



Roularta
Media Group

**Annual
Report
2020**

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The vision of Rik De Nolf

The New Roularta

Roularta has ended 2020 with a profit, and obviously we are proud of that. How did we round off a pandemic year profitably, and can we look to the future with hope? The answer lies in the fact that our multimedia group has changed substantially in four areas in recent years, in terms of its income flow, digitisation, joint venture culture and financial structure.

From B2B to B2C

Approximately two thirds of our income currently come from the B2C readership market (subscriptions, loose sales and diversification) and printing for third parties. The other third comes from the B2B advertising market. There was a time when that ratio was reversed.

Roularta has grown out of local media such as De Krant van West-Vlaanderen, De Streekkrant, Steps and De Zondag. Only De Krant van West-Vlaanderen draws most of its income from the readership market: 70 per cent readership versus 30 per cent from the advertising market. The other titles are distributed free of charge and are almost entirely dependent on advertising. Roularta was also an important player in radio and television for 30 years, and those are also advertising-based businesses. These different factors meant that Roularta was mainly dependent on the advertising world.

That has gradually changed over the last ten years. Following the sale of our participation in Mediaaan, advertising only represents 36 per cent of our income today.

Kanaal Z/Canal Z, the business TV broadcaster, is still financed by content marketing, partnerships and co-productions, including webinars in partnership with advertisers.

However, the group's magazine portfolio, which had far more income from advertising than readers until a few years ago, has changed radically in the meantime. On the one hand, this is because of the expansion to include important women's magazines, and on the other it is due to the strong growth in income from readers, with more subscribers during the pandemic.

At the same time, advertising income has been declining for a few years due to the emergence of world players in social media. For the Belgian news magazines and women's magazines respectively, the ratio is now 75 and 80 per cent in favour of the consumer market.

Digitisation

A second major change has everything to do with digitisation. Digital income is starting to gain importance for Roularta as well. It currently accounts for more than 30 per cent

of the magazines' advertising income. When it comes to the readership market, revenue is actually a combination of print and digital. More than 95 per cent of the news magazine readers opt for the hybrid formula: they read their favourite magazine on paper every week and also get access to the digital versions of our six news magazines. They keep up to date with the relevant news every hour of every day on the websites of those six editorial teams.

We will be launching a unique app and Roularta domain in 2021, which will make it possible, among other things, to read the digital versions of all our media brands including the six news magazines on a mobile phone, tablet or PC. These tools will make access to all the information on the overarching news website even simpler. The readers of women's magazines have had free access to all the group's practical websites until now. That has led to 3.6 million 'real users' per month, more and more of whom are registering. We want to increase that percentage of registrations to more than 60 per cent and gradually launch a paid model at very attractive rates.

'Advertising only represents 36 per cent of our income today.'

100%

A third major change has to do with leaving the joint venture culture behind. Traditionally, Roularta has had several major joint ventures, such as the historic partnership with the French groups L'Express and Bayard and the Belgian groups Rossel and DPG media (previously De Persgroep). The French activities and the 50% share in the radio and TV company Mediaaan have been sold. *Le Vif/L'Express* and recently also *Télépro* and *Plus Magazine* (in Belgium, the Netherlands and Germany) have been 100% integrated. These factors have led to a simpler structure that makes it possible to optimise synergies.

The positive collaboration with the Rossel group is continuing in the 50/50 joint ventures Mediafin (*De Tijd/L'Echo*) and the websites for classifieds (*immovlan.be* and *gocar.be*).

Strong balance

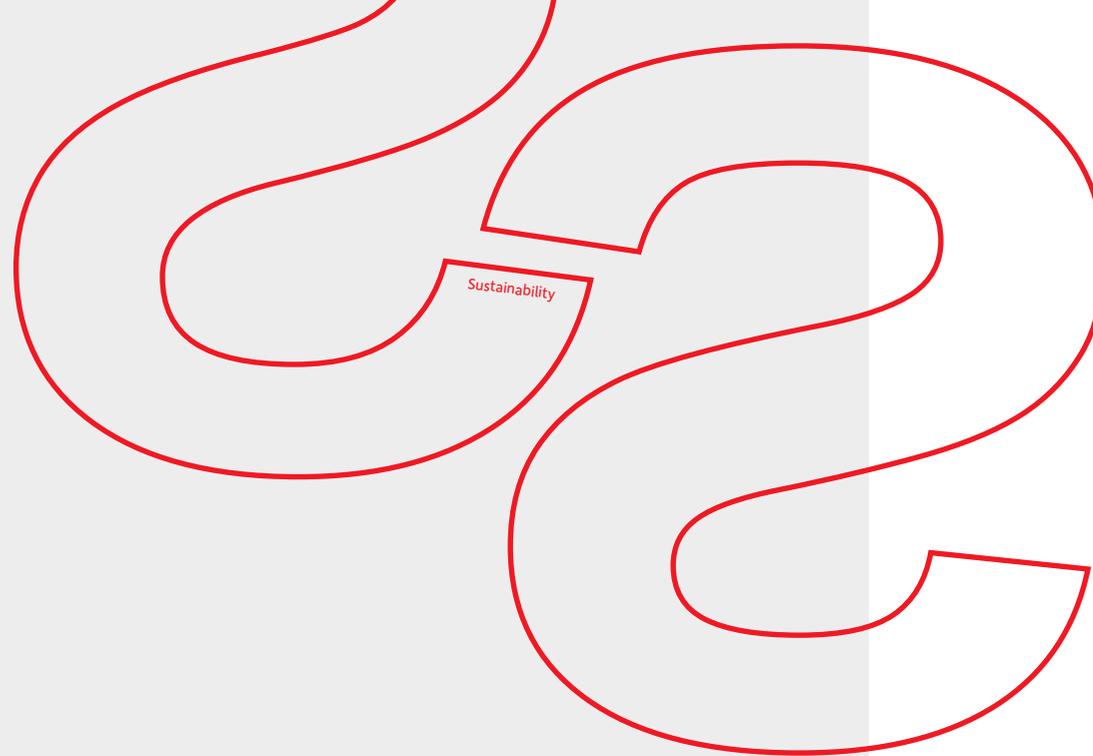
Roularta has one exceptional advantage: the group is not in debt and has 90 million euros in cash and on the other hand 1.5 million of its own shares.

This is after paying 8 million euros for the second instalment of the investment in a new rotary press and 12 million euros for the purchase of the Roularta shares that were owned by the historic shareholder Bestinver.

This is the result of a substantial positive cash flow and of scrapping a dividend in 2020 when it was not yet clear what effect the coronavirus would have. The strong balance will make it possible to pay out a dividend again in 2021 (of 1 euro, this time). After the pandemic, the advertising market will regain its strength, events and travel will be possible again and activity in the printing works will be able to evolve normally once more as well. These are all elements that contribute to a justifiably positive view of the future.

Rik De Nolf, Chairman of the Board of Directors Roularta





Working towards sustainability

'We want to remain the most relevant media partner for the long term'

Roularta creates sustainable added value for its stakeholders and the whole of society. The organisation strategically focuses all its activities in the various domains on sustainability. 'We see every challenge as an opportunity.'

'It is up to the business community both to send a clear signal and to come up with solutions to the climate question.'

Sustainable company

In 2020, Roularta celebrated its 66th birthday, along with its 1,500 employees and all the stakeholders. Its age proves that the company is more of an established value than ever in the media landscape. Far-sightedness, courage and well-considered choices have made Roularta into a strong media group.

'Sustainability and an eco-efficient policy are an intrinsic part of our way of doing business', claims Xavier Bouckaert, the CEO. Furthermore, Roularta clearly cares about the environment and society. 'Our country is not among the best in Europe when it comes to

achieving climate goals. It is up to the business community both to send a clear signal and to come up with solutions.'

Roularta walks its talk in various initiatives. For example, the organisation has obtained an ISO 50001 certificate. This is the company's guarantee to external parties that it is constantly improving its energy management, thus using energy in an efficient, well-considered manner.

The business also lent its weighty support to the climate plan Sign for my Future. Almost 270,000 Belgians signed this citizens' initiative. A broad coalition of young people, business leaders, civil society and the academic world are working for a sustainable future for the generations to come by means of a climate law, investment plan and climate council.

Roularta also fulfils a social role beyond the company by investing in talent, culture and new initiatives. For example, there is a partnership with the University of Antwerp through the Father Louis Bruyns Fund, which awards study grants to students from developing countries. There is also an annual bursary awarded by the Vocatio Foundation for young talent. In addition, Roularta is one of the founding partners of Een Hart voor West-Vlaanderen ('A Heart for West Flanders'), which is committed to socially vulnerable youngsters.

Roularta supports the magazine MO, that focuses on issues in the Third World and is produced and distributed on a non-profit basis for the organisation Wereldmediahuis vzw. 'Corporate social responsibility is in our DNA', says Xavier Bouckaert. 'A company that aims for nothing but maximising profits, with no concern for the world around it, has no future.' ▶



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Xavier Bouckaert,
CEO Roularta

‘Our company cares about the climate, nature and human wellbeing.’

Francis De Nolf, member of the board Roularta



Roularta's sustainable building: ‘A company that aims for nothing but maximising profits, with no concern for the world around it, has no future.’

Sustainable investments and value creation

Roularta obviously aims to make a financial profit. However, maximising its profits is not its sole aim. ‘We also see our profits as a resource to invest in sustainability’, explains Xavier Bouckaert, the CEO. ‘In the long term, that benefits all our stakeholders, including readers and advertisers.’

Furthermore, Roularta has noticed that advertisers are paying increasing attention to sustainability and want to keep the ecological footprint of their advertisements as low as possible. Investors are also putting sustainability higher and higher on the agenda, often deliberately seeking out ethically responsible funds. Thanks to its many efforts to increase sustainability, they find an ideal partner in Roularta.

‘Our company cares about the climate, nature and human wellbeing’, says board member Francis De Nolf. ‘That is why we are also investing in several hectares of greenery on, in and around our company buildings, for example.’ Roularta had been doing that long before

‘We also see our profit as a resource to invest in sustainability.’

Xavier Bouckaert

there was any talk of a Green Deal. ‘Nature and humans are what make up our DNA, and that will continue in the years to come.’

Moreover, as an owner, producer and publisher of quality media brands, free media and a printing works, Roularta also plays a powerful role in sustainability in the worlds of graphics and industry. For example, the company has invested 12,5 million euros in a new printing press that works faster and consumes less energy and raw materials (see Topic 3).

What is more, Roularta is also a social partner. The business stands up for its interests and those of its sector through various channels. For example, Roularta has provided the president of We Media, that defends the interests of magazine brands before regional and federal authorities, for many years, as well as the president of EMMA, the European federation that defends the interests of the sector before the European Commission and European Parliament.

Sustainable activities and production process

‘Making adjustments with our new machines is lightning fast and very accurate.’

Piet Vanhoutte, Head of the Finishing Department Roularta

Roularta aims for sustainable activities and production. The business does not have every single element under its direct control, but it can exercise a significant influence. ‘Because we are a large buyer of products like ink and paper on an annual basis, we can negotiate with the suppliers’, explains the CEO, Xavier Bouckaert.

‘For example, we demand from them that all the paper comes from sustainably managed forests. We also print all our newspapers on 100% recycled paper.’ The same applies to the printing machines. As a major customer in the printing world, Roularta asks its constructors to make extra efforts and deliver energy-efficient machines.

In that respect, the recent purchases of new machines such as the Müller Martini Tempo E220, the Polar cutting line and the new

Lithoman IV printing press are sustainable investments. ‘Making adjustments with our new machines is lightning fast and very accurate’, Piet Vanhoutte, the head of the finishing department, confirms.

‘The accuracy of the three-knife trimmer is and remains accurate to within a tenth of a millimetre. In the past we did have to contend with discrepancies sometimes.’ Another important advantage is that Roularta can save the settings for a certain configuration and call them up again later. The machines work more quickly, use less energy, last longer and pollute far less over the course of their life cycle.

Roularta is also concerned about its CO₂ footprint. There are more than 2000 solar panels on the roofs of the buildings in Brussels and Roeselare, allowing the business to meet most of its electricity needs. By using rainwater, the organisation can also limit the use of drinking water.

Moreover, the business applies a well-considered waste policy that is committed to maximum recycling. Finally, Roularta reduces its emissions every year by efforts to adapt its mobility. These efforts include the purchase of electric cars, the installation of charging points at the three main sites and stimulating the use of bicycles to commute. ▶



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Printing works in Roeselare: As a major customer in the printing world, Roularta asks its constructors to deliver energy-efficient machines.

Sustainable staff

One team, one family: that is Roularta's view of its 1,500 employees. 'Our people are the great power and driving force behind everything this company achieves', believes the CEO, Xavier Bouckaert. 'We want to let their energy, potential, skills, talent and commitment shine.' Roularta provides the necessary coaching from the time they are recruited. For example, there are intro days, integration interviews after three months in the job, frequent performance interviews, skill screenings, career paths etc.

Along with internal and external training opportunities, Roularta also provides information sessions and even an 'on-the-job pathway'. In addition, there is constant attention to health and safety at work. Sometimes initiatives within the company contribute to supporting or promoting the employees' physical and mental health. Sports are part of that, along with attention to exercise and fun, social activities.

Even in the past year, despite the pandemic, there were many physical initiatives such as Roulactief that gives employees the chance to get to know each other better through activities such as staff parties, regional walks and museum visits. Unfortunately some activities could not go ahead. 'That's why we came up with digital alternatives, and we will continue to do so', says Bouckaert.

'Not a single week passes without inspiring webinars that our people can join. In the webinars, colleagues tell things like what exactly their role in the company is.' This is the organisation's way of strengthening the bonds between its employees. Other webinars focus on mental wellbeing or bring in external specialists to give a talk and answer employees' questions. That was what happened in a session with the epidemiologist Pierre Van Damme, for example. 'Above all, we give our people a clear signal that they do not have to face these extraordinary times on their own.'

Xavier Bouckaert welcoming new employees: 'We give our people a clear signal that they do not have to face these extraordinary times on their own.'



'Our people are the great power and driving force behind everything this company achieves.'

Xavier Bouckaert

'We also investigate solutions to tangibly increase personalisation for readers and integrate artificial intelligence into our processes.'

Xavier Bouckaert

Sustainable media partner

Roularta aims to ensure complementarity and balance between free papers and magazines, traditional and new media, printed and audiovisual media. Quality is always a top priority. Over the past pandemic year, Roularta's readers and advertisers have turned out to be particularly loyal. New readers and advertisers have also discovered – or rediscovered – the value of quality media.

'As a publisher, we have clearly played our role in society in 2020', confirms the CEO, Xavier Bouckaert. 'On the one hand, we proved ourselves to be a reliable and accurate source of offline and online information. On the other, we adapted our content to the coronavirus crisis and thus provided readers with the inspiration they needed to make good use of their time during the lockdown.' Both Roularta's online visitor figures and sales figures for print media have increased considerably over the past year.

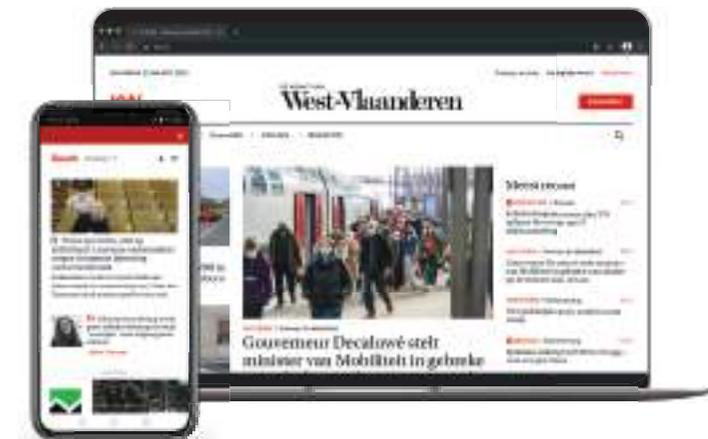
To become an even stronger media partner in the years to come, Roularta's Innovation Lab screens the outside world for trends and new technology. All the business units can come to it with questions and ideas as well. 'The Innovation Lab improves both the customer journey and operational efficiency', says Erwin Danis, the director of the Innovation Lab. 'What is heading our way? And what do we need to implement to keep on top of the future? That is the basis for developing new solutions.'

Examples of such solutions are the new Roularta app, to be launched in June 2021, and new designs and functions on the Roularta websites, which will be rolled out by September in successive phases. 'The Innovation Lab also

investigates solutions to tangibly increase personalisation for readers and integrate artificial intelligence into our processes', adds Xavier Bouckaert. 'We work together with researchers and universities. For example, we launched an academic chair at the VUB a while ago, where we investigate ways in which news media companies can continue to innovate sustainably.' ■

'The Innovation Lab improves both the customer journey and operational efficiency.'

Erwin Danis, Director of the Innovation Lab



The results in 2020

Roularta in figures

Profit and loss account

in millions of euros

Revenue	256.3
EBITDA	19.5
EBIT	6.1
Net result	5.8

Balance sheet 31/12/20

in millions of euros

Current assets	187.9
Non-current assets	149.6
Balance sheet total	337.6
Equity — Group's share	223.5
Liabilities	113.7
Liquidity ⁽¹⁾	1.5
Solvency ⁽²⁾	66.3%
Net Cash Position	85.9
Gearing ⁽³⁾	-38.4%

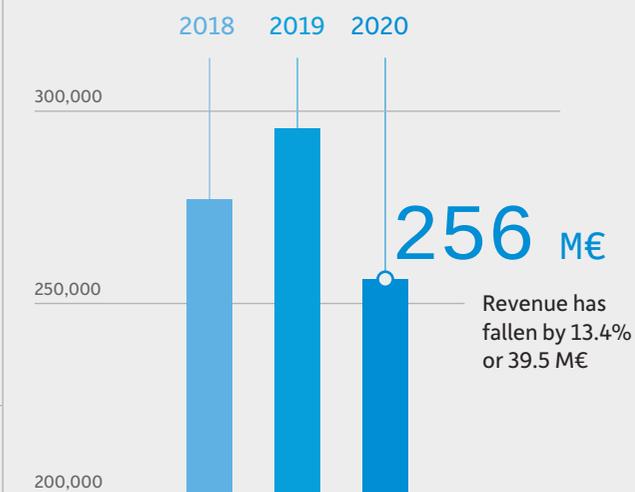
(1) liquidity = current assets / current liabilities.

(2) Solvency = equity (Group's share + minority interests) / balance sheet total.

(3) Gearing = -net financial debt / equity (Group's share + minority interests).

Revenue

in thousands of euros



Turnover distribution



7.9%
Line extensions
& rights

13.6%
Printing for third
parties

42.4%
Subscriptions &
newsstand sales

36.1%
Advertising

2.2%
Audiovisual brands

4.3%
Newspaper Brands

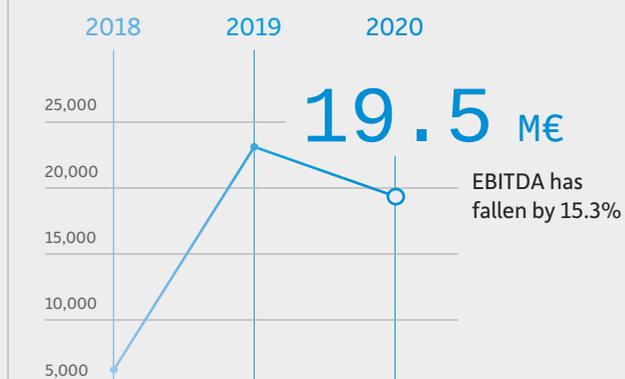
13.6%
Printing for third parties

16.1%
Local media brands

63.8%
Magazine brands

EBITDA

in thousands of euros



Key figures per share



Investments

15,1 M€

Evolution in subscriptions

+10,3% or
+7,4 M€

Mediafin in figures

Revenue

64.4 M€

Investments

3.2 M€

Evolution in subscriptions

+13.4% or
+3.5 M€

EBITDA

11.1 M€

The contribution of Mediafin to the EBITDA of Roularta Media Group amounts to 1.0 M€ for 2020. Compliant with the IFRS regulations, this contains 50% of Mediafin's net result (2.2 M€) minus the annual depreciation of brands including De Tijd and L'Echo (1.2 M€).

How Roularta Media Group creates value



Input

Financial capital

80 million euro

registered capital

13,141,123 shares

listed on Euronext Brussels

224 million euro

equity

86 million euro

net cash position



Natural capital

52,292 ton

100% TCF paper of which 2.98% is FSC paper and 87.33% is PEFC paper

1,088 tons

of ink

21,916 m³

water

135,543 m²

aluminium plates

41,194 litres

of cleaning agents

111,600 litres

of dampening additives

31,564 MWh

= CO₂ emissions of

9,229 tons

66,000 m²

area of greenery



Manufactured capital

Offices in Belgium

Brussels, Roeselare (head office), Antwerp, Ghent, Hasselt

Office in the Netherlands

Baarn

6 advanced full-colour offset printing presses

650 data servers

1 petabyte storage capacity

2,000 computers



Human capital

1,236 staff

687 men

549 women

186 accredited professional journalists

Network of more than

1,300 freelancers



Social capital

- Membership of various organisations, e.g. Council for Journalism, Febelgra
- Chairmanship of WE MEDIA (Belgian magazine association) and EMMA (European magazine association)
- Relationships with suppliers and professional organisations

794,751 subscribers



Intellectual capital

- Innovation Lab and Roularta Digital Hub
- Strong media brands



Output

Financial capital

256 million euro

turnover

87 million euro

personnel



Natural capital

54%

lower consumption of isopropyl alcohol as an additive in the printing process thanks to state-of-the-art printing presses



Manufactured capital

437,670,426

rotations of rotary presses

More than 100 events

(Trends Manager of the Year, Trends Summer University, She goes ICT,...)

Printed copies

267,763,225 magazines and

102,138,181 newspapers



Human capital

13.078

hours of training for personnel

59

new recruitments



Social capital

Websites: more than

3.7 million

unique visitors per month and more than

45 million

page views per month

3,348,539

readers of local media (CIM)

9,073,402

magazine readers (CIM) in Belgium, the Netherlands and Germany

Weekly

1.3 million

viewers for Kanaal Z/Canal Z

Co-creator

'Een Hart voor West-Vlaanderen'



Intellectual capital

140

innovative projects tested by the Innovation Lab

70

magazine titles

5

newspaper titles



Opting for depth,
relevance and quality

How Roularta's news magazines scale great heights

When the world finds itself in turbulent waters, people seek safe havens. In news programmes, news apps and newspapers, robust journalism has been appreciated and rewarded throughout the pandemic: 'As long as magazines stay relevant, they will continue to exist.'

Jos Grobбен, director of magazines, is pleased with the appreciation of journalism during the coronavirus pandemic. The magazines for which he is responsible play an important role, he says. 'You have the news sites, where speed is of the essence. At the other end of the spectrum are the magazines, whose added value lies in the selection they make. In between are the radio, newspapers and television.'

Jos Grobбен is also the publisher of "News & Business Magazines", but he actually thinks that 'news magazines' is not a very good name. 'In fact our strong brands don't focus on the moment but on profundity, mapping tendencies and distilling the relevance out of them. Magazines used to contain summaries of what had happened in the past week. Fortunately we no longer do that, because there is not a soul who cares about ten-day-old news. Now you have to interpret events. We need to inspire people and learn new things. We do that with a hybrid formula: we are present on the digital channels, app and website every day, 24/24. In midweek we provide an extensive pack of reading material on paper and in a digital version. Our subscribers can access a fantastic range: they have digital access to all our "news" magazines in Dutch and French (*Knack* and *Le Vif*, *Trends* and *Trends Tendances*, *Sport/Voetbalmagazine* and *Sport/Footmagazine*).'

Now the newspapers are also evolving in the direction of a hybrid model, with a pack of reading material at the weekend and digital

reporting every day. 'Newspapers are producing good supplements now', Grobбен says, 'but they are still far more rooted in the news. *Knack* has a different selection and offers greater depth.'

How relevant are you?

'It's all a question of how you spend your time. When we phone people who have cancelled their subscription, that is one of the most important reasons for stopping. Time is relative: how many minutes of each day do you want to spend finding out what's in the news? You can listen to podcasts, read a paper, wear digital glasses that practically project the articles onto your retina... but you're still not going to follow the news five hours a day. News consumption is not going to increase dramatically just because there are more types of media.'

What people don't find relevant will be left behind. That is why it is important to commit to quality more than ever', Grobбен says. That focus starts with recruiting the best people. 'We need people who can separate the chaff from the corn so that we can pinpoint the most important topics. The journalism in *Knack* has played a role in many political debates, from the Egmont Pact to the Panama Papers. The climate debate, which we opened up, belongs among those topics as well.'

Roularta employs fact checkers to fight the false information being spread by social media. Those online platforms have many benefits,

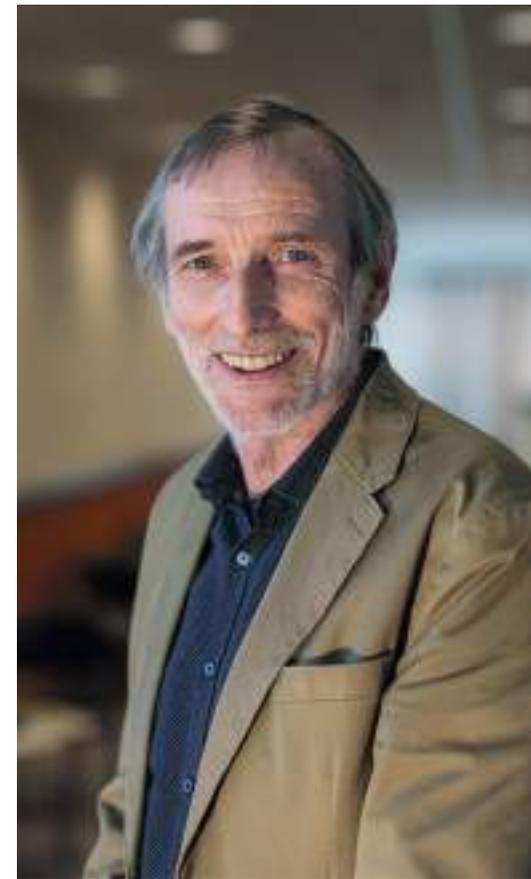
'Magazines used to contain summaries of what had happened in the past week. Fortunately we no longer do that, because there is not a soul who cares about ten-day-old news.'

but they are simultaneously disrupting the business model of printed magazines. Although there are a few provisos to add: 'The debate about print and digital is irrelevant, although it isn't always easy to stand up to the big guys who absorb lots of advertising money. They're not sacrosanct, though. Look at Facebook, which has lied to advertisers several times in recent years. Print is still a very powerful medium. Even Bol makes magazines. So it can't be such a completely silly idea', Grobбен laughs.

Risks and opportunities of the crisis

The coronavirus crisis is also an opportunity for the media. After all, the number of visitors to news sites shoots up with every crisis, and loose sales have also exceeded all expectations in the past months. 'The readership market is fairly stable and can take a few knocks. It is an important task to convert that flow of new visitors into subscribers. The rock-solid brand *Libelle* now has the highest number of subscribers in its entire 75-year history.'

However, the crisis has also brought its share of challenges. The magazines themselves have stayed partly out of the line of fire, but diversification has meant that there has long since been more at play than that. For example, *Knack* organises cruises and *Trends* runs networking events; both of these activities have now come to a standstill. Moreover, investments in digitisation projects need to be timed right. 'It is far easier to push newspaper readers towards a digital product than magazine readers. Magazines are still associated with "slow reading". So we take our cue from the readers' tempo: a weekly magazine supplemented with apps and websites for daily news. In other countries as well, you notice that the transition is taking longer than expected, except with international titles like *The Economist*, which has a readership market all the way to Timbuctoo', Grobбен says. 'In that sense Flanders is a city state; we don't control the world. That is why it is so difficult to predict the future. Nevertheless, I am confident that for as long as magazines succeed in staying relevant, they will continue to exist.' ■



Jos Grobбен,
director of magazines Roularta

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'The rock-solid brand *Libelle* now has the highest number of subscribers in its entire 75-year history.'

1. What was your biggest editorial challenge in 2020?
2. Did 2020 also offer journalistic opportunities?

3. Has the journalist's profession changed after a year of the coronavirus?
4. Which article from 2020 has stuck with you the most?



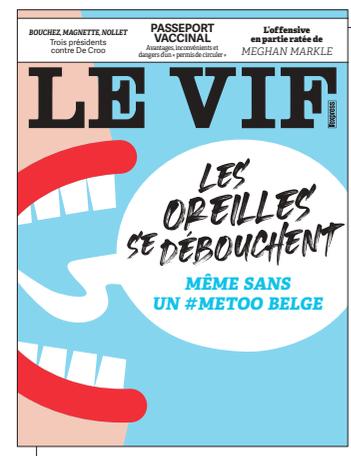
The editors-in-chief have their say

It's not easy to produce decent journalism in the middle of a pandemic. Five editors-in-chief at Roularta look back on the challenges and opportunities of an extraordinary year.



Bert Bultinck, editor-in-chief of Knack

'The epidemic was a boost for Knack's quality journalism'



Anne-Sophie Bailly, editor-in-chief of Le Vif

'We had to be there for our readers'

1. 'It might sound surprising, but the biggest challenge was not that different to the one we faced in previous years: making an attractive news magazine that is sharp, intelligent and on the ball. Obviously it was a new challenge to work from home as standard. That was particularly true for our editorial team, because the water cooler is normally an important breeding ground for their ideas. Sometimes the coronavirus measures caused logistical puzzles – live interviews were often difficult – but the more difficult circumstances hardly ever got in the way of our main tasks, if at all.'
2. 'Beyond any doubt. The epidemic was a disaster for our society, but it was a boost for Knack's quality journalism. Flemish readers felt a need for journalists who explored the issues in greater depth, who could explain complex

- developments clearly and take the debate to a higher level. And what do you know? Those are the journalists who work for Knack.'
3. 'Our profession has hardly changed. We all know how to schedule a Zoom meeting now – sometimes that was a bit trickier in the past – and it has been difficult or impossible to travel abroad for the past year. But I am confident that journalists in the post-coronavirus period will be able to do their jobs again the way they did before. Physical contact is important, especially if you are looking for news.'
4. 'It was the penetrating, sometimes moving interview that Dirk Draulans did with the Belgian virologist Peter Piot, who had been infected with a severe case of the coronavirus himself. Knack was the first to tell his story. The

interview was also an international success. We sold it to the leading scientific journal Science, and it was a hit there as well. The piece resulted in millions of page views on the Science website.'



© Frank Toussaint

1. 'We suddenly had to respond to the huge need for information among the public. Confronted with an unknown event, they turned to the quality press for answers. More than ever, we really had to be there for our readers. We were also forced to start working from home from one day to the next. That meant overhauling our work processes whilst maintaining the quality of our content the whole time.'
2. 'It certainly did. Over the past year, our editorial team has constantly been thinking about how to approach crisis journalism of this kind. What was the appropriate way to interpret the figures and graphs? How should we inform our readers without sowing fear? This way of thinking led to many discussions and debates, which is always a good thing in our field.'

3. '2020 proved how fundamental human contact is for everyone, in both our private and professional lives. That applied to our sources of information, but also to the relationships between our editorial staff. The year of the pandemic brought out the essence of collective intelligence and also the importance of unfettered debate on ideas that are inherent to an editorial team.'
4. 'It is difficult to choose one article. We presented several very good special reports on the coronavirus, both online and in print. We often dealt with issues that no one else had tackled, but ones that demanded attention. In parallel, we were still deciphering the negotiations in the run-up to the formation of the government, and we gave the readers of Le Vif a unique glimpse behind the political scenes. Investigative journalism was always crucial.'



© Frank Toussaint



Ruth Goossens, editor-in-chief
of Knack Weekend

'More savoir-faire, less automatic pilot'

1.

'The biggest challenges were technical and organisational. Computers and internet connections regularly crashed, and it was considerably more difficult than before to organise interviews and photos. Thanks to our enthusiastic team and all the overtime they worked, we succeeded in delivering a very relevant lifestyle magazine every week.'

2.

'2020 was unusually exciting for journalists. We constantly had to adjust our content to a new reality, and at the same time we had to deal with all sorts of limitations. Suddenly there were also fewer opportunities in the traditional lifestyle sectors such as fashion and travel. However, there was a far greater need for stories and reports offering hope and support in this difficult period. It was a case of needing more savoir-faire and less automatic pilot. But looking for original angles and creative solutions is what gives you an adrenaline boost as a lifestyle editor.'

3.

'I don't have the sense that the profession has really changed. A good interview or a hard-hitting report still need the same ingredients: thorough preparation, accuracy and fluent style. It is true, though, that we will be more inclined to do an interview on Zoom in the future than take a plane. In that sense, our ecological awareness has increased. We're still waiting to see how fashion journalism will evolve. Presenting new collections is currently happening entirely online, and that isn't an ideal solution.'

4.

'The things that spring to mind are mainly entire magazines. In May we did a lovely, interesting travel special focusing on domestic tourism and the neighbouring countries. Our heart-warming 'Person of the Year' report has stuck with me as well: a selection of twenty people who did something special to help someone else. And then there was the wonderful but sad story of Bob, an 84-year-old architect who had

been confined to his bed by illness for five years. He gave an interior photographer permission to take photos so that he would be able to admire his own home again.'



© Frank Toussaint

Jacques Sys, editor-in-chief
of Sport/Voetbalmagazine

'We want to grab the readers by the scruff of their necks'



1.

'Continuing to surprise our readers although there were no more sports events. To begin with, we filled the gap with special reports, but ultimately we decided to put our publication on hold for fourteen weeks. That was a difficult decision, but it was the right one. The second challenge was to start back up again and grab the readers by the scruff of their necks right from the word go. We redesigned the concept of the magazine, but it still focuses on news and in-depth analyses.'

2.

'Absolutely. We took the opportunity to strengthen our website and position it better on the market. As soon as we temporarily halted the paper publication, we got to work on that. Our site is more up to date than ever: it is a daily newspaper that includes analyses, reports and columns. The number of readers increased considerably after our restyling, and now that our paper magazine is being printed again, that number is stable.'

3.

'Live interviews were often impossible in the past year. For a sports magazine like ours, that is a significant handicap. Direct contact with the sports world is partly lost. You can compensate with Zoom interviews, but they require an adjustment from everyone. Our editorial meetings are also completely different now to the way they used to be before the coronavirus. And of course we are reporting on sports events now without the real-life experience.'

4.

'I was really pleased with the edition that marked our fortieth anniversary. It appeared on 18 March 2020. It looked back on forty years of sport, forty years of journalism. The conversation between Jan Mulder and Imke Courtois was the backbone of the publication, but there were also all kinds of other interviews with sportspeople from the past and present. The whole thing was fleshed out with analyses and opinions. In short: it was everything that *Sport/Voetbalmagazine* stands for. It ended up being a fantastic souvenir edition.'



© Frank Toussaint



Wim Verhoeven, editor-in-chief of Trends/Trends-Tendances

'Our strength? Transcending the madness of the day'

1.

'I took the job of editor-in-chief at *Trends* and *Kanaal Z* in the midst of the coronavirus crisis. The coronavirus got, and is still getting, a lot of attention. Rightly so, but in the meantime the world has not been standing still in other areas. The climate, diversity in the workplace or the social role of business leaders: keeping track of all these developments is a challenge for our editors. Our readers expect us to look to the future with an entrepreneurial mindset. There's a reason why we're called "*Trends*".'

2.

'The coronavirus crisis has generated an endless stream of 'McDonald's journalism', you might say: fast news that sometimes goes out of date almost before it is published. Virologists, epidemiologists, vaccinologists, politicians and action groups: everyone is talking at the same time. The strength of a weekly magazine like *Trends* is that we have time to transcend the madness of the day. The unpredictable course of the pandemic has taught us that all that fast

news doesn't necessarily leave us better informed. So my motto is: *Trends* doesn't have to be the fastest, as long as we are the smartest.'

3.

'An editorial team is not that different from teams at other companies, with everyone working almost entirely from home in recent months. Everyone does their best, but working remotely is far from ideal. Good ideas often arise spontaneously when people are together and sharing information. However we'll soon be able to combine the best of the old and the new way of editing a newspaper. Hopefully we'll be able to look each other in the eye for real more often, but we will also be able to concentrate on writing a piece at home.'

4.

'*Trends* successfully dealt with "the new way of doing business". More than ever, our magazine focused on gamechangers: people who have an idea, make a difference or seize an opportunity to do business and contribute

to the world at the same time. It is striking that these are often young people, and often women as well. *Trends* will always be a benchmark for the important sectors, economic policy, money matters and investment advice. Now you can add this new, young economy. Gamechangers like these can inspire others.'



© RV

The Roularta app as the spearhead of digital strategy

'We've set the bar high, aiming for hundreds of thousands of users in the first year'



© Jaelynn Castillo

Readers spend 22 minutes on each digital magazine they open.

Roularta's *New Deal*, introduced in 2019, was the first step towards the Roularta app. It was intended as the spearhead of the publisher's updated digital strategy.

The experiment with the *New Deal* was a resounding success: anyone who subscribed to a printed edition of *Trends*, *Knack* or *Sport/Voetbalmagazine* also received online access to the other news magazines and their counterparts in French. 'The *New Deal* proved that people are prepared to pay more for a subscription that includes the digital package', says Stefan Seghers, Chief Data Officer. 'We have gained new subscribers rather than losing them. More than that, in fact: people read the other titles online very intensively. They spend 22 minutes on each digital magazine they open. When we saw those figures, we realised: if readers are spending that much time on them, we're on the right track.' ▶

‘If you only read Libelle, it will feel like the Libelle app.’

Sanoma

The arrival of the Sanoma titles and *Plus Magazine* opened up possibilities for even more combinations. It even seems to be the ideal way to strengthen the niche publications that Roularta owns. ‘In recent months, we have developed an application that brings all Roularta’s magazines together: from *Libelle* and *Data News* to *Trends* and *Flair*. Anyone who subscribes to one title can read one or more other titles for a reduced price’, Seghers explains. ‘We have been noticing for years that our brands are really well known, but that we can do much more to convert that fame into growth. In other words, we have an opportunity to sell a second or third Roularta title within a household, and thus to attract more readers.’

The range of Roularta magazines makes it possible to commit strongly to families. Just as

every member of the family has their own Netflix account, Roularta’s app will take everyone’s preferences into consideration. ‘We didn’t rush into this’, Seghers continues. ‘Market research showed that people were interested in packages of titles and that they were willing to pay for them. More than 80 per cent also thought it was worth being able to share the application in their household.’

Nevertheless, the app does not detract from the brands’ specific identities. Quite the opposite, because these strong brands are the very source of Roularta’s strength. All the articles are presented in the house style of the magazine they appear in. ‘If you only read *Libelle*, it will feel like the *Libelle* app. Although the intention is obviously for us to suggest other titles over time’, Seghers says. ‘Because we have a lot of data about reading behaviour, we can create personalised subscription formulas. A

family that receives the paper version of *Knack* has digital access to the six news magazines and receives a discount on a digital subscription to *Libelle* and *Plus Magazine* in the Roularta app: that is just one of the many options.’

There are various ways to find articles in the app: from a feed of articles or by browsing the magazines. ‘The latter option again emphasises the importance of perceiving value. Editors make certain choices, and for many people that package is very important.’ Every time an article is opened, the person will be able to read it in a mobile-friendly format. We took smartphones as the basis for our designs, not the other way around. That means the articles look great on any screen, from the smallest smartphone to the largest tablet.

Roularta as a platform for others

The most radical consequence of the Roularta app is probably the disappearance of all the separate apps. Roularta currently has more than 30, because many brands have a separate app for their website and their magazine. The new project brings them together: anything you can read for free on the website will be free in the app as well. ‘The *Knack* app is currently used by more than 20,000 people, for example. So we’ve set the bar high for the Roularta app, aiming for hundreds of thousands of users in the first year. When we launch it, we will allow everyone to read absolutely everything free for 30 days. That’s an incredible offer. By thoroughly analysing what people read, we will be able to offer customised subscriptions after that trial period. That turns the digital tool into both a recruitment channel and a way of rewarding

loyal subscribers. So we might end up giving people who already have print subscriptions to three titles full digital access to all the other magazines after all.’

The renewed websites will also be launched later this year. There, too, the emphasis is on a similar experience that makes cross-selling possible. The fact that both the applications and the renewed websites can be made is all thanks to the open architecture that has been a priority over the past few years. The underlying structure of the content store had its own API, making it possible to deliver articles automatically to external parties.

Thus it is not unrealistic to imagine that a bank or transport application might one day offer a package of Roularta articles on a specific theme. Of course that is subject to certain conditions, Stefan Seghers explains: ‘When our articles appear on other platforms, the brand must always be mentioned, the invoicing for the user goes through Roularta and we also need access to the data.’

Getting rid of its old-fashioned image

The logo used as the app icon is not Roularta’s traditional logo either. ‘We’ve modernised it. Will it become Roularta’s new logo? Who knows. At any rate, it is an experiment that shows the direction we are heading in with the group.’

‘We are in the final phase of development and will be releasing the Roularta app to 2,000 subscribers in June. This project will be initially successful if the subscribers say it offers them added value. After that we can start experimenting and upselling.’ ■

‘We have been noticing for years that our brands are really well known, but that we can do much more to convert that fame into extra subscribers.’



Stefan Seghers, Chief Data Officer Roularta

© Marco Miertens

App

Trade magazines: deepen, don't broaden

If you look at Roularta's portfolio, you will see a number of lesser-known titles alongside the big names like *Knack* and *Libelle*. *Data News* and *Grafisch Nieuws*, for example. These are trade magazines whose circulation is a fraction of that of the general magazines, although they are every bit as valuable.

The trade magazines have been going for decades, but the market in which those brands operate has changed radically in recent years. 'I remember being at a German trade fair for publishers twenty years ago', says Jos Grobben, the director of magazines. 'Because Audi was a big sponsor of the event, a representative of the car manufacturer was allowed to give a short speech. The man told us that Audi was financing the event in the hope of joining the publishers in the room in a few years' time. Half the audience laughed, but they turned out to be wrong.'

Whereas trade magazines used to be an intermediary link between producers and users, the former have now started communicating ever more directly with the latter. Initially they did so by making their own websites, then using social media and finally by becoming a kind of media companies in their own right. This has led to a drop in advertising income that can be felt right across the media sector.

'If trade magazines want to survive, they need to realise that they can no longer function as a conduit. Rather than broadening their content, they need to deepen and deliver

'We want to be the Rolls-Royce of our sector: we aim for nothing less.'



Jos Grobben,
director of magazines Roularta

great added value. Producers who make podcasts or are active on YouTube will only talk about their own products, but a trade magazine is a place where you can compare products on an objective basis', Grobben explains.

It is no longer sufficient simply to publish a magazine, either. 'We really commit to diversification in our trade magazines. *Data News* derives a large proportion of its income from events. For example, 1200 people attend the *Data News Awards*.'

Grafisch Nieuws, the trade magazine for the graphics industry, also organises events. 'The Drupa exhibition is a biennial highlight in the sector. In the years with no exhibition, we have started up a smaller, Belgian version, "Get Smart". Because we organise it as an independent party, we can put several competitors on stands in the same hall without difficulty, which appeals to people in the business.'

The professionals who rely on magazines like *Grafisch Nieuws* and *Data News* are a clearly defined target group, which makes them very attractive from a commercial perspective, even today. 'If you occupy a significant position, a trade magazine can be highly relevant. If you are number two or three in the market, it's a lost cause. We want to be the Rolls-Royce of our sector: we aim for nothing less.' ■

© Frank Toussaint

Three employees
tell us about their jobs

For love of the media

Virginie has only just come aboard the Roularta ship, Veerle has been sailing with us for five years already and Kris is an experienced captain with thirty years on the clock. We follow in the wake of three employees whose burning ambition it is to help Roularta navigate the right course.



5 months at Roularta: Virginie Leupe, product manager for De Zondag & De Streekrant

'I can see myself in a management role in the future.'

Three degrees in marketing and professional experience to boot: Virginie Leupe (25) presented serious credentials when she applied to Roularta at the end of last year. 'I obtained a bachelor's degree in marketing from VIVES in Kortrijk, followed by a higher bachelor's in advanced business management at UCLL in Leuven. Their partnership with universities in the UK meant I could also do a master's in international marketing at Coventry University.'

In November 2020, during the second lockdown, she started at Roularta. 'It wasn't

planned', she laughs. 'I noticed a vacancy for a brand manager on LinkedIn. When I applied, the HR department told me that a lot of experience was required for that role, but that there was a new vacancy for a product manager. Why not, I thought. I was working as a web marketer for Tui in Ostend at the time.'

Obviously the application process was not what you would expect it to be. 'I only met my new boss once in person during the process. Of course I was already used to video calls, but it is still strange to see hardly anyone during

recruitment. Luckily, I was able to go to the office regularly during the first month, although I got to know most people online. It was important for me though to realise mentally that I was in a new working environment. I'm fortunate to have a good team who immediately made me feel welcome.'

Virginie works as a product manager for *De Zondag* and *De Streekrant*. She draws up marketing plans with the marketing director, sets up competitions for customers through partnerships and briefs the graphic team on many matters such as adverts, stickers and image material. 'I also support the sales team: I have a really broad role. The most challenging thing about this job is that *De Zondag* and *De Streekrant* are free products. Without advertisers they couldn't exist. The trick is to be as creative as possible on a limited budget.'

Virginie sees herself in a management role in the near future. 'If I get that chance, I'll seize it with both hands. I know I'm capable of it. And one day, don't ask me when, I want to start my own business. I dream of a coffee bar with a kind of library where you can borrow or buy books on the spot. I see myself as a bit of an old soul in a young body. I really wanted to get into the print world, and I read a lot. During my intro day at Roularta, I was looking forward to visiting the printing works most of all, to see how a magazine or newspaper rolls off the press and is finished. That was also a little dream that came true.' ▶

© Frank Toussaint

30 years with Roularta: Kris Van Peteghem, digital product developer

‘Strong managers, a bit of luck and showing courage, that’s what it’s all about.’

Kris Van Peteghem (53) is an old hand at Roularta, but it doesn’t feel that way to him. After his studies in commercial engineering and one year of military service, he started his career with the media company as an assistant to the purchasing director. ‘It was a new role at the time. My first boss was William Metsu, who went on to become the general director of the printing works. You can learn a lot if you are lucky enough to work for strong managers,

certainly as a beginner. You do need to be lucky, because you can’t choose your own managers.’ A year and a half later, Leo Claeys – Rik De Nolf’s brother-in-law – was looking for someone to deal with distribution coordination in the free press division (now Local Media). ‘Distribution is the last essential link to the reader, and back then it didn’t run smoothly. This job was also a new role. That made it interesting, because you create a lot of your job yourself, along with your manager.’

Strong managers, a bit of luck and showing courage yourself: Kris believes these are the three ingredients you need to create an exciting career for yourself. ‘Leo said to me: “Now you’re on the purchasing train, and you know how it works. I’m just letting you know that there’s another train on the tracks, the distribution train. I know which way it’s going, but when it reaches the points, things can get a bit bumpy.” What he meant to say was: if you want to move on in a company, you really need to go for it.’

