INVIBES ADVERTISING NV

Technologiepark 82 bus 26

9052 GHENT

BELGIUM

CONSOLIDATED FINANCIAL STATEMENTS

From January 1st, 2023 to December 31st, 2023

REPORT ON THE WORK PERFORMED

We have prepared the consolidated financial statements of INVIBES ADVERTISING NV. These consolidated financial statements include the statement of financial position of INVIBES ADVERTISING NV as of December 31, 2023, the income , the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the year ended on that date, along with a summary of significant accounting policies and other explanatory information.

These consolidated financial statements, along with the additional notes, are attached to the present report on the work performed.

They were prepared using the accounts of the parent company and information provided by the services of the Group. If a separate reference is not made, all amounts are stated in thousands of euro.

The attached consolidated financial statements are characterized by the following data:

	31/12/2023
Total assets	38.342
Revenue	28.913
Equity attributable to the owners of the parent	21.700
Profit / loss (-) for the year	557
Profit / loss (-) for the year: attributable to the owners of the parent	576

Our compilation engagement was carried out in accordance with the professional standards of the Institute for Tax Advisore and Accountants applicable to the accounting engagement, which is neither an audit nor a limited review engagement.

Brussels,
Callens, Vandelanotte & Theunissen BV
Member of Crowe Global
Represented by

Mathias Roef
Partner

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Consolidated balance sheet

	Note	31/12/2023	31/12/2022
NON CURRENT ASSETS		*8.569*	*7.346*
Goodwill	3.2.1	1.998	2.104
Other intangible assets	3.2.2	3.658	2.519
Property plant and equipment	3.2.3	232	363
Right of use assets	3.2.4	1.005	890
Financial assets	3.2.5	375	845
Deferred tax assets	3.2.6	1.302	625
CURRENT ASSETS		*29.773*	*30.462*
Trade receivables	3.2.7	11.611	8.382
Current tax assets	3.2.8	936	1.208
Other current assets	3.2.9	320	508
Other investments	3.2.10	13.269	0
Cash and cash equivalents	3.2.11	3.636	20.364
TOTAL ASSETS		38.342	37.808

	Note	31/12/2023	31/12/2022
TOTAL EQUITY		*21.675*	*21.049*
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		*21.700*	*21.078*
Share capital, share premiums	3.2.12	28.692	28.630
Treasury shares	3.2.12	-247	-450
Reserves and retained earnings	3.2.12	-6.776	-7.118
Currency translation adjustments	3.2.12	31	16
MINORITY INTERESTS		*-25*	*-29*
Minority interests		-25	-29
NON CURRENT LIABILITIES		*3.480*	*3.591*
Long term financial liabilities	3.2.13	2.737	2.931
Long term lease liabilities	3.2.14	687	577
Long term miscellaneous financial debts	3.2.13	0	83
Deferred tax liabilities	3.2.6	56	0
CURRENT LIABILITIES		*13.186*	*13.168*
Trade payables	3.2.15	5.398	4.738
Short term financial liabilities	3.2.13	3.411	3.842
Short term lease liabilities	3.2.14	364	374
Current tax liabilities	3.2.16	2.028	1.924
Other current liabilities	3.2.17	1.985	2.290
TOTAL EQUITY AND LIABILITIES		38.342	37.808

Consolidated income statement

	Note	31/12/2023	31/12/2022
Revenue	3.3.1	28.913	27.966
Other operating income	3.3.2	211	158
Capitalisation of internally generated intangible assets	3.3.3	1.779	2.138
Operating expenses	3.3.4	-17.091	-18.023
Personnel expenses	3.3.5	-11.816	-16.506
Depreciation and amortisation	3.3.6	-1.384	-3.185
Other operating expenses	3.3.7	32	-330
OPERATING PROFIT/LOSS (-) BEFORE NON-RECURRING ITEMS		*644*	*-7.782*
Non-recurring income		1	33
Non-recurring expenses		-57	-3
OPERATING PROFIT/LOSS (-)		*588*	*-7.752*
Finance costs	3.3.8	-701	-391
Finance income	3.3.8	269	0
Other financial items	3.3.8	-163	-78
PROFIT/LOSS (-) BEFORE TAX		*-7*	*-8.221*
Income tax expense (-) / Income	3.3.9	563	250
PROFIT/LOSS (-) FOR THE YEAR		*557*	*-7.971*
Attributable to the owners of the parent		576	-7.908
Attributable to minority interests		-20	-63

Earnings per share in EUR	Note	31/12/2023	31/12/2022
basic	*3.2.12*	*0,129*	*-1,778*
diluted	*3.2.12*	*0,118*	*-1,615*

Comprehensive income

	Note	31/12/2023	31/12/2022
PROFIT/LOSS(-) for the year		*557*	*-7.971*
Items that will not be reclassified to profit or loss			
Translation differences	3.2.12	24	77
Deffered taxes on items that will not be reclassified to profit or loss	3.2.12	-9	-18
Items that will be reclassified to profit or loss			
Sub-total of losses and profits directly registered as equity after tax		*15*	*59*
COMPREHENSIVE INCOME		572	-7.912
Attributable to the owners of the parent		591	-7.849
Attributable to minority interests		-20	-63

Statement of changes in equity

	Note	Share capital	Consolidated reserves	Treasury shares	Currency translation adjustments	Deferred taxes on currency translation differences	Profit o/t year	Equity attributable to the owners of the parent	Minority interests	Total equity
EQUITY AT 01/01/2022		11.665	-673	-450	-58	14	421	10.919	6	10.925
Income at 31/12/2022							-7.908	-7.908	-63	-7.971
Net losses/incomes registered as equity	3.2.12				77	-18		59	-1	58
Total registered expenses and income					*77*	*-18*	*-7.908*	*-7.849*	*-64*	*-7.913*
Allocation of the net income to reserves			421				-421	0		0
Employee share-based compensation	3.2.12		1.837					1.837		1.837
Capital increase	3.2.12	16.965	-737					16.228		16.228
Change in consolidation scope and other	3.2.12		-57					-57	29	-28
EQUITY AT 31/12/2022		*28.630*	*790*	*-450*	*20*	*-4*	*-7.908*	*21.078*	*-29*	*21.050*
Income at 31/12/2023							576	576	-20	557
Net losses/incomes registered as equity	3.2.12				24	-9		15		15
Total registered expenses and income					*24*	*-9*	*576*	*591*	*-20*	*571*
Allocation of the net income to reserves			-7.908				7.908	0		0
Capital increase	3.2.12	63						63		63
Treasury shares	3.2.12		-203	203				0		
Change in consolidation scope and other	3.2.12		-32					-32	24	-8
EQUITY AT 31/12/2023		*28.692*	*-7.352*	*-247*	*44*	*-13*	*576*	*21.700*	*-25*	*21.675*

Financial year 2023

A conversion of warrants was effected on the 9th of March 2023 which caused an increase of capital by K€ 63 and an additional creation of 28.000 shares.

As a result of this transaction, total capital amounts to K€ 28.692, represented by 4.476.548 shares at the end of 2023.

Invibes Advertising NV has been granted an irrevocable right to purchase 526.342 shares from the participants in the 2021 capital increase, resulting in 450 K€ treasury shares in 2021. The maximum amount of options that can be exercised in 2024 is capped to 55% of the total options. No options have been exercised at the end of 2023, thus resulting in their elimination through consolidated reserves for an amount of K€ 203.

The profit of the period 2023 amounts to K€ 576.

Financial year 2022

The Group benefited from a capital increase by private placement of K€ 16.776 at the start of 2022 in order to finance its future growth. The capital increase was carried out with waiver of the preferential right by private placement with qualified European investors, through a Fast Track procedure. A total of 932.000 new shares were issued for a total gross amount of K€ 16.776, representing 21,3 % of the outstanding shares of Invibes Advertising after this capital increase. The subscription price for the new shares (€ 18 per share) reflected a discount of 11.8 % as compared to the closing price of the Company's share on January 26th, 2022 (€ 20,4 per share). As a result of this transaction, the share capital of Invibes Advertising was increased from K€ 11.664 to K€ 28.440, represented by 4.367.406 shares with a nominal value of € 6,51 each.

Additionally, a conversion of warrants was effected on the 1st of March 2022 which caused an increase of capital of K€ 188 and an additional creation of 81.142 shares.

As a result of these transactions, total capital amounted to K€ 28.630, represented by 4.448.548 shares at the end of 2022.

The expenses related to the capital increase by private placement amounted to K€ 719 and to K€ 18 for the warrants conversion.
A total amount of K€ 1.837 is recognized as an expense in profit and loss (personnel expenses) with a corresponding credit to consolidated reserves. This equity-settled share-based payment transactions related to employee remunerations (cf note 3.2.12.5).
The purchase of minority stake in the subsidiary INVIBES ADVERTISING AG and in INVIBES SWITZERLAND represented a decrease of minority interests amounting to K€ -29 and an increase of shareholder's equity amounting to K€ 56.
The loss of the year 2022 amounted to K€ -7.972.

Cash flow statement

	Note	31/12/2023	31/12/2022
PROFIT/LOSS (-) FOR THE YEAR		*557*	*-7.972*
Income (loss) from non-current assets disposal		55	-12
Income tax expense / income	3.3.9	-563	-250
Depreciations/Amortisations and impairments	3.3.6	1.384	3.185
Finance cost	3.3.8	287	391
Non cash financial income	3.3.8	-228	
Share based payment expenses		0	1.837
Other non-cash adjustments			11
Cash flow from operating activities before changes in working capital requirements		*1.492*	*-2.809*
Changes in working capital requirements		-1.687	-167
Income taxes paid	3.3.9	-71	-27
Cash flow from operating activities		*-266*	*-3.003*
Investing activities			
Acquisition of fixed assets	3.2.2 / 3.2.3 / 3.2.5	-2.019	-2.931
Other investments	3.2.10	-14.041	0
Repayments in other investments	3.2.10	1.000	
Proceeds from sale of fixed assets	3.2.2 / 3.2.3 / 3.2.5	0	192
Effects of the changes in the scope		0	-60
Cash flow from investing activities		*-15.060*	*-2.799*
Financing activities			
Proceeds from the issue of share capital	3.2.12	63	16.228
Proceeds from financial liabilities	3.2.13	1.004	3.069
Repayment of financial liabilities	3.2.13	-2.127	-1.405
Repayment of financial lease liabilities	3.2.14	-454	-283
Interest paid		-239	-368
Cash flow from financing activities		*-1.753*	*17.242*
Change in cash		-17.080	11.439
Opening cash position		18.951	7.519
Closing cash position		1.871	18.951
Effect of the changes in the foreign exchange rates		0	-7
Change in cash		*-17.080*	*11.439*
Breakdown of the closing cash position			
Cash and cash equivalents	3.2.11	3.636	20.364
Current bank overdrafts	3.2.13	-1.765	-1.412

NOTES ON THE CASH FLOW STATEMENT

Cash flows from operating activities

The income taxes expense (-)/income amounts to K€ 563 for financial year 2023 compared to K€ 250 for financial year 2022.

Amortizations on intangible assets amount to K€ 750 in financial year 2023 compared to K€ 2.615 in financial year 2022. Depreciations on property, plant and equipment amounts to K€ 133 in financial year 2023 compared to K€ 146 in financial year 2022. Depreciations on right-of-use assets amounts to K€ 395 in financial year 2023 compared to K€ 304 in financial year 2022.

The non cash financial income mainly concerns the unrealized gains on other investments (K€ 105 on monetary funds and K€ 123 on government bonds: see note 3.3.8).

In 2022 there were share based compensations for staff and board members for an amount of K€ 1.837 (see note 3.2.12).

