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Ärende nr. 9497238/2024

Devoteam Holding AB

Org.nr. 559169-0317

ÅRSREDOVISNING

för

Devoteam Holding AB

Org.nr. 559169-0317

Styrelsen får härmed avlämna årsredovisning för räkenskapsåret 2023-01-01 - 2023-12-31

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Undertecknad styrelseledamot i Devoteam Holding AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämman den 11 juli 2024. Årsstämman beslutade att godkänna styrelsens förslag till hur [vinsten/förlusten] ska disponeras.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Malmö 2024-07-12

Sebastien Chevrel

VIDIMERAS

Ulf Lindgren

0760 168236

20240715088812

FÖRVALTNINGSBERÄTTELSE

Årsredovisningen är upprättad i svenska kronor, SEK.

Verksamheten
Bolaget är moderbolag för en grupp kunskapsföretag inom digital innovation och mjukvaruutveckling.
Företagets säte är Malmö.
Flerårsjämförelse*

	2023	2022	2021	2020	2019
Nettoomsättning	0	0	0		
Res. efter finansiella poster	-7 608 166	-531 382	-1 323 463	-2 089 079	11 080 178
Balansomslutning	155 675 144	176 645 275	176 647 660	176 656 800	189 986 627
Soliditet (%)	52	58	59	60	56

*Definitioner av nyckeltal, se noter

Ägarförhållanden
Bolaget ägs till 100 % av Devoteam SAS, org nr 881 761 555.

Väsentliga händelser under räkenskapsåret
Bolaget har under året fusionerats med sitt helägda dotterbolag.
Styrelsen har kontinuerligt övervakat marknadens utveckling och dess effekter på bolaget både på kort och lång sikt. Under räkenskapsåret har styrelsen märkt av en viss återhållsamhet på marknaden vilket har påverkat koncernens lönsamhet. Därtill har koncernen gjort satsningar för att följa sin långsiktiga strategi vilket tillsammans med marknadsläget har bidragit till en minskning av lönsamheten.

Framtida utveckling samt väsentliga risker och osäkerhetsfaktorer
Styrelsen ser med vaksamhet på den rådande marknaden, som präglas av både positiva och negativa trender. Vi är väl medvetna om den rådande osäkerheten och följer noga dess utveckling. Trots detta är vi medvetna om att det också finns gynnsamma förhållanden på marknaden som ger oss möjlighet att investera och växa.
Sammantaget bedömer styrelsen att förutsättningarna för koncernens verksamhet är gynnsamma och att det finns möjligheter att generera resultat under år 2024. Vi fortsätter att övervaka marknaden noga och anpassa oss efter de rådande förhållandena för att säkerställa koncernens fortsatta framgång.

Förändringar i eget kapital

	Aktiekapital	Övrigt bundet eget kapital	Övrigt fritt eget kapital	Årets resultat	Summa fritt eget kapital
Belopp vid årets ingång	50 000	0	103 752 819	-531 382	103 271 437
Resultatdisp. enl. beslut av årsstämma:			-531 382	531 382	0
Fusionsresultat			-16 346 317		-16 346 317
Årets förlust				-7 462 199	-7 462 199
Belopp vid årets utgång	50 000	0	86 875 120	-7 462 199	79 462 921

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Resultatdisposition

Förslag till disposition av bolagets vinst

Till årsstämmans förfogande står	
balanserad vinst	86 875 120
årets förlust	-7 462 199
	79 412 921
Styrelsen föreslår att	
i ny räkning överföres	79 412 921
	79 412 921

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

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RESULTATRÄKNING

	Not	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Rörelsens intäkter m.m.			
Nettoomsättning		0	0
Rörelsens kostnader			
Övriga externa kostnader	3	-7 578 053	-27 385
		-7 578 053	-27 385
Rörelseresultat		-7 578 053	-27 385
Resultat från finansiella poster			
Ränteintäkter och liknade resultatposter		418 895	0
Räntekostnader och liknande resultatposter		-19 378	0
Räntekostnader till koncernföretag		-429 630	-503 997
		-30 113	-503 997
Resultat efter finansiella poster		-7 608 166	-531 382
Bokslutsdispositioner			
Återföring från periodiseringsfond		146 000	0
		146 000	0
Skatt på årets resultat	4	-33	0
Årets resultat		**-7 462 199**	**-531 382**

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BALANSRÄKNING

	Not	2023-12-31	2022-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	5	153 769 117	176 639 403
		153 769 117	176 639 403
Summa anläggningstillgångar		153 769 117	176 639 403
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		1 569 000	0
Övriga fordringar		157	14
		1 569 157	14
Kassa och bank			
Kassa och bank		336 870	5 858
Summa kassa och bank		336 870	5 858
Summa omsättningstillgångar		1 906 027	5 872
SUMMA TILLGÅNGAR		**155 675 144**	**176 645 275**

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EGET KAPITAL OCH SKULDER

Eget kapital

		2023-12-31	2022-12-31
Bundet eget kapital			
Aktiekapital		50 000	50 000
		50 000	50 000
Fritt eget kapital			
Balanserat resultat		86 875 120	103 752 819
Årets resultat		-7 462 199	-531 382
		79 412 921	103 221 437
Summa eget kapital		79 462 921	103 271 437
Obeskattade reserver			
Periodiseringsfond		2 000 000	0
Summa obeskattade reserver		2 000 000	0
Långfristiga skulder	6		
Skulder till koncernföretag		5 491 296	5 491 296
Summa långfristiga skulder		5 491 296	5 491 296
Kortfristiga skulder			
Skulder till koncernföretag		67 361 409	67 857 542
Aktuell skatteskuld		1 305 549	0
Övriga skulder		3 969	0
Upplupna kostnader och förutbetalda intäkter		50 000	25 000
Summa kortfristiga skulder		68 720 927	67 882 542
SUMMA EGET KAPITAL OCH SKULDER		**155 675 144**	**176 645 275**

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KASSAFLÖDESANALYS

	Not	2023-12-31	2022-12-31
Den löpande verksamheten			
Rörelseresultat		-7 578 053	-27 385
Fusionsresultat		7 078 008	
Erlagd ränta		-449 008	-503 997
Erhållen ränta		418 895	
Betald inkomstskatt		-33	
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		-530 191	-531 382
Kassaflöde från förändringar av rörelsekapital			
Minskning(+)/ökning(-) av fordringar		10	0
Minskning(-)/ökning(+) av kortfristiga skulder		0	0
Kassaflöde från den löpande verksamheten		-530 181	-531 382
Investeringsverksamheten			
Förändring av lån från koncernföretag		531 043	8 692 548
Kassaflöde från investeringsverksamheten		531 043	8 692 548
Finansieringsverksamheten			
Förändring av lån moderbolag		0	-8 163 551
Kassaflöde från finansieringsverksamheten		0	-8 163 551
Förändring av likvida medel		862	-2 385
Likvida medel vid årets början		5 858	8 243
Likvida medel i Fusion		330 150	
Likvida medel vid årets slut		**336 870**	**5 858**

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NOTER

Not 1 Redovisnings- och värderingsprinciper

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning.

Principerna är oförändrade jämfört med föregående år.

Fordringar
Fordringar har upptagits till de belopp varmed de beräknas inflyta.

Övriga tillgångar, avsättningar och skulder
Övriga tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Finansiella instrument
Finansiella instrument värderas utifrån anskaffningsvärde.

Finansiella tillgångar och finansiella skulder redovisas när företaget blir part i det finansiella instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när den avtalsenliga rätten till kassaflödet från tillgången upphör eller regleras, eller när de risker och fördelar förknippade med tillgången överförs till annan part. Finansiella skulder tas bort från balansräkningen när den avtalade förpliktelsen fullgörs eller upphör.

Finansiella anläggningstillgångar och finansiella långfristiga skulder samt räntebärande kortfristiga finansiella fordringar och skulder värderas såväl vid första redovisningstillfället som i efterföljande värdering till upplupet anskaffningsvärde, vilket normalt är detsamma som verkligt värde (transaktionsvärdet) vid anskaffningstidpunkten med tillägg av direkt hänförliga transaktionsutgifter såsom courtage.

Nedskrivning av finansiell anläggningstillgång
Per varje balansdag bedömer företaget om det finns indikationer på nedskrivningsbehov. Bedömningen görs individuellt post för post. Företagets värdepappersportfölj utgör en post då företaget utformat och dokumenterat en riskspridningsstrategi och de finansiella instrumenten i portföljen är klart identifierbara.

För finansiella anläggningstillgångar som värderas till upplupet anskaffningsvärde görs nedskrivning av redovisat värde till nuvärdet av den bästa uppskattningen av framtida kassaflöden diskonterat med tillgångens ursprungliga effektivränta eller aktuell ränta på balansdagen för tillgångar med rörlig förräntning. Tillgångar med rörlig ränta diskonteras med aktuell ränta på balansdagen. För finansiella anläggningstillgångar som handlas på en aktiv marknad har företaget valt att göra nedskrivningar till verkligt värde med avdrag för försäljningskostnader.

Inkomstskatt
Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats.
Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen.

Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

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Uppskjuten skatt beräknas på temporära skillnader. En temporär skillnad finns när det redovisade värdet på en tillgång eller skuld skiljer sig från det skattemässiga värdet. Temporära skillnader beaktas ej i skillnader hänförliga till investeringar i dotterföretag, filialer, intresseföretag eller joint venture om företaget kan styra tidpunkten för återföring av de temporära skillnaderna och det inte är uppenbart att den temporära skillnaden kommer att återföras inom en överskådlig framtid. Skillnader som härrör från den första redovisningen av goodwill eller vid den första redovisningen av en tillgång eller skuld såvida inte den hänförliga transaktionen är ett rörelseförvärv eller påverkar skatt eller redovisat resultat utgör inte heller temporära skillnader.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott. Ingen uppskjuten skattefordran har redovisats avseende utgående skattemässigt underskott.

Not 2 Uppskattningar och bedömningar

Företagsledningen gör uppskattningar och bedömningar om framtiden. Dessa uppskattningar kommer sällan att motsvara det verkliga resultatet. De uppskattningar och antaganden som kan komma att leda till risk för väsentliga justeringar i redovisade värden för tillgångar och skulder är främst värdering av aktier i dotterbolag.

UPPLYSNINGAR TILL ENSKILDA POSTER

Not 3 Ersättning till revisorer	2023	2022
Grant Thornton Sweden AB		
Revisionsuppdrag	106 138	25 000
	106 138	25 000

Med revisionsuppdrag avses revisors arbete för den lagstadgade revisionen och med revisionsverksamhet olika typer av kvalitetssäkringstjänster. Övriga tjänster är sådant som inte ingår i revisionsuppdrag, revisionsverksamhet eller skatterådgivning.

Not 4 Skatt på årets resultat	2023	2022
Avstämning av effektiv skatt		
Resultat före skatt	-7 462 166	-531 382
Skattekostnad 20,60% (20,60%)	1 537 206	109 465
Skatteeffekt av:		
Ej avdragsgilla kostnader	0	0
Underskottsavdrag som nyttjas i år	-1 537 206	-109 465
Summa	0	0

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Not 5 Andelar i koncernföretag			**2023-12-31**	**2022-12-31**
Företag		**Antal/Kap.**	**Redovisat**	**Redovisat**
Organisationsnummer	**Säte**	**andel %**	**värde**	**värde**
Devoteam Holding AB		1 590 91	0	176 639 403
556679-2460 (Fusionerat)	Malmö	100,00%		
Devoteam Sverige AB		388 900	153 603 017	0
556585-6498	Malmö	100,00%		
Öredev AB		1 000	100 000	0
556700-3164	Malmö	100,00%		
Jayway Inc		10 000	66 100	0
	San Fransisco	100,00%		
			153 769 117	176 639 403

Uppgifter om eget kapital och resultat	**Eget kapital**	**Resultat**
Devoteam Sverige AB	90 565 473	518 229
Öredev AB	1 552 515	122 267
Jayway Inc	679 632	0

Ingående anskaffningsvärde	176 639 403	176 639 403
Fusion	-176 639 403	
Fusion anskaffningar	153 769 117	
Utgående ackumulerade anskaffningsvärden	153 769 117	176 639 403
Utgående redovisat värde	153 769 117	176 639 403

Not 6 Långfristiga skulder	**2023-12-31**	**2022-12-31**
Amortering inom 2 till 5 år	5 491 296	5 491 296
	5 491 296	5 491 296

Not 7 Disposition av vinst eller förlust

Förslag till disposition av bolagets vinst

Till årsstämmans förfogande står	
balanserad vinst	86 875 120
årets förlust	-7 462 199
	79 412 921
Styrelsen föreslår att	
i ny räkning överföres	79 412 921
	79 412 921

Not 8 Koncernförhållanden

Bolaget är moderbolag, men med stöd av ÅRL 7 kap 2 § upprättas inte någon koncernredovisning.
Övergripande koncernredovisning upprättas av:
Devoteam SAS, org nr 881 761 555, med säte i Frankrike.

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Not 9 Fusion

Under året har fusion genomförts avseende dotterbolaget Devoteam Holding AB, org.nr 556679-2460. Resultaträknings- och balansposterna i Devoteam Holding AB per fusionsdagen 2023-12-05 framgår nedan

Nettoomsättning	0
Rörelseresultat	-7 078 008
Anläggningstillgångar	1 139 886
Omsättningstillgångar	67 092 896
Kassa och bank	330 150
Summa Tillgångar	**68 562 932**
Eget kapital	585 847
Obeskattade Reserver	2 146 000
Avsättningar	0
Kortfristiga skulder	65 831 085
Summa Eget kapital och Skulder	**68 562 932**

Not 10 Definition av nyckeltal

Soliditet
Justerat eget kapital i procent av balansomslutning

Malmö, 2024-06-28

Sebastien Chevrel

Vår revisionsberättelse har lämnats den 11 juli 2024

Grant Thornton Sweden AB

Boel Hansson
Auktoriserad revisor

VIDIMERAS:
Ulf Lindgren
0763/168736

20240715085822

Grant Thornton

Revisionsberättelse

Till bolagsstämman i Devoteam Holding AB

Org.nr. 559169 - 0317

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Devoteam Holding AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Devoteam Holding ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Devoteam Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om

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årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Devoteam Holding AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamot ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Devoteam Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet.

Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Anmärkning

Årsredovisningen har inte upprättats i sådan tid att det varit möjligt att, enligt aktiebolagslagen 7 kap 10 §, hålla bolagsstämma inom sex månader efter räkenskapsårets utgång.

Malmö den 11 juli 2024,
Grant Thornton Sweden AB

Boel Hansson
Auktoriserad revisor

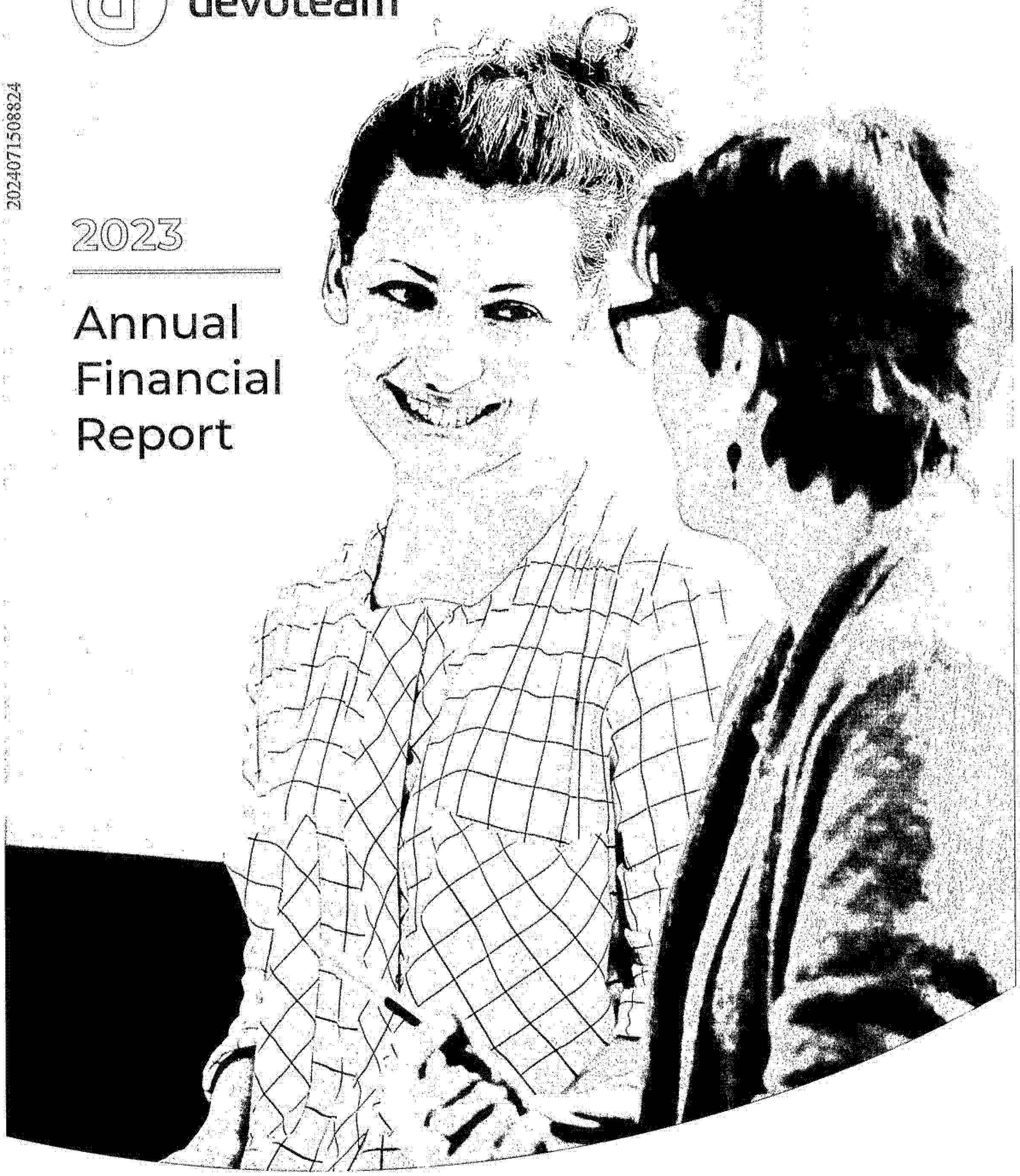
VIDIMERAS:

ULF LINDQVIST
0763 168236

devoteam

2023

Annual Financial Report



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1 PERSONS RESPONSIBLE FOR THE ANNUAL FINANCIAL REPORT AND FOR THE AUDITING OF THE FINANCIAL STATEMENTS

This financial report concerns **Devoteam Group SAS** ("the Company"), a French simplified joint stock company ("SAS") subject to French law. The Company was created on 19 February 2020. Its purpose is to hold and actively manage equity interests in companies and provide related services. The Company is the lead holding company of the Devoteam Group subsequent to its acquisition in December 2020. The Company and its subsidiaries are hereinafter referred to as the "Group".

1.1 Person responsible for the annual financial report

Stanislas de Bentzmann, Chairman.

1.2 Person responsible for the auditing of the financial statements

Statutory auditors	Date of the initial engagement	Date of expiry of current engagement
KPMG SA, Tour EQHO 2 avenue Gambetta, CS 60055, 92066 Paris La Défense represented by Jean-Pierre Valensi	2021	AGM called to approve the 2026 financial statements
Grant Thornton 29, rue du Pont 92200 Neuilly-sur-Seine represented by Vincent Frambourt	2021	AGM called to approve the 2026 financial statements

1.3 Statutory auditors' fees

The table below breaks down the statutory auditor fees paid for the 2023 and 2022 financial years:

In thousands of euros	2023					2022				
	KPMG	%	Grant Thornton	%	Total	KPMG	%	Grant Thornton	%	Total
Statutory auditor and certification (separate and consolidated)										
Issuer	98	21%	86	14%	184	76	18%	77	14%	153
Fully consolidated subsidiaries	370	79%	500	85%	870	345	82%	468	84%	812
Services other than certification of financial statements										
Issuer	0	0%	6	1%	6	0	0%	12	2%	12
Fully consolidated subsidiaries	0	0%	0	0%	0	0	0%	0	0%	0
Total	**468**	**100%**	**591**	**100%**	**1,059**	**420**	**100%**	**557**	**100%**	**977**

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2 CHAIRMAN'S REPORT ON THE GROUP'S BUSINESS ACTIVITY AND MANAGEMENT

Ladies and Gentlemen,

Pursuant to the law and the Bylaws, we hereby present the situation and business activity of the Company and the Group for the past financial year and inform you of our company's outlook for 2024.

The separate financial statements hereby presented were prepared in compliance with the general regulations that apply to the preparation and presentation of annual financial statements in France. The consolidated financial statements were prepared in accordance with the IFRS guidelines, as adopted by the European Union prior to 31 December 2023. All of these financial statements comply with the true-and-fair-view principle.

2.1 The business activity of Devoteam Group SAS and its subsidiaries during the financial year

2.1.1 Year's highlights

The Group achieved solid financial performance for 2023, posting significant growth in a volatile market. With revenue of €1,129.9 million, the Group posted 9% organic growth in 2023 at constant exchange rates. The operating margin was €118.3 million (10.5% of revenue), up 50 basis points from the previous year. These strong results attest to the success of our strategy focused on Cloud platforms, cybersecurity and artificial intelligence.

The Group consolidated its position thanks to strategic partnerships, with its **5 strategic partners** (AWS, Google Cloud, Microsoft, Salesforce and ServiceNow) accounting for around **50% of its revenue**. These partners awarded the company major distinctions in recognition of its unique approach combining solid partnerships with extensive technological expertise:

- **ServiceNow – EMEA Partner of the Year** for the second year in a row (***Consulting and Implementation Partner of the Year*** – Elite segment, EMEA region).
- **Google Cloud – *Specialization Partner of the Year 2023 Machine Learning.***
- **Google Cloud – EMEA Sales Partner of the Year 2023,** for the fourth year in a row.
- **Microsoft – Partner of the Year** in France, Norway and Luxembourg over the last 3 years. Devoteam was a leading partner of Microsoft in the EMEA region, with 1,200 certified experts and 18 specialisations.

Most importantly, Devoteam continues to attract the best talent, recruiting 2,450 new employees through an effective learning and certification policy (totalling around 16,000 certifications), with the ambition to become the EMEA leader in Cloud platform expertise.

Following a strategic review of the Group's assets, Devoteam decided to focus its efforts on the countries where it already has an established presence, with the ambition to continue strengthening its leadership in these markets. As a result, Devoteam reinforced its presence in the Middle East through a strategic partnership with Solutions by STC, which acquired a 40% stake in Devoteam Middle East. Finalised in February 2024, this partnership highlights Devoteam's commitment to accelerating its growth in the region and will enable it to access new markets in addition to STC's impressive client portfolio. As part of this realignment, the Devoteam Group also finalised the sale of its operations in Mexico and Singapore.

In terms of external growth, the Group continued its targeted acquisition strategy, acquiring:

(i) in October 2023, Portuguese company Singularity, which specialises in data analytics, business intelligence, AI, machine learning and data visualisation; and
(ii) in November 2023, Spanish company DareCode in order to strengthen DevOps capacities in a *multi-cloud and hybrid cloud environment.*

The Company's consolidated financial statements for the financial year ended 31 December 2023 include the Company and its subsidiaries (collectively referred to as "the Group"), and the Group's share of the earnings of associates and joint ventures.

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2.1.2 Business activity and financial performance of Devoteam Group SAS

As the lead holding company of the Group, the Company continued to steer the Devoteam Group's strategy and business through the provision of high value-added services.

The Company's revenue totalled €6.6 million compared to €238 thousand in 2022. An operating loss of €4.3 million was posted for the year. Much of this is attributable to the amortisation of €2.9 million of loan issuance expenses.

A net loss of €27.2 million was posted at 31 December 2023, compared to a €30.7 million loss in 2022. This includes:

- A net financial loss of €25.8 million (vs. a €28.8 million loss in 2022), mainly due to interest paid on the TLB loan and revolving credit facility over the year less dividends received;
- A non-recurring loss of €3.1 million (vs. a €3.1 million loss in 2022), attributable to the accelerated amortisation of equity interest acquisition costs.

Further details are provided in Notes 4.4 and 4.5 to the separate financial statements.

Regarding the financial position:

- The Company's equity stood at €329.1 million at 31 December 2023 compared to €351.4 million at 31 December 2022. The change for the year is attributable to the recognition of a net loss of €27.2 million for the year, capital increases of €1.8 million and regulated provisions of €3.1 million;

- Gross borrowings amounted to €618.9 million at 31 December 2023 compared to €600.1 million at 31 December 2022. These borrowings are mainly the senior TLB loan of €565 million and a drawdown of €25 million on the RCF;

- Available cash amounted to €0.5 million at 31 December 2023 and consists essentially of current accounts held in the company's name.

By a decision dated 4 May 2023, the Company changed its corporate name from Castillon to Devoteam Group.

2.1.3 The Group's business activity and consolidated financial performance

Income statement analysis

Revenue totalled €1,129.9 million in 2023, an increase of 8.3% from 2022 and up 9% at constant scope and exchange rates. Changes in scope had a negative 0.9 point impact on growth while exchange rate fluctuations had a positive 0.2 point impact on growth.

The **operating margin,** which is the current operating income excluding the impact of share-based remuneration and the amortisation of intangible assets related to acquisitions, totalled €118.3 million in 2023, which is 10.5% of revenue.

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Broken down by half-year, the change in revenue and operating margin is as follows:

In millions of euros and %	2023			2022		
	H1	H2	FY	H1	H2	FY
Revenue	**564.9**	**565.0**	**1,129.9**	**509.5**	**533.7**	**1,043.2**
Annual change (%)	10.9%	5.9%	8.3%	18.5%	22.6%	20.5%
Operating margin	**53.5**	**64.8**	**118.3**	**47.7**	**56.3**	**104.0**
(as % of revenue)	9.5%	11.5%	10.5%	9.4%	10.6%	10.0%

Operating income amounted to €64.8 million. It consists mainly of €21.2 million in amortisation of intangible assets related to acquisitions (customer relationships and order backlogs), €3.5 million in share-based remuneration costs, €12.8 million in costs related to the impairment of intangible assets for the development of the Group ERP system and €13.2 million in business restructuring costs, mainly in France, Norway and Denmark.

Net **financial income** was negative at -€58.7 million. This mainly includes €49.1 million in interest on the senior TLB loan (of which €43.5 million of financial interest and €2.8 million in amortised loan issuance expenses), €4.6 million in the Group's short-term financing costs (confirmed credit lines and factoring) and a €1.3 million charge under IFRS 16.

Income tax amounted to €3.6 million, or 61.3% of pre-tax profit, compared to €16.5 million (52.3% of pre-tax profit) in 2022. This decrease is due in particular to the creation of a tax consolidation group, which has enabled the Company to charge some of its financial expenses and acquisition costs against the operating profits of the members of this group.