Kris was given the extra task of setting up an external training pathway for sales. ‘The intention was to capture that knowledge within the company, so we wouldn’t have to stay with that agency forever. That experience really opened up my world to sales, infusing me with customer centricity. I started training people after that, and then I got the chance to become

the product manager for *Steps magazine* and *De Zondag*.’

Then Chris was logistics manager for a while. ‘I was really fascinated by the technical installations in the printing works. Luckily I was still a bit of an engineer’, he laughs. In that period there were exploratory talks with Google for a partnership as the reseller (premium partner) for Google Ads, in the world of search engine advertising. ‘I started learning all about that and made a business plan. We ended up being the first Google partner in Belgium, and we won a Google Award twice.’

That job was the forerunner of his current job as digital product developer. ‘Just like in print, you need to dare to innovate in digital. I’m currently working on a project on digital signage, digital screens for Mijn Stad TV, that are used at busy locations in local shops for digital communication. The baker or butcher can use some of the slots themselves to advertise their products, and we sell the other slots to advertisers.’

You might well say that Kris is a loyal and multi-talented lieutenant. ‘Of course I have sometimes considered going to work elsewhere, but the company was smart enough to offer me new internal challenges in good time. The grass is often greener on the other side, but during my career I have seen many colleagues come running back to Roularta.’



© Frank Toussaint

5 years with Roularta: Veerle Hofman, sales training & coaching manager

‘I partly had to reinvent my job in 2020.’

Veerle Hofman (47) learned the tricks of the trade at Gouden Gids (Truvo), where she worked for 17 years. She started out as a sales rep and discovered all kinds of customers in a range of sectors while she was on the road. ‘All those conversations really contributed to my general knowledge.’ She developed naturally

into a coach for several teams. ‘When you follow all those reps out onto the road, you see and learn a lot all over again.’ Next she worked as a sales manager with a team of 15 reps for a while, and then as a coach for the key accounts.

Her last job at Truvo was as a training and coaching manager with a team of ten trainers. ‘Then I got a phone call from Roularta, which was looking for someone with my profile. After 17 years I was ready for a new challenge.’

She started in Local Media, where she was responsible for developing a sales approach. I was brought in to teach the reps to do 360° sales, both in print and digital. We started by rolling that out to the leaders and then to their teams.’ Then she moved on to Roularta’s customer journey pathway, where she developed a code of conduct. ‘The million-dollar question is: how can we focus even more on our customers in a highly competitive and changing world? What is more: how can you communicate better within in your team? After all, you can only approach external customers well if you work together well internally.’

Today she’s still monitoring the customer journey pathway. She also coaches leaders in how to lead, how to convey their vision to their team, how to speak to a group, etc. ‘Every company needs inspiring leaders who can get the best out of a team’, Veerle says.

‘I have a fantastic job, but sometimes I’m exhausted after a training session’, she laughs. ‘I make my training courses really interactive with lots of exercises, including movement exercises to keep my listeners alert. But it’s quite a bit more difficult to make sure everyone has their say on Zoom. Now I do a lot with breakout rooms and changing teams to keep things interesting. I would say that I partly had to reinvent my job in 2020.’ She sometimes sees herself as a psychologist. I can get a lot out of people, even if they’ve got things on their mind.’

Veerle hasn’t ruled out the idea of becoming a manager herself in the future, based on this role. ‘But that isn’t my main ambition. My mission at Roularta will have succeeded if I have contributed to positive changes in the company culture with open and transparent communication.’



© Frank Toussaint

News & Business



Readers and Audience (print + digital)

Trends + Trends/Tendances

Readers
307,061

Audience
49,532



Knack

Readers
451,199

Audience
87,821



Bodytalk fr+n1

Readers
296,460

Audience
144,161



Trends Style fr+n1

Readers
123,000

Audience
44,767



Sport/Foot Magazine Sport/Voetbal Magazine

Readers
439,307

Audience
30,601



Le Vif/L'Express

Readers
350,122

Audience
51,655



Data News fr+n1

Readers
87,823

Audience
22,310



Krant van West-Vlaanderen

Readers
389,624

Audience
52,980



De Tijd/L'Echo

Readers
509,200
(incl. website)

Total circulation
76,135



News & Business

Real users, visits, views per month



knack.be/levif.be

1,278,172

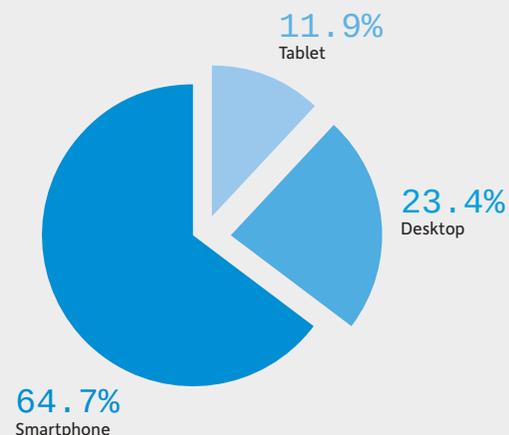
real users

4,332,697

visits

6,813,527

views



sportmagazine.be

152,152

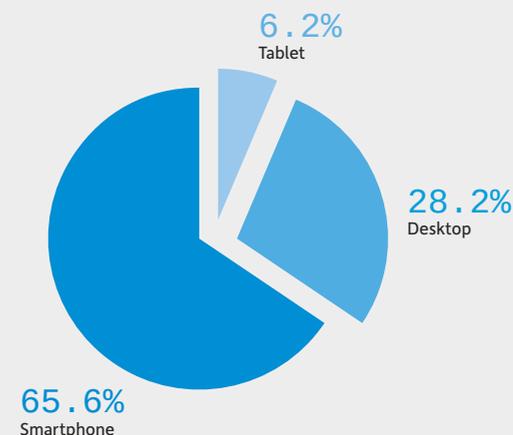
real users

256,225

visits

365,963

views



Krant van West-Vlaanderen

524,300

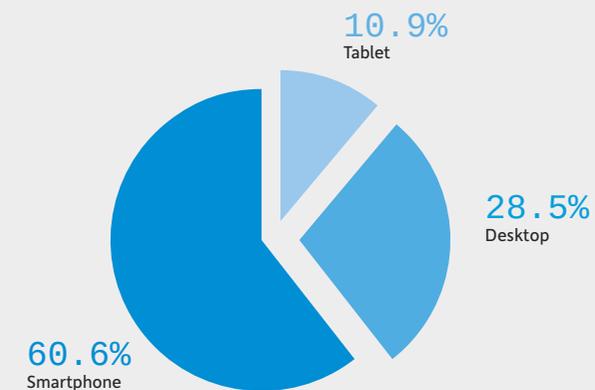
real users

1,417,618

visits

2,230,211

views



Data News

95,956

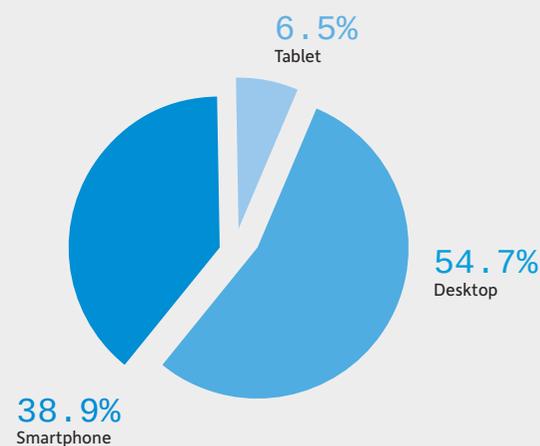
real users

169,595

visits

265,970

views



All Roularta Brands

3,702,468

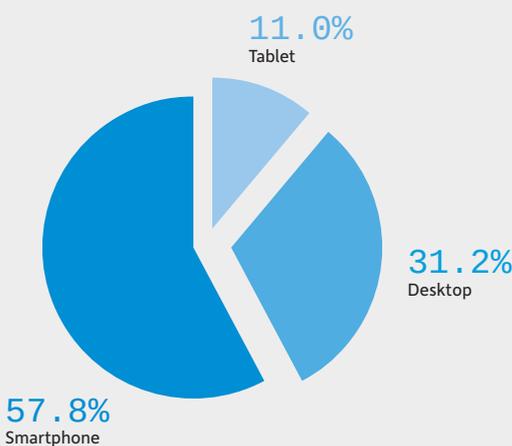
real users

19,961,429

visits

32,959,361

views



trends.be/tendances.be

673,932

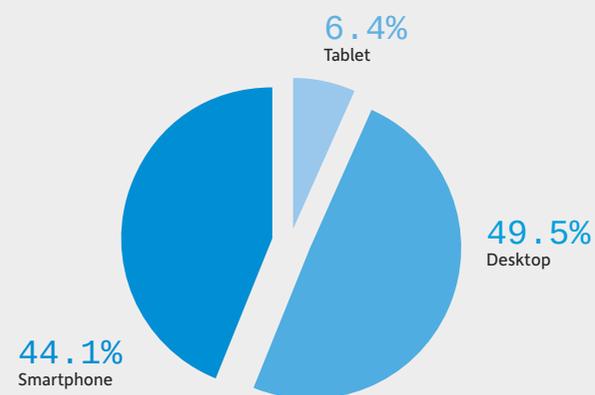
real users

1,481,351

visits

3,471,992

views



Vision

'The digital acceleration cannot be reversed'

They had to change their approach to tourism and the popularity of cooking videos went through the roof. Suddenly everyone went digital. How the coronavirus shaped the year for lifestyle magazines as well.

Last year had a great impact on the content of lifestyle magazines as well. Although they don't report on hard news, their angle on content cannot be disconnected from what is going on in the world. 'It is our mission to inspire our readers, offering them dreams and relaxation. And that was exactly what people needed. So we didn't need to change anything about the topics we presented, but we had to change our approach to ensure the topics were coronavirus-proof. But we are used to constantly coming up with new angles within the same topics. That means we had to be highly flexible, but we never had the sense of leaving our comfort zone in terms of content.'

Bond with the readers

The magazines deliberately avoided all the news about the coronavirus. 'That wasn't what readers were looking for from us. Many of them completely lost their footing as the coronavirus crisis intensified. So they came to us for inspiration, to find out how to help each other and how to make life pleasant in their own bubble, in spite of everything. And we were absolutely essential to that.'

People genuinely appreciated this

approach: readers flooded the editorial offices with mails thanking the editors for the inspiration they had found in the magazines and on the websites to conjure up a fun Easter or Christmas celebration after all, even if the coronavirus meant that it was completely different to what they were used to. 'At times like that we became even more keenly aware of our social role. We sensed that what we were doing was important to so many people, which stimulated us to put together especially good editions in difficult circumstances. That also ties in perfectly with our mission to be as close as possible to our readers.'

Timing

Even though women's magazines did not directly respond to the coronavirus news, it was still a big challenge to keep the content of the magazines in line with what was and was not possible at any given time. 'We often had to throw our editorial planning overboard completely. That isn't easy for the editors of a lifestyle magazine, who generally plan things a long time in advance. Nevertheless, it is important for lifestyle articles as well to get the timing exactly right. That became really clear last

'Readers flooded the editorial offices with mails thanking us for our Christmas or Easter tips.'

year: what we were still allowed to do one week was suddenly banned the next week. So even a lifestyle magazine has to be flexible.' Tourism was one of the topics where the angle sometimes changed at short notice. With treasure hunts on foot in cities or holiday tips in Belgium, the magazines offered inspiration for days out for readers in their bubble, but even that was untimely when cities locked down completely or people were advised not to go to the coast.

Digital

2020 was also the year of the digital acceleration, among other things with record numbers of visitors to all our websites. 'The figures for *Libelle Lekker*, for example, absolutely went through the roof. It was as if everyone was looking for recipes on our website. Certainly when it came to cooking, it felt as though we could never offer enough content', Hellemans says. 'We won't be able to reverse the digital acceleration. In the midst of the crisis, a whole range of new habits emerged that are here to

stay. Some of our readers didn't really know how to use all the possibilities of digital tools before the coronavirus crisis, but in the middle of it all they learned how to use a smartphone much better, they bought much more online, and they got to grips with video calls. After all, it was the only way to keep in touch with their friends and family. In that sense, our audience has become more digitised at breakneck speed. That has laid the foundations for long-term digital growth.'

Traces of that can already be found in the magazine itself. For example, links to cooking videos were added to the recipes in the Christmas editions of *Libelle* for the first time, so that readers could also see how to make a recipe. 'Those videos turned out to be a resounding success. Our readers have a lot more digital skills and habits now. Those won't disappear. And that in turn creates a whole scale of new possibilities.'

Karen Hellemans
Editor-in-chief of *Libelle*
/ Publisher of women's magazines



© Studio Dann

The year in journalism for the lifestyle magazines

The editors of the lifestyle magazines have not had an easy year. The coronavirus crisis turned the whole of society on its head and large parts of the country locked down, often precisely in the areas that lifestyle magazines focus on most. There is not much point sharing trendy restaurant tips when bars and restaurants are closed, talking about great shops when

shopping has become a matter of bare necessity, or giving your readers exotic travel reports to dream of when the aeroplanes are stuck on the ground. Despite all these limitations, the lifestyle magazines still managed to keep their readers interested. More than ever before, in fact. Four editors-in-chief tell us all about it.



© Frank Toussaint

Journalism



Eva Van Driessche, *Flair*

'It's all about self love'

As she looks back on 2020, the editor-in-chief of *Flair*, Eva Van Driessche, feels positive about her magazine. 'We've had a good year. The repositioning and restyling of the magazine that we had started on before the coronavirus crisis really energised us', Van Driessche says. Particularly in the first lockdown, the number of digital readers rose sharply, with 30 per cent more visitors to the website. 'Because we had just started registering our website visitors at that point, we achieved our goals far more quickly than we expected. People were clearly coming to us for inspiration.'

Nonetheless, it was also a big challenge for *Flair* to inject readers with the me-time they desperately needed. 'We target the young audience who were fed up with the lockdown after a week. Young people want to explore new places the whole time and use our discount campaigns to have fun experiences. So we had to go looking for creative alternatives', Van Driessche says. 'Fortunately we could rely on what must be the fastest-adapting marketing team in history, which transformed all of our

discount campaigns into campaigns that were possible at that moment.'

At times when it wasn't possible to seduce readers with rock-bottom prices for restaurants or hotels, the marketers set up the 'Shop In Uw Kot' (shop from home) campaign (with discounts at local online stores) and a campaign centred on takeaway restaurants. 'We had to keep changing our plans all year long. That required great flexibility and was the biggest struggle of the year.'

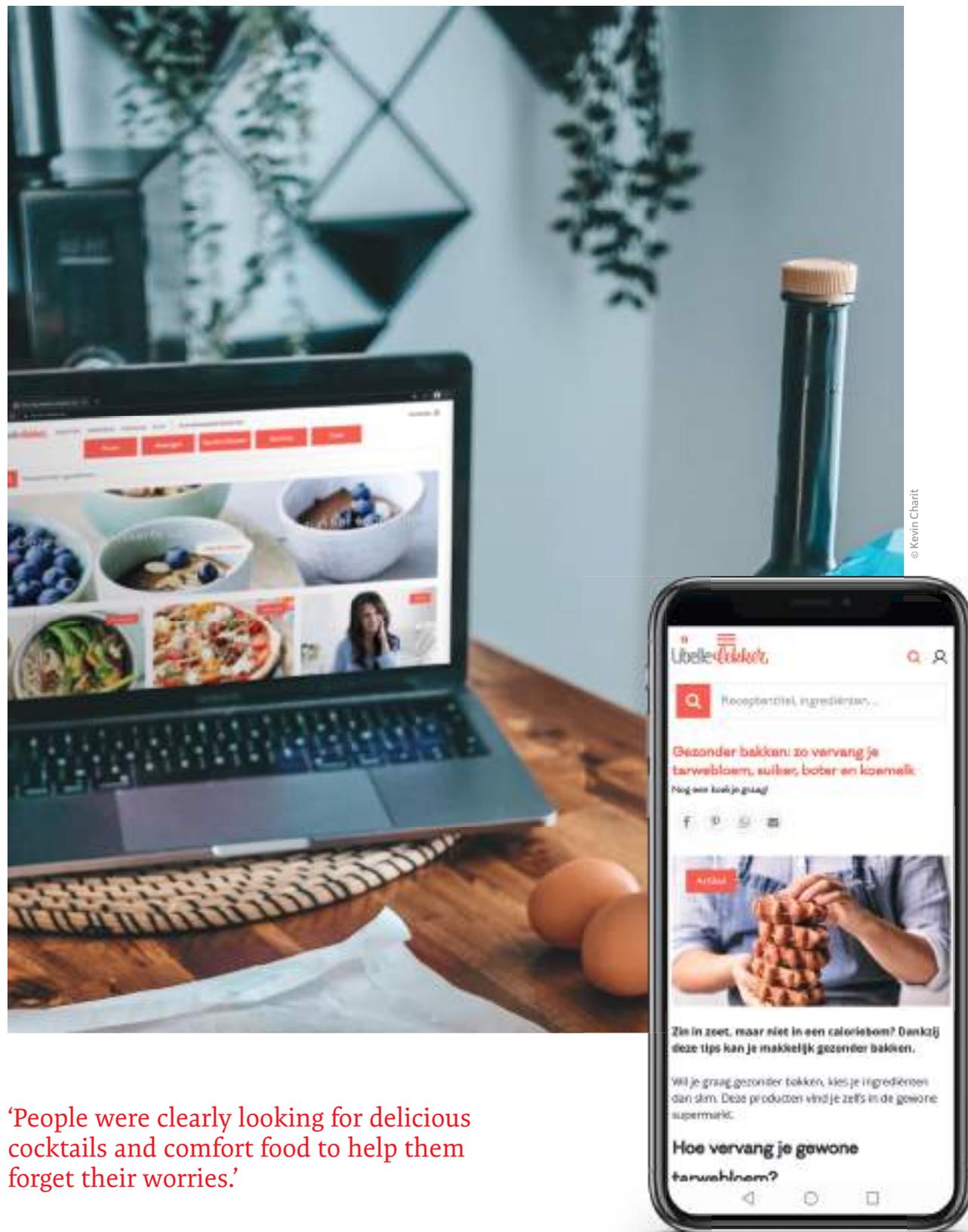
Finding new angles on content was never a problem. 'We made a big point of positivity by focusing on the things that were still possible.' So the magazines were strewn lavishly with city walks, lists of the most Instagrammable places in Belgium, recipes for cocktails or tips for furnishing a home office. Young people's mental health was also a major area of attention.

'Self love is an important mainstay of our repositioning. Even before the coronavirus crisis, young people were struggling with a lot of uncertainty, which led us to pay more attention to mental wellbeing even then. In the

midst of the crisis, we simply carried on with that. At a time when you are entirely left to your own devices, it is even more important to love yourself. And the readers clearly appreciated that message.'



© Studio Dann



'People were clearly looking for delicious cocktails and comfort food to help them forget their worries.'



Karolien Van Dinter, Libelle Lekker

'2020 was the year of mojitos and banana bread'

When the crisis got tough, the Belgians got cooking. In the first few weeks of the lockdown, the *Libelle Lekker* website attracted one million extra visitors. 'We spent the whole year wondering when the visitor numbers would drop back down again, but the upward trend continued throughout the year', says Karolien Van Dinter.

Ultimately, half as many visitors again found their way to the recipe website over the whole of 2020. 'If our website could speak, it would say that 2020 was the year of mojitos and banana bread, because those were the most popular search terms. People were clearly looking for delicious cocktails and comfort food to help them forget their worries.'

The big challenge is to transfer the great online success to the magazine. 'Our sales figures were already growing over the past few years, which is atypical in today's magazine market. What we need to do is convert even more people from the website to a magazine subscription. That isn't an obvious transition to make, so we need to do it by various routes.' In 2020, *Libelle Lekker* committed strongly to registering online visitors. The zone for registered users was also improved: visitors could save recipes and make shopping lists there. 'The

registered visitors are an attractive audience to whom we can sell items from the online store or magazine subscriptions.'

2020 was not an easy year to put magazines together. 'As magazine makers, we are trained in making the best of what we have to create an inspiring lifestyle world no matter what.' Recipes are always developed in small groups – an editor, a food stylist and a photographer – and if you turn those groups into fixed teams, they can continue working together

throughout the crisis quite easily. The reports needed quite a bit more improvisation.

'But the thing that has stuck with me most were the reactions from our readers in our mailbox or on Instagram. Many people told us they had been inspired by our recipes and that this had helped to distract them from the coronavirus crisis. Feedback like that from people who are struggling is really special', Van Dinter says.





Karen Hellemans, Libelle

'We were needed more than ever before'

The editors of *Libelle* have traditionally always been in close contact with their readers, but it became even more clear in 2020 how close that bond really is. 'We got even more responses than usual from readers who wanted to thank us, for example because we had inspired them to create an alternative Easter celebration, go on a surprising walk in their own neighbourhood, or because they had had a lovely Christmas after all thanks to our ideas. Open-hearted stories also came in every week from readers in difficulty who felt supported by *Libelle*. That was heart-warming. More than ever before, the editorial team had the sense that we were needed', says the editor-in-chief, Karen Hellemans.

2020 was also the year in which *Libelle* celebrated its 75th anniversary, for which a special – socially distanced – double edition was made. The photographer and television programme maker Lieve Blancquaert also made a video featuring letters from readers. 'It still gives me goose bumps to think about the story of a *Libelle* subscriber who had lost three children, but still kept a toy horse made of fabric that she had made herself many years ago from a pattern in *Libelle* in memory of them. That sums

up everything we stand for.'

As well as the 75th anniversary, the Christmas editions were a highlight for Hellemans. 'Because of the coronavirus situation, we even doubted whether we should really make a big thing of Christmas like we do in other years, because Christmas parties the way they used to be were impossible. At the

same time, though, we realised that everyone needed a warm, Christmassy feeling more than ever, and that they were looking for inspiration to have a fun Christmas celebration within the limits of what was possible. It was an incredible feeling to bring the inspiration and illumination that so many readers needed during such a difficult period.'



© Studio Dann

An Brouckmans, Feeling/GAEL

'Challenging to go back to basics'

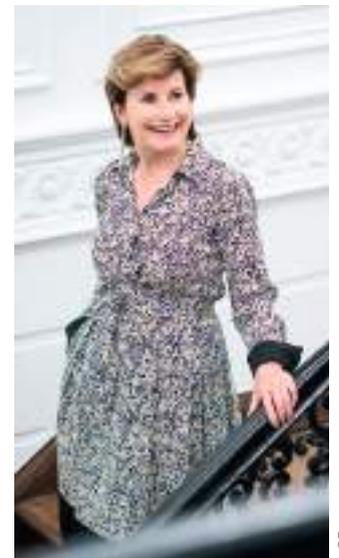
In organisational terms, the editorial team of *Feeling/GAEL* never got into difficulties over the past year. 'Of course it's more fun to brainstorm together. But we can put an edition together from anywhere, completely digitally. Moreover, our staff were used to working from home, so the production process was never in jeopardy', says the editor-in-chief, An Brouckmans.

The real challenge lay in the content. Travel is an important mainstay of *Feeling* and each edition contains at least one dream holiday, often on a different continent. There wasn't much point to that last year because we were only allowed to travel within our own country. 'Based on what was still possible, we still managed to come up with a thousand and one perspectives that were relevant to our readers. We covered pretty much every possible form of holiday in Belgium. That was a big challenge, but a really fun one. The challenge for us as magazine makers was to go back to basics and come up with new angles. That kept us on our toes and resulted in exciting editions despite the difficult circumstances. It wasn't just the sales figures that skyrocketed: digital visitor numbers peaked as well. Our special report on

staycations during the summer generated a record number of registered visitors.'

More than ever, articles appeared in response to the many challenges facing mental health. So there were features on all the people who were missing human touch, on the lack of social contact and on relationships under pressure. 'Magazine makers have to present the subjects that matter to people, the ones consumers really need at that moment.'

All the same, the editions that stood out for Brouckmans over the past year were precisely the ones that were not about the coronavirus. For example, there was an edition linked to international women's day in which the editors put together an imaginary government consisting entirely of women. And there was the one about the Black Lives Matter movement, with the editor of every column turning a critical eye on her own relationship with racism. 'But clearly we're not a medium that publishes hard news. We're quite happy to leave the facts and figures to our colleagues. Our main aim is to offer our readers inspiration to relax, enjoy life and experience personal growth. That is our most important mission, whatever the circumstances.'



© RF

Editors in lockdown

'We are a family who cares for each other. Readers feel that too'

The pandemic also thoroughly shook up the editorial teams' working methods. How do you continue to inspire each other? What do you do when problems emerge? And how do you take care of each other? Trust turns out to be crucial.

Last year, making a magazine was nothing like the way it usually is, with editorial teams that suddenly found themselves working from individual home offices. 'It really has become clear how strong the editorial team is, and how well attuned we all are to each other, irrespective of the location we are working from. That didn't come as a surprise, but it was greatly reassuring', says the editor-in-chief of *Libelle*, Karen Hellemans.

Creative dynamic

Certain things suddenly went more smoothly when the editors were working from home, such as the weekly discussion about the cover. 'All of us used to gather around the same computer screen, which was always a nice, social occasion. Now we all look at the same cover on our own screens, and actually that is a lot more efficient. The same applies to other meetings. Page discussions are generally also more efficient when we have them digitally.'

At the same time, however, the coronavirus period has exposed the limitations of virtual tools. 'I've missed the creative dynamic

more than anything. I don't believe in brainstorming on Zoom. The best ideas often emerge from the little conversations you have before a meeting starts. Those don't happen at a virtual meeting, so the discussions are shorter and more streamlined. That means you miss a lot of stimuli; it's harder to pick up each other's ideas and ultimately inspire each other.' That is precisely why the editors chose to hold a lot of brainstorming sessions in physical form after all, obviously to the extent that the rules allowed them to do so and with a smaller number of team members if necessary.

Leadership

The past year was a big challenge for leaders as well. How do you keep everyone involved when everyone is working on their own at home? And how do you keep your finger on the pulse? 'I was already used to putting a lot of trust in my teams, so I didn't need to change much about my leadership style. But it certainly isn't easy when almost all your communication is on screen, simply because you get less input.'



© Frank Toussaint

'It became clear how well attuned the editors were to each other. That didn't come as a surprise, but it was greatly reassuring.'

'When I used to walk into the editorial offices, I would feel the vibe on the shop floor from the very first step I took. You immediately notice whether people are tense, and you can respond to that quickly as a leader. I find that more difficult to detect from behind a screen. It really helps a lot if the core team know each other well and there is an atmosphere of great trust. That is crucial.'

Team walks

To avoid losing the connection between staff members, *Libelle* organised team walks last year as well as the many team meetings. 'That was an opportunity to really catch up on things. It was a great way to find out whether there were issues and where I needed to step in. There was also an e-mail for all the editors each week that contained both an update on the coronavirus measures and fun facts (like the people

whose birthday it was that week). That mail acted as an "editors' newsletter" and helped to maintain a positive atmosphere in spite of the physical distance. In addition, we organised an online Christmas bingo as an alternative to our Christmas drinks, and of course there were all the efforts that HR put in with the online fun@work activities and our "Insight" magazine that was sent to staff at home.'

'Let's be honest: the things that were already going well kept going well throughout the coronavirus crisis. But things that were a mess didn't get any better in the heat of the crisis. That applies at both organisational and personal level. So our teams deserve a real feather in their caps, because everyone kept a constant eye out for anyone who was struggling. In that sense, we are a family who care for each other the whole time. And I am convinced that those bonds are inevitably reflected in the magazines we make.' ■

Digital communities

When readers become friends

The readers of *Libelle* have been connecting on social media over the past few years. 'The *'Libelle Vriendinnen'* (*Libelle Friends*) tool brings them back under our auspices', says the digital marketing manager of the magazines, Carl Van den Hove. 'Even though they were mainly reaching out to each other digitally last year, they can't wait to meet up physically again.'

'There is a real community behind *Libelle*. Readers write letters to the editors, connect on social media and arrange to meet up, you name it. For them, *Libelle* is the one friend with whom they can talk about their daily life, a friend who gives them energy and inspiration', Carl Van den Hove tells us. His team supports the magazines' brand managers with their digital campaigns.

That community feeling, combined with the inspiring content the magazine offers, ensure that *Libelle* represents quality and reliability to its readers. 'What is more, the pandemic has meant that everyone has been looking for inspiration for their home and garden, even more than at other times.'

'*Libelle Vriendinnen* is a tool we have developed to help them connect to *Libelle* and other friends of *Libelle*.' There are already many groups where *Libelle* readers meet each other and interact, such as walks in a given city, amateur cooks to make jam, etc. 'It is often about exchanging tips and tricks, sometimes offering a solution to a problem.'

Gifts and offers

'*Libelle Vriendinnen* was a resounding success right from the start. We started in January with 3,000 members; by the end of the year that number had grown to 18,000. They come together in about 200 small clubs of like-minded people. Some of the clubs only have five members, others a few hundred, but they all have *Libelle* in common. We bring them back home, as it were. That has benefits both for them and for us. To quote another figure, we have noticed that sales of subscriptions were

twice as high as average among the registered *Libelle Vriendinnen*.'

'We noticed that commercial gain put some readers off a bit, although that is not our primary aim. We want to bring them together and stimulate interaction between them and with us. Obviously it's beneficial to us if readers register and we can have access to that data. It enables us to link advertisers to the right target

group more accurately. But it also enables us to reward them, with gifts or special offers, for example. Take the 50 free photos on the summer cards platform that *Libelle Vriendinnen* were given as an extra gift if they sent someone a digital postcard'.

Libelle Vriendinnen is a digital initiative with which Roularta brings its readers together and facilitates interaction between them. It led organically to an editorial extension. 'The topics that *Libelle Vriendinnen* go for are a source of inspiration for the journalists. They show very tangibly what interests the readers. The editors can challenge them too. You can inspire readers

to use less sugar and exercise more, for example by walking 50,000 km together. Or why not hold a competition to see who can make the nicest advent calendar? Or how many plants they can sell for Kom op tegen Kanker, a cancer charity?'

Forward-looking

'Incidentally, we have found that the best way to reward our readers is to include their name in the printed magazine with a photo. Especially during the pandemic, we have noticed that readers cherish their paper magazines even more than before as a moment of me-time when

they can disconnect from digital meetings for a while. In any case, the intention is to integrate the *Libelle Vriendinnen* more throughout all our communication with the readers. That includes the new website that is on its way and our social media channels. I should add that the *Libelle Vriendinnen* are often a little younger than our average readers, generally between 30 and 45 years old. Of course, though, that is a nice advantage when it comes to making our brand more youthful. The *Libelle Vriendinnen* are here to say, even when the pandemic is over. They absolutely can't wait to meet up physically as well as virtually.'

'There are almost infinite topics for setting up a new club. All we ask of participants is that they stick to a code of conduct and that the club topic fits in with the values of the brand, which goes without saying', says Van den Hove. Roularta will soon be launching *Generation F* as well, the platform for the *Flair Friends*, you might say. And in time there might be platforms for our other titles as well. 'I certainly think that it's a possibility for the readers of *Knack*, *Trends* and *Sportmagazine*. It would enable entrepreneurs to network or exchange business ideas. Or it could be a digital response to all the events that cannot be held for the time being.' ■

'The topics that *Libelle Vriendinnen* go for are a source of inspiration for the journalists. They show very tangibly what interests the readers. The editors can challenge them too.'

Carl Van den Hove, digital marketing manager for magazines Roularta



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Subscriptions after the Roularta app

The digital app for the Roularta brands

The Roularta app gives readers a rich selection of magazines at their fingertips at any time. The new platform highlights the different brands separately. The whole family can create a profile at the same time, with each family member being offered the reading material they are interested in, whatever magazine it comes from. 'This will enable us to connect better with our readers and increase the number of subscriptions sold even more', explains Nele Baeyens.



Nele Baeyens, Director Marketing Magazinebrands & Digital Brand Innovation Roularta

Digital

© Frank Toussaint

In 2020, the year of the coronavirus pandemic, magazines and strong media brands proved their attractiveness once again. With everyone at home in lockdown, we went looking en masse for reliable sources of news and connected with our family and friends digitally. 'People made intensive use of the *Knack* and *Trends* websites and podcasts. Encouraged by *Libelle*, 63,000 readers sent their mum a card on Mother's Day. Those are huge figures, proving that Roularta has a strong portfolio of brands', says Nele Baeyens, who has been Director Marketing Magazinebrands & Digital Brand Innovation since 2019.

During the lull caused by the pandemic, IT experts and marketers worked together to create the Roularta app, the continuation of the 'New Deal' that Roularta launched in 2019. 'In the long run, you will be able to read all Roularta's titles in one app, ranging from the combination of *Knack*, *Trends* and *Sportmagazine* to *De Krant van West-Vlaanderen* or *Libelle* and *Plus*, *Feeling* and *Flair*. We have deliberately chosen to play out each brand strongly and to keep each one separate from the others. The

bond these readers have with their brand is still enormous, and we will keep that specificity at any cost. What is more, readers can consult all the content of the magazines and the website in the app. To read the articles from the magazines and the +articles, you obviously need to be a subscriber, because otherwise you come up against the paywall.'

Metamorphosis for the websites

For readers, the app represents a thorough update of the reading experience. But it is more than that. 'You can also make profiles for the other members of your family, the way you do on Netflix. Everyone can read the content that interests them, from the economic news in *Trends* to the articles about cooking in *Libelle*. So as a reader, you get a very targeted, personalised offering that is based on your subscriptions and preferences. On top of all that, you get automated suggestions based on what you read.'

'Furthermore, we can use this data to offer readers the subscriptions they are really

interested in. We are convinced that this will enable us to increase the number of subscriptions even further. Roularta has built up a great tradition of this over the course of its history; now we're adding a hefty digital accelerator.'

'The prototype of the Roularta app is ready. The plan now is to start it up in the spring of 2021, focusing on reader comfort across the entire digital package included in the subscription to any of our news magazines. A subscription gives digital access to the six Belgian news magazines *Knack*, *Trends*, *Sport/Voetbalmagazine* and *Le Vif*, *Trends-Tendances* and *Sport/Foot Magazine*. The new Roularta app makes it possible to read the digital version of all those magazines and all the content of their

websites directly, on a digital device.

The same Roularta app also immediately gives you direct digital access to the other big brands *Libelle*, *Plus*, *Flair* and *Feeling*. In the long run, we are going to put absolutely all Roularta's content on the platform, including publications like *De Zondag* and *De Krant van West-Vlaanderen*, for example. The websites will also be completely metamorphosed, ensuring that every brand is individually showcased.'

Employer branding

Why did you go for the name Roularta app? 'Well, we thought about giving it a more neutral name for a long time, but ultimately

we kept coming back to Roularta. We will be linking the launch of this app to a rebranding of the group brand. That could help recruit new profiles. First and foremost, we will continue to play on our strong brands to welcome the reader to the app.'

'Roularta has an enormously rich variety of brands in its portfolio. We have a wider range than any other Belgian media group, from news to lifestyle, young to old. Every reader finds something they enjoy with us, and every advertiser can reach their target group. We deliberately always start with our brands and their connection with the readers.' ■

'As a reader, you get a very targeted, personalised offering that is based on your subscriptions and preferences, and you get automated suggestions based on what you read.'

‘Over the past year we have seen once again how strong and essential the over-50s are in our society.’

Plus Magazine

Informing and inspiring the over-50s

Last year Roularta became the 100% shareholder of *Plus Magazine*. In the same year, the coronavirus presented us with several editorial challenges.

The age group over fifty is highly diverse in both their professional and private lives. They also have a lot of questions. *Plus Magazine* is aimed at that target group and based on five pillars: health, law and money, society, leisure and lifestyle. ‘With every possible topic we ask ourselves: is that item interesting, useful and inspiring for someone over fifty?’ says the editorial director, Anne Vanderdonckt. ‘Other newspapers and magazines are starting to write more about topics of interest to the over-50s. But *Plus Magazine* is still the only one that looks at things from their perspective.’

‘The over-50s are a steadily growing group; they are increasingly educated and becoming more critical. Unfortunately, the image of the over-50s still does not always correspond to reality. It is very important for *Plus Magazine*

to refute those prejudices. Take Claudia Schiffer and Barack Obama: they are both at least 50 and 60 but still very active. It is important for *Plus Magazine* to stay in that mindset at all times in terms of content and design.’

Expertise and pleasurable reading

Plus Magazine profiles itself as an expert. Its aim is to offer a response to all the questions that over-50s ask themselves. ‘We want to make our readers’ lives easier by providing comprehensible, concrete information about their health, money and rights, their mental wellbeing, but also about their holidays and need for culture’, says the editorial director, sketching the magazine’s purpose. ‘Incidentally,

we’ve been doing this since 1988, long before solution-focused journalism was a fashionable concept. We also simply want to offer our target group the pleasurable reading they need every month, with positive, encouraging articles and photos.’

Current topics such as the new inheritance law, the latest measures and debates surrounding pensions and the coronavirus are unmissable in *Plus Magazine*. ‘Because we’re a monthly magazine, we go into that kind of issue in thorough detail’, Anne Vanderdonckt explains. ‘Our editors’ extensive knowledge benefits the depth of our texts. We can also react more quickly on our website with updates and news flashes. But even there, we have no ambition to compete with the traditional news sites. Our web articles are generally reference texts that won’t seem dated by the next day.’

The coronavirus and the editors

2020 was an unusual year. The coronavirus had a significant impact on *Plus Magazine*’s culture pages, among other things. As Anne Vanderdonckt tells us, ‘We constantly had to anticipate lockdowns and reopening dates of museums and exhibition spaces, despite never knowing for sure how the situation would unfold. So we focused more than ever on books, indoor activities, games, podcasts etc., not forgetting our stories about walks in the countryside. The readers appreciate this editorial shift. The same goes for our tourism pages: we interviewed Belgians living abroad every month. Each of them offered a personal, practical and inspiring image of the country they live in now.’

‘We recently published an article in which we illustrated how the over-50s are playing a more important role than ever in the coronavirus crisis. On the one hand they are helping their elderly parents who live at home or are shut away in a nursing home. They do their shopping and bring comfort. On the other hand, they are supporting their own children who are confronted with fears, a loss of income and other financial problems. In the meantime, they are working their way through one video meeting after another at their living room tables. We have seen once again how strong and essential the over-50s are in our society.’

In Roularta’s hands

As its co-founder, Roularta had a 50 per cent share in Senior Publications, *Plus Magazine*’s publisher in Belgium since it began in 1988. The other half belonged to the French media group Bayard Presse. In March 2020, Roularta took over those shares, making it the 100 per cent shareholder in the magazine. This transaction created new opportunities for *Plus Magazine*, especially in terms of marketing, and has led to potential new collaborations.

‘The editor who had been providing our gastronomy pages retired at that exact time. So we went to talk to Karolien Van Dinter, the editor-in-chief of *Libelle Lekker*, who has a whole network in that area. Along with Karolien and her team of specialists, we came up with four new pages for *Plus Magazine*. Obviously you will find recipes there, but there are also all kinds of practical tips, useful kitchen objects, information about restaurants etc. It has turned out to be a very successful collaboration that has given our editorial lifestyle pillar a gigantic boost.’



Anne Vanderdonckt,
editorial director *Plus Magazine*

Lifestyle & Women

Readers and Audience (print + digital)

Feeling/GAEL

Readers
425,502

Audience
63,428



Plus Magazine fr+n1

Readers
465,962

Audience
119,560



Libelle Lekker + Délices

Readers
701,603

Audience
154,754



Libelle + Femmes d'Aujourd'hui

Readers
1,229,111

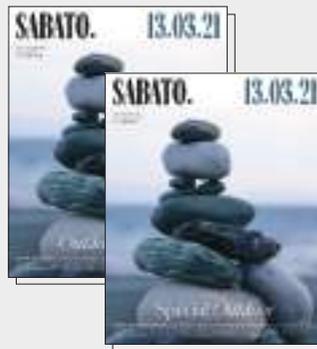
Audience
217,029



Sabato fr+n1

Readers
130,000

Total circulation
116,678



Bodytalk fr+n1

Readers
296,460

Audience
144,161



Flair fr+n1

Readers
723,105

Audience
46,988



Knack Weekend + Le Vif Weekend

Readers
582,823

Audience
140,217



Online Reals users, visits, views per month

Feeling/GAEL

322,112

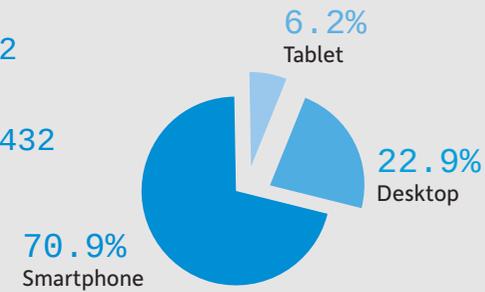
real users

780,332

visits

1,079,432

views



Plus Magazine fr+n1

90,720

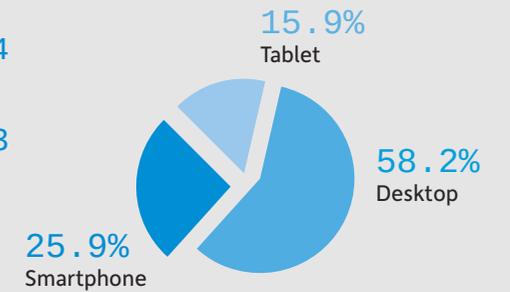
real users

135,694

visits

256,343

views



Libelle Lekker + Délices

1,145,200

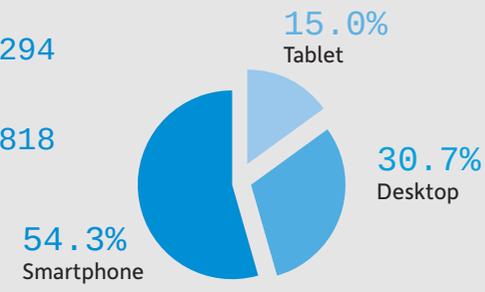
real users

3,906,294

visits

7,734,818

views



Libelle + Femmes d'Aujourd'hui

636,944

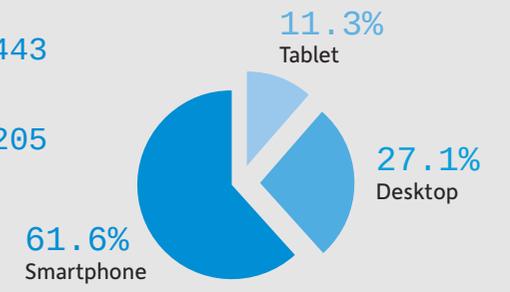
real users

1,599,443

visits

2,762,205

views



Flair fr+n1

1,229,172

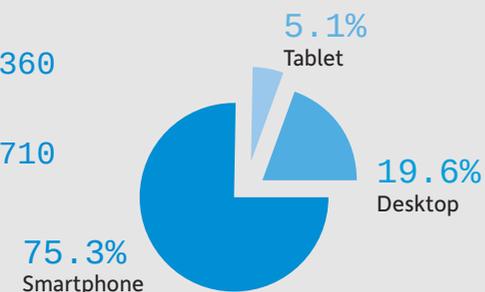
real users

3,979,360

visits

5,380,710

views



Knack Weekend + Le Vif Weekend

235,452

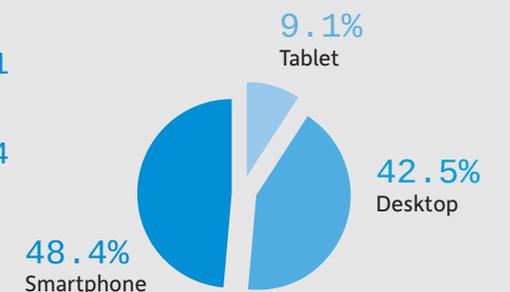
real users

530,141

visits

815,934

views





Correct information to suit everyone's needs in West Flanders

De Krant van West-Vlaanderen serves the large community of West Flemish people. The editorial team is focusing more than ever on bringing people together. 'After all, what we want most during a pandemic is to share emotions.'

With a good 405,000 readers, *De Krant van West-Vlaanderen* is a household name. The focal point is the provincial newspaper that appears every Friday. It is supplemented with one of the five local editions that vary from region to region and with the lifestyle and entertainment magazine *KW Weekend*. 'Besides the paper version there is also a digital section', says the general director, Stefaan Vermeersch. 'We offer non-stop reporting and commentary on the news in the region on our website *KW.be*. Twice a day, we also send out 120,000 newsletters with targeted updates.'

'Our local reporting is based on three pillars', adds the editorial director, Pascal Kerkhove. We focus on family news. We home in on clubs and associations, because after all they are the very heart of every community. Last but not least, we pay great attention to local politics. Unlike the national newspapers, we report on the situation in the 64 towns and

villages in our province, and on the impact on every reader's life. That is a challenge, because West Flanders is a close-knit community of 1.2 million people.'

'Those emotional bonds were clear, for example, from the reactions to an article about a mother of three children who died in an accident', says Stefaan Vermeersch, by way of an illustration. 'We kept our distance from the sensational press that immediately began to talk about the father's share of the blame, because point-scoring is the greatest threat to journalism. We opted to let the father tell the story from his own point of view in our newspaper. That article was read more than 300,000 times. Everything is open for discussion as long as it is done in a calm and appropriate manner.'

Encouragement and support

2020 was an unusual year for the editors that resulted in special coronavirus editions. As Stefaan Vermeersch explains, 'We spent ten weeks covering all kinds of topics within the issue, such as youth, humour and care. We distributed the newspapers for free in all the hospitals in the province as a way of offering the patients encouragement and support. After all, our aim is to stay as close as possible to West Flemish people. In contrast to our habit in other years,



Stefaan Vermeersch, general director
De Krant van West-Vlaanderen

by the way, our editors did not take a summer break this year. We kept on working to keep all our readers as well informed as possible during the crisis.'

'We take care only to spread correct information about the coronavirus', says Pascal Kerkhove. 'We'd rather double-check the facts than be the fastest. We combine that accurate reporting with a wider journalistic viewpoint. In that way, we aim to offer our readers hope and future perspectives as well. In an article about the impact of the coronavirus on young people, for example, we got grandchildren to do drawings for their grandparents. Sharing emotions: that's what it's all about. Even in a global crisis, a regional newspaper can make the difference by doing things like that.' Stefaan Vermeersch's mother is 84 and checks the coronavirus news in her son's newspaper everyday. He claims that that is a perfect illustration of the importance of regional journalism. 'All the national newspapers present more or less the same news. At most, they put their own emphasis on a few areas of their choice', confirms Pascal Kerkhove. 'But what is going on in *my* town or village? That is what West Flemish people want to know. Whether it's the coronavirus politics or the introduction of 30 km/h speed limits: our editors distil all this information into something relevant to West Flemish people.'

Hybrid formula

De Krant van West-Vlaanderen is a hybrid platform: paper (with a digital version) on Friday and digital every day of the week, 24 hours a day. 'Print and online are complementary', Kerkhove believes. 'Sometimes we start by launching the topic on the website and then develop it in our newspaper. For example, we put a digital map online that you can use to check the popularity of surnames in the region, and then we did interviews in print with people called "Desmet", the most common name. Sometimes we also work precisely the other way around: first on paper, then on the web.'

