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**INVIBES ADVERTISING NV
TECHNOLOGIEPARK 82
9052 ZWIJNAARDE**

CONSOLIDATED FINANCIAL STATEMENTS

From January 1st, 2019 to December 31th, 2019

SARL d'Experts Comptables et de Commissaires aux Comptes Inscrite au tableau de l'Ordre des Pays de Loire et membre de la Compagnie Régionale de Rennes.
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ASSETS in thousands of euros	Note	31/12/2019	31/12/2018
NON-CURRENT ASSETS			
Goodwill	2.1	2 100	1 998
Intangible assets	2.2	1 322	1 039
Tangible assets	2.3	379	25
Investments in associates	2.4	0	12
Non-current financial assets	2.4	1 624	410
Non-current tax assets			
TOTAL NON-CURRENT ASSETS		5 426	3 483
CURRENT ASSETS			
Inventories and work in progress		0	0
Accounts receivables	2.5	2 433	1 697
Current tax assets	2.5	342	194
Other current assets	2.5	333	88
Cash and cash equivalents	2.7	3 442	3 602
Assets held for sale			
TOTAL CURRENT ASSETS		6 550	5 581
TOTAL ASSETS		11 976	9 064

LIABILITIES AND EQUITY in thousands of euros	Note	31/12/2019	31/12/2018
EQUITY			
Share capital, share premiums		6 165	4 165
Other reserves		59	-405
Net income attributable to the parent company		139	667
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT COMPANY		6 363	4 428
Minority interests		-73	-41
TOTAL EQUITY		6 290	4 387
NON-CURRENT LIABILITIES			
Long-term financial liabilities	3.1	987	1 175
Deferred tax liabilities			
Long-term provisions		1	
Accounts payable and other long-term creditors			
TOTAL NON-CURRENT LIABILITIES		988	1 175
CURRENT LIABILITIES			
Accounts payables	3.2	1 713	1 475
Short-term loans (including current overdrafts and accrued interest)			
Current part of long-term loans and financial liabilities	3.1	1 164	720
Tax liabilities	3.2	0	0
Current provisions			
Other current liabilities	3.2	1 821	1 306
Liabilities held for sale			
TOTAL CURRENT LIABILITIES		4 698	3 502
TOTAL EQUITY AND LIABILITIES		11 976	9 064

Consolidated income statement

INCOME STATEMENT in thousands of euros	Note	31/12/2019 <i>12 months</i>	31/12/2018 <i>12 months</i>
Sales revenue	4.1	9 699	6 075
Purchases and external expenses		-5 812	-3 626
Taxes and similar payments		-30	-13
Personnel expenses	4.3	-3 133	-2 193
Amortization and depreciation	4.2	-656	-428
Other expenses and income		31	-13
<i>RECURRING OPERATING INCOME</i>		99	-198
Other non-recurring income and expenses	4.4	3	
<i>OPERATING INCOME</i>		102	-198
Cash and cash equivalents' income/losses	4.5		
Interest expenses	4.5	-117	-83
<i>COST OF NET FINANCIAL DEBT</i>		-117	-83
OTHER FINANCIAL EXPENSES AND INCOME	4.5	-16	-2
Gains and losses related to transactions	4.6	23	940
Tax expenses	4.7	15	4
<i>NET INCOME BEFORE INCOME FROM DISCONTINUED OPERATIONS</i>		7	661
Net income from discontinued activities			
NET INCOME OF THE PERIOD		7	661
of which attributable to the parent company		135	672
of which attributable to minority interests		-127	-11
Earnings per share in euros			
<i>basic</i>		<i>0,047</i>	<i>0,259</i>
<i>diluted</i>		<i>0,047</i>	<i>0,259</i>

Comprehensive income

Comprehensive income thousands of euros	31/12/2019	31/12/2018
<i>Income of the period</i>	7	661
Items that will not be reclassified to profit or loss		
Change in translation differences	-8	-4
Actuarial gains (losses) on defined benefits plans		
Deffered taxes on items that will not be reclassified to profit or loss		
Items that will be reclassified to profit or loss		
Sub-total of losses and profits directly registered as equity after tax	-8	-4
COMPREHENSIVE INCOME	-1	656
attributable to the parent company	126	667
attributable to minority interests	-127	-11

