

EUROPACORP

P R E S S R E L E A S E

Annual Results for 2023/2024

- EuropaCorp recorded a positive net result of €0.9m, thanks to the sustained activity of its catalogue, the relaunch of its productions and the ongoing control of overheads, which are still on a downward trend
- Consolidated annual revenues came to €35.3m, down slightly (-6%) on the previous year
- Cost of sales was up by €2.7m due to higher depreciation on line-up films, but thanks in particular to further savings in overheads, down by €2.7m (-19%), operating profit was €3.6m (same margin of 10% as last year)
- Net operating cash flow was positive at €18.4m, enabling the Group to finance its investments in films and Safeguard Plan deadlines while maintaining a high level of available cash
- Regarding the upcoming line-up, an English-language film will be released in cinemas in the 3rd quarter of 2024, and two others are currently being filmed

Paris, 21 June 2024 – EuropaCorp, one of Europe's leading independent film studios, producer and distributor of motion pictures, announces its consolidated annual results, approved by the Board of Directors on June 20, 2024, for the year ended March 31, 2024.

| Profit & Loss – in millions of euros | 31 March 2024 | 31 March 2023 | Variation (€M) |
|---|----------------------|----------------------|-----------------------|
| Turnover | 35,3 | 37,5 | -2,2 |
| Cost of sales | (22,9) | (20,2) | -2,7 |
| Operating margin | 12,4 | 17,3 | -4,9 |
| <i>% of revenue</i> | <i>35%</i> | <i>46%</i> | |
| Overheads | (11,2) | (13,8) | 2,7 |
| Other income and expenses | 2,3 | 0,5 | 1,8 |
| Operating profit (loss) | 3,6 | 3,9 | -0,3 |
| <i>% of revenue</i> | <i>10%</i> | <i>10%</i> | |
| Financial result | (2,7) | (3,6) | 0,9 |
| Current income before income tax | 0,9 | 0,3 | 0,6 |
| Tax | (0,0) | (0,3) | 0,3 |
| Equity in net earnings of associated companies | 0,0 | 0,0 | 0,0 |
| Net income | 0,9 | 0,1 | 0,8 |
| <i>% of revenue</i> | <i>2%</i> | <i>0%</i> | |

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- **Revenues went from €37.5m to €35.3m, mainly due to lower International Sales than in the previous year (on deliveries of line-up films abroad and royalties received from US studios). TV & SVOD sales in France rose by 18% thanks to the strong performance of the catalogue.**

International Sales accounted for €17.4 million over the year, or around 49% of annual sales, compared with €21.1 million the previous year. Revenues corresponded mainly to international deliveries of the film *Weekend in Taipei*, as well as significant royalties received on films in the catalogue (mainly *Lucy*, *Transporteur 3* and *Transporteur 2*, *Taken 2* and *Taken 3*).

Theatrical Distribution recorded revenues of €0.9 million, corresponding to the release in French cinemas of *Dogman* in September 2023, compared with €0.4 million in 2022/2023 (*Arthur Malediction*).

Video & VOD sales in France and the United States came to €1.2 million, compared with €1.1 million in 2022/2023. This mainly comprises VOD sales of various titles in the United States and France (notably *Miss Sloane* in the United States and *Dogman* and *Litte White Lies 2* in France).

Television & SVOD sales in France and the United States totaled €13.3 million in the 2023/2024 financial year, or 38% of revenues, compared with €11.3 million in the previous year. Sales were driven by the French market, reflecting the opening of broadcasting rights windows for catalogue films such as *Anna*, the *Taken* trilogy, *Taxi* and *Coexister*.

Sales for the **Series** business amounted to €0.1 million for the 2023/2024 financial year, compared with €1.4 million for the 2022/2023 financial year. These revenues correspond to TV/SVOD sales in France and the United States.

Revenues from **Other activities** amounted to €2.4 million, compared with €2.2 million in the previous financial year. This item comprises income from derivative rights (partnerships, licences, music publishing, private copying, etc.) and coproductions signed by the Group.

- **The operating margin was €12.4m, compared with €17.3m the previous year, or a margin rate of 35% (versus 46% the previous year). The rise in cost of sales was mainly due to the increase in depreciation on line-up films (*Weekend in Taipei* in particular)**

Depreciation and amortization rose from €12.4 million in 2022/2023 to €15.8 million in 2023/2024, mainly due to the inclusion of the film *Weekend in Taipei* in the Group's assets and the start of its depreciation (international deliveries at the end of the financial year).

Overheads came to €11.2 million, a saving of €2.7 million on the previous year (-19%), confirming the effectiveness of the measures implemented by the Group to reduce its overheads. The reduction was mainly

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due to savings on rent following the move of EuropaCorp's head office to Paris, savings on salaries from the post-production subsidiary sold in September 2022, and lower counsel costs.

