

## 2022 Annual Results

### Revenue and profitability growth €500 M revenue threshold crossed

In €M	31/12/2022	31/12/2021	Change (€m)	Change (%)
Revenue	505.8	469.8	36.0	+7.7%
EBITDA <sup>(1)</sup>	67.4	66.8	0.7	+1.0%
EBITDA margin (%)	13.3%	14.2%		
EBIT <sup>(1)</sup>	64.5	62.6	1.9	+3.0%
Net income Group share	43.0	38.7	4.3	+11.1%
Net profit margin (%)	8.5%	8.2%		
Cash	118.3	122.9	(4.6)	

Notes: Unify operations consolidated from 1 October 2022

<sup>(1)</sup> EBITDA and EBIT excluding expenses related to bonus share plans, reclassified as exceptional income; EBIT including goodwill amortisation.

As of 31 December 2022, the **Reworld Media Group (ALREW)** has crossed the **€500m revenue threshold**. It has demonstrated, once again, **the effectiveness of its model** and its **ability to successfully execute its development strategy**. The **Group's consolidated revenue** amounted to **€505.8m**, up by **7.7%** and **3.9% in organic terms<sup>1</sup>** compared to 2021. The decline in revenue of the BtoC division was reined in at 2.8%, while the **BtoB Division's** revenue increased by **20.4%**, driven by the **outperformance of its digital businesses (+24.5%) compared to the market**. In an unprecedented inflationary context that dragged down profitability at the BtoC Division, the Group managed to generate consolidated **EBITDA** up by **+1.0% at € 67.4m, including organic growth** (€67.0m, up **+0.3%**).

With the **acquisition of Unify's publisher activities** (Marmiton, aufeminin, Doctissimo, Les Numériques, Minute Buzz, Fraîches, Juste Mieux, Hero, etc.) in October, the **Group became the leading media platform in France**, publishing and operating **81 proprietary media brands in 11 thematic areas** and generating a total audience (print & digital) of **37.5 million French people<sup>2</sup>, up by 25% year-on-year**. The Group **has thus become France's 2nd largest digital media group**, a strategic position for capturing growth in its markets. Enjoying a **solid financial standing**, the Group will continue its active development in 2023 via **organic growth** and **selective external growth, in France and abroad**.

### Consolidated revenue of €505.8m, up by 7.7% and 3.9% in organic terms

In 2022, the Group recorded consolidated annual **revenue** of **€505.8m, reflecting growth of 7.7%** over the previous year. On an organic basis<sup>1</sup>, revenue reached €488.2m, growing by 3.9%.

The share of revenue generated by the BtoB division once again increased markedly, accounting for 50.6% of consolidated revenue (2021: 45.3%). The proportion of revenue generated internationally was stable, at 25%.

The **BtoC Division's** revenue reached **€249.8m, down slightly by 2.8%** (€-7.3m). Against a backdrop of unprecedented inflation in its industrial costs, and in particular that of paper, the Group made the twofold decision to

<sup>1</sup> Excluding the acquisition of Unify's Publishers business, consolidated from 1 October 2022.

<sup>2</sup> ACPM, One Next Global H2 2022 study, audiences measured solely on the basis of its press brands registered with the ACPM.

**streamline its magazine distribution volumes** in order to preserve its profitability, and not to fully offset this decline with price increases. The result is a 2.6% drop in turnover from unit sales and a 3.1% drop turnover from subscription sales. Turnover from magazine sales fell by 3.7%, while **turnover generated by other offers** (products and services) rose by **17.7%**.

Over the year, the Group continued to diversify its offering. The Group launched **new titles** such as **Les Tidoudous**, the first Psychologies magazine aimed at helping kids understand their emotions, and published **90 new publishing products**. It now has **4 paywall subscription sites**, with the acquisition of *Gamekult*, and **11 pay and free TV channels**, including *Marmiton TV* and *Doctissimo TV*. New services have been launched, including the **TherHappy** platform offering **psychology consultations** on-line, **insurance products** connected with the automotive and home sectors, and the **Atelier Modes & Travaux** site, which offers tips and free tutorials, as well as digital patterns for sale.

The **average monthly spend per subscription reached €5.21** excluding tax and MRR (Monthly Recurring Revenue) consolidated at €9.8m. In 2022, the Group had an average portfolio of 1.9 million pay subscriptions<sup>3</sup>, including 365,000 subscriptions<sup>2</sup> to diversification offers (paywall, SVOD, services)..

