2021 HALF-YEAR FINANCIAL REPORT

2021 half-year earnings

Return to profitability

In million euros	Consolidated 30/06/2021	Consolidated 30/06/2020	Pro forma (1) 30/06/2020
Consolidated revenues	45,52	10,20	
Net revenues (2)	**45,24**	**10,05**	**34,7**
Gross margin	**20,2**	**5,74**	**18,3**
Gross margin rate (% of net revenues)	*45%*	*57%*	*53%*
Staff costs	(14,60)	(4,75)	
Other operating expenses	(3,46)	(1,54)	
EBITDA	**2,49**	**(0,53)**	**(0,8)**
Amortization	(0,60)	(0,39)	
Provisions / depreciation	(0,38)	(0,09)	
Extraordinary expenses		(0,33)	
EBIT	**1,52**	**(1,34)**	**(1,3)**
Taux de marge d'exploitation (% du CA net)	*3,36%*	*-13,3%*	
Financial income and expenses	(0,34)	0,04	
Impairment of assets	-	(3,83)	
Consolidated income before tax	1,17	(5,13)	
Tax expense	(0,04)	(0,01)	
Consolidated net income	**1,13**	**(5,14)**	

(1) Pro forma : assuming the Antevenio / Rebold took place on 1st January
(2) Revenues less volume discounts on ad sales

Upturn confirmed during the first half of 2021

Following on from the last two quarters of 2020, Antevenio confirmed the upturn in business, with consolidated revenues of €45.5m, up 30% versus pro forma revenues for the first half of 2020.
The growth in turnover was driven in particular by the robust trends seen for the subsidiaries in Latin America and USA and the development of Digital Media Trading activities (+40% on a pro forma basis to €40.4m). The other two divisions also benefited from the recovery and commercial synergies linked to the merger, with +15% pro forma growth for Publishing activities (€3.1m) and +8% (pro forma) for Marketing Services and Technologies (€6.9m).

Return to profitability in the first half of 2021

Antevenio posted a gross margin rate of 45% in the first half of the year, down from 53% in the first half of 2020, due to the dual effect of an increase in the share of revenues from the Americas and an evolution of the offer towards more comprehensive services (360° communication) for increasingly important clients. This development is in line with the Group's strategy to anticipate market trends and increase client recurrence.
The teams are structured to support the implementation of this strategy and the results for the first half of the year are therefore positive, with EBITDA of €2.5m and EBIT of €1.5m, compared with losses in the first half of 2020 (-€0.8m and -€1.3m respectively on a pro forma basis), which was heavily impacted by the health crisis.
After financial expenses and an almost zero tax charge, the consolidated net income for the first half of 2021 is €1.13m.

Financial situation

As at 30 June 2021, cash and cash equivalents amounted to €9.6m, compared with €9.1m at 31 December 2020. Financial debt (excluding the IFRS 16 impact of €1.5m) was €13.2m, compared with €9.2m at 31/12/2020. Net debt therefore rose from €0.1m at 31 December to €3.6m at 30 June, a change mainly linked with seasonality.

Post balance sheet events

Antevenio acquired in September 2021 the US technology company Happyfication. The New York-based company helps marketers use data intelligence and cognitive marketing to better understand their customers' decisions in the current market environment. The acquisition of Happyfication enables the Group to enhance its 360° digital marketing services offering by providing clients with new ways to plan and execute online and offline experiences to connect with consumers.

Outlook

In a context of confirmed economic recovery, Antevenio's data-based digital marketing offer is being very well received by brands. In view of the activity of the first three months of the current half-year and a favourable seasonality, the Group anticipates improved results in the second half.

ANTEVENIO, S.A.

Interim Financial Statements for The Period Ended 30 June 2021

ANTEVENIO, S.A.
Balance Sheet
at 30 June 2021
(in Euros)

ASSETS	Note	30.06.2021	31.12.2020	30.06.2020
NON-CURRENT ASSETS		**16,713,904**	**11,273,188**	**12,663,411**
Intangible assets	**6**	**21,736**	**5,587**	**7,139**
Computer software		21,736	5,587	7,139
Property, plant and equipment	**5**	**71,281**	**89,140**	**129,819**
Technical installations and other items of PPE		71,281	89,140	129,819
Non-current investments in group companies and associates		**16,187,563**	**10,858,785**	**12,226,559**
Equity instruments	**9**	14,596,469	8,717,691	10,085,465
Non-current loans to group companies and associates	**8.1 and 18**	1,591,094	2,141,094	2,141,094
Non-current investments	**8.1**	**-**	**7,485**	**37,476**
Loans to companies		-	-	29,991
Other financial assets		-	7,485	7,485
Deferred tax assets	**13**	**433,324**	**312,191**	**262,418**
CURRENT ASSETS		**1,915,836**	**5,416,603**	**2,690,605**
Trade and other receivables		**1,199,336**	**3,334,243**	**1,949,725**
Trade receivables	**8.1**	38,371	39,587	44,484
Trade receivables from group companies and associates	**8.1 and 18**	1,096,881	2,999,438	1,902,360
Other receivables			294,134	-
Personnel	**8.1**	1,707	1,084	2,881
Other receivables from Public Entities	**13**	62,377	-	
Current investments in group companies and associates	**8.1 and 18**	**265,376**	**1,612,384**	**79,480**
Debt securities		265,376	1,612,384	79,480
Current accruals		**172,202**	**9,001**	**38,797**
Cash and cash equivalents	**8.1**	**278,922**	**460,974**	**622,603**
Cash		278,922	460,974	622,603
TOTAL ASSETS		**18,629,740**	**16,689,791**	**15,354,016**

ANTEVENIO, S.A.
Balance Sheet
at 30 June 2021
(in Euros)

EQUITY AND LIABILITIES	Note	30.06.2021	31.12.2020	30.06.2020
EQUITY		**6,946,155**	**8,349,654**	**8,352,689**
Capital and reserves	**11**	**6,946,155**	**8,349,654**	**8,352,689**
Share capital		**819,099**	**819,099**	**231,412**
Issued capital		819,099	819,099	231,412
Share Premium	**11.2**	**-**	**-**	**8,189,787**
Reserves	**11.2**	**12,702,945**	**12,702,945**	**5,100,844**
Legal and statutory reserves		46,282	46,282	46,282
Other reserves		12,656,663	12,656,663	5,054,562
Prior period's losses		**(5,172,391)**	**-**	**-**
Profit/(loss) for the year	**3**	**(1,403,499)**	**(5,172,390)**	**(5,169,354)**
Other equity instruments	**19**	**-**	**-**	**-**
NON-CURRENT LIABILITIES		**7,207,652**	**2,090,360**	**3,255,930**
Non-current payables	**8.2.2**	**1,911,117**	**1,840,360**	**3,005,930**
Finance lease payables		14,936	14,936	24,185
Debts with financial institutions		500,000	429,243	500,000
Other financial liabilities	**8.2**	1,396,181	1,396,181	2,481,745
Non-current payables, Group companies	**8.2 and 18**	**5,296,536**	**250,000**	**250,000**
CURRENT LIABILITIES		**4,475,932**	**6,249,779**	**3,745,397**
Short-term provisions		**8,065**	**15,000**	**-**
Current payables	**8.2**	**194,429**	**257,494**	**509,209**
Debts with financial institutions		3,230	74,730	495,875
Finance lease payables		4,658	10,211	9,168
Other financial liabilities		186,541	172,553	4,166
Current payables to Group companies and associates	**8.2 and 18**	**2,568,179**	**4,788,424**	**2,561,228**
Trade and other payables		**1,705,259**	**1,188,861**	**674,960**
Suppliers	**8.2**	223,872	228,659	220,099
Suppliers, group companies and associates	**8.2 and 18**	235,830	80,723	42,170
Other payables	**8.2**	731,937	512,112	144,054
Personnel (outstanding remunerations)	**8.2**	322,401	164,176	66,151
Current tax liabilities	**13**	28,404	28,404	28,404
Other payables to Public Entities	**13**	162,816	174,539	164,765
Advances from customers	**8.2**	-	248	9,317
TOTAL EQUITY AND LIABILITIES		**18,629,740**	**16,689,791**	**15,354,016**

ANTEVENIO, S.A. Profit and Loss Account for the annual period ended 30 June 2021 (in Euros)				
	Note	**30.06.2021**	**31.12.2020**	**30.06.2020**
CONTINUING OPERATIONS				
Revenue:	**14.d**	**135,925**	**2,174,020**	**1,089,551**
Sales		-	-	-
Rendering of services		135,925	2,174,020	1,089,551
Supplies		**(2,800)**	**(4,250)**	**(1,850)**
Subcontracted work		(2,800)	(4,250)	(1,850)
Other operating income		**1,850**	**-**	**-**
Non-trading and other operating income		1,850	-	-
Personnel expenses:		**(870,590)**	**(991,471)**	**(470,186)**
Wages and salaries		(729,543)	(825,413)	(378,016)
Employee benefit expense	**14.a**	(141,046)	(166,059)	(92,170)
Other operating expenses		**(601,563)**	**(1,927,156)**	**(955,912)**
External services		(601,563)	(1,911,811)	(955,912)
Taxes		-	-	-
Losses, impairment and changes in trade provisions		-	(15,345)	-
Amortization and depreciation	**5 and 6**	**(28,119)**	**(69,738)**	**(38,057)**
Impairment and gains/losses on disposal of fixed assets	**14.c**	**-**	**(42,014)**	**(24,230)**
Other income / (loss)		**(1,871)**	**(34,655)**	
OPERATING PROFIT / (LOSS)		**(1,367,168)**	**(895,264)**	**(400,684)**
Finance income:	**14.b**	**19,096**	**1,096,093**	**14,471**
Dividends		-	850,000	-
Group companies and associates		-	850,000	-
Marketable securities and other financial instruments		19,096	246,093	14,471
Group companies and associates		13,537	19,826	8,847
Other		5,558	226,267	5,624
Finance Expenses:	**14.b**	**(53,598)**	**(106,778)**	**(31,162)**
Debts with third parties		(25,107)	(59,250)	(10,674)
Debts with Group companies and associates		(28,491)	(47,528)	(20,488)
Translation differences	**12**	**(1,829)**	**11**	**(158)**
Impairment and gains / (losses) on disposal of financial instruments		**-**	**(5,387,191)**	**(4,752,000)**
a) Impairment and losses		-	(5,387,191)	**(4,752,000)**
Change in fair value of financial instruments		**-**	**-**	**-**
NET FINANCE INCOME/(EXPENSE)		**(36,331)**	**(4,397,865)**	**(4,768,848)**
PROFIT / (LOSS) BEFORE INCOME TAX		**(1,403,499)**	**(5,293,129)**	**(5,169,532)**
Income Tax	**13**	**-**	**139,549**	**176**
Other taxes			**(18,811)**	
PROFIT/(LOSS) FOR THE PERIOD		**(1,403,499)**	**(5,172,390)**	**(5,169,356)**

ANTEVENIO, S.A.
Statement of Changes in Equity
for the annual period ended 30 June 2021

A) STATEMENT OF RECOGNIZED INCOME AND EXPENSES

	30.06.2021	31.12.2020	30.06.2020
PROFIT / (LOSS) FOR THE PERIOD	**(1,403,499)**	**(5,172,390)**	**(5,169,356)**
Income and expense directly recognized in equity:			
Transfers to Profit and Loss Account			
C) TOTAL TRANSFERS TO PROFIT AND LOSS ACCOUNT			
TOTAL RECOGNIZED INCOME AND EXPENSE	**(1,403,499)**	**(5,172,390)**	**(5,169,356)**

B) STATEMENT OF TOTAL CHANGES IN EQUITY

	Issued capital	Share Premium	Reserves	(Treasury shares and equity holdings)	Other equity instruments	Profit/(loss) for the year	Prior period's losses	Total
BALANCE AT 30 JUNE 2020	**231,412**	**8,189,787**	**5,100,845**			**(5,169,355)**		**8,352,689**
Total recognized income and expense								
Transactions with equity holders and owners								
Distribution of dividends								
Transactions in own shares								
Other changes in equity						**(3,035)**		**(3,035)**
Profit/(loss) for the year						(3,035)		(3,035)
Other transactions		**(21,974,180)**						**(21,974,180)**
Capital increase and other distributions	**587,687**	**13,784,393**	**7,602,101**					**21,974,181**
BALANCE AT 31 DECEMBER 2020	**819,099**		**12,702,945**			**(5,172,390)**		**8,349,654**
Total recognized income and expense								
Transactions with equity holders and owners								
Distribution of dividends								
Transactions in own shares								
Other changes in equity						**(1,403,499)**		(1,403,499)
Profit/(loss) for the year						(1,403,499)		(1,403,499)
Other transactions						**5,172,390**	**(5,172,390)**	
BALANCE AT 30 JUNE 2021	**819,099**		**12,702,945**			**(1,403,499)**	**(5,172,390)**	**6,946,155**

