

Criteo

Société anonyme

32, rue Blanche

75009 PARIS

Statutory Auditors' report on the financial statements

Year ended December 31, 2023

RBB Business advisors

133 bis, rue de l'Université

75007 PARIS

S.A. with a share capital of €150,000

414 202 341 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

Statutory Auditors' report on the financial statements

Year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the 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 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 SA Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Criteo SA for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2023, and of the results of its operations for the year then ended in accordance with French accounting principles.

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 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, 2023, 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 the audit of the financial statements of the current period.

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

Investment securities, whose net amount in the balance sheet as of December 31, 2023, was €669,517 thousand, are valued at cost and impaired based on their value in use, as described in Note 4.1 “Investments and other financial assets” to the financial statements.

Based on the information provided to us, our work consisted in assessing the data on which these values in use were based and, in particular, in reviewing the consistency of the valuation multiples used with the multiples of comparable companies, and in checking the consistency of the historical financial indicators with the data extracted from the accounting records for each of the companies under the supervision of general management.

Specific verifications

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

Information given in the management report and in the other documents addressed to shareholders with respect to the financial position and the financial statements

We have no comments to make on the fair presentation and consistency with the financial statements of the information given in the Board of Directors' management report and in the documents addressed to shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, required under Article D.441-6 of the French Commercial Code.

We attest that the non-financial performance statement required by Article L.225-102-1 of the French Commercial Code is included in the management report, it being specified that, in accordance with Article L.823-10 of this code, we have verified neither the fair presentation nor the consistency with the financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Corporate Governance

We attest that the corporate governance section of the Board of Directors' management report sets out the information required by Article L.225-37-4 of the French Commercial Code.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the 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 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 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 financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

signed in Paris and Paris-La Défense, February 23, 2024

The Statutory Auditors

RBB Business Advisors

Deloitte & Associés

Jean-Baptiste Bonnefoux

Felicitas Cavagné

CRITEO SA

32 rue Blanche
75009 Paris

ANNUAL FINANCIAL STATEMENTS
for the fiscal year ending on
December 31, 2023

INCOME STATEMENT

<i>In Keuros</i>	2023	2022
Revenue	35,989	25,313
Net sales	35,989	25,313
Capitalized production	-	-
Reversals of depreciation and provisions, expense transfers	-	-
Grants	155	-
Other products	203,159	199,455
Total operating revenues	239,303	224,768
Other purchases and external expenses	122,393	115,001
Taxes and similar payments	663	1,423
Wages and salaries	4,362	4,376
Social charges	4,019	2,198
Operating allowances	(39)	-
Other expenses	154,998	139,842
Total operating expenses	286,396	262,839
Net operating expenses	(47,093)	(38,071)
Financial income from investments	82,310	13,091
Other interest and similar income	1,532	719
Reversals of provisions and expense transfers	7,598	1,417
Positive exchange rate differences	91,563	117,745
Total financial income	183,003	132,972
Financial depreciation and provisions	8,084	7,925
Interest and similar expenses	10,977	8,637
Negative exchange rate differences	92,516	103,533
Total financial expenses	111,577	120,095
Net financial income	71,426	12,877
Net recurring operating income	24,333	(25,194)
Non recurring income from management operations	21,376	25,630
Non recurring income from capital operations	67	-
Reversals of provisions and expenses transfers	108,877	18,582
Total Non recurring income	130,320	44,212
Non recurring expenses on management operations	85,219	46,205
Non recurring expenses from capital operations	3,996	-
Non recurring depreciation and provision	55,467	103,634
Total Non recurring expenses	144,682	149,839
Net non recurring income	(14,362)	(105,627)
Employee profit-sharing	11	-
Income taxes	(4,934)	(7,691)
Profit/Loss	14,894	(123,129)

BALANCE SHEET – ASSETS

In Keuros	12/31/2023		12/31/2022	
	Gross	Amortization & Depreciation	Net	Net
Concessions, patents, similar rights	-	-	-	-
Goodwill	-	-	-	-
Other intangible assets	-	-	-	-
Intangible assets	-	-	-	-
Other tangible assets	-	-	-	-
Property, plant and equipment in progress	-	-	-	-
Advances and deposits	-	-	-	-
Property, plant and equipment	-	-	-	-
Long-term equity interests	669,517	-	669,517	667,355
Receivables related to equity investments	186,908	-	186,908	226,984
Loans	-	-	-	-
Other financial assets	27,638	1,340	26,298	26,435
Financial assets	884,063	1,340	882,723	920,774
Non currents assets	884,063	1,340	882,723	920,774
Advances	60	-	60	14
Trade receivables	42,085	34	42,051	74,037
Other receivables	106,746	-	106,746	127,962
Receivables	148,831	34	148,797	201,999
Marketable securities	73,719	-	73,719	52,486
Cash	349,648	-	349,648	390,507
Current assets	572,258	34	572,224	645,005
Debt issuance costs to be defined	1,535	-	1,535	1,978
Prepaid expenses	1,586	-	1,586	1,572
Translation differences - Assets	6,197	-	6,197	5,295
Total Assets	1,465,639	1,374	1,464,265	1,574,623

BALANCE SHEET – LIABILITIES AND EQUITY

<i>In Keuros</i>	12/31/2023	12/31/2022
Share capital	1,529	1,581
Share premium	169,448	225,310
Legal reserve	232	232
Regulated reserves	13,967	13,967
Retained earnings	583,806	706,936
Profit/loss for the period	14,894	(123,129)
Total Shareholders' equity	783,876	824,896
Provisions for risks	70,146	121,102
Total provisions for risks and charges	70,146	121,102
Bank overdrafts	4,336	7,694
Borrowings and other financial liabilities	511,037	486,284
Trade payables	24,530	39,049
Social and tax liabilities	7,367	7,761
Payables on fixed assets and related accounts	-	-
Other current liabilities	48,693	75,553
Total liabilities	595,963	616,342
Translation differences - Liabilities	14,280	12,283
Total of shareholders' equity and liabilities	1,464,265	1,574,623

NOTES TO THE ACCOUNTS

The information presented hereafter are the notes to the financial statements of the year ending on December 31, 2023.

