

# AD.UX

ADVERTISING AND USER EXPERIENCE

---

## ANNUAL FINANCIAL STATEMENTS 2021

Joint-stock company with capital of € 1,569,481,25  
27, rue de Mogador – 75009 Paris  
418 093 761 R.C.S. Paris  
[www.adux.com](http://www.adux.com)

## Contents

<b>Profit and loss statement for financial years 2021 and 2020.....</b>	<b>4</b>
<b>Balance sheets at December 31st, 2021 and December 31st, 2020.....</b>	<b>5</b>
<b>Note 1. Highlights Of FY 2021 .....</b>	<b>7</b>
<b>Note 2. Subsequent event to December 31st, 2021 .....</b>	<b>7</b>
Other post-closing events .....	8
<b>Note 3. Accounting principles and methods .....</b>	<b>8</b>
3.1. Going concern assumptions.....	8
3.2. Intangible assets .....	8
3.3. Property, plant and equipment .....	8
3.4. Permanent financial investments and current accounts of subsidiaries .....	9
3.5. Receivables and related accounts.....	9
3.6. Short-term investment securities .....	9
3.7. Treasury shares.....	9
3.8. Provisions for risks and expenses .....	9
3.9. Recognition of revenue billed to advertisers.....	10
3.10. Presentation of expenses to purchase spaces in the income statement .....	10
3.11. Corporate tax.....	10
3.1. Retirement benefits.....	10
<b>Note 4. Intangible assets .....</b>	<b>11</b>
<b>Note 5. Property, plant and equipment .....</b>	<b>12</b>
<b>Note 6. Long-term investments .....</b>	<b>12</b>
<b>Note 7. Receivables and related accounts .....</b>	<b>13</b>
<b>Note 8. Other receivables .....</b>	<b>14</b>
<b>Note 9. Cash and cash equivalents.....</b>	<b>14</b>
<b>Note 10. Deferred charges.....</b>	<b>14</b>
<b>Note 11. Unrealized foreign exchange losses.....</b>	<b>14</b>
<b>Note 12. Shareholders' equity .....</b>	<b>15</b>
12.1. Changes in equity.....	15
12.2. Share capital .....	15
12.3. Stock option plan and allocations of bonus shares .....	16
<b>Note 13. Provisions.....</b>	<b>17</b>
<b>Note 14. Borrowings from credit institutions .....</b>	<b>17</b>
<b>Note 15. Trade payables and related accounts .....</b>	<b>17</b>
<b>Note 16. Debts on fixed assets .....</b>	<b>17</b>
<b>Note 17. Other liabilities .....</b>	<b>18</b>

<b>Note 18.</b>	<b>Unrealized foreign exchange gains .....</b>	<b>18</b>
<b>Note 19.</b>	<b>Accrued income and expenses .....</b>	<b>18</b>
<b>Note 20.</b>	<b>Turnover .....</b>	<b>19</b>
20.1.	By activity.....	19
20.2.	By geographical area.....	19
<b>Note 21.</b>	<b>Operating expenses from ordinary activities .....</b>	<b>19</b>
<b>Note 22.</b>	<b>Financial net income .....</b>	<b>19</b>
22.1.	Financial expenses .....	19
22.2.	Financial revenue.....	20
<b>Note 23.</b>	<b>Extraordinary result .....</b>	<b>20</b>
<b>Note 24.</b>	<b>Corporate tax .....</b>	<b>20</b>
<b>Note 25.</b>	<b>Off balance sheet commitments .....</b>	<b>21</b>
25.1.	Commitments received.....	21
25.2.	Off-balance sheet liabilities .....	21
25.3.	Staff benefits.....	21
<b>Note 26.</b>	<b>Disputes .....</b>	<b>21</b>
<b>Note 27.</b>	<b>Staff .....</b>	<b>22</b>
<b>Note 28.</b>	<b>Officers and directors.....</b>	<b>22</b>
28.1.	Executive corporate officers .....	22
28.2.	Non-executive corporate officers .....	22
<b>Note 29.</b>	<b>Table of subsidiaries and affiliates .....</b>	<b>23</b>

## Profit and loss statements for Financial Years 2021 and 2020

<i>Thousand of €</i>	Notes	Dec. 31, 2021	Dec. 31, 2020
Revenue from ordinary activities		454	2 167
Other		1 794	2 616
<b>Net turnover</b>	<b>Note 20</b>	<b>2 248</b>	<b>4 783</b>
Self-constructed assets		81	85
Adjustments to depreciation and provisions		112	48
Other income		262	52
<b>Operating revenue</b>		<b>2 703</b>	<b>4 969</b>
Operating expenses from ordinary activities	<b>Note 21</b>	- 360	- 2 070
Other purchases and external charges		- 958	- 1 719
Taxes, levies and similar payments		- 24	- 86
Wages and salaries		- 1 214	- 1 402
Social security charges		- 310	- 316
Depreciation on fixed assets		- 141	- 198
Provisions and impairment		- 19	- 77
Other expenses		- 378	- 67
<b>Operating expenses</b>		<b>- 3 403</b>	<b>- 5 935</b>
<b>Operating income</b>		<b>- 700</b>	<b>- 966</b>
<b>Financial revenue</b>		<b>13 327</b>	<b>19 855</b>
Interest and similar expenses		- 189	- 248
Book value of transferred assets		- 11 918	- 17 989
Provisions and impairment		- 695	- 1 323
Other		- 1 016	- 7
<b>Financial expenses</b>		<b>- 13 819</b>	<b>- 19 566</b>
<b>Financial net income</b>	<b>Note 22</b>	<b>- 492</b>	<b>289</b>
Proceeds from sales of assets		-	80
On management operations		105	-
Reversal of provisions		-	982
<b>Extraordinary revenue</b>		<b>105</b>	<b>1 062</b>
Book value of transferred assets		- 81	-
On management operations		2	- 848
Provisions and impairment		-	-
<b>Extraordinary expenses</b>		<b>- 79</b>	<b>- 848</b>
<b>Extraordinary net result</b>	<b>Note 23</b>	<b>26</b>	<b>214</b>
<b>Net income before taxes</b>		<b>- 1 166</b>	<b>- 463</b>
<b>Taxes</b>	<b>Note 24</b>	<b>320</b>	<b>41</b>
<b>Net income</b>		<b>- 845</b>	<b>- 422</b>

