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# Koninklijke Brill NV

Half Year Report 2021 - Unaudited

26 August, 2021



## Acquisitions and eBusiness continue to drive growth at Brill in HY1 2021

Key Figures (in EUR thousands)	2021 H1	2020 H1	Change
Revenue	19,304	16,215	19.1%
Gross profit	13,925	10,685	30.3%
EBITDA	1,677	1,333	25.8%
Acquisition, integration and restructuring costs	-618	-	
Operating profit	86	392	-78.2%
Profit attributable to shareholders of Koninklijke Brill NV	-42	120	-134.9%
Earnings per share (EPS)	-0.02	0.06	-134.9%
Key Performance Indicators			
Organic growth (excluding acquisition and currency effects)	3.9%	4.2%	
EBITDA margin	8.7%	8.2%	

NOTE: The information in this report is based on unaudited interim financial statements.

### Highlights

- Revenue up 19.1%, mainly driven by the acquisition of Vandenhoeck & Ruprecht Verlage (V&R)
- Organic revenue growth 3.9%
- COVID-19 accelerates the shift from print to digital
- Very strong eBook sales with 14.9% organic growth
- Journals decline due to timing of releases
- EBITDA up 9% excluding the V&R acquisition
- Net profit includes V&R acquisition integration costs of EUR 618 thousand
- Wim Dikstaal appointed as CFO and Management Board member per September 1
- New financing agreement with RABO signed

### Peter Coebergh, CEO commented:

*"The highlight of the first HY 2021 was the acquisition of Vandenhoeck & Ruprecht (V&R) in February. Together with our new German and Austrian colleagues we have started the integration process which runs on schedule. So far the performance of V&R is in line with expectations. We are satisfied with the underlying revenue and profit development at Brill and are still benefiting from cost savings due to limited travel. Last year's acceleration of our eBusiness continues and compensates the ongoing decline in print book sales. In a still uncertain market environment Brill continues to execute its strategic agenda to become a fully digitally driven publishing house and to grow our revenue, profit and scale".*

### Developments in the first half year

#### *Vandenhoeck & Ruprecht*

On March 1, 2021 Brill acquired all business assets of Vandenhoeck & Ruprecht Verlage. The renowned German publishing house, founded in 1735 and headquartered in Göttingen, has a superb and long-standing international reputation in the Humanities, especially in the fields of Theology and History. Since 2017 Böhlau Verlag, another high-quality humanities publisher, based in Cologne and Vienna, is also part of the V&R



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group. The V&R group was integrated in Brill GmbH together with Schöningh & Fink (S&F) which was acquired by Brill in 2016. The integration process started immediately in March and integration teams consisting of Brill, V&R and S&F staff were formed. These teams developed integration plans per department. The integration is running according to schedule and a global matrix organization was implemented.

During the second half of 2021 these integration plans will be executed and will start to generate revenue synergies and operational savings as of HY1 2022, in line with our business case for the acquisition.

### *Publishing*

In the first half of 2021 Brill concluded several Open Access agreements amongst which transformative agreements with the UK JISC and Swedish BIBSAM consortium and a collaboration with the Leiden based project Open Philology, funded by the European Research Council. Open Access revenue increased by 20% compared to the first half of 2020.

In February the *Encyclopaedia Iranica* Online was launched in cooperation with the Ehsan Yarshater Center for Iranian Studies at Columbia University, New York. The Brill Book Archive, a major project to digitize Brill backlist, is progressing according to plan and is ready to launch in September of this year. On August 11, 2021 Brill acquired the journal *Folia Primatologica* from Karger Publishers, this title will be added to the Biology portfolio and will be published by Brill in 2022.

### *COVID-19*

Due to the ongoing pandemic travel is limited and academic conferences take place only virtually. Most of Brill's staff is still working from home, but in our offices in the Netherlands and Germany up to 1/3 of our staff is present on a daily basis. The academic community and trade partners have gotten used to this exceptional situation and functions almost completely as normal. Brill expects that negative effects may continue to occur in certain markets due to local outbreaks of Covid-19 and local government measures. However, we do not any longer expect significant negative impact on revenue or profit as a result of those outbreaks and measures.

