



Net sales: €199.7m (+10.2%)
Gross margin: €161.2m (+11.4%)

Sustained growth for digital marketing, with its gross margin up +38.6%

Paris, 26 February 2024 (8:00am) - The DÉKUPLE Group, a cross-channel data marketing expert, is reporting its full-year net sales for 2023.

Bertrand Laurioz, Chairman and CEO: *"In 2023, the DÉKUPLE Group maintained its sustained rate of growth to reach €200m of net sales. In line with its Ambition 2025 plan, aiming to become a European leader for data marketing, DÉKUPLE is continuing to grow and its business mix is confirming its resilience in a challenging socioeconomic environment.*

Our Digital Marketing activities were the main driving forces behind this performance. Now representing 60% of consolidated net sales, compared with 36.5% three years ago, these activities maintained the intensity of their development, with their gross margin up +39% from 2022. This growth is being supported by the continued expansion of our consulting activities and the strong development of our engagement marketing and engineering activities. During the year, we expanded our footprint through strategic acquisitions and introduced new offers. We also made significant progress in the field of Artificial Intelligence, opening up new possibilities for efficiency and creativity in operations to serve our customers and partners.

This positive development for our BtoB activities has more than offset the contraction in our BtoC activities which, despite an unfavorable context for consumption, continued rolling out their major commercial investments to support their portfolios generating recurrent revenues. In a press market that shows a marked decrease, the Magazine business achieved a slight improvement in its new subscriber recruitments during the second half of the year, making it possible to limit the contraction in sales over the full year to -7.8%. Alongside this, the Insurance business delivered a solid performance, with sales virtually stable versus a high basis for comparison from 2022.

Over the last three years, our Group has established itself as an outstanding partner for the digital and marketing transformation of our clients by positioning data and technology at the heart of our innovative model. Thanks to our multi-entrepreneurial organization, promoting accountability, focused on growth and performance, and the talent of our 1,000 marketing experts, consultants and engineers, we are effectively positioned to continue building on DÉKUPLE's development.

With solid financial resources in place, we will continue to closely monitor opportunities for external growth, in France and across Europe, in complementary areas with strong potential. We will also continue to invest in Generative AI to support our services.

Confident in our model, we are determined to achieve a further year of growth in 2024".

KEY BUSINESS FIGURES FOR 2023

The DÉKUPLE Group recorded €199.7m of consolidated net sales¹ in 2023, up +10.2% from 2022, while the gross margin² came to €161.2m, up +11.4%.

In the fourth quarter of 2023, despite less favorable market trends, the Group achieved solid net sales growth of +8.4% versus a high basis for comparison from the fourth quarter of 2022.

Breakdown of the change in the Group's **quarterly net sales** by business line:

€m	2023	2022	Change
First quarter	47.9	45.9	+ 4.3%
Second quarter	48.2	43.1	+ 11.7%
Third quarter	49.4	42.2	+ 17.0%
Fourth quarter	54.2	50.0	+ 8.4%
Full-year net sales	199.7	181.3	+ 10.2%
<i>Of which:</i>			
Digital Marketing	119.8	95.2	+ 25.8%
Magazines	71.5	77.6	- 7.8%
Insurance	8.3	8.4	- 1.1%

Breakdown of the change in the Group's **gross margin** by business line:

€m	2023	2022	Change
Digital Marketing	81.4	58.7	+ 38.6%
Magazines	71.5	77.6	- 7.8%
Insurance	8.3	8.4	- 1.1%
Gross margin	161.2	144.8	+ 11.4%

DIGITAL MARKETING: EXPANSION AND DIVERSIFICATION

The Digital Marketing activities continued building on their roadmap for strong growth, with their gross margin up +38.6% to €81.4m from 2022, which had seen +31.2% growth compared with 2021.

Consulting services recorded a gross margin of €40.8m, up +19.9%. This performance reflects the sustained trend for robust growth for the subsidiary Converteo, a major player for data and digital strategy consulting, which maintained its rate of recruitments in 2023 and now has more than 400 consultants supporting leading brands. The Company also continued moving forward with its diversification, illustrated by the acquisition in April 2023 of various strategic assets from Synomia, a pioneering French company focused on semantic analysis powered by artificial intelligence.