ANTEVENIO, S.A.
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021 (in Euros)

CASH FLOWS	Note	30.06.2021	31.12.2020	30.06.2020
A) CASH FLOWS FROM OPERATING ACTIVITIES		**2,800,894**	**(617,945)**	**(1,230,650)**
Profit/(loss) for the year before tax		**(1,403,499)**	**(5,293,129)**	**(5,169,532)**
Adjustments for:		**64,450**	**4,482,948**	**4,831,135**
a) Amortization and depreciation	**5 and 6**	28,119	69,738	38,057
b) Impairment losses		-	5,387,191	-
c) Change in provisions			15,345	-
d) Finance income	**14.b**	(19,096)	(1,096,093)	(14,471)
e) Financial expenses	**14.b**	53,598	106,778	31,161
f) Exchange gains/(losses)	**12**	1,829	(11)	158
g) Impairment of, and gains/(losses on disposal) of financial instruments		-		4,752,000
h) Other income and expenses		-		24,230
Changes in operating assets and liabilities		**4,186,168**	**(797,079)**	**(863,179)**
a) Trade and other receivables		1,916,505	(1,339,945)	(225,951)
b) Other current assets		1,183,808	(188,035)	259,337
c) Trade and other payables		528,370	682,513	(153,043)
d) Other non-current assets and liabilities		557,485	48,388	(743,522)
Other cash flows from operating activities		**(46,225)**	**989,315**	**(29,075)**
a) Interest paid		(53,598)	(106,778)	(31,161)
b) Interest received		19,096	1,096,093	14,471
c) Income tax received (paid)		(11,723)	-	(12,386)
B) CASH FLOW FROM INVESTING ACTIVITIES		**(26,313)**	**(9,845)**	**2,612**
Payment for investments		**(26,313)**	**(9,845)**	**2,612**
b) Intangible assets	**6**	(18,743)	-	-
c) Property, plant and equipment	**5**	(7,570)	(9,845)	2,612
C) CASH FLOW FROM FINANCING ACTIVITIES		**(2,954,804)**	**47,734**	**809,769**
Proceeds from and payments for equity instruments		**(5,788,787)**	**-**	**-**
a) Issue of equity instruments	**21**	(5,788,787)	-	-
b) Issue of equity instruments	**19**	-	-	-
Proceeds from and payments for financial liability instruments		**2,833,983**	**47,734**	**809,769**
a) Issue		(2,206,256)	-	(408,368)
1. Debts with financial institutions		-	-	
2. Other		-	-	
b) Redemption and repayment of		5,040,239	47,734	1,218,137
1. Debts with financial institutions		5,040,239	47,734	1,218,137
D) EFFECT OF EXCHANGE RATE FLUCTUATIONS		**(1,829)**	**-**	**(158)**
E) NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**(182,052)**	**(580,056)**	**(418,427)**
Cash or cash equivalents at beginning of period		**460,974**	**1,041,030**	**1,041,030**
Cash or cash equivalents at end of period		**278,922**	**460,974**	**622,603**

ANTEVENIO S.A.

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

ANTEVENIO, S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 1. INCORPORATION, ACTIVITY AND LEGAL REGIME OF THE COMPANY

a) Incorporation and Legal Regime

Antevenio, S.A. (hereinafter the Company) was incorporated on 20 November 1997 under the name "Interactive Network, S.L."; later, on 22 January 2001, the Company converted into a public limited company and changed its corporate name to I-Network Publicidad, S.A.. On 7 April 2005, the Annual General Meeting approved the change of the Company's name to its current one.

b) Activity and Registered Address

The Company's corporate purpose involves any activities that, according to the existing provisions on advertising, are typical of general advertising agencies; accordingly, the Company may execute all manner of acts, contracts and transactions and, in general, take all measures directly or indirectly conducive to, or deemed necessary or convenient for, the fulfilment of the aforementioned corporate purpose. The activities that form the Company's corporate purpose may be performed, entirely or partly, by the Company, either directly or indirectly through its interests in other companies with an identical or similar purpose.

The Company moved its registered office at C/Marqués de Riscal 11, Planta 4ª (Madrid) to Calle Apolonio Morales 13c (Madrid) on 30 September 2020. This change of registered office was a consequence of the measures taken to mitigate the impact of COVID, which consisted of reducing operating leasing expenses by merging offices with other group companies. The Company is part of the Group Antevenio S.A. and subsidiaries, whose activities involve the performance of activities relating to advertisement in Internet; the Company is the parent of the Group and files its individual financial statements with the Mercantile Register of Madrid. Antevenio, S.A. and subsidiaries Financial Statements for 2019 were approved by the Annual General Meeting of the Company, held on 1 July 2020, and filed before the Business Register of Madrid.

The Company is listed on the French alternative market, Euronext Growth, since 2007.

The Company has a significant volume in balances and transactions with group companies.

The Company's financial year begins on 1 January and finishes on 31 December of each year.

c) Legal Regime

The Company is governed by its Articles of Association and By-laws and by the existing Spanish Law on Corporations.

NOTE 2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

a) Fair presentation

The interim financial statements for the period ended 30 June 2021 were drawn up based on the accounting records of the Company and presented in accordance with the existing Code of Commerce and the accounting policies set forth in the Spanish General Chart of Accounts approved by Royal Decree 1514/2007 of 16 November, and applying the amendments introduced thereto by Royal Decrees 1159/2010 of 17 September, 602/2016 of 2 December and 1/2021 of 12 January with a view to rendering a fair image of the Company's equity, financial position and the results of its operations, changes in equity and cash flows during the reporting period.

b) Accounting Principles applied

In the preparation of the accompanying Interim Financial Statements the accounting policies set forth in the Spanish Code of Commerce and General Chart of Accounts have been applied.

All mandatory accounting principles which would have a significant effect on the preparation of these consolidated financial statements have been applied.

c) Impact of COVID

In the wake of the health and economic crisis triggered by the global coronavirus pandemic (COVID-19), the following new information and detailed information explained below should be taken into account in relation to the following aspects:

During 2020:
Lease concessions

Increased teleworking of staff has led to a reduction in the need to use certain office space, and Antevenio S.A. has therefore cancelled some office rental contracts, resulting in cost savings.
As a result of this treatment, Antevenio S.A. recognised a lower expense over the months to reflect the changes related to COVID-19.

Government aid:

In response to the pandemic triggered by the coronavirus (COVID-19), the Spanish Government approved a series of measures available to Antevenio S.A., as set out in Royal Decree-Law 9/2020 of 27 March on the suspension of employment contracts.
More specifically, Antevenio S.A. availed itself of one of the measures approved by this rule and, in particular, almost all Antevenio S.A. employees were enrolled in the respective furlough programmes (ERTEs) from 1 May to 31 December. This measure resulted in a 20% reduction in working hours, with a consequent savings in labour costs. However, the company supplemented the salary of all workers partially from May to October (both inclusive), and supplemented the entire (100%) salary from October to December 2020.

Moreover, article 29 of Royal Decree-law 8/2020 of 17 March approved a line of State Guarantees of up to €100 billion from the Ministry of Economic Affairs and Digital Transformation to facilitate the maintenance of employment and alleviate the economic effects of the health crisis. The guarantees would be given to the financing granted by financial institutions to facilitate access to credit and liquidity for businesses and the self-employed to cope with the economic and social impact of the pandemic.

The agreements of the Council of Ministers of 24 March, 10 April, 5 May, 19 May and 16 June 2020 provide for the activation of the tranches of the facility, which are distributed as follows:

- SMEs and freelancers: €67,500 million
- Non-SMEs: €25,000 million
- Tourism sector and related activities: €2.5 billion for the freelancers and SMEs.
- Acquisition or financial or operational leasing of road transport motor vehicles for professional use: €500 million for freelancers and businesses.

This line of State Guarantees for companies and freelancers from the Ministry of Economic Affairs and Digital Transformation is managed by the Instituto de Crédito Oficial (also referred to as "ICO" or the "Official Credit Institute") through the financial institutions that grant financing to companies and freelancers to alleviate the economic effects of the pandemic, helping with liquidity and covering the working capital needs of freelancers, SMEs and companies, in order to maintain productive activity and employment.
Companies can access these guarantees through their financial institutions, through the formalisation of new financing operations or the renewal of existing ones.
Antevenio, S.A. secured this financing from the Instituto de Crédito Oficial (Official Credit Institute), guaranteed by the corresponding State guarantees, as follows:

- ICO loans: List of ICO loans obtained with the different financial institutions:

Group	Product	Amount
Antevenio	ICO Loan	500,000

- ICO credit lines: List of ICO credit policies obtained with the different financial institutions:

Group	Product	Amount
Antevenio	ICO Policy	500,000

The formalised ICO loans have a 12-month grace period. We are considering the option of taking advantage of the deferral of the original maturity of the ICO guarantee facilities approved by the Resolution of 25 November 2020 of the Secretary of State for the Economy and Business Support. Although no further information is available at this stage on the final grace period and the higher financial cost involved, the higher financial cost is not expected to be significant.

Disclosure of subsequent events: As explained in the Management Report, the above outlook could nevertheless be affected by the continued impact of COVID-19 on the global economy, although the Board of Directors' outlook for 2021 remains in line with the growth path experienced to date.

In 2021, there were also no changes in lease contracts or aid received in relation to COVID-19.

d) Functional and presentation currency

In compliance with the existing regulations on accounting, the accompanying Interim Financial Statements are presented in Euro, which is the Company's functional currency.

e) Comparative information

Each item in the Interim Balance Sheet, Interim Profit and Loss Account, Interim Statement of Changes in Equity and Interim Cash Flow Statement, in addition to the figures for the six months ended 30 June 2021, includes the figures for the year ended 31 December 2020, which formed part of the 2020 financial statements approved by the Annual General Meeting of Shareholders on 16 June 2021 and the figures for the six months ended 30 June 2020, presented for information purposes.

Line items from different periods are both comparative and homogeneous, except for the figures from the financial year ended 31 December 2020 that relate to a 12-month period and are therefore non-comparative.

f) Aggregation of items

In order to facilitate the understanding of the Balance Sheet, of the Profit and Loss Account, of the Statement of Changes in Equity and of the Statement of Cash Flows, line items are therein presented on an aggregated basis and the required relevant disclosures are included in the Notes.

Responsibility for information and estimates

Preparation of the accompanying Interim Financial Statements requires judgements, estimates and assumptions affecting the application of accounting policies and the balances of assets, liabilities, income and expenses. The related estimates and assumptions are based on past experience and several other factors deemed to be reasonable in the current context. Estimates and assumptions are subject to continuous revision; the effects of changes in accounting estimates are recognized in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

In preparing the Interim Financial Statements for the half-year ended 30 June 2021, the Company's Directors have made certain accounting estimates for the measurement of the assets, liabilities, income, expenses and commitments therein recorded. These estimates relate basically to the following:

- The assessment of eventual impairment losses on certain assets (note 4c).
- The assessment of eventual losses arising from the determination of the recoverable value of equity investments in Group companies, jointly controlled entities and associates, for which future cash flows projections based on return and discount rates and other variables and assumptions made by the Company's management, that justify the measured value of those investments (see notes 4e and 9).
- The useful lives of intangible fixed assets and of items of property, plant and equipment (see notes 4a and 4b).
- The amount for certain provisions (Note 4i)

Although these estimates were based on the best information available at 30 June 2021, additional information subsequently obtained or events and circumstances taking place in the future might make it necessary to change in future periods the assumptions on which these estimates are based; the effects of those changes will be prospectively recognized and included in the profit or loss account for the relevant period.

In addition of the process of systematic estimates and the revision thereof, certain judgements are used, amongst which those relating to measurement of the eventual impairment of assets, and those relating to provisions and contingent liabilities.

NOTE 3. DISTRIBUTION OF PROFIT/(LOSS)

The General Shareholders Meeting held on 16 June 2021 approved the following proposal for the distribution of profit obtained by the Company in 2020:

Basis of distribution	
Profit and loss (loss)	(5,172,390)
Total	(5,172,390)
Application	
Prior period's losses	(5,172,390)
Total	**(5,172,390)**

Distribution of dividends:

Royal Decree-Law 18/2020 of 12 May, on social measures in defence of employment, includes a limitation on the distribution of dividends of companies that apply a Temporary Layoff Plan (ERTE). Article 5.2 states that trading companies or other legal entities that avail themselves of the temporary redundancy plans regulated in Article 1 of the Royal Decree-Law and use the public resources allocated to them may not distribute dividends corresponding to the fiscal year in which these temporary redundancy plans are applied, unless they previously pay the amount corresponding to the exemption applied to social security contributions.

