UNIFIEDPOST GROUP SA

Interim condensed consolidated financial statements for the six-month period ended 30 June 2023

(unaudited)

unifiedpost GROUP

Index to the consolidated financial statements

1. Interim consolidated statement of profit or loss and other comprehensive income (unaudited)

Thousands of Euro, except per share data		For the 6-month period ended 30 June	
	Note	2023	2022
Digital processing revenues	5.6	65.220	59.260
Digital processing cost of services	5.7	(38.183)	(35.557)
Digital processing gross profit		**27.037**	**23.703**
Postage & Parcel optimisation revenues	5.6	27.941	32.404
Postage & Parcel optimisation cost of services	5.7	(24.770)	(29.067)
Postage & Parcel optimisation gross profit		**3.171**	**3.337**
Research and development expenses	5.7	(11.321)	(7.549)
General and administrative expenses	5.7	(20.733)	(22.659)
Selling and marketing expenses	5.7	(13.899)	(14.624)
Other income / (expenses)		(452)	(440)
Profit / (loss) from operations		**(16.197)**	**(18.232)**
Financial income		88	245
Financial expenses	5.8	(7.640)	(3.552)
Change in fair value of financial liabilities		-	535
Profit / (loss) before tax		**(23.749)**	**(21.004)**
Income tax		(292)	(146)
PROFIT / (LOSS) FOR THE YEAR		**(24.041)**	**(21.150)**
Other comprehensive income / (loss):		**(1.388)**	**(1.971)**
Items that will not be reclassified to profit or (loss), net of tax:			
Remeasurements of defined benefit pension obligations		-	-
Items that will or may be reclassified to profit or loss, net of tax:			
Exchange gains / (losses) arising on translation of foreign operations		(1.388)	(1.971)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(25.429)**	**(23.121)**
Profit / (loss) is attributable to:			
Owners of the parent		(24.058)	(20.760)
Non-controlling interests		17	(390)
Total comprehensive income / (loss) is attributable to:			
Owners of the parent		(25.446)	(22.731)
Non-controlling interests		17	(390)
Earnings per share attributable to the equity holders of the parent:			
Basic		(0,67)	(0,61)
Diluted		(0,67)	(0,61)

The notes form an integral part of these Interim Consolidated Financial Statements.

2. Interim consolidated statement of financial position (unaudited)

Thousands of Euro	Note	As at 30 June 2023	As at 31 December 2022
ASSETS			
Goodwill	5.9	152.580	153.429
Other intangible assets	5.10	88.439	85.516
Property and equipment		7.741	8.231
Right-of-use assets		10.457	10.214
Investments in associates		1.875	1.875
Non-current contract costs		678	872
Deferred tax assets		760	462
Other non-current assets		2.165	1.728
Non-current assets		**264.695**	**262.327**
Inventories		691	822
Trade and other receivables		27.547	31.890
Contract assets		688	426
Contract costs		1.533	1.859
Current tax assets		1.030	705
Prepaid expenses		1.942	2.275
Cash and cash equivalents	5.11	24.696	40.033
Current assets		**58.127**	**78.010**
TOTAL ASSETS		**322.822**	**340.337**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital		326.806	326.806
Costs related to equity issuance		(16.029)	(16.029)
Share premium reserve		492	492
Accumulated deficit		(172.541)	(148.497)
Reserve for share-based payments		1.831	1.813
Other reserve		(3.034)	(2.863)
Cumulative translation adjustment reserve		(5.101)	(3.713)
Equity attributable to equity holders of the parent		**132.424**	**158.009**
Non-controlling interests		467	281
Total shareholders' equity		**132.891**	**158.290**
Non-current loans and borrowings	5.12	106.904	97.408
Liabilities associated with puttable non-controlling interests	5.13	859	840
Non-current lease liabilities		6.689	6.438
Non-current contract liabilities		4.641	4.039
Retirement benefit obligations		88	83
Deferred tax liabilities		5.016	5.720
Non-current liabilities		**124.197**	**114.528**
Current loans and borrowings	5.12	8.611	6.967
Current liabilities associated with puttable non-controlling interests	5.13	7.650	7.670
Current lease liabilities		3.761	3.800
Trade and other payables		30.411	34.853
Contract liabilities		13.545	12.701
Current income tax liabilities		1.756	1.528
Current liabilities		**65.734**	**67.519**
TOTAL EQUITY AND LIABILITIES		**322.822**	**340.337**

The notes form an integral part of these Interim Consolidated Financial Statements.

3. Interim consolidated statement of changes in equity (unaudited)

Thousands of Euro	Share capital	Costs related to equity issuance	Share premium reserve	Accumulated deficit	Share based payments	Other reserves	Cumulative translation adjustment reserve	Non-controlling interests	Total equity
Balance as at 1 January 2023	**326.806**	**(16.029)**	**492**	**(148.497)**	**1.813**	**(2.863)**	**(3.713)**	**281**	**158.290**
Result for the period	-	-	-	(24.058)	-	-	-	17	(24.041)
Other comprehensive income / (loss)	-	-	-	-	-	-	(1.388)	-	(1.388)
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**(24.058)**	**-**	**-**	**(1.388)**	**17**	**(25.429)**
Share-based payments	-	-	-	-	18	-	-	-	18
Current year profit AND OCI of NCI with put option	-	-	-	-	-	(169)	-	169	-
Other	-	-	-	14	-	(2)	-	-	12
Balance as at 30 June 2023	**326.806**	**(16.029)**	**492**	**(172.541)**	**1.831**	**(3.034)**	**(5.101)**	**467**	**132.891**

Thousands of Euro	Share capital	Costs related to equity issuance	Share premium reserve	Accumulated deficit	Share based payments	Other reserves	Cumulative translation adjustment reserve	Non-controlling interests	Total equity
Balance as at 1 January 2022	**309.220**	**(15.926)**	**492**	**(101.332)**	**1.545**	**2.529**	**(376)**	**277**	**196.429**
Result for the period	-	-	-	(20.760)	-	-	-	(390)	(21.150)
Other comprehensive income / (loss)	-	-	-	-	-	-	(1.971)	-	(1.971)
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**(20.760)**	**-**	**-**	**(1.971)**	**(390)**	**(23.121)**
Issuance of new shares	12.756	-	-	-	-	(3.801)	-	-	8.955
Share-based payments	-	-	-	-	53	-	-	-	53
Current year profit AND OCI of NCI with put option	-	-	-	-	-	(346)	-	346	-
Changes in carrying value of liabilities associated with puttable NCI	-	-	-	-	-	(3.290)	-	-	(3.290)
Other	-	-	-	(16)	(1)	-	-	-	(17)
Balance as at 30 June 2022	**321.976**	**(15.926)**	**492**	**(122.108)**	**1.597**	**(4.908)**	**(2.347)**	**233**	**179.009**

The notes form an integral part of these Interim Consolidated Financial Statements.

