HALF YEARLY FINANCIAL REPORT

30 JUNE 2020

Roularta Media Group

CONTENTS

1. INTERIM REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

This interim financial report should be read in conjunction with the consolidated balance sheet and income statement of NV Roularta Media Group, and the related selected notes (see item 6 hereafter). This interim report is drawn up in accordance with the Royal Decree of 14 November 2007 concerning the obligations of the issuers of financial instruments.

RESULTS FOR FIRST HALF OF 2020

The increase in subscription revenues and strict cost control limit covid-19 impact and result in a positive EBITDA.

Roularta maintains a strong cash position for the future and continues to roll out its investment plan.

The unexpected emergence of covid-19 is impacting business in Belgium and the rest of the world. The media sector, like most sectors, is being tested. After the solid results in the first months of the year, the impact of the pandemic is being clearly felt at Roularta. Thanks to our strategy of extreme focus on the reader, our brands were consulted more than ever during the lockdown. Roularta is in a privileged position given the Group's high-quality brands and strong balance sheet.

The Group's first priority remains the safety of all employees, customers and suppliers at the various sites. And indeed many measures have been taken to ensure the safety of all. The guidelines have been strictly followed, ensuring the continuity of our activities.

Revenue for the first half of the year amounted to € 120.6 million vs. € 147.9 million last year. This decrease of 18.5% is mainly reflected in the decline in advertising revenues and printed matter for third parties, and the cancellation of events and discontinuation of reader travel due to the pandemic.

Subscription revenues on the other hand have risen sharply (€ +2.9 million) compared to the same period last year. This is thanks to the successful implementation of the subscription strategy for the women's brands, the roll-out of the New Deal for the news & business brands, the desire of the people of Belgium for quality magazine brands during the lockdown, and the full consolidation of Senior Publications NV (*Plus Magazine*) since March 2020. A trend that will further be pursued in the second half of the year. More than ever, qualitative journalism responds to the needs in uncertain times.

The Group performed a covid-19 stress test and concluded that its status as a going concern is guaranteed. An impairment test was performed on all brands of the Group that show a value on the balance sheet. In addition, the Group has several brands, such as *Knack*, *Trends/Tendances*, *De Zondag*,... that are not expressed on the balance sheet.

Thanks to efficiency projects, already started in 2019, the Group has reduced the costs for services. The use of the temporary unemployment scheme also lowered personnel costs. In addition, the Group realised a capital gain through the sale of several buildings, bringing EBITDA to € 5.4 million vs. € 10.7 million last year, or 4.5% of turnover compared to 7.2% last year.

In the print shop, thanks to the efforts of employees, work largely continued during and after the lockdown period. Many external print orders were cancelled. We presently are seeing increased activity again, but not yet at 'pre-covid-19 levels'. In the summer of 2019, the Group decided to replace the oldest magazine printing press with a state-of-the-art Lithoman. covid-19 has had no impact on the installation of the new printing press, which will be operational from November 2020, as planned.

Thanks to strong teamwork, the editors were able to process our newspapers and magazines via home working, and these in-house print orders were always printed and put on the market on time. All news coverage also continued 24/7 online. The integration of *Plus Magazine* into the Group from March was not disrupted by the pandemic, as a result of which revenue and cost synergies are already visible.

Mediafin (50% Roularta - *De Tijd/L'Echo*) is also showing stronger revenues from the readership market compared to last year, but for the moment this is being offset by declining advertising revenues due to covid-19.

Roularta's strong balance sheet, both in terms of liquidity with a net cash position of € 93.1 million and solvency, ensures that Roularta is well-equipped for the future. This also ensures that a number of subsidiaries do not need to release funds for dividends and thus can use their resources to focus on their strategy and strengthen the balance sheet.

1. FINANCIAL KEY FIGURES FOR THE FIRST HALF OF 2020

1.1 Consolidated key figures

in thousands of euros	30/06/2020	30/06/2019	Trend	Trend (%)
INCOME STATEMENT				
Sales	120,635	147,949	-27,314	-18.5%
Adjusted sales [1]	*119,606*	*147,949*	*-28,343*	-19.2%
EBITDA [2]	5,438	10,713	-5,275	-49.2%
EBITDA - margin	*4.5%*	7.2%		
EBIT [3]	-1,552	3,899	-5,451	-139.8%
EBIT - margin	*-1.29%*	2.6%		
Net finance costs	-83	-36	-47	130.6%
Income taxes	233	-70	303	-432.9%
Net result	**-1,402**	**3,793**	**-5,195**	**-137.0%**
Attributable to minority interests	-129	-342	213	-62.3%
Attributable to equity holders of RMG	-1,273	4,136	-5,409	-130.8%
Net result attributable to equity holders of RMG - margin	*-1.1%*	2.8%		-100.0%
Number of employees at closing date [4]	1,191	1,248	-57	-4.6%

[1] Adjusted sales = sales on a like-on-like basis with 2019, excluding changes in the consolidation scope
[2] EBITDA = EBIT + depreciations, write-downs and provisions
[3] EBIT = operating profit, including the share in the result of associated companies and joint ventures
[4] Joint ventures (Mediafin, Bayard etc.) not included

Consolidated revenue from the first half of 2020 declined by 18.5 %, from € 147.9 to € 120.6 million.

This decrease is almost entirely due to falling advertising income (-35.5%) and printing for third parties (-18.2%). The decrease is noticeable for all products. As a result of covid-19, advertising income decreased much more than the average trend line.

On the other hand, there was a historic increase in subscriptions (+8.4%) for the news and business magazines as well as for the women's magazines. Across the brands, newsstand sales remained more or less in line with 2019, with the exception of *Sport-Voetbal* magazine, whose publishing was interrupted for several months due to the suspended football season, and *Nest,* which was recently integrated into *Libelle* as a special section.

The Group estimates the total covid-19 impact on consolidated revenue at € 20.6 million.

