

## FY 2024 RESULTS

- Consolidated FY 2024 revenues up 11% (-6% pro forma)
- Continued positive operating results and improving cost management
  - EBIT 3.1m before non recurring expenses
  - Growth resuming in Q1 2025

Madrid, April 24, 2025 – 8:00 am - ISPD (ISIN ES0109429037), a global cognitive marketing group, today presents its consolidated results for FY 2024, ending 31 December 2024.

In million euros	2024	2023	Chg. %
Consolidated revenues	156.7	140.6	+11%
Net revenues <sup>(1)</sup>	156.1	140.0	+11%
Net pro forma revenues <sup>(2)</sup>	156.1	166.2	-6%
Gross margin	49.8	53.3	-7%
Gross margin rate (% of net revenues)	31.9%	32.1%	-
Staff costs	(38.9)	(35.9)	+8%
Other operating expenses	(7.1)	(10.9)	-35%
EBITDA	3.8	6.8	-44%
Amortization and depreciation	(1.7)	(1.5)	+13%
EBIT	2.1	5.3	-60%
Financial income and expenses	(1.2)	(1.0)	+94%
Consolidated income before tax	0.9	4.3	-96%
Tax expense	(1.3)	(1.4)	-12%
Consolidated net income	(0.4)	2.9	-137%

(1) Revenues less volume discounts on ad sales

(2) Pro forma sales calculated by reintegrating the 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 that has since been amended. ISPD Mexico started billing again advertising space to clients since October 2023.

"Sales momentum in the US has been picking up since the start of 2025, and this trend is accelerating with the recent appointment of Andrea as CEO of the US subsidiary. This resumption of growth in 2025 will be coupled with improved profitability generated by the implementation of our new operational management systems, based on artificial intelligence" says Fernando Rodés, CEO of ISPD.

### Business in 2024

ISPD recorded consolidated net sales of €156.1 million in 2024, up 11% but down 6% on a pro forma basis compared with 2023. This pause in pro forma growth is essentially due to the non-renewal at the beginning of the year of a major US sports betting customer, which was acquired at the end of 2023. Restated for this non-renewal, pro forma annual sales were up by 3.5%.

The **Digital Media Trading** segment therefore ended the year down (-10% to €146.4m on a pro forma basis), but remains the Group's most buoyant segment in the medium term.

The **Technology and Marketing Services** segment posted growth of 29%, to €19.9m. This performance is due to the success of e-commerce offerings in Europe, driven by the B2M and Rocket PPC subsidiaries, and to the strong sales momentum in Spain, with new private and public sector advertisers.



The **Publishing** segment was down by 14%, largely due to a drop in business in Mexico as a result of the US elections in the 4<sup>th</sup> quarter.

However, business in Latin America continues to grow, and these markets remain among the most dynamic for the Group. The breakdown of pro forma sales by market is as follows: USA 32% (42% in 2023), Latin America 48% (46% in 2023), Europe 20% (13% in 2023).

#### **Recurring EBITDA down to €4.8m (€3.8m after non recurring expenses) and improving cost management**

The gross margin rate has remained virtually stable, rising from 32.1% in 2023 to 31.9% in 2024, resulting in a gross margin of €49.8m, down 7%.

The increase in payroll costs (up 8% to €38.9m), partly due to inflation and partly to the increase in the number of employees (average headcount of 546 compared with 527 in 2023), is offset by the fall in other operating costs (down 35% to €7.1m). These were particularly high in 2023 due to major investments in information systems.

Non recurring expenses in 2024 amounted to €1m, linked to AI software and related staff restructuring.

The result is a slight reduction in expenses, but earnings are down as a result of the fall in sales, with EBITDA at €3.8m (-44%) and operating profit at €2.1m (-60%).

The financial result was a loss of €1.2m (compared with €1.0m in 2023), generated by interest on debt and foreign exchange losses on Latam currencies (Argentinean, Colombian and Mexican pesos). After a tax charge of €1.3m (compared with €1.4m in 2023), recurring net profit for the year is €0.6m.

#### **Cash position**

The Group's cash position fell by €5.2m in 2024, to €6.5m at 31.12.24. Shareholders' equity stood at €4.8m and financial debt at €12.5m (excluding IFRS 16 rental commitments of €1.0m), giving net debt of €6.0m, compared with -€2.3m at 31.12.2023, due to investments in artificial intelligence and in particular in the Ignite tool, which will generate savings across all operational processes, particularly within Rebold Communications.

#### **Outlook**

The market is picking up, with some significant new customer wins at the start of the year. In addition, the takeover of operations by Andrea Monge, who is now devoting all her time to developing business in the USA, is a real lever for growth in this market, which remains the largest and most buoyant for digital marketing. 2025 should therefore be a year of renewed growth for the Group, as shown by the gains in new customers and insertion orders at the end of March 2025 compared with March 2024.

#### **Publication of the 2024 financial report**

The 2024 full-year financial report is available to the public and filed today with the French Financial Markets Authority (AMF). It can be consulted on the company's website at <https://ispd.com/investors/> under "Financial Information".

**Next date:** HY 2025 revenues, 29 July 2025 (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](https://ispd.com) to learn more.

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