Statement of changes in equity

Changes in equity table in thousands of euros	Share capital	Share premiums	Consolidated reserves	Translation differences	Annual net profit	Total shareholders' equity (Group share)	Minority interests	Total equity
EQUITY AT 01/01/2018	2 165	0	-1 059	0	614	1 719	-13	1 706
Income at 31/12/2018					672	672	-11	661
Net losses/incomes registered as equity			-4	0		-5		-5
<i>Total registered expenses and income</i>	<i>0</i>	<i>0</i>	<i>-4</i>	<i>0</i>	<i>672</i>	<i>667</i>	<i>-11</i>	<i>656</i>
Allocation of the net income to reserves			614		-614	0		0
Dividends distribution						0	0	0
Capital increase	2 000					2 000	0	2 000
Treasury shares			211			211		211
Shares issuance expenses			-169			-169		-169
Change in consolidation scope and other	0		0			0	-17	-17
EQUITY AT 31/12/2018	4 165	0	-409	0	672	4 428	-41	4 387
Income at 31/12/2019					135	135	-127	7
Net losses/incomes registered as equity			12	0	-8	4		4
<i>Total registered expenses and income</i>	<i>0</i>	<i>0</i>	<i>12</i>	<i>0</i>	<i>127</i>	<i>139</i>	<i>-127</i>	<i>12</i>
Allocation of the net income to reserves			672		-672	0		0
Dividends distribution						0	0	0
Capital increase	2 000					2 000	0	2 000
Treasury shares						0		0
Shares issuance expenses			-186			-186		-186
Change in consolidation scope and other	0		-18			-18	95	77
EQUITY AT 31/12/2019	6 165	0	72	0	127	6 363	-73	6 289

Cash flow statement

Cash flow statement in thousands of euros	31/12/2019	31/12/2018
<i>Consolidated net income</i>	7	661
Share of profits of associates		
Income and expenses registered as equity		
Income (loss) from non-current assets disposal	0	-940
+Tax expense	-15	-4
+Cost of debt	117	83
+Depreciation and provisions	630	420
<i>Cash flow from operating activities before change in the working capital requirement</i>	740	220
Change in the working capital requirement	-434	-52
Income taxes paid	0	-3
<i>Net cash flow from operating activities</i>	306	164
Investing activities		
Capital expenditure	-1039	-806
Proceeds from sale of fixed assets	0	0
Effects of the changes in the scope	42	-82
<i>Cash flow from investing activities</i>	-997	-889
Financing activities		
Net dividends paid to shareholders and minority interests		
Received capital increase	864	1 831
Other change in equity		
Change in financial liabilities	0	1 246
Interests paid	-797	-704
<i>Cash flow from financing activities</i>	67	2 373
Change in cash	-625	1 648
Opening cash position	3 573	1 925
Closing cash position	2 939	3 573
Effect of the changes in the foreign exchange rates	-10	0
Change in cash	-625	1 648
Breakdown of the closing cash position		
Cash and cash equivalents	3 442	3 602
Current bank overdrafts	503	29

1. GENERAL INFORMATION

The company INVIBES ADVERTISING NV is a shareholding company.

The INVIBES ADVERTISING NV Group established its first consolidated accounts on December 31st, 2015.

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

1.1. *Accounting principles and IFRS estimating methods*

The company INVIBES ADVERTISING NV established its consolidated accounts on December 31th, 2019 in accordance with the IFRS as adopted in the European Union through the European rule 1606/2002 of July 19th, 2002, ratifying the IFRS. No IFRS1 option is applicable.

For the preparation of the financial statements on December 31th, 2019 the group applied the rules and interpretations mandatory applicable from January 1st, 2019.

- IFRS 16 "Leases

The impact of the application of this standard at the beginning of the financial year is - € 18,000 on equity.