These notes relate to the annual accounts of Criteo SA, a company registered with the Paris Trade Register under number 484 786 249, and whose registered office is located at 32 rue Blanche in Paris (75009). This company is the consolidating company of the Criteo Group.

The fiscal year is for a 12 months period, from January 1, 2023 to December 31, 2023.

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1 NOTE 1 – DESCRIPTION OF THE COMPANY

Criteo SA is the parent company of the Criteo Group ("Group"), managing the activity of the financial participations.

It has opted for the tax consolidation regime, which includes the parent company as the head of the tax consolidation group and its main French subsidiaries.

Criteo SA defines the Group's financing and liquidity management policy, implements the hedging strategy against foreign exchange and interest rate risks.

NOTE 2 – SIGNIFICANT EVENTS

2.1 Korean Branch liquidation

On April 27, 2023, Criteo opened the Korean branch, established in Seoul, Korea, under the name of Criteo S.A., Korea Branch, for the specific purpose of collecting an amount due to Criteo by the Korean tax authority. Following the collection of said amount, the Korean branch was liquidated on December 1st, 2023.

2.2 Acquisition of IponWeb

On August 1, 2022, the Company entered into an amended and restated Framework Purchase Agreement, which provided for the acquisition of the business of Iponweb, a market-leading AdTech company with world-class media trading capabilities.

The acquisition price is broken down into a fixed portion of \$290.2 million for the acquisition of Iponweb, plus a contingent consideration payable in cash for an amount up to \$100 million, depending on the achievement of certain net revenue targets by the Iponweb business for the 2022 and 2023 fiscal years.

As part of this framework contract, subsidiaries of Criteo SA directly acquired some of the Iponweb subsidiaries, along with some assets. Those operations were mostly funded by Criteo SA. As for Criteo SA, it only acquired the shares of four subsidiaries of Iponweb for an amount of \$104.8 million (€102.7 million). The value of its securities is likely to change in the event of an adjustment in the value of the contingent consideration.

This amount was booked in the financial assets of the balance sheet of Criteo SA.

In March 2023, Criteo SA paid part of the contingent consideration for a total amount of €20.2 million (\$22.0 million).

As of December 31, 2023, the residual value of the contingent consideration amounts €46.5 million and is disclosed in the "Other debts" line of the balance sheet.

2.3 Share buyback programs

On February 5, 2021, Criteo's Board of Directors authorized a share buyback program (the "SBB4") of up to \$100 million worth of the Company's outstanding American Depositary Shares (the "First SBB4 Tranche"), which was subsequently extended, by a decision of the Board of Directors dated October 28, 2021, to \$175 million of the Company's outstanding American Depositary Shares (the "Second SBB4 Tranche").

A second extension of the program was authorized by a decision of the Board of Directors on February 3, 2022, to \$280 million worth of the Company's outstanding American Depositary Shares (the "Third SBB4 Tranche").

On December 7, 2022, the Board of Directors approved a further extension of \$200 million in outstanding American Depositary Shares, bringing the total amount of the program to \$480 million, extended to July 31, 2024.

The first tranche of the SBB4 program was completed in December 2021, the second in March 2023.

Tranche 3 of the SBB4 program began in fiscal year 2022 with the acquisition of 5,135,359 treasury shares during the year, and continued in 2023 with the acquisition of 4,086,624 shares.

As of December 31, 2023, Criteo holds 3,446,811 of its own shares, of which 2,311,206 were earmarked to meet the company's obligations under its employee share plans, and 1,135,605 for use in merger and acquisition activities.

On February 1st, 2024, the Board of Directors extended the SBB4 from \$480 million (€455.8 million) to \$630 million of the Company's outstanding American Depositary Shares.

2.4 Capital reduction operations

During fiscal year 2023, Criteo SA decreased its capital by €54,625 through the cancellation of 2,000,000 treasury shares not dedicated to RSUs for an amount of €53 million and 185,000 shares dedicated to RSUs for an amount of €4 million.

3 NOTE 3 – ACCOUNTING PRINCIPLES AND METHODS

3.1 Basis of preparation

The financial statements of CRITEO SA have been prepared in accordance with the accounting rules and principles generally accepted in France, complying with the requirements of the General Chart of Accounts (Règl. ANC 2014-03 related to PCG).

The accounting policies for establishing and preparing the company's statutory accounts were applied, in accordance with the principle of conservatism, based on the following assumptions:

- Going concern;
- Continuity of accounting methods
- Independence of financial years.

The basic principle used to value items recorded in the accounts is the historic cost principle.

Only significant information is provided in these notes.

3.2 Conversion of foreign currency items

Income and expenses in foreign currencies are recorded at the exchange rate prevailing at the transaction date.