EBITDA decreased from € +10.7 million to € +5.4 million. EBITDA amounted to 4.5% of revenue compared to 7.2% in the first half of 2019. The decline is the result of a decrease in EBITDA in the fully consolidated entities (€ -4.7 million) as well as the associates and joint ventures (€ -0.6 million). The decrease due to reduced revenue was partly offset by strict cost management resulting in lower costs for services and other goods, and reduced personnel costs thanks to the use of the temporary unemployment scheme.

EBIT evolved from € 3.9 million to € -1.6 million, in line with the decrease in EBITDA.

Net financing expenses are in line with the first half of 2019.

The **net result** amounted to € -1.4 million vs. € +3.8 million last year.

Consolidated key figures (€ per share)	in euro	30/06/2020	30/06/2019	Trend
EBITDA		0.43	0.85	-0.42
EBIT		-0.12	0.31	-0.43
Net result attributable to equity holders of RMG		-0.10	0.33	-0.43
Net result attributable to equity holders of RMG after dilution		-0.10	0.33	-0.43
Weighted average number of shares		12,550,800	12,544,690	6,110
Weighted average number of shares after dilution		12,557,458	12,600,426	-42,968

2. DISCUSSION OF THE SEGMENT RESULTS

2.1 Media Brands

in thousands of euros	30/06/2020	30/06/2019	Trend	Trend (%)
INCOME STATEMENT				
Sales	**104,750**	**129,185**	-24,435	-18.9%
Gross margin	**82,803**	**97,602**	-14,799	-15.2%
Gross margin on sales	*79.05%*	*75.6%*		

The Media Brands segment refers to all brands that are marketed by RMG and its investments.

Revenue from the Media Brands segment decreased by 18.9% or € 24.4 million, from € 129.2 million to € 104.8 million.

Advertising
Covid-19 had a major impact on revenue from the Group's free press magazines, which were not published for several weeks when shops were required to close. Advertising revenue decreased by 48.8% compared to the first half of 2019.
Newspaper advertising revenue fell by 19.3% while magazine advertising revenue fell by 25.4%.
Advertising income from the various internet sites fell by 23.9%.

Readership market
Revenue from the readership market (newsstand sales and subscriptions) increased by 3.9% compared to the first half of 2019. In line with the government's request and the desire of our readers, all news, business and women's magazines continued to be published. All digital channels continued to provide 24/7 reporting. **Gross margin** increased from 75.6% to 79%. This increase is mainly due to a change in product mix (fewer free press titles) as a result of covid-19. In absolute value, gross margin decreased by € 14.8 million to € 82.8 million.

2.2 Printing Services

in thousands of euros	30/06/2020	30/06/2019	Trend	Trend (%)
INCOME STATEMENT				
Sales	30,501	40,011	-9,510	-23.8%
Gross margin	16,480	20,103	-3,623	-18.0%
Gross margin on sales	*54.0%*	*50.2%*		

The 'Printing Services' segment refers to pre-press and print shop activities for internal brands and external customers.

Revenue from the Printing Services segment fell by € 9.5 million or 23.8%, from € 40.0 million to € 30.5 million.

€ 6.1 million of the decrease of € 9.5 million came from in-house printing, mainly due to free press titles, and € 3.4 million from external printing. In absolute value, gross margin decreased by € 3.6 million to € 16.5 million.

Gross margin in percent of revenue rose from 50.2% to 54%. This can mainly be explained by a drop in the price of paper.

3. CONSOLIDATED BALANCE SHEET

Balance sheet in thousands of euros	30/06/2020	31/12/2019	Trend (%)
Non-current assets	183,220	182,720	0.3%
Current assets	157,610	170,695	-7.7%
Balance sheet total	340,830	353,414	-3.6%
Equity - Group's share	226,670	227,846	-0.5%
Equity - minority interests	449	578	-22.3%
Liabilities	113,711	124,990	-9.0%
Liquidity [5]	1.6	1.6	2.8%
Solvency [6]	66.6%	65%	3.1%
Net financial debt [7]	-93,068	-95,936	-3.0%
Gearing [8]	-41.0%	-42.0%	-2.4%

[5] *Liquidity = current assets / current liabilities*

[6] *Solvency = equity (Group's share + minority interests) / balance sheet tota*

[7] *Net financial debt = financial debts minus current cash*

[8] *Gearing = net financial debt/equity (Group's share + minority interests)*

Equity – Group Share amounted to € 226.7 million on 30 June 2020 compared to € 227.8 million on 31 December 2019. The movement in equity mainly consists of the loss attributable to RMG shareholders in the first half of 2020 (€ 1.3 million). No dividend was paid on the 2019 result.

RMG remains free of any bank debts. As of 30 June, 2020 the **consolidated net financial cash position** (= current cash less financial debts) amounted to € 93.1 million vs. € 95.9 million as of December 2019, or a decrease of € 2.9 million. Cash was generated mainly from operational activities (€ 2.6 million) and from the sale of buildings (€ 1.6 million). In addition, € 6.4 million was invested in tangible and intangible fixed assets. Net cash flow from financing activities amounted to € -1.2 million and mainly comprises the repayment of the IFRS 16 lease liabilities.

4. INVESTMENTS (CAPEX)

Total consolidated investments in the first half of 2020 amounted to € 6.4 million (2019: € 2.8 million): mainly € 1.8 million in investments in new software (2019: € 1.4 million) and € 4.4 million in tangible fixed assets. The latter mainly concerns the installation of the new Lithoman printing press (advance payment of € 3.2 million in the first half of 2020). No investments were postponed as a result of covid-19.

5. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2020 AND THEREAFTER

- At the end of February, Roularta became 100% owner of *Plus Magazine Belgium* (Senior Publications NV) and sold the non-core German children's magazines (Sailer entities).

- Dilution of equity interest in Proxistore (from 24.9% to 14.0%) in February 2020 after a capital increase in which Roularta Media Group NV did not participate with new cash.

- Cessation of Storesquare activity on 28 February 2020.

- End of April 2020 sale of the loss making 50% stake in *Regionale Media Maatschappij*.

- In May 2020, the general meeting confirmed the decision not to pay a dividend.

