



2023 FULL-YEAR EARNINGS: further year of strong growth in line with the “Ambition 2025” plan

- Net sales: €200m (+10.2%)
- Gross margin: €161m (+11%)
- Net income (Group share): €12.4m, representing 7.7% of gross margin (+20 basis points)
- Proposed dividend: €1.04 per share
- “Ambition 2025”: becoming a European leader for data marketing

Paris, 29 March 2024 (6:00pm) - ADLPartner, the parent company of the DÉKUPLE Group, a European cross-channel data marketing expert, is reporting its full-year earnings for 2023.

Bertrand Laurioz, DÉKUPLE Chairman and CEO: *“2023 was a very positive year for our Group. Following the economic crises that began in 2022 relating to energy, purchasing power and Ukraine, the global geopolitical situation was still very unstable, but the Group successfully resisted these new challenges. With the rapid ramp-up of Generative Artificial Intelligence, our clients are becoming more aware of the need to further strengthen the digitalization of their marketing and sales, which is the Dékuple Group’s core business.*

Although many businesses have had to contend with cash flow pressures, leading to increased caution with their marketing investments, our Group has maintained its roadmap for robust growth and continued rolling out its transformation.

Our consolidated net sales climbed +10% this year, driven primarily by the very strong growth in Digital Marketing, which now represents 60% of the Group’s total net sales, compared with 36% in 2020, and recorded a sustained increase in its gross margin by +39%. Our net income (Group share) is up +14% to €12.4m, highlighting the relevance of our offers and the improvement in the efficiency and effectiveness of our operations. The Group continues to benefit from a solid balance sheet, with its cash position up to over €63m, giving us the resources needed to finance our development in line with our 2025 strategic plan.

The general economic situation at the start of 2024 is still uncertain, but we believe that the digitalization and datafication of businesses, and particularly their marketing, will continue to accelerate.

Our Group is perfectly positioned to meet these challenges. Our teams continue to be mobilized as we move forward with the roadmap for the profitable growth of our activities, and specifically the digital marketing business, whose weighting within the Group will continue to see strong progress.

Under our 2025 plan, we will achieve this growth organically, while further strengthening our capacity for innovation, particularly with our Data Platform and the use of Artificial Intelligence, capitalizing on the Group’s many areas of technological expertise. We will also make business acquisitions that may open up complementary areas of expertise, depending on the opportunities, in France and across Europe.

I have every confidence in our ability to adapt, to continue building on our growth and to continuously improve the relevance of our offers and the quality of our deliverables. We form a Group that is unique thanks to its stable family shareholding structure, its multi-entrepreneur group organization, its long-term vision and its diverse areas of expertise. We are looking forward to another year of success in 2024”.

KEY DEVELOPMENTS

In 2023, the DÉKUPLE Group achieved solid growth, driven by the continued expansion of its Digital Marketing activities, which represented 60.0% of consolidated net sales, compared with 52.5% one year ago. Their gross margin, up +38.6%, reflects the continued expansion of the Data and Digital Strategy Consulting activities and the extension of the scope for our Marketing Solutions and Agencies business, thanks in particular to the full-year contribution by Brainsonic, a leading engagement communications agency, and Smart Traffik, a technology company specialized in presence management and measuring the impact of marketing investments on traffic and sales, as well as the integration since July 2023 of Le Nouveau Béliér, an advertising strategy consulting agency and retail expert.

This positive development for our BtoB activities 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 in relation to a high basis for comparison in 2022, which benefited from the successful development of the supplementary health offering.

EARNINGS

Consolidated net sales¹ came to €199.7m, up +10.2% compared with 2022, while the gross margin² is up +11.3% to €161.2m.

Against a backdrop of a high level of investments, restated EBITDA³ came to €24.9m, up +€1.6m from the previous year, to represent 15.5% of the full-year gross margin.

Operating income came to €17.5m, representing 10.8% of the gross margin, compared with 11.4% in 2022. The earnings growth recorded by the Digital Marketing business and the improvement in profitability for the Insurance business offset the contraction in operating income for the Magazine business due to the intense commercial investments.

After factoring in a higher tax expense (€4.5m), consolidated net income is up +13.0% from 2022 to €12.9m for 2023. The net margin rate came to 8.0%, compared with 7.9% in 2022.

After deducting minority interests, net income (Group share) totaled €12.4m, compared with €10.9m in 2022.

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.

³ EBITDA (earnings before interest, tax, depreciation and amortization) is restated for the IFRS 2 impact of bonus share awards and the IFRS 16 impact relating to the restatement of lease charges.

(€m)	2023	2022	Change 2023/2022	
Net sales	199.7	181.3	+10.2%	
Gross margin	161.2	144.8	+11.3%	
Restated EBITDA	24.9	23.3	+7.0%	
	% of gross margin	15.5%	16.1%	-63bp
Income from ordinary operations	17.5	17.0	+2.6%	
	% of gross margin	10.8%	11.8%	-93bp
EBIT	17.5	16.4	+6.3%	
	% of gross margin	10.8%	11.4%	-51bp
Net financial expenses / income	0.4	(0.3)		
Tax expense	(4.5)	(3.8)		
Share of net income from associates	(0.6)	(1.0)		
Consolidated net income	12.9	11.4	+13.0%	
	% of gross margin	8.0%	7.9%	+12bp
Net income (Group share)	12.4	10.9	+14.2%	
	% of gross margin	7.7%	7.5%	+20bp

BALANCE SHEET

Consolidated shareholders' equity at 31 December 2023 represented €51.1m, up +€13.8m from 31 December 2022.

The Group had €63.6m of cash on its balance sheet at 31 December 2023, compared with €60.6m at 31 December 2022. Financial debt totaled €44.4m, compared with €50.9m at 31 December 2022, including commitments to buy out minority interests in the Group's subsidiaries. It also includes €25.5m of bank borrowings set up before the crisis at favorable interest rates to support the Group's development.

Cash net of financial liabilities⁴ at 31 December 2023 came to €19.2m, up +€9.5m compared with the end of 2022.

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 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.

DIVIDEND

Considering the results achieved in 2023 and the investments planned for 2024, ADLPartner's Board of Directors will submit a proposal at the General Shareholders' Meeting on 14 June for a dividend of €1.04 per share for FY 2023, to be paid out on 21 June 2024.

ADDITIONAL INFORMATION

The corporate and consolidated financial statements for 2023 were approved by the Board of Directors on 29 March 2024. The statutory auditors have completed the audit procedures on the corporate and consolidated accounts. The certification report will be issued once the necessary procedures have been finalized for publishing the full-year financial report.

⁴ Cash position on the balance sheet net of all financial liabilities.

NEXT DATES

- 2023 annual financial report on 18 April 2024 (after close of trading);
- 2024 first-quarter net sales on 27 May 2024 (before start 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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