Foreign currency receivables and payables are recorded in the balance sheet at their equivalent value at the closing exchange rate. The difference resulting from the update of foreign currency receivables and payables at the latter rate is, where appropriate, recorded in the balance sheet under "Translation differences".

Unrealized exchange losses are covered by a provision for risks as required by French GAAP.

3.3 Derivative Instruments

Currency risk is the risk that an unfavourable change in exchange rates could adversely affect a cash flow denominated in a foreign currency.

Criteo SA hedges its own commercial exposure as well as the exposure of its subsidiaries on a net basis per currency pair. This hedge does not qualify for hedge accounting.

Derivatives that are not part of a hedging relationship are classified as isolated open positions.

They are recorded at fair value in the balance sheet, with a corresponding "Conversion adjustment" account. Unrealized gains remain on the balance sheet and unrealized losses result in a financial provision for risks.

4 NOTE 4 – FIXED ASSETS

4.1 Investments and other financial assets

Financial assets comprise shares in subsidiaries and affiliates, related receivables and other non-current financial assets.

Investments in subsidiaries and affiliates

The gross value of equity investments is recorded at acquisition cost, excluding ancillary expenses. Acquisition costs are expensed in the income statement.

Investments in subsidiaries and affiliates are tested for impairment at the end of each fiscal year to ensure that their carrying value does not exceed their fair value.

The value in use is estimated based on several criteria, the main ones are:

- equity value;
- EBITDA or revenue multiples;

An impairment loss is recognized whenever the value in use falls below the net carrying amount.

Impairment losses are recognized in financial income (loss), including reversals of impairment losses realized in connection with the disposal of an investment. Gains and losses on the disposal of investments are recognized in exceptional income or loss.

Financial receivables related to investments

Loans to subsidiaries are recorded as receivables related to equity investments and are valued at nominal value. All of these items are depreciated if there is a risk of non-recoverability.

Other financial assets

Other financial assets mainly comprise treasury shares held by Criteo and not allocated to the RSU and PSU programs. They are translated into euros at the date of acquisition and kept at this historical cost.

If the value of the treasury shares translated into euros at the closing price falls below the gross value of the treasury shares, an impairment is recorded.

Variation of the financial year

The variations of financial assets during the financial year 2023 were as follows:

<i>In Keuros</i>	12/31/2022	Acquisitions/allowances	Disposals/Reversals	12/31/2023
Long-term equity interests	670,350	3,162	(3,995)	669,517
Receivables related to equity investments	226,984	6,772	(46,848)	186,908
Other financial assets	27,544	54,494	(54,400)	27,638
Gross value	924,878	64,428	(105,243)	884,063
Long-term equity interests	(2,996)		2,996	-
Other financial assets	(1,108)	(1,340)	1,108	(1,340)
Depreciation	(4,104)	(1,340)	4,104	(1,340)
Net value	920,774	63,088	(101,139)	882,723

The main variations during the year are related to the following items:

- The intercompany debt owed by the Brazilian subsidiary Criteo Brazil to its sole stockholder, Criteo SA, was capitalized for an amount of €3.1 million, without any share being issued to the benefit of Criteo SA

- On December 20, 2023, Criteo SA sold all its shares in Condigolabs SAS, representing 40% of the company's total capital, in accordance with the put option granted to Criteo SA by the agreement between the main shareholders of Condigolabs SAS. This operation resulted into a net loss of €0.9 million;
- Disposal of Gemini HoldCo LLC shares in May 2023 for a net carrying amount of zero (fully impaired at the start of 2023);
- €6.8 million loan granted to Australian subsidiary Criteo Australia in February 2023;
- Repayment of loans granted to subsidiaries for a total of €46.8 million (mainly Criteo Corp for €35.0 million and Criteo UK for €5.8 million);
- Cancellation of 2,000,000 treasury shares not dedicated to RSUs for a total of €53 million.

5 NOTE 5 – CURRENTS ASSETS

5.1 Statement of receivables maturities

<i>In Keuros</i>	Trade receivables	<1 year	>1 year
Receivables related to equity investments	186,908		186,908
Loans	-		-
Other financial assets	27,638	27,638	
Advances	60	60	
Trade receivables	42,085	42,085	
Other social receivables	70	70	
Income taxes	14,956	14,956	
Value added tax	2,275	2,275	
Other taxes	100	100	
Shareholder current accounts	84,487	84,487	
Other debtors	4,857	4,857	
Prepaid expenses	1,586	1,586	
Total	365,022	178,114	186,908
Amount of loans granted during the year	6,772		
Refunds obtained during the year	46,848		

Trade receivables are valued at their nominal value. They are classified as current assets and their allocation in the table of maturity receivables (up to one year/more than one year) is based on their contractual due date.

An impairment is recognized when the fair value is lower than the book value.

Accrued income relating to receivable items is broken down as follows:

<i>In Keuros</i>	12/31/2023	12/31/2022
Customers - invoices to be invoiced	23,584	18,058
Accrued interest expense	1,168	622
State - accrued income	-	539
Other accrued income	-	-
Total	24,752	19,219

5.2 Marketable securities and cash

Cash and cash equivalents is summarized as follows:

<i>In Keuros</i>	Gross	Depreciation	Net as of 12.31.2023	Net as of 12.31.2022
Marketable securities	10,004	-	10,004	-
Treasury shares allocated to plans	63,715	-	63,715	52,486
Cash	349,648	-	349,648	390,507
Total	423,367	-	423,367	442,993

Treasury shares specifically allocated to plans are recorded under cash equivalents.

