

06:37 18 Nov 2016

The Marketing Group to double earnings with latest batch of acquisitions

Marketing services group The Marketing Group (ST:TMG NASDAQ OMX:TMG) has added four more companies to its stable of marketing services companies, taking its total to 23.

Combined, the four companies will bring in annual revenues of €30mln and underlying earnings [EBITDA] of €4.5mln.

Marketing Group's ethos is to acquire small profitable marketing services companies to give them the scale and liquidity to compete with the industry giants but without the costs.

Jeremy Harbour, executive chairman, said it was the fast growing group's largest deal to date and would add digital content development, marketing and advertising capabilities primarily in Australia and the UK.

The four businesses are: Khemistry, an Australian digital marketing group; Marc Edward Agency an Australian branding specialist; McCorkell & Associates a B2B marketer also based in Australia and Precision Marketing, a Suffolk, UK-based pharmaceutical marketing specialist.

Consideration is a total of €29.6mln, partly to be met through the issue of new shares with completion expected by the first quarter of 2017.

On an annualised basis that includes the latest acquisitions and also others this year, The Marketing Group's underlying earnings will rise to €16.8mln from €8.5mln.

Harbour added: "Looking forward, our pipeline of high quality marketing services companies ready to join the Group is strong and growing and we will continue to execute further accretive acquisitions."

Share Information

Code: TMG

Listing: NASDAQ OMX

Sector: Business & education services

Website: ryvl.com

Company Synopsis:

*RYVL is the trading name of The Marketing Group Plc - a full service global marketing network. It comprises a portfolio of complementary marketing agencies, each with specialist expertise, which together offer a broad suite of marketing services to global blue-chip clients. The Group has offices around the world and provide a full service offering to global brands. *

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