4. Interim consolidated statement of cash flows (unaudited)

Thousands of Euro	Note	For the 6-month period ended 30 June 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		**(24.041)**	**(21.150)**
Adjustments for:			
- Amortisation and impairment of intangible fixed assets	5.10	10.351	8.994
- Depreciation and impairment of property, plant & equipment		746	757
- Depreciation of right-of-use assets		2.162	2.002
- Impairment of trade receivables		35	105
- Gain on disposal of fixed assets		(25)	-
- Financial income		(87)	(245)
- Financial expenses	5.8	7.640	3.552
- Change fair value of derivative		-	(535)
- Income tax expense / (income)		292	146
- Share-based payment expense / own shares		18	53
Subtotal		**(2.909)**	**(6.321)**
Changes in Working Capital			
- (Increase) / decrease in trade receivables and contract assets & costs		4.566	(243)
- (Increase) / decrease in other current and non-current receivables		(141)	(237)
- (Increase) / decrease in inventories		131	(302)
- Increase / (decrease) in trade and other liabilities		(2.561)	(6.023)
Cash generated from / (used in) operations		**(914)**	**(13.126)**
Income taxes paid		(1.592)	(1.260)
Net cash provided by / (used in) operating activities		**(2.506)**	**(14.386)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments made for purchase of intangibles and development expenses	5.10	(9.050)	(10.359)
Proceeds from the disposals of intangibles and development expenses		-	1
Payments made for purchase of property, plant & equipment		(344)	(1.237)
Proceeds from the disposals of property, plant & equipment		94	14
Interest received		87	56
Net cash provided by / (used in) investing activities		**(9.213)**	**(11.525)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of ordinary shares		-	12.756
Proceeds from loans and borrowings	5.14	5.752	63.360
Repayments of loans and borrowings	5.14	(4.762)	(21.696)
Repayment of lease liabilities		(2.373)	(2.252)
Interest paid on loans, borrowings and leasings		(2.235)	(563)
Net cash provided by / (used in) financing activities		**(3.618)**	**51.605**
Effect of exchange rate changes		-	-
Net increase / (decrease) in cash & cash equivalents		**(15.337)**	**25.694**
Cash and cash equivalents at beginning of period	5.11	40.033	16.970
Cash and cash equivalents at end of period	5.11	24.696	42.664

The notes form an integral part of these Interim Consolidated Financial Statements.

5. Notes to the interim consolidated financial statements (unaudited)

5.1 General

Unifiedpost Group SA (the "Company") is a Belgian fintech company providing a complete technology portfolio for document processing, identity management, payment services, added value financial services and post and parcel optimisation activities. Unifiedpost Group SA is a limited liability company with its registered office at Avenue Reine Astrid 92, 1310 La Hulpe. The interim consolidated financial statements of Unifiedpost Group SA for the 6-month period ended 30 June 2023 (the "Interim Consolidated Financial Statements") comprise Unifiedpost Group SA and its subsidiaries, together "the Group".

These unaudited Interim Consolidated Financial Statements were authorised for issue by the Board of Directors on 24 August 2023.

5.2 Declaration of conformity

These Interim Consolidated Financial Statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. As they are only intended to provide an update of the last complete set of Annual Financial Statements, these Interim Consolidated Financial Statements of the Group should be read in conjunction with the 2022 Financial Statements.

The accounting standards applied in the Interim Consolidated Financial Statements for the period ended 30 June 2023 are consistent with those used to prepare the Consolidated Financial Statements for the year ended 31 December 2022.

The Group has not early adopted any other Standard, interpretation or amendment that have been issued but is not yet effective.

Standards and interpretations applicable for the annual period beginning on or after 1 January 2023

- IFRS 17 Insurance Contracts
- Amendment to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- Amendments to IAS 1 Presentations of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

These amendments do not have a significant impact on the Group's financial statements.

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2023

- Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules (effective but not yet endorsed in the EU – disclosures are required for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (applicable for annual periods beginning on or after 1 January 2024 or later, but not yet endorsed in the EU)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)

The Interim Consolidated Financial Statements have been prepared on a historical basis, except for the assets and liabilities that have been acquired as part of a business combination which have been initially recognised at fair value and certain financial instruments which are measured at fair value. All "currency" values are rounded to the nearest thousands in these Interim Consolidated Financial Statements, except where otherwise indicated.

5.3 New accounting policies and significant changes

Unifiedpost Group SA has applied the same accounting policies and methods of computation in its Interim Consolidated Financial Statements as in its 2022 Annual Financial Statements, except for the amendments stated above which apply for the first time in 2023.

5.4 Significant accounting estimates and judgements

The preparation of Interim Consolidated Financial Statements in compliance with adopted IFRS requires the use of certain critical accounting estimates and assumptions regarding the future. It also requires Group management to exercise judgment in applying the Group's accounting policies. The accounting estimates and judgements are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The estimation of uncertainties that are important for the presentation of the Interim Consolidated Financial Statements have not changed compared to those summarised in the Consolidated Financial Statements per 31 December 2022.