## **Financial review**

### *Revenue development*

Revenue growth by publication format was as follows:

Revenue growth by publication format (EUR thousands)	Revenue H1	% of Total growth	Organic Growth
<b>Total revenue 2020</b>	<b>16,215</b>		
Print books	-308	-1.9%	-5.5%
eBooks	767	4.7%	14.9%
Journals	-256	-1.6%	-5.0%
Primary sources	426	2.6%	115.5%
<b>Organic revenue 2021</b>	<b>16,845</b>	<b>3.9%</b>	<b>3.9%</b>
Acquisitions	2,969	18.3%	
Currency	-510	-3.1%	
<b>Total revenue 2021</b>	<b>19,304</b>	<b>19.1%</b>	



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On March 1, 2021 Brill acquired all business assets of Vandenhoeck & Ruprecht Verlage. Brill's HY 2021 revenue includes the March – June revenue from the V&R acquisition for an amount of EUR 2,969 thousand:

Revenue by publication format (EUR thousands)	Brill	V&R	Total
Print books	6,213	2,026	8,239
eBooks	4,658	409	5,067
Journals	4,711	534	5,245
Primary sources	754	-	754
<b>Total revenue 2021</b>	<b>16,336</b>	<b>2,969</b>	<b>19,304</b>

eBook revenue grew organically by almost 15%, driven by strong sales efforts, an increase in the amount of eBooks and the acceleration from print to digital products caused by COVID-19. Print books organically declined by 5.5%, bringing the organic growth for total books revenue to 4.3%.

Timing in the release of journal issues led to an organic decline in journal revenues of 5%, most of the gap was closed in July and we expect the remainder to be mitigated by the end of August.

Primary sources revenue is mainly from large deals of which we got 2 more compared to HY2020.

Revenue by region was as follows:

Revenue growth by region (EUR thousands)	Revenue H1	% of Total growth	Organic Growth
<b>Total revenue 2020</b>	<b>16,215</b>		
Western Europe	-239	-1.5%	-3.1%
North America	860	5.3%	13.7%
Asia Pacific	-152	-0.9%	-9.5%
Other	160	1.0%	22.7%
<b>Organic revenue 2021</b>	<b>16,845</b>	<b>3.9%</b>	<b>3.9%</b>
Acquisitions	2,969	18.3%	
Currency	-510	-3.1%	
<b>Total revenue 2021</b>	<b>19,304</b>	<b>19.1%</b>	<b>19.1%</b>

North America showed strong growth in HY1 2021, driven by eBook sales and more large deals (deals > 100 thousand) in Primary Sources. Asia Pacific declined by more than 9%, caused by lower book sales due to COVID-19 measures in our key markets China, India and Japan. Western Europe revenue declined by 3.1%, mainly due to timing in journal issues mentioned above, and lower book sales.

Digital revenue as a percentage of overall revenue decreased to 54% for the Group, but excluding V&R the percentage increased to 60% from 57% in 2020.

Subscription based revenue remained stable at 42% of revenue.



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### *Cost of goods sold*

Underlying (excluding V&R) cost of goods sold decreased by around EUR 700 thousand versus the prior year, driven by the shift from print to online books and lower journal sales. Also, 2020 cost of goods sold included a COVID-19 - induced write-off in the product development portfolio (EUR 200 thousand) and an extra addition to the accrual for non-saleable stock (EUR 100 thousand). Consequently, underlying Gross margin at HY1 improved from 66% to 70%. V&R has a very high Gross Margin of 83%, related to higher printing subsidies compared to Brill. Gross margin for the consolidated Group is 72%.

### *Selling, general and administrative expenses*

Underlying Selling, general & administrative expenses increased by around EUR 700 thousand mainly due to higher cost for interim staff (CFO, IT and HR) and the 2020 grant under the US federal PPP program of USD 300 thousand which was recorded as a negative expense in HY 2020.

V&R contributed EUR 230 thousand to the Group's EBITDA of EUR 1,677 thousand. HY results of the Group include EUR 618 thousand acquisition and integration costs that are reported outside of EBITDA.

### *Balance sheet – Working Capital*

Working Capital movement was EUR 2.9 million versus EUR 1.7 million in HY1 2020, mainly as a result of including V&R, timing in payments and therefore outstanding balances of trade payables, social security and pension premiums and higher deferred income.

### *Balance sheet - Liquidity and financing*

On August 17, 2021 Brill and Rabobank signed a new facility agreement, giving the Group access to EUR 5.0 million in working capital facility and EUR 5.0 million in acquisition facility. Of the EUR 3.9 million drawn from the acquisition facility in March to finance the acquisition of V&R, EUR 2.9 million was converted into an interest bearing loan.

