

Alchimie

Turn your content into gold subscription

Investor Presentation October 2021



Agenda

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Thematic S-VOD: the market's leading growth driver

02

Strengthening of Alchimie's fundamentals and better knowledge of the subscriber

03

Strategic orientations and financial targets

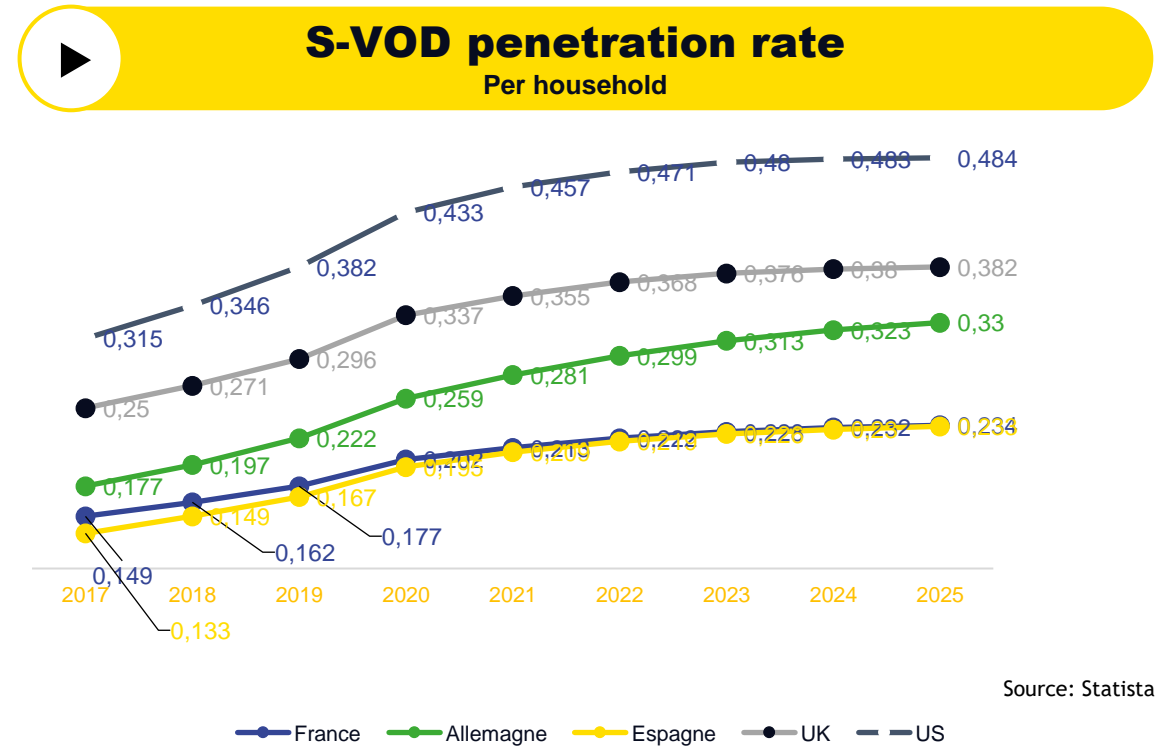
The evolution of the S-VOD market confirms the growth potential of Alchimie

- **Growth driver** through the multiplication of **thematic offerings**
- Increase in the average number of offerings **subscribed** per consumer (5 in the US*)
- **Saturation of generalist offerings** in mature areas (US, UK)