For the preparation of the financial statements at December 31th, 2019, the group did not anticipate any standard or interpretation possibly applicable.

1.2. *Determining accounting estimates and judgements*

The financial statements are prepared on the basis of the historical cost except for the following assets and liabilities which are valued at their fair value: derivative financial instruments, held-for-trading financial instruments, the financial instruments classified as available for sale. They are presented in thousands of euros.

The preparation of the consolidated financial statements according to the IFRS requires from the management of the group to make estimates and make assumptions which have an impact on the application of the accounting methods and on the amounts registered in the financial statements.

These estimates and the underlying assumptions are constantly established and reviewed on the basis of the 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 book value of assets and liabilities, which cannot be obtained from other sources. The actual values can be different from the estimated values.

The judgments practiced by the management during the application of the IFRS can have a significant impact on the financial statements and the estimates present an important risk of variations during the subsequent period. Therefore they are expounded in the notes regarding the goodwill impairment tests, the other intangible assets, the tangible assets, the provisions for risks and impairment of receivables.

The accounting methods were applied in a uniform way by the entities of the group. No significant change regarding the estimating methods was set up over the period.

1.3. Major operations

The INVIBES ADVERTISING NV Company has realized:

- The takeover of ML2GROW by the conclusion of share purchase agreements with the former shareholders, this company whose head office is in ZWIJNAARDE is consolidated as of January 1, 2019.
- A capital increase of € 2.0 million which is carried out in two phases, a first phase with a payment of € 1.0 million in November 2019 and a second with a payment of € 1.0 million in April 2020. The commitment has been received from GENERIS CAPITAL PARTNERS to have the funds managed by GENERIS CAPITAL PARTNERS subscribe to this capital increase in the amount of € 2.0 million. The company recorded the total capital increase at December 31, 20219

1.4. Scope of the consolidation level

Scope of the consolidation level				
Name	Headquarters	Siren number	Interest %	Method
<i>Parent company :</i>				
INVIBES ADVERTISING NV	TECHNOLOGIEPARK 82 9052 ZWIJNAARDE	836533938	Parent company	
<i>Subsidiaries</i>				
INVIBES SERVICES SRL	Bucuresti GRIGORE COBALCESCU	30562825	100,00%	FC
INVIBES ADVERTISING	24 rue des Petites Ecuries 75010 PARIS	53745001400018	100,00%	FC
INVIBES ADVERTISING INC	1177 Avenue of the Americas, 7th Floor New York NY 10036		100,00%	FC
INVIBES SPAIN SOCIEDAD LIMITADA	FPC USAL Edificio M3 Despacho 101 C,P, 37185 (Villamayor) - Salamanca	B37563434	100,00%	FC
INVIBES ADVERTISING AG	Munich		78,48%	FC
INVIBES SWITZERLAND AG	Langstrasse 11, 8004 Zürich	CHE-302.303.944	100,00%	FC
INVIBES FINANCE SA	Place de Paris 2314 Luxembourg	B42153	100,00%	FC
ML2GROW	TECHNOLOGIEPARK 3 BUS 26 9052 ZWIJNAARDE	676644086	50,68%	FC
INVIBES ITALY SRL	MILANO VIA GIOSUE CARDUCCI 31 CAP 20123	MI - 2566422	100,00%	FC
INVIBES ADVERTISING UK LTD	5 UNDERWOOD STREET LONDON UNITED KINGDOM N1 7LY	12130396	100,00%	FC

FC: Full consolidation, EM: Equity method

All the companies of the scope close their accounting year on the 31 December.

A subsidiary is an entity controlled by INVIBES ADVERTISING NV. The control exists when the company has the power to lead directly or indirectly the financial and operational policies of the entity, in order to obtain benefits from its activities.

The potential rights of vote which are currently practicable or convertible are taken into consideration to appreciate the control.

The financial statements of the subsidiaries are included in the consolidated financial methods from the date on which the control is obtained to the date on which the control stops.