In addition, the Resolution of 6 May 2020, published in the Official State Gazette of 9 May 2020, of the Secretary of State for the Economy and Business Support, which publishes the Agreement of the Council of Ministers of 5 May 2020, establishing the terms and conditions of the third tranche of the line of guarantees for loans granted to companies and freelancers, promissory notes included in the Alternative Fixed Income Market (MARF) and guarantees granted by the Compañía Española de Reafianzamiento, SME, Sociedad Anónima (CERSA), and limits are authorised to acquire expenditure commitments charged to future fiscal years in application of the provisions of article 47 of the General Budgetary Law 47/2003, of 26 November, which establishes that "the financing obtained must be used to meet the liquidity needs derived, among others, from the management of invoices, payment of payrolls and suppliers, the need for working capital and maturities of financial or tax obligations. *Therefore, by way of example, State-guaranteed financing may under no circumstances be used for the payment of dividends or interim dividends".*

In fiscal year 2020, the Company availed itself of some relief as a result of the COVID-19 pandemic: ERTEs where social security contributions have not been waived but ICO loans have been applied for.

NOTE 4. RECOGNITION AND MEASUREMENT STANDARDS

In compliance with the provisions of the Spanish General Accounting Plan, the main measurement standards applied by the Company in the preparation of the accompanying Interim Financial Statements at 30 June 2021 were as follows:

a) Intangible assets

Elements of intangible assets are measured at cost, determined as the purchase price or the production cost, less any accumulated amortization (calculated on the basis of their useful lives) and, where appropriate, any impairment losses.

Intangible assets are measured at production cost or acquisition price, net of any accumulated amortization, in the case of intangible assets with a finite useful live, and net of any accumulated impairment losses.

Industrial property

Development expenditure capitalized when a patent or similar right is obtained, including expenses incurred on registering industrial property, and the acquisition costs of the related rights from third parties, are accounted for as industrial property.

Industrial property is amortized on a straight-line basis throughout its useful life, at an annual rate of 20%.

Computer software

Licenses for computer software acquired from third parties or internally developed computer software are recognized as intangible assets on the basis of the costs incurred in acquiring or developing them, and preparing them for use.

Computer software is amortized on a straight-line basis throughout its useful life, at an annual rate of 25%.

Maintenance costs incurred from computer applications during the period are recognized in the Profit and Loss Account.

b) Property, plant and equipment

Property, plant and equipment is recognized at acquisition or production cost and less any accumulated depreciation and, where appropriate, any accumulated impairment losses.

Upkeep and maintenance costs incurred during the period are recorded in the Profit and Loss Account. Costs incurred to renovate, enlarge or improve items of property, plant and equipment which increase capacity or productivity or extend the useful life of the asset are capitalized as part of the cost of the related asset. The carrying amount of items that are replaced are derecognized.

Indirect taxes on property, plant and equipment are included in the acquisition price or production cost only when they are not directly recoverable from Tax Authorities.

The cost of the different items that make up property, plant and equipment, where applicable net of their residual value, is depreciated on a straight-line basis over the estimated years of useful life over which the Company expects to use said items and in line with the following table:

	30/06/2021		31/12/2020		30/06/2020	
	Annual Percentage	Estimated Years of Useful Life	Annual Percentage	Estimated Years of Useful Life	Annual Percentage	Estimated Years of Useful Life
Other installations	20	5	20	5	20	5
Furniture	10	10	10	10	10	10
Computer hardware	25	4	25	4	25	4
Other property, plant and equipment	20-10	5-10	20-10	5-10	20-10	5-10

The carrying amount of an item of property, plant and equipment is derecognized on disposal, or when no future economic benefits are expected from its use or disposal.

The gain or loss on derecognition of an item of property, plant and equipment shall be determined as the difference between the net amount obtained on the disposal of the item, and the carrying amount. The gain or loss shall be recognized in the Profit and Loss Account when the item is derecognized.

Investments made by the Company in leased premises, which are not separable from the leased asset, are amortized over their useful life which corresponds to the lesser of the duration of the lease, including renewal period when there is evidence to support that it will occur, and the economic life of the asset.

c) <u>Impairment of intangible assets and of property, plant and equipment</u>

An impairment loss in the value of intangible assets or property, plant and equipment occurs when their carrying amount exceed their recoverable value, the latest understood as the higher of its fair value less costs to sell and its value in use.

To these purposes, at least at year end, the Company assesses, using the so-called "impairment test", whether there is evidence that any intangible assets or property, plant and equipment with indefinite useful life, or, where applicable, any cash-generating unit may be impaired; if so the Company proceeds to estimate the recoverable amount thereof applying the corresponding value adjustments.

The impairment of property, plant and equipment is calculated individually. However, when the recoverable amount of each individual asset cannot be determined, the Company proceeds to establish the recoverable amount of the cash-generating unit to which the relevant asset is associated.

When an impairment loss is subsequently reversed (a circumstance that is not permitted in the specific case of goodwill), the carrying amount of the relevant asset or cash-generating unit is increased to the revised estimate of its recoverable value, insofar as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or the cash-generating unit in prior years. A reversal of an impairment loss is recognized as income in Profit and Loss Account.

d) <u>Leases and other transactions of similar nature</u>

When the economic conditions of a lease agreement indicate that substantially all the risks and rewards incidental to ownership of an asset are transferred, the Company classifies this agreement as a finance lease. When the economic conditions of a lease agreement do not meet the requirements for the agreement to be classified as a finance lease, the Group classifies this agreement as an operating lease.

a.1) Finance leases

In the finance lease operations in which the Company acts as a lessor, the Company records an asset in the balance sheet according to the nature of the asset under contract and a liability in the same amount, which is the lower between the fair value of the leased good and the current value of the agreed minimum lease payments at the beginning of the lease, including the price of the purchase option. Finance leases do not include contingent rents, the cost of services and taxes that may be passed on by the lessor. The finance charge is recognized in the Profit and Loss Account for the reporting period in which it is accrued, using the effective interest method. Contingent rents are expensed in the reporting period in which they are accrued.

Assets recorded for this type of operations are depreciated using similar criteria to those applied to tangible (or intangible) assets a whole, depending upon their nature.

a.2) Operating leases

Expenses arising from operating leases are recognized in the Profit and Loss Account for the year when they accrue.

e) <u>Financial Instruments</u>

The Company only recognizes a financial instrument in its balance sheet under the terms of the contract or legal transaction to which it becomes party.

The general principle of measuring financial instruments at fair value through profit or loss is applied, with the exception of receivables that do not contain a significant financing component and are measured at transaction price.

Upon initial recognition financial instruments are classified as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument.

The Company classifies financial instruments under different categories based on their features and on the Company's intention at the time of initial recognition thereof.

Financial instruments are classified for measurement purposes in the following categories:

1. <u>Loans and receivables and debts and payables</u>

2. <u>Equity investments in group companies, jointly controlled entities and associates</u>

The company's financial instruments mainly relate to cash and cash equivalents, loans and receivables, debts and payables and equity investments in Group companies.

e.1) Cash and other equivalent liquid assets

The heading "Cash and cash equivalents" in the Balance Sheet includes cash on hand, bank accounts, demand deposits and other highly liquid short-term investments. These items are recognized at historical cost, which does not differ significantly from realizable value.

e.2) Loans and receivables and debts and payables

e.2.1) Loans and receivables

The following items are classified in this category:

a) Trade receivables: financial assets arising on the sale of goods and the rendering of services in the course of the company's trade operations; and

Non-trade receivables: financial assets that are neither equity instruments nor derivatives, not arising on trade transactions, with fixed or determinable payments, and which are not traded in an active market. This category does not include financial assets for which the Company cannot make substantial recovery of the entire initial investment due to circumstances other than credit impairment. These are classified as available-for-sale.

e.2.2) Debts and payables

The following items are classified in this category:

a) Trade payables: financial liabilities arising on the purchase of goods and services in the course of the company's trade operations; and

b) Non-trade payables: financial liabilities that are not derivatives and do not arise on trade transactions.

Financial assets and liabilities included in this category are initially measured at fair value, i.e. the transaction price, which is equivalent to the fair value of the consideration given/received, adjusted for directly attributable transaction costs. Financial assets and liabilities included in this category are subsequently measured at amortized cost.

Nonetheless, trade receivables and trade payables falling due within one year for which there is no contractual interest rate, and loans and advances to personnel, dividends receivable and receivables on called-up equity instruments expected to be collected in the short term, and called-up equity holdings expected to be settled in the short term, are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

Accrued interest shall be recognized in the Profit and Loss Account using the effective interest rate method. However, receivables and payables falling due within one year initially measured at the nominal amount continue to be measured at that amount, unless receivables are impaired.

At the balance sheet date, the Company recognizes any necessary valuation allowances when there is objective evidence that the value of a receivable is impaired, i.e. when there is evidence of a reduction or delay in estimated future cash flows associated to that asset.

e.3) Equity investments in group companies, jointly controlled entities and associates

This category includes equity investments in companies controlled by the Company (group companies), in companies where the Company shares control with one or several partners under statutory or otherwise agreement (jointly-controlled companies), or companies where the Company exercises a significant influence (associates).

Equity investments in group companies, jointly controlled entities and associates are initially measured at cost, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

Equity investments in group companies, jointly controlled entities and associates are subsequently measured at cost less any accumulated impairment.

At the balance sheet date, the Company recognizes any necessary valuation allowances when there is objective evidence that the value of an asset is impaired.

Said losses are calculated as the difference between the carrying value and the recoverable amount, with this value being the higher of its fair value less costs to sell and the current value of future cash flows arising from the investment, calculated by estimating its share in the cash flows expected to be generated by the investee from its normal operations as well as from the disposal or derecognition thereof.

Unless there is better evidence of the investment recoverable amount, for measuring the impairment thereof the net equity of the investee is taken into account, adjusted by the unrealized gains existing on the date of valuation.

Where appropriate, in determining the investee’s equity for the purposes of the preceding paragraph, when the investee has equity interest in other companies, the Company has taken into account the investee’s equity as presented in its consolidated financial statements prepared in accordance with the criteria set forth in the Spanish Code of Commerce and related implementing provisions.

Changes in value due to impairment losses and, where applicable, their reversals are recognized as an expense or income, respectively, in the Profit and Loss Account. Impairment shall only be reversed up to the limit of the carrying amount of the investment that would have been determined at the reversal date had impairment not been recognized.

e.4) Reclassification of financial assets

The Company may only reclassify a financial asset initially designated as held for trading or at fair value through profit or loss to other categories, or vice versa, when the asset qualifies for classification as an equity investment in group companies, jointly controlled entities or associates.

e.5) De-recognition of financial assets

A financial asset, or part of a financial asset, is derecognized when the contractual rights to the cash flows from the financial asset expire or have been transferred, provided that substantially all the risks and rewards of ownership have been transferred.

The gain or loss on derecognition of the financial asset shall be determined as the difference between the consideration received net of attributable transaction costs, including any new asset obtained less any liability assumed, and the carrying amount of the financial asset, plus any accumulated amount recognized directly in equity. The gain or loss shall be recognized in profit or loss for the reporting period in which it arises.

e.6) De-recognition of financial liabilities

Financial liabilities are derecognized when the obligations have been extinguished.

The difference between the carrying amount of a financial liability, or part of that liability, that has been derecognized and the consideration given, including attributable transaction costs and any asset transferred (other than cash) or liability assumed, shall be recognized in the Profit and Loss Account for the reporting period in which it arises.

e.7) Interest and dividends received on financial assets

Interest and dividends accrued on financial assets after acquisition are recognized as income in the Profit and Loss Account.

Interests are accounted for using the effective interest rate method, while dividends are recognized when the equity holder's right to receive payment is established. Upon initial measurement of financial assets, accrued explicit interest receivable at the measurement date shall be recognized separately, based on maturity. Dividends declared by the pertinent body at the acquisition date shall also be accounted for separately.

e.8) Guarantees extended

In the case of guarantees extended and received in operating leases and in the provision of services, the difference between their fair value and the amount paid over is recorded as an advance payment or collection for the lease or service provision. Current guarantees extended are measured at the amount disbursed.

Guarantees extended in operating leases are measured at fair value.

e.9) Impairment of financial assets

A financial asset or group of financial assets is impaired and has generated an impairment loss if there is objective evidence of impairment as a result of an event or events which have occurred subsequent to initial recognition of the asset, and where the event or events causing the loss have an impact on the estimated future cash flows from the asset or group of financial assets which can be reliably estimated.

The company's policy is to recognize the appropriate valuation adjustments for impairment of loans and receivables and debt instruments, where there has been a reduction or delay in estimated future cash flows.

An impairment loss is similarly recognized for equity instruments when the carrying amount thereof becomes non recoverable.

f) Foreign currency balances, transactions and cash flows

All foreign currency transactions are translated into Euro by applying the spot exchange rate at the date of the transaction.

