

# Criteo

Société anonyme

32, rue Blanche

75009 PARIS

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## **Statutory Auditors' report on the consolidated financial statements**

Year ended December 31, 2024

RBB AUDIT

7, rue Léo Delibes

75116 PARIS

S.A.S. with a share capital of €209,487

984 642 744 RCS Paris

Société de Commissariat aux Comptes inscrite à la  
Compagnie Régionale de Paris

Deloitte & Associés

6, place de la Pyramide

92908 Paris-La Défense Cedex

S.A.S. with a share capital of €2,188,160

572 028 041 RCS Nanterre

Société de Commissariat aux Comptes inscrite à la  
Compagnie Régionale de Versailles et du Centre

## Criteo

Société anonyme

32, rue Blanche

75009 PARIS

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## Statutory Auditors' report on the consolidated financial statements

Year ended December 31, 2024

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*This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company 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 appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.  
This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.*

To the Criteo S.A. Shareholders' Meeting,

### Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Criteo for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2024, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

## **Basis for Opinion**

### **Audit Framework**

We conducted our audit in accordance with 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 those standards are further described in the “Statutory Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements” section of our report.

### **Independence**

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors for the period from January 1, 2024, to the date of our report.

### **Justification of our assessments**

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Note 3 “Critical accounting estimates and judgments” to the consolidated financial statements mentions the material judgments and estimates adopted by Management. Our procedures consisted in assessing the reasonableness of the data and assumptions underlying these estimates and judgments, examining the procedures for approving these estimates and judgments by Management, reviewing, on a sampling basis, the calculations performed by the Company, and verifying that the notes to the consolidated financial statements provide appropriate disclosures on the assumptions and choices made by the Company.

### **Specific verifications**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the Board of Directors’ management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement required by Article L.225-102-1 of the French Commercial Code is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with Article L.821-54 of this code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

### **Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

signed in Paris and Paris-La Défense, February 28, 2025

The Statutory Auditors

RBB AUDIT

Deloitte & Associés

Jean-Baptiste BONNEFOUX

Felicitas CAVAGNÉ

IFRS CONSOLIDATED FINANCIAL STATEMENTS

*Please note that because we are a French company, the full text of the consolidated financial statements included in this Annex C has been translated from French. In the case of any discrepancy between this version and the French version, the French version will prevail.*

# Consolidated Financial Statements for the year ending December 31, 2024

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## CONSOLIDATED STATEMENTS OF INCOME

(In thousands of euros)	Notes	December 31, 2022	December 31, 2023	December 31, 2024
<b>Revenue</b>	7	<b>1,919,049</b>	<b>1,802,476</b>	<b>1,786,812</b>
Traffic acquisition costs	28	(1,034,758)	(856,970)	(750,323)
Other cost of revenue	28	(125,805)	(146,250)	(126,599)
<b>Gross Profit</b>		<b>758,486</b>	<b>799,256</b>	<b>909,890</b>
Research and development expenses	28	(178,872)	(225,358)	(247,805)
Sales and operations expenses	28	(359,227)	(378,361)	(349,402)
General and administrative expenses	28	(195,406)	(129,415)	(165,123)
<b>Income from Operations</b>		<b>24,981</b>	<b>66,122</b>	<b>147,560</b>
Financial and Other income (expense)	9	15,746	(3,902)	128
<b>Income before taxes</b>		<b>40,727</b>	<b>62,220</b>	<b>147,688</b>
Provision for income taxes	10	(29,655)	(16,748)	(34,974)
<b>Net income</b>		<b>11,072</b>	<b>45,472</b>	<b>112,714</b>
- Available to shareholders of Criteo S.A.	21	9,266	44,175	109,812
- Available to non-controlling interests	21	1,806	1,297	2,902
Basic earnings per share (in € per share)	21	0.15	0.79	2.00
Diluted earnings per share (in € per share)	21	0.15	0.75	1.92

*The accompanying notes form an integral part of these consolidated financial statements.*

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
<b>Net income</b>	<b>11,072</b>	<b>45,472</b>	<b>112,714</b>
Foreign currency translation differences, net of taxes	11,659	(31,468)	39,408
- <i>Foreign currency translation differences</i>	11,659	(31,468)	39,408
Actuarial (losses) gains on employee benefits, net of taxes	2,817	346	(173)
- <i>Actuarial (losses) gains on employee benefits</i>	3,142	414	(198)
- <i>Income tax effect</i>	(325)	(68)	25
<b>Comprehensive income</b>	<b>25,548</b>	<b>14,350</b>	<b>151,949</b>
- Available to shareholders of Criteo S.A.	26,000	16,111	150,015
- Available to non-controlling interests	(452)	(1,761)	1,934

The accompanying notes form an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of euros)	Notes	December 31, 2022	December 31, 2023	December 31, 2024
Goodwill	12	482,972	474,385	495,913
Intangible assets	13	164,992	163,698	152,762
Property and equipment	14	123,017	114,476	103,214
Marketable Securities - noncurrent portion	15	—	15,000	15,000
Non-current financial assets	11	5,558	4,791	4,170
Restricted cash non-current portion	11	70,317	—	—
Right of use assets - operating leases	16	94,561	100,381	94,295
Other non-current asset		47,645	56,576	57,660
Deferred tax assets	10	30,288	49,923	88,361
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,019,350</b>	<b>979,230</b>	<b>1,011,375</b>
Marketable Securities - current portion	15	23,531	5,403	25,259
Trade receivables	17	664,663	701,887	770,870
Current tax assets	10	22,141	1,874	1,498
Restricted cash - current portion	11	23,439	67,873	241
Other current assets	11/18	122,037	135,244	86,793
Cash and cash equivalents	19	326,518	304,040	279,895
<b>TOTAL CURRENT ASSETS</b>		<b>1,182,329</b>	<b>1,216,321</b>	<b>1,164,556</b>
<b>TOTAL ASSETS</b>		<b>2,201,679</b>	<b>2,195,551</b>	<b>2,175,931</b>
(In thousands of euros)	Notes	December 31, 2022	December 31, 2023	December 31, 2024
Share capital	20	1,581	1,529	1,444
Additional paid-in capital		239,276	182,306	82,309
Currency translation adjustment		28,255	(11,609)	27,109
Consolidated reserves		870,859	911,015	899,391
Treasury stock	20	(166,646)	(156,870)	(120,902)
Retained earnings		9,266	44,181	109,812
<b>Equity - available to shareholders of Criteo S.A.</b>		<b>982,591</b>	<b>970,552</b>	<b>999,163</b>
Noncontrolling interests		30,952	28,735	30,870
<b>TOTAL EQUITY</b>		<b>1,013,543</b>	<b>999,287</b>	<b>1,030,033</b>
Financial liabilities - non-current portion	23/24	69	70	286
Non-current lease liabilities - operating leases	16	72,096	74,148	74,133
Retirement benefit obligation	22	3,633	3,739	4,544
Contingencies - non-current portion	25	31,675	30,591	29,967
Other non-current liabilities		48,046	2,074	1,222
Uncertain tax position non-current portion	10	16,857	15,753	17,774
Deferred tax liabilities	10	3,189	810	10,084
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>175,565</b>	<b>127,185</b>	<b>138,010</b>
Financial liabilities - current portion	23/24	205	3,067	2,980
Current lease liabilities - operating leases	16	28,790	31,464	23,768
Contingencies - current portion	25	61,653	1,328	1,812
Trade payables	11	697,942	760,208	773,962
Current tax liabilities	10	12,223	15,578	33,558
Other current liabilities	26	211,758	257,434	171,808
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,012,571</b>	<b>1,069,079</b>	<b>1,007,888</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,201,679</b>	<b>2,195,551</b>	<b>2,175,931</b>

*The accompanying notes form an integral part of these consolidated financial statements.*

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of euros)	Notes	December 31, 2022	December 31, 2023	December 31, 2024
<b>Net income</b>		<b>11,072</b>	<b>45,472</b>	<b>112,714</b>
<b>Noncash and nonoperating items</b>		<b>249,284</b>	<b>167,342</b>	<b>241,575</b>
- Amortization and provisions		177,875	101,731	115,315
- Payment for contingent liability on regulatory matters		—	(40,000)	—
- Share-based compensation expense	8	62,642	89,855	86,338
- Net gain on disposal of non-current assets		(184)	(7,382)	1,743
- Interest accrued and noncash financial income and expenses		391	2,505	1,778
- Change in uncertain tax positions		(246)	(814)	1,624
- Net change in fair value of earn-out		732	2,167	703
- Change in deferred taxes	10	3,417	(23,620)	(25,860)
- Income tax for the period		25,847	41,181	59,209
- Interest paid on leasing		1,251	1,719	2,012
- Other		(22,441)	—	(1,287)
<b>Change in working capital</b>		<b>55,202</b>	<b>69,133</b>	<b>(36,666)</b>
- (Increase) / Decrease in trade receivables		(40,676)	(52,140)	(26,352)
- Increase / (Decrease) in trade payables		129,189	81,503	(15,787)
- (Increase) / Decrease in other current assets	18	(13,551)	(672)	16,295
- Increase / (Decrease) in other current liabilities		(17,114)	40,555	(10,453)
- Change in operating lease liabilities and right of use assets	16	(2,646)	(113)	(369)
<b>Income taxes paid</b>		<b>(36,256)</b>	<b>(37,057)</b>	<b>(41,290)</b>
<b>CASH FROM OPERATING ACTIVITIES</b>		<b>279,302</b>	<b>244,890</b>	<b>276,333</b>
Acquisition of intangible assets, property, plant and equipment	13/14	(57,902)	(107,360)	(71,756)
Proceeds from disposal of intangible assets, property, plant and equipment	13/14	7,569	1,668	977
Payments for (Disposal of) acquired businesses, net of cash acquired (disposed)	4	(135,347)	(6,299)	(487)
Disposal of businesses		—	8,169	—
Net gain or (loss) on disposal of non-current financial assets		(67,415)	29,104	48,709
<b>CASH USED FOR INVESTING ACTIVITIES</b>		<b>(253,095)</b>	<b>(74,718)</b>	<b>(22,557)</b>
Issuance of long-term borrowings		70,000	—	—
Repayment of borrowings		(70,000)	—	—
Repayment of leases		(33,825)	(37,580)	(37,872)
Cash payment for contingent consideration		—	(20,245)	(47,325)
Proceeds from capital increase		1,066	1,798	4,205
Change in treasury stocks		(131,543)	(116,885)	(208,398)
Change in other financial liabilities		(252)	217	—
Other		20,662	(1,775)	1,413
<b>CASH USED FOR FINANCING ACTIVITIES</b>		<b>(143,892)</b>	<b>(174,470)</b>	<b>(287,977)</b>
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>		<b>(117,685)</b>	<b>(4,298)</b>	<b>(34,201)</b>
<b>Net cash and cash equivalents at beginning of period</b>	19	<b>455,330</b>	<b>326,518</b>	<b>304,040</b>
Effect of exchange rate changes on cash and cash equivalents		(11,127)	(18,180)	10,056
<b>Net cash and cash equivalents at end of period</b>	19	<b>326,518</b>	<b>304,040</b>	<b>279,895</b>

*The accompanying notes form an integral part of these consolidated financial statements.*

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands of euros)	Share capital	Additional paid-in capital	Treasury stock	Currency translation adjustment	Consolidated Reserves	Retained earnings	Equity attributable to shareholders of Criteo S.A.	Non-controlling interests	Total equity
<b>Balance at January 1, 2022</b>	1,647	297,123	(112,360)	21,765	705,183	113,207	1,026,565	31,034	1,057,599
Net income	—	—	—	—	—	9,266	9,266	1,806	11,072
Other comprehensive income (loss)	—	—	—	6,490	10,243	—	16,733	(2,257)	14,476
<b>Total comprehensive income</b>	—	—	—	6,490	10,243	9,266	25,999	(451)	25,548
Allocation of net income from prior period	—	—	—	—	113,207	(113,207)	—	—	—
Issuance of common shares	2	1,063	—	—	—	—	1,065	—	1,065
Share-based compensation	—	—	—	—	60,505	—	60,505	369	60,874
Change in treasury stock	(68)	(58,910)	(54,286)	—	(18,279)	—	(131,543)	—	(131,543)
Other changes in equity	—	—	—	—	—	—	—	—	—
<b>Balance at December 31, 2022</b>	1,581	239,276	(166,646)	28,255	870,859	9,266	982,591	30,952	1,013,543
Net income	—	—	—	—	—	44,175	44,175	1,297	45,472
Other comprehensive income (loss)	—	—	—	(39,858)	11,795	—	(28,063)	(3,059)	(31,122)
<b>Total comprehensive income</b>	—	—	—	(39,858)	11,795	44,175	16,112	(1,762)	14,350
Allocation of net income from prior period	—	—	—	—	9,266	(9,266)	—	—	—
Issuance of common shares	3	1,795	—	—	—	—	1,798	—	1,798
Share-based compensation	—	—	—	—	88,053	—	88,053	25	88,078
Change in treasury stock	(55)	(58,765)	9,776	—	(67,841)	—	(116,885)	—	(116,885)
Other changes in equity	—	—	—	(6)	(1,117)	6	(1,117)	(480)	(1,597)
<b>Balance at December 31, 2023</b>	1,529	182,306	(156,870)	(11,609)	911,015	44,181	970,552	28,735	999,287
Net income	—	—	—	—	—	109,812	109,812	2,902	112,714
Other comprehensive income (loss)	—	—	—	40,375	(173)	—	40,202	(967)	39,235
<b>Total comprehensive income</b>	—	—	—	40,375	(173)	109,812	150,014	1,935	151,949
Allocation of net income from prior period	—	—	—	—	44,175	(44,175)	—	—	—
Issuance of common shares	4	4,201	—	—	—	—	4,205	—	4,205
Share-based compensation	—	—	—	—	84,453	—	84,453	200	84,653
Change in treasury stock	(89)	(104,198)	35,968	—	(140,079)	—	(208,398)	—	(208,398)
Other changes in equity	—	—	—	(1,657)	—	(6)	(1,663)	—	(1,663)
<b>Balance at December 31, 2024</b>	1,444	82,309	(120,902)	27,109	899,391	109,812	999,163	30,870	1,030,033

*The accompanying notes form an integral part of these consolidated financial statements.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 1 – Description of the activity

Criteo S.A. is a *société anonyme* or S.A, under the laws of the French Republic. The headquarters are located at 32 rue Blanche, 75009 Paris. The Company is registered on *Registre du Commerce* (Trade and Companies Registry) in Paris under no. 484 786 249 RCS Paris.