Balance sheets at December 31<sup>st</sup>, 2021 and December 31<sup>st</sup>, 2020

ASSETS - in thousands of euros	Notes	Dec. 31, 2021			Dec. 31, 2020
		Gross	Amort. and deprec.	Net	Net
Concessions, patents and software		10 139	9 925	214	234
Corporate goodwill					
Intangible assets in progress		19		19	20
<b>Intangible fixed assets</b>	<b>Note 4</b>	<b>10 159</b>	<b>9 925</b>	<b>233</b>	<b>255</b>
					0
Property, plant and equipment		58	39	19	110
Other property, plant and equipment		1 556	1 530	26	23
<b>PPE</b>	<b>Note 5</b>	<b>1 613</b>	<b>1 569</b>	<b>44</b>	<b>132</b>
					0
Affiliates		86 999	74 986	12 013	12 437
Receivables related to affiliates					0
Deposits and sureties		17		17	120
Treasury shares		54		16	12
Other financial assets		35		35	35
<b>Long-term investments</b>	<b>Note 6</b>	<b>87 105</b>	<b>74 986</b>	<b>12 081</b>	<b>12 604</b>
					0
<b>Total fixed assets</b>		<b>98 877</b>	<b>86 480</b>	<b>12 359</b>	<b>12 991</b>
					0
Trade notes and accounts receivable.	<b>Note 7</b>	9 472	1 167	8 305	7 512
Other receivables	<b>Note 8</b>	26 354	7 167	19 187	21 878
<b>Receivables</b>		<b>35 826</b>	<b>8 334</b>	<b>27 493</b>	<b>29 390</b>
					0
Short-term investment securities		77		77	58
Liquid assets		289		289	73
<b>Cash and cash equivalents</b>	<b>Note 9</b>	<b>366</b>		<b>366</b>	<b>131</b>
					0
Prepaid charges	<b>Note 10</b>	28		28	19
Deferred charges					
Unrealized foreign exchange losses	<b>Note 11</b>	26		26	65
					0
<b>Total current assets</b>		<b>36 247</b>	<b>8 334</b>	<b>27 913</b>	<b>29 605</b>
					0
<b>Total assets</b>		<b>135 124</b>	<b>94 814</b>	<b>40 272</b>	<b>42 597</b>

Balance sheets at December 31<sup>st</sup>, 2021 and December 31<sup>st</sup>, 2020

LIABILITIES - in thousands of euros	Notes	Dec. 31, 2021	Dec. 31, 2020
Share capital and proprietorship accounts		1 569	9 417
Bond, merger and share premiums		12 723	12 723
Retained earnings		-6 913	-14 339
Reserves		423	423
Profit or loss for the financial year		-845	-422
Tax-regulated provisions		2 769	3 194
<b>Shareholders' equity</b>	<b>Note 12</b>	<b>9 726</b>	<b>10 996</b>
<b>Provisions for risks and expenses</b>	<b>Note 13</b>	<b>196</b>	<b>235</b>
<b>Borrowings from credit institutions</b>	<b>Note 12</b>	<b>600</b>	<b>1 080</b>
Trade receivables and payables	<b>Note 15</b>	12 462	15 011
Taxation and social liabilities		1 529	1 347
Debts on fixed assets	<b>Note 16</b>	40	35
Other liabilities	<b>Note 17</b>	13 829	12 486
<b>Operating liabilities</b>		<b>27 860</b>	<b>28 879</b>
Unrealized foreign exchange gains	<b>Note 18</b>	1 890	1 407
Deferred income		0	0
<b>Total liabilities</b>		<b>40 272</b>	<b>42 597</b>

## Note on the AdUX SA's financial statements

The individual financial statements for the year ended 31 December 2021 have been prepared in accordance with legal and regulatory requirements as currently applicable in France.

They were closed off by the Board of Directors on April 05<sup>th</sup>, 2021 and will be submitted for approval at the forthcoming Annual General Meeting which will rule on the closed accounts on December 31<sup>st</sup>, 2021.

AdUX S.A. ("AdUX" or "the Company") is a company domiciled in France. The registered office of the Company is located at 27, Rue de Mogador, 75009 PARIS. The company is the holding of the AdUX Group, whose subsidiaries have a media sales activity.

### Note 1. Highlights Of FY 2021

On February 9<sup>th</sup>, 2021, the share capital of AdUX SA was reduced from 9,416,887.50 euros to 1,569,481.25 euros, by reducing the par value of each share from 1.50 euros to 0.25 euros. The amount of the capital reduction, i.e. 7,847,406.25 euros, was charged against the losses carried forward. The share capital of the Company amounts now to 1,569,481.25 euros, consisting of 6,277,925 shares with a par value of 0.25 euros each.