The loan will be repaid quarterly over 6 years starting in September 2021 and has a 5-year fixed interest rate of 2.45%. The covenants are substantially in line with the previous agreement.

### **Management update**

In the AGM of 19 May, 2021 Mrs. Anneke Blok was appointed as member of the Supervisory Board. She succeeded Mrs. Catherine Lucet, who resigned after having fulfilled the maximum of two terms.

In April our CFO Olivier de Vlam sadly passed away. Brill is very grateful for Olivier's contribution to the development of Brill during the past few years. Wim Dikstaal, who replaced Olivier already during his periods of illness, will be appointed as CFO and member of the Management Board as of September 1. Fully supported by the Works Council, the Supervisory Board intends to appoint him as statutory director at the AGM of 25 May, 2022.

### **Risk management**

No significant changes occurred in the company's assessment of relevant risks since the publication of the annual report 2020.



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### **Outlook**

The company is cautious with providing guidance for the full year. HY2 pipeline for product releases, deferred income and sales opportunities look good and assuming a limited impact of the ongoing COVID-19 pandemic, we expect to achieve an organic revenue growth in line with expectations. Net profit will decline compared to last year, as a result of the expected EUR 1 million integration costs of the V&R acquisition, as communicated earlier.

### **Responsibility statement**

The Half Year Report 2021 is an accurate account of assets and liabilities, the financial position and the profit of Koninklijke Brill NV and the entities which are included in the consolidation. Also the Half Year Report is an accurate account of the situation on the balance date, the state of affairs during the first half of the fiscal year of Koninklijke Brill NV and that of the entities whose data are included in the Half Year Report. Special attention is paid to investments and to the circumstances on which revenues and profitability depend. Please note that the figures per 30 June, 2021 have not been reviewed nor audited by our auditors.

Leiden, 26 August, 2021

### **The Management Board**

Peter Coebergh, CEO

Jasmin Lange, CPO

Wim Dikstaal, CFO ad interim



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**Consolidated statement of financial position, before appropriation of profit**

in thousands of euro's

	Notes	30-6-2021 (Unaudited)	31-12-2020 (Audited)	30-6-2020 (Unaudited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Tangible fixed assets	6	141	223	260
Right of use assets		1,641	1,458	1,645
Intangible assets	5.6	35,623	32,562	33,106
Financial assets		125	112	112
Deferred tax assets		38	38	-
		<u>37,567</u>	<u>34,393</u>	<u>35,122</u>
<b>Current assets</b>				
Inventories	7	5,312	3,068	2,696
Trade and other receivables		7,560	10,073	8,160
Income tax to be received		435	49	855
Cash and cash equivalents		3,590	5,899	3,570
Derivative financial instruments	8	120	158	-
		<u>17,017</u>	<u>19,247</u>	<u>15,280</u>
<b>TOTAL ASSETS</b>		<u><u>54,585</u></u>	<u><u>53,640</u></u>	<u><u>50,403</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to owners of Koninklijke Brill NV</b>				
Share capital		-1,125	-1,125	-1,125
Share premium		-343	-343	-343
Retained earnings		-20,544	-20,033	-20,033
Other reserves		447	-2,416	431
<b>Total equity</b>		<u><u>-21,566</u></u>	<u><u>-23,918</u></u>	<u><u>-21,070</u></u>
<b>Non-current liabilities</b>				
Interest bearing loans		-5,862	-3,500	-3,497
Lease liabilities		-1,668	-1,106	-1,669
Deferred tax liabilities		-4,246	-4,226	-3,524
		<u>-11,776</u>	<u>-8,832</u>	<u>-8,691</u>
<b>Current liabilities</b>				
Interest bearing loans		-1,083	-1,083	-
Trade and other payables		-10,225	-9,459	-10,516
Deferred income		-9,616	-8,967	-8,379
Lease liabilities		-300	-728	-333
Provisions		-	-	-50
Derivative financial instruments	8	-13	-21	-240
Tax to be paid		-4	-631	-1,124
		<u>-21,242</u>	<u>-20,890</u>	<u>-20,641</u>
<b>Total liabilities</b>		<u><u>-33,018</u></u>	<u><u>-29,722</u></u>	<u><u>-29,333</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>-54,584</u></u>	<u><u>-53,640</u></u>	<u><u>-50,403</u></u>