We are the global Commerce Media company that enables marketers and media owners to drive better commerce outcomes. We leverage commerce data and artificial intelligence ("AI") to connect ecommerce, digital marketing and media monetization to reach consumers throughout their shopping journey. Our vision is to bring richer experiences to every consumer by enabling discovery, innovation, and choice through trusted and impactful advertising.

We enable brands', retailers' and media owners' growth by providing best-in-class marketing and monetization services and infrastructure on the open Internet, driving approximately \$31 billion of commerce outcomes for our customers – in the form of product sales for retailers, brands and marketers and advertising revenues for media owners. We differentiate by delivering the best performing commerce audiences at scale and through the activation of commerce data in a privacy-by-design way through proprietary AI technology to reach and engage consumers in real time with highly relevant digital advertisements ("ads") based on shared characteristics across all stages of the consumer journey. Our data offers deep insights into consumer intent and purchasing habits.

Our business is grounded on commerce media. As of December 31, 2024, we served approximately 17,000 clients including many of the largest and most sophisticated consumer brands, retailers, commerce companies and media owners in the world. We partner with them to capture user activity on their websites and mobile applications ("apps"), which we define as digital properties, and leverage that data to deliver superior ad performance to help marketers, brands and agencies reach their campaign objectives from top to bottom of the marketing funnel. This includes powering the retail media ecosystem as we enable brands to reach shoppers with relevant ads near the digital point of sale on retailer and marketplace websites while enabling retailers to monetize their ad inventory and add a new, high margin revenue stream. In each of the last three years, our average client retention rate, as measured on a quarterly basis, was approximately 90%.

Demonstrating the depth and scale of our commerce data, we have exposure to \$1 trillion in online sales transactions on our clients' digital properties in the year ended December 31, 2024. Based on this data and other assets, we activated over \$4.3 billion of media spend on behalf of our clients and delivered 2 trillion targeted ads in the year ended December 31, 2024.

We have established our leading market position in commerce media by focusing on three key assets that differentiate us: actionable commerce data, extensive media access, and world-class predictive AI technology. Our large dataset is uniquely focused on commerce and shoppers, our media access across our broad direct network of media owner partners provides large consumer reach as we see approximately 720 million daily active users, and our purpose-built AI technology activates this data and media to drive multiple commerce outcomes for our customers.

Each day, we are presented with billions of opportunities to connect consumers with relevant advertising messages from our commerce and consumer brand clients in compliance with the highest privacy standards, including the General Data Protection Regulation ("GDPR") and California Consumer Privacy Act ("CCPA"). For each of these opportunities, our algorithms analyze massive volumes of shopping data to predict consumer preferences and intent, and deliver specific messaging for products or services that are likely to engage that particular consumer. The accuracy of our algorithms improves with every ad we deliver, as they incorporate new data while continuing to learn from prior interactions.

We operate in commerce media, the fourth wave in digital advertising after display, search and social, leveraging our performance assets along with our Retail Media expertise to deliver impactful ads and reach consumers throughout their shopping journey, when they are the most willing to purchase.

Beginning in the first quarter of 2024 – following the completion of the integration of our Iponweb acquisition – our Chief Operating Decision Maker, who is our Chief Executive Officer ("CEO"), no longer received disaggregated information for Iponweb. As such, we updated our segment financial reporting structure in line with how the CEO assesses performance and allocates resources. Starting in 2024, we reported two segments: Retail Media and Performance Media. Performance Media combines our former Marketing Solutions and Iponweb segments. As such, prior period segment results and related disclosures have been conformed to reflect the Company's current reportable segments.

The preparation of the Consolidated Financial Statements as of December 31, 2024 are under the responsibility of Criteo S.A.'s management. The Consolidated Financial Statements were authorized for issuance by the board of directors of Criteo S.A. on February 28, 2025 and will be approved at the General Meeting on June 13, 2025.

All amounts are expressed in thousands of euros, unless stated otherwise.

In these notes, Criteo S.A. is referred to as the Parent company and together with its subsidiaries, collectively, as "Criteo," the Company "or" the Group".

## Note 2 – Summary of material accounting policies

### Basis of preparation

The Consolidated Financial Statements have been prepared using a going concern assumption and the historical cost principle with the exception of certain assets and liabilities that are measured at fair value in accordance with IFRS. The categories concerned are detailed in the following notes.

In application of the 1606/2002 regulation adopted on July 29, 2002 by the European Parliament and the European Council, the Consolidated Financial Statements have been prepared in accordance with the *International Financial Reporting Standards* ("IFRS") as issued by the International Accounting Standard Board ("IASB") and endorsed by the European Union and whose application is mandatory for the year ending December 31, 2024. Furthermore, regarding its mandatory compliance as a Nasdaq listed company and under the *Securities Exchange Act* of 1934, the Group publishes consolidated financial statements in accordance with the applicable accounting standards in the United States.

### Conversion of Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the consolidated statement of operations within finance income or finance costs.

The results and financial position of all the Group entities that have a functional currency different from Euro, have been translated considering the closing rate at the reporting date for Assets and liabilities, and at average exchange rates for income and expenses.

### Operating Segments

We report our financial results based on two reportable segments: Retail Media and Performance Media.

The reported segment information is based on internal management data used for business performance analysis and resource allocation, following the management approach. An operating segment is a component of the Company for which separate financial information is available that is evaluated regularly by our Chief Operating Decision Maker ("CODM") in deciding how to allocate resources and assessing performance.

Beginning in 2024, due to the integration of the Iponweb acquisition, the Company has changed its segment reporting structure to two reportable segments: Retail Media and Performance Media, which combines our former Marketing Solutions and Iponweb segments, to align with a change in how the CODM, our Chief Executive Officer (CEO), allocates resources and assesses performance.

As such, prior period segment results and related disclosures have been conformed to reflect the Company's current reportable segments. This change did not impact our results of operations, financial position, or cash flows.

## Consolidation Methods

The Group has control over all its subsidiaries, and consequently they are all fully consolidated. The table below presents at each period's end and for all entities included in the consolidation scope the following information:

- Country of incorporation; and
- Percentage of voting rights and ownership interests

	Country	December 31, 2022		December 31, 2023		December 31, 2024		Consolidation method
		Voting rights	Ownership interest	Voting rights	Ownership interest	Voting rights	Ownership interest	
<b>French subsidiaries</b>								
Criteo S.A.	France	100%	100%	100%	100%	100%	100%	Parent Company
Criteo France S.A.S.	France	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Technology	France	100%	100%	100%	100%	100%	100%	Fully consolidated
Condigolabs S.A.S. <sup>(1)</sup>	France	100%	40%	—%	—%	—%	—%	Fully consolidated
<b>Foreign subsidiaries</b>								
Criteo Ltd.	United Kingdom	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Corp.	United States	100%	100%	100%	100%	100%	100%	Fully consolidated
Madyourself Technologies, Inc <sup>(2)</sup>	United States	100%	100%	—%	—%	—%	—%	Fully consolidated
Criteo GmbH	Germany	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Nordics AB.	Sweden	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Korea Ltd.	Korea	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo K.K.	Japan	100%	66%	100%	66%	100%	66%	Fully consolidated
Criteo Do Brasil Desenvolvimento De Serviços De Internet Ltda.	Brazil	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo B.V.	The Netherlands	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Australia Pty Ltd.	Australia	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo S.R.L.	Italy	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Advertising (Beijing) Co.Ltd	China	100%	100%	100%	100%	100%	100%	Fully consolidated
Brandcrush Pty Ltd	Australia	—%	—%	100%	100%	100%	100%	Fully consolidated
Criteo Singapore Pte.Ltd	Singapore	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo LLC	Russia	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Europa MM, S.L.	Spain	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Espana, S.L.	Spain	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Canada Corp.	Canada	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Reklamciilik Hzimetleri ve Ticaret A.S.	Turkey	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo MEA FZ-LLC	United Arab Emirates	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo India Private Limited	India	100%	100%	100%	100%	100%	100%	Fully consolidated
Gemini HoldCo, LLC <sup>(2)</sup>	United States	100%	100%	—%	—%	—%	—%	Fully consolidated
Doobe In Site Ltd	Israel	100%	100%	100%	100%	100%	100%	Fully consolidated
Bidswitch GmbH	Switzerland	100%	100%	100%	100%	100%	100%	Fully consolidated
Bidswitch Inc.	United States	100%	100%	100%	100%	100%	100%	Fully consolidated
Iponweb GmbH	Switzerland	100%	100%	100%	100%	100%	100%	Fully consolidated
Iponweb GmbH <sup>(3)</sup>	Deutschland	100%	100%	100%	100%	—%	—%	Fully consolidated
Iponweb Ltd.	United Kingdom	100%	100%	100%	100%	100%	100%	Fully consolidated
Iponweb Labs Cyprus	Cyprus	100%	100%	100%	100%	100%	100%	Fully consolidated
Iponweb Inc. <sup>(2)</sup>	United States	100%	100%	—%	—%	—%	—%	Fully consolidated
The MediaGrid Inc.	United States	100%	100%	100%	100%	100%	100%	Fully consolidated
Iponweb Labs Arménie	Armenia	100%	100%	100%	100%	100%	100%	Fully consolidated
Criteo Technology S.R.L	Romania	—%	—%	—%	—%	100%	100%	Fully consolidated

<sup>(1)</sup> Disposal of investment

<sup>(2)</sup> Merged with Criteo Corp.

<sup>(3)</sup> Merged with Criteo GmbH

## **Business combinations**

The acquisition method is used in accounting for business combinations. The consideration transferred to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Company, which includes the fair value of any asset or liability arising from a contingent consideration arrangement.

Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities assumed are recognized in a business combination regardless of whether they have been previously recognized in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

Goodwill is determined after a separate recognition of identifiable intangible assets. It is calculated as the excess of the fair value of the consideration transferred over the sum of the recognized amount of any non-controlling interest in the acquiree and the acquisition date fair values of identifiable net assets.

When the cost of the acquisition is below the fair value of the Company's share in the assets, liabilities and contingent liabilities of the acquiree, the difference is recognized directly in the income statement.

If the initial accounting for a business combination can only be determined provisionally, provisional values of the assets and liabilities should be adjusted within one year from the acquisition date, in accordance with IFRS 3.

The impact of capital gains or losses and of depreciation charges and reversals recognized after 12 months of the acquisition date in relation to the values assigned to assets acquired and liabilities assumed at the time of the first consolidation is recognized prospectively, as the income of the period of change and future periods, if any, without adjusting goodwill except in the case of the correction of an error, in accordance with IAS 8—*Accounting policies, changes in accounting estimates and errors*.

## **Intangible Assets (Excluding Goodwill)**

Acquired intangible assets are accounted for at acquisition cost, less accumulated amortization and any impairment loss. Acquired intangible assets are primarily composed of software, technologies and customer relationships, amortized on a straight-line basis over their estimated useful lives comprised between one and three years for software, and between three and nine years for technologies and customer relationships. Intangible assets are reviewed for impairment whenever there are events or changes in circumstances such as, but not limited to, significant declines in revenue, earnings or cash flows or material adverse changes in the business climate, that indicate that the carrying amount of an asset may be impaired.

### Internally developed software and Software as a Service

Costs related to customized internal-use software that have reached the development stage are capitalized. Capitalization of such costs begins when the preliminary project stage is complete and stops when the project is substantially complete and is ready for its intended purpose. In making this determination, several analyses for each phase were performed, including analyses of the feasibility, availability of resources, intention to use and future economic benefits. Amortization of these costs begins when assets are placed in service and is calculated on a straight-line basis over the assets' useful lives estimated between three to five years.

Cloud computing arrangements ("CCAs"), such as Software as a Service (SaaS) and other hosting arrangements, are generally expensed as incurred, based on IAS 38.

## **Property and Equipment**

Property and equipment are accounted for at acquisition cost less cumulative depreciation and any impairment loss. Depreciation is calculated on a straight-line basis over the assets' estimated useful lives. Management determines the appropriate useful life of property, plant and equipment when those assets are initially recognized and it is routinely reviewed. Our current estimate of useful lives represents the best estimate based on current facts and circumstances, but may differ from the actual useful lives due to changes to our business operations, changes in the planned use of assets, and technological advancements. When we change the estimated useful life assumption for any asset, the remaining carrying amount of the asset is accounted for prospectively and depreciated or amortized over the revised estimated useful life.

The estimated useful lives of property and equipment are described below:

Servers.....	5 years
Furniture and IT equipments.....	3 to 5 years

Leasehold improvements are depreciated over their useful life or over the lease term, whichever is shorter.

In January 2025, we completed an assessment of the useful lives of our servers and network equipment, resulting in a change in the estimated useful life of certain servers and network equipment from five to six years. This change in accounting estimate will be effective beginning fiscal year 2025.

