

## FIRST HALF 2018 RESULTS: SOLID GROWTH AND A POSITIVE OUTLOOK

- Revenue up 31% to €1.8 M
- Acceleration of investments in business and technological development and operating expenses for corporate organization
- Positive EBITDA despite the unfavourable seasonality of H1 (1/3 of full year sales)
- High cash position
- Second half 2018 outlook confirmed, driven by international expansion and new offers

Paris, 27 September 2018 - INVIBES ADVERTISING, an advanced technology company specializing in digital in-feed advertising, has published its first half 2018 results (half-year ended 30 June).

€000	H1 2017*	H1 2018**
<b>Revenue</b>	<b>1,390</b>	<b>1,813</b>
Purchases and external charges	(720)	(1,077)
Personnel expenses	(539)	(694)
<b>EBITDA<sup>1</sup></b>	<b>131</b>	<b>42</b>
Depreciation, amortization & provisions	(145)	(171)
<b>Operating income</b>	<b>(14)</b>	<b>(129)</b>
Net financial expense	(29)	(25)
Tax expense	(8)	(2)
<b>Net income/(loss)</b>	<b>(52)</b>	<b>(156)</b>

\* Company data in Belgian GAAP provided for information purposes. The company did not prepare IFRS consolidated financial statements for H1 2017.

\*\* Consolidated IFRS data

### A role of challenger as a credible alternative to Google and Facebook

INVIBES ADVERTISING posted consolidated revenues of €1.8 million for the first half of 2018, up 31% like for like compared to the same period in 2017. This sharp growth in turnover confirms the success of the strategic choices made by the Group with the creation of innovative advertising formats such as INVIBES ZOOM<sup>2</sup>, a new milestone in developing the interaction between web users and ads via a zoom feature that highlights the product in the ad format.

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

<sup>2</sup> See press release dated 2 May 2018: [https://www.invibes.com/documents/CP\\_INVIBES\\_ZOOM\\_VF-EN.pdf](https://www.invibes.com/documents/CP_INVIBES_ZOOM_VF-EN.pdf)

The Group's recognized ability to innovate has enabled INVIBES ADVERTISING to bring together a growing number of advertisers, including key accounts such as MERCEDES, P&G and BMW, that are granted with access to the best audience reach via its partner sites.

This strategy has led to INVIBES ADVERTISING rivalling giants such as Google and Facebook in France, with 36.8 million unique visitors (UV) according to the latest global Internet rankings published by Médiamétrie//Netratings in February 2018.

### **Positive EBITDA despite increased investments in technology and marketing**

Despite the marked seasonal trends in turnover (H1 accounted for 36% of 2017 turnover compared to 64% in H2), INVIBES ADVERTISING has decided to accelerate its commercial, technological and corporate investments to ensure a long-term growth trend.

In order to guarantee technological leadership (R&D teams) and drive business growth (commercial teams), INVIBES ADVERTISING increased its headcount from 24 employees in end of June 2017 to 46 as of today. As a result, personnel expenses have increased by 30%. The Group also sustained during the period one-shot legal fees and other corporate extra costs regarding its capital increase and transfer of shares on Euronext Growth.

In that context, INVIBES ADVERTISING managed to post positive earnings with an EBITDA of €42K for the six months ended 30 June 2018. After accounting for depreciation and amortization charges, mainly related to capitalized development costs (€171K) and financial expenses of €25K, the Group posted a net loss of €156K for the period.

### **Financial structure strengthened to support the future growth**

At 30 June 2018, Group's equity amounted to €3,463K, while cash and cash equivalents stood at €2,931K with borrowings of €789K.

Over the first half of 2018, INVIBES ADVERTISING successfully completed a private placement, the net proceeds of which (€1,873K) covered investments in technology and the buyback of minority shareholdings in INVIBES SPAIN, while increasing cash by €1,006K.

### **Solid outlook confirmed for the second half of 2018**

The Group intends to continue its growth surge over the second half of 2018 on key markets. In France, the Group has just announced the hiring of 8 new sales department managers and the appointment of Sami Battikh as Country Manager France.<sup>3</sup>

Looking forwards, INVIBES ADVERTISING plans to step up international expansion and continue its virtuous strategy primarily geared towards strong technological innovation. The current development

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<sup>3</sup> See press release dated 20 September 2018: [https://www.invibes.com/documents/CP\\_Country\\_Manager-VUK\\_DEF.pdf](https://www.invibes.com/documents/CP_Country_Manager-VUK_DEF.pdf)

of a new DATA offering<sup>4</sup>, in strict compliance with the European GDPR, will constitute a strong growth driver in the upcoming years.

These promising developments are now 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.

### Termination of the liquidity contract

INVIBES ADVERTISING and TSAF terminated the liquidity agreement entered into on April 16, 2018.

**Next publication:** Full-year turnover on 13 February 2019

### About INVIBES ADVERTISING

Created in 2011, Invibes Advertising 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 diffusion in a closed network of media sites (CCM Benchmark, Lagardère, Team Media and Prisma). Clients include major brands Cisco, Danone, Groupe Mulliez, PSA, SBB, SNCF, Swissquote and Volkswagen. INVIBES ADVERTISING is a Pass French Tech 2016 accredited company.

It is listed on the Euronext 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:*

<http://www.invibes.com/fr/fr/investors.html>

<http://www.invibes.com/us/us/investors.html>

### Financial & Corporate Contacts

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<sup>4</sup> Data gathered on web user interests will make it possible to target purchasing intentions for specific products.



PRESS RELEASE

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