'All newspapers aim for a hybrid formula, but we have been offering that combination for five years now', Stefaan Vermeersch concludes. 'Our website has been further developed through the years, and last year we thoroughly updated both the layout and the content. That ongoing urge for innovation is key, without losing sight of our focus on the unique DNA of West Flemish people. Incidentally, *De Krant van West-Vlaanderen* will soon be added to the Roularta app: that may lead to even more mobile traffic.' ■

'Even in a global crisis, a regional newspaper can make the difference.'

Pascal Kerkhove



Pascal Kerkhove, editorial director *De Krant van West-Vlaanderen*

'We aim to offer our readers hope and future perspectives as well as accurate information.'

Stefaan Vermeersch

Roularta Local Media panel discussion

'As a local business, you need a presence everywhere'

Local businesses need to be something of a jack-of-all-trades. Roularta Local Media supports their regional marketing efforts with a comprehensive, updated package of services.

As a trendsetter and market leader in regional marketing applications, Roularta Local Media supports local businesses in every aspect of their communication. Its many years of experience as a publisher of door-to-door newspapers and magazines, in combination with a thorough knowledge of digital applications, guarantees a 360-degree service. That applies both on paper and online, from concept to publication. Three experts from Roularta Local Media reveal the innovative approach they take at their no-hassle, one-stop shop.

With 1.4 million readers in Flanders and Brussels, De Zondag is your most important local medium. How has it evolved through the years?

Barbara Spycckerelle (director of Roularta Recruitment Solutions and Retail East): With 16 regional editions per week, *De Zondag* is indeed our most important newspaper. We use it to make the news on Sundays. In recent years, we have regularly tweaked the brand, although we have always kept it subtle. That way we keep *De Zondag* up-to-date and relevant. Compare it to Coca-Cola's branding strategy, where the brand has been adjusted slightly over time.

Luk Wynants (general director of Roularta Local Media): Last year was *De Zondag*'s twentieth anniversary, but we have shifted the anniversary celebrations to 2021 because of the coronavirus. We are now putting the brand in the spotlight from March to September with several historic events. Besides a special opening and closing edition, we are also adding a new cover and a new logo. Along with the restyling of the content in 2020, this means *De Zondag* has been completely revamped in one year's time.

De Streekrant has been a household name in every region for more than sixty years. That is another door-to-door newspaper that was recently updated.

Thijs Naeyaert (director of Retail West and Roularta Real Estate): That's right. *De Streekrant* is put through almost 900,000 letterboxes in Flanders, once a week or once a fortnight depending on the region. It is a paper for and by residents, in which we have recently started focusing on local, editorial content even more than in the past. This content is provided by local authorities in cities, towns and villages and local clubs and associations, for example. We have also improved the quality of the paper. This update is a way to respond even better to the local market.

Roularta targets a predominantly female audience with the lifestyle magazine Steps. The monthly paper also has a digital component.

Barbara Spycckerelle: *Steps* is distributed monthly from pick-up points in shops and supermarkets and as a supplement to *Libelle*. The focus is indeed on women, with plenty of attention to fashion, beauty, living, travel and leisure. We also regularly launch thematic editions on luxury, first communions or staycations, for example. Readers can also view the content online at Steps.be. Twice a week, the editors also send out a newsletter intended to stimulate traffic to the website.

How important is the combination of paper and online for local advertisers?

Luk Wynants: As a local business, you need a presence everywhere. That omnichannel approach is crucial to establish or confirm your place in the region. Roularta Local Media offers all kinds of possibilities for combining print adverts with online variants. They reinforce each other. That is also clear from the figures: our advertisers return to us frequently.

Barbara Spycckerelle: It is perfectly possible to advertise locally online on the websites of our national publications, such as *Knack*, *Trends*, *Flair* or *Libelle*. ▶



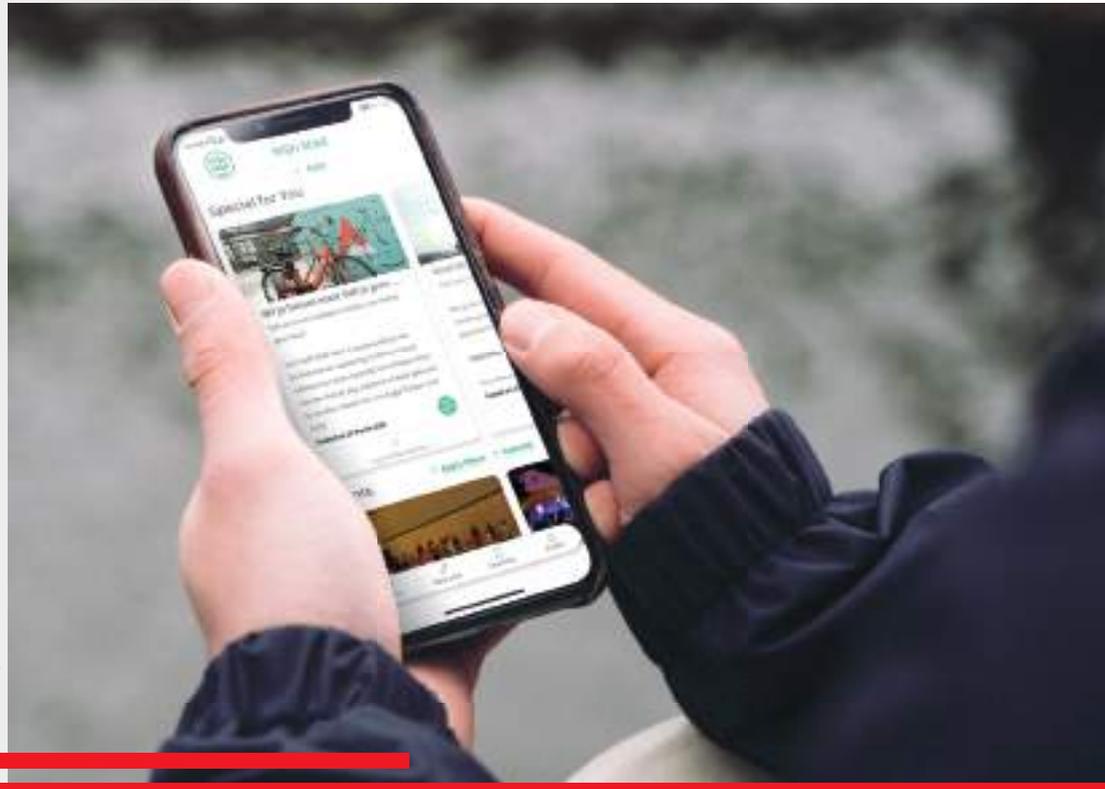
Thijs Naeyaert, Luk Wynants and Barbara Spycckerelle

'A business only needs to buy one ticket to appear on all our channels.'

Barbara Spycckerelle



Barbara Spycckerelle, director of Roularta Recruitment Solutions and Retail East



© CardMapr

With the Mijn Stad smartphone app, you always have all the great addresses in your city in your pocket.

Roularta Local Media events

RLM's 360-degree package also includes communication possibilities for the recruitment and real estate markets. Not only in print and online, but by means of events as well. 'Twice a year, we organise our Nieuwbouwzondag right across Flanders', Roularta Real Estate director Thijs Naeyaert tells us by way of an example. 'That is one Sunday when we open up as many newbuild places as possible to the public. In spite of the coronavirus, October 2020 was the most successful edition for everyone involved. The next Nieuwbouwzondag is planned for the end of April 2021.'

'We have also been organising our Jobvillages in Flanders for eight years now', says Barbara Spycckerelle, the director of Recruitment Solutions. 'There were ten of them planned for 2020, but the coronavirus put a spanner in the works. So we looked into the digital possibilities with our customers. After three successful online events, we are convinced that they are complementary to our live events. The two variants attract very different profiles. So we are going to continue offering both. Besides two online fairs, we have ten physical Jobvillages planned for the autumn of 2021.'

Thijs Naeyaert: Digital geolocation and geotargeting enable advertisers to define their target audience clearly. Our possibilities with our appropriated editorial context are much more refined than those offered by Google. That is an important advantage for businesses that work in a very specific region: it enables them to maximise their focus on their intended audience without wasting advertising budget. Incidentally, we can also segment easily according to readers' interest.

"Mijn Stad" is a newcomer: a unique platform that informs, connects and activates people with positive, local posts. What exactly does that mean?

Luk Wynants: It might sound strange, but the coronavirus has created something unique, a kind of momentum. The lockdown has made us realise how badly we miss urban leisure – things like shopping, bars and restaurants, culture and nightlife. Mijn Stad is intended to put that local experience firmly back in the spotlight again.

Thijs Naeyaert: We want to inspire people with the best places to be, the most interesting trivia and the latest news in their favourite city. At present, our platform already covers 13 important Flemish towns and cities.

Luk Wynants: You can imagine that concept as a suite of four rooms. There are the Facebook pages, that already had about 200,000 followers collectively when we started out. Then there is the website Mijnstad.be, which also has a B2B section for local businesses. There is the smartphone app, so you can always keep the city in your pocket. And last but not least, there are the digital screens that combine commercial messages with useful information at busy locations in the city.

What are the biggest benefits of Mijn Stad for local advertisers?

Barbara Spycckerelle: We're a one-stop shop. A business only needs to buy one ticket to appear on all our 'Mijn Stad channels'.

Thijs Naeyaert: I believe the greatest added value of Mijn Stad is the fact that it is simultaneously digital and very local. Other solutions often have that to a far lesser extent: for



Luk Wynants, general director of Roularta Local Media

'An omnichannel approach is crucial to establish or confirm your place in the region.'

Luk Wynants

example, their regional focus is no more specific than an area such as a province. An extra benefit is the combination of push and pull marketing.

The digital screens are one of the four pillars of that marketing strategy. How important are they?

Luk Wynants: The Mijn Stad TV screens offer all kinds of communication opportunities. We have already installed about 300 large screens in sandwich bars, newsagents, in short, the places where people often stand in line. Their presence and visibility have met with a very positive reception from consumers, businesses and advertisers.

Thijs Naeyaert: Our local salespeople seek out attractive locations themselves. But we are already getting spontaneous requests from local businesspeople who have seen one of our screens in another shop. After all, they can use half of the broadcasting time for their own messages. ■

'We are focusing even more on local, editorial content than before.'

Thijs Naeyaert



Thijs Naeyaert, director of Retail West and Roularta Real Estate

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Innovating range of services

Classified ads platforms are evolving fast

Roularta has shares in Gocar.be and Immovlan.be. Both online platforms are committing more than ever to innovation and digitisation. The focus on an optimal user experience is always key.

The coronavirus crisis meant that 20 to 25 per cent fewer new cars were sold in this country last year. The second-hand market remained relatively stable, however. Private individuals and professionals can find a good 60,000 ads for new and second-hand cars on Gocar.be. Moreover, the online platform that absorbed Autovlan.be in 2019 welcomes more than 100,000 visitors every day.

'Our website is constantly evolving with a view to an even better user experience', says the Head Digital Advisor, Wim Moyson. 'For example, we recently introduced the option for users to save their favourite cars in their personal profile. Then they receive notifications about price changes, among other things. This also means that dealers can approach them proactively with attractive offers or alternatives. That ultimately leads to more conversions.'

'It recently became possible to compare cars with each other on Gocar.be as well. A leasing category has been added, and we have integrated handy extras such as up-to-date information on the weather and traffic. All these innovations are part of a clear long-term vision in which we are evolving towards a genuine mobility platform.'

Response to the motor show

At the recent virtual motor show, Gocar.be launched the Car Festival platform in partnership with various importers. 'Interested parties can use it to obtain information, book test drives and request quotes for various brands', Wim Moyson explains. 'We check every request ourselves and send the validated leads

'Our innovations are part of a long-term vision in which we are evolving towards a genuine mobility platform.'

Wim Moyson

'Our app currently welcomes about 8,000 visitors per day, but our goal is 35,000.'

Eric Spitzer

on to the dealers.'

Roularta created Gocar.be six years ago, along with the Rossel group for French-speaking Belgium. In response to the virtual motor show, the two partners published three editions of the *Gocar.be Krant* together in January. This printed car special by *De Zondag* turned out to be a success. New editions will follow in June and September.

Explosion after the lockdown

Like the car market, the property sector is also feeling the impact of the coronavirus. 'During the first lockdown, the housing market came to a complete standstill, but that was immediately followed by explosive growth', explains Eric Spitzer, the CEO of Immovlan.be.

That platform hosts more than 130,000 ads from a good 3,000 real estate professionals and private sellers.

Besides the Roularta and Rossel groups, Belfius also became a shareholder in Immovlan.be last year. 'This collaboration has pooled our digital expertise', Spitzer tells us. 'It has already resulted in a new app that is even handier and more user friendly, which offers potential buyers various ways of finding a property.'

'Our app currently welcomes about 8,000 visitors per day, but our goal is 35,000. We are making every effort to keep on improving the user experience. Users can set an alarm, for example: then they receive push notifications in real time about new properties that fulfil their criteria. That increases responsibility. Geolocation also offers all kinds of opportunities.'

190,000 visitors

Even though Immovlan.be is going all-out for a mobile first strategy, the website is still a very important platform, with 190,000 visitors on peak days. 'Here, too, innovations provide a user experience that gets better and better', Eric Spitzer says. 'During the first lockdown, for example, we introduced Cozyvisit. That feature enables potential buyers to visit properties virtually and interactively. It was a smart, fast reaction to a market that was plummeting at that point.'

This interactivity has turned out to be very important. It is why Immovlan.be is working on new functions to make contact between the estate agent and user even easier. What is more, the platform will be integrated in to the Belfius banking app later this year. |



© Marius Serban

During the first lockdown, the housing market came to a complete standstill, but that was immediately followed by explosive growth.



Eric Spitzer,
CEO Immovlan.be



Wim Moyson,
Head Digital Advisor Gocar.be

© Frank Toussaint

Local media

Readers and Audience (print + digital)

De Zondag

Readers
1,434,292

Audience
494,346



Online real users, visits, views per month

immovlan.be

853,188

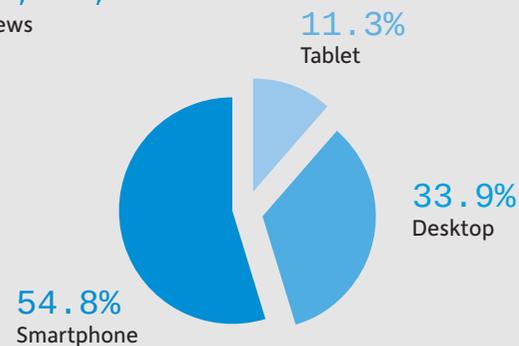
real users

3,261,568

visits

12,698,317

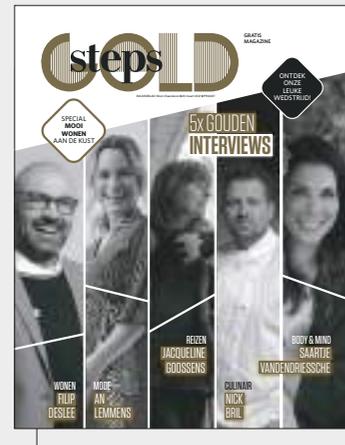
views



Steps

Readers
388,247

Audience
249,657



gocar.be

469,952

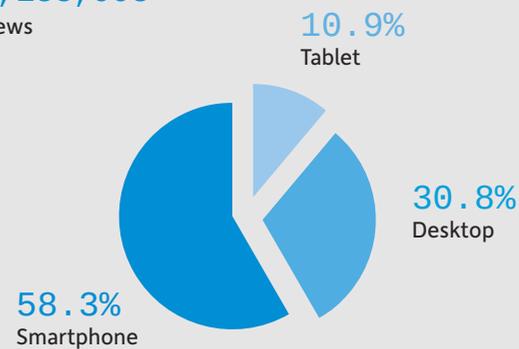
real users

1,149,972

visits

3,183,998

views



Source: CIM; CIM Internet 03/2021 - Monthly average

Roularta Healthcare

'Training in combination with publications'

Along with Information and Communication, Events & Education is an important mainstay of Roularta Healthcare. What is more, the coronavirus crisis gave the entire virtual offering an extra boost.



Jan Bamelis, director Roularta Healthcare

© Frank Toussaint

Besides the publication of medical titles such as *Artsenkrant*, *De Apotheker*, *Belgian Oncology & Hematology News* and *AK Hospitals*, Roularta Healthcare also focuses on training healthcare professionals. 'Training takes the form of webinars and e-learning courses linked to an accreditation platform that records training credits', says the director, Jan Bamelis. 'There are also symposiums and conferences, along with debates in the broad sense of the term.'

'So we are much more than just a medical publisher. We offer a total package to advertisers and investors as well as to healthcare professionals, our ultimate target group. Incidentally, print and training complement each other well. More than that: events and education are ideal in combination with our publications. After all, every initiative needs to be communicated, both in terms of announcing the event itself and transmitting the valuable content it generates.'

Digital acceleration

The coronavirus pandemic has accelerated demand for digital solutions. 'Between June and December, we organised about a hundred e-learning courses, e-conferences and other virtual events', Jan Bamelis recalls. 'There are

countless virtual possibilities. Our offer ranges from videos on demand to podcasts to interactive live streams.'

'In the past, experts had to travel all over the world to convey their medical knowledge. The coronavirus has forced them to learn about the digital alternatives. Today we find that they are more convinced than ever of the benefits of these virtual tools and the possibilities they offer.' Jan Bamelis also believes strongly in a hybrid model. 'Over time, we want to combine e-events with a select live audience in the studio. That creates a unique, physical VIP experience whilst still reaching a large, online target group.'

Custom recording studios

To make its recordings, Roularta Healthcare gave the former *Kanaal Z* studio in Zellik a complete makeover. 'We can put six people in there', Jan Bamelis tells us. 'Since the start of the pandemic, we have also fitted out a large pop-up studio in which various settings are possible, like the one used for the political news show *De Zevende Dag* on the VRT. We also have a third recording studio in a cosy setting where three people can sit on a large chesterfield sofa.' ■

'Experts who were forced to use digital alternatives because of the coronavirus are more convinced than ever of the benefits of these virtual tools.'

Report

'I believe in print, 200 per cent'

Steven Renders has been the new frontman of Roularta Printing for the past half year. He's an old hand at figures, but he has now developed an equally great love of letters. 'I believe in print, 200 per cent, otherwise I would never have taken on this challenge.' The main theme of this story is: keep on investing in sustainable, state-of-the-art printing capacity.



Printing



The new press can print 50,000 sections of 64 or even 72 pages each per hour.



Although print has been hard-pressed for years, Roularta is continuing to invest in new, ultramodern printing capacity.

Sections of the most wide-ranging publications imaginable flash past at dizzying speed on various rotary presses, the newest of which is a good 65 metres long. We dodge back and forth between dozens of pallets holding finished magazines. Man-sized rolls of paper are scattered around the printing works like haystacks. 'The new press can print 50,000 sections of 64 or even 72 pages each per hour', says Steven Renders with pride.

Until he came here half a year ago, the 48-year-old general director of Roularta Printing was still a stranger to the world of printing presses. After his degree in Applied Economic Sciences, Renders worked for two years at Ghent University as an assistant to Professor Werner Bruggeman, who was also the president of Vlerick Business School at the time. 'I taught students at Ghent University and Vlerick, coordinated projects and wrote articles. I really loved speaking in front of an audience, but when I was asked to do a doctorate, I left the university.'

The call of the business world was too tempting. Thanks to the same Professor Bruggeman, Renders found himself working for the shelf builder Stow (awarded Business of the Year in 2020). 'I became the financial director, replacing Jos De Vuyst who is still the

company's CEO.' After ten years in finance, Renders worked there for eight more years as the operations manager, doubling the capacity of the factory in Dottignies. He also moved a factory to China and set up a new plant in the Czech Republic. 'In 2012 I got a phone call from Philippe D'heygere, the former owner of Stow. He was looking for a CEO for his new company Lapauw International, a producer of industrial laundry machines.'

Renders was CEO of Lapauw for eight years, and then he got a call from Roularta's head-hunter who offered him the job of general director of the printing works. 'I had no affinity with the graphics sector, but after a thorough analysis I came to the conclusion that Roularta is a financially strong group that invests in the future. It is also a challenge to follow in William Metsu's footsteps: he was a monumental figure here with almost 40 years of experience.'

Renders started on 1 September 2020 and is responsible for Roularta Printing (400 employees). He is also the president of both the Safety Committee and the Works Council for the whole group. 'A magazine is an attractive, tangible and emotional product. People know the titles. And that's something you don't have with industrial washing machines', he laughs. I really love it.'

Invest, invest, invest

Although print has been hard-pressed for years, Roularta is continuing to invest in new – and ultramodern – printing capacity. The 100-million-euro investment programme started in 2005, which was a real milestone. 'That plan was crucial, because it was when the publisher decided to keep the printing works under its own roof. It was a way for the publisher to be sure that high-quality magazines would be printed on time, and for the printing works to be sure of a major internal customer. Because the planning is extremely long term, you also create a futureproof building in which all the machines are immediately put in the right place.'

That investment plan was completed last year with the installation of the most recent rotary press, an investment of 12,5 million euros. 'It has been operational since 1 November and has four times the capacity of the previous press. The new press is already up to full speed. Our capacity has increased significantly in the past fifteen years and even now we are using almost all we have. That is no mean feat in a declining market. Our volumes for magazines are 60 per cent higher than in 2005.' ▶



© Frank Toussaint

Steven Renders, General Manager Roularta Printing

‘A magazine is an attractive, tangible and emotional product. People know the titles. And that’s something you don’t have with industrial washing machines.’



© Frank Toussaint



Roularta goes for new, sustainable technology. Almost everything in the printing works has been updated in the last fifteen years.

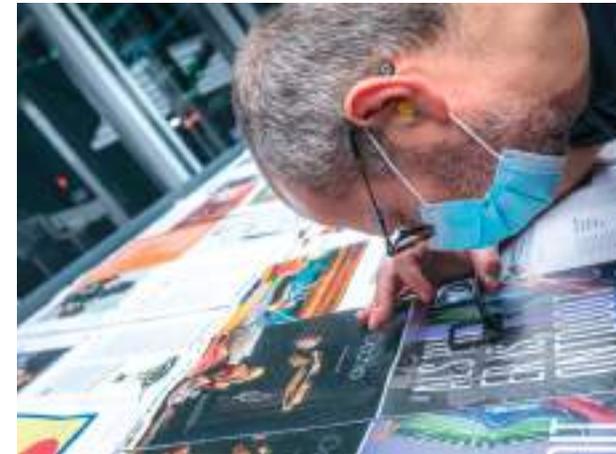
When it comes to magazines, Roularta is the biggest player in Belgium. Its own news magazines, such as *Trends*, *Knack*, *Le Vif*, *Sport/ Voetbal* magazine and *Plus Magazine* roll off the printing press here, along with the women’s brands *Libelle/Femmes*, *Flair*, *Feeling*, *Gaël* etc. However Roularta Printing also prints many French luxury magazines (such as *COTE Magazine* and *Idéat*) as well as large amounts of commercial printed material, brochures and catalogues. Its customers come from many countries, with Belgium, the Netherlands and France as its most important markets. Even the European editions of *Bloomberg Businessweek* and *The Economist* roll off the presses here.

Sustainable: on paper and in figures

The decision to make long-term investments in the printing works was well considered, but the quality of those investments is equally important. As Renders explains, ‘We go for new, sustainable technology. Almost everything has

been updated in the last fifteen years: prepress, new rotary presses, and new gatherer-stitchers and magazines with straight backs in the finishing department. Our people are even more important: we make ongoing investments in a multi-skilled, loyal team. I was immensely impressed by the experience the people here have. Many of them have been working here for at least 20 to 25 years. It is thanks to them that I can mainly concentrate on strategy. The good balance between technology, sustainability and the right people in the right place enables us to offer our customers perfect service.’

That focus on sustainability is becoming increasingly important for the customers. ‘We recently published our fourth sustainability report on our website. Sustainability is primarily a question of environmental friendliness. 60 per cent of Europeans still believe that paper consumption leads to a reduction in forests, which is not true. There are now more forests being planted than disappearing. Paper essentially also comes from the “waste” from trees, and you can reuse it up to seven times. Roularta



only uses PEFC paper from paper suppliers who are committed to this kind of sustainable forest management’, Renders says.

This year Roularta also switched to exclusively using inks that are produced in a way that is as environmentally friendly as possible, under the Blue Angel label. ‘We have also obtained our ISO 50001 certificate, which means external parties check every year whether we have achieved our energy performance indicators. When it comes to the production process, the oven is the biggest energy consumer in the rotary press. It has an integrated afterburner which has now reduced gas consumption by 52 per cent for the same number of m². A heat exchanger recuperates the residual heat for heating or cooling. Everyone says they are sustainable, but it’s nice to be able to prove it with hard figures.’

In 2020, around 15 million euros were invested in the printing works, with a few more million in 2021, for example for a new gatherer-stitcher that will be installed in September. ‘We have also invested in a paper-wrapping installation for sending magazines by post, replacing the film around the magazine packs with paper’, Renders tells us. ‘We are the first printing works in the Benelux to have one of those in house. We aim to be pioneers here. I expect they will become obligatory in Europe by 2025. They are more expensive, but you can print the outside with commercial messages. The disadvantage is that paper wrappers are less transparent.’ ▶

‘60 per cent of Europeans still believe that paper consumption leads to a reduction in forests, which is not true.’

Roularta printing works: 5 key figures

35,000 m²
surface area of the printing works

80,000 ha
printed surface area of paper per year

500,000 km
unrolled length of paper per year (= twelve times round the world)

1,100 tons
ink used per year

135,000 m²
print plates per year

‘We still prefer to read in-depth articles in print. What is more: a magazine in your hand is a form of digital detox.’



© Frank Toussaint

Reading and printing after the coronavirus

The coronavirus also had an impact on the printing works. Print runs for subscriptions have increased at Roularta Printing, but the number of pages has decreased due to a declining advertising market. In commercial printing, supplies to the cultural, travel and catering sectors have decreased or dried up entirely. ‘But they will soon be back when the pandemic is over. We’re not at all pessimistic. Professional magazines, niche magazines, luxury magazines and the strong brands will continue to exist. We still prefer to read in-depth articles in print. You remember them better and read them when you

feel like reading them. What is more: a magazine in your hand is a form of digital detox.’

Steven Renders wants to continue the trend of forward-looking thinking and acting at Roularta. ‘I also want to keep our team together: it is very experienced but getting on a bit in years. We will have to continue training new printers ourselves. But our biggest challenge comes from outside: it is important that publishers and advertising agencies continue creating content that we can print, and we have relatively little impact on that. But I believe in print, 200 per cent, otherwise I wouldn’t be here. The future is for strong brands that combine print with extra digital content’, he concludes. ■

‘Everyone says they are sustainable, but it’s nice to be able to prove it with hard figures.’

‘Energy efficiency targets for 2022 are still within reach’

Roularta Printing invested 12.5 million euros in an energy-efficient printing press last year. One year earlier, the printing works in Roeselare obtained an ISO 50001 certificate.

Roularta Printing is the largest offset printing works in the country. It prints newspapers, magazines and catalogues for the domestic and foreign markets, achieving an annual revenue of 60 million euros with its 400 employees. Roularta’s own titles, such as *Knack*, *Trends*, *Libelle* and *Feeling*, account for half of its printing capacity. For the other half, there are printing contracts with major European players for publications including the Belgians DPG and Mediahuis, *The Economist* and *Bloomberg Businessweek* etc.

At the end of 2019, Roularta Printing was the first and only printing works in the country to reach an important milestone: it obtained an ISO 50001 certificate. For an energy-intensive company, that is a remarkable achievement.

‘All the printing processes that happen

here have been covered by this energy certificate since it was awarded’, explains Peter Leroy, production manager at Roularta Printing. ‘Specifically, we are committed to consuming a little less energy every year in our production process. That sounds a bit easier than it is, because we have had a project manager here who has been working on energy efficiency for years. We’ve already picked the low-hanging fruit.’

Roularta has a fairly long history of energy-saving measures. In 2005, the company joined the Flemish government’s audit covenant, which was intended to help meet the Kyoto targets. An energy expert drew up a plan that Roularta implemented. It was then subjected to a Flemish audit.

Paper and electricity

Now the company is raising the bar again with ISO 50001. ‘We need to create a separate energy performance indicator for all processes that require significant energy consumption’, Leroy tells us. ‘Then it is up to us to fulfil those indicators by taking all kinds of smart measures. In terms of working with a printing press, that means for example that we need to print an increasing number of square metres of paper with one kWh of electricity. We currently have a total of 14 processes here for which we have introduced energy performance indicators. Over time, of course, that will enable us to systematically reduce our entire energy consumption.’

It is not easy to obtain an ISO 50001 certificate: Roularta called in an external specialist who took almost two years to complete

the task. ‘Now we have set ourselves new targets for 2022, and we evaluate each year whether we are on track. We set the bar a bit higher every year. That means constant pressure from now on. We have already achieved the big wins in terms of saving energy. In the best case scenario, we will be able to perform a few percentage points better by 2022.’

Impact on production volume

2020 was an abnormal year because of the coronavirus. The pandemic had a major impact on Roularta Printing’s production volume. Peter Leroy explains: ‘The sudden drop meant that we could not improve our energy efficiency last year, even though our absolute energy consumption dipped sharply.’

The decision had already been made the previous year to replace the last old rotary press with a newer model in 2020. The cost was 12.5 million euros. The coronavirus didn’t change that plan at all. The new printing press has been in action since the beginning of October. It can print 50,000 copies per hour, and its capacity represents almost ten per cent of the entire Belgian magazine market.

‘The new rotary press is equipped with the very latest technology, which increases our energy efficiency’, Leroy says. ‘The improvement we hoped for was confirmed as soon as we started up the press. The energy saving is the equivalent of the annual energy consumption of eighty households. Thanks to these great results, we are still well on the way to achieving our 2022 targets.’ ■



© Frank Toussaint

Peter Leroy, production manager Roularta Printing

New CEO for Mediafin

'Credibility mattered to people more than ever'

Peter Quaghebeur took the helm at Mediafin, the publisher of the business newspapers *De Tijd* and *L'Echo*, in November. He came from the television company SBS. 'So I moved from entertainment to news, and "news" was exactly what everyone was waiting for during the coronavirus crisis.' It is still a bit too early for big plans, although readers can certainly expect more from their newspaper in the months to come.

Looking back on 2020 means looking back on the coronavirus crisis. Like all companies, Mediafin sent its staff home to work remotely. 'It is still extremely quiet, particularly in our commercial and supporting departments', says the CEO, Peter Quaghebeur, from Mediafin's offices at Tour & Taxis in Brussels. 'It was already standard practice here to work from home one day a week, but we are bound to keeping doing it more than that when the coronavirus is over, even though we have just completed a major expansion. Some of our new or renovated office spaces are still waiting for a final lick of paint.'

When the coronavirus reared its head, Mediafin saw the advertising market collapse by 30 or 40 per cent. The company had to cut its costs, among other things by dismissing some of its staff. 'In the last three months of 2020, the market recovered as if by magic. Fortunately, we don't get all our income from advertising, so we ended up only just under the intended budget. It's little short of a miracle.'

Peeking over the wall

'The readership market has boomed in the past year. People were hungry for reliable news, and credibility is exactly what they find in our newspapers and on our websites. That

confirms the trend that the readership market is becoming more important for Mediafin than the advertising market. The proportion currently stands at 55 versus 45 per cent. Both *De Tijd* and *L'Echo* – representing a total of 70,000 subscribers (53,000 and 17,000 respectively) – have been able to present better subscription figures than ever before. We want to seriously increase that figure over the next three years as well, taking it to 100,000 in an ambitious plan we have baptised Hyperion.'

Quaghebeur does not believe Mediafin will return entirely to the way it was before the coronavirus. 'Events are really important for this company, but obviously they couldn't be held physically. We switched to digital initiatives and they proved popular. Our "De Belegger on Tour" (the investor on tour) event usually attracts about 300 people, but the digital version had 3,000 attendees. "Finance Avenue" usually gets 3,000 to 4,000 visitors; this time there were 10,000. In the future, we need to concentrate on hybrid formulas that give both the digital and the physical visitors a positive experience. After all, networking is still essential at business events, of course.'

All that working from home is a necessary evil, Quaghebeur believes. He is looking forward to getting back to normal, especially to stimulate creative processes. 'For example,

we are working on a complete reshuffle of the newspaper: the first since 2012. On weekdays, we are going to remove the four investment fund pages and replace them with editorial content – although you can still continue to consult the funds online with the Fondsenradar (fund radar), of course. That is an operation that should take about four months, but with all this working from home, it will take eight months. You can't just test an idea by wandering over to someone's desk, and you don't set up a Teams meeting for every little thing either. Or scribble on pages and then hang them on the wall, you can't do that either.'

Quaghebeur himself immediately announced when he arrived that he would be setting up aspects to work on. They might be focused on all kinds of issues he has stumbled

upon during countless conversations with staff, from HR to IT and from audio to accounting. 'Obviously I don't want to completely demolish the wall between the editorial and sales, but there's no harm in peeping over that wall now and again. Or opening a gateway and looking to see whether you can learn anything from a colleague, even if they are on "the other side". These aspects to work on have only just been set up, so I don't know what will emerge from them yet. I do know that people work very much in their own silo here. Everyone sticks to their own territory. People from different departments don't know each other well enough. I hope to improve that.'

Quaghebeur is not only in favour of collaboration within the company, but also outside its walls. 'We don't have to keep on reinventing

the wheel. Sure, Mediafin was a digital pioneer with the first news sites in the country and the first paywall in Europe, but we need to be wary of the law of first-mover disadvantage. The other market players have not been twiddling their thumbs in recent years either. We mustn't rest on our laurels. And that means we need to look for smart partnerships. They might be with our shareholders' companies, of course, or with other national or international media companies. If we complement each other in the creation of new initiatives, you get a win-win situation.'

Accelerate digitisation

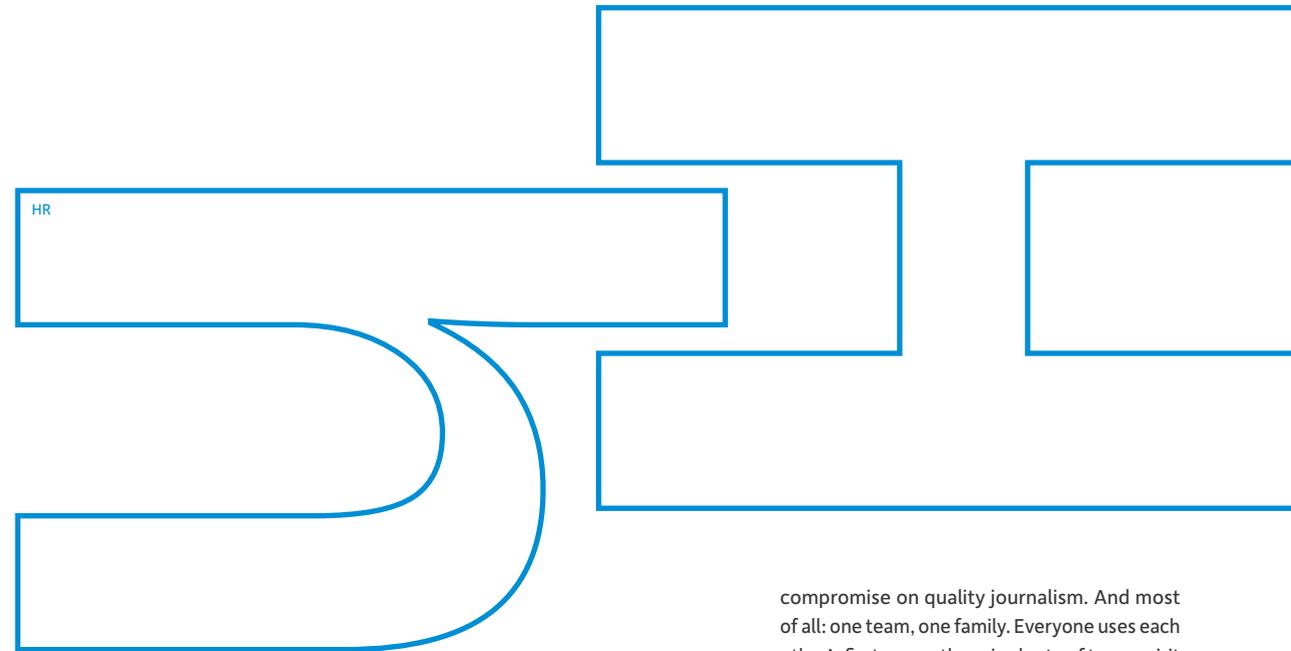
Mediafin is a small player in the advertising market, between local heavyweights such as DPG and the agency composed of Mediahuis, Telenet/SBS, Proximus/Skynet and Pebble Media. 'That's not necessarily a disadvantage. That kind of media agency, which caters to a wide audience, has to compete with the international giants like Facebook and Google. We have our specific niche, working almost B2B rather than B2C. An advertiser can use us for very targeted communication with a specific, wealthy audience, whereas you have to take a broad aim with the major players and hope there won't be too much waste.'

'By the way, we are also developing editorial initiatives with that in mind, to bring the journalistic content to our readers in a far more targeted way, once again without telling journalists what they have to write. We are developing digital tools to ensure existing content reaches interested readers optimally. Digital subscribers constitute 85 per cent of all growth, even though "paper" subscribers are now stabilising after years of decline. We want to provide these new digital subscribers with even better service. This will be our most important project for the coming years.'



Peter Quaghebeur,
CEO Mediafin

'Fortunately, we don't get all our income from advertising. That's how we ended up only just under the intended budget. It's little short of a miracle.'



Column

Keeping going in the age of Zoom

When the coronavirus tsunami crashed over the world in March 2020, we didn't know what had hit us. We had no idea what to expect. Roularta started holding daily crisis meetings with the health and safety advisor and the CEO. Obviously we were concerned about our staff. But you don't want to take drastic decisions about working from home too quickly either. Our publications emerge from brainstorming of creative minds, and you can't just switch to doing that online from one day to the next.

We soon started experimenting with Zoom. Most of our employees said: 'We're keeping calm and carrying on.' But we also sensed that several of them were afraid. It was crucial to reassure those people quickly, because people living in fear tend to freeze up. After a few weeks, Roularta Media Group (RMG) transitioned structurally to working from home.

Except for the printing works, that was, because our magazines don't roll off the rotary presses all by themselves.

I am proud that all our titles continued to appear throughout this pandemic and that the technology has not let us down. Heading an editorial team from home is not easy. People don't like change, they sometimes say. We have witnessed the opposite: we found ourselves on a rollercoaster ride, but each department – from the editorial teams to marketing to the back office – adapted with remarkable speed and no grumbling. We spent 2020 dashing from one virtual meeting to another. Let's be honest: we all missed warm, human contact. Some of our colleagues struggled psychologically and are still struggling now. If you no longer see each other, you are at risk of becoming estranged. That is why we set up a few original initiatives to

connect to our colleagues as much as possible. There were extra webinars on all sorts of topics, for example. There was 'how to increase your immunity' with Professor Eric De Maerteleire but also 'how to make delicious Christmas snacks and cocktails' with Ilse D'Hooge, the head of cookery at *Libelle*. On our internal Facebook page, our staff talked about discovering new hobbies or how they kept a healthy work-life balance. There was also a webinar on mental health. And we gave staff who were struggling with their mental health the opportunity to do a workshop with a clinical psychologist.

Roularta is and remains a family business. We have grown and grown over the years, but our basic values are still the same. First and foremost: a passion for our customers, our readers; the rest follows on from that. Secondly: we go for brand and quality, and we never

compromise on quality journalism. And most of all: one team, one family. Everyone uses each other's first name; there is plenty of team spirit and a warm atmosphere.

In terms of business, our subscription figures grew but the advertising market took some heavy blows. So we did have to use the furlough system, even though that is never an easy thing to tell people. In this unpredictable pandemic, however, it was the best solution. We interviewed job applicants on Zoom and signed employment contracts digitally. For the first time in the history of Roularta, new employees joined us whom we had never met before face to face.

The coronavirus has been at our throats for a good year now, but we need to look to the future. We continued to invest in 2020, for example with our new rotary press that cost 12.5 million euros. There are innovative projects in the pipeline for 2021 as well, including the Roularta app. We want to communicate more under the Roularta banner. We intend to offer our subscribers more within a single app, so we are putting all our energy into a fresh new image so that our 'love brands' make people happy and really eager to have them. We used to say: 'Don't make your mind up before Wednesday, because that's when Knack comes out.' Now we offer non-stop news every day. Many freelancers contribute to creating that news. We want to involve them more in our company as well. We have already taken steps to do so, but there is always room for improvement in everything.

Keep going: that is our motto. That is why we need to keep investing in our staff, even in the age of Zoom, enabling them to grow and flourish.

Katrien De Nolf,
HR Director



'For the first time in the history of Roularta, new employees joined us whom we had never met before face to face.'

ANNUAL REPORT

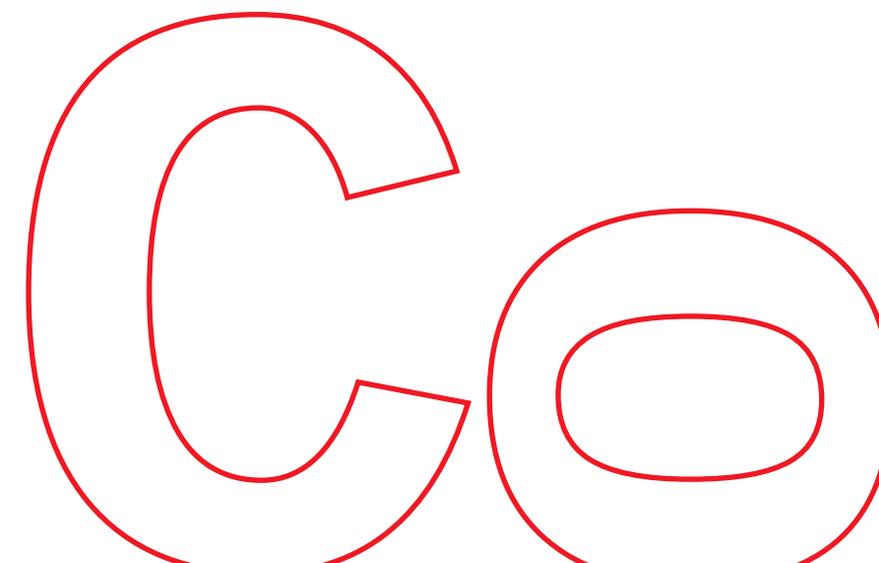
2017

SSG

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*This annual report is available in English and Dutch.
In the event of differences the Dutch text of the annual report is legally binding.*



Statement on non-financial information [*]

For more than two decades, Roularta Media Group has been committed to sustainable and eco-efficient entrepreneurship.

The aim of sustainable and socially responsible entrepreneurship is to achieve a harmonious balance between three pillars: People, Planet and Profit.

Customers and our stakeholders in general attach increasing importance to transparency about the origin of our products and services, as well as the extent to which a company deals eco-efficiently with raw materials and energy.

The social dimension is also gaining in importance. Committed and involved employees and independent contractors take more initiative, allowing us to realise our objectives together with them.

Good communication about the efforts and achievements of our company in the area of sustainable and socially responsible entrepreneurship is a must in a competitive market.

Every time it launches a new project, Roularta takes the sustainability factor into account and attempts to reduce the ecological footprint of our organisation and our products as far as possible. A striking example of this is our investment in a new, state-of-the-art printing press in 2020. Among other things, it will result in significantly lower energy consumption.

In this declaration, we will briefly explain our efforts and achievements in terms of corporate social responsibility. This declaration is based on the GRI standards for sustainability reporting. For our extensive sustainability report, which is now in its fourth version, we refer to our corporate website.

[*] Part of the annual report of the board of directors.



Flower border with footpath along the Roularta car park on the Meiboomlaan in Roeselare.

Mission, vision and values

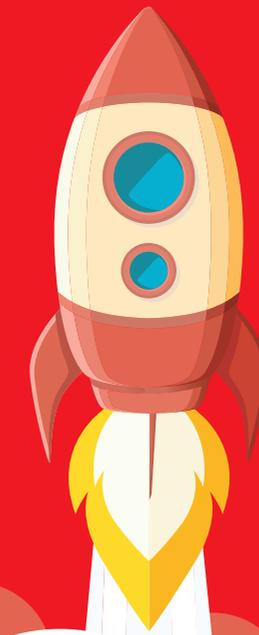
“One Team, One Family.”

✓
“Passion for the media consumer, and the rest will follow.”

✓
“Go for brand and quality.”

✓
“Strive for value, innovation and growth.”

✓
“Consider each challenge as an opportunity.”



MISSION

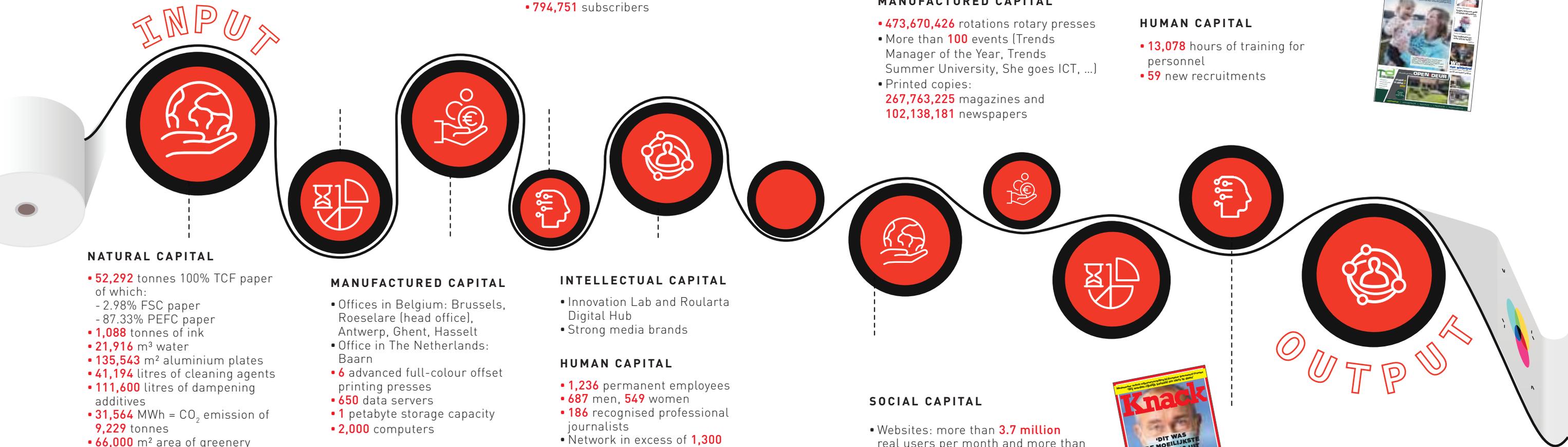
“As a multimedia company, Roularta Media Group creates and distributes quality, independent and relevant content for the general public and for specific target groups. It links to this advanced marketing and advertising platforms for its partners. Roularta Media Group aims to create sustainable added value for its stakeholders and for all of society.”