The subsidiaries under joint control are integrated according to the equity method.

1.4.1 Entry in the scope

- Acquisition of the shares of ML2GROW,
- Consolidation of the INVIBES FINANCE SA subsidiary headquartered in Luxembourg
- Creation of INVIBES ITALY SRL
- Creation of INVIBES ARVERTISING UK LTD

1.4.2 Exit from the scope

There was no exit from the scope during the accounting year.

1.5. Translation of the accounts and the operations denominated in a foreign currency

1.5.1 Translation of the financial statements of the foreign subsidiaries

The accounts of the foreign subsidiaries are kept in their functional currency.

The assets and liabilities of the foreign subsidiaries are converted into euros using the foreign exchange rate at the closing date. The elements of the income statement are translated into euros at the rate approaching the exchange rates at the dates of transactions, or at the average rate of the period if there are not important fluctuations in the rate. Equity is presented at historical rate. Exchange differences resulting from translations are presented in the translation reserves in equity until the date of sale of the subsidiary.

1.5.2 Translation of the transactions denominated in a foreign currency

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

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

The functional currency of the foreign subsidiaries is the local currency.

1.5.3 Foreign exchange rates used for the preparation of the consolidated accounts

Euro against foreign currencies rate	RON	USD	CHF	GBP
Closing rate				
Rate at 31 December 2017	4,658	1,1993	1,17	
Rate at 31 December 2018	4,663	1,145	1,127	1,118
Rate at 31 December 2019	4,783	1,123	1,085	1,175
Average rate				
Average rate from 1 January 2017 to 31 December 2017	4,5738	1,1370		
Average rate from 1 January 2018 to 31 December 2018	4,6560	1,1790	1,1520	
Average rate from 1 January 2019 to 31 December 2019	4,7500	1,1190	1,1110	1,1424

1.6. Intangible assets

1.6.1 Goodwill

All business combinations are measured and recognized 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 assumed measured at fair value at the 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.

The 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 recognized exceeds the cost of an acquisition, the difference is immediately recognized in the income statement.

Goodwill is tested for impairment once a year at the same time. In the case of an allocation to a cash-generating unit in a business combination during the relevant annual period, the depreciation of that unit must be tested before the end of that annual period. When an impairment loss is recognized, the difference between the carrying amount and its recoverable amount is recognized as an operating expense on the "asset impairment" line and is irreversible.

1.6.2 Concessions patents licenses

The intangible assets which were acquired by the group are registered at their cost minus the cumulated depreciation and the cumulated impairments. In accordance with the IAS 38 "Intangible assets" rule, only the elements whose costs can be determined in a reliable way, and for whose it is likely economic benefits exist, are registered as assets.

No cost of borrowing is incorporated in the assets costs.

1.7. Tangible assets

In accordance with the IAS 16 "Tangible assets" rule, 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.

The tangible assets are valued at their historical acquisition cost, minus the cumulated depreciation and the noticed impairments.

Depreciation is calculated according to the expected economic advantages for each element of assets, on the basis of the cost of acquisition, minus a residual value when appropriate and when this one is considered as significant.

The different components of a tangible asset are registered separately when their estimated useful life, and therefore their depreciation period, are significantly different.

Improvements, technical installations and other tangible assets are estimated at their acquisition cost or production cost.

Depreciation is calculated applying homogeneous rates in the group.

Nature	Depreciation period
Buildings	5 years
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.

1.8. Leases

According to the IFRS 16 standard, the assets used in the framework of a financial lease contract are registered as tangible assets and financial liabilities in the balance sheet, for the amount of payments to be made in accordance with the rental contract.

Rents are broken down between the financial expenses and the depreciation of the debt balance. The financial expenses are spread out on the duration of the contract, so as to obtain a constant periodical interest rate on the outstanding balance of principal for each period.

For the simple rental contracts which do not provide for the transfer of ownership of the asset certainly, the rent expenses are fully registered in the rent account in the income statement.