5.4.1 Going concern

The accompanying Interim Consolidated Financial Statements of Unifiedpost have been prepared on the basis of going concern which assumes that Unifiedpost has sufficient funds available to continue its operations in the normal course of business for a period of at least twelve months after the date these Interim Consolidated Financial Statements are approved.

Unifiedpost has incurred net losses and significant cash outflows from cash used in operating activities during past years, as it has been investing significantly in the development of its document processing and payment application as well as in the roll out of these products in its Pan-European structure. During the 6-month period ending 30 June 2023, the Company incurred a consolidated net loss of € 24,0 million, and negative cash flows from operating and investing activities for respectively € 2,5 million and € 9,2 million. At 30 June 2023, the Company has an accumulated deficit of € 172,5 million but a positive total equity balance of € 132,9 million.

Per 30 June 2023, Unifiedpost has a net debt of € 97,3 million (see note 5.17.2.3) and cash and cash equivalents of € 24,7 million supported by the access to a short-term factoring line of € 20 million, of which only € 4,1 million was used at 30 June 2023.

Management prepared a budget 2023 that was approved by the Board of Directors and prepared a conservative forecast for the first half 2024, based on further growth of the business, improved contribution and margins, combined with measures around cost control and business activation. Abstracting variations in the business lines with the budget, the current interim consolidated revenue and operating cash flow are in line with the budget in general terms. For the second half of 2023, the Company has forecasted a positive operating cash flow, which allows to pay the capital expenditures over the period. Furthermore, the company divest some non-core intangible assets (see note 5.20). These steps are taken, to ensure that the funds available in the Company, including any undrawn portion of the factoring line, are sufficient to meet the Company's cash flow needs for a period of at least twelve months after the date these Interim Consolidated Financial Statements are approved. The budget also takes the covenants linked to the Francisco Partner loan into account. This includes a minimum required liquidity of € 12,5 million (see note 5.17.2.3). With the approved budget updated with reforecast results and cash inflow from non-core intangibles, the Company expects to meet this requirement at 31 December 2023, at June 2024 and beyond.

Management recognises that material uncertainties exist in the budget due to uncertainties on (i) timing of governmental decision regarding the implementation of e-invoicing in the main European business regions, (ii) the speed and degree of adaptation of the Unifiedpost product line in the market which may impact the realisation of the budget in 2023 and the key assumptions made in there, and (iii) the successful implementation of a cost saving plan and/or business activation plans as included in the approved budget. Management is committed and confident that all deviations from the cash flow in the budget can be mitigated with additional cost control measures on top of these that have been taken. This approach enables management to absorb budget uncertainty and deviations from the budget with no or minimal impact on cash flow. By managing budget uncertainty in this way, management can effectively address any challenges related to the Company's going concern status and covenants linked to Francisco Partners' funding.

5.5 Significant events and transactions

Valitax

In June 2023, the Group acquired a mandatory functional software component, named "Valitax", for an amount of € 5 million. Valitax will be set in the market as stand-alone product as well it will be embedded in the Banqup product and will enable Unifiedpost to fulfil the ViDa requirement of applying VAT rules correctly on bills by combining tax compliancy services with e-invoicing and reporting services (see note 5.10 and 5.12.2).

Geopolitical situation

The geopolitical situation is still uncomfortable with higher inflation and unstable situation in the Russian and Ukraine region. The unpredictable evolution may impact different European economies and also in economies where the Group is currently developing its activities. In so far the current situation do not escalate further or nervosity in different commodity markets is not further increasing, the Group does not experience any significant negative effects of the current crisis, other than those resulting from general inflation in costs.

5.6 Revenue from contracts with customers

5.6.1 Revenue by type of transaction

The Group derives revenue from the provision of services over time and at a point in time from the following sources:

Thousands of Euro			For the 6-month period ended 30 June	
		Timing of revenue recognition	**2023**	**2022**
Revenue from Digital Services			**65.229**	**59.271**
Revenue from recurring digital services			**62.796**	**55.862**
- Transactions			45.367	41.453
	Document processing	Over time	44.461	40.412
	Print production	At a point in time	906	1.041
- Subscriptions		Over time	15.700	13.413
- Managed services		Over time	1.729	996
Revenue from non-recurring digital services			**2.433**	**3.409**
- Project revenue			2.407	3.245
	Implementation requests	Over time when not distinct, at a point in time otherwise	818	1.361
	Change requests	At a point in time	1.589	1.884
- Sale of licenses		At a point in time	26	164
Revenue from Postage and Parcel Optimisation (recurring)			**27.932**	**32.393**
- Transactions		At a point in time	27.932	32.393
Total			**93.161**	**91.664**

Digital revenue is growing from € 59,3 million towards € 65,2 million, mainly due to an increase of the transactional revenue for document processing.

The revenue from Postage and Parcel Optimisation is decreasing in the Nordics compared to last year which can largely be attributed to the impact of the SEK-EUR exchange rate change.

5.6.2 Revenue by Cash Generating Unit and by type of transaction

The Group's revenue per CGU was as follows for the 6-month period ended 30 June 2023 and 30 June 2022:

Thousands of Euro	For the 6-month period ended 30 June 2023					
	Digital document processing	**Paper processing**	**Payment**	**Services and Apps**	**Postage and Parcel optimisation**	**Total**
Revenue from recurring services	**39.469**	**20.639**	**1.280**	**1.399**	**27.941**	**90.728**
- Transactions	24.393	20.631	334	9	27.932	**73.299**
- Subscriptions	14.301	8	946	436	9	**15.700**
- Managed services	775	-	-	954	-	**1.729**
Revenue from non-recurring services	**2.245**	**65**	**65**	**58**	**-**	**2.433**
- Implementation requests	751	18	49	-	-	**818**
- Change requests	1.468	47	16	58	-	**1.589**
- Sale of licenses	26	-	-	-	-	**26**
Total	**41.714**	**20.704**	**1.345**	**1.457**	**27.941**	**93.161**