## **Impairment of Assets**

### **Goodwill, Intangible Assets, Property and equipment**

In accordance with IAS 36—*Impairment of Assets*, whenever events or changes in market conditions indicate a risk of impairment of intangible assets, property and equipment, a detailed review is carried out in order to determine whether the net carrying amount of such assets remains lower than their recoverable amount, which is defined as the greater of fair value (less costs to sell) and value in use. Value in use is measured by discounting the expected future cash flows from continuing use of the asset and its ultimate disposal. Goodwill is tested once a year for impairment following the principle that the Group operates as two cash generating units. In 2024, the Company voluntarily changed its goodwill and indefinite-lived intangible asset annual impairment test date from December 31 to October 1.

In the event that the recoverable value of the reporting unit is lower than the net carrying value, the difference is recognized as an impairment loss.

Impairment losses for property, plant and equipment or intangible assets with finite useful lives can be reversed if the recoverable value becomes higher than the net carrying value (but not exceeding the loss initially recorded). There has been no impairment of goodwill during the years ended December 31, 2022, 2023 and 2024, as the Company's reporting units' fair value was in excess of the carrying value based on the annual goodwill impairment test.

## **Leases**

In accordance with the provisions of IFRS 16, when entering into a rental agreement, the Group recognizes a liability on the balance sheet corresponding to future discounted payments of the fixed part of the rents, as well as a right of use asset amortized over the term of the contract

Office space and data centers are rented under non-cancellable operating lease agreements. These leases typically include rent free periods, rent escalation periods, renewal options and may also include leasehold improvement incentives. Both office and data center leases may contain non-lease components such as maintenance, electrical costs, and other service charges. Non-lease components are accounted for separately.

Operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Options have been included in the calculation if management has determined that it is reasonably certain that the option will be exercised. Lease liabilities or right of use asset for leases with a term of 12 months or less and/or low values are not recognized.

## **Financial Assets and Liabilities, Excluding Derivatives Financial Instruments**

Financial assets, excluding cash, consist exclusively of loans and receivables. Loans and receivables are non-derivative financial assets with a payment, which is fixed or can be determined, not listed on an active market. They are included in current assets, except those that mature more than twelve months after the reporting date.

Loans are measured at amortized cost using the effective interest method. The recoverable amount of loans and advances is estimated whenever there is an indication that the asset may be impaired and at least on each reporting date. If the recoverable amount is lower than the carrying amount, an impairment loss is recognized in the Consolidated Statement of Income.

The Group carries the accounts receivable at original invoiced amount less an allowance for any potential uncollectible amounts. Receivables are presented on a gross basis and are not netted against the payments we are required to make to advertising inventory publishers. Management makes estimates of expected credit trends for the allowance for credit losses based on, among other factors, a past history of collections, current credit conditions, the aging of the receivables, past history of write downs, credit quality of our customers, current economic conditions, and reasonable and supportable forecasts of future economic conditions.

A receivable is considered past due if we have not received payments based on agreed-upon terms.

A higher default rate than estimated or a deterioration in our clients' creditworthiness could have an adverse impact on our future results. Allowances for credit losses on trade receivables are recorded in "sales and operations expenses" in our Consolidated Statements of Income. We generally do not require any security or collateral to support our receivables.

## Derivative Financial Instruments

The Group buys and sells derivative financial instruments in order to manage and reduce the exposure to the risk of exchange rate fluctuations. The Group deals only with high quality financial institutions. Under IFRS 9, financial instruments may only be classified as hedges when the effectiveness of the hedging relationship at inception and throughout the life of the hedge can be demonstrated and documented. Derivatives not designated as hedging instruments mainly consist of put, forward buying and selling contracts that we use to hedge intercompany transactions and other monetary assets or liabilities denominated in currencies other than the local currency of a subsidiary. We recognize gains and losses on these contracts, as well as the related costs in the financial income (expense), net, along with the foreign currency gains and losses on monetary assets and liabilities.

In accordance with amendment to *IFRS 7—Financial instruments: Disclosures*, financial instruments are presented in three categories based on a hierarchical method used to determine their fair value:

- *Level 1*: fair value calculated using quoted prices in an active market for identical assets and liabilities;
- *Level 2*: fair value calculated using valuation techniques based on observable market data such as prices of similar assets and liabilities or parameters quoted in an active market;
- *Level 3*: fair value calculated using valuation techniques based wholly or partially on unobservable inputs such as prices in an active market or a valuation based on multiples for unlisted companies.

## Cash and cash equivalents and Marketable securities

Cash includes cash on deposit with banks and highly liquid investments such as demand deposits with banks. Cash equivalents include short-term, highly liquid investments, with a remaining maturity at the date of purchase of three months or less for which the risk of changes in value is considered to be insignificant. Highly liquid demand deposits therefore meet the definition of cash equivalents.

Criteo holds investments in marketable securities, consisting mainly of term deposits with banks, not meeting the cash equivalents definition, presented as non current assets. Criteo accounts for marketable securities using the amortized cost model as Criteo's objective is to collect contractual cash flows that are solely made up of payments of principal and interests. Interest income generated from these investments are recorded as financial income

## Employee Benefits

Depending on the laws and practices of the countries in which the Group operates, employees may be entitled to compensation when they retire or to a pension following their retirement. For state-managed plans and other defined contribution plans, we recognize them as expenses when they become payable, our commitment being limited to our contributions.

In accordance with IAS 19, the liability with respect to defined benefit plans is estimated using the projected unit credit method. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is valued separately to obtain the final obligation. The final amount of the liability is then discounted.

In 2021, the IFRS IC issued a decision on the methodology for calculating the employee benefits and the vesting period. In its decision, the IFRS IC concludes, in this case, that no right is acquired in the event of departure before retirement age and that the commitment must only be recognized over the last years of the career of the employees concerned. This decision had no impact on the Group.

The main assumptions used to calculate the liability are:

- discount rate;
- future salary increases; and
- employee turnover.

Service costs are recognized in the income statement and are allocated by function.

Finance costs are presented as part of “Financial income (expense)” in the Consolidated Statement of Income.

Actuarial gains and losses are recognized in other comprehensive income. Actuarial gains and losses arise as a result of changes in actuarial assumptions or experience adjustments (differences between the previous actuarial assumptions and what has actually occurred).

## Provisions

The Group recognizes provisions in accordance with *IAS 37—Provisions, Contingent Liabilities and Contingent Assets*, if the following three conditions are met:

- the Group has a present obligation (legal or constructive) towards a third-party that arises from an event prior to the closing date;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- and the obligation amount can be estimated reliably.

With respect to litigation and claims that may result in a provision to be recognized, the Group exercises significant judgment in measuring and recognizing provisions or determining exposure to contingent liabilities that are related to pending litigation or other outstanding claims. These judgment and estimates are subject to change as new information becomes available.

## Revenue recognition

We sell personalized display advertisements featuring product-level recommendations either directly to clients or to advertising agencies. We also provide technology to retailers and other companies in the ad tech space which enables them to monetize on their advertising properties, or connect them to other players in the ad-tech industry.

Revenue is recognized when control of the promised goods or services is transferred to our clients, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We determine revenue recognition by applying the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract;
- Recognition of revenue when, or as, we satisfy a performance obligations.

We recognize revenues when we transfer control of promised services directly to our clients in an amount that reflects the consideration to which we expect to be entitled to in exchange for those services. Our pricing models include click and impression based pricing, and percentage of spend based pricing.

### Click and impression based pricing model

For campaigns priced on a click or an impression basis, we bill our clients when a user clicks on an advertisement or an advertisement is displayed to a user. For these pricing models, we recognize revenue when a user clicks on an advertisement or an advertisement is displayed, as we consider the delivery of clicks or displays our performance obligation.

### Percentage of spend model

Criteo offers an online trading platform through which brands, agencies, retailers, and supplier can buy and sell digital advertising inventory. Our platform connects sellers and buyers of media inventory in an online marketplace where suppliers provide advertising inventory to the platform and brands and agencies can submit bid requests on digital advertising inventory. The total volume of spending between buyers and sellers on the Company's platform is referred to as working media spend. We charge a fee based on a percentage of working media spend, for the use of our platform. We recognize revenues when customers buy and sell digital advertising inventory through our platform. We also generate revenue through providing additional professional services to our customers, such as billing and administrative services, campaign management, and other transactional services. For performance obligations satisfied over time, we recognize revenue based on a percentage of completion model measured by the outputs transferred to the customer.

### Principal versus Agent Considerations

When a third-party is involved in the delivery of our services to the client, through the supply of digital advertising inventory, we assess whether we act as principal or agent in the arrangement based on the degree we control the specified services before they are transferred to the customer. To determine whether we are acting as a principal or an agent we assess whether (i) we control the advertising inventory before it is transferred to our clients; (ii) we bear sole responsibility in fulfillment of the advertising promise and bear inventory risks and (iii) we have full discretion in establishing prices. If we determine that we control the service before transferring it to the customer, we conclude we act as principal and accordingly report the revenue earned and related costs incurred on a gross basis. For all other contracts where we do not control the service before transferring to the end customer, we act as an agent and accordingly report the revenue net of related costs incurred. The determination of whether we are acting as principal or agent requires judgment.

In our Performance Media segment, we may act as principal or agent depending on the nature of the contract. In our Retail Media segment we act primarily as agent in our Retail Media segment.

### Rebates and Incentives

Criteo offers rebates and incentives to certain customers that could be either fixed or variable. Fixed incentives may represent payments to a customer directly related to entering into an agreement, which are capitalized and amortized over the life of the agreement on a straight-line basis. Variable rebates and incentives are calculated based on expected amount to be provided to customers and they are recognized as a reduction of revenue. We calculate these amounts based upon estimated customer performance, such as volume thresholds, and the terms of the related business agreements.

### Contract Assets and Liabilities

We record contract liabilities when cash payments are received or due in advance of our performance. Our payment terms vary depending on the service or the type of customer. For certain customers, we require payment before the services are delivered. We record contract assets when we do not yet have unconditional rights to payment. Contract assets and liabilities are presented on a net basis at the contract level.

## Cost of revenue

Our cost of revenue primarily includes traffic acquisition costs and other cost of revenue.

*Traffic Acquisition Costs* consist primarily of purchases of impressions from publishers on a CPM basis, incurred to generate our revenues, primarily for the Performance Media segment. We purchase impressions directly from publishers or third-party intermediaries, such as advertisement exchanges. We recognize cost of revenue on a publisher by publisher basis as incurred. Costs owed to publishers but not yet paid are recorded in our Consolidated Statements of Financial Position as trade payables.

*Other Cost of Revenue* includes expenses related to depreciation of data center equipment, lease cost of data centers, cost of data purchased from third parties, digital taxes, and third-party hosting fees. The Company does not build or operate its own data centers and none of its Research and Development employments are dedicated to revenue generating activities. As a result, we do not include the costs of such personnel in other cost of revenue.

## Advertising and Promotional Expenses

Advertising costs are expensed when incurred and are included in marketing and sales expenses on the consolidated statements of income. We incurred advertising expenses of €1.7 million, €1.6 million, and €7.0 million for the years ended December 31, 2024, 2023, and 2022, respectively.

## Share capital

Ordinary shares are classified as equity.

Equity instruments are initially measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

The Group repurchases its ordinary shares through a share repurchase program approved by the board of directors. The cost of shares repurchased is shown as a reduction to equity on the statement of financial position. When treasury shares are sold, reissued, or retired, the amount received is reflected as an increase to equity based on a first-in first-out methodology, with any surplus or deficit recorded within equity.

## Share-Based Compensation

Shares, employee share options and warrants are exclusively awarded to our employees or directors. As required by IFRS 2—*Share-Based Payment*, these awards are measured at their fair value on the date of grant. The fair value is calculated with the most relevant formula regarding the settlement and the conditions of each plan.

The fair value is recorded in personnel expenses (allocated by function in the Consolidated Statement of Income) on a straight line basis over each milestone composing the vesting period with a corresponding increase in shareholders' equity.

At each closing date, the Group re-examines the number of options likely to become exercisable. If applicable, the impact of the review of the estimate is recognized in the Consolidated Statement of Income with a corresponding adjustment in equity.

## Income Taxes

The Group elected to classify the French business tax, Cotisation sur la Valeur Ajoutée des Entreprises (“CVAE”), as an income tax in compliance with IAS 12—*Income Taxes*.

The French Research Tax Credit, *Crédit d’Impôt Recherche* (“CIR”), is a French tax incentive to stimulate research and development (“R&D”). Generally, the CIR offsets the income tax to be paid and the remaining portion (if any) can be refunded at the end of a three-fiscal year-period. The CIR is calculated based on the claimed volume of eligible R&D expenditures by us. As a result, the CIR is presented as a deduction to “Research and development expenses” in the Consolidated Statement of Income. The Group has exclusively claimed R&D performed in France for purposes of the CIR.

The U.S. Research Tax Credit is a U.S. tax credit to incentivize research and development activities in the U.S. Qualifying R&D expenses generating a tax credit which may be used to offset future taxable income once all net operating losses and foreign tax credits have been used. It is not refundable and as such, considered in the scope of IAS 12 - *Income taxes* as a component of income tax expenses. We have exclusively claimed R&D performed in the U.S. for purposes of the U.S. Research Tax Credit.

Deferred taxes are recorded on all temporary differences between the financial reporting and tax bases of assets and liabilities, and on tax losses, using the liability method. Differences are defined as temporary when they are expected to reverse within a foreseeable future. Only deferred tax assets may be recognized if, based on the projected taxable incomes within the next three years; the Group determines that it is probable that future taxable profit will be available against which the unused tax losses and tax credits can be utilized.