The **BtoB division's revenue** reached **€256.1m**, up **20.4%** (€43.3m) and **12.1%** (€25.7m) **in organic terms**. The **Digital businesses**, which account for **88% of the BtoB Division's revenue**, posted growth of **+24.5%** (and +14.8% in organic terms) and **significantly outperformed a digital market**<sup>4</sup> that grew by +9.7% over the year. In a **constantly changing** digital market, the Group continues to demonstrate its **agility** and **capacity for innovation**, by offering products that are **perfectly in tune with the market's expectations**, which is ever more demanding in terms of performance (native formats, social, leads, Retail Media).

As of November, the Group ranks **2nd among digital media groups in France**, with an average proprietary audience of **33.9 million unique monthly visitors**<sup>5</sup>, with growth of **+24.3%** compared to 2021. **Taking all types of players together, the Group ranks 6th among digital players in France.**

It has also **boosted its influence** on the **social media**, a segment that accounts for **26%** of the digital communication market in France, and remains **dynamic with growth of +10%** compared to 2021. At a time when platforms are starting to pay content and audience owners, the Group now has **73.5 million non-duplicated followers**<sup>6</sup>, an increase of **42 million** in one year. Its **commercial offering for the social media** has also been **enriched** with new expertise gained through the integration of Unify, both in terms of **influence** and **distribution** (Social Playground, Studio Fy, Propulse).

## **Increase in EBITDA to €67.4m (+1%) and net income to €43.0m (+11.1%)**

The Group generated **consolidated EBITDA<sup>7</sup> of €67.4m** at 31 December 2022, **up by +1.0% (€0.7m)** compared to 2021. It consolidated an EBITDA margin of 13.3%.

In organic terms, EBITDA amounted to € 67.0m, up by 0.3%, making for a margin of 13.7%.

- The **BtoC Division** recorded **EBITDA of €26.5m**, down by 26.7% (€9.6m) compared to 2021. The **streamlining of distribution, agile and rigorous management** of variable costs and an **increase in sales prices consistent with general inflation** enabled the BtoC Division to limit the impact of the increase in its **industrial costs (paper prices doubled** in one year) on its profitability. The BtoC Division's EBITDA margin came out at 10.6%.
- The **BtoB Division** recorded **EBITDA of €41.0m, up significantly by +33.6% (+€10.3m)** compared to 2021. It achieved **record-high EBITDA margin of 16.0%** (+1.6 points vs. 2021). In **organic** terms, the EBITDA of the

<sup>3</sup> Average number of pay subscriptions over the last 12 months as at 31 December 2022.

<sup>4</sup> Sources: The 2022 advertising market and forecasts, advertisers' communication investments by media (France Pub).

<sup>5</sup> Médiamétrie//Netratings, Global Internet audience in France, average for November and December 2022 vs. similar period in 2021, in unique monthly visitors.

<sup>6</sup> Total non-duplicated subscribers to the Facebook, Instagram, Twitter, Pinterest, TikTok, Youtube, Snapchat and Twitch platforms (publisher data).

<sup>7</sup> EBITDA excluding expenses related to bonus share plans, reclassified as exceptional income.

BtoB Division amounted to €40.5m, **also a significant surge** (+32.1% and +€9.8m) compared to 2021. Unify's Publishers business returned to **positive EBITDA from as early as the 4th Quarter** (+€0.5m). The consolidation of this business from 1 October reduced the Division's EBITDA margin by 1 point.

The Group's consolidated **EBIT<sup>8</sup>** (operating profit) amounted to **€64.5m** as at 31 December 2022, **up by 3.0%**, taking into account the €1.9m of goodwill amortisation.

After a financial income of -€6.3m (2021: -4.5m), exceptional income of -€5.5m (2021: -5.0m), income tax of -€8.1m (2021: -11.1m), and minority interests of -€1.7m (2021: -3.4m), **net income Group share increased by 11.1% to €43.0m** at 31 December 2022.

## A solid balance sheet

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The Group's financial standing was solid as at 31 December 2022, with **shareholders' equity up at €190.6m** (2021: €149.4m) and **free cash flow of €118.3m**. The Group generated €55.1m in cash flow from operations in the year (2021: €56.9m) and free cash flow of €24.6m (2021: €30.9m), slightly lower than the previous year due to the combined effect of the Group's **changing business mix** and the **challenges in sourcing** paper in an **inflationary environment**.

The **acquisitions** made during the year led to an increase in the Group's financial debt, which stood at €216.5m at 31 December 2022 (up €65m compared to 2021).

The Group's **net debt** amounted to **€98.2m**, i.e. a net debt ratio equivalent to **1.5x** consolidated **EBITDA** over the last 12 months, which does not include the full effect of the acquisitions made.