The **Group's net income** fell 84.8% from €15.1 million in 2022 to €2.3 million in 2023.

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Balance sheet analysis

The table below shows the changes in the main items of the consolidated balance sheet in 2023:

In millions of euros	31 December 2023	31 December 2022	Change	Main reasons for the change
Non-current assets	**958.6**	**960.6**	**(2.0)**	The change is mainly attributable to the amortisation of business relationships and the backlog resulting from the Group's PPA as well as the impairment of assets for the development of the ERP system for -€28.1 million, offset by an increase in usage rights recognised under IFRS 16 in the amount of €12.8 million and by the presentation of non-consolidated shares for the Singularity and Dare Code entities in the amount of €12.6 million acquired at the end of the year.
Operating receivables	**512.4**	**435.8**	**76.6**	The change in operating receivables is mainly due to the €62.3 million increase in trade receivables and the €9.4 million increase in prepaid expenses. At 31 December 2023, the Group had 50 days of sales outstanding (DSO), up from 45 DSO at 31 December 2022.
Cash and cash equivalents*	**110.9**	**127.8**	**(16.9)**	See below
Equity attributable to the Group	**268.7**	**278.7**	**(10.0)**	The change is mainly attributable to: - a capital increase, for €1.8 million - the group's profit/loss, for -€3.6 million - *currency effects, for -€4.1 million* - changes in the scope of consolidation and puts on minority interests, for -€3.8 million - share-based payment valuation, for €1.7 million
Non-controlling interests	**19.7**	**25.6**	**(5.9)**	Non-controlling interests (see Note 5.13 to the consolidated financial statements).
Non-current liabilities	**668.3**	**686.1**	**(17.8)**	The decrease in non-current liabilities is mainly due to the change in liabilities on put options and earn-outs (-€17.3 million) and deferred tax liabilities (-€14.0 million), partially offset by lease liabilities (+€10.3 million).
Current liabilities	**625.3**	**533.8**	**91.5**	The increase in non-current liabilities is mainly attributable to the €41.7 million rise in trade payables, the €16.7 million increase in tax and social security liabilities and the €13.2 million rise in deferred income in line with the Group's operational growth as well as the establishment of new credit lines and factoring contracts for €12.1 million.

* **Cash and cash equivalents** (net of €5.1 million in bank overdrafts) totalled €110.9 million, attributable to:

- Positive **cash flow from operating activities** of €96.9 million, with EBITDA of €143.4 million including the impact of IFRS 16 (vs. €123.7 million for 2022), less WCR consumption in the amount of -€17.1 million (-€8.0 million in 2022 and -€7.7 million under the new cash flow analysis model; see Note 7) in view of growth and the impact of customer payment times (DSO), which were 50 days at the end of 2023 compared to 45 days at the end of 2022.
  Finally, taxes paid reduced cash flow from operations by €12.5 million (€25.3 million in 2022);

- **Negative cash flow from investing activities** of -€35.4 million in 2023 (vs. -€16.8 million in 2022), mainly attributable to:
  - disbursements to acquire subsidiaries (net of cash acquired) totalling €18.5 million;
  - disbursements of €15.6 million for the Group's operational investments.

- **The negative cash flow from financing activities** of -€76.7 million in 2023 (vs. -€43.4 million in 2022), which consists mainly of:
  - a net cash outflow of €21.0 million for the purchase of minority interests;
  - the establishment of a non-deconsolidating factor and a new credit line in the Middle East amounting to €9.5 million;
  - the payment of €51.1 million in interest, mainly on the TLB loan;
  - the payment of €18.6 million in lease liabilities (IFRS 16);
  - a €5.3 million increase in assigned receivables.

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The Group's net debt (excluding lease liabilities under IFRS 16) amounted to €487.4 million and breaks down as follows:

In millions of euros	31 December 2023	31 December 2022
Short-term investments	0.1	0.1
Cash in bank	115.9	134.3
Bank overdrafts (liability)	(5.1)	(6.2)
Cash and cash equivalents	**110.9**	**128.2**
Cash management assets	**-**	**-**
Bank loans and other borrowings	(555.8)	(554.0)
Long-term borrowings	**(555.8)**	**(554.0)**
Bank loans and other borrowings	(42.5)	(29.3)
Short-term borrowings	**(42.5)**	**(29.3)**
Total borrowings	**(598.4)**	**(583.3)**
Derivative instruments	-	-
Net cash (debt)*	**(487.4)**	**(455.2)**
Total Equity	**288.4**	**304.3**
Gearing (net debt/consolidated equity)	**1.69**	**1.50**
EBITDA (post IFRS 16)	**143.4**	**123.7**
Leverage (net debt/EBITDA)	**3.40**	**3.68**

* For 2023, net cash includes the positive impact (net of guarantee deposits) of agreements to assign non-recourse trade receivables totalling €27.8 million vs. €23.9 million in 2022.

2.1.4 Post balance sheet events

In early February 2024, the Company finalised the disposal of 36% of its Devoteam Middle East subsidiary as part of a strategic partnership with Solutions by STC.

Through a repricing transaction on its long-term senior "TLB" type loan (Term Loan B) dated 13 February 2024, the Company and its lenders agreed on an amendment to the existing contract providing for a reduction of the applicable credit margin from Euribor +4.50% to Euribor +4.0%. The other loan terms remain unchanged.

On 15 April 2024, on the occasion of the approval of the Company's separate financial statements, the shareholders decided to clear the debit balance of retained earnings by charging it to the share premium item and share capital. Share capital decreased from €397,142,818 to €317,714,254.40 through a reduction in the share's par value from €1 to €0.80.

On 22 April 2024, the President of Devoteam Group SAS proposed the payment of an interim dividend totalling €39,168,133.50 (10 euro cents per share), which will be submitted to the shareholders for approval on 7 May 2024.

2.1.5 Research and development activity

Research and innovation activities in 2023 focused on the following:

- Cloud computing, with the development of autonomous cloud capabilities aimed at the automatic and independent management of resources.
- Customer management and developing a tools-based method to help companies define enhanced customer experiences that set them apart from the competition.
- The Portfolio Management Project, with the implementation of a holistic model for managing the product portfolio that includes product life cycle management, performance indicators and agile principles.
- Adapting and integrating cloud providers' security mechanisms in line with the specific needs of sensitive customers.
- Data, with activities related to the analysis of customer attrition and loyalty.

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- Establishing a predictive maintenance system based on machine learning to minimise production interruptions.

In all, we have devoted over 13,000 man-days to developing innovative products and services for our customers. The Group also provides outsourced R&D for the innovation projects of some of its clients, particularly in France and Belgium. Some of these projects are eligible for the French research tax credit.

2.1.6 Other information

The presentation rules and valuation methods used in preparing the consolidated financial statements are compliant with IFRS and other current regulations, as described in Notes 2 and 3 to the consolidated financial statements. New standards and interpretations have come into force, as described in Note 2.1 to the financial statements.

2.2 Subsidiaries and equity interests

2.2.1 Consolidated companies

The companies within the scope of consolidation at 31 December 2023 are listed in Note 4.1 to the consolidated financial statements.

2.2.2 Contribution of operating segments to the Group's results

Operating segments are presented in detail in Note 3.19.

Contribution to results by region over 12 months

In millions of euros	2023	2022
France		
Contribution to revenue	510.0	479.8
Operating margin	57.6	59.5
In % of rev.	11%	12.4%
International		
Contribution to revenue	625.1	573.5
Operating margin	66.4	51.3
In % of rev.	11%	8.9%
HQ & divestments		
Contribution to revenue	(5.1)	(10.0)
Operating margin	(5.7)	(6.7)
In % of rev.	N/A	66.9%
Total		
Contribution to revenue	1,129.9	1,043.2
Operating margin	118.3	104.0
In % of rev.	10%	10.0%

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Change in revenue by region

In millions of euros	2023	2022
France	**510.0**	**479.8**
Growth	6.3%	22.6%
Growth at constant scope and exchange rates	6.3%	19.6%
International	**625.1**	**573.5**
Growth	9.8%	19.5%
Growth at constant scope and exchange rates	11%	13.7%
HQ & divestments	**-5.1**	**(10.0)**
Growth	N/A	N/A
Growth at constant scope and exchange rates	N/A	N/A
Total	**1,129.9**	**1,043.2**
Growth	8.3%	20.5%
Growth at constant scope and exchange rates	9%	16.1%
Impact of foreign exchange	0.2%	0.9%
Impact of scope	-0.9%	3.7%

2.3 Share capital information

2.3.1 Changes in share capital and the number of shares in 2023

The table below summarises the movements during the year.

In number of shares	Number of shares	Share capital
Shares purchased upon inception	**396,403,407**	**396,403,407**
Capital increases - Minutes of the Chairman's decisions of 27/07/2023, 31/07/2023 and 21/12/2023	739,411	739,411
Shares outstanding as of 31 December	**397,142,818**	**397,142,818**
Par value	**€1**	**€1**

Share classes	Number of shares				Share capital
	Beginning of year	Created during the year	End of year	Par value	
Ordinary shares	6,041,103	-	6,041,103	1	6,041,103
A preferred shares	161,614,712	-	161,614,712	1	161,614,712
B1 preferred shares	4,029,371	537,538	4,566,909	1	4,566,909
B1' preferred shares	129,701	201,873	331,574	1	331,574
B2 preferred shares	563,000	-	563,000	1	563,000
C preferred shares	191,352,516	-	191,352,516	1	191,352,516
D preferred shares	32,673,004	-	32,673,004	1	32,673,004
Total	**396,403,407**	**739,411**	**397,142,818**		**397,142,818**

The Company holds none of its own shares.

****

The Chairman

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3.1 Consolidated statement of financial position

ASSETS *In thousands of euros*	Note	31 December 2023	31 December 2022
Goodwill	5.1	659,246	661,712
Other intangible assets	5.2	203,184	231,264
Tangible assets	5.3	15,548	13,706
Lease right-of-use assets	5.4	54,791	42,055
Non-current financial assets	5.5	20,630	6,040
Investments in associates	5.6	401	553
Investment property	5.7	1,000	2,200
Deferred tax assets	5.11	1,364	1,129
Other non-current assets	5.8	2,471	1,971
TOTAL NON-CURRENT ASSETS		**958,633**	**960,631**
Trade receivables	5.9	402,323	340,023
Other current receivables	5.9	98,322	80,060
Tax receivables	5.9	7,508	10,364
Other current financial assets	5.10	4,286	5,339
Cash and cash equivalents	5.10	115,981	134,399
TOTAL CURRENT ASSETS		**628,420**	**570,185**
TOTAL ASSETS		**1,587,053**	**1,530,816**

LIABILITIES ET SHAREHOLDERS' EQUITY *In thousands of euros*	Note	31 December 2023	31 December 2022
Share capital	5.12	397,143	396,403
Share premium		3,797	2,716
Consolidated reserves		(128,472)	(133,366)
Translation reserves		(181)	4,314
Net income for the year		(3,549)	8,611
TOTAL EQUITY ATTRIB. TO EQUITY HOLDERS OF THE PARENT COMPANY		**268,738**	**278,678**
Non-controlling interests	5.13	19,657	25,647
TOTAL EQUITY		**288,395**	**304,325**
Loans and borrowings	5.14	555,829	554,034
Lease liabilities	5.4	40,159	29,849
Provisions	5.15	6,203	4,831
Pension liabilities	5.16	4,219	3,273
Deferred tax liabilities	5.11	35,363	49,437
Other liabilities	5.8	26,520	44,725
TOTAL NON-CURRENT LIABILITIES		**668,293**	**686,149**
Loans, borrowings, and bank overdraft	5.14	47,599	35,517
Lease liabilities	5.4	16,515	13,317
Provisions	5.15	7,362	9,093
Trade payables	5.9	188,068	146,323
Tax and social security liabilities	5.9	204,121	187,395
Current tax liabilities	5.9	8,469	10,180
Other liabilities	5.9	158,232	138,517
TOTAL CURRENT LIABILITIES		**630,366**	**540,342**
TOTAL LIABILITIES		**1,298,659**	**1,226,491**
TOTAL LIABILITIES AND EQUITY		**1,587,053**	**1,530,816**

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3.2 Consolidated income statement

In thousands of euros, except per share data	Note	31 December 2023	31 December 2022
NET REVENUE	6.2	**1,129,940**	**1,043,238**
Other income		0	0
ORDINARY OPERATING INCOME		1,129,940	1,043,239
Purchases of goods for resale		(18,205)	(1,062)
Other purchases and external expenses	6.4	(199,741)	(210,652)
Taxes		(2,304)	(1,674)
Payroll expenses	6.3	(764,669)	(701,824)
Fixed assets depreciation		(24,708)	(21,842)
Increase in provision from current receivables		(1,988)	(1,850)
Other expenses		(12)	(306)
ORDINARY OPERATING EXPENSES		(1,011,627)	(939,210)
OPERATING MARGIN		**118,312**	**104,029**
Cost of share-based payment	6.3	(3,549)	(3,834)
Amort. of customer relationships resulting from acquisition		(21,212)	(21,628)
CURRENT OPERATING INCOME		**93,551**	**78,567**
Other operating income	6.5	1,766	1,843
Other operating expenses	6.5	(30,523)	(11,416)
OPERATING PROFIT		**64,795**	**68,994**
Financial income	6.6	618	503
Financial expenses	6.6	(59,359)	(37,886)
FINANCIAL RESULT		**(58,741)**	**(37,384)**
Share of profit or loss of equity-accounted companies		(143)	(2)
PROFIT BEFORE TAX		**5,911**	**31,608**
Income tax expense	6.7	(3,621)	(16,504)
PROFIT FOR THE YEAR		**2,290**	**15,104**
Attributable to:			
Equity holders of the parent company		**(3,549)**	**8,611**
Non-controlling interests		5,840	6,494
Earnings per share (in €)	**5.12.3**	**(0.01)**	**0.02**
Diluted earnings per share (in €)	**5.12.3**	**(0.01)**	**0.02**

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3.3 Consolidated statement of comprehensive income

In thousands of euros	31 December 2023	31 December 2022
Net income	**2,290**	**15,104**
Defined benefit plan actuarial gains (losses)	(1,341)	2,499
Tax liability on defined benefit plan actuarial gains (losses)	292	(673)
Items that will never be reclassified to profit or loss	***(1,049)***	***1,826***
Foreign currency translation differences	(4,272)	(1,967)
Effective portion of changes in fair value of cash flow hedges	(1,489)	1,446
Deferred taxes on changes in fair value of cash flow hedges	385	(373)
Items that are or may be reclassified subsequently to profit or loss	***(5,377)***	***(895)***
Other comprehensive income (loss) for the year, net of income tax	**(6,425)**	**931**
Comprehensive income for the period	**(4,136)**	**16,035**
Attributable to:		
Equity holders of the parent company	(9,611)	9,404
Non-controlling interests	5,475	6,631

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3.4 Consolidated statement of cash flows

In thousands of euros	Note	31 December 2023	31 December 2022*
Net income for the year		**2,290**	**15,104**
Adjustments for:			
Share of profit of associates		143	2
Income tax expense		3,621	16,504
Depreciation, amortisation and provisions		45,632	40,797
Other transactions without impact on cash and cash equivalents		6,616	4,642
Income from asset disposals		12,801	57
Net interests expense		55,171	35,651
Other non-recurring income and expenses		17,108	10,989
Adjusted EBITDA		**143,382**	**123,746**
Other non-recurring income and expenses		(17,101)	(9,856)
Change in net working capital		(16,929)	(7,659)
Income tax paid		(12,481)	(25,341)
Cash flow from operating activities	**7.1**	**96,870**	**80,889**
Purchases of fixed assets		(15,622)	(15,250)
Purchases of financial assets		(3,352)	(3,655)
Proceeds from sale of fixed assets		136	1,086
Dividends received		23	(23)
Proceeds from sale of financial assets		2,768	6,563
Proceeds from sale of subsidiaries, net of cash disposed of		(784)	(2)
Acquisitions of subsidiaries, net of cash acquired		(18,541)	(5,554)
Cash flow from investing activities	**7.2**	**(35,371)**	**(16,836)**
Proceeds from issue of share capital		1,821	5,841
Repayments of borrowings		(1,511)	(3,953)
Proceeds from borrowings		13,603	15,232
Payment of lease liabilities		(18,636)	(15,289)
Change in factored receivables (net of security deposit)		5,322	8,113
Interests paid		(51,129)	(30,819)
Acquisitions of non-controlling interests		(21,008)	(18,849)
Reduction in ownership interest while retaining control		4	33
Dividends paid		(5,206)	(3,670)
Cash flow from financing activities	**7.3**	**(76,740)**	**(43,361)**
Net change in cash and cash equivalents		**(15,241)**	**20,692**
Net cash and cash equivalents at start of year		128,190	109,754
Effect of exchange rate fluctuation on cash held		(2,047)	(2,255)
Net cash and cash equivalents at year end	**5.10**	**110,903**	**128,190**
Reconciliation with cash and cash equivalents on the balance sheet			
Cash and cash equivalents on the balance sheet		**115,981**	**134,399**
Bank overdrafts		(5,077)	(6,208)
Cash and cash equivalents in the consolidated statement of cash flows	**5.10**	**110,903**	**128,190**

* New cash flow table model; see Note 7

3.5 Consolidated statement of changes in equity

In thousands of euros, except per share data	Number of shares	Share capital	Share premium	Hedging reserves (OCI)	Consolidated reserves	Translation reserves	Total Equity - Equity holders of the company	Non-controlling interests	Total equity
Balance at 1 January 2023	**396,403,407**	**396,403**	**2,716**	**1,072**	**(125,858)**	**4,314**	**278,678**	**25,647**	**304,325**
Total comprehensive income for the period									
Net income					(3,549)	-	(3,549)	5,840	2,290
Other comprehensive income [1]				(1,105)	(903)	(4,053)	(6,061)	(364)	(6,426)
Total comprehensive income for the period				**(1,105)**	**(4,453)**	**(4,053)**	**(9,611)**	**5,475**	**(4,136)**
Transactions with owners of the Company									
Contributions and distributions									
Dividends to equity holders for the profits of 2022					-	-	-	(5,053)	(5,053)
Valuation of payments based on shares					1,652	-	1,652	-	1,652
Transactions involving own shares					-	-	-	-	-
Adjustment for the number and value of treasury shares					-	-	-	-	-
Capital increase through contributions in cash	739,411	739	1,081		-	-	1,821	-	1,821
Total contributions and distributions	739,411	739	1,081	-	1,652	-	3,472	(5,053)	(1,581)
Changes in ownership interests									
Acquisition and disposal of NCI with no change of control					(3,795)	-	(3,795)	(6,393)	(10,188)
NCI on the acquisition / creation / disposal of subsidiaries					(19)	-	(19)	-	(19)
Total changes in ownership interests	-	-	-	-	(3,814)	-	(3,814)	(6,393)	(10,207)
Other movements					455	(442)	13	(20)	(6)
Total transactions with owners of the Company	739,411	739	1,081	-	(1,708)	(442)	(329)	(11,465)	(11,794)
Balance at 31 December 2023	**397,142,818**	**397,143**	**3,797**	**(32)**	**(131,988)**	**(181)**	**268,738**	**19,657**	**288,395**

(1) Details provided in the statement of comprehensive income

In thousands of euros, except per share data	Number of shares issued	Share capital	Share premium	Recyclable reserves (OCI)	Consolidated reserves	Currency translation reserves	Total Group shareholders' equity	Non-controlling interests	Total equity
Balance at 1 January 2022	**393,208,312**	**393,208**	**-**	**-**	**(131,218)**	**6,420**	**268,410**	**28,455**	**296,866**
Total comprehensive income for the period									
Net income					8,611	-	8,611	6,494	15,104
Other comprehensive income (1)				1,072	1,827	(2,106)	793	138	931
Total comprehensive income for the period				**1,072**	**10,437**	**(2,106)**	**9,404**	**6,631**	**16,035**
Transactions with the Company's owners									
Contributions and distributions									
Dividends to equity holders for the profits of 2021					-		-	(3,906)	(3,906)
Valuation of payments based on shares					2,750		2,750	-	2,750
Transactions involving own shares			-		-		-	-	-
Adjustment for the number and value of treasury shares					-		-	-	-
Capital increase through contributions in cash	3,195,095	3,195	2,716		-		5,911	-	5,911
Total contributions and distributions	3,195,095	3,195	2,716	-	2,750	-	8,661	(3,906)	4,756
Changes in ownership interests									
Acquisition and disposal of NCI with no change of control					(8,466)		(8,466)	(5,537)	(14,003)
NCI on the acquisition / creation / disposal of subsidiaries					-		-	-	-
Total changes in ownership interests	-	-	-	-	(8,466)	-	(8,466)	(5,537)	(14,003)
Other movements					669	-	669	4	672
Total transactions with owners of the Company	3,195,095	3,195	2,716	-	(5,047)	-	864	(9,439)	(8,576)
Balance at December 31, 2022	**396,403,407**	**396,403**	**2,716**	**1,072**	**(125,858)**	**4,314**	**278,678**	**25,647**	**304,325**

(1) Details provided in the statement of comprehensive income

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3.6 Notes to the consolidated financial statements

Note 1 - Business activity and significant events

1.1 Company type and history

Devoteam Group SAS ("the Company") is a simplified joint stock company governed by French law. The Company was created on 19 February 2020. Its purpose is to hold and actively manage equity interests in companies and provide related services. The Company was created to serve as a vehicle for the Devoteam Group acquisition announced on 9 July 2020 in a takeover bid that was launched to strengthen the control of Devoteam's founders with the support of a financial investor.

1.2 Business activity

The Company is the parent company of Devoteam, a European consulting and engineering group and a major provider of management and innovative technology consultancy services. With 25 years of experience in innovative and disruptive technologies, the Devoteam Group leads its clients through the digital transformation of their business and organisation.

1.3 Significant events in 2023

The Group achieved solid financial performance for 2023, posting significant growth in a volatile market. With revenue of €1,130 million, the Group posted 9% organic growth in 2023 at constant exchange rates. The operating margin was €118.3 million (10.5% of revenue), up 50 basis points from the previous year. These strong results attest to the success of our strategy focused on Cloud platforms, cybersecurity and artificial intelligence.

The Group consolidated its position thanks to strategic partnerships, with its **5 strategic partners** (AWS, Google Cloud, Microsoft, Salesforce and ServiceNow) accounting for around **50% of its revenue**. These partners awarded the company major distinctions in recognition of its unique approach combining solid partnerships with extensive technological expertise:

- **ServiceNow – EMEA Partner of the Year** for the second year in a row (***Consulting and Implementation Partner of the Year*** – Elite segment, EMEA region).
- **Google Cloud** – ***Specialization Partner of the Year 2023 Machine Learning.***
- **Google Cloud – EMEA Sales Partner of the Year 2023,** for the fourth year in a row.
- **Microsoft – Partner of the Year** in France, Norway and Luxembourg over the last 3 years. Devoteam was a leading partner of Microsoft in the EMEA region, with 1,200 certified experts and 18 specialisations.

Most importantly, Devoteam continues to attract the best talent, recruiting 2,450 new employees through an effective learning and certification policy (totalling around 16,000 certifications), with the ambition to become the EMEA leader in Cloud platform expertise.

Following a strategic review of the Group's assets, Devoteam decided to focus its efforts on the countries where it already has an established presence, with the ambition to continue strengthening its leadership in these markets. As a result, Devoteam reinforced its presence in the Middle East through a strategic partnership with Solutions by STC, which acquired a 40% stake in Devoteam Middle East. Finalised in February 2024, this partnership highlights Devoteam's commitment to accelerating its growth in the region and will enable it to access new markets in addition to STC's impressive client portfolio. As part of this realignment, the Devoteam Group also finalised the sale of its operations in Mexico and Singapore.

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In terms of external growth, the Group continued its targeted acquisition strategy, acquiring:

(iii) in October 2023, Portuguese company Singularity, which specialises in data analytics, business intelligence, AI, machine learning and data visualisation; and
(iv) in November 2023, Spanish company DareCode in order to strengthen DevOps capacities in a multi-cloud and hybrid cloud environment.

Note 2 - Consolidation principles and methods

2.1 Statement of compliance

The IFRS principles used are those adopted by the European Union and published in the *Official Journal of the European Union* prior to 31 December 2023. They are available on the website of the European Commission (https://ec.europa.eu/info/business-economy- euro/company-reporting-and-auditing/company-reporting/financial-reporting_fr) and comply with the IASB's IFRS standards.

International accounting standards include the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS) and the interpretations issued by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The annual consolidated financial statements at 31 December 2023 prepared in compliance with the IASB's IFRS standards as adopted by the European Union are consistent with those of the previous year, with the exception of the standards, amendments and interpretations that are mandatorily applicable as of 1 January 2023 and which have a material impact on the Group.

The Group elected not to comply with accounting standards, amendments or interpretations until compliance is mandatory.

2.2 Measurement bases and presentation currency

The financial statements are presented in euros (the Company's functional currency) and all figures are rounded to the nearest thousand. They are valued on the basis of their historical cost, except for the following:

- Derivative financial instruments are measured at fair value
- Financial instruments are measured at fair value through profit or loss
- Non-consolidated securities are measured at fair value
- Available-for-sale financial assets are measured at fair value
- Contingent consideration arising from a business combination
- Investment property is measured at fair value
- Liabilities arising from share-based payments with treasury shares are measured at fair value
- Net liabilities (assets) in respect of defined-benefit plans.

The methods used to measure fair value are described in Note 3.1.

2.3 Use of estimates and judgments

The preparation of financial statements under IFRS requires the use of analyses that are based on valuations and assumptions that have an impact on the Group's income, expenses, assets and liabilities. These valuations are based on the Group's experience and other factors considered reasonable under the prevailing circumstances. Actual values may differ from these estimations. Estimates play a particularly important role in:

- Determining the amount of intangible assets recognised in business combinations (Notes 3.1 and 5.2)
- Recognising revenue on fixed-price contracts under the percentage-of-completion method (Note 3.12)

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- Performing impairment tests on fixed assets, as these tests involve the calculation of a recoverable amount derived from estimated future cash flows and growth and discount rate assumptions (Notes 3.2 and 5.1)
- Measuring earn-outs (Notes 3.2 and 5.1)
- Determining the value of investment property (Notes 3.4 and 5.7)
- Estimating provisions for litigation (Notes 3.11 and 5.15)
- Calculating pension liabilities and other long-term benefits, which requires the use of actuarial assumptions (Notes 3.10 and 5.16)
- Determining deferred taxes, and in particular when assessing the recoverability of deferred tax assets (Notes 3.18, 5.11 and 6.7)
- Measuring derivative financial instruments (Note 3.7)

2.4 Consolidation principles

2.4.1 Business combinations

Business combinations are recognised in accordance with IFRS 3 and the following principles:

- Goodwill is measured at the fair value of the consideration transferred (including the fair value of any previously held equity interest in the acquiree), plus the amount recognised for any non-controlling interest in the acquiree, less the net amount recognised (generally at fair value) for the identifiable assets acquired and liabilities assumed, all of which are measured at the acquisition date. When the difference is negative, the resulting acquisition gain is recognised immediately in profit or loss.
- The Group has the option of measuring any non-controlling interest (e.g. minority interests) held in the acquiree on the basis of the proportionate share of the acquiree's identifiable net assets or at fair value. This option is available on a case-by-case basis for each acquisition.
- Any adjustment in the purchase price is recognised at fair value as of the acquisition date and subsequent changes are recognised in "Other operating income" or "Other operating expenses".
- The acquisition costs borne by the Group as a result of a business combination are recognised in "Other operating expenses" when incurred.

