INVIBES ADVERTISING N.V.
REIGERSTRAAT 8 – 9000 – GAND (Zwijnaarde) – Belgium
GENT (GENT – GAND), 0836 533 938
(Hereafter "INVIBES", the "Group" or the "Company")
https://www.invibes.com/

HALF-YEAR FINANCIAL REPORT
30 JUNE 2024

Euronext GROWTH™

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A. HALF-YEAR MANAGEMENT REPORT

Half-year results 2024:

- Consolidated sales down 3% despite a growth of +16% internationally
- Results incorporating strategic investments to fuel Group's future growth
- Strong growth in EBITDA in countries in the 'scale-up' phase

Unaudited consolidated figures in €k	H1 2024 [1]	H1 2023 [1]	Δ
Sales figures	**11,728**	**12,084**	**-2.9%**
Purchases and external charges	(7,694)	(7,277)	+5.7%
Staff costs	(6 403)	(5,484)	+16.8%
Capitalisation of intangible assets	850	846	-
EBITDA [2]	**(1,811)**	**195**	**(2,006) K€**
Depreciation, amortisation and provisions	(706)	(583)	+21.1%
Operating profit	**(2 517)**	**(388)**	**(2,129) K€**
Financial result	(74)	(29)	-
Tax	(4)	(3)	-
Net income	**(2,595)**	**(420)**	**(2,175) K€**

Consolidated sales down 3% despite a growth of 16% internationally

H1 2024, Invibes recorded sales of €11.7m, down 2.9% compared with the same period (H1) in 2023 (pro forma[1]).

Commercially the French market has been challenged which has affected and contributed to the overall decrease in sales. To normalise this situation, corrective measures have been put in place including a reorganisation of the sales team combined with a recruitment drive to provide a more robust commercial operation, the positive effects of this should be reflected in H2.

The momentum outside of France, Invibes continues to be positive, recording growth of +16% in the first half of 2024. Scale-up markets (UK and Germany) performed particularly well, recording a combined growth of +55% in H1.

To capitalise on these international successes, Invibes has extended its geographical footprint by opening offices in key markets over this same period, notably The United States and Singapore, Mexico will also open in the coming months. This strategic international expansion aims to enhance its multi-market offering, enabling simultaneous advertising campaigns across multiple countries / regions and to attract a broader global client base.

[1] After review by the Statutory Auditors, and in order to comply with current accounting rules, the deconsolidation of ML2Grow will only be effective from 1 April 2024. However, for comparison purposes and to reflect the new economic perimeter, sales for the first half of 2023 and the first half of 2024 have been restated for ML2Grow.

[2] Includes non-recurring costs associated with the disposal of ML2Grow in the first half of 2024 for €292k.

Results incorporating strategic investments for the Group's future growth Strong growth in EBITDA in countries in the 'scale-up' phase

After initiating measures to optimise costs in the second half of 2023, Invibes has reinitiated a new cycle of targeted investments, focusing on two main areas:

- The development of vertical solutions specific to certain industries, such as *Smart Targeting Travellers* for the tourism sector or *Dealership* for retail networks, by integrating generative artificial intelligence, which are popular with advertisers as they maximise their return on investment.
- Targeted recruitment of senior commercial staff to enhance discussions with advertisers and secure international framework agreements.

These targeted investments in supporting the Group's growth, combined with non-cash expenses of €296k related to the disposal of ML2GROW (non-recurring), €264k from the exercise of a stock option plan, and €220k associated with the opening of operations in the USA and Singapore, resulted in a fall in consolidated EBITDA for the first half.

The breakdown of EBITDA by country maturity is as follows:

Consolidated data, Unaudited, in k€	H1 2024	H1 2023	Δ
Existing countries [(a)]			
Turnover	6 232	7 975	-21,9%
EBITDA	1 029	2 547	-59,6%
% EBITDA	17%	32%	
Scale-up [(b)]			
Turnover	5 208	3 584	+45,3%
EBITDA	757	133	x5,7
% EBITDA	15%	4%	
New countries (start-ups) [(c)]			
Turnover	287	524	-45,2%
EBITDA	(575)	(392)	-47,7%
% EBITDA	-	-	
Group overheads [(d)]	**(2 737)**	**(2 094)**	**+30,7%**
Consolidated EBITDA	**(1 525)**	**194**	**(1,719)**

(a) France, Spain, Switzerland
(b) Germany, United Kingdom, Italy and Belgium
(c) Sweden, Norway, Denmark, South Africa, Netherlands, UAE, Poland, Czech Republic, USA and Singapore
(d) Excluding CAPEX

In the countries where Invibes has been established the longest (France, Spain, Switzerland), EBITDA was primarily affected by the fall in sales within the French market, representing 17% of sales for the period.

In countries in the 'scale-up' phase (Germany, UK, Italy and Belgium), EBITDA increased almost 6-fold, reaching 15% of sales. This demonstrates the robustness of Invibes' international development model, which is based on its ability to rapidly and successfully roll out its offering in a new country, leading to contribution and profitability within two years from launch.

After depreciation and amortisation, Invibes posted an operating loss of €2.5m and a net loss of €2.6m.