They are not depreciated based on their market value, due to the commitment to allocate them to employees, and to the provision recognized under the conditions described in the accounting principles for the provisions (in note 7.2).

The variation in the number of treasury shares allocated to plans during the year 2023 is summarized below:

<i>In Keuros - except number of shares</i>	Number of shares	Gross value	Net value
Outstanding December 31st, 2022	1,957,169	52,486	52,486
Shares granted and allocated to plans	2,218,711	61,483	61,483
Treasury shares delivered to employees	(1,864,674)	(50,254)	(50,254)
Outstanding at December 31st, 2023	2,311,206	63,715	63,715

As of December 31st, 2023, cash and cash equivalents include 2,311,206 of Criteo shares allocated to specific plans, for a gross value of €63.7 million.

6 NOTE 6 – SHAREHOLDERS'S EQUITY

Capital increase related cost are offset against paid-in capital according to the preferential method on a one-time basis, net of taxes.

The share capital consists of 61,165,663 ordinary shares with a par value of € 0.025, representing a capital of € 1.5 million.

The changes in shareholders' equity for the year is as follows:

<i>In Keuros</i>	Outstanding of shares	Capital	Capital Premium	Other reserves and retained earnings	Income	Shareholders' equity
Shareholder's equity at December 31st, 2022	63,248,728	1,581	225,310	721,134	(123,129)	824,896
Allocation of the income of 2022	-			(123,129)	123,129	-
Capital increase	101,935	3	1,795			1,797
Capital decrease	(2,185,000)	(55)	(57,657)			(57,712)
Other variations	-					-
Income/Loss of the year	-				14,894	14,894
Shareholder's equity at December 31st, 2023	61,165,663	1,529	169,448	598,005	14,894	783,875

6.1 Share Plans

The Board of Directors has been authorized by the General Meeting of Shareholders to implement the following stock option, stock purchase warrant and bonus share plans :

- *Plan 5*: General Shareholders' Meeting of November 18th, 2011, authorizing the allocation of a maximum of 2,800,000 OSAs or BSPCEs.
- *Plan 6*. Shareholders' Meeting of September 14th, 2012, authorizing the allocation of a maximum of 1,654,290 OSAs or BSPCEs.
- *Plan 7*. General Shareholders' Meeting of August 2nd, 2013, authorizing the allocation of a maximum of 6,627,237 OSAs or BSPCEs.
- *Plan 8*. General Shareholders' Meeting of June 18th, 2014, authorizing the grant of a maximum of 9,935,710 OSAs, RSUs and PSUs. For this and subsequent plans, the free shares granted to Criteo employees are subject only to a condition of presence (RSU). Those granted to members of the general management, certain senior executives and certain employees are subject to the achievement of specific internal performance objectives and presence conditions (PSU).
- *Plan 11*. Shareholders' Meeting of June 27th, 2018, authorizing the grant of a maximum of 4,200,000 OSAs, BSAs or free shares, including a maximum of 150,000 BSAs.
- *Plan 12*. Shareholders' Meeting of May 16th, 2019, authorizing the granting of a maximum of 6,200,000 OSAs, BSAs or free shares, including a maximum of 175,000 BSAs
- *Plan 13*. General Meeting of Shareholders of June 25th, 2020, authorizing the granting of a maximum of 6,463,000 OSAs or free shares.
- *Plan 14*. General Meeting of Shareholders of June 15th, 2021, authorizing the allocation of up to 7,800,000 OSAs or free shares.
- *Plan 15*. General Meeting of Shareholders of June 15th, 2022, authorizing the allocation of up to 9,000,000 OSAs or free shares.
- *Plan 16*. General Meeting of Shareholders of June 13th, 2023, authorizing the allocation of up to 7,000,000 OSAs or free shares.

During the exercise of BSPCEs and OSAs, the Group delivers newly issued ordinary shares of the Parent Company to the beneficiaries. On the acquisition of shares, the Group also delivers newly issued ordinary shares of the Parent Company, except for plans under the share buyback programs (note 5.2).

6.2 BSPCE, stock option and share option plans for Criteo group employees

Allocation schedule.

BSPCE et OSA. The beneficiaries may exercise their BSPCEs or OSAs on the basis of the following vesting schedule for Plan 3 amended to Plan 16:

- up to one quarter (1/4) of the stock options as of the first anniversary of the grant date,
- then, up to one-sixteenth (1/16) at the end of each completed quarter following the first anniversary of the date of grant, for thirty-six (36) months thereafter and,
- no later than ten (10) years from the date of grant.

When the Parent Company's shares were not listed on a stock exchange at the grant date, the exercise prices were determined by reference to the last capital increase since the grant date, unless the Board of Directors decided otherwise. Since the listing of the Parent Company's shares in October 2013, the exercise prices have been determined by reference to the closing stock market price on the day before the grant date, with a minimum value equal to 95% of the average of the last 20 stock market prices.

RSU et PSU. Bonus share grants are subject to the following schedule: 50% of the shares will vest at the end of a two-year period and 6.25% at the end of each quarter following the first two-year period, for a period of twenty-four (24) months.