- In May 2020, Belfius took a 30% stake in Immovlan. With this investment, Belfius – like Roularta (35%) and the Rossel group (35%) – became a reference shareholder of Immovlan, which until then had been a 50/50 joint venture between Roularta Media Group (RMG) and Rossel. The new entity will be established in the second half of the year after the approval of this transaction by the competition authority.

- In June 2020, Roularta made a binding offer on two French-language television magazines *Moustique* and *Télé Pocket*, but the purchase did not go through.

- Merger of Senior Publications NV with RMG on 1 July 2020.

6. PROSPECTS

These prospects do not take into account a possible second substantial covid-19 wave.

The prospects for the second half of the year remain positive in terms of subscription revenues. Roularta has succeeded in converting the desire of Belgians for high-quality magazine brands into long-term subscriptions. We expect the trend in newsstand sales to be in line with the current market.

Despite covid-19, the activities in the Printing Services segment largely continued thanks to the efforts of employees. For the second half of the year, we expect the number of print orders as well as the volume per print order to remain below the pre-covid-19 level, but higher than in the second quarter. On the positive side, Roularta was recently promised new print orders, thanks to our continuity and quality of service. We are confident that the replacement investment in a new Lithoman magazine press will become operational as planned in November, which should ensure the smooth continuation of in-house and external print orders.

Especially due to covid-19, advertising revenue will remain substantially lower and very volatile for printing activities, audiovisual media and internet activities. Large fluctuations from month to month and late bookings continue, resulting in insufficient visibility to make a further forecast for 2020.

In the second half of the year, the planned revenue and costs from events and travel largely disappeared and will depend on further decisions by the various authorities.

2A. CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

in thousands of euros	30/06/2020	30/06/2019	Trend
Sales	**120,635**	**147,949**	**-27,314**
Own construction capitalised	1,239	1,113	126
Raw materials, consumables and goods for resale	-23,151	-32,538	9,387
Gross margin	**98,723**	**116,524**	**-17,801**
% on sales	*81.8%*	*78.8%*	
Services and other goods	-51,658	-56,489	4,831
Personnel	-45,036	-49,975	*4,939*
Other operating result	2,865	-474	*3,339*
Share in the result of associated companies and joint ventures	544	1,127	-583
EBITDA	**5,438**	**10,713**	**-5,275**
% on sales	*4.5%*	*7.2%*	
Depreciation, write-down and provisions	-6,990	-6,814	-176
Depreciation and write-down of intangible and tangible assets	*-6,260*	*-6,480*	*220*
Write-down of debtors and inventories	*-396*	*-10*	*-386*
Provisions	*-334*	*-323*	*-11*
Operating result - EBIT	**-1,552**	**3,899**	**-5,451**
% on sales	*-1.3%*	*2.6%*	
Interest income	49	81	-32
Interest expenses	-132	-116	-16
Income taxes	233	-70	303
Net result	**-1,402**	**3,793**	**-5,195**
% on sales	-1.2%	2.6%	
Attributable to:			
Minority interests	-129	-342	213
Equity holders of Roularta Media Group	**-1,273**	**4,136**	**-5,409**

2B. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

in thousands of euros	30/06/2020	30/06/2019
Net result of the consolidated companies	-1,402	3,793
Other comprehensive income of the period		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Other comprehensive income not te be reclassified to profit or loss in subsequent periods		
Other comprehensive income of the period	-	-
Total comprehensive income of the period	-1,402	3,793
Attributable to:		
Minority interests	-129	-342
Equity holders of Roularta Media Group	-1,273	4,136

3. CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)

ASSETS in thousands of euros	30/06/2020	31/12/2019	Trend
Non-current assets	**183,220**	**182,720**	**500**
Intangible assets	54,776	54,734	42
Property, plant and equipment	61,494	59,894	1,600
Investments accounted for using the equity method	58,577	60,042	-1,465
Available-for-sale investments, loans and guarantees	2,701	2,402	299
Trade and other receivables	122	100	22
Deferred tax assets	5,550	5,548	2
Current assets	**157,610**	**170,695**	**-13,085**
Inventories	5,257	6,047	-790
Trade and other receivables	42,576	60,061	-17,485
Tax receivable	585	688	-103
Cash and cash equivalents	97,849	101,438	-3,589
Deferred charges and accrued income	11,343	2,460	8,883
Total assets	**340,830**	**353,414**	**-12,584**

LIABILITIES	in thousands of euros	30/06/2020	31/12/2019	Trend
Equity		**227,120**	**228,424**	**-1,304**
Group's equity		226,670	227,846	-1,176
Issued capital		*80,000*	*80,000*	*-*
Treasury shares		*-23,594*	*-23,643*	*49*
Retained earnings		*165,336*	*166,610*	*-1,274*
Other reserves		*4,928*	*4,879*	*49*
Minority interests		449	578	-129
Non-current liabilities		**17,270**	**17,626**	**-356**
Provisions		7,742	8,268	-526
Employee benefits		5,533	5,180	353
Deferred tax liabilities		199	142	57
Financial debts		3,509	3,748	-239
Other payables		287	287	-
Current liabilities		**96,441**	**107,364**	**-10,923**
Financial debts		1,272	1,754	-482
Trade payables		30,231	45,321	-15,090
Advances received		25,915	25,794	121
Employee benefits		17,019	16,513	506
Taxes		1,062	338	724
Other payables		8,836	10,884	-2,048
Accrued charges and deferred income		12,107	6,759	5,348
Total liabilities		**340,830**	**353,414**	**-12,584**

4. CONDENSED CONSOLIDATED CASH FLOW STATEMENT (unaudited)

Cash flow relating to operating activities	in thousands of euros	30/06/2020	30/06/2019
Net result of the consolidated companies		-1,402	3,793
Share in the results of associated companies and joint ventures		-544	-1,127
Dividends received from associated companies and joint ventures		1,250	5,530
Income tax expense / income		-233	70
Interest expenses		132	116
Interest income (-)		-49	-81
Gains (-) / losses (+) on disposal of intangible assets and property, plant and equipment		-1,308	-17
Non-cash items		6,016	6,835
Depreciation of (in)tangible assets		*6,260*	*6,480*
Share-based payment expense		*49*	*21*
Increase (+) / decrease (-) in provision		*334*	*323*
Other non-cash items		*-627*	*10*
Gross cash flow relating to operating activities		**3,863**	**15,119**
Increase / decrease in trade receivables		18,925	2,336
Increase / decrease in inventories		837	24
Increase / decrease in trade payables		-16,290	-2,935
Other increases / decreases in working capital (a)		-4,750	-2,500
Increase / decrease in working capital		**-1,279**	**-3,075**
Income taxes paid		83	-355
Interest paid		-131	-116
Interest received		50	82
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)		**2,586**	**11,656**

(a) Changes in current other receivables, deferred charges and accrued income, provisions, employee benefits, other payables, advances received and accrued charges and deferred income.

