



2020 Results: €35.1 M€ 2020 ROE: 23.9%

The Board of Directors of ABC arbitrage, presided by the Chairman Dominique Ceolin, met on March 18, 2021 to approve the consolidated financial statements for fiscal year 2020. The financial data are as follows:

	Dec. 31, 2020 IFRS	Dec. 31, 2019 IFRS
Net revenues	€68.8m	€37.2m
Net income	€35.1m	€18.3m
Earnings per share (EPS)	€0.60	€0.31
Return On Equity (ROE)	23.9%	12.8%

Business Performance

In 2020, the health crisis generated a wave of uncertainty rarely encountered. The market environment was statistically exceptional. The average of the benchmark volatility index (VIX) was 29.3% vs. 15.4% for the year 2019. The first half of 2020 was characterized by a more violent shock of volatility in March than what was observed during the 2008 crisis. This shock, linked to the acceleration of the health crisis, was followed by more than 3 months of volatility and volumes above their average levels of the last 5 years. The markets quickly calmed down thanks to support provided by the states and massive central bank intervention. The overall situation remained febrile throughout the year, with violent market phenomena such as November 2020 sector rotation. The correlation of the Group's results with these parameters, mainly volatility, was again strong. After almost a decade of significant decline in market volumes and volatility, the Group has once again demonstrated its expertise and robustness in extreme market conditions.

ABC arbitrage therefore presents its second historical result with a return on equity of nearly 24%.

Dividend Policy

As a reminder, two years ago, a quarterly distribution policy was implemented. As such, two interim dividends of 0.10 euro per share were paid in October and November 2020.

The Board of Directors confirms that an interim dividend of 0.10 euro per share on the 2020 results will be detached on April 13, 2021 with payment on April 15, 2021. In addition, the Board of Directors intends to propose at the General Meeting of June 11, 2021 a final dividend of EUR 0.18 per share, bringing the total dividend for the year 2020 to EUR 0.48 per share. The terms and conditions and timetable of this final dividend will be presented at a later date.

Outlook

In the context of a global pandemic, the ABC 2022 strategic plan was launched at the beginning of 2020 with the aim of stepping up R&D investments, developing investment management capacity and building new strategies capable of performing better in sustained low-volatility scenarios. The arrival of this historical health crisis and consequent market crash situation encountered at the beginning of 2020 has not changed the ABC 2022 plan.

Even if the Group occasionally adapted its short-term priorities to cope with such a turbulent market, ABC arbitrage maintained its strategy of strengthening its strong points and building the pillars of its growth on its historically weaker axes.

The beginning of 2021 is still febrile with the risks of a third wave of the health crisis, but this new year is mostly marked by new massive cash injection programs in the United States and intensive global vaccination campaigns.

The ABC arbitrage Group is maintaining a sustained pace at the beginning of the year with a monthly average close to the average pace of activity in 2020, even if it is still too early to make a projection for the entire year 2021.

¹ At this date, the audit procedures carried out by the statutory auditors are still in progress.