The Group named Mr. Mickaël Ferreira as Chief Executive Officer as of August 1<sup>st</sup>, 2021 for an indefinite period of time, replacing Mr. Salih Hikmet Cosgun.

### COVID-19 crisis

Business at the beginning of 2021 was still penalized by a precarious health and economic environment linked to the Covid-19 epidemic.

The significant recovery of the activity in 2021 shows that the company has been able to adapt to the current context, by creating bridges between its native, video and drive to store offers on all digital terminals while committing to minimum performance levels. AdUX can now accompany advertisers on all their objectives by responding to issues of awareness, target coverage or pure performance. The still uncertain economic context forces the company to approach the year 2022 with caution. Despite this, the company expects to maintain the same volume of activity while keeping a healthy cost structure.

### Other events of the period

**On July 5<sup>th</sup>, 2021**, following the signature of an agreement with its former lessor with a retroactive termination date of April 15<sup>th</sup>, 2021, the Group has recorded a positive impact of €0.4 million of non-current income and charges in its 2021 accounts (see note 7). The Company's new headquarter is located at 27, rue de Mogador - 75009 - Paris.

**On November 11<sup>th</sup>, 2021**, the company Adysseum SARL changed its corporate name to become Azerion France SARL.

### Note 2. Subsequent event to December 31st, 2021

The Ordinary General Meeting of the AdUX Group, held on January 11<sup>th</sup>, 2022, adopted all the resolutions proposed by the Board of Directors as indicated in the press release of the same day, including:

- The appointment of Mr. Ben Van de Vrie as Director to replace Mr. Trond Dale, who resigned as Director and Chairman of the Board of Directors; and
- The appointment of Azerion as a director.

Azerion has appointed Mr. Joost Merks as its permanent representative on the Board of Directors.

The Board of Directors is now composed of four members:

- Ms. Catharina Hillström, independent director
- Ms. Kyra Steegs, director



- Azerion, represented by Mr. Joost Merks
- Mr. Ben Van de Vrie, independent director and Chairman of the Board of Directors.

### Other post-closing events

In the context of the conflict between Ukraine and Russia, the company did not identified any operations in these two countries.

Furthermore, it is to early at this point to assess the financial consequences that would arise from economic sanctions imposed on Russia by the European Union and their potential effects on the company.

Nevertheless, despite the threat of cyber-attacks, the company did not face any intrusion over the last few months.

### Note 3. Accounting principles and methods

The financial statements are presented in accordance with French generally accepted accounting principles and reflect the ANC 2015-05 of December 28th, 2015 concerning the standard accounting practices. This regulation aims to clarify the terms and conditions for the recognition of forward financial instruments and hedging transactions.

The following accounting policies have been adopted by the Company:

#### 3.1. Going concern assumptions

The health crisis had created uncertainty about operational activities in 2020 and 2021. In 2022, given the operational perspectives, the AdUX Group considers that it will be able to meet the deadlines to come in the next 12 months, in particular thanks to the financial support contributed by its majority shareholder.

#### 3.2. Intangible assets

Software and licenses acquired by the Company are recorded on the balance sheet at their acquisition value and depreciated over their estimated useful lives, between 3 and 5 years.

Brands acquired by the Company are recorded on the balance sheet at their acquisition value. They are not subject of amortization. They are depreciated if the operating conditions require so.

According to the CNC (French accounting authority) (avis 2004-15) on assets development costs must meet the six following criteria to be capitalized:

- Technical feasibility of the project
- Intention to complete the project
- Commercial success
- Future economic benefits
- Financial feasibility – resources to complete, and use and sell the product
- Reliable cost evaluations

Business assets are recorded at their acquisition cost and may be depreciated if their market value is less than their book value at year end.

#### 3.3. Property, plant and equipment

Fixed assets are stated at its acquisition cost and are depreciated over the useful lives as follows:

Fixtures and fittings	6 to 8 years	Straight-line
Furniture	4 to 8 years	Straight-line
Office and computer equipment	3 years	Straight-line



### 3.4. Permanent financial investments and current accounts of subsidiaries

The gross value of subsidiaries is either acquisition cost or the amount of capital used on their constitution.

The cost of acquisition of equity interests incurred were capitalized and amortized over a period of five years through an accelerated depreciation.

A provision for impairment of securities and current accounts can be made when the going concern value, determined at the close of each fiscal year falls below their book value.

The value in use is calculated on the basis of the method of discounted cash flows on the basis of the Group's forecasts for 4 years, and of a terminal value discounted to infinity. The main assumptions in order to determine the value of the cash generating units are as follows:

- discount rate for Europe: 11.2% (11.2% in 2020),
- long-term growth rate: 2.5% (2.5% in 2020),
- growth rate of sales: between 0% and +19.2% per year during the period 2022-2025 (-18% et + 19.6% in 2020), among countries and activities and new products launch.

A sensitivity analysis calculating the variation in key parameters (discount rate, long-term growth, EBITDA rate and revenue growth rate) did not point to any likely scenario in which the recoverable value of a CGU will become less than its book value.

### 3.5. Receivables and related accounts

Receivables are measured at their nominal value and a provision for impairment is established when a specific loss appears likely.

### 3.6. Short-term investment securities

Short-term investment securities are stated in the balance sheet at their acquisition value. When their inventory value is less than their acquisition cost, A provision for impairment is made for to cover the difference. Unrealized gains at the close are not recorded in the income statement.