Thousands of Euro	For the 6-month period ended 30 June 2022 (*)					
	Digital document processing	Paper processing	Payment	Services and Apps	Postage and Parcel optimisation	Total
Revenue from recurring services	**34.348**	**18.750**	**1.353**	**1.401**	**32.403**	**88.255**
- Transactions	22.432	18.744	277	-	32.393	**73.846**
- Subscriptions	11.896	6	1.076	425	10	**13.413**
- Managed services	20	-	-	976	-	**996**
Revenue from non-recurring services	**3.210**	**83**	**23**	**93**	**-**	**3.409**
- Implementation requests	1.349	-	12	-	-	**1.361**
- Change requests	1.697	83	11	93	-	**1.884**
- Sale of licenses	164	-	-	-	-	**164**
Total	**37.558**	**18.833**	**1.376**	**1.494**	**32.403**	**91.664**

(*) As of 2022, management decided to update financial segments to better align with the business activities. With the new reporting tool, used as of 2022, a deeper granularity of financial data is available. Hence, the revenue by CGU for the 6-month period ended 30 June 2022 has been updated accordingly in these Interim Consolidated Financial Statements. CGU Digital document processing revenue decreased for a total amount of € 12.933 thousand, for which the revenue shifted towards CGU Paper processing (€ 11.580 thousand) and a small part (€ 1.353 thousand) towards CGU Payment.

5.7 Disclosure of expenses

5.7.1 Expenses by cost centre

Thousands of Euro	For the 6-month period ended 30 June	
	2023	2022 (*)
- Cost of services	55.117	55.255
- IT-infrastructure	2.444	3.538
- IT-Tooling	3.672	3.996
- IT-Development	19.168	17.014
- Housing and facility	3.247	2.674
- Service operations	1.339	1.475
- Customer care	3.297	3.305
- Sales and account management	6.379	6.783
- Marketing	4.234	4.667
- Finance administration	4.227	4.477
- HR administration	1.013	1.083
- Legal services	734	1.789
- General management	3.585	3.418
- Staff related expenses	446	-
- Other income expenses	4	(18)
Total	**108.906**	**109.456**

(*) As of 2022, with the new reporting tool, a deeper granularity of financial data came available. This enabled the Company to modify the classification of certain expenses towards expenses by cost centre to better present the performance of the Company. Hence, the expenses for the 6-month period ended 30 June 2022 has been updated accordingly in these Interim Consolidated Financial Statements.

The total expenses decreased from € 109,5 million to € 108,9 million, mainly due to lower indirect operating costs as well as staff and related expenses, spread over all cost centres. The decrease is due to the measures that have been taken by the management to reduce indirect costs, while ensuring efficiency throughout the organisation. These measures were partially annulled seen (i) the current inflation economy and (ii) the increase in IT-development costs, driven by the decision to only do 'maintain' efforts in the local products.

5.7.2 Staff and related expenses

Thousands of Euro	For the 6-month period ended 30 June	
	2023	**2022**
Wages, salaries, fees and bonuses	24.710	22.897
Social security	4.358	4.163
Fees paid to contractors	9.193	11.577
Pensions costs: defined contribution plans	-	-
Pensions costs: defined benefit plans	691	683
Employee benefits – other (*)	1.923	1.909
Total	**40.875**	**41.229**

(*) These other employee benefits concern mainly expenses regarding company cars.

Expenses and cost in thousands of Euro	**As per 30 June 2023**			**For the period ended 30 June 2023**
	FTE (*)	**Average FTE**	**Employee benefit expense**	**Cost per FTE**
Cost of services	421	421	7.124	16,9
Research and development expenses	404	428	13.058	30,5
General and administrative expenses	249	252	10.442	41,4
Selling and marketing expenses	248	250	10.251	41,0
Total	**1.322**	**1.351**	**40.875**	**30,3**

Expenses and cost in thousands of Euro	**As per 30 June 2022**			**For the period ended 30 June 2022**
	FTE (*)	**Average FTE**	**Employee benefit expense**	**Cost per FTE**
Cost of services	444	438	6.927	15,8
Research and development expenses	476	462	12.529	27,1
General and administrative expenses	297	286	11.299	39,5
Selling and marketing expenses	262	262	10.474	40,0
Total	**1.479**	**1.448**	**41.229**	**28,5**

(*) FTE corresponds to the Full Time Equivalent of contract employees, temporary employees and contractors

5.7.3 Amortisation and depreciation charges

Amortisation of intangible assets and depreciation of property and equipment as well as of right-of-use assets are reported in the following categories of expenses by function:

Thousands of Euro		For the 6-month period ended 30 June	
	Note	**2023**	**2022**
Amortisation			
Research and development expenses		6.035	5.150
General and administrative expenses		1.885	1.377
Selling and marketing expenses		2.431	2.467
Total amortisation	5.10	**10.351**	**8.994**
Depreciation			
Cost of services digital processing		238	328
Cost of services postage and parcel optimisation		-	36
Research and development expenses		-	189
General and administrative expenses		2.586	2.046
Selling and marketing expenses		84	159
Total depreciation		**2.908**	**2.758**
Total amortisation and depreciation		**13.259**	**11.752**

The increase in the amortisation is the effect of the continued investment in our digital platform.

5.8 Financial expenses

Thousands of Euro	For the 6-month period ended 30 June	
	2023	**2022**
Interest and finance charges paid / payable on financial liabilities not at fair value through profit or loss	7.179	3.239
Interest and finance charges paid / payable for lease liabilities	166	79
Other	295	234
Total	**7.640**	**3.552**

Regarding the Francisco Partner loan, the total interest and finance charges paid / payable amounts to € 6.822 thousand. A total amount of € 5.229 thousand has been accrued during the first six months of 2023, and in June 2023 a total interest of € 1.628 thousand was paid.

5.9 Goodwill and impairment testing

5.9.1 Carrying amounts of goodwill

The carrying amount of goodwill is summarised as follows:

Thousands of Euro	
As at 1 January 2023	**153.429**
Foreign exchange difference	(849)
As at 30 June 2023	**152.580**

The carrying amount of goodwill is expressed in local currency and yearly foreign exchange differences will occur for 21 Grams (Swedish Krona), Unifiedpost Limited (British Pound) and Unifiedpost PTE LTD (Singapore Dollar).