Evolution of the number of outstanding BSPCE / OSA

Instrument/Plans	Grant date	Price	Outstanding 1.1.2023	Grants	exercised	Cancelled	vested	Expired	Outstanding at the end of period 12.31.2023
OSA / BSPCE Plan 5	Nov 2011 - May 2012	€ 5.95		-		-	-	-	-
OSA / BSPCE Plan 6	Oct 2012 - April 2013	€8.28 - €10.43	1,468	-	(888)			(580)	-
OSA / BSPCE Plan 7	Sept 2013 - April 2014	€12.08 - €38.81	32,276	-	(19,615)	(480)		(2,961)	9,220
OSA / BSPCE Plan 8	July 2014 - June 2016	€22.95 - €47.47	126,369	-	(23,114)	(5,453)			97,802
OSA Plan 11	July 2018 - June 2019	€15.86 - €17.98	16,845	-					16,845
OSA Plan 12	July 2019 - June 2020	€8.66 - €15.67	195,371	-					195,371
Total			372,329	-	(43,617)	(5,933)	-	(3,541)	319,238

Evolution of the number of outstanding shares options

Instrument/Plans	Grant date	Average price	Outstanding 1.1.2023	Grants	exercised	Cancelled	vested	Expired	Outstanding at the end of period 12.31.2023
RSU Plan 10	July 2017 - June 2018	€22.92 - €44.37	-	-	-				-
RSU Plan 11	July 2018 - June 2019	€24.92 - €44.37	14,566	-	-		(14,566)		-
PSU / RSU Plan 12	July 2019 - June 2020	€3.29- €17.44	527,665	-	-	(8,228)	(412,172)		107,265
PSU / RSU Plan 13	June 2020 - June 2021	€10.79- €33.36	1,374,758	-	-	(33,140)	(914,633)		426,985
PSU / RSU Plan 14	June 2021 - June 2022	€27.92 - €35.64	2,939,839	-	-	(246,910)	(338,851)		2,354,078
RSU Plan 15	July 2022 - Dec 2022	€25.5 - €30.25	1,015,595	1,250,863	-	(194,797)			2,071,661
Total			5,872,423	2,250,893	-	(489,435)	(1,680,222)	-	5,953,659

In partial consideration of the acquisition of Iponweb on August 1st, 2022, 2,960,243 shares were transferred to the Founder (called "Lock-up Shares" or "LUS"),

6.3 Stock subscription warrants (BSA) not intended for employees

In addition to the allocation of RSUs, stock options and BSPCEs, the shareholders of the Parent Company have also authorized the allocation of stock warrants (BSAs) not intended for employees, as indicated below.

The beneficiaries may exercise their warrants based on the following acquisition schedule:

- Plan D (Advisory Board member): up to one twenty-fourth (1/24) at the end of each month following the date of grant, for a period of twenty-four (24) months from that date, and no later than ten (10) years from the date of grant;
- Plan D (non-Advisory Board member): one third (1/3) on the date of grant, one third (1/3) on the first anniversary of the date of grant, one third (1/3) on the second anniversary of the date of grant, at the latest within ten (10) years from the date of grant;
- For Plans E, F, G: up to one-quarter (1/4) of the stock options as of the first anniversary of the grant date, then up to one-sixteenth (1/16) at the end of each completed quarter following the first anniversary of the grant date, for a period of thirty-six (36) months from that date, and no later than ten (10) years from the grant date.

When the Parent Company's shares were not listed on a stock exchange at the grant date, the exercise prices were determined by reference to the last capital increase since the grant date, unless the Board of Directors decides otherwise. Since the listing of the Parent Company's shares in October 2013, the exercise prices have been determined by reference to the closing stock market price on the day before the grant date, respecting the average of the last 20 stock market prices.

When warrants are exercised, the Group issues ordinary shares of the parent company to the beneficiaries.

Details of BSA plans not intended for employees

	Plan D	Plan E	Plan F	Plan G
Dates of grant (Boards of Directors)	October 2012 - March 2013	March 2015 - October 2015	April 2016 - March 2017	July 2017 - October 2017
Vesting period	2 years	1 - 4 years	1 - 4 years	1 - 4 years
Contractual life	10 years	10 years	10 years	10 years
Expected warrant life	P08Y00M00D	4 - 9 years	4 - 9 years	4 - 9 years
Number of warrants granted	125,784	38,070	59,480	46,465
Exercise price	€8.28 - €9.65	€35.18 - €41.02	€33.98 - €43.42	€35.80- €44.37

Instrument/Plans	Grant date	Price	Outstanding 1.1.2023	Grants	exercised	Cancelled	vested	Expired	Outstanding at the end of period 12.31.2023
BSA D	October 2012 - March 2013	€8.28 - €9.65	10,200	-	(10,200)	-	-	-	-
BSA E	March 2015 - October 2015	€35.18 - €41.02	15,460	-	-	-	-	-	15,460
BSA F	April 2016 - March 2017	€33.98 - €43.42	37,195	-	-	-	-	-	37,195
BSA G	July 2017 - October 2017	€35.80- €44.37	239,920	-	(48,118)	-	-	-	239,920
Total			302,775	-	(58,318)	-	-	-	244,457

7 NOTE 7 – PROVISIONS FOR RISKS AND CHARGES

Provisions are accrued when an obligation to a third party is likely or certain to result in an outflow of resources to that third party, without at least equivalent consideration being expected from the latter. This obligation may be legal, regulatory, contractual or arise from the company's practices. The estimate of the amount of the provisions corresponds to the outflow of resources that the company will probably have to bear to meet its obligation.