Cash flow relating to investing activities	in thousands of euros	30/06/2020	30/06/2019
Intangible assets - acquisitions		-1,973	-1,390
Tangible assets - acquisitions		-4,422	-1,388
Tangible assets - other movements		1,638	21
Net cash flow relating to acquisition of subsidiaries and sector acquisitions		-299	-7,868
Net cash flow relating to disposal of subsidiaries and sector acquisitions		200	-
Net cash flow relating to loans to investments accounted for using the equity method		-175	-
Available-for-sale investments, loans, guarantees - other movements		17	32
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)		-5,014	-10,593
Cash flow relating to financing activities			
Dividends paid		-	-6,273
Treasury shares		49	41
Proceeds from current financial debts		-	64
Redemption of current financial debts		-509	-
Repayment of leasing debt		-704	-700
Decrease in non-current receivables		3	119
NET CASH FLOW RELATING TO FINANCING ACTIVITIES (C)		-1,161	-6,749
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		-3,589	-5,686
Cash and cash equivalents, beginning balance		101,438	95,956
Cash and cash equivalents, ending balance		97,849	90,270
NET DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS		-3,589	-5,686

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

in thousands of euros	Issued capital	Treasury shares	Retained Earnings	Other reserves	Trans-lation differ-ences	Equity - Group's share	Minority Interests	Total equity
Balance as of 01/01/2020	80,000	-23,643	166,610	4,879	-	227,846	578	228,424
Total comprehensive income of the period	-	-	-1,273	-	-	-1,273	-129	-1,402
Other coprehensive income for the period, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-1,273	-	-	-1,273	-129	-1,402
Operations with own shares	-	49	-	-	-	49	-	49
Recognition of share-based payments	-	-	-	49	-	49	-	49
Balance as of 30/06/2020	80,000	-23,594	165,336	4,928	-	226,670	449	227,120

in thousands of euros	Issued capital	Treasury shares	Retained Earnings	Other reserves	Trans-lation differ-ences	Equity - Group's share	Minority Interests	Total equity
Balance as of 01/01/2019	80,000	-23,705	162,134	4,175	-43	222,561	1,100	223,661
Total comprehensive income of the period	-	-	4,092	-	43	4,135	-342	3,793
Other coprehensive income for the period, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	4,092	-	43	4,135	-342	3,793
Operations with own shares	-	41	-	-	-	41	-	41
Recognition of share-based payments	-	-	-	21	-	21	-	21
Dividends	-	-	-6,273	-	-	-6,273	-	-6,273
Balance as of 30/06/2019	80,000	-23,664	159,954	4,197	-	220,485	757	221,244

6. SELECTED NOTES TO THE HALF-YEARLY FINANCIAL REPORT

6.1 PRINCIPLES OF THE INTERIM FINANCIAL REPORTING

The summary unaudited interim financial statements have been drawn up in conformity with IAS 34 Interim Financial Reporting as approved by the EU.
The interim financial statements were approved by the members of the board of directors on 14 August 2020.

6.2 VALUATION RULES

When preparing the interim financial reporting, the same IFRS principles for recognition and measurement were applied as for the consolidated financial statements as of 31 December 2019. For the new IFRS and improved IAS standards that came into effect on 1 January 2020, we refer to Note 1 in the 2019 annual report. These had no impact on our condensed consolidated interim financial statements.
The following standards and interpretations have been published, but are not yet applicable for the financial year starting 1 January 2020:

- IFRS 17 Insurance Contracts[1]
- Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as short-term or long-term[1]
- Amendments to IAS 16 Property, Plant and Equipment: income obtained for the intended use[2]
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: loss-making contracts – cost to fulfil the contract[2]
- Amendments to IFRS 3 Business Combinations: references to the conceptual framework[2]
- Amendments to IFRS 16 Leases: COVID-19 related lease concessions[3]
- Annual improvements 2018–2020[2]

The Group has not engaged in early application of any standard, interpretation or amendment that has been published but is not yet in effect.

6.3 MAIN RISKS AND UNCERTAINTIES

In preparing this half-year report, the same sources of estimation uncertainty as in the 2019 annual report were taken into account. However, insight into the impact of COVID-19 on the long-term results of the Group could develop further during the second half of the year, as a result of which different positions may be expressed at year-end compared to 30 June 2020.

6.3.1 RISKS RELATED TO POSSIBLE DOWNWARD VALUE ADJUSTMENTS OF GOODWILL, INTANGIBLE OR TANGIBLE FIXED ASSETS

One of the main sources of estimation uncertainty is assessing the useful life of the brands. All brands are a cash-generating unit (CGU) in themselves. The reason for this is that each brand constitutes an identity in itself, with its own strategic positioning, its own target group, its own values, its own marketing and sales approach, and will be managed individually to achieve the highest value per brand.

On 30 June 2020, the Group does not expect any deviation from the expected useful life that was determined at the end of the previous reporting period. On the other hand, as evidenced by the half-year results, revenue and EBITDA

[1] Applicable for financial years starting 1 January 2023, but not yet approved within the European Union
[2] Applicable for financial years starting 1 January 2022, but not yet approved within the European Union
[3] Applicable for financial years starting 1 June 2020, but not yet approved within the European Union

are significantly lower than the first half of 2019 due to COVID-19. The advertising market in particular was hit hard, while the readership market showed an increase compared to last year.