5.9.2 Cash Generating Units

Goodwill acquired in a business combination is allocated, from the acquisition date, to the respective cash generating units ("CGUs") that are expected to benefit from the business combination in which the goodwill arose.

The carrying amount of goodwill is summarised in the below table:

Thousands of Euro	**As at 31 December 2022**	**Currency exchange**	**As at 30 June 2023**
CGU Digital document processing	144.259	(849)	143.410
CGU Paper processing	1.117	-	1.117
CGU Payment	6.832	-	6.832
CGU Services and Apps	1.221	-	1.221
CGU Postage and Parcel optimisation	-	-	-
Total	**153.429**	**(849)**	**152.580**

5.9.3 Impairment testing

Goodwill is tested for impairment at least annually. The recoverable amounts of the CGUs are assessed using a value-in-use model. The value-in-use is calculated using a discounted cash flow approach, discounted with a pre-tax discount rate applied to the projected pre-tax cash flows and terminal value.

Following events have been considered in our evaluation for possible impairment indicators:

- The variances in revenue, operating result and capex per CGU as at 30 June 2023 compared to the assumptions taken in the impairment exercise of end 2022
- The variances in revenue, operating result and capex per CGU reforecast up until 31 December 2023 compared to the assumptions taken in the impairment exercise of end 2022
- The impact of the delayed mandatory character of e-invoice implementation in the French market
- The impact of the divestment of the stand-alone products FitekIN and ONEA on the Company's future cash flows and net assets of the CGU Digital document processing
- The assessment of the newly acquired tool 'Valitax', increasing the carrying value of intangible assets and impact on the future cash flows

Based on half-year performance and the different testing, the Group has not identified impairment indicators which would lead to accelerate the impairment exercise. The current exercise is planned to be executed in the fourth quarter of 2023.

5.10 Other intangible assets

The other intangibles assets increased from a net book value of € 85.516 thousand per 31 December 2022 towards € 88.439 thousand per end of June 2023, or an increase of € 2.923 thousand.

As the Group keeps on investing in its global products, the additions to the assets under construction amounts to € 9.042 thousand, out of which € 7.834 thousand was booked through capitalisation of own development. During the first half year of 2023, € 18.563 million was transferred from assets under construction towards internally generated software due to the going live of the particular products.

The total amortisation of these other intangible assets amounts to € 10.351 thousand and a foreign exchange impact of € 776 thousand was recorded per 30 June 2023.

Additionally, in June 2023, the Group acquired "Valitax" for an amount of € 5 million. This intangible asset is processed as an asset under construction, and will only be amortised as of October 2023, while transition and rebranding works are still ongoing. The price is payable in three equal annual instalments end of September, starting from this year onwards. Hence the € 5 million due is shown as 'loans and borrowings' in the interim consolidated statement of financial position (see note 5.12.2).

5.11 Cash and cash equivalents

Thousands of Euro	**As at 30 June 2023**	**As at 31 December 2022**
Cash in hand	9	16
Cash at bank	21.481	36.871 (*)
Restricted Cash (Payment Solutions customers' cash)	2.141	2.025
Other restricted cash	1.065	1.121 (*)
Cash equivalents	-	-
Cash and cash equivalents per statement of financial position	**24.696**	**40.033**

(*) Restated to present the other restricted cash on a separate line.

Cash and cash equivalents decreased with € 15,3 million compared to 2022.

5.12 Borrowings

Thousands of Euro	Note	**As at 30 June 2023**			**As at 31 December 2022**		
		Non-current	**Current**	**Total**	**Non-current**	**Current**	**Total**
Bank borrowings	5.12.1	5.966	6.861	**12.827**	5.061	6.053	**11.114**
Refundable government advances		285	74	**359**	260	75	**335**
Other loans	5.12.2	100.653	1.676	**102.329**	92.087	839	**92.926**
Total loans and borrowings		**106.904**	**8.611**	**115.515**	**97.408**	**6.967**	**104.375**

5.12.1 Bank borrowings

Thousands of Euro	As at 30 June 2023			As at 31 December 2022		
	Non-current	Current	Total	Non-current	Current	Total
Unsecured						
Subordinated loan	2.800	800	**3.600**	3.200	800	**4.000**
Other bank borrowings	8	550	**558**	8	1.215	**1.223**
Total unsecured bank borrowings	**2.808**	**1.350**	**4.158**	**3.208**	**2.015**	**5.223**
Secured						
Acquisition facility Buildings Sirius Star	1.121	189	**1.310**	1.216	186	**1.402**
Investment Credit	537	286	**823**	637	495	**1.132**
Other bank borrowings	1.500	5.036	**6.536**	-	3.357	**3.357**
Total secured bank borrowings	**3.158**	**5.511**	**8.669**	**1.853**	**4.038**	**5.891**
Total bank borrowings	**5.966**	**6.861**	**12.827**	**5.061**	**6.053**	**11.114**

The Group's new bank borrowings committed to during the first half of 2023 are the following:

- Unifiedpost Solutions d.o.o. agreed with ProCredit Banka 3 new other bank borrowings, with for all these 3 loans a maturity of 3 years and a grace period until 1 January 2025. The long-term outstanding of these loans amounts to a total of € 1.501 thousand
- Unifiedpost Solutions d.o.o. also entered into a new secured other bank borrowing contract with Eurobank Direktna ad for an amount of € 200 thousand

5.12.2 Other loans

The other loans can be summarised as follows:

Thousands of euro	As at 30 June 2023			As at 31 December 2022		
	Non-current	Current	Total	Non-current	Current	Total
Francisco Partners – Facility A + CAF	86.010	-	**86.010**	86.010	-	**86.010**
Francisco Partners – Accrued interest	11.292	9	**11.301**	6.069	38	**6.107**
Deferred payment Valitax	3.333	1.667	**5.000**	-	-	**-**
Deferred payment Valitax – Accrued interest	10	-	**10**	-	-	**-**
Deferred considerations	-	-	**-**	-	801	**801**
Debt minority shareholder JV Bulgaria	8	-	**8**	8	-	**8**
Total other loans	**100.653**	**1.676**	**102.329**	**92.087**	**839**	**92.926**

As explained in note 5.10, the outstanding purchase price for the Valitax tool amounts to € 5 million (increased with an accrued interest of € 10 thousand) per 30 June 2023. The contractual agreed interest rate is set at Euribor 12 months of the day preceding payment (but never less than 0%). The first part of this loan (or one third of the total amount) is payable in September 2023 and is presented as a current liability amounting to € 1.667 thousand. The other two thirds are due in respectively September 2024 and September 2025.

