VOYAGEURS DU MONDE

LE SPECIALISTE DU VOYAGE SUR MESURE ET DU VOYAGE D'AVENTURE

Press release

Paris, 29 October 2020

Business hard hit by the public health crisis

Consolidated figures in €m	S1.2020	S1.2019	Change	2019
Sales	75.4	182.2	-58.6%	487.5
Gross profit	24.3	54.7	-55.6%	143.6
% of sales	*32.3%*	*30.1%*		*29.5%*
Operating expenses	36.7	58.3	-36.9%	116.1
EBITDA	(9.9)	(1.3)		33.6
EBIT	(12.2)	(3.4)		29.1
Net income attributable to owners of the parent	**(9.2)**	**(2.7)**		**20.3**

BUSINESS ACTIVITY

In a climate dominated by the COVID-19 pandemic, the Voyageurs du Monde Group's performance in the first semester of 2020 was extremely hard hit. While booked departures for 2020 as at 15 March 2020 (which represented 55% of 2019 sales) were up by around 10%, the public health crisis completely reversed the favourable trend that had been emerging. The first semester saw a very contrasting performance in terms of departures, with a very satisfactory first quarter (from 1 January to 15 March) and no departures at all in the second quarter (lockdown period and closing of borders). Under these conditions, sales fell by 58% to €75.4 million.

RESULTS

To cope with the sharp drop in activity, the Group took significant measures to cut costs. Most Employees, working from home since March 17th, were furloughed. Salary costs were considerably reduced thanks to the French government paying 100% of furloughed employees wages until the end of December and exemption from employer contributions for the period worked (February to May).

As regards revenues and its cash position, the Group is committed to protecting future revenues by organising postponements of trips that could not go ahead, helped by the French government ordinance of March 25th 2020 that allowed it to offer a credit to customers who had been unable to travel. Furthermore, the Group took out a €30 million "PGE" loan guaranteed by the government.

During this period, the Group's companies also endeavoured to reduce their risks relating to cash deposits with third parties. Against this backdrop, the Group was refunded by airlines for around 75% of tickets issued, paid for and not used because of the public health crisis. The rest was negotiated in the form of a credit.

Under these conditions, EBITDA for the first semester of 2020 was negative at -€9.9 million. EBITDA margin was 32.3% (vs. 30.1% in the first semester of 2019). Operating expenses fell by 37% and will decrease proportionally further over the year as a whole.

The Group's cash position as at June 30th 2020 was €158 million (vs. €155.4 million in the first semester of 2019) and includes the cancellation of the 2019 dividend and the €30 million PGE loan

OUTLOOK

For the full 2020 year, with extremely limited departures at the end of the year, the Group's sales can already be estimated at €119 million (-75%) for departures scheduled at present until the end of the year, with a significant impact on earnings. Full-year EBITDA is therefore expected to be negative at around -€17 million.

As regards 2021, the amount of trips that were unable to go ahead in 2020 and postponed until 2021 comes to €155.5 million (trips subject to a credit under the terms of the government ordinance). As a reminder and by way of comparison, the Group's pre-paid income (trips reserved before 31 December and due to depart the following year) amounted to €156.2 million as at 31 December 2019.

Current public health conditions both in France and worldwide make it difficult to predict when travel will resume and to predict sales and earnings for 2021. However, in an initial unfavourable "stop and go" scenario, with a reduction and successive returns of the pandemic, EBITDA breakeven point would be reached with sales of around €158 million (-64% relative to 2019). In a scenario of the situation gradually opening up, in which the Group would be able to provide trips for 2020 customers postponed until 2021 and generate 50% of usual additional sales as of 1 January 2021, with the main destinations opening as of summer, sales could reach a level of around €300 million (-38% relative to 2019), with EBITDA of €22 million. These estimates are based on the "APLD" long term furlough scheme being adopted on 1 January 2021.

The Group has significant reserves, in particular proprietary cash (surplus equity over net fixed assets as at 31 December 2019) of €45 million, allowing it to cope with the financial consequences of the public health crisis in 2020 and 2021.

The trend for future trips as it lays ahead, namely individual travel closer to nature and more respectful of the environment, with very high levels of service and advice for travellers, corresponds completely to the strategy that has always been pursued by the Group since it was created. Under these conditions, the Group's financial strength and its positioning constitute strengths that will enable it to cope with the public health crisis over time.

The board of administrators approved the financial statements for the first semester of 2020 at 5:00 p.m. on 29 October 2020.

Reminder:
The Group is market leader in France in tailor-made travel (60% of 2019 sales), with the Voyageurs du Monde, Comptoir des Voyages, bynativ and Original Travel brands, and in adventure travel (36% of 2019 sales), with the Terres d'Aventure, Allibert Trekking, Nomade Aventure and KE Adventure Travel brands.

The shares are admitted to trading on the Euronext Growth market and eligible for PEA PME savings plans.

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