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**Consolidated statement of profit or loss and other  
comprehensive income for the six months end June 30, 2021**

in thousands of euro's

	Notes	2021 H1 (Unaudited)	2020 H1 (Unaudited)	2020 FY (Audited)
Revenue	9	19,304	16,215	37,859
Cost of goods sold		<u>-5,380</u>	<u>-5,530</u>	<u>-11,487</u>
Gross profit		13,925	10,685	26,372
Expenses				
Selling and distribution costs		-3,906	-3,281	-6,766
General and administrative expenses		<u>-9,933</u>	<u>-7,012</u>	<u>-15,104</u>
<b>Operating profit</b>		85	392	4,502
Finance income		12	-	112
Finance expenses		<u>-154</u>	<u>-232</u>	<u>-187</u>
<b>Profit before income tax</b>		-57	160	4,427
Income tax expense		15	-40	-1,531
<b>Profit attributable to shareholders of Koninklijke Brill NV</b>		<u>-42</u>	<u>120</u>	<u>2,896</u>
Other comprehensive (expense) income before tax				
Exchange rate differences in translation of foreign operations		<u>186</u>	<u>-115</u>	<u>165</u>
Cash flow hedges		<u>-49</u>	<u>-237</u>	<u>12</u>
		138	-352	177
Income tax relating to these items	10	-34	89	-44
<b>Total comprehensive income for the period attributable to shareholders of Koninklijke Brill NV</b>		<u>62</u>	<u>-143</u>	<u>3,029</u>
<b>Earnings per share (EPS)</b>	11			
Basic and diluted earnings per share attributable to shareholders of Koninklijke Brill NV		-0.02	0.06	1.54



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**Consolidated statement of cash flows for the six months ended June 30, 2021**

in thousands of euro's

	Notes	30-6-2021 (Unaudited)	30-6-2020 (Unaudited)	31-12-2020 (audited)
<b>Cash flow from operating activities</b>				
Profit before income tax		-57	160	4,427
<i>Adjustments for</i>				
Amortization and Depreciation fixed assets		974	645	1,790
Amortization and disposals Content		950	1,367	2,856
Finance income – net		114	122	133
<i>Change in operating assets and liabilities</i>				
Change due to implementation of IFRS <sub>9</sub> and IFRS <sub>15</sub>				
Change in operating working capital		2,895	1,651	-1,366
Change in provisions (long term)			-	
<b>Cash generated from operations</b>		<b>4,876</b>	<b>3,945</b>	<b>7,840</b>
Interest paid/received (including lease interest 2019)		-114	-110	-133
Income tax paid/received		-951	256	1,077
<b>Net cash flow from operating activities</b>		<b>3,810</b>	<b>4,091</b>	<b>8,784</b>
<b>Cash flows from investing activities</b>				
	5.6			
Investment in tangible fixed assets		-45	-	-46
Investment in intangible fixed assets (non-content)		-129	-	-448
Investment in Content		-1,504	-1,587	-2,845
Investment in financial fixed assets			-100	-100
Payments for acquisitions, net of cash acquired		-4,000	-85	-35
<b>Net cash flow from investing activities</b>		<b>-5,678</b>	<b>-1,772</b>	<b>-3,473</b>
<b>Cash flow from financing activities</b>				
Dividend paid to company shareholders	12	-2,343	-	-
Interest bearing loans		2,900	-	-
Redemption Interest bearing loans		-540	-230	-270
Redemption lease liabilities		-457	-307	-843
<b>Net cash flow from financing activities</b>		<b>-440</b>	<b>-537</b>	<b>-1,113</b>
<b>Net cash flow</b>		<b>-2,309</b>	<b>1,782</b>	<b>4,196</b>
Cash and cash equivalents as per 1 January		5,899	1,788	1,788
Net cash flow		-2,309	1,782	4,111
<b>Cash and cash equivalents as per 31 December</b>		<b>3,590</b>	<b>3,570</b>	<b>5,899</b>



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Condensed consolidated statement of changes in equity as of June 30, 2021