Les Echos

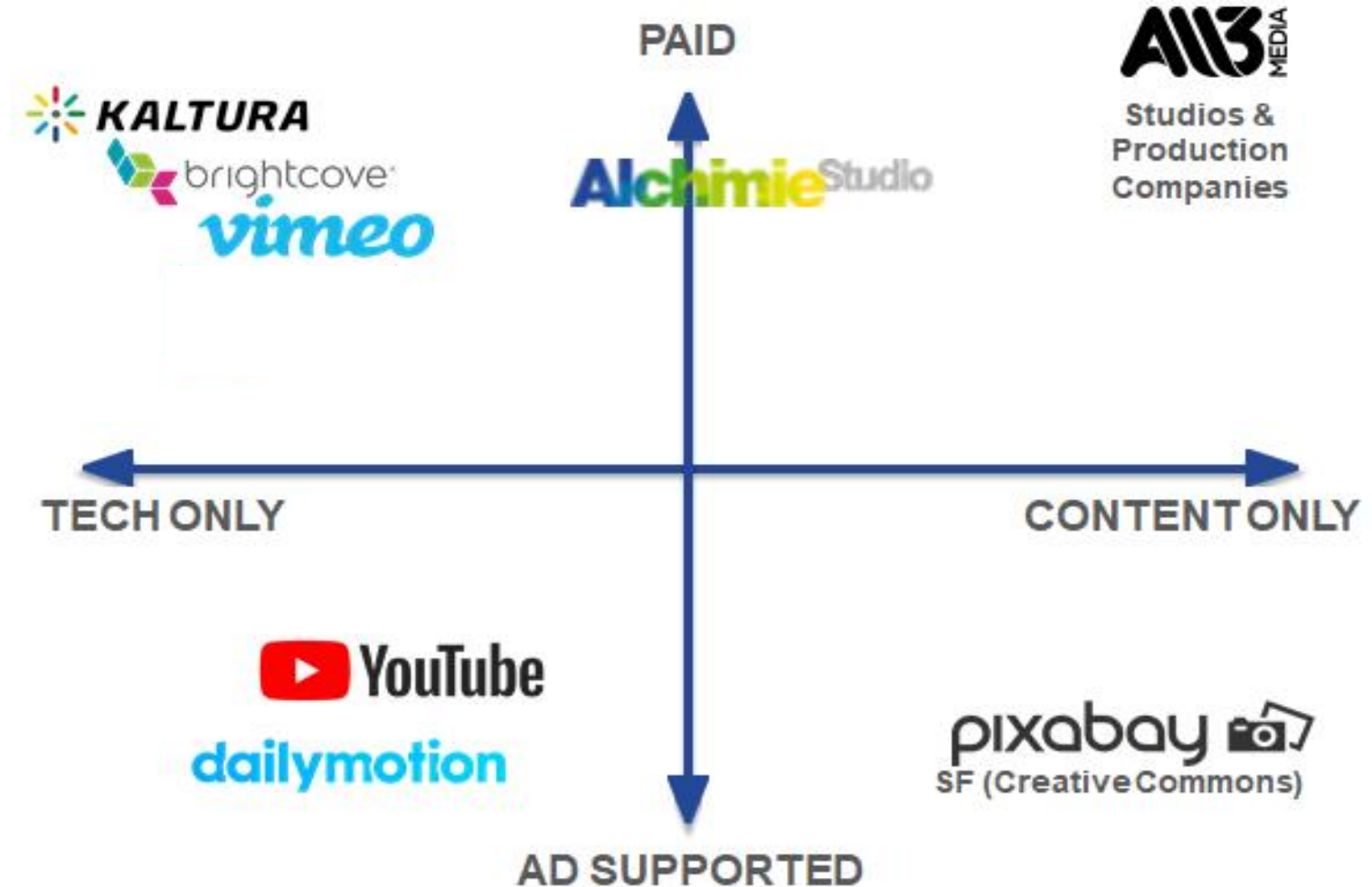
Netflix anticipe une croissance limitée de ses abonnés

Après avoir connu un afflux massif de nouveaux abonnés l'an dernier du fait des confinements, Netflix fait face à un ralentissement de sa croissance d'abonnés. Le géant du streaming proposera bientôt des jeux vidéo sans coût supplémentaire.