1.9. Impairment loss of tangible and intangible assets

In accordance with the IAS 36 "Impairment of Assets" standard, when events, modifications in the market environment or the levels of activity (sales) indicate a risk of impairment, the tangible and intangible assets of the group are the subject of a detailed review in order to determine if their net book value is lower than their recoverable value; this value is defined as the highest of the fair value and the useful value.

In the case in which the recoverable value of the assets would be lower than their net book value, an impairment is registered for the difference between these two amounts. The impairments related to the tangible and intangible assets (except the goodwill) with a defined lifespan can be written back consequently if the recoverable value becomes higher than the net book value again (within the limits of the initially registered impairment).

The recoverable value of the assets is most often determined on the basis of the useful value. This one corresponds to the value of the expected future economic benefits of their use and their sale. It is especially appreciated with reference to the discounted expected cash flows determined in the framework of the economic assumptions and the estimated operating conditions used by the management of the Group INVIBES ADVERTISING NV. The group estimated these expected flows over a period of 5 years with a discount rate of 12.27% at 31 December 2019.

The IAS 36 standard defines the discount rate to be used as the pre-tax rate reflecting the current appreciation of the time value for each market and the risks specific to the asset. It is the yield rate that investors would demand if they had to choose an investment with amount, due date and risks equivalent to the asset or the considered cash-generating unit (CGU).

1.10. Accounts receivable

The accounts receivables include the invoices related to service delivery contracts according to the following principle:

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 company INVIBES ADVERTISING subscribed to a contract to transfer its accounts receivables, with a full transfer of the guarantee to the factor.

1.11. Other debtors

The other debtors 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.

1.12. Financial assets and liabilities

The financial assets and liabilities are made up of loans and receivables, cash and cash equivalents, derivative instruments and loans.

1.12.1 Loans and receivables

They include deposits and sureties, receivables related to non-consolidated participating interests, the other loans and receivables and the trade receivables. They are valued at their historical value.

When their value is lower than their probable recovery value, an impairment is recorded.

1.12.2 Cash and cash equivalents

Cash and cash equivalents include funds in the cash register and demand deposits, generally under 3 months, easily available or transferable on the very short term, convertibles into an amount of cash and presenting no significant risks of impairment. They are estimated according to the category of the estimated assets at the fair value against income.

The bank overdrafts repayable on demand which are an integral part of the group cash management constitute a component of cash and cash equivalents for the needs of the cash flows table.

1.12.3 Derivative instruments

The group did not subscribe to hedging instruments.

1.13. Loans and other financial liabilities

The non-derivative financial liabilities include the loans, other financing elements and bank overdrafts.

1.14. Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized at year-end 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 Group practices or public commitments that created a reasonable expectation among the third parties in question that the Group will assume certain responsibilities.

The estimated amount shown in provisions represents the outflow of resources which is probable the Group will have to bear to end its obligation. If no reliable estimate of the obligation can be made, no provision is recorded and a disclosure is made in the notes.

Contingent liabilities correspond to possible obligations resulting from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not fully within the control of the Group or present obligations for which it is not probable that an outflow of resources will be required. They are disclosed in the notes and are not accounted.

Obligations from restructuring plans are recognized and recorded as a provision when they have been documented in a detailed plan and announced or when their implementation has been launched before the closing date.

1.15. Employee benefits

1.15.1 Pension liabilities

The Group's workforce is not significant. Pension liabilities have not been valued.

1.16. Consolidated sales revenue

The business of the INVIBES ADVERTISING NV Group is the delivery of digital advertising services.

1.17. Other operating income and expenses

Non-recurring income and expenses correspond to income and expenses not arising during the Group's day-to-day operations. They are mainly characterized by their unusual nature and their material amount.

Non-recurring income and expenses include the following items:

- ✓ Disposal gains or losses on tangible and intangible fixed assets, equity securities, other financial assets and other assets;
- ✓ Reorganization and restructuring costs ;
- ✓ Impairment losses of goodwill and tangible assets.