At the balance sheet date, non-monetary assets and liabilities measured at fair value are measured using the exchange rate prevailing at the fair value calculation date, i.e. at the balance sheet date. When gains or losses arising from changes in the valuation of a non-monetary item are directly recognized in net equity, any exchange component is also directly recognized in net equity. By contrast, when gains or losses arising from changes in the valuation of a non-monetary item are recognized in the Profit and Loss Account for the year, any exchange difference is recognized in the Profit or Loss Account.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are converted to Euro at the rates then prevailing, whereas non-monetary assets and liabilities measured at historical cost have been converted at the exchange rates prevailing at the relevant transaction dates.

Positive and negative differences arising from settlement of foreign currency transactions and from conversion to Euros of monetary assets and liabilities denominated in foreign currency are recognized in profit or loss.

g) Income Tax

Between 2013 and 2016, Group companies with registered address in Spain paid taxes under the Special Consolidated Tax Regime within the Group led by the Parent Company.

The Board of Directors informed, at the meeting held on 30 December 2016, that the company Inversiones y Servicios Publicitarios, S.L. (“ISP”) owns a 83.09% interest in the share capital of Antevenio (see Note 11) and that, pursuant to the provisions of Article 61.3 of Law 27/2014, of 27 November, on Corporate Income Tax and having regard to the fact that Antevenio S.A. no longer was the company of taxation group 0212/2013 sin ISP had acquired an interest exceeding 75% of the share capital and voting rights in Antevenio, the Board had approved including the Company, effective from the taxation period beginning of 1 January 2017, as a subsidiary of taxation group 265/10, whose company is ISP.

Income tax expense (income) is calculated as the sum of current tax expense (income) and deferred tax expense (income).

Current tax is the amount payable as a result of applying the tax rate to the tax base for the year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carry forwards from prior years effectively offset in the year, reduce the current tax expense.

On the other hand, deferred tax expense (income) relates to the recognition and settlement of deferred tax assets arising from deductible temporary differences, from the offset of tax loss carryforwards from prior years and from unused tax credits and other tax reliefs pending application, as well as of deferred tax liabilities arising from taxable temporary differences.

Deferred tax assets and liabilities are measured at the rates expected to prevail upon their reversal.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that is not a business combination and affects neither taxable profit/(loss) nor accounting profit/(loss).

In accordance with the prudence principle, deferred tax assets shall only be recognised to the extent that it is probable that future taxable income will be available to enable their application. Nonetheless, a deferred tax asset shall not be recognised when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affected neither accounting profit/(loss) nor taxable income/(loss).

Both current and deferred tax expense (income) are recognized in the Profit and Loss Account. However, current and deferred tax assets and liabilities relating to a transaction or event that was recognized directly in equity shall be accounted for with a debit or credit to the relevant equity line item.

Recognized deferred tax assets and liabilities are reassessed at each balance sheet date in order to ascertain their applicability and the appropriate adjustments are made. Similarly, the company reassesses both recognized and previously unrecognized deferred tax assets. The company then derecognizes previously recorded deferred tax assets when recovery is no longer probable, or recognizes a previously unrecorded deferred tax asset to the extent that it is probable that future taxable profit will enable its application.

h) <u>Revenue and expenses</u>

In accordance with Royal Decree 1/2021 of 12 January amending the Spanish National Chart of Accounts, the Company recognises revenue in the ordinary course of its business when control of the goods or services promised to customers is transferred. At that time, the company measures the revenue at the amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. Revenue is recognized when the customer obtains control of the goods or services.

Based on the new criteria, a five step model shall be applied for recognition of revenue in order to determine the timing of recognition and the amount of revenue to be recognized:

- Step 1: Identify the contract
- Step 2: Identify the separate performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the separate performance obligations
- Step 5: Recognize revenue when the entity satisfies a performance obligation

In this model, it is specified that the income must be recognized when (or insofar as) an entity transmits control of the assets or services to a client, and in the amount that the entity wishes to have the right to receive. Depending on whether certain criteria are met, the income is recognized either throughout a period of time, in such a way that shows the entity's undertaking of the contractual obligation; or at a specific time, when the client obtains control over the assets or services.

Total transaction price is distributed among performance obligations on the basis of their respective stand-alone selling prices. The transaction price of a contract excludes any amounts collected on behalf of third parties.

Revenue is recognized at a given time or over time, when (or as) the Company satisfies the performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities received in respect of unfulfilled performance obligations and presents these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, it recognises either a contractual asset or a receivable in its statement of financial position, depending on whether more than the passage of time is required before the consideration is due.

An asset is recognised for incremental costs incurred to obtain contracts with customers that are expected to be recovered and amortised systematically in the Consolidated Income Statement to the same extent as the related revenue is recognised. There is no significant impact arising from the application of the new regulation.

Operating expenses are recognised in profit or loss for the fiscal year when the service is used or incurred.

The Antevenio Group is primarily engaged in Digital Media Trading, more specifically in performance and brand marketing. The Group has identified the performance obligations of this core activity, namely achieving customer-specified KPIs, which can be measured in terms of leads, clicks, views, etc. in the various media used. The Group sets the price of these obligations when it defines the contractual characteristics of each contract with each specific customer, allocating the price to the performance obligations described above. The revenue on each contract is also recognised when these performance obligations are fulfilled and customer acceptance is secured. Moreover the credit granted to customers is based on the specific characteristics and creditworthiness of the customer.

i) <u>Provisions and contingencies</u>

At the balance sheet date liabilities of uncertain timing or amount, arising from past events the settlement of which is expected to result in an outflow of resources embodying economic benefits, are recognized as provisions in the Balance Sheet and are measured at the present value of the best estimate of the amount required to settle the obligation or transfer it to a third party.

With regards to provisions and contingencies the Company applies the following:

i.1) Provisions

> Liabilities that cover present obligations arising from past events, whose future settlement is likely to result in an outflow of resources, for which the amount and settlement date are uncertain.

i.2) Contingent liabilities

> Possible obligations that arise from past events and whose existence is contingent upon the occurrence or non-occurrence of one or several future events beyond the control of the Company.

Adjustments arising from the discounting of the provision are recognized as a finance expense when accrued. Provisions expiring within one year are not discounted where the financial effect is not material.

Reimbursements receivable from a third party on settlement of the obligation shall not reduce the amount of debt; the company shall nonetheless recognize the related receivable as an asset, provided that there is no doubt as to its collection.

React2Media, Inc. is currently the subject of an investigation initiated by the New York Attorney General regarding the company's participation in the generation of leads for the Restore Internet Freedom public consultation on net neutrality organised in 2017 by the US Federal Communications Commission. In the opinion of the Group's commissioned legal advisors, it is considered likely that a disbursement will be made to cover the legal costs and possible liabilities that could arise for the company, without being able to reliably quantify the amount given the current status of the process. The Group has therefore made a prudent provision of €190,171 to cover legal costs and possible liabilities that may arise for the company.

j) <u>Assets of environmental nature</u>

The Company, due to its line of business, has no environmental assets and has not incurred in any expenditure to minimize the environmental impact and to protect and improve the environment. Furthermore, there are not provisions for risks and expenses, nor contingencies related to the protection and improvement of the environment.

k) <u>Business combinations</u>

At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value, provided this can be measured reliably, subject to the following exceptions:

- Non-current assets classified as held-for-sale are measured at fair value less costs to sell.

    - Deferred tax assets and liabilities are measured at the amount expected to be paid or recovered from the taxation authorities, using the tax rates expected to prevail upon their reversal, based on the existing or approved and pending publication regulations as of the date of acquisition. Deferred tax assets and liabilities are not discounted.

    - Assets and liabilities associated with long-term employee benefits under defined benefit schemes are accounted for at the acquisition date as the present value of the defined benefit obligation less the fair value of the plan assets out of which the obligations are to be settled.

    - Intangible assets, the value of which cannot be measured in relation to an active market and would result in a recognition of income in the Profit and Loss Account have been deducted from the initially calculated negative goodwill.

- Assets received as compensation for contingencies and uncertainties are recognized and measured in a manner consistent with the item causing the relevant contingency or uncertainty.

- Reacquired rights recognized as an intangible asset are measured an amortized on the basis of their remaining term of the contract.

- Obligations classified as contingent liabilities are recognized as a liability at fair value, provided that the liability is a present obligation that arises from past events and the fair value can be measured reliably, even when it is not probable that an outflow of resources embodying economic benefits will result from settlement of the obligation.

At acquisition date, the excess of the cost of the business combination over the value of the identifiable assets acquired less the liabilities assumed is recognized as goodwill.

When the value of the identifiable assets acquired less liabilities assumed exceeds the cost of the business combination, the excess is accounted for as income in the Profit and Loss Account. Prior to recognizing the aforementioned income, the Company reassesses whether it has correctly identified and measured the identifiable assets acquired and the liabilities assumed, as well as the cost of the combination.

Subsequently, any liabilities and equity instruments issued as cost of the relevant business combination and any identifiable assets acquired and liabilities assumed will be accounted for in accordance with the relevant recognition and measurement standards applicable to the nature of the transaction or to the nature of the relevant asset or liability.

l) Transactions with related parties

As a general rule, items involved in a transaction between related parties are initially recognized at fair value. If applicable, if the price agreed upon in a transaction differs from its fair value, the difference must be recognised in accordance to the economic substance of the transaction. Subsequent measurement is performed in accordance with the applicable standards.

m) Equity instruments-based payments

The goods or services received in these operations are recorded as assets or as expenses depending upon their nature, at the moment they are obtained, and the corresponding increase in equity, if the transaction is paid off with equity instruments or the corresponding liability, if the transaction is paid off with the amount based on the value of the same.

The transactions with employees settled with equity instruments, both services rendered as well as the increase in equity to be recognized are assessed according to the fair value of the granted equity instruments, referring to the date of approval of the granting.

The Company maintained management compensation plans consisting of the delivery of Antevenio stock options, which will be settled in shares.

These plans were measured at their fair value at the initial time of grant using a generally accepted financial calculation method, which, among others, considers the option exercise price, volatility, exercise term, expected dividends and the risk-free interest rate.

Options are recognized as a personnel expense in the Profit and Loss Account as vested over the period defined as the minimum required time in the Company's employ for the exercise of the option, except for options granted in 2016 that were entirely recognized at the initial date, in accordance with principle of prudence, as a personnel expense and an offsetting entry is simultaneously recognized directly in equity without reassessing the initial measurement thereof. As the offsetting entry for this expense was an increase in equity ("Other equity instruments"), there is no effect on the net worth of Antevenio SA.

n) Statement of Cash Flows

In cash flows statements the following terms are used with the meanings specified:

Cash or cash equivalents: Cash comprises both cash at hand and demand deposits at banks. Cash equivalents are financial instruments financial instruments that are convertible to cash and have a maturity of three months or less from the date of acquisition, provided that there is no significant risk of changes in value and that they form part of the Company's usual cash management policy.

Cash flows: inflows or outflows of cash or cash equivalents, the latter being short-term highly liquid investments subject to a low risk of changes in value.

Operating activities are the principal revenue-producing activities of the Company and other activities that are not investing or financing activities.

Investing activities are the acquisition, sale or disposal of non-current assets and other investments not included in cash and cash equivalents.

Financing activities are activities that result in changes in the size and composition of the equity and financial liabilities.

NOTE 5. PROPERTY, PLANT AND EQUIPMENT

The breakdown of and changes in "Property, Plant and Equipment" is as follows:

	30/06/2020	Recognition	Derecognition	31/12/2020	Recognition	Derecognition	30/06/2021
Cost:							
Technical installations, machinery, tools, furniture and other items of PPE	392,725	7,233	(31,657)	368,301	7,570	-	375,871
	392,725	**7,233**	**(31,657)**	**368,301**	**7,570**	**-**	**375,871**
Accumulated Depreciation:							
Technical installations, machinery, tools, furniture and other items of PPE	(262,907)	(30,129)	13,874	(279,162)	(25,429)	-	(304,590)
	(262,907)	**(30,129)**	**13,874**	**(279,162)**	**(25,429)**	**-**	**(304,590)**
Provision for impairment:							
Technical installations, machinery, tools, furniture and other items of PPE	-	-	-	-	-	-	-
Net property, plant and equipment	**129,819**	**(22,896)**	**(17,783)**	**89,140**	**(17,858)**	**-**	**71,281**

Fully amortized intangible assets in use

The breakdown by headings of fully depreciated assets in use is shown below, indicating their cost value:

	30/06/2020	31/12/2020	30/06/2021
Technical installations, machinery, tools, furniture and other items of PPE	83,911	127,544	240,647
Total	**83,911**	**127,544**	**240,647**

Additional disclosures

At 30 June 2021 and 2020 and at 31 December 2020, the Company had no items of property, plant and equipment acquired from group companies or any items of property plant and equipment located outside Spain.

At 30 June 2021 and 2020 and at 31 December 2020, there were no firm purchase commitments for the acquisition of items of property, plant and equipment.

At 30 June 2021 and 2020 and at 31 December 2020, the assets of the Company were secured by an insurance policy. The Company's directors consider that this insurance policy sufficiently covers any risks associated to its property, plant and equipment.