A strong balance sheet positioned to fuel growth

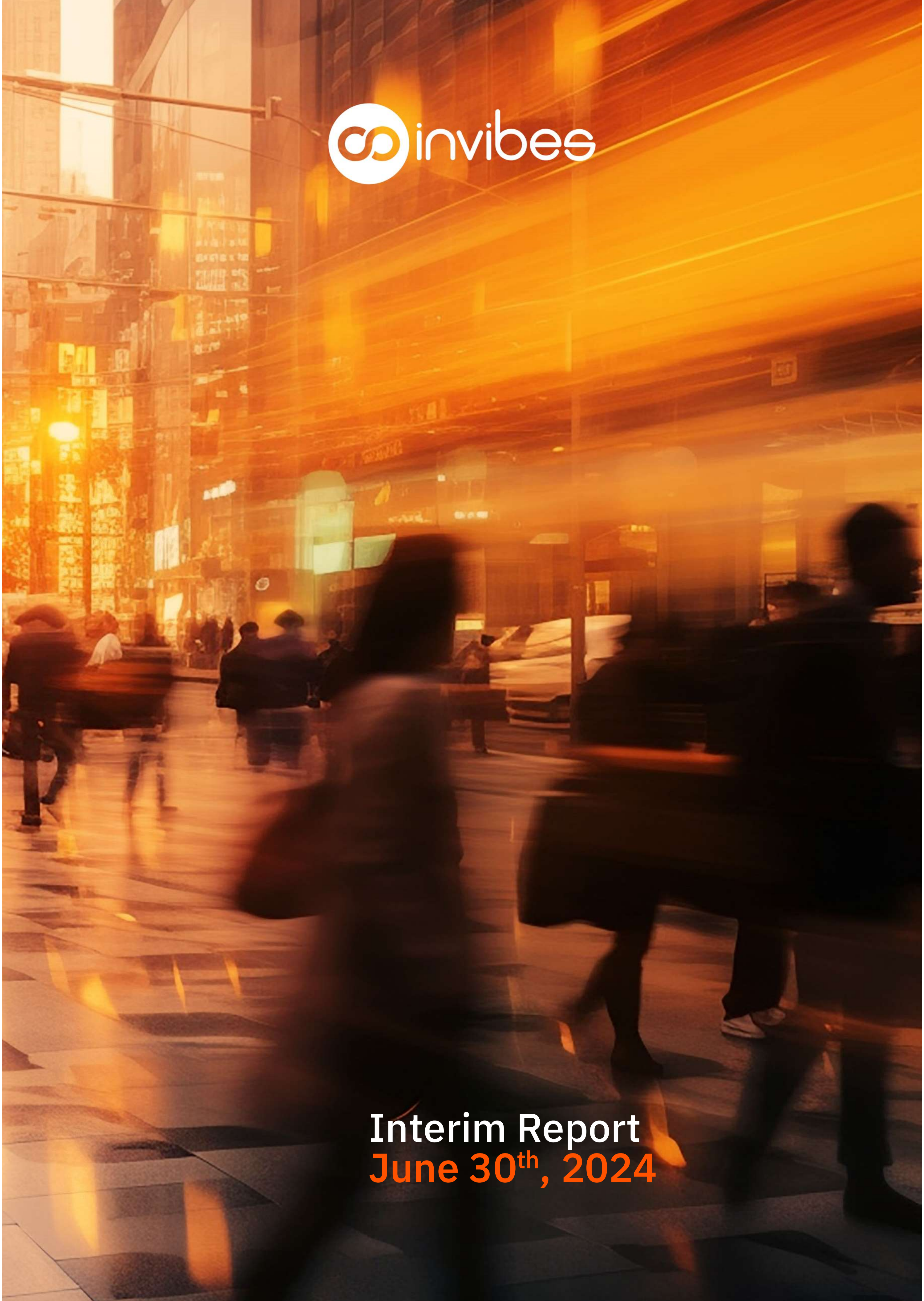
With a gross cash position of €14.7m (including €2.5m of deconsolidating factoring) and a net cash position of

€9.4m on 30 June 2024, the Group has the financial capacity to fund its future development plans.

Outlook

Given the usual seasonality of our business and taking into account that non-recurring items were recorded in the first half, we anticipate a significant improvement in our EBITDA in the second half of 2024 compared to the first half.

B. CONSOLIDATED FINANCIAL STATEMENTS



Interim Report
June 30th, 2024

INVIBES ADVERTISING NV

Technologiepark 82 bus 26

9052 GHENT

BELGIUM

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

From January 1st, 2024 to June 30th, 2024

REPORT ON THE WORK PERFORMED

We have prepared the interim consolidated financial statements of INVIBES ADVERTISING NV. These consolidated financial statements include the statement of financial position of INVIBES ADVERTISING NV as of June 30, 2024, the income, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the 6-month-period 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 euros.

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

	30/06/2024
TOTAL ASSETS	33.432
REVENUE	11.906
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	19.552
PROFIT / LOSS (-) FOR THE YEAR	-2.536
PROFIT / LOSS (-) FOR THE YEAR: ATTRIBUTABLE TO THE OWNERS OF THE PARENT	-2.552

Our compilation engagement was carried out in accordance with the professional standards of the Institute for Tax Advisors 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	30/06/2024	31/12/2023
NON CURRENT ASSETS		***8.694***	***8.569***
Goodwill	3.2.1	1.998	1.998
Other intangible assets	3.2.2	3.987	3.658
Property plant and equipment	3.2.3	187	232
Right of use assets	3.2.4	805	1.005
Financial assets	3.2.5	399	375
Deferred tax assets	3.2.6	1.318	1.302
CURRENT ASSETS		***24.737***	***29.773***
Trade receivables	3.2.7	8.620	11.611
Current tax assets	3.2.8	903	936
Other current assets	3.2.9	464	320
Other investments	3.2.10	12.781	13.269
Cash and cash equivalents	3.2.11	1.969	3.636
TOTAL ASSETS		***33.432***	***38.342***

	NOTE	30/06/2024	31/12/2023
TOTAL EQUITY		***19.539***	***21.675***
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		***19.552***	***21.700***
Share capital, share premiums	3.2.12	28.922	28.692
Treasury shares	3.2.12	-247	-247
Reserves and retained earnings	3.2.12	-9.063	-6.776
Currency translation adjustments	3.2.12	-60	31
MINORITY INTERESTS		***-13***	***-25***
Minority interests		-13	-25
NON CURRENT LIABILITIES		***2.412***	***3.480***
Long term financial liabilities	3.2.13	1.901	2.737
Long term lease liabilities	3.2.14	457	687
Long term miscellaneous financial debts	3.2.13	0	0
Deferred tax liabilities	3.2.6	54	56
CURRENT LIABILITIES		***11.480***	***13.186***
Trade payables	3.2.15	4.209	5.398
Short term financial liabilities	3.2.13	3.417	3.411
Short term lease liabilities	3.2.14	387	364
Current tax liabilities	3.2.16	1.678	2.028
Other current liabilities	3.2.17	1.788	1.985
TOTAL EQUITY AND LIABILITIES		***33.432***	***38.342***

Consolidated income statement

	NOTE	30/06/2024	31/12/2023	30/06/2023
Revenu	3.3.1	11.906	28.913	12.441
Other operating income	3.3.2	50	211	93
Capitalisation of internally generated intangible assets	3.3.3	850	1.779	846
Operating expenses	3.3.4	-7.749	-17.091	-7.354
Personnel expenses	3.3.5	-6.494	-11.816	-5.808
Depreciation and amortisation	3.3.6	-725	-1.384	-599
OPERATING PROFIT/LOSS (-) BEFORE NON-RECURRING ITEMS		***-2.168***	***644***	***-434***
Non-recurring income		0	1	40
Non-recurring expenses		-292	-57	-14
OPERATING PROFIT/LOSS (-)		***-2.460***	***588***	***-408***
Finance costs	3.3.8	-248	-701	-157
Finance income	3.3.8	0	269	0
Other financial items	3.3.8	176	-163	121
PROFIT/LOSS (-) BEFORE TAX		***-2.532***	***-7***	***-444***
Income tax expense (-) / Income	3.3.9	-4	563	-3
PROFIT/LOSS (-) FOR THE YEAR		***-2.536***	***557***	***-466***
Attributable to the owners of the parent		-2.552	576	-433
Attributable to minority interests		16	-20	-13

EARNINGS PER SHARE IN EUR	NOTE	30/06/2024	31/12/2023	30/06/2023
Basic	3.2.12	-0,559	0,129	-0,097
Diluted	3.2.12	-0,521	0,118	-0,088