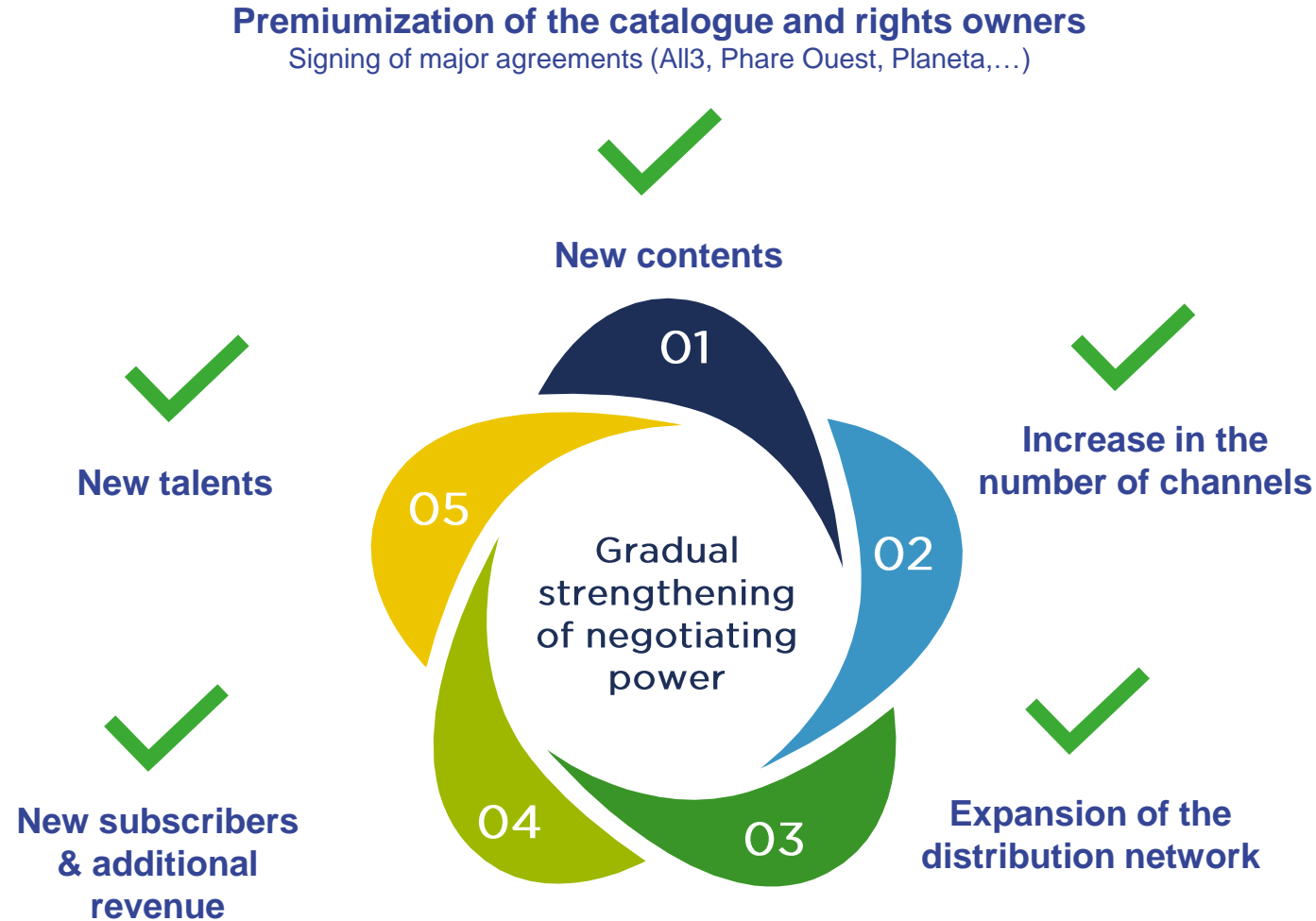


A balanced and differentiating S-VOD positioning: Tech & Content

- Alchimie: a unique catalogue of content (70K hours)
- Alchimie offers distribution and marketing solutions
- Alchimie enables partners to manage their content and launch their channel in 4 days



Confirmation of the marketplace's virtuous model and strengthening of the fundamentals








+124 channels to date

- Multi thematic (History, Science, Ecology,...)
- Multi partners (Media, celebrities, associations, influencers,...)
- Multi country (US, UK, Spain, France,...)

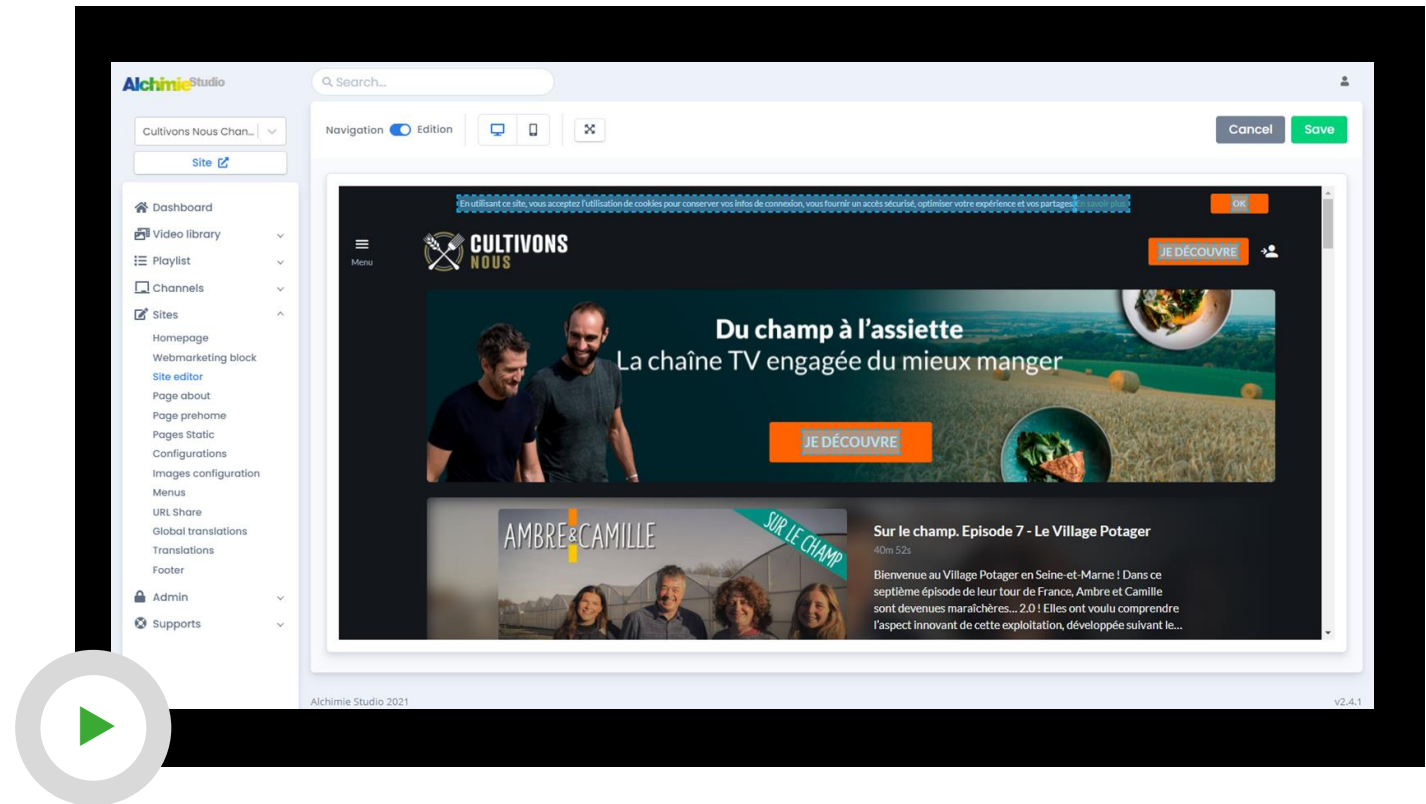
Growth in international indirect distribution in H2
(Orange, Movistar, Amazon)

