

Press release

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

London, 25 September 2024 – Invibes Advertising (Invibes), an advanced technology company specialising in digital advertising, has published its results for the first half of 2024.

The half-yearly financial report is available on the Company's website: <https://www.invibes.com/uk/en/investors.html>

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 forma¹).

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.

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.

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.

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:

<i>Consolidated data, Unaudited, in k€</i>	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.

Next publication: sales for Q3 2024, on 23 October 2024 (after trading).

About Invibes Advertising

Invibes Advertising (Invibes) is an international technology company specialising in digital advertising innovation.

Founded on the philosophy that advertising efficiency comes from being truly innovative and naturally engaging to users, Invibes has developed an integrated technology platform for brands to reach consumers through impactful in-feed advertising.

Invibes delivers advertising that creates positive attention by harnessing the power of big data, innovative in-feed formats, wide reach and extensive intelligence services.

Pioneering the way in sustainable advertising, Invibes also offers a unique solution to offset campaign emissions through its Carbon-Neutral label.

In order to partner with some of the greatest brands in the world, like Amazon, Bacardi, Dell, IKEA and Toyota, we rely on even greater people. At Invibes we strive to maintain an energetic, open environment that fosters a culture of ideation, growth and #GoodVibes, that shines straight through to our clients.

Want to hear more about Invibes? Visit: www.invibes.com

Invibes Advertising is listed on the Euronext Stock Exchange (Ticker: ALINV – ISIN: BE0974299316)

Read our latest press releases at:

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



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Financial & Corporate Contacts:

Kris Vlaemynck, co-CEO
kris.vlaemynck@invibes.com