The table below shows the net carrying amount of the brands as of 30 June 2020 and 31 December 2019, and the remaining useful life as of 30 June 2020:

Cash-generating unit	Intangible asset - 2020	Intangible asset- 2019	Total remaining useful life (in years)
Landleven	7,342	7,554	18
STERCK	3,868	3,982	18
Top Uitgaves	2,780	2,954	8
Fiscaal-juridisch	2,720	2,890	8
Le Vif/L'express	1,440	1,530	8
Libelle/Femmes d'Aujourd'hui	23,847	24,513	18
Flair	3,072	3,263	8
Feeling/Gael	933	991	8
La Maison Victor	330	385	3
Shedeals	180	209	3
Zappy Ouders	81	94	3
Communiekrant	266	310	3
Plus magazine BE	1,316	-	19.7
Total Brand value	**48,175**	**48,675**	

To learn whether the lower results up to and including June 2020 may indicate an impairment of one of the above brands, an impairment test was performed on each brand. As of 31 December 2019, there were no indications of impairment, such that no test was performed.

A very conservative approach was used for the impairment test conducted on 30 June 2020. A revised budget was drawn up for the second half of 2020, taking COVID-19 impacts into account. We refer to chapter 6 'Prospects' in our press release. Pandemic year 2020, with current first-half figures plus revised second-half figures, will then be used as the basic scenario for the five future years (2021-2025). Therefore five pandemic years are conservatively assumed.

The assumptions in the test for the future years were identical to those of the impairment test of 31 December 2018, in particular: fixed costs increase by 1% per year, revenue increases on average by 1% per year for advertising and 2% every two years for subscriptions. These increases are all due to inflation. The residual value was determined on the basis of a perpetuity formula, based on a long-term growth rate of 0% and a WACC of 8%. This discount factor is based on a WACC model in which the risk premium and gearing ratio are based on the profile of Roularta Media Group as a whole and on a group of comparable companies. Since the local markets where Roularta Media Group is present exhibit a similar growth and risk profile, RMG management has judged that the same assumptions (growth rate and WACC) can be applied to all brands. In this, the long-term growth rate reflects expectations within the media world.

Based on this very conservative approach, the brands *Landleven*, *Top uitgaves, Fiscaal-juridisch* and *Le Vif/L'express*, *Libelle/Femmes d'Aujourd'hui*, *Shedeals*, *Zappy Ouders*, *Communiekrant* and *Plus Magazine Belgium* are not subject to an impairment. As in the 2018 impairment test, a refined approach was used for the other brands with a revised 2020 budget and an estimate of the cash flows per brand for the next five years. The residual value again was determined on the basis of a perpetuity formula, based on a long-term growth rate of 0% and a WACC of 8%.

This test did not result in an impairment for any brand, but the headroom for the brands *Flair* and *La Maison Victor* is limited.

- 2020 advertising income for *Flair* was materially impacted by COVID-19, but the forecast is to almost return to the 2019 level in 2021. Subscription revenue is expected to increase slightly. New innovations are being implemented to compensate for declining newsstand sales.
- The *La Maison Victor* brand is less dependent on advertising income and foresees a 12% increase in total revenue in 2020 thanks to the higher number of subscribers and greater newsstand sales. For the coming years, we anticipate an 8% (in 2021) and further 4% (in 2022 and future years) increase due to the breakthrough in France and Germany. On the cost side, further integration is also expected with the other women's brands.

For *De Tijd/L'Echo*, the brand of joint venture Mediafin, which realises about half of its revenue through advertisements, a drop in revenue is also expected for the whole of 2020 due to COVID-19. Starting in 2021, the total revenues of 2019 should again be achieved thanks to a growing readership market. IAS 36 Impairment of Assets has been applied whereby the total carrying amount of the investment (and not the goodwill, the brands and the customer portfolio separately) has been tested for impairment as a single asset. In determining the value in use of the net investment, Roularta calculated its share of the present value of the estimated future cash flows that are expected to be generated by Mediafin and compared it with the total carrying amount of the investment. Here too the impairment test did not result in any impairment.

As of 30 June 2020 and 31 December 2019, the following intangible fixed assets are on the Mediafin balance sheet (at 100%) with the following net carrying amounts and remaining useful life:

in thousands of euros	Intangible asset - 2020	Intangible asset- 2019	Total remaining useful life (in years)
De Tijd/L'Echo	77,716	78,748	37.5
Comfi	867	963	7.5
BePublic - BeReal	2,755	2,935	7.5
Klantenrelaties	26,112	26,849	17.5
Goodwill	24,675	24,675	Indefinite
Total	**132,125**	**134,170**	

The intangible fixed assets of Mediafin were valued in the opening balance (at 100%) at € 141.7 million, including the temporary tax differences during useful life of € 29.5 million.

In addition, a sensitivity analysis was performed on the main assumptions of the impairment test. The analysis is based on a change in a key assumption, with all other assumptions remaining constant. This may not be representative of an actual change, since changes in assumptions are unlikely to occur in isolation.

1/ Discount rate
An increase in the WACC by 1% leads to an impairment for the brands *Flair* and *La Maison Victor*. If the WACC increases by 2%, this will also result in an impairment for the *Landleven* brand.

2/ Long-term growth rate of cash flows after the five-year period
A long-term growth rate of -2% (instead of 0%) leads to an impairment for the brands *Flair* and *La Maison Victor*.

3/ Cash flow that serves for perpetuity
If this cash flow is 20% lower, this results in an impairment for the brands *Flair* and *La Maison Victor*. *Landleven* is impacted once this is 30% lower.

6.3.2 CREDIT RISK

There is currently no concentration of significant credit risks, and the necessary provisions have been made for the existing ones in accordance with the valuation rules set out in the 2019 annual report on page 54. On the balance sheet date, it was examined whether certain customers were more affected by COVID-19 than others, as a result of which there would be a possible risk of credit losses. Due to the prepayments, subscribers do not pose a risk. Also for our print, free press and agency customers, we see no changed pattern that would require our valuation rules to be modified. The provision for credit losses still presents a true and fair picture.