Increase/decrease (-) in working capital

Cash flows are affected by the increase/decrease (-) in working capital.

The change in working capital requirement in 2023 of K€ -1.687 is mainly the result of increasing trade receivables and deferred tax assets, partially compensated by increasing trade payables and current tax liabilities. The increase of the trade receivables is explained by the lower debt towards factoring partners as compared to 2022.

The change in working capital requirement in 2022 of K€ -167 consist of a net change of operational receivables and payables.

Cash flows from investing activities

During financial year 2023, the investments in property, plant and equipment amount to K€ 56. Investments in software amount to K€ 1.888. The main investments of the year were further developments and new features to the already existing Invibes Platform. These have been capitalized on a cost principle basis (cf note 3.3.3).

Furthermore, the company obtained other investments: several government bonds and monetary funds have been purchased in 2023 for a total of K€ 14.041, of which K€ 1.000 has been recovered during the year. The government bonds concern a short term investment and expire all during the first quarter of 2024.

The change in long term financial assets concerns the reclass of remaining factoring guarantee funds to short term trade receivables.

During financial year 2022, investments in property, plant and equipment amount to K€ 243 and are mainly related to investments in rented buildings. Investments in software amount to K€ 2.374 and other intangible assets amount to K€ 39. The main investments of the year concern the additional developments and new features to the already existing Invibes Platform. These have been capitalized on a cost principle basis (cf note 3.3.3). The investments in financial assets amounted to K€ 276.

Cash flows from financing activities

Cash flows from financing activities in 2023 consist mainly of:

- a conversion of warrants of K€ 63,
- commitment to new loans for K€ 1.019,
- the repayment of interest-bearing financial liabilities amounting to K€ 2.140,
- the repayment of IFRS 16 lease liabilities amounting to K€ 454.
- interest paid of K€ 239

Cash flows from financing activities in 2022 consist of:

- a capital increase of a net amount of K€ 16.228,
- commitment of new loans to K€ 3.069,
- the repayment of interest-bearing financial liabilities amounting to K€ 1.405,
- the repayment of IFRS 16 lease liabilities amounting to K€ 283.
- interest paid of K€ 368

Total cash and cash equivalents

In 2023, cash and cash equivalents decreased by K€ 17.087 to K€ 1.876 at yearend, mainly caused by the investment in short term government bonds and monetary funds, and the increase in working capital.

In 2022, the cash and cash equivalents increased by K€ 7.519 to K€ 18.951 at yearend.

1 GENERAL INFORMATION

1.1 General information, statement of compliance with IFRS and going concern assumption

INVIBES ADVERTISING NV is a technology company that specializes in digital advertising. The Company solutions are supported by an in-feed format which is integrated into media content. Invibes is inspired by social network advertising and develops its own technology to help brands better communicate with consumers.

The company INVIBES ADVERTISING NV, head of the group, is a Belgian limited liability company. Its headquarters are located at the Technologiepark 82 bus 26, 9052 Ghent, Belgium. Its identification number is BE 0836.533.938.

The consolidated financial statements for the period ended December 31st, 2023 (including comparatives) were released for publication by the Board of Directors on March 27th, 2024.

The shares of INVIBES ADVERTISING NV are listed on the Euronext Growth Paris market under code ISN BE097299316. Shares are not listed on any other market.

The financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), the standards for financial reporting and the interpretations issued by the International Accounting Standards Board (IASB), as approved by the European Union, and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB. They have been prepared under the assumption the Group operates on a going concern basis.

The going concern assumption was challenged, taken into account:

- The situation as of December 31st, 2023 of realizable net assets and current liabilities,
- Cash forecasts for the Company and its subsidiaries for the 12 months following closing.

The Board of Directors, after having examined these various elements, estimated that the company will be able to meet its cash requirements until December 31st, 2024 at least, and consequently that the consolidated accounts should be prepared on a going concern basis.

The consolidated accounts are expressed in thousands of euros (KEUR) unless otherwise specified.

1.2 New or revised standards or interpretations

During the current financial year, the company applied all published new and revised standards and interpretations that are relevant to its activities and which are in force for the accounting period that started on January 1st, 2023, as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

For the preparation of the financial statements on December 31st, 2023 the group applied the rules and interpretations mandatory applicable from January 1st, 2023.

- Amendment to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: disclosure of Accounting policies.
- Amendment to IAS 8 Accounting policies, Changes in Accounting estimates and Errors: definition of Accounting Estimates.
- Amendments IAS 12 Income taxes: Deferred Tax related to Assets Liabilities arising from a single transaction.
- Amendments IAS 12 Income taxes: International tax reform – Pillar Two Model Rules
- IFRS 17 Insurance contracts (replacing IFRS 4), including amendments to IFRS 17.

- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – comparative Information.

The application of the other new Standards, Interpretations and Changes has not resulted in any important changes to the group's principles for financial reporting.

At the date of authorization of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB and endorsed by the EU. None of these Standards or amendments to existing Standards have been adopted early by the Group:

- Amendments IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current
- Amendments to IAS 1 Presentation of Financial Statements: non-current liabilities with covenants
- Amendments to IFRS 16 Leases: leases on sale and leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: supplier finance agreements
- Amendments to IAS 21 Effects of Changes in Foreign Exchange rates: lack of exchangeability

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

1.3 Major operations

Financial year 2022 was a challenging year for Invibes Advertising. The first half of 2022 was marked by a significant increase in structural costs to support the Company's ambitious business plan of strong growth. Among other measures, was the strong increase in staff. However the Company was confronted by a major slowdown in the advertising market during the 2nd semester of 2022, thus forced into significantly reducing its sales and support staff in the 4th quarter of 2022.

In addition, Invibes Advertising temporarily suspended the launch of Adspark in 2022, its self-service platform dedicated to SMEs, as its deployment would have generated too much short-term expenditure without an immediate return on investment.

These actions generated substantial expenses in 2022. From 2023, the Company has started benefiting from the favorable effect of the beforementioned measures on its cost structure.

Financial year 2023 has been divided into two phases:

- the first semester was impacted by the general slowdown in the digital advertising sector, and
- two consecutive quarters of growth in the second half of the year.

In the first half of 2023, Invibes registered a turnover of M€ 12,4, marking a 6% decrease year-on-year compared to H1 2022. Throughout the first six months, operations in established markets (Invibes SAS, Invibes Spain SL, and Invibes Switzerland AG CH) continued to face challenges due to the ongoing slowdown in the digital advertising sector, particularly impacting Invibes SAS. Conversely, the emerging markets (Invibes AG, Invibes UK LTD, Invibes Italy SRL, and Invibes Benelux BV) demonstrated resilience, exhibiting a 21% sales increase during the same period.

In the 2nd half of 2023 business in the established markets (Invibes SAS, Invibes Spain SL and Invibes Switzerland AG CH) remained stable, a notable performance after the difficult conditions of the first half of the year (H1) resulting in a decline of 10% for the full year. Countries in the emerging markets (Invibes AG, Invibes UK LTD, Invibes Italy SRL and Invibes Benelux BV) posted accelerated growth between H1 and H2, with total growth of +32% in 2023. New countries in the start-up phase (Invibes Czech republic sro, Invibes Netherlands BV, Invibes Denmark APS, Invibes Norway AS, Invibes Poland sp zoo, Invibes Nordics AB, Invibes South Africa LTD, Invibes UAE FZ LLC and Invibes INC) passed the million-euro sales threshold together in 2023.

Other major operations in 2023:

- A conversion of warrants on the 9th of March 2023, thus increasing capital of INVIBES ADVERTISING NV by K€ 62,7 and creating an additional 28.000 shares,
- A capital increase within the subsidiary INVIBES SWITZERLAND (which is 98,4% held by Invibes Advertising NV) by converting debts into equity and the compensation of retained losses with capital for K€ 1.696
- A capital increase within the subsidiary INVIBES SPAIN by K€ 520
- A conversion of debt into share capital premium within the subsidiary INVIBES NORDICS by K€ 585
- A conversion of debt into share capital premium by K€ 212 and a compensation of retained losses by K€ 618 within the subsidiary INVIBES ITALY.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The group's financial statements have been prepared on an accruals basis and under the historical cost convention. Any exceptions to this historical cost convention will be disclosed.

The consolidated financial statements of the Company as of December 31st, 2023, include the financial statements of Invibes Advertising NV, the Parent company, and its subsidiaries. All companies together constitutes the "Invibes Group". The consolidated financial statements are prepared before appropriation of the result of the parent company as proposed to the General Meeting of Shareholders.

2.2 Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries as of 31st December 2023. All subsidiaries have a reporting date of 31st December.

All transactions and balances between Group companies are eliminated for consolidation purposes, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed for consolidation, the underlying asset is also tested for impairment from a Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

2.3 Scope of the consolidation level

In accordance with IFRS 10, subsidiaries are all controlled entities. Control, regardless of the level of controlling interest held in an entity, is the result of the following three components:

- having power to direct the relevant activities that significantly affects the investee's returns,
- having exposure, or rights, to variable returns from its involvement in the investee,
- having the ability to use its power over the investee to affect the amount of the investor's returns.

Only substantive rights, as conferred by shareholders' agreements, which can be exercised when decisions on relevant activities have to be made and which are not purely protective, are taken into account for the determination of power. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ceases.

Joint ventures are partnerships in which the Invibes Group and the other parties involved exercise contractually agreed joint control over the entity and have rights to its net assets.

Associates are entities in which the Group exercises significant influence: Invibes Group has the power to participate in financial and operational policy decisions, however without exercising joint control or control. Significant influence is presumed when the Group holds, directly or indirectly, 20% or more of the voting power of the investee.

The consolidation methods used are:

- Full consolidation method for subsidiary companies over which the Invibes group exercises control. Within consolidated equity, the share of minority interests in the equity of consolidated subsidiaries is presented as a separate item, as in the income statement and in the statement of comprehensive income.
- The equity method for joint ventures and associates. This method consists in retaining in the consolidated financial statements the share of shareholders' equity corresponding to the percentage held by the Invibes Group. If the Invibes Group's share in the losses of an equity-accounted entity is greater than its interest in it, then the Invibes Group's share is reduced to zero. Additional losses are subject to a provision if the Invibes Group has a legal or implicit obligation in this regard.