VISION

“Roularta Media Group aims to remain the most relevant media partner for the long term.”

How Roularta Media Group creates value



FINANCIAL CAPITAL

- 80 million EUR capital
- 13,141,123 shares, listed on Euronext Brussels
- 224 million EUR equity
- 86 million EUR net cash position

SOCIAL CAPITAL

- Different memberships e.g. Council for Journalism, Febelgra
- Chairmanship of WE MEDIA (Belgian magazine association) and EMMA (European magazine association)
- Relationship with suppliers and professional organisations
- 794,751 subscribers

NATURAL CAPITAL

- 52,292 tonnes 100% TCF paper of which:
 - 2.98% FSC paper
 - 87.33% PEFC paper
- 1,088 tonnes of ink
- 21,916 m³ water
- 135,543 m² aluminium plates
- 41,194 litres of cleaning agents
- 111,600 litres of dampening additives
- 31,564 MWh = CO₂ emission of 9,229 tonnes
- 66,000 m² area of greenery

MANUFACTURED CAPITAL

- Offices in Belgium: Brussels, Roeselare (head office), Antwerp, Ghent, Hasselt
- Office in The Netherlands: Baarn
- 6 advanced full-colour offset printing presses
- 650 data servers
- 1 petabyte storage capacity
- 2,000 computers

INTELLECTUAL CAPITAL

- Innovation Lab and Roularta Digital Hub
- Strong media brands

HUMAN CAPITAL

- 1,236 permanent employees
- 687 men, 549 women
- 186 recognised professional journalists
- Network in excess of 1,300 freelancers

FINANCIAL CAPITAL

- 256 million EUR turnover
- 87 million EUR personnel

MANUFACTURED CAPITAL

- 473,670,426 rotations rotary presses
- More than 100 events (Trends Manager of the Year, Trends Summer University, She goes ICT, ...)
- Printed copies: 267,763,225 magazines and 102,138,181 newspapers

INTELLECTUAL CAPITAL

- 140 innovative projects tested by the Innovation Lab
- 70 magazine titles
- 5 newspaper titles

HUMAN CAPITAL

- 13,078 hours of training for personnel
- 59 new recruitments

SOCIAL CAPITAL

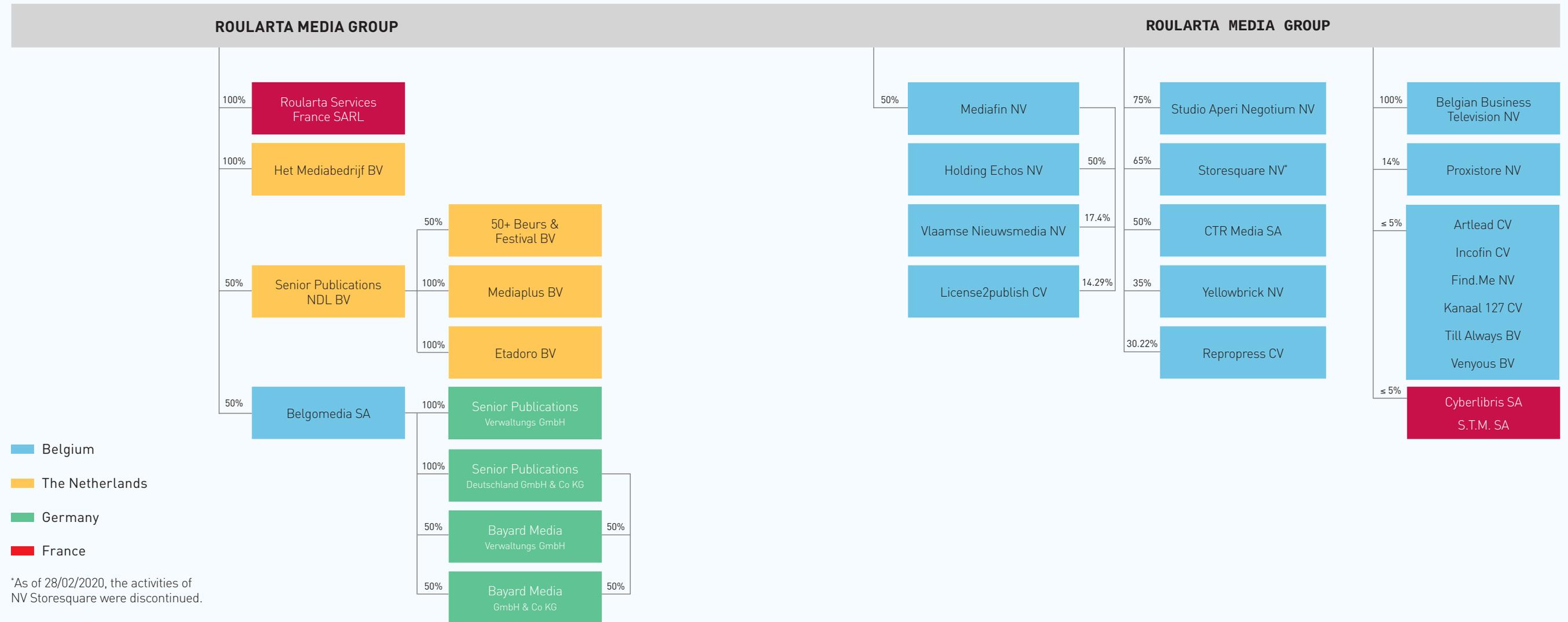
- Websites: more than 3.7 million real users per month and more than 45 million page views per month
- 3,348,539 readers of local media (CIM) in Belgium, The Netherlands and Germany
- Weekly 1.3 million viewers for Kanaal Z/Canal Z
- Co-creator 'Een Hart voor West-Vlaanderen'

NATURAL CAPITAL

- 54% reduction in the use of isopropyl alcohol as an additive in the printing process through state-of-the-art printing presses.



Group structure



- Belgium
- The Netherlands
- Germany
- France

*As of 28/02/2020, the activities of NV Storesquare were discontinued.



Stakeholders

Goals can only be achieved with good cooperation on the part of all stakeholders. They each in their own way are influenced by our activities or products, or build on them. For us they are all important.



The special attention that Roularta Media Group devotes to its stakeholders can be illustrated by means of the Customer Journey.

Roularta Media Group puts with its Customer Journey project, which started in 2017, the customer at the heart of the company's entire operation under the motto **together we aim not for 'good' or 'better', but for 'best'**.

In the project Customer Journey is in a first phase, the focus on 2 types of customers: the reader and the advertiser. Different customer journeys are developed for each type of customer. During a customer journey, an analysis is made of the operation of the organisation from the customer's point of view.



FOCUS ON QUALITY CONTENT FOR THE READER

In the media landscape, Roularta Media Group is known for its quality content. With the Customer Journey, Roularta Media Group wants to significantly increase the level of service it provides to its readers. Readers potentially have many questions that they want to see answered quickly and correctly.

Under the impetus of the Customer Journey, the internal work processes are adapted to achieve this goal. Transparent and clear communication with the reader are the building blocks to achieve the desired level of service and to increase customer satisfaction.

THE BEST MEDIA PARTNER FOR ADVERTISERS

Roularta Media Group has for many years succeeded in offering custom multimedia solutions to advertisers. The many possibilities sometimes make it very complex for the customer to make the right choices. The Customer Journey therefore aims to put the advertiser at the centre and to offer the right media solution to customers based on their desires and wishes.

Advertisers more than ever are looking for creative ways to communicate credibly and reliably with their target groups about their brand, especially in times of fake news and fake advertising.

Therefore Roularta has bundled all of its expertise in native advertising, cross-media creativity and content marketing in one competence centre that can develop total solutions for the advertiser: the **Roularta Brand Studio**.

In close collaboration with Roularta Media Group's sales teams, Roularta Brand Studio offers creative cross-media total solutions for advertisers, tailor-made for the advertiser, and in line with the target groups and the DNA of the various media brands of Roularta Media Group.

LET'S WORK TOGETHER AND BEE HAPPIE

Roularta Media Group has already rolled out a great many successful projects in the context of the Customer Journey. Nevertheless, we have realised that there are several recurrent areas where there is room for internal improvement.

To tackle this, we came up the idea of using a code of conduct. What conduct do we expect? How should colleagues ideally treat each other? Working on the HAPPIE code of conduct has made everyone aware of how important it is to treat each other respectfully, work together in harmony and give and receive trust.



To anchor our code of conduct, we work with the HAPPIE bee, which contributes to working together harmoniously and constructively. After all, bees stand for a sustainable environment; they work together towards a common goal and respond in unison even though each individual makes their own decisions: **'One Team, One Family'**.

Environment

The Sustainable Development Goals (SDGs)

The SDGs or Sustainable Development Goals were approved by the United Nations General Assembly in September 2015. They are the successors to the Millennium Development Goals.

The SDGs are universal and apply to every country in the world. Over the coming 15 years, 17 SDGs linked to 169 targets are expected to form an action plan to release humanity from poverty and put the planet back on track for a sustainable future. In our own sustainability efforts, the SDGs form a guide, source of inspiration and action plan alongside the international GRI frame of reference for sustainability reporting.

Roularta Media Group currently contributes to 15 of the 17 SDGs (all the coloured SDGs).



New, state-of-the-art Lithoman IV 72-page printing press

In 2019, Roularta Media Group decided to invest in a new rotary press. The earthworks for the installation of this new printing press started in the first half of 2020. The printing press has been operational since November 2020.



The new Lithoman IV 72-page printing press has replaced the old Mitsubishi 48-page machine. The company already had two similar printing presses with extremely high print quality to create magazines and catalogues. These three, virtually identical presses will create optimal flexibility in terms of exchanging print jobs, components and staff between them.

The substantially higher output of the new machine, its lower emissions and considerably lower energy consumption mean that it fits perfectly into our sustainable vision.

It was a nice bonus that the new installation did not require any extension to the production halls. As such, we can keep the extensive green area around the company, where many people enjoy walking, as a 'green lung' in the centre of Roeselare.

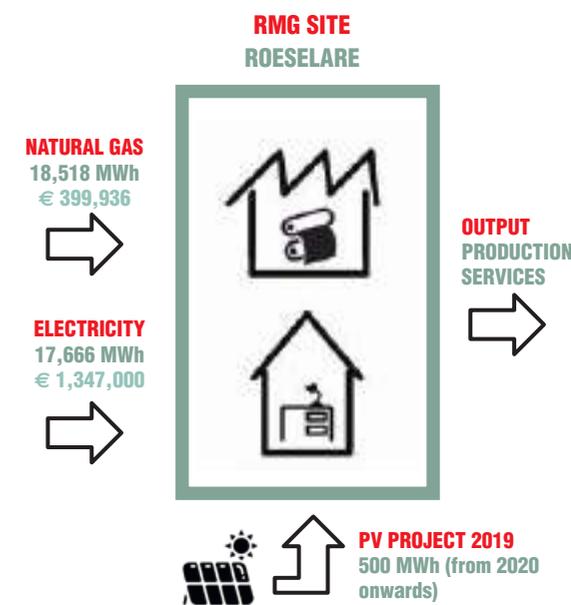
In response to the changes to the machine park, our environmental permit was updated.

Throughout the entire process, from the earthworks to starting up the new printing press, risks were analysed, safety measures were put in place, evaluated and adjusted where necessary, training courses were provided for our employees and so on.

ISO 50001: successful transition audit

Energy is an important factor in our production process. In the past, we have already taken action in various ways to reduce the quantity of gas and electricity we need and thus to reduce our CO₂ emissions.

The energy supply and distribution for our headquarters in Roeselare can be presented as follows:



In November 2019, we were proud to obtain our first ISO 50001 certificate. The audit for this was based on the 2011 standard.

The follow-up and transition audit that was held in September 2020 applied the 2018 standard. We were successful and obtained an extension of our certificate. A new follow-up audit is scheduled for September 2021.



Paper



When you think of a printing works, the obvious thing that comes to mind is paper, our basic raw material for printing newspapers and magazines. We purchase a good 52,000 tons of paper per year on average. That might seem harmful to the trees in our environment, but that is a misconception.

The Paper Chain Forum discerns three major types of impact that paper has on the environment.

1) The impact of using the basic raw material wood, originating in forests

The production of paper does not destroy the forest. This is because the sources of paper are:

- wood originating from forestry waste or smaller trees that are removed to make more room for the growth of the best specimens;
- sawmill waste;
- industries in some countries in the Southern Hemisphere that create large-scale pine and eucalyptus plantations.



There are also certification systems that ensure responsible and sustainable forest management, such as the FSC® (Forest Stewardship Council®) and PEFC™ (Programme for Endorsement of Forest Certification Schemes). These two certification systems guarantee the correct balance between the three functions of the forest: the economic function (wood production), ecological function (biodiversity, flora and fauna, CO₂ absorption etc.) and the social function (place for recreation and leisure). Roularta obtained both its FSC® and PEFC™ 'Chain of Custody' certificate in 2019. These certificates are awarded for five years and ensure that Roularta Printing can purchase certified paper, process it and sell it as printed matter. In 2020, 2.98% of the paper supplied was FSC® paper and 87.83% was PEFC™ paper. The remaining 10% is paper supplied by customers.

2) The impact of paper production

Cellulose from wood is needed to produce paper, but so are water and energy. Over the last 30 years, the paper industry has reduced the water it consumes to make 1 ton of paper by more than 50%, by optimising water circuits and internal recycling.

The energy used in paper production is mainly sustainable, with low CO₂ emissions. Furthermore, the sector has reduced its CO₂ emissions per ton produced by 40% in 20 years.

3) The impact of collecting and recycling waste paper

Europe is the world leader in paper recycling: 72% of paper is now recycled. Belgium is among the leaders in terms of collection, sorting and recycling.

However, using recycled paper and nothing else is a myth. This is because the fibres are damaged over successive cycles of use, which means that new fibres have to be introduced into the paper production cycle at regular intervals.

Mobility



Mobility is becoming ever more important in the business community. This is another aspect that deserves our attention from an ecological standpoint. Initiatives

supporting bicycling, carpooling and free train use are offered to personnel and promoted by the company. In the last few years, Roularta Media Group has started offering bike-sharing through Blue-bike. As part of the flexible reward plan introduced at Roularta Media Group in 2019, employees can opt for a company bicycle (electric or otherwise). People who opt for these company bicycles also get theft and damage insurance, as well as a voucher for maintenance up to a certain amount (which is valid for the entire lease period).



Roularta's fleet managers also aim for an eco-efficient purchasing policy for company vehicles. This ensures a constant decrease in the average CO₂ emissions of our company cars. In 2020, Roularta Media Group invested in charging infrastructure for electric cars at its sites in Roeselare and Evere. When their company car is replaced, all drivers can now opt for a 'full electric' car. Currently 20% of employees have chosen this option. The existing pool cars are being replaced by cars that run entirely on electricity. Thus the company is already anticipating the obligatory zero emissions for company cars that will only come into effect in a few years' time.

Companies and Biodiversity Green Deal



Roularta Media Group has subscribed to the Companies and Biodiversity Green Deal. This is an initiative of among others the Flemish Government (the Department of Environment, and the Nature and Forest Agency), Natuurpunt and Corridor. The Companies and Biodiversity Green Deal aims to increase biodiversity in business parks and strengthen support for this. Attention to biodiversity can bring many benefits to the company, employees, customers, stakeholders, etc. With the Green Deal, Roularta wants to further stimulate biodiversity at its sites by implementing a number of biodiversity projects over the coming years. These include the further planting of trees and berry-bearing shrubs, installing nesting boxes, beehives, insect hotels, etc.

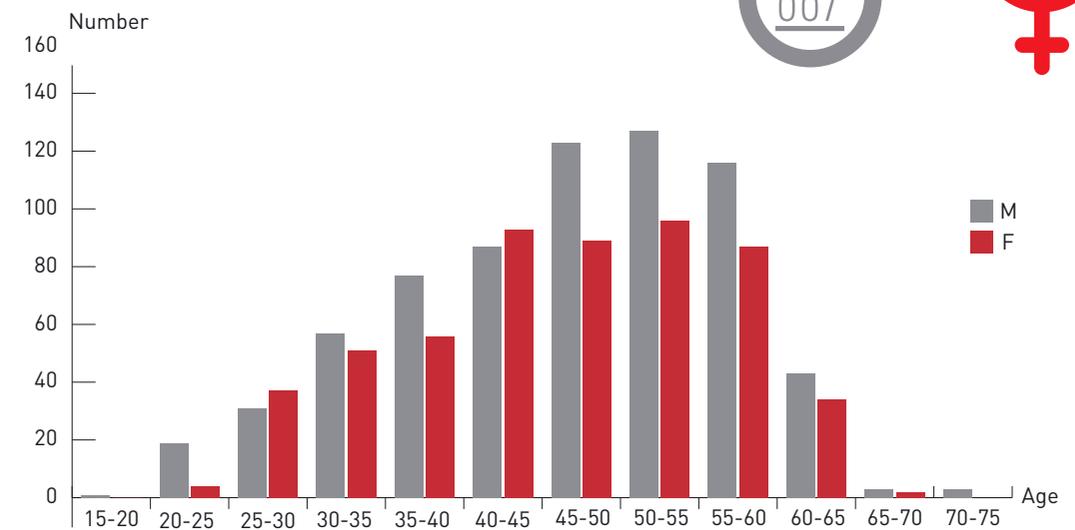


Personnel

Roularta Media Group focuses on human capital, employees and freelance professionals.

In addition, Roularta Media Group relies on an extensive group of more than 1,300 freelance journalists, graphic artists and photographers to deliver high-quality content.

On 31/12/2020, Roularta Media Group (Roularta Media Group and its 100% subsidiaries) was home to 1,236 permanent employees – 687 men and 549 women – in diverse age categories.



One Team, One Family

Our employees are the great strength and driving force behind everything the company realises. We therefore strive for sustainable interaction with

our personnel. We want to spark their energy, capabilities, competences, talents, commitment and dedication. The big ambition is to also ensure that they are able to continuously renew themselves at Roularta Media Group.



We work here as one team, as one big family, in which everyone has their own, specific and important place. Hence our slogan 'One Team, One Family'.

Great to be on board

Roularta Media Group pays a huge amount of attention to onboarding new employees.

'Onboarding' means all the activities that help new colleagues familiarise themselves with their job and our organisation. For example, onboarding

enables newcomers to build up their own network within our company and ensures that Roularta's aims are incorporated into their personal goals. This is the very purpose we have committed to so strongly in recent years as part of the Customer Journey. The result is an onboarding process to be proud of. For this reason, there is a separate page about onboarding on Roularta's recruitment site, mijntoekomstbijroularta.be. We know for certain that newcomers appreciate that approach. We gained a 'customer' satisfaction score (NPS) of 0.77, which is fantastic if you realise that everything above '0' is good.

Training, information and documentation

Ongoing attention is paid to the personal development of all employees. To this end, we provide much training each year, both in-house and external.

We also regularly organise no-obligation information sessions on general topics, especially in the area of health.



Speakers' Corners and Academies are also organised at the various sites in which departments present themselves and new initiatives.

Roularta Media Group is strongly committed to involve all employees closely in the ins and outs of the media company, to provide deeper insight into the business and to connect people with each other. This is done via the Roularta Academy. In corona times this effort is given a boost by organising webinars. These are usually given by internal speakers such as biologist Dirk Draulans from Knack or DataNews editor-in-chief Kristof Van Der Stadt, but also by external specialists. They can be playful – like Christmas cooking with the Libelle chef – or technical, like the strategy of 100% logged surfing. Other topics covered included Community Management, growing as a coach, mental resilience, the new marketing strategy or a look behind the scenes at the production of the brands. The Roularta Academy sessions were very popular and were followed by many participants from all parts of the company.

BAR HR

A 'BAR HR' for employees was introduced in 2019. This is a flexible remuneration system whereby employees can spend their BAR HR budget on specific remuneration elements related to the pillars Mobility, ICT & Mobile Devices and Work-Life Balance. The budget is created by replacing the end-of-year and purchasing power bonuses with a flexible remuneration budget at company level.



The HR department has been giving employees advice and huge amounts of enthusiasm in Zoom sessions (because of Covid-19) to help them decide how to use their BAR HR budget. Ultimately 372 colleagues signed up, an increase of 22% on 2019, which was already a successful year. Choices of IT and mobile devices increased by more than 50%, extra holiday time was still a favourite choice and the newcomer in the BAR HR budget, a pension plan, did very well. Many people also chose a bicycle, even though the bike shops were closed in the lockdown.

Fun@Work

The company has also been organising social and leisure events for groups of colleagues since 2013, known collectively as Fun@Work. A few of the activities organised each year by Fun@Work are the New Year's reception, our Roularta party, the 'Saint Nicholas Day' and the 'Saint Nicholas Party'. Fun@Work also organises workshops and lectures on current topics such as sleep, nutrition, mental health etc.

Covid-19

2020 was the year that will go down in history as the coronavirus year, with an unparalleled impact

on our society, our company and the lives of all our employees in particular.

Roularta – along with all its staff – has assumed its civil responsibility as a media company in these difficult times, continuing to keep the population informed in an independent, reliable and high-quality manner about Covid-19 and other important subjects.

As 'One Team, One Family', our company has succeeded in producing and distributing our brands from news sales points and by post, even during the strict lockdown measures. Our digital channels also ensure 24/7 reporting at all times.

It has been a challenge, and still is, to fulfil our role as a media company at a time like this without putting the health and wellbeing of our staff at risk. That is why we have paid extra attention to safety throughout the pandemic, subjecting it to constant evaluation and adjustment.

Thanks to the efforts of our IT helpdesk department, we were able to commit en masse to working from home. Face-to-face meetings were transformed into Zoom meetings without the slightest hitch.

The HR department committed actively to (virtual) training in how to lead employees digitally and how to coach and support them remotely in carrying out their tasks.

To keep in touch with all the remote workers, the HR department conducted digital interviews asking about how our staff were managing to do their jobs during the pandemic and how they were experiencing this period. These films were shared online on the company's Facebook page.

The social role of Roularta Media Group

Roulactief

For employees, Roularta Media Group has developed 'Roulactief'. Roulactief obtains the resources for its work from activities and from contributions from employees.

Roulactief organises numerous activities each year. We look for activities that appeal to employees. Examples are excursions to a specific region, a museum visit,...

In addition, Roulactief is also a solidarity fund. In the case of special events or emergency situations, support can be given via campaigns or the Roulactief 'cash desk'. Finally, Roulactief donates to the senior citizen activities of the company.

We also fulfil a social, non-company-related role by investing in talent, culture and new initiatives, and by offering financial support to charities.

For example, Roularta Media Group is one of the founding partners of 'A Heart for West Flanders', dedicated to vulnerable young people up to 18 years of age.



'A Heart for West Flanders' supports various initiatives by associations or organisations (non-profits, voluntary activities, community or parent

committees, etc.) that focus on socially vulnerable children and young people in their neighbourhood, district or city. The focus here is on projects that – sometimes quite locally – can make a difference and that can also be a lever for broader initiatives that create new opportunities for this vulnerable target group. 'A Heart for West Flanders' is an initiative of the West Flanders Regional Fund in collaboration with Roularta Media Group, regional television channels Focus & WTV, the publications *De Krant van West-Vlaanderen*, *De Streekkrant/De Zondag*, and with the support of the Province of West Flanders.

RESPECT FOR HUMAN RIGHTS – FIGHT AGAINST CORRUPTION AND BRIBERY

Roularta ensures that its management, employees, freelancers and business partners respect human rights, including fundamental labor standards.

To prevent corruption and bribery, a code of ethics has been developed by Roularta Media Group, which is signed by all employees and freelancers.

Innovation

Roularta in the graphic and media sector

Roularta aims to play a pioneering role in the graphic and media sectors. We also defend the interests of the sector through various channels and through our membership in numerous associations (Council for Journalism, Conseil de déontologie journalistique, WE MEDIA, JEP, the Belgian federation for the graphic industry Febelgra, EMMA ...) and we strive for innovation.



Roularta Innovation Lab

In September 2018, the Innovation Lab (IL) was established within Roularta Media Group. The Innovation Lab is at the service of all business units of Roularta Media Group (RMG) and performs a radar function. It searches 'beyond the horizon' for the latest technologies and trends, and functions as a crossroads of digital and technological innovation.

The IL investigates new technologies, tools and software, and evaluates their possible added value for Roularta Media Group.

The Innovation Lab scans the world of start-ups, develops a strong network within this environment and thus is the first point of contact for start-ups within the world of media tech.

In addition, the Innovation Lab enters into partnerships with technological suppliers and research groups from colleges and universities. With these partners Roularta Media Group forms a *triple helix* (collaboration between government or private fund organisations, business and education) with the aim of bringing to the market advanced technological solutions that users truly need.

An example of such collaboration is reflected in 'Trendify'. The goal is to provide a solution to help journalists be more creative and efficient using a collection of AI media-monitoring tools. This will enable them to discover surprising perspectives and opinions, thereby further improving the quality of the content while reducing research time.



These tools will consist of a trend detection engine (detecting time-bound changes in the themes or topics), an opinion mining engine (bringing to light opinions related to these trends) and a trending content detection engine (finding content that is generating a lot of user interaction over a short period of time).

The research results and new technologies increase cost efficiency and offer innovative tools for high-quality content.

For this project, the Roularta Innovation Lab has concluded partnerships with ML2Grow (AI service provider), YesItCan.be (technology provider) and research groups imec-SMIT-VUB and VUB Artificial Intelligence Research Group.

In addition, Roularta Media Group together with the Vrije Universiteit Brussel (VUB) introduced the new chair 'Personalisation, trust and sustainable media'. In this initiative, chair holder Prof. Dr. Ike Picone and PhD researcher Pauljan Truyens of the VUB will conduct and stimulate research into ways in which news media companies can sustainably innovate. The 4-year chair will take a largely holistic approach to innovation in positioning (brand strategy), mindset (editorial focus, relationship of trust with the public) and social impact (investigative journalism, fact-checking).

Therefore in the context of the new 'Personalisation, trust and sustainable media' chair, Prof. Dr. Picone, affiliated with the Smart Media unit of research group imec-SMIT-VUB, will search for sustainable information media innovations. In this, he will also take into account the dual nature of news media: media companies are both commercial in nature and social actors.

The Roularta Media Group share

CAPITAL AND SHARES

The capital of NV Roularta Media Group amounts to EUR 80,000,000.00. It is represented by 13,141,123 shares paid up in full, without par value, representing each an equal part of the capital.

All shares representing the capital have the same social rights.

Purchase of own shares

In the course of the 2020 financial year, 916,536 treasury shares were purchased based on the statutory authorisation of the board of directors.

These 916,536 shares were held by the Spanish fund Bestinver, which had become a shareholder shortly after the Roularta IPO and over the years had built up a holding in Roularta that at one time exceeded 10%.

As at 31 December 2020, the company has 1,502,496 treasury shares in portfolio, representing 11.43% of the capital.

Shareholding structure

The shareholding structure is as follows:

	Number of shares	%
Koinon Comm.VA ⁽¹⁾	9,352,977	71.17%
S.A. West Investment Holding ⁽¹⁾	522,136	3.97%
Capfi Delen Asset Management NV	394,201	3.00%
Own shares ⁽²⁾	1,502,496	11.43%
Individual and institutional investors	1,369,313	10.42%

⁽¹⁾ The Comm.VA Koinon and the S.A. West Investment Holding, in their capacity as persons acting in concert who have concluded an agreement concerning the possession, the acquisition and transfer of shares, have made a definitive notification.

⁽²⁾ Situation on 31/12/2020.

9,407,428 of the total number of outstanding shares are nominative.

Takeover Bid law

In the context of the Law of 1 April 2007 concerning public takeover bids, Comm.VA Koinon, as the direct holder of more than 30% of the Roularta Media Group shares, updated its registration with the FSMA on 30 August 2018 pursuant to Article 74 § 6 of the above-mentioned law.

STOCK MARKET TREND

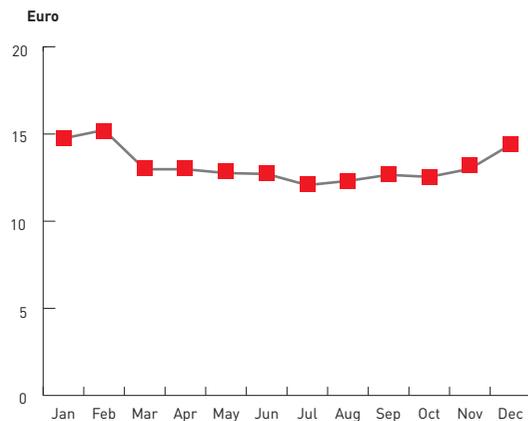
Roularta Media Group's shares are listed on Euro-next Brussels under the section Media - Publishing, ISIN Code BE0003741551 and Mnemo ROU.

The Roularta share is included in the BEL Small Cap Index (BE0389857146).

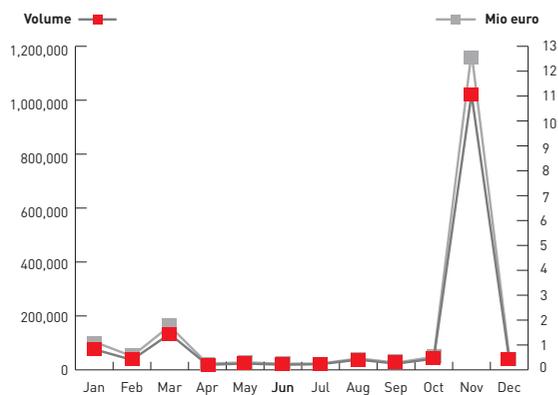
Volumes and closing prices in 2020

Month	Average closing price	Volumes	in EUR millions
Jan 20	14.75	76,374	1.13
Feb 20	15.23	37,053	0.55
Mar 20	12.98	133,451	1.76
Apr 20	12.98	18,951	0.25
May 20	12.76	23,405	0.30
Jun 20	12.71	19,205	0.25
Jul 20	12.07	21,106	0.25
Aug 20	12.31	37,883	0.46
Sep 20	12.66	23,129	0.29
Oct 20	12.54	41,424	0.52
Nov 20	13.00	1,022,134	12.75
Dec 20	14.39	37,341	0.54
		1,491,456	19.05

Average closing price - 2020



Volumes and figures in EUR millions - 2020



The highest price during 2020 was EUR 17.00 on 29 January. The lowest price during 2020 was EUR 11.30 on 16 March. The largest daily trading volume was 920,784 shares on 25 November 2020.

Liquidity of the share

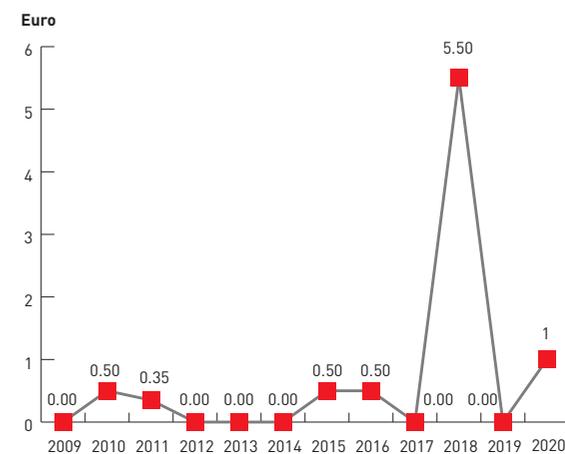
Roularta Media Group has a proactive investor relations policy, aimed at increasing the visibility of the share and in this way supporting its liquidity.

Dividend policy

The general assembly pursues – as advised by the executive board – a policy which tries to pay out a dividend, whilst keeping a close watch on preserving the healthy balance between a distribution of dividends and the investment possibilities.

The board of directors proposes to the General Meeting to distribute a gross dividend of EUR 1.00 per share for the year 2020. In this gross dividend is taken into account the foreseen dividend for the 2019 financial year of EUR 0.50, which was, however, cancelled due to the coronavirus outbreak.

Gross dividend



THE COMPANY'S CAPITAL

Roularta Media Group was founded on 11 May 1988 as Roularta Financieringsmaatschappij. The table on the following page lists the events that since then have affected the company's capital and the securities representing it.

Year	Month	Transaction	Number of shares	Capital	BEF / EUR
1988	May	Foundation as Roularta Financieringsmaatschappij	12,510	381,000,000	BEF
1993	July	Merger - capital increase	13,009	392,344,000	BEF
1997	December	Split - capital increase	18,137	546,964,924	BEF
1997	December	Merger - capital increase	22,389	675,254,924	BEF
1997	December	Capital increase	24,341	734,074,465	BEF
1997	December	Name changed into Roularta Media Group			
1998	June	Issue of 300,000 warrants - amendment of articles of association	2,434,100	734,074,465	BEF
1998	June	Merger - capital increase	2,690,400	1,545,457,541	BEF
1998	June	Contribution of debt receivable - capital increase	8,277,700	2,496,457,541	BEF
1998	December	Contribution of debt receivable - capital increase	9,611,034	4,479,791,791	BEF
2001	June	Conversion of capital into euros - capital increase by conversion of 61,950 warrants	9,672,984	111,743,000.00	EUR
2001	October	Destruction of 119,305 own shares	9,553,679	111,743,000.00	EUR
2002	June	Capital increase by conversion of 35,350 warrants	9,589,029	112,138,000.00	EUR
2003	June	Capital increase by conversion of 43,475 warrants	9,632,504	112,623,000.00	EUR
2003	July	Capital increase by contribution in kind	9,884,986	118,463,000.00	EUR
2004	June	Capital increase by conversion of 43,625 warrants	9,928,611	118,950,000.00	EUR
2005	June	Capital increase by conversion of 28,350 warrants	9,956,961	119,267,000.00	EUR
2006	January	Capital increase by conversion of 39,090 warrants	9,996,051	120,054,000.00	EUR
2006	February	Capital increase by contribution in cash	10,985,660	131,939,204.09	EUR
2006	May	Incorporation of an issue premium	10,985,660	170,029,300.00	EUR
2006	June	Capital increase by conversion of 19,825 warrants	11,005,485	170,250,500.00	EUR
2007	January	Capital increase by conversion of 9,340 warrants	11,014,825	170,439,000.00	EUR
2007	June	Capital increase by conversion of 22,225 warrants	11,037,050	170,687,000.00	EUR
2008	January	Capital increase by conversion of 7,864 warrants	11,044,914	170,846,000.00	EUR
2008	May	Capital increase by conversion of 17,375 warrants	11,062,289	171,040,000.00	EUR
2008	December	Capital increase by contribution in cash	13,131,940	203,040,000.00	EUR
2011	January	Capital increase by conversion of 9,183 warrants	13,141,123	203,225,000.00	EUR
2015	May	Capital decrease	13,141,123	80,000,000.00	EUR
2015	June	Merger - Roularta Media Group NV with Roularta Printing NV, Biblo NV, De Streekkrant - De Weekkrantgroep NV, Euro DB NV, Le Vif Magazine SA, New Bizz Partners NV, Press News NV, Regie De Weekkrant NV, Roularta Business Leads NV, Roularta IT-Solutions NV, Roularta Publishing NV and West-Vlaamse Media Groep NV	13,141,123	80,000,000.00	EUR
2019	June	Merger Roularta Media Group NV with Bright Communications BVBA	13,141,123	80,000,000.00	EUR
2020	June	Merger Roularta Media Group NV with Senior Publications NV	13,141,123	80,000,000.00	EUR

Analysts who follow the Roularta share:

- Bank Degroof Petercam Kris Kippers k.kippers@degroofpetercam.com
- KBC Securities Guy Sips guy.sips@kbcsecurities.be
- Merodis Equity Research Arnaud W. Goossens ago@merodis.com

Consolidated key figures

Income statement	in thousands of euros	Trend 2020-2019	2020	2019	2018	2017	2016 (*) reworked
Sales		-13.4%	256,269	295,798	277,008	256,768	276,464
EBITDA ⁽¹⁾		-15.3%	19,467	22,989	6,336	1,927	16,930
	<i>EBITDA - margin</i>		7.6%	7.8%	2.3%	0.8%	6.1%
EBIT ⁽²⁾		-39.3%	6,056	9,978	-65,547	-12,035	7,412
	<i>EBIT - margin</i>		2.4%	3.4%	-23.7%	-4.7%	2.7%
Net finance costs			-276	-75	-5,075	-4,858	-4,687
Operating result after net finance costs		-41.6%	5,781	9,903	-70,622	-16,893	2,725
Income taxes			8	429	-1,539	-14,578	72
Net result from continuing operations		-44.0%	5,789	10,332	-72,161	-31,471	2,797
Net result from discontinued operations			-	-	151,093	18,510	17,475
Net result		-44.0%	5,789	10,332	78,932	-12,961	20,272
Attributable to minority interests		+62.6%	-195	-521	-1,010	-2,030	-1,201
Attributable to equity holders of RMG		-44.9%	5,984	10,854	79,942	-10,931	21,473
Attributable to equity holders of RMG - margin		2.3%	3.7%	28.9%	-4.3%	7.8%	

Balance sheet	in thousands of euros	Trend 2020-2019	2020	2019	2018	2017	2016
Non-current assets		+2.9%	187,928	182,720	184,108	166,259	307,445
Current assets		-12.3%	149,644	170,695	171,000	250,849	135,756
Balance sheet total		-4.5%	337,572	353,414	355,108	417,108	443,201
Equity - Group's share		-1.9%	223,481	227,846	222,561	202,999	222,293
Equity - minority interests		-33.7%	383	578	1,100	1,906	1,762
Liabilities		-9.0%	113,708	124,990	131,447	212,203	219,146
Liquidity ⁽³⁾		-3.5%	1.5	1.6	1.5	1.3	1.4
Solvency ⁽⁴⁾		+2.6%	66.3%	64.6%	63.0%	49.1%	50.6%
Net financial cash/(debt) ⁽⁵⁾		-10.4%	85,920	95,937	95,658	-62,552	-57,443
Gearing ⁽⁶⁾		+8.6%	-38.4%	-42.0%	-42.8%	30.5%	25.6%

(*) Restated for retrospective application of IFRS 5 Discontinued Operations.

(1) EBITDA = EBIT + depreciations, write-downs and provisions

(2) EBIT = operating result (including the share in the result of associates and joint ventures)

(3) Liquidity = current assets / current liabilities

(4) Solvency = equity (Group's share + minority interests) / balance sheet total

(5) Net financial cash/(debt) = current cash and cash equivalents - financial debt

(6) Gearing = - net financial cash/(debt) / equity (Group's share + minority interests)

Highlights per share ⁽¹⁾

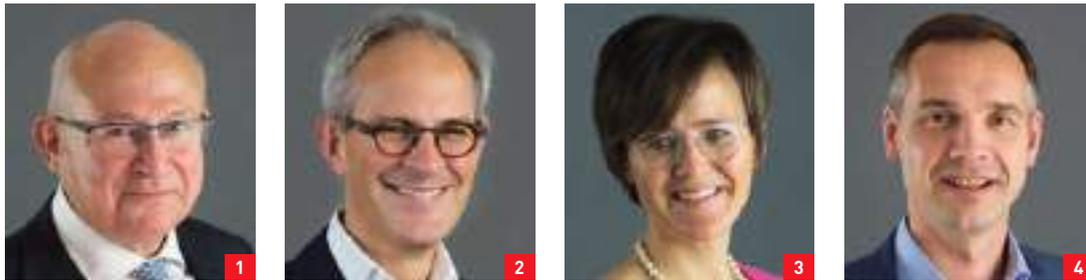
Description	in euros	2020	2019	2018	2017	2016 (*) reworked
Equity - Group's share		18.02	18.16	17.75	16.19	17.76
EBITDA		1.57	1.83	0.51	0.15	1.35
EBIT		0.49	0.80	-5.23	-0.96	0.59
Net result RMG		0.48	0.87	6.37	-0.87	1.72
Net result RMG after dilution		0.48	0.86	6.35	-0.87	1.70
Gross dividend (paid)		-	0.50	5.50	-	0.50
Price/Earnings (P/E) ⁽²⁾		30.31	17.06	2.33	-21.23	15.01
Number of shares at 31/12		13,141,123	13,141,123	13,141,123	13,141,123	13,141,123
Weighted average number of shares		12,399,598	12,545,621	12,541,645	12,534,766	12,515,767
Weighted average number of shares after dilution		12,409,631	12,560,022	12,597,381	12,609,509	12,611,966
Highest share price		17.00	15.50	25.40	28.95	26.93
Share price at year-end		14.15	14.05	14.65	21.95	24.32
Market capitalisation in million euros at 31/12		186.0	184.6	192.5	288.5	319.6
Yearly volume in million euros		19.1	11.1	15.6	30.6	25.7
Yearly volume in numbers		1,491,456	845,340	753,405	1,342,752	1,069,743

(*) Restated for retrospective application of IFRS 5 Discontinued Operations.

(1) Based on the weighted average number of shares

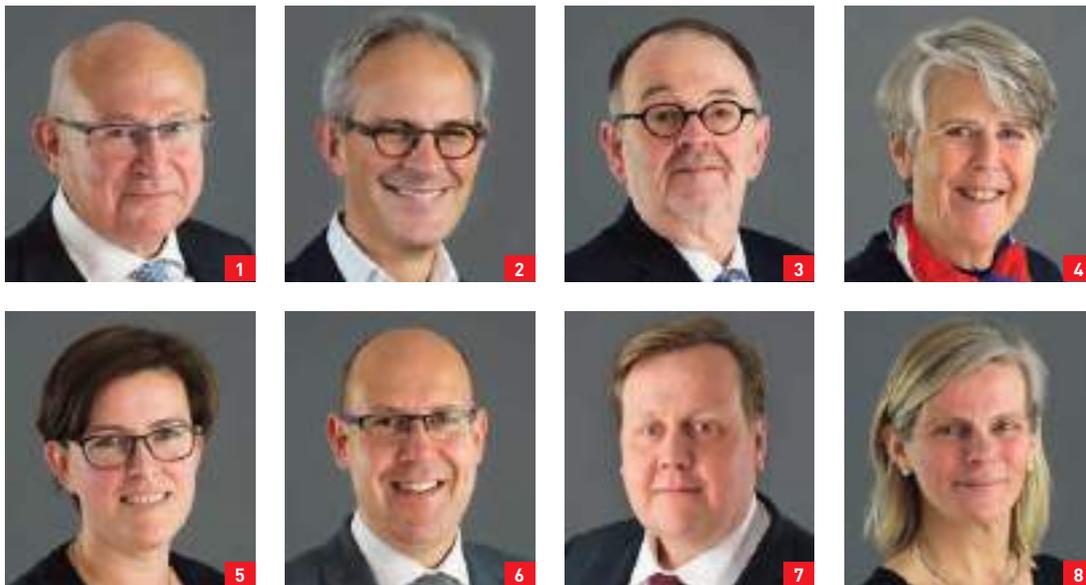
(2) Earnings = current net profit of the consolidated companies. From 2016 onwards it is assumed that the current net profit equals net result.

Executive Management Committee



1. **Rik De Nolf** Chairman
2. **Xavier Bouckaert** CEO
3. **Katrien De Nolf** Director Human Resources
4. **Jeroen Mouton** CFO

Board of Directors RMG



1. **Rik De Nolf** | Executive Chairman of the Board of Directors (2022)
2. **Xavier Bouckaert** | Permanent Representative of Koinon Comm.VA | Executive Director | Managing Director (2022)
3. **Carel Bikkers** | Independent Director (2022) | Chairman of the Audit Committee | Member of the Appointments and Remuneration Committee
4. **Lieve Claeys** | Non-executive Director (2022)
5. **Coralie Claeys** | Permanent Representative of Verana NV | Non-executive Director (2024)
6. **Francis De Nolf** | Permanent Representative of Alauda NV | Executive Director (2023)
7. **Koen Dejonckheere** | Permanent Representative of Invest at Value NV | Independent Director (2022) | Member of the Audit Committee | Member of the Appointments and Remuneration Committee
8. **Caroline Pauwels** | Independent Director (2022)

DECLARATION REGARDING THE INFORMATION GIVEN IN THIS 2020 ANNUAL REPORT

The undersigned declare that, to their knowledge:

- the annual accounts, prepared in accordance with the standards applicable to annual accounts, give a true and fair view of the assets, financial condition and results of Roularta Media Group NV and the consolidated companies;
- the annual report gives a true and fair view of the development, the results and the position of Roularta Media Group NV and the consolidated companies, as well as a description of the main risks and uncertainties they are faced with.

Xavier Bouckaert, CEO | Jeroen Mouton, CFO

Annual report of the board of directors

to the ordinary general meeting of shareholders of 18 May 2021 concerning the consolidated financial statements for the period ended 31 December 2020.

Dear Shareholders,

This annual report should be read in conjunction with the audited financial statements of Roularta Media Group NV (hereinafter 'the Group') and the accompanying notes. These consolidated financial statements were approved by the board of directors on 2 April 2021. Roularta Media Group, with its registered offices at 8800 Roeselare, Meiboomlaan 33, has been listed on Euronext Brussels since 1998. Roularta Media Group operated in 2020 in the media business, in particular in magazines, newspapers, local media, TV, internet, line extensions, exhibitions and graphic production.

COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and with the interpretations issued by the IASB's International Financial Reporting Interpretation Committee (IFRIC), which have been ratified by the European Commission. The consolidated financial statements give a general overview of the Group's activities and the results obtained. They give a true and fair view of the entity's financial position, financial performance and cash flows, and have been prepared on the assumption that continuity is guaranteed.

MAIN CHANGES IN THE GROUP DURING THE 2020 FINANCIAL YEAR

- 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.
- At the beginning of June 2020, Belfius made a binding offer for 30% of the shares of a new company to be incorporated into which the activities of Immovlan and Vacancesweb will be incorporated. After approval from the competition authority, the entity Immovlan BV was established on 6 January 2021 with three shareholders: Roularta (35%), the Rossel group (35%) and Belfius (30%). The entity will be fully consolidated by Roularta since it exercises control over the participation.
- Merger of Senior Publications NV with RMG on 1 July 2020.
- The new Lithoman printing press was officially inaugurated on 4 October on 'Open Bedrijvendag' and has been operational since early November 2020.
- In November 2020, the Group acquired the entire package of (916,536) shares from the Spanish fund Bestinver for € 12.40 per share.
- At the end of December 2020, Holding Echo, a 50% subsidiary of Mediafin, sold its participating interest in Audiopresse (12.5%) to CLT-UFA, a subsidiary of the RTL Group. Audiopresse includes a 34% participation in RTL Belgium.