Focus on the flagships channels: Alchimie's Top 50

| |  |  |  |  |  |
|-------------------------|--|---|--|---|--|
| Arts & Passions |   |  |  |  |               |
| Crime & Justice | |   | |  |      |
| History & Personalities | | | |   |    |
| Science & Future | | |   |     |        |
| Sustainability | |  | | |   |

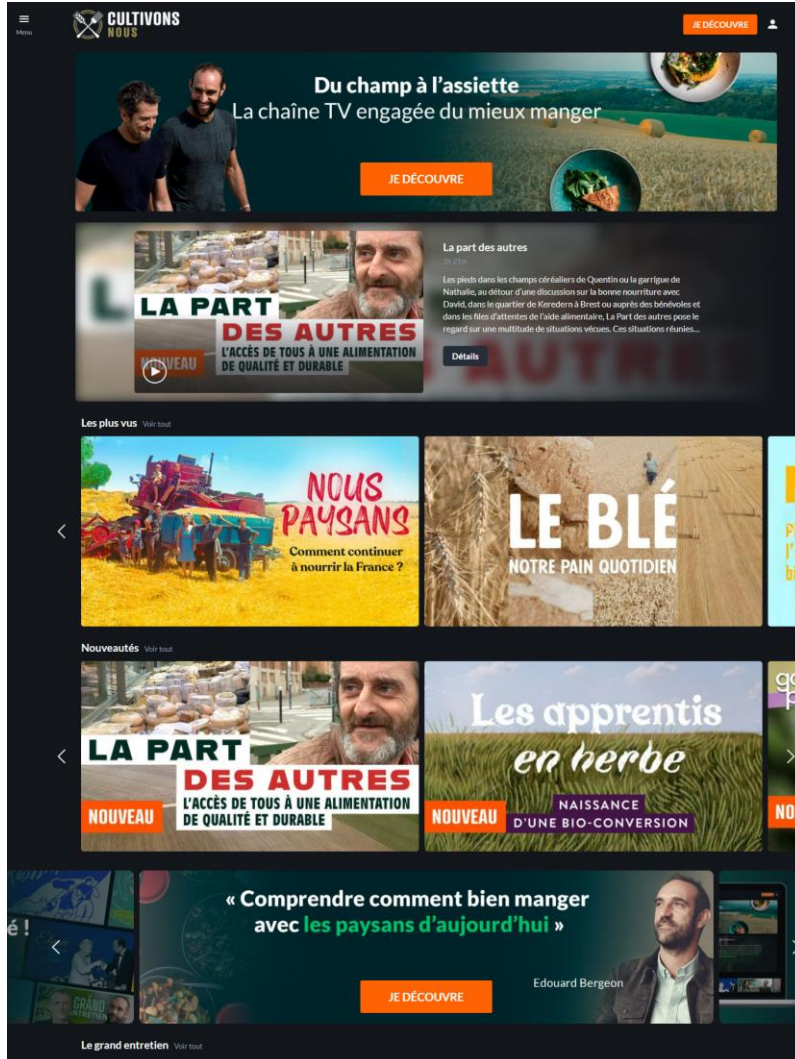
Alchimie Studio 2.0: strengthening the platform to serve the model

- **Productivity growth**
 - Production costs divided by 4
 - Time to develop a channel reduced to 4 days
 - Maintenance cost of only 0.5 days/month
- **Strong autonomy of the partners**
 - 100% autonomous run
 - Simplified interfaces
 - Complete Reporting Data
- **Premium Content Management System (home made CMS)**
 - Intuitive animation of the site using a graphic interface
 - Editorial animation of pages, playlists, ...