The change in provisions for liabilities and charges for the year 2023 is as follows:

<i>In Keuros</i>	12/31/2022	Allowances	Reversals	12/31/2023
Provisions for litigations	225	—	(120)	105
Provisions for exchange losses	7,599	6,197	(7,599)	6,197
Provisions RSU	52,291	62,889	(52,291)	62,889
Other provisions for risk	60,987		(60,032)	955
Provisions for risks	121,102	69,086	(120,042)	70,146

The main variations of the period are related to:

- Reversal of the provision of €60 million relating to a fine imposed by the CNIL in August 2022. In June 2023, the CNIL issued its final decision and set the fine at €40 million. Criteo made the required payment during the 3rd quarter of 2023.
- Net accrual of €10.6 million on RSU provision

7.1 Provisions for foreign exchange losses

The provision regroups the unrealized FX losses booked as an asset, including those generated by derivative instruments treated as POI.

7.2 Provisions for share plans

Certain employees of the Criteo Group receive equity-based compensation. This compensation takes the form of Restricted Stock Units ("RSUs") or stock option plans.

Plans settled by the issuance of new shares

In accordance with the requirements of article 624-6 of the French General Accounting Principles, no provision is recorded for these plans. This is particularly true for the OSA and BPSCE plans.

Plans settled by granting existing shares

At the grant date, these RSUs/PSUs and stock options do not give rise to a personnel charge. This occurs only on the date of delivery of the RSUs/PSUs or on the exercise of the stock options.

A provision for contingencies and losses is recorded when the Company decides to grant RSUs or stock options, provided that the obligation to deliver existing shares to employees will probably or certainly result in an outflow of resources without at least equivalent consideration.

When the vesting of RSUs is explicitly conditional to the employee remaining in the service of Criteo SA for a specified future period ("vesting period"), the provision is recognized on a straight-line basis over the vesting period.

The Company holds treasury shares allocated to its share plans ("RSU" and "PSU") and recognizes a provision for contingencies and losses in this regard as follows:

- For the portion attributable to Criteo S.A. employees, as shares vest

- For the portion attributable to employees of the Group's subsidiaries, at the date of allocation of these treasury shares to the RSUs/PSUs plans.

Please refer to note 6.2 for more details on the on-going plans as of December 31st, 2023.

7.3 Other provisions for risks and charges

Other provisions for liabilities and charges include provisions for social and tax risks and provisions for exchange rate risks. The main risks are detailed below.

CNIL fine. In November 2018, Privacy International filed a complaint with certain data protection authorities, including the CNIL, against Criteo and several other ad tech companies, arguing that some of the companies' practices were not compliant with the GDPR. In January 2020, the CNIL opened a formal investigation, which is still ongoing. On August 3rd, 2022, the appointed rapporteur issued a report noting various violations of the GDPR and including a proposed financial penalty against Criteo of €60.0 million. In view of this report, the proposed penalty was recorded as a provision for contingencies on December 31, 2022.

In June 2023, the CNIL issued its final decision and set the fine at €40 million. Criteo paid the fine in Q3 2023. The remaining provision has therefore been entirely reversed.

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 *Conseil d'Etat*.

8 NOTE 8 – LIABILITIES

8.1 Financial debts

The costs of arranging financing and opening credit lines are spread over the duration of the contracts.

Liquidity reserve

As of December 31st, 2023, the Group had 2 undrawn syndicated credit lines with a pool of leading banks for a total amount of €428.5 million. The credit facilities include the usual clauses of such types of contracts.

8.2 Debt maturity schedule

<i>In Keuros</i>	Gross value at 12.31.2023	<1 year	Between 1 and 5 years	> 5 years
Bank overdrafts	4,336	4,336		
Borrowings and other financial liabilities	511,039	446,873	64,166	
Trade payables	24,530	24,530		
Employees and related accounts	1,972	1,972		
Income taxes	2,095	2,095		
Value added tax	1,693	1,693		
Other taxes	1,607	1,607		
Other debts	48,693	48,693		
Total	595,965	531,799	64,166	-

Borrowings during the year 24,753

Loans repaid during the fiscal year

Loans, debts contracted with partners

The main components of debt as of December 31st, 2023 are as follows:

- Current accounts in credit with subsidiaries, mainly US (€146.0 million), Criteo Technology (€142.9 million)
- Borrowings from subsidiaries: Japan (€64.2 million), Bidswitch GmbH (€56.3 million)
- Other liabilities: €46.5 million relating to the estimated contingent consideration on the acquisition of Iponweb, as described in Note 2.2

9 NOTE 9 – INCOME STATEMENT

9.1 Revenue

In the financial year 2023, Criteo SA's revenue consists mainly of services invoiced to the group's subsidiaries.

<i>In Keuros</i>	France	Other	Total
Sales of services	22,224	12,033	34,257
Revenue from other activities		1,732	1,732
Revenue			35,989

9.2 Breakdown of accruals/reversals of provisions and depreciations

<i>In Keuros</i>	12/31/2022	Allowances	Reversals	12/31/2023
Amortization of assets				-
Depreciation of receivables				-
Provisions on risk of operating activities	(27)	34		7
Operating income/loss	(27)	34	-	7
Provisions on shares	2,996		(2,996)	-
Provisions on own shares	1,108		(1,108)	-
Provision for exchange loss	7,599	7,537	(7,599)	7,537
Others				-
Financial income/loss	11,703	7,537	(11,703)	7,537
Provisions on RSU / PSU	52,291	62,889	(52,291)	62,889
Provisions on non recurring risks	61,239		(60,152)	1,087
Non recurring income/loss	113,530	62,889	(112,443)	63,976
Total	125,206	70,460	(124,146)	71,520

9.3 Financial income/loss

In addition to financial income from foreign currency transactions, foreign exchange derivatives and provisions for foreign exchange losses, Criteo SA receives dividends and interest payments from subsidiaries.