The Group is within the scope of the OECD Pillar Two model rules. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

This determination requires many estimates and judgments by the management for which the ultimate tax determination may be uncertain.

If future taxable profits are considerably different from those forecasted that support recording deferred tax assets, the amount of deferred tax assets will be revised downwards or upwards, which would have a significant impact on the net income.

In accordance with IAS 12 - *Income taxes*, tax assets and liabilities are not discounted. Amounts recognized in the Consolidated Financial Statement are calculated at the level of each tax entity included in the consolidation scope.

## **Uncertain Tax Positions**

We recognize tax benefits from uncertain tax positions only if we believe that it is probable that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. These uncertain tax positions include our estimates for transfer pricing that have been developed based upon analyses of appropriate arms-length prices.

Similarly, our estimates related to uncertain tax positions concerning research tax credits are based on an assessment of whether our available documentation corroborating the nature of our activities supporting the tax credits will be sufficient. Although we believe that we have adequately reserved for our uncertain tax positions (including net interest and penalties), we can provide no assurance that the final tax outcome of these matters will not be materially different. We make adjustments to these reserves in accordance with the income tax accounting guidance when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made, and could have a material impact on our financial condition and operating results.

## **Earnings Per Share**

In accordance with IAS 33—Earnings Per Share, basic earnings per share (“EPS”) are calculated by dividing the net income attributable to shareholders of the Parent company by the weighted average number of shares outstanding. The weighted average number of shares outstanding is calculated according to movements in share capital.

In addition, diluted earnings per share is calculated by dividing the net income attributable to shareholders of the Parent company by the weighted average number of shares outstanding plus any potentially dilutive shares not yet issued.

## **Reclassifications**

Certain prior period amounts have been reclassified to conform to the current period presentation.

In 2024, the Company changed the presentation of value-added tax (“VAT”) receivables and payables within Other taxes in the Consolidated Statement of Financial Position from a gross to a net presentation. VAT receivables are netted with VAT payables within the same jurisdiction when there is a legal right to offset and the Company has the intent to settle on a net basis. For the fiscal year ended December 31, 2023, this change resulted in a reclassification of 36.6 million euros (40.4 million dollars) between Other Taxes Receivables and Other Taxes Payable. The reclassification had no impact on net income, comprehensive income, or shareholders’ equity.

## **Standards and amendments applicable from January 1, 2024**

The following new standards and amendments have been adopted by Criteo on January 1, 2024:

- Amendments to IAS 1 : Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 : Supplier Finance Arrangements
- Amendments to IFRS 16 : Lease Liability in a Sale and Leaseback

No new standards or amendments had a significant impact on the Company's consolidated financial statements as of December 31, 2024.

## **Standards and amendments to be adopted but not yet applicable as of December 31, 2024**

- Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates
- IFRS 18: Presentation and Disclosure in Financial Statements
- IFRS 19: Subsidiaries without Public Accountability - Disclosures
- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments
- Annual Improvements – Volume 11

## Note 3 – Critical accounting estimates and judgments

### Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with IFRS. The preparation of our consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of revenue, assets, liabilities, costs and expenses. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates.

On an on-going basis, management evaluates its estimates, primarily those related to: (1) revenue recognition (2) income taxes, (3) assumptions used in the valuation of long-lived assets including intangible assets, and goodwill, (4) assumptions surrounding the recognition and valuation of contingent liabilities and losses.

In January 2025, we completed an assessment of the useful lives of our servers and network equipment, resulting in a change in the estimated useful life of certain servers and network equipment from five to six years. This change in accounting estimate will be effective beginning fiscal year 2025.

### Revenue Recognition

For revenue generated from arrangements that involve purchasing inventory from media owners, there is significant judgment in evaluating whether we are the principal, and report revenue on a gross basis, or the agent, and report revenue on a net basis. In this assessment, we consider if we obtain control of the specified goods or services before they are transferred to the customer, as well as other indicators such as the determination of the party primarily responsible for fulfillment of the promised service, inventory risk, and discretion in establishing price. The assessment of whether we are considered the principal or the agent in a transaction could impact our revenue and cost of revenue recognized in the consolidated statements of income.

For additional information regarding revenue and the assumptions used for determining our revenue recognition refer to the Section “Revenue Recognition” in Note 2.

### Income taxes

We are subject to income taxes in France and numerous foreign jurisdictions. We record deferred taxes on all temporary differences between the financial reporting and tax bases of assets and liabilities, and on tax losses, using the liability method. The deferred tax assets are reviewed at each reporting date and are not recorded or reduced, if necessary, to the extent that the related tax benefits are not probable of being realized.

We also recognize tax benefits from uncertain tax positions only if we believe that it is probable that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. These uncertain tax positions include our estimates for transfer pricing that have been developed based upon analyses of appropriate arms-length prices.

Similarly, our estimates related to uncertain tax positions concerning research and development tax credits are based on an assessment of whether our available documentation corroborating the nature of our activities supporting the tax credits will be sufficient.

## **Valuation of Long-lived Assets including Goodwill, and Intangible Assets**

We allocate the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill to cash generating units based on the expected benefit from the business combination. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets.

Significant estimates in valuing certain intangible assets include, but are not limited to, estimated replacement costs and future expected cash flows from acquired users, acquired technology, acquired patents, and trade names from a market participant perspective, useful lives, and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Allocation of purchase consideration to identifiable assets and liabilities affects our amortization expense, as acquired finite-lived intangible assets are amortized over the useful life, whereas any indefinite-lived intangible assets, including goodwill, are not amortized. During the measurement period, which is not to exceed one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

Goodwill is tested for impairment at the cash generating unit level annually or more frequently if events or changes in circumstances would more likely than not reduce the fair value of a reporting unit below its carrying value. Goodwill has been allocated to segments using a relative fair value allocation approach. As of December 31, 2024, no impairment of goodwill has been identified.

Long-lived assets, including property and equipment and finite-lived intangible assets are reviewed for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. The evaluation is performed at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If the recoverable amount of an asset is lower than its carrying amount, the carrying amount is written down to the recoverable amount by recording an impairment loss.

## **Contingent Losses and Liabilities**

With respect to litigation, claims and non-income tax risks, that may result in a provision to be recognized, we exercise significant judgment in measuring and recognizing provisions or determining exposure to contingent liabilities that are related to pending litigation, other outstanding claims and non income tax audits. These judgment and estimates are subject to change as new information becomes available.

## Note 4 – Significant Events and Transactions of the Period

### **Brandcrush acquisition**

On February 28, 2023, we completed the acquisition of all of the outstanding shares of Brandcrush Pty Ltd. ("Brandcrush"). The purchase price for the acquisition of shares was 6.4 million euros (\$7.1 million). The acquisition was financed by available cash resources. The transaction has been accounted for as a business combination under the acquisition method of accounting. The purchase price allocation has been completed and resulted in the recognition of intangible assets related to technology of 3.2 million euros (\$3.5 million) and goodwill for 4.5 million euros (\$5.0 million). In addition, acquisition costs amounting to 0.6 million euros (\$0.7 million) were fully expensed as incurred.

### **Restructuring 2024**

In April 2024, we implemented several measures to pursue greater efficiency, including planned layoffs to further reduce our company size by approximately 100 employees. Impacted employees in our sales, technology, and business groups were notified during April 2024 to July 2024. As of December 31, 2024, we have completed these employee layoffs. The Company incurred restructuring costs of 7.8 million euros (\$8.5 million) for the year ended December 31, 2024. The following table summarizes those restructuring activities as of December 31, 2024 included in other current liabilities on the balance sheet:

(in thousands of euros)	Salaries and other benefits
Restructuring liability as of January 1, 2024	—
Restructuring charge	7,835
Amounts paid	(7,546)
<b>Restructuring liability as of December 31, 2024</b>	<b>289</b>

For the year ended December 31, 2024 1.7 million euros (\$1.9 million) was included in Research and Development expenses, 4.6 million euros (\$5.0 million) was included in General and Administrative expenses and 1.5 million euros (\$1.6 million) was included in Sales and Operations expenses.

## **Restructuring 2023**

In February 2023, we announced planned layoffs to reduce our company size by approximately 250 employees, for 20.8 million euros, across the Retail Media and Performance Media segments. Impacted employees in our sales, technology, and business groups were notified during February 2023 and March 2023. As of December 31, 2024, we have completed these employee layoffs.

The following table summarizes restructuring activities as of December 31, 2023 included in other current liabilities on the balance sheet:

(in thousands of euros)	Salaries and other benefits
Restructuring liability as of January 1, 2023	—
Restructuring charge	20,781
Amounts paid	(16,684)
<b>Restructuring liability as of December 31, 2023</b>	<b>4,097</b>

For the year ended December 31, 2023 €12.6 million, was included in Research and Development expenses, €5.1 million, was included in General and Administrative expenses €3.2 million was included in Sales and Operations.

## Note 5 – Segment information

### Reportable segments

The Company reports segment information based on the management approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of the Company's reportable segments. Beginning in the first quarter of 2024, the Company reports its results of operations through the following two segments: Retail Media and Performance Media.

- Retail Media: This segment allows retailers to generate advertising revenues from consumer brands, and/or to drive sales for themselves, by monetizing their data and audiences through personalized ads, either on their own digital property or on the open Internet, that address multiple marketing goals.
- Performance Media: This segment encompasses commerce activation, monetization, and AdTech services including our media trading marketplace.

The Company's CODM allocates resources to and assesses the performance of each operating segment using information about Contribution ex-TAC, which is Criteo's segment profitability measure and reflects our gross profit plus other costs of revenue. The CODM only reviews revenues and corresponding TAC for each segment, and does not regularly review any other expense nor financial information for our two segments.

Our CODM is our CEO.

The following table shows revenue by reportable segment:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Retail Media	192,346	193,243	238,713
Performance Media	1,726,703	1,609,233	1,548,099
<b>Total Revenue</b>	<b>1,919,049</b>	<b>1,802,476</b>	<b>1,786,812</b>

The following table shows Contribution ex-TAC by reportable segment and its reconciliation to the Company's Consolidated Statements of Operation:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Retail Media	153,415	188,115	234,594
Performance Media	730,876	757,391	801,895
<b>Total Contribution ex-TAC</b>	<b>884,291</b>	<b>945,506</b>	<b>1,036,489</b>
<b>Other costs of sales</b>	<b>(125,805)</b>	<b>(146,250)</b>	<b>(126,599)</b>
<b>Gross profit</b>	<b>758,487</b>	<b>799,256</b>	<b>909,890</b>
<b>Operating expenses</b>			
Research and development expenses	(178,872)	(225,358)	(247,805)
Sales and operations expenses	(359,227)	(378,361)	(349,402)
General and administrative expenses	(195,406)	(129,415)	(165,123)
<b>Total Operating expenses</b>	<b>(733,505)</b>	<b>(733,134)</b>	<b>(762,330)</b>
<b>Income from operations</b>	<b>24,982</b>	<b>66,122</b>	<b>147,560</b>
Financial and Other Income (Expense)	15,746	(3,902)	128
<b>Income before tax</b>	<b>40,728</b>	<b>62,220</b>	<b>147,688</b>

## Note 6 – Financial risk management

### Credit risk

The maximum exposure to credit risk at the end of each reported period is represented by the carrying amount of financial assets and summarized in the following table:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Marketable securities	23,531	20,403	40,259
Non-current financial assets	5,558	4,791	4,170
Trade receivables	664,663	701,887	770,870
Other current assets	122,037	135,244	86,793
Cash and cash equivalents	326,518	304,040	279,895
<b>Total</b>	<b>1,142,307</b>	<b>1,166,365</b>	<b>1,181,987</b>

### Trade receivables

Credit risk is defined as an unexpected loss in cash and earnings if the client is unable to pay its obligations in due time. The Group performs internal ongoing credit risk evaluations of the clients. When a possible risk exposure is identified, the Group requires prepayments.

For each period presented, the aging of trade receivables and provisions for credit losses is as follows:

(In thousands of euros)	December 31, 2022				December 31, 2023				December 31, 2024			
	Gross Value	%	Provision	%	Gross Value	%	Provision	%	Gross Value	%	Provision	%
Not yet due	456,034	64 %	(1,001)	2%	498,772	67 %	(51)	4 %	558,394	70 %	(1,297)	5 %
0-30 days	125,013	18 %	(1,702)	4%	140,478	19 %	(1,304)	(1)%	154,778	19 %	(4,238)	15 %
31-60 days	33,031	5 %	(219)	—%	32,347	4 %	(383)	1 %	35,932	5 %	(230)	1 %
61-90 days	17,607	2 %	(144)	—%	13,336	2 %	(406)	1 %	14,863	2 %	(357)	1 %
> 90 days	77,796	11 %	(41,752)	94%	56,243	8 %	(37,095)	95 %	34,445	4 %	(21,420)	78 %
<b>Total</b>	<b>709,481</b>	<b>100 %</b>	<b>(44,818)</b>	<b>100%</b>	<b>741,176</b>	<b>100 %</b>	<b>(39,239)</b>	<b>100 %</b>	<b>798,412</b>	<b>100 %</b>	<b>(27,542)</b>	<b>100 %</b>

### Cash and Cash Equivalents and Marketable securities

Cash and cash equivalents and marketable securities are exclusively invested in secure investments such as interest-bearing term deposits.