### 3.7. Treasury shares

A provision for impairment of treasury shares is recognized when the book value exceeds the net asset value equal to the average share price over the last month before the end of the year.

### 3.8. Provisions for risks and expenses

A provision is recorded when a legal or constructive obligation to a third party arising from a past event will certainly or probably result in an outflow of resources without corresponding inflow for the Group that can be measured reliably. Provisions are reviewed at the end of each reporting period, and adjusted where necessary to reflect the best estimate of the obligation as of that date.

### 3.9. Recognition of revenue billed to advertisers

The company's revenue breaks down mainly as follows:

#### Revenue from ordinary activities

- ✓ Billing of products from the marketing of advertising space on behalf of its subsidiaries;

AdUX S.A. may have cause to invoice revenue from contracts for the sale of advertising space on behalf of its subsidiaries. Its subsidiaries provide for the placing online and the circulation of advertising objects on one or more available media, over a period of time. The value of the contracts depends on the number of page views requested by the advertiser or the number of clicks/actions.

Advertising space can be sold over the counter, signified by the signing of purchase orders, or on automated platforms where bidding is carried out in real time (RTB).

For contracts completed by the closing date, the revenue recognized in the income statement is the value of the contract or the value of the number of viewed pages (clicks or actions) if it is less than that specified in the contract.

For contracts outstanding at the reporting date, the revenue recognized to date is:

- either the value of the number of pages (clicks or actions) actually seen in the closing date if the number of viewed pages (clicks or actions) is less than or equal to that provided under the contract;
  - or the value of the number of viewed pages (clicks or actions) in the contract if the number of pages (clicks or actions) actually seen is higher than that under the contract.
- ✓ Recharge of websites expenses or the costs generated on automated platforms invoiced to AdUX on behalf of its subsidiaries;

#### Other revenue

- ✓ Recharge to its subsidiaries of Management fees, Brand fees and operating expenses incurred on behalf of its subsidiaries ;

### 3.10. Presentation of expenses to purchase spaces in the income statement

Space-buying fees billed by editors to Hi-Media are presented as operating expenses. The difference between the revenues billed by Hi-Media for advertisers and the space-buying fees billed by publishers to Hi-Media represent the commission fee perceived by Hi-Media.

Expenses relating to purchases of advertising space correspond mainly to the cost of purchasing space invoiced by the media to AdUX. In certain cases, AdUX can centralize the billing of expenses for purchases of advertising space invoiced by the media for several AdUX S.A. subsidiaries (see "Revenue").

In such cases, when AdUX receives the revenue derived from advertising sales contracts on behalf of its subsidiaries, the subsidiaries subsequently bill AdUX for their share of the revenue. As a result, these rebilling expenses appear in this category in the income statement.

### 3.11. Corporate tax

The corporate tax is recognized using the method of tax payable. It is not reflected in the income statement of future effects of the temporary tax differences.

### 3.12. Retirement benefits

Pension obligations on December 31st, 2021, calculated on the basis of the collective agreement in force in the Company and of information about the personnel in the Company at the close, are presented in off-balance sheet commitments.



**Note 4. Intangible assets**

Changes in gross values are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Software and licenses	9 967	99	1	10 066
AdUX Trademarks	74	-	-	74
Customer relations	-	-	-	-
Fixed assets in progress	20	19	20	19
<b>Total</b>	<b>10 061</b>	<b>118</b>	<b>21</b>	<b>10 159</b>

Software includes the commissioning of the IT developments of the previous year and the current year. Constructions in progress refer to internal IT developments.

Changes in depreciation and provisions for impairment are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Software and licenses	9 807	119	1	9 925
AdUX Trademarks	-	-	-	-
Customer relations	-	-	-	-
Fixed assets in progress	-	-	-	-
<b>Total</b>	<b>9 807</b>	<b>119</b>	<b>1</b>	<b>9 925</b>

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Fixtures and fittings	83	11	55	39
Office and computer equipment	1 766	8	501	1 273
Furniture	254	4	1	256
<b>Total</b>	<b>2 104</b>	<b>22</b>	<b>557</b>	<b>1 569</b>

Changes in net values are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Dec. 31, 2021
Software and licenses	161	140
AdUX Trademarks	74	74
Customer relations	-	-
Fixed assets in progress	20	19
<b>Total</b>	<b>255</b>	<b>233</b>

<i>In thousands of euros</i>	Dec. 31, 2020	Dec. 31, 2021
Fixtures and fittings	110	19
Office and computer equipment	12	19
Furniture	11	7
<b>Total</b>	<b>132</b>	<b>44</b>

**Note 5. Property, plant and equipment**

Changes in gross values are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Fixtures and fittings	193	-	135	58
Office and computer equipment	1 778	15	501	1 293
Furniture	265	-	2	263
<b>Total</b>	<b>2 236</b>	<b>15</b>	<b>638</b>	<b>1 613</b>

Changes in depreciation are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Fixtures and fittings	83	11	55	39
Office and computer equipment	1 766	8	501	1 273
Furniture	254	4	1	256
<b>Total</b>	<b>2 104</b>	<b>22</b>	<b>557</b>	<b>1 569</b>

Changes in net values are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Dec. 31, 2021
Fixtures and fittings	110	19
Office and computer equipment	12	19
Furniture	11	7
<b>Total</b>	<b>132</b>	<b>44</b>