NOTE 6. INTANGIBLE ASSETS

The breakdown of and changes in "Intangible Assets" is as follows:

	30/06/2020	Recognition	Derecognition	31/12/2020	Recognition	30/06/2021
Cost:						
Computer software	103,386	-	-	103,386	18,743	122,129
	103,386	**-**	**-**	**103,386**	**18,743**	**122,129**
Accumulated Depreciation:						
Computer software	(86,932)	(1,552)	-	(88,484)	(2,594)	(91,078)
	(86,932)	**(1,552)**	**-**	**(88,484)**	**(2,594)**	**(91,078)**
Provision for impairment:						
Computer software	(9,315)	-	-	(9,315)	-	(9,315)
Net Intangible Assets Net	**7,138**	**(1,552)**	**-**	**5,587**	**16,150**	**21,736**

Fully amortized intangible assets in use

The breakdown by headings of fully depreciated assets in use is shown below, indicating their cost value:

	30/06/2020	31/12/2020	30/06/2021
Computer software	91,047	91,047	91,047
Total	**91,047**	**91,047**	**91,047**

Additional disclosures

At 30 June 2021 and 2020 and at 31 December 2020, the Company had no intangible assets acquired from Group companies or any intangible assets located outside Spain.

At 30 June 2021 and 2020 and at 31 December 2020, there were no firm purchase commitments for the acquisition of intangible assets.

NOTE 7. LEASES AND OTHER TRANSACTIONS OF SIMILAR NATURE

7.1) Operating leases (Company as lessee)

The charge to the income at 30 June 2021, at 31 December 2020 and at 30 June 2020 in respect of operating leases amounted to 64,415 Euros; 239,612 Euros, and 132,941 Euros, respectively.

In the second half of 2020, the company changed its address from Calle Marqués de Riscal 11 (Madrid) to Calle Apolonio Morales 13c (Madrid), where it currently carries out its activity.

There are no future minimum payments under non-cancellable lease agreements with a maturity of more than 5 years.

7.2) Finance lease

The Company has contracted a finance lease for the computer hardware its uses to conduct its business. The Company's main finance lease contract is with a financial institution, and at 30 June 2021 and 2020 an outstanding amount of €19,594 and €33,353, respectively, is recorded under finance lease payables in current and non-current liabilities, maturing on 25 July 2023.

NOTE 8. FINANCIAL INSTRUMENTS

The Company classifies financial instruments in the following categories or portfolios based on the Company’s intention for them:

8.1) Financial Assets

The breakdown of non-current financial assets at 30 June 2021, at 31 December 2020 and at 30 June 2020, except for equity investments in group companies, jointly controlled entities and associates that are shown in Note 9, is as follows:

	Loans, Derivatives and other			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Loans and receivables (Note 8.1.1)	2,178,570	2,148,579	1,591,094	2,178,570	2,148,579	1,591,094
Total	**2,178,570**	**2,148,579**	**1,591,094**	**2,178,570**	**2,148,579**	**1,591,094**

The breakdown of current financial assets at 30 June 2021, at 31 December 2020 and at 30 June 2020, is as follows:

	Loans, Derivatives and other			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Cash and cash equivalents (Note 8.1.a)	622,603	460,974	278,922	622,603	460,974	278,922
Loans and receivables (Note 8.1.1)	2,029,205	4,946,629	1,464,712	2,029,205	4,946,629	1,464,712
Total	**2,651,808**	**5,407,603**	**1,743,634**	**2,651,808**	**5,407,603**	**1,743,634**

a) Cash and cash equivalents

The break-down of "Cash and Cash Equivalents" is as follows:

	Balance at 30/06/2020	Balance at 31/12/20	Balance at 30/06/2021
Current accounts and treasury	622,603	460,974	278,922
Total	**622,603**	**460,974**	**278,922**

8.1.1) Loans and receivables

The breakdown of this heading is as follows:

	Balance at 30/06/2020		Balance at 31/12/2020		Balance at 30/06/2021	
	Non-current	Current	Non-current	Current	Non-current	Current
Trade receivables						
Trade receivables, Group companies (Note 18)	-	1,902,360	-	2,999,438	-	1,096,881
Third-party receivables	-	44,484	-	333,722	-	38,371
Advances to personnel	-	2,881	-	1,084	-	1,707
	-					
Total trade receivables	**-**	**1,949,725**	**-**	**3,334,244**	**-**	**1,136,959**
Non-trade receivables						
Loans and interest receivable, Group companies (Note 18)	2,141,094	79,480	2,141,094	1,612,384	1,591,094	265,376
Other group company financial assets	-	-	-	-	-	-
Loans to third parties	29,991	-	-	-	-	-
Guarantees and deposits	7,485	-	7,485	-	-	-
Other receivables from Public Entities	-	-	-	-	-	62,377
Total non-trade receivables	**2,178,570**	**79,480**	**2,148,579**	**1,612,384**	**1,591,094**	**327,753**
Total	**2,178,570**	**2,029,205**	**2,148,579**	**4,946,629**	**1,591,094**	**1,464,712**

Trade and other receivables include impairments caused by insolvency risks, as detailed below:

Impairment	Balance at 30/06/2020	Impairment loss	Impairment reversal / Application of the provision	Balance at 31/12/2020	Impairment loss	Impairment reversal / Application of the provision	Balance at 30/06/2021
Trade receivables	(27,865)	(15,345)	-	(43,210)	-	13,355	(29,855)
Total	**(27,865)**	**(15,345)**	**-**	**(43,210)**	**-**	**13,355**	**(29,855)**

8.1.2) Additional disclosures related to financial assets

a) Reclassifications

No financial instruments have been reclassified during the reporting period.

b) Classification by maturity

At each balance sheet date non-current financial assets have maturity at over five years.

Current financial assets include loans to Group companies the maturity of which is extended on an annual basis unless otherwise claimed by the Company.

c) Assets pledged as security

The Company has no assets or liabilities pledged as security.

8.2) Financial Liabilities

Long-term financial liabilities at 30 June 2021 relate to lease payments under finance leases maturing in the long term (see note 7), together with the financial liability arising from the business combination detailed in note 21, which would be classified as Payables and receivables.

The breakdown of current financial liabilities is as follows:

	Debts with financial institutions			Other			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Debts and payables (Note 8.2.1)	495,875	74,730	3,230	3,056,352	5,894,604	4,273,418	3,552,227	5,969,334	4,276,648
Total	**495,875**	**74,730**	**3,230**	**3,056,352**	**5,894,604**	**4,273,418**	**3,552,227**	**5,969,334**	**4,276,648**

8.2.1) Debts and Payables

The breakdown of “Debts and Payables” is as follows:

	30/06/2020	31/12/2020	30/06/2021
Trade payables:			
Suppliers	220,099	228,659	223,872
Trade payables, Group companies and associates (Note 18)	42,170	80,723	235,830
Other payables	144,054	512,112	731,937
Total trade payables	**406,322**	**821,493**	**1,191,639**
Non-trade payables:			
Debts with financial institutions	495,875	74,730	3,230
Finance lease payables	9,168	10,211	4,658
Other financial liabilities	4,166	172,553	186,541
Loans and other payables	**509,209**	**257,494**	**194,429**
Personnel (outstanding remunerations)	66,151	164,176	322,401
Advances from customers	9,317	246	-
Total non-trade payables	**75,468**	**164,423**	**322,401**
Current payables to Group companies and associates (Note 18)	2,561,228	4,788,424	2,568,179
Total debt to the Group	**2,561,228**	**4,788,424**	**2,568,179**
Total Debts and payables	**3,552,227**	**6,031,834**	**4,276,648**

8.2.2) Additional disclosures related to financial liabilities

a) Classification by maturity

At 30 June 2021, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2022	2023	2024	2025	2026 onwards	Total
Non-current payables						
Finance lease payables	5,545					
Debts with financial institutions	61,763	125,158	127,366	53,730		368,017
Other financial liabilities	1,396,181					
Total	**1,463,489**	**125,158**	**127,366**	**53,730**	**-**	**368,017**

At 31 December 2020, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2022	2023	2024	2025	2026 onwards	Total
Non-current payables						
Debts with financial institutions	122,989	125,158	127,366	53,730		429,244
Finance lease payables	9,041	5,895				14,936
Other financial liabilities	1,396,181					1,396,181
Total	**1,528,211**	**131,053**	**127,366**	**53,730**	**-**	**1,840,360**

At 30 June 2020, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2021	2022	2023	2024	2024 onwards	Total
Non-current payables						
Finance lease payables	9,041	9,041	6,103	-	-	24,185
Debts with financial institutions	70,756	122,989	125,158	127,366	53,730	500,000
Other financial liabilities	2,481,745	-	-	-	-	2,481,745
Total	**2,561,542**	**132,030**	**131,261**	**127,366**	**53,730**	**3,005,930**

NOTE 9. GROUP COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

At 30 June 2021, the breakdown of the Company's interests in Group Companies, Jointly Controlled Entities and Associates was as follows:

	Direct Interest % Direct Interest %	% Direct Voting Rights	Investment value	Amount of impairment charge	Net carrying amount of interest
Group Companies					
React2Media, L.L.C. (1)	60	60	3,930,996	(3,930,996)	-
Antevenio S.R.L.	100	100	5,027,487	-	5,027,487
Mamvo Performance, S.L.	100	100	1,577,382	-	1,577,382
Marketing Manager Servicios de Marketing, S.L.	100	100	1,441,841	-	1,441,841
Antevenio Mexico SA de CV	100	100	1,908	-	1,908
Antevenio ESP, S.L.U.	100	100	27,437	-	27,437
Antevenio Francia, S.R.L.	100	100	2,000	-	2,000
Antevenio Publicité S.A.S.U.	100	100	3,191,312	(3,191,312)	-
Antevenio Rich & Reach, S.L.	100	100	3,000	-	3,000
Foreseen Media Sl.	100	100	125,420	-	125,420
B2MarketTPlace Ecommerce Consulting Group SL	51	51	1,811,125	-	1,811,125
Rebold Marketing and Communication, S.L.U.	100	100	4,572,441	-	4,572,441
Rebold Panamá, S.L.U.	100	100	6,428	-	6,428
			21,718,776	**(7,122,308)**	**14,596,469**

(1) See Note 21 Business combinations.

There were changes in the value of investments in group companies in the first six months of fiscal year 2021, mainly relating to the following transactions:

- With a view to bolstering the equity of Marketing Manager Servicios de Marketing, S.L., the Company (sole shareholder) made a monetary contribution to the Company's equity of €1,241,909 on 1 June 2021 as "Contributions from shareholders or owners", increasing the value of the investment by this amount.

- With a view to bolstering the equity of Rebold Marketing and Communication, S.L.U., the Company (sole shareholder) opted to carry out a monetary contribution to the Company's equity of €4,572,441 on 1 May 2021 as "Contributions from shareholders or owners", thus increasing the value of the investment by this amount.

During the six-month period ended 30 June 2021, the Parent Company acquired the remaining 29.60% of Foreseen Media S.L., thereby holding 100% of the shares of Foreseen Media S.L. at 30 June 2021.

A new Panama City-based company, Rebold Panama, was created during the six months ended 30 June 2021 and with a 100% stake, with the intention of operating media research and analysis services for companies operating in Panama.

The interests held in Group companies, jointly controlled entities and associates at 31 December 2020 are detailed below:

	Direct Interest %	% Direct Voting Rights	Investment value	Amount of impairment charge	Net carrying amount of interest
Group Companies					
React2Media, L.L.C. (1)	60	60	3,930,996	(3,930,996)	-
Antevenio S.R.L.	100	100	5,027,487	-	5,027,487
Mamvo Performance, S.L.	100	100	1,577,382	-	1,577,382
Marketing Manager Servicios de Marketing, S.L.	100	100	199,932	-	199,932
Antevenio Mexico SA de CV	100	100	1,908	-	1,908
Antevenio ESP, S.L.U.	100	100	27,436	-	27,436
Antevenio Francia, S.R.L.	100	100	2,000	-	2,000
Antevenio Publicité S.A.S.U.	100	100	3,191,312	(3,191,312)	-
Antevenio Rich & Reach, S.L.	100	100	3,000	-	3,000
Foreseen Media Sl.	70	70	67,420	-	67,420
B2 Market Place Ecommerce Consulting Group SL	51	51	1,811,125	-	1,811,125
Rebold Marketing and Communication, S.L.U.	100	100	1	-	1
			15,839,999	**(7,122,308)**	**8,717,691**

(1) See Note 21 Business combinations.

