.”

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

In the third quarter of 2020 DPA generated revenue of 31.0 million euro (Q3 2019: 36.2 million). The direct costs fell by 15.5% to 20.7 million euro (Q3 2019: 24.5 million). Gross profit was down 11.9% to 10.3 million euro (Q3 2019: 11.7 million). The gross margin rose from 32.3% in the third quarter of 2019 to 33.2% in the third quarter this year.

Selling and general administrative expenses were down 13.7% to 5.3 million euro (Q3 2019: 6.1 million). The indirect costs as a percentage of revenue was virtually unchanged at 17.1% (Q3 2019: 17.0%). EBITDA has been adversely affected by the restructuring costs needed to weather the COVID pandemic. As a result EBITDA fell to 5.0 million euro (Q3 2019: 5.5 million). The EBITDA margin rose to 16.1% (Q3 2019: 15.3%).

### Employees

The persistent drop in demand and ongoing uncertainty have led to a decline in the number of employees. At 30 September 2020 1,014 professionals (30 September 2019: 1,240) and 143 internal employees (30 September 2019: 172) were employed by DPA. In addition DPA had 159 self-employed professionals under contract on a full-time basis (30 September 2019: 185). An important ratio is the ratio of direct/indirect employees (professionals under contract/internal employees). This ratio improved to 7.1 on 30 September 2020 (30 September 2019: 6.7).

(on an FTE basis)	30-6-2019	30-9-2019	31-12-2019	31-3-2020	30-6-2020	30-9-2020
Professionals	1,234	1,240	1,266	1,196	1,092	1,014
Self-employed professionals	215	185	179	190	160	159
Internal employees	186	172	178	185	160	143

Because DPA deploys its people in the most flexible way possible, the number of idle employees remained limited and productivity continued to be high. At the same time DPA continues to work on developing professionals through personal coaching, courses and training.

### Outlook

Due to the impact of the COVID-19 pandemic on the economy and job market DPA will continue to focus on proactive leadership, strong cash management and cost control in the coming period. The main priority in all our activities is the health of our employees and continuity of the services we provide to our clients. To stay relevant DPA will continue to closely monitor market and sector-

specific developments. This will enable DPA to quickly provide new solutions that meet the challenges that our clients face.

**About 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 constantly work on their professional and personal development. This enables them to help clients realise sustainable 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**

*This press release contains forward-looking statements about future events. The press release is a reflection of the plans, objectives and ambitions of DPA based on the current insights and assumptions of management. Such statements are not established facts and are subject to known and unknown risks, uncertainties and other factors, many of which may be beyond DPA's control. As a result, actual results or developments may differ materially from future results or developments either implied or expressly stated in the forward-looking statements. DPA does not assume any obligation to update or revise any information in light of changes in policy, developments, expectations, etc.*