KEY FINANCIAL DATA

Income statement	in thousands of euros	31/12/2020	31/12/2019	Trend (%)
Sales		256,269	295,798	-13.4%
Adjusted sales ⁽¹⁾		252,596	295,798	-14.6%
EBITDA ⁽²⁾		19,467	22,989	-15.3%
	EBITDA - margin	7.6%	7.8%	
EBIT ⁽³⁾		6,056	9,978	-39.3%
	EBIT - margin	2.4%	3.4%	
Net finance costs		-276	-75	-268.5%
Income taxes		8	429	-98.1%
Net result		5,789	10,332	-44.0%
Attributable to minority interests		-195	-521	+62.6%
Attributable to equity holders of RMG		5,984	10,854	-44.9%
	Net result attributable to equity holders of RMG - margin	2.3%	3.7%	
Balance sheet	in thousands of euros	31/12/2020	31/12/2019	Trend (%)
Non-current assets		187,928	182,720	+2.9%
Current assets		149,644	170,695	-12.3%
Balance sheet total		337,572	353,414	-4.5%
Equity - Group's share		223,481	227,846	-1.9%
Equity - minority interests		383	578	-33.7%
Liabilities		113,708	124,990	-9.0%
Liquidity ⁽⁴⁾		1.5	1.6	-3.5%
Solvency ⁽⁵⁾		66.3%	64.6%	+2.6%
Net financial debt ⁽⁶⁾		85,920	95,937	-10.4%
Gearing ⁽⁷⁾		-38.4%	-42.0%	+8.6%

(1) Adjusted sales is the revenue comparable to last year, i.e. excluding changes in the consolidation scope.

(2) EBITDA is equal to EBIT plus depreciation, write-downs and provisions.

(3) EBIT is equal to operating income, including the share in the result of associates and joint ventures.

(4) Liquidity = current assets / current liabilities.

(5) Solvency = equity (Group's share + minority interests) / balance sheet total.

(6) Net financial cash/(debt) = current cash and cash equivalents - financial debt.

(7) Gearing = - net financial cash/(debt) / equity (Group's share + minority interests).

CONSOLIDATED INCOME STATEMENT

Consolidated revenue for 2020 decreased by 13.4%, from € 295.8 to € 256.3 million. This decline is visible in all business units and most pronounced in Local Media (-36.2%) and external printing (-18.2%). The Group estimates the total impact of COVID-19 on consolidated revenue at € 29.1 million. If the entity Senior Publications SA had not been fully consolidated since March 2020, revenue would have decreased by 14.6% to € 252.6 million.

As a result of the lower revenue, the Group, exercising due diligence, adjusted its cost structure as much as possible, so that costs for both services and other goods (€ 9.4 million improvement) and personnel (€ 8.0 million improvement) have fallen significantly. Other operating income and costs (€ 2.9 million) include a number of capital gains: a capital gain on the sale of two buildings (€ 1.3 million), a capital gain on the capital dilution in the Proxistore NV entity (€ 0.7 million) in which other shareholders settled previously recognised losses, and a capital gain on the sale of the loss-making entity Regionale Mediamaatschappij (€ 0.4 million). The joint ventures obtained a slightly lower net result, which is included in Roularta's EBITDA (-€ 0.4 million compared to 2019). All this results in **EBITDA** declining from € 23.0 million to € 19.5 million in 2020. The EBITDA margin of 7.6% remains roughly stable compared to 2019. The EBITDA of the fully consolidated entities amounts to € 17.4 million compared to € 20.5 million last year; the share in the net result of joint ventures amounts to € 2.1 million compared to € 2.5 million in 2019.

EBIT evolved from € 10.0 million in 2019 to € 6.1 million in 2020, or 2.4% of revenue.

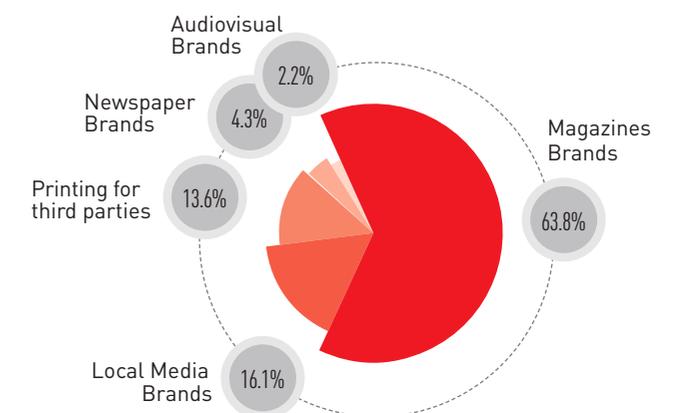
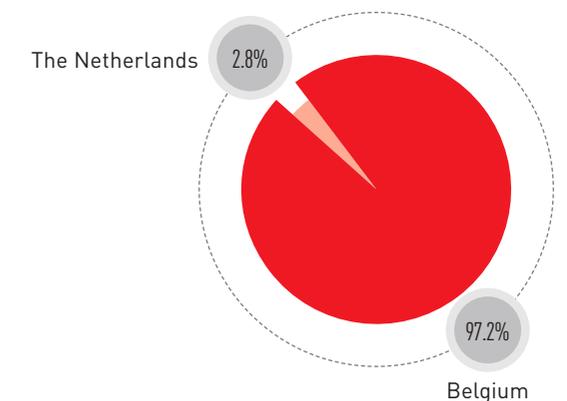
Net financial expenses were limited in 2020 (-€ 0.3 million) since the Group had no outstanding financial debts.

Taxes (nil) in 2020 included expected cash-out payments (-€ 0.3 million) on the one hand and deferred tax income of € 0.3 million on the other. The latter is the result of the merger of Roularta Media Group with one of its now 100% subsidiaries, Senior Publications SA, which had a net deferred tax liability of € 0.3 million. The resulting deferred tax income means a higher recovery of tax losses carried forward. To this end, deferred tax assets were booked in Roularta Media Group in the amount of € 0.3

million. Much the same happened in 2019 with the merger of Roularta Media Group with Bright Communications BVBA, which at that time had a deferred tax liability of € 1.0 million.

The amount of -€ 0.2 million **minority interests** in 2020 mainly comes from the Open Bedrijvendag activity at Studio Aperi Negotium NV because the physical event could not take place this year. The higher losses in 2019 (-€ 0.6 million) came from loss-making Storesquare NV, which was stopped at the beginning of 2020.

The **net result attributable to RMG shareholders** thus amounts to € 6.0 million or € 0.48 per share.

Consolidated sales by various activity categories 31/12/2020**Consolidated sales by region 31/12/2020**

2020 CONSOLIDATED RESULTS BY SEGMENT

Consolidated sales by segment

in thousands of euros	31/12/2020	31/12/2019	Trend (%)
Media Brands	225,559	258,520	-12.7%
Printing Services	60,186	77,222	-22.1%
Intersegment sales	-29,476	-39,944	
Consolidated sales	256,269	295,798	-13.4%

Roularta Media Group reports on two segments. The first segment, **Media Brands**, refers to all brands that are operated by RMG and its participations. It includes all sales of advertising, subscriptions, newsstand sales and line extensions of the brands. The second segment, **Printing Services**, is responsible for pre-media and printing activities for in-house brands and external customers. Reporting on the segments in consolidated figures is done to Gross Margin level. There is a strong interrelation between these segments, and supporting services are extensively shared.

Media Brands

in thousands of euros	31/12/2020	31/12/2019	Trend (%)
Sales	225,559	258,520	-12.7%
Adjusted sales ⁽¹⁾	221,886	258,520	-14.2%
Gross margin	179,428	198,547	-9.6%
Gross margin on sales	79.5%	76.8%	

⁽¹⁾ Adjusted sales is the revenue comparable to last year, i.e. excluding changes in the consolidation scope.

Revenue from the Media Brands segment decreased by 12.7% or -€ 33.0 million to € 225.6 million.

Advertising revenue was hit hardest by the corona lockdown measures, which meant that the paper editions of De Zondag, De Streekkrant and Steps could not be published, and fell in total by 26.0% compared with 2019. Advertising revenue from the free press titles fell by 39.1%. Sterck was also greatly hindered by events that were unable to take place. Advertising revenue at the magazines decreased by 19.6% and that of the pay-to-read newspapers by 15.0%. Of all advertising revenue, online publicity is gaining in importance (+3 percentage points).

Revenue from the **readership market** (subscriptions and newsstand sales) increased by 5.5% compared to 2019. In addition to the consolidation of Plus Magazine Belgium, Libelle and Knack/Le Vif again posted very strong results in 2020. Voetbalmagazine scored less well due to the months-long stoppage of football competition. Subscriptions account for 73% of the total readership market revenue, with 27% coming from newsstand sales.

Revenue from **Line Extensions** and **miscellaneous** decreased by 19.4% due to the cancellation of events and trips.

Gross margin increased from 76.8% to 79.5%, partly due to lower postage and distribution costs and partly due to lower paper prices.

Printing Services

in thousands of euros	31/12/2020	31/12/2019	Trend (%)
Sales	60,186	77,222	-22.1%
Gross margin	32,822	38,959	-15.8%
Gross margin on sales	54.5%	50.5%	

The Printing Services segment represents the premedia and printing activities for in-house brands and external customers.

Revenue from the Printing Services segment decreased by € 17.0 million and amounted to € 60.2 million. The decrease is due to lower set-offs (-€ 9.4 million) against the Media Brands segment as well as against printed matter to external parties (-€ 7.7 million).

Gross margin relative to revenue increased by 4 percentage points, mainly due to a lower paper price.

BALANCE SHEET

On 31 December 2020, **equity - Group share** was € 223.5 million compared to € 227.8 million on 31 December 2019. The movement in equity mainly consists of a share buy-back of -€ 11.4 million (with the same impact in the consolidated net financial cash position) and the result in 2020 (+€ 6.0 million).

As of 31 December 2020, the **consolidated net financial cash position** was € 85.9 million compared to € 95.9 million the year before.

As of 31 December 2020, Roularta also owns 1,502,496 treasury shares. The intention is to place these on the market at the appropriate time in order to increase the Group's free float as well as its equity and cash position.

INVESTMENTS (CAPEX)

Total consolidated capital expenditure in 2020 amounted to € 15.1 million compared to € 9.6 million in 2019. This amount was mainly invested in tangible fixed assets (including € 7.9 million in a new printing press and € 1.2 million in related installations) and software (€ 3.8 million).

MAIN EVENTS AFTER THE BALANCE SHEET DATE

The United Kingdom left the European Union on 31 December 2020. The impact of this on the activities of the Group will be minimal. There are only a few printing orders for B2B customers in the UK. An analysis of these orders shows a limited risk since the delivery obligations are usually defined as ex-works. Invoices are issued in euros with market-conform terms of payment. Roularta Media Group does not have any B2C end customers, assets or personnel in the UK, nor does it purchase any raw materials there.

After the balance sheet date, a new entity, Immovlan BV, was established on 6 January 2021 by Roularta Media Group (35%), the Rossel group (35%) and Belfius (30%). The entity includes the activities of Immovlan and Vacancesweb that were part of CTR Media SA in 2020 (50% RMG/50% Rossel). The transaction was approved by the competition authority in November 2020. 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.

Roularta Media Group has taken into account all facts and circumstances when assessing whether it exercises control over the participating interest and has come to the conclusion that this is the case because the Group has control over Rossel's 35% interest. Therefore, the Group will fully consolidate

this entity from 2021, so that the Immovlan brand – previously operated by the joint venture entity CTR Media SA – will play a greater role in the Group's consolidated profit and loss account.

On 25 March 2021 Roularta Media Group (RMG) reached an agreement with Bayard Presse, whereby RMG becomes the sole owner of the Belgian public limited company Belgomedia and the Dutch private limited company Senior Publications Nederland. With this transaction RMG also acquires 100% of the shares of BV Press Partners.

In this way Roularta Media Group expands its portfolio of brands, including Télépro, Plus, G-Geschiedenis/G-Geschichte, Frau im Leben, the website gezondheidsnet.nl, the online learning platform etadoro.nl and the Dutch fairs 50+ and Gezondheidsbeurs.

The results of Belgomedia and Senior Publications (including the results of the companies affiliated with the aforementioned – with the exception of the Dutch company 50+ Beurs & Festival BV) will be fully consolidated as of 1 April 2021. The turnover of the acquired company Belgomedia and Senior Publications (including their participations) amounts to more than € 30 million. They employ 160 people (on a full-time basis).

This transaction brings to an end the many years of cooperation in Belgium, Germany and the Netherlands between Roularta Media Group and Bayard Presse.

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

INFORMATION ON CIRCUMSTANCES THAT CAN SIGNIFICANTLY INFLUENCE THE DEVELOPMENT OF THE GROUP

The spread of the COVID-19 virus and the strict security measures taken by governments worldwide to combat it are having an enormous impact on our society. Roularta Media Group has itself taken important and far-reaching security measures to ensure the safety and health of its employees, customers and business relations.

Roularta – together with all its employees – continues in these difficult times to assume its civic responsibility

as a media company and to inform the population in an independent, reliable and high-quality manner about COVID-19 and other important topics. As One Team, One Family, we commit ourselves – as requested by the government – to continue to produce and distribute our brands to press outlets and through the mail. Our digital channels also provide 24/7 coverage.

Roularta Media Group expects to continue to be negatively affected by COVID-19 in 2021. All events and trips were cancelled for the first quarter of 2021. The start of the vaccination of the population and the prospects of the reopening of the catering industry, however, offer the prospect of a cautious economic recovery from mid-2021. Uncertain is what the consequences will be of the cancellation of government incentives.

RESEARCH AND DEVELOPMENT

As a multimedia company Roularta Media Group operates in various high-tech sectors. Within these it is constantly seeking new opportunities, with a reputation as a major innovator.

Roularta Media Group attaches paramount importance to research and development. These efforts obviously benefit the Group's own internal operating processes, but in many cases also drive fundamental market developments.

STATEMENT REGARDING THE COMPANY'S USE OF FINANCIAL INSTRUMENTS WHERE SIGNIFICANT FOR THE ASSESSMENT OF ITS ASSETS, LIABILITIES, FINANCIAL POSITION AND PROFIT OR LOSS

In the past financial year, the Group did not make use of financial instruments as referred to in Article 3:6, 8° of the Companies and Associations Code.

STAFF

As at 31 December 2020, the Group has 1,182 full-time equivalent (FTE) employees, compared with 1,217 full-time equivalent (FTE) employees the previous year. These figures exclude joint ventures.

MAIN RISKS AND UNCERTAINTIES

Economic conditions

Changes in general, global or regional economic conditions or economic conditions in areas where the Group operates and which could impact consumers' consumption patterns, can negatively impact the Group's operating results.

The Group and in particular its operating results may also be negatively impacted by imposed government measures (such as, but not limited to, mandatory lockdowns in the context of pandemics).

Risks relating to market developments

The media market is constantly changing. The profit generated by the Group is largely determined by the advertising market, the readers market and viewing figures.

The Group tracks market developments in the media world so that it can capitalise at all times on changes and new trends in the environment in which the company operates. Thanks to the Group's multi-media offer, it can suitably respond to a shift in focus in the advertising world and on the part of its readership from one form of media to another.

Strategic risk associated with markets and growth

The Group may be faced with unfavourable market conditions or unfavourable competitive developments.

Risks relating to suppliers

The various costs that to a large extent determine the total cost in the Printing Services division, such as printing, distribution and staff costs, can fluctuate according to the economic situation.

The evolution of international paper prices is uncertain and may adversely affect the business, operating results and/or financial position of the Group if price increases cannot be passed on in time to its customers. To manage the paper price risk, the Group concludes periodical contracts for newspaper and for magazine paper.

Disturbances or disruptions of the IT system

The Group is exposed to potential disturbances or disruptions in its computer systems.

Computer systems are a central part of the Group's business. A disturbance in the Group's computer systems due to malfunctioning, malicious attacks, viruses or other factors could seriously impact various aspects of its activities, including but not limited to sales, customer service and administration. Computer system disturbances can have an adverse effect on the Group's activities or operating results. To date, the company has not experienced substantial problems with its computer systems. Year after year the Group invests substantial means to optimise its IT systems and to reduce possible disturbances.

Risks associated with intellectual property

The enforcement of intellectual property rights is costly and uncertain. The Group cannot guarantee that it will be successful in preventing abuse of its intellectual property rights.

Risk of reduced brand recognition or negative brand image

The Group's position could be significantly adversely affected if brand recognition were significantly to reduce or if the Group's leading brands, publications and products were to suffer reputational damage.

Risk of non-renewal of licences for TV activities

The Group has the necessary approvals for undertaking its television activities in Belgium. An inability to extend these could potentially negatively impact the Group's financial position and/or results.

Risks related to current and future acquisitions

In takeover situations, the Group is exposed to risks related to the integration of the entities acquired.

Innovation risk

The Group needs to develop new applications on an ongoing basis. Without this, it runs the risk of falling behind its competitors and being unable to catch up again, which could negatively impact the Group's financial position and/or results.

Currency risks

The Group is exposed to a minimal currency risk as both purchases and sales are primarily made in euros.

Interest rate risk

The Group's level of debt and the related interest expense can have a major influence on the Group's result and/or the financial position. In order to hedge the risks of unfavourable interest rate fluctuations the Group may use financial instruments. Since the end of 2018 this risk became minimal.

Credit risk

The Group is exposed to the credit risk on its customers, which could lead to credit losses. To control this credit risk, credit investigations are performed on customers which request major credit facilities. Where the outcome is negative, credit is refused or restricted.

In addition, the Group also uses trade finance instruments, such as letters of credit, to cover part of its credit risk and credit insurances are concluded for a small percentage of foreign clients of the printing works.

There is no significant concentration of credit risks with a single counterparty.

Despite the Group's intention of limiting its credit risk, it can face a deterioration of the creditworthiness of its customers. Any failure to conclude a credit insurance policy with respect to certain customers can have a material adverse effect on the Group's business, financial condition and/or results.

Liquidity and cash flow risk

The Group's indebtedness and the restrictions agreed upon in the financing agreements may adversely affect the Group's liquidity position.

The Group expects to meet its obligations through operating cash flows and current cash and cash equivalents. Roularta is fully debt-free and has a cash position of more than € 90 million at the end of 2020.

Capital structure

The Group is constantly seeking to optimise its capital structure (mix of debt and equity). The main objective of the capital structure is to maximise shareholder value while maintaining the desired financial flexibility for implementing strategic projects.

Risks associated with assessing the useful life of the brands

Through 30 June 2018, various brands had an indefinite useful life. As of 1 July 2018, it was decided to change the useful life of the brands in the portfolio to a specific useful life. From 1 July 2018, the value of the brands will be depreciated according to their estimated useful life. Estimating and evaluating the specific useful life of the brands is based on estimates by management, with the brands being subdivided as follows: 'super' brands, 'growth' brands, 'mature' brands and 'young' and 'small' brands.

This split of brands according to their useful life is a general guideline that was developed by the management based on their insights into the media sector on the one hand and the testing of these insights against reality on the other.

However, these management estimates can be adversely affected by general unfavourable market developments, imposed government measures (including but not limited to government measures in the context of pandemics) and/or disappointing brand performance. This may require management to adjust its estimates of the life/use life of a brand and to move it to another brand group.

At the end of the current reporting period there are no indications that adjustments have to be made to the classification of the brands into the different brand groups, nor that the life/use life of a brand has decreased more than initially estimated.

Risks relating to possible impairments of goodwill and tangible and intangible fixed assets

An impairment loss is recognised when the book value of an asset, or the cash-generating unit to which the asset belongs, is higher than the recoverable amount. This recoverable amount is determined on the basis of business plans prepared by management and approved by the board of directors. The Group points to the sensitive nature of these business plans. When, owing to market circumstances, the assumptions contained in the aforementioned business plans cannot be achieved, impairments are recognised in the profit and loss account, with an effect on the net income and shareholders' equity of the Group.

Regulatory risks

The Group strives to always act within the prevailing legal framework. Additional or changing legislation, including tax law or decisions by administrative authorities, could limit the Group's growth or entail additional costs and/or taxes.

In the area of tax regulations, the Group makes use of the possibilities offered by tax laws and regulations, without in so doing running unnecessary risks. The Group is supported in this by external tax advisers.

Risks relating to legislation and arbitration

The Group is involved in a number of pending disputes, for which mostly provisions were set up. The Group cannot guarantee that in the future there will not be material litigation by third parties in relation to published articles, copyright infringement and more generally in relation to the Group's media activities.

Roeselare, 2 April 2021.
The Board of Directors

Corporate governance declaration ^[*]

INDICATION OF THE CORPORATE GOVERNANCE CODE

As a multimedia company, Roularta Media Group creates and distributes quality, independent and relevant content for the general public and for specific target groups. It links to this advanced marketing and advertising platforms for its partners. Roularta Media Group aims to create sustainable added value for its stakeholders and for all of society.

The sound governance policy that Roularta Media Group has applied for many years was extended in 2020 to include the principles of the Corporate Governance Code 2020 and set down in the Corporate Governance Charter, which you will find on the company's website (www.roularta.be under Roularta on the stock market - corporate governance).

At the extraordinary general meeting of 19 May 2020, the articles of association of Roularta Media Group NV were also brought into line with the conditions of the new Companies and Associations Code.

The Corporate Governance Charter, which explains in an exhaustive and transparent manner how Roularta Media Group is governed and how accountability for this governance is presented, complements the corporate governance clauses in the Companies and Associations Code and the articles of association of Roularta Media Group NV.

The board believes that observing as closely as possible the principles set out in the Charter will ensure more efficient, more transparent governance and better risk management and control of the company. Roularta Media Group's aim in so doing is to maximise value for its shareholders, its stakeholders and its institutional investors.

In accordance with article 3:6 § 2 of the Companies and Associations Code, Roularta Media Group

applies the Corporate Governance Code 2020 for companies listed on the stock exchange (see https://www.corporategovernancecommittee.be/sites/default/files/generated/files/page/2020_belgian_code_on_corporate_governance.pdf) as its reference code. However, Roularta Media Group NV deviates from the principles 4.3, 4.4, 7.6, 7.9 and 7.12 set down in this reference code.

- Principle 4.3: the audit committee and the appointments and remuneration committee should be composed of at least three board members.
- Principle 4.4: the board should ensure that a chair is appointed for each committee.
- Principle 7.6: the board of directors has decided not to allocate any shares to the non-executive directors as part of their remuneration.
- Principle 7.9: neither has a minimum threshold of shares been set that must be held by the members of the executive management.
- Principle 7.12: the contracts with the CEO and other members of the executive management do not include any provisions that would enable the company to recover variable remuneration paid.

DESCRIPTION OF THE PRINCIPAL FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

General

Roularta Media Group has an internal control and risk management system set up in line with the conditions of the Belgian Corporate Governance Code of 2020.

Roularta Media Group's internal control and risk management system is based on the COSO framework and intended to create reasonable certainty with regard to achieving the company's goals. This implies, among other things, the recognition and management of both operational and financial risks, the effectiveness and efficiency of business processes, compliance with laws and regulations and supervision of the reporting.

[*] Part of the annual report of the board of directors.

CONTROL AND RISK MANAGEMENT

Management environment

The organisational culture at Roularta Media Group offers space for decentralised working. Directors and leaders are given considerable responsibility for providing operational leadership. This decentral leadership implies, among other things, ongoing vigilance with regard to risk management.

Specifically, the management environment includes the following elements:

- the mission, vision and values, which are widely communicated and constitute the principal mainstays of our corporate culture;
- organisational charts and reporting lines;
- procedures and guidelines communicated on the intranet;
- exemplary role of management;
- expertise and appropriate mindset of our staff. These are ensured by means such as clearly formulated job descriptions, the selection process and skill management (including ongoing training and improvement campaigns).

Risk management process

Roularta Media Group's risk management system is based on the COSO ERM framework. The main goals are to map the risks to which Roularta Media Group is exposed and to manage these risks.

The risk management process is coordinated by the internal auditor and is comprised of the following steps:

- Risk identification
- Risk analysis
- Risk evaluation
- Risk response
- Monitoring and adjustment

Risks are identified by means of audits conducted by the internal auditor and annual interviews with management. The results of the audits and interviews are consolidated and discussed with the members of the executive management committee.

Risks are divided into four categories:

- Operational risks
- Financial risks
- Compliance risks
- Strategic risks

Each risk is evaluated on the basis of, firstly, the chance of the risk occurring and, secondly, its impact.

Probability	Very high					
	High					
	Medium					
	Low					
	Very low					
		Very low	Low	Medium	High	Very high
Impact						

Management decides on suitable action based on the risk evaluation. Implementation and follow-up of the action is supported by the internal auditor.

Control activities

Many processes at Roularta Media Group are automated. A significant component of that automation is risk management, with attention to accuracy, completeness, consistency, promptness and validation/authorisation of the information.

Ongoing supervision, mainly by means of built-in controls in a highly automated operational environment, achieves the prevention or timely detection of possible deviations. Securing the IT systems is crucial to this. In doing so, special attention is paid to:

- deduplication of systems;
- access control;
- separation of test and production environments;
- electrical circuits;
- back-up procedures.

Information and communication

Thanks to broad internal reporting and communication flows, both staff and management have access to the information that is relevant to them: staff can access the information they need to fulfil their tasks, and management can access the information required to direct their business unit. The latter mainly consists of the most important financial and operational KPIs.

Monitoring

The board of directors monitors the risk management system through the audit committee. The audit committee is supported by the information it receives from the external auditors and the internal audit.

The internal audit evaluates risks and management measures systematically, by conducting internal audits. This evaluation results in a number of recommendations on the basis of which a concrete action plan is formulated, in consultation with the business unit manager, to deal with any shortcomings. The implementation of these action plans is monitored by the internal audit. The results of the audits and status of the action plans are reported to the audit committee.

The daily monitoring is done by the management, based on supervision and the aforesaid information. Where required, action is taken to make adjustments.

Control and risk management with regard to financial reporting

The risk management for the financial reporting is mainly characterised by:

- the accountancy rules that apply from day to day;
- the uniformity that the different companies in the Group strive for, in terms of both the application of the IFRS rules and standardised reporting;
- control of the reported figures of associated companies by the central controlling department;
- checking and monitoring of the financial reporting by the audit committee.

PUBLICATION IMPORTANT PARTICIPATIONS AND NOTE WITH RESPECT TO THE ITEMS LISTED IN ARTICLE 34 OF THE ROYAL DECREE OF 14/11/2007, IN SO FAR AS THESE COULD POTENTIALLY AFFECT A PUBLIC TAKEOVER BID

The capital of the company amounted to EUR 80,000,000.00 and is represented by 13,141,123 shares representing an equal share of the company's capital.

The shareholding structure is as follows:

	Number of shares	%
Koinon Comm.VA ⁽¹⁾	9,352,977	71.17%
S.A. West Investment Holding ⁽¹⁾	522,136	3.97%
NV Capfi Delen Asset Management	394,201	3.00%
Treasury shares ⁽²⁾	1,502,496	11.43%
Individual and institutional investors	1,369,313	10.42%

⁽¹⁾ The Comm.VA Koinon and the S.A. West Investment Holding, in their capacity as persons acting in consort who have concluded an agreement concerning the possession, the acquisition and transfer of shares, have made a definitive notification.

⁽²⁾ Situation on 31/12/2020.

All treasury shares held in portfolio by the company have no voting rights as long as they remain in the treasury portfolio.

Each share entitles its holder to one vote. In accordance with article 7:53 of the Companies and Associations Code and article 34 of the articles of association of Roularta Media Group, however, the shares paid in full that are registered for at least two years without interruption in the name of the same shareholder in the register of named shares have double voting rights.

A shareholder agreement has been concluded between shareholders Comm.VA Koinon and S.A. West Investment Holding, restricting the transfer of securities. There is no 'relationship agreement' between the company and its reference shareholder. After evaluation, the board of directors decided that the company has nothing to gain from a relationship agreement.

The articles of association and the Corporate Governance Charter of Roularta Media Group include specific provisions on the (re)appointment, training and evaluation of directors. Directors are appointed for a maximum period of four years by the general meeting of shareholders, that can remove them at any time. A resolution to appoint or dismiss requires a simple majority of votes. Should a directorship fall prematurely vacant, the remaining directors can themselves appoint (co-opt) a new director. In this case, the next general meeting proceeds to the final appointment.

The articles of association of NV Roularta Media Group give Comm.VA Koinon a binding right of nomination. Based on this nomination right, the majority of the directors are appointed from candidates put forward by Comm.VA Koinon as long as the latter holds, directly or indirectly, at least 35% of the shares of the company.

Decisions to amend the articles of association are subject to special quorum and majority requirements. Any decision to amend the articles of association requires the presence, in person or by proxy, of shareholders representing at least half of the share capital and the approval of at least three fourths of the capital present or represented at the meeting. If the quorum is not met, then a second meeting must be convened, at which the quorum requirement does not apply. The requirement of a special majority remains, however.

The board of directors is expressly authorised, in the case of public takeover bids on securities of the company, to increase the share capital within the limits provided by article 7:202 of the Companies and Associations Code by issuing shares not exceeding 10% of the existing shares at the time of such public bid. This authorisation was granted by the extraordinary general meeting of 19 May 2020 for a term of three years.

The company may acquire, divest or pledge its own shares, profit certificates or other certificates to the extent that the relevant statutory provisions are complied with. The board of directors is expressly authorised, without a resolution of the general assembly, to acquire and hold its own shares if necessary to avoid imminent and serious harm to the company. This authorisation was granted by the extraordinary general meeting of 19 May 2020 for a period of three years.

In the context of the Law of 1 April 2007 concerning public takeover bids, Comm.VA Koinon, as the direct holder of more than 30% of the Roularta Media Group shares, updated its registration with the FSMA on 30 August 2018 pursuant to article 74 § 6 of the above-mentioned law. Comm.VA Koinon is a subsidiary of the Stichting Administratiekantoor Cerveteri, which is controlled by Mr Rik De Nolf.

COMPOSITION OF AND REPORT BY THE BOARD OF DIRECTORS AND ITS

COMMITTEES, AND THE PERSONAL ATTENDANCE LEVELS OF THEIR MEMBERS

Board of directors

In response to the adjustments to its articles of association to conform to the new clauses of the Companies and Associations Code, the company has clearly opted for a one-tier structure.

During the financial year 2020 the board of directors of NV Roularta Media Group had eight members:

- Mr Rik De Nolf, executive director and chairman of the board (2022).
- Four directors representing the reference shareholder, in accordance with the proposal rights under the articles of association, Mr Xavier Bouckaert, permanent representative of Comm.VA Koinon (2022), Ms Coralie Claeys, permanent representative of NV Verana (2024), Ms Lieve Claeys (2022) and Mr Francis De Nolf, permanent representative of NV Alauda (2023).
- Three independent directors, all of whom hold executive corporate functions:
 - » *Mr Carel Bikkers (2022)* has for nine years headed up the Dutch media group Audax, a multifaceted organisation that is involved in the broadest sense of the term with the publishing, distribution and retailing of media and related products. Prior to this Mr Carel Bikkers worked as general manager of Kwik-Fit Europe BV, Europe's largest car service chain.
 - » *Mr Koen Dejonckheere (2022), permanent representative of NV Invest at Value.* Mr Koen Dejonckheere was appointed Chief Executive Officer of Gimv in 2008. Before, he was Managing Director and head of Corporate Finance at KBC Securities. Previously, Mr Koen Dejonckheere worked for Nesbic, Halder, Price Waterhouse Corporate Finance Europe and the BBL. Mr Koen Dejonckheere has extensive experience as a dealmaker in investment banking and private equity in Belgium and abroad.
 - » *Prof Caroline Pauwels PhD (2022).* Prof Caroline Pauwels PhD is rector of the Vrije Universiteit Brussel. Until 2016, she was director of the SMIT research centre, which specialises in the study of information and communication technologies, and since 2004 has been part of iMinds, which merged with IMEC in 2016. At iMinds, Prof Caroline Pauwels PhD led the Digital Society department that brings together

research groups from Ghent, Leuven and Brussels. She was awarded the national Francqui Chair from the University of Ghent in 2014, and was holder of the Jean Monnet Chair between 2012 and 2016. In addition, she serves on various boards of directors, she served as government commissioner at the VRT, and is a member of the Royal Flemish Academy of Belgium for Sciences and Arts.

The board of directors is chaired by Rik De Nolf. As chairman, Mr Rik De Nolf assumes the mediating role between the reference shareholders, the board of directors and the members of the executive management.

As an executive director, Mr Rik De Nolf is also active in the executive management of the Group as a member of the executive management committee. Given his business experience, he acts as a sounding board and advisor for the executive management. As the chairman and an executive director, Mr Rik De Nolf is also responsible for the Group's external communication and investor relations. This active, executive role that is allocated to the chair of the board of directors ensures better communication and flow of information between the board of directors and the members of the executive management, and in general contributes to the efficient functioning of the company. All of this is in line with recommendation 3.16 of the Corporate Governance Code 2020.

The board of directors met six times in 2020 to discuss the company's results, the multi-year plan for the Group and the budget for the next financial year. In the past financial year, the board of directors closely monitored the impact of Covid-19 on the Group's financial results.

Due to the measures imposed by the government to fight the coronavirus, the meetings of the board of directors were held in hybrid form this year, with some of the directors physically present and others participating in the board meetings remotely by video conference. The secretary to the board of directors, Sophie Van Iseghem, was responsible for reporting the meetings of the board of directors and the committees set up by the board of directors.

Attendance of individual board members in 2020⁽¹⁾:

Rik De Nolf, Chairman	6
Xavier Bouckaert, CEO	6
Carel Bikkers	6
Lieve Claeys	6
Coralie Claeys	6
Francis De Nolf	6
Koen Dejonckheere	6
Caroline Pauwels	5

During the past year there was also a meeting of the independent directors. For 2021, six board meetings are planned.

Audit committee

The audit committee is composed of two directors and is composed entirely of independent directors. Roularta Media Group deviates here from principle 4.3 of the Corporate Governance Code, which prescribes that the audit committee should be composed of at least three directors. The board of directors is of the opinion that the role and powers of the audit committee can be adequately fulfilled by two directors who have a collective expertise in the area of Roularta Media Group's activities: see article 7:99 of the Companies and Associations Code.

The expertise in accounting and auditing of Mr Carel Bikkers, chairman of the audit committee, is evident among other things from his former position as a senior manager of the Dutch media group Audax and from his board member/supervisor mandate in a number of Dutch companies.

The audit committee met four times in 2020. Like the meetings of the board of directors, these meetings were organised in hybrid form (physical or video conference) due to the measures imposed by the government to fight the coronavirus. During these meetings, the audit committee has exercised control over the integrity of the company's financial information, closely monitored the activities of both the external and internal auditor and, if it felt it was necessary to do so, made recommendations on this matter to the board of directors. In particular, the audit committee was consulted in 2020 with regard to the obligatory rotation of the mandate of the external auditor in 2021.

⁽¹⁾ Includes one board meeting by telephone.

At the invitation of the chairman, the audit committee was attended by the statutory auditor, the CEO, the chairman of the board of directors, the CFO and the internal auditor. The statutory auditor attended two times the meetings of the audit committee in 2020.

The chair of the audit committee reports to the board of directors after each audit committee meeting on the topics discussed by the audit committee.

Attendance at audit committee meetings in 2020:

Carel Bikkers, Chairman	4
Koen Dejonckheere	4

Appointments and remuneration committee

The board of directors has used the opportunity as provided in the Corporate Governance Code to establish a single, joint appointments and remuneration committee. The appointments and remuneration committee is composed of a majority of independent, non-executive directors. Roularta Media Group deviates from principle 4.3 of the Corporate Governance Code, which prescribes that the appointments and remuneration committee should be composed of at least three directors. The board of directors is of the opinion that the role and powers of the appointments and remuneration committee can be adequately fulfilled by two directors. The board of directors has also decided not to appoint a chair for this committee, since the committee only meets twice a year and the role of the chair of such a committee does not add any value. The appointments and remuneration committee has the necessary expertise in the field of remuneration policy: see article 7:100 of the Companies and Associations Code.

The CEO and the chairman of the board participate in the meetings of the appointments and remuneration committee in an advisory capacity (cf. article 7:100 of the Belgian Companies and Associations Code), except when the appointments and remuneration committee deliberates on the remuneration of the CEO and/or the chairman of the board. The HR director of the Group is also invited to attend the meetings of the appointments and remuneration committee.

The appointments and remuneration committee met two times during 2020. The main item on its agenda was: preparing the remuneration policy, drafting the remuneration report and reviewing the remuneration and bonus policy of the executive management and the (diverse) composition of the board of directors and its committees.

Attendance at appointments and remuneration committee meetings in 2020:

Carel Bikkers	2
Koen Dejonckheere	2

ASSESSMENT OF THE BOARD AND BOARD COMMITTEES

Every year the board of directors undertakes a review, led by the chairman and assisted by the appointments and remuneration committee, of its size, composition, functioning and interaction with executive management. This assessment has four objectives: (i) assessing the operation of the board of directors; (ii) examining whether important issues are thoroughly prepared and discussed; (iii) assessing the actual contribution of each director to the activities of the board of directors, on the basis of his or her presence at board and committee meetings and his or her constructive involvement in discussions and decision-making; (iv) establishing a comparison between the current composition of the board of directors and the pre-defined desired composition of the same.

Every year the non-executive directors assess their interaction with senior management and, where appropriate, make proposals to the chairman of the board of directors for improving this interaction.

The contribution of each director is reviewed at regular intervals. In the event of a reappointment, the engagement and the effectiveness of the director is evaluated.

GENDER DIVERSITY

The board of directors has three female and five male board members. With this, Roularta Media Group meets the legal quota under article 7:86 of the Belgian Companies and Associations Code on gender diversity within the board of directors.

In addition to gender diversity, the board of directors values other diversity perspectives such as independence, age, education, professional experience and nationality. The board of directors believes that the diversity in its composition ensures a varied input of opinions and visions. The resulting interaction will lead to more quality deliberations and decision-making.

COMPOSITION OF EXECUTIVE MANAGEMENT

The operational authority was delegated by the board of directors to the executive management

committee under the direction of the CEO. This committee, headed by the CEO, is responsible for management of the Group within the outlines set by the board of directors.

The CEO, executive chair of the board of directors, HR director and CFO are members of the executive management committee (see composition, p. 24).

The executive management committee has a diverse composition in terms of gender, knowledge, expertise, background and age.

In the past financial year, there were no changes to the composition of the executive management committee.

In accordance with principle 2.10 of the Corporate Governance Code, the company has a succession plan in place for the CEO and the other members of the executive management. If the CEO were no longer able to fulfil this function, the tasks of the CEO would initially be taken on temporarily by the chair of the board of directors, and an appointments and remuneration committee meeting would immediately be convened.

If another member of the executive management were no longer able to fulfil their function, the tasks of the absent member would initially be divided between the other members of the executive management and an appointments and remuneration committee meeting would immediately be convened.

CONFLICT OF INTERESTS

There were in the course of the financial year no conflicts of interest of a financial nature giving rise to the application of articles 7:96 and 7:97 of the Belgian Companies and Associations Code.

POLICY CONCERNING TRANSACTIONS AND OTHER CONTRACTUAL RELATIONSHIP BETWEEN THE COMPANY, INCLUDING AFFILIATED COMPANIES, AND ITS DIRECTORS AND MEMBERS OF THE EXECUTIVE MANAGEMENT NOT COVERED BY THE CONFLICT OF INTERESTS RULES

Taking into account the principles and guidelines encapsulated in the Belgian Corporate Governance Code, the company has developed a policy in its Corporate Governance Charter with regard to the transactions and other contractual links between the company, including its associated companies, and its directors and members of the executive management who are not covered by the legal arrangement for conflicts of interest.

A transaction or any other contractual link between the company and its directors and/or the members of its executive management occurs when:

- a director or a member of the executive management has a significant, personal financial interest in the legal entity with which Roularta Media Group wishes to make a transaction;
- a director or a member of the executive management, his or her spouse, cohabiting partner, child or relative by blood or marriage up to the second degree is a member of the board of directors or a member of the executive management of the legal entity with which Roularta Media Group wishes to make an important transaction;
- the board of directors judges that such a conflict exists with regard to the proposed transaction.

The director or member of the executive management in question shall provide the board of directors with all possible relevant information concerning the conflict of interest. The director or member of the executive management in question shall refrain from participation in the deliberation and decision-making with regard to this agenda point.

In the event that the board of directors decides to proceed with the proposed operation, this transaction will have to take place at least under the conditions and with the guarantees that usually apply on the market to similar transactions.

The board of directors shall record in the minutes the nature of the decision or operation described in the first paragraph and the consequences in property law for the company, and it shall justify the decision made. This part of the minutes will be included in its entirety in the annual report or in a document that is presented along with the annual report.

The minutes of the meeting are also transmitted to the company's statutory auditor. In his report on the annual report, the statutory auditor will assess, in a separate section, the consequences in property law for the company of the board of directors' decisions, as described by him, for which a conflicting interest exists as defined in the first paragraph.

The board of directors confirms that no such transactions or situations have arisen in the past financial year that would have led to the procedure described above being applied.

PROTOCOL FOR THE PREVENTION OF MARKET ABUSE

The protocol for the prevention of market abuse that

is part of Roularta Media Group's Corporate Governance Charter imposes a ban on trading in financial instruments issued by Roularta Media Group, directly or indirectly with foreknowledge, on directors, members of the executive management and other staff members or (external) staff who come into contact with confidential and/or price-sensitive information due to the nature of their role. This protocol is issued in line with the principles set down in European Regulation 596/2014 on market abuse and the laws of 27 June 2016 and 31 July 2014 to amend the law of 2 August 2002 on supervision of the financial sector and financial services. The aforementioned protocol also contains rules on the publication of transactions conducted by managers in leadership roles and their close relations by means of notification to the company and the Belgian Authority for Financial Services and Markets (FSMA).

REMUNERATION REPORT

General

The law of 28 April 2020 introduced new rules into Belgian corporate law, in implementation of EU Directive 2017/828 as regards the encouragement of long-term shareholder engagement. Among other things, these new rules require the company to have a remuneration policy that the shareholders can vote on at the general meeting.

Therefore, the board of directors will present a proposal at the next general meeting for a decision to approve its remuneration policy for its directors and members of its executive management, which is completely in line with the conditions of the law of 28 April 2020. The shareholders' vote on this policy is binding. Following any material change, and at least every four years, the remuneration policy is presented to the general meeting again for approval, in accordance with the conditions of the law of 28 April 2020.

In the context of the current remuneration report, which explains the reward policy during the 2020 financial year, the board of directors offered the broadest caveat as to whether the remuneration policy applied was entirely in line and in accordance with the conditions of the aforementioned law of 28 April 2020.

In the remuneration report below, you will find explanations and clarifications of the compensation of:

- (I) non-executive members of the board of directors;
- (II) the Chief Executive Officer (CEO), who is also a member of the board of directors and therefore also an executive director;

- (III) the executive directors;
- (IV) and the other members of the executive management who are not members of the board of directors.

In this remuneration report, the board of directors makes an important comment with regard to the unforeseen and unexpected impact of the Covid-19 pandemic since the middle of March 2020 on our Group and, in particular, its financial results.

In this context, a number of interventions were initially made by the members of the executive management to limit the negative impact of Covid-19 on the financial results, including the introduction of furlough, a freeze on recruitment and the cutting of staff costs.

Subsequent to the interventions made by the members of the executive management, the board of directors decided to give up 10% of their annual directors' fees in solidarity with the staff who were forced into furlough because of the government measures imposed, more specifically the lockdowns.

The members of the executive management who had the right to a bonus also voluntarily decided to waive their bonus for 2020.

In this sense, the remuneration report for 2020 clearly deviates from the usual remuneration policy that has been applied within the Group for many years.

The projected remuneration policy for the directors has the aim of attracting and retaining qualified directors with the required background and experience in the various areas of business policy.

To achieve this aim, a remuneration policy in line with the market is applied, taking into account the scope and complexity of the business and, where possible, making use of reference data.

Annual remuneration of non-executive directors

Non-executive directors receive only a fixed remuneration as compensation for their membership of the board of directors and their attendance at the board meetings and the meetings of the committees of which they are members.

The level of directors' remuneration is determined taking into account their role as a normal director, their specific roles as chair or member of a committee, as well as the resulting responsibilities and time demands.

Each non-executive board member receives a fixed remuneration of EUR 10,000, plus a fee per board

meeting of EUR 2,500. No remuneration is granted for board meetings by telephone.

Members of board committees (the audit committee and the appointments and remuneration committee) receive an additional fee per meeting of EUR 2,500, the chairman of the audit committee an additional EUR 5,000 fee per meeting of this committee.

The non-executive directors do not receive any performance-linked remuneration such as bonuses, long-term incentive programmes, benefits in kind or pension plans. There are no contributions for pensions or similar rewards for directors.

Neither are options or warrants allocated to the non-executive directors. Roularta Media Group deviates here from principle 7.5 of the Corporate Governance Code, which prescribes that the non-executive directors should be partly remunerated in the form of shares. The board of directors has decided to deviate from this principle for the following reasons. Firstly, several non-executive members of the board of directors are nominated by and/or have a close relationship with the reference shareholder, which already has a substantial share package. With regard to the other non-executive (independent) directors, the board of directors is of the opinion that a reward for the director's mandate partly in the form of shares would be in conflict with the principle of independence and also the long-term perspective for the Group that the board of directors envisages.

Annual remuneration of executive directors

In addition to the managing director/CEO, the board of directors has two executive directors: Mr Rik De Nolf and NV Alauda, represented by its permanent representative Mr Francis De Nolf.

The chairman of the board of directors and the managing director were granted a fixed remuneration of EUR 100,000. Because both the chairman of the board of directors and the managing director spend more time on the permanent follow-up of the development of the Group in general and in particular on the preparation of the board meeting and their derived committees, a remuneration package consisting solely of a fixed fee is granted to them. This remuneration package is determined separately by the appointments and remuneration committee and approved by the board of directors. The fixed remuneration awarded to the chairman and the managing director in connection with their directorships was also submitted annually in the past to the general meeting for approval.

In addition, the executive chairman of the board of directors is granted a separate remuneration of EUR 187,122 as a member of the executive management committee and in compensation for his role as the person responsible for the Group's external communication and investor relations.

The (executive) director Alauda NV receives, in addition to the same remuneration as the non-executive directors (i.e. a fixed remuneration plus attendance fees), a fixed annual remuneration of EUR 50,000 for PR activities and participating as a representative of Roularta Media Group in board meetings and events. This remuneration package is determined separately by the appointments and remuneration committee and approved by the board of directors.

The executive directors do not receive any performance-related remuneration such as bonuses, long-term incentive programmes, benefits in kind or pension plans. Nor are options or warrants granted to the executive directors. There are no contributions to pensions or similar benefits for directors.

Directors' remuneration 2020

	Remuneration in €	Fixed remuneration	Attendance fee board of directors	Attendance fee audit committee	Attendance fee appointments & remuneration committee	10% surrender due to covid	Remuneration executive director/member executive management
Rik De Nolf Chairman of the board of directors	Executive director	100,000	0	0	0	-10,000	187,122
Xavier Bouckaert permanent representative of Comm.VA Koinon – Managing Director	Executive director	100,000	0	0	0	-10,000	688,810
Carel Bickers Chairman audit committee – member appointments and remuneration committee	Independent director	10,000	12,500	20,000	5,000	-4,750	-
Coralie Claeys permanent representative of NV Verana	Non-executive director	10,000	12,500	0	0	-2,250	-
Lieve Claeys	Non-executive director	10,000	12,500	0	0	-2,250	-
Koen Dejonckheere permanent representative of NV Invest at Value – member audit committee – member appointments and remuneration committee	Independent director	10,000	12,500	10,000	5,000	-3,750	-
Francis De Nolf permanent representative of NV Alauda	Executive director	10,000	12,500	0	0	-2,250	50,000
Prof Caroline Pauwels PhD	Independent director	10,000	10,000	0	0	-2,000	-

Remuneration of members of executive management

The remuneration of the members of executive management is set by the board of directors based on the recommendation of the appointments and remuneration committee.