When a business combination is achieved in stages, the previously held interest in the acquiree is remeasured at fair value as of the acquisition date, and any resulting gain or loss is recognised in "Other operating income" or "Other operating expenses".

2.4.2 Acquisitions of and commitments to purchase non-controlling interests

Acquisitions of non-controlling interests or the issuance of options to acquire non-controlling interests are recognised as transactions with owners acting in this capacity, and no goodwill is therefore recognised. The difference between the price paid (including direct transaction costs) and the carrying amount of the interest in the net assets acquired at the date of the transaction is recognised in shareholders' equity. Consequently, subsequent changes in the assumptions used to measure the transaction price will also impact the Group's share of shareholder's equity.

2.4.3 Subsidiaries

A subsidiary is an entity that is controlled by the Group. Control exists when the Group is exposed to or has rights to variable returns from its investment in the entity and is able to affect those returns through the power it may exercise over the entity. In assessing control, potential voting rights that are currently exercisable or convertible are taken into consideration insofar as such rights are material. The consolidated financial statements include the financial statements of acquired entities from the date control is obtained until the date control ceases.

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2.4.4 Associates and joint ventures

Associates are entities in which the Group has significant influence over financial and operating policies, but without being able to control these policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of an entity's voting rights. Joint ventures are entities over which the Group exercises joint control by virtue of a contract under which strategic financial and operational decisions are subject to unanimous agreement.

Associates and joint ventures are accounted for under the equity method ("equity-accounted investees") and are initially recognised at cost. The Group's interest includes the goodwill identified at the time of the acquisition, less accumulated impairment losses.

The consolidated financial statements therefore include the Group's share of the total comprehensive income of associates and joint ventures (after taking into account adjustments made to align accounting policies with those of the Group), from the date when significant influence or joint control is obtained until the date it ceases.

If the Group's share of losses in an equity-accounted investee exceeds its interest in the investee, the carrying amount of the investee's securities is reduced to zero (including any investment that is substantially part of the net investment), and the Group ceases to recognise its share of future losses unless it has a legal or constructive obligation to bear a portion of future losses or to make payments on behalf of the associate or joint venture.

2.4.5 Elimination of intra-Group transactions

All transactions, except those involving impairment losses, and reciprocal assets and liabilities between fully consolidated companies are eliminated.

Gains arising from transactions with an equity-accounted investee are eliminated through the investee securities in proportion to the Group's interest in the investee. Losses are eliminated similarly, but only insofar as they do not result from impairment.

2.4.6 Translation of the financial statements of foreign companies and of foreign currency transactions

The financial statements of foreign subsidiaries are translated into euros as follows:

- Assets and liabilities (including goodwill and fair value adjustments arising on acquisition) are translated at the exchange rates prevailing on the balance sheet date.
- Information on the income statement is translated at the exchange rate prevailing on the date of the respective transactions, or at the average annual exchange rate unless the rate has changed significantly.
- Any resulting translation differences are recognised in equity, in the translation reserve.

The Group does not operate in hyperinflationary economies.

Foreign currency transactions are translated into the respective functional currencies of the Group's various entities using the exchange rate prevailing on the date of the respective transactions. Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated into the functional currency using the exchange rate on that date.

Exchange differences on monetary assets and liabilities denominated in a foreign currency are recognised in the operating margin or as financial income or expense, depending on the nature of the underlying transaction.
Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate at the date of the transaction.

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Non-monetary items denominated in a foreign currency and measured at fair value are translated at the exchange rate at the date on which fair value was determined.

Note 3 - Accounting policies and methods

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements. They have been applied in a uniform manner by all Group entities.

3.1 Fair value

Certain of the Group's accounting policies and disclosures require the measurement of the fair value of financial and non-financial assets and liabilities. Fair values have been determined for measurement or disclosure purposes in accordance with the following methods (additional information on the assumptions used to determine fair value is provided in the notes to the relevant assets or liabilities in the financial statements):

- Intangible assets: the fair value of business relationships and order backlogs acquired in a business combination are calculated using the multi-period excess earnings method. This method involves measuring the relevant assets after deducting a reasonable return for the other assets that generate cash flow with the business relationships and order backlogs. The fair value of technology (software) acquired in a business combination is calculated using the relief-from-royalty method, which involves measuring the asset in question on the basis of the royalties that could be obtained if the asset were licensed.
- Investment property: the fair value of investment properties reflects the market price at which the investment property could be sold or exchanged between well-informed and willing parties in an arm's length transaction. The Group determines fair value without deducting any transaction costs it may incur when selling or otherwise disposing of the asset.
- Non-consolidated investments: fair value is determined using the estimated future cash flow method.
- Investments in equity and debt securities: financial instruments at fair value through profit or loss and available-for-sale financial assets are measured at the most recent bid price available at the balance sheet date.
- Derivative instruments: call options on non-controlling interests are valued according to commonly used option valuation methods, while taking into account the specific terms of these options.
- Loans and receivables are measured at amortised cost. Due to their short-term nature, the carrying amount of trade and other receivables and cash is their estimated fair value.
- Non-derivative financial liabilities are measured at amortised cost. Due to their short-term nature, the carrying amount of current bank borrowings, trade and other payables is their estimated fair value.
- The fair value of loans and borrowings is the estimated value of the future cash flows generated by the repayment of principal and interest, discounted at the market interest rate at the balance sheet date.
- In measuring right-of-use assets (lease contracts), which requires the discounting of future lease payments, the discount rate used is the Group's incremental borrowing rate adjusted to account for the duration of the loan and the entity's geographic region and size.
- Share-based payment transactions: the fair value of stock options and of bonus shares granted gratuitously to employees is generally measured using standard option valuation models, such as Black-Scholes, Hull & White and Monte Carlo.

3.2 Business combinations and goodwill

In a business combination, goodwill is measured at the fair value of the consideration transferred (including the fair value of any previously held equity interest in the acquiree), plus the amount recognised for any non-

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controlling interest in the acquiree, less the net amount recognised (generally at fair value) for the identifiable assets acquired and liabilities assumed, all of which are measured at the acquisition date.

When an entity becomes a subsidiary through successive purchases of its securities, goodwill is not recognised until control is obtained.

Commitments in respect of additional payments or reductions in the purchase price contingent on financial performance (revenue and/or operating margin) are recognised at fair value at the acquisition date. Changes (other than discounting effects) arising from facts and circumstances existing at the acquisition date and occurring within the allocation period are recorded against goodwill. Otherwise, these changes are recognised in financial income or expense.

Recognition and measurement

Goodwill is treated as an intangible asset. Gains from bargain purchases are recognised immediately in profit or loss under "Other operating income" after a review of the assets and liabilities identified and measured and an assessment of the cost of the combination.

Goodwill is not amortised. It is tested for impairment at least annually, and whenever events or changes in the internal or external environment indicate a risk of loss of value. In subsequent years, it is recorded at cost less accumulated impairment losses.

For the purpose of impairment testing, assets are grouped together in cash-generating units (CGU), and goodwill is allocated to the various CGUs. CGUs are homogeneous groups of assets whose continued use generates cash inflows that are largely independent of cash inflows generated by other groups of assets. The recoverable amount of a CGU is the greater of its fair value less costs to sell and its value in use. The value in use of a CGU is the present value of discounted future net cash flows. It is estimated using parameters derived from the budgetary and forecasting process over a five-year timeframe, and reasonably estimated growth and profits. The discount and long-term growth rates that are used to value CGUs are based on analyses of the Group's economic sector. When the recoverable amount of a CGU is less than its carrying amount, the resulting impairment loss is first allocated to goodwill and recognised in operating income under "Other operating expenses". Impairment losses on goodwill cannot subsequently be reversed.

The Group's CGUs are generally companies that are based in the same country or geographic region. However, when the products and services of companies are merged operationally, when they share the same management and when their staff are interdependent and interchangeable, they are grouped together to form a single CGU. The homogeneous CGUs thus formed within the Group are:

- The Devoteam Middle East CGU, which includes the Group's activities in the Middle East
- The Devoteam Consulting GmbH CGU, a consulting firm based in Austria
- The Devoteam Turkey CGU
- The Devoteam Lithuania CGU
- The Alps CGU, which comprises the following companies: Devoteam Czech Republic, Devoteam Technology GmbH in Austria, Devoteam Switzerland and Devoteam Slovakia
- The Great Britain CGU, which includes all companies in the United Kingdom
- The BeLux CGU, which includes all Belgian and Luxembourg companies
- The Germany CGU, which includes all German entities
- The Spain CGU, which includes all Spanish entities
- The France CGU, which includes the Group's French companies
- The Netherlands CGU, which includes all companies in the Netherlands and TMNS Serbia
- The Denmark CGU, which includes all companies in Denmark
- The Norway CGU, which includes all companies in Norway
- The Sweden CGU, which includes the companies of the Jayway and Avalon groups in Sweden and Poland

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- The Portugal CGU, which includes the Group's companies in Portugal
- The Africa CGU, which includes the Group's companies in Tunisia and Morocco.

3.3 Intangible and tangible assets

3.3.1 Intangible assets

Intangible assets other than goodwill consist mainly of business relationships, order backlogs and technology capitalised pursuant to the acquisition method (IFRS 3 and IFRS 3R), measured at fair value at the acquisition date (see Note 3.1), and also software purchased directly by the Group, recognised at cost (external and internal) less accumulated amortisation and any impairment loss.

Intangible assets are amortised on a straight-line basis over their expected useful life, which is general between:

- 6 and 14 years for business relationships
- 1 to 4 years for order backlogs
- 3 to 5 years for purchased software.

3.3.2 Tangible assets

Tangible assets are initially recognised at cost, which is the purchase price plus all costs directly attributable to the purchase of the asset and its installation at its point of use. They are not revalued. Tangible assets are subsequently carried at cost less accumulated depreciation and any impairment losses.

Subsequent expenditures are only capitalised only if the future economic benefits of the asset are likely to flow to the entity and their costs can be estimated reliably. All other expenses are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful life of the asset, which is determined as follows:

Asset category	Term
Buildings	15 years
Fixtures and fittings	10 years
Transportation equipment	2 to 4 years
Office equipment	5 years
IT equipment	3 to 5 years
Office furniture	3 to 10 years

3.4 Investment properties

Investment properties are initially recognised at cost, which is the purchase price plus transaction costs.

After their initial recognition, investment properties are measured at fair value, in accordance with market conditions at the balance sheet date. Gains or losses resulting from changes in the fair value of investment property are recognised in the income statement in "Other operating income and expenses" in the period in which they occur. As they are measured at fair value, investment properties are not subject to impairment.

Exceptionally, after initial recognition, if it is not possible to determine the fair value of an investment property in a reliable and consistent manner, this property will be measured using the cost model described in IAS 16 "Property, plant and equipment" until its disposal. This scenario may occur when there are no or only a small number of comparable transactions in the investment property market, making the asset in question illiquid.

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3.5 Non-current financial assets

Non-current financial assets mainly consist of security deposits on premises leased by the Group for business purposes and medium-term advances to non-consolidated equity interests. When initially recognised these assets are measured at fair value, then subsequently at amortised cost.

3.6 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and other borrowings and trade and other payables.

Non-derivative financial instruments are initially recognised at fair value, plus directly attributable transaction costs if not recognised through profit and loss.

3.6.1 Trade and other receivables and trade and other payables

These items are initially recognised at fair value, then subsequently at amortised cost. The fair value of trade receivables and payables is deemed to be their face value given the short payment terms.

The credit risk of receivables is assessed at each reporting date, on the basis of a case-by-case review. If an event triggers an impairment loss (a debtor's default or a significantly late payment), impairment is determined by comparing the carrying amount with future cash flows, if necessary discounted at the initial rate. This impairment loss is recognised in income and is reversed through profit or loss if a subsequent event reduces the impairment loss.

The new prospective impairment model based on expected credit losses, introduced by IFRS 9, has had no impact on the level of impairment of trade receivables calculated using the methodology described above.

3.6.2 Other current financial assets

This item consists essentially of the reserve funds for the trade receivables assignment contract.

3.6.3 Cash management assets

This item consists mainly of investments at fair value through profit or loss, i.e. investments either held for trading or designated as such upon initial recognition. Financial investments are designated as being held at fair value through profit or loss if the Group manages such investments and makes buying and selling decisions based on their fair value. On initial recognition, directly attributable transaction costs are expensed as incurred. Financial investments at fair value through profit or loss are measured at fair value, and any subsequent change is recognised in financial income or expense.

3.6.4 Cash and cash equivalents

Cash and cash equivalents include demand deposits and short-term investments (three months maximum at origin) that are highly liquid, readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Such items, classified as current assets, are measured at fair value through profit or loss. Fair value represents the net asset value at the closing date. Changes in fair value are recorded as financial income or expense.

Bank overdrafts repayable on demand, and are one of the Group's cash management assets, are a component of cash and cash equivalents for the purposes of the statement of cash flows.

3.6.5 Loans and other borrowings

Borrowings may include:

- the debt resulting from the issuance of bonds
- the debt resulting from the issuance of senior Term loan B (TLB)
- the drawdowns from confirmed short-term credit lines of the revolving credit facility type.

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- the debt resulting from conventional bank loans.

3.6.6 Other non-current liabilities

Other non-current liabilities mainly include liabilities arising from commitments to buy out non-controlling interests, and earn-outs to be paid on business combinations.

3.7 Derivative financial instruments

The Group may use derivative instruments to hedge its exposure to fluctuations in interest or exchange rates. Such hedging instruments are traded with rated banking counterparties. These derivative instruments are initially measured at fair value. With the exception of derivative instruments designated for accounting purposes as hedging instruments in a fair-value or cash-flow hedging transaction, changes in the fair value of derivative instruments – which are estimated on the basis of the market price or the value indicated by the bank counterparty – are recognised through the income statement.

3.8 Capital

Ordinary shares
Ordinary shares are classified as equity instruments. Incidental costs directly attributable to the issuance of ordinary shares or equity options are deducted from equity, net of tax.

Preferred shares
Preferred shares are classified as equity instruments. Their main characteristics are described in Note 5.12.1.

Treasury shares
All treasury shares held by the Group are deducted from equity at their acquisition cost. Any gains (or losses) on the disposal of treasury shares directly increase (or decrease) equity net of tax. Accordingly, any gains (or losses) on disposals do not affect the annual net income.

3.9 Share-based payments

Stock purchase or subscription options and performance bonus shares are granted to certain employees of the Group. In accordance with IFRS 2 "Share-based payments", options are measured at fair value at their grant date. The Group typically uses the Black-Scholes, Hull & White or Monte Carlo models, depending on the characteristics of the stock option plan.

The resulting amount is recorded between operating margin and current operating income, on a straight-line basis between the grant date and the end of the vesting period, with a corresponding increase in equity.

The amount recognised as an expense is adjusted to reflect the number of rights for which it is considered that non-market service and performance criteria will be met, so that the amount ultimately expensed is based on the actual number of rights that meet the non-market service and performance criteria at the vesting date. For share-based payment rights that are subject to other criteria, the fair value at the grant date reflects these criteria, and differences between the estimate and the actual amount do not result in any subsequent adjustment.

3.10 Employee benefits

3.10.1 Pension plans with defined contributions or benefits

Upon their retirement, Group employees receive, in addition to the pension payments required under the local law, a complementary pension and/or a retirement bonus. The Group offers these benefits through defined-contribution or defined-benefit plans.

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Under defined-contribution plans, the Group has no obligations other than the payment of premiums, the expense of which is shown in the income statement.

In accordance with IAS 19 "Employee benefits", the Group's net obligation under defined-benefit plans is measured separately for each plan by estimating the amount of future benefits earned by employees in exchange for services rendered during the current period and previous periods. Pension and similar obligations are measured using the projected unit credit actuarial method. Under this method, each period of service gives rise to the recognition of an additional unit of benefit entitlement, and each unit is measured separately to obtain the final obligation.
This final obligation is then discounted and subjected to a probability analysis. It is mainly determined by the following:

- An assumed retirement date
- A discount rate that is the yield of blue chip bonds having a maturity profile similar to that of the Group's pension liabilities
- An inflation rate
- Assumptions on salary increases and on staff mortality and turnover.

These assessments are made annually, except when changes in assumptions require more frequent estimates.

Actuarial gains and losses are generated by revised assumptions pertaining to pension plan assets and liabilities, and by gaps between projections and actual results. Such adjustments are recognised directly in equity.

The Group determines the net interest expense (income) for the period of the net liability (asset) in respect of defined benefits by applying the discount rate used at the start of the year to assess the obligations in respect of the net defined-benefit liabilities (assets) determined at the start of the year. The calculation then takes into account any change in the net defined-benefit liability (asset) resulting from the payment of contributions and of benefits during the period. As a result, the net interest on the net defined- benefit liability (asset) now comprises the following:

- The financial cost of the defined-benefit obligation
- The financial income generated by the plan assets
- The interest on the effect of the asset ceiling.

3.10.2 Employment contract termination benefits

Employment contract termination benefits are recognised as expenses when the Group is demonstrably committed, without the realistic possibility of withdrawing from its commitment, to a formal and detailed plan, either for layoffs before the normal retirement or offers encouraging voluntary departures in order to downsize. If full payment of compensation is not expected in the 12 months following the closing date, such obligations are discounted.

3.11 Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision must be recognised when the company has a present obligation (legal or constructive) resulting from a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when the amount of the obligation can be reliably estimated. If these conditions are not met, no provision is required.

In the case of restructuring expenses, an obligation is only recognised when the restructuring has been the subject of a detailed plan that is expected by the people affected (i.e. it has been announced or its implementation has begun). Provisions are not set aside to cover future operating expenses.

The estimated provisions are the expense the Group is likely to incur to fulfil the obligation. If no reliable estimate of this amount can be obtained, no provision is recorded and this is indicated in the notes to the financial statements. Because of the uncertainties inherent to the risks involved, provisions are estimated on

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the basis of information available as of the valuation date. Provisions are discounted when the effect of the time value is significant.

In a business combination, the acquirer recognises a contingent liability assumed at the acquisition date if it is a present obligation of the acquiree resulting from past events and whose fair value can be measured reliably. This is the case even if these current obligations were not recognised in the liabilities of the acquiree prior to the takeover, in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", because the outflow of resources was not deemed likely. After the initial recognition of a contingent liability and until it is settled, cancelled or expires, it is measured as the greater of the amount that would be recognised in accordance with IAS 37 and the amount initially recognised.

3.12 Revenue recognition principles

Revenue is calculated based on the compensation specified in a contract signed with a client and recognised upon the transfer of control of the good or service, i.e. either on a given date or continuously, in accordance with the IFRS 15 standard.

Time and materials services

Time and materials services are resource-based contracts invoiced on the basis of time spent. Subcontracting revenue and expenses are recognised as and when the service is performed, assuming the client benefits immediately from the services provided by the Group. Services performed but not yet invoiced are recorded as contract assets (unbilled work). Services invoiced but not yet performed are recorded as contract liabilities (deferred income).

Fixed-price services

Fixed-price services are contracts based on deliverables and billing milestones with which the Group undertakes to transfer to the client a series of goods or services based on a fixed price which may be adjusted according to the specific terms of each contract. Fixed-price contracts are generally recognised using the percentage of completion method, since either the Group's service improves an asset over which the client obtains control as the service is performed, or the Group manufactures specifically for the client an asset with no alternative use, or, in the event that the contract is terminated by the client, the Group has an irrevocable right to payment for the service provided up to the date of termination. The stage of completion is determined by comparing the costs incurred at closing with the total expected costs over the term of the contract. The total costs of a contract, in particular those still to be incurred, are regularly monitored and estimated to determine whether the stage of completion of the contract and the level of margin to be recognised need to be revised. When it is probable that total contract costs will exceed total contract revenue, the expected loss is expensed immediately. The Group contractually acquires the right to invoice at contractual milestones or when the client accepts the work performed. If the difference between the cumulative revenue and invoices is positive, this is presented in contract assets.

Resale activity

Within the context of its integration projects, the Group may resell equipment, licenses and other services acquired from third-party suppliers. In these cases, and when the asset or service is distinct from other services provided by the Group, analysis is required to determine whether the Group is acting as agent or principal in the transaction. The Group acts as principal if it has control of the goods or services prior to their transfer to the client. In this situation, the transaction is recorded on a gross basis in the income statement at the time of the transfer of control to the client. If this is not the case, the Group acts as agent and the transaction is recorded on a net basis (the amount invoiced by the supplier is deducted from the revenue invoiced to the client) when the Group fulfils its performance obligation as agent.

More specifically, the Group applies the following principles to the resale of perpetual licenses or SaaS licenses:

- For the sale of third-party perpetual publisher licenses representing a separate performance obligation, the Group considered that it obtains control of the license prior to its transfer to the client, since it is not authorised to make changes to these licenses, and noted that in the majority of cases, they are transferred directly by the publisher to the client. In this case, the Group acts as agent and

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only recognises the sales margin in revenue. Conversely, if the license is an integral part of a complex integration solution overseen by the Group, the Group considers that it acts as principal for the entire project, including the license.

- For the sale of a subscription to a software platform in "Cloud or SaaS" mode, as an integral part of an overall solution in which, for the term of the contract, the Group is responsible for operational performance on the customer's behalf, the Group considers that it acts as principal for the entire solution. If this is not the case, the Group acts as agent in the resale of access rights to the platform.

Rental income from investment property and subletting income

Rental income from investment properties and income from the partial subletting of buildings occupied by the Group is recognised on a straight-line basis over the term of the lease or sublease. This revenue is recorded as a reduction of the costs associated with the buildings.

Breakdown of revenue

The Group is organised by geographic region and reports its segment information by region. Revenue is mainly derived from consultancy and integration services broken down into seven main offerings (Cybersecurity, Digital Workplace, Agile IT, Transformation Management, Customer Experience, Business Process Excellence and Data as a Service). Each of these offerings is deployed in each of the Group's regions. Currently, the Group monitors the volume of business of each of these offerings in terms of contractual commitments, but does not yet have a breakdown by revenue. The bulk of revenue is obtained with subcontracting and fixed-price contracts, which may sometimes include the sale of licenses or access rights.

3.13 Usage rights relative to lease contracts

When a contract comes into force, the Group determines whether it is a lease contract or contains a lease contract. This determination is based on the right to control the use of an identified asset for a specified time and for consideration. On the date the asset is made available, the Group recognises a right-of-use asset and a lease liability.

The right to use is initially evaluated at cost, which includes the initial amount of the lease obligation and any direct costs initially incurred. It is amortised over the duration used to calculate the lease liability.
The lease liability is initially measured at the discounted value of future lease payments over the estimated duration of the lease at the lessee's incremental borrowing rate. This rate is determined for the currencies, maturities and regions of the Group's various entities and is derived from the Group's incremental borrowing rate with an additional margin to account for each entity's financing profile. The term of the lease is the non-cancellable period plus any renewal options the Group is reasonably likely to exercise. This period is nine years for French real property leases.

The lease liability is then calculated at amortised cost using the effective interest rate method. It is re-evaluated if future rents are modified due to a change of index or rate, if the amount to be paid is re-estimated, or if the lease is extended.

The Group may exceptionally apply the exemption measures under the standard on lease contracts in respect of assets with a unitary value of less than USD 5,000 and/or lease/rental contracts that do not exceed 12 months. The Group has decided not to apply the standard to leases for intangible assets.

Given the Group's activities, most of its leases are for premises and for the company vehicles it uses for these activities.

3.14 Subsidies and grants

In the course of its business, the Group may sign, in the various countries in which it is present, agreements with the central government and public bodies to obtain funding in the form of subsidies and grants.

In accordance with IAS 20, subsidies and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attached to them and that the funds will be received. When these

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conditions are met, subsidies and grants are recognised in the income statement net of their associated expenses.

Certain tax incentives, such as the French research tax credit, are similar to public subsidies as they may be paid out even if there is no tax liability, they are not included in taxable income, and are not limited to the tax liability. In this case, subsidies and grants are accounted for in accordance with IAS 20 and recorded on the income statement net of their associated expenses. For the Group these expenses are mainly personnel costs.

3.15 Definition of Current Operating Income, Operating Margin and adjusted EBITDA

Operating Margin, the chief indicator of the Group's business performance, is Current Operating Income (as defined below) before share-based remuneration and the amortisation of assets recognised for business combinations, and in particular any business relationships and/or order backlogs thus acquired.

Current operating income is obtained in the normal course of a company's business, and possibly from activities that are incidental to or a logical extension of this business.

Current operating income is the net income before:

- Income from discontinued operations
- Current and deferred taxes
- Share of net profit or loss of equity-accounted companies
- Financial income and expenses
- Other operating income and expenses as defined in Note 3.16

Adjusted EBITDA, the main aggregate figure used in financial communication with the Group's lenders and shareholders, corresponds to net income adjusted for:

- Current and deferred taxes
- Share of net profit or loss of equity-accounted companies
- Financial income and expenses
- Other operating income and expenses as defined in Note 3.16
- Share-based remuneration
- Allocations and reversals of depreciation, amortisation and provisions

3.16 Other operating income and expenses

Other operating income and expenses arise from unusual, abnormal and infrequent events which have a material impact on consolidated financial performance, pursuant to ANC Recommendation No. 2013-03 of 7 November 2013.

These other operating income and expense consist mainly of:

- Restructuring and/or downsizing expenses or provisions related to business combinations incurred between the acquisition date and the end of that financial year
- Other restructuring expenses under plans approved by the Group's management bodies and disclosed to the relevant third parties
- Severance payments paid to the Group's "top managers", i.e. managers of operational entities (separate legal entities or which are managed and report independently) and managers of a corporate department
- Gains or losses on the sale of securities of subsidiaries
- Gains or losses on disposal of tangible and intangible assets and impairment losses on non-financial assets
- Profits on bargains purchased during business combinations
- Acquisition costs incurred for business combinations
- Fair-value revaluations of non-controlling interests obtained during acquisitions
- Fair-value revaluations of assets held for sale pursuant to IFRS 5.

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3.17 Financial income and expenses

Financial income notably includes interest on investments, gains on disposal of available-for-sale financial assets, increases in the value of financial assets at fair value through profit or loss, foreign exchange gains and profits on hedging instruments recognised in profit or loss. Interest income is recognised in profit or loss when earned, using the effective interest rate method.