Comprehensive income

	NOTE	30/06/2024	31/12/2023	30/06/2023
PROFIT/LOSS (-) for the year		***-2.536***	***557***	***-466***
Items that will not be reclassified to profit or loss				
Translation differences	3.2.12	-91	24	4
Deffered taxes on items that will not be reclassified to profit or loss	3.2.12	0	-9	2
Items that will be reclassified to profit or loss				
Sub-total of losses and profits directly registered as equity after tax		-91	15	7
COMPREHENSIVE INCOME		***-2.627***	***572***	***-440***
Attributable to the owners of the parent		-2.643	591	-427
Attributable to minority interests		16	-20	-13

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 01/01/2023		***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		0
Change in consolidation scope and other	3.2.12		-32					-32	24	-8
EQUITY AT 31/12/2023		***28.693***	***-7.352***	***-247***	***44***	***-13***	***576***	***21.700***	***-25***	***21.674***
Income at 30/06/2024							-2.552	-2.552	16	-2.535
Net losses/incomes registered as equity	3.2.12				-91			-91		-91
Total registered expenses and income					-91	0	-2.552	-2.643	16	-2.627
Allocation of the net income to reserves			576				-576	0		0
Capital increase	3.2.12		265					265		265
Treasury shares	3.2.12	230						230		230
Change in consolidation scope and other	3.2.12		1					1	-4	-3
EQUITY AT 30/06/2024		***28.922***	***-6.510***	***-247***	***-47***	***-13***	***-2.552***	***19.552***	***-13***	***19.539***

Financial year 2024

A conversion of warrants was affected on the 17th of May 2024 which caused an increase of capital by K€ 230 and an additional creation of 90.130 shares.

As a result of this transaction, total capital amounts to K€ 28.922, represented by 4.566.678 shares at the end of June 2024.

Additionally, a new warrant program has been set up in the first semester of 2024. This equity-settled share-based payment transaction amounts to K€ 265 and is recognized as an expense in profit and loss (personnel expenses) with a corresponding credit to consolidated reserves (cf note 3.2.12.5).

On 15 March 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. The impact of this exit on minority interests is a decrease of k€ 3.

The profit of the period 2024 amounts to K€ -2.552.

Financial year 2023

A conversion of warrants was affected 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 not 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.

Cash flow statement

	NOTE	30/06/2024	31/12/2023	30/06/2023
PROFIT/LOSS (-) FOR THE YEAR		***-2.536***	***557***	***-446***
Income (loss) from non-current assets disposal		0	55	1
Income tax expense / income	3.3.10	4	-563	3
Depreciations/Amortisations and impairments	3.3.6	725	1.384	599
Finance cost	3.3.8	104	287	157
Non cash financial income	3.3.8	-105	-228	0
Share based payment expenses	3.2.12.5	265	0	0
Result on sale of discontinued operations	3.3.9	297		0
Other non-cash adjustments			0	-53
Cash flow from operating activities before changes in working capital requirements		***-1.246***	***1.492***	***261***
Changes in working capital requirements		1.469	-1.687	-2.133
Income taxes paid	3.3.10	-19	-71	-2
Cash flow from operating activities		***204***	***-266***	***-1.874***
Investing activities				
Acquisition of fixed assets	3.2.2 /	-968	-2.019	-1.106
Other investments	3.2.10	-3.285	-14.041	0
Repayments in other investments	3.2.10	3.222	1.000	0
Proceeds from sale of fixed assets	3.2.2 /	0	0	263
Effects of the changes in the scope		0	0	0
Cash flow from investing activities		***-1.031***	***-15.060***	***-842***
Financing activities				
Proceeds from the issue of share capital	3.2.12	230	63	87
Proceeds from financial liabilities	3.2.13	5	1.004	1.000
Repayment of financial liabilities	3.2.13	-815	-2.127	-1.050
Repayment of financial lease liabilities	3.2.14	-169	-454	-194
Interest paid		-81	-239	-144
Cash flow from financing activities		***-830***	***-1.753***	***-301***
Change in cash		-1.657	-17.079	-3.018
Opening cash position		1.871	18.951	18.951
Closing cash position		214	1.871	15.912
Effect of the changes in the foreign exchange rates		0	0	-21
Change in cash		***-1.657***	***-17.080***	***-3.018***
Breakdown of the closing cash position				
Cash and cash equivalents	3.2.11	1.969	3.636	17.339
Current bank overdrafts	3.2.13	-1.755	-1.765	1.427

NOTES ON THE CASH FLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES

The income taxes expense (-)/income amounts to K€ -4 for the first semester of 2024 compared to K€ -3 for the same period of 2023.

Amortizations on intangible assets amount to K€ 506 as of June 30th 2024 compared to K€ 398 in the June 2023. Depreciations on property, plant and equipment amounts to K€ 58 in June 2024 compared to K€ 83 in the same period of 2023. Depreciations on right-of-use assets amounts to K€ 161 in June 2024 compared to K€ 183 in June 2023.

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

In 2024 there were share based compensations for staff and board members for an amount of K€ 265 (see note 3.2.12).

The result on sale of discontinued operations (ML2GROW) is a K€ 297 loss (see note 3.2 and 3.3.9).

INCREASE/DECREASE (-) IN WORKING CAPITAL

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

The change in working capital requirement in the first 6 months of 2024 of K€ 1.469 is mainly the result of decreasing trade receivables, partially compensated by decreasing trade payables.

The change in working capital requirement in June 2023 of K€ -2.133 consist of a net change of operational receivables and payables.

CASH FLOWS FROM INVESTING ACTIVITIES

During financial year 2024, the investments in property, plant and equipment amount to K€ 93. Investments in software amount to K€ 875. 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 and received repayments of other investments: several new government bonds and monetary funds have been purchased in 2024 for a total of K€ 3.285, and K€ 3.222 has been recovered during the year. The government bonds concern a short-term investment and expire all during the second semester of 2024.

During financial year the first halfyear of 2023, the investments in property, plant and equipment amount to K€ 21. Investments in software amount to K€ 954. 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 in 2023: several government bonds and monetary funds have been purchased 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.

CASH FLOWS FROM FINANCING ACTIVITIES

Cash flows from financing activities in 2024 consist mainly of:

- a conversion of warrants of K€ 230,
- the repayment of interest-bearing financial liabilities amounting to K€ 815,
- the repayment of IFRS 16 lease liabilities amounting to K€ 169.
- interest paid of K€ 81