5.13 Liabilities associated with puttable non-controlling interests

Thousands of euro	As at 30 June 2022	As at 31 December 2022
Put option – joint-ventures Serbia	7.420	7.240
Put option – joint-venture Romania	230	430
Put option – joint-venture Croatia	670	650
Put option – joint-venture Bulgaria	190	190
Total	**8.510**	**8.510**

5.14 Reconciliation of liabilities arising from financing activities

The table below explains changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Thousands of euro	Non-current	Current	Total
As at 1 January 2022	**10.068**	**30.933**	**41.001**
Cash flows			
Debt drawdown	63.249	6.150	**69.399**
Repayment debts	-	(21.696)	**(21.696)**
Non-cash changes			
Accrued interest	2.173	736	**2.909**
Reclass to current	(2.360)	2.360	**-**
Embedded derivatives in capital increase in cash	-	(535)	**(535)**
Put option written on non-controlling interests	100	3.190	**3.290**
FX difference	1	(92)	**(91)**
As at 30 June 2022	**73.231**	**21.046**	**94.277**

Thousands of euro	Non-current	Current	Total
As at 1 January 2023	**98.248**	**14.637**	**112.885**
Cash flows			
Debt drawdown	1.492	4.260	**5.752**
Repayment debts	-	(4.763)	**(4.763)**
Repayment interest Francisco Partners	-	(1.627)	**(1.627)**
Non-cash changes			
Deferred payment Valitax	3.333	1.667	**5.000**
Deferred payment Valitax – accrued interest	10	-	**10**
Accrued interest	5.257	1.599	**6.856**
Reclass to current	(596)	596	**-**
Put option written on non-controlling interests	20	(20)	**-**
FX difference	(1)	(87)	**(88)**
As at 30 June 2023	**107.763**	**16.262**	**124.025**

5.15 Segment information

5.15.1 Information per Operating segment

The information per operating segment is the following:

Thousands of Euro	**Digital document processing**	**Paper processing**	**Payment**	**Services and Apps**	**Post and Parcel optimisation**	**Corporate**	**Total**
For the 6-month period ended 30 June 2023							
Total revenue (*)	41.714	20.704	1.345	1.457	27.941	-	**93.161**
Total revenue in %	44,8%	22,2%	1,4%	1,6%	30,0%	-	**100%**
As at 30 June 2023							
Intangible assets – total capitalisation	10.805	-	2.977	268	-	-	**14.050**
Intangible assets – capitalisation own development	4.929	-	2.673	232	-	-	**7.834**
Intangible assets net book value	70.596	60	11.210	1.355	4.495	723	**88.439**
Staffing in number of FTE (**) closing date	940	118	106	29	29	100	**1.322**
For the 6-month period ended 30 June 2022							
Total revenue (*)	37.558	18.833	1.376	1.493	32.404	-	**91.664**
Total revenue in %	41,0%	20,6%	1,5%	1,6%	35,3%	-	**100%**
As at 31 December 2022							
Intangible assets – total capitalisation	16.680	-	4.143	471	948	-	**22.242**
Intangible assets – capex of own development	16.500	-	4.143	471	940	-	**22.054**
Intangible assets net book value	70.563	137	7.603	581	5.942	690	**85.516**
Staffing in number of FTE (**) closing date	1.246	70	73	26	28	11	**1.454**

(*) see note 5.6.2
(**) FTE corresponds to the Full Time Equivalent of contract employees, temporary employees, contractors and sub-contractors

5.15.2 Information per geographical area

The regional segment reporting for the same key financials are presented in the below table:

Thousands of Euro	West Europe	Central East Europe	South Europe	North Europe	Rest of the World	Total
For the 6-month period ended 30 June 2023						
Total Revenue (*)	31.955	2.252	6.534	52.420	-	**93.161**
Total revenue in %	34,3%	2,4%	7%	56,3%	0%	**100%**
As at 30 June 2023						
Intangible assets – total capitalisation	13.912	-	130	8	-	**14.050**
Intangible assets - capex of own development	7.704	-	130	-	-	**7.834**
Intangible assets net book value	60.035	3	2.385	26.016	-	**88.439**
Staffing in number of FTE (**) closing date	667	41	342	267	5	**1.322**
For the 6-month period ended 30 June 2023						
Total Revenue (*)	30.775	2.193	4.921	53.765	10	**91.664**
Total revenue in %	33,6%	2,4%	5,4%	58,6%	0%	**100%**
As at 31 December 2022						
Intangible assets – total capitalisation	19.454	-	107	2.681	-	**22.242**
Intangible assets – capex of own development	19.404	-	107	2.543	-	**22.054**
Intangible assets net book value	52.999	4	2.506	30.007	-	**85.516**
Staffing in number of FTE (**) closing date	520	76	504	289	65	**1.454**

(*) see note 5.6.3
(**) FTE corresponds to the Full Time Equivalent of contract employees, temporary employees, contractors and sub-contractors

Total revenue generated in Belgium increased slightly from € 14.004 thousand per 30 June 2022 towards € 14.619 thousand per 30 June 2023.