Multi-device interface to enhance content and foster engagement

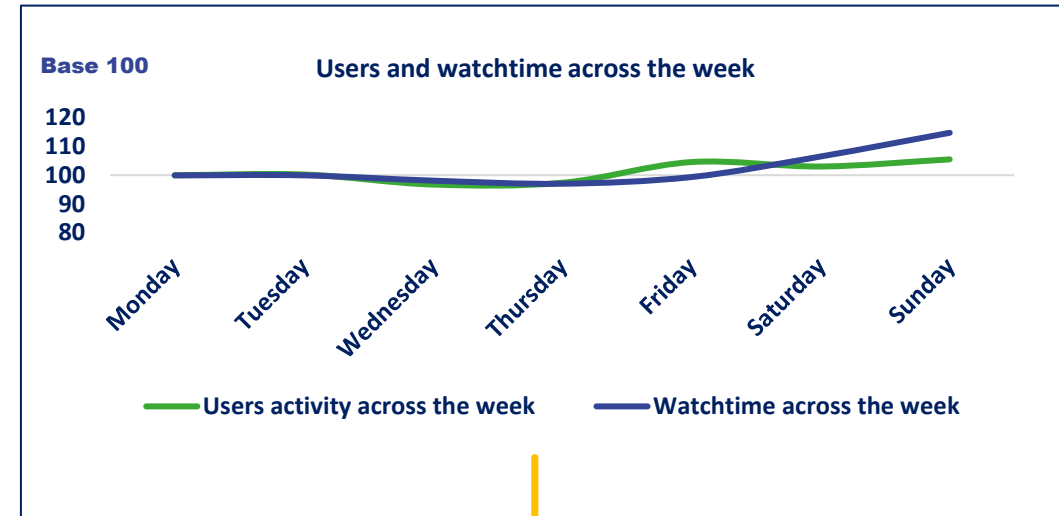
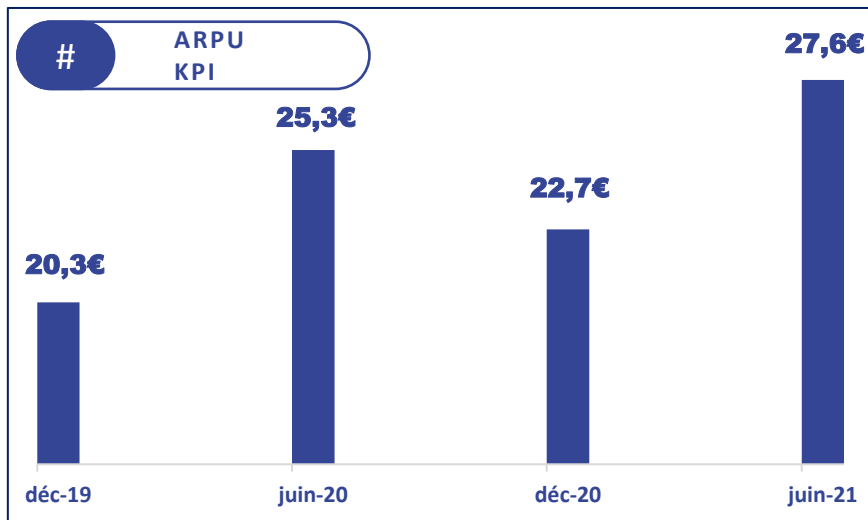
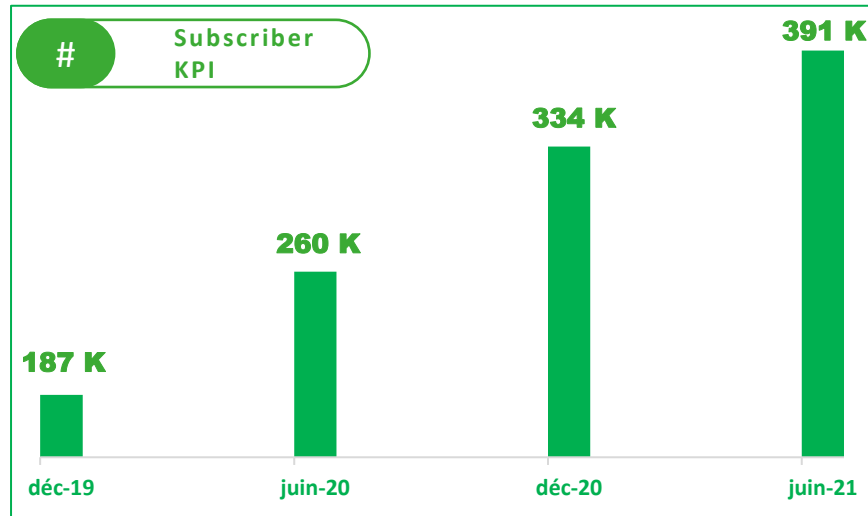
Cultivons Nous home page (Web & Mobile)



Upgrading of the product (UX premiumization)

- Data-driven tools to improve UX
- Multi screen landing page
 - Presentation of the offering
 - Reassurance argument
 - Multi CTA
- Home Page more efficient than the market
 - Marketing reassurance argument on HP
 - Featured video with description
 - Mobile friendly
- Simple and smooth payment process
 - 3-step process [account creation / choice of the offering / payment]
 - Non-scrolling mobile course

In-depth knowledge of the subscriber



Main insights

- Average monthly share of active subscribers per channel: **40%**
- Average monthly consumption per subscriber: **90 min or 2 documentaries and up to 4 hours for some channels**
- Rate of full viewing of programs: **60% for a 60 min format**
- Consumption time of new documentaries: **80% in 2 weeks**