Other operating income and expenses amounted to €2.3 million, mainly comprising non-recurring restructuring items, compared with €0.5 million in the previous year (items relating to the sale of the post-production subsidiary Digital Factory and reversal of impairment of distributor subsidies).

Operating profit was therefore €3.6 million, compared with €3.9 million the previous year.

Financial result came to €(2.7) million, compared with €(3.6) million in 2022/2023. For the 2023/2024 financial year, it mainly includes interest on Senior debt of €(4.5) million - partially offset by interest on deposits of €1.4 million - and foreign exchange gains of €0.2 million, whereas last year's result included €(1.1) million in accelerated amortization of arranger fees relating to the setup of the Comerica credit line, which was closed during the year.

Current income before income tax was therefore positive at €0.9 million.

With no tax booked, net profit was then €0.9 million, compared with €0.1 million last year.

- **Net cash flow from operating activities was positive at €18.4m, and with investment in films gradually picking up, the overall change in cash came to €(9.4)m after repayment of debt, giving net cash at the end of the year of €46.3m**

Net cash flow from operating activities came to €18.4 million, compared with €17.1 million the previous year.

This increase of €1.3 million was mainly due to higher receipts from TV & SVOD sales in France.

Net cash used in investing activities amounted to (€21.1) million, compared with (€9.0) million for the year ended 31 March 2023. At 31 March 2024, these mainly corresponded to investments in intangible assets, in particular for the film *Weekend in Taipei*.

At 31 March 2024, net cash flows from financing activities amounted to €(6.8) million, compared with €(13.0) million at 31 March 2023. This amount includes in particular the third instalment of the Safeguard Plan for the repayment of Senior debt for (€9.1) million (compared with (€10.1) million in 2022/2023).

- **Net debt increased by €2.7m as a result of cash flow from investments slightly outstripping cash flow from operating activities**

At 31 March 2024, net debt stood at €24.9 million, compared with €22.2 million at 31 March 2023.

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Outlook

EuropaCorp has completed production on the film ***Weekend in Taipei***, written by Luc Besson and directed by George Huang (*Swimming with Sharks*), starring Luke Evans. The film will be released on 25 September 2024 in France, shortly after its US release. It is produced by Luc Besson and Virginie Besson-Silla.

The film, which follows in the footsteps of EuropaCorp action films such as *Taken*, *The Transporter* and *From Paris with Love*, follows the adventures of DEA agent John Lawlor, a pit-bull agent on a mission in Asia. He is reunited with Joey Kwang, a top 'Transporter' in Taipei and above all his first love.

The Group is working on several films and series projects currently in production/coproduction or in development, in English or French.

Among the productions and coproductions in progress, the most advanced films are:

✓ **[*Dracula*] => currently shooting**

After shooting in Finnish Lapland in March 2024, filming of *Dracula*, written and directed by Luc Besson, began in Paris on 3 May 2024 with Caleb Landry Jones and Christoph Waltz in the lead roles.

The film revolves around the tragic love story between Prince Vlad II, Count of Drăcul, and his wife, Princess Elisabeta, set in the iconic Paris of the late 19th century.

It is produced by LBP in coproduction with EuropaCorp.

✓ **[*Hell in Paradise*] => currently shooting**

The Group is also coproducing with LBP the film *Hell in Paradise*, a thriller featuring a strong heroine with Nora Arnezeder in the lead role and directed by Leïla Sy (*Banlieusards 1 and 2*, *Yo Mama*). Shooting began on 13 May in Thailand, and the film is produced by Virginie Besson-Silla.

Written by Karine Silla (*Un baiser papillon* aka *The Butterfly Kiss*), *Hell in Paradise* tells the story of Nina, a young French woman who leaves her native Marseille and takes her first job as a receptionist in a luxury hotel on a beautiful island, hoping for a better life. But when tragedy strikes the hotel, Nina is propelled into a relentless spiral of lies and manipulation. Wrongly accused and facing life imprisonment, she has no choice but to outwit the traps and escape this paradise turned hell.

ABOUT EUROPACORP

Founded in 1999, EuropaCorp has become one of Europe's leading film and series production studios.

*The Group's international activities cover the entire cinematographic value chain, with expertise in production, theatrical distribution, international sales, TV, video & VOD, and music publishing. EuropaCorp is able to ensure creativity and quality throughout the life cycle of its films and TV projects. The Group has produced or co-produced over 120 films and distributed over 160 to French cinemas. Since 1999, it has produced 10 of France's 20 biggest international hits and 22 films among the 70 French productions with the most international admissions (source *Le film français* - May 17, 2019). Since 2010, the Group has also been active in the production of TV unitaries and series for platforms worldwide.*

EuropaCorp was founded by director, screenwriter and producer Luc Besson.

More information at www.europacorp.com

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