## Market Risk

### Foreign Currency Risk

A 10% increase or decrease of the Pound Sterling, the U.S dollar, the Japanese yen or the Brazilian real against the euro would have impacted the Consolidated Statement of Income in Equity including non-controlling interests as follows:

(In thousands of euros)	December 31, 2022		December 31, 2023		December 31, 2024	
<b>GBP/EUR</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>
Net income impact	(428)	428	(67)	67	225	(225)
(In thousands of euros)	December 31, 2022		December 31, 2023		December 31, 2024	
<b>USD/EUR</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>
Net income impact	3,408	(3,408)	4,168	(4,168)	7,537	(7,537)
(In thousands of euros)	December 31, 2022		December 31, 2023		December 31, 2024	
<b>JPY/EUR</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>
Net income impact	531	(531)	1,679	(1,679)	854	(854)
(In thousands of euros)	December 31, 2022		December 31, 2023		December 31, 2024	
<b>BRL/EUR</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>	<b>10%</b>	<b>(10)%</b>
Net income impact	(223)	223	204	(204)	253	(253)

### Counter Party Risk

As of December 31, 2024, we show a positive net cash position. Since 2012, we utilize a cash pooling arrangement, reinforcing cash management centralization. Investment and financing decisions are carried out by our internal central treasury function. We only deal with counterparties with high credit ratings. In addition, under our Investment and Risk Management Policy, our central treasury function ensures a balanced distribution between counterparties of the investments, no matter the rating of such counterparty.

## Liquidity Risk

The following tables disclose for each presented period the contractual cash flows of our financial liabilities and operating lease arrangements :

<b>December 31, 2022</b>					
(In thousands of euros)	Carrying value	Contractual cash flows	Less than 1 year	1 to 5 years	5 years +
Financial liabilities	274	274	205	69	—
Operating lease liabilities	100,886	100,886	28,790	72,096	—
Trade payables	697,942	697,942	697,942	—	—
Other current liabilities	211,758	211,758	211,758	—	—
<b>Total</b>	<b>1,010,860</b>	<b>1,010,860</b>	<b>938,695</b>	<b>72,165</b>	<b>—</b>

<b>December 31, 2023</b>					
(In thousands of euros)	Carrying value	Contractual cash flows	Less than 1 year	1 to 5 years	5 years +
Financial liabilities	3,137	3,137	3,067	70	—
Operating lease liabilities	105,612	105,612	31,464	74,148	—
Trade payables	760,208	760,208	760,208	—	—
Other current liabilities	257,434	257,434	257,434	—	—
<b>Total</b>	<b>1,126,391</b>	<b>1,126,391</b>	<b>1,052,173</b>	<b>74,218</b>	<b>—</b>

<b>December 31, 2024</b>					
(In thousands of euros)	Carrying value	Contractual cash flows	Less than 1 year	1 to 5 years	5 years +
Financial liabilities	3,266	3,266	2,980	286	—
Operating lease liabilities	97,901	97,901	23,768	67,013	7,120
Trade payables	773,962	773,962	773,962	—	—
Other current liabilities	171,808	171,808	171,808	—	—
<b>Total</b>	<b>1,046,937</b>	<b>1,046,937</b>	<b>972,518</b>	<b>67,299</b>	<b>7,120</b>

## Note 7 – Breakdown of Revenue and Non-Current Assets by Geographical Areas

The Company operates in the following three geographical markets:

- Americas: North and South America;
- EMEA: Europe, Middle-East and Africa; and
- Asia-Pacific.

The following tables disclose the consolidated revenue for each geographical area for each of the reported periods. Revenue by geographical area is based on the location of advertisers' campaigns.

(In thousands of euros)	Americas	EMEA	Asia-Pacific	Total
December 31, 2022	849,676	671,982	397,391	1,919,049
December 31, 2023	820,325	621,897	360,254	1,802,476
December 31, 2024	824,514	625,161	337,137	1,786,812

Revenue generated in France amounted to €81.1million, €92.7 million and €105.7million for the periods ended December 31, 2024, 2023 and 2022, respectively.

Revenue generated in other significant countries where the Group operates is presented in the following table:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
<b>Americas</b>			
United States	760,734	742,695	741,722
<b>EMEA</b>			
Germany	186,459	185,048	187,279
United Kingdom	77,034	66,172	78,055
<b>Asia-Pacific</b>			
Japan	240,699	200,705	188,659

For each reported period, noncurrent assets (corresponding to the net book value of tangible and intangible assets) are presented in the table below. The geographical information results from the locations of legal entities.

(In thousands of euros)	Holding	Americas	of which United States	EMEA	Asia-Pacific	of which Japan	Singapore	Total
December 31, 2022	176,164	87,148	84,894	4,788	19,909	8,278	11,567	288,009
December 31, 2023	180,493	80,911	80,777	3,188	13,582	6,022	6,954	278,174
December 31, 2024	176,319	65,741	65,610	2,938	10,978	4,709	5,799	255,976

## Note 8 – Share-Based Compensation

### Share-Based Compensation

Share-based compensation expense recorded in the consolidated statements of operations was as follows:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Research and Development	(35,530)	(50,661)	(37,738)
Sales and Operations	(13,495)	(18,502)	(19,831)
General and Administrative	(13,616)	(20,692)	(25,075)
<b>Total share-based compensation</b>	<b>(62,641)</b>	<b>(89,855)</b>	<b>(82,644)</b>
Tax benefit from stock-based compensation	5,147	7,271	5,012
<b>Total share-based compensation, net of tax effect</b>	<b>(57,494)</b>	<b>(82,584)</b>	<b>(77,632)</b>

For the periods ended December 31, 2024 and 2023, the Company recognized 82.6 million euros and 89.9 million euros, respectively, of equity awards compensation expense, which consisted of share-based compensation expense, net of 3.7 million euros capitalized stock-based compensation relating to internally developed software in 2024.

The breakdown of the equity award compensation expense by instrument type was as follows:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Share options	(97)	(83)	(42)
Lock-up shares	(15,781)	(30,719)	(19,243)
Restricted stock units / Performance stock units	(44,995)	(57,276)	(61,675)
Non-employee warrants	(1,768)	(1,777)	(1,684)
<b>Total share-based compensation</b>	<b>(62,641)</b>	<b>(89,855)</b>	<b>(82,644)</b>
Tax benefit from stock-based compensation	5,147	7,271	5,012
<b>Total share-based compensation, net of tax effect</b>	<b>(57,494)</b>	<b>(82,584)</b>	<b>(77,632)</b>

### Share Options

Stock options granted under the Company's stock incentive plans generally vest over four years, subject to the holder's continued service through the vesting date and expire no later than 10 years from the date of grant.

	Options Outstanding			
	Number of Shares Underlying Outstanding Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
<b>Outstanding - December 31, 2023</b>	<b>319,238</b>			
Options granted	—			
Options exercised	(83,518)			
Options canceled	(9,639)			
Options expired	(7,400)			
<b>Outstanding - December 31, 2024</b>	<b>218,681</b>			
Vested and exercisable - December 31, 2024	218,681	€18.55	4.47	€4,392

The aggregate intrinsic value represents the difference between the exercise price of the options and the fair market value of common stock on the date of exercise. No new stock options were granted in the year ending December 31, 2024 and December 31, 2023. As of December 31, 2024, there is no unrecognized stock-based compensation expense related to unvested stock options.

## Lock up shares

On August 1, 2022, 2,960,243 Treasury shares were transferred to the Founder (referred to as Lock Up Shares or "LUS"), as partial consideration for the Iponweb Acquisition. As these shares are subject to a lock-up period that expires in three installments on each of the first three anniversaries of the Iponweb Acquisition, unless the vesting schedule changed or the Iponweb Founder's employment agreement was terminated under certain circumstances during the duration of the lock-up period. These shares were considered as share-based compensation under ASC 718 and were accounted over the three-year lock-up period. The share based compensation expenses is included in Research and Development expenses on the Consolidated Statement of Income.

The shares were valued based on the Nasdaq weighted average share price.

In 2024, the Iponweb Founder's employment agreement was terminated, resulting in the early expiration of the three-year lock-up period.

	Shares LUS	Weighted-Average Grant date Fair Value Per Share
<b>Outstanding as of December 2023</b>	1,953,760	
Granted	—	
Vested	(1,953,760)	
Forfeited	—	
<b>Outstanding as of December 31, 2024</b>	<b>—</b>	<b>€23.19</b>

Total compensation expense in 2024 of 19.2 million euros was recognized in Research and Development expense in the Consolidated Statement of Income. As of December 31, 2024, the Company had no unrecognized stock-based compensation relating to the lock-up shares.

## Restricted Stock Units and Performance Stock Units

During the year ended December 31, 2024, the Company granted new equity under our current equity compensation plans, which was comprised of restricted stock units (“RSU”), and performance-based RSU awards consisting of total shareholder return (“TSR”) and performance vesting conditions (“PSU”) to the Company’s senior executives.

### Restricted Stock Units

Restricted stock units generally vest over four years, subject to the holder’s continued service and/or certain performance conditions through the vesting date. In the following tables, exercise prices, grant date share fair values and fair value per equity instruments are provided in euros, as the Company is incorporated in France and the euro is the currency used for the grants. The grant date fair value is determined by the Company Nasdaq share price the day prior to the grant.

	Shares (RSU)	Weighted-Average Grant date Fair Value Per Share
<b>Outstanding as of December 2023</b>	<b>5,293,263</b>	
Granted	1,613,008	
Vested	(2,129,087)	
Forfeited	(354,750)	
<b>Outstanding as of December 31, 2024</b>	<b>4,422,434</b>	<b>€31.78</b>

The RSUs are subject to a vesting period of four years, over which the expense is recognized on a straight-line basis. A total of 1,613,008 shares have been granted under this plan in the year 2024, with a weighted-average grant-date fair value of €38.66.

At December 31, 2024, the Company had unrecognized stock-based compensation relating to restricted stock of approximately 72.0 million euros, which is expected to be recognized over a weighted-average period of 3.2 years

## Performance Stock Units

Performance stock units are subject to either a performance condition or a market condition.

### *Performance stock units subject to performance condition*

Awards that are subject to a performance condition, are earned based on internal financial performance metrics measured by Contribution ex-TAC. A total of 568,081 shares have been granted at target under two plans with a vesting period of three years. The target shares are subject to a range of vesting from 0% to 200% based on the performance of internal financial metrics, for a maximum number of shares of 1,136,162.

The grant-date fair value is determined based on the fair-value of the shares at the grant date. The weighted average grant-date fair value of those plans is €30.54 per share for a total fair value of approximately 17.3 million euros, to be expensed on a straight-line basis over the respective vesting period. The number of shares granted, vesting and outstanding subject to performance conditions is as follows:

	Shares (PSU)	Weighted-Average Grant date Fair Value Per Share
<b>Outstanding as of December 2023</b>	<b>660,395</b>	
Granted	568,081	
Performance share adjustment	64,152	
Vested	(240,509)	
Forfeited	(216,111)	
<b>Outstanding as of December 31, 2024</b>	<b>836,008</b>	<b>€31.12</b>

At December 31, 2024, the Company had unrecognized stock-based compensation relating to restricted stock of approximately 10.4 million euros, which is expected to be recognized over a weighted-average period of 2.9 years.

### **Performance stock units subject to market condition**

Awards that are subject to a market condition are earned based on the Company's total shareholder return relative to the Nasdaq Composite Index, and certain other vesting conditions. A total of 268,226 shares have been granted at target under this plan, to be earned in two equal tranches over a term of two and three years, respectively. The target shares are subject to a range of vesting from 0% to 200% for each tranche based on the TSR, for a maximum number of shares of 536,452. The grant-date fair value is approximately 12.7 million euros, to be expensed on a straight-line basis over the respective vesting period.

The grant-date fair value was determined based on a Monte-Carlo valuation model using the following key assumptions:

Expected volatility of the Company	42.73 %
Expected volatility of the benchmark	71.18 %
Risk-free rate	4.27 %
Expected dividend yield	— %

The number of shares granted, vested and outstanding subject to market conditions is as follows:

	Shares (TSR)	Weighted-Average Grant date Fair Value Per Share
<b>Outstanding as of December 2023</b>	—	
Granted	268,226	
Vested	—	
Forfeited	(9,088)	
<b>Outstanding as of December 31, 2024</b>	<b>259,138</b>	<b>€47.42</b>

As of December 31, 2024, the Company had unrecognized stock-based compensation related to performance stock units based of market conditions of 8.0 million euros, which is expected to be recognized over a period from January 1, 2025 to March 1, 2027.

## Nonemployee warrants

Nonemployee warrants generally vest over four year, subject to the holder's continued service through the vesting date. Stock options granted under the Company's stock incentive plans generally vest over four years, subject to the holder's continued service through the vesting date and expire no later than 10 years from the date of grant.

	Shares	Weighted-Average Grant date Fair Value Per Share	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
<b>Outstanding - December 31, 2023</b>	<b>244,457</b>			
Granted	—			
Exercised	(84,560)			
Canceled	—			
Expired	—			
<b>Outstanding - December 31, 2024</b>	<b>159,897</b>	<b>€16.59</b>	<b>3.55</b>	<b>€3,518</b>
<b>Vested and exercisable - December 31, 2024</b>	<b>159,897</b>			

The aggregate intrinsic value represents the difference between the exercise price of the nonemployee warrants and the fair market value of common stock on the date of exercise. During the period ended December 31, 2024, the weighted-average exercise price of nonemployee warrants is €25.21.

No new stock nonemployee warrants were granted in the year ending December 31, 2024 and December 31, 2023. As of December 31, 2024, all instruments have fully vested.