5.16 Investments

Compared to 31 December 2022 :

- Stichting Unifiedpost Payments was merged into Unifiedpost BV in March 2023
- Onea BV, a new company in Belgium, with its office in Kortrijksesteenweg 1146, Gent, was incorporated on 28 June 2023

5.17 Financial instruments and financial risk management

5.17.1 Financial instruments

Categories and fair value of financial instruments

The following table discloses the carrying amount of the Group's financial instruments in categories:

	Categories	As at 30 June 2023	As at 31 December 2022
Financial assets			
Trade and other receivables	FAAC (*)	27.547	31.890
Cash and cash equivalents	FAAC (*)	24.696	40.033
Total		**52.243**	**71.923**
Financial liabilities			
Loans and borrowings	FLAC (**)	115.515	104.376
Liabilities associated with puttable non-controlling interests	FLAFTE (***)	8.509	8.510
Lease liabilities	FLAC (**)	10.450	10.238
Trade and other payables	FLAC (**)	30.411	34.853
Total		**164.885**	**157.977**

(*) Financial assets measured at amortised cost
(**) Financial liabilities measured at amortised cost
(***) Financial liabilities at fair value through equity

Trade and other receivables, cash and cash equivalents as well as trade and other payables have short terms to maturity, hence their carrying amounts are considered to be the same as their fair values.

For the majority of the borrowings, the fair values are not materially different from their carrying amounts, because interest payable on those borrowings is either close to current market rates or the loans were taken recently. This also applies to the BMI loan which carries an interest of 7% per annum, which reflects the fair value since it relates to a subordinated loan (see note 5.12.1).

For the Francisco Partners loan, due to the fact that it was a lengthy process where different parties were considered and given the financial position of the Group at closing of the transaction, the annual IRR of 14,01% reflects a historical fair value market rate.

Financial instruments recognised at fair value measurements

IFRS recognises the following hierarchy of fair value measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability. either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: One or more of the significant inputs is not based on observable market data.

The Group's financial assets and liabilities carried at fair value were measured as follows:

Thousands of Euro		Liabilities associates with puttable non-controlling interests Level 3	
	Note	**As at 30 June 2023**	**As at 31 December 2022**
Put option – joint-ventures Serbia	5.13	7.420	7.240
Put option – joint-venture Romania	5.13	230	430
Put option – joint-venture Croatia	5.13	670	650
Put option – joint-venture Bulgaria	5.13	190	190
Total		**8.510**	**8.510**

The put options are still valued applying a discounted cash flow method and conform with the methodology contractually agreed.

The quantitative information of significant unobservable inputs used in level 3 fair value measurement of the liabilities associated with puttable non-controlling interests of Unifiedpost Serbian entities active in digital business can be summarised as follows:

- The weighted annual growth rate of the revenues (7,93%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues;
- The applied discount rate (8,96%): an increase of the discount rate by 1% would decrease fair value by € 180 thousand, a decrease of the discount rate by 1% would increase fair value by € 180 thousand.

The quantitative information of significant unobservable inputs used in level 3 fair value measurement of the liabilities associated with puttable non-controlling interests of Unifiedpost Serbian entities active in print business can be summarised as follows:

- The weighted annual growth rate of the revenues (7,94%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues;
- The applied discount rate (8,96%): an increase of the discount rate by 1% would decrease fair value by € 50 thousand, a decrease of the discount rate by 1% would increase fair value by € 40 thousand.

The quantitative information of significant unobservable inputs used in level 3 fair value measurement of the liabilities associated with puttable non-controlling interests of Unifiedpost Romania can be summarised as follows:

- The weighted annual growth rate of the revenues (15,99%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues;
- The applied discount rate (9,12%): an increase of the discount rate by 1% would decrease fair value by € 10 thousand, a decrease of the discount rate by 1% would not change the fair value.

The quantitative information of significant unobservable inputs used in level 3 fair value measurement of the liabilities associated with puttable non-controlling interests of Unifiedpost Croatia can be summarised as follows:

- The weighted annual growth rate of the revenues (103,75%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues;
- The applied discount rate (5,88%): an increase of the discount rate by 1% would decrease fair value by € 20 thousand, a decrease of the discount rate by 1% would increase fair value by € 20 thousand.

The quantitative information of significant unobservable inputs used in level 3 fair value measurement of the liabilities associated with puttable non-controlling interests of Unifiedpost Bulgaria can be summarised as follows:

- The weighted annual growth rate of the revenues (121,81%): an increase or decrease of the annual growth rate of the revenues would not significantly affect the fair value of the put option liability;
- The applied discount rate (5,14%): an increase of the discount rate by 1% would decrease fair value by € 10 thousand, a decrease of the discount rate by 1% would increase fair value by € 10 thousand.

5.17.2 Financial risk management

The Group is exposed to a variety of financial risks. The Board has overall responsibility for the determination of the Group's risk management objectives and policies, and whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's management.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

5.17.2.1 Credit risk

Credit risk relates to the risk that a counterparty will fail to fulfil its contractual obligations with the result that the Group would suffer a loss. Compared to 31 December 2022, there are no changes impacting our credit risk per 30 June 2023.

5.17.2.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Management reviews cash flow forecasts on a regular basis to determine whether the Group has sufficient funds available to meet future working capital requirements and to take advantage of business opportunities.

There are no important changes to our liquidity risk per 30 June 2023 compared to 31 December 2022.

5.17.2.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital based on the following gearing ratio: Net debt divided by Total 'equity', as calculated below at each reporting date:

Thousands of Euro	Note	**As at 30 June 2023**	**As at 31 December 2022**
Net financial debt			
Cash and cash equivalents	5.11	(24.696)	(40.033)
Bank borrowings	5.12.1	12.827	11.114
Other loans (FP)	5.12.2	97.311	92.117
Deferred payment Valitax	5.12.2	5.010	-
Lease liabilities		10.450	10.238
Net financial debt (cash)		**100.902**	**73.436**
Subordinated loan		(3.600)	(4.000)
Net debt (cash) (i.e. excl. subordinated loan)		**97.302**	**69.436**
'Equity'			
Reported shareholders' equity		132.891	158.290
'Equity'		**132.891**	**158.290**
Gearing ratio (Net financial debt / equity)		**75,9%**	**46,4%**

Under the terms of the loan facility of Francisco Partners, the Group is still subject to two financial covenants. The Financial Maintenance Covenant was met because per 30 June 2023, the Group liquidity was higher than the minimum liquidity of € 12,5 million (as the last twelve month subscription revenue exceeded € 25 million as well as the last twelve month digital processing revenue was higher than € 110 million). The Financial Incurrence Covenant was also met because the Annual Recurring Leverage Ratio ("ARR") did not exceed 1,50:1.