1.18. Cost of financing and other financial income and expenses

The net financial income/expense includes the cost of the net financial debt and other financial income and expense. The cost of the net financial debt includes:

1. Income from cash and cash equivalents which include gains and losses on disposal of cash equivalents, credit interests and income from exchange rates hedges on cash,
2. Cost of gross financial debt which includes all the interest expenses from financial operations.

Other financial income and expenses include gains or losses on disposals of unconsolidated securities, changes in the fair value of financial instruments (assets, liabilities, and derivatives), currency exchange gains and losses, and other financial income and expenses.

1.19. Taxes

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

1.20. Payable tax

The payable tax is the estimated amount of the tax due in connection with the taxable profit for a period, determined by using the tax rates that have been adopted at the closing date.

The tax rate used by the Group's companies is 29.6%.

1.21. Deferred tax

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

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

A deferred tax credit is posted only insofar as 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 realized.

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.

The Group discloses deferred taxes on the balance sheet separately from payable tax assets and liabilities and classifies them as non-current.

1.22. 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 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.

	31/12/2019	31/12/2018
NET INCOME FOR THE PERIOD	134 774	671 830
Number of shares	2 846 594	2 596 610
Number of shares on convertible instruments	0	0
Total	2 846 594	2 596 610
Earnings per share in euros		
<i>basic</i>	<i>0,047</i>	<i>0,259</i>
<i>diluted</i>	<i>0,047</i>	<i>0,259</i>

1.23. Shareholders' equity**1.23.1 Capital**

The Company's share capital as of December, 31, 2019 is 6 164 983.11 euros divided into 2 846 594 shares, 2 778 428 shares fully paid and 68 166 shares unpaid.

Each share entitles the holder thereof to a proportionate ownership right in the assets of the Company and in the proceeds after liquidation equal to the pro rata portion of the registered capital represented by such share.

1.24. Credit risk

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

Trade and other receivables

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

The Group determines a level of depreciation which represents its valuation of losses related to trade and other receivables and investments. The main cause of depreciation corresponds primarily to specific losses related to significant individualized risks.

1.25. Liquidity risk

Liquidity risk is the risk the Group may have difficulty paying its debt when they fall 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 fall due, under normal or « tight » conditions, without incurring unacceptable losses or impairing 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 3.1. Loans and financial liabilities.

1.26. 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 insignificant level of the foreign activity.

1.27. Exchange rate risk

The Group's exchange rate risk is attributable to:

- The conversion in its balance sheet and its profit and loss account of its foreign subsidiaries located outside the euro zone. This risk is however reduced considering the insignificant level of activity of these subsidiaries.

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

1.28. Interest rate risk

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

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

1.29. Operating segment information

The main operating decision maker has access to financial data for each legal entity. The legal entities' business is the delivery of digital advertising services.

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 the legal entities and have the same economic characteristics regardless of the legal entity.

The Group therefore considers operating on a single sector, digital advertising services.

2. NOTES ON THE ASSETS

2.1 Goodwill

Goodwill en K€	31/12/2019	31/12/2018
Net value at 1 January 2019	1 998	0
Purchases	102	1 998
Divestitures		
Translation differences		
Scope variations		
Variations in impairment losses	0	0
Net value at 31 december 2019	2 100	1 998

2.2 Intangible assets

Intangible assets (Gross value in K€)	Concessions, patents and licenses	Goodwill	Other intangible assets	Advances and prepayments	Total
Gross value at 1 January 2019	2 318	0	0	0	2 318
Expenditure	812		4		816
Divestitures					0
Currency retranslations	0				0
Scope variations					0
Other					0
Gross value at 31 December 2019	3 130	0	4	0	3 134

Intangible assets (Accumulated amortisation in K€)	Concessions, patents and licenses	Goodwill	Other intangible assets		Total
Amortization at 1 January 2019	1 280	0	0	0	1 280
Increases	531		1		532
Impairments					0
Decreases					0
Scope variations					0
Translation differences					0
Other					0
Amortization at 31 December 2019	1 811	0	1	0	1 812

Net book value at 31 December 2019	1 318	0	3	0	1 322
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2.3 Tangible assets