## Note 9 – Financial and other Income and Expenses

The Consolidated Statements of Income line item “Financial income (expense)” can be broken down as follows:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Financial income from cash equivalents	1,837	4,316	9,299
Interest and fees	(1,922)	(2,075)	(1,686)
Interest on leases	(1,251)	(1,719)	(2,341)
Interest income (expense) on contingencies	2,143	(263)	—
Discounting impact	(4,461)	(4,890)	(1,633)
Foreign exchange gain / (loss)	18,775	(6,882)	(2,626)
Other financial income (expense)	625	7,611	(885)
<b>Total financial and other income (expense)</b>	<b>15,746</b>	<b>(3,902)</b>	<b>128</b>

The 0.1 million euros financial and other expense for the period ended December 31, 2024 was mainly driven by interest income, partially offset by the recognition of a negative impact of foreign exchange, including end of year non-cash marked to market, the accretion of earn-out liability related to the Iponweb acquisition and the financial expense relating to our 407.0 million euros available Revolving Credit Facility (“RCF”).

The 3.9 million euros financial and other expense for the period ended December 31, 2023 was mainly driven by proceeds from disposal of non consolidated investments fully offset by the recognition of a negative impact of foreign exchange, the accretion of earn-out liability related to Iponweb acquisition and interests expense relating to our €407 million available Revolving Credit Facility (RCF).

The 15.7 million euros financial and other income for the period ended December 31, 2022 was mainly driven by the positive impact of foreign exchange derivatives entered-into to secure the cash consideration of the Iponweb acquisition. This was partially offset by the €4.5 million accretion of earn-out liability related to Iponweb acquisition. Other impacts come from the foreign exchange reevaluations net of related hedging of our operations, income from cash and cash equivalent, and the financial expense relating to our €407 million available Revolving Credit Facility (RCF) up-front fees amortization and non-utilization costs.

## Note 10 – Provision for Income Taxes

### Breakdown of Income Taxes

The Consolidated Statement of Income line item “Provision for income taxes” can be broken down as follows:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Current income tax provision	26,244	40,368	60,834
Deferred income tax provision	3,411	(23,620)	(25,860)
<b>Provision for income taxes</b>	<b>29,655</b>	<b>16,748</b>	<b>34,974</b>

### Reconciliation between the Effective and Nominal Tax Expense

The following table shows the reconciliation between the effective and nominal tax expense at the nominal standard French rate of 25,8% (excluding additional contributions):

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Income before taxes	40,727	62,220	147,688
Theoretical group tax rates	25.82 %	25.82 %	25.82 %
<b>Nominal tax expense (benefit)</b>	<b>10,516</b>	<b>16,065</b>	<b>38,133</b>
<b>(Increase) Decrease in tax expense arising from :</b>			
<i>French Research Tax Credit, Crédit d'Impôt Recherche (“CIR”)</i>	(2,753)	(2,197)	(1,672)
<i>Shared-based compensation, net of tax deductions</i>	2,923	8,103	2,140
<i>Non-tax deductible provision from loss contingency on regulatory matters (see Note 25)</i>	16,106	(5,127)	—
<i>Non deductible expenses</i>	5,874	4,873	7,161
<i>Non recognition of deferred tax assets</i>	3,038	806	333
<i>Utilization or recognition of previously unrecognized tax losses</i>	(4,405)	(1,627)	(5,397)
<i>French business tax - (“CVAE”) <sup>(1)</sup></i>	1,554	1,473	1,143
<i>Income eligible to reduced taxation rate <sup>(2)</sup></i>	(6,421)	(4,180)	(5,355)
<i>Effect of different tax rates</i>	2,643	(467)	342
<i>Other differences</i>	580	(974)	(1,854)
<b>Provision for income taxes</b>	<b>29,655</b>	<b>16,748</b>	<b>34,974</b>
<b>Effective tax rate</b>	<b>72,8 %</b>	<b>26,9 %</b>	<b>23,7 %</b>

<sup>(1)</sup> French CVAE “cotisation sur la valeur ajoutée des entreprises” - is the business value add contribution tax in France

<sup>(2)</sup> Income eligible to reduced taxation rate refers to the application of a reduced income tax rate on the majority of the technology royalties income

Increases and decreases in tax expense are presented applying the theoretical group tax rate to the concerned tax bases. The impact resulting from the differences between local tax rates and the group theoretical rate is shown in the “effect of different tax rates.”

## Deferred Tax Assets and Liabilities

The following table shows the changes in the major sources of deferred tax assets and liabilities:

(in thousands of euros)	Defined Benefit Obligation	Tax losses	Intangible & Tangible assets**	Other*	Limitation of Deferred Tax Assets	Deferred Tax Position
Balance at January 1, 2022	1,262	29,603	(18,798)	48,103	(30,897)	29,273
Recognized in profit or loss	448	(9,769)	17,052	(14,120)	3,056	(3,333)
Recognized in other comprehensive income	(811)	—	—	—	486	(325)
Change in scope	—	—	1,368	14	(845)	537
Currency translation adjustments	—	277	(963)	2,009	(376)	947
Transfer	—	—	989	(370)	(619)	—
Balance at December 31, 2022	899	20,111	(352)	35,636	(29,195)	27,099
Recognized in profit or loss	135	(3,137)	17,167	8,276	1,104	23,545
Recognized in other comprehensive income	(69)	—	—	—	42	(27)
Change in scope	—	—	—	(995)	995	—
Currency translation adjustments	—	29	(406)	(1,221)	94	(1,504)
Transfer	—	—	(188)	188	—	—
Balance at December 31, 2023	965	17,003	16,221	41,884	(26,960)	49,113
Recognized in profit or loss	400	(2,498)	24,423	555	2,970	25,850
Recognized in other comprehensive income	51	—	—	—	(240)	(189)
Currency translation adjustments	5	304	518	2,769	551	3,493
Transfer	(117)	—	2,058	(1,942)	11	10
Balance at December 31, 2024	1,304	14,809	43,220	43,266	(23,668)	78,277

\*Other deferred tax assets and liabilities are mainly comprised of research tax credits and employee related-payables.

\*\*Includes Section 174 expense capitalization

The Company mainly has net operating loss carryforwards in the U.S. for €31.2 million in various states, which begin to expire in 2034 and net operating loss carryforwards in the United Kingdom for €34.9 million which have no expiration date. The company has €5.3 million of state R&D tax credits which can be carry-forward indefinitely.

Utilization of our net operating loss and tax credit carryforwards in the US may be subject to annual limitations due to the ownership change limitations provided by the IRS Code 382 and similar state provisions. Such annual limitations could result in the expiration of the net operating loss and tax credit carryforwards before their utilization.

As of December 31, 2024, we have not provided deferred taxes on unremitted earnings related to foreign subsidiaries. We intend to continue to reinvest these foreign earnings indefinitely and do not expect to incur any significant taxes related to such amounts.

### **Ongoing tax audits**

As a multinational corporation, we are subject to regular review and audit by French, U.S. federal and state, and other foreign tax authorities. Significant uncertainties exist with respect to the amount of our tax liabilities, including those arising from potential challenges with certain positions we have taken. Any unfavorable outcome of such a review or audit could have an adverse impact on our tax rate.

### **Uncertain Tax Positions**

In 2024, the Group recognized current income tax of €1.6 million related to uncertain tax positions and has cumulatively recorded liabilities of €17.8 million for uncertain tax positions at December 31, 2024, none of which are reasonably expected to be resolved within 12 months.

The income taxes we pay are subject to review by taxing jurisdictions globally. Our estimate of the potential outcome of any uncertain tax position is subject to management's assessment of relevant risks, facts, and circumstances existing at that time. We believe that our estimate has adequately provided for these matters. However, our future results may include adjustments to estimates in the period the audits are resolved, which may impact our effective tax rate.

### **Pillar Two**

In December 2021, the Organization for Economic Cooperation and Development (OECD) released Pillar Two Model Rules defining the global minimum tax, which calls for the taxation of a minimum rate of 15% for multinational companies with consolidated revenue above €750 million. Numerous jurisdictions have enacted or are in the process of enacting legislation to adopt a minimum effective tax rate. As of December 31, 2024, the adoption of Pillar Two resulted in an impact of 2.7 million euros recognized in Provision for income taxes within the Consolidated Statement of Operations. The Company will continue to assess the ongoing impact of Pillar Two as additional guidance becomes available.

## Note 11 – Categories of Financial Assets and Liabilities

### Financial Assets

The following schedules disclose our financial assets categories for the presented periods:

(In thousands of euros)	December 31, 2022		
	Carrying Value	Loans and receivables	Fair value
Marketable securities	23,531	—	23,531
Non current financial assets	5,558	5,558	5,558
Trade receivables, net of allowances	664,663	664,663	664,663
Other current assets	122,037	122,037	122,037
<i>including derivatives instruments</i>	2,792	—	2,792
Restricted cash * (of which €23.4m current)	93,756	—	93,756
Cash and cash equivalents	326,518	—	326,518
<b>Total</b>	<b>1,236,063</b>	<b>792,258</b>	<b>1,236,063</b>

(In thousands of euros)	December 31, 2023		
	Carrying Value	Loans and receivables	Fair value
Marketable Securities	20,403	—	20,403
Non current financial assets	4,791	4,791	4,791
Trade receivables, net of allowances	701,887	701,887	701,887
Other current assets	135,244	135,244	135,244
<i>including derivatives instruments</i>	—	—	—
Restricted cash * (€67.9m current)	67,873	—	67,873
Cash and cash equivalents	304,040	—	304,040
<b>Total</b>	<b>1,234,238</b>	<b>841,922</b>	<b>1,234,238</b>

(In thousands of euros)	December 31, 2024		
	Carrying Value	Loans and receivables	Fair value
Marketable Securities	40,259	—	40,259
Non current financial assets	4,170	4,170	—
Trade receivables, net of allowances	770,870	770,870	770,870
Other current assets	86,793	86,793	86,793
<i>including derivatives instruments</i>	—	—	—
Restricted cash	241	—	241
Cash and cash equivalents	279,895	—	279,895
<b>Total</b>	<b>1,182,228</b>	<b>861,833</b>	<b>1,178,058</b>

\* As part of the Iponweb Acquisition, we have deposited €93.8 million (\$100.0 million) of cash into an escrow account containing withdrawal conditions. The cash secures the Company's potential payment of Iponweb Acquisition contingent consideration to the Sellers, which was subject to the achievement of certain revenue targets by the Iponweb business for the 2022 and 2023 fiscal years. During the years ended December 31, 2023 and 2024, the company settled earn-out payment of €20.2 million and €52.3 million respectively.

## Financial Liabilities

The following schedules disclose our financial liabilities categories for the presented periods:

(In thousands of euros)	December 31, 2022	
	Carrying Value	Fair value
Financial liabilities	274	274
<i>including derivative instruments</i>	—	—
Trade Payables	697,942	697,942
Other current liabilities	211,758	211,758
<b>Total</b>	<b>909,974</b>	<b>909,974</b>

(In thousands of euros)	December 31, 2023	
	Carrying Value	Fair value
Financial liabilities	3,137	3,137
<i>including derivative instruments</i>	2,304	2,304
Trade Payables	760,208	760,208
Other current liabilities	257,434	257,434
<b>Total</b>	<b>1,020,779</b>	<b>1,020,779</b>

(In thousands of euros)	December 31, 2024	
	Carrying Value	Fair value
Financial liabilities	3,266	3,266
<i>including derivative instruments</i>	2,943	2,943
Trade Payables	773,962	773,962
Other current liabilities	171,808	171,808
<b>Total</b>	<b>949,036</b>	<b>949,036</b>

## Note 12 – Goodwill

(In thousands of euros)	Performance Media	Retail Media	Total
<b>Balance at January 1, 2023</b>	<b>346,590</b>	<b>136,382</b>	<b>482,972</b>
Additions to goodwill	—	4,728	4,728
Change in scope	(560)	—	(560)
Currency translation adjustment	(9,113)	(3,642)	(12,755)
<b>Balance at December 31, 2023</b>	<b>336,917</b>	<b>137,468</b>	<b>474,385</b>
- Gross value at end of period	336,917	137,468	474,385
<b>Balance at January 1, 2024</b>	<b>336,917</b>	<b>137,468</b>	<b>474,385</b>
Currency translation adjustment	15,471	6,057	21,528
<b>Balance at December 31, 2024</b>	<b>352,388</b>	<b>143,525</b>	<b>495,913</b>
- Gross value at end of period	352,388	143,525	495,913

As at December 31, 2024, 2023 and 2022, the Company did not recognize any goodwill impairment as the recoverable value of the cash generating unit exceeded significantly its carrying value.

## Note 13 – Intangible assets

Changes in net book value during the presented periods are summarized below:

(In thousands of euros)	Software	Technology and customer relationships	Intangible in Progress	Total
<b>Balance at January 1, 2023</b>	<b>9,367</b>	<b>114,694</b>	<b>40,931</b>	<b>164,992</b>
Additions to intangible assets	2,974	963	37,646	41,583
Amortization and impairment expense	(12,286)	(32,343)	—	(44,629)
Change in consolidation scope	(59)	3,327	59	3,327
Currency translation adjustment	(275)	(825)	(474)	(1,574)
Transfer into service	19,662	—	(19,662)	—
<b>Balance at December 31, 2023</b>	<b>19,383</b>	<b>85,816</b>	<b>58,500</b>	<b>163,699</b>
Gross value at end of period	81,350	235,950	58,500	375,800
Accumulated amortization and impairment at end of period	(61,967)	(150,134)	—	(212,101)
<b>Balance at January 1, 2024</b>	<b>19,383</b>	<b>85,816</b>	<b>58,500</b>	<b>163,699</b>
Additions to intangible assets	5,671	—	42,279	47,950
Disposals	(1,175)	(2,625)	(1,829)	(5,629)
Amortization and impairment expense	(23,275)	(32,216)	—	(55,491)
Currency translation adjustment	800	930	777	2,507
Transfer into service	40,706	—	(40,980)	(274)
<b>Balance at December 31, 2024</b>	<b>42,110</b>	<b>51,905</b>	<b>58,747</b>	<b>152,762</b>
Gross value at end of period	121,119	239,018	58,747	418,884
Accumulated amortization and impairment at end of period	(79,009)	(187,113)	—	(266,122)

Additions to software consist mainly of capitalization of internally developed internal-use software technology.