The level and structure of the remuneration of the executive management need to enable the company to attract, retain and continually motivate qualified and skilled managers, taking into account the nature

and scope of their individual responsibilities.

The amount and structure of the basic remuneration of the executive management is regularly reviewed for its compliance with market conditions by a specialist (international) salaries and benefits consultancy. The company is assuming that the remuneration policy for members of the executive management will remain unchanged for the next two years unless testing against market practice shows that changes are urgently needed.

In 2020, the remuneration policy of the members of the executive management did not change from that of previous years.

The remuneration of the other members of the executive management consists of:

- basic remuneration in line with training, job content, experience and seniority;
- a performance bonus linked for 50% to the consolidated results of the Group and for 50% to individual objectives linked to the responsibilities of the relevant member of the executive management committee. Every year financial performance criteria are established for the year in question at the level of the consolidated Group results. At business unit level, financial or qualitative targets are set on an annual basis. At the end of the year it is determined by the appointments and remuneration committee, based on the established performance criteria, both quantitative and qualitative, whether and to what extent the bonus has been earned. On the recommendation of the appointments and remuneration committee, the board of directors approves the bonuses of the executive management. The bonus may not exceed 30% of the basic annual salary of members of the executive management. There is no provision for a right of recovery in favour of the company in cases where variable remuneration has been given based on inaccurate financial data (claw back in the sense of article 3:6 § 3,11° of the Companies and Associations Code). Bonuses are awarded only after the close of the year and the requisite verification of the figures by the auditors. In this way the

likelihood of paying a bonus based on inaccurate financial data is negligible. As already mentioned above, because of covid-19 no bonuses will be awarded for the financial year 2020 to the members of the executive management;

- a long-term incentive consisting of rights to acquire shares in Roularta Media Group. This long-term incentive is not performance-related. The option plans issued by the company each run for ten years, with exercise possible no earlier than the third calendar year after subscription.

No bonus or long-term incentive is granted to the CEO and the executive chairman of the board of directors who are also member of the executive management committee.

The total gross remuneration granted to the members of the executive management committee and the CEO in 2020 amounts to:

	Member of the executive management committee (excl. CEO + incl. executive chairman)	CEO
Basic remuneration	588,182 euro	688,810 euro
Performance bonus	0 euro	-
Contributions to pensions or similar benefits	-	-

Overview stock options allotted to the executive management

Year of allotment	Member executive management committee	Number of options allotted	Exercise price (in EUR)	First exercise period	Last exercise period
2019	Jeroen Mouton*	20,000	14.39	01/01-31/12/2023	01/01-31/12/2029

[*] Permanent representative of Caro's Kranten BV.

In the table above you can find an overview of the stock options plans members of the executive management committee participated in, with their most significant terms including the exer-

cise price and the expiration period. No options were exercised by the members of the executive management committee during the course of 2020, nor did options expire.

Evolution of the remuneration (members of the board of directors and executive management) compared to the performance of the company and the average remuneration per FTE

in K€	2020	2019	2018	2017	2016
Remuneration board of directors	335	368	403	425	415
Members of the board of directors	8	8	8	9	9
Remuneration CEO	689	684	670	656	645
Remuneration executive management excl. CEO	588	644	629	625	633 ⁽¹⁾
Members executive management excl. CEO	3	3	3	3	3
Sales	256,269	295,798	277,008	256,768	276,464
EBITDA	19,467	22,989	6,336	1,927	16,930
Personnel costs	87,225	95,192	94,522	92,752	91,389
Number of FTEs	1,182	1,217	1,287	1,276	1,354
Average remuneration per FTE	74	78	73	73	67

⁽¹⁾ For comparability, the CFO's remuneration (who started in May 2016) was extrapolated over a full year.

As provided for in the law of 28 April 2020, Roularta Media Group is hereby communicating for 2020 the ratio between the CEO's remuneration and the lowest salary (expressed in full-time equivalent). This ratio is 18.15.

Consolidated financial statements

1. CONSOLIDATED INCOME STATEMENT

in thousands of euros	Note	2020	2019
Sales	4	256,269	295,798
Own construction capitalised		2,232	2,239
Raw materials, consumables and goods for resale		-47,307	-62,651
Services and other goods	5	-109,539	-118,942
Personnel	6	-87,225	-95,192
Other operating income	8	5,417	3,796
Other operating expenses	8	-2,475	-4,533
Share in the result of associated companies and joint ventures	15	2,096	2,475
EBITDA		19,467	22,989
Depreciation, write-down and provisions		-13,410	-13,011
<i>Depreciation and write-down of intangible and tangible assets</i>		-12,854	-13,156
<i>Write-down of inventories and debtors</i>	7	25	225
<i>Provisions</i>		-581	-80
EBIT		6,056	9,978
Financial income	9	100	144
Financial expenses	9	-376	-219
Operating result after net finance costs		5,781	9,903
Income taxes	10	8	429
Net result from continuing operations		5,789	10,332
Net result of the consolidated companies		5,789	10,332
Attributable to:			
Minority interests		-195	-521
Equity holders of Roularta Media Group		5,984	10,854
in euros	Notes	2020	2019
Earnings per share			
Basic earnings per share	11	0.48	0.87
Diluted earnings per share	11	0.48	0.86

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousands of euros	Note	2020	2019
Net result of the consolidated companies		5,789	10,332
Other comprehensive income of the period			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Non-current employee benefits - actuarial gain /loss		969	862
Deferred taxes relating to other comprehensive income		-242	-215
Share of non-reclassifiable other comprehensive income of joint ventures and associates		413	-62
Other comprehensive income of the period		1,139	585
Total comprehensive income		6,928	10,917
Attributable to:			
Minority interests		-195	-521
Equity holders of Roularta Media Group		7,123	11,438

3. CONSOLIDATED BALANCE SHEET

in thousands of euros	Note	2020	2019
ASSETS			
Non-current assets		187,928	182,720
Intangible assets	13	53,257	54,734
Property, plant and equipment	14	65,744	59,894
Investments accounted for using the equity method	15	60,324	60,042
Investments in financial assets, loans, guarantees	16	3,313	2,402
Trade and other receivables	17	78	100
Deferred tax assets	18	5,212	5,548
Current assets		149,644	170,695
Inventories	19	4,838	6,047
Trade and other receivables	17	49,881	60,061
Tax receivable		919	688
Cash and cash equivalents	20	90,559	101,438
Deferred charges and accrued income		3,446	2,460
Total assets		337,572	353,414

in thousands of euros	Note	2020	2019
LIABILITIES			
Equity		223,864	228,424
Group's equity		223,481	227,846
<i>Issued capital</i>	21	80,000	80,000
<i>Treasury shares</i>	21	-34,924	-23,643
<i>Retained earnings</i>		174,335	166,610
<i>Other reserves</i>	21	4,070	4,879
<i>Translation differences</i>		-	-
Minority interests		383	578
Non-current liabilities		16,207	17,626
Provisions	23	7,622	8,268
Employee benefits	24	4,767	5,180
Deferred tax liabilities	18	205	142
Financial debts	25	3,324	3,748
Other payables	26	287	287
Current liabilities		97,501	107,364
Financial debts	25	1,315	1,754
Trade payables	26	35,613	45,321
Advances received	26	27,076	25,794
Employee benefits	26	15,126	16,513
Taxes	26	525	338
Other payables	26	10,038	10,884
Accrued charges and deferred income	26	7,808	6,759
Total liabilities		337,572	353,414

4. CONSOLIDATED CASH FLOW STATEMENT

in thousands of euros	Note	2020	2019
Cash flow relating to operating activities			
Net result of the consolidated companies		5,789	10,332
Share in the results of associated companies and joint ventures	15	-2,096	-2,475
Dividends received from associated companies and joint ventures	15	1,250	5,530
Income tax expense / income		-8	-429
Interest expenses		376	219
Interest income (-)		-100	-144
Losses (+)/ gains (-) on disposal of intangible assets and property, plant and equipment		-1,364	-436
Non-cash items		12,841	13,589
<i>Depreciation of (in) tangible assets</i>	13 & 14	12,854	13,156
<i>Share-based payment expense</i>	6	-208	57
<i>Increase (+)/ decrease (-) in provisions</i>		581	80
<i>Other non-cash items</i>		-386	296
Gross cash flow relating to operating activities		16,688	26,186
Increase / decrease in trade receivables		11,069	6,409
Increase / decrease in inventories		1,131	391
Increase / decrease in trade payables		-10,908	399
Other increases / decreases in working capital (a)		-601	-3,037
Increase / decrease in working capital		691	4,162
Income taxes paid		-510	-643
Interest paid		-299	-219
Interest received		102	144
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)		16,672	29,630

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

in thousands of euros	Note	2020	2019
Cash flow relating to investing activities			
Intangible assets - acquisitions	13	-3,935	-3,433
Tangible assets - acquisitions	14	-11,195	-6,187
Tangible assets - other movements		1,721	523
Net cash flow relating to acquisition of subsidiaries	29	-299	-8,218
Net cash flow relating to disposal of subsidiaries	29	200	-
Net cash flow relating to loans to investments accounted for using the equity method		-18	350
Investments in financial assets, loans, guarantees - other movements		-817	82
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)		-14,343	-16,882
Cash flow relating to financing activities			
Dividends paid		-	-6,273
Treasury shares		-11,281	62
Proceeds from current financial debts		-	211
Redemption of current financial debts		-509	-
Repayment of leasing debt		-1,463	-1,385
Decrease in non-current receivables		46	119
NET CASH FLOW RELATING TO FINANCING ACTIVITIES (C)		-13,207	-7,266
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		-10,879	5,482
Cash and cash equivalents, beginning balance		101,438	95,956
Cash and cash equivalents, ending balance		90,559	101,438
NET DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS		-10,879	5,482

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in thousands of euros	Issued capital	Treasury shares	Retained earnings	Other reserves	Translation differences	Equity - Group's share	Minority interests	Total Equity
Balance as of 1/1/2020	80,000	-23,643	166,610	4,879	-	227,846	578	228,424
Net result	-	-	5,984	-	-	5,984	-195	5,789
Other comprehensive income for the period, net of tax	-	-	487	652	-	1,139	-	1,139
Total comprehensive income	-	-	6,471	652	-	7,123	-195	6,928
Purchase own shares	-	-11,365	-	-	-	-11,365	-	-11,365
Exercise of options	-	84	-	-	-	84	-	84
Recognition of share-based payments	-	-	1,297	-1,505	-	-208	-	-208
Other increase / decrease	-	-	-43	43	-	-	-	-
Balance as of 31/12/2020	80,000	-34,924	174,335	4,070	-	223,481	383	223,864

in thousands of euros	Issued capital	Treasury shares	Retained earnings	Other reserves	Translation differences	Equity - Group's share	Minority interests	Total Equity
Balance as of 1/1/2019	80,000	-23,705	162,134	4,175	-43	222,561	1,100	223,661
Net result	-	-	10,811	-	43	10,854	-521	10,333
Other comprehensive income for the period, net of tax	-	-	-62	647	-	585	-	585
Total comprehensive income	-	-	10,749	647	43	11,439	-521	10,918
Exercise of options	-	62	-	-	-	62	-	62
Dividends	-	-	-6,273	-	-	-6,273	-	-6,273
Recognition of share-based payments	-	-	-	57	-	57	-	57
Balance as of 31/12/2019	80,000	-23,643	166,610	4,879	-	227,846	578	228,424

We refer to Note 21 for more details.

Notes to the consolidated financial statements

NOTE 1 – MAIN FINANCIAL ACCOUNTING PRINCIPLES APPLIED

1.1 Presentation basis

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and with the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) of the IASB that were approved by the European Commission.

The consolidated financial statements provide a general overview of the Group's activities and the results achieved. It provides a true and fair view of the financial position, financial performance and cash flows of the entity, and is based on the assumption that continuity is guaranteed. The consolidated financial statements were approved by the board of directors on 2 April 2021 and can be amended until the general meeting of 18 May 2021.

1.2 New and revised IFRS standards and interpretations

Standards and interpretations applicable for the annual period beginning on or after 1 January 2020:

- Amendments to IAS 1 and IAS 8 Definition of Material
- Amendments to IFRS 3 Business Combinations: Definition of a Business
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform - Phase 1
- Amendments to references to the Conceptual Framework in IFRS standards

The application of these IFRS standards had no significant impact on the consolidated financial statements of the Group.

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2020:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January

2023¹)

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023¹)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023¹)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023¹)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022¹)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022¹)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022¹)
- Amendment to IFRS 4 Insurance Contracts – deferral of IFRS 9 (applicable for annual periods beginning on or after 1 January 2021)
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (applicable for annual periods beginning on or after 1 January 2021)
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022¹)

1.3 Consolidation principles

The consolidated financial statements consolidate the financial data of Roularta Media Group NV, its subsidiaries and joint ventures, after the elimination of all material transactions within the Group.

Subsidiaries are entities over which Roularta Media

Group NV exercises decisive control. This is the case when Roularta Media Group NV is exposed to, or entitled to, variable revenue from its participation in the entity and has the ability to influence this revenue through its power over the entity. All intra-group transactions, intra-group balances and unrealised gains on intra-group transactions are eliminated; unrealised losses are also eliminated unless it concerns permanent impairments. The part of the equity and of the result that is allocable to the minority shareholders is stated separately in the balance sheet and the profit and loss account respectively. Changes in the Group's shareholding in subsidiaries where the Group does not lose control are accounted for as equity transactions. In addition, the net carrying amounts of the group and minority interests are restated to the changed participation ratios in these subsidiaries. Differences between the restatement of minority interests and the fair value of the paid or received takeover premium are recognised directly in equity. When the Group loses control of a subsidiary, the gain or loss on the disposal is determined as the difference between:

- the fair value of the takeover premium received plus the fair value of any remaining participating interest, and
- the net carrying amount of the assets (including goodwill), liabilities and any minority interests in the subsidiary before its disposal.

The financial statements of subsidiaries are recognised in the consolidated financial statements from the date on which the parent company acquires control until the date on which it loses control.

The financial statements of subsidiaries are prepared for the same financial year as that of the parent company and on the basis of uniform accounting principles for comparable transactions and other events in similar circumstances.

Acquisitions from subsidiaries are recognised using the acquisition method.

Joint ventures and associates

A **joint agreement** is present when Roularta Media Group NV has a contractual agreement to share control with one or more parties, which is only the case if decisions about the relevant activities require the unanimous approval of the parties that have joint control. A joint agreement can be treated as a joint activity (when Roularta Media Group NV has rights to the assets and commitments for the liabilities) or as a joint entity/joint venture (when Roularta Media Group NV is only entitled to the net assets).

Associates are companies in which Roularta Media Group NV, directly or indirectly, has significant influence and which are not subsidiaries or joint ventures. This is assumed to be the case if the Group holds at least 20%

of the voting rights attached to the shares.

The financial information included with regard to these companies has been prepared in accordance with the Group's accounting principles. If the Group acquires joint control in a joint venture or has acquired significant influence in an associate, the share in the acquired assets, liabilities and contingent liabilities is initially revalued at the fair value on the acquisition date and accounted for using the equity accounting method.

If the takeover premium exceeds the fair value of the acquired share in the acquired assets, liabilities and contingent liabilities, this difference is recognised as goodwill. If the goodwill calculated in this way is negative, this difference is immediately recognised in the result. The share of the Group in the result of joint ventures and associates is subsequently recognised in the consolidated financial statements according to the equity accounting method until the day that joint control or significant influence comes to an end.

If the Group's share in the losses of a joint venture or associate exceeds the carrying amount of the participation, the carrying amount is set to zero and additional losses are only recognised to the extent that the Group has taken on additional liabilities. In this case the accumulated loss is recognised under the provisions for other risks and costs.

Unrealised gains from transactions with joint ventures and associates are eliminated in the amount of the participating interest of the Group vis-à-vis the participation in the joint venture or associate.

The net carrying amount of participating interests in joint ventures and associates is re-evaluated if there are indications of an impairment, or indications that previously recognised impairments are no longer justified. Participating interests in joint ventures and associates in the balance sheet also include the carrying amount of related goodwill.

The share in the result of associates and joint ventures is included in the operating income of the Group.

Acquisitions of subsidiaries

The acquisition price (the transferred remuneration of a business combination) is valued as the total of the fair value at the acquisition date of the transferred assets, liabilities entered into or taken over and the equity interests issued by the acquiring party. The acquisition price also includes all assets and liabilities arising from a contingent compensation scheme.

Takeover-related costs are recognised as expenses in the period in which these costs are incurred.

The identifiable assets and the liabilities acquired are valued at their fair value on the acquisition date.

¹ Not yet endorsed in the European Union

For each business combination, any minority interests in the acquired party is valued at fair value or the proportionate share of the minority interests in the identifiable net assets of the acquired party. The choice of the measurement basis is made on a transaction-by-transaction basis.

1.4 Foreign currencies

Foreign currency transactions

A transaction in a foreign currency is recognised upon initial recognition in the functional currency by applying the spot rate prevailing on the date of the transaction to the foreign currency amount. On each balance sheet date, the monetary items that are denominated in a foreign currency are converted based on the closing exchange rate.

Non-monetary assets and liabilities are converted at the exchange rate for the date of the transaction. Exchange rate differences arising from the settlement of monetary items, or from the conversion of monetary items at a rate different from the rate at which they were first recognised, are recognised in the profit and loss account as other operating income or expenses in the period in which they occur.

Financial statements of foreign entities

Monetary and non-monetary assets and liabilities of foreign entities, the functional currency of which is not the euro and is not the currency of a hyperinflationary economy, are converted at the closing rate on the balance sheet date. The income and expenses for each profit and loss account (including the comparative figures) are converted at the exchange rates on the transaction dates. All resulting exchange rate differences are recognised as a separate component of equity.

1.5 Intangible assets other than goodwill

Intangible assets include brands, software, concessions, property rights and similar rights acquired from third parties or acquired through contributions, as well as internally generated software.

Research expenses, undertaken with a view to acquiring new scientific or technical knowledge and insights, are recognised as costs in the financial statements as they arise.

Development expenses, where the results of the research are applied in a plan or design for the production of new or substantially improved products and processes, are only included in the balance sheet if the product or process is technically or commercially feasible, the Group has sufficient resources available for completion, and it can be demonstrated that the asset is likely to generate future economic benefits.

The capitalised amount includes the costs of materials, direct wage costs and a proportional part of the overhead costs.

The intangible assets are booked at their cost, less any cumulative depreciation and any cumulative impairment losses.

Depreciation

Intangible assets are depreciated according to the straight-line method over the expected useful life from the date the asset is available.

The following useful lives are applied:

- Development costs 3 years
- Software 3 to 5 years
- Concessions, property rights and related rights According to the expected useful life
- Brands (from 2018 onwards) 40 yrs/20 yrs/10 yrs/5 yrs (see also main sources of estimation uncertainty)

	Total useful life
De Tijd/L'Echo	40
Landleven	20
STERCK	20
Libelle/Femmes d'Aujourd'hui	20
Plus Magazine België	20
Top Uitgaves	10
Fiscaal-juridisch	10
Le Vif/L'Express	10
Flair	10
Feeling/Gael	10
Comfi	10
BePublic-BeReal	10
La Maison Victor	5
Shedeals	5
Zappy Ouders	5
Communiekraant	5

Prior to June 2018, various brands were classified as assets with an indefinite useful life in accordance with

IAS 38.107 and were therefore not depreciated but subject to an impairment test each year. Other intangible assets with an indefinite useful life were also not depreciated but subjected to an impairment test each year.

1.6 Goodwill

When acquiring subsidiaries, goodwill is recognised from the acquisition date for the surplus of, on the one hand, the total of the fair value of the remuneration transferred, the amount of any minority interests and (in a business combination that is realised in multiple phases) the fair value of the previously held equity interest, and on the other hand, the net balance of the identifiable acquired assets and liabilities. If this total, even after reassessment, results in a negative amount, this profit is immediately recognised in the profit and loss account.

In accordance with IFRS 3, goodwill is not depreciated but is subject to an impairment test at least every year, so there is also an indication that a cash-generating entity may have undergone an impairment.

Goodwill accrued on the acquisition of joint ventures or associates is included in the carrying amount of the relevant participating interest and is not tested for impairment separately; the full carrying amount of the investment is tested as a single asset according to the provisions of IAS 36 *Impairment of assets*.

1.7 Tangible fixed assets

Tangible fixed assets are valued at their cost price, less any cumulative depreciation and any cumulative impairment losses. The cost price includes the initial purchase price plus all directly attributable costs (such as non-refundable taxes, transportation). The cost price of a self-manufactured asset includes the cost price of the materials, direct wage costs and a proportional part of the production overhead.

The exception provided for in IFRS 1 was used to value the most important tangible fixed assets on the date of transition to the IFRS, this being 1 January 2003 for RMG, at fair value and to use this fair value as the assumed cost price at that time. This fair value is based on the value in going concern as determined by third-party experts and has been applied to all sites and buildings of the Group, as well as to the printing presses and finishing lines.

Leases

The Group has applied IFRS 16 Leases from 1 January 2019 under the simplified transition method. Assets that represent the right to use the underlying lease are capitalised as tangible fixed assets and are initially equal to the lease obligation. The lease liabilities, which represent the net present value of the lease, are recognised as non-current or current

liabilities depending on the period in which they are due. Leased assets and liabilities are recognised for all leases with a term of more than 12 months, unless the underlying value is low. The lease payments are discounted based on the marginal interest rate of the lessee, because the interest rate implicit in the lease could not be determined. The financing cost is charged against profit or loss over the lease period. The rights to use the assets are depreciated on a straight-line basis over the shortest of the useful life of the asset and the lease term.

Depreciation

The depreciable amount of an asset (being cost less the residual value) is recognised in the profit and loss account using the straight-line method over the expected useful life from the date the asset is available for use.

The following useful lives are applied:

- Buildings
 - » Revalued 20 years
 - » Not revalued 33 years
 - » buildings on leasehold land duration of the leasehold
 - » Refurbishment with valuable capital gain 10 years
- Property, plant and equipment
 - » Printing presses and finishing lines 3 to 23 years
 - » Other 5 years
- Furniture and office equipment 5 to 10 years
- Electronic equipment 3 to 5 years
- Rolling stock 4 to 5 years
- Other tangible fixed assets 5 to 10 years
- Assets under construction and prepayments no depreciation
- Leases and similar rights
 - » Printing presses and finishing lines 3 to 20 years

Ground is not depreciated since it is assumed that it has an indefinite useful life. Printing presses and finishing lines can be depreciated over 23 years from 2020, which is in line with their economically useful life. The new printing press put into service in 2020 will be depreciated over 23 years. There is no change to the printing presses put into service earlier.

1.8 Financial assets

Criteria for the initial recognition and derecognition of financial assets

Financial assets are recorded when the Group becomes party to the contractual provisions of the instrument.

Financial assets are no longer recognised if the contractual rights to the cash flows of the financial asset expire or if the Group transfers the financial asset and its risks and benefits.

Classification and initial valuation of financial

assets

When first recognised, a financial asset is classified in one of the three valuation categories:

- Financial assets valued at amortised cost
- Financial assets valued at fair value with value adjustments recognised in the other components of the total result
- Financial assets valued at fair value with value adjustments recognised in the profit and loss account

Financial assets are initially valued at fair value, except for trade receivables that do not have a significant financing component. These are initially recognised at their transaction price. The transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition, with the exception of the category of financial assets valued at fair value with changes in value recognised in the profit and loss account, where the transaction costs are recognised directly in the profit and loss account.

Valuation of financial assets after initial recognition

Financial assets valued at amortised cost

Financial assets are valued at amortised cost if they meet the following conditions (and are not designated as valued at fair value with value changes recognised in the profit and loss account):

- The financial asset is held within a business model designed to hold financial assets to receive contractual cash flows, and
- The contract terms of the financial asset give rise to cash flows on certain dates that only concern repayments and interest payments on the outstanding principal amount.

After the initial valuation, they are valued at amortised cost using the effective interest method.

When the effect of discounting is immaterial, no discount is made.

The Group's long-term receivables, trade receivables, short-term receivables, cash and cash equivalents are classified and valued at amortised cost.

Financial assets valued at fair value with value adjustments recognised in the other components of the total result

The Group values financial assets at fair value with recognition of changes in value in the other parts of the total result when the following conditions are met:

- The financial asset is held within a business model whose purpose is achieved by both receiving contractual cash flows and selling financial assets; and
- The contract terms of the financial asset give rise to cash flows on certain dates that only concern repayments and interest payments on the outstanding principal amount.

A gain or loss arising from a change in the fair value of the financial asset is recognised in the other components of the total result and accumulated in the revaluation reserve. Only dividends are recognised in the profit and loss account. The amounts presented in the other components of the total result may not later be transferred to profit or loss. However, the entity may reclassify the cumulative gain or loss within equity.

Financial assets valued at fair value with value adjustments recognised in the profit and loss account

Financial assets held in a business model other than 'to receive contractual cash flows' or 'to receive contractual cash flows or to sell financial assets' are categorised as valued at fair value through profit and loss.

Upon initial recognition, the Group may make the irrevocable choice to present in the other components of the total result subsequent changes in the fair value of an investment in an equity instrument that falls within the scope of IFRS 9 that is not held for trading, if it is also not a contingent consideration of an acquiring party at a business combination to which IFRS 3 applies.

The Group also has the option of valuing a financial asset that is normally valued at amortised cost or at fair value through the recognition of changes in value in the other components of the total result, at fair value through recognition of changes in value in the profit and loss account if as a result an inconsistency in valuation or recognition (an accounting mismatch) is eliminated or reduced.

A gain or loss arising from a change in the fair value of the financial asset is recognised in the profit and loss account.

The financial assets (unlisted equity investments) that are classified under the item 'Investments in financial assets' are identified as being valued at fair value through the profit and loss account.

Impairment of financial assets

The Group determines the value of the provision for losses (impairment) on each reporting date. It recognises this impairment for credit losses to be expected during the term of all financial instruments for which the credit risk – whether on an individual or collective basis – has increased significantly since initial recognition, taking into account all reasonable and substantiated information, including forward-looking information.

Specifically, the following assets are included in the assessment of the Group's impairment: trade receivables, accounts receivable (fixed and current), cash and cash equivalents.

For trade receivables that do not contain a significant

financing component (i.e. virtually all trade receivables), IFRS 9 provides a simplified method for measuring loss compensation at an amount equal to the expected credit losses. For more detail about this: see below under 'Trade and other receivables'.

1.9 Inventories

Inventories are valued at cost price (purchase costs or conversion costs) according to the FIFO method (first-in, first-out) or at net realisable value if this is lower.

The conversion cost includes all direct and indirect costs that are needed to bring the inventories to their current location and state.

Net realisable value is the estimated selling price in the context of normal business operations, less the estimated costs of completion and the estimated costs necessary to realise the sale.

Outdated and slowly rotating inventories are systematically written off.

1.10 Trade and other receivables

Short-term trade receivables and other receivables are valued at cost less appropriate provisions for estimated uncollectable amounts.

At the end of the financial year, an estimate is made of doubtful receivables based on an evaluation of all outstanding amounts. Doubtful debts are written off in the year in which they are identified as such.

For trade receivables that do not contain a significant financing component (i.e. almost all trade receivables), the provision for losses is valued at an amount equal to the expected credit losses during the term. These are the expected credit losses that arise from all possible defaults during the expected life of these trade receivables, based on a provision matrix that takes into account historical information about payment defaults adjusted for future-oriented information per customer.

The Group considers a financial asset in default when the receivables have been due for more than 120 days or have been included in a collection procedure. Nevertheless, the Group also considers a financial asset to be in default when internal or external information indicates that it is unlikely that the Group will receive the outstanding contractual amounts in full, before taking into account any credit protection held by the Group.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash and demand deposits, short-term investments (< 3 months), short-term highly liquid investments that can be immediately converted into cash, the amount of which is known and

that do not entail a material risk of change in value.

1.12 Assets held for sale

Fixed assets and groups of assets are recognised as assets held for sale if their carrying amount will be realised primarily through a sale transaction rather than through continued use. This condition is only met if the asset (or groups of assets) concerned is (are) immediately available in their current form and only subject to the usual conditions for the sale of such an asset (or groups of assets), and if this sale is very likely. Management must be committed to carry out the sale and the completion of this sale must be expected to take place within the year after the reclassification date.

If the Group is committed to a sale where there is a loss of control of a subsidiary, all assets and liabilities associated with this subsidiary are reclassified as soon as the conditions stated above are met, regardless of whether the Group will continue to have a minority interest after the sale.

If the Group has committed itself to a plan of sale of a participation or unit of a participation in an associate or joint venture, this participation or the relevant part of the participation is recognised as held for sale from the time the conditions set out above were met. From that moment on, the Group ceases to recognise this participation or the relevant part of this participation on the basis of the equity accounting method of consolidation.

Each part of a participation in an associate or joint venture that has not been recognised as an asset held for sale continues to be recognised using the equity accounting method of consolidation. The Group ceases to apply the equity accounting method of consolidation if, at the time of the sale, this leads to loss of its significant influence on the associate or joint venture.

After the sale has taken place, the Group recognises the remaining part of the participation in the associate or joint venture according to the criteria of IAS 39 *Financial instruments* unless the remaining part is still an associate or joint venture. In the latter case, the Group uses the equity accounting method of consolidation (see valuation rule for joint ventures and associates above).

Fixed assets and groups of assets recognised as assets held for sale are valued at the lower of the carrying amount or the market value less transaction costs.

1.13 Treasury shares

Treasury shares are deducted from equity and reported in the statement of changes in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of treasury shares.

1.14 Provisions

Provisions are recognised when the Group has an existing (legally enforceable or *de facto*) liability as a result of an event in the past, when it is probable that an outflow of funds entailing economic benefits will be required to discharge the liability and if the amount of the liability can be reliably estimated.

If the Group expects that some or all of the expenses required to settle a provision will be reimbursed, the reimbursement is recognised if and only if it is virtually certain that the reimbursement will be received.

Reorganisation

A provision for reorganisation is created if the Group has approved a detailed formal reorganisation plan and if the implementation of the reorganisation plan has begun, or if the main features of the reorganisation plan have been communicated to those involved.

1.15 Employee benefits

Pension obligations

There are a number of 'defined contribution plans' within the Group. However, these plans are legally subject to minimum guaranteed returns in Belgium. Due to these guaranteed minimum returns, all Belgian defined contribution plans are considered under IFRS as a defined benefit pension plan. These plans, which are funded by group insurance policies, were recognised as defined contribution plans until 2015. The new legislation that came into effect in December 2015 brought with it the mandatory qualification as a defined benefit pension plan. The present value of the gross liability is calculated according to the projected unit credit method, with actuarial calculation occurring at the end of the year.

For the defined benefit pension plans, the provisions are formed by calculating the actuarial current value of future contributions to the employees concerned. Defined benefit pension costs are divided into two categories:

- Pension costs, gains and losses on curtailments and settlements attributed to the year of service and previous years of service;
- Net interest costs or income

The costs of past service, the net interest costs, the revaluation of other long-term employee benefits, administration costs and taxes for the year are included under employee benefits in the consolidated profit and loss account. The revaluation of the net defined pension obligation is included in the consolidated statement of realised and unrealised results as a part of the unrealised results.

The Group also includes a provision for early

retirement. The amount of these provisions is equal to the present value of future benefits promised to the employees concerned.

Share-based payment transactions

Various warrant and share option plans allow management and executives to acquire company shares. IFRS 2 is applied to all share-based payment transactions granted after 7 November 2002 that had not yet become unconditional on 1 January 2005. The exercise price of an option is determined on the basis of the average closing price of the share during the thirty days preceding the date of the offering of the options or the last closing price before the day of the offering. The fair value of the option is calculated based on the Black and Scholes formula. When the options are exercised, equity is increased by the amount of receipts.

Other long-term employee benefits

This mainly concerns the rate advantages on subscriptions and jubilee benefits. The amount of these provisions is equal to the present value of these future benefits.

1.16 Financial debts

Financial debts, except derivatives, are initially recognised at fair value of the cash received, after deduction of transaction costs. After initial recognition, loans and other financing obligations are valued at amortised cost based on the effective interest method.

1.17 Trade and other payables

Trade and other payables are recognised at cost.

1.18 Taxes

Tax on the result of the financial year is the total amount that is recognised in the profit or loss for the period with respect to current taxes and deferred taxes. The tax expense is recognised in the profit and loss account over the period, unless the tax arises from a transaction or event that is recognised directly in equity. In this case, the taxes are charged directly to equity.

Current taxes for current and prior periods, to the extent that they have not yet been paid, are recognised as a liability. If the amount already paid with respect to current and prior periods is greater than the amount due over this period, the balance is recognised as an asset. For the calculation, the tax rates were used whose legislative process was materially closed on the balance sheet date.

Deferred taxes are recognised on the basis of the liability method, for all temporary differences between the taxable basis and the carrying amount for financial reporting purposes, both for assets and liabilities. For the calculation, the tax rates were used whose

legislative process was materially closed on the balance sheet date.

According to this method, the Group must recognise deferred taxes in a business combination resulting from the difference between the fair value of the acquired assets, liabilities and contingent liabilities and their tax base resulting from the business combination.

Deferred tax assets are only recognised if it is probable that there will be sufficient future taxable profits to be able to enjoy the tax benefit. Deferred tax assets are reversed if it is no longer probable that the related tax benefit will be realised.

1.19 Government subsidies

Government subsidies related to assets are recognised at fair value when there is reasonable assurance that the Group will meet the conditions attached to the subsidies and the subsidies will be received. Government subsidies are presented as deferred revenue.

Government subsidies to compensate for costs incurred by the Group are systematically recognised as income under other operating income in the same period in which these costs are incurred.

1.20 Revenue

The Group applies the five-step model described in IFRS 15 for the recognition of revenue arising from contracts with customers. Revenue is recognised for the amount of compensation to which the Group expects to be entitled in exchange for the transfer of goods or services to a customer.

The most important activities from which Roularta Media Group generates its revenue are described below, per segment. There are two operating segments within the Group: 'Media Brands' and 'Printing Services'.

Within the 'Media Brands' segment (the brands operated by RMG and its participations), revenue is primarily generated from magazines, free press, newspapers, TV, events and website services. The typical term of customer contracts is 12 months or less. The revenue mainly consists of subscription income, income from newsstand sales, advertising income and income from line extensions of the brands.

The recognition of revenue generally coincides with the transfer of the delivered goods. For subscriptions, an amount is received either at the start or periodically for the period in which the magazines are delivered. Magazine revenue is spread over time and allocated to the correct period, i.e. at the issue date of the issues. For prepayments of, for example, a subscription, a 'contract liability' is recognised until the end of the subscription. Revenue from newsstand

sales are recognised according to the issue date of the issue. Recognition of advertising revenue occurs when the advertising appears.

In addition, there is the 'Printing Services' segment, which includes 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.

The recognition of pre-press or printed matter revenue coincides with the delivery of the service/goods, i.e. when the finished pre-press service or the printed matter is delivered.

Revenue from exchange agreements concern transactions between two parties in which non-equal services and goods are sold to each other. These transactions are valued on the basis of the current market price, taking into account the applicable discounts that also apply to similar transactions that do not constitute an exchange. In the profit and loss account, revenue is recorded as revenue and the costs as services and other goods.

The terminology 'contract assets' and 'contract liabilities' used in IFRS 15 is not used in the balance sheet, but is described in the note concerning revenue. IFRS 15 has been applicable since January 2018 and has had no significant influence on the financial position and/or financial performance of the group.

1.21 Financing expenses

Financing expenses are recognised as an expense in the period in which they are incurred.

1.22 Impairments

For the assets of the Group, in accordance with IAS 36, an assessment is made on each balance sheet date as to whether there are indications that an asset is subject to impairment. If such indications are present, the realisable value of the asset must be estimated. The realisable value of an asset or cash-generating unit is the higher of the fair value less selling costs and its value in use. An impairment is recognised if the carrying amount of an asset, or the cash-generating unit to which the asset belongs, is higher than the realisable value. Impairments are recognised in the profit and loss account.

Up to and including 30 June 2018, each cash-generating unit represented an identifiable group of assets with the same risk profile, generating cash inflows and which is largely independent of cash inflows from other groups of assets. Since 30 June 2018 (see Note Intangible assets and goodwill), each brand is considered to be a separate cash-generating unit.

The determination of the value in use is based on the discounted cash flow model, in particular the discounting of future cash flows resulting from continued operation of the unit, whereby management has assumed a cash flow forecast based on a five-year business plan. Future cash flows are discounted based on a weighted average cost of capital. To determine the cash flow projections after the most recent budget period, they are extrapolated on the basis of a growth rate.

In determining the weighted average cost of capital and growth rate, the interest rate and risk profile for Roularta Media Group as a whole have been taken into account. The assumptions have been applied to all cash-generating units of the Group.

The determination of the fair value less selling costs is based either on an empirical method, whereby a transaction multiple, obtained from comparable transactions in the media sector and from experience data, was applied to the revenue criterion, or on a market value based on similar transactions in the market.

1.23 Derivative financial instruments

The Group uses derivative financial instruments to limit the risk with regard to fluctuations in interest rates and exchange rates.

Derivative financial instruments are initially recognised at fair value. After their initial recognition, derivative instruments are revalued to their fair value on the balance sheet date.

Hedge accounting is applied to the hedging of cash flows or fair value to the extent that the hedges meet accounting requirements, the necessary documentation is available and the cover is effective.

Fair value hedge

When derivative financial instruments cover the changes in the fair value of a recognised asset or liability, or cover an unrecognised firm commitment, these financial instruments are qualified as fair value hedges. These would be valued at fair value and booked under the category 'financial derivatives'. The gains or losses on the hedging instruments are recognised in the profit and loss account, the hedged risk is also measured at fair value, with the gains or losses recognised in the profit and loss account.

Cash flow hedges

Changes in the fair value of a hedging instrument that serves as an effective cash flow hedge are recognised in equity, in particular in the hedging reserve.

Derivatives that are not designated as hedging instruments

Some hedging transactions do not qualify for hedge accounting according to the specific criteria of IAS 39

Financial Instruments: Recognition and Measurement, although they provide an economic hedge according to the Group's risk policy. Changes in the fair value of such instruments are recognised directly in the result.

1.24 Crucial assessments and main sources of estimation uncertainty

The preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the amounts included in the financial statements.

The estimates and related assumptions are based on past experience and various other factors that are considered reasonable given the circumstances. The results of this form the basis for the assessment of the carrying amount of assets and liabilities that is not easily apparent from other sources. The actual results may differ from these estimates. The estimates and underlying assumptions are reviewed periodically.

Main sources of estimation uncertainty:

Assessment of the useful life of the brands

Various brands had an indefinite useful life until 30 June 2018. As of 1 July 2018, it was decided to change the useful life of the brands in the portfolio to a specific useful life. From 1 July 2018, the value of the brands will be depreciated according to their estimated useful life. Management also conducted an impairment test on this date. The test was performed at the level of the brands, in other words, each brand in itself is a cash-generating unit (CGU). 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.

After this impairment and ordinary depreciation in 2020, the net carrying amount of the brands at the end of the reporting period amounted to € 86,337 K: € 46,321 K in the subsidiaries and € 40,016 K in the joint ventures.

The following breakdown of brands according to their useful life is a general guideline that was developed by management based on their insights into the media sector and their testing of these insights against reality. Four groups are displayed for the initial determination of the useful life.

- A 40-year economic useful life is for 'super' brands that already have very strong name recognition and are still growing in terms of revenue and/or EBITDA and have a carrying amount that is less than 10 times EBITDA. These brands are also recognised outside the media sector (alongside other major brands).
- A 20-year economic useful life is for brands that

already have name recognition and can still grow in terms of revenue and/or EBITDA and have a carrying amount that is less than 10 times EBITDA. These brands are also recognised outside the sector (alongside other major brands).

- A 10-year economic useful life is for mature brands whose revenue/EBITDA is stable or slightly decreasing over the last 5 years but with a carrying amount greater than € 1 M. These are brands with relatively significant name and value recognition in the sector in which they operate.
- A 5-year economic useful life is for young (a few years old) or small brands, which still have much to prove but with potential and a limited carrying amount (< € 1 M). The useful life here is limited but such a brand can be built in the coming years.

Based on an individual assessment per brand and estimates made by management, each brand is classified into one of the above-mentioned groups of brands (i.e. 'super' brands, 'growth' brands, 'mature' brands and 'young'/'small' brands). However, these estimates by management can be negatively influenced by generally unfavourable market developments, measures imposed by government (including but not limited to government measures in the context of pandemics) and/or disappointing performance by one or more brands. As a result, management may be forced to adjust the estimates made regarding the life/useful life of a brand and to transfer the brand to another group of brands.

At the end of the current reporting period, there are no indications that adjustments need to be made to the classification of the brands into the different brand groups, nor that the useful life of a brand would have decreased more than initially estimated.

We refer to Notes 13 and 15 for a sensitivity analysis performed in 2020 on the useful lives of the various brands.

Impairments on intangible assets and goodwill as included in Notes 13 and 15

If indicators of impairment are identified, a specific test is performed. Testing whether there are impairments on intangible assets and goodwill requires making significant estimates of among others the following parameters: discount rate, growth rate of advertising income, growth rate of the number of subscribers, newsstand sales and subscription prices, evolution of printing and paper costs, and indirect costs. In conducting an impairment test, management will use the history of these parameters and the expectation of how these parameters will evolve over a period of five years compared to what they were at the time of the test. In addition, management makes an estimate of the growth rate after this period.

A possible change in one or more parameters can lead

to a significant change in the realisable value. We refer to Note 13 regarding intangible assets and goodwill.

1.25 Additional note regarding the impact and risk management related to the COVID-19 pandemic

COVID-19 unexpectedly hit the Belgian and global business world in March 2020.

Impact

The media sector, like most sectors, was put to the test. After the solid results in the first months of the year, the impact of the pandemic was clearly felt at Roularta. The advertising market suffered substantially from the virus, as did the third-party printing business due to cancellations or requests from customers for postponement. Events and reader trips were also cancelled one by one. Publication of the complimentary magazines *De Streekkrant* and *De Zondag* were stopped for a number of weeks due to the closure of local businesses. *Sport-Voetbalmagazine* was also not published for a number of months due to the discontinuation of the football competition. The Group estimates the total loss of revenue due to corona at a € 29.1 million.

On the other hand, thanks to our long-standing strategy of extreme focus on the reader, our quality brands were read more than ever during and between the various lockdowns. Subscription revenue therefore has increased significantly. Roularta has taken up its civil responsibility as media company and has independently and reliably provided high-quality information to the population on COVID-19 and other important topics. At the request of the government, Roularta continued and continues to produce and distribute all newspapers and magazines through the press outlets and by mail. All editorial offices remain operational and all digital channels continued to provide 24/7 reporting.

On the balance sheet date, the Group has suffered no material impact on the risk of credit losses. We are closely monitoring the customer portfolio and remain vigilant concerning the further evolution of COVID-19. Paper stock is not endangered and the supply of raw materials has not suffered from the crisis. An impairment test on Roularta's brands and the participation of Mediafin was performed in June 2020 and in the fourth quarter of 2020 with no impairment as a result.

Safety measures

The Group's first priority was to ensure the health and safety of all employees, customers and suppliers at the various sites, and many measures were taken to this end. Hygiene measures were tightened, offices and meeting rooms were set up to respect social distancing, strict follow-up was given in production to

the government measures imposed, and the possibility of working from home was expanded to limit contacts as much as possible. Strong efforts were made to maintain supplier relationships digitally. Customer contacts for placing advertisements were also handled digitally as much as possible. Readers were given further explanation of and invited to explore the expanded digital versions of our media.

Continuity of the company

Due to lower revenue, for prudential reasons the Group adapted its cost structure as much as possible. It also made use of the temporary unemployment scheme to limit the impact of COVID-19. Following the actions taken by executive management, out of solidarity, the board of directors has decided to surrender 10% of their annual management fee. The members of executive management who were entitled to a bonus also voluntarily renounced their bonus for the year 2020.

The Group also did not pay a dividend in 2020. The Group is in a good position thanks to its strong balance sheet. Roularta is debt-free, and at the end of 2020 has a net cash position of € 85.9 million compared to € 95.9 million last year. The Group performed a COVID-19 stress test to estimate the implications of a possible (partial) cessation of economic activity in Belgium. It concluded that its continued existence as a going concern is assured. Application of the stress test revealed that there is sufficient cash available, even without lines of credit. All valuation rules as described above continued to be applied. Despite this, 2021 will also be impacted by COVID-19. Events and trips remain highly dependent on further decisions by the various governments, and have already been cancelled for the first quarter.

Additional notes

We refer to our Notes 4, 5, 6, 8, 12, 13, 15, 17, 19 and 26 for further details on and the impact of COVID-19.

NOTE 2 – GROUP STRUCTURE

2.1. List of companies

The parent company of the Group is Roularta Media Group NV, Roeselare, Belgium. As of 31 December 2020, the following subsidiaries, joint ventures and associates have been included in the consolidated financial statements. There are no restrictions on the realisation of assets and liabilities for the subsidiaries. For joint ventures and associates, we refer to Note 15.

Name of the company	Location	Effective interest %	
1. Fully consolidated companies			
ROULARTA MEDIA GROUP NV	Roeselare, Belgium	100.00%	
BELGIAN BUSINESS TELEVISION NV	Brussels, Belgium	100.00%	
HET MEDIABEDRIJF BV	Baarn, The Netherlands	100.00%	
ROULARTA SERVICES FRANCE SARL	Lille, France	100.00%	
STUDIO APERI NEGOTIUM NV	Roeselare, Belgium	75.00%	
STORESQUARE NV	Roeselare, Belgium	65.00%	
2. Consolidated using the equity method			
BAYARD MEDIA GMBH & CO KG	Augsburg, Germany	50.00%	joint venture
BAYARD MEDIA VERWALTUNGS GMBH	Augsburg, Germany	50.00%	joint venture
BELGOMEDIA SA	Verviers, Belgium	50.00%	joint venture
CTR MEDIA SA	Brussels, Belgium	50.00%	joint venture
ETADORO BV	Baarn, The Netherlands	50.00%	joint venture
MEDIAFIN NV	Brussels, Belgium	50.00%	joint venture
MEDIAPLUS BV	Baarn, The Netherlands	50.00%	joint venture
REPROPRESS CV	Brussels, Belgium	30.22%	associated company
SENIOR PUBLICATIONS DEUTSCHLAND GMBH & CO KG	Cologne, Germany	50.00%	joint venture
SENIOR PUBLICATIONS NEDERLAND BV	Baarn, The Netherlands	50.00%	joint venture
SENIOR PUBLICATIONS VERWALTUNGS GMBH	Cologne, Germany	50.00%	joint venture
YELLOWBRICK NV	Schaarbeek, Belgium	35.00%	associated company
50+ BEURS & FESTIVAL BV	Arnhem, The Netherlands	25.00%	joint venture
3. Companies of minor importance not included in the consolidated financial statements			

There are no companies of minor importance not included in the consolidated financial statements.