Financial expenses comprise interest payable on borrowings and leases, the accretion of provisions, the accretion of earn-outs and/or changes in earn-out assumptions for business combinations, foreign exchange losses, decreases in the fair value of financial assets through profit or loss and losses on hedging instruments recognised in profit or loss. All expenses related to loans and leases are recognised in profit or loss using the effective interest rate method.

Financial income and expense also include the net interest calculated for defined-benefit plans (see Note 3.10.1).

3.18 Income taxes

In France, the 2024 Budget Act implemented the European Union's "Pillar 2" Directive, applicable from 1 January 2024. In doing so, the country adopted the OECD's international tax reform initiative, which imposes a global minimum 15% tax rate on corporate profits. In accordance with the amendment to IAS 12 published by the IASB in the first half of 2023, immediately applicable upon its adoption by the European Union on 8 November 2023, the Group conducted a review of its scope in order to organise the processes that will enable it to meet its obligations and analyse the potential impacts of this reform. Based on current texts and subject to future details regarding the regulations, the Group's current assessment is that the financial consequences associated with Pillar 2 and the "GloBE rules" will be immaterial.

The tax expense that is used to determine the annual income is the total amount of tax payable plus deferred tax. The tax expense is generally recognised in the income statement, with the exception of the portion of tax relating to items recognised in equity or other comprehensive income.

Current taxes are the income taxes payable in respect of the year's taxable profits. They are calculated using the tax rates that are enacted or substantively enacted at the balance sheet date, and are adjusted to account for taxes payable in respect of previous years.

The Group uses the balance sheet liability method to recognise deferred taxes. This means that deferred tax assets and liabilities reflect the decreases and increases in future tax payables that result from temporary differences between the carrying amount and tax base of assets and liabilities (excluding the specific cases under IAS 12), and from tax losses and tax credits carried forward. Deferred tax assets and liabilities are measured for each entity or tax consolidation group at the applicable tax rates of the years in which these temporary differences are likely to reverse or terminate.

Deferred tax assets and liabilities are set off if there is a legally enforceable right to set off current tax assets and liabilities and the Group intends to settle the net amount of the current tax assets and liabilities, or to simultaneously realise the tax assets and settle the tax liabilities.

Deferred tax assets in respect of deductible temporary differences and tax losses are recognised only to the extent that the Group has future taxable profits against which the temporary differences and corresponding tax losses may be applied. The Group estimates future profits over a three-year horizon. Deferred tax assets are reassessed at each reporting date and are cancelled if their realisation is no longer probable.
Tax loss and tax credit carry forwards resulting from a business combination are recognised in profit or loss unless estimated during the valuation period on the basis of the information available at the acquisition date.

Following the introduction of the territorial economic contribution tax (CET tax) applicable to French companies under the 2010 Budget Act, the Group opted to classify the corporate value-added contribution (CVAE) component of the CET as income tax in accordance with IAS 12. The Group considers that the CVAE

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meets the income tax criteria as its calculation is based on a net amount of income and expenses, and its net amount is potentially different from net income, insofar as value added is the intermediate level of income systematically used, under French tax rules, to determine the amount due in respect of the CVAE.

3.19 Operating segments

Under IFRS 8, operating segments must be based on internal reporting regularly reviewed by the chief operating decision maker. The chief operating decision makers are in charge of the allocation of resources and the evaluation of the performance of the operating segments. They have been identified as being the Chairman, the CEO and the Deputy CEO, who as members of the Executive Committee take strategic decisions.

The Group organises its operations by country. This country-based organisation is used in the Group's internal reports to present and review its performance, allocation of resources and customers. There is no separation of "products and services" between countries. Each country is able to distribute all its products and services either directly or via another Group entity.

In accordance with the principles of IFRS 8, the Group has decided to group together countries other than France in a single "International" region, as no country other than France exceeds any of the quantitative thresholds of the IFRS 8 standard.

The following regions were thus created:

- The "**France**" region, the Group's largest country accounting for around 45% of its revenue, comprises the French entities and the administrative service centres in Morocco;
- The "**International**" region includes the other countries where the Group operates, which individually are immaterial and have similar economic characteristics and performance;
- The "**HQ and divested entities**" segment includes head office activities not allocated directly to the operating regions, as well as residual items from discontinued or sold activities. In 2023, it included the divestments of Devomex Cloud Services in Mexico and Devoteam Cloud Services in Singapore.

The "geographical splits" for the entire scope are shown below.
Entities identified as "non-applicable":

- were acquired or created in 2022;
- were sold, liquidated or merged with another group entity in 2023.

Entities	Country	31/12/2023	31/12/2022	Entities	Country	31/12/2023	31/12/2022
Devoteam Group SAS	France	HQ & divested entities	HQ & divested entities	Necsia	Spain	International	International
DVT SAS	France	France	France	BeClever	Spain	International	International
DVT Management Consulting	France	France	France	Jayway Inc	United States	International	International
DVT Outsourcing	France	HQ & divested entities	HQ & divested entities	DVT UK	Great Britain	International	International
EXA ECS	France	HQ & divested entities	HQ & divested entities	TMNS UK	Great Britain	Non-applicable	International
RVR Parad	France	France	France	DVT Management Consulting UK	Great Britain	Non-applicable	International
Siticom SAS	France	Non-applicable	France	Fourcast Cloud Services Ltd	Great Britain	International	International
DVT G Cloud FR	France	France	France	DVT Cloud Services	Indonesia	International	International
Be Team	France	France	France	VoxPilot	Ireland	HQ & divested entities	HQ & divested entities
DVT G Maps	France	France	France	DVT Italy	Italy	International	International
DVT Creative Technology	France	France	France	DVT Luxembourg	Luxembourg	International	International
DVT Innovative Tech Enterprise Application	France	France	France	DVT Consulting Holding	Luxembourg	HQ & divested entities	HQ & divested entities
Axance Technology	France	France	France	DVT Communication SARL	Luxembourg	HQ & divested entities	HQ & divested entities
Technologies & Operations	France	France	France	DVT Morocco	Morocco	International	International

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DVT Customer Effectiveness	France	France	France	DVT Services Morocco	Morocco	France	France
Fi-Makers	France	France	France	DVT Consulting Morocco	Morocco	International	International
DVT Revolve	France	France	France	DVT Mexico	Mexico	International	International
DVT nexDigital	France	France	France	Devomex Cloud Services	Mexico	HQ & divested entities	International
MEL SAS	France	HQ & divested entities	HQ & divested entities	Devoteam AS	Norway	International	International
Slag Management	France	HQ & divested entities	HQ & divested entities	DVT Smart Flow AS	Norway	Non-applicable	International
Ysance	France	Non-applicable	France	DVT G Cloud NO	Norway	International	International
Alfun	France	France	France	Manyone Oslo AS	Norway	HQ & divested entities	HQ & divested entities
Deepedge	France	Non-applicable	France	Devoteam M Cloud AS	Norway	International	International
Nubalia Cloud Computing LTD	South Africa	Non-applicable	International	Drago Solutions Corp.	Panama	Non-applicable	International
DVT Germany	Germany	International	International	DVT Netherlands	Netherlands	International	International
DVT S Team	Germany	International	International	Devoteam G Cloud NL B.V	Netherlands	International	International
DVT Alegri GmbH	Germany	International	International	DVT Poland (ex Avalon)	Poland	International	International
Alegri Personal Service GmbH	Germany	Non-applicable	International	Bold International SA	Portugal	International	International
DVT Consulting Austria	Austria	International	International	Bold Wealth Lda	Portugal	International	International
DVT Technology GmbH	Austria	International	International	DiamondbyBold Lda	Portugal	International	International
DVT Belgium	Belgium	International	International	EDOTOUTFIT	Portugal	International	International
DFSJ	Belgium	HQ & divested entities	HQ & divested entities	Nubalia Cloud computing LDA	Portugal	International	International
Fourcast Group NV	Belgium	International	International	Integrity SA	Portugal	International	International
DVT G Cloud BeLux BV	Belgium	International	International	DVT Czech Republic	Czech Republic	International	International
Devoteam A/S	Denmark	International	International	Media-tel LLC	Russia	HQ & divested entities	HQ & divested entities
DVT Technology Consulting DK	Denmark	International	International	DVT Serbia	Serbia	International	International
Devoteam Creative Tech ApS	Denmark	International	International	DVT Cloud Services SG	Singapore	HQ & divested entities	International
DVT Cloud Services DK	Denmark	International	International	DVT Slovakia	Slovakia	International	International
Devoteam Data Driven ApS	Denmark	International	International	Devoteam Sverige AB	Sweden	International	International
Inviso Software by DVT	Denmark	International	International	DVT Holding AB	Sweden	International	International
Cloudeon Denmark	Denmark	International	International	Øredev AB	Sweden	International	International
Cloudeon UAB	Lithuania	International	International	Sädesmagasinet Förvaltnings AB	Sweden	International	International
DVT Middle East	United Arab Emirates	International	International	DVT G Cloud SE	Sweden	International	International
Kelvox	Spain	HQ & divested entities	HQ & divested entities	Avalon Solutions Intressenter	Sweden	International	International
Desarrollo de procesos de implantacion S.L.	Spain	International	International	DVT Switzerland	Switzerland	International	International
DVT Drago	Spain	International	International	DVT Tunisia	Tunisia	International	International
DVT Cloud Services ES	Spain	International	International	DVT Technology Consulting	Tunisia	International	International
Nubalia Cloud Computing SLU	Spain	International	International	DVT Turkey	Turkey	International	International

The key performance indicators set out below are used by the Group for its internal reporting:

- The operating margin, which is the current operating income before share-based remuneration and the amortisation of business relationships acquired in business combinations
- The group contribution (or the "contributed revenue"), which is the total internal and external revenue of an operating segment less the cost of internal subcontracting by other Group entities. This indicator reflects a segment's contribution to the Group's revenue obtained from the Group's resources. The sum of the "group contributions" of the operating segments is the Group's consolidated revenue.

3.20 Earnings per share

In accordance with IAS 33 "Earnings per share", earnings per share are calculated by dividing the profit or loss attributable to the parent company's ordinary equity holders by the weighted average number of ordinary

shares outstanding over the financial year. The calculation of the average number of shares outstanding takes into account changes in share capital and adjustment for the Group's treasury shares.

Diluted earnings per share is the ratio of net income (attributable to the parent company's equity holders) over the diluted weighted average number of shares outstanding over the period, adjusted by the number of treasury shares and taking into account the dilutive effect of stock option and bonus share plans.

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3.21 Non-current assets held for sale

Non-current assets that have been approved for sale during the period are shown on a separate line of the balance sheet, since the sale is considered highly probable and must be made within 12 months.

Non-current assets (or disposal groups of assets and liabilities) the carrying amount of which will be recovered principally through a sale than through continued use are classified as "held for sale".

Immediately prior to their classification as held for sale, the assets (or the components of the disposal group) are measured in accordance with the Group's accounting principles. Subsequently, the assets (or disposal group) are recognised at the lower of the carrying amount or the fair value less costs to sell.

Any impairment loss in respect of a group of assets held for sale is initially allocated to goodwill and other assets in proportion to their carrying amount, with the exception of inventories, financial assets, deferred tax assets, assets generated by employee benefits and investment properties, which continue to be measured using the accounting principles applicable to them. Impairment losses resulting from the classification of an asset (or a disposal group) as held for sale and any gains or losses from subsequent valuations, are recognised in profit of loss. The gain recognised cannot exceed the cumulative impairment losses recognised.

Subsequent to their classification as non-current assets held for sale, tangible and intangible assets are no longer depreciated, amortised or impaired.

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Note 4 - Consolidation scope

4.1 Consolidation scope

The year's consolidated financial statements include the financial statements of Devoteam Group SAS and those of companies controlled directly or indirectly by the Group, as well as companies over which the Group has significant influence. The main companies included in the Group's consolidation scope at 31 December 2023 presented below.

Companies (SIREN code)	Percentage of share capital held (1)		Consolidation method	
	12/2023	12/2022	12/2023	12/2022
FRANCE				
Devoteam Group	Parent	Parent	Parent	Parent
Devoteam	100%	100%	FC	FC
Devoteam Consulting	100%	100%	FC	FC
Devoteam Outsourcing	100%	100%	FC	FC
EXA ECS	35%	35%	EA	EA
RVR Parad	95%	95%	FC	FC
Siticom	0% (1)	100%	NC	FC
Devoteam G Cloud	100%	100%	FC	FC
Be Team	72%	72%	FC	FC
Devoteam G Maps	100%	100%	FC	FC
Devoteam Creative Technology France	100%	100%	FC	FC
Devoteam Innovative Tech Enterprise Application	80%	80%	FC	FC
Axance Technology	100%	100%	FC	FC
Technologies & Operations	100% (2)	96.3%	FC	FC
Devoteam Customer Effectiveness	98%	98%	FC	FC
Fi-Makers	100% (3)	95.96%	FC	FC
Myfowo.com	99.73%	99.73%	FC	FC
Devoteam Revolve	88.34% (4)	82.10%	FC	FC
Devoteam nexDigital	88.88%	88.88%	FC	FC
Devoteam Modern Applications	100% (5)	80%	FC	FC
MEL SAS	100%	100%	FC	FC
Slag Management	100%	100%	FC	FC
Ysance	0% (6)	100%	NC	FC
Alfun	100%	100%	FC	FC
Deepedge	0% (7)	100%	NC	FC
South Africa				
Nubalia Computing Ltd	0%	75%	NC	FC
GERMANY				
Devoteam Germany	100%	100%	FC	FC
DVT S Team	100%	100%	FC	FC
Devoteam Alegri GmbH	100%	100%	FC	FC
Alegri Personal Service GmbH	0% (8)	100%	NC	FC
AUSTRIA				
Devoteam Consulting Austria	100%	100%	FC	FC
DevoteamTechnology GmbH	90% (9)	100%	FC	FC
BENELUX				
Devoteam NV/SA	100%	100%	FC	FC
DFSJ	50%	50%	EA	EA
Devoteam Luxembourg S.A.	100%	100%	FC	FC

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Devoteam Consulting Holding	100%	100%	FC	FC
Devoteam Communication	100%	100%	FC	FC
Devoteam Netherland BV	100% (10)	95%	FC	FC
Fourcast Group NV	70%	70%	FC	FC
Fourcast Group BV	70%	70%	FC	FC
Devoteam G Cloud NL	63%	63%	FC	FC
UNITED ARAB EMIRATES				
Devoteam Middle East FZ LLC	76%	76%	FC	FC
SPAIN				
Keivox	35%	35%	EA	EA
Desarrollo de procesos de implantacion S.L.	100%	100%	FC	FC
Drago Solution S.A.U	100%	100%	FC	FC
Devoteam Cloud Services	100%	100%	FC	FC
Nubalia Cloud Computing SLU	87.50% (11)	75%	FC	FC
Necsia	100%	100%	FC	FC
BeClever	100%	100%	FC	FC
UNITED STATES				
Jayway Inc	100%	100%	FC	FC
IRELAND				
Voxpilot Limited	100%	100%	FC	FC
INDONESIA				
Devoteam Cloud Services ID	80% (12)	93.1%	FC	FC
ITALY				
Devoteam Italy SRL	85%	85%	FC	FC
LITHUANIA				
Cloudeon UAB	100%	100%	FC	FC
MOROCCO				
Devoteam Morocco SARL	51%	51%	FC	FC
Devoteam Services Morocco SARL	100%	100%	FC	FC
Devoteam Consulting Morocco	75%	75%	FC	FC
MEXICO				
Devoteam Mexico	99%	99%	FC	FC
Devomex Cloud Services	0% (13)	98%	NC	FC
PANAMA				
Drago Solutions Corp. PANAMA	0% (14)	100%	NC	FC
POLAND				
Avalon Solutions Sp Zoo	97.61% (15)	88%	FC	FC
PORTUGAL				
BoldInt	79.99% (16)	65%	FC	FC
Bold Wealth Lda	80% (17)	65%	FC	FC
Edotoufit	92% (18)	66%	FC	FC
Nubalia Cloud computing LDA	79.99% (19)	75%	FC	FC
Integrity SA	75%	75%	FC	FC
Excellence Center DVT Portugal	0% (20)	65%	NC	FC
CZECH REPUBLIC				
Devoteam s.r.o	90%	90%	FC	FC
UNITED KINGDOM				
Devoteam UK Limited	100%	100%	FC	FC
Devoteam G Cloud UK LTD	70%	70%	FC	FC
RUSSIA				
Media-tel LLC	43%	43%	EA	EA

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SCANDINAVIA				
Devoteam A/S (Denmark)	100%	100%	FC	FC
DVT Technology Consulting (Denmark)	90%	90%	FC	FC
Jayway ApS (Denmark)	100%	100%	FC	FC
Devoteam Cloud Services (Denmark)	97.61% (15)	93.10%	FC	FC
Devoteam Creative Tech AB (Sweden)	100%	100%	FC	FC
Devoteam Holding AB (Sweden)	0% (21)	100%	NC	FC
Øredev AB (Sweden)	100%	100%	FC	FC
Sädesmagasinet Förvaltnings AB (Sweden)	100%	100%	FC	FC
Devoteam G Cloud AB (ex Avalon Solutions AB Sweden)	97.61% (15)	93.1%	FC	FC
Devoteam AS (Norway)	100%	100%	FC	FC
Devoteam G Cloud AS (ex Avalon Solutions AS Norway)	97.61% (15)	93.1%	FC	FC
Inviso by DVT (Denmark)	96.5% (22)	87.5%	FC	FC
Inviso software by DVT (Denmark)	88.5%	88.5%	FC	FC
Manyone Oslo AS (Ex Studio Vues AS Norway)	49%	49%	EA	EA
Devoteam M Cloud AS (Norway)	96% (23)	80%	FC	FC
Cloudeon A/S (Denmark)	100%	100%	FC	FC
Cloudeon AB (Sweden)	100%	100%	FC	FC
Cloudeon AS (Norway)	100%	100%	FC	FC
Avalon Solutions Intressenter (Sweden)	80.84% (15)	45.1%	FC	FC
SERBIA				
Devoteam d.o.o.	100%	100%	FC	FC
SINGAPORE				
Devoteam Cloud Services PTE Ltd	0% (24)	93.1%	NC	FC
SLOVAKIA				
Devoteam Slovakia	90%	90%	FC	FC
SWITZERLAND				
Devoteam Switzerland	90%	90%	FC	FC
TUNISIA				
Devoteam Tunisia	75%	75%	FC	FC
Devoteam Technology Consulting	75%	75%	FC	FC
TURKEY				
Devoteam Information Technology and Consultancy A.S. (ex Secura)	100%	100%	FC	FC

FC: Fully consolidated; EA: Equity method; NC: No consolidated

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(1) Merger of Siticom with Devoteam SAS.
(2) Acquisition of an additional 3.7% interest in Technologies & Operations. This brings the Group's stake in Technologies & Operations to 100%.
(3) Acquisition of an additional 4.04% interest in Fi-Makers. This brings the Group's stake in Fi-Makers to 100%.
(4) Acquisition of an additional 6.28% interest in Devoteam Revolve. This brings the Group's stake in Devoteam Revolve to 88.34%.
(5) Acquisition of an additional 20% interest in Devoteam Modern Applications. This brings the Group's stake in Devoteam Modern Applications to 100%.
(6) Merger of Ysance with Devoteam SAS.
(7) Merger of Deepedge with Alfun.
(8) Merger of Alegri Personal Service GmbH with Devoteam Alegri.
(9) Capital increase by Devoteam Technology GmbH in favour of minority shareholders. This brings the Group's stake in the company to 90%.
(10) Acquisition of an additional 5% interest in Devoteam Netherland BV. This brings the Group's stake in Devoteam Netherland BV to 100%.
(11) Acquisition of an additional 12.5% interest in Nubalia Cloud Computing SLU. This brings the Group's stake in Nubalia Cloud Computing SLU to 87.5%.
(12) Capital increase by Devoteam Cloud Services Indonesia in favour of minority shareholders. This brings the Group's stake in Devoteam Cloud Services ID to 80%.
(13) Sale of 100% of the share capital of Devomex Cloud Services.
(14) Liquidation of Drago Solutions Corp. PANAMA.
(15) Acquisition of an additional 35.78% of Avalon Solutions Intressenter, the holding company of the Avalon group. This gives the Group an 80.84% stake.
(16) Acquisition of an additional 15% of BoldINT, bringing the Group's stake to 79.99%.
(17) Acquisition of an additional 15% of Bold Wealth, bringing the Group's stake to 80%.
(18) Acquisition of an additional 26% of EdoOutfit, bringing the Group's stake to 92%.
(19) Internal sale of 15% of Nubalia Cloud Computing LDA by Nubalia Cloud Computing SLU to BoldINT. This gives the Group an 87.5% stake.
(20) Merger of Excellence Center DVT Portugal with BOLDINT.
(21) Merger of Devoteam Holding AB with Sädesmagasinet Förvaltnings AB.
(22) Acquisition of an additional 9% interest in Inviso by DVT. This brings the Group's stake in Inviso by DVT to 96.5%.
(23) Acquisition of an additional 16% interest in Devoteam M Cloud AS. This brings the Group's stake in Devoteam M Cloud AS to 96%.
(24) Sale of 100% of Devoteam Singapore.

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4.2 Movements during the year

4.2.1 Acquisitions

The Group made the following acquisitions during the period:

- On 10 October 2023, the Group acquired 76.67% of the share capital of Singularity, Sistemas de Informação, Lda in Portugal, which specialises in data analytics, business intelligence, AI, machine learning and data visualisation. The company employs approximately 60 data experts who work with a range of technologies and strategic partners, including Microsoft, and generated revenue of €2.5 million in 2022. The acquisition will be consolidated for the first time on 1 January 2024. The shares acquired are recorded as non-current financial assets at 31 December 2023.

- On 29 November 2023, Devoteam acquired 100% of the share capital of DareCode SLU in Spain, which is recognised for its expertise in software development and DevOps. Based in Zaragoza, DareCode has around 40 employees and generated revenue of €3.9 million in 2022. The acquisition will be consolidated for the first time on 1 January 2024. The shares acquired are recorded as non-current financial assets at 31 December 2023.

Net assets of the acquired companies

Acquisitions carried out at the end of 2023 will be consolidated as of 1 January 2024.

Goodwill

Goodwill resulting from acquisitions finalised in 2023 will be calculated in 2024 since it will be consolidated on 1 January 2024.

The expenses arising from these acquisitions totalled €49 thousand and are recorded in "Other operating expenses".

The nature of the Group's business results in the recognition of significant goodwill. In a business combination, the Group primarily acquires human capital.

Acquisition accounting and valuation period

The allocation of the price paid to acquire Singularity Lda and DareCode SLU is being determined and will be finalised in 2024.

The finalisation of the acquisition price of BeClever, acquired in 2022, did not give rise to the recognition of any significant intangible assets during the year.

Comparable basis information

The impact of scope changes related to 2022 and 2023 operations on the 2023 financial statements is presented below.

In thousands of euros	Transactions in 2023	Transactions in 2022
Annual revenue	4,144	29,294
Current operating income	(918)	4,644
Net income	(1,215)	3,646
Total assets	-	16,608
Changes in WCR	1,421	458

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4.2.2 Disposals and losses of control

In 2023, the Group liquidated Drago Solutions Corp. in Panama and sold Devoteam Devomex in Mexico and Devoteam Cloud Services PTE Ltd in Singapore with no material impact on the consolidated financial statements.

Note 5 - The consolidated statement of financial position

5.1 Goodwill

In thousands of euros	31 December 2022	Acquisitions/ Impairment	Other	Disposals	Foreign currency translation differences	31 December 2023
Goodwill	662,892	-	-	-	(2,464)	660,428
Impairment losses	(1,179)	-	-	-	(3)	(1,182)
Net goodwill	**661,712**	**-**	**-**	**-**	**(2,467)**	**659,246**

Net goodwill was down by €2,467 thousand at 31 December 2023, mainly attributable to currency effects in the Middle East and Norway.

The following movements were observed at 31 December 2022:

In thousands of euros	31 December 2021	Acquisitions/ Impairment	Other	Disposals	Foreign currency translation differences	31 December 2022
Goodwill	617,225	44,748	3,078	-	(2,159)	662,892
Impairment losses	-	(1,234)	-	-	55	(1,179)
Net goodwill	**617,225**	**43,514**	**3,078**	**-**	**(2,105)**	**661,712**

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Goodwill by CGU at 31 December 2023 and 2022:

In thousands of euros	31 December 2023			31 December 2022		
Goodwill	Gross goodwill	Cumulative impairment	Net goodwill	Gross goodwill	Cumulative impairment	Net goodwill
France	295,354	-	295,354	295,354	-	295,354
Denmark	80,832	-	80,832	81,011	-	81,011
Spain	51,102	-	51,102	51,102	-	51,102
Portugal	44,217	-	44,217	44,217	-	44,217
Belux	34,888	-	34,888	34,888	-	34,888
Sweden	32,859	(1,182)	31,677	32,782	(1,179)	31,603
Middle East	32,426	-	32,426	33,593	-	33,593
Alps	20,303	-	20,303	20,815	-	20,815
Norway	14,993	-	14,993	16,029	-	16,029
Germany	13,930	-	13,930	13,930	-	13,930
Netherlands	13,884	-	13,884	13,884	-	13,884
Great Britain	12,765	-	12,765	12,508	-	12,508
Morocco	6,258	-	6,258	6,139	-	6,139
Austria	5,356	-	5,356	5,356	-	5,356
Italy	1,224	-	1,224	1,224	-	1,224
Turkey	36	-	36	59	-	59
Total	**660,428**	**(1,182)**	**659,246**	**662,892**	**(1,179)**	**661,712**

Earn-out clause

At 31 December 2023, the earn-out commitment was €20,241 thousand (vs. €20,923 thousand at 31 December 2022) and involved Paradigmo, Bold, Fi-Makers, Devoteam Modern Application, Cloudeon, Alfun, Devoteam Italy, BeClever, Singularity, Devoteam M Cloud Norway and DareCode. These earn-outs are contingent on the future performance of the acquired entities.

The recoverable amount of the CGUs

The method used to measure the recoverable amount of CGUs is described in Note 3.2. The key assumptions used in 2023 to determine the recoverable amounts are presented below for each geographic region in which the Group is present:

Key assumptions for 2023	Discount rate	Long-term growth rate	Normative rate of return[1]
France	9.90%	2%	5% to 20%
Other countries	9.3% to 11.8%	2%	5% to 22%
Middle East	10.9% to 15.5%	2.50%	12%
North Africa	12.10%	2.50%	10% to 12%

(1) Long-term operating margin.

Key assumptions for 2022	Discount rate	Long-term growth rate	Normative rate of return[1]
France	10.3%	2%	3% to 17%
Other countries	9.6% to 12.2%	2%	5% to 15%[2]
Middle East	11.3% to 15.9%	2.50%	5% to 10%
North Africa	12.50%	2.50%	10% to 12%

(1) Long-term operating margin.
(2) With the exception of Nubalia whose normative rate of return is 20%.