**Note 6. Long-term investments**

Changes in gross values are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Equity investments	93 623	0	6 624	86 999
Receivables related to affiliates	5 294	0	5 294	0
Deposits and sureties	120	0	103	17
Treasury shares	54		0	54
Other	35			35
<b>Total</b>	<b>99 126</b>	<b>0</b>	<b>12 021</b>	<b>87 105</b>

The main variations are related to:

- the disposal of Hi-media Italia SRL, following its liquidation, for € 6 624k,
- the disposal of Hi-media Italia SRL receivables related to affiliate for € 5 294k

On December 31<sup>st</sup>, 2021, AdUX held 7,708 of its own shares (excl. liquidity contract)

Changes in depreciation are as follows:

<i>In thousands of euros</i>	Dec. 31, 2020	Increase	Decrease	Dec. 31, 2021
Equity investments	81 186	0	6 200	74 986
Receivables related to affiliates	5 294	0	5 294	0
Deposits and sureties				
Treasury shares	42		4	38
Other				
<b>Total</b>	<b>86 521</b>	<b>0</b>	<b>11 498</b>	<b>75 024</b>

Changes in net values are as follows (see Note 29):

<i>In thousands of euros</i>	Dec. 31, 2020	Dec. 31, 2021
Equity investments	12 437	12 013
Receivables related to affiliates	0	0
Deposits and sureties	120	17
Treasury shares	12	16
Other	35	35
<b>Total</b>	<b>12 604</b>	<b>12 081</b>

#### Note 7. Receivables and related accounts

Trade receivables and payables are as follows:

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020
Customers	8 300	7 066
Invoices to be established	1 172	1 706
<b>Receivables</b>	<b>9 472</b>	<b>8 772</b>
Provision for impairment of receivables	-1 167	-1 260
<b>Net receivables</b>	<b>8 305</b>	<b>7 512</b>

Invoices to be established correspond to the services rendered to advertisers that were not yet billed on December 31<sup>st</sup>, 2021.

Third-party receivables and related accounts are mainly for a term of less than one year.

The provision for depreciation corresponds mainly to debt dues for which recoverability represents a risk at December 31<sup>st</sup>, 2021. Group receivables have no risk of non-recovery and are therefore not provisioned.

All receivables detailed above have a maturity of less than one year.

**Note 8. Other receivables**

Other receivables were as follows:

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020
Supplier down payments and credit notes receivable	60	226
Other receivables	24 423	26 825
Value-added tax	1 866	1 994
Receivables on the factor including guarantee funds	6	51
<b>Total other receivables</b>	<b>26 354</b>	<b>29 096</b>
Provision for doubtful accounts	-7 167	-7 442
<b>Total other receivables, net</b>	<b>19 187</b>	<b>21 654</b>

The item "Other receivables" corresponds to €24,328k to current account of subsidiaries which are detailed in the table of subsidiaries and shareholdings. These current accounts are depreciated up to €7,167k composed by the following :

- €4,441k corresponding to the depreciation of the current account with Group Hi-media USA,
- €1,882k corresponding to the depreciation of the current account with AdPulse SAS,
- €540k corresponding to the depreciation of the current account with HiMedia LLC.

Current accounts from the cash pooling between subsidiaries amount to €5,475k on December 31<sup>st</sup>, 2021.

All the other receivables detailed above have a maturity of less than one year.

**Note 9. Cash and cash equivalents**

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020
Short-term investment securities	-	
Treasury shares	77	66
Other shares	-	
Liquid assets	289	73
<b>Cash and cash equivalents</b>	<b>366</b>	<b>140</b>
Provision for impairment of treasury shares	0	-8
<b>Net cash and cash equivalents</b>	<b>366</b>	<b>131</b>

Within the framework of the liquidity contract, AdUX holds 37,359 of its own shares.

In 2021, the company acquired 116,272 shares at an average price of € 2.20 and sold 115,186 shares at an average price of € 2.25.

**Note 10. Deferred charges**

This section only contains operating expenses related to the standard business execution.

**Note 11. Unrealized foreign exchange losses**

Invoices received and issued in foreign currencies are translated into euros at the rate prevailing on the date of initial recognition.

Foreign-currency payable / receivables and cash are translated using the exchange rate prevailing as of 31 December.



Unrealized foreign currency losses are fully covered by a provision, accordingly with French regulatory requirements.

2020 unrealized foreign exchange loss for € 26 k corresponds to the current-account with HiMedia LLC in currency for € 18 k.

## Note 12. Shareholders' equity

### 12.1. Changes in equity

The following changes were recorded in equity during the year:

<i>In thousands of Euros</i>	Share capital	Issue premium	Reserves	Retained earnings	Profit or loss for the financial year	Tax-regulated provisions	Total
<b>Dec. 31, 2020</b>	<b>9 417</b>	<b>12 723</b>	<b>423</b>	<b>- 14 339</b>	<b>- 422</b>	<b>3 194</b>	<b>10 996</b>
Dividends							
Allocation of income				- 422	422		-
Capital increase	-		-				-
Capital decrease	- 7 847			7 847			
Income for the period					- 845		- 845
Other changes		-				- 424	- 424
<b>Dec. 31, 2021</b>	<b>1 569</b>	<b>12 723</b>	<b>423</b>	<b>- 6 913</b>	<b>- 845</b>	<b>2 769</b>	<b>9 726</b>

### 12.2. Share capital

On December 31<sup>st</sup> 2021, the share capital consists of 6,277,925 actions with a nominal value of €0.25 for each.