6.4 CHANGES IN THE CONSOLIDATED GROUP

Storesquare:
At the beginning of January 2020, Roularta Media Group decided to stop the Storesquare activity from 28 February 2020. This discontinuation had a positive impact on the results for the first half of 2020 since Storesquare was loss-making.

Regionale Media Maatschappij:
In February 2020, RMG received an offer for its 50% investment in Regionale Media Maatschappij (RMM). This entity was consolidated using the equity accounting method. The statutory pre-emptive and tag-along right procedure was initiated by the RMM Board of Directors and at the end of April 2020 the 50% stake was sold for € 0.2 million. The operating results of RMM, including the capital gain on the sale, resulted in a € 0.2 million result at the end of April 2020. We refer to the condensed consolidated cash flow statement on the line 'net cash flow related to sector disposals and divestments'.

Senior Publications NV:
At the end of February 2020, RMG acquired the 50% of shares of Senior Publications NV (*Plus Magazine* in Belgium), which were owned by Bayard Group. Bayard Group in turn acquired the 50% of shares of the Sailer entities (children's magazines *Bimbo*, *Olli & Molli*, ...), which were owned by RMG, for 1 euro. The sale of Sailer will have a limited financial impact on the consolidated balance sheet because the asset was already largely written off in 2018.

By purchasing the remaining 50% shares of Senior Publications NV, Roularta now owns 100% of the shares and the consolidation method has been changed. As of 1 March 2020, the entity is fully consolidated where it was previously recognised using the equity accounting method. As a result, the balance sheet of Senior Publications NV is fully recognised in the consolidated balance sheet as of 30 June 2020. As of 30 June 2020, the income statement of the Group comprises 50% of the result of Senior Publications NV up to and including February (i.e. 50% of € -0.1 million) as 'share in the result of associates and joint ventures' and 100% of the result from 1 March recognised in the consolidated financial statements (i.e. € 1.6 million revenue and € 0.25 million net result). If the Group had already acquired control on 1 January 2020, the impact on the Group's revenue and on the net result would have been € 2.3 million and € 0.15 million respectively.

The step acquisition was accounted for using the acquisition method in accordance with IFRS 3 Business Combinations (revised version). The carrying amount on the acquisition date of the previously held equity interest of Roularta in Senior Publications NV was revalued at fair value on the acquisition date. The resulting profit (€ 0.1 million) was recognised in the income statement under other operating income. There were no costs related to the acquisition.

Plus Magazine is a national monthly that appeals to a wide and growing audience of people over 50. It is an inspiring magazine with 5 important pillars: health, law and finance, society, leisure and lifestyle. The magazine has been providing answers to all the questions that people over 50 have been asking for 35 years, with a focus on testimonials and solutions. The magazine fits the context of the women's brands acquired in 2018. We see good opportunities to broaden the readership in this segment and subscription campaigns are in full swing. On the other hand, there is very little value destruction in our current brands and the acquisition also offers opportunities to realise synergies on the cost side. The recognised intangible fixed asset was therefore booked as a brand with a reputation that can still grow in terms of revenue and EBITDA. As a result, straight-line depreciation is applied over the estimated useful life of 20 years.

The fair values of the identified assets and liabilities on the date of acquisition were as follows:

in thousands of euros	Carrying value at acquisition date	Fair value adjustments	Fair value at acquisitio n date
Intangible assets	-	1,338	1,338
Property, plant and equipment	99	-	99
Available-for-sale investments, loans and guarantees	316	-	316
Other non-current assets	27	-	27
Total non-current assets	**442**	**1,338**	**1,780**
Trade receivables	2,553	-	2,553
Other receivables	366	-	366
Total current assets	**2,919**	**-**	**2,919**
Deferred tax liabilities	-	334	334
Other non-current liabilities	69	-	69
Total non-current liabilities	**69**	**334**	**403**
Trade payables	1,200	-	1,200
Advances received	1,381	-	1,381
Other current liabilities	355	-	355
Total current liabilities	**2,936**	**-**	**2,936**
Cash	1,876	-	1,876
Total net assets acquired	**2,232**	**1,004**	**3,236**

in thousands of euros	
Consideration paid	2,000
Fair value historical investment	1,235
Total	**3,235**
Total net assets acquired	2,232
Allocated consideration	**1,003**
Acquired intangible assets	**1,338**
Deferred tax liabilities on intangible assets	**-334**

A net outgoing cash flow of € 0.1 million was realised on the transaction and includes, on the one hand, the price paid of € 2.0 million, and on the other, the cash that was present in the Senior entity and that is now fully consolidated in the Group.

Net cash out on the acquisition of the remaining 50% shares of Senior BE:

in thousands of euros	
Consideration paid	2,000
Cash acquired on acquisition	1,876
Net cash-out on acquisition	**124**

Proxistore:

On 21 February 2020, a capital increase was carried out in Proxistore in which Roularta Media Group NV did not participate. As a result, the ownership percentage was diluted to 14.0% versus 24.9% at the end of December 2019, and a capital gain of € 0.6 million was realised on this transaction. As a result, Proxistore is no longer consolidated under the equity accounting method.

Immovlan:
At the beginning of June 2020, Belfius made a binding offer for 30% of the shares of a new company to be established in which the activities of Immovlan and Vacancesweb will be incorporated. Subject to the approval of the competition authority of this transaction, Belfius, like Roularta (35%) and the Rossel group (35%), will become co-shareholder of the BV Immovlan in formation.
This investment is part of a strategic cooperation agreement between Belfius and Immovlan, whereby they combine their digital expertise and further diversify their service offerings in residential real estate. Together, the three Belgian shareholders are joining forces to make Immovlan the digital reference real estate platform on the Belgian market, and to guide customers in a uniquely integrated way through all phases of their real estate projects. The new entity, Immovlan BV, will be established in the second half of 2020 after approval by the competition authority.The activities Immovlan and Vacancesweb are today still part of SA CTR Media (50% RMG / 50% Rossel).