Amounts in thousands of euros

	notes	Share capital	Share Premium	Retained Earnings	Currency Translation reserve	Cash flow hedge reserve	Total equity
Balance as per January 1, 2021		1,125	343	22,929	-463	-16	23,918
<b>Total comprehensive income for the period</b>							
Profit for the period		-	-	-42	-	-	-42
Other comprehensive income / (expense)		-	-	-	30	3	33
<b>Total comprehensive income for the period</b>		-	-	-42	30	3	-9
Dividend paid over prior year		-	-	-2,343	-	-	-2,343
<b>Total contribution by and distribution to owners</b>		-	-	-2,343	-	-	-2,343
<b>Balance as per June 30, 2021 (unaudited)</b>		<b>1,125</b>	<b>343</b>	<b>20,544</b>	<b>-433</b>	<b>-13</b>	<b>21,566</b>
<b>Balance as per January 1, 2020</b>							
		1,125	343	20,033	-293	4	21,212
<b>Total comprehensive income for the period</b>							
Profit for the period		-	-	121	-	-	121
Other comprehensive income		-	-	-	-86	-176	-262
<b>Total comprehensive income for the period</b>		-	-	121	-86	-176	-141
Dividend paid over prior year	12	-	-	-	-	-	-
<b>Total contribution by and distribution to owners</b>		-	-	-	-	-	-
<b>Balance as per June 30, 2020 (unaudited)</b>		<b>1,125</b>	<b>343</b>	<b>20,154</b>	<b>-379</b>	<b>-172</b>	<b>21,071</b>



## Notes to the Unaudited Condensed Consolidated interim financial statements

### 1. Reporting entity

The condensed consolidated interim financial statements were authorized for issue by the Supervisory Board and Management Board on 26 August, 2021. Koninklijke Brill NV is incorporated in the Netherlands and has its headquarters in the Netherlands. Its registered depository receipts are publicly traded at Euronext in Amsterdam.

### 2. Accounting policies and estimates

There are no other changes in the basis of preparation of Brill's financial statements.

### 3. Audit

The condensed consolidated interim financial statements for the six months ended June 30, 2021 have not been audited nor reviewed by an independent financial auditor.

### 4. Seasonality

A significant part of Brill's book program is published in the second half of the year which also means that revenues tilt towards the second half of the year. Although the journals are more equally published throughout the year the number of subscriptions shows a limited growth in the course of the year. In general, most revenue is recorded in the second half of the year. In general the costs develop more equally throughout the year which generally results in a favorable development of the profit in H2.

### 5. Acquisitions, investments and divestments

As previously announced Brill acquired all business assets of Vandenhoeck & Ruprecht (V&R) with an effective date of March 1, 2021. Total purchase price paid was EUR 4.0 million, subject to net asset value adjustments based on the closing balances per February 28, 2021. This final purchase price after net asset value adjustments will be EUR 3,747 million; in the HY 2021 balance sheet the EUR 253 thousand adjustment is reported as a receivable from the sellers.

The fair value of the identifiable acquired assets and liabilities from V&R is as follows:

Purchase Price Allocation Vandenhoeck & Ruprecht	Fair value at date of acquisition
<b>Assets</b>	
Publishing rights and trade marks	1,846
Other Intangible assets	408
Tangible assets	40
Financial assets	12
Inventory	2,205
Trade and other receivables	1,915
<b>Liabilities</b>	
Trade and other payables	-3,287
<b>Total identifiable assets at fair value</b>	<b>3,139</b>

As per reporting date the acquired assets have added EUR 2,969 thousand to the revenue. As per 30 June, 2021 no formal commitments had been made concerning the acquisition of assets.

On August 11, 2021 Brill acquired the journal *Folia Primatologica* from Karger Publishers, this title will be added to the Biology portfolio and will be published by Brill in 2022.

#### 6. Fixed Assets

In the first half of the year, no investments were made in tangible fixed assets (2020: nil) and an amount of EUR 129 thousand (2020: EUR 180 thousand) was invested in information systems (intangible assets).

Total fixed assets developed as follows:

	2021 H1 (Unaudited)	31-12-2020 (Audited)
Goodwill and publishing rights	22,108	19,279
Capitalized content	11,937	11,383
Information systems	1,497	1,707
Other	81	193
<b>Total intangible fixed assets</b>	<b>35,623</b>	<b>32,562</b>
Right of use assets	1,641	1,458
Tangible fixed assets	141	223
Financial assets	125	112
Deferred tax assets	38	38
<b>Total fixed assets</b>	<b>37,567</b>	<b>34,393</b>

#### 7. Inventories

Inventories includes physical stock and Work in Progress.

The value of the inventories includes an adjustment for obsolete inventory. In the first six months of the year this provision increased by EUR 1 thousand (2020 HY: EUR 139 thousand).

#### 8. Financial instruments

Fair value	2021 H1 (Unaudited)	31-12-2020 (Audited)
<b>Financial assets</b>		
Derivative financial instruments	120	158
<b>Financial liabilities</b>		
Derivative financial instruments	-13	-21

## Hedging

Brill applies hedging by using synthetic forward currency contracts, generally for a period of 12 months. The forward currency contracts eliminate the short-term fluctuation and part of the midterm fluctuation in exchange rates of the future sales and expense related cash flows in US dollars.