### 12.3. Stock option plan and allocations of bonus shares

#### 12.3.1. Stock options

	Plan n°11	Plan n°12	Total
Meeting date	03 May 11	03 May 11	
Date of Board of Directors meeting	31 jan. 12	27 Aug. 2012	
Total number of shares allocated (before distribution of the HiPay and consolidation shares)	385 000	105 000	<b>490 000</b>
Total number of shares available for subscription	159 620	64 600	<b>224 220</b>
Including number of shares that could be acquired by executive officers	0	0	<b>0</b>
Including number of shares that could be acquired by the ten leading employee	159 620	0	<b>159 620</b>
Beginning of exercise of the options	31 jan. 14	27 Aug. 2014	
Date of expiration	31 jan. 22	27 Aug. 2022	
Subscription price (in euros) (1)	2,13	1,93	
Number of options subscribed to on Dec. 31st, 2021	-	-	

Data after share consolidation and after adjustment resulting from the distribution of HiPay securities : (2)	Plan n°11	Plan n°12	Total
Options cancelled during the period	0	0	<b>0</b>
Total number of shares available for subscription after the closing	27 618	10 907	<b>38 525</b>
Including number of shares that could be acquired by executive officers	2 823	0	<b>2 823</b>
Including number of shares that could be acquired by the ten leading employee	27 618	0	<b>27 618</b>
Subscription price (in euros)	12,31	11,43	

- (1) Subscription price of the calculated options on the day of allocation of the options and corresponding to the weighted average of the market prices for the last twenty trading sessions (for certain plans, a 5% reduction has been applied).
- (2) As part of the distribution of 80% of HiPay Group's shares in June 2015, the company adjusted the subscription price of the options to take into account the effect of this distribution on the share price Hi-Media.  
The company also adjusted the number of allocated options to preserve the rights of allottees.  
Finally, the number of options takes into account the grouping of shares made in July, 2015 with a parity of 1 new action for 15 old actions.
- (3) Following the completion of the capital increase on December 30th, 2019, the rights of the option holders were adjusted according to the conditions set out in b) of 1° of article R.228-91 of the Commercial Code.

The number of options and the weighted average of the exercise prices are as follows:

	2021		2020	
	Options	Weighted average exercise price	Options	Weighted average exercise price
Options in circulation at the opening	38 524	12,06	38 524	12,06
Options allocated during the period	-	-	-	-
Options exercised during the period	-	-	-	-
Options cancelled during the period	-	-	-	-
Options in circulation at the close	38 524	12,06	38 524	12,06
Options that could be exercise at the close	38 524	12,06	38 524	12,06

**Note 13. Provisions**

<i>In thousands of Euros</i>	Dec. 31, 2020	Allocation	Reversal	Dec. 31, 2021
Provisions for disputes	0			0
Provision for unrealized foreign exchange losses	65	26	65	26
Other risk provisions	170			170
<b>Total Other risk provisions</b>	<b>235</b>	<b>26</b>	<b>65</b>	<b>196</b>
Provision for expenses				0
<b>Total</b>	<b>235</b>	<b>26</b>	<b>65</b>	<b>196</b>

**Note 14. Borrowings from credit institutions**

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020	Issue currency	Expiration	Effective rate
Zero rate loan for innovation	600	1 080	EUR	2023	0%
Tax Credit Funding	-	-	EUR	2020	Variable
Azerion loans	-	-	EUR	2021	Variable
Credit bank accounts	-	-	EUR	2019	Variable
<b>Total</b>	<b>600</b>	<b>1 080</b>			

Following the measures implemented as support for companies due to the Covid-19 health crisis, the BPI has automatically postponed the deadlines by 6 months for the zero-rate loan for innovation, the last deadline will therefore be the March 31, 2023.

**Note 15. Trade payables and related accounts**

Trade payables and related accounts are as follows:

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020
Suppliers	11 422	13 543
Invoices to be received	1 040	1 468
<b>Total</b>	<b>12 462</b>	<b>15 011</b>

Accounts payable primarily include publisher billings to AdUX that have not yet been paid at the closing.

All the supplier debts presented above have a maturity of less than one year.

**Note 16. Debts on fixed assets**

The debts on fixed assets correspond mainly to various software licenses for € 39k.

All fixed asset debts have a maturity of less than one year.

**Note 17. Other liabilities**

Other liabilities mainly relate to current account payables vis-à-vis the subsidiaries for €13,553k.

It also includes payables to customers and accrued credit notes for € 287k.

All other debts have a maturity of less than one year.

**Note 18. Unrealized foreign exchange gains**

Invoices received and issued in foreign currencies are translated into euros at the rate prevailing on the date of initial recognition.

Foreign-currency payable / receivables and cash are translated using the exchange rate prevailing as of 31 December.

Unrealized foreign exchange gains, which amount to €1,890k as at December 31<sup>st</sup> 2021, exclusively related to Group Hi-Media USA, are composed of foreign exchange gains on Group current accounts.