6.5 SEGMENT REPORTING

In accordance with IFRS 8 *Operating segments*, the management approach for financial reporting of segmented information is applied. According to this standard, the segmented information to be reported must be consistent with the internal reports used by the main operational decision-making officers, on the basis of which the internal performance of Roularta's operating segments is assessed and resources are allocated to the different segments. As of 2018, Roularta Media Group NV, its subsidiaries and joint ventures ('RMG' or 'the Group') report the annual and half-year results according to two segments.

The Media Brands segment refers to all brands that are marketed by RMG and its investments. This includes all sales of advertising, subscriptions, newsstand sales and line extensions of the brands.

The Printing Services segment represents the pre-press and printing activities for in-house brands and external customers. Pre-press activities refer to the work of compiling the magazines before they roll off the printing presses or are published on the website.

As indicated earlier, only consolidated figures are provided and these segments are reported to gross margin level. There is a strong interrelation between these segments, and supporting services are extensively shared. A change in the allocation of these costs means a significant fluctuation in EBITDA, such that reporting may not be consistent.

30/06/20 in thousands of euros	Media Brands	Printing	Total	Inter-segment elimination	Consolidated total
Sales of the segment	**104,750**	**30,501**	**135,251**	**-14,616**	**120,635**
Sales to external customers	*104,710*	*15,925*	*120,635*	-	*120,635*
Sales from transactions with other segments	*40*	*14,576*	*14,616*	*-14,616*	-
Gross margin (*)	**82,803**	**16,480**	**99,283**	**-560**	**98,723**
Not allocated result (**)					-100,125
Net result					**-1,402**

30/06/19 in thousands of euros	Media Brands	Printing	Total	Inter-segment elimination	Consolidated total
Sales of the segment	**129,185**	**40,011**	**169,196**	**-21,247**	**147,949**
Sales to external customers	*128,576*	*19,373*	*147,949*	-	*147,949*
Sales from transactions with other segments	*609*	*20,638*	*21,247*	*-21,247*	-
Gross margin (*)	**97,602**	**20,103**	**117,705**	**-1,181**	**116,524**
Not allocated result (**)					-112,731
Net result					**3,793**

(*) Gross margin is revenue plus the fixed assets produced, less merchandise, raw materials and consumables.
(**) Services and other goods, personnel charges, other operating income/expenses, share in the result of associated companies and joint ventures, depreciations, impairments losses and provisions, financial income and expenses, income taxes.

6.6 PENDING DISPUTES

There are no material changes regarding the pending disputes as disclosed in Note 26 of the 2019 annual report.

6.7 MAIN CHANGES IN (IN)TANGIBLE FIXED ASSETS AND GOODWILL

Investments of € 6.4 million were made in the first half of 2020 (2019: € 2.8 million) in intangible and tangible fixed assets. Investments in intangible fixed assets mainly concern software (€ 1.8 million). In addition to investments in property, plant and equipment (€ 0.6 million), investments in tangible fixed assets mainly concern fixed assets under construction (€ 3.8 million). The latter includes a prepayment of € 3.2 million for the installation of the new Lithoman printing press. COVID-19 has had no impact on the installation of the new printing press, which will be operational from November 2020, as planned.

As a result of COVID-19, there are no rent concessions or changes to the lease contracts on 30 June 2020. As a result, the right-of-use assets and lease liabilities were unchanged on the balance sheet date. COVID-19 also did not result in an impairment indicator for one of the right-of-use assets.

6.8 WORKING CAPITAL

6.8.1 INVENTORIES

COVID-19 has had no impact on the write-down of inventories since future sales prices will not fall nor are inventories subject to decline. The valuation rules as described in the 2019 annual report still apply.

6.8.2 TRADE RECEIVABLES

In line with the decreased revenue, trade receivables decreased from € 58.1 million on 31/12/2019 to € 40.2 million on 30/06/2020. DSO increased from 61 days at the end of 2019 to 66 days on 30 June 2020.

6.8.3 TRADE AND OTHER PAYABLES

Trade and other payables were also impacted by the drop in revenue as a result of COVID-19, and fell from € 45.3 million at the end of 2019 to € 30.2 million on 30/06/2020.

6.9 TREASURY SHARES

No use was made of the authorisation in the articles of association to buy back company shares, renewed by the general meeting of 16 May 2017. During the first half of 2020, 4,175 treasury shares were granted to option holders when exercising their options.

6.10 LONG AND SHORT-TERM FINANCIAL DEBTS

No new bank loans were concluded in the first half of 2020, and Roularta remains free of bank debt. New lease liabilities of € 0.4 million were recognised during the first 6 months of 2020. € 5.8 million in guarantees are outstanding, mainly for the new Lithoman printing press (€ 4.7 million) and BPost (€ 0.9 million).

6.11 FAIR VALUE OF THE FINANCIAL INSTRUMENTS

The fair value approximates the carrying amount for the financial instruments.

6.12 RESULTS

6.12.1 REVENUE

Consolidated revenue decreased by 18.5% compared to the first half of 2019. Adjusted revenue (excluding changes in the scope of consolidation) fell by 19.2%. For a discussion of this evolution, we refer you to the press release on the half-year results and the interim report of the Board of Directors that was included earlier in this half-year financial report.

COVID-19 has had no impact on revenue recognition. The valuation rules as described in the 2019 annual report still apply.

6.12.2 RAW MATERIALS, CONSUMABLES AND GOODS FOR RESALE

These costs decreased by € 9.4 million compared to the first half of 2019. In terms of percentage, costs compared to revenue decreased from 21.2% in the first half of 2019 to 19.2% in 2020. The decrease in this percentage can be explained by the changed product mix (fewer free press titles with a lower gross margin) as a result of COVID-19, but also by a decrease in paper prices. The supply of raw materials was not affected by the COVID-19 lockdown.