2.2 Changes in the scope of consolidation

Changes in the scope of consolidation during 2020:

- Etadoro BV: acquisition of 100% of the shares by Senior Publications Nederland BV on 01/02/2020
- Proxistore NV: dilution of interest to 14.0% after not participating in the capital increase as of 21/02/2020
- Senior Publications NV: acquisition of the remaining 50% of shares by Roularta Media Group NV on 28/02/2020
- Storesquare NV: discontinuation of activity on 28/02/2020
- J.M. Sailer Geschäftsführungs GmbH: sale of participation (50% of the shares) on 28/02/2020
- J.M. Sailer Verlag GmbH: sale of participation (50% of the shares) on 28/02/2020
- Verlag Deutscher Tierschutz-Dienst GMBG: sale of participation (50% of the shares) on 28/02/2020
- Regionale Media Maatschappij NV: sale of participation (50% of the shares) on 30/04/2020
- Senior Publications NV: merger with Roularta Media Group NV on 01/07/2020
- Click Your Car NV: merger with CTR Media SA at the end of 2020
- Holding Echos NV, 50% owned by Mediafin NV, sold its minority interest (12.5%) in Audiopresse NV to CLT-

UFA, a subsidiary of the RTL group, at the end of 2020

Changes in the scope of consolidation during 2019:

- Tvoj – Magazin D.O.O.: liquidated on 22/03/2019
- Vogue Trading NV: liquidated on 26/03/2019
- Living & More Verlag GmbH: liquidated on 24/06/2019
- Bright Communications BVBA: merged with Roularta Media Group NV on 01/07/2019
- De Woonkijker NV: liquidated on 20/11/2019

More explanation of these transactions follows below.

Etadoro

On 1 January 2020, Senior Publications Nederland BV purchased 100% of the shares of Etadoro BV. Etadoro offers varied online classes on all possible subjects. The entity will be consolidated using the equity accounting method. The transaction was not material to the Group.

Proxistore

Roularta Media Group did not participate in a capital increase on 21 February 2020, as a result of which its equity interest fell from 24.9% to 14.0%. While in the previous reporting period the company was still consolidated according to the equity accounting method as an associate, in the current reporting period it is presented on the balance sheet as a financial asset.

Senior Publications NV & J.M. Sailer companies (including Verlag Deutscher Tierschutz-Dienst GMBG):

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 Sailer (children's magazines *Bimbo, Olli & Mollie*, ...), 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 31 December 2020. As of 31 December 2020, the income statement of the Group comprises 50% of the result of Senior Publications NV through February (i.e. 50% of -€ 0.1 M) 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. € 3.7 M revenue and € 0.25 M net result through 30 June 2020. For the period 1 July to 31 December, the impact on the net result cannot be determined since the entity was merged with RMG). If the Group had already acquired control on 1 January 2020, the impact on the Group's revenue and on the net result would be € 4.5 M and € 0.15 M respectively (the net result impact only through 30 June).

The incremental acquisitions were 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 M) 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 acquisition 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	1,003	3,235

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 M was realised on the transaction and includes, on the one hand, the price paid of € 2.0 M, 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

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 M. The operating results of RMM, including the capital gain on the sale, resulted in a € 0.2 M result at the end of April 2020.

Audiopresse

Holding Echos NV, 50% owned by Mediafin NV, sold its minority interest (12.5%) in Audiopresse NV to CLT-UFA, a subsidiary of the RTL group, at the end of 2020. Previously, this financial asset had been valued at fair value with changes in value included in the other components of the result. Consequently, the capital gain on this sale also passed through the other components of the result.

NOTE 3 - SEGMENTED INFORMATION

I. Segment information

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.

From 2018, the segments were redefined in the context of the sale of Medialaan. After the sale of Medialaan, the Audiovisual Media segment was too small compared to Printed Media. Therefore, from 2018, the internal financial reporting of Roularta Media Group is based on two new segments: 'Media Brands' and 'Printing Services'. The 'Media Brands' segment refers to all brands that are marketed by RMG and its participations. It includes all sales of advertising, subscriptions, newsstand sales and line extensions of the brands. 'Printing Services' on the other hand refers to 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.

Furthermore, segment reporting is published on the gross margin. After all, there is an intense interdependence between the two segments and support services are highly shared. A change in the allocation of these costs means a significant fluctuation in EBITDA, such that reporting may not be consistent.

The valuation rules of the operating segments are the same as the valuation rules of the Group as described in Note 1.

The price bases for transfers between segments are determined according to the 'at arm's length' principle.

The breakdown of some balance sheet items, i.e. tangible and intangible fixed assets, participating interests, trade receivables, and inventories is shown because this information, unlike the liabilities side, is available. That which cannot be allocated to one of the segments is placed in unallocated assets. Furthermore, in accordance with IFRS 8.32, the revenue from external customers was broken down by revenue type. However, the information required for this breakdown is not available for the new segments.

in thousands of euros				
2020	Media Brands	Printing Services	Inter segment elimination	Consolidated total
Sales of the segment	225,559	60,186	-29,477	256,269
Sales to external customers	225,459	30,809	-	256,269
Sales from transactions with other segments	100	29,377	-29,477	-
Gross margin (*)	179,428	32,822	-1,056	211,193
Non-allocated result (**)				-205,412
Operating result after net finance costs				5,781
Assets				
Intangible assets	53,084	173		53,257
Property, plant and equipment	23,540	42,204		65,744
Investments accounted for using the equity method	60,324	-		60,324
Inventories	355	4,483		4,838
Trade receivables and other receivables, current				-
- Trade receivables, gross	43,286	5,325		48,611
- Non-allocated trade receivables and other receivables				1,270
Non-allocated non-current assets				8,603
Non-allocated current assets				94,925
Total assets				337,572

in thousands of euros				
2019	Media Brands	Printing Services	Inter segment elimination	Consolidated total
Sales of the segment	258,520	77,222	-39,944	295,799
Sales to external customers	257,323	38,474	-	295,799
Sales from transactions with other segments	1,196	38,748	-39,944	0
Gross margin (*)	198,547	38,959	-2,120	235,386
Non-allocated result (**)				-225,483
Operating result after net finance costs				9,903
Assets				
Intangible assets	54,556	178		54,734
Property, plant and equipment	28,267	31,627		59,894
Investments accounted for using the equity method	60,042	-		60,042
Inventories	452	5,595		6,047
Trade receivables and other receivables, current				-
- Trade receivables, gross	48,804	8,405		57,209
- Non-allocated trade receivables and other receivables				2,852
Non-allocated non-current assets				8,050
Non-allocated current assets				104,587

Total assets	353,414
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(*) Gross margin is revenue plus the fixed assets produced, less merchandise, raw materials and consumables.

(**) Services and other goods, personel charges, other operating income/expenses, share in the result of associated companies and joint ventures, depreciations, write-downs and provisions, financial income and expenses

II. Geographic information

The group derives revenue from the transfer of goods and services in the following geographic regions: Belgium and the Netherlands.

The following overviews provide a detail of revenue and fixed assets broken down based on the geographic location of the subsidiary (based on the subsidiary's registered office).

in thousands of euros

2020	Belgium	The Netherlands	Consolidated total
Sales of the segment	249,093	7,176	256,269
Non-current assets (*)	111,809	7,192	119,001

in thousands of euros

2019	Belgium	The Netherlands	Consolidated total
Sales of the segment	289,186	6,612	295,798
Non-current assets (*)	107,022	7,606	114,628

(*) Intangible and tangible fixed assets

III. Information about major customers

Given the diverse activity of the Group and therefore also the diversity of its customer portfolio, there is no single external customer with whom revenue from transactions was realised of more than 10 percent of the Group's revenue. In addition, there is no concentration of revenue at certain customers or a customer group.

NOTE 4 – REVENUE

I. Breakdown of revenue from contracts with customers

The Group's revenue broken down according to the different types of revenue:

in thousands of euros	2020	2019	Trend
Advertising	92,596	125,174	-32,578
Subscriptions and sales	108,671	103,034	5,637
Printing for third parties	34,800	42,535	-7,735
Line extensions & other services and goods	20,202	25,055	-4,853
Total Sales	256,269	295,798	-39,529

Consolidated revenue for 2020 decreased by 13.4 %, from € 295.8 M to € 256.3 M. Advertising revenue in particular was impacted by the corona crisis (impact -€ 17.7 M), and many events and reader trips in 'line extensions and other services and goods' were cancelled as well (-€ 4.5 M). In addition, external printing for third parties was also much lower (-€ 6.2 M) since shops were closed for a long time during the various lockdowns. The group estimates the total impact of COVID-19 on consolidated revenue at € 29.1 M.

Printing for third parties is higher than the external revenue from the Printing Services segment, since commercial printing is also sold through the other segment, Media Brands.

The Group's revenue broken down according to the different categories of business activities consists of:

in thousands of euros	2020	2019	Trend
Local Media Brands	41,333	64,796	-23,463
Magazines Brands	163,511	170,416	-6,905
Printing for third parties and sale paper	34,800	42,535	-7,735
Newspaper Brands	10,979	11,809	-830
Audiovisual Brands	5,646	6,243	-597
Total Sales	256,269	295,798	-39,529

Revenue from barter agreements amounts to € 20,821 K (2019: € 22,815 K).

In 2020, the remaining 50% shares of Senior Publications NV were purchased, resulting in additional revenue of € 3.7 M reported compared to the 2019 scope of consolidation. No changes were made to the scope of consolidation in 2019, so that no adjusted revenue is reported.

in thousands of euros	2020	2019	Trend
Advertising	92,596	125,174	-32,578
Subscriptions and sales	104,998	103,034	1,964
Printing for third parties	34,800	42,535	-7,735
Line extensions & other services and goods	20,202	25,055	-4,853
Adjusted sales	252,596	295,798	-43,202
Changes in the consolidation scope	3,673	-	3,673
Total sales	256,269	295,798	-39,529

II. Assets and liabilities related to contracts with customers

After applying IFRS 15 *Revenue from contracts with customers*, the group recognised the following assets and liabilities with regard to contracts with customers:

The valuation rules of the Group with regard to revenue can be found in Note 1.

	Note	2020	2019	Trend
Receivables				
Trade receivables, gross	17	48,611	57,210	-8,599
Impairment of doubtful receivables, current (-)	17	-3,274	-3,419	145
Contract assets				
To invoice	17	2,052	3,152	-1,100
Accrued income		-	9	-9
Contract liabilities				
Advances received	26	27,076	25,794	1,282
Credit notes to issue	26	1,453	2,282	-829
Customer credit balances	26	753	1,031	-278
Deferred income	26	7,451	6,467	984
Obligations related to returns, refunds and other similar obligations				
Credit notes to issue: provision for unsold issues	26	4,063	4,310	-247

Contract assets and liabilities relate to customer contracts that are generally settled within twelve months after the contract commences. Roularta Media Group has no contract costs, i.e. no costs that are specifically linked to only a single customer/contract.

The contract assets are recognised in the consolidated balance sheet as 'trade receivables and other receivables'. These mainly relate to performance obligations that have been fulfilled, but for which no invoicing has yet taken place. Upon invoicing, these contract assets are transferred to receivables and are therefore unconditional. Information about trade receivables is further explained in Note 17 'Trade and other receivables'.

The contract liabilities are recognised in the consolidated balance sheet as 'trade and other payables' and 'prepayments received'. Liabilities for return, reimbursement and other similar liabilities relate to individual sales via newsstands. A provision for unsold issues is booked for this. This is based on data regarding the historical returns.

NOTE 5 - SERVICES AND OTHER GOODS

Services and other goods of the Group consist of:

in thousands of euros	2020	2019
Transport and distribution costs	-15,773	-19,420
Marketing and promotion costs	-31,047	-31,643
Commission fees	-7,049	-7,582
Fees	-36,249	-39,041
Rent	-1,228	-1,427
Energy costs	-2,154	-1,824
Subcontractors and other deliveries	-11,314	-11,011
Remuneration members of the board of directors	-338	-370
Temporary workers	-2,755	-4,483
Travel and reception costs	-655	-1,043
Insurances	-477	-490
Other services and other goods	-501	-609
Total services and other goods	-109,539	-118,942

Services and other goods decreased by € 9.4 million or 7.9% compared to last year. The largest decrease within services and other goods can be found in transport and distribution costs, fees and temporary workers. The lower activity resulting from the COVID-19 pandemic is reflected in the aforementioned costs.

Fees include editorial and photo fees and general fees. The subcontractors and other deliveries category mainly comprises maintenance and repair costs, telecommunication costs and fuel costs. Commissions are commissions invoiced by third parties (advertising commission, newsstand sales commission and subscriptions commission).

NOTE 6 - PERSONNEL CHARGES

in thousands of euros	2020	2019
Wages and salaries	-60,586	-66,232
Social security contributions	-20,383	-21,509
Share-based payments	208	-57
Post-employment benefit charges	-3,922	-3,732
Other personnel charges	-2,542	-3,662
Total personnel charges	-87,225	-95,192

The costs related to post-employment benefits mainly relate to charges for defined contribution plans. This mainly concerns Belgian plans financed by group insurance policies that from 2015 are considered under IFRS as a defined benefit pension plan, see Note 24.

The decrease in personnel charges 2020, in addition to a lower number of full-time equivalents, can for a large part be attributed to the temporary unemployment scheme used by Roularta as a measure to limit the impact of COVID-19.

Employment in full time equivalents	2020	2019
Total full time equivalent employment at the end of the period	1,182	1,217

The split between the number of full-time equivalent blue-collar workers and white-collar workers is as follows: 300 blue-collar workers (316 in 2019) and 882 white-collar workers (901 in 2019).

NOTE 7 – WRITE-DOWN OF INVENTORIES AND RECEIVABLES

in thousands of euros	2020	2019
Write-down & reversal of write-down of inventories	-146	90
Write-down & reversal of write-down of trade receivables	171	135
Total write-down of inventories and receivables	25	225

The additional impairment on inventory relates to the line extensions inventory (i.e. Roularta Books).

We refer to Note 17 for an explanation of the provision for doubtful debts.

NOTE 8 – OTHER OPERATING INCOME AND EXPENSES

in thousands of euros	2020	2019
Government grants	1,994	2,090
Gains on disposal of intangible assets and property, plant and equipment	1,364	436
Gains on (partial) disposal of financial fixed assets	771	58
Miscellaneous financial income	779	571
Miscellaneous cross-charges	21	308
Miscellaneous income	488	333
Total other operating income	5,417	3,796
in thousands of euros	2020	2019
Other taxes	-1,878	-2,379
Losses on trade receivables	-260	-369
Exchange differences	-5	-24
Payment differences and bank charges	-366	-299
Miscellaneous expenses	34	-1,462
Total other operating expenses	-2,475	-4,533

The capital gain on the realisation of tangible and intangible fixed assets in 2020 (€ 1.3 M), as in 2019, includes a capital gain on the sale of buildings. The capital gain on (partial) realisation of financial fixed assets comprises the capital gain realised by the group as a result of the dilution in the Proxistore NV entity (€ 0.7 M) as well as the revaluation of the historical participation that RMG had in Senior Publications NV (€ 0.1 M). We refer to Note 2 Group structure for this.

The other operating expenses mainly comprise other taxes. Of this, municipal taxes are € 0.9 M lower than last year since De Streekkrant was not published for a long time due to the various corona lockdowns. Other operating expenses in 2019 include the damage compensation paid by the Group to NV Kempenland.

NOTE 9 – NET FINANCE COSTS

in thousands of euros	2020	2019
Interest income	100	144
Financial income	100	144
Interest expense	-376	-219
Financial costs	-376	-219
Total net finance costs	-276	-75

The interest expenses in 2020 as well as 2019 mainly consist of the interest charges arising from the lease liabilities recognised under IFRS 16.

NOTE 10 - INCOME TAXES**I. Income taxes - current and deferred**

in thousands of euros	2020	2019
A. Income taxes - current		
Current period tax expense	-455	-441
Adjustments to current tax expense / income of prior periods	189	-11
Total current income taxes	-266	-452
B. Income taxes - deferred		
Related to the origination and reversal of temporary differences	-162	186
Related to the reversal of depreciation (+) or depreciation (-) of deferred tax assets	436	695
Total deferred income taxes	274	881
Total current and deferred income taxes	8	429

The tax-neutral amount in 2020 (€ 8 K versus € 429 K in 2019) is due to deferred tax income of € 0.3 M. The latter is the result of the merger of Roularta Media Group with one of its now 100% subsidiaries, Senior Publications SA, which had a deferred tax liability of € 0.3 M. The resulting deferred tax income means a higher recovery of tax losses carried forward. To this end, deferred tax assets of € 0.3 M were booked to Roularta Media Group. Much the same happened in 2019 concerning the merger of Roularta Media Group with Bright Communications BVBA, which at that time had a deferred tax liability of € 1.0 M.

II. Reconciliation of statutory tax to effective tax

in thousands of euros	2020	2019
Result before taxes	5,781	9,903
Share in the result of associated companies and joint ventures	2,096	2,475
Result before taxes, excluding share in result of associated companies and joint ventures	3,685	7,428
Statutory tax rate	25.00%	29.58%
Tax using statutory rate	-921	-2,197
Adjustments to tax of prior periods (+/-)	180	475
Tax effect of non-deductible expenses (-)	-669	-1,064
Tax effect of non-taxable revenues (+)	1	2,624
Tax credit resulting from investment allowances and notional interest deduction [reversal (-)]	59	-47
Tax effect of not recognising deferred taxes on losses of the current period [-]	-228	-700
Tax effect from the setup / (use) of deferred tax assets from previous years	2,054	1,800
Tax effect of recognising deferred taxes on tax losses of previous periods	-455	-599
Tax effect of change in statutory tax rates	-	213
Tax effect of different tax rates of subsidiaries in other jurisdictions	69	2
Other increase / decrease in tax charge (+/-)	-82	-78
Tax using effective rate	8	429
Result before taxes	5,781	9,903
Share in the result of associated companies and joint ventures	2,096	2,475
Result before taxes, excluding share in result of associated companies and joint ventures	3,685	7,428
Effective tax rate	0.22%	5.77%
Total effective tax	8	429

The effective tax rate was 0.22% in 2020 and 5.77% in 2019.

The lower non-deductible expenses in 2020 are resulting from the various lockdowns where less commercial activity took place and more homeworking.

Last year's non-taxable revenues (€ 2.6 M) are coming from the liquidation of the entity Vogue Trading NV. The impact of changes in tax rates in 2019 includes for the most part the impact of the Belgian corporate tax rate of 29.58% on the impairment losses in 2018, while the deferred tax was booked at 25%, the tax rate applicable in coming years.

Deferred taxes on costs and revenue were not recognised directly in equity in 2020 and 2019.

III. Tax included in the other comprehensive income

in thousands of euros	2020	2019
Non-current employee benefits - actuarial gains/losses	-343	-215
Tax included in other comprehensive income	-343	-215

NOTE 11 – EARNINGS PER SHARE

	2020	2019
I. Movement in number of shares (ordinary shares)		
Number of shares, beginning balance	13,141,123	13,141,123
Number of shares, ending balance	13,141,123	13,141,123
- of which issued and fully paid	13,141,123	13,141,123
II. Other information		
Number of shares owned by the company or related parties	1,502,496	593,135
Shares reserved for issue under options	428,075	480,935
III. Earnings per share calculation		
1. Number of shares		
1.1 Weighted average number of shares, basic	12,399,598	12,545,621
1.2. Adjustments to calculate weighted average number of shares, diluted	10,033	14,401
<i>stock option plans</i>	<i>10,033</i>	<i>14,401</i>
1.3. Weighted average number of shares, diluted	12,409,631	12,560,022
2. Calculation		

The calculation of the basic profit and the diluted profit per share is based on the following parameters:

$$\frac{\text{Net result distributable to ordinary shareholders}}{\text{Ordinary weighted average number of shares}} = \frac{\text{€ 5,984 K}}{12,399,598} = 0.48$$

$$\frac{\text{Net result distributable to ordinary shareholders}}{\text{Weighted average number of shares after effect of dilution}} = \frac{\text{€ 5,984 K}}{12,409,631} = 0.48$$

NOTE 12 – DIVIDENDS

	2020	2019
Amount of dividends proposed or declared after the balance sheet date but before authorisation of the financial statements (in thousands of euros)	11,729	-
Gross dividend per share (in euro)	1.0	-
Number of shares on 31/12	13,141,123	13,141,123
Number of own shares on 31/12	-1,502,496	-593,135
Mutation of own shares (before General Meeting)	90,567	4,175
Number of shares entitled to dividend on 31/12	11,729,194	12,552,163

The Board of Directors proposes a gross dividend of € 1.0 per share for the 2020 financial year. In 2020, the dividend for the 2019 financial year was cancelled due to economic uncertainties related to the corona crisis.

In case option holders still exercise options between the publication of this Annual Report and the General Shareholders Meeting, the number of shares entitled to dividend may still change.

For the increase in treasury shares, we refer to Note 21 – Equity.

NOTE 13 - INTANGIBLE ASSETS AND GOODWILL

in thousands of euros						
2020	Brands	Titles	Software	Concessions, property rights and similar rights	Total intangible assets	Goodwill
AT COST						
Balance on 01 January	118,467	-	33,699	15,127	167,293	997
Movements during the period:						
- Acquisitions	-	-	3,782	153	3,935	-
- Acquisitions through business combinations and sector acquisitions	1,338	-	62	-	1,400	-
- Sales and disposals (-)	-	-	-870	-	-870	-
Balance on 31 December	119,805	-	36,673	15,280	171,758	997
DEPRECIATIONS AND IMPAIRMENT LOSSES						
Balance on 01 January	69,792	-	27,651	15,116	112,559	997
Movements during the period:						
- Depreciations	3,692	-	3,047	11	6,750	-
- New consolidations	-	-	62	-	62	-
- Written down after sales and disposals (-)	-	-	-870	-	-870	-
Balance on 31 December	73,484	-	29,890	15,127	118,501	997
Net carrying amount at the end of the period	46,321	-	6,783	153	53,257	-

in thousands of euros						
2019	Brands	Titles	Software	Concessions, property rights and similar rights	Total intangible assets	Goodwill
AT COST						
Balance on 01 January	118,467	-	32,248	15,127	165,842	997
Movements during the period:						
- Acquisitions	-	-	3,433	-	3,433	-
- Sales and disposals	-	-	-1,982	-	-1,982	-
Balance on 31 December	118,467	-	33,699	15,127	167,293	997
DEPRECIATIONS AND IMPAIRMENT LOSSES						
Balance on 01 January	66,162	-	26,779	15,105	108,046	997
Movements during the period:						
- Depreciations	3,630	-	2,853	11	6,494	-
- Written down after sales and disposals	-	-	-1,982	-	-1,982	-
Balance on 31 December	69,792	-	27,651	15,116	112,559	997
Net carrying amount at the end of the period	48,675	-	6,048	11	54,734	-

The € 1.4 M in the line acquisitions through business combinations concerns the addition of the brand 'Plus Magazine Belgium' and software following the acquisition of the remaining 50% shares in Senior Publications SA. For further information we refer to Note 2 – Group structure.

All the above intangible assets are depreciated on the basis of their expected useful life within the Group.

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 31 December 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 shown by the annual results, revenue and EBITDA are significantly lower than in 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 31 December 2020 and 31 December 2019, and the remaining useful life as of 31 December 2020:

in thousands of euros			
Cash-generating unit	Intangible asset 2020	Intangible asset 2019	Total remaining useful life (in years)
Libelle/Femmes d'Aujourd'hui	23,188	24,513	17.5
Landleven	7,131	7,554	17.5
STERCK	3,752	3,982	17.5
Flair	2,878	3,263	7.5
Top Uitgaves	2,605	2,954	7.5
Fiscaal-juridisch	2,549	2,890	7.5
Le Vif/L'Express	1,349	1,530	7.5
Plus magazine BE	1,282	-	19.2
Feeling/Gael	874	991	7.5
La Maison Victor	275	385	2.5
Communiekraant	222	310	2.5
Shedeals	150	209	2.5
Zappy Ouders	67	94	2.5
Total Brand value	46,321	48,675	

As of 31 December 2019, there were no indications of impairment, such that an impairment test was not performed. In the previous year, an impairment test had been carried out as a result of the redefinition of the cash-generating units. The ESMA letter of 28 October 2020 regarding the 'European common enforcement priorities for 2020 annual financial reports' indicates that the negative effect of COVID-19 is a strong indication that one or more of the impairment indicators of IAS 36 have entered into force. To learn whether Roularta's lower results at the end of December 2020 might indicate an impairment of one of the above brands, an impairment test was performed on each brand.

The realisable value for each of the cash-generating units was determined on the basis of a value-in-use calculation. This is based on cash flow projections for the next five years (2021-2025). In the first year, the limited effects of the pandemic were still taken into account; this is the base year for the subsequent years that assume a conservative growth level due to the uncertainty concerning these years.

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 assuming a long-term growth rate of 0% and a WACC of 7% (in the 2018 impairment test, a WACC of 8% was used). This discount factor assumes 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 conservative approach, the brands *Landleven*, the Top publications, fiscal/legal publications, *Libelle/Femmes d'Aujourd'hui*, *Shedeals*, *Zappy Ouders*, *Communiekraant* and *Plus Magazine Belgium* were not subject to an impairment. The headroom available to the total of these brands is very significant. As in the 2018 impairment test, a refined approach was used for the other brands with a more accurate 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 7%.

The test did not result in an impairment for any brand, but the headroom for the brands *Le Vif/L'Express*, *Flair* and *La Maison Victor* is limited. The headroom for the total of the brands that have undergone a refined test is approximately 50% of the net carrying amount.

- *Le Vif/L'Express* experienced a material impact on 2020 advertising income due to COVID-19, and this is expected to continue in 2021. However, we foresee a slow recovery in the years that follow. Given the downward market trend, there is a chance that advertising revenue will not return to the 2019 level.
- 2020 advertising income for *Flair* was also materially impacted by COVID-19, but the forecast is to return to almost 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 15% increase in total revenue in 2021 thanks to the higher number of subscribers and greater newsstand sales. For the coming years, we foresee a 6% (in 2022) and further 3% (in 2023 and subsequent years) increase due to the breakthrough in France and the Netherlands. On the cost side, costs are decreasing because the magazine is now only published in Dutch and French, and further integration is also expected with the other women's brands.

The methodology and conclusions are broadly similar to the test carried out on half-year.

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

A 1% increase in the WACC results in a limited impairment for the *Le Vif/L'Express* brand. If the WACC increases by 2%, this will also result in an impairment for the *Flair* and *La Maison Victor* brands.

2/ Long-term growth rate of cash flows after the five-year period

A long-term growth rate of -2% (instead of 0%) results in an impairment for the brands *Le Vif/L'Express*, *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 *Le Vif/L'Express*, *Flair* and *La Maison Victor*.

4/ Cash flow in the year after the pandemic year

To estimate the sensitivity of the net carrying amount of the brands to a delay to the expected date of return to pre-pandemic cash-flow levels, the 2021 cash flow was kept the same as that of the 2020 pandemic year. If the cash flow in 2020 turns out to be higher than that of 2021, that of 2021 will be used out of a sense of prudence. In this case, only the *La Maison Victor* brand would have to undergo a limited impairment.

In the above sensitivity analysis, in each of the four separate cases the impairment always remains below € 1.0 million.

In addition, the group also performed a sensitivity analysis on the useful life of the brands that had a net carrying amount of € 4 M or greater on 31 December 2020. These results are included below for the fully consolidated companies. We refer to Note 15 for the same analysis on the brands of the joint ventures.

If the remaining useful life of 17.5 years for the '*Libelle/Femmes d'Aujourd'hui*' brand, which represented approximately 50% of the total carrying amount of the brands at 31 December 2020, were reduced to 10 years, the impact would be € 1.0 M annual depreciation. If the remaining useful life were reduced to 5 years, the additional annual depreciation charge would amount to € 3.3 M.

If the remaining useful life of 17.5 years for the '*Landleven*' brand were reduced to 10 years, the impact would be an additional € 0.3 M annual depreciation charge. If the remaining useful life were reduced to 5 years, the additional annual depreciation charge would amount to € 1.0 M.

NOTE 14 – PROPERTY, PLANT AND EQUIPMENT

in thousands of euros							
2020	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Right-of-use assets	Other property, plant & equipment	Assets under construction	Total
AT COST							
Balance on 1 January	90,504	33,964	10,410	6,378	38	2,686	143,981
Movements during the period:							
- Acquisitions	276	10,701	198	1,020	20	-	12,215
- Acquisitions through business combinations	-	18	64	126	-	-	208
- Sales and disposals	-917	-493	-333	-349	-	-	-2,092
- Transfers from one heading to another	-	2,686	-	-	-	-2,686	-
Balance on 31 December	89,863	46,875	10,339	7,174	59	-	154,310
DEPRECIATION AND IMPAIRMENT LOSSES							
Balance on 1 January	51,367	22,719	8,526	1,444	32	-	84,087
Movements during the period:							
- Depreciations	2,257	1,919	416	1,508	6	-	6,106
- New consolidations	-	9	64	35	-	-	108
- Written down after sales and disposals	-567	-500	-320	-349	-	-	-1,736
Balance on 31 December	53,057	24,147	8,686	2,638	38	-	88,566
Net carrying amount at the end of the period	36,806	22,728	1,653	4,536	21	-	65,744
Assets pledged as security							2020
Land and buildings pledged as security for liabilities (mortgage included)							-

in thousands of euros

2019	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Leasing and other similar rights	Other property, plant & equipment	Assets under construction	Total
AT COST							
Balance on 1 January	90,707	31,325	10,196	-	49	-	132,276
Movements during the period:							
- Acquisitions	115	2,838	545	1,719	4	2,686	7,907
- Sales and disposals	-318	-199	-331	-	-14	-	-862
- Change in accounting policies (IFRS 16)	-	-	-	4,658	-	-	4,658
Balance on 31 December	90,504	33,964	10,410	6,378	38	2,686	143,981
DEPRECIATION AND IMPAIRMENT LOSSES							
Balance on 1 January	48,837	20,912	8,409	-	42	-	78,199
Movements during the period:							
- Depreciations	2,768	2,006	440	1,444	4	-	6,662
- Written down after sales and disposals	-239	-199	-324	-	-14	-	-776
Balance on 31 December	51,367	22,719	8,526	1,444	32	-	84,087
Net carrying amount at the end of the period	39,137	11,245	1,884	4,934	6	2,686	59,894

Assets pledged as security**2019**

Land and buildings pledged as security for liabilities (mortgage included)

-

The investments in 2020 mainly relate to the new state-of-the-art Lithoman IV 72 page printing press. In 2019 € 2.6 M was already booked under the item 'assets under construction', and in 2020 the investment was completed with the remaining € 7.9 M. In addition, associated installations were purchased for an additional € 2.1 M. The printing press is being depreciated over 23 years.

The acquisitions in the recognised right-of-use assets (in accordance with IFRS16 regulations) (€ 1.0 M) mainly concern rolling stock. At the end of the reporting period, assets consist of the following categories with the following net carrying amounts:

in thousands of euros	31/12/2020	31/12/2019
Buildings	2,252	2,518
Vehicles	2,104	2,290
Other	179	125
Total right-of-use assets	4,536	4,934

The Group leases various offices, vehicles and a number of machines. Lease contracts are usually concluded for a fixed period of 3 to 9 years, possibly with options to extend; two have a lease term of more than 20 years. Lease terms are negotiated on an individual basis and contain a series of different general terms and conditions. The leases contain no covenants, but leased assets may not be used as a guarantee for financing purposes.

From 1 January 2019, leases are recognised as a right of use and a corresponding liability on the date that the leased asset is available for use by the Group. Each lease payment is allocated between the liability and the financing cost. The financing cost is charged to profit or loss over the lease period to generate a constant periodic interest rate for

the remaining balance of the liability for each period. The right to use the asset is depreciated over the shortest of the useful life of the asset and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially valued on the basis of their present value. The lease payments are discounted based on the marginal interest rate of the lessee, because the interest rate implicit in the lease could not be determined.

Cash flows relating to leases are presented as follows:

- Cash payments for the principal part of the lease obligation as cash flows from financing activities
- Cash payments for the interest part in accordance with the presentation of interest payments chosen by the Group
- Short-term lease payments, payments for leases of assets with a low value, and variable lease payments that are not included in the valuation of the lease liabilities as cash flows from operational activities

The costs related to short-term leases amount to € 120 K; the costs related to the leasing of assets with a low value (which are not shown as short-term leasing) amount to € 322 K.

NOTE 15 – INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

I. Overview of significant joint ventures

The following joint venture participations have a significant impact on the Group's financial position and results.

Name of joint venture	Main activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights of the group	
			2020	2019
Bayard Group	Media Brands	Baarn, The Netherlands	50.0%	50.0%
Mediafin	Media Brands	Brussels, Belgium	50.0%	50.0%

These participations in joint ventures are valued according to the equity accounting method. In 2020 as well as in 2019, no significant joint ventures were added or divested. For an overview of all joint ventures, we refer to Note 2 Group structure. Summary financial information related to significant Group joint ventures is presented below. This financial information corresponds to the financial reporting of the joint ventures according to IFRS.

II. Summary financial information

Bayard Group

Bayard Group is active in the Media Brands segment. Bayard Media is the magazine leg for those 50 and older.

Bayard Group comprises the companies Bayard Media GMBH & CO KG, Bayard Media Verwaltungs GMBH, Senior Publications Nederland BV, Senior Publications Deutschland GMBH & CO KG, Senior Publications Verwaltungs GMBH, Belgomedia SA, 50+ Beurs & Festival BV, Mediaplus BV and Etadoro BV.

In 2020, Roularta Media Group sold the following participations, which in the past were part of the Bayard Group and which mainly focus on children and youth: J.M. Sailer Geschäftsführungs GMBH, J.M. Sailer Verlag GMBH and Verlag Deutscher Tierschutz-Dienst GMBH. On the other hand, the remaining 50% of the shares of Senior Publications SA were simultaneously bought by Roularta Media Group NV. We refer here to Note 2 – Group structure.

Within the Bayard Group, Senior Publications Nederland BV has purchased 100% of the shares of Etadoro BV.

in thousands of euros	2020	2019
Condensed financial information		
Fixed assets	5,860	7,404
Current assets	16,083	25,708
<i>of which cash and cash equivalents</i>	5,561	6,526
Non-current liabilities	-6,043	-6,926
<i>of which financial liabilities</i>	-1,236	-1,744
Current liabilities	-12,482	-20,381
<i>of which financial liabilities</i>	-340	-470
Net assets	3,418	5,805
Sales	36,701	53,337
Depreciation	-978	-1,145
Interest income	1	10
Interest expense	-113	-121
Income tax expense	-533	-981
Net result for the period	2,622	3,005
Total comprehensive income for the period	2,622	3,005
Dividends received during the period	1,250	2,030

The decrease in the Bayard group's net assets is mainly due to the purchase of the remaining 50% of the shares of Senior Publications SA by Roularta Media Group, as a result of which this entity is fully consolidated and is no longer part of the Bayard Group.

Reconciliation of the aforementioned financial information with the net carrying amount of the participation of Bayard Group in the consolidated financial statements:

in thousands of euros	2020	2019
Net assets of associated companies and joint ventures	3,418	5,805
Share of the Group in Bayard Group	50.0%	50.0%
	1,709	2,903
Other adjustments:		
The unrecognised part of the loss of companies of the Bayard Group (*)	2,380	2,531
Carrying amount of the investment in Bayard Group	4,089	5,434

(*) The losses of some affiliates exceeded the carrying amount of the participation. The carrying amounts of these participations were reduced to zero for a total amount of € 2.4 M (in RMG consolidation, at 50%; thus for € 4.8 M in Bayard Group consolidation), in accordance with the valuation rules in Note 1. The accumulated loss was recognised under the provisions for other risks and costs, since it concerns a joint venture.

Roularta Media Group has a total net debt of € 1.9 M outstanding with respect to the Bayard entities. Furthermore, there were no contingent or other liabilities with respect to the Bayard entities on 31 December 2020 and 2019. These entities need the joint consent of Roularta Media Group and the other shareholder, Bayard Group, to distribute the profits and to take out loans.

Mediafin

Roularta Media Group acquired 50 % of the shares in Mediafin NV on 12 March 2018. Mediafin is the Belgian publisher of high-quality media such as *De Tijd* and *L'Echo*, which are committed to top journalism: a good match for the Roularta Group which also focuses on higher target groups. The acquisition was part of the sale of Mediafin to De Persgroep. The other 50% of Mediafin remained in the hands of Groupe Rossel.

The table below shows the main items of Mediafin's balance sheet and the income statement on the balance sheet date.

in thousands of euros	2020	2019
Fixed assets	134,772	139,660
Current assets	33,612	26,029
- of which cash and cash equivalents	8,565	2,930
Non-current liabilities	-31,389	-32,634
- of which financial liabilities	-2,316	-2,789
Current liabilities	-24,842	-23,957
- of which financial liabilities	-1,148	-1,070
Net assets	112,153	109,098
Sales	64,409	66,101
Depreciation	-7,548	-7,515
Interest income	137	155
Interest expense	-263	-51
Income tax expense	-1,208	-1,545
Net result for the period	2,026	2,694
Other comprehensive income for the period	826	-123
Total comprehensive income for the period	2,852	2,571
Dividends distributed to Roularta Media Group during the period	-	3,500

Cash and cash equivalents, at € 5.6 M in 2020, increased compared to 2019. After all, no dividend was paid to Mediafin shareholders in 2020 due to the economic uncertainties related to the corona crisis.

Mediafin's revenue was also hit by COVID-19. Advertising income declined but reader income rose.

The other comprehensive income for the period mainly includes the result on the sale of Audiopresse SA. At the end of December 2020, Holding Echo, a 50% subsidiary of Mediafin, sold its participating interest in Audiopresse SA to CLT-UFA, a subsidiary of the RTL Group. Audiopresse includes a 34% participation in RTL Belgium.

Reconciliation of the aforementioned financial information with the net carrying amount of the participation of Mediafin in the consolidated financial statements:

in thousands of euros	2020	2019
Net assets of the joint venture/ associate	112,153	109,098
Share of the Group in Mediafin	50.0%	50.0%
Carrying amount of the investment in Mediafin	56,077	54,549

The most important item under fixed assets concerns intangible fixed assets. On 31 December 2020 and 31 December 2019 these are valued on the balance sheet of Mediafin (at 100%) with the following carrying amounts and remaining useful life:

in thousands of euros	Intangible assets 2020	Intangible assets 2019	Total remaining useful life (in years)
De Tijd/ L'Echo	76,685	78,748	37
Comfi	771	963	4
BePublic - BeReal	2,576	2,935	7
Customer relations	25,371	26,849	17
Goodwill	24,675	24,675	Unlimited
Total	130,077	134,170	

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

The total annual depreciation charge for the aforementioned intangible fixed assets within Mediafin is € 4.1 M (excluding deferred taxes). The annual impact on Roularta Media Group's EBITDA of this depreciation including deferred taxes amounts to € 1.5 M.

For *De Tijd/L'Echo*, the brand that realises about half of its revenue through advertisements, there is also a decrease in that revenue due to COVID-19. As with the brands in the group's consolidated balance sheet (see Note 13 – Intangible assets and goodwill), IAS 36 Impairment of assets has been applied. In the case of Mediafin, the carrying amount of goodwill, brands and customer portfolio were jointly tested for impairment.

In determining the value in use of the net investment, Roularta used three valuation methods (DCF method, transaction multiple and trading multiple) and has set them off against the total carrying amount of the investment. Advertising revenue is expected to slowly recover to pre-corona levels over 2021 and 2022. The growth in the readership market enjoyed in 2020 is expected to continue in the coming years at slightly lower rates. The general expectation is that from 2021, total revenue will return to its pre-corona level thanks to this growing readership market. As with the 100% Roularta brands, a WACC of 7% was also used here for the discount rate.

The conclusion of the impairment test is that no impairment was present. This also indirectly leads to the same conclusion for the individual brands. The three aforementioned valuation methods always resulted, in the order the aforementioned methods are listed, in an increasingly higher valuation and headroom. A similar test was done at half-year on the basis of the DCF method with the same conclusion as a result. No test was performed in 2019 since there were no indicators at the time that the investment was subject to impairment.

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. Out of a sense of prudence and therefore based on the valuation method with the lowest valuation, i.e. DCF, a maximum impairment of 1.5 million euros needs to be made in each of the following individual cases: 1) Long-term growth rate of the cash flows after the five-year period of -1% instead of 0%; 2) Cash flow that serves for perpetuity 10% lower than current assumption. Should the WACC increase by 1%, the impairment would amount to € 3.8 million.

In addition, at the end of December 2020, the Group again performed a sensitivity analysis on the useful life of the customer relationships and *De Tijd/L'Echo*. The conclusions were the following:

If the remaining useful life of *De Tijd/L'Echo* was reduced from 37.2 years as a 'super' brand to 20 or 10 years respectively, the additional annual depreciation charge would be € 1.8 M or € 5.6 M respectively. The share in the profit of the Mediafin joint venture would then decrease by € 0.9 M or € 2.8 M respectively.

If the remaining useful life of the customer relationships within Mediafin of 17.2 years were reduced to 10 years, the additional annual depreciation charge would be € 1.1 M. If the remaining useful life were reduced to 5 years, the additional annual depreciation charge would amount to € 3.6 M. The share in the profit of the Mediafin joint venture would then fall by € 0.5 M or € 1.8 M respectively.

Roularta Media Group has an outstanding net debt to Mediafin of € 2.4 M. Furthermore, there were no contingent or other liabilities with respect to Mediafin on 31 December 2020 and 2019. Mediafin needs the joint consent of Roularta

Media Group and the other shareholder, Groupe Rossel, to distribute profit and take out possible loans.

III. Summary financial information of associates and joint ventures that are individually not significant

This category includes the companies CTR Media SA, Yellowbrick NV and Reproress CV. The following entities have disappeared since last year:

The interest in Proxistore NV was diluted to 14.0% in 2020, after electing not to participate in a capital increase. As a result, this company is no longer included as an associate in the Group's figures. In addition, the participation (50% of the shares) in Regionale Media Maatschappij NV was sold on 30/04/2020 and a merger took place between Click Your Car NV and CTR Media SA.

in thousands of euros	2020	2019
Share of the Group in total comprehensive income for the period	-228	-374
Total carrying amount of Investments in financial assets held by the Group	90	10
Non-current amounts receivable - Investments in financial assets	68	50

Roularta Media Group has no contractual obligations with respect to these associates and joint ventures on 31 December 2020 and 2019.

IV. Evolution of the net carrying amount of the participations according to the equity accounting method

in thousands of euros	2020	2019
Balance at the end of the preceding period	59,991	63,286
Movements during the period:		
- Share in the result of associated companies and joint ventures	2,096	2,475
- Share of other comprehensive income of joint ventures and associates	413	-62
- Dividends	-1,250	-5,530
- Provision for additional losses	-683	370
- Effect group change	-413	-33
- Other changes	101	-514
Balance at the end of the period (investments, amounts receivable not included)	60,256	59,991

As a result of the uncertainties regarding the COVID-19 virus, it was decided that some subsidiaries should not transfer dividends to the Group and as a result could use their resources to focus on their strategy and strengthen their balance sheet. Concerning reversal of the provision for additional losses of -€ 0.7 M, we refer to Note 23 – Provisions. The share in other unrealised results of joint ventures and associates of € 0.4 M comes from Mediafin (see above).

NOTE 16 - INVESTMENTS IN FINANCIAL ASSETS, LOANS AND GUARANTEES

I. Overview of item

in thousands of euros	2020	2019
Investments in financial assets - fair value through profit or loss	515	224
Loans and guarantees - amortised cost	2,798	2,177
Total investments in financial assets, loans and guarantees	3,313	2,402

II. Investments in financial assets – evolution during financial year

in thousands of euros	2020	2019
AT FAIR VALUE WITH RECOGNITION OF VALUE CHANGES IN PROFIT AND LOSS ACCOUNT		
Balance on 1 January	488	513
Movements during the period:		
- Acquisitions	-	25
- Acquisitions through business combinations	316	-
- Recognition Proxistore after capital dilution	3,431	-
- Disposals	-25	-50
Balance on 31 December	4,210	488
IMPAIRMENT LOSSES (-)		
Balance on 1 January	-264	-214
Movements during the period:		
- Impairment loss / reversal recognised in income	-	-50
- Impairment Proxistore after capital dilution	-3,431	-
Balance on 31 December	-3,695	-264
Net carrying amount at the end of the period	515	224

The acquisition through business combinations (€ 0.3 M) relates to an investment in a financial asset that was on the balance sheet of Senior Publications SA at the time the 50% remaining shares were acquired. We refer to Note 2 – Group structure.

At the end of February 2020, a capital increase was implemented in the entity Proxistore NV in which Roularta Media Group no longer participated. As a result, equity interest decreased from 24.9% to 14% and the entity is no longer consolidated under the equity accounting method, but is held as a financial asset on the balance sheet. The booking was made at historical value. The fair net value of the investment – like the consolidated participation in the associate – was reduced to zero in view of the operating losses of recent years.

Management has determined that the cost price is a correct estimate of the fair value for the unlisted equity investments of the fully consolidated companies since there is insufficient recent information available to measure the fair value.

III. Loans and guarantees – evolution during the financial year

in thousands of euros	2020	2019
AT AMORTISED COST		
Balance on 1 January	2,177	2,227
Movements during the period:		
- Additions	1,024	-
- Amount of payments used	-235	-
- Reimbursements	-168	-50
Balance on 31 December	2,798	2,177
Net carrying amount at the end of the period	2,798	2,177

The addition in 2020 comes from a judicial deposit that relates to pending legal proceedings regarding an alleged trademark infringement. See Note 23 – Provisions.

NOTE 17 – TRADE AND OTHER RECEIVABLES

I. Trade and other receivables – fixed

in thousands of euros	2020	2019
Other receivables	78	100
Total trade and other receivables - non-current	78	100

At the end of the financial year, an estimate is made of doubtful receivables based on an evaluation of all outstanding amounts. Doubtful debts are written off in the year in which they are identified as such.

In 2020 and in 2019 there were no doubtful long-term receivables.

II. Trade and other receivables, current

in thousands of euros	2020	2019
Trade receivables, gross	48,611	57,210
Allowance for bad and doubtful debts, current	-3,274	-3,419
Invoices to issue and credit notes to receive (*)	2,523	3,631
Amounts receivable and debit balances suppliers	781	665
VAT receivable (*)	30	294
Other receivables, gross	1,351	2,035
Allowance for other receivables	-141	-355
Total trade and other receivables - current	49,881	60,061

(*) Not considered as financial assets as defined in IAS 32

There was no significant concentration of credit risks with a single counterparty on 31 December 2020. The unsettled receivables are spread over a large number of customers and there is no customer with an outstanding balance representing over 10% of total customer receivables.

Trade receivables were down because of the reduced activity due to COVID-19 and a significant decrease in DSO to 57 days (61 days in 2019). DSO is defined as total current trade receivables divided by (total revenue for the last 3 months/90).