**Note 19. Accrued income and expenses**

<b>ASSETS - in thousands of euros</b>	<b>31-déc.-21</b>	<b>31-déc.-20</b>
Receivables related to affiliates		
Other long-term investments		
Receivables and related accounts	1 172	1 706
Fiscal and social receivables	1	
Other receivables	26	28
Cash	0	0
<b>Total</b>	<b>1 199</b>	<b>1 734</b>

<b>LIABILITIES - in thousands of euros</b>	<b>31-déc.-21</b>	<b>31-déc.-20</b>
Borrowings from credit institutions		
Other borrowings	62	62
Trade receivables and payables	1 040	1 468
Fiscal and social liabilities	418	152
Debts on fixed assets		
Other liabilities	0	4
<b>Total</b>	<b>1 519</b>	<b>1 686</b>

**Note 20. Turnover****20.1. By activity**

<i>in thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
Third-party revenue from activities	295	1 712
Intragroup revenue from activities	159	615
Other	1 794	2 456
<b>Total</b>	<b>2 248</b>	<b>4 783</b>

« Other » revenue mainly concerns recharge to Group subsidiary of management fees, brand fees and various operation expenses supported on their behalf.

**20.2. By geographical area**

<i>in thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
France	779	3 066
Export	1 470	1 717
<b>Total</b>	<b>2 248</b>	<b>4 783</b>

**Note 21. Operating expenses from ordinary activities**

Operating expenses from activities are as follows:

<i>in thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
External operating expenses from activities	278	845
Intragroup operating expenses from activities	82	1 225
<b>Total</b>	<b>360</b>	<b>2 070</b>

**Note 22. Financial net income****22.1. Financial expenses**

<i>In thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
Interest charges	189	248
Depreciation and impairment of equity investments in subsidiaries and receivables related	0	0
Other depreciation and impairment of financial assets	695	1 323
Abandoned or unclaimed accounts	0	0
Other financial charges	12 934	17 995
<b>Financial expenses</b>	<b>13 819</b>	<b>19 566</b>

Other financial charges consist mainly of the disposal of the Hi-media Italia SRL equity for € 11,918k

It should be noted that this item also consists of AdPulse current account depreciation for € 1m.

**22.2. Financial revenue**

<i>In thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
Interest on current accounts	280	329
Reversal of provisions of the securities	11 930	17 500
Revenues from equity investments	0	0
Other	1 117	2 026
<b>Financial revenue</b>	<b>13 327</b>	<b>19 855</b>

The item "Other" mainly consists of the profits associated with the disposal of Hi-media Italia SRL securities sold during the year for € 859k.

The reversals of provision for securities mainly concern the disposal of the Hi-media Italia SRL securities for € 11,494k.

**Note 23. Extraordinary result**

In 2021, extraordinary income is not significant.

In 2020, extraordinary income was mainly composed of the publisher dispute settlement, assigned on June 21<sup>st</sup> 2016, with a positive impact of € 100k.

**Note 24. Corporate tax**

AdUX is head of a tax consolidation group consisting of its French subsidiaries owned at more than 95%: Adpulse SAS, Azerion France SARL, Admove SASU and Quantum SASU. The tax treaty provides that the tax burden is supported by the subsidiary, as in the absence of tax consolidation.

The tax benefit related to tax losses of subsidiaries retained at AdUX France SA, is considered an immediate gain for the year at AdUX SA.

<i>In thousands of Euros</i>	<b>Dec. 31, 2021</b>	<b>Dec. 31, 2020</b>
Income tax expense incurred by the tax group (net of tax credits)	0	0
Income tax credit/(expense) receivable from companies entitled to tax credits	320	41
Income tax credit/(expense) from prior periods		
Net change in provision for income taxes		
<b>Income taxes</b>	<b>320</b>	<b>41</b>
Profit before tax and profit-sharing	-1 166	-463
Effective tax rate	-27%	-9%

As of December 31th 2021, the tax profit of € 320k consists of € 67k income tax credit receivable from Azerion France and € 254k income tax credit receivable from Quantum.

As of December 31th 2020, the tax profit of € 41k consisted of the income tax credit receivable from Azerion France.

Information on the deferred or latent tax situation:

<i>In thousands of Euros</i>	Dec. 31, 2021	Dec. 31, 2020
Offsets		
Investment subsidies		
Unrealized foreign exchange gains	1 890	1 407
Extraordinary depreciation	0	0
Temporary non-deductible expenses		
Temporary non-taxable income		
Expenses deducted or taxable income for tax purposes and not yet recognized		
Items to be charged		
Tax loss carryovers	<b>1 890</b>	<b>1 407</b>

Tax rate applicable in 2020 for the calculation of deferred or latent taxes: 26,50 %

## **Note 25. Off balance sheet commitments**

### **25.1. Commitments received**

On June 28th 2018, AdUX granted to Admoove a current account withdrawal of 1,500,000.00 €. This current account withdrawal was granted with a return to better fortune clause, namely the recognition of the excess of Admoove's carry forward amount of the canceled receivable, without duration limited.

Within the frame of the establishment of its 2020 Annual Accounts, AdUX granted to AdPulse a current account withdrawal of 1,569,821.00 €. This current account withdrawal was granted with a return to better fortune clause, namely the recognition of the excess of AdPulse's carry forward amount of the canceled receivable, without duration limited.

### **25.2. Off-balance sheet liabilities**

Nothing to report.

### **25.3. Staff benefits**

Pension liabilities: On December 31<sup>st</sup>, 2021, the amount of the liability was estimated at €68k and accounted for actuarial elements.

The actuarial assumptions used are as follows :

- Discount rate : 1.00%
- Wage growth rate : between 3% and 1% depending on the staff age
- Retirement age of executive employees : 67 years
- Retirement age of non-executive employees : 62 years
- Staff turnover rate : 15.04%
- Mortality rate table : between 91.0% and 96.2% depending on the staff age

## **Note 26. Disputes**

Some labor relations litigations have arisen with former employees disputing the legitimacy of their dismissals. The company has set aside the provisions which considered necessary in the light of its judgment of the justification for the plaintiffs' demands.