The list of companies fully consolidated and accounted for using the equity method is presented below:

Entity	Address		Identification number	% interest	Method
Invibes Advertising NV	Technologiepark 82 bus 26	9052 Ghent	BE 0836.533.938	Consolidating entity	
Invibes Services Srl	Str. Grigore Cobălcescu 46, Camera 7, Etaj 2, Sector 1	010196 Bucharest	RO30562825	100,00%	FC
Invibes Advertising SAS	24 rue des Petites Ecuries	75010 Paris	FR5374500140	100,00%	FC
Invibes Advertising Inc.	1177 Avenue of the Americas, 7th Floor New York	NY 10036	6020943	100,00%	FC
Invibes Spain SL	Paseo de la Castellana 137, 4a planta	28046 Madrid	B37563434	100,00%	FC
Invibes Advertising AG	Steuerberatungsgesellschaft Theaterinenerstraße 45	80333 München	DE320810302	99,12%	FC
Invibes Switserland AG	Langstrasse 11	8004 Zürich	CHE-302.303.944	98,40%	FC
Invibes Finance SA	Place de Paris	2314 Luxembourg	B42153	100,00%	FC
ML2GROW NV	Victoriastraat 52	9000 Ghent	BE 676.644.086	62,33%	FC
Invibes Italy srl	Via Giosue Carducci 31	20123 Milano	IT1091916969	100,00%	FC
Invibes Advertising UK Ltd.	5 Underwood Street	N1 7LY London	GB 330 1273 54	100,00%	FC
Invibes Benelux BV	Prins Boudewijnlaan 5 bus 10	2550 Kontich	BE 0747.591.173	100,00%	FC
Invibes Netherlands BV	KNSM-laan 171	1019LC Amsterdam	NL861951438B01	100,00%	FC
Invibes SAAS OÜ	Sopruse pst 145, Kristiine district Harju county	13417 Talinn	EE 102307368	100,00%	FC
Invibes Nordic AB	c/o Leionen, Sankt Eriksgaten 63B	112 34 Stockholm	5593314-9254	100,00%	FC
Invibes Norway AS	Arbins Gate 4	0253 Oslo	928094251	100,00%	FC
Invibes Denmark APS	c/o Baker Tilly Revisonspartnerselsk. Poul Bundgaards Vej 1, 1	2500 Valby	4276745	100,00%	FC
Invibes Dijital Reklamcilik VE Ticaret anonim Sirketi	Mecidiyeöy Mah. Büyükdere Cad. Ibrahim Polat Holding Blok No: 87ç Kapio No: 5	Istanbul	4654257218	100,00%	FC
Invibes Advertising FZ-LC	SEO100 Bldg 08-CO Work	Dubai	100559210800003	100,00%	FC
Invibes Advertising South Africa (PTY) Ltd.	10 Buffalo Road, Gallo Manor Sandton	2196 Gauteng	4690300811	100,00%	FC
Invibes Poland	Ul. Pzyokopowa 33	01-208 Warsaw	PL5272966038	100,00%	FC
Invibes Central Europe	Ovocny trh 1096/8, Stare Mesto	11000 Praha	1421676	100,00%	FC
Adspark GmbH	Steuerberatungsgesellschaft Theaterinenerstraße 45	80333 München	HRB 273516	100,00%	FC
Invibes Bucharest Services SRL	Str. Grigore Cobălcescu 46, Camera 7, Etaj 2, Sector 1	010196 Bucharest		100,00%	FC

FC: Full Integration, EQ: Equity method

The closing date of all companies within scope is December 31st.

The Group does not hold any other entity who are left out of the consolidation scope.

2.3.1 Entry in the consolidation scope

There was no new entry in the consolidation scope during the financial year.

2.3.2 Exit from the consolidation scope

There was no exit from the consolidation scope during the financial year.

2.4 Translation of accounts and operations in a foreign currency

2.4.1 Translation of financial statements of the foreign subsidiaries

The accounting currency of foreign subsidiaries is their functional currency.

Assets and liabilities of subsidiaries located outside the euro area are converted into euro using the exchange rate at closing date. Elements of income statement are translated into euro at the rate approaching the exchange rates at transaction date, or at the average rate of the reporting period if there are no important fluctuations in the rate. Equity is presented at historical rate. Exchange rate differences resulting from translations are presented in the translation reserves in equity until the date of exit from the consolidation scope.

2.4.2 Translation of transactions denominated in a foreign currency

Transactions denominated in foreign currencies are translated at the current foreign exchange rate at the date of the transaction.

At closing date, the monetary assets and liabilities denominated in foreign currencies are translated at the closing foreign exchange rate. The resulting foreign exchange rate differences are recognized as foreign exchange gains or losses in the income statement for the transactions linked to the activity.

The functional currency of foreign subsidiaries is the local currency.

2.4.3 *Foreign exchange rates used for the preparation of the consolidated accounts*

The below mentioned rates are euro against foreign currency rates.

Euro against foreign currencies rate	AED	CHF	CZK	DKK	GBP	NOK
Closing rate						
31/12/2021	4,1763	1,0331	24,7390	7,4364	0,8403	9,9989
31/12/2022	3,9904	1,0022	23,7440	7,4405	0,8825	10,8108
31/12/2023	4,0193	0,9308	24,6508	7,4571	0,8627	11,2867
Average rate						
01/2021 - 12/2021	4,3333	1,0799		7,4368	0,8584	10,1639
01/2022 - 12/2022	3,8510	0,9997	24,4774	7,4409	0,8587	10,1894
01/2023 - 12/2023	3,9759	0,9653	24,0190	7,4557	0,8665	11,4767
Euro against foreign currencies rate	PLN	RON	SEK	TRY	USD	ZAR
Closing rate						
31/12/2021	4,5969	4,9490	10,2503	15,2335	1,1326	18,0625
31/12/2022	4,7170	4,9156	11,1483	20,5339	1,0864	18,9036
31/12/2023	4,3516	4,9743	11,1982	32,6797	1,0937	20,5044
Average rate						
01/2021 - 12/2021	4,6868	4,9251	10,1562	10,8104	1,1816	17,5922
01/2022 - 12/2022	4,7059	4,9249	10,7306	17,8465	1,0483	17,3989
01/2023 - 12/2023	4,4956	4,9518	11,4657	26,4375	1,0825	20,1319

2.5 *Goodwill*

All business combinations are measured and recognised in accordance with the revised IFRS 3.

The consideration transferred (acquisition cost) is measured at the fair value of the assets delivered, issued equity and liabilities incurred at the date of acquisition. Costs directly attributable to the acquisition are expensed.

The group uses the full goodwill method, which is the difference between the sum of the acquisition cost of the business combination and the fair value of the minority interests, and the net amount of the assets. Assets and liabilities are assumed measured at fair value at acquisition date.

Goodwill is determined at the acquisition date of the acquired entity and is not subject to any subsequent adjustment beyond the measurement period; the subsequent acquisition of non-controlled interests does not give rise to the recognition of additional goodwill.

Accounting for a business combination must be completed within 12 months of the acquisition date. This period applies to the valuation of identifiable assets and liabilities, the consideration transferred and uncontrolled interest.

If the fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of an acquisition, the difference is immediately recognised in the income statement.

Goodwill is tested for impairment annually or more frequently if events or changes indicate that the carrying amount of the goodwill may have been impaired. When an impairment loss is recognised, the difference between the carrying amount and its recoverable amount is recognised as an operating expense on the "asset impairment" line and is irreversible.
Goodwill is allocated to the relevant cash-generating unit for purpose of impairment testing.

2.6 *Other intangible assets*

2.6.1 Internally developed software

Expenditures during the research phase of projects to develop new customized software for IT and telecommunication systems is recognised as an expense as incurred. Costs that are directly attributable to a project's development phase are capitalized as intangible assets, provided they meet all of the following recognition requirements:

- the development costs can be measured reliably,
- the project is technically and commercially feasible,
- the Group intends to and has sufficient resources to complete the project,
- the Group has the ability to use or sell the software, and
- the software will generate probable future economic benefits.

Development costs not meeting these criteria for capitalization are expensed as incurred. Directly attributable costs include employee costs incurred on software development along with an appropriate portion of relevant overheads and borrowing costs.

2.6.2 External purchased software and other intangible assets

The intangible assets acquired by Invibes Group are recognized at cost.

2.6.3 Subsequent measurement

All intangible assets with a finite useful life, including capitalized internally developed software, are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

- Software: 5 years
- Other intangible assets: 5 years

At each reporting date, the group reviews whether there is any indication that assets may be impaired. The impairment is recognised directly in the income statement. If a previously recorded impairment is no longer justified, the impairment is reversed.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other operating expenses.

2.7 *Property, plant and equipment*

In accordance with IAS 16, only the elements whose cost can be determined in a reliable way and for whose it is likely the future economic benefits will benefit to the group are registered as tangible assets.

Property, plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Invibes Group's management.

The different components of a tangible asset are registered separately when their estimated useful life, and therefore their depreciation period, are significantly different. Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value. The following useful lives are applied:

Nature	Depreciation period
Equipment	5 years
Other tangible assets	2 to 5 years

These depreciation periods are reviewed and modified in case of a significant change; these changes are applied prospectively.

At each reporting date, the group reviews whether there is any indication that assets may be impaired. The impairment is recognised directly in the income statement. If a previously recorded impairment is no longer justified, the impairment is reversed.

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other operating expenses.

2.8 Right-of-use assets

At lease commencement date, the Invibes Group recognises a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which consists of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Invibes Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

2.9 Financial assets

Financial assets include deposits and securities, receivables related to non-consolidated participating interests and the other receivables. They are valued at their historical value.
When their value is lower than their probable recovery value, an impairment is recorded.

2.10 Accounts receivable

The accounts receivables include the invoices related to service delivery contracts according to the following principles.

The invoiced receivables are estimated at their fair value when they are initially registered. They are the subject of an impairment according to their probability of recovery if necessary.

The group enters into debt factoring contracts with external factor companies. As a result, part of the trade receivables portfolio is recurrently sold to the factor company.

The debt factoring arrangement results in de-recognition if it qualifies as a transfer in accordance with either IFRS 9 or when the group substantially transfers all the risks and rewards of ownership of the financial asset (account receivable). A transfer is an eligible transfer if:

- the contractual rights to the cash flows are transferred; or
- the contractual rights to the cash flows are retained but the company assumes an obligation to pay them on to the factor in a manner that meets the conditions in IFRS 9 being that we have no obligation to pay any amounts to the factor unless we receive the cash flows from the customers, we cannot sell or pledge the receivables to a third party and the company has to remit the cash flows it collects without material delay.

2.11 Other current assets

The other current assets mainly concerns other receivables. The other receivables are estimated at their fair value when they are initially registered. They are the subject of an impairment according to their probability of recovery if necessary.

2.12 Cash and cash equivalents

Cash and cash equivalents include funds in cash registers and bank deposits, generally for a period below 3 months, easily available or transferable on very short term, convertibles into an amount of cash and presenting no material risks of changes in value.

The bank overdrafts repayable on demand which are an integral part of the group's cash management are considered to be a component of cash and cash equivalents for the purpose of the cash flows statement.

2.13 Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued. Share premium includes any premium received on the issuance of share capital. Any transaction costs associated with issuing shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Reserves and retained earnings / accumulated loss (-) – includes all current year and prior period retained profits.
- Treasury shares (-) – includes the value of call option that Invibes Group has on its own shares.
- Currency translation adjustments – includes foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into EURO.

Dividends payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

Retained earnings includes all current and prior period retained profits and share-based employee remuneration (see Note 3.2.12).

2.14 Financial liabilities

The financial liabilities include the loans, other financing instruments and bank overdrafts.

Loans and borrowings are initially recognised at their fair value, plus or minus transaction costs. They are subsequently valued at amortized cost using the effective interest rate method. Any difference between the consideration received (net of transaction costs) and the redemption value is recognised in the income statement over the period of the loan (effective interest rate method).

2.15 Financial instruments

Financial assets other than those mentioned before are initially measured at fair value adjusted for transaction costs (when applicable). They are classified into one of the following categories:

- Amortised cost (AC)
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI): the Invibes Group does not hold any financial assets categorized as FVTOCI

The classification is determined by both:

- The business model for managing the financial asset
- The contractual cash flow characteristics of the financial asset

The financial assets that are measured at AC and FVTPL are classified as other investments on the balance sheet, and expenses and revenues are classified as finance expense or finance income.

The subsequent measurement of financial assets depends on the category:

- Financial assets are measured at AC when the objective is to hold the financial assets and collect contractual cash flows, and the contractual terms give rise to cash flows that are solely payment of principal and interests on the principal amount outstanding. After initial measurement, these assets are measures at AC using the effective interest method.

- Financial assets are measured at FVTPL when it concerns equity investments, when the assets are held within a different business model other than “hold to collect” or “hold to collect or sell”, and financial assets whose contractual cash flows are not solely payment of principal and interests.

The fair value of the financial assets in this category is determined by reference to directly observed market inputs other than quoted prices for similar instruments and are categorized within level 2 of the fair value hierarchy.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all risks and rewards are transferred.