<i>In Keuros</i>	12/31/2023	12/31/2022
Reversals of provisions and expense transfers	7,598	1,417
Financial income from investments	82,310	13,091
Positive exchange rate differences	91,563	117,745
Other interest and similar income	1,532	719
Total financial income	183,003	132,972
Financial depreciation and provisions	8,084	7,925
Negative exchange rate differences	92,516	103,533
Interest and similar expenses	10,977	8,637
Total financial expenses	111,577	120,095
Net financial income	71,426	12,877

As of December 31st, 2023, foreign exchange derivatives recorded as isolated open positions were mainly forward buying and selling contracts. Their fair value was as follows:

<i>In Keuros</i>	12/31/2023	< 1 year	> 1 year	12/31/2022
EURAUD	(11,219)	(11,219)		11,977
EURBRL	(31,733)	(31,733)		12,524
EURCAD	(4,106)	(4,106)		15,055
EURCHF	(2,388)	(2,388)		995
EURCNH	(531)	(531)		(246)
EURGBP	(14,785)	(14,785)		(3,274)
EURJPY	(156,506)	(156,506)		63,253
EURKRW	(47,891)	(47,891)		111,280
EURSEK	2,977	2,977		(16,024)
EURUSD	319,605	319,605		(504,091)
Hedging for operational items	13,402	13,402	-	(308,551)
EURAUD	(85,503)	(85,503)		131,307
EURCAD	(34,553)	(34,553)		57,613
EURCNH	(52,430)	(52,430)		(22,858)
EURGBP	18,784	18,784		263,955
EURJPY	309,245	309,245		1,896,896
EURKRW	(57)	(57)		(172)
EURSEK	(239)	(239)		61,273
EURUSD	2,056,978	2,056,978		713,038
Hedging for financial items	2,212,225	2,212,225	-	3,101,052
EUR / KRW			-	
Cross-currency SWAP	-	-	-	-

9.4 Non recurring income/loss

Non recurring income and expenses include items that are considered exceptional under accounting principles (notably gains and losses on the disposal of fixed assets, tax rebates or reductions other than income tax).

<i>In Keuros</i>	12/31/2023	12/31/2022
Non recurring income from management operations	21,376	25,630
Non recurring income from capital operations	67	-
Reversals of provisions and expenses transfers	108,877	18,583
Total Non recurring income	130,320	44,213
Non recurring expenses on management operations	85,219	46,205
Non recurring expenses from capital operations	3,996	-
Non recurring depreciation and provisions	55,467	103,634
Total Non recurring expenses	144,682	149,839
Net non recurring income	(14,362)	(105,626)

As of December 31, 2023, non recurring income is mainly composed of:

- Net impact of the cost for the RSU plan for €33 million
- Net impact for the CNIL reversal for €20 million

9.5 Breakdown of income tax

Criteo SA is the parent company of a tax group consisting, since January 1st, 2011, of Criteo France SAS, located at 32 rue Blanche 75009 Paris, since January 1st, 2017, of Criteo Finance SAS, located at 32 rue Blanche 75009 Paris, and since January 1st, 2022 of Criteo Technology SAS, located at 32 rue Blanche 75009 Paris. Storetail Marketing Services SA, which was located at 32 rue Blanche, 75009 Paris, and which joined the tax consolidation group on January 1st, 2019, was absorbed by Criteo SA in 2020.

For subsidiaries, the tax charge is accounted for as if they were not consolidated, as the Criteo Group has opted for the neutrality regime. The parent company accounts for the group's tax and captures any tax savings and expenses generated by the tax group.

Income tax is broken down as follows:

<i>In Keuros</i>	Before taxation	Taxation	Net
Net recurring income	(47,093)	553	(46,540)
Net financial income	71,426	(687)	70,739
Net non recurring income	(14,362)	5,068	(9,294)
Employee shareholding	(11)		(11)
Net income	9,960	4,934	14,894

The tax amount shown is the sum of the following items:

- €(7.6) million income tax expense pulled by Criteo SA from the entities that are part of the French tax group
- €2.5 million: income tax due by the French tax group

Future increases and reductions in the tax liability are detailed as follows:

<i>Increases in future tax liability</i>	Tax basis	Tax impact
Exchange rate differences	(4,754)	(1,189)
C3S N	(496)	(124)
Construction effort N	(230)	(58)
Provision RSU	(33,741)	(8,435)
Securities acquisition costs	(723)	(181)
CAC fees	(2,110)	(528)

Total in Keuros	(42,054)	(10,514)
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<i>Future tax liability relief</i>	Tax basis	Tax impact
C3S N-1	418	105
Construction effort N-1	14	4
Exchange rate differences	8,255	2,064
Provision RSU	38,446	9,612
Auditors' fees	2,110	528

Total in Keuros	49,827	12,457
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10 NOTE 10 – OTHER INFORMATION

10.1 Off-balance sheet commitments

<i>In Keuros</i>	12/31/2023
Pensions and other post-employment benefits	176
Other given commitments	
Independent bank guarantee	3,144
Commitments given	3,320
Commitments received	-
Mutual Commitments	-
Total in Euros	3,320

Pension obligations

In accordance with current legislation and collective bargaining agreements, the Company pays each employee an indemnity on retirement. The full amount of the rights acquired by the persons concerned is charged to the financial year.