Confirmation of strategic orientations to boost growth

Focus on strong editorial themes

Emerge leading channels with committed partners and a clear editorial line to stimulate the “creative economy” by emulation

Concentration on high-potential language areas (English and Spanish)

Evolution of the distribution mix with partnerships for impact channels

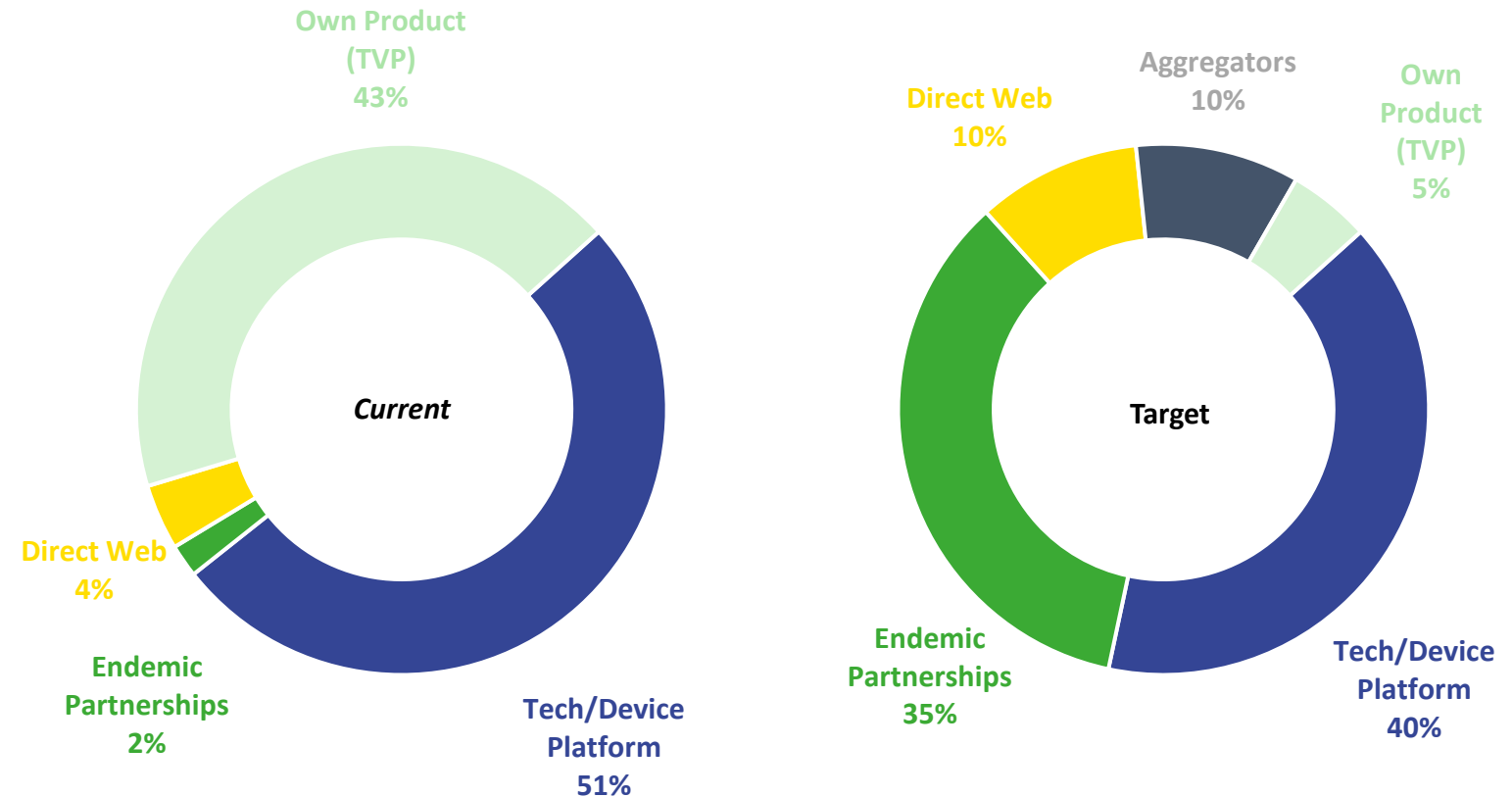
Change in distribution mix

Learnings

- Selection of distribution partners according to their marketing influence
- Signing partnerships with tech players is a must
- All channels need to have regular communication on the networks
- Need to provide partners with premium assets for programming



Distribution

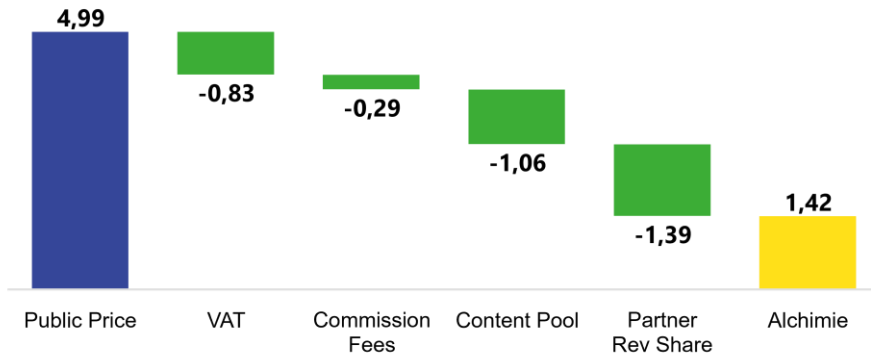


New development value chain (1/2)