The group did not subscribe to hedging instruments.

2.16 Lease liabilities

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate that is implicit in the lease of using the Group’s incremental borrowing rate when it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Invibes Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Invibes Group.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining outstanding amount of the lease liability.

The Group has elected not to recognize a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

To respond to business needs, particularly in the demand for office space, the Group will enter into negotiations with landlords to either increase or decrease available office space or to renegotiate amounts payable for ongoing leases. In some cases, the Group is able to expand office capacity by occupying additional office space and therefore commits with the owner to pay an amount that is proportionate with the stand-alone price to reflect the specific terms in the contract. In these situations, the contractual agreement for the additional office space is considered as a new lease and accounted for accordingly.

In other instances, the Group is able to negotiate a change to a lease such as reducing the amount of office space taken, reducing the lease term or by reducing the total amount payable under the lease, both of which were not part of the original terms and conditions of the lease. In these situations, the Group does not account for the changes as though there is a new lease. Instead, the revised contractual payments are discounted using a revised discount rate at the date the lease is effectively modified. For the reasons explained above, the discount rate used is the rate implicit in the lease or the Group's incremental borrowing rate determined at the modification date if the rate implicit in the lease is not readily determinable.

2.17 Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognised when:

(a) There exists a present obligation resulting from a past event;
(b) It is probable that an outflow of resources representative of economic benefits will be required to end the obligation;
(c) The obligation can be reliably measured.

This obligation may be legal, regulatory, or contractual. It can also result from Invibes Group practices or public commitments that created a reasonable expectation among the third parties in question that the Invibes Group will assume certain responsibilities.

2.18 Pension liabilities

The Group's pension plans concern defined contribution contracts only. There are no defined benefits contracts. The Group pays fixed contributions into independent entities in relation to several retirement plans and insurances for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

2.19 Share-based employee remuneration

The Group has share-based remuneration plans for its employees. None of the Group's plans are cash-settled.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values.

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly based on the fair value of the equity instruments granted. This fair value is determined at the grant date and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to consolidated reserves. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period.

The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital.

2.20 Revenue

The activity of the Invibes Group is the delivery of digital advertising services through the Invibes platform. Different invoicing units exist and are all based on the delivery of certain KPI's.
To determine whether to recognize revenue, the Invibes Group follows the following process in accordance to IFRS 15:

- Identifying the contract with the customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognizing revenue when/as performance obligations are satisfied.

Revenue is recognised at a point in time, when (or as) the Group satisfies performance obligations by transferring the promised services to its customers.

Revenue from sales is recognised when the invoiceable units are delivered. This can be measured reliable based on the input from the Invibes Platform.

2.21 Taxes

Income tax (expense or income) includes the payable tax expenses (income) and the deferred tax expenses (income). Tax is recognised in profit or loss unless it relates to items that are directly recognised in other components of comprehensive income and loss, in which case it is recognised in other components of comprehensive income and loss.

2.21.1 Current tax liability

The current tax liability is the estimated amount of the tax due relating to the taxable profit for a period, determined by using the tax rates that have been adopted at closing date.
The tax rate used by each component in the Group is its effective local tax rate.

2.21.2 Deferred tax assets/liability

Deferred taxes are calculated using a liability method, which is a balance sheet approach, for most of the temporary differences between the carrying value of assets and liabilities and their tax base value.

The measurement of deferred tax assets and liabilities is based on the Group’s expectation to recover or pay the carrying amount of the assets and liabilities by using tax rates adopted at the closing date.

A deferred tax asset concerning tax losses is recognized only when it is likely that the group will record future taxable profits to which this credit can be charged. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be recovered.

The effect of any changes in tax rates is recognized in profit or loss unless it relates to items that are directly recognized in equity.

2.22 Earnings per share

The Group reports both basic and diluted earnings per ordinary share. Basic and diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders of the parent company by the weighted average number of common shares outstanding during the period. Treasury shares are not treated as outstanding and are therefore deducted from the number of shares outstanding.

Diluted earnings per share are determined by adjusting the net profit attributable to ordinary shareholders and the weighted average number of common shares outstanding during the period for the impact of all common shares that have a potentially dilutive effect, which include in particular convertible instruments.

2.23 Determining accounting estimates and judgements

As part of the preparation of the consolidated financial statements, Management makes judgments and uses accounting estimates and assumptions that may have an impact on the carrying amount of assets, liabilities, income and expenses recorded in the consolidated financial statements, as well as in the notes.

These estimates and the underlying assumptions are constantly established and reviewed based on past experience and other factors considered as reasonable given the circumstances. Thus, they are used as a basis to the practice of the judgment necessary for the determination of the carrying value of assets and liabilities, which cannot be obtained from other sources. The actual values can be different from the estimated values.

Taking into account the significant effects on these consolidated financial statements, the following accounting topics include judgements made by management:

- Capitalization of internally developed intangible assets:

  Distinguishing the research and development phase of a software project and determining whether the recognition requirements for the capitalization of development costs are met requires judgement. After capitalization, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalized costs may be impaired.

- Recognition of deferred tax assets.

  The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. For this purpose, managements sets up a recoverability test for tax loss carry-forwards which consists of calculating the number of years it would take to fully recover the potential deferred tax assets based on financial budgets for future periods.

  Furthermore, for companies that are not yet profitable during the first year of recognition of deferred tax assets on tax loss carry-forwards, only 50% of the potential deferred tax assets are recognized. During the year in which these companies become profitable, 100% of the potential deferred tax asset is recognized.

  In addition, significant judgement is required assessing the impact of any legal or economic limits or uncertainties in various jurisdictions.

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

- Impairment of non-financial assets and goodwill

  In assessing impairments, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. In 2023, the Invibes Group recognized impairment losses on ML2GROW NV and Invibes Poland.

- Useful lives and residual values of depreciable assets

  Management reviews its estimates of useful lives and residual values of depreciable assets at each reporting date, based on the expected utility of the assets.

– Leases – determination of the appropriate discount rate to measure lease liabilities

  As mentioned before, the Group enters into leases with third-party landlords. As a consequence the rate implicit in the relevant lease is not always readily determinable. When the implicit interest rate is not available, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available.
  The Group consults with its main bankers to determine what interest rate they would expect to charge the Group to borrow money to purchase a similar asset to that which is being leased. These rates are, where necessary, then adjusted to reflect the credit worthiness of the entity entering into the lease and the specific condition of the underlying leased asset. The estimated incremental borrowing rate is higher than the parent company for leases entered into by its subsidiary undertakings.

All members within the consolidation scope have applied the beforementioned accounting policies.

There have been no significant changes in accounting methods as compared to previous periods.

3 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

3.1 Operating segment information

The main operating decision maker has access to financial data of each legal entity in the consolidation scope. The main activity of the members of Invibes Group is the delivery of digital advertising services.

On February 7th, 2024 the Board of Directors approved the proposition to sell the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. Although this event is considered to be a non-adjusting event, this has triggered the decision to report ML2GROW as a separate segment as of financial year 2023 as it would show the impact of the sale of this activity. The sale of ML2GROW is further disclosed in Note 4.5.

There is no specific type of customer for each type of service. There is no specific type of service for each legal entity.

In fact the performance assessment and the allocation of resources of the Group by the main operating decision maker is based on an analysis of performance indicators without any difference between legal entities and have the same economic characteristics regardless of the legal entity.

Performance indicators per market

The key performance indicators are:

	Established markets	Emerging markets	Startups	Central Group	ML2GROW	Consolidated
Revenue	17.267	9.927	973	43	702	28.913
EBITDA	5.198	1.902	-579	-4.567	17	1.970
EBITDA as % of revenue	30%	19%	-60%	-10576%	2%	7%
Depreciation and ammortisations	4	98	9	1.144	128	1.384
FTEs at yearend	25	40	6	79	7	156
Profit/loss (-) for the year	935	-88	-735	504	-59	557

* ESTABLISHED MARKETS consist out of Invibes SAS, Invibes Spain SL and Invibes Switzerland AG CH

** EMERGING MARKETS consist out of Invibes UK LTD, Italy SRL, Benelux BV and Advertising AG

*** START UPS consists of ADSpark GMBH, Invibes Czech republic sro, Invibes Netherlands BV, Invibes Denmark APS, Invibes Norway AS, Invibes Poland sp zoo, Invibes Nordics AB, Invibes Dijital Reklacilik AS,Invibes South Africa LTD, Invibes UAE FZ LLC, Invibes INC

****ML2GROW consists of ML2GROW NV

Established markets include the companies who are already well established in their market: of Invibes SAS, Invibes Spain and Invibes Switzerland.

Emerging markets include the companies who are seeing an initial traction in their market: Invibes UK LTD, Invibes Italy SRL, Invibes Benelux BV and Invibes Advertising AG.

Start Ups are companies that have been founded recently and don't have traction in their market yet: ADSpark GMBH, Invibes CET sro, Invibes Netherlands BV, Invibes Denmark APS, Invibes Norway AS, Invibes Poland sp zoo, Invibes Nordics AB, Invibes Dijital Reklacilik AS, Invibes South Africa LTD, Invibes INC and Invibes UAE FZ LLC.

Central group consists out of all supporting activities (finance, legal, talent acquisition, sales support, ...).

EBITDA is calculated as: Revenue minus purchases (including capitalized internally generated intangible assets) and personnel expenses.

FTEs at yearend concern employees, excluding managerial staff.

The Group's total assets and non-current and current liabilities (all non-equity items) are located into the following geographic regions:

	Established markets	Emerging markets	Startups	Central Group	ML2GROW	Consolidated
Total assets	9.658	6.226	604	21.003	852	38.342
Total non-current and current liabilities	7.647	3.002	345	5.056	616	16.666

For reasons explained before, ML2GROW NV has been classified in a separate segment as of financial year 2023. If no such change was made, the segment information would be presented as:

	Established markets	Emerging markets	Startups	Central Group	Consolidated
Revenu	17.969	9.927	973	43	28.913
EBITDA	5.215	1.902	-579	-4.567	1.970
EBITDA as % of revenue	29%	19%	-60%	-10576%	7%
Depreciation and ammortisations	133	98	9	1.144	1.384
FTEs at yearend	32	40	6	79	156
Profit/loss (-) for the year	876	-88	-735	504	557

	Established markets	Emerging markets	Startups	Central Group	Consolidated
Total assets	10.510	6.226	604	21.003	38.342
Total non-current and current liabilities	8.263	3.002	345	5.056	16.666

3.2 *Notes on the consolidated balance sheet*

3.2.1 Goodwill

	Switzerland	Spain	Belgium	Poland	TOTAL
Gross value 1 Jan 2023	1.932	65	102	4	2.104
Changes in scope					0
Gross value 31 Dec 2023	1.932	65	102	4	2.104

	Switzerland	Spain	Belgium	Poland	TOTAL
Impairment 1 Jan 2023					0
Changes in scope					0
Impairments of the year			102	4	106
Impairment 31 Dec 2023	0	0	102	4	106

	Switzerland	Spain	Belgium	Poland	TOTAL
Carrying value 1 Jan 2023	1.932	65	102	4	2.104
Changes	0	0	-102	-4	-106
Carrying value 31 Dec 2023	1.932	65	0	0	1.998

	Switzerland	Spain	Belgium	Poland	TOTAL
Gross value 1 Jan 2022	1.932	65	102		2.100
Changes in scope				4	4
Gross value 31 Dec 2022	1.932	65	102	4	2.104

	Switzerland	Spain	Belgium	Poland	TOTAL
Impairment 1 Jan 2022					0
Changes in scope					0
Impairment 31 Dec 2022	0	0	0	0	0

	Switzerland	Spain	Belgium	Poland	TOTAL
Carrying value 1 Jan 2022	1.932	65	102	0	2.100
Changes in scope	0	0	0	4	4
Carrying value 31 Dec 2022	1.932	65	102	4	2.104

In 2023, an impairment loss was recognized on goodwill of ML2GROW (K€ 102) and Invibes Poland (K€ 4). On 7 February 2024 the Board of Directors approved the proposition to sell the company ML2GROW to the other non-controlling minority shareholders of ML2GROW.