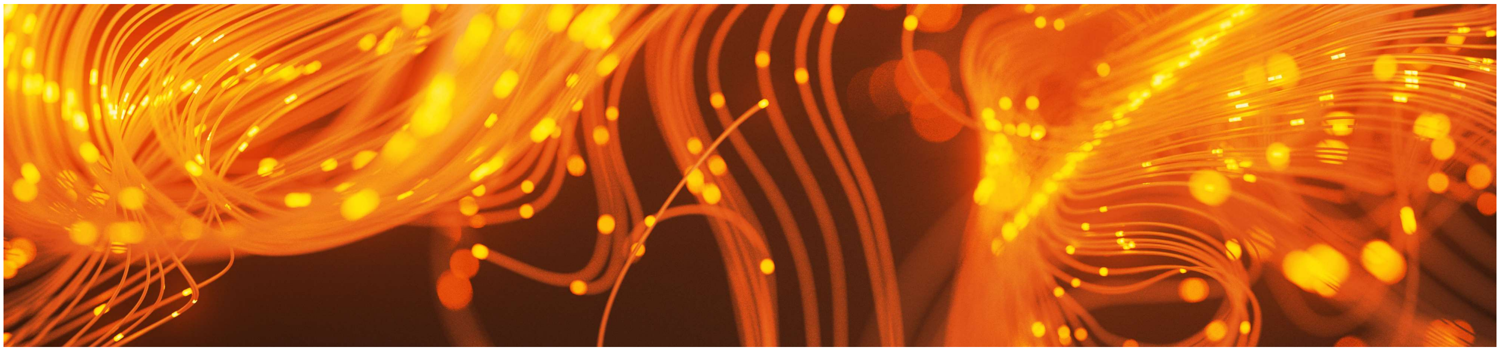
Cash flows from financing activities in the first 6 months of 2023 consist mainly of:

- a conversion of warrants of K€ 63,
- commitment to new loans for K€ 1.000,
- the repayment of interest-bearing financial liabilities amounting to K€ 1.050,
- the repayment of IFRS 16 lease liabilities amounting to K€ 194.
- interest paid of K€ 144

TOTAL CASH AND CASH EQUIVALENTS

During the first semester of 2024, cash and cash equivalents decreased by K€ 1.667 to K€ 1.969 at June 30th 2024, mainly caused by the investment in short term government bonds and monetary funds, and the increase in working capital.

During the first semester of 2023, cash and cash equivalents decreased by K€ 3.039 to K€ 15.912 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 June 30th, 2024 (including comparatives) were released for publication by the Board of Directors on September 24th, 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 June 30th, 2024 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 June 30th, 2024 the group applied the rules and interpretations mandatory applicable from January 1st, 2024.

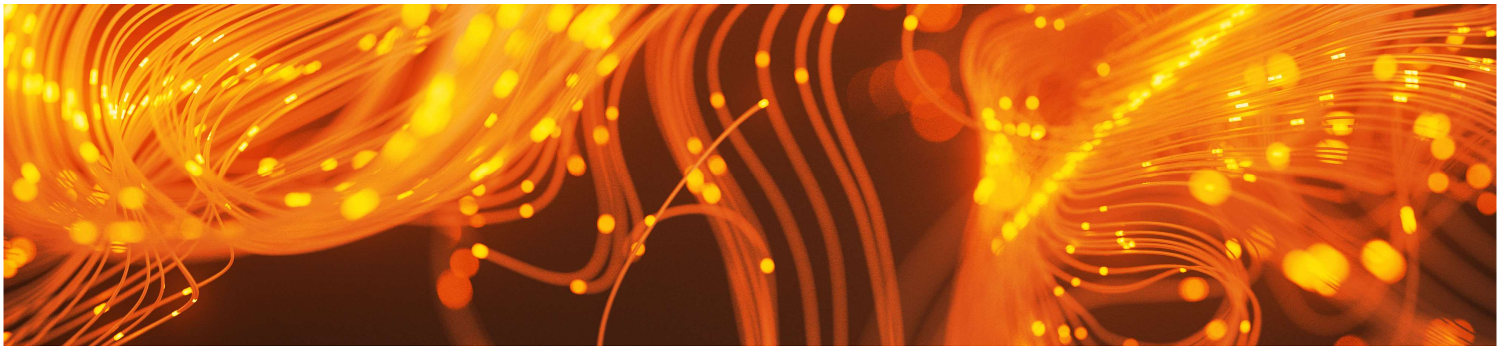
- Amendments IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current
- Amendments to IAS 1 Presentation of Financial Statements: non-current liabilities with covenants
- Amendments to IFRS 16 Leases: leases on sale and leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: supplier finance agreements

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 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.



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 June 30th, 2024, include the financial statements of Invibes Advertising NV, the Parent company, and its subsidiaries. All companies together constitute 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 30th June 2024. All subsidiaries have a reporting date of 30th June.

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	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	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
Invibes Singapore PTE Ltd.	Coolyer Quay 11, The Arcade	049317 Singapore	202410109N	100,00%	FC

FC: Full Integration, EQ: Equity method

* On 15 March 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. Profit and losses until 15 March 2024 are included in the consolidated financial statements.

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

- Creation of INVIBES SINGAPORE (Singapore).

2.3.2 Exit from the consolidation scope

On 15 March 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. Profit and losses until 15 March 2024 are included in the consolidated financial statements.

There was no other 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						
31/12/2022	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
30/06/2024	3,9841	0,9595	25,4100	7,4627	0,8395	11,9474
Average rate						
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
01/2024 - 06/2024	3,9607	0,9692	25,1200	7,4590	0,8508	11,6414
Euro against foreign currencies rate	PLN	RON	SEK	TRY	USD	ZAR
Closing rate						
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
30/06/2024	4,2955	4,9702	11,6822	35,5872	1,0848	19,8728
Average rate						
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
01/2024 - 06/2024	4,3073	4,9699	11,4899	34,8635	1,0782	20,1464

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 concern 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.

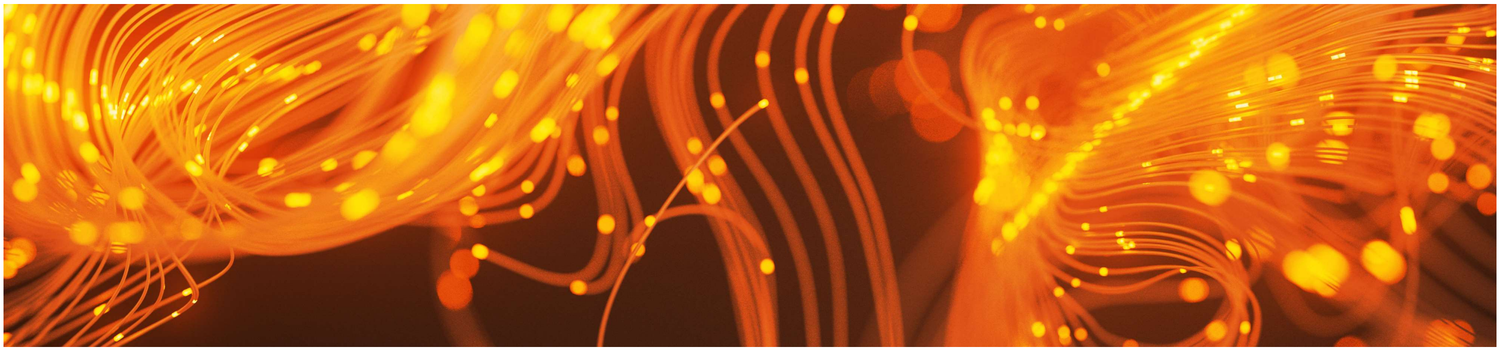
– Leases – determination of the appropriate discount rate to measure lease liabilities

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 March 15th, 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. Profit and losses until March 15th, 2024 are included in the consolidated financial statements.