Tangible assets (Gross value in K€)	Buildings	Technical installations	Other tangible assets	Advances and prepayments	Total
Gross value at 1 January 2019	9	3	50	0	62
Expenditure	4		66		70
Divestitures					0
Translation differences	-11				-11
Scope variations			2		2
Other	414		66		479
Gross value at 31 December 2019	416	3	184	0	603

Tangible assets (Accumulated amortization in K€)	Buildings	Technical installations	Other tangible assets		Total
Amortization at 1 January 2019	1	3	34		38
Increases	83	0	37		120
Impairments					0
Decreases					0
Scope variations			1		1
Translation differences	-1				-1
Other	48		18		66
Amortization at 31 December 2019	131	3	89		224

Net book value at 31 December 2019	284	0	95		379
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2.4 Investments and non-current financial assets

Investments and non-current financial assets in K€	Financial assets w/ equity method	Other Invest. Main affiliates	Total Invest. Main affiliates	Other non-current assets	Total Gross value of non-current assets	Non-current financial assets held for sale	Impairment losses	Net value
At 1 January 2019	0	12	12	410	422	0		422
Expenditure/Increases		0	0	1 214	1 214			1 214
Divestitures/Decreases			0	0	0			0
Scope variations		-12	-12	0	-12			-12
Exchange rate variation			0	0	0			0
At 31 December 2019	0	0	0	1 624	1 624	0	0	1 624

The main part of other non-current assets consists of:

- Guarantee deposits and granted loans with maturity between 1 and 5 years.
- Amount of € 1 million not paid on the capital increase.

2.5 Trade receivables and other current assets

in K€	31/12/2019	31/12/2018
Gross trade receivables	2 444	1 704
Impairment losses	-11	-8
Net trade receivables	2 433	1 697
VAT credits and other	342	178
Corporate tax credits	0	16
Other tax credits	342	194
Advances and prepayments on orders	39	0
Accrued income and expenses	0	0
Other receivables	295	88
Other current assets	333	88

Detail of other receivables :

Other receivables in K€	31/12/2019	31/12/2018
Social receivables	44	18
Debtor current accounts		
Receivables on fixed assets disposals		
Deferred taxes	29	7
Misc. Debtors	73	8
Prepaid expenses	149	55
Total Other receivables	295	88

All the trade receivables and non-current assets have a one-year maturity.

Transfers of receivables to the factor amount to K€ 2 033 on December 31th, 2018, to K€ 3 190 on December 31th, 2019.

Apart from the overdue trade receivables for which a provision for impairment loss has been accounted, the Group considers that it is not exposed to any risk of non-recovery.

2.6 Financial assets at fair value

The Group does not hold any financial assets at fair value.

2.7 Cash and cash equivalents

Available cash in K€	31/12/2019	31/12/2018
Cash	3 442	3 602
Marketable securities - Unit trusts		
Prov. Impairment. Marketable securities		
Total Available cash	3 442	3 602

3. NOTES ON THE LIABILITIES

3.1 Loans and financial liabilities

Financial liabilities in K€	01/01/2019	Current	Non-recurring	Fixed rates	Variable-rates
Bonds					
Loans from other financial institutions	1 867	692	1 175	1 867	
Financials debts IFRS 16					
Short-term bank overdrafts	28	28		28	
Accrued interest not yet due					
Total	1 895	720	1 175	1 895	0

Financial liabilities in K€	31/12/2019	Current	Non-recurring	Fixed rates	Variable-rates
Bonds					
Loans from other financial institutions	1 274	567	707	1 274	
Financials debts IFRS 16	374	94	280	374	
Short-term bank overdrafts	504	504		504	
Accrued interest not yet due					
Total Financial liabilities	2 151	1 164	987	2 151	0

Financial liabilities in K€	31/12/2019	- 1year	1 to 5 years	+ 5 years
Bonds				
Loans from other financial institutions	1 274	567	707	
Financials debts IFRS 16	374	94	280	
Short-term bank overdrafts	504	504		
Accrued interest not yet due				
Total Financial liabilities	2 151	1 164	987	0