Taking into account the requirements of IFRS 8, the majority of goodwill for an amount of K€ 1.932 can be attributed to the cash-generating unit Switzerland. Goodwill attributable to other Cash generating units is not significant.

The recoverable value of this asset tested using a combination of the DCF method (80% weight) and the EBITDA (20% weight) amounts to K€ 11.082 as of December 31st,2023.

Management's key assumptions include:

- The calculations use projections of the future free cash flows for 5 coming financial years, combined with a continuing annual growth rate (terminal growth) of 2%.
- Growth rates used are a reflection of the continuous growth according the expectations of the group.
- Decreasing cost of goods sold and overhead are based on scaling effect.
- Replacements investment.

The projections used in the DCF and EBITDA method are based on experience in the past and have been approved by the Board of Directors.

The EBITDA method is based on the expected EBITDA in 2024 and uses a multiple of 10.8.

The Group's management believes this is the best available input for forecasting these markets. Cash flow projections reflect stable profit margins achieved immediately before the most recent budget period. No expected efficiency improvements have been taken into account and prices and wages reflect publicly available forecasts of inflation for the industry.

Projected cash flows are calculated from the business plans covering 5 years (excluding the current year). The aforementioned business plans are carried out in accordance with the same principles as those applied to the budget process, that is, drawn up on the basis of the best possible knowledge of the operational aspects of past experience, market developments and techniques, are reviewed by Group management to ensure consistency with the strategy followed and the resulting investment policy:

- A terminal value is determined over the sixth year, extrapolating the flow of year 5 based on an infinite growth rate. The indefinite growth rate used is 2% at December 31st, 2023;
- The WACC is an after-tax rate applied to after-tax cash flows. This rate reflects current market assessments of the average cost of capital. Its use results in the determination of recoverable values identical to those obtained using pre-tax rates at tax-free cash flows in accordance with IAS 36 "Impairment of assets". The WACC was set on 10,34% at December 31st, 2023.

The perpetuity growth rate is the most sensitive assumption for the assessment of impairment tests. A decrease of 0.5 basis points in the perpetuity growth rate would have the effect of reducing the fair value of the cash flows of the CGU by K€ 408. An increase of 1 basis point in the WACC rate would have the effect of reducing the fair value of the cash flows of the CGU by K€ 1.135. In these two cases, this would not lead to the recognition of impairment.

3.2.2 Other intangible assets

	Software	Other	TOTAL
Gross value 1 Jan 2023	6.569	87	6.655
Additions	1.888		1.888
Disposals	-606		-606
Gross value 31 Dec 2023	**7.851**	**87**	**7.938**

	Software	Other	TOTAL
Amortizations 1 Jan 2023	4.109	27	4.136
Amortizations 2023	731	19	750
Disposals	-606		-606
Amortizations 31 Dec 2023	**4.234**	**46**	**4.280**

Carrying value 31 Dec 2023	**3.617**	**41**	**3.658**

	Software	Other	TOTAL
Gross value 1 Jan 2022	5.881	48	5.929
Additions	2.374	39	2.412
Disposals	-1.686		-1.686
Gross value 31 Dec 2022	**6.569**	**87**	**6.655**

	Software	Other	TOTAL
Amortizations 1 Jan 2022	3.189	11	3.200
Amortizations 2022	2.606	16	2.622
Disposals	-1.686		-1.686
Amortizations 31 Dec 2022	**4.109**	**27**	**4.136**

Carrying value 31 Dec 2022	**2.460**	**60**	**2.519**

The main investments of financial year 2023 concern further developments and new features to the already existing Invibes Platform. These have been capitalized on a cost principle basis (cf note 3.3.3). Amortizations of 2023 amount to K€ 750. Some of the new improvements in 2023 have made some of the older Invibes platform's assets obsolete, which have been scrapped for a total amount K€ 606 in 2023.

The investments in the Invibes platform in 2023 mainly consist out of:

AdDelivery

Features under AdDelivery focus on providing higher performance of the ad serving components, through new developments on filtering & processing as well as optimizations on the adserving algorithm. These contribute to increased scalability to support higher volumes, further precision in processing and efficiency gains on operations. Features include: BVGen algorithm updates, improved keyword filtering logic, ad distribution deconcentration, Prebid adapter modifications, LiveScore extensions to serve live data from additional sports, Viewability improvements such as booster and visi-booster.

Billing Extentions & Innovation

New billing types are developed, mainly to support more complex billing units where billing is further conditioned by post display actions by the user, such as survey answering. Integration of additional price elements such as geolocatisation services and video optimizer usage. Additionally, development effort goes into processing optimization to support increasingly large number of events per billing unit.

Data Services

Features under Data Services involve extensions of Data Cloud with user attribute enrichment and targeting, Invibes Analytics as well as integration of Handshake as replacement of third party cookies for advertiser website tools, updated logic for defining the content categorization of inventory, improvements on brandsafety such as campaign content keywords and developments on the chat *ePrivacy features*

ePrivacy developments aim to support the national legislations concerning data privacy. Developments include fine grained support of user privacy settings based on the user country of origin as well as defaults for e.g. GDPR in European countries. Integration of the updated norms for TCF 2.2.

Product development

A dedicated team develops new product formats, which are the visible ad formats used on campaigns. New developments directly affect the commercial portfolio and allow to increase market share as well as increase media KPI such as video optimizer & visi-booster, the Survey format with multiple question/answer possibilities, specific airline format, video formats...

Reporting features

The development of additional reports and dashboards directly impacts both the efficiency of operations managing campaigns as well as commercials being able to provide additional added value information to advertisers and publishers. Developments include creation of fully new final campaign reports and daily declinations, additional reporting for campaign optimization and inventory.

SSI Platform features

The SSI platform requires specific user-facing features and reports, which is made available through developments specifically for this interface and audience. Developments include extensions to support cross-market campaigns.

Data Lab

Creation of data insights based on historical activity in the network, creation of smart data segments and reports as well as creation of new attention metric, refinements on detection of invalid traffic and data segments lookalikes.

The main investments of the year 2022 are further developments and new features to the already existing Invibes Platform. These have been capitalized on a cost principle basis (cf note 3.3.3). Amortizations of 2022 amount to K€ 2.622. Some of the new improvements in 2022 have made some of the older Invibes platform's assets obsolete, which have been scrapped for a total amount K€ 1.686 in 2022.

3.2.3 *Property, plant and equipment*

	Buildings	Technical installations	Others	Total
Gross value 1 Jan 2023	44	168	422	634
Additions			56	56
Disposals			-119	-119
Exchange rate variations		-2	0	-2
Gross value 31 Dec 2023	**44**	**166**	**359**	**568**

	Buildings	Technical installations	Others	Total
Depreciations 1 Jan 2023	16	60	195	271
Depreciations 2023	11	54	68	132
Disposals			-66	-66
Exchange rate variations	0	-1		-1
Depreciations 31 Dec 2023	**27**	**113**	**197**	**336**
Carrying value 31 Dec 2023	**17**	**53**	**162**	**232**

	Buildings	Technical installations	Others	Total
Gross value 1 Jan 2022	17	95	275	387
Additions	27	80	136	243
Disposals		-6	-18	-24
Exchange rate variations		0	29	28
Gross value 31 Dec 2022	**44**	**168**	**422**	**634**

	Buildings	Technical installations	Others	Total
Depreciations 1 Jan 2022	9	19	99	127
Depreciations 2022	7	48	84	139
Disposals		-6	-18	-24
Exchange rate variations		0	29	29
Depreciations 31 Dec 2022	**16**	**60**	**195**	**271**
Carrying value 31 Dec 2022	**28**	**107**	**228**	**363**

The main investments of 2023 and 2022 in technical installations were related to servers. The investments in other tangible assets concern mainly laptops, computers, desks, chairs and other small investments.

3.2.4 *Right-of-use assets*

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the 2023 consolidated statement of financial position:

Right-of-use asset 2023	N° of assets	Range of remaining term	Average remaining term	N° of assets with purchase option	N° of assets with termination option	N° of assets with prolongation option
Offices	6	1 to 9 years	4 years	0	2	3
Vehicles	14	1 tot 4 years	2 years	4	2	1

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the 2022 consolidated statement of financial position:

Right-of-use asset 2022	N° of assets	Range of remaining term	Average remaining term	N° of assets with purchase option	N° of assets with termination option	N° of assets with prolongation option
Offices	4	2 to 3 years	3 years	0	0	1
Vehicles	12	1 tot 4 years	3 years	12	0	0

	Office	Vehicles	TOTAL
Gross value 1 Jan 2023	962	330	1.292
Additions	589	102	691
Disposals	-385	-87	-472
Exchange rate variations	-9		-9
Gross value 31 Dec 2023	1.157	345	1.502

	Office	Vehicles	TOTAL
Amortizations 1 Jan 2023	255	147	402
Amortizations 2023	319	76	395
Disposals	-275	-23	-298
Exchange rate variations	-2		-2
Amortizations 31 Dec 2023	297	200	497

Carrying value 31 Dec 2023	860	145	1.005

	Office	Vehicles	TOTAL
Gross value 1 Jan 2022	608	321	929
Additions	746	22	768
Disposals	-391	-40	-431
Other		26	26
Exchange rate variations	-1		-1
Gross value 31 Dec 2022	962	330	1.292

	Office	Vehicles	TOTAL
Amortizations 1 Jan 2022	346	116	462
Amortizations 2022	227	77	304
Disposals	-320	-24	-344
Other		-21	-21
Amortizations 31 Dec 2022	255	147	402

Carrying value 31 Dec 2022	707	183	890

The net carrying amount of the right-of-use assets is K€ 1.005 on December 31st, 2023 compared to K€ 890 in 2022.

These assets were recognized in accordance with IFRS 16 - Leases, which applies to financial years starting on or after January 1st, 2019.
IFRS 16 assets are measured at cost price and depreciated using the estimated useful life on a straight-line basis.

During 2023, the Board has reassessed all leasing contracts of office space. As a result, several existing and new contracts have been recognized as a right-of-use asset according to IFRS 16:

- a new leasing contract in Belgium for ML2GROW in Ghent was recognized as of December 2023
- the existing lease contract for Invibes Germany in Hamburg was recognized as of July 2023: considering the success of the team in Hamburg, management decided not to opt to early terminate the contract. Thus the lease categorizes as a long term lease under IFRS.
- the existing lease contract for Invibes Italy in Milan was recognized as of July 2023: considering the success of the team in Milan, management decided not to opt to early terminate the contract. Thus the lease categorizes as a long term lease under IFRS.

The following contracts have ended before expiring date, resulting in a derecognition of the remaining right-of-use asset:

- a lease contract for office space in Romania
- a lease contract for office space for ML2GROW

In 2022 investments in right-of-use assets amount to K€ 768 and are related to vehicles and offices. Depreciations for the period amounts to K€ 304.

3.2.5 Long term financial assets

Long term financial assets consists mainly of guarantee deposits and granted loans with maturity between 1 to 5 years.

The decrease in 2023 concerns the reclass of remaining factoring guarantee funds from long term financial assets to short term trade receivables. As of December 31st, 2023 all guarantee funds are classified as trade receivables.