Due to the nature of this event, ML2GROW is reported as a separate segment as of financial year 2023. 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 - discontinued*	*Consolidated*
Revenue	6.232	5.208	288	0	178	11.906
EBITDA	1.029	757	-575	-3.023	77	-1.734
EBITDA as % of revenu	17%	15%	-200%		43%	-15%
Depreciation and amortizations	5	70	1	630	19	725
Profit/loss (-)	-274	-333	-516	-1.473	60	-2.536

* 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, Invibes Singapore PTE Ltd.
****ML2GROW – discontinued 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, Invibes UAE FZ LLC and Invibes Singapore.

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.

The Group's non-current assets are located into the following geographic regions:

	Established markets	*Emerging markets*	*Startups*	*Central Group*	*ML2GROW - discontinued*	*Consolidated*
Non-current	831	779	48	7.037	0	8.694

Discontinued operations

On March 15th, 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. Profit and losses until March 15th, 2024 are included in the consolidated financial statements.

Due to the nature of this event, ML2GROW is reported as a separate segment as of financial year 2023.

The historical purchase value of the 62,33% interest in ML2GROW held by the Group amounted to K€ 227. The consideration that the group received for selling these shares to the other minority shareholders was € 2.

Furthermore a debt waiver was agreed between all parties concerned for the K€ 70 debt of ML2GROW to Invibes NV.

Due to leaving the consolidation scope as of March 15th, 2024, a K€ 297 non-recurring expense was recognized in the consolidated income statement.

3.2 Notes on the consolidated balance sheet

3.2.1 Goodwill

	Switzerland	Spain	Belgium	Poland	TOTAL
Gross value 1 Jan 2024	1.932	65	102	4	2.104
Changes in scope			-102		-102
Gross value 30 Jun 2024	1.932	65	0	4	2.002

	Switzerland	Spain	Belgium	Poland	TOTAL
Impairment 1 Jan 2024	0	0	102	4	106
Changes in scope			-102		0
Impairments of the year					0
Impairment 30 Jun 2024	0	0	0	4	4

	Switzerland	Spain	Belgium	Poland	TOTAL
Carrying value 1 Jan 2024	1.932	65	0	4	2.002
Impairment	0	0	0	-4	-4
Carrying value 30 Jun 2024	1.932	65	0	0	1.998

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

On March 15th, 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. The goodwill of ML2GROW (K€ 102) was fully impaired in 2023, and has been derecognized upon the sale.

In 2023, an impairment loss was recognized on goodwill of ML2GROW (K€ 102) and Invibes Poland (K€ 4).

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 2024	7.851	87	7.938
Additions	875		875
Disposals	-62	-12	-74
Gross value 30 Jun 2024	8.663	75	8.739

	Software	*Other*	*TOTAL*
Amortizations 1 Jan 2024	4.234	46	4.280
Amortizations 2024	497	8	506
Disposals	-30	-5	-34
Amortizations 30 Jun 2024	4.701	50	4.751

Carrying value 30 Jun 2024	*3.962*	*25*	*3.988*

	Software	*Other*	*TOTAL*
Gross value 1 Jan 2023	6.569	87	6.656
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	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*

The main investments of financial year 2024 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 the first semester of 2024 amount to K€ 505. Some of the new improvements in 2024 have made some of the older Invibes platform’s assets obsolete, which have been scrapped for a total amount K€ 62 in 2024.

The investments in the Invibes platform in 2024 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 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.

3.2.3 Property, plant and equipment

	Buildings	Technical installations	Others	Total
Gross value 1 Jan 2024	44	166	359	568
Additions		4	90	93
Disposals			-181	-181
Exchange rate variations		0	1	1
Gross value 30 Jun 2024	44	170	268	481

	Buildings	Technical installations	Others	Total
Depreciations 1 Jan 2024	27	112	198	336
Depreciations 2024	5	24	29	58
Disposals			-101	-101
Exchange rate variations			1	1
Depreciations 30 Jun 2024	31	136	127	294

Carrying value 30 Jun 2024	*12*	*34*	*141*	*187*

	Buildings	Technical installations	Others	Total
Gross value 1 Jan 2023	44	168	422	634
Additions			56	56
Disposals			-119	-119
Exchange rate variations	-1	-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	11	54	68	132
Disposals			-66	-66
Exchange	0	-1		-1
Depreciations 31 Dec 2023	27	112	198	336

Carrying value 31 Dec 2023	*17*	*54*	*161*	*232*

The main investments of 2024 and 2023 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 recognized in the 2024 consolidated statement of financial position:

Right-of-use asset 2024	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	2 years	0	2	2
Vehicles	7	1 tot 4 years	2 years	4	1	0

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized 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

	Office	Vehicles	TOTAL
Gross value 1 Jan 2024	1.157	345	1.502
Additions	266	0	266
Disposals	-255	-95	-350
Gross value 30 Jun 2024	1.168	250	1.417

	Office	Vehicles	TOTAL
Amortizations 1 Jan 2024	297	200	497
Amortizations 2024	156	5	161
Disposals	-8	-37	-45
Exchange rate variations	0		0
Amortizations 30 Jun 2024	445	167	613

Carrying value 30 Jun 2024	723	82	805

	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	255	147	402
Amortizations	319	76	395
Disposals	-275	-23	-298
Exchange	-2		-2
Amortizations	297	200	497

Carrying value 31 Dec 2023	*860*	*145*	*1.005*

The net carrying amount of the right-of-use assets is K€ 805 on June 30th, 2024 compared to K€ 1.005 on December 31st, 2023. Amortizations for the period amount to K€ 161.

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.

In 2024, a new contract has been recognized as a right-of-use asset according to IFRS 16:

- A new lease contract for office space for Invibes UK

Due to the sale of ML2GROW on March 15th 2024, several right-of-use asset have been derecognized:

- a lease contract for office space for ML2GROW with a total impact of K€ - 247 on carrying value
- several company cars for ML2GROW staff with a total impact of K€ - 58 on carrying value

In 2023 investments in right-of-use assets amount to K€ 691 and are related to vehicles and offices. Amortizations for the period amount to K€ 395.

3.2.5 Long term financial assets

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

	Other non-current assets
Carrying value 1 Jan 2024	375
Additions / increases	72
Disposals / decreases	-48
Other	
Carrying value 30 Jun 2024	399

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

3.2.6 *Deferred tax assets and liabilities*

	30/06/2024	31/12/2023
Deferred tax assets	1.318	1.302
Total	1.318	1.302

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.

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:

	1/01/2024	***Recognised in OCI***	***Rounding***	***Recognised in P&L***	***30/06/2024***
Deferred tax liability					
FX translation	-13				-13
Other current liabilities	-17			2	-15
Other investments	-26				-26
Deferred tax asset					
Unused tax	1.299				1.299
FX translation	0				0
Other	3			16	19
At 30 June 2024	1.246	0	0	18	1.264

No additional deferred taxes on losses have been recognized through profit and loss in the 2024 interim financial statements.

A detailed assessment of tax losses carried forward, including a sensitivity analysis, is performed at yearend.

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.