At 30 June 2020, the breakdown of the Company's interests in Group Companies, Jointly Controlled Entities and Associates was as follows:

ANTEVENIO

	Direct Interest %	% Direct Voting Rights	Investment value	Amount of impairment charge	Net carrying amount of interest
Group Companies					
React2Media, L.L.C. (1)	60	60	4,199,158	(3,786,117)	413,041
Antevenio S.R.L.	100	100	5,027,487	-	5,027,487
Mamvo Performance, S.L.	100	100	1,577,382	-	1,577,382
Marketing Manager Servicios de Marketing, S.L.	100	100	199,932	-	199,932
Antevenio Mexico SA de CV	100	100	1,908	-	1,908
Antevenio ESP, S.L.U.	100	100	27,437	-	27,437
Antevenio Francia, S.R.L.	100	100	2,000	-	2,000
Antevenio Publicité S.A.S.U.	100	100	3,191,312	(2,701,000)	490,312
Antevenio Rich & Reach, S.L.	100	100	3,000	-	3,000
Foreseen Media Sl.	70	70	67,420	-	67,420
B2MarketTPlace Ecommerce Consulting Group SL	51	51	2,275,546	-	2,275,546
			16,572,582	**(6,487,117)**	**10,085,465**

(1) See Note 21 Business combinations.

At the General Shareholders' Meeting held on 4 September 2020, the capital increase subscribed in full by its majority shareholder, ISP Digital, S.L.U., was approved, through the contribution of the shares of Rebold Marketing and Communication S.L.U. This company is in turn the head of a group of companies which will therefore be consolidated from that date within the consolidated Antevenio Group.

During fiscal year 2020, the impairment of the shareholdings in the companies React2Media, L.L.C. and Antevenio Publicité S.A.S.U. was recorded, and a loss of €5,387,191 was posted in the profit and loss account.

During the six months ended 30 June 2020, an impairment of €4,752,000 was recorded under the heading "Impairments and losses" in the accompanying income statement for the companies Antevenio Publicite S.A.S.U. (2,701,000 euros) and React2Media, L.L.C. (2,051,000).

The Company's directors believe the net carrying amount of interests in subsidiaries at 30 June 2021 is recoverable, taking into account the estimates of its share in the cash flows from ordinary activities expected to be generated by investee companies. The Company's management has based its cash flow projections to support the recoverable value of investments on the following assumptions:

- 5-year projections of cash flows, based on the business plans provided for by the Company's management.
- The growth rate of the cash flows used for the following years has been based on each company and each geographic market.
- The discount rate applied was approximately 10.60%.
- A perpetual growth rate of 2%.

The projections are prepared based on past experience as well as the best available estimates.

At the close of the half-year period ended 30 June 2021, no circumstances have arisen that may imply changes to the assumptions used and conclusions reached by the Group at year-end 2020.

Here below is a breakdown of the corporate purpose and registered address of the investees:

Mamvo Performance, S.L. (Single-member) Its objective is online advertising and direct marketing for the generation of useful contacts. Its registered address is C/ Apolonio Morales, 13c, Madrid.

Marketing Manager Servicios de Marketing, S.L. (**Single-member).** Its purpose is to provide counselling related to commercial communication companies. Its registered address is C/ Apolonio Morales, 13c, Madrid.

Antevenio S.R.L. (Single-member), its purpose is to provide online marketing and internet advertising services. Its registered address is at Viale Francesco Restelli 3/7 - 20124. Milan (Italy).

Antevenio ESP, S.L. (Single-member), formerly **Diálogo Media, S.L. (Single-member)**, and **Antevenio Mobile, S.L.U**. Its objective is to provide advertising services and online advertising and e-commerce operations by electronic means. Its registered address is C/ Apolonio Morales, 13c, Madrid.

Antevenio France, S.R.L. (Single-member) Its corporate purpose consists in the provision of advertising and promotional services on the Internet; the study, dissemination and provision of services in the field of advertising and marketing on the Internet. Its registered address is at 62B rue des Peupliers, 92100 Boulogne-Billancourt, France.

Antevenio México, S.A. de CV. Its corporate purpose is to provide other Advertising services. The company has its registered offices in Mexico. Its registered address is C/ Zacateas 93 Colonia Roma Norte, Delegación Cuauhtemoc, postal code: 06700 - Ciudad de México.

Antevenio Publicite SARL, formerly Clash Media SARL. Its corporate purpose consists in the provision of advertising and promotional services on the Internet; the study, dissemination and provision of services in the field of advertising and marketing on the Internet. Its registered address is at 62B rue des Peupliers, 92100 Boulogne-Billancourt, France.

Antevenio Rich & Reach S.L. (Single-member). Its corporate purpose is the provision of Internet services, particularly in the field of online advertising; the provision of digital advertising and marketing services; the operation and sale of advertising spaces, the operation of social media and web environments. Its registered address is C/ Apolonio Morales, 13c, Madrid.

React2Media, L.L.C. Its corporate purpose is the provision of a comprehensive service of on-line advertising networks, offering a complete array of interactive marketing opportunities to media agencies, direct advertisers and editors. The company is domiciled at 35 W 36th St, New York, NY 10018, USA.

Foreseen Media, S.L. Its corporate purpose is the purchase, sale, exploitation, commercialisation and licensing of all kinds of rights related to eSports or sports played on computer equipment, including the purchase and sale of advertising spaces, assets and players, teams and competitions ownership and sponsorship rights. The company is domiciled at C/ Apolonio Morales, 13c.

Rebold Marketing and Communication, S.L.U. Established in 1986. Provision of Internet access services. Creation, management and development of Internet portals. Provision of business and marketing consultancy services, online and offline, and establishing, applying for protection and otherwise safeguarding the Company's patents, trade marks, licences, concessions, domain names, operating systems and any other industrial or intellectual property rights. Its registered address is at Rambla Catalunya, 123, Entlo.08008 Barcelona.

At 30 June 2021, the breakdown of the equity, in Euros, of the investees was as follows:

	Share capital	Reserves	Grants	Fiscal Year profit/(loss) Payments	Translation differences	Profit/(loss) for the year	Capital and reserves
Mamvo Performance, S.L.	33,967	2,687,154	31,410	(34,364)	-	191,524	2,909,692
Marketing Manager Servicios de Marketing, S.L.	99,800	1,275,700	-	(1,002,317)	-	265,661	638,843
Antevenio Mexico	4,537	-	-	732,460	36,361	81,334	854,692
Antevenio S.R.L.	10,000	501,314	-	-	-	127,758	639,072
Antevenio ESP, S.L.U.	3,010	1,207,137	-	-	-	171,165	1,381,312
Antevenio Francia, S.R.L.	2,000	-	-	(798,951)	-	(1,765)	(798,716)
Antevenio Publicite, S.A.S.U.	101,913	26,203	-	(557,116)	-	(39,806)	(468,806)
Antevenio Rich & Reach, S.L.	3,000	151,702	-	(394,638)	-	(256,585)	(496,521)
React2Media SL	5,099	(66,529)	-	-	(444)	95,222	(666,652)
Foreseen Media sl	3,750	55,275	-	(193,011)	-	(100,672)	(234,657)
B2MarkeTPlace Ecommerce Consulting Group SL	81,671	64,557	(40,000)	-	-	45,874	152,102
Rebold Marketing and Communication, S.L.U.	2,841,783	1,478,061	66,904	(1,362,886)		(245,220)	2,778,642

At 31 December 2020, the breakdown of the equity, in Euros, of the investees was as follows:

	Share capital	Reserves	Grants	Fiscal Year profit/(loss) Payments	Translation differences	Profit/(loss) for the year	Capital and reserves
Mamvo Performance, S.L.	33,967	2,687,154	34,400	-	-	(52,006)	2,703,516
Marketing Manager Servicios de Marketing, S.L.	99,800	33,791	-	(957,798)	-	(54,033)	(878,240)
Antevenio Mexico	4,537	-	-	780,624	7,769	(68,605)	724,326
Antevenio S.R.L.	10,000	455,333	-	-		95,060	560,393
Antevenio ESP, S.L.U.	3,010	1,194,264	-	(121,499)	-	176,580	1,252,355
Antevenio Francia, S.R.L.	2,000	-	-	(777,435)		(21,517)	(796,952)
Antevenio Publicite, S.A.S.U.	101,913	26,203	-	(20,797)	-	(539,959)	(432,641)
Antevenio Rich & Reach, S.L.	3,000	151,702	-	(470,553)	-	101,980	(213,871)
React2Media SL	5,099	(71,415)	-	-	14,587	(695,114)	(746,843)
Foreseen Media sl	3,750	55,275	-	(165,520)	-	(32,909)	(139,404)
B2MarkeTPlace Ecommerce Consulting Group SL	81,671	(3,940)	-	(98,427)	-	189,755	169,060
Rebold Marketing and Communication, S.L.U.	2,841,783	(2,862,479)	107,061	(113,272)	-	(1,815,226)	(1,842,132)

At 30 June 2020, the breakdown of the equity, in Euros, of the investees was as follows:

-	Share capital	Reserves	Grants	Fiscal Year profit/(loss) Payments	Translation differences	Profit/(loss) for the year	Capital and reserves
Mamvo Performance, S.L.	33,967	2,687,154	57,120	-	-	47,710	2,825,951
Marketing Manager Servicios de Marketing, S.L.	99,800	33,791	-	(957,798)	-	(38,919)	(863,126)
Antevenio Mexico	4,537	-	-	780,624	(11,101)	(248,695)	525,365
Antevenio S.R.L.	10,000	1,305,333	-	-	-	110,341	1,425,675
Antevenio ESP, S.L.U.	3,010	1,194,264	-	(121,499)	-	(43,070)	1,032,706
Antevenio Francia, S.R.L.	2,000	-	-	(777,435)	-	(1,611)	(777,045)
Antevenio Publicite, S.A.S.U.	101,913	446,287	-	(420,951)	-	(175,785)	(48,537)
Antevenio Rich & Reach, S.L.	3,000	151,702	-	(470,553)	-	25,347	(290,503)
React2Media SL	5,099	-	-	-	-	(566,671)	(561,572)
Foreseen Media sl	3,750	55,275	-	(165,520)	-	(42,475)	(148,970)
B2MarkeTPlace Ecommerce Consulting Group SL	81,671	(3,940)	150,000	(98,427)	-	(23,063)	106,241

NOTE 10. INFORMATION ON THE NATURE AND LEVEL OF RISK FROM FINANCIAL INSTRUMENTS

The Company’s activities are exposed to different financial risks, particularly to credit and market risk.

10.1.1) Credit Risk

The Company's main financial assets are cash and cash equivalents and loans to Group companies, trade and other receivables, and investments which represent the company’s maximum exposure to credit risk in relation to financial assets.

The Company's credit risk is primarily attributable to its trade receivables and to the recoverability of its loans to Group companies. The Balance Sheet includes the amounts, net of provisions for insolvencies, estimated by the Company's management based on prior years' experience and on its assessment of the current economic scenario.

10.1.2) Exposure to liquidity risk

The Company applies a liquidity policy consisting in keeping the balances in available accounts, in order to ensure any payments arising from the normal course of its business.

10.1.3) Exchange rate risk

The Company is not exposed to significant exchange rate risk, so it carries out no transactions with financial hedging instruments.

10.1.4) Regulatory Risks

In ordinary course of its business, Antevenio Group performs a number of personal data processing both as Data Processor and as Data Comptroller.
Antevenio Group is deeply aware of the importance of the regulations governing personal data, electronic communications, privacy and commercial communications, and uses all available means to

achieve a scenario of utmost compliance therewith.

The legal framework governing the company's business and its operations is formed by the following regulations:

1. Regulation (EU) 2017/679 of the European Parliament and of the Council of 27 April 2017 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

2. Organic Law 3/2018, of 5 December, on Personal Data Protection and safeguard of digital rights.

3. Law 34/2002, of 11 July, on Information Society Services and Electronic Commerce.

4. Proposal, dated 10 January 2021, for a Regulation of the European Parliament and of the Council concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications), 10 February 2021.

5. Guides, guidelines and other relevant materials published by the Spanish Data Protection Agency, CNIL, GARANTE Privacy, the European Data Protection Committee, and the European Data Protection Supervisor.

The Antevenio Group is in a continuous process of reviewing the applicable regulations through a privacy management system (PMS) and the permanent monitoring thereof by the Legal and Privacy team.

Aware of the increasing regulations on the digital marketing business, the Antevenio group thus maintains a relationship with the provider Deloyers to promote regulatory compliance and collaborate in the event of an incident.

NOTE 11. EQUITY

11.1) Equity Capital

On 22 February 2017, the company ISP contributed 3,495,853 shares of Antevenio S.A. to ISP Digital S.L.U., thus making the company the majority shareholder.

The company Inversiones y Servicios Publicitarios, S.a. (ISP) holder at 31 December 2015 of a 18.68% interest in Antevenio S.A. share capital, represented by 785,905 nominal value shares of 0.055 euros each, purchased, on 3 August 2016, the shares from the Company's founder and CEO, Joshua David Novick, who at that time owned a 11.89% interest in the Company's share capital, represented by 500,271 nominal value shares of 0.055 euros each, at a price of 6 euros per share.