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The key assumptions were determined as follows:

- The discount rate was determined by an independent firm on the basis of average risk premiums and betas observed over the past two years. The risk-free rate is the average rate of 10-year French government OAT bonds over the past two years.
- The normative return of the CGUs used to calculate the terminal value was based on the Group's historical data.
- The long-term growth rate used to calculate the terminal value is derived from OECD forecasts and is confirmed by the average rate used by financial analysts for the Group's industry.

The application of IFRS 16 was taken into account in Group's impairment testing methodology. In particular, this impacts the value of the assets to be tested, the discount rates and the cash flow projections.

The following sensitivity tests were performed on these key assumptions:

- A 0.5 or 1-point increase in the discount rate would have reduced earnings by €1,324 thousand and €7,525 thousand respectively.
- A 0.5-point decrease in the perpetual growth rate would have no impact on the group's results.
- A 0.5-point decrease in the normative rate of return would have no impact on the group's results.

Future cash flows are estimated using parameters obtained from the budgeting and forecasting process over a five-year timeframe, and include growth and profitability rates that are deemed to be reasonable and consistent with management's expectations.

The following sensitivity tests were performed on the parameters used to estimate future cash flows:

- A 1-point decrease in revenue growth would have no impact on the group's results.
- A 1-point decrease in the operating margin would have no impact on the group's results.
- A combination of the above two decreases would have reduced the Group's earnings by €914 thousand.

Only the Denmark CGU had a recoverable amount that was near its carrying amount at the end of 2023.

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5.2 Intangible assets

Data for the 2023 financial year is summarised below:

In thousands of euros	Software and trademarks	Business relationships and order backlog	Other intangible assets	Total
Gross value				
At 1 January 2023	34,155	242,716	11,332	288,204
Change in scope	-	-	(38)	(38)
Acquisitions during the year	316	-	7,683	7,999
Disposals during the year	-	-	-	-
Reclassification and scrapping	(242)	(2,723)	(13,222)	(16,187)
Foreign currency translation differences	(81)	(1,141)	2	(1,221)
At 31 December 2023	**34,148**	**238,852**	**5,757**	**278,757**
Accumulated amort. and impairment losses				
At 1 January 2023	(8,906)	(44,582)	(3,451)	(56,939)
Change in scope	-	-	24	24
Net additions	(388)	(21,212)	(119)	(21,719)
Decreases	-	-	-	-
Reclassification and scrapping	213	2,723	(116)	2,820
Foreign currency translation differences	15	226	-	241
At 31 December 2023	**(9,067)**	**(62,845)**	**(3,662)**	**(75,573)**
Net value at 31 December 2023	**25,081**	**176,008**	**2,095**	**203,184**

The table below shows the main movements observed in 2022:

In thousands of euros	Software and trademarks	Business relationships and order backlog	Other intangible assets	Total
Gross value				
At 1 January 2022	34,293	243,860	9,136	287,289
Change in scope	14	26	(3,439)	(3,399)
Acquisitions during the year	400	-	5,763	6,164
Disposals during the year	-	-	-	-
Reclassification and scrapping	(514)	(416)	(128)	(1,057)
Foreign currency translation differences	(39)	(753)	(0)	(793)
At 31 December 2022	**34,155**	**242,716**	**11,332**	**288,204**
Accumulated amort. and impairment losses				
At 1 January 2022	(8,845)	(23,527)	(4,036)	(36,408)
Change in scope	(11)	-	313	302
Net additions	(557)	(21,628)	147	(22,038)
Decreases	-	-	-	-
Reclassification and scrapping	514	416	125	1,055
Foreign currency translation differences	(7)	157	-	150
At 31 December 2022	**(8,906)**	**(44,582)**	**(3,451)**	**(56,939)**
Net value at 31 December 2022	**25,249**	**198,134**	**7,881**	**231,264**

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5.3 Tangible assets

Data for the 2023 financial year is summarised below:

In thousands of euros	Land and buildings	Fixtures and fittings	IT, office equipment and furniture	Other tangible assets	Total
Gross value					
At 1 January 2023	837	5,374	37,119	1,981	45,310
Change in scope	-	-	(214)	(21)	(235)
Acquisitions during the year (1)	672	2,531	3,948	869	8,020
Disposals during the year	-	(523)	(25)	(153)	(701)
Reclassification and scrapping	(14)	150	(1,991)	(516)	(2,371)
Foreign currency translation differences	(36)	3	(125)	(39)	(197)
At 31 December 2023	**1,459**	**7,534**	**38,713**	**2,121**	**49,827**
Accumulated amort. and impairment losses					
At 1 January 2023	(673)	(2,435)	(27,333)	(1,164)	(31,605)
Change in scope	-	-	191	21	212
Net additions	(84)	(636)	(4,529)	(121)	(5,371)
Decreases	-	332	22	108	461
Reclassification and scrapping	5	212	1,648	78	1,943
Foreign currency translation differences	20	(3)	58	5	80
At 31 December 2023	**(732)**	**(2,531)**	**(29,944)**	**(1,072)**	**(34,279)**
Net value at 31 December 2023	**728**	**5,003**	**8,769**	**1,049**	**15,548**

(1) Mainly corresponds to improvements to business premises and IT equipment upgrades for the Group's operational needs.

The table below shows the main movements observed in 2022:

In thousands of euros	Land and buildings	Fixtures and fittings	IT, office equipment and furniture	Other tangible assets	Total
Gross value					
At 1 January 2022	637	7,127	35,208	1,040	44,012
Change in scope	-	-	621	527	1,147
Acquisitions during the year	179	1,014	7,242	710	9,143
Disposals during the year	-	(94)	(1,319)	(272)	(1,685)
Reclassification and scrapping (1)	(1)	(2,645)	(4,458)	(12)	(7,116)
Foreign currency translation differences	22	(28)	(174)	(12)	(191)
At 31 December 2022	**837**	**5,374**	**37,119**	**1,981**	**45,310**
Accumulated amort. and impairment losses					
At 1 January 2022	(527)	(4,454)	(26,823)	(934)	(32,738)
Change in scope	-	-	(443)	(179)	(622)
Net additions	(123)	(486)	(5,088)	(125)	(5,821)
Decreases	-	29	633	-	662
Reclassification and scrapping	-	2,463	4,288	77	6,828
Foreign currency translation differences	(23)	12	100	(2)	87
At 31 December 2022	**(673)**	**(2,435)**	**(27,333)**	**(1,164)**	**(31,605)**
Net value at 31 December 2022	**164**	**2,939**	**9,786**	**817**	**13 706**

(1) Mainly corresponds to improvements to business premises and IT equipment upgrades for the Group's operational needs.

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5.4 Rights to use leased assets

Rights to use leased assets

The table below shows the main movements observed in 2023:

In thousands of euros	Land, buildings and fittings	Vehicles	IT and other equipment	Total
Gross value				
At 1 January 2023	65,276	22,374	85	87,735
Foreign currency translation differences	(308)	(1)		(309)
Acquisitions/Increases	25,605	6,943		32,549
Disposals/Decreases	(7,789)	(4,316)	(73)	(12,179)
At 31 December 2023	**82,784**	**25,000**	**12**	**107,796**
Depreciation, amortisation and impairment				
At 1 January 2023	(32,584)	(13,046)	(52)	(45,682)
Foreign currency translation differences	73	(2)		72
Charges and impairment	(12,232)	(4,434)	(5)	(16,671)
Disposals/Decreases	5,610	3,618	47	9,274
At 31 December 2023	**(39,133)**	**(13,863)**	**(10)**	**(53,007)**
Net values				
At 31 December 2023	**43,652**	**11,137**	**2**	**54,790**

The table below shows the main movements observed in 2022:

In thousands of euros	Land, buildings and fittings	Vehicles	IT and other equipment	Total
Gross value				
At 1 January 2022	61,984	20,258	91	82,333
Foreign currency translation differences	(510)	(33)	-	(543)
Acquisitions/Increases	14,263	5,304	(6)	19,561
Disposals/Decreases	(10,461)	(3,155)	-	(13,616)
At 31 December 2022	**65,276**	**22,374**	**85**	**87,735**
Depreciation, amortisation and impairment				
At 1 January 2022	(25,777)	(10,559)	(40)	(36,376)
Foreign currency translation differences	248	21	-	269
Charges and impairment	(10,471)	(5,242)	(12)	(15,725)
Reversals	3,416	2,734	-	6,150
At 31 December 2022	**(32,584)**	**(13,046)**	**(52)**	**(45,682)**
Net values				
At 31 December 2022	**32,693**	**9,329**	**33**	**42,055**

Lease liabilities

In thousands of euros	Due in less than 1 year	Due in 1 to 5 years	Portion due in more than 5 years	Total
Operating lease liabilities At 31 December 2023	16,515	34,665	5,495	56,674

Undiscounted lease liabilities are presented in Note 8.3.2.

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5.5 Non-current financial assets

In thousands of euros	31 December 2023	31 December 2022
Loans, guarantees and other receivables	7,169	5,163
Other financial assets	13,461	877
Total	**20,630**	**6,040**

Non-current financial assets consist mainly of security deposits and loans outside the Group. Loans, guarantees and other receivables consist mainly of lease security deposits totalling €3,515 thousand and bank security deposits and advances granted in the Middle East in the amount of €2,641 thousand. Other non-current financial assets consist mainly of shares in Singularity (€6.4 million) and DareCode (€6.3 million), which were not consolidated at 31 December 2023, and cash advances to associates.

5.6 Equity-accounted investees

In thousands of euros	31 December 2023	31 December 2022
Investments in associates	401	553

The information provided below applies to the following equity-accounted investees: Keivox (Spain), DFSJ (Belgium), Media-Tel LLC (Russia), Exa ECS (France) and Manyone Oslo AS (Norway).

Recorded amounts In thousands of euros	31 December 2023	31 December 2022
Non-current assets	455	630
Current assets	6,181	6,698
Non-current liabilities	891	943
Current liabilities	4,798	5,283
100% of net assets	946	1,102
Net assets attributable to the Group	469	553
Goodwill	-	-
Other	-	-
Carrying amount of interests	401	553
Net revenue	8,378	10,322
Profit/(loss) after tax from continuing operations	(276)	25
Other items of comprehensive income	-	-
Total comprehensive income	(276)	25
Total comprehensive income attributable to the Group	(143)	(2)

5.7 Investment property

The Group's investment property consists of an office building with total floor space of 4,122 sqm and an 894 sqm data centre. As this property is fully sublet, it is not used for the Group's business and is accordingly classified as an investment property. The fair value assigned to this asset for the Devoteam Group acquisition of 1 December 2020 is €2.2 million. At 31 December 2023, with the change in the outlook for subletting investment property, fair value was estimated to be €1 million, generating a €1.2 million loss in value over the period.

Investment property generated subletting income of €486 thousand with operating expenses totalling €14 thousand.

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5.8 Other non-current assets and liabilities

Assets *In thousands of euros*	31 December 2023	31 December 2022
Other	1,344	413
Prepaid expenses (>1 yr)	1,127	1,558
Total	**2,471**	**1,971**

Liabilities *In thousands of euros*	31 December 2023	31 December 2022
Other non-current liabilities	24,065	41,385
Deferred income	2,454	3,341
Total	**26,520**	**44,725**

Other non-current liabilities consist of the following:

- Earn-out liabilities of €6,125 thousand, of which €1,572 thousand for DareCode, €1,564 thousand for Devoteam M Cloud Norway, €720 thousand for Singularity, €1,363 thousand for BeClever and €535 thousand for Devoteam Italy.
- Put-option liabilities of €15,624 thousand, of which €4,421 thousand for Integrity, €1,177 thousand for Singularity and €10,026 thousand for Fourcast.
- Non-current mandatory severance pay liabilities of €1,249 thousand for employees in Italy.

5.9 Other non-current assets and liabilities

Assets *In thousands of euros*	31 December 2023	31 December 2022
Trade receivables	327,738	274,425
Contract assets	74,585	65,598
Tax and social security receivables	32,592	24,068
Current tax receivables	7,508	10,364
Other current receivables	3,676	3,341
Prepaid expenses	62,054	52,651
Total	**508,153**	**430,447**

Trade receivables and contract assets

The change in trade receivables and contract assets of €62,299 thousand is mainly attributable to changes in scope (-€1,896 thousand) and to the growth of business activity, particularly in France and the Middle East. At 31 December 2023, the Group had 50 days of sales outstanding (DSO), a slight increase from 45 DSO at 31 December 2022.

Calculation of average days of sales outstanding (DSO)

(all figures are thousands of euros, except for the number of days)	31 December 2023	31 December 2022
Trade receivables and contract assets excl. VAT	369,328	310,790
Accounts receivable and contract liabilities	(133,428)	(120,797)
Net client position excl. VAT	235,899	189,992
Q4 revenue excl. VAT	428,414	381,743
DSO (in days)*	**50**	**45**

* Management data, with neutralisation of the impacts of factoring & IFRS 15.

Tax and social security receivables

The change in tax and social security receivables is attributable to the Group's organic growth.

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Prepaid expenses
The change in this item is mainly due to the Group's business activity, most notably in Denmark and the Middle East.

Liabilities (excluding current provisions and short-term loans and other borrowings) *In thousands of euros*	31 December 2023	31 December 2022
Trade payables	183,401	143,262
Tax and social security liabilities	204,121	187,395
Current tax liabilities	8,469	10,180
Fixed asset liabilities	4,667	3,061
Other current liabilities	41,973	35,463
Contract liabilities	116,259	103,054
Total	**558,891**	**482,415**

Trade payables
The change in trade payables is related to the growth of the Group's business activity.

Tax and social security liabilities
Tax and social security liabilities rose €16,727 thousand due to organic growth.

Fixed asset liabilities
The change in this item is mainly attributable to the debt from the purchase of Devoteam Revolve shares, signed and not paid as of 31 December 2023, in the amount of €1,588 thousand.

Other current liabilities
Other current liabilities amounted to €41,973 thousand and break down as follows:

- Advance payments from customers and customer credit notes to be issued totalling €17,658 thousand (vs. €17,283 thousand in 2022), mainly for French entities (€17,151 thousand).
- Current liabilities in respect of earn-outs and put options on non-controlling interests totalling €20,111 thousand (vs. €16,784 thousand in 2022) related to changes in scope.
- Dividends to be paid to minority shareholders totalling €74 thousand.

Contract liabilities
The increase in this item is mainly due to the Group's business activity.

5.10 Other current financial assets and net cash

Other current financial assets
This item mainly consists of a security deposit for the receivables factoring contract (€2,430 thousand), short-term loans and guarantees (€1,285 thousand) and a hedging instrument (€540 thousand), the characteristics of which are described in Note 5.14.

Net cash
The **cash** shown in the statement of cash flows consists of cash and cash equivalents (short-term investments and cash in bank), net of bank overdrafts.

Net cash/debt includes cash, as defined above, and cash management assets (assets presented separately in the statement of financial position due to their characteristics), less short- and long-term borrowings. It also takes into account the impact of hedging instruments on borrowings and treasury shares. It does not include the lease liabilities recognised pursuant to IFRS 16.

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In thousands of euros	31 December 2023	31 December 2022
Short-term investments	129	117
Cash in bank	115,851	134,281
Bank overdrafts (liability)	(5,077)	(6,208)
Cash and cash equivalents	**110,903**	**128,190**
Cash management assets	-	-
Bank loans and other borrowings	(555,829)	(554,034)
Long-term borrowings	**(555,829)**	**(554,034)**
Bank loans and other borrowings	(42,522)	(29,309)
Short-term borrowings	**(42,522)**	**(29,309)**
Total borrowings*	**(598,351)**	**(583,343)**
Derivative instruments	-	-
Net cash	**(487,448)**	**(455,152)**

* Borrowings are described in detail in Note 5.14.

Cash held in countries subject to foreign exchange controls totalled €4,153 thousand.

The main changes in the Group's cash over the year are described in Note 7.

5.11 Deferred tax assets and liabilities

Recognised deferred tax

The items in the table below are not offset by the Group's consolidated deferred tax assets and liabilities.

In thousands of euros	31/12/2022	Recognised in profit or loss	Foreign currency translation differences	OCI*	Other	31/12/2023	31/12/2023	
							Assets	Liabilities
Lump-sum retirement payments	1,764	(24)	(28)	292	111	2,115	2,143	(28)
Miscellaneous provisions	1,066	(553)	(10)	-	33	536	831	(298)
Other temporary differences	1,680	548	4	-	(14)	2,219	2,605	(386)
Tax loss carryforwards	997	8,719	(11)	-	(872)	8,832	8,832	-
Customer relationships	(47,143)	4,548	191	-		(42,404)	-	(42,404)
Order backlog	(637)	411	2	-	-	(224)	-	(224)
Trademark	(6,151)	-	13	-	-	(6,137)	-	(6,137)
Operating leases (IFRS 16)	267	174	-	-	-	442	442	-
Finance leases	19	-	-	-	-	19	19	(0)
Cancellation of goodwill	(927)	(124)	(9)	-	627	(432)	181	(613)
Other	756	78	-	345	(185)	993	1,888	(893)
TOTAL	**(48,308)**	**13,778**	**153**	**637**	**(323)**	**(34,039)**	**16,942**	**(50,981)**

* Other comprehensive income.

Devoteam Group SAS established a tax consolidation group on 1 January 2022 for its main French subsidiaries.

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In thousands of euros	31/12/2021	Recognised in profit or loss	Foreign currency translation differences	OCI*	Other	31/12/2022	31/12/2022	
							Assets	Liabilities
Lump-sum retirement payments	1,493	123	(29)	(673)	850	1,764	1,793	(29)
Miscellaneous provisions	1,610	(815)	2		268	1,066	1,194	(128)
Other temporary differences	1,661	233	5		(221)	1,680	2,020	(339)
Tax loss carryforwards	133	160	(13)		716	997	997	-
Customer relationships	(52,681)	4,728	810			(47,143)		(47,143)
Order backlog	(1,073)	464	(22)		(6)	(637)		(637)
Trademark	(6,218)		67			(6,151)		(6,151)
Treasury shares								
Operating leases (IFRS 16)	272	-4				267	267	-
Finance leases	-	21			(2)	19	19	-
Cancellation of goodwill	(339)	(2)	27		(613)	(927)	183	(1,110)
Other	1,595	172	53	(373)	(688)	756	1,772	(1,019)
TOTAL	**(53,547)**	**5,081**	**902**	**(1,046)**	**304**	**(48,308)**	**8,249**	**(56,557)**

* Other comprehensive income.

The Group recognised a deferred tax asset on its tax loss carryforwards of €8,832 thousand, mainly in France within the tax consolidation scope (€8,138 thousand) and in Norway (€641 thousand).

The recoverability of these tax assets is justified by tax planning over a 3-year period, using the growth and profitability assumptions that were used to determine the recoverable amounts of the CGU.

The table below shows the change in deferred taxes in 2021 and 2022.

In thousands of euros	31 December 2023	31 December 2022
Profit/(loss)	13,778	5,081
Foreign currency translation differences	153	902
Other comprehensive income	(328)	(1,046)
Changes in scope	24	24
Other	642	280
Total	**14,269**	**5,239**

Maturity of deferred tax assets before offsetting:

In thousands of euros	31 December 2023			31 December 2022		
	Total	Less than 1 year	More than 1 year	Total	Less than 1 year	More than 1 year
Deferred tax assets	16,942	5,562	11,381	8,249	5,626	2,623
Deferred tax liabilities	50,981	6,114	44,866	56,558	6,485	50,073
Net deferred tax	**(34,039)**	**(553)**	**(33,486)**	**(48,308)**	**(859)**	**(47,449)**

Unrecognised deferred tax

The Group has tax loss carryforwards in various tax jurisdictions. Deferred tax assets have not been recognised in respect of these tax losses, as there is not sufficient probability that a taxable profit will enable their use within a reasonable timeframe.

In thousands of euros	2023	2022
Unrecognised tax loss carryforwards	60,063	48,262

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These tax deficits, which were not recognised at 31 December 2023, mainly concern the Group's entities in France (€30,296 thousand), Germany (€9,853 thousand), Denmark (€8,522 thousand) and Lithuania (€5,198 thousand).

The amounts of other comprehensive income included in the change in deferred taxes are shown below:

In thousands of euros	31 December 2023	31 December 2022
Tax expense on the remeasurement of defined-benefit pension plan liabilities	292	(673)
Tax expense on the change in the fair value of cash flow hedges	345	(373)
Total	**637**	**(1,046)**

5.12 Equity

5.12.1 Share capital

At 31 December 2023, the share capital of Devoteam Group SAS totalled €397,142,818 and consisted of 397,142,818 shares with a par value of €1.

The changes in share capital over the year are shown below:

Share classes	Number of shares				Share capital
	Beginning of year	Created during the year	End of year	Par value	
Ordinary shares	6,041,103	-	6,041,103	1	6,041,103
A preferred shares	161,614,712	-	161,614,712	1	161,614,712
B1 preferred shares	4,029,371	537,538	4,566,909	1	4,566,909
B1' preferred shares	129,701	201,873	331,574	1	331,574
B2 preferred shares	563,000	-	563,000	1	563,000
C preferred shares	191,352,516	-	191,352,516	1	191,352,516
D preferred shares	32,673,004	-	32,673,004	1	32,673,004
Total	**396,403,407**	**739,411**	**397,142,818**		**397,142,818**

There are currently seven share classes:

- Ordinary shares
- The class A preferred shares, issued in consideration for the contribution of Devoteam shares by the founders of the Devoteam Group, are ordinary shares with double voting rights
- Class B1 and B1' preferred shares offer certain "positive" advantages in the event of a triggering event. They have a single voting right and no right to distributions.
- Class B2 preferred shares offer certain "positive" benefits in the event of a triggering event. They have double voting rights and no right to distributions.
- Class C preferred shares offer certain "negative" benefits in the event of a triggering event. They have a single voting right and entitle their holders to distributions.
- Class D preferred shares offer certain "negative" benefits in the event of a triggering event. They have a single voting right for all outstanding shares and entitle their holders to distributions.

Following an analysis of the criteria set out in IAS 32.16 a.i (contractual obligation to pay cash or another financial asset) and b.i (contractual obligation of the issuer to deliver a variable number of own equity instruments), Preferred Shares are classified as equity instruments given that the Company, via its governance body, maintains the unconditional right to:

- oppose the Dissolution of Voluntary Liquidation of the Company.

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- deliver a variable number of securities in the event of an initial public offering and activation of the automatic conversion mechanism (formula-based).

5.12.2 Treasury shares

None

5.12.3 Earnings per share (EPS)

	31 December 2023	31 December 2022
Consolidated profit/(loss) attributable to the Group (in thousands of euros)	(3,550)	8,611
Weighted average number of shares	396,702,018	397,142,818
Earnings per share (€)	**(0.01)**	**0.02**

* The calculation method is described in Note 3.20.

At 31 December 2023, there were no outstanding dilutive instruments.

5.13 Non-controlling interests (minority interests)

At 31 December 2023, the main minority interests were held in Devoteam Middle East, Devoteam Portugal, Devoteam Morocco and Devoteam Czech Republic.

The table below summarises the key financial figures of material non-controlling interests before intra-group eliminations.

In thousands of euros	31 December 2023	31 December 2022
Non-current assets	67,982	76,070
Current assets	335,973	291,646
Non-current liabilities	(27,997)	(22,911)
Current liabilities	(277,650)	(226,251)
Net assets	98,308	118,553
Reclassification of minority interests	(1,037)	229
Carrying amount of non-controlling interests	**19,657**	**25,647**
Net revenue	314,746	310,525
Net income	29,789	34,259
Other comprehensive income		
Total comprehensive income	**29,789**	**34,259**
Net income allocated to non-controlling interests	5,840	6,494
Other comprehensive income allocated to non-controlling interests		
Cash flow from operating activities	30,350	29,167
Cash flow from investing activities	(10,978)	(2,899)
Cash flow from financing activities	(16,128)	(17,341)
Impact of exchange rate fluctuations	(929)	84
Net increase (decrease) in cash and cash equivalents	**2,315**	**9,011**

The Group presents aggregate information on non-controlling interests due to the immaterial impact of these interests taken individually, with the largest representing approximately 2.5% of the Group's consolidated equity.

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5.14 Loans and other borrowings

In thousands of euros	31 December 2023	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Term loan B	551,629	-	551,629	-
Loans from credit institutions	46,722	42,522	4,200	-
Bank overdrafts	5,077	5,077	-	-
Total loans and borrowings	**603,429**	**47,599**	**555,829**	**-**

In thousands of euros	31 December 2022	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Term loan B	548,902	-	548,902	-
Loans from credit institutions	34,440	29,309	5,131	-
Bank overdrafts	6,208	6,208	-	-
Total loans and borrowings	**589,551**	**35,517**	**554,034**	**-**

Senior loan ("Term loan B" or "TLB")

On 20 July 2020, the Group signed a Senior Facility Agreement (SFA) with a pool of banks for a maximum amount of €370 million, in order to finance the acquisition of 100% of the Devoteam Group. Since the Group had not acquired 100% of the shares upon completion of the first tender offer in December 2020, only €300 million of this loan was drawn down and the balance was cancelled.
On 13 October 2021, the Group signed a supplement agreement to the SFA for an additional tranche of €265 million to finance the second tender offer for the Devoteam Group and its delisting. All of this additional tranche was used. The nominal amount of the loan is therefore €565 million.

Loan issuance expenses amounted to €19.8 million and were deducted from the nominal amount of the loan.

The net book value of the TLB breaks down as follows:

In thousands of euros	31 December 2023	31 December 2022
Par value	565,000	565,000
Loan issuance expenses	(19,773)	(19,773)
Amortisation of loan issuance expenses	6,403	3,675
Net carrying amount	**551,629**	**548,902**

The main characteristics of the TLB are shown below:

	TLB
Nominal issuance amount (in €)	565,000,000
Term	84 months
Base interest rate	Euribor*
Initial margin	4.50%**
Amortisable	Not used
Intended redemption date	09/12/2027

* 0% floor
** The initial margin of 4.5% may be revised if the leverage ratio (L) falls below 2.5, as follows:
- between 2 and 2.5, the margin will be 4.25%.
- below 2, the margin will be 4.00%.

The leverage ratio (L) is the ratio of the net consolidated debt over the consolidated EBITDA

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Taking into account issuance costs and the 3-month Euribor rate at the end of the year, this loan's effective interest rate is 9.13%.

In August 2022, the Company entered into an agreement with a leading counterparty to hedge some of its floating-rate debt with the hedging instrument that is described below. The Group may adapt its hedging strategy depending on market conditions and on volatility in particular.

Hedging instrument	
Type	Cap rate
Nominal amount	€225 million
Base interest rate	3-month Euribor
Term	3 years as of 19/09/2022
Strike price	3.25%
Cost of hedging (€)	1,105,000
Fair value to 31 December 2023 (€)	539,741

Revolving Credit Facilities (RCF)

The SFA signed on 20 October 2020 with the Company gives the Group access to a RCF for a maximum amount of €100 million, with €35 million for the Company and €65 million for Devoteam (implemented with a supplemental agreement dated 12 March 2021).