	Other non-current assets
Carrying value 1 Jan 2023	845
Additions / increases	75
Disposals / decreases	-545
Other	
Carrying value 31 Dec 2023	375

	Other non-current assets
Carrying value 1 Jan 2022	760
Additions / increases	276
Disposals / decreases	-192
Other	2
Carrying value 31 Dec 2022	845

3.2.6 Deferred tax assets and liabilities

	31/12/2023	31/12/2022
Deferred tax assets	1.302	625
Total	1.302	625

Based upon management assumptions, and based on financial and tax budgets, the Board of Directors assessed that for the future:

- The group would be able to use 100% of its tax losses in Belgium for Invibes Advertising NV compared to the 50% which was expressed in 2022. Management expects to be able to fully recuperate these losses as Invibes Advertising NV is the holding company of the group and passes on the majority of its costs with a mark-up to the group members. It also receives fees for the use of the Invibes brand name and use of its IP. As the group will further grow in the future this income will also increase further and will more than compensate the costs that cannot be passed on to the group members. Due to the additional losses in 2023 and the 100% recognition, additional deferred taxes of K€ 343 have been recognized.

- The group would still be able to use all of its tax losses in Switzerland (K€ 84 used in 2023).

- The group would be able to use all of its tax losses in Spain, Italy and France, resulting in additional deferred taxes of K€ 385. Due to a change in policy concerning invoicing of intercompany SAAS fees in 2023, the results in Spain, Italy and France have improved during 2023 and the Group is able to recover the tax losses from the past. The internal budgets predict further positive results in the coming years, thus recovering the remaining tax losses. In the case of France and Spain, if the results remain the same as in 2023 (and management expects a further growth in the future) the current losses can be fully recuperated within 4 years.

  Italy made its first profit in 2023 since inception, however there was still a very limited fiscal loss due to non-deductible costs. With the current growth rate of Italy, management believes that starting from 2024 the losses will be recuperated and will be fully used withing the next 4 years. Invibes Benelux only made a K€ 3 loss in 2023. Management is confident that Invibes Benelux will make a profit for the first time in 2024. As Invibes Benelux did not make a profit in 2023 yet, management decided to limit the deferred tax asset to 50% of the tax losses.

In 2022, based upon management assumptions, the Board of Directors assessed that for the future:

- the group would be able to use some of the tax losses in Belgium and Switzerland, resulting in additional deferred taxes based on financial and tax budgets (+K€ 483).
- It was unlikely that the group would be able to use some of the tax losses in France, Italy, Spain and for ML2Grow due to negative perspectives in results and insufficient taxable profits in the near future. This assessment resulted in a derecognition of deferred taxes (-K€ 202).

Therefore, deferred taxes on losses have been recorded in the 2022 financial statements for K€ 283. The Group recognized deferred tax assets in 2021 for the first time.

Deferred taxes arising from temporary differences and unused tax losses are summarized as follows:

	1/01/2023	Recognised in OCI	Rounding	Recognised in P&L	31/12/2023
Deferred tax liability					
FX translation		-9	-4		-13
Other current liabilities				-17	-17
Other investments				-26	-26
Deferred tax asset					
Unused tax losses	621			678	1.299
FX translation	4		-4		0
Other			3		3
At 31 December 2023	625	-9	-5	635	1.246

Deferred taxes on losses amount to K€ 678 in the 2023 financial statements.

The tax losses carried forward for which no deferred tax asset was recognised, amount to K€ 8.331 at yearend 2023. No deferred tax asset was recognised for these losses, because the deferred tax assets were calculated based on the cash flow projections based on the 2023 budgets and the projections for the next five years. These projections show it is unlikely there would be enough taxable profit to be able to benefit from these deferred taxes.

The tax losses carried forward without time limitation amount to K€ 8.121 in 2023. The tax losses carried forward with time limitation, which fully expires in 2029, amount to K€ 210.

The deferred tax assets were also subject to sensitivity analyses in accordance with IAS 1.129. If the tax rate increases by 1%, the tax assets would amount to K€ 1.349. If the tax rate would decrease by 1%, the tax assets would amount to K€ 1.272.

The board of directors assesses that there is no reason for sustainable impairment of deferred tax assets.

The amounts recognised in other comprehensive income relate to exchange differences on translating foreign operations.

	1/01/2022	Recognised in OCI	Reclass	Recognised in profit or loss	31/12/2022
Deferred tax liability					
FX translation	14	-14			0
Deferred tax asset					
Unused tax losses	-339			-283	-621
FX translation		-4			-4
At 31 December 2022	-325	-18	0	-283	-625

In 2022 deferred taxes on losses have been recorded in the 2022 financial statements for K€ 283.

The tax losses carried forward for which no deferred tax asset was recognised, amounted to K€ 10.024 at yearend 2022. No deferred tax asset was recognised for these losses, because the deferred tax assets were calculated based on the cash flow projections based on the 2022 budgets and the projections for the next five years. These projections show it is unlikely there would be enough taxable profit to be able to benefit from these deferred taxes.

The tax losses carried forward without time limitation amount to K€ 9.820 in 2022. The tax losses carried forward with time limitation, which expire in 2028, amount to K€ 204.

In 2022, the deferred tax assets were also subject to sensitivity analyses in accordance with IAS 1.129. If the tax rate increases by 1%, the tax assets would amount to K€ 639. If the tax rate would decrease by 1%, the tax assets would amount to K€ 589.

3.2.7 Trade receivables

	31/12/2023	31/12/2022
Gross trade receivables	11.679	8.511
Impairment losses	-68	-129
Net trade receivables	11.611	8.382

All trade receivables are short-term. The carrying value of trade receivables is considered a reasonable approximation of fair value.

With the exception of a limited amount of overdue trade receivables for which a bad debt impairment loss has been recorded, the Invibes Group considers that it is not exposed to any significant risk of non-recovery.

The Invibes group agreed to a factoring arrangement with KBC Commercial Finance (starting in 2023), Factofrance GE (continuing in 2023) and Bibby Financial Services (ending in 2023), selling a part of the portfolio of trade receivables. At the end of December 2023 the amount of receivables sold within this factor program amounted to K€ 7.900 compared to K€ 6.381 at the end of 2022.

The trade receivables increase is coming from:

- A lower factoring debt (netted from the trade receivables) at the end of December 2023 as compared to the end of December 2022. The total amount of used factoring guarantee funds and advances amounts to K€ 6.858 at the end of December 2023
- An increase of trade receivables in start-up countries

3.2.8 Current tax assets

	31/12/2023	31/12/2022
VAT receivables	934	1 185
Current income tax receivables	2	16
Other tax receivables	0	7
Current tax assets	936	1 208

A small decrease of outstanding VAT receivable is noted as compared to last year.

3.2.9 Other current assets

	31/12/2023	31/12/2022
Advance and prepayments on orders	90	31
Social receivables	76	77
Miscellaneous debtors	25	126
Prepaid expenses	129	274
Other current assets	320	508

The other current assets mainly consist of other receivables. The other receivables are mainly pre-paid expenses and miscellaneous debtors, which have decreased compared to financial year 2022 due to the overall decrease in costs.

3.2.10 Other investments

	31/12/2023	31/12/2022
Government bonds	9.068	0
Monetary funds	4.201	0
Other current assets	13.269	0

The other investments consist of investments in government bonds and monetary funds.

All government bonds expire in the first quarter of 2024, and valuated at amortized-cost. As of 31 December 2023, a gain of K€ 123 was recognized in financial income.

The investments in monetary funds do not have an expire date, and are valuated at fair value through profit and loss. As of 31 December 2023, a fair value gain of K€ 105 was recognized in financial income.

3.2.11 Cash and cash equivalents

	31/12/2023	31/12/2022
Cash and cash equivalents	3.636	20.364
Other current assets	3.636	20.364

Cash and cash equivalents decreased with K€ 16.728 (cf note cash flow statement). The investments of 2023 in government bonds and monetary funds have had a significant impact on the yearend cash position.

3.2.12 Net equity

3.2.12.1 Share capital / share premiums

The share capital of Invibes Advertising NV on 2023, December 31st is represented by 4.476.548 shares with a nominal value of 6,41 euro (fully paid).

The share capital of Invibes Advertising NV on 2022, December 31st was represented by 4.448.548 shares with a nominal value of 6,44 euro (fully paid).

A conversion of warrants was effected on the 9th of March 2023, resulting in an increase of capital by K€ 63 and an additional creation of 28.000 shares.

3.2.12.2 Currency translation adjustments

The translation differences from the conversion of equity of subsidiaries outside the euro area amount to K€ 44 in 2023 against K€ 20 in 2022. The deferred taxes on these currency translation adjustments are netted from these translation differences and amount to K€ -9 in 2023 against K€ -4 in 2022.

3.2.12.3 Change in consolidation scope

No changes in consolidation scope have been noted during 2023.

3.2.12.4 Treasury shares

Together with the capital increase of April 20th, 2021, Invibes Advertising NV has been granted an irrevocable right to purchase a total of 526.324 shares from the participants in the capital increase.

With these call option, Invibes Advertising NV has an irrevocable right to purchase all or part of the new ordinary shares (526.324) issued by the company as a result of the capital increase of April 20th, 2021. The quarterly cost for the call option that Invibes Advertising NV is holding amounts to K€ 37. K€ 365, of which K€ 150 in 2023, has already been paid for the option. K€ 83 is recorded as a short term other current liability. The IRR (Internal Rate of Return) of these call option is 14% on the moment of exercising. Invibes Advertising NV has the option to use the call in 2023 and 2024, the maximum amount of options that can be exercised in 2024 is capped to 55% of the total options, no such cap exists in 2023.

3.2.12.5 Share-based employee remuneration

As at December 31st, 2023, the Group maintains three share-based payment schemes for employee remuneration, the Board Plan and the Staff plan. Each plan is in its turn divided in two plans: all schemes will be settled in equity.
The Board plan is part of the remuneration package of the Group's board members. The Staff plan is part of the remuneration package of the Group's senior management. Options under these schemes will vest over time as long as participants are employed until the end of the agreed vesting period. Upon vesting, each option allows the

holder to purchase one ordinary share at a fixed exercise price, which is below the market price at December 31th, 2023.

Share options and weighted average exercise prices are as follows for the reporting periods presented:

	2019 Programme		2020 Programme		2022 Programme	
	Number of shares	Weighted average exercice price per share	Number of shares	Weighted average exercice price per share	Number of shares	Weighted average exercice price per share
Outstanding at 31/12/2021	**154.075**	**2,88**	**231.104**	**3,06**	**0**	
Granted	0		0		143.100	5,00
forfeited	0		107.172	3	9.523	5,00
Exercised	76.142	2,66	3.000	3	0	
Outstanding at 31/12/2022	**77.933**	**3,09**	**120.932**	**3,63**	**133.577**	**5,00**
Granted	0		0		0	
forfeited	70.933	3,06	0	0	2.621	5,00
Exercised	3.000	5	25.000	3,07	0	
Outstanding at 31/12/2023	**4.000**	**2,24**	**95.932**	**3,12**	**130.956**	**5,00**
Weighted average remaining contractual life	0,67		0,59		3,42	
Exercisable at 31/12/2022	77.933	3,09	120.932	3,11	0	
Exercisable at 31/12/2023	4.000	2,24	95.932	3,12	0	

In 2022, K€ 1.837 of employee remuneration expense (all of which related to equity-settled share-based payment transactions) has been included in profit or loss and credited to consolidated reserves.