**Note 27. Staff**

The average number of staff stood at 18 employees in 2021 against 15 employees in 2020.

**Note 28. Officers and directors****28.1. Executive corporate officers**

<i>in thousands of Euros</i>	31 dec.2021	31 Dec.2020
Short term employee benefit (including benefits)	169	212
Short term employee benefit (including benefits) paid for the precedent period	-	-
Non current benefit	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Providing termination benefits	-	30
Sharebased payment	-	-
<b>Total</b>	<b>169</b>	<b>242</b>

<i>in thousands of Euros</i>	31 dec.2021	31 Dec.2020
Short term employee benefit (including benefits)	169	212
Short term employee benefit (including benefits) paid for the precedent period	-	-
Non current benefit	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Providing termination benefits	-	30
Sharebased payment	-	-
<b>Total</b>	<b>169</b>	<b>242</b>

**28.2. Non-executive corporate officers**

The remuneration of non-executive officers is only composed of attendance fees for € 31,500.

## Note 29. Table of subsidiaries and affiliates

Corporate name	Address	Operating currency	Share capital <sup>(1)</sup>	Equity excluding net income and other than capital <sup>(1)</sup>	% direct holding	Securities	
						Gross value <sup>(2)</sup>	Net value <sup>(2)</sup>
AdUX Benelux SPRL	Av. Arnaud Fraiteur 15-23 1050 Ixelles	EUR	-	-	100%	-	-
Azerion France SARL	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-
Admoove SASU	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-
Groupe Hi-media USA	101 5th Avenue, New York, NY 10003	USD	-	-	100,0%	64 879	64 879
Hi-media Nederland BV	Postbus 381, 1200 AJ Hilversum	EUR	-	-	100,0%	900	900
Allopass Scandinavia	Box 71 - Hantverkargatan, 14 827 22 Ljusdal.	SEK	-	-	100,0%	-	-
AdPulse SAS	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-
Quantum SAS	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-
Quantum Publicidad, S.L. Unipersonal	Orense, nº 6. 1º 3, 28020 Madrid, Spain	EUR	-	-	100,0%	-	-
Hi-Media LLC	25 Taylor Street NO.202, San Francisco CA 94102	USD	-	-	100,0%	-	-

							Gross value <sup>(2)</sup>	Net value <sup>(2)</sup>
AdUX Benelux SPRL	Av. Arnaud Fraiteur 15-23 1050 Ixelles	EUR	-	-	100%	-	-	
Azerion France SARL	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-	
Admoove SASU	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-	
Groupe Hi-media USA	101 5th Avenue, New York, NY 10003	USD	-	-	100,0%	64 879	64 879	
Hi-media Nederland BV	Postbus 381, 1200 AJ Hilversum	EUR	-	-	100,0%	900	900	
Allopass Scandinavia	Box 71 - Hantverkargatan, 14 827 22 Ljusdal.	SEK	-	-	100,0%	-	-	
AdPulse SAS	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-	
Quantum SAS	101-109 rue Jean-Jaurès, 92300 Levallois-Perret	EUR	-	-	100,0%	-	-	
Quantum Publicidad, S.L. Unipersonal	Orense, nº 6. 1º 3, 28020 Madrid, Spain	EUR	-	-	100,0%	-	-	
Hi-Media LLC	25 Taylor Street NO.202, San Francisco CA 94102	USD	-	-	100,0%	-	-	

<sup>(1)</sup> in thousands of operating monetary units<sup>(2)</sup> in thousands of Euros

Corporate name	Sales excluding taxes last financial year <sup>(1)</sup>	Income (profit or loss for the last financial year) <sup>(1)</sup>	Dividends received by the company during the year <sup>(2)</sup>	Average exchange rate	Date of creation or acquisition
AdUX Benelux SPRL	0	0			14.03.08
Azerion France SARL	0	0			13.05.02
Admoove SASU	2 511	0			02.12.11
Groupe Hi-media USA	0	0		1,15	27.11.07
Hi-media Nederland BV	0	0			31.08.09
Allopass Scandinavia	0	0		10,25	30.09.09
AdPulse SAS	0	0			02.12.14
Quantum SAS	7 607	0			23.04.14
Hi-Media LLC	0	0		1,15	30.04.15
Quantum Publicidad, S.L. Unipersonal	0	0		0,00	10.04.19
AdUX Benelux SPRL	0	0			14.03.08
Azerion France SARL	0	0			13.05.02
Admoove SASU	2 511	0			02.12.11
Groupe Hi-media USA	0	0		1,15	27.11.07
Hi-media Nederland BV	0	0			31.08.09
Allopass Scandinavia	0	0		10,25	30.09.09
AdPulse SAS	0	0			02.12.14
Quantum SAS	7 607	0			23.04.14
Hi-Media LLC	0	0		1,15	30.04.15
Quantum Publicidad, S.L. Unipersonal	0	0		0,00	10.04.19

<sup>(1)</sup> in thousands of operating monetary units

<sup>(2)</sup> in thousands of Euros

### Note 30. Consolidation

AdUX SA is a consolidated subsidiary of Azerion Holding BV, which control 100% of AdUX mother company, Azerion Tech Holding BV, located in the Netherlands, Boeing Avenue 30, 1119 PE Schiphol-Rijk.

Given the control percentage, AdUX SA s consolidated in the consolidated financial statements of the Azerion Holding BV, using the full consolidation method.