¹ Net sales (determined in line with the French professional status for subscription sales) only include the amount of remuneration paid by magazine publishers; for subscription sales, net sales therefore correspond to a gross margin, deducting the cost of magazines sold from the amount of sales recorded. For acquisition and management commissions linked to sales of insurance policies, net sales comprise current and future commissions issued, acquired by the accounting reporting date, net of cancellations.

² For the digital marketing business, the gross margin represents the total amount of net sales (total invoices issued: fees, commissions and purchases charged back to customers) less the total amount of costs for external purchases made on behalf of customers. It is equal to net sales for the magazine and insurance business lines.

The gross margin for the Marketing Solutions and Agencies business in France is up +76.6% to €35.4m, taking into account a scope effect³ for €18.6m linked to the consolidation of Brainsonic (leading engagement marketing communications agency) since September 2022, Smart Traffik (technological company specialized in presence management and measuring the impact of marketing investments on traffic and sales) since December 2022, and Le Nouveau Béliér (advertising strategy consulting agency and retail expert) since July 2023. Like-for-like, these activities show growth of +2.5%.

The Marketing Solutions and Agencies business in Spain recorded a gross margin of €5.1m, up +11.0%. This business picked up again over the second half of the year, reflecting the impact of the change in the marketing mix, moving towards stronger value-added services.

Gross margin (€m)	2023	2022	Change
Consulting - France	40.8	34.0	+ 19.9%
Marketing Solutions and Agencies - France	35.4	20.1	+ 76.6%
Marketing Solutions and Agencies - Spain	5.1	4.6	+ 11.0%
Digital Marketing gross margin	81.4	58.7	+ 38.6%

MAGAZINES: SIGNIFICANT COMMERCIAL INVESTMENTS DESPITE THE UNFAVORABLE CONTEXT

The Magazine business recorded a gross margin of €71.5m, down -7.8%, with a gross sales volume⁴ of €191.5m (-8.4%). In a press market that shows a decrease, business was impacted by an unfavorable context for consumption, primarily due to the contraction in purchasing power. Despite the increase in acquisition costs, the Group maintained its high level of commercial investments, consolidating its position as a major partner for press publishers, while the new loyalty campaigns launched in partnership with leading brands helped offset the contraction in the gross margin, particularly during the second half of the year. The active open-ended subscription portfolio at 31 December 2023 is down -9.9% year-on-year to 2.024 million subscriptions.

INSURANCE: SALES STABLE

DÉKUPLE Assurance, the subsidiary specialized in data marketing affinity insurance brokerage, recorded a gross margin of €8.3m, virtually stable (-1.1%) versus a high basis for comparison in 2022, which saw +14.7% growth following the integration of assets from the InsurTech firm Qape and its supplementary health branch KOVERS. DÉKUPLE Assurance is moving forward with its marketing innovation approach for Health insurance with a view to supporting the development of its policyholder portfolio.

OUTLOOK

The DÉKUPLE Group is continuing to roll out its Ambition 2025 strategy with a view to becoming a European leader for data marketing. With the financial resources in place, it is

³ The scope effect is calculated (i) by eliminating the net sales of companies acquired during the period or the comparable period and (ii) by eliminating the net sales of companies sold during the period or the comparable period. As a result, the like-for-like business does not take into account this scope effect for the period concerned.

⁴ Gross sales volume represents the value of subscriptions and other products sold. It is equal to net sales for the insurance business.

effectively positioned to continue with its commercial investments in its Magazine and Insurance activities to develop its portfolios of contracts generating recurrent revenues, while also supporting the development of its Digital Marketing solutions through organic and external growth.

NEXT DATES

- 2023 full-year earnings on Friday March 29, 2024 (after close of trading)
- 2023 annual report on Thursday 18 April 2024 (after close of trading)

About DÉKUPLE

DÉKUPLE is a European leader for cross-channel data marketing. Its expert capabilities combining consulting, creativity, data and technology enable it to support brands with the transformation of their marketing to drive their business performance. The Group designs and implements customer acquisition, loyalty and relationship management solutions for its partners and clients across all distribution channels. The Group works with more than 500 brands, from major groups to mid-market firms, in Europe and around the world.

Founded in 1972, DÉKUPLE recorded net sales of €200m in 2023. Present in Europe and China, the Group employs more than 1,000 people guided by its core values: a conquering spirit, respect and collaboration.

DÉKUPLE is listed on the regulated market Euronext Paris – Compartment C. ISIN: FR0000062978 – DKUPL - www.dekuple.com

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