3.2.12.6 Calculation of the profit/loss per share

The results and actions used to calculate the basic and diluted results per share are presented below:

	31/12/2023	31/12/2022
Number of Shares	4.476.548	4.448.548
Weighted average number of shares	4.471.332	4.363.714
Weighted average number of shares entitled to dividend	4.471.332	4.363.714
Number of shares on convertible instruments	418.893	446.893
Weighted average number of shares on convertible instruments	424.109	459.837

	31/12/2023	31/12/2022
Profit/loss (-) attributable to equity holders of the parent	576.278	-7.908.080
Per share based on the total amount of shares (in €)	0,129	-1,778
Per share based on the weighted average amount of shares (in €)	0,129	-1,812
Per share based on the weighted average amount of shares entitled to dividend (in €)	0,129	-1,812
Diluted per share based on the total numbers of shares (€)	0,118	-1,615
Diluted per share based on the weighted average amount of shares (€)	0,118	-1,639
Diluted per share based on the weighted average amount of shares entitled to dividend (in €)	0,118	-1,639

The Group reports both basic and diluted earnings per ordinary share. Basic and diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of common shares outstanding during the period.

Diluted earnings per share are determined by adjusting the net profit attributable to ordinary shareholders and the weighted average number of common shares outstanding during the period for the impact of all common shares that have a potentially dilutive effect, which include in particular convertible instruments.

The weighted average number of shares are calculated as follows:

Date	Number of shares	Number of days
1/01/2022	3.435.406	27
28/01/2022	4.367.406	32
1/03/2022	4.448.548	305
31/12/2022	4.448.548	68
9/03/2023	4.476.548	297
31/12/2023	4.476.548	
Average 2022	4.354.302	
Average 2023	4.471.332	

3.2.13 Long term and short term financial liabilities

	1/01/2023	+	-	Reclass	Fx	31/12/2023
Financial liabilities	5.360	1.004	-2.127	139	8	4.383
Short-term bank overdrafts	1.412	15	-13	350		1.764
Miscellaneous financial debts	83			-83		0
Total Financial liabilities	**6.855**	**1.019**	**-2.140**	**406**	**8**	**6.148**

The financial liabilities have decreased with K€ 707 during 2023, which is mainly the combined effect of:

- committing to a new loan in 2023
- repaying loans, resulting in a decrease of K€ 2.140
- reclassifying a K€ 350 short-term bank overdraft from cash.

Due to these movements the total financial liabilities decreased from K€ 6.855 in 2022 to K€ 6.148 in 2023.

	1/01/2022	+	-	Reclass	31/12/2022
Financial liabilities	3.629	3.069	-1.406	67	5.359
Short-term bank overdrafts	2.575		-1.162		1.413
Miscel. financial debts	150			-67	83
Total Financial liabilities	**6.354**	**3.069**	**-2.568**	**0**	**6.855**

The financial liabilities have increased from K€ 6.354 to K€ 6.855 during 2022, which is the combined effect of:

- committing to a new loan in 2022
- repaying loans, resulting in a decrease of K€ 1.406
- decreasing short-term bank overdraft amounts with K€ 1.162.

Loans from other financial institutions and short-term bank overdrafts are secured by a pledge on business assets (cf Note 4.2.2 Current assets pledged).

	31/12/2023	Current	Non-current	Fixed rates	Variable rates
Financial liabilities	4.383	1.646	2.738	4.383	
Short-term bank overdrafts	1.765	1.765		10	1.755
Total Financial liabilities	**6.148**	**3.411**	**2.738**	**4.393**	**1.755**

	31/12/2022	Current	Non-current	Fixed rates	Variable rates
Financial liabilities	5.360	2.423	2.936	5.360	
Short-term bank overdrafts	1.412	1.412		1.412	
Misc. financial debts	83		83	83	
Total Financial liabilities	**6.855**	**3.836**	**3.019**	**6.855**	**0**

Short term bank overdrafts are included within financial liabilities presented in the above table. Maturities of financial liabilities are as follows:

	31/12/2023	-1year	1 to 5 years	+5 years
Financial liabilities	4.383	1.646	2.738	0
Short-term bank overdrafts	1.765	1.765	0	0
Total Financial liabilities	**6.148**	**3.411**	**2.738**	**0**

	31/12/2022	-1year	1 to 5 years	+5 years
Financial liabilities	5.360	2.423	2.936	0
Short-term bank overdrafts	1.412	1.412	0	0
Miscellaneous financial debts	83	0	83	0
Total Financial liabilities	**6.855**	**3.836**	**3.019**	**0**

About 55% of the financial liabilities are due within a year as they relate to short term overdrafts and loans who have reached their maturity date. The remaining part of the financial liabilities are due between 1 and 5 years.

In 2023 Group Invibes has repaid loans for K€ 2.140 and commited to a new loan of K€ 1.000 at 4,26% interest, repayable in sixty monthly instalments over 60 months.

The terms of the outstanding loans as per December 31st, 2023 are:

- loan of K€ 1.000 with a rate of 4,26 %
- loan of K€ 2.000 with a rate of 2,45 %
- loan of K€ 727 with a rate of 0,58 %
- Line of credit of K€ 1.000 with a variable interest rate (based on Euribor)
- Line of credit of K€ 750 with a variable interest rate (based on Euribor)
- Loan of K€ 500 with a rate of 4,56 %
- some smaller loans with rates between 1,75 % and 4,66 %.

3.2.14 Lease liabilities

	1/01/2023	Additions	Reimbursements	Others	31/12/2023
Lease Liabilities	951	692	-405	-187	1.051

	31/12/2023	Current	Non-current	Fixed rates	Variable rates
Lease Liabilities	1.051	364	687	1.051	

	31/12/2023	-1year	1 to 5 years	+5 years
Lease Liabilities	1.051	364	568	119

	1/01/2022	Additions	Reimbursements	Others	31/12/2022
Lease Liabilities	518	817	-382	-2	951

	31/12/2022	Current	Non-current	Fixed rates	Variable rates
Lease Liabilities	951	374	577	951	

	31/12/2022	-1year	1 to 5 years	+5 years
Lease Liabilities	951	374	577	

The lease contracts recognized according to IFRS 16 in 2023 and 2022 concern the lease of company cars and long-term rental contracts of office space. The lease liability increases from K€ 951 in 2022 to K€ 1.051 in 2023.

During 2023, the Board has reassessed all leasing contracts of office space. As a result, several existing and new contracts have been recognized as a leasing contract according to IFRS 16:

- a new leasing contract in Belgium for ML2GROW in Ghent was recognized as of December 2023
- the existing lease contract for Invibes Germany in Hamburg was recognized as of July 2023
- the existing lease contract for Invibes Italy in Milan was recognized as of July 2023

The following contracts have ended before expiring date, resulting in a derecognition of the remaining lease liability:

- a lease contract for office space in Romania
- a lease contract for office space for ML2GROW

Additionally, the Board has reassessed all leasing contracts of company cars. The Group has never exercised the purchase option and has no intention in the future to exercise purchase options on company cars. Unlike in previous years, the purchase option is excluded from the IFRS 16 lease calculation.

Reimbursements of the year 2023 amount to K€ 405.

The lease liabilities are secured by the related underlying assets. Future lease payments at closing date, 2023 and 2022 were as follows:

31/12/2023	Total	Current	Non-current
Lease payment	1.133	400	733
Finance expenses	-82	-36	-46
Net present value	**1.051**	**364**	**687**

31/12/2022	Total	Current	Non-current
Lease payment	992	397	595
Finance expenses	-40	-23	-17
Net present value	**952**	**374**	**578**

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expenses relating to payments not included in the measurement of the lease liability is as follows:

	31/12/2023	31/12/2022
Short-term leases and low value items	707	952
Total	**707**	**952**

The short-term leases concern mainly short-term rentals for office space and company car. These have decreased from K€ 952 in 2022 to K€ 707 in 2023.

3.2.15 Trade payables

	31/12/2023	31/12/2022
Trade payables	5.398	4.738
Total	**5.398**	**4.738**

All trade payables concern short-term liabilities. The carrying value of trade payables is considered to be a reasonable approximation of fair value.

The increase in trade payables is due to the increased activity in the second part of 2023, against a decreased activity during Q4 2022.

3.2.16 Current tax liabilities

	31/12/2023	31/12/2022
Current tax liabilities	2.028	1.924
Total	**2.028**	**1.924**

The current tax liabilities concern mainly VAT payables.

3.2.17 Other current liabilities

	31/12/2023	31/12/2022
Advances, prepayments, deferred income	351	431
Social liabilities	1.386	1.375
Other current liabilities	248	484
Total other current liabilities	1.985	2.290

The social liabilities are linked with personnel, and concerns mainly provisions for holiday pay, withholding taxes on salaries and social security charges.

The remaining other current liabilities mainly relate to prepaid expenses, accruals and cut-off of operating expenses.

K€ 83 of the other current liabilities is related to a call option on shares of Invibes advertising NV (cf note 3.2.12.4).

3.3 Notes on consolidated income statement

3.3.1 Revenue

The main activity of the members of Invibes Group is the delivery of digital advertising services.

On February 7th, 2024 the Board of Directors approved the proposition to sell the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. Although this event is considered to be a non-adjusting event, this has triggered the decision to report ML2GROW as a separate segment as of financial year 2023 as it would show the impact of the sale of this activity. (cf note 3.1).

The Invibes group's operational entities (cf note 2.3) all offer in-feed advertising services to advertisers. The nature of these services is therefore comparable.

The revenue increased from K€ 27.966 in 2022 to K€ 28.913 in 2023.

Financial year 2023 has been divided into two phases:

- the first semester was impacted by the general slowdown in the digital advertising sector, and
- two consecutive quarters of growth in the second half of the year.

In the first half of 2023, Invibes registered a turnover of M€ 12,4, marking a 6% decrease year-on-year compared to H1 2022. Throughout the first six months, operations in established markets (Invibes SAS, Invibes Spain SL, and Invibes Switzerland AG CH) continued to face challenges due to the ongoing slowdown in the digital advertising sector, particularly impacting Invibes SAS. Conversely, the emerging markets (Invibes AG, Invibes UK LTD, Invibes Italy SRL, and Invibes Benelux BV) demonstrated resilience, exhibiting a 21% sales increase during the same period.

In the 2nd half of 2023 business in the established markets (Invibes SAS, Invibes Spain SL and Invibes Switzerland AG CH) remained stable, a notable performance after the difficult conditions of the first half of the year (H1) resulting in a decline of 10% for the full year. Countries in the emerging markets (Invibes AG, Invibes UK LTD, Invibes Italy SRL and Invibes Benelux BV) posted accelerated growth between H1 and H2, with total growth of +32% in 2023. New countries in the start-up phase (Invibes Czech republic sro, Invibes Netherlands BV, Invibes Denmark APS, Invibes Norway AS, Invibes Poland sp zoo, Invibes Nordics AB, Invibes South Africa LTD, Invibes UAE FZ LLC and Invibes INC) passed the million-euro sales threshold together in 2023.

3.3.2 Other operating income

The other operating income consist out of miscellaneous other income (K€ 211).

3.3.3 Capitalisation of internally generated intangible assets

The internally generated intangible assets concern both internal salary costs of the R&D team and external purchases that relate to the development of the Invibes Platform. During 2023 a total amount of K€ 1.779 has been capitalized against K€ 2.138 in 2022.

Those expenses meet the recognition criteria for capitalization in accordance with IAS 38.57. More information can be found under the intangible assets (cf Note 3.2.2).

3.3.4 Operating expenses

Although revenue has increased by 3%, a 5% decrease of operating expenses in 2023 is noted as compared to 2022: from K€ 18.023 to K€ 17.091. This decrease is the positive result of the cost reducing measures in 2022 and 2023 that started to take effect in 2023. An important cost review was required following the major slowdown in the advertising market in 2022.

