

FIRST-HALF 2019 RESULTS

Very strong growth, profitability and R&D investments for the future

- **Growth gathers pace: revenue doubles to €3.9m (+84% like-for-like)**
- **EBITDA improves amid team structuring initiatives**
- **Ongoing investments in R&D to ramp up development**
- **Robust growth targeted for 2019**

Paris, 26 September 2019 - **INVIBES ADVERTISING, a tech firm specialising in digital advertising, today announced the release of its financial statements for the first half of 2019.**

The Board of Directors approved the 2019 interim financial statements at its meeting of 19 September 2019. The interim financial report is available on the Company's website (<https://www.invibes.com/uk/uk/investors.html>).

<i>Unaudited consolidated data, in €k IFRS</i>	H1 2019	H1 2018	Δ
Revenue	3,863	1,813	+113%
Purchases and external expenses	(2,030)	(1,077)	+88%
Personnel expenses	(1,715)	(694)	+147%
EBITDA¹	119	42	+183%
Depreciation, amortisation and provisions	(264)	(171)	+54%
Operating income (expense)	(145)	(129)	-12%
Group net income (expense)	(162)	(157)	-3%

• Accelerated growth

INVIBES ADVERTISING stepped up the pace of its growth in first-half 2019, with revenue doubling to €3.9m. On a like-for-like basis, organic growth came out at +84%.

This stellar performance can be attributed to the high quality of solutions INVIBES ADVERTISING offers to advertisers, setting itself apart from its competitors in multiple ways:

- A catalogue of solutions incorporating increasingly innovative ad formats;
- Non-intrusive formats generating much higher efficiency than other solutions available on the market, with extensive user engagement;
- An inventory selected from a network of publishers comprising most of biggest names in the media industry;
- Use of proprietary algorithms to determine the best targeting plan for each campaign.

INVIBES ADVERTISING enjoyed the combined effect of several growth drivers over the period:

- **Repeat business from existing clients**, which renewed their ad campaigns, satisfied with the above-par results delivered in the past. The Group has earned the regular business of leading brands such as Air France, Dyson, Jacob Douwe Egberts, Leclerc, McDonald's, Mercedes, Nespresso, Nissan, Seat, Toyota and Volkswagen;

¹ EBITDA = Earnings before Interest, Tax, Depreciation, Amortisation and provisions.

- **New business from major brands**, sold on the power of INVIBES ADVERTISING solutions. Top-tier advertisers that signed with the Group in H1 2019 include: Accenture, AXA, BNP Paribas, Beiersdorf, Chanel, Fuji, Honda, Lufthansa, Mastercard, Puma and Yoplait;
- **A broader range of solutions**, with the creation of new formats offering even greater visibility and user engagement;
- **An expanded network of publishers** achieving a record audience reach in France with 43 million unique visitors², and counting;
- **International development** with an expanded geographic footprint in the German, Swiss and Spanish markets, paving the way for a pan-European support network;
- **External growth** with the acquisition of Dreicom, strengthening the Group's presence in the Swiss market, and ML2Grow specialising in AI-based data analytics.

- **EBITDA improves amid team structuring initiatives**

INVIBES ADVERTISING saw EBITDA climb sharply to €119k in first-half 2019 (versus €42k in H1 2018), with an almost one-point gain in EBITDA margin to 3.1%.

This performance is all the more noteworthy in light of the team structuring initiatives under way to support the Group's strong international development and market growth.

INVIBES ADVERTISING hired 11 new employees in H1 2019, bringing its total headcount to 81 at end-June and triggering a 147% rise in personnel expenses to €1.7m over the period.

Purchases and other external expenses, consisting entirely of communication and marketing costs, climbed 88% to €2m, consistent with business growth.

Together, operating expenses weighed temporarily on profits, but are expected to generate their full effect in over the next few months and help drive the Company's growth and future profitability.

Operating income (expense) was virtually stable at €(145)k versus €(129)k in H1 2018, undermined by higher depreciation and amortisation stemming from increased R&D investments aimed at further improving the product in preparation for the future.

After recognising interest income (expense) and the tax expense, Group net income (expense) totalled €(162)k, also holding steady since H1 2018.

- **Solid financial structure at 30 June 2019**

Despite substantial investments in R&D to fuel its robust development, the Group boasts a persistently solid financial structure, featuring shareholders' equity of €4.3m and a net cash position of €1.2m at end-June 2019.

- **Outlook: Robust growth targeted for 2019**

The Group is expected to secure strong growth in the months ahead, buoyed by a proactive sales strategy resting on three major strategic pillars:

- **Continued expansion in Europe** with the product range being rolled out to 3 new high-potential countries by the end of the year: the United Kingdom, Italy and Austria, with a view to offering international clients the benefit of pan-European campaign solutions;
- **Accelerated business development in existing markets.** With bigger teams and greater resources at its disposal, INVIBES ADVERTISING is poised to strengthen its market penetration;
- **Ongoing R&D investment** in order to provide advertising clients with increasingly innovative solutions, tailored closely to meet their needs and generating above-market results.

Overall, INVIBES ADVERTISING is confident that it will deliver strong growth yet again in H2 2019, on the back of additional market share gains in Europe, drawing on solutions perfectly in tune with the market's current needs.

² Médiamétrie/Netratings data, July 2019

Next release:

Third-quarter 2019 revenue, 14 November 2019

About INVIBES ADVERTISING

Founded in 2011, INVIBES ADVERTISING is an advanced technology company specialized in digital advertising. It has developed advertising solutions using an in-feed format built into media content. The principle is similar to social networks and it is optimized for dissemination in a closed network of media websites. Our clientele includes a large number of acclaimed companies: advertisers and media agencies.

INVIBES ADVERTISING is listed on the Euronext Paris stock exchange (Ticker: ALINV – ISIN: BE0974299316), and in 2019 achieved a place in FT1000 ranking, published each year by the Financial Times. For more information, please visit www.invibes.com.

Read our latest press releases at:

<https://www.invibes.com/investors.html>

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