	RCF 1 (Devoteam Group)	RCF 2 (Devoteam)
Maximum amount (€)	35,000,000	65,000,000
Term (starting with first use)	78 months	78 months
Base interest rate	Euribor*	Euribor*
Initial margin	4.00%*	3.00%**

* 0% floor

** 12 months after the first drawdown, the initial margin can be revised depending on the leverage ratio (L), thus making it possible to lower the margin to 3% for RCF 1 and to 2% for RCF 2.

The Senior Facility Agreement (SFA) provides for a 7-to-1 leverage ratio of consolidated net debt over consolidated EBITDA that is only to the advantage of the RCF lenders. This ratio is only tested if the total amount of the RCF drawdowns less available cash exceeds 40% of the maximum amount of the RCF lines. This covenant does not apply to the TLB.

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Change in loans and other borrowings

In thousands of euros	31 December 2022	Change in cash	Change not affecting cash: Changes in scope	Change not affecting cash: Currency effect	Change not affecting cash: Other movements	31 December 2023
Term loan B	548,902	-	-	-	2,727	551,629
Loans from credit institutions	5,131	37	(227)	(39)	(702)	4,200
Lease liabilities	29,849	-	-		10,310	40,159
Non-current loans and other borrowings	**583,882**	**37**	**(227)**	**(39)**	**12,335**	**595,988**
Loans from credit institutions	29,309	12,055	-	(185)	1,343	42,522
Lease liabilities	13,317	(18,636)	-	-	21,834	16,515
Bank overdrafts	6,208	(1,131)	-	-	-	5,077
Current loans and other borrowings	**48,834**	**(7,712)**	**-**	**(185)**	**23,176**	**64,114**
Total loans and borrowings	**632,716**	**(7,675)**	**(227)**	**(224)**	**35,511**	**660,102**
of which change in borrowings on the cash flow statement		*12,092*				
of which change in bank overdrafts on the cash flow statement		*(1,131)*				
of which change in lease liabilities		*(18,636)*				

5.15 Provisions

The following table shows the aggregate provisions and movements for each category:

In thousands of euros	31 December 2022	Changes in scope	Charges	Reversals: Used	Reversals: Not used	Other changes*	31 December 2023
Provisions - non-current	4,831	-	1,285	(333)	-	420	6,203
Provisions - current	9,093	-	5,537	(5,768)	(1,496)	(4)	7,362
Total	**13,924**	**-**	**6,822**	**(6,101)**	**(1,496)**	**416**	**13,565**

* Mainly arising from the reclassification of a provision for charges in the Middle East for €591 thousand.

Current and non-current provisions

Current and non-current provisions amounted to €13,565 thousand (vs. €13,924 thousand in 2022) and break down as follows:

- Restructuring provisions totalling €2,773 thousand (vs. €3,410 thousand in 2022), recognised in Norway (€1,085 thousand), France (€823 thousand), Denmark (€493 thousand) and Germany (€291 thousand). The change over the year is chiefly attributable to:
  - Net restructuring provision charges, mainly in Norway (€1,068 thousand) and France (€161 thousand)
  - Net restructuring provision reversals in Germany (€1,456 thousand) and Denmark (€410 thousand)
- Provisions for employee disputes totalling €454 thousand, mainly in France
- Provisions for risks and charges totalling €10,338 thousand (vs. €9,710 thousand at 31 December 2022). The change over the year was attributable chiefly to the reversal of a risk provision for France and to additional risk provisions in Germany and the Middle East.

5.16 Provisions for pension obligations

Group employees in some countries are entitled to lump-sum retirement payments. The main countries in this respect are France, Austria, Belgium and Germany. The corresponding expense is included in the annual income, except for actuarial gains and losses, which are recognised in other comprehensive income.

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In thousands of euros	31 December 2022	Change in scope	Charges	Reversals		Other changes*	31 December 2023
				Used	Not used		
Non-current pension and retirement provisions	3,273	-	387	(63)	-	621	4,219

* The other changes are mainly actuarial gains and losses.

Valuation assumptions used

Key assumptions	2023	2022
Discount rate	3.20%	3.20%
Average rate of salary increases	2.50% to 5.50%	0% to 5.50%

The retirement age is generally assumed to be 67. Mortality and staff turnover assumptions take into account the economic conditions of each Group country and company. The Group takes the employer's contributions into account in these calculations. The benchmarks used to determine the discount rates in 2023 are those used for the previous years.

Change in the present value of the obligation

In thousands of euros	At 31 December 2023			At 31 December 2022		
	France	International	Total	France	International	Total
Present value of benefits for services rendered						
At start of year	**3,008**	**12,073**	**15,081**	**3,483**	**12,489**	**15,972**
Service costs	359	1,254	1,612	464	776	1,240
Interest cost	107	375	481	35	108	143
Benefits paid over the year	(174)	(160)	(333)	(144)	(448)	(592)
Contributions from participants	-	99	99	-	81	81
Actuarial gains (losses) recognised directly in equity	279	217	496	(848)	(1,440)	(2,288)
Other changes	-	(218)	(218)	18	508	526
At end of year	**3,579**	**13,639**	**17,219**	**3,008**	**12,073**	**15,081**
Fair value of plan assets	-	(12,999)	(12,999)	-	(11,808)	(11,808)
Ceiling on plan assets (IAS 19.58b)	-	-	-	-	-	-
Liability recognised in respect of defined benefits	**3,579**	**640**	**4,219**	**3,008**	**265**	**3,273**

The Group's pension obligations (excluding plan assets) amounted to €17,219 thousand (vs. €15,081 thousand in 2022). They are for the Group's entities in France (€3,579 thousand), Belgium (€10,814 thousand), Germany (€293 thousand) and Austria (€2,532 thousand).

The cumulative actuarial gains and losses recognised in equity at 31 December 2023 totalled €4,240 thousand.

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Change in the fair value of plan assets

In thousands of euros	At 31 December 2023			At 31 December 2022		
	France	International	Total	France	International	Total
At start of year	-	11,808	**11,808**	-	10,805	**10,805**
Expected return on plan assets	-	359	**359**	-	95	**95**
Contributions	-	1,343	**1,343**	-	621	**621**
Benefits paid over the year	-	(147)	**(147)**	-	(449)	**(449)**
Actuarial gain (loss) on plan assets	-	(144)	**(144)**	-	218	**218**
Other changes	-	(219)	**(219)**	-	519	**519**
At end of year	**-**	**12,999**	**12,999**	**-**	**11,808**	**11,808**

Plan assets are mainly for the defined-benefit plans in Belgium (€10,460 thousand), Germany (€333 thousand) and Austria (€2,206 thousand). These plans are financed through a fund that is invested in general insurance company funds that offer a capital guarantee and a guaranteed minimum return.

Sensitivity to assumptions (France only)

The projected change in the annual discount rate would not have a significant effect on the amounts recognised in the income statement.

A change of one percentage point in the annual discount rate would have the following impacts:

In thousands of euros	Increase of one percentage point in the annual discount rate	Decrease of one percentage point in the annual discount rate
Aggregate effect on the service cost and interest cost	(31)	35
Effect on the value of the obligation	(371)	435

The projected change in the retirement age would not have a significant effect on the amounts recognised in the income statement.

A change of one year in the retirement age would have the following impacts:

In thousands of euros	One-year increase in the retirement age	One-year decrease in the retirement age
Aggregate effect on the service cost and interest cost	(21)	29
Effect on the value of the obligation	(217)	220

Expenses recognised

In thousands of euros	At 31 December 2023			At 31 December 2022		
	France	International	Total	France	International	Total
Cost of services rendered during the year	(359)	(1,254)	(1,612)	(464)	(776)	(1,240)
Interest cost	(107)	(375)	(481)	(35)	(108)	(143)
Expected return on plan assets	-	359	359	-	95	95
Benefits paid over the year	126	-	126	112	-	112
Total	**(340)**	**(1,270)**	**(1,609)**	**(388)**	**(789)**	**(1,176)**

The cost of services rendered by employees during the year and the benefits paid during the year are recognised in personnel expenses in the income statement. Returns on plan assets and interest cost are recognised in financial income.

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The estimated contributions in 2024 are shown below:

In thousands of euros	France	International	Total
Cost of services rendered during the year	(359)	(759)	**(1,118)**
Interest cost	(107)	(421)	**(527)**
Expected return on plan assets	-	401	**401**
Benefits paid over the year	-	(848)	**(848)**
Total	**(466)**	**(1,627)**	**(2,092)**

Note 6 - Information on the income statement

6.1 Comparative information

The impact of the acquisitions made in 2023 on the financial statements is presented in Note 4.2.

6.2 Operating segments

The description of the operating segments and the changes made to their composition during the year are provided in Note 3.19. There was no change to operating segments in 2023 with respect to 2023.

The results and assets of the various operating segments are presented below:

In thousands of euros	France		International		HQ & divested entities		Group	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Group contribution*	509,972	479,771	625,117	573,494	(5,149)	(10,027)	**1,129,940**	**1,043,238**
Depreciation and amortisation of tangible and intangible assets	(16,504)	(16,011)	(28,822)	(26,984)	(594)	(475)	**(45,919)**	**(43,470)**
Operating margin*	57,578	59,463	66,441	51,288	(5,706)	(6,722)	**118,312**	**104,029**
Operating income	51,891	57,651	53,546	45,174	(40,642)	(33,831)	**64,795**	**68,994**

Net financial income/(loss)	(58,741)	(37,384)
Income from equity-accounted investees	(143)	(2)
Tax expense	(3,621)	(16,504)
Net income	**2,290**	**15,104**

Impairment losses on goodwill and other assets (see Note 5.1) are allocated to the "HQ & divested entity" operating segment.

In thousands of euros	France		International		HQ & divested entities		Total consolidated assets	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Segment assets*	662,010	659,873	905,769	849,697	19,274	21,247	**1,587,053**	**1,530,816**

* When segment assets are shared by two segments, they are allocated pro rata to the "group contribution" generated over the period.

Information by geographic region:

In thousands of euros	France		International		Consolidated total	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Revenue with external customers	509,788	477,120	620,152	566,118	1,129,940	1,043,238
Non-current assets	406,487	423,406	552,147	537,225	958,633	960,631

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Order backlog

The amount of the transaction price attributed to performance obligations not yet fulfilled at 31 December 2023 is determined in accordance with the exemptions allowed under the applicable standard. These are the performance obligations of contracts with initial terms of less than one year and performance obligations effectively fulfilled and billable (subcontracting contracts).

Accordingly, the revenue not yet recognised for performance obligations not yet fulfilled, as shown below, applies only to fixed-price contracts and subscriptions to SaaS products the client has not yet received. This revenue was at least €197,199 thousand at 31 December 2023.

Major customers

No single customer accounts for more than 5% of the Group's revenue.

6.3 Personnel expenses and share-based remuneration

Share-based payments:

At 31 December 2023, a total of 167,750 employee bonus shares were outstanding and "in the money".

In accordance with the parameters that are used to determine fair value, the total amount remaining to be recognised in 2024 and subsequent years under share-based remuneration is -€3,664 thousand.

The movements of all stock option and bonus share plans are summarised in the following table.

	2023		2022	
	Number of options	Average exercise price	Number of options	Average exercise price
Number of shares available for subscription at start of year	**198,250**	**€0**	**250,000**	**€0**
Number of options cancelled during the year	30,500	€0	51,750	€0
Number of options exercised during the year	-	€0	-	€0
Number of options issued during the year	-	€0	-	€0
Number of options available for subscription at end of year	**167,750**	**€0**	**198,250**	**€0**

The key features of the stock option and bonus share plans that were still active in 2023 and 2022 are shown below:

Plan launch date	Granted	Number of options outstanding at 31/12/2023	Number of options outstanding at 31/12/2022	Exercise price	Earliest exercise date	Expiry date	Zero coupon rate
24/06/2021	250,000	167,750	198,250	-	01/04/2025	01/04/2025	1%
TOTAL	**250,000**	**167,750**	**198,250**				

Plan characteristics and calculation assumptions

Fair value of the shares granted and impact on the financial statements

Depending on the method and calculation parameters used (described above) and the assumed staff turnover rate, a total "Share-based remuneration" expense of €3,549 thousand was recognised on the income statement at 31 December 2023. This expense mainly consisted of the impact of the bonus share plan and the impact of an earn-out with presence conditions concerning the acquisition of an additional minority interest in Portugal in 2023.

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The 2021 performance bonus share plan

On 24 June 2021, Devoteam SA's management board used the authorisation granted to it by the Combined General Meeting of 14 June 2019 to launch a new performance bonus share plan, the main characteristics of which are shown in the table below.

Summary	The plan of 24 June 2021
Total number of shares that may be granted	250,000
Start of plan	24 June 2021
End of plan (vesting date)	31 March 2025
Option exercise price	€0.00
Vesting period	45 months
Market performance condition	Yes
Individual performance condition	Yes
On payroll at the vesting date	Yes
Share price at grant date	€107.80
Fair value	€56.88

The main parameters of the valuation model are shown in the table below.

Key valuation parameters	The plan of 24 June 2021
Model used to determine the fair value	Monte Carlo
Share price volatility	37.00%
Risk-free interest rate	-0.453%
Anticipated dividend yield	1%

Personnel expenses:

Personnel expenses consist of the following:

In thousands of euros	2023	2022
Wages and salaries	(594,362)	(546,795)
Social security contributions	(169,170)	(154,402)
Lump-sum retirement payments	(1,137)	(626)
TOTAL	**(764,669)**	**(701,824)**

The increase in personnel expenses is attributable chiefly to the growth in the number of Group employees.

6.4 Other purchases and external expenses

Other purchases and external expenses at 31 December 2023 are broken down below.

In thousands of euros	2023	2022
Subcontracting	(128,030)	(137,870)
Lease and rent payments	(11,565)	(13,642)
Business travel and receptions	(17,897)	(18,117)
Other purchases	(42,248)	(41,023)
TOTAL	**(199,741)**	**(210,652)**

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6.5 Other operating income and expenses

The main components of other operating income and expenses are as follows:

In thousands of euros					
Other operating expenses	2023	2022	Other operating income	2023	2022
Restructuring expenses	(13,197)	(6,139)	Income from the reversal of unused restructuring provisions	115	152
Net value of fixed assets sold	(680)	(147)	Net value of fixed assets sold	75	100
Net loss on disposals of subsidiaries	(220)	(1,022)	Net gain on disposals of subsidiaries	1,353	1
Acquisition related costs	(366)	(18)	Revaluation at fair value of previously acquired capital	-	-
Impairment of goodwill (*)	-	(1,234)		-	-
Other expenses	(16,058)	(2,855)	Other income	222	1,590
Total	**(30,523)**	**(11,416)**	**Total**	**1,766**	**1,843**

Restructuring expenses at 31 December 2023 are mainly attributable to downsizing costs, most notably in France (€5,545 thousand), Norway (€2,336 thousand), Denmark (€1,291 thousand) and Great Britain (€1,232 thousand).

The net loss on disposals of subsidiaries relates to the sale of Devoteam Mexico (-€178 thousand) and Devoteam Singapore (-€42 thousand).

The net gain on disposals of subsidiaries relates to the recovery on the receivable on the sale of assets concerning Energy Dynamics (€1 million) and the liquidation of Devoteam Panama (€353 thousand).

The other expenses correspond mainly to the impairment of intangible assets for the development of the Group ERP system (€12,789 thousand), additional expenses related to this project (€681 thousand) and consulting fees for developing the Group's new strategic plan (€694 thousand).

6.6 Financial income and expenses

The main components of financial income and expenses at 31 December 2023 are shown below:

In thousands of euros					
Financial expenses	2023	2022	Financial income	2023	2022
Realised exchange loss	(1,311)	(1,747)	Realised exchange gain	-	-
Interest on Term loan B measured at the effective interest rate	(46,220)	(30,588)		-	
Capital loss on assets valued at fair value through profit and loss (fair value option)	(1,200)	-	Capital gain on assets valued at fair value through profit and loss (fair value option)	-	-
Interest charge on lease contract (IFRS 16) and interest on finance lease at the effective interest rate	(1,344)	(761)	Interest hedging income	-	-
Change in the fair value of the interest rate hedging instrument	-	-	Change in the fair value of the interest rate hedging instrument	-	-
Discounting of long-term liabilities	(1,503)	(1,425)		-	-
Provisions on financial assets	-	-	Provisions on financial assets	-	-
Other financial expenses	(7,781)	(3,365)	Other financial income	618	503
Total	**(59,359)**	**(37,886)**	**Total**	**618**	**503**

At 31 December 2023, there was a net financial expense of €58,741 thousand that is mainly attributable to:

- Term loan B interest expense of €46,220 thousand
- The €4,573 thousand increase in financial expenses on credit lines and the factoring contract

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- Interest expense on leases totalling €1,344 thousand arising from the application of IFRS 16.

The Group's cost of net financial debt breaks down as follows:

Cost of net financial debt		
In thousands of euros	2023	2022
Interest expense on financing operations at the effective interest rate	(52,960)	(33,431)
Net income (expense) of interest rate hedges on gross financial debt	-	-
Cost of gross financial debt	**(52,960)**	**(33,431)**
Interest income from cash and cash equivalents	390	256
Cost of net financial debt	**(52,570)**	**(33,175)**

Foreign exchange items recognised in other comprehensive income:

In thousands of euros	2023	2022
Gains on available-for-sale assets	-	-
Exchange differences	(4,053)	(2,099)
Total	**(4,053)**	**(2,099)**
Recognised in consolidated reserves	-	-
Recognised in translation reserves	(4,053)	(2,099)

6.7 Income tax expense

6.7.1 Breakdown by type of tax

- Current tax: the income tax expense is equal to the amount of income taxes due to tax authorities for the year, based on the rules and effective tax rates in the various countries.
- Deferred taxes: the deferred tax expense is determined in accordance with the method described in Note 3.18.

The following table breaks down taxes by type:

In thousands of euros	2023	2022
Current tax	(17,399)	(21,585)
Change in deferred taxes	13,778	5,081
Total	**(3,621)**	**(16,504)**

Deferred tax expense and credits:

In thousands of euros	2023	2022
Retirement benefits	(24)	123
Miscellaneous provisions	(553)	(815)
Other temporary differences	548	233
Tax loss carryforwards	8,719	160
Customer relationships	4,548	4,728
Order backlog	411	464
Lease contracts (IFRS 16)	174	(4)
Treasury shares	-	-
Finance leases	-	21
Cancellation of goodwill	(124)	(2)
Other	74	172
Total	**13,778**	**5,081**

Deferred tax income generated in 2023 is mainly attributable to tax loss carryforwards (€8,719 thousand) and the amortisation of customer relationships (€4,548 thousand).

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6.7.2 Reconciliation of total tax expense with theoretical tax expense

The reconciliation between the income tax expense in the income statement and the theoretical tax expense is as follows:

In thousands of euros	2023	2022
Consolidated net income	**2,291**	**15,104**
Income tax expense	3,621	16,504
Pretax profit/(loss)	**5,912**	**31,608**
Tax rate applicable in France	25.83%	25.83%
Theoretical tax	**1,527**	**8,163**
Tax loss carryforwards previously unrecognised	(3,060)	(298)
Use of unrecognised prior tax losses	(704)	(396)
Unrecognised tax losses created over the year and derecognition during the year	1,906	3,362
Permanent differences and other items (1)	3,422	4,543
Additional local taxes (2)	1,503	2,507
Tax rate difference between countries (3)	(972)	(1,374)
Total tax calculated	**3,621**	**16,504**
Tax recorded	**3,621**	**16,504**

(1) Mainly concerns the absence of tax on the following elements:

- Non-deductible interest expenses borne by the Group (€2,677 thousand)
- Non-deductible expenses (+€929 thousand)
- The French research tax credit (-€696 thousand) and other tax credits (-€404 thousand)
- The taxation of some dividends (+€689 thousand)
- Other non-taxable restatements totalling +€2,277 thousand.

(2) The additional local taxes consist primarily of the CVAE tax (€1,243 thousand vs. €2,253 thousand in 2022), which is included with taxes as explained in Note 3.18.

(3) Mainly concerns the United Arab Emirates (-€647 thousand), France (-€169 thousand), Portugal (-€220 thousand), Germany (+€165 thousand), the Czech Republic (-€146 thousand) and Lithuania (+€357 thousand).

6.8 Net income from discontinued operations

None.

Note 7 - Statement of cash flows

The Group uses the indirect method to present its statement of cash flows. Bank overdrafts repayable on demand, and which form part of the Group's cash management process, are included in cash and cash equivalents for the purposes of the statement of cash flows.

In 2023, the Group established a new cash flow table model that identifies EBITDA, the main aggregate figure used in the Group's communication with lenders and shareholders and presents the impact of non-recurring events on changes in the Group's cash flow on a single line.

The following modifications were made after this change in presentation:

- Reclassification of foreign exchange gains and losses on the income statement from "Financial income and expenses" to "Impact of exchange rate fluctuations" in the amount of €1,747 thousand in 2022.
- Presentation of non-recurring elements with an impact on cash flow on one line.

The main changes in the Group's cash over the year are described below.

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7.1 Cash flow from operating activities

Cash flow from operations (CAF)

Cash flow from operations (which excludes changes in working capital and income taxes paid) improved significantly, rising 10.9% from €113.9 million at 31 December 2022 to €126.3 million at 31 December 2023. This €12.4 million increase is mainly attributable to the growth of the Group's EBITDA.

Change in net working capital (WCR)
Net working capital decreased to -€16.9 million from -€9.9 million in 2022 (according to the new cash flow model). It includes the impact of the growth of the Group's business and longer customer payment times (DSO), which were 50 days at 31 December 2023 compared to 45 days at the end of 2022.

Taxes paid
Taxes paid fell from €25.3 million in 2022 to €12.5 million in 2023. This decrease includes a non-recurring reimbursement of tax prepayments for the previous year in France in the amount of €3.8 million.

7.2 Cash flow from investing activities

Acquisitions and disposals of fixed assets

This item corresponds to the Group's operational investments, which mainly served to purchase IT equipment and fit out the Group's premises. In 2023, it also includes non-recurring costs related to the development of the Group ERP system.

Acquisition of financial assets

This item mainly represents movements in bank term deposits with initial maturity of more than three months and loans to entities not fully consolidated by the Group.

Disposal of financial assets

This item mainly represents movements in customer bank security deposits, particularly in the Middle East.

Acquisition of subsidiaries, net of cash acquired

This item mainly represents disbursements for the acquisition of DareCode in Spain and Singularity in Portugal, whose available cash upon acquisition was not consolidated (-€9.9 million). It also includes the payment of earn-outs and deferred payments on prior acquisitions totalling -€8.7 million.

7.3 Cash flow from financing activities

Proceeds from the issuance of shares
The capital increase amount (€1.8 million) corresponds to Devoteam Group SAS capital increases reserved for certain shareholders.

Repayments of loans
The Group's total loan repayments of €1.5 million in 2023 consist mainly of the repayment of bank loans in France and Spain.

Loan issuance

Loan issuance totalled €13.6 million, mainly attributable to the establishment of a non-deconsolidating factor and a new credit line in the Middle East (€9.5 million) and new loans taken out in Spain (€1.7 million).

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Repayment of lease liabilities

The repayment of lease liabilities in connection with the rights to use the leased assets (IFRS 16) amounted to €18.6 million.

Change in factored receivables (net of guarantees)

The Group's net assigned receivables increased €5.3 million over the year.

Acquisition of non-controlling interests

The disbursement of €21.0 million was made to buy out the minority interests in the Group.

Interests paid

The €51.1 million in interest paid consists mainly of interest on the Term Loan B and the RCF, factoring contract fees and interest on lease liabilities pursuant to IFRS 16.

Dividends paid

Dividends payments totalled €5.2 million and consisted solely of payments to the minority shareholders of the Devoteam Group's subsidiaries.

7.4 Effect of exchange rate fluctuations on cash

The impact of changes in foreign exchanges rates on cash and cash equivalents held in foreign currencies is as follows:

In thousands of euros	31 December 2023	31 December 2022
Sweden	(20)	(460)
Norway	(316)	(243)*
Morocco	76	(172)
United Kingdom	49	(119)
Czech Republic	(62)	(45)
United States	(2)	(37)
Turkey	(347)	(33)
Tunisia	(12)	(15)
Poland	39	(4)
Denmark	(14)	4
Mexico	71	90
Middle East	(253)	696
Other	(30)	(17)
Total	**(820)**	**(354)**

** Exchange difference correction in the amount of €57 thousand (Norway 2022)*

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Note 8 - Financial risk management

8.1 Financial risk management policy

The Group is exposed to credit, liquidity and market risks arising from its use of financial instruments. This note provides information about the Group's exposure to these risks and its monitoring and management of these risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to fulfil its obligations. The main sources of credit risk the Group has identified are trade receivables and investments of surplus cash.

Trade receivables

The Group's exposure to credit risk depends mainly on the characteristics of each of the customers with which it does business. The Group's customer portfolio consists mainly of large global clients with significant financial resources. None of the Group's major customers accounts for over 5% of its annual revenue, with the five largest together accounting for approximately 13.9% of consolidated revenue, which considerably reduces concentration risk. The Finance Departments of the various Group entities manage customer credit risk directly. Nevertheless, when reviewing monthly performance, the Group's Finance Department systematically monitors all trade receivables that are due. Every material overdue payment is monitored and an action plan is initiated if necessary. When entering into a business relationship with a new customer, the latter's credit-worthiness is assessed in accordance with its size.

At the end of every financial year, the Group estimates credit risk based on historical losses and an analysis of the specific risks associated with certain receivables.

Investments of surplus cash

The Group limits its exposure to credit risk by investing its cash exclusively in bank deposits that offer a capital guarantee and regular money market funds issued by leading banking counterparties. The liquidity of these investments was not in question at 31 December 2023.

Given the quality of its counterparties, the Group does not expect any of them fail to fulfil its obligations.

Sureties and guarantees given

The Group only stands as guarantor for its subsidiaries. However, in the normal course of business, the Group may be required to provide guarantees in favour of its business partners (mainly customers and suppliers), either directly or through banks. The main sureties and guarantees given are described in Note 9.3.

Liquidity risk

Liquidity risk is the risk that the Group may fail to meet its financial obligations. The Group's approach to managing this risk is to ensure that it always has sufficient funds to meet its liabilities as they fall due.

The Finance Department has established a forward-looking bi-weekly and annual cash flow monitoring process for each Group operating entity, which gives it sufficient visibility to manage its liquidity risk.

The Group has conducted a specific review of its liquidity risk, and considers itself able to meet its future payments. At the closing date, the Group had no liquidity risk, since its cash, net of bank overdrafts and including cash management assets, amounted to €110.9 million, which well exceeds its €47.6 million in short-term borrowings.

The Group also has a syndicated revolving credit facility (RCF) of up to 100 million euros, with a term of 6.5 years. At the end of 2022, the Group had drawn down 25 million euros on this credit line.