	1/01/2023	***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

In 2023 deferred taxes on losses have been recorded through profit and loss for K€ 678.

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

3.2.7 Trade receivables

	30/06/2024	*31/12/2023*
Gross trade receivables	8.620	11.679
Impairment losses	0	-68
Net trade receivables	8.620	11.611

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 on December 31th 2023, the Invibes Group considers that it is not expose 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 June 2024, the amount of receivables sold within this factor program amounted to K€ 5.531 compared to K€ 7.900 at the end of 2023.

The trade receivables decrease is the combined effect of:

- A lower factoring debt (netted from the trade receivables) at the end of June 2024 as compared to the end of December 2023. The total amount of used factoring guarantee funds and advances amounts to K€ 5.759 at the end of December 2023, which means that the funds and advances exceed the receivables sold within the factor program.
- A decrease of trade receivables in all major markets due to the seasonality of the activity
- The exit from ML2GROW from the consolidation scope.

3.2.8 Current tax assets

	30/06/2024	31/12/2023
VAT receivables	901	934
Current income tax receivables	2	2
Other tax receivables	0	0
Current tax assets	903	936

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

3.2.9 Other current assets

	30/06/2024	31/12/2023
Advance and prepayments on orders	153	90
Social receivables	136	76
Miscellaneous debtors	39	25
Prepaid expenses	136	129
Other current assets	464	320

The other current assets mainly consist of other receivables. The other receivables are mainly pre-paid expenses, social receivables and advances on orders.

3.2.10 Other investments

	30/06/2024	31/12/2023
Government bonds	9.084	9.068
Monetary funds	3.697	4.201
Other current assets	12.781	13.269

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

All government bonds expire in the second semester of 2024, and are valuated at amortized-cost. As of June 30th 2024, a gain of K€ 75 was recognized in financial income. 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 June 30th, 2024, a fair value gain of K€ 96 was recognized in financial income. As of 31 December 2023, a fair value gain of K€ 105 was recognized in financial income.

3.2.11 Cash and cash equivalents

	30/06/2024	31/12/2023
Cash and cash equivalents	1.969	3.636
Cash and cash equivalents	**1.969**	**3.636**

Cash and cash equivalents decreased with K€ 1.667 (cf note cash flow statement).

3.2.12 Net equity

3.2.12.1 Share capital / share premiums

The share capital of Invibes Advertising NV on 2024, June 30th is represented by 4.566.678 shares with a nominal value of 6,33 euro (fully paid).

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

A conversion of warrants was affected on the 17th of May 2024, resulting in an increase of capital by K€ 230 and an additional creation of 90.130 shares.

A conversion of warrants was affected 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€ -47 in 2024 against K€ 44 in 2023. The deferred taxes on these currency translation adjustments are netted from these translation differences and amount to K€ -13 in 2024 against K€ -9 in 2023.

3.2.12.3 Change in consolidation scope

On 15 March 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. The impact of this exit on minority interests is a decrease of K€ 3.

No other changes in consolidation scope have been noted during 2024.

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 this 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 number of options that can be exercised in 2024 is capped to 55% of the total options, no such cap existed in 2023.

3.2.12.5 Share-based employee remuneration

In 2024, K€ 265 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.

As at June 30th, 2024, the Group maintains four share-based payment schemes for employee remuneration. All schemes will be settled in equity.

The 2019, 2020 and 2022 schemes are each divided in 2 plans: the Board Plan and the Staff plan. The 2024 scheme is divided in 3 plans: the Founder Plan, the Board plan and the Staff Plan.

The Founder Plan is part of the remuneration package of the Group's founders. 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 June 30th, 2024.

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

	2019 Programme		*2020 Programme*		*2022 Programme*		*2024 Programme*	
	Number of shares	Weighted average exercise price per share	Number of shares	Weighted average exercise price per share	Number of shares	Weighted average exercise price per share	Number of shares	Weighted average exercise price per share
Outstanding at 31/12/2022	77.933	3,09	120.932	3,63	133.577	5,00	0	0,00
Granted	0		0		0		0	
forfeited	70.933	3,06	0	0	2.621	5,00	0	
Exercised	3.000	5	25.000	3,07	0		0	
Outstanding at 31/12/2023	4.000	2,24	95.932	3,12	130.956	5,00	0	0,00
Granted	0		0		0		83.765	3,35
forfeited	0		39.986	3,28	0		5.339	2,24
Exercised	0		42.946	3,00	0		44.642	2,24
Outstanding at 30/06/2024	4.000	2,24	13.000	3,00	130.956	5,00	33.784	5,00
Weighted	0,17		0,68		2,92		3,64	
Exercisable at 31/12/2023	4.000	2,24	95.932	3,12	130.956	5,00	0	0,00
Exercisable at 30/06/2024	4.000	2,24	13.000	3,00	130.956	5,00	33.784	5,00

The fair value of the options granted in 2024 were determined using a Black & Scholes approach. This approach is based on a lognormal distribution, applied to the value of the strike as a function of the volatility of the share price.

The main parameters used for the application of the Black & Scholes approach are the following:

Grant date	*9/04/2024*
Share price at date of grant	6,2
Exercise price at grant date (strike)	5
Part 1	
Vesting period ends	9/04/2028
Volatility	56,40%
Option live	4
Risk-free rate	2,60%
Exercisable from/to	09/04/2024 - 09/04/2028
Fair value option at grant date	3,2
Part 2	
Vesting period ends	30/06/2027
Volatility	56,70%
Option live	3
Risk-free rate	2,70%
Exercisable from/to	30/06/2025 - 30/06/2027
Fair value option at grant date	3

The volatility of the share price was determined on the average delivered volatility observed on Invibes Advertising NV share prices.

The gearing of the company is nil as of April 9th, 2024. It is expected to be nil at the exit date.

In 2023, no employee remuneration expense (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:

	30/06/2024	*31/12/2023*	*30/06/2023*
Number of Shares	4.566.678	4.476.548	4.476.548
Weighted average number of shares	4.498.338	4.471.332	4.466.029
Weighted average number of shares entitled to dividend	4.498.338	4.471.332	4.466.029
Number of shares on convertible instruments	328.378	418.893	418.499
Weighted average number of shares on convertible instruments	398.235	424.109	429.018

	30/06/2024	31/12/2023	30/06/2023
Profit/loss (-) attributable to equity holders of the parent	-2.552.402	576.278	-433.264
Per share based on the total amount of shares (in €)	-0,559	0,129	-0,097
Per share based on the weighted average amount of shares (in €)	-0,567	0,129	-0,097
Per share based on the weighted average amount of shares entitled to dividend (in €)	-0,567	0,129	-0,097
Diluted per share based on the total numbers of shares (€)	-0,521	0,118	-0,089
Diluted per share based on the weighted average amount of shares (€)	-0,521	0,118	-0,089
Diluted per share based on the weighted average amount of shares entitled to dividend (in €)	-0,521	0,118	-0,089

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
1/01/2023	4.448.548	68
9/03/2023	4.476.548	297
31/12/2023	4.476.548	138
17/05/2024	4.566.678	44
30/06/2024	4.566.678	
Average 2022	4.366.489	
Average 2023	4.471.332	
Average S1 2024	4.498.338	

3.2.13 Long term and short-term financial liabilities

	1/01/2024	+	-	Other	Fx	30/06/2024
Financial liabilities	4.383	5	-811		-15	3.562
Short-term bank overdrafts	1.764	6	-4	-10		1.755
Miscellaneous financial debts	0					0
Total Financial liabilities	6.148	11	-815	-10	-15	5.319

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

- committing to new loans in 2024 for K€ 11
- repaying loans, resulting in a decrease of K€ 815
- Foreign exchange rate differences and other movements of K€-25

Due to these movements the total financial liabilities decreased from K€ 6.148 in December 2023 to K€ 5.319 at the end of June 2024.

