

# Ebiquity

Strong digital decision to start 2020

Acquisition

Media

8 January 2020

Ebiquity has announced that it has acquired Digital Decisions, strengthening its capabilities in digital media monitoring and consultancy. Digital Decisions is a comparative newcomer, trading for less than three years, during which it has built an impressive client roster. It is headed up (and majority owned) by Ruben Schreurs, who will be staying with the combined group and leading the expansion drive into the US. The initial consideration is €0.7m in cash, with further payments subject to performance criteria through to FY22. Bringing useful additional technical capability, this looks to be a sensible, complementary purchase.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
12/17	64.2	7.9	6.2	0.71	6.0	1.9
12/18	69.4	5.2	3.5	0.71	10.6	1.9
12/19e	71.0	5.3	4.0	0.85	9.3	2.3
12/20e	72.3	6.5	5.0	0.95	7.4	2.6

Note: \*PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Ebiquity has a very strong position and reputation in media and marketing consultancy, independent of the agencies. Digital Decisions has a similar focus, based across digital procurement, media and adtech, with clients including Heineken and Pepsi. It will also bring to the group additional technical skills in automated data collection and dashboards. Based in the Netherlands, Digital Decisions' revenue for the 18 months to December 2018 was €0.42m, earning a PBT for that period of €0.12m. Being part of Ebiquity should enable Digital Decisions to accelerate its growth and scale. The RNS announcement contains no new information on Ebiquity's trading performance and, given the relatively small scale of the acquisition, we are not making any adjustments to our forecasts at this stage.

**Price** 37p

**Market cap** £28m

US\$1.31/£

Net debt (£m) at 30 June 2019 (IFRS 16 basis) 16.8

Shares in issue 75.2m

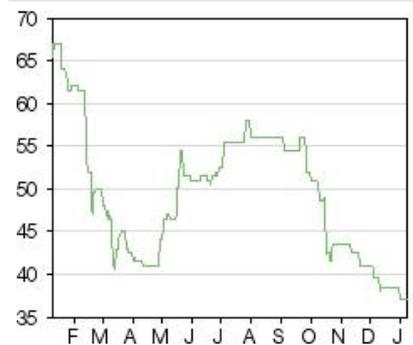
Free float 99%

Code EBQ

Primary exchange AIM

Secondary exchange N/A

## Share price performance



## Business description

Ebiquity is a leading independent marketing and media consultancy, working for 70 of the world's 100 leading brands to optimise their media investments.

## Analysts

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