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Lastly, the factoring contract that Devoteam signed in 2013 was still in effect at the closing date. The maximum authorised drawdown line is €45 million, of which €29.2 million had been used at 31 December 2023. In December 2023, the Group's banking counterparties agreed to increase this maximum to €105 million and extend the programme to other group entities.

Market risk

Market risk is the risk that a change in certain financial market parameters, such as a foreign exchange rate or an interest rate, could adversely affect the Group's financial performance and equity.

Currency risk

The Group's business is mainly conducted in the eurozone, which accounted for 75.65% of revenue in 2023. The individual markets of each of the Group's entities are predominantly local, which means that most revenue and expenses are denominated in the same currency. The Group is therefore not exposed to significant currency risk, and does not use currency hedging instruments.

The main currencies other than the euro (EUR) are the Danish kroner (DKK), Norwegian kroner (NOK), UAE dirham (AED) and the pound sterling (GBP), each of which accounts for 3% to 8.5% of consolidated sales.

Loans and other borrowings are almost exclusively denominated in euros, and therefore present no currency risk.

As regards other assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure remains immaterial, and, when necessary, buys or sells foreign exchange at the spot price to hedge its exposure.

Interest rate risk

Interest rate risk is managed by the Group's Finance Department in connection with its main bank counterparties. At 31 December 2023, most of the Group's borrowings were at floating rates that were mainly indexed to Euribor. The hedging instruments used are described in Note 5.14. The Group may adapt its hedging strategy in accordance with market conditions.

8.2 The impact of financial instruments on the Group's performance

8.2.1 Financial instruments by category

The table below breaks down financial assets and liabilities by their accounting category and market value (or fair value) in 2023. This table does not include non-financial assets and liabilities.

In thousands of euros	Note	Assets measured at fair value through profit or loss (trading)	Assets measured at fair value	Assets measured at fair value through profit or loss (FV option)	Loans & receivables	Available-for-sale assets	Liabilities at amortised cost	Liabilities measured at fair value through OCI	Assets measured at fair value through profit or loss	Total net carrying amount	Fair value
Guarantees and sureties	5.5	-	-	-	7,288	-	-	-	-	7,288	7,288
Unconsolidated equity interests	5.5	-	-	-	12,720	-	-	-	-	12,720	12,720
Loans	5.5	-	-	-	622	-	-	-	-	622	622
Investment property	5.7		1,000	-	-	-	-	-	-	1,000	1,000
Other financial assets	5.8	-	-	-	2,471	-	-	-	-	2,471	2,471
Non-current financial assets		-	1,000	-	23,101	-	-	-	-	24,101	24,101
Trade receivables	5.9	-	-	-	402,323	-	-	-	-	402,323	402,323
Other receivables	5.9	-	-	-	105,830	-	-	-	-	105,830	105,830
Other financial assets	5.10	-	540	-	3,900	-	-	-	-	4,440	4,440
Cash management assets	5.10	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	5.10	-	-	-	115,981	-	-	-	-	115,981	115,981
Current financial assets		-	540	-	628,034	-	-	-	-	628,573	628,573
Total financial assets		-	**1,540**	-	**651,134**	-	-	-	-	**652,674**	**652,674**
Senior TLB loan	5.14	-	-	-	-	-	551,629	-	-	551,629	551,629
Bank loans	5.14	-	-	-	-	-	4,200	-	-	4,200	4,200
Finance lease	5.14	-	-	-	-	-	-	-	-	-	-
Lease liabilities	5.4	-	-	-	-	-	40,159	-	-	40,159	40,159
Minority put option and earn-outs	5.8	-	-	-	-	-	-	15,624	6,126	21,749	21,749
Other non-current financial liabilities	5.8	-	-	-	-	-	4,770	-	-	4,770	4,770
Non-current financial liabilities		-	-	-	-	-	600,758	15,624	6,126	622,508	622,508
Bonds	5.14	-	-	-	-	-	-	-	-	-	-
Bank loans and overdrafts	5.14	-	-	-	-	-	47,599	-	-	47,599	47,599
Finance lease	5.14	-	-	-	-	-	-	-	-	-	-
Lease liabilities	5.4	-	-	-	-	-	16,515	-	-	16,515	16,515
Trade payables and related accounts	5.9	-	-	-	-	-	188,068	-	-	188,068	188,068
Tax and social security liabilities	5.9						204,121	-		204,121	204,121
Other liabilities	5.9	-	-	-	-	-	138,121	5,995	14,116	158,232	158,232
Current financial liabilities		-	-	-	-	-	594,425	5,995	14,116	614,536	614,536
Total financial liabilities		-	-	-	-	-	**1,195,183**	**21,619**	**20,241**	**1,237,043**	**1,237,043**

The table below breaks down financial assets and liabilities by their accounting category and market value (or fair value) in 2022. This table does not include non-financial assets and liabilities.

In thousands of euros	Note	Assets measured at fair value through profit or loss (trading)	Assets measured at fair value	Assets measured at fair value through profit or loss (FV option)	Loans & receivables	Available-for-sale assets	Liabilities at amortised cost	Liabilities measured at fair value through OCI	Assets measured at fair value through profit or loss	Total net carrying amount	Fair value
Guarantees and sureties	5.5	-	-	-	5,538	-	-	-	-	5,538	5,538
Unconsolidated equity interests	5.5	-	-	-	-	-	-	-	-	-	-
Loans	5.5	-	-	-	502	-	-	-	-	502	502
Investment property	5.7		2,200	-	-	-	-	-	-	2,200	2,200
Other financial assets	5.8	-	-	-	1,971	-	-	-	-	1,971	1,971
Non-current financial assets		-	**2,200**	-	**8,011**	-	-	-	-	**10,211**	**10,211**
Trade receivables	5.9	-	-	-	340,023	-	-	-	-	340,023	340,023
Other receivables	5.9	-	-	-	89,134	-	-	-	-	89,134	89,134
Other financial assets	5.10	-	2,397	-	2,942	-	-	-	-	5,339	5,339
Cash management assets	5.10	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	5.10	-	-	-	134,399	-	-	-	-	134,399	134,399
Current financial assets		-	**2,397**	-	**566,498**	-	-	-	-	**568,895**	**568,895**
Total financial assets		-	**4,597**	-	**574,509**	-	-	-	-	**579,106**	**579,106**
Senior TLB loan	5.14	-	-	-	-	-	548,902	-	-	548,902	548,902
Bank loans	5.14	-	-	-	-	-	5,131	-	-	5,131	5,131
Finance lease	5.14	-	-	-	-	-	-	-	-	-	-
Lease liabilities	5.4	-	-	-	-	-	29,849	-	-	29,849	29,849
Minority put option and earn-outs	5.8	-	-	-	-	-	-	24,114	16,030	40,144	40,144
Other non-current financial liabilities	5.8	-	-	-	-	-	4,582	-	-	4,582	4,582
Non-current financial liabilities		-	-	-	-	-	**588,464**	**24,114**	**16,030**	**628,608**	**628,608**
Bonds	5.14	-	-	-	-	-	-	-	-	-	-
Bank loans and overdrafts	5.14	-	-	-	-	-	35,517	-	-	35,517	35,517
Finance lease	5.14	-	-	-	-	-	-	-	-	-	-
Lease liabilities	5.4	-	-	-	-	-	13,317	-	-	13,317	13,317
Trade payables and related accounts	5.9	-	-	-	-	-	146,323	-	-	146,323	146,323
Tax and social security liabilities	5.9						187,395	-		187,395	187,395
Other liabilities	5.9	-	-	-	-	-	121,733	11,890	4,894	138,517	138,517
Current financial liabilities		-	-	-	-	-	**504,285**	**11,890**	**4,894**	**521,069**	**521,069**
Total financial liabilities		-	-	-	-	-	**1,092,749**	**36,004**	**20,924**	**1,149,677**	**1,149,677**

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The methods used to determine fair values are described in Note 3.1.

The fair values of financial assets were determined at level 1 (on the basis of the price quoted on an active market), or at level 2 (using models that use observable market data).

8.2.2 Presentation of gains and losses by category in the income statement

The table below breaks down expenses, income, gains and losses on financial assets and liabilities by category:

In thousands of euros	31 December 2023	31 December 2022
Income from financial assets at fair value (trading)	-	-
Income from financial assets at fair value (fair value option)	-	-
Income from loans and receivables	618	503
Income from available-for-sale assets	-	-
Income from available-for-sale assets transferred from equity	-	-
Total financial income	**618**	**503**
Expenses on financial liabilities at fair value	1,041	522
Expenses on financial liabilities at amortised cost	58,318	37,364
Expenses on available-for-sale assets	-	-
Total financial expense	**59,359**	**37,886**
Net financial income/(loss)	**(58,741)**	**(37,384)**

8.3 Group's exposure to financial risks

8.3.1 Credit risk

The carrying amount of the financial assets represents the maximum credit risk to which the Group is exposed. The table below summarises the carrying amounts for each asset category:

In thousands of euros	31 December 2023	31 December 2022
Guarantees and sureties	7,288	5,538
Unconsolidated equity interests	12,720	-
Loans	622	502
Other long-term assets	3,471	1,971
Trade receivables	402,323	340,023
Other receivables	105,830	89,134
Other financial assets	4,440	5,339
Cash management assets	-	-
Cash and cash equivalents	115,981	134,399
Total	**652,674**	**576,906**

The main sources of credit risk identified by the Group, as defined in Note 8.1, are trade receivables and investments of cash surpluses. Cash is invested exclusively in bank deposits and money market funds with top-rated counterparties.

The table below presents the total trade receivables not due and due by time past due:

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Trade receivables	31 December 2023				31 December 2022			
In thousands of euros	Gross	Provision	Net	%	Gross	Provision	Net	%
Not due and invoices to be issued	321,238	393	320,846	80%	269,375	153	269,223	79%
Past due less than 1 month	47,073	115	46,958	12%	45,641	100	45,541	13%
Past due between 1 and 3 months	17,338	307	17,031	4%	15,886	69	15,816	5%
Past due between 3 and 6 months	8,466	22	8,443	2%	6,369	127	6,241	2%
Past due more than 6 months	14,184	5,139	9,045	2%	8,388	5,186	3,202	1%
Total	**408,298**	**5,975**	**402,323**	**100%**	**345,659**	**5,635**	**340,023**	**100%**

Receivables over six months past due that are unprovisioned are mainly for our subsidiary Devoteam Middle East, as payment times are significantly longer than the Group's average.

The following impairments were recognised on trade receivables in 2022:

In thousands of euros	31 December 2022	Changes in scope	Charges	Reversals	Other	Exchange differences	31 December 2023
Provisions for trade receivables	(5,635)	96	(1,985)	1,509	1	40	(5,975)

Based on the Group's past experience and a case-by-case analysis of its receivables, the Group does not believe that any additional provision is required on due and outstanding receivables, and in particular on receivables more than six months past due. These receivables are identified and monitored by management.

Impairments on receivables by geographic region:

In thousands of euros	31 December 2023	31 December 2022
France	1,439	1,270
International	4,537	4,365
Total	**5,975**	**5,635**

Customer risk by geographic region:

In thousands of euros	31 December 2023	31 December 2022
France	168,071	152,268
International	240,227	193,391
Total	**408,298**	**345,659**

In 2013, the Devoteam Group signed a contract with a leading bank counterparty to sell up to €45 million in trade receivables, raised to €105 million in December 2023. This contract has an indefinite term and applies to the Devoteam Group's French entities. It may be extended to include other European entities. Receivables are sold without recourse, which allows the Group to transfer substantially all of their risks and benefits to the transferee and to derecognise them immediately. The outstanding receivables sold at 31 December 2023 totalled €29,705 thousand (vs. €25,670 thousand at 31 December 2022).

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Derecognised assets with continuing involvement:

Continuing involvement *(In thousands of euros)*	Carrying amount of continuing involvement				Fair value of continuing involvement	Maximum exposure
	Amortised cost	Held to maturity	Available for sale	Financial liabilities at fair value		
Factoring guarantees	2,590	-	-	-	2,590	2,590

The "Other receivables" item presents no material impairment risk.

8.3.2 Liquidity risk

The table below shows the undiscounted repayment flows (principal and interest) of the financial liabilities (excluding current and non-current provisions and deferred tax liabilities) based on the residual contractual maturities:

2023 *(In thousands of euros)*	Net carrying amount	Residual contractual value	Six months or less	Six to twelve months	One to five years	More than five years
Term loan B	551,629	753,765	25,341	23,755	704,669	-
Lease liabilities	56,674	62,774	9,394	8,839	34,667	9,874
Other loans and borrowings	46,722	46,722	42,522	-	4,200	-
Bank overdrafts	5,077	5,077	5,077	-	-	-
Trade payables and related accounts	188,068	188,068	188,068	-	-	-
Tax and social security liabilities	204,121	204,121	204,121	-	-	-
Other liabilities	184,751	184,751	157,221	1,011	26,520	-
Total	**1,237,043**	**1,445,279**	**631,745**	**33,605**	**770,055**	**9,874**

2022 *(In thousands of euros)*	Net carrying amount	Residual contractual value	Six months or less	Six to twelve months	One to five years	More than five years
Term loan B	548,902	748,853	19,626	18,495	710,733	-
Lease liabilities	43,166	55,066	7,689	7,039	30,941	9,397
Other loans and borrowings	34,440	34,440	29,309	-	5,131	-
Bank overdrafts	6,208	6,208	6,208	-	-	-
Trade payables and related accounts	146,323	146,323	146,323	-	-	-
Tax and social security liabilities	187,395	187,395	187,395	-	-	-
Other liabilities	183,243	183,243	138,517	(0)	44,725	-
Total	**1,149,677**	**1,361,528**	**535,066**	**25,534**	**791,530**	**9,397**

The Group does not expect to receive the cash flows in the above table much earlier than indicated or in significantly different amounts.

8.3.3 Currency risk

Currency risk, as described in Note 8.1, is mainly attributable to the Danish kroner (DKK), the UAE dirham (AED), the Norwegian kroner (NOK) and the pound sterling (GBP).

The table below provides the euro exchange rates of these currencies that were used during the year:

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Euro	Average rate		Closing rate	
	2023	2022	2023	2022
DKK	7.4510	7.4396	7.4529	7.4365
AED	3.9721	3.8673	4.0581	3.9171
NOK	11.4248	10.1026	11.2405	10.5138
GBP	0.8698	0.8528	0.8691	0.8869

Sensitivity

The table below shows the impact on the balance sheet and income statement of a plus or minus 10% change in the average and closing exchange rates of the above currencies:

In thousands of euros	2023		2022	
	10%	-10%	10%	-10%
Impact on equity	(18,321)	22,393	(19,209)	23,478
Impact on profit or loss	(562)	686	(453)	554

8.3.4 Interest rate risk

The Group's exposure to interest rate risk breaks down between fixed and floating rates as follows:

In thousands of euros	2023	2022
Floating rate		
Other current financial assets	-	-
Cash and cash equivalents	115,981	134,399
Term Loan B	(551,629)	(548,902)
Short-term credit facilities	(25,000)	(25,000)
Bank overdrafts	(5,077)	(6,208)
Net exposure before hedging	**(465,726)**	**(445,712)**
Fixed rate		
Other current financial assets	4,440	5,339
Cash management assets	0	0
Finance leases	-	-
Lease liabilities	(56,674)	(43,166)
Other borrowings	(21,722)	(9,440)
Net exposure before hedging	**(73,956)**	**(47,267)**
Total exposure before hedging	**(539,682)**	**(492,979)**

The main terms and conditions of loans and borrowings are as follows:

In thousands of euros	Currency	Interest rate	Maturity	31 December 2023		31 December 2022	
				Original value	Carrying amount	Original value	Carrying amount
Revolving credit lines (RCF)	€	Euribor + 3.00% to 4.00%	2027	25,000	25,000	25,000	25,000
Senior loan (TLB)	€	Euribor + 4.50%	2027	565,000	551,629	565,000	548,902
Lease liabilities[1]	€	0.48% to 18.78%	2020 to 2030	107,796	56,674	87,696	43,166
Bank overdrafts	€	Floating	Short term	5,077	5,077	6,208	6,208

(1) Depends on the country and maturity.

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Note 9 - Miscellaneous information

9.1 Breakdown of the workforce

The Group employed 10,078 people at the end of 2023 compared to 10,275 at the end of 2022. Almost all of these employees were mid-management or executive level.

9.2 Related parties

9.2.1 Compensation and benefits paid to executive managers

None.

9.2.2 Associates and other related parties

Sales and purchases with related parties were and are made at market prices. The following table shows the total amount of transactions with related parties in 2022 and 2023:

Recorded amounts *In thousands of euros*	31 December 2023			31 December 2022		
	Associates[1]	Joint ventures	Other related parties[2]	Associates[1]	Joint ventures	Other related parties[2]
Sales to related parties	137	-	-	137	-	-
Purchases from related parties	222	-	2,687	502	-	2,710
Purchases of assets from related parties	5	-	-	5	-	-
Dividends and other income from equity interests	-	-	-	-	-	-
Interest and financial expenses	33	-	-	15	-	-
Other operating expenses	-	-	-	-	-	-
Other operating income	-	-	-	-	-	-
Receivables from related parties	570	-	771	586	-	656
Payables to related parties	17	-	-	-	-	-

(1) Concerns DFSJ, Media-Tel, Exa ECS and Manyone Oslo.
(2) Concerns SCI 73 rue Anatole France, as described below.

SCI 73 rue Anatole France

In July 2005, the Devoteam Group signed an agreement with SCI 73 rue Anatole France to sublet a building to transfer its head office there. As SCI 73 rue Anatole France and the Group have a number of directors in common, the Group appointed two independent appraisers to ensure that the transaction was carried out on an arm's length basis. The agreement took effect on 1 May 2008, the effective date of occupancy.

In November 2008 and June 2012, the Group signed two subletting agreements with SCI 73 rue Anatole France for premises located respectively at 113 rue Anatole France in Levallois and 1 rue Galvani in Massy, which the Devoteam Group had been leasing from another owner. The terms of these agreements are identical to those of the leases with the previous owners.

In November 2017, the Group signed a new sub-lease agreement with SCI 73 rue Anatole France for premises located at 43 boulevard Barbès.

The above subletting agreements do not carry any off-balance sheet commitments.

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9.3 Off-balance sheet commitments

9.3.1 Guarantees given

The main sureties, endorsements and guarantees given by the Group at 31 December 2023 are shown below:

In thousands of euros	31 December 2023	31 December 2022
Commitments given under contracts with customers	15,917	7,069
Commitments given to guarantee trade payables	-	-
Commitments given to guarantee the payment of commercial leases		
Other commitments given (*)	-	0
Total	**15,917**	**7,069**

9.3.2 Operating leases

The minimum lease payments under non-cancellable operating leases are shown below:

In thousands of euros	Less than 1 year	One to five years	More than five years
31 December 2023	3,437	1,265	-
31 December 2022	3,146	1,705	-

The off-balance-sheet commitments on 31 December 2023 concern IT equipment and intangible assets not restated in accordance with the exemptions authorised under IFRS 16 (see Note 2.1).

9.4 Statutory auditors' fees

The table below breaks down the statutory auditor fees paid for the 2023 and 2022 financial years:

In thousands of euros	2023					2022				
	KPMG	%	Grant Thornton	%	Total	KPMG	%	Grant Thornton	%	Total
Statutory auditor and certification (separate and consolidated)										
Issuer	98	21%	86	14%	184	76	18%	77	14%	153
Fully consolidated subsidiaries	370	79%	500	85%	870	345	82%	468	84%	812
Services other than certification of financial statements										
Issuer	0	0%	6	1%	6	0	0%	12	2%	12
Fully consolidated subsidiaries	0	0%	0	0%	0	0	0%	0	0%	0
Total	**468**	**100%**	**591**	**100%**	**1,059**	**420**	**100%**	**557**	**100%**	**977**

Note 10 - Significant events subsequent to 31 December 2023

In early February 2024, the Company finalised the disposal of 36% of its Devoteam Middle East subsidiary as part of a strategic partnership with Solutions by STC.

Through a repricing transaction on its long-term senior "TLB" type loan (Term Loan B) dated 13 February 2024, the Company and its lenders agreed on an amendment to the existing contract providing for a reduction of the applicable credit margin from Euribor +4.50% to Euribor +4.0%. The other loan terms remain unchanged.

On 15 April 2024, on the occasion of the approval of the Company's separate financial statements, the shareholders decided to clear the debit balance of retained earnings by charging it to the share premium item and share capital. Share capital decreased from €397,142,818 to €317,714,254.40 through a reduction in the share's par value from €1 to €0.80

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3.7 Statutory auditor's report of the consolidated financial statements

This is a free translation into English of the statutory auditors' report on the consolidated financial statements of the SOCIETE DEVOTEAM GROUP SAS issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended 31 December 2023

To the shareholders of the DEVOTEAM GROUP,

Opinion

In accordance with the assignment entrusted to us by the shareholders, we audited the consolidated financial statements of the DEVOTEAM GROUP for the year ended 31 December 2023, as attached to this report.

We certify that the consolidated financial statements give a true and fair view of the financial results of all of the consolidated persons and entities for the past financial year and of their assets, liabilities and financial position at the end of the year, in compliance with IFRS accounting principles and standards as adopted by the European Union.

Basis of our opinion

Audit standards

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled "The statutory auditors' responsibility in auditing the consolidated financial statements".

Independence

We have conducted our audit, which covers the period from 1 January 2023 to the date of issue of this report, in accordance with the rules that govern the independence of auditors as set forth in the French code of commerce and in the code of ethics for statutory auditors.

Justification of our assessments

Pursuant to the provisions of Article L.821-53 and R.821-180 of the French code of commerce relating to the justification of our assessments, we hereby inform you of the following assessments, which in our professional judgement are the most material in respect of the auditing of the annual consolidated financial statements.

These assessments are to be understood within the context of the auditing of the consolidated financial statements taken as a whole and of the formation of our opinion as expressed above. We do not express an opinion on any isolated aspect of these consolidated financial statements.

- The company systematically tests goodwill for impairment at least once a year, using the methods described in Note 3.2 to the consolidated financial statements ("Business combinations and

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goodwill"). On the basis of the information available, our work consisted of obtaining an understanding of the procedures used by management to prepare these estimates, examining the methods used to perform the impairment test, assessing the data and assumptions underlying the discounted future cash flow forecasts used and reviewing the company's calculations. In making our assessments, we verified the reasonableness of these estimates and the appropriateness of the disclosures in Notes 2.3 "Use of estimates and judgement", 3.2 "Business combinations and goodwill" and 5.1 "Goodwill".

- Note 3.12 "Revenue recognition principles" describes the methods used to recognise revenue and service costs. In making our assessments, we verified that the company observes and correctly applies appropriate accounting principles and that the disclosures in the aforementioned note are appropriate.

Specific verifications

We also performed the specific verifications, in accordance with French accounting standards, of the information concerning the Group provided in the Chairman's management report that are required under the applicable laws and regulations.

We have no observations to make concerning the fairness of this information nor its consistency with the consolidated financial statements.

Responsibility of management and of corporate governance personnel in respect of the consolidated financial statements

It is management's responsibility to prepare consolidated financial statements that present a true and fair view in accordance with IFRS accounting rules and principles as adopted by the European Union and to implement the internal controls that it deems necessary to prepare consolidated financial statements that are free of material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to operate as a going concern, for providing any relevant information in relation to this ability, and for applying the going-concern principle for accounting purposes, unless it intends to liquidate or otherwise terminate the company.

The consolidated financial statements have been approved by the Chairman.

The statutory auditors' responsibility in auditing the consolidated financial statements

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not contain any material misstatements. Reasonable assurance corresponds to a high level of assurance, but does not guarantee that an audit performed in accordance with the standards of professional practice can consistently detect any significant anomalies. Anomalies may arise from fraud or error and are considered significant where it can reasonably be expected that they, taken individually or cumulatively, may influence the economic decisions that readers of the statements may take on the basis thereof.

Pursuant to Article L.821-55 of the French code of commerce, our audit engagement does not consist in assuring the viability of your company or the quality of its management.

In conducting an audit pursuant to the professional standards that are observed in France, statutory auditors must exercise their professional judgment throughout the audit. They must also:

- Identify and assess any risk that the consolidated financial statements may comprise a material misstatement, whether due to fraud or error, determine and implement audit procedures to address such risk, and obtain sufficient appropriate evidence on which to base their opinion. There is a higher risk of not detecting a material misstatement that is attributable to fraud rather than error, since fraud may involve collusion, falsification, a deliberate omission, misrepresentation or evasion of internal control.
- Obtain information on the aspects of the internal control system that are relevant for the audit so

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that appropriate audit procedures may be determined, and not for the purpose of expressing an opinion on the effectiveness of this internal control.

- Assess the appropriateness of the accounting methods selected by management and the reasonableness of its accounting estimates, and assess any related information provided in the consolidated financial statements.
- Determine whether management's use of the going-concern principle is appropriate and, depending on the evidence obtained, whether there is significant uncertainty as to any events or situations that may substantially compromise the company's ability to continue to operate. This assessment must be based on the evidence obtained up to the date of the auditor's report, it being understood however that subsequent events or situations may compromise the company's ability to continue as a going concern. If the auditor concludes that there is such a significant uncertainty, the auditor has an obligation to draw the attention of the readers of the auditor's report to the information in the consolidated financial statements that concerns this uncertainty or, if this information is insufficient or is not deemed pertinent, the auditor must issue a modified opinion or a disclaimer of opinion.
- Assess the overall presentation of the consolidated financial statements and determine whether they provide a true and fair view of the underlying transactions and events.
- Collect financial information on the persons or entities within the scope of consolidation that it considers to be sufficient and appropriate for expressing an opinion on the consolidated financial statements. The statutory auditors are responsible for directing, supervising and conducting the auditing of the consolidated financial statements and for the opinion expressed on these statements.