	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 overdrafts from cash.

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

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).

	30/06/2024	*Current*	*Non-current*	*Fixed rates*	*Variable rates*
Financial liabilities	3.562	1.662	1.901	3.562	
Short-term bank overdrafts	1.755	1.755			1.755
Total Financial liabilities	5.319	3.417	1.901	3.562	1.755

	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

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

	30/06/2024	*-1year*	*1 to 5 years*	*+5 years*
Financial liabilities	3.562	1.662	1.901	0
Short-term bank overdrafts	1.755	1.755	0	0
Total Financial liabilities	5.318	3.417	1.901	0

	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

About 64% 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 the first 6 months of 2024 Group Invibes has repaid loans for K€ 815 and did not commit to new significant loans.

The terms of the outstanding loans as per June 30th, 2024 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

	1/01/2024	Additions	Reimbursements	Others	30/06/2024
Lease Liabilities	1.051	266	-169	-305	844

	30/06/2024	Current	Non-current	Fixed rates	Variable rates
Lease Liabilities	844	387	457	844	0

	30/06/2024	-1year	1 to 5 years	+5 years
Lease Liabilities	844	387	457	0

	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

The lease contracts recognized according to IFRS 16 in 2024 and 2023 concern the lease of company cars and long-term rental contracts of office space. The lease liability decreases from K€ 1.051 at yearend 2023 to K€ 845 on June 30th, 2024.

In 2024, a new lease contract has been recognized as a right-of-use asset and liability according to IFRS 16:

- a new lease contract for office space for Invibes UK.

Due to the sale of ML2GROW on March 15th 2024, several right-of-use assets and liabilities have been derecognized:

- a lease contract for office space for ML2GROW with a total impact of K€ -58 on lease liabilities
- several company cars for ML2GROW staff with a total impact of K€ -247 on lease liabilities.

The Group has never exercised the purchase option and has no intention in the future to exercise purchase options on company cars, thus the purchase option is excluded from the IFRS 16 lease calculation.

Reimbursements of the year 2024 amount to K€ 169.

The lease liabilities are secured by the related underlying assets. Future lease payments on June 30th, 2024 and December 31st, 2023 were as follows:

30/06/2024	*Total*	*Current*	*Non-current*
Lease payments	883	413	470
Finance expenses	-39	-26	-13
Net present value	844	387	457

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

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:

	30/06/2024	*31/12/2023*	*30/06/2023*
Short term leases and low value items	387	707	423
Total	387	707	423

The short-term leases concern mainly short-term rentals for office space and company cars. These have decreased from K€ 423 during the first six months of 2023 to K€ 387 during the same period in 2024.

3.2.15 Trade payables

	30/06/2024	31/12/2023
Trade payables	4.209	5.398
Total	4.209	5.398

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

3.2.16 Current tax liabilities

	30/06/2024	31/12/2023
Current tax liabilities	1.678	2.028
Total	1.678	2.028

The current tax liabilities concern mainly VAT payables.

3.2.17 Other current liabilities

	30/06/2024	31/12/2023
Advances, prepayments, deferred income	249	351
Social liabilities	1.299	1.386
Other current liabilities	240	248
Total other current liabilities	1.788	1.985

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€ 41 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. 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.

Revenue decreased from K€ 12.441 during the first six months of 2023 to K€ 11.906 during the same period in 2024.

On March 15th, 2024 the company has signed a sales and purchase agreement thus selling the 62,33% interest in ML2GROW to the other non-controlling minority shareholders of ML2GROW. This date is considered the date of exit from the consolidation scope for ML2GROW. Profit and losses until March 15th, 2024 are included in the consolidated financial statements. Due to the nature of this event, ML2GROW is reported as a separate segment as of financial year 2023. (cf note 3.1).

As of June 30th, 2024, Invibes recorded sales of M€ 11,9, a 1,8% decline compared to the same period in 2023 (excluding ML2GROW). This decrease was primarily due to operational challenges across sales within the French market. This has now been addressed with additional hiring and organizational changes across the sales team. Management believes that these changes will lead to a more robust operation in France for the second half of the year.

The Group continues to show positive growth outside of the French market, achieving (when excluding France), +23% in Q2 2024 and +16% overall in the first halfyear 2024. The scale-up markets in the UK and Germany did particularly well, with a combined growth of +55% in this period.

We note the success of Multi-Market Offering: our simultaneous advertising campaigns across several countries attracted key international accounts, contributing to approximately 18% of Invibes' sales for the first half of 2024, a threefold increase over the past two years. Major international brands have opted for this global approach, including Accor Hotels, Amazon, H&M, Hewlett Packard Enterprise (HPE), KFC, Lego, Longchamp and Max Mara.

In the first semester of 2024, Invibes expanded its geographical footprint by opening offices in key markets, including the United States and Singapore. This strategic move aims to strengthen our cross-market offering and attract more international clients.

3.3.2 Other operating income

The other operating income consist out of miscellaneous other income (K€ 50).

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 the first six months of 2024 a total amount of K€ 850 has been capitalized against K€ 846 in the same period in 2023.

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 decreased by 4%, a 5% increase of operating expenses in 2024 is noted as compared to 2023: from K€ 7.354 to K€ 7.749. This increase is the combined result of inflation of overall costs, and the additional efforts required to start in new markets.

3.3.5 Personnel expenses

	30/06/2024	31/12/2023	30/06/2023
Salaries	5.395	10.311	5.025
Social	835	1.505	783
Share-	265	0	0
Personnel	6.494	11.816	5.808

The personnel costs capitalized as R&D amount to K€ 750 as of June 30th 2024.

The personnel costs capitalized as R&D amount to K€ 846 as of June 30th 2023.

In 2024, personnel expenses also include employee remuneration expense related to share-based payments amounting to K€ 265 (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:

	30/06/2024	31/12/2023	30/06/2023
Employees	144	158	160
Manegerial	17	16	10
Total FTE	161	174	170

The total number of FTE's decreased from 170 to 161. This is mainly the result of focusing on efficiency in the back-office team.

Compensation of executive corporate officers:

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

	30/06/2024	31/12/2023	30/06/2023
Fixed	180	359	154
Car	0	7	6
Total	180	366	160

Each member of the board receives 2.000 Invibes advertising NV stock options per year.