Subsequent to the above mentioned shareholding change, ISP launched a Voluntary Public Offer Bid on the remaining Company's shareholders that was accepted by 1,360,806 shares, representing 32.34% of Antevenio S.A. share capital, at a purchase price of 6 Euros each. The company Aliada

Investment B.V. subsequently transferred its shares in the Company to ISP; accordingly, ISP currently controls 83.09% of the share capital of Antevenio SA.

At 31 December 2019, the social capital of the Parent Company is comprised by 4,207,495 securities at 0.055 Euros each, fully subscribed and paid. These shares have equal voting and dividend rights.

On 4 September 2020, the share capital of Antevenio S.A. was increased via non-monetary contributions of €587,607 consisting of all shares constituting the share capital of Rebold Marketing and Communication, S.L.U., to be carried out by the holder ISP Digital, S.L.U., through the issue and circulation of 10,683,767 new shares, represented by book entries with a par value of 0.055 euros, which are created with an issue premium of 1.2902184 euros per share, for a total premium amount of €13,784,393.

The total disbursement therefore amounts to €14,372,000.

As at 30 June 2020, the share capital is represented by 4,207,495 shares with a nominal value of 0.055 euros each, fully subscribed and paid up. These shares have equal voting and dividend rights.

The capital as at 31 June 2021 and 31 December 2020 comprises 14,891,262 shares, each with a nominal value of €0.055.

At 30 June 2021, direct and indirect shareholders of the Company were:

	No. of Shares	**Holding %**
ISP Digital, S.L.U.	14,407,750	96.75%
Free Float	483,512	3.25%
Total	**14,891,262**	**100%**

The direct and indirect shareholders of the Company at 31 December 2020:

	No. of Shares	**Holding %**
ISP Digital, S.L.U.	14,179,460	95.22%
Free Float	711,802	4.78%
Total	**14,891,262**	**100%**

And at 31 June 2020:

	No. of Shares	**Holding %**
ISP Digital, S.L.U.	3,723,983	88.51%
Other <5%	109,907	2.61%
Nextstage To	373,605	8.88%
Total	**4,207,495**	**100%**

11.2) Reserves

The breakdown of "Reserves" at 30 June 2021, at 31 December 2020 and at 30 June 2020 is as follows:

Reserves	30/06/2020	31/12/2020	30/06/2021
Legal reserve	46,282	46,282	46,282
Voluntary reserves	5,054,562	12,656,663	12,656,663
Share premium	8,189,787	-	-
Total	**13,290,631**	**12,702,945**	**12,702,945**

a) Legal reserve

The legal reserve has restrictions of use, which is subject to several legal provisions. Under the Spanish Law on Corporations Act, 10% of any profit made each year must be transferred to the legal reserve. These provisions must be made until the legal reserve reaches 20% of the share capital. The legal reserve may only be used to offset losses; for capital increases, in the 10% portion exceeding the increased capital; and, for distribution to shareholders upon liquidation. As at 30 June 2021 and 31 December 2020, the Legal Reserve is not fully allocated.

As of 30 June 2020, the legal reserve was fully allocated.

b) Dividends

Royal Decree-Law 18/2020 of 12 May, on social measures in defence of employment, includes a limitation on the distribution of dividends of companies that apply a Temporary Layoff Plan (ERTE). Article 5.2 states that trading companies or other legal entities that avail themselves of the temporary redundancy plans regulated in Article 1 of the Royal Decree-Law and use the public resources allocated to them may not distribute dividends corresponding to the fiscal year in which these temporary redundancy plans are applied, unless they previously pay the amount corresponding to the exemption applied to social security contributions.

In addition, the Resolution of 6 May 2020, published in the Official State Gazette of 9 May 2020, of the Secretary of State for the Economy and Business Support, which publishes the Agreement of the Council of Ministers of 5 May 2020, establishing the terms and conditions of the third tranche of the line of guarantees for loans granted to companies and freelancers, promissory notes included in the Alternative Fixed Income Market (MARF) and guarantees granted by the Compañía Española de Reafianzamiento, SME, Sociedad Anónima (CERSA), and limits are authorised to acquire expenditure commitments charged to future fiscal years in application of the provisions of article 47 of the General Budgetary Law 47/2003 of 26 November, which establishes that "the financing obtained must be used to meet the liquidity needs derived, among others, from the management of invoices, payment of payrolls and suppliers, the need for working capital and maturities of financial or tax obligations. Therefore, by way of example, State-guaranteed financing may under no circumstances be used for the payment of dividends or interim dividends".

In fiscal year 2020, the Company availed itself of some relief as a result of the COVID-19 pandemic: ERTEs where social security contributions have not been waived but ICO loans have been applied for.

c) Share Premium

This reserve originated from the capital increase in 2007. Share premium is subject to the same restrictions and may be used for the same purposes as the voluntary reserves, including conversion into share capital.

At the meeting of the Board of Directors of Antevenio, S.A. on 27 November 2020, a decision was taken to convert the entire share premium, which amounted to €21,974,180 following the capital increase described above, into voluntary reserves.

NOTE 12. FOREIGN CURRENCY

At 30 June 2021, at 31 December 2020 and at 30 June 2020, the amount of exchange differences recognized in profit or loss is as follows:

Translation differences	30/06/2020	31/12/2020	30/06/2021
Translation gains:			
Realized during the period	0	956	133
Translation losses:			
Realized during the period	158	(945)	(1,962)
Total	**158**	**11**	**(1,829)**

Assets and liabilities denominated in foreign currency relate to debit balances, credit balances and treasury, all of which are part of current assets and liabilities.

Transactions in foreign currency executed in the six-month periods ending 30 June 2021 and 2020 and in 2020 are immaterial for the Financial Statements.

NOTE 13. TAXATION

The breakdown of the balances with Public Entities is as follows:

	30/06/2020		31/12/2020		30/06/2021	
	Receivable	Payable	Receivable	Payable	Receivable	Payable
Current:						
Value Added Tax	-	(63,766)	-	(107,168)	62,224	
Deferred tax liabilities (*)						
Deferred tax assets (*)	-	-	312,191	-	433,324	-
Withholdings and payments on account of Income Tax	262,418	-	-	-	153	-
Taxation Authorities, recoverable taxes	-	-	-	-	-	-
Taxation Authorities, taxes payable	-	(5,973)	-	(5,973)	-	(5,973)
Withholdings for Personal Income Tax	-	(80,194)	-	(45,643)	-	(88,992)
Current tax liabilities	-	(28,404)	-	(28,404)	-	(28,404)
Social Security	-	(14,832)	-	(15,756)	-	(67,851)
	262,418	**(193,169)**	**312,191**	**(202,943)**	**495,701**	**(191,220)**

(*) Classified in the Balance Sheet under non-current assets.

Taxation

The Company has open to review for all taxes applicable the last four reporting periods.

Under current legislation, tax settlements cannot be regarded as definitive until the returns have been inspected by the tax authorities or the statute of limitations period of four years has elapsed. Accordingly, as a result of eventual tax inspections new tax liabilities may arise in addition to the ones recognized by the Company. Nevertheless, the Company's directors believe that these tax liabilities, should they materialize, would not be material compared with the Company's own funds and annual profits.

Income Tax

The reconciliation of net income and expenses for the period with the taxable income/(tax loss) is as follows:

	31/12/2020 Profit and Loss Account			30/06/2021 Profit and Loss Account		
Profit/(loss) for the year (after taxes)		**(5,172,390)**			**(1,403,499)**	
	Increases	*Decreases*	*Net effect*	*Increases*	*Decreases*	*Net effect*
Income Tax		(139,549)	(139,549)		-	-
Permanent differences	5,588,712	(1,084,265)	4,504,448		-	-
Temporary differences	239,090	(40,000)	199,090		-	-
Application of tax loss carryforwards			-		-	-
Tax base (Taxable income)			(608,402)		-	(1,403,499)
Gross tax payable			(152,101)			-
Tax credits for R&D&I			-		-	-
Net tax payable			(152,101)		-	-
Withholdings and payments on account			-		-	,
Accounts with tax group companies					-	-
Tax payable / (recoverable) (1)			(152,101)		-	-

(1) Since 2017, the Company has filed consolidated income tax returns with the ISP Group.

Since the Company has been taxed under the consolidated tax regime with the
ISP Group since 2017, the amount of the tax payable or refundable has been included as a receivable or
payable with the Group in the short term.

The breakdown of deferred tax assets recognised by the Company is as follows:

	30/06/2020	31/12/2020	30/06/2021
Temporary differences	10,000	59,772	87,192
Tax credits	252,418	252,418	346,132
Total deferred tax assets	262,418	312,191	433,324

The aforementioned deferred tax assets have been recognized in the balance sheet because the Company's Directors consider that, based on their best estimate of the Company's future earnings, including certain tax planning measures, it is likely that said assets will be recovered.

Tax Loss Carryforwards

Credits on taxable income were recorded, since they comply with the requirements established by the pertinent legislation currently in force to do so, and there are no doubts about the Company's ability to generate future tax income to enable the recovery thereof. The breakdown of negative taxable income pending offsetting in future fiscal years (tax loss carryforwards) corresponding to that credit is as follows:

Year of origination	Limit year for offset	Euros	Activated
2013	No limit	248	YES
2015	No limit	6,517	YES
2018	No limit	392,571	YES
2019	No limit	609,041	YES
2020	No limit	374,855	YES
		1,008,377	

NOTE 14. REVENUE AND EXPENSES

a) Employee benefit expense

The breakdown of this heading in the accompanying Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Wages and salaries	(378,016)	(825,413)	(729,543)
Social security payable by the company	(81,543)	(154,550)	(135,736)
Employee benefits expense	(10,627)	(11,509)	(5,311)
Employee benefit expense	**(470,186)**	**(991,471)**	**(870,590)**

b) Net Finance Income / (Expense)

The breakdown of this heading in the accompanying Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Income:			
Dividends	-	850,000	-
Income from loans to Group companies	14,471	19,826	13,537
Other finance income	-	226,267	5,558
Total finance income	**14,471**	**1,096,093**	**19,096**
Expense:			
Debts with Group companies and associates	(30,256)	(47,528)	(28,491)
Other Finance Expense	(905)	(59,250)	(25,107)
Total finance expense	**(31,161)**	**(106,778)**	**(53,598)**

c) Revenue

The distribution of the net turnover from the ordinary activities of the Company, by categories of activities, is as follows:

	30/06/2020		31/12/2020		30/06/2021	
Description of the activity	**Euro**	**%**	**Euro**	**%**	**Euro**	**%**
Marketing and online advertising	0	0%	-	0%	-	0%
Provision of services (Fees)	1,089,551	100%	2,174,020	100%	135,925	100%
Total	**1,089,551**	**100%**	**2,174,020**	**100%**	**135,925**	**100%**

	30/06/2020		31/12/2020		30/06/2021	
Geographic segmentation	**Euros**	**%**	**Euro**	**%**	**Euro**	**%**
Domestic	813,229	75%	1,731,403	80%	95,613	70%
Europe	51,701	5%	118,693	5%	37,198	27%
International (excl. Europe)	224,620	21%	323,924	15%	3,144	3%
Total	**1,089,550**	**100%**	**2,174,020**	**100%**	**135,925**	**100**

NOTE 15. ENVIRONMENTAL INFORMATION

The Company has no significant assets nor has it incurred in expenses intended to minimize environmental impact or to protect and improve the environment. Furthermore, there are not provisions for risks and expenses, nor contingencies related to the protection and improvement of the environment.

NOTE 16. GUARANTEES AND SECURITIES

At 30 June 2021, at 31 December 2020 and at 30 June 2020, the Company had provided the following guarantees to banks and government agencies:

Guarantees	**30/06/2021**	**31/12/2020**	**30/06/2020**
Lessor of Head Office	-	44,769	31,870
Trade receivables	10.525.91	-	-
Total	**10,525.91**	**44,769**	**31,870**

NOTE 17. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

Subsequent to the close of the 6-month period ended 30 June 2021, the following significant events have taken place:

Antevenio SA acquired the US technology company Happyfication on 15 September 2021. The New York-based company helps marketers by using data intelligence and cognitive marketing to better understand their customers' decision-making in today's market environment. Happyfication does so by linking the on and off channels so as to facilitate operational transparency through a single platform for connection, activation and measurements.

The Happyfication acquisition will also enable the group to offer brands new ways to plan and execute online and offline experiences to connect with customers.

This purchase will enable the group's companies to strengthen their ability to analyse, locate omnichannel audiences and gain insights into their behaviour. By integrating its solutions for the marketing sector, Happyfication can offer differential benefits such as:

- Media planning and execution designed for a future without third-party cookies.
- Advanced audience targeting that goes beyond device data to include search and contextual data.
- Interactive reporting enabling users to dive deeper into weekly reporting of campaign effectiveness and attribution models.