Impairment expense of €5.3 million (\$5.7 million) has been recognized for the year ended December 31, 2024 in Research and Development Expense in the Consolidated Statement of Operations. No material impairment expense was recognized during the years ended December 31, 2023 and 2022.

The average life of software is 3 years. The average life of technology and customer relationships is between 3 and 9 years.

## Note 14 – Property and Equipment

Changes in net book value during the presented periods are summarized below:

(In thousands of euros)	Fixtures and fittings	Furniture and equipment	Construction in progress	Total
<b>Balance at January 1, 2023</b>	<b>4,761</b>	<b>73,691</b>	<b>44,566</b>	<b>123,018</b>
Additions to tangible assets	2,414	17,427	24,104	43,945
Disposal of tangible assets	(191)	(2,157)	—	(2,348)
Depreciation expense	(2,784)	(44,724)	—	(47,508)
Currency translation adjustments	(156)	(1,608)	(868)	(2,632)
Transfer into service	4,986	20,666	(25,652)	—
<b>Balance at December 31, 2023</b>	<b>9,030</b>	<b>63,295</b>	<b>42,150</b>	<b>114,475</b>
Gross value at end of period	16,053	278,976	42,150	337,179
Accumulated depreciation at end of period	(7,023)	(215,681)	—	(222,704)
<b>Balance at January 1, 2024</b>	<b>9,030</b>	<b>63,295</b>	<b>42,150</b>	<b>114,475</b>
Additions to tangible assets	3,328	22,788	94	26,210
Disposal of tangible assets	—	(2,028)	—	(2,028)
Depreciation and impairment expense	(2,836)	(35,192)	—	(38,028)
Currency translation adjustments	167	1,589	829	2,585
Transfer into service	1,567	40,663	(42,230)	—
<b>Balance at December 31, 2024</b>	<b>11,256</b>	<b>91,115</b>	<b>843</b>	<b>103,214</b>
Gross value at end of period	19,952	277,352	843	298,147
Accumulated depreciation at end of period	(8,696)	(186,237)	—	(194,933)

The increase in property plant and equipment mainly includes server equipment in the French, U.S. and Japanese subsidiaries where the Company's data centers are located.

## Note 15 – Marketable Securities

As of December 2024, €40.3 million of investments were classified as Marketable Securities as they do not meet the cash and cash equivalent criteria and are accounted for using the amortized cost model. Management has the intent to hold the investments maturity and collect interest income. The interest income was not material as of December 31, 2024.

The fair value approximates the carrying amount of the securities given the nature of the term deposit and the maturity of the expected cash flows. The term deposit is considered a level 2 financial instruments as it is measured using valuation techniques based on observable market data.

## Note 16 - Leases

The Company has entered into operating lease agreements primarily for data centers and offices throughout the world with lease periods expiring between 2025 and 2036.

The components of lease expense are as follows:

(In thousands of euros)	December 31, 2022		
	Offices	Data Centers	Total
Depreciation and impairment expense	14,708	18,675	33,383
Interest expense	740	511	1,251
Short term lease expense	478	5	483
Variable lease expense	77	—	77
Sublease income	(457)	—	(457)
<b>Total</b>	<b>15,546</b>	<b>19,191</b>	<b>34,737</b>

(In thousands of euros)	December 31, 2023		
	Offices	Data Centers	Total
Depreciation and impairment expense	14,729	20,149	34,878
Interest expense	685	1,035	1,720
Short term lease expense	588	39	627
Variable lease expense	742	69	811
Sublease income	(852)	—	(852)
<b>Total</b>	<b>15,892</b>	<b>21,292</b>	<b>37,184</b>

(In thousands of euros)	December 31, 2024		
	Offices	Data Centers	Total
Depreciation and impairment expense	12,690	21,527	34,217
Interest expense	888	1,454	2,342
Short term lease expense	878	—	878
Variable lease expense	1,406	162	1,568
Sublease income	(1,292)	—	(1,292)
<b>Total</b>	<b>14,570</b>	<b>23,143</b>	<b>37,713</b>

The right of use asset is compromised of the following items:

(In thousands of euros)	December 31, 2022		
	Gross Book Value	Amortization and Depreciation	Net
Offices	95,661	(29,244)	66,417
Data Centers	84,577	(56,433)	28,144
<b>Total</b>	<b>180,238</b>	<b>(85,677)</b>	<b>94,561</b>

(In thousands of euros)	December 31, 2023		
	Gross Book Value	Amortization and Depreciation	Net
Offices	93,313	(37,673)	55,640
Data Centers	109,313	(64,572)	44,741
<b>Total</b>	<b>202,626</b>	<b>(102,245)</b>	<b>100,381</b>

(In thousands of euros)	December 31, 2024		
	Gross Book Value	Amortization and Depreciation	Net
Offices	107,860	(50,941)	56,919
Data Centers	125,113	(87,737)	37,376
<b>Total</b>	<b>232,973</b>	<b>(138,678)</b>	<b>94,295</b>

Changes in net book value during the presented periods are summarized below:

(In thousands of euros)	Offices	Data Centers	Total
<b>Net value as of January 1, 2023</b>	<b>66,417</b>	<b>28,144</b>	<b>94,561</b>
New contracts/modifications to existing contracts	4,244	37,643	41,887
Depreciation	(14,308)	(20,149)	(34,457)
Impairment	(421)	—	(421)
Currency translation adjustments	(291)	(898)	(1,189)
<b>Net value as of December 31, 2023</b>	<b>55,641</b>	<b>44,740</b>	<b>100,381</b>
New contracts/modifications to existing contracts	13,298	13,629	26,927
Depreciation	(12,691)	(21,527)	(34,218)
Currency translation adjustments	671	534	1,205
<b>Net value as of December 31, 2024</b>	<b>56,919</b>	<b>37,376</b>	<b>94,295</b>

The lease liability is composed of the following:

(In thousands of euros)	December 31, 2022		
	Offices	Data Centers	Total
Long term lease liabilities	57,101	14,995	72,096
Short term lease liabilities	13,187	15,603	28,790
<b>Total</b>	<b>70,288</b>	<b>30,598</b>	<b>100,886</b>

(In thousands of euros)	December 31, 2023		
	Offices	Data Centers	Total
Long term lease liabilities	47,474	26,674	74,148
Short term lease liabilities	10,125	21,338	31,463
<b>Total</b>	<b>57,599</b>	<b>48,012</b>	<b>105,611</b>

(In thousands of euros)	December 31, 2024		
	Offices	Data Centers	Total
Long term lease liabilities	47,828	26,305	74,133
Short term lease liabilities	9,812	13,956	23,768
<b>Total</b>	<b>57,640</b>	<b>40,261</b>	<b>97,901</b>

As of December 31, 2024, the future minimum lease payments were as follows:

(In thousands of euros)	Offices	Data Centers	Total
2025	9,812	13,956	23,768
2026	11,271	13,147	24,418
2027	9,758	9,099	18,857
2028	9,196	5,240	14,436
2029	8,682	620	9,302
2029 and after	14,803	28	14,831
<b>Total future lease payments</b>	<b>63,522</b>	<b>42,090</b>	<b>105,612</b>
Less Imputed Interest	(5,882)	(1,829)	(7,711)
<b>Total lease liability balance</b>	<b>57,640</b>	<b>40,261</b>	<b>97,901</b>

As of December 31, 2024, we have additional leases, for offices and data centers, that have not yet commenced which will result in additional operating lease liabilities and right of use assets of approximately €8.9 million and €8.9 million respectively. These operating leases will commence in 2025.

## Note 17 - Trade Receivables

The following table shows the breakdown in trade receivables net book value for the presented periods:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Trade accounts receivables	709,481	741,126	798,413
Less provision for credit losses	(44,818)	(39,239)	(27,543)
<b>Net book value at end of period</b>	<b>664,663</b>	<b>701,887</b>	<b>770,870</b>

Changes in allowance for doubtful accounts are summarized below:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
<b>Balance at beginning of period</b>	<b>(40,087)</b>	<b>(44,818)</b>	<b>(39,239)</b>
Provision for doubtful accounts	(17,734)	(13,106)	(11,931)
Reversal of provision	18,425	17,977	24,670
Change in consolidation scope	(4,625)	—	—
Currency translation adjustment	(797)	708	(1,043)
<b>Balance at end of period</b>	<b>(44,818)</b>	<b>(39,239)</b>	<b>(27,543)</b>

Changes in consolidation scope of €(4.6) million is related to the Iponweb acquisition in 2022.

Accounts receivable balances are written-off once the receivables are no longer deemed collectible.

Credit risk is defined as an unexpected loss in cash and earnings if the client is unable to pay its obligations in due time. We perform internal ongoing credit risk evaluations of our clients. When a possible risk exposure is identified, we require prepayments or impair Customer credit.

As of December 31, 2024, and 2023, no customer accounted for 10% or more of our gross accounts receivables.

## Note 18 – Other Current Assets

The following table shows the breakdown in other current assets net book value for the presented periods:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Prepayments to suppliers	11,646	6,786	10,585
Employee-related receivables	280	880	153
Taxes receivables	73,386	98,905	51,866
Other debtors	4,865	4,107	5,442
Indemnification assets	4,828	593	—
Prepaid expenses	24,994	23,973	18,747
Derivatives	2,038	—	—
<b>Gross book value at end of period</b>	<b>122,037</b>	<b>135,244</b>	<b>86,793</b>
<b>Net book value at end of period</b>	<b>122,037</b>	<b>135,244</b>	<b>86,793</b>

Prepaid expenses mainly consist of costs related to SaaS arrangements and licenses.

## Note 19 – Cash and Cash Equivalents

### Consolidated Statement of the Financial Position

The following table presents for each reported period, the breakdown of cash and cash equivalents :

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Interest-bearing bank deposits	61,793	45,995	37,772
Cash & cash equivalents	264,725	258,045	242,123
<b>Total Cash &amp; cash equivalents</b>	<b>326,518</b>	<b>304,040</b>	<b>279,895</b>

The short-term investments included investments in money market funds and interest-bearing bank deposits which met IFRS 7 — Statement of Cash Flow criteria: short-term, highly liquid investments, for which the risks of changes in value are considered to be insignificant.

Interest-bearing bank deposits are considered level 2 financial instruments as they are measured using valuation techniques based on observable market data. For the cash and cash equivalents, the fair value approximates the carrying amount, given the nature of the cash and cash equivalents and the maturity of the expected cash flows.

### Consolidated Statement of Cash Flow

The breakdown of cash & cash equivalents presented in the Consolidated Statement of Cash Flow can be reconciled with the financial statement position as follows:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Cash & cash equivalents	326,518	304,040	279,895
<b>Net cash and cash equivalents</b>	<b>326,518</b>	<b>304,040</b>	<b>279,895</b>

## Note 20 – Common shares

The Group manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

Our capital structure consists of financial liabilities (net debt) and equity (issued capital, reserves, retained earnings and non-controlling interests).

The Group is not subject to any externally imposed capital requirements.

### Change in Number of Shares

Change in number of shares	Number of ordinary shares
<b>Balance at January 1, 2023</b>	<b>57,263,624</b>
	<i>of which Common stock</i>
	63,248,728
	<i>of which Treasury stock</i>
	(5,985,104)
Issuance of shares under share option and free share plans <sup>(1)</sup>	(2,083,065)
Treasury shares issued for RSU vesting	1,679,674
Treasury shares issued for LUS vesting	1,006,482
Treasury shares retired	2,185,000
Share repurchase program <sup>(1)</sup>	(4,286,624)
<b>Balance at December 31, 2023</b>	<b>55,765,091</b>
	<i>of which Common stock</i>
	61,165,663
	<i>of which Treasury stock</i>
	(5,400,572)
Issuance of shares under share option and free share plans <sup>(2)</sup>	(3,420,824)
Treasury shares issued for RSU vesting	2,366,158
Treasury shares issued for LUS vesting	1,953,761
Treasury shares retired	3,590,000
Share repurchase program <sup>(2)</sup>	(5,976,764)
<b>Balance at December 31, 2024</b>	<b>54,277,422</b>
	<i>of which Common stock</i>
	57,744,839
	<i>of which Treasury stock</i>
	(3,467,417)

<sup>(1)</sup> Approved by the Board of Directors on December 7, 2023

<sup>(2)</sup> Approved by the Board of Directors on April 25 and December 5, 2024

## Note 21 – Earnings Per Share

### Basic Earnings Per Share

The Group calculates basic earnings per share by dividing the net income for the period attributable to shareholders of the Parent company by the weighted average number of shares outstanding.

	December 31, 2022	December 31, 2023	December 31, 2024
Net income attributable to shareholders of Criteo S.A.	9,266	44,175	109,812
Weighted average number of shares outstanding	60,004,707	56,170,658	54,817,136
<b>Basic earnings per share</b>	<b>0.15 €</b>	<b>0.79 €</b>	<b>2.00 €</b>

### Diluted Earnings Per Share

The Group calculates diluted earnings per share by dividing the net income attributable to shareholders of the Parent company by the weighted average number of shares outstanding plus any potentially dilutive shares not yet issued from share-based compensation plans (see note 8). There were no other potentially dilutive instruments outstanding as of December 31, 2022, 2023 and 2024. Consequently all potential dilutive effects from shares are considered.

For each period presented, a contract to issue a certain number of shares (i.e. share option, share warrant, restricted share award or BSPCE contracts) is assessed as potentially dilutive, if it is “in the money” (i.e., the exercise or settlement price is inferior to the average market price).