3.3.6 Depreciation and amortization

	30/06/2024	31/12/2023	30/06/2023
impairment on goodwill	0	106	0
Total impairments	0	106	0
Intangible assets	506	750	398
Tangible assets	58	133	83
Right-of-use assets	161	395	183
Total amortization expenses	725	1.278	664
Net increase/decrease in current assets provisions	0	0	-52
Net increase/decrease of provisions	0	0	-14
Total Increase in provisions	0	0	-66
Total Increases in amortization and provisions	725	1.384	599

The depreciation and amortization expenses have increased from K€ 599 to K€ 725, which is caused by the combined effect of:

- an increase of amortization of intangible assets due to the ingoing investments in the Invibes platform
- a net decrease in provisions during the first half of 2023.

3.3.7 Other operating expenses

In 2024 and 2023, the other operating expenses mainly relate to non-significant corrections related to previous periods.

3.3.8 Financial result

	30/06/2024	31/12/2023	30/06/2023
Costs of debt	-248	-701	-157
Finance costs	**-248**	**-701**	**-157**
Gains on other investments	201	269	0
Financial income	**201**	**269**	**0**
Currency exchange gains	152	226	120
Other	12	60	125
Other financial income	**164**	**286**	**245**
Currency exchange losses	-147	-396	-119
Other	-42	-53	-5
Other financial expenses	**-189**	**-449**	**-124**
Total Financial result	-72	-595	-36

The financial result has decreased from K€ -36 in June 2023 to K€ -72 in June 2024.

Costs of debts in 2024 concern:

- K€ 81 interests on financial liabilities
- K€ 144 factoring costs
- K€ 23 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 fully existing in 2023).

Financial income concerns the revenue on other investments:

- a FV adjustment of K€ 96 on monetary funds due to subsequent measurement at fair value to profit & loss (unrealized gain)
- a K€ 75 gain on government bonds due to subsequent measurement at amortized cost (unrealized gain)
- net K€ 30 realized financial gains on other investments in addition to the unrealized gains that were recognized as of December 31st 2023.

The other financial income and other financial expenses concern mainly currency exchange gains (K€ 152) and losses (K€ 147).

3.3.9 Non-recurring results

	30/06/2024	31/12/2023	30/06/2023
Result from changes in	-297	0	0
Other non recurring income	5	1	40
Other non-recurring expenses		-57	-14
Non-recurring result	-292	-56	26

The historical purchase value of the 62,33% interest in ML2GROW held by the Group amounted to K€ 227. The consideration that the group received for selling these shares to the other minority shareholders was € 2.

Furthermore, a debt waiver was agreed between all parties concerned for the K€ 70 debt of ML2GROW to Invibes NV. A K€ 227 impairment on this receivable was already recognized in the standalone financial statements of Invibes NV.

Due to leaving the consolidation scope as of March 15th, 2024, a K€ 297 non-recurring expense was recognized in the consolidated income statement.

3.3.10 Tax expenses

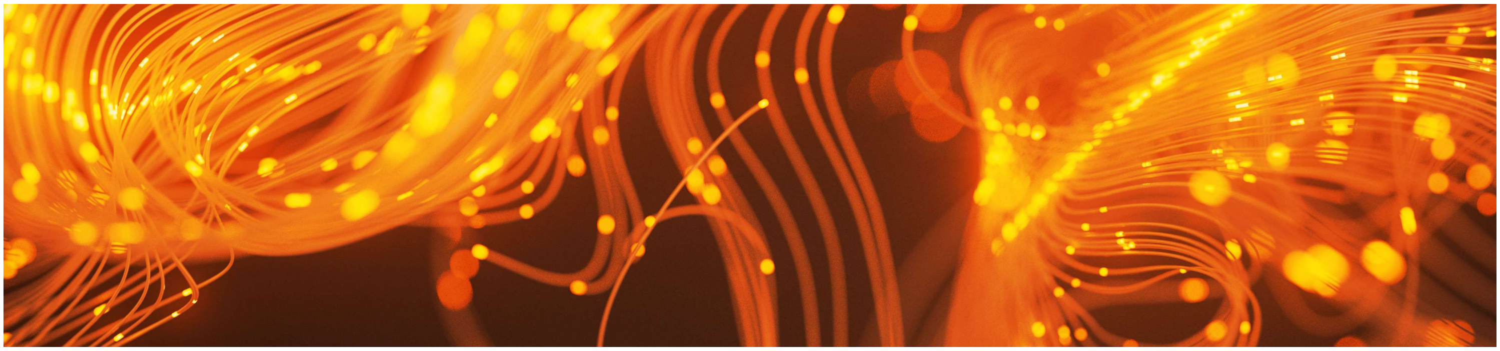
	30/06/2024	31/12/2023	30/06/2023
Income tax expense (-) / income	-19	-71	-2
Deferred tax	15	634	-1
Income tax expense (-) / income	-4	564	-3

Tax proof:

Reconciliation between the effective tax rate and the applicable tax rate	30/06/2024	31/12/2023	30/06/2023
Profit / loss for the year	-2.536	557	-446
Income tax expense (-) / income	-4	563	-3
Income before tax	-2.533	-7	-443
Theoretical tax rate applicable	24,7%	24,7%	3,0%
Taxes calculated at the theoretical tax rate	626	2	-13
Impact of non-deductible expenses	-55	-110	
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	-590	8	
Surplus/deficit (-) taxes previous years			
Difference in tax rates foreign subsidiaries		16	-16
Other		-3	
Actual income tax	-19	-71	-2
Impact of deferred taxes	15	634	-1
Total income tax expense (-) / income	-4	563	-3

The ‘Theoretical tax rate’ is 25% in 2024 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 June 26th, 2024 for a period of 3 years. The Statutory Auditor will receive a remuneration of K€ 76 for its mandate in 2024. 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

	30/06/2024	*31/12/2023*
Commitments received		
Ongoing from the deconsolidated factoring	5.531	7.900
Loans	1.916	2.418
Total	**1.916**	**10.318**

	30/06/2024	31/12/2023
Commitments given		
Current assets pledged	4.000	4.000
Pledge on business	1.700	1.700
Total	5.700	5.700

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 June 2024, the amount of receivables sold within that this factor program amounted to K€ 5.531 compared to K€ 7.900 at the end of 2023. The total amount of used factoring guarantee funds and advances amounts to K€ 5.759 at the end of June 2024.

GUARANTEES RECEIVED ON LOANS

The Invibes group received guarantees on loans from BPI for K€ 546, from Fonds National de guarantee for K€ 320 and from the European Investment Fund (EIF) for K€ 1.050 (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 2024 and 2023.

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 default 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 June 30th, 2024 the number of impairments amounts to K€ 0.

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 2024) would have an impact on the result before tax K€ 44 or K€ -54 respectively as of June 30th , 2024. An increase/decrease by +10% or -10% (main rate = closing rate for June 2024) would have an impact on total assets of K€ -324 or K€ 397 respectively as at June 30th, 2024.

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

None