

ISPD publishes strong growth in 2021 results

- EBITDA up 50% to €6.3m
- EBIT up 15% to €5.1m
- Net cash of €10.5m (excluding IFRS 16)

Madrid, April 28, 2022 – 8:00 am - ISPD (ISIN ES0109429037), a global cognitive marketing group, today presents its consolidated and pro forma annual results for FY 2021, ending 31 December 2021.

In million euros	Consolidated		Pro forma ⁽¹⁾		
	2021	2020	2021	2020	Var. %
Consolidated revenues	106.2	54.9	122.2 ⁽³⁾	89.9	+36%
Net revenues ⁽²⁾	105.7	54.4	121.7 ⁽³⁾	89.5	+36%
Gross margin	46.3	25.2	46.3	42.6	+9%
Gross margin rate (% of net revenues)	44%	46%	38%	47%	
Staff costs	(28.0)	(18.2)	(28)		
Other operating expenses	(12.0)	(6.9)	(12)		
EBITDA	6.3	0.2	6.3	4.2	+50%
Amortization and depreciation	(1.2)	(0.8)	(1.2)		
EBIT	5.1	(0.4)	5.1	2.0	+155%
Financial income and expenses	0.6	(3.25)	0.6		
Consolidated income before tax	5.7	(3.7)	5.7		
Tax expense	(0.3)	(0.4)	(0.3)		
Consolidated net income	5.4	(4.1)	5.4	(1.7)	-

(1) Pro forma : assuming the Antevenio / Rebold merger took place on 1st January

(2) Revenues less volume discounts on ad sales

(3) Pro forma sales in 2021 calculated by reintegrating the €16m of advertising space sales in Mexico, invoiced to clients directly by the publisher since the second half of 2021 under the new law on advertising transparency

“New opportunities have arisen in 2021 that have allowed ISPD Network to recover strongly in the second half of the year.” declares Andrea Monge, CEO of ISPD. “Our financial strength, product diversity, investments made in previous fiscal years and the integration processes carried out mean that we should expect to strengthen our leadership and continue gaining in market share.”

New business dynamics in 2021

The strong growth in business in 2021 was mainly driven by Digital Media Trading services (+82% to €115.9m on a pro forma basis), boosted by a recovery and renewed confidence among advertisers. Affiliate marketing solutions (+20% to €7.3m) were also very dynamic, despite the slow recovery of the hospitality sector – one of the core segments being served by the division. The European business has been slower to

recover, which reflected notably in a decline of Marketing Technology and Services revenues of 18%, at €16.5. The Spanish market, in particular, is in the process of realigning its offer to meet the changing needs of customers better.

The acquisition of Happyfication in the fourth quarter made a significant contribution to ISPD's strategic planning and media services, creating better results for customers and streamlining operations. Geographically, USA and Latin America have seen a strong recovery since 2020, commanding 80% of Group revenues.

Strong growth in results

For comparison purposes, the analysis of 2021 results is based on pro forma financial indicators, assuming Rebold is consolidated from January 1st, 2020. For 2021, pro forma revenues reintegrate advertising space sales in Mexico that were invoiced to clients directly by the media since the introduction of the new law on advertising transparency.

The change in the gross margin rate from 47% to 38% is linked to the weight of Digital Media Trading activities, which represents 95% of consolidated revenues in 2021, compared to 71% in 2020. The gross margin nevertheless increased by 9% on a pro forma basis, reflecting the control of margins across the entire business portfolio.

EBITDA for 2021 is €6.3m, a pro forma increase of 50%. This increase can be explained by the reorganization of the workforce to the new configuration of the group and to the evolution of the business mix. The average pro forma headcount decreased from 497 in 2020 to 442 in 2021.

As the group is no longer impacted by the exceptional reorganization costs incurred in 2019 and 2020, nor by the asset depreciation recorded in 2020, EBIT comes to €5.1m in 2021, up 155%, with a positive net result of €5.4m.

Free cash flow of €8.8m and net cash of €10.5m

Cash flow from operations amounted to €11.3m in 2021, compared to €2.5m in 2020. With investment flows of €2.5m, which notably include the acquisition of treasury shares for €0.6m, free cash flow generated in 2021 is €8.8m. After loan repayments of €1.4m and positive exchange rate effects of €0.8m, the change in cash flow in 2021 is €11.0m, which brings the available cash to €20.1m as at 31 December 2021.

Taking into account the €9.6m financial debt (excluding the €1.2m impact of IFRS 16), net cash at the end of 2021 is therefore €10.5m, compared with a net financial debt of €0.2m at the end of 2020.



Publication of the full-year financial report

The 2021 annual financial report is available to the public and filed with the French Financial Markets Authority (AMF) today. It is available on the company website at www.antevenio.com under “Financial Information / Consolidated Annual Accounts”.

Next date: 2022 half-year revenues, July 28, 2022 (before stock market opening)

About ISPD

ISPD is a cognitive marketing group redefining how people and brands relate. We blend cognitive science and creativity to provide our customers with end-to-end capabilities across our network of agencies. Our 500+ multidisciplinary experts from research, data science, strategic planning, creative storytelling, shopper marketing, gaming, media, technology solutions, and consulting deliver breakthrough results for our clients. Visit us at ispd.com to learn more.

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