Additionally the interest rate risk on Brill's 2018-2024 long-term loan is eliminated by using an interest rate swap which covers the full amount to maturity of the loan. The new 2021-2027 loan has a fixed interest rate.

Net forward position	Total amount contracts		Fair value contracts (in EUR)		
	Currency	2021 H1 (Unaudited)	31-12-2020 (audited)	2021 H1 (Unaudited)	31-12-2020 (audited)
<b>Financial assets</b>					
Currency forward agreements	USD	1,040	3,440	120	158
<b>Financial liabilities</b>					
Interest rate swap	EUR	3,521	4,062	-13	-21

## 9. Operating segment information

The publishing activities of Brill are divided into six business segments, known as publishing units, which management considers to be reportable business segments. The segments are:

- **ARC:** Philosophy, Art History, Biblical and Religious Studies, Theology, Jewish Studies, Ancient Near East, Egyptology, Classical Studies;
- **HIS:** History, American Studies, International Relations; Social Sciences including Educational Studies, Book History, Cartography and Biology;
- **LAW:** International Law, Human Rights and Humanitarian Law;
- **MIA:** Middle East and Islamic Studies, African Studies;
- **LLA:** Literature and Cultural Studies, Language and Linguistics and Asian Studies;
- **DACH:** Vandenhoeck & Ruprecht, Böhlau, Schöningh, Fink and mentis, the imprints joined under the umbrella of Brill Deutschland and Brill Österreich.

Brill Management primarily uses revenue and direct EBITDA contribution to assess the contribution of the business segments.

Segment revenue and results								
Publishing Unit	LAW	MIA	LLA	HIS	ARC	DACH	Group	Total
<b>Revenue</b>								
Six months ended 30 June, 2021	2,318	2,631	2,045	3,447	4,378	4,485		19,304
Six months ended 30 June, 2020	2,514	2,202	1,946	3,518	4,499	1,536	-	16,215
<b>EBITDA Contribution</b>								
Six months ended 30 June, 2021	1,579	1,622	1,024	1,921	2,709	398	-7,576	1,677
Six months ended 30 June, 2020	1,481	1,103	635	1,594	2,548	820	-6,849	1,332

#### 10. Income taxes

The major components of income tax expense in the condensed consolidated interim statement of comprehensive income are:

Income tax reported in the condensed consolidated interim statement of comprehensive income	2021 H1	2020 H1
	(Unaudited)	(Unaudited)
<b>Current income tax:</b>		
Current income tax charge	15	40

#### 11. Earnings per share

Earnings per share	2021 H1	2020 H1
	(Unaudited)	(Unaudited)
Profit for the period ended 30 June	-42	120
Weighted average number of ordinary shares for basic earnings	1,874,444	1,874,444
Basic/Diluted profit per share for the period ended 30 June attributable to ordinary shareholders of Koninklijke Brill NV	(0.02)	0.06

#### 12. Dividends paid

Dividend declared and paid during the period ended 30 June, 2020	2021 H1	31-12-2020
	(Unaudited)	(Audited)
Dividend on ordinary shares for 2020: 125 cents per share (for 2019: 0 cents per share)	2,343	-

#### 13. Reconciliation of non-GAAP information

Brill management is of the opinion that an understanding of the company's performance is enhanced by using the Non-GAAP measure EBITDA. EBITDA makes the underlying performance of the businesses more transparent by excluding the depreciation of tangible assets and the amortization and impairments on intangible assets, and extra-ordinary costs for (the integration of) acquisitions and the profit improvement plan 2018-2020. In this note, EBITDA is reconciled to Operating profit.



Reconciliation of Revenue and profit before tax (EUR thousands)	2021 H1 (Unaudited)	2020 H1 (Unaudited)
Revenue	19,304	16,215
Cost of goods sold	-5,380	-5,530
Selling & distribution costs	-3,906	-3,281
General & administrative costs *)	-8,342	-6,073
EBITDA	1,677	1,332
Acquisition, integration and restructuring costs	-618	
Depreciation and Amortization	-974	-940
Operating profit	86	392

\*) excl. depreciation, amortization and cost related to acquisitions,, integration and restructuring.

#### 14. Events after Balance Sheet date

No material events took place after balance sheet date.