Under the terms of the 3 new 'Other bank loans' in Serbia, agreed with ProCredit Banka (see note 5.12.1), the Group is also subject to following covenants:

- Unifiedpost Solutions d.o.o. does not distribute any dividend higher than € 200 thousand per year
- The total net financial debt of Unifiedpost Solutions d.o.o. as well as of all related entities to Unifiedpost Solutions d.o.o. is not higher than € 4,4 million
- For Unifiedpost Solutions d.o.o. as well as all related entities to Unifiedpost Solutions d.o.o. the ratio of total debts to financial institutions and the net profit before tax increased for interest and depreciation is not higher than for 4
- The percentage of turnover in Procredit accounts versus other bank accounts should be in correlation with the amount of loans

During the term of the agreements (i.e. 36 months), these covenants need to be checked annually, except for the last covenant which should be checked on quarterly basis for the first time per 30 September 2023.

5.18 Significant agreements, commitments and contingencies

The Group does not have any significant commitments or contingencies other than described in this chapter or elsewhere in these financial statements.

By signing implementation contracts in May 2023, BNP Paribas agreed to provide banking services to Unifiedpost Payments SA. By means of a Parent Company Guarantee ('PCG'), Unifiedpost Group SA guarantees the full and punctual payment of any and all amounts due and payable by Unifiedpost Payments SA to BNP Paribas regarding eventually unpaid creditor Sepa Direct Debits ('SDDs'), meaning SDDs for which refunds have been generated and for which Unifiedpost Payments' settlement account no longer holds sufficient funds to execute the refund due to insufficient funds on the merchant pool account. The PCG is capped to an amount of € 1,6 million. Each year on April 1st, all parties of the PCG will reassess and agree on this maximum amount in a letter countersigned by each party manually.

5.19 Transactions with related parties

During the first half year the Group companies entered into the following transactions with related parties who are not members of the Group:

Thousands of Euro	Sales to related party		Services from related party	
	For the 6-month period ended 30 June		For the 6-month period ended 30 June	
	2023	2022	2023	2022
Key management	-	-	-	-
Associates & joint ventures	350	-	-	-
Members of the Board of Directors	-	-	121	108
Other related parties	-	-	-	-

The following balances were outstanding at the end of the reporting period in relation to transactions with related parties:

Thousands of Euro	Amounts owed to related party		Amount owed by related party	
	For the 6-month period ended 30 June	For the year ended 31 December	For the 6-month period ended 30 June	For the year ended 31 December
	2023	2022	2023	2022
Key management	473	569	-	-
Associates & joint ventures	-	-	350	-
Members of the Board of Directors	121	94	-	-
Other related parties	-	-	-	-

Key management personnel compensation:

The key management compensation reflects the fixed remuneration as well as the accrual for bonus. The bonusses have been approved in the Remuneration Committee of 27 February 2023.

Thousands of Euro	For the 6-month period ended 30 June	
	2023	**2022**
Key management compensation	801	821 (*)
Total	**801**	**821 (*)**

(*) As the bonusses for 2022 have only been approved in the Remuneration Committee of 27 February 2023, the Interim Consolidated Financial Statements for the six-month period ended 30 June 2022 did not take into account the accrual for bonus. The original amount of the key management compensation has been corrected accordingly in these Interim Consolidated Financial Statements.

5.20 Events after the reporting date

Divestment of the stand-alone products FitekIN and ONEA

On 1 August 2023 the Group announced the planned divestment of the stand-alone products FitekIN and ONEA. This divestment represents a strategic decision for the Group. This divestment allows to sharpen its focus on its core offering of e-invoicing and payments, while ensuring continued growth and value creation.

Combined, the products FitekIN and ONEA generate a gross margin of 52% in 2022, with revenue of € 3,7 million. Over 11,2 million documents have been processed on behalf of 815 customers. The transaction will have an impact on the business in Belgium, Estonia, Lithuania, Latvia, Slovakia, Poland and Serbia.

Baltcap, a private equity fund, will acquire these assets for a cash value of € 7,2 million. Following the carve-out of the assets, Unifiedpost and FitekIN/ONEA will continue to cooperate on mutually beneficial terms. The binding offer has been signed by both parties, and the transaction is expected to be completed by Q4 2023.

Announcement of delayed implementation of e-invoicing in the French market

Friday 28 July 2023, the France Ministry of Finance announced that they would delay the implementation of mandatory e-invoicing in order to allow businesses more time to adapt to the requirements. The original date for the first wave of the change was 1 July 2024. On this date all businesses would be required to receive invoices from the government portal from the largest companies that would be required to send invoices via the portal. At his moment no new date has been communicated yet. Apparently, more clarity on this will be announced in the coming weeks.

On Monday 31 July 2023, new specification files were published that provide detail on how to manage the new requirements. The delay does not mean that development of the platform is slowing down. Service providers and businesses will still be aiming for the same dates to meet P2P certification requirements and have solutions that can be implemented for their customers.

Although the potential of the market remains the same, a delay may have an impact on the UPG roll out plan in the French market.

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Statutory auditor's report to the Board of Directors of Unifiedpost Group SA on the review of interim condensed consolidated financial statements for the six-month period ended 30 June 2023

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Unifiedpost Group SA "the Group" as of 30 June 2023 and the related interim consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity for the six-month period then ended, as well as the explanatory notes. The Board of Directors is responsible for the preparation and presentation of this interim condensed consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

Material uncertainty related to going concern.

We draw attention to Note 5.4 of the interim condensed consolidated financial statements which describes the events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.
Our conclusion is not modified in respect of this matter.

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Zaventem, August 28, 2023

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