The table below shows the age analysis of the trade receivables in the short term:

in thousands of euros	2020	2019
Net carrying amount at the end of the period	48,611	57,210
- of which:		
* not due and due less than 30 days	40,945	47,628
* due 30 - 60 days	1,300	2,930
* due 61 - 90 days	934	1,302
* due more than 90 days	5,432	5,349

At the end of the financial year, an estimate is made of doubtful receivables based on an evaluation of all outstanding amounts.

For trade receivables that do not contain a significant financing component (i.e. almost all trade receivables), the provision for losses is valued at an amount equal to the expected credit losses during the term. These are the expected credit losses that arise from all possible defaults during the expected useful life of these trade receivables, based on a provision matrix that takes into account historical information about payment defaults adjusted for future-oriented information per customer. The Group considers a financial asset in default when the receivables have been due for more than 120 days or have been included in a collection procedure. Nevertheless, the Group also considers a financial asset to be in default when internal or external information indicates that it is unlikely that the Group will receive the outstanding contractual amounts in full, before taking into account any credit protection held by the Group.

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 titles and agency customers, we see no changed pattern that would require our valuation rules to be modified. The provision for credit losses continues to present a true and fair picture.

Doubtful debts are written off in the year in which they are identified as a debtor in serious financial difficulties.

The following table shows the evolution of the provision for doubtful debts:

in thousands of euros	2020	2019
Net carrying amount on 1 January	-3,419	-3,554
- Amounts written off during the year	-3,262	-3,395
- Reversal of amounts written off during the year	3,433	3,530
- Acquisition through business combination	-12	-
- Reclassified as assets held for sale	-14	-
Net carrying amount on 31 December	-3,274	-3,419

Based on the evaluation at the end of the financial year, the provision at the end of the previous financial year is reversed and a new provision is booked.

The Group applied the simplified method under IFRS 9 to measure the loss compensation at an amount equal to the credit losses expected during the period (see above). The realised reduction in value on receivables (also partly on receivables foreseen at the end of the previous financial year) can be found in Note 8 – Other operating income.

The table below shows the evolution of the provision for other debts.

in thousands of euros	2020	2019
Net carrying amount at the end of the preceding period	-355	-341
- Amounts written off during the year	-	-14
- Other movements	214	-
Net carrying amount at the end of the period	-141	-355

NOTE 18 - DEFERRED TAX ASSETS AND LIABILITIES

I. Overview deferred tax assets - liabilities

The deferred tax assets and liabilities included in the balance sheet can be attributed to:

in thousands of euros	2020		2019	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	3	1,618	669	1,548
Property, plant and equipment	10	5,255	5	5,212
Investments in financial assets, loans, guarantees	-	2,888	-	2,958
Trade and other receivables	-	21	-	-
Treasury shares	-	15	-	15
Retained earnings	-	592	-	522
Provisions	1,037	-	1,075	22
Non-current employee benefits	1,169	-	1,271	-
Current trade debts	71	-	-	-
Current employee benefits	-	47	-	-
Other payables	-	-	-	44
Total deferred taxes related to temporary differences	2,291	10,434	3,020	10,321
Tax losses	165	-	135	-
Tax credits	12,985	-	12,571	-
Set off tax	-10,229	-10,229	-10,178	-10,178
Net deferred tax assets / liabilities	5,212	205	5,548	142

The Group has not recognised deferred tax assets on tax losses of € 66,303 K (2019: € 68,205 K) on the one hand and on temporary differences of -€ 7 K (2019: -€ 20 K) on the other hand, as it is unlikely that there will be taxable profits available in the near future from which they can be deducted.

Roularta Media Group has recognised deferred tax assets for a total of € 93 K (2019: € 93 K) for subsidiaries that suffered losses in the current or previous period. The budgets of the subsidiaries show that sufficient taxable profits will be available in the near future from which the deferred tax assets can be deducted.

II. Deferred taxes on tax losses carried forward and tax credits

in thousands of euros	2020		2019	
	Tax losses carried forward	Tax credits	Tax losses carried forward	Tax credits
Year of expiration				
Current year	-	-	-	-
Without expiration date	165	12,985	135	12,571
Total deferred tax asset	165	12,985	135	12,571

NOTE 19 - INVENTORIES

in thousands of euros	2020	2019
Gross amount		
Raw materials	3,809	4,808
Work in progress	674	787
Finished goods	153	132
Goods purchased for resale	728	700
Total gross amount (A)	5,364	6,427
Write-downs (-)		
Finished goods	-115	-118
Goods purchased for resale	-411	-263
Total write-downs (B)	-526	-381
Carrying amount		
Raw materials	3,809	4,808
Work in progress	674	787
Finished goods	38	14
Goods purchased for resale	317	437
Total carrying amount at cost (A+B)	4,838	6,047

The decrease in inventories relates to paper stock. This is mainly attributable to the lower activity due to COVID-19. There are no buildings or other securities applicable to the inventories.

NOTE 20 - SHORT-TERM INVESTMENTS, CASH AND CASH EQUIVALENTS

in thousands of euros	2020	2019
Bank balances	55,554	66,435
Short-term deposits	35,000	35,000
Cash at hand	5	4
Total cash and cash equivalents	90,559	101,438

The evolution in cash and cash equivalents comes mainly from 1/ operational activities (€ 16.7 M): € 17.4 M EBITDA (excluding the joint ventures) less a capital gain on two buildings sold in 2020 of € 1.4 M and a dividend of € 1.3 M

received from one of the Bayard entities; 2/ investment activities (-€ 14.3 M): investments in software for € 3.8 M, investments in machines for € 10.7 M including € 7.9 M for a new printing press and € 1.2 M for related installations and the latest earnout on the Sterck brand (€ 175 K); 3/ financing activities (-€ 13.2 M): purchase of treasury shares from Spanish investment company Bestinver (€ 11.4 M) and repayment of the IFRS16 leasing debts of € 1.4 M.

There are no short-term investments.

NOTE 21 – EQUITY

Subscribed capital

As of 31 December 2020 the issued capital amounts to 80.000 K€ (2019: 80.000 K€) represented by 13.141.123 (2019: 13.141.123) fully paid-up ordinary shares. These shares have no nominal value.

Treasury shares

On 31 December 2020 the Group had 1,502,496 treasury shares in its portfolio (2019: 593,135). The change is mainly due to the package of (916,536) shares that the group purchased in November 2020 from the Spanish fund Bestinver for € 12.40 per share.

During the financial year 7,175 (2019: 5,300) treasury shares were awarded to holders of options upon the exercise of their options.

Other reserves

in thousands of euros	2020	2019
Share premium	304	304
Costs of issuance and equity increase (net after deferred taxes)	-1,275	-1,275
Reserves for share-based payments	4,408	5,913
Reserves for actuarial gains/losses employee benefits	633	-62
Total other reserves	4,070	4,879

The share-based payment reserves relate to the share options granted as described in Note 22. € 1.3 M of the total decrease of € 1.5 M is due to a reclassification in equity (between other reserves and profits carried forward) whereby the expired option plans are no longer included in other reserves.

NOTE 22 – SHARE-BASED PAYMENTS

Various share option plans were issued by NV Roularta Media Group with the intention of allowing management and executives to enjoy the growth of the company and the evolution of the Roularta share. In order to meet potential share option obligations, a treasury share purchase programme was set up in the past to allow the company to meet these future options. The shares that the group purchased in November 2020 from Spanish investor Bestinver (see Note 21 – Equity) may also be used for this purpose. All share option plans are settled in equity instruments, with each of the plans providing for one option giving entitlement to one Roularta share against payment of the exercise price. The options become unconditional if the employment contract or director's mandate is not terminated at the time of the next exercise period. Below is an overview of the existing share option plans.

Share options

The nomination and remuneration committee decides on the granting of the option plans in function of the performance of management and executives, their contribution to realising the Group's objectives and their commitment to the long-term development of the Group's strategy.

Share options are exercisable at the price corresponding to the average closing price of the share during the thirty days preceding the date of the option offering or the last closing price before the day of the offering. The maximum life of options granted is explained in the following table. If the option is not exercised after the last exercise period, it expires. Options that are not yet exercisable are stated if a member of management or an executive leaves the company before the final exercise period, except in the event of retirement or death.

No new option plans were issued in 2020. In 2019, an option plan was approved by the board of directors. This option plan gave the board of directors the right to offer 370,000 options. Of these, 102,250 options were accepted during 2019. The fair value of these options was calculated on the date the options were granted based on the Black and Scholes formula. The expected volatility was based on the historical volatility calculated over 5 years of historical rates. It was assumed that for any period that exercise can take place, exercise will be immediate. We refer to the 2019 annual report for an explanation of the parameters used.

Overview of the ongoing share option plans offered to management and executives at the end of 2020:

Year of offering	Options offered	Options granted	Options to be exercised	Exercise price in €	First exercise period	Last exercise period
2006	300,000	268,050	135,950	53.53	01/01 - 31/12/2010	01/01 - 31/12/2021
2008	300,000	233,650	116,650	40.00	01/01 - 31/12/2012	01/01 - 31/12/2023
2015	203,750	117,700	87,725	11.73	01/01 - 31/12/2019	01/01 - 31/12/2025
2019	370,000	102,250	87,750	14.39	01/01 - 31/12/2023	01/01 - 31/12/2029
	1,173,750	721,650	428,075			

Details of the share options outstanding during the year are as follows:

	2020		2019	
	Number of share options	Weighted average exercise price in €	Number of share options	Weighted average exercise price in €
Outstanding on 1 January	494,500	33.91	486,235	34.41
Granted during the year	-	14.39	92,250	14.39
Forfeited during the year	-17,500	11.73	-2,500	11.73
Exercised during the year	-7,175	11.73	-5,300	11.73
Expired during the year	-	15.71	-76,185	15.71
Correction previous reporting periods	-41,750	-	-	-
Outstanding on 31 December	428,075	33.25	494,500	33.91
Exercisable on 31 December	340,325		402,250	

7,175 share options were exercised during the current financial year (5,300 in 2019). 17,500 options, spread over all outstanding option plans, were cancelled as a result of employees who no longer work at the company. In addition, an adjustment was made to the number of options stated and accepted that relates to previous reporting periods, resulting in a return in the profit and loss account. This had no material impact on the group's consolidated financial statements, so that no retrospective restatement was made. In 2020 a total of € 208 K revenue was generated (2019: € 57 K expense) recognised in personnel charges related to equity-settled share-based payment transactions. All option plans granted from 7 November 2002 are recognised in the profit and loss account starting in 2015.

The share options outstanding at the end of the period have a weighted average residual life of 4.0 years. In 2020, the weighted average share price on the exercise date was € 12.97 (2019: € 14.33).

NOTE 23 – PROVISIONS

At the end of the reporting period, the provisions were € 7.6 M compared to € 8.3 M last year. They are mainly the result of pending disputes (€ 4.6 M) and other provisions (€ 3.1 M).

The provisions for pending disputes mainly relate to two pending lawsuits with former suppliers of Roularta Media Group, of which Infobase (€ 3.8 M) is the largest. In the dispute, two legal proceedings are still pending, both of which

relate to the penalty payments claimed by the opposing party.

In still pending legal proceedings regarding an alleged trademark infringement, no provision was made by Roularta Media Group. Management has considered all the facts and circumstances, and has determined that there will likely be no outflow of resources. On the basis of an intervening judgement, the counterparty proceeded to serve notice of penalties incurred amounting to € 1.0 M. Roularta Media Group lodged an objection against this notification, which was rejected by the attachment court in a decision of 28 August 2020. An appeal has been lodged against this decision. A ruling is expected in the spring of 2022. Pending settlement by the court of appeal, the full amount was deposited with the Deposit and Consignment Office. We refer here to Note 16 Investments in financial assets, loans and guarantees.

The other provisions mainly concern those for participations accounted for using the equity accounting method, the losses of which exceed the carrying amount of the participation, see also Note 15 - Investments in associates and joint ventures. The reversal of unused provisions of -€ 0.7 M mainly concerns the former associate Proxistore NV, which became an investment in a financial asset in 2020 due to a dilution of capital. We refer here to Note 16 Investments in financial assets, loans and guarantees.

2020				
in thousands of euros	Legal proceeding provisions	Environmental provisions	Other provisions	Total
Balance on 1 January	4,374	17	3,878	8,268
Movements during the period:				
- Increase / decrease due to existing provisions	447	-	50	497
- Amounts of provisions used (-)	-268	-17	-175	-460
- Unused amounts of provisions reversed (-)	-	-	-683	-683
Balance on 31 December	4,553	-	3,070	7,622
2019				
in thousands of euros	Legal proceeding provisions	Environmental provisions	Other provisions	Total
Balance on 1 January	4,498	17	3,568	8,083
Movements during the period:				
- Additional provisions	466	-	553	1,019
- Amounts of provisions used (-)	-590	-	-13	-603
- Unused amounts of provisions reversed (-)	-	-	-230	-230
Balance on 31 December	4,374	17	3,878	8,268

NOTE 24 - NON-CURRENT EMPLOYEE BENEFITS

I. General

in thousands of euros	2020	2019
Defined benefit plans	2,216	2,273
Redundancy payments	45	-
Other long-term employee benefits	2,507	2,908
<i>Future tariff benefits on subscriptions</i>	690	830
<i>Employee retirement premiums</i>	32	93
<i>Jubilee premiums</i>	1,785	1,986
Total non-current employee benefits	4,767	5,180

II. Defined benefit pension plans

There are various pension plans, the compensation of which depends on the number of years of service and wages. For the Belgian plans, assets are held in funds in accordance with local legal requirements.

Belgian defined contribution plans for pensions are subject by law to guaranteed minimum returns. For new deposits from 2016 onwards, the statutory minimum return is linked to the return on Belgian straight-line bonds with a maturity of 10 years, with a minimum of 1.75% and a maximum of 3.75%. This minimum return requirement is calculated as an average over the member's entire career. Due to these guaranteed minimum returns, all Belgian defined contribution plans are considered under IFRS as a defined benefit pension plan.

IAS 19 requires an entity to create a provision when an employee has rendered services in exchange for future benefits to be paid. For each plan, the pension costs are calculated by an actuary on the basis of the projected unit credit method. Based on this method, the liabilities with regard to past service and the accrued plan assets are calculated. The difference between the liability and the fair value of the plan assets is recognised by the Group in the balance sheet as employee benefits.

The table below provides an overview of the 2020 and 2019 gross liability resulting from defined benefit pension plans, the fair value of the plan assets and the changes thereto. They include multiple Belgian plans that are presented in aggregate because they do not differ materially in characteristics, geographic location, reporting segment or financing arrangement. The net pension liability decreased by € 57 K compared to last year.

in thousands of euros	2020			2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Pension cost charged to profit and loss						
Balance on 1 January	65,757	63,484	2,273	51,029	47,795	3,234
Service cost	3,595	-	3,595	3,137	-	3,137
Net interest expense	541	536	5	1,065	1,033	32
Subtotal included in profit and loss	4,136	536	3,600	4,202	1,033	3,169
Benefits paid	-1,387	-1,387	-	-1,109	-1,109	-
Remeasurement gains/losses in OCI						
Increase due to effect of transfers	-	-	-	2,208	2,208	-
Return on plan assets (excluding amounts included in net interest expense)	-	-3,878	3,878	-	10,528	-10,528
Actuarial changes arising from changes in demographic assumptions	-	-	-	1,355	-	1,355
Actuarial changes arising from changes in financial assumptions	-4,425	-	-4,425	9,080	-	9,080
Actuarial changes arising from experience adjustments	-248	-	-248	-1,417	-	-1,417
Subtotal included in other comprehensive income	-4,673	-3,878	-795	11,226	12,736	-1,509
Contributions by employer	-	2,874	-2,874	-	2,621	-2,621
Contributions by the plan's participants	428	428	-	408	408	-
Additions/decreases from business combinations/divestments	1,508	1,496	12	-	-	-
Balance on 31 December	65,769	63,553	2,216	65,757	63,484	2,273

The increase in the net defined benefit obligation as a result of business combinations is due to Senior Publications SA, which was a joint venture in 2019 that was fully consolidated after the purchase of the remaining 50% of shares. We refer here to Note 2.

The main actuarial assumptions are as follows:

Principal actuarial assumptions	2020	2019
1. Discount rate	1.25%	0.81%
2. Expected return on plan assets	1.25%	0.81%
3. Expected rate of salary increase	2.50%	2.5%
4. Underlying future inflation	2.00%	2.0%

A sensitivity analysis was performed on the above parameters on 31 December 2020. The figures below show the impact on the pension obligation.

in thousands of euros	2020
Discount rate	
Decrease of 0,25%	-2,464
Increase of 0,25%	2,339
Estimated future salary change	
Decrease of 0,25%	307
Increase of 0,25%	-312
Future consumer price index change	
Decrease of 0,25%	211
Increase of 0,25%	-236
Future turnover change	
Decrease of 0,25%	-860
Increase of 0,25%	553

The above sensitivity analyses are based on a change in one assumption while all other assumptions are held constant. In practice, this is unlikely to happen and changes in some of the assumptions can be correlated. The projected unit credit method was also used to calculate the sensitivity of the defined benefit obligation to significant actuarial assumptions. The impact on the net pension obligation will be significantly lower than the above values and the effect will go through unrealised period results.

Defined benefit pension plans use a defensive investment strategy that primarily invests in fixed income securities to ensure the security, return and liquidity of the investments. This takes into account the judicious diversification and spread of the investments. The main categories of plan assets and the share of each major category in the fair value of the plan assets are: 67.5% government bonds (66.5% in 2019), 7.5% corporate bonds (7.5% in 2019), 6.0% loans (6.0% in 2019), 5.0% shares (4.0% in 2019), 14.0% real estate (16.0% in 2019).

The expected benefits to be paid from the plan assets are as follows:

in thousands of euros	2020
Within the next 12 months	760
Between 2 and 5 years	5,412
Between 6 and 10 years	16,730
Total expected payments	22,902

The Group expects to pay € 2.8 million in employer contributions in 2021 related to defined benefit pension plans (€ 2.9 million in 2020); employee contributions are expected to amount to € 0.4 million.

The average term of the pension obligations at the end of the reporting period is 16.0 years.

III. Share options

See Note 22.

NOTE 25 - FINANCIAL DEBTS

The following table provides an overview of the remaining contractual maturity of the financial liabilities (non-discounted cash flows)

in thousands of euros	Current		Non-current		
2020					
Financial debts	Up to 1 year	2 years	3 to 5 years	>5 years	Total
Financial leasing debt	1,315	857	1,113	1,384	4,669
Total financial debts according to their maturity	1,315	857	1,113	1,384	4,669

in thousands of euros	Current		Non-current		
2019					
Financial debts	Up to 1 year	2 years	3 to 5 years	>5 years	Total
Finance leases	1,245	1,024	1,381	1,992	5,641
Credit institutions	509	-	-	-	509
Total financial debts according to their maturity	1,754	1,024	1,381	1,992	6,150

As a result of the application of IFRS 16 Leases, financial leasing debts have been recognised as of 1 January 2019. In 2020, RMG will no longer have a negative current account (in 2019: € 509 K).

As of 31/12/2020, there are no guaranteed debts outstanding with lenders.

For further information regarding the Group's exposure to interest and exchange rate risks, see Note 28 Financial instruments - risks and fair value.

The table below shows the financial debts as they are included in the balance sheet (i.e. discounted), including the movements during the financial year. The repayments reflect cash flows from financing activities (liabilities). The others are non-cash movements and arise mainly from the IFRS16 recognition of tangible fixed assets.

in thousands of euros	2020	2019
Balance as of January 1	5,502	298
Initial application IFRS 16	-	4,658
Additions	1,020	1,719
Repayments	-1,972	-1,174
Additions through business combinations	89	-
Balance as of December 31	4,639	5,502

NOTE 26 – OTHER NOTES ON LIABILITIES

in thousands of euros	Current		Non-current		
2020					
Trade and other payables	Up to 1 year	2 years	3 to 5 years	>5 years	Total
Trade payables	35,613	-	-	-	35,613
Trade payables	17,937	-	-	-	17,937
Invoices to be received / credit notes to issue (*)	16,923	-	-	-	16,923
Credit balances trade receivables	753	-	-	-	753
Advances received	27,076	-	-	-	27,076
Current employee benefits	15,126	-	-	-	15,126
Payables to employees	11,008	-	-	-	11,008
Payables to public administrations	4,118	-	-	-	4,118
Taxes	525	-	-	-	525
Other payables	10,038	-	-	287	10,325
Indirect tax payable (*)	4,223	-	-	-	4,223
Other payables	5,815	-	-	287	6,102
Accrued charges and deferred income	7,808	-	-	-	7,808
Total amount of payables according to their maturity	96,187	-	-	287	96,474

(*) No financial liability as defined in IFRS 9

in thousands of euros	Current		Non-current		
2019					
Trade and other payables	Up to 1 year	2 years	3 to 5 years	>5 years	Total
Trade payables	45,321	-	-	-	45,321
Trade payables	25,336	-	-	-	25,336
Invoices to be received / credit notes to issue (*)	18,954	-	-	-	18,954
Credit balances trade receivables	1,031	-	-	-	1,031
Advances received	25,794	-	-	-	25,794
Current employee benefits	16,513	-	-	-	16,513
- of which payables to employees	12,691	-	-	-	12,691
- of which payables to public administrations	3,822	-	-	-	3,822
Taxes	338	-	-	-	338
Other payables	10,884	-	-	287	11,171
Indirect tax payable (*)	3,208	-	-	-	3,208
Other payables	7,676	-	-	287	7,963
Accrued charges and deferred income	6,759	-	-	-	6,759
Total amount of payables according to their maturity	105,610	-	-	287	105,897

(*) No financial liability as defined in IFRS 9

Trade and other payables also decreased because of the reduced activity due to COVID-19. Due to the increase in subscription revenues, the prepayments received increased.

Indirect taxes mainly concern payroll tax and provincial and municipal taxes.

The other liabilities are mostly liabilities to associates and joint ventures. The decrease is due to companies that are

no longer part of the group or the full consolidation of an entity (Senior Publications NV in this case). We refer to Note 2 – Group structure for more information on this.

The contract balances arising from contracts with customers included in these balances concern:

in thousands of euros	2020	2019
Contract liabilities		
Advances received	27,039	25,759
Credit notes to issue	1,453	2,282
Credit balances trade receivables	753	1,031
Deferred income	7,451	6,467
Obligations related to returns, refunds and other similar obligations		
Credit notes to issue: provision for unsold issues	4,063	4,310

Although some magazines have a minimum subscription length of more than one year, no prepayment was received for more than one year.

NOTE 27 – CONTINGENT LIABILITIES AND CONTRACTUAL COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The Group does not guarantee payment obligations, nor does it have any pledges against business assets (same in 2019).

The contractual commitments for the Group's purchase of paper from third parties amount to € 5,214 K (2019: € 3,953 K).

A bank guarantee of € 7,875 K was taken out in 2019 for the acquisition of the new Lithoman IV 72-page printing press. At the end of 2020, this still is still open for an amount of € 500 K. No other contractual commitments have been concluded for the acquisition of tangible fixed assets.

NOTE 28 – FINANCIAL INSTRUMENTS – RISKS AND FAIR VALUE

In the course of its business activities, the Group is exposed to currency, interest, credit and market risks. Derivatives are used as appropriate to mitigate the risk associated with fluctuations in exchange rates and interest.

A. Foreign exchange risk Operational Activities

The Group is minimally subject to a foreign exchange risk since both purchases and sales are mainly in euros.

Financing activities

On 31 December 2020 there were, just as on 31 December 2019, no financing activities with a potential foreign exchange risk.

Estimated sensitivity to foreign exchange risk

Management is of the opinion that, given the aforementioned limited foreign exchange risks, the risks of fluctuations in the fair value or in the future cash flows of financial instruments with an impact on the result or equity as a result of exchange rate changes, are not material.

B. Interest risk

The due dates of the financial debts and liabilities can be found in Note 25 – Financial debts.

As of December 31 2020, the Group has no current account balance with credit institutions (2019: 509 K€).

Current account balances have a variable market interest rate. Loans to associates and joint ventures, which are booked under the category other loans, have a fixed interest rate that is revisable after three or five years. To hedge risks related to adverse interest rate fluctuations, the Group historically has used financial instruments, namely IRS

contracts. The Group has no longer has such financial instruments since the end of 2018.

Estimated sensitivity to interest rate fluctuations

Since in 2020 there are no outstanding loans with a variable interest rate, the Group is not subject to sensitivity to interest rate fluctuations as of December 31 2020. In view of the Group's large cash surpluses, interest must be paid due to the negative interest rate of banks with the European Central Bank.

C. Credit risk

The Group is exposed to credit risk with respect to its customers, which could lead to credit losses.

In order to manage credit risk, creditworthiness surveys are conducted on customers seeking significant credit facilities and, if these surveys are negative, credit is denied or limited. In addition, the Group uses credit instruments, such as bills of exchange, to cover part of the credit risk and takes out credit insurance for a limited percentage of the print shop's foreign customers.

There was no significant concentration of credit risks with a single counterparty on December 31 2020.

Despite RMG's intention to limit its credit risk, it may experience a deterioration in the creditworthiness of its customers. Any inability to take out a credit insurance policy with respect to certain customers could materially adversely affect RMG's business, financial position and/or results of operations.

The carrying amount of the financial assets represents the Group's maximum exposure to credit risk. The carrying amount is reported including downward value adjustments. An overview of this carrying amount can be found in Point F below. The downward value adjustments are detailed in Note 17 – Trade and other receivables.

D. Liquidity risk

The analysis of maturity of the financial debts can be found in Note 25 – Financial debts.

The Group expects to be able to meet its obligations using the expected operating cash flows and its current liquid assets. After all, Roularta is debt-free and at end of 2020 has a net cash position of € 85.9 M. In addition, the Group no longer has various short-term credit lines, with the exception of the remaining bank guarantee on the new printing press (see Note 27) for which the credit line has not been drawn down. Liquidity risk is therefore minimal.

RMG manages cash and financing flows and the ensuing risks through a treasury policy at group level. In order to optimise the equity positions and to minimise the related interest expenses, the cash flows of the subsidiaries within the Group are centralised as much as possible in a cash pool.

E. Capital structure

On 31 December 2020, the gearing ratio (i.e. net financial cash position/total equity) was -38.4% compared to -42.0% the year before. Given the net cash position of the group, the ratio is negative. Roularta Media Group continuously strives to optimise its capital structure (combination of debt and equity). The main objective of the capital structure is to maximise shareholder value while maintaining the desired financial flexibility to implement strategic projects. The Group has free access to the above-mentioned net cash position and therefore is always able to respond to market opportunities. Given the strongly changing media sector in which the Group operates, debt is handled with great care.

At the end of 2019, the Board of Directors of Roularta Media Group gave its approval to call on a number of specialised financial institutions to work on an efficient investment strategy for the Group's cash reserves. It emerged that a balanced structure, a prudent approach and a preference for investments in sustainable companies are important. However, due to pandemic year 2020, it was decided to keep the cash reserves as liquid as possible as a precaution. The intention is to further study these investments in 2021.

The capital structure of the Group consisted mainly of capital (see details in Note 21 – Equity) at the end of 2020. Note 25 shows the details of the limited financial debts. Note 20 shows the cash investments, liquid assets and cash equivalents.

The Group is not subject to any externally imposed capital requirements. The audit committee reviews the capital structure of the Group every six months. As part of this review, the cost of capital and the risk of each type of capital (foreign or own) are considered.

F. Fair value

An overview is provided below of the financial instruments' carrying amounts which the group uses in the consolidated financial statements. The carrying amounts are a good estimate of their fair value.

			2020	2019
in thousands of euros		Note	Carrying amount	Carrying amount
Non-current assets				
Investments in financial assets		16	515	224
Loans and guarantees		16	2,798	2,402
Trade and other receivables		17	78	100
Current assets				
Trade and other receivables		17	49,881	60,061
Cash and cash equivalents		20	90,559	101,438
Non-current liabilities				
Financial debts		25	-3,324	-3,748
Other payables		26	-287	-287
Current liabilities				
Financial debts		25	-1,315	-1,754
Trade payables		26	-35,613	-45,321
Advances received		26	-27,076	-25,794
Other payables		26	-10,038	-10,884
Classification under IFRS 9	AC	Financial assets and financial liabilities at amortised cost		
	FV-P&L	Financial assets at fair value through profit and loss		
	FV-OCI	Equity instruments at fair value reported in other comprehensive income		

The main methods and assumptions used in estimating the fair values of financial instruments included in the statement are presented below.

Investments in financial assets

As mentioned in Note 16, management has determined that the cost price is a correct estimate of the fair value for the unlisted equity investments of the fully consolidated companies because there is insufficient more-recent information available to measure the fair value.

Loans, guarantees, trade and other receivables, trade and other debts

For receivables and payables with an original term of less than one year, the nominal value is considered to reflect the fair value in view of the short maturity period. For receivables of more than one year, it was determined that the carrying amount reflects the fair value.

Financial debts

The fair value of the loans and leasing debts is calculated on the basis of the present value of the expected future cash flows from repayments and interest payments.

Other liabilities

For short-term liabilities, the nominal value is considered to reflect the fair value in view of the short term to maturity. The fair value of the financial derivatives is determined on the basis of market valuation on the balance sheet date.

Fair value hierarchy

The investments in financial assets (€ 515 K on 31 December 2020 and € 224 K on 31 December 2019) are valued at fair value and consist of level 3 investments.

The following hierarchy is used for determining and disclosing the fair value of financial instruments by valuation technique:

- level 1: quoted prices in active markets for identical assets or liabilities
- level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly (via prices) or indirectly (derived from prices)
- level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

During the reporting period, there were no transfers between the different levels.

NOTE 29 – CASH FLOWS ON ACQUISITIONS AND DIVESTMENTS

The table below summarises the net cash flows related to acquisitions/purchase of branches, and divestments/sales of branches.

in thousands of euros	2020	2019	2020	2019
ASSETS	Acquisitions	Acquisitions	Divestments	Divestments
Non-current assets	1,780	-	-55	-
Intangible assets	1,338	-	-	-
Property, plant & equipment	99	-	-	-
Investments accounted for using the equity method	-	-	-55	-
Investments in financial assets, loans and guarantees	316	-	-	-
Trade and other receivables	27	-	-	-
Current assets	4,795	-	-	-
Trade and other receivables	2,919	-	-	-
Cash and cash equivalents	1,876	-	-	-
Total assets	6,575	-	-55	-

LIABILITIES	Acquisitions	Acquisitions	Divestments	Divestments
Non-current liabilities	403	-	-	-
Deferred taks liabilities	334	-	-	-
Other payables	69	-	-	-
Current liabilities	2,761	-8,218	-	-
Trade payables	1,200	-7,868	-	-
Advances received	1,381	-	-	-
Other payables	180	-350	-	-
Total liabilities	3,164	-8,218	-	-
Total net assets acquired/sold	3,410	8,218	-55	-
Net assets acquired	3,410	8,218	-55	-
Revaluation historical investment	-1,235	-	-	-
Gain (+) / Loss (-) on divestment	-	-	255	-
Consideration paid / to pay in cash and cash equivalents	2,175	8,218	200	-
Deposits and cash and cash equivalents acquired	-1,876	-	-	-
Net cashflow (- outflow, + inflow)	-299	-8,218	200	-

The net cash outflow in 2020 (-€ 299 K) includes the purchase of Senior Publications NV (i.e. -€ 124 K) [see Note 2 - Group structure] as well as the latest earnout on the acquisition of the Sterck brand (-€ 175). The Sterck brand resulted from the acquisition of Bright Communications and Bright Communications Antwerpen in 2017.

In 2020 the Group sold its 50% stake in Regionale Media Maatschappij NV, generating a net cash inflow of € 200 K, and also sold its 50% shareholding in the J.M. Sailer companies (1 euro) [see also Note 2].

The net cash outflow in 2019 includes, on the one hand, the price still due to Sanoma (€ 7,868 K) for the acquisition of the women's brands. This acquisition was completed on 30 June 2018. The acquired brands concerned the weekly magazines *Libelle/Femmes d'Aujourd'hui* and *Flair* (Dutch/French), the monthly magazines *Feeling/GAEL* and the magazines *La Maison Victor*, *Communiekraant*, and *Loving You*. In addition, the acquisition also included the e-commerce platform with special offers Shedeals, as well as the websites, line extensions and social media channels of the aforementioned brands. On the other hand, in 2019 there was also the payment of a first earnout of € 350 K on the acquisition of the Sterck brand.

No subsidiaries or business sectors were sold in 2019.

NOTE 30 – IMPORTANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

The United Kingdom left the European Union on 31 December 2020. The impact of this on the activities of the Group will be minimal. There are only a few printing orders for B2B customers in the UK. An analysis of these orders shows a limited risk since the delivery obligations are usually defined as ex-works. Invoices are issued in euros with market-conform terms of payment. Roularta Media Group does not have any B2C end customers, assets or personnel in the UK, nor does it purchase any raw materials there.

After the balance sheet date, a new entity, Immovlan BV, was established on 6 January 2021 by Roularta Media Group (35%), Group Rossel (35%) and Belfius (30%). The entity includes the activities of Immovlan and Vacancesweb that were part of CTR Media SA in 2020 (50% RMG/50% Rossel). The transaction was approved by the competition authority in November 2020. 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.

Roularta Media Group has taken into account all facts and circumstances when assessing whether it exercises control over the participating interest and has come to the conclusion that this is the case because the Group has control over Rossel's 35% interest according to the shareholder agreement between Roularta Media Group and Rossel. Therefore, the Group will fully consolidate this entity from 2021, so that the Immovlan brand – previously operated by the joint venture entity CTR Media SA – will play a greater role in the Group's consolidated profit and loss account.

On 25 March 2021 Roularta Media Group (RMG) reached an agreement with Bayard Presse, whereby RMG becomes the sole owner of the Belgian public limited company Belgomedia and the Dutch private limited company Senior Publications Nederland. With this transaction RMG also acquires 100% of the shares of BV Press Partners.

In this way Roularta Media Group expands its portfolio of brands, including Télépro, Plus, G-Geschiedenis/G-Geschichte, Frau im Leben, the website gezondheidsnet.nl, the online learning platform etadoro.nl and the Dutch fairs 50+ and - Gezondheidsbeurs.

The results of Belgomedia and Senior Publications (including the results of the companies affiliated with the aforementioned – with the exception of the Dutch company 50+ Beurs & Festival BV) will be fully consolidated as of 1 April 2021. The turnover of the acquired company Belgomedia and Senior Publications (including their participations) amounts to more than EUR 30 million. They employ 160 people (on a full-time basis).

This transaction brings to an end the many years of cooperation in Belgium, Germany and the Netherlands between Roularta Media Group and Bayard Presse.

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

NOTE 31 – FEES OF THE STATUTORY AUDITOR AND RELATED PERSONS

The statutory auditor's fee was € 184 K (in 2019: € 193 K). The statutory auditor's fee for additional audit engagements of the statutory auditor was € 26 K (in 2019: € 17 K).

NOTE 32 – RELATED PARTY TRANSACTIONS

in thousands of euros			
2020	Associated companies and joint ventures	Other related parties	Total
I. Assets with related parties	2,389	-3	2,386
Investments in financial assets, loans and guarantees	68	-	68
Loans	68	-	68
Current receivables	2,321	-3	2,318
Trade receivables	1,975	-3	1,972
Other receivables	346	-	346
II. Liabilities with related parties	6,089	110	6,199
Financial liabilities	37	-	37
Other payables	37	-	37
Payables	6,052	110	6,162
Financial debts	-	-	-
Trade payables	607	110	717
Other payables	5,445	-	5,445
III. Transactions with related parties	2,835	-1,434	1,401
Rendering of services	6,446	259	6,705
Receiving of services (-)	-3,613	-1,693	-5,306
Transfers under finance arrangements	2	-	2
IV. Remuneration board members for the execution of their mandate			335

in thousands of euros			
2019	Associated companies and joint ventures	Other related parties	Total
I. Assets with related parties	2,535	47	2,582
Investments in financial assets, loans and guarantees	50	-	50
Loans	50	-	50
Current receivables	2,485	47	2,532
Trade receivables	2,152	47	2,199
Other receivables	333	-	333
II. Liabilities with related parties	9,729	199	9,928
Financial liabilities	37	-	37
Other payables	37	-	37
Payables	9,692	199	9,891
Financial debts	509	-	509
Trade payables	2,038	199	2,237
Other payables	7,145	-	7,145
III. Transactions with related parties	3,252	-2,227	1,025
Rendering of services	8,284	338	8,622
Receiving of services (-)	-5,028	-2,565	-7,593
Transfers under finance arrangements	-4	-	-4
IV. Remuneration board members for the execution of their mandate			368

The Group has no assets, liabilities or transactions with its shareholders Comm.VA Koinon (except for remuneration of the company's permanent representative), SA West Investment Holding and Capfi Delen Asset Management NV. SA Bestinver Gestión SGIIC is no longer a shareholder of Roularta Media Group NV since the sale of their share package in November 2020.

Assets, liabilities and transactions with subsidiaries are fully eliminated in the consolidation. Assets, liabilities and transactions with associates and joint ventures are not eliminated from the consolidation and therefore are fully recognised under this category.

The list of subsidiaries, joint ventures and associates can be found in Note 2.

The other affiliated parties are companies operated by the Group's Executive Management Committee and their close relatives, or over which these persons have control or significant influence. There are no guarantees linked to the assets and liabilities vis-à-vis the affiliated parties. There were no impairments booked in 2020 nor in 2019.

All claims and liabilities relate to short-term claims and liabilities that are fulfilled on the maturity date. All transactions are ordinary commercial transactions. For sales by the Group to these affiliated parties, the usual pricing applies (the same that applies to third parties). For purchases, the usual procedure is applied with regard to the selection of the supplier and the prices applied.

Statutory auditor's report

Statutory auditor's report to the shareholders' meeting of Roularta Media Group NV for the year ended 31 December 2020 - Consolidated financial statements.

In the context of the statutory audit of the consolidated financial statements of Roularta Media Group NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 15 May 2018, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee and presentation of the works council. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2020. Due to a lack of online archives dating back prior to 1997, we have not been able to determine exactly the first year of our appointment. We have performed the statutory audit of the consolidated financial statements of Roularta Media Group NV for at least 24 consecutive periods.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 337 572 (000) EUR and the consolidated statement of comprehensive income shows a profit for the year then ended of

5 789 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Intangible assets – Valuation and useful life</p> <p>Considerable intangible assets are expressed in the balance sheet in relation to brands and a customer portfolio acquired by Roularta in the past. Per 31 December 2020, the value of the intangibles represent a total of 99.0 MEUR (46.3 MEUR recorded as intangible fixed assets and 52.7 MEUR included in the joint ventures).</p> <p>We refer to this matter in our audit report because of:</p> <ul style="list-style-type: none"> the fact that impairment indicators related to the above-mentioned intangible assets were noted in 2020, and RMG management performed an impairment test resulting in no impairments to be recognized per 31 December 2020. the determination of the useful life is an accounting estimate which includes a degree of judgement and is based on assumptions that are affected by expected future market or economic conditions. In case of deterioration of these economic conditions, the remaining economic useful life would need to be revisited and/or the intangible asset would need to be impaired. <p>The valuation rules in relation to useful life and the remaining useful life of the intangible assets are disclosed in Note 1, 13 and 15 to the consolidated financial statements.</p>	<p>Our audit procedures include, amongst others, obtaining insight in the valuation rules, the internal controls and the procedures used by the company for the identification of impairment losses and the accounting estimates with regard to the useful life of the intangible assets.</p> <p>Because of the COVID-19 pandemic, impairment indicators related to the intangible assets were identified in 2020, for which we have challenged and reviewed the impairment test as performed by Roularta management to identify potential impairments. A comparison was made between the recoverable amount as estimated by the company and the net book value as at 31 December 2020. We have validated and assessed the budgets, assumptions and methodology used by the company, for example by using forward-looking budgets against past performance, reviewed the sensitivity of certain assumptions in the valuation and disclosure thereof and assessed the competence, independence and integrity of the external valuation expert.</p> <p>In addition, we assessed management's estimate of the remaining useful life as at 31 December 2020, as well as their assessment of the need to revise the amortization period of the intangible assets.</p> <p>Further, we have reviewed the presence of an important source of estimation uncertainty - as determined by IAS 1 - in relation to the useful life of the intangible assets.</p> <p>Finally, we have evaluated whether appropriate disclosures in relation to the intangible assets are made in accordance with IAS 38.</p>

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or

error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance and the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual

report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements, i.e

- Preface by Rik De Nolf;
- 2020 Events by Xavier Bouckaert;
- Consolidated key figures;
- Executive management committee en board of directors;
- Corporate Governance Statement;

are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

The non-financial information as required by article 3:32, § 2 of the Code of companies and associations, has been disclosed in the the directors' report on the consolidated financial statements that is part of 'Declaration on non-financial information' of the annual report. This non-financial information has been established by the company in accordance with the GRI-standards.. In accordance with article 3:75, §

1, 6° of the Code of companies and associations we do not express any opinion on the question whether this non-financial information has been established in accordance with these GRI-standards.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Gent, 8 April 2021.

The statutory auditor

Deloitte Bedrijfsrevisoren BV
Represented by Charlotte Vanrobaeys

Statutory financial statements

CONDENSED STATUTORY FINANCIAL STATEMENTS

The following pages are extracts from the statutory financial statements of NV Roularta Media Group, prepared in accordance with Belgian accounting rules.

The valuation rules used for the statutory financial statements differ significantly from the valuation rules used for the consolidated financial statements: the statutory financial statements are drawn up in accordance with Belgian legal provisions, while the consolidated financial statements are drawn up in accordance with the International Financial Reporting Standards.

Only the consolidated financial statements contained in the preceding pages give a true and fair view of the financial situation and the performance of the group as a whole.

The report of the board of directors on the statutory financial statements to the general meeting of shareholders, together with the financial statements of NV Roularta Media Group and the report of the statutory auditor, will be filed with the National Bank of Belgium within the legally prescribed period.

These documents are available upon request from the company's Investor Relations Department and can be viewed at www.roularta.be.

The statutory auditor has issued an unqualified opinion with regard to the statutory financial statements of NV Roularta Media Group.

EXTRACT FROM THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

The financial statements as they will be presented to the general meeting of shareholders on 18 May 2021 were approved by the board of directors on 2 April 2021.

Profit appropriation

The profit to be appropriated for financial year 2020 amounts to € 929,221.39 compared to profit to be appropriated of € 10,119,296.68 for financial year 2019.

Taking into account the profit carried forward from the previous financial year of € 38,987.00, the profit balance to be appropriated for financial year 2020 amounts to € 968,208.39.

The board of directors proposes to the general

meeting to distribute a gross dividend of 1.00 euro per share for the year 2020. This gross dividend takes into account the anticipated dividend for the 2019 financial year of 0.50 euro, which, however, was cancelled due to the outbreak of the corona virus. In accordance with Article 7:217 §3 of the Belgian Companies and Associations Code, the dividend rights attached to the treasury shares held by the company in its portfolio will lapse.

On the date of the annual report, the company had 1,411,929 treasury shares in its portfolio. In the context of the appropriation of results shown below, it was assumed that 11,729,194 shares are entitled to a dividend (i.e. 13,141,123 - 1,411,929) shares.

If between the date this annual report was prepared and the general meeting to be held on 18 May 2021 there are additional personnel who exercise their Roularta share options, this will have an impact on the number of shares entitled to a dividend and the amount of the compensation to capital can still change.

Appropriation of results

We propose to appropriate the profits as follows:

A. Net profit to be appropriated	968,208.39
Consisting of:	
• profit from the financial year to be allocated	929,221.39
• profit carried forward from the previous financial year	38,987.00
B. Withdrawal from equity	
• to other reserves	10,800,000.00
C. Result to be carried forward	39,014.39
D. Profit to be distributed	
• Reimbursement of capital	11,729,194.00

If the general meeting approves the above-mentioned proposal for profit appropriation, the final dividend will be made payable from 1 June 2021 (= pay date). ING is appointed as paying agent.

CONDENSED STATUTORY INCOME STATEMENT

in thousands of euros	2020	2019
Condensed statutory income statement		
Operating income	261,094	300,282
Operating charges	-261,678	-294,509
Operating profit / loss	-584	5,773
Financial income	8,433	20,556
Financial charges	-6,648	-15,761
Profit (loss) for the period before taxes	1,201	10,568
Income taxes	-272	-449
Profit (loss) for the period	929	10,119
Profit (loss) for the period available for appropriation	929	10,119
in thousands of euros	2020	2019
Appropriation account		
Profit (loss) to be appropriated	968	10,139
Profit (loss) for the period available for appropriation	929	10,119
Profit (loss) brought forward	39	20
Transfers from capital and reserves	10,800	-
From reserves	10,800	-
Transfers to capital and reserves	-	-10,100
To other reserves	-	10,100
Result to be carried forward	-39	-39
Profit (loss) to be carried forward	39	39
Distribution of profit	-11,729	-
Dividends	11,729	-

CONDENSED STATUTORY BALANCE SHEET AFTER APPROPRIATION

in thousands of euros	2020	2019
ASSETS		
Fixed assets	161,572	161,268
Intangible assets	50,304	56,154
Tangible assets	40,417	34,342
Financial assets	70,851	70,771
Current assets	170,130	180,692
Amounts receivable after more than one year	79	100
Stocks and contracts in progress	4,783	5,996
Amounts receivable within one year	54,943	65,713
Investments	54,444	43,100
Cash at bank and in hand	52,440	63,332
Deferred charges and accrued income	3,441	2,451
Total assets	331,702	341,960
LIABILITIES		
Capital and reserves	218,277	229,077
Capital	80,000	80,000
Share premium account	304	304
Legal reserve	8,000	8,000
Reserves not available for distribution	19,444	8,100
Untaxed reserves	1,207	1,207
Reserves available for distribution	109,284	131,428
Profit (loss) carried forward	39	39
Provisions and deferred taxation	9,621	9,855
Creditors	103,804	103,028
Amounts payable after more than one year	37	37
Amounts payable within one year	96,734	96,384
Accrued charges and deferred income	7,033	6,606
Total liabilities	331,702	341,960

FINANCIAL CALENDAR

Annual meeting 2020
 Half-year results 2021
 Annual results 2021
 Annual meeting 2021

18 May 2021
 17 August 2021
 4 March 2022
 17 May 2022

INVESTOR RELATIONS

Telephone
 Email
 Website

Rik De Nolf
 +32 51 26 63 23
 rik.de.nolf@roularta.be
 www.roularta.be

NV Roularta Media Group, Meiboomlaan 33, B-8800 Roeselare, VAT BE 0434.278.896, RLE Ghent, Kortrijk division,
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Roularta
Media Group

**Annual
Report
2020**

Roularta Media Group
Headquarters

Meiboornlaan 33,
8800 Roeselare
+32 (0)51 266 111

BMC
Editorial department &
advertising management

Raketstraat 50
1130 Brussel
+32 (0)2 702 45 11

Mediafin
De Tijd | L'Echo

Tour & Taxis,
Havenlaan 86C bus 309
1000 Brussel
+32 (0)2 423 16 11