Stand Alone Offer* (Direct)

Direct Stand-Alone through partner audience

- Revenue sharing between the partner (50%) & Alchimie (50%)

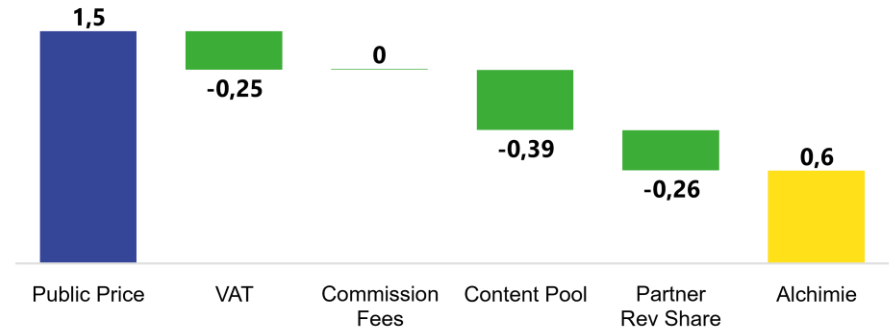


Mix France
+
International collective management companies included in the content pool

Stand Alone Offer (Indirect Endemic Partners)

Indirect Stand-Alone, through partners:

- Revenue sharing between the **partner (30%) & Alchimie (70%)**
- Pack : **1.5 euros / month for 6 months**
- Alchimie supports the cost of the sales network (commercials)



Revenue sharing base: on the basis of net revenue
(Content Pool & Commission Fees)

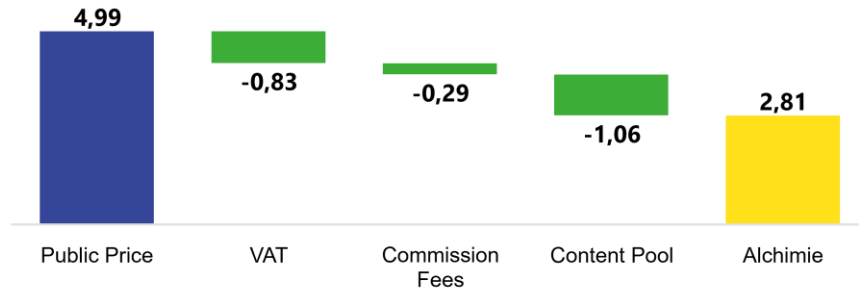
* Sale of a single channel

New development value chain (2/2)

Stand Alone Offer (Indirect Home Made Channel)

Indirect Stand-Alone, through platforms such as Amazon, Roku, etc:

- No revenue sharing as full owner
- Alchimie supports the cost of the distribution network



**Monthly unit
margin,
Alchimie
blended:**

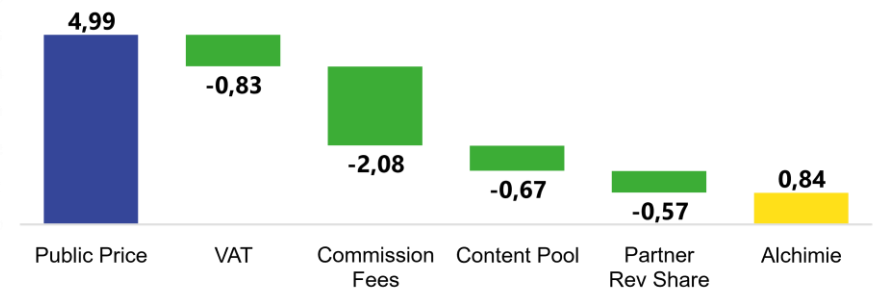
0.86 €

**per subscriber
and per month**

Stand Alone Offer (Indirect Platforms)

Indirect Stand-Alone, through platforms such as Amazon, Roku, etc:

- Revenue sharing between the **partner (40%) & Alchimie (60%)**
- Alchimie supports the cost of the distribution network



Revenue sharing base: on the basis of net revenue
(Content Pool & Commission Fees)