6.12.3 SERVICES AND OTHER GOODS

Services and other goods amount to € 51.7 million (2019: € 56.5 million). The largest decreases compared to last year are found under the items “Transport and distribution costs” (decrease of € 2.6 million), “Fees” (decrease of € 1.9 million) and under the item “Temporary employees” (decrease of € 0.8 million). The main reason for the decrease in costs in the aforementioned categories is cost control as a result of the lower activity of the Group due to COVID-19.

6.12.4 PERSONNEL

Personnel charges decreased by € 4.9 million compared to the first half of 2019. The decrease is largely due to the temporary unemployment that Roularta made use of in the second quarter as a measure to limit the impact of COVID-19.

6.12.5 OTHER OPERATING INCOME AND EXPENSES

In the first six months of 2020, revenue of € 2.9 million was reported (2019: cost of € 0.5 million) or a difference of € +3.3 million compared to last year. The trend can mainly be explained by the realisation of a capital gain on the sale of two Roularta buildings (€ +1.3 million), the capital gain on the dilution of the ownership percentage in the entity Proxistore, and a decrease in the municipal tax on door-to-door magazines (€ 0.6 million) since fewer such magazines were distributed during the COVID-19 lockdown.

6.12.6 SHARE IN THE RESULT OF ASSOCIATED COMPANIES AND JOINT VENTURE

Mediafin and the Bayard entities (without the loss making Sailer entities as of 1 March 2020) also suffered a negative impact from COVID-19, causing their result in the first half to fall from € 1.4 million in 2019 to € 0.8 million in 2020. The other associates and joint ventures remained stable.

in thousands of euros	30/06/2020	30/06/2019
Bayard Group	560	375
Mediafin	247	1,006
Other	-263	-254
	544	**1,127**

6.12.7 DEPRECIATION AND IMPAIRMENT LOSSES

Depreciation amounted to € 6.3 million and is in line with the previous year (€ 6.5 million). No impairments were booked in 2019 or 2020.

6.12.8 FINANCIAL INCOME AND EXPENSES

These are in line with last year since there are no outstanding financial debts. As of 2019, interest costs also include the interest expenses arising from the application of IFRS 16.

6.13 TAXES

The effective tax burden is influenced by a number of factors that have an impact on the tax base. Roularta Media Group NV has carried forward tax losses. Deferred tax assets at the end of the first half of 2020 were held equal to the position at the end of December 2019. The deferred tax income that will follow from the recognised brand '*Plus Magazine*' will result in a higher recovery of tax-losses carried forward. A deferred tax asset of € 0.3 million was booked for this.

6.14 AFFILIATED PARTIES

The affiliated parties of Roularta Media Group NV consist of the subsidiaries, joint ventures, associates, other affiliated parties, management and executives. With the exception of Senior Publications NV (see 'Changes in Group'), the composition of the affiliated parties, the nature of the transactions and the outstanding balances have not changed significantly compared to the financial statements on 31 December 2019.

6.15 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred that have a major influence on the results and financial position of the company.

6.16 SEASONAL CHARACTER OF BUSINESS ACTIVITIES

The half-year results normally show limited seasonal fluctuations. Where revenue is typically lower in January and February of the first half of the year, the same occurs in July and August of the second half of the year. The acquisition of the women's brands caused a significant shift in revenue to the fourth quarter in 2018 and 2019. However, as a result of the COVID-19 pandemic, we are unable to draw any conclusions regarding the seasonal nature of our business activities in 2020.

7. MAIN RISKS AND UNCERTAINTIES FOR THE REMAINING MONTHS OF THE FINANCIAL YEAR

For the main risks and uncertainties, we refer you to the 2019 annual report (Annual Report of the Board of Directors), pages 27 to 29.

This annual report refers to economic conditions as one of the main risks and uncertainties. The spread of the COVID-19 virus and the strict precautions taken by governments worldwide to fight the virus have had a huge impact on our society and on the economy in general. Roularta Media Group has also taken important and far-reaching safety measures to ensure the safety and health of its employees, customers and business partners. In these difficult times, Roularta – along with all of its employees – continued to assume its civic responsibility as a media company, and provide high-quality independent and reliable information to the public on COVID-19 and other important topics. Roularta continued to produce and distribute all newspapers and magazines through press outlets and by mail services, which continued to operate normally during the lockdown period. All editorial offices remained operational and all digital channels continued to provide 24/7 reporting. Temporary unemployment will continue to be introduced for related activities where necessary for as long as necessary.

As indicated at the beginning of this half-year report, the stagnation of economic life has undeniably had a significant impact on the company, its activities and its financial results. However, it is impossible to predict the ultimate impact the coronavirus will have on our business performance for the full year 2020. We expect the advertising market, which still represents 34% of Roularta's revenue, to continue to suffer from the virus. Printing activities for third parties, which represent 15% of Roularta's revenue, are also significantly impacted by cancellations or requests from customers for postponement. Events and other line extensions (e.g. cruises) may also come under further pressure due to social distancing measures. The magazines of Roularta Media Group continue to be prepared, printed and distributed as usual.

At the time of publication of the 2019 annual report, management had examined, through a stress test, the implications for its activities of the halt of economic activity in Belgium due to the corona virus. It was decided that the continuity (status as going concern) of the Group and its activities is still guaranteed. The stress test was repeated on 30 June 2020, with the same conclusion as a result.

8. DECLARATION CONCERNING THE INFORMATION GIVEN IN THIS HALF-YEARLY FINANCIAL REPORT

The undersigned declare that, to the best of their knowledge,

- the abbreviated financial overviews, which have been drawn up in accordance with the applicable standards for annual financial statements, give a true and fair view of the net assets, the financial situation and the results of Roularta Media Group and of the companies included in the consolidation;
- the interim financial report presents a true and fair view of the key events and principal transactions with affiliated parties during the first six months of the current financial year and of their impact on the abbreviated financial overviews, as well as a description of the principal risks and uncertainties during the remaining months of the financial year.

Rik De Nolf, Chairman of the Board of Directors

Xavier Bouckaert, CEO

Jeroen Mouton, CFO