

## SUCCESSFUL YEAR WITH BUSINESS ON THE RISE PROMISING PERSPECTIVES FOR 2019

- Turnover growth of 56.5% spurred by robust activity in France and market expansion in Spain, Switzerland and Germany
- Positive EBITDA in spite of significant human investments ( $\approx 2\times$  - R&D and sales)
- Growing net income at €0.7 million
- Net cash position of €1.7 million
- 3 new domestic markets targeted in 2019
- Strategic involvement in Artificial Intelligence by combining R&D innovation and M&A

Paris, 20 March 2019 - INVIBES ADVERTISING, an advanced technology company specialized in digital in-feed advertising, has published its 2018 results.

<i>Consolidated data (€000) - IFRS</i>	<b>2017</b>	<b>2018</b>	<b>Change</b>
<b>Turnover</b>	<b>3,881</b>	<b>6,075</b>	<b>+56.5%</b>
Purchases and external services	(1,732)	(3,626)	+109.3%
Personnel expenses	(1,156)	(2,193)	+89.7%
<b>EBITDA<sup>1</sup></b>	<b>978</b>	<b>230</b>	<b>(76.5)%</b>
Depreciation, amortization & provisions	(329)	(428)	+30.1%
<b>Operating income</b>	<b>649</b>	<b>(198)</b>	<b>-</b>
Net financial expense	(46)	(85)	+84.8%
Tax expense	(4)	4	-
Profit and loss related to transactions	0	940	-
<b>Net income/(loss)</b>	<b>599</b>	<b>661</b>	<b>+10.4%</b>

### 2018: Major structuring investments while preserving profitability

INVIBES ADVERTISING posted a turnover of €6.1 million in 2018, an increase of 56.5%, evidence of its on-going market expansion (new developments in Spain, Switzerland and Germany) as well as the launch of 10 new products<sup>2</sup>. Earnings were powered by organic growth (+29%) and the strategic acquisition of DREICOM, AdTech company in Switzerland.

<sup>1</sup> EBITDA = underlying operating income before depreciation, amortisation and provisions

<sup>2</sup> [2018: A successful year for INVIBES ADVERTISING with market expansion and structural improvement](#)

The Group hired 28 new employees to boost its market development and international ambitions, bringing personnel expenses at 2.2M€ in 2019, (+1.0M€ year on year). It invested in new staff at all the levels of the company:

- 2 senior management positions being a country manager for Invibes Spain and Invibes Germany;
- 11 sales recruits in France and Spain;
- 10 staff members to reinforce the central support structure in the front office, inventory, data management and digital marketing;
- 5 people in R&D.

The recruitment costs for the 28 new staff members represent €0.2 million as a one-off additional cost. INVIBES ADVERTISING also incurred one-off expenses related to the Euronext Growth move, its capital increase in April (see below), acquisition of DREICOM, acquisition of ML2GROW and setup of its international legal structure amounting to €0.3 million. Total non-recurring costs amounted to €0.5 million for 2018.

Despite these investments, EBITDA remains positive at €0.2 million. After depreciation and amortization (€0.4 million, including R&D expenditure) and goodwill from the DREICOM acquisition, the Group increased its net income by 10% at €0.7 million.

#### **A sound financial structure**

Investments have been supported by the issue of shares to the value of €2.0 million in April 2018 and strict financial management. Net cash position of €1.7 million at the end of the year (Cash position of €3.6 million and €1.9 million of short-term/long-term debt).

INVIBES ADVERTISING's promising development became open to a wider circle of investors due to the transfer of the INVIBES ADVERTISING share from EURONEXT Access to the EURONEXT Growth compartment on 12 July 2018.

#### **+230 media site partners**

INVIBES ADVERTISING continues to expand its partnership network of publishers by innovating to increase the visibility of its in-feed formats on several media platforms. As a result, the Médiamétrie / NetRatings survey in December 2018 reported traffic (Reach) of nearly 40 million unique visitors per month on partner websites in France alone, thus ranking the company as a rival to giants such as YOUTUBE and FACEBOOK.

#### **Encouraging perspectives for 2019**

In 2019, the Group intends to sustain its development on buoyant markets (France, Spain, Germany and Switzerland) and consider opening new markets (United Kingdom, Austria and Italy) to consolidate its positions with its advertiser clients by being able to offer support in several European countries.

In order to ensure technological leadership and drive business growth, INVIBES ADVERTISING is committed to constantly creating distinctive products through digital innovation. The Group therefore intends to continue to invest in R&D and consolidate its technological expertise (Formats, Reach, and, in particular, Data).

In line with this strategy, INVIBES ADVERTISING announced on the 12<sup>th</sup> of February 2019<sup>3</sup> that it bought a 50% stake in the Belgium company ML2GROW, machine learning solutions developer. By combining its NLP (Neuro-Linguistic Programming) skills with ML2GROW know-how, INVIBES ADVERTISING will build even more highly advanced algorithms for its platform. This investment opens the way to develop new business opportunities around technologies in the Artificial Intelligence.

*Next publications:*

*First Quarter revenue 25 April 2019*

*First Half revenue 25 July 2019*

**An information meeting will be held in the SFAF offices at 5.30 pm on Thursday, March 21<sup>st</sup>.  
Management will comment on 2018 results and the Group's perspectives.**

**About INVIBES ADVERTISING**

INVIBES ADVERTISING, founded in 2011, is an advanced technology company specialized in digital advertising. It has developed advertising solutions supported by an in-feed format integrated into media content, inspired by social networks and optimized for dissemination in a closed network of Media Groups like: Bertelsmann, Hearst, Lagardère and many others. Clients include major brands such as Mercedes, Samsung, Air France and IBM. INVIBES ADVERTISING is a listed company on the Euronext Growth Paris stock exchange (Ticker: ALINV – ISIN: BE0974299316). For more information, go to [www.invibes.com](http://www.invibes.com).

*Read our latest press releases at:*

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

Follow the latest news about INVIBES ADVERTISING on Twitter: [@Invibes\\_Adv](https://twitter.com/Invibes_Adv)

**Financial & Corporate Contacts**

---

**INVIBES ADVERTISING**

Kris VLAEMYNCK, CFO  
kris.vlaemynck@invibes.com

**ATOUT CAPITAL**

Rodolphe OSSOLA, Listing Sponsor  
rodolphe.ossola@atoutcapital.com  
+33 1 56 69 61 80

**ACTUS finance & communication**

Grégoire Saint-Marc, Investor & Financial Relations  
invibes@actus.fr  
+33 1 53 67 36 94

**Financial Media relations**

Vivien Ferran  
vferran@actus.fr  
+33(1) 53 67 36 34

**Media relations**

Anca MARCU  
anca.marcu@invibes.co

---

<sup>3</sup> [INVIBES ADVERTISING takes a 50% stake in ML2GROW](#)