	December 31, 2022	December 31, 2023	December 31, 2024
<b>Net income attributable to shareholders of Criteo S.A.</b>	<b>9,266</b>	<b>44,175</b>	<b>109,812</b>
Weighted average number of shares outstanding of Criteo S.A.	60,004,707	56,170,658	54,817,136
Dilutive effect of :	3,670,989	3,084,564	2,328,272
- Restricted share awards	3,508,151	2,934,019	2,159,752
- Share options (OSA) and BSPCE	98,432	98,384	113,656
- Share warrants	64,406	52,161	54,864
<b>Weighted average number of shares outstanding used to determine diluted earnings per share</b>	<b>63,675,696</b>	<b>59,255,222</b>	<b>57,145,408</b>
<b>Diluted earnings per share</b>	<b>0.15 €</b>	<b>0.75 €</b>	<b>1.92 €</b>

## Note 22 – Employee Benefits

### Defined Benefit Plans

According to the French law and the Syntec Collective Agreement, French employees are entitled to compensation paid on retirement.

The following table summarizes the changes in the projected benefit obligation:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
<b>Defined Benefit Obligation present value - Beginning of period</b>	<b>5,037</b>	<b>3,633</b>	<b>3,739</b>
Service cost	1,667	371	458
Finance cost	69	149	146
Actuarial losses (gains)	(3,140)	(414)	201
<b>Defined Benefit Obligation present value - End of period</b>	<b>3,633</b>	<b>3,739</b>	<b>4,544</b>

The Company does not hold any plan assets for any of the periods presented.

The reconciliation of the changes in the present value of projected benefit obligation with the Consolidated Statement of Income for the presented periods is illustrated in the following table:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Service cost	(1,667)	(371)	(458)
- Research and development expense	(846)	(243)	(305)
- Sales and operations expense	(322)	45	29
- General and administrative expense	(499)	(173)	(182)
Finance cost	(69)	(149)	(146)
- Finance income (expense)	(69)	(149)	(146)
Actuarial (losses) gains	3,140	414	(201)
- Other comprehensive (loss) income	3,140	414	(201)

The main assumptions used for the purposes of the actuarial valuations are listed below:

	December 31, 2022	December 31, 2023	December 31, 2024
Discount rate (Corp AA)	4.25 %	3.90 %	3.90 %
Expected rate of salary increase	5.00 %	6.96 %	6.96 %
Expected rate of social charges	48%	48%	49%
Estimated retirement age	Table progressive	Company based table	Company based table
Life table	TH-TF 2000-2002 shifted	TH-TF 2000-2002 shifted	TH-TF 2000-2002 shifted
Staff turnover assumptions	0 - 17.8%	Company historical table	Company historical table

## Defined Contribution Plans

The total expense represents contributions payable to these plans by us at specified rates.

In some countries, the Company's employees are eligible for defined contribution post-retirement plans and similar financial benefits. Under defined contribution plans, the Company has no obligation other than to pay the agreed contributions, with the corresponding expense charged to income for the year. The defined contribution plans primarily related to France, the U.S., for 401(k) plans, and the United Kingdom.

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Defined contributions plans included in personnel expenses	(16,253)	(16,598)	(17,616)

## Note 23 – Financial Liabilities

The changes in current and non-current financial liabilities during the periods ended December 31, 2024 are illustrated in the following schedules:

(In thousands of euros)	December 31, 2023	New borrowings	Repayments	Change in scope	Other	Currency translation adjustment	December 31, 2024
Other financial liabilities	70	—	—	—	216	—	286
<b>Non current portion</b>	<b>70</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>216</b>	<b>—</b>	<b>286</b>
Borrowings <sup>(1)</sup>	—	—	—	—	—	—	—
Other financial liabilities	763	3	(330)	—	(216)	(183)	37
Derivatives	2,304	—	—	—	639	—	2,943
<b>Current portion</b>	<b>3,067</b>	<b>3</b>	<b>(330)</b>	<b>—</b>	<b>423</b>	<b>(183)</b>	<b>2,980</b>
Borrowings <sup>(1)</sup>	—	—	—	—	—	—	—
Other financial liabilities	832	3	(330)	—	—	(183)	322
Derivatives	2,304	—	—	—	639	—	2,943
<b>Total</b>	<b>3,136</b>	<b>3</b>	<b>(330)</b>	<b>—</b>	<b>639</b>	<b>(183)</b>	<b>3,266</b>

(1) includes accrued interest

We are party to several loan agreements and revolving credit facilities, or RCF, with third-party financial institutions. Our loans and RCF agreements are presented in the table below:

Date	Nominal/ Authorized amounts (in thousands of euros)	Amount drawn	Balance as of December 31, 2024 (in thousands of euros)	Interest rate	Settlement date
<b>Bank syndicate RCF - Criteo SA</b>					
September 1, 2022	407,000	—	—	Floating rate : EURIBOR/ SOFR + margin depending on leverage ratio	September 2027
<b>Other short-term lines of credit</b>					
	21,500	—	—	EURIBOR	

The Bank Syndicate Revolving Line of Credit is unsecured and contains customary events of default and covenants, including compliance with a total net debt to adjusted EBITDA ratio and restrictions on the incurrence of additional indebtedness. As of year-end December 31, 2024, and 2023, we were in compliance with the required covenants. On November 17, 2023, we updated certain terms of our €407.0 million syndicated credit facility to a €407.0 million sustainability-linked credit facility, the framework for which was provided for in the initial credit facility agreement. Certain terms and conditions of the amended credit facility are now linked to our sustainability goals to increase the representation of women in tech roles and reduce our GHG emissions, while the rest of the credit facility agreement remains unchanged.

As of December 31, 2024, and 2023, no amounts have been drawn or are outstanding under the revolving credit facility.

We are also party to short-term credit lines and overdraft facilities with HSBC plc, BNP Paribas and LCL with an authorization to draw up to a maximum of 21.5 million euros in the aggregate under the short-term credit lines and overdraft facilities. As of December 31, 2024, we had not drawn on any of these facilities. Any loans or overdrafts under these short-term facilities bear interest based on the one month EURIBOR rate or three month EURIBOR rate. As these facilities are exclusively short-term credit and overdraft facilities, our banks have the ability to terminate such facilities on short notice.

## Note 24 – Net debt

The company net debt is calculated by offsetting the cash and cash equivalents from the financial liabilities.

As shown in note 6 and 19, the market risk is monitored by management, who define the management policy regarding the consolidated net debt in terms of liquidity, interest rates, exchange rates and counterparty risk for the upcoming months and analyzes the previous events (realized transactions, financial results).

The following tables show the maturity and allocation by currency of our financial liabilities and cash and cash equivalents.

### Net debt by maturity

(In thousands of euros)	Carrying value	Maturity				
		2025	2026	2027	2028	2029
Other financial liabilities	323	37	286	—	—	—
Derivatives	2,943	2,943	—	—	—	—
<b>Financial liabilities</b>	<b>3,266</b>	<b>2,980</b>	<b>286</b>	<b>—</b>	<b>—</b>	<b>—</b>
Cash and cash equivalents	279,895	279,895	—	—	—	—
<b>Net financial debt</b>	<b>(276,629)</b>	<b>(276,915)</b>	<b>286</b>	<b>—</b>	<b>—</b>	<b>—</b>

### Net debt by currency

(In thousands of euros)	Carrying value	Currency				
		EUR	GBP	USD	JPY	Others
Other financial liabilities	323	307	—	16	—	—
Derivatives	2,943	2,943	—	—	—	—
<b>Financial liabilities</b>	<b>3,266</b>	<b>3,250</b>	<b>—</b>	<b>16</b>	<b>—</b>	<b>—</b>
Cash and cash equivalents	279,895	103,840	3,993	131,100	15,699	25,263
<b>Net financial debt</b>	<b>(276,629)</b>	<b>(100,590)</b>	<b>(3,993)</b>	<b>(131,084)</b>	<b>(15,699)</b>	<b>(25,263)</b>

## Note 25 – Contingencies

The change in contingencies is detailed in the following table:

(In thousands of euros)	Provision for employee related litigation	Provisions for non income tax risks	Other provisions	Total
<b>Balance at January 1, 2023</b>	<b>485</b>	<b>31,675</b>	<b>61,168</b>	<b>93,328</b>
Charges	195	—	637	832
Provision used	(30)	—	(40,000)	(40,030)
Provision released not used	(280)	(1,449)	(20,207)	(21,936)
Currency translation adjustments	—	—	(3)	(3)
Other	—	(256)	(13)	(269)
<b>Balance at December 31, 2023</b>	<b>370</b>	<b>29,970</b>	<b>1,582</b>	<b>31,922</b>
Charges	723	—	—	723
Provision used	(186)	—	—	(186)
Provision reversed not used (*)	(39)	—	(637)	(676)
Currency translation adjustments	(14)	—	10	(4)
Other	—	—	—	—
<b>Balance at December 31, 2024</b>	<b>854</b>	<b>29,970</b>	<b>955</b>	<b>31,779</b>
of which current	854	—	958	1,812

### *Legal and Regulatory Matters*

Following a complaint from Privacy International against a number of advertising technology companies with certain data protection authorities, including in France, France's Commission Nationale de l'Informatique et des Libertés (the "CNIL") opened a formal investigation in January 2020 against Criteo. In June 2023, the CNIL issued its decision, which retained alleged European Union's General Data Protection Regulation ("GDPR") violations but reduced the financial sanction against Criteo from the original amount of €60 million (\$64.2 million) to €40 million (\$42.8 million). Criteo issued the required sanction payment during the third quarter of 2023. The decision relates to past matters and does not include any obligation for Criteo to change its current practices. Criteo has appealed this decision before the French Council of State (Conseil d'Etat).

We are party to a claim (Doe v. GoodRx Holdings, Inc. et al. in the U.S. District Court for the Northern District of California), alleging violations of various state and federal laws. We intend to vigorously defend our position, but we are unable to predict the potential outcome at this time.

### *Non income tax risks*

We have recorded a 29.9 million euros provision related to certain non income tax items. These risks were identified and recognized as part of the Iponweb Acquisition in 2022.

We have recorded an indemnification asset in the full amount of the provision as the Company is indemnified against certain tax liabilities under the purchase agreement for the Iponweb Acquisition. The indemnification asset is recorded as part of "Other noncurrent assets" on the consolidated statement of financial position.

## Note 26 – Other current liabilities

Other current liabilities are presented in the following table:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Clients' prepayments	15,313	23,421	9,275
Credit notes	16,566	21,099	30,743
Employee-related payables	80,225	102,522	105,140
Other taxes payable	53,287	60,327	18,433
Accounts payable relating to capital expenditures	23,827	3,028	1,692
Earn-out liability - current portion	20,289	45,653	241
Other creditors	2,239	1,375	4,590
Deferred revenue	12	9	1,694
<b>Total</b>	<b>211,758</b>	<b>257,434</b>	<b>171,808</b>

### *Earn out liability*

As part of the Iponweb Acquisition, the Sellers are entitled to contingent consideration of a maximum of €90.5 million (\$100.0 million), which was subject to the achievement of certain revenue targets by the Iponweb business for the 2022 and 2023 fiscal years. The related earn out liability was fully settled during the year 2024.

## Note 27 – Commitments and contingencies

### **Purchase Obligations**

As of December 31, 2024, the Group had €73.8 million of other non-cancellable contractual obligations, primarily related to software licenses, maintenance and bandwidth for the servers.

## Note 28 – Expenses by nature

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Traffic acquisition costs	(1,034,758)	(856,970)	(750,323)
Employee benefits	(445,893)	(500,903)	(490,725)
Depreciation and amortization expenses	(84,553)	(92,137)	(93,518)
Share-based compensation expenses	(62,642)	(89,855)	(82,644)
Lease expenses	(33,383)	(34,878)	(34,217)
Other operating expenses	(232,839)	(161,611)	(187,825)
<b>Total expenses</b>	<b>(1,894,068)</b>	<b>(1,736,354)</b>	<b>(1,639,252)</b>

## Note 29 – Related Parties

The Executive Officers as of December 31, 2024 were:

- Megan Clarcken - Chief Executive Officer
- Sarah Glickman - Chief Financial Officer and Principal Accounting Officer
- Ryan Damon - Chief Legal and Corporate Affairs Officer
- Bryan Gleason - Chief Revenue Officer and President, Retail Media

Total compensation for the Executive Officers, including social contributions, is summarized in the following table:

(In thousands of euros)	December 31, 2022	December 31, 2023	December 31, 2024
Short-term benefits <sup>(1)</sup>	(2,450)	(2,930)	(5,310)
Share-based compensation	(7,328)	(9,074)	(13,729)
<b>Total</b>	<b>(9,778)</b>	<b>(12,004)</b>	<b>(19,039)</b>

1) Wages, bonuses and other compensations

For the year ended December 31, 2022, 2023 and 2024, there were no material related party transactions.

## Note 30 – Subsequent Events

### Appointment of Chief Executive Officer

Michael Komasiński was appointed as the Company's Chief Executive Officer and a member of the Board of Directors effective February 15, 2025. Michael Komasiński will succeed Megan Clarcken who, as previously announced, is retiring and will be stepping down from her role as CEO and from the Board. Megan Clarcken will continue to serve in a senior advisory role during a transitional period.

### Share Repurchase Program extension

On January 31, 2025, the Board of Directors authorized a share repurchase program from up to €582.6 million (\$630.0 million) to up to €774.6 million (\$805.0 million) of the Company's outstanding American Depositary Shares. The Company intends to use repurchased shares to satisfy employee equity plan vesting in lieu of issuing new shares, and potentially in connection with M&A transactions.