## The Group maintains its strategic direction

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The Group is **maintaining its strategic direction for 2023** and intends to continue its development through **organic growth** and **selective external growth, in France and internationally**, all the while **stepping up its CSR commitment**.

In the **BtoC Division**, the Group continues to implement **rigorous management** measures aimed at **preserving the profitability** of its businesses, while continuing to **develop subscription-based sales** and **diversify** its offering. In addition, the Group anticipates an encouraging decline in the price of paper in Q2 2023.

In the **BtoB Division**, the Group intends to **capitalise on its position as leader** and continue to **build an increasingly innovative 360° offering**, while investing in **the most promising monetisation levers** in the digital market.

After **10 years of successfully taking part in the consolidation of the media market in France**, the Group confirms its desire to pursue its development through **external growth, including internationally**, where it has been present until now mainly through its technology activities (Tradedoubler). Last January, the Group completed an international acquisition, purchasing from the Mondadori Group the print and digital activities of **Grazia**, one of the world's leading high-end women's media brands (present in 23 countries), as well as Icon, a leading fashion and lifestyle media brand for men in Italy.

Concerning **CSR**, the Group's priority for 2023 is to **showcase and unify its many already existing initiatives** and **step up its engagement** by implementing ambitious actions, such as **measuring our greenhouse gas emissions**. These projects will enable the Group to both raise its level of compliance and **consolidate its social and environmental responsibility**, the compass for its development.

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<sup>8</sup> EBITDA and EBIT excluding expenses related to bonus share plans, reclassified as exceptional income; EBIT including goodwill amortisation.

**Gautier Normand, Chief Executive Officer** - *"The performance posted in the 2022 financial year demonstrates the agility of our model and unquestionably points to digital's solid fundamentals. In an exceptional inflationary context, the Group has curbed the negative impacts and continued to grow significantly in digital. It is not insignificant that, despite the complexity of this period, the Group's turnover and EBITDA both grew organically. For the first time, the BtoB Division accounted for more than 50% of the Group's turnover. This performance in digital, combined with our rigorous measures, has more than made up for the pressure on costs in the BtoC Division in terms of business and profitability. With Unify's Publisher business, the Group has completed its first major external growth operation in digital and is very notably strengthening its position in this market. This means not only some of the leading names in the French web, but above all a leap in our audience, and major synergies between our thematics, such as health or cooking, and between our areas of expertise. The integration of these new businesses has been entirely to our satisfaction from an operational and financial point of view from the very first months; it is a value-creating operation, and our aim is to ensure that the profitability of this asset is gradually brought into line with that of the Group's digital media activities. "*

**Pascal Chevalier, Chairman** - *"Reworld Media's digital DNA takes on its full symbolic meaning this year as the Group passes the €500m mark in annual turnover and has a remarkable track record of growth with profitability over the last 10 years. Our convictions have always remained the same, since Day 1. The media market is enjoying a new dynamic with digital; it is still and more than ever engaged on the path of innovation, in step with new technologies, and these technologies still herald great developments to come!*

*Our Group is continuing on its charted course, capitalising on its strong digital expertise and its editorial power. It has all the legitimacy it needs to grow internationally. Beyond the quality and potential of the Grazia and Icon brands, which we acquired in January this year, we now have access to an operational network that enables us to bring our content to multiple communities of interest around the world and to monetize our brands with advertisers that are always in pursuit of performance through technologies. The Group is carried by its entrepreneurial culture and is entering a new era with new ambitions."*

The 2022 consolidated accounts are available on the Group's website, under the heading "Publications".

The audit procedures on the consolidated accounts have been carried out. The audit report on the certification of the consolidated accounts will be available after verification of the management report and at the publication time of the annual financial report.

**To join Reworld Media's Shareholder Club and enjoy its benefits, come right this way!**

About Reworld Media: Reworld Media is a developing Group operating on two markets, BtoC and BtoB.

- The BtoC market through the deployment of content, services and products attuned to consumers' interests, available on a subscription or pay-per-view basis, to a captive audience of over 37 million French people, whom it supports in the digitalisation of their consumption patterns.
- The BtoB market through the monetisation of its own audiences and the coverage of all the communication drivers of the companies it supports in the creation and execution of their communication and commercial strategy.

The Group has to its name 81 multimedia multi-format media brands (print, digital, video, audio, TV, events) that generate audiences in 11 thematic areas (Maison & Travaux, Marie France, Grazia, Auto Plus, Science & Vie, Gourmand, Top Santé, Télé Magazine, etc.) and integrates its own technological performance platform (180,000 affiliated sites worldwide). Founded in 2012, Reworld Media posts annual revenues of €506m, operates in 13 countries and has 1,185 employees.

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