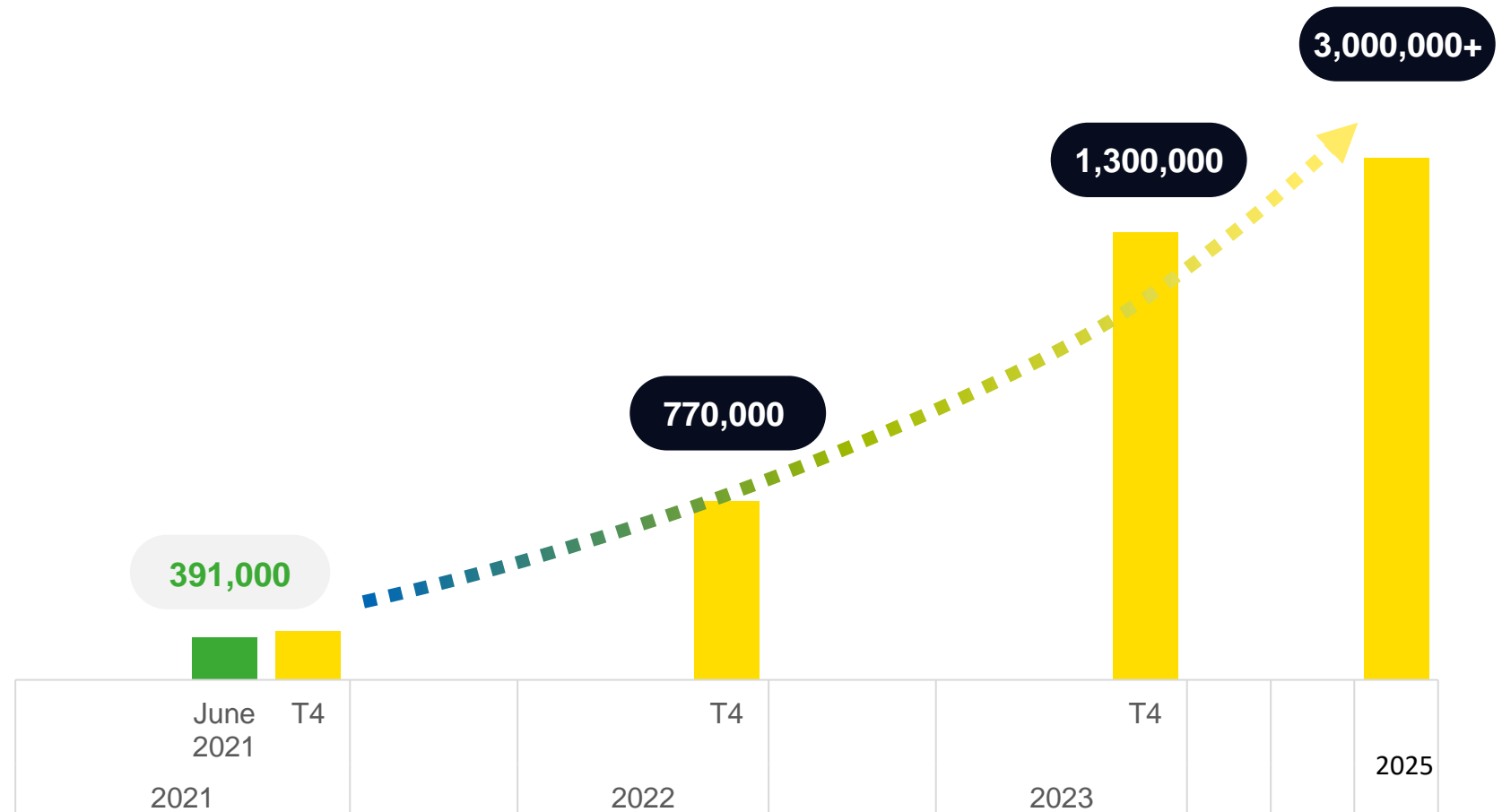
P&L H1 2021

- **Growth:** +14% vs. H1 2020
- **Cost of sales:** +24% due to the change in distribution mix
- **Operating income:**
-5,7 M€ vs. -4,7 M€ at 30 June 2020
 - Technological and development costs: +24% due to the development of new platform features
 - Sales and marketing costs: +11%
 - General & administrative expenses: +7%

| IFRS In K€ | 30.06.2021 | 30.06.2020 | Change |
|--|---------------|---------------|----------------|
| Revenue* | 15,621 | 13,668 | +14.3% |
| Cost of sales | -8,009 | -6,458 | +24.0% |
| Gross profit | 7,613 | 7,211 | +5.6% |
| Gross profit percentage of revenue | 49% | 53% | -4 pts |
| Technological and development costs | -2,368 | -1,913 | +23.8% |
| Sales and marketing costs | -8,293 | -7,460 | +11.2% |
| General and administrative expenses | -2,665 | -2,498 | +6.7% |
| Operating income | -5,713 | -4,660 | -22.6% |
| Net financial expense | -211 | -183 | -15.3% |
| Net income from continuing operations | -5,936 | -4,689 | -26.6% |
| Net income from discontinued operations | - | 105 | Ns |
| Consolidated net income | -5,936 | -4,584 | -29.5% |
| Cash position at end of period | 8,515 | 4,007 | +112.5% |

Adjustment of subscriber and channel growth targets

- 390,000 subscribers by end of June 2021
- 2023: nearly 1.3 million subscribers and operating breakeven
- 30,000 subscribers on average per leading channel
- Channel launch target lowered to 160 by end of 2022 to focus on high-potential channels



Nearly 125 people serving the project

Operational organization chart