Pension commitments, corresponding to retirement benefits, are measured as of December 31st, 2023, using the retrospective method. This method considers the current age and length of service of each employee, their life expectancy up to the age of 65 and the probability of remaining with the company at that age.

The scale used to determine the number of months' salary is the one of the SYNTEC collective bargaining agreement; the retirement amount is thus equal to one month per year of service, plus one-fifth of a month from the sixth year onwards.

The calculation is estimated on the basis of the compensation paid in 2023 and takes into account a rotation rate by age segment, a discount rate of 3.90%, a wage revaluation rate of 6.96%, and a social security contribution rate of 48%

The company does not apply the preferred method of accounting for retirement obligations recommended by ANC No. 2014-3.

The amount of the obligation was €176,151 as of December 31, 2023.

Other commitments

Commitments given and received by the Group that are not recognized in the balance sheet correspond to contractual obligations that have not yet been fulfilled and are subject to the fulfilment of conditions or transactions subsequent to the current year.

10.2 Average number of employees

The average number of employees at December 31st, 2023 was as follows:

	12/31/2023	12/31/2022
Executives	24	20
Average number of employees	24	20

10.3 Executives' compensation

The Board of Directors members receive directors' fees for their duties. The amount of directors' fees paid to the Company's directors amounted to €2.2 million in 2023 (€2.2 million in 2022).

Executive compensation by category is not provided as it might allow identification of a specific member of the governing bodies.

In accordance with current legislation, no advances or credits have been granted to the Company Executives or Corporate Officers.

10.4 Auditors' fees

The auditors' fees invoiced for the Criteo SA statutory and consolidated audits amounted to €122,900 for the financial year ended in 2023.

10.5 List of subsidiaries and affiliates

As of December 31, 2023, Criteo SA owns the following subsidiaries and investments:

<i>Subsidiaries In Keuros</i>	Gross value of shares	NBV	Related receivables	Share Capital (SC)	Shareholders' equity (except SC & Income2023)	% of ownership	Allocated dividends 2023	Revenue 2023	Net income 2023
Criteo France (France)	28,355	28,355		1,297	8,850	100 %		110,880	314
Criteo Ltd (UK)	33,867	33,867	10	115	(2,300)	100 %		56,604	430
Criteo GmbH (Germany)	512	512	3	25	10,507	100 %	(468)	244,355	1,227
Criteo BV (Netherlands)	100	100		100	3,535	100 %		44,685	601
Criteo Corp (United States)	337,965	337,965	26	75,377	51,367	100 %		694,473	15,551
Criteo Do Brazil Desenvolvimento De Serviços De Internet LTDA (Brasil)	5,243	5,243	-	4,603	(7,459)	100 %		37,006	2,048
Criteo Australie PTY (Australia)	-	-	16	-	(7,852)	100 %		19,866	(510)
Criteo KK (Japan)	64	64		70	56,345	66 %		200,146	3,075
Criteo SRL (Italy)	20	20		20	12,470	100 %		44,764	346
Criteo Singapore PTE Ltd (Singapore)	24,083	24,083	10	24,442	(38,777)	100 %		29,060	539
Criteo LLC (Russia)	306	306		-	384	100 %		-	(268)
Criteo Espana S.L. (Spain – Madrid)	3	3	-	3	4,798	100 %		36,826	354
Criteo Europa MM S.L. (Spain – Barcelona)	3	3		3	8,694	100 %	(3,000)	-	2,536
Criteo MEA FZ LLC (Dubai)	13	13		12	3,806	100 %		18,105	363
Criteo Reklamcilik Hizmetleri ve Ticaret AS (Turkey)	1,207	1,207	-	208	(1,272)	100 %		11,989	98
Criteo Canada Corp. (Canada)	-	-		-	6,880	100 %		21,991	424
Criteo India Private Limited (India)	3,140	3,140	5	2,883	(2,985)	100 %		13,817	1,293
Criteo Korea Ltd (Korea)	78	78	2	70	(640)	100 %		83,864	160
Criteo Nordics AB (Sweden)	5	5	-	9	623	100 %	(1,158)	20,078	207
Doobe In Site Ltd (Israel)	4,658	4,658	2	3	(5,259)	100 %		(15)	(698)
Criteo Technology S.A.S (France)	127,129	127,129	155	127,130	(109,896)	100 %	(60,000)	1	43,467
Bidswitch GmbH (Switzerland)	57,973	57,973		20	(5,345)	100 %	(3,564)	11,965	2,090
Iponweb (Switzerland)	12,292	12,292		20	(568)	100 %	(1,080)	31,479	981
Iponweb Labs AM (Armenia)	5,287	5,287		-	(88)	100 %		-	159
Iponweb Labs CY (Cyprus)	27,214	27,214		1	365	100 %		3,666	(31,099)

Source : Financial statements of subsidiaries presented in accordance with US GAAP (the accounting principle followed by the Group in its internal reporting) converted into euros.

10.6 Subsequent events

The Company has reviewed the events that occurred between the period ended December 31, 2023 and February 23, 2024, date of validation of the annual financial statements by the Board of Directors. There are no significant events requiring disclosure in the annual financial statements as of December 31, 2023.