3.2 Supplier accounts payable and other current liabilities

Other current liabilities in K€	31/12/2019	31/12/2018
Supplier accounts payable	1 713	1 475
Total Supplier accounts payable	1 713	1 475
Tax liabilities excluding corporate tax	797	466
Corporate tax	0	0
Total tax liabilities	797	466
Advances and prepayments	0	0
Supplier accounts payable - fixed assets	539	534
Social liabilities	298	224
Current account	0	7
Misc. Creditors	48	11
Uninvoiced revenues	139	63
Total Other current liabilities	1 821	1 306

All the current liabilities are due within less than 1 year.

4. NOTES ON THE PROFIT AND LOSS ACCOUNT

4.1 Operating segments

The Group operates on a single sector.

4.2 Amortization expenses and provisions

Amortization expenses and provisions in K€	31/12/2019	31/12/2018
Intangible assets	532	411
Tangible assets	120	9
Total amortization expenses	652	420
Net increase in receivable provisions	3	8
Total Increase in provisions	3	8
Total Increases in amortization and provisions	655	428

4.3 Salaries and social charges

Salaries and social charges in K€	31/12/2019	31/12/2018	Proforma 31/12/2018
External staff			
Salaries	3 093	1 885	1 885
Social charges	557	308	308
Capitalized costs (1)	-517		-310
Employee benefits (Free share program)			
Total Social charges	3 133	2 193	1 883

(1) The personnel costs activated in development costs are presented in the income statement as a deduction from salaries and social charges. In previous years, they were presented as a reduction of purchases and external expenses. The proforma column presents for 2018 the method applied on 2019.

4.4 Other operating income and expenses

Non-recurring operating income and expenses are analyzed as follows:

Other operating income in K€	31/12/2019	31/12/2018
Gain on intangible assets		
Gain on tangible assets		
Expenses associated with equity acquisitions		
Other operating income and expenses	3	
Total Other operating income	3	0

4.5 Financial income

Financial income in K€	31/12/2019	31/12/2018
Costs of bond loans		
Costs of short-term and medium-term debt	-117	-83
Cost of gross financial debt	-117	-83
Gains/losses of cash and cash equivalents (1)	0	0
Reversal of provision / Impairment loss on cash investments		
Cost of net financial debt	-117	-83
Currency exchange gains and losses	-3	-7
Other	-12	4
Other financial income and expenses	-16	-3
Total Financial income	-133	-86

4.6 Gains and losses related to transactions

En K€	31/12/2019	31/12/2018
Value of shares exchanged		994
Net book value of the shares exchanged		-54
Others	23	0
Total Gains or Losses	23	940

4.7 Tax expenses

Income tax expense in K€	31/12/2019	31/12/2018
Income tax payable expense	-7	-4
Deferred tax expense	21	7
Total Tax expense	15	3

Tax proof:

Reconciliation between the effective tax rate and and the applicable tax rate in K€	31/12/2019	31/12/2018
Income for the year	7	661
Actual income tax expense	-15	-4
Income before tax	-7	657
<i>Tax rate applicable to the Company</i>	<i>29,6%</i>	<i>34,0%</i>
Theoretical expense at the tax rate applicable to the Company	-2	223
Impact from permanent differences	-3	-299
Fiscal deficit for the year excluding deferred tax	218	70
Utilization of prior years' tax losses	-246	0
Difference in tax rates foreign subsidiaries	19	2
Total Tax expense	-15	-4
Fiscal deficit for the next year	3005	1611
Deferred tax not activated	817	547

5. ADDITIONAL INFORMATION

5.1 Off-balance sheet commitments

	31/12/2019	31/12/2018
<i>Commitments received</i>		
Ongoing from the deconsolidated Factoring	3 190	2 034
TOTAL	3 190	2 034

5.2 Related parties

Transactions with the company

None.

5.3 Distribution of dividends

The Group did not distribute any dividends in 2019.