3.3.5 Personnel expenses

	31/12/2023	31/12/2022
Salaries	10.311	12.753
Social charges	1.505	1.916
Share-based payments	0	1.837
Personnel expenses	**11.816**	**16.506**

The personnel costs capitalized as R&D amount to K€ 1.514 in 2023.

The personnel costs capitalized as R&D amount to K€ 1.525 in 2022.

In 2022, personnel expenses also include employee remuneration expense related to share-based payments amounting to K€ 1 837 (all of which related to equity-settled share-based payment transactions) (cf note 3.2.12.5). No such expense was recorded during financial year 2023.

Average workforce:

	31/12/2023	31/12/2022
Employees	158	197
Manegerial staff	16	14
Total FTE	**174**	**211**

The total number of FTE's decreased sharply from 211 to 174. The Group was confronted by a major slowdown in the advertising market during the 2nd semester of 2022, thus forced into significantly reducing its sales and support staff in the 4th quarter of 2022.

Compensation of executive corporate officers:

For financial year 2023, the amount of compensation allocated to executive corporate officers is K€ 366:

	31/12/2023	31/12/2022
Fixed	359	351
Car	7	9
Total compensation allocated to executive corporate officers	**366**	**360**

Each member of the board receives 2.000 Invibes advertising NV stock options per year. The total amount of stock options for 2023 is 16.000.

3.3.6 Depreciation and amortization

	31/12/2023	31/12/2022
impairment on goodwill	106	0
Total impairments	**106**	**0**
Intangible assets	750	2.615
Tangible assets	133	146
Right-of-use assets	395	304
Total amortization expenses	**1.278**	**3.065**
Net increase/decrease in current assets provisions	0	106
Net increase/decrease of provisions	0	14
Total Increase in provisions	**0**	**120**
Total Increases in amortization and provisions	**1.384**	**3.185**

The depreciation and amortization expenses have decreased from K€ 3.185 to K€ 1.384, which is caused by the combined effect of:

- an impairment of K€ 106 on goodwill
- a significant decrease of amortization of intangible assets. An exceptional amortization of K€ 1.766 was recognized in 2022 concerning parts of the Invibes platform that were obsolete.

3.3.7 Other operating expenses

In 2023, the other operating expenses mainly relate to non-significant corrections related to previous periods.

In 2022, the other operating expenses mainly relate to non-deductible VAT (K€95), costs for 2021 but taken into result in 2022 (K€ 11), licenses (K€ 41) and other costs (K€183).

3.3.8 Financial result

	31/12/2023	31/12/2022
Costs of debt	-701	-391
Finance costs	**-701**	**-391**
Gains on other investments	269	0
Financial income	**269**	**0**
Currency exchange gains	226	279
Other	60	27
Other financial income	**286**	**306**
Currency exchange losses	-396	-368
Other	-53	-16
Other financial expenses	**-449**	**-384**
Total Financial result	**-595**	**-469**

The financial result has decreased from K€ -469 in 2022 to K€ -595 in 2023.

Costs of debts in 2023 concern:

- K€ 239 interests on financial liabilities
- K€ 414 factoring costs
- K€ 47 interests on lease liabilities

The increase of cost of debt is explained by higher interest rates on the new loans committed to in 2022 and 2023, and an increase of factoring costs (e.g. factoring for Invibes Germany and Benelux was not yet existing in 2022).

Financial income concerns the revenue on other investments:

- a FV adjustment of K€ 105 on monetary funds due to subsequent measurement at fair value to profit & loss (unrealized gain)
- a K€ 123 gain on government bonds due to subsequent measurement at amortized cost (unrealized gain)
- K €41 realized financial gains on other investments.

The other financial income and other financial expenses concern mainly currency exchange gains (K€ 226) and losses (K€ 396).

3.3.9 Tax expenses

	31/12/2023	31/12/2022
Income tax	-71	-27
Deferred tax	634	276
Income tax expense (-) / income	**563**	**250**

Tax proof:

Reconciliation between the effective tax rate and the applicable tax rate	31/12/2023	31/12/2022
Profit / loss for the year	557	-7.972
Income tax expense (-) / income	563	250
Income before tax	**-7**	**-8.222**
Theoretical tax rate applicable	24,7%	3,0%
Taxes calculated at the theoretical tax rate	**2**	**-45**
Impact of non-deductible expenses	-110	-23
Impact of non-taxable income	43	
Impact of non-deductible impairment on goodwill	-26	
Impact of used recoverable tax losses excl use of deferred tax assets	8	39
Surplus/deficit(-) taxes previous years		-1
Difference in tax rates foreign subsidiaries	16	4
Other	-3	
Actual income tax	-71	-26
Impact of deferred taxes	634	276
Total income tax expense (-) / income	**563**	**250**

The ‘Theoretical tax rate’ is 3% in 2022 and 25% in 2023.

The ‘Theoretical tax rate’ is calculated by means of the weighted average of the national theoretical tax rates that apply to the profits of taxable entities in the relevant tax jurisdiction. ‘Taxes calculated at the theoretical tax rate’ are calculated by multiplying the profits of those legal entities that made a profit with the tax rate of the relevant tax jurisdictions.

4 ADDITIONAL INFORMATION

4.1 Remuneration of the statutory auditor

Invibes Advertising NV's Statutory Auditor, Grant Thornton Bedrijfsrevisoren BV, represented by Mr Elie Janssens, was appointed by the General Meeting of Shareholders of October 25th, 2021 for a period of 3 years. The Statutory Auditor received a remuneration of K€ 93 for its mandate in 2023. In addition, local auditors were granted a total fees of K€ 51 for work concerning the audits of the subsidiaries within scope of the consolidation. Apart from these amounts, no remunerations or benefits in kind were granted. There were also no payments made to persons with whom the Statutory Auditor entered into a cooperation agreement.

4.2 Off-balance sheet commitments

4.2.1 Call options on Invibes Advertising AG and Invibes Switzerland shares

The companies Invibes Advertising AG and Invibes Advertising NV and Mister Alexander OESCHGER have agreed on November 19th, 2018 a call option with the following conditions:

- Mister Alexander OESCHGER grants to Invibes Advertising AG an irrevocable right ("the call option") to purchase from him all of his remaining Invibes Switzerland shares. The call option may only be executed between January 1st, 2022 and January 1st, 2025.
- Mister Alexander OESCHGER grants to Invibes Advertising NV an irrevocable right ("the call option") to purchase from him all of his remaining Invibes AG shares. The call option may only be executed between November 19th, 2018 and December 31st, 2028.

Management has assessed that the value of these call options is not significant and the likelihood of exercising them is very low, therefore the value of these options is not expressed in the financial statements and are only disclosed.

4.2.2 Other commitments

	31/12/2023	31/12/2022
commitments received		
Ongoing from the deconsolidated factoring	7.900	6.381
Loans	2.418	3.381
Total	10.318	9.762

	31/12/2023	31/12/2022
commitments given		
Current assets pledged	4.000	4.500
Pledge on business	1.700	700
Total	5.700	5.200

Ongoing from the deconsolidated factoring

The group agreed to a factoring arrangement with KBC Commercial Finance (starting in 2023), Factofrance GE (continuing in 2023) and Bibby Financial Services (ending in 2023), selling a part of the portfolio of trade receivables. At the end of December 2023 the amount of receivables sold within that this factor program amounted to K€ 7.900 compared to K€ 6.381 at the end of 2022. The total amount of used factoring guarantee funds and advances amounts to K€ 6.858 at the end of December 2023.

Guarantees received on loans

The Invibes group received guarantees on loans from BPI for K€ 658, from Fonds National de garantie for K€ 360 and from the European Investment Fund (EIF) for K€ 1.400 (as part of the European fund to help businesses to recover from the covid19 effects on the economy).

Current assets pledged

The Invibes group has a pledge on its assets of K€ 4.000 in favour of ING and Belfius Bank and a mandate for a pledge on the business of K€ 1.700 as a collateral for it is financial liabilities it has with these banks.

4.3 Related parties

Transactions with the company

Except for transactions between companies included in the consolidated financial statements, which are eliminated upon consolidation, and compensation granted to key management personnel for which reference is made to note 3.3.5 Personnel expenses, the transactions and outstanding balances of other related parties are negligible for both 2023 and 2022.

4.4 Risk factors

4.4.1 Credit risk

Credit risk is the risk of a financial loss for the Group if a customer or counterparty to a financial instrument defaults on their contract commitments. The risk comes primarily from trade receivables and investment securities.

Trade and other receivables

The group's exposure to credit risk is mainly influenced by the individual characteristics of the customers. The statistical profile of the customer portfolio, particularly the default risk for the business sector and country where customers operate, is without any real impact on credit risk.

The Group determines a level of impairment which represents its valuation of losses related to trade and other receivables and investments. The main cause of impairment corresponds primarily to specific losses related to significant individualized risks. As of December 31st, 2023 the amount of impairments amounts to K€ 68.

The Group has implemented procedures and systems for monitoring its customer receivables and claiming unpaid claims and the quality of customers before accepting them. The payment terms are depending on the market and client but are always between 30 and 90 days.

The majority of the receivables are externally insured in case of default or non-payment and thus resulting in lowering this risk.

Factoring

The main evolutions and information about the factoring are disclosed in Note 3.2.7 Trade receivables.

4.4.2 Liquidity risk

Liquidity risk is the risk the Group may have difficulty paying its debts when they are due. To the greatest extent possible, the Group manages the liquidity risk by ensuring that it has sufficient available or accessible cash to cover its liabilities when they are due, under normal or « tight » conditions, without incurring unacceptable losses or harming the Group’s reputation.
Generally, the Group makes sure to have a sufficient sight deposit to cover operational costs expected for a period of 60 days, including the generated debt servicing payments. This excludes the potential impact of

extreme circumstances, such as natural disasters, that one cannot be reasonably predict. In addition, the Group maintains its credit lines.
The main evolutions and information about the liquidity risk are disclosed in Note 3.2.13 Long term and short term financial liabilities.

4.4.3 Market risk

Market risk is the risk of variation in market prices, such as exchange rates, interest rates and equity prices, affecting the Group result or the value of financial instruments held. Managing market risk involves controlling market risk and maintaining it within acceptable limits.

This risk is however reduced considering the fact that the majority of the turnover and costs are in euro and the markets which operate in a different currency are not significantly contributing to the group yet.

4.4.4 Exchange rate risk

The Company publishes its consolidated financial statements in euro. As the Company operates mainly in a euro environment, the exchange rate risk is extremely limited. The current main exchange rate risks relate to the British Pound and the Swiss franc. The exchange rate fluctuations are not covered by forward contracts, nor by currency options. As a result, exchange rate fluctuations of these currencies may be advantageous or disadvantageous for the Invibes group.

An increase/decrease of the euro/non-euro currencies by +10% or -10% (main rate = average rate for 2023) would have an impact on the result before tax K€ 8 or K€ -10 respectively as of December 31st , 2023. An increase/decrease by +10% or -10% (main rate = closing rate for 2023) would have an impact on total assets of K€ -381 or K€ 466 respectively as at December 31st, 2023.

Purchases and sales in the non-euro markets are done in the local currencies, which causes a natural hedging system.

4.4.5 Interest rate risk

The Group is primarily exposed to the interest rate risk on its variable-rate debts and on its financial investments.

The Group's financial indebtedness is mainly based on fixed interest rates.

To date no specific hedge has been arranged at Group level for this type of risk.

4.5 Events after closing

On February 7th, 2024 the Board of Directors approved the proposition to sell the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. Since this formal decision was only made in 2024, the sale of the 62,33% interest is considered to be a non-adjusting event, and as a consequence does not result in an adjustment to the financial statements. Nevertheless, this transaction after yearend has triggered the decision to report ML2GROW as a separate segment in Note 3.1.