Paris La Défense, 30 April 2024

KPMG SA

Jean-Pierre Valensi
Partner

Neuilly-sur-Seine, 30 April 2024

Grant Thornton
French member of Grant Thornton International

Vincent Frambourt
Partner

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4 DEVOTEAM GROUP SAS SEPARATE FINANCIAL STATEMENTS

4.1 Devoteam Group SAS balance sheet

ASSETS *In thousands of euros*	Note	31 December 2023	31 December 2022
Intangible assets		-	-
Tangible assets		-	-
Non-current financial assets			
Equity interests and associated receivables	3.2	927,111	925,523
Other non-current financial assets		-	-
FIXED ASSETS		**927,111**	**925,523**
Trade and related receivables		3,298	286
Other receivables	3.3	9,963	10,074
Derivatives	3.7	615	952
Marketable securities		-	-
Cash assets		530	912
Prepaid expenses	3.3	60	101
CURRENT ASSETS		**14,466**	**12,324**
Loan issuance expense to be amortised	3.9	11,519	14,412
Unrealised foreign exchange loss		-	-
TOTAL ASSETS		**953,096**	**952,258**

LIABILITIES *In thousands of euros*	Note	31 December 2023	31 December 2022
Share capital		397,143	396,403
Share premium		3,797	2,716
Statutory reserves		-	-
Other reserves		-	-
Retained earnings		(53,804)	(23,140)
Net income for the year		(27,167)	(30,663)
Regulated provisions		9,168	6,037
EQUITY	**3.10**	**329,137**	**351,353**
Provisions for risks		-	-
Provisions for charges		162	-
PROVISIONS FOR RISKS AND CHARGES		**162**	**-**
Borrowings			
Bonds		-	-
Loans from credit institutions and other borrowings	3.3	618,910	600,094
Operating liabilities			
Trade payables and related accounts	3.3	1,719	680
Tax and social security liabilities	3.3	3,158	130
Other liabilities			
Other liabilities	3.3	9	1
Deferred income		-	-
LIABILITIES		**623,796**	**600,906**
Unrealised gain on foreign exchange		-	-
TOTAL LIABILITIES		**953,096**	**952,258**

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4.2 Devoteam Group SAS income statement

In thousands of euros	Note	31 December 2023	31 December 2022
NET REVENUE	4.1	**6,561**	**238**
Capitalised production		-	-
Operating subsidies		-	-
Reversals of depreciation, amortisation and provisions and expense reclassifications		4	-
Other income		-	-
OPERATING INCOME		**6,565**	**238**
Purchases of raw materials and goods for resale		-	-
Other purchases and external expenses		(2,238)	(526)
Taxes		(498)	(461)
Wages and salaries		(3,517)	(80)
Social security contributions		(1,496)	(52)
Depreciation, amortisation and provisions on fixed assets		(2,893)	(2,893)
Provisions on current assets		-	-
Provisions for risks and charges		(162)	-
Other expenses		(60)	(85)
ORDINARY OPERATING EXPENSES		**(10,865)**	**(4,097)**
OPERATING INCOME		**(4,300)**	**(3,858)**
Financial income		20,559	154
Financial expenses		(46,336)	(28,944)
FINANCIAL INCOME	**4.4**	**(25,777)**	**(28,790)**
ORDINARY PROFIT (LOSS) BEFORE TAX		**(30,077)**	**(32,649)**
Non-recurring income		-	-
Non-recurring expenses		(3,131)	(3,131)
NON-RECURRING INCOME	**4.5**	**(3,131)**	**(3,131)**
Employee profit-sharing		-	-
Corporate income tax		6,041	5,116
NET INCOME		**(27,167)**	**(30,663)**

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4.3 Notes to the Devoteam Group SAS financial statements

NOTE 1 - PRESENTATION OF THE COMPANY AND KEY CHARACTERISTICS

Devoteam Group SAS ("the Company") is a simplified joint stock company governed by French law. The Company was created on 19 February 2020. Its purpose is to hold and actively manage equity interests in companies and provide related services. The Company was created to serve as a vehicle for the Devoteam Group acquisition announced on 9 July 2020 in a takeover bid that was launched to strengthen the control of Devoteam's founders with the support of a financial investor.

Over the year, the Company continued to lead the implementation of the Devoteam Group's strategy. Continuing the trend observed in the previous year, the Devoteam Group achieved strong performance in 2023 with revenue of €1,130 million, representing 9% organic growth, and operating income of €118.3 million (10.5% of revenue). This performance, among the best observed on this volatile market, attests to the success of the Company's strategy focused on Cloud platforms, cybersecurity and artificial intelligence. This unique approach combining solid partnerships with extensive technological expertise earned the Group a number of major distinctions.

Following a strategic review of the Group's assets, Devoteam decided to focus its efforts on the countries where it already has an established presence, with the ambition to continue strengthening its leadership in these markets. As a result, Devoteam reinforced its presence in the Middle East through a strategic partnership with Solutions by STC, which acquired a 40% stake in Devoteam Middle East. This partnership highlights Devoteam's commitment to accelerating its growth in the region and will enable it to access new markets in addition to STC's impressive client portfolio. As part of this realignment, the Devoteam Group also finalised the sale of its operations in Mexico and Singapore.

Finally, the Company and the Group began reflecting on the new strategic plan, which will be unveiled in 2024 and will replace the Infinite strategic plan.

By a decision dated 23 June 2023, the Company changed its corporate name from Castillon to Devoteam Group.

NOTE 2 - ACCOUNTING PRINCIPLES, RULES AND METHODS

2.1 General principles observed

The accounting policies have been observed in accordance with the prudence principle and in compliance with the underlying assumptions of going concern, consistency of accounting methods and independence of financial years, and in compliance with the general rules on the preparation and presentation of annual financial statements in France and with Regulation No. 2014-03 of the ANC, the French accounting standards authority.

The method used to value accounting items is the historical cost method.

Assets that are valued over a medium-term to long-term horizon, and in particular intangible assets and equity interests, are measured using the parameters derived from the budgeting and forecasting process. The discount rate was determined by an independent firm on the basis of the average risk premiums observed over the past ten years and the average betas observed over the past five years. The risk-free rate is the average rate of 10-year French government OAT bonds over the past two years.

2.2 Fixed assets

The company observes the new rules on the depreciation, amortisation and impairment of assets under CRC regulation 02-10 as amended by CRC regulation 03-07, and on the definition, recognition and measurement of assets under CRC regulation 04-06.

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2.2.1 Tangible assets

Tangible assets are recorded at their cost price, which is their purchase price (cost of acquisition plus ancillary costs) plus any costs directly incurred to install the asset and prepare it for use. The depreciation periods used are the estimated useful lives of the assets within the company and are determined as shown below:

Asset category	Term	Method
Office equipment	3 to 5 years	Straight line
IT equipment	3 to 5 years	Straight line
Office furniture	3 to 10 years	Straight line

2.3 Non-current financial assets

2.3.1 Equity interests

Equity interests are recognised at cost plus directly attributable acquisition costs.

The value in use of equity interest securities is determined either on the basis of the share of net assets held (mainly for minority interests), or using the discounted future cash flows method, which is adjusted to account for the company's cash and/or net debt. The latter method uses the parameters derived from the budgeting and forecasting process over a five-year period and growth and profit rates that are deemed reasonable. All entities that generate their own cash flow are valued using discount and long-term growth rates beyond the five-year period that are determined on the basis of historical data and analyses of the Group's industry.

A provision for impairment is made for entities that are valued below their subscription value.

2.4 Receivables and payables

Receivables and payables are recorded at their nominal value after taking into account any foreign exchange gains or losses required to adjust foreign currency balances at the closing exchange rate.

2.5 Doubtful receivables

The credit risk of receivables is periodically assessed on a case-by-case basis and provisions are made for debts that are potentially non-recoverable.

2.6 Marketable securities

The gross value of marketable securities is their purchase price net of ancillary costs. When their value falls below this gross value, a provision for impairment is made to cover the difference.

2.7 Provisions

In accordance with CRC Regulation No. 2000-06, a provision must be made for the major risks and charges identified at the balance sheet date when the Company has an obligation at this date towards a third party that is likely or certain to result in an outflow of resources to this third party, without consideration of at least equal value.

2.8 Loans and other borrowings

To finance the acquisition of the Devoteam Group, on 20 July 2020 the Company took out a long-term senior loan (Term Loan B) of €300 million. Amended on 23 October 2020 to finance the mandatory delisting of Devoteam, the TLB was increased to €565 million euros via an additional tranche of €265 million. This loan, which matures seven years after the first drawdown, i.e. on 9 December 2027, is repayable in its entirety at maturity and bears interest at Euribor +4.5%.

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The main characteristics of the TLB are shown below:

	TLB
Nominal issuance amount (in €)	565,000,000
Term	84 months
Base interest rate	Euribor*
Initial margin	4.50%**
Amortisable	Not used
Intended redemption date	09/12/2027

* 0% floor

** The initial margin of 4.5% may be revised if the leverage ratio (L) falls below 2.5, as follows:
- between 2 and 2.5, the margin will be 4.25%.
- below 2, the margin will be 4.00%.

The leverage ratio (L) is the ratio of the net consolidated debt over the consolidated EBITDA

On this same date and under the terms of the same credit agreement, the Company arranged a confirmed RCF (Revolving Credit Facility) line of credit with leading bank counterparties for a total of €35 million, bearing annual interest at Euribor +4% and for a term of 6.5 years. Drawdowns on these facilities are subject to covenants and the standard financial ratios that apply to credit lines of this type.

Loan issue expenses of €20,198 thousand, including publicity and credit-rating costs and fees paid to the banks arranging the loans, were recognised as assets in the "Deferred charges" account in accordance with the option provided for in Article 39-1-1° quarter of the French general tax code and amortised over the term of the loans in accordance with Article 944-48 of the French chart of accounts.

2.9 Revenue

The company's corporate purpose is to hold and manage equity interests. As such, it may provide managerial, human resources, financial and legal services and consultancy to its subsidiaries and direct or indirect equity interests. These services are recognised as and when they are provided. Services not yet invoiced are recorded as invoices to be issued while services invoiced but not yet provided are recorded as deferred income.

2.10 Non-recurring income

Non-recurring income is generated by events or transactions that are either distinct from a company's normal business or are considered unlikely to occur with regular frequency.

In accordance with French National Accounting Council (CNC) Notice No. 2000-D of 21 December 2000, the costs incurred for a failed acquisition attempt shall be fully and directly recorded as non-recurring expenses.

2.11 Pension obligations

The amount of commitments in terms of pensions, supplementary pensions, compensation, allowances for retirement and other similar benefits for members of staff and corporate officers are valued at each year-end in accordance with Article 22 of the Syntec Collective Agreement and IAS 19 "Employee benefits", as reiterated in CNC Notice No. 2003-R-01.

For defined benefit plans, pension and similar obligations are measured using the projected unit credit actuarial method. Under this method, each period of service gives rise to the recognition of an additional unit of benefit entitlement, and each unit is measured separately to obtain the final obligation. This final obligation is then discounted and subjected to a probability analysis.

It is mainly determined by the following:

- Assumed age of voluntary retirement of 67 for executive-level personnel and 64 for non-executive personnel
- A 3.20% discount rate

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- A 2% inflation rate
- Assumptions on salary increases and on staff mortality and turnover.

Pension obligations at 31 December 2023 are evaluated at €162 thousand.

NOTE 3 - BALANCE SHEET ITEMS

3.1 Intangible and tangible assets

None.

3.2 Non-current financial assets

3.2.1 Change in non-current financial assets

In thousands of euros	Gross value at start of year	Increases	Decreases	Gross value at year-end
Security deposits				-
Other loans				-
Equity interests	**925,523**	**1,588**		**927,111**
Devoteam SAS (1)	925,523	1,588		**927,111**
Receivables on equity interests				-
Total	**925,523**	**1,588**	-	**927,111**

(1) Acquisition of 0.11% of the shares of Devoteam SAS.

At the end of 2022, the Company held 8,219,622 shares in Devoteam SAS, representing 98.65% of its share capital and voting rights, and in fact 99.93% considering that Devoteam SAS held 106,785 of its own shares.

The amount includes €15,656 thousand in acquisition costs.

The recoverable amount of the CGUs

The method used to assess the recoverable amount of the CGUs is described in Note 2.3.1. The key assumptions used in 2023 to determine the recoverable amount are shown below for each of the Group's geographic regions.

Key assumptions for 2023	Discount rate	Long-term growth rate	Normative rate of return[1]
France	9.90%	2%	5% to 20%
Other countries	9.3% to 11.8%	2%	5% to 22%
Middle East	10.9% to 15.5%	2.50%	12%
North Africa	12.10%	2.50%	10% to 12%

(1) Long-term operating margin.

The key assumptions were determined as follows:

- The discount rate was determined by an independent firm on the basis of average risk premiums and betas observed over the past two years. The risk-free rate is the average rate of 10-year French government OAT bonds over the past two years.
- The normative profitability of the CGUs used to calculate the terminal value was determined using the Devoteam Group's historical data.
- The long-term growth rate used to calculate the terminal value is derived from OECD forecasts and is confirmed by the average rate used by financial analysts for the Group's industry.

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3.2.2 Table of subsidiaries and equity interests

The table below presents the main characteristics of subsidiaries and equity interests at 31 December 2023, in compliance with Article of the Decree of 23 March 1967.

In €'000	Share capital	Share of capital held	Gross carrying amount of shares held	Net carrying amount of shares held	Loans and advances granted and not repaid	Guarantees and endorsements provided by the company	Dividends received by the company during the year
Devoteam SAS	1,263	99.93%	927,111	927,111	-	-	20,537

Some information about subsidiaries and equity interests is not provided given the potentially harmful effects of its disclosure.

3.3 Additional information on receivables and payables

The table below breaks down receivables and payables by maturity bucket:

Receivables *In thousands of euros*	Gross amount	Matures in less than 1 year	Matures in more than 1 year	Matures in more than 5 years
Fixed asset receivables				
Receivables on equity interests	-	-	-	-
Loans	-	-	-	-
Other non-current financial assets	-	-	-	-
Current asset receivables				
Advances and prepayments	-	-	-	-
Trade and other receivables	3,298	3,298	-	-
Other receivables	4,401	4,401	-	-
Group and associate current accounts	5,562	5,562	-	-
Prepaid expenses	60	60	-	-
Total	**13,322**	**13,322**	**-**	**-**

Liabilities *In thousands of euros*	Gross amount	Matures in less than 1 year	Matures in more than 1 year	Matures in more than 5 years
Bonds	-	-	-	-
Borrowings from credit institutions	-	-	-	-
Miscellaneous borrowings (1)	591,640	26,640	565,000	-
Group and associates	27,270	27,270	-	-
Trade payables	1,719	1,719	-	-
Tax and social security liabilities	3,158	3,158	-	-
Fixed asset liabilities	-	-	-	-
Other liabilities	9	9	-	-
Deferred income	-	-	-	-
Total	**623,796**	**58,796**	**565,000**	**-**

(1) Includes €25,054 thousand for the RCF credit lines and €566,586 thousand for the TLB loan (see Note 2.8)

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3.4 Provisions

In thousands of euros	At 1 January 2023	Charges	Reversals (provision used)	Reversals (provision not used)	Transfers between items	At 31 December 2023
Provisions						
Provisions for foreign exchange losses	-	-	-	-	-	-
Provisions for retirement benefits	-	162	-	-	-	162
Provisions for restructuring	-	-	-	-	-	-
Miscellaneous provisions	-	-	-	-	-	-
TOTAL	**-**	**162**	**-**	**-**	**-**	**162**

3.5 Accrued expenses

In thousands of euros	2023
Supplier invoices not yet issued	598
Personnel - accrued expenses	1,559
Social security bodies - accrued expenses	674
State - accrued expenses	17
Interest accrued on other loans	1,640
Total	**4,488**

3.6 Accrued income receivable

In thousands of euros	2023
Accrued interest receivable	10
Client invoices to be issued	1,097
Total	**1,107**

3.7 Derivative financial instruments

In August 2022, the Company entered into an agreement with a leading counterparty to hedge some of its floating-rate debt with the hedging instrument that is described below. The Group may adapt its hedging strategy depending on market conditions and on volatility in particular.

Hedging instrument	
Type	Cap rate
Nominal amount	€225 million
Base interest rate	3-month Euribor
Term	3 years as of 19/09/2022
Strike price	3.25%
Cost of hedging (€)	1,105,000
Hedging cost amortisation period	3 years

3.8 Marketable securities

None.

3.9 Deferred charges

Loan issuance expenses of €20,198 thousand euros were amortised in equal fractions over the term of the loans as of 1 January 2021 (see Note 2.8). These expenses were initially recorded in account No. 6272 "Loan

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issuance expenses" and then transferred to account No. 4816 "Loan issuance expenses" by crediting account No. 791 "Transfer of operating expenses".

Deferred charges were affected by the following movements during the year:

In thousands of euros	Net amount at start of year	Increases	Decreases	Net amount at end of year
Loan issuance expenses				
Senior "TLB" type loan	13,928	-	(2,785)	11,143
"RCF" type credit lines	484	-	(108)	376
Total	**14,412**	**-**	**(2,893)**	**11,519**

The table below breaks down net deferred charges by maturity bucket:

Deferred charges *In thousands of euros*	Net amount	Matures in less than 1 year	Matures in more than 1 year	Matures in more than 5 years
Loan issuance expenses	**11,519**	**2,893**	**8,626**	**-**
Senior "TLB" type loan	11,143	2,785	8,358	-
"RCF" type credit lines	376	108	268	-
Other deferred charges	-	-	-	-
Total	**11,519**	**2,893**	**8,626**	**-**

3.10 Net position

3.10.1 Share capital

At 31 December 2023, the share capital of Devoteam Group SAS totalled €397,142,818 and consisted of 397,142,818 shares with a par value of €1.

Below is a summary of the changes recorded in 2023:

	Number of shares
At 1 January 2023	**396,403,407**
Capital increases - Minutes of the Chairman's decisions of 27/07/2023 and 22/12/2023	739,411
At 31 December 2023	**397,142,818**

Share classes	Number of shares				Share capital
	Beginning of year	Created during the year	End of year	Par value	
Ordinary shares	6,041,103	-	6,041,103	1	6,041,103
A preferred shares	161,614,712	-	161,614,712	1	161,614,712
B1 preferred shares	4,029,371	537,538	4,566,909	1	4,566,909
B1' preferred shares	129,701	201,873	331,574	1	331,574
B2 preferred shares	563,000	-	563,000	1	563,000
C preferred shares	191,352,516	-	191,352,516	1	191,352,516
D preferred shares	32,673,004	-	32,673,004	1	32,673,004
Total	**396,403,407**	**739,411**	**397,142,818**		**397,142,818**

There are currently seven share classes:

- Ordinary shares
- The class A preferred shares, issued in consideration for the contribution of Devoteam shares by the founders of the Devoteam Group, are ordinary shares with double voting rights
- Class B1 and B1' preferred shares offer certain "positive" advantages in the event of a triggering event. They have a single voting right and no right to distributions.

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- Class B2 preferred shares offer certain "positive" benefits in the event of a triggering event. They have double voting rights and no right to distributions.
- Class C preferred shares offer certain "negative" benefits in the event of a triggering event. They have a single voting right and entitle their holders to distributions.
- Class D preferred shares offer certain "negative" benefits in the event of a triggering event. They have a single voting right for all outstanding shares and entitle their holders to distributions.

3.10.2 Changes in equity

In thousands of euros	Beginning of year	Approp. of 2022 earnings	Capital increase	Capital decrease	Other changes	Dividend distribution	Net income for the year	End of year
Share capital	396,403		739					397,143
Share premium	2,716		1,081					3,797
Statutory reserve	-							-
Other reserves	-							-
								-
Retained earnings	(23,140)	(30,663)						53,804
Profit (loss) for 2022	(30,663)	30,663						-
Profit (loss) for 2023	-						(27,167)	-27,167
Other regulated provisions (1)	6,037				3,131			9,168
Equity	351,353	-	1,821	-	3,131	-	(27,167)	329,137

(1) Accelerated depreciation on the acquisition cost of Devoteam SAS shares.

NOTE 4 - INFORMATION ON THE INCOME STATEMENT

4.1 Breakdown of net revenue

Revenue by geographic region:

In thousands of euros	2023
France	6,561
International	-
Total	6,561

The Company does business in only one economic sector.

4.2 Incentives

None.

4.3 Mandatory employee profit-sharing

The Devoteam Group did not reach the 50 employee threshold during 2023.

4.4 Financial income and expenses

The main components of financial income and expenses are as follows:

Financial expenses *(In thousands of euros)*	2023
Losses on equity interest receivables	-
Equity interest expenses	846
Interest on financing transactions[1]	45,489
Other financial expenses	-
Total	**46,366**

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Financial income (in thousands of euros)	2023
Net income from the sale of marketable securities	-
Financial income from capitalisation contracts	-
Equity interest income[2]	20,537
Other financial income	22
Total	**20,559**

(1) Interest expense on RCF credit lines and the senior TLB loan
(2) Of which €20,537 in dividends received from Devoteam SAS

4.5 Non-recurring income and expenses

The main components of non-recurring income and expenses are as follows:

Non-recurring expenses (in thousands of euros)	2023
On management transactions	-
On capital transactions	-
Exceptional provision for risks[1]	3,131
Total	**3,131**

(1) Includes €3,131 thousand in accelerated depreciation.

Non-recurring operating income (in thousands of euros)	2023
On management transactions	-
On capital transactions	-
Exceptional reversal of provisions for risk	-
Total	**-**

4.6 Increases and decreases in the future tax liability

Temporary differences	Base		Tax	
	Start of year	End of year	Start of year	End of year
Net financial expenses carried forward	9,784	20,119	2,527	5,196
Total decreases	**-**	**-**	**-**	**-**
Total increases	**9,784**	**20,119**	**2,527**	**5,196**
Loss carry-forwards	**30,181**	**51,164**	**7,794**	**13,213**

The income tax rate used is 25.825%.

4.7 Income tax breakdown

Earnings before tax/(loss)		Taxes due		Net income
Recurring	(30,077)	(7,858)		(22,219)
		-	Tax credit	
Non-recurring	short term	(3,131)	1,817	(4,948)
Total		**(33,208)**	**(6,041)**	**(27,167)**

NOTE 5 - COMMITMENTS RECEIVED AND GIVEN

None.

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NOTE 6 – MISCELLANEOUS INFORMATION

6.1 Breakdown of the workforce

The average workforce in 2023 was 9 employees. This workforce consists mainly of executive-level personnel.

6.2 Compensation of management and supervisory bodies

Compensation of management bodies for the financial year ended 31 December 2023 amounts to €642 thousand. Since the corporate officers are not bound to the Company through an employment contract, there are no retirement commitments with regard to them.

NOTE 7 - POST BALANCE SHEET EVENTS

Through a repricing transaction on its long-term senior "TLB" type loan (Term Loan B) dated 13 February 2024, the Company and its lenders agreed on an amendment to the existing contract providing for a reduction of the applicable credit margin from Euribor +4.50% to Euribor +4.0%. The other terms and conditions as described in Note 2.8 above remain unchanged.

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4.4 Statutory auditors' report of the annual financial statements

This is a free translation into English of the statutory auditors' report on the financial statements of the SOCIETE DEVOTEAM GROUP SAS issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended 31 December 2023

To the shareholders of the DEVOTEAM GROUP,

Opinion

In accordance with the assignment entrusted to us by the shareholders, we audited the annual financial statements of the DEVOTEAM GROUP for the year ended 31 December 2023, as attached to this report.

We certify that these annual financial statements give a true and fair view of the company's assets, liabilities, financial position and results for the past year in accordance with French accounting rules and principles.

Basis of our opinion

Audit standards

We conducted our audit in accordance with the professional standards that are observed in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are described in the section of this report entitled "The statutory auditor's responsibilities in auditing of the annual financial statements".

Independence

We have conducted our audit, which covers the period from 1 January 2023 to the date of issue of this report, in accordance with the rules that govern the independence of auditors as set forth in the French code of commerce and in the code of ethics for statutory auditors.

Justification of our assessments

Pursuant to the provisions of Article L.821-53 and R.821-180 of the French commercial code relating to the justification of our assessments, we hereby inform you of the following assessments, which in our professional judgement are the most material in respect of the auditing of the annual accounts.

These assessments are to be understood within the context of the auditing of the financial statements taken as a whole and of the formation of our opinion as expressed above. We do not express an opinion on any isolated aspect of these financial statements.

Note 2.3.1 "Equity interests" describes the accounting rules and methods used to estimate the value in use of interests in associates and joint ventures. During our assessments of the accounting rules and principles applied by your company we have observed that the above accounting methods and the information provided in the notes to the financial statements were appropriate. On the basis of the information provided

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to us, we have examined the methods used to determine the value in use at 31 December 2023 and verified that the above-mentioned note and Note 3.2 "Non-current financial assets" provide appropriate disclosures.

Specific verifications

We have also performed, in accordance with the professional standards applicable in France, the specific verifications required by laws and regulations.

We have no comments to make as to the fair presentation and consistency with the financial statements of the information provided in the Chairman's management report and in the other documents concerning the Company's financial position and financial statements addressed to the shareholders.

We certify the sincerity and consistency of the annual accounts with the information relating to the payment periods mentioned in Article D.441-6 of the French commercial code.

Responsibilities of the management and corporate governance officers with respect to the annual financial statements

Management is responsible for preparing annual financial statements that provide a true and fair view in accordance with French accounting rules and principles, and for implementing the internal control it believes is necessary to prepare annual financial statements that are free of material misstatements, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the company's ability to operate as a going concern, to provide any relevant information in relation to this ability, and to apply the going-concern principle for accounting purposes, unless it intends to liquidate or otherwise terminate the company.

The annual financial statements have been prepared under the responsibility of the Chairman.

The statutory auditors' responsibility in auditing the annual accounts

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Although reasonable assurance is a high level of assurance, it does not guarantee that an audit that is conducted in compliance with professional standards will ensure that all material misstatements are detected. A misstatement may result from fraud or human error and is considered to be material when it is reasonable to expect that, either individually or in combination with one or more other misstatements, it may affect the economic decisions taken by users of the annual financial statements on the basis of these statements.

Pursuant to Article L.821-55 of the French code of commerce, our audit engagement does not consist in assuring the viability of your company or the quality of its management.

In conducting an audit pursuant to the professional standards that are observed in France, statutory auditors must exercise their professional judgment throughout the audit. They must also:

- Identify and assess any risk that the annual financial statements may comprise a material misstatement, whether due to fraud or error, determine and implement audit procedures to address such risks, and obtain sufficient appropriate evidence on which to base their opinion. There is a higher risk of not detecting a material misstatement that is the result of fraud rather than error, since fraud may involve collusion, falsification, a deliberate omission, misrepresentation or evasion of internal control.
- Obtain information on the aspects of the internal control system that are relevant for the audit so that appropriate audit procedures may be determined, and not for the purpose of expressing an opinion on the effectiveness of this internal control.
- Assess the appropriateness of the accounting methods selected by management and the reasonableness of its accounting estimates, and assess any related information provided in the annual financial statements.

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- Determine whether management's use of the going-concern principle is appropriate and, depending on the evidence obtained, whether there is significant uncertainty as to any events or situations that may substantially compromise the company's ability to continue to operate. This assessment must be based on the evidence obtained up to the date of the auditor's report, it being understood however that subsequent events or situations may compromise the company's ability to continue as a going concern. If the auditor concludes that there is such a significant uncertainty, the auditor has an obligation to draw the attention of the readers of the auditor's report to the information in the annual financial statements that concerns this uncertainty or, if this information is insufficient or is not deemed pertinent, the auditor must issue a modified opinion or a disclaimer of opinion.
- Assess the overall presentation of the annual accounts and determine whether they provide a true and fair view of the underlying transactions and events.

The statutory auditors

Paris La Défense, 28 March 2024
KPMG SA

Neuilly-sur-Seine, 28 March 2024
Grant Thornton
French member of Grant Thornton International

Jean-Pierre Valensi
Partner

Vincent Frambourt
Partner