On 4 July 2021, Antevenio SA acquired 10% of the share capital of the company B2MarketPlace, S.L. at a price of €153,224, thus obtaining 61% of the company's shares.

NOTE 18. TRANSACTIONS WITH GROUP COMPANIES AND RELATED PARTIES

18.1) Balances with group companies

At 30 June 2021 the breakdown of balances with Group companies was as follows:

BALANCES WITH RELATED PARTIES	Mamvo Performance, S.L.U.	Marketing Manager S.L.U	Código Barras Network S.L.U.	Antevenio ESP S.L.U	Antevenio Francia S.R.L.U	Antevenio México	Antevenio Argentina SR.L	Antevenio Italia S.R.L.U.	Antevenio Publicité S.A.S.U.	B2MarketPlace	Foreseen	React2Media	Rebold	DGLNT SA DE CV	Antevenio, Rich & Reach, S.L.U.	Total
A) NON-CURRENT ASSETS	**100,000**	**-**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**-**	**64,499**	**361,595**	**-**	**350,000**	**450,000**	**1,591,094**
1. Non-current investments in Group companies	**100,000**	**-**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**-**	**64,499**	**361,595**	**-**	**350,000**	**450,000**	**1,591,094**
a) Loans to companies (1)	100,000	-	3,000	-	262,000	-	-	-	-	-	64,499	361,595	-	350,000	450,000	1,591,094
Total Non Current	**100,000**	**-**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**-**	**64,499**	**361,595**	**-**	**350,000**	**450,000**	**1,591,094**
B) CURRENT ASSETS	**17,655**	**71,867**	**11,267**	**6,454**	**169,723**	**251,885**	**320,142**	**182,964**	**47,496**	**11,180**	**17,536**	**84,112**	**457**	**5,891**	**42,178**	**1,241,257**
1. Trade and other receivables	**-**	**71,867**	**7,173**	**6,454**	**169,723**	**251,885**	**320,142**	**2,964**	**47,946**	**11,180**	**16,845**	**69,246**	**457**	**-**		**975,882**
a) Current trade receivables	-	71,867	7,173	6,454	169,723	251,885	320,142	2,964	47,946	11,180	16,845	69,246	457	-	-	975,882
b) Trade receivables, Group companies	-	-	-	-	-	-	-			-			-			
2. Current investments in group companies	**17,655**	**-**	**4,094**	**-**	**-**	**-**	**-**	**180,000**	**-**	**-**	**691**	**14,866**	**-**	**5,891**	**42,178**	**265,375**
Investments in group companies	17,655	-	4,094	-	-	-	-	180,000	-	-	691	14,866	-	5,891	42,178	265,375

C) NON-CURRENT LIABILITIES	**(724,095)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**(724,095)**
1.Long-term debt with group and associated companies	**(724,095)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**(724,095)**
D) CURRENT LIABILITIES	**(643,027)**	**(187,937)**	**337,422**	**(1,390,629)**	**57,313**	-	-	-	**21,043**	**(78,643)**	**(2,243)**	-	**(69,320)**	-	**(352,261)**	**(2,308,283)**
1.Current payables to Group companies and associates	**(641,248)**	**(185,621)**	**339,756**	**(1,388,824)**	**57,313**	-	-	-	**21,043**	**(77,595)**	**(247)**	-	-	-	**(350,473)**	**(2,225,894)**
2. Trade and other payables	**(1,780)**	**(2,316)**	**(2,334)**	**(1,806)**	-	-	-	-	-	**(1,049)**	**(1,996)**	-	**(69,320)**	-	**(1,788)**	**(82,388)**
a) Suppliers, current	(1,780)	(2,316)	(2,334)	(1,806)	-	-	-	-	-	(1,049)	(1,996)	-	(69,320)	-	(1,788)	(82,388)
Total Current	**(625,372)**	**(116,070)**	**348,689**	**(1,384,175)**	**227,036**	**251,885**	**320,142**	**182,964**	**68,989**	**(67,463)**	**15,293**	**84,112**	**(68,863)**	**5,891**	**(310,083)**	**(1,067,026)**

At 31 December 2020 the breakdown of balances with Group companies was as follows:

BALANCES BETWEEN GROUP COMPANIES	Mamvo Performance, S.L.U.	Marketing Manager S.L.U.	Código de Barras Network, S.L.U.	Antevenio ESP, S.L.U.	Antevenio Francia S.R.L.U	Antevenio México	Antevenio Argentina, S.R.L.	Antevenio Italia, S.R.L.U.	Antevenio Publicité S.A.S.U.	React2Media L.L.C.	Antevenio, Rich & Reach, S.L.U.	B2Market Place Ecommerce Consulting Group, S.L.	Foreseen Media SL	DGLNT SA de CV	Rebold Marketing and Communication, S.L.U.	TOTAL
A) NON-CURRENT ASSETS	**100,000**	**500,000**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**361,595**	**450,000**	**50,000**	**64,499**	**350,000**	**-**	**2,141,094**
1. Investments Group companies:	**100,000**	**500,000**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**361,595**	**450,000**	**50,000**	**64,499**	**350,000**	**-**	**2,141,094**
a) Loans to companies	100,000	500,000	3,000	-	262,000		-	-	-	361,595	450,000	50,000	64,499	350,000	-	2,141,094
B) CURRENT ASSETS	**605,209**	**584,885**	**124,523**	**597,391**	**221,036**	**248,771**	**320,142**	**900,316**	**35,848**	**81,922**	**659,300**	**3,683**	**104,229**	**3,566**	**-**	**4,490,823**
1. Trade and other accounts receivables	**544,138**	**564,698**	**122,731**	**597,391**	**169,723**	**248,771**	**320,142**	**50,316**	**14,795**	**69,246**	**129,691**	**577**	**46,220**	**-**	**-**	**2,878,438**
a) Customers for sales and services	544,138	564,698	122,731	597,391	169,723	248,771	320,142	50,316	14,795	69,246	129,691	577	46,220		-	2,878,438
2. Investments in group companies	**61,072**	**20,187**	**1,793**	**-**	**51,313**	**-**	**-**	**850,000**	**21,053**	**12,675**	**529,610**	**3,106**	**58,009**	**3,566**	**-**	**1,612,385**
a) Accounts receivable	61,072	20,187	1,793		51,313			850,000	21,053	12,675	529,610	3,106	58,009	3,566		1,612,385
C) NON-CURRENT LIABILITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(250,000)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(250,000)**
1. Debts with Group companies	-	-	-	-	-	-	-	(250,000)	-	-	-	-	-	-	-	(250,000)
D) CURRENT LIABILITIES	**(1,219,558)**	**(1,776,463)**	**(589,725)**	**(925,489)**	**-**	**-**	**-**	**(4,037)**	**-**	**-**	**(12,042)**	**-**	**(19)**	**-**	**(74,701)**	**(4,602,034)**
1. Debts with Group companies	(1,219,558)	(1,776,463)	(589,725)	(925,489)							(12,042)	-	(19)			**(4,523,296)**
2. Trade and other accounts payable	-	-	-	-	-	-	-	(4,037)	-	-	-	-	-		(74,701)	**(78,738)**
TOTAL CURRENT	**(514,348)**	**(691,577)**	**(462,202)**	**(328,098)**	**483,036**	**248,771**	**320,142**	**646,279**	**35,848**	**443,517**	**1,097,259**	**53,683**	**168,709**	**353,566**	**(74,701)**	**1,779,883**

At 30 June 2020 the breakdown of balances with Group companies was as follows:

BALANCES WITH RELATED PARTIES	Mamvo Performance, S.L.U.	Marketing Manager S.L.U	Código Barras Network S.L.U.	Antevenio ESP S.L.U	Antevenio Francia S.R.L.U	Antevenio México	Antevenio Argentina SR.L	Antevenio Italia S.R.L.U.	Antevenio Publicité S.A.S.U.	B2MarketPlace	Foreseen	React2Media	Antevenio, Rich & Reach, S.L.U.	Total
A) NON-CURRENT ASSETS	**100,000**	**500,000**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**50,000**	**64,499**	**361,595**	**450,000**	**1,791,094**
1. Non-current investments in Group companies	**100,000**	**500,000**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**50,000**	**64,499**	**361,595**	**450,000**	**1,791,094**
a) Loans to companies (1)	100,000	500,000	3,000	-	262,000	-	-	-	-	50,000	64,499	361,595	450,000	1,791,094
Total Non Current	**100,000**	**500,000**	**3,000**	**-**	**262,000**	**-**	**-**	**-**	**-**	**50,000**	**64,499**	**361,595**	**450,000**	**1,791,094**
B) CURRENT ASSETS	**307,287**	**263,895**	**64,144**	**307,000**	**169,723**	**172,774**	**320,142**	**51,701**	**1,350**	**16,315**	**34,334**	**56,222**	**94,855**	**1,859,742**
1. Trade and other receivables	**291,032**	**252,532**	**63,664**	**307,000**	**169,723**	**172,774**	**320,142**	**51,701**	**1,350**	**15,972**	**33,865**	**45,940**	**55,666**	**1,781,361**
a) Current trade receivables	291,032	252,532	63,664	307,000	169,723	172,774	320,142	51,701	1,350	15,972	33,865	45,940	55,666	1,781,361
b) Trade receivables, Group companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BALANCES WITH RELATED PARTIES	Mamvo Performance S,L,U	Marketing Manager S,L,U	Código de Barras Network S,L,U,	Antevenio ESP S,L,U	Antevenio Francia S,R,L,U	Antevenio México	Antevenio Argentina SR,L	Antevenio Italia S,R,L,U,	Antevenio Publicite S,A,S,U,	B2MarketPlace	Foreseen	React2Media	Antevenio Rich & Reach S,L,U,	Total
2. Current investments in group companies	**16,254**	**11,364**	**480**	**-**	**-**	**-**	**-**	**-**	**-**	**343**	**469**	**10,283**	**39,189**	**78,381**
Investments in group companies	16,254	11,364	480	-	-	-	-	-	-	343	469	10,283	39,189	78,381
C) NON-CURRENT LIABILITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(250,000)**	**-**	**-**	**-**	**-**	**-**	**(250,000)**
1.Long-term debt with group and associated companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(250,000)**	**-**	**-**	**-**	**-**	**-**	**(250,000)**
D) CURRENT LIABILITIES	**(340,201)**	**(562,002)**	**27,527**	**(275,320)**	**51,314**	**-**	**-**	**(1,871)**	**(14,996)**	**2,393**	**62,209**	**-**	**(1,180,972)**	**(2,231,919)**
1.Current payables to Group companies and associates	**(340,201)**	**(562,002)**	**27,527**	**(275,320)**	**51,314**	**-**	**-**	**-**	**21,053**	**2,393**	**62,209**	**-**	**(1,180,972)**	**(2,193,999)**
2. Trade and other payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,871)**	**(36,048)**	**-**	**-**	**-**	**-**	**(37,920)**
a) Suppliers, current	-			-				(1,871)	(36,049)					(37,920)
b) Other payables	-													-
Total Current	**(32,915)**	**(298,107)**	**91,671**	**31,680**	**221,037**	**172,774**	**320,142**	**49,830**	**(13,646)**	**18,709**	**96,543**	**56,222**	**(1,086,117)**	**(372,177)**

18.2) Transactions among Group companies

The amount, in Euros, of transactions performed during the six first months of 2021 and presented in the accompanying Interim Profit and Loss Account is as follows:

Transactions Performed	Services received	Sales and services rendered	Interests Paid	Interests Charged
Mamvo Performance, S.L.U.	(1,471)	-	696	(4,980)
Marketing Manager	(1,914)	59,394	2,925	(1,144)
Código barras Networks	(1,929)	5,928	2,301	-
Antevenio ESP, S.L.U.	(1,492)	5,334	-	(9,168)
Antevenio S.R.L. (Italy)	-	2,964	-	(276)
Antevenio México	-	3,114	-	-
Antevenio Publicité	-	34,233	-	-
React2Media	-	-	2,191	-
Antevenio Rich & Reach	(1,477)	-	2,989	(2,239)
B2Market Place	(867)	17,380	110	-
Rebold	5,860	378	-	-
Dglnt SA de CV	-	-	2,325	-
Foreseen	(1,650)	7,200		(2)
	(4,941)	**135,925**	**13,537**	**(17,809)**

The amount, in Euros, of transactions among Group companies during 2020 and presented in the accompanying Interim Profit and Loss Account is as follows:

Transactions Performed	Services received	Sales and services rendered	Interests Paid	Interests Charged	Dividends paid
Mamvo Performance, S.L.U.		402,538	1,453	(9,179)	
Marketing Manager		468,916	7,268	(12,638)	
Código barras Networks	(4,500)	107,813	1,793	(5,732)	
Antevenio ESP, S.L.U.	(25,453)	532,265		(2,989)	
Antevenio Argentina					
Antevenio S.R.L. (Italy)		105,248		(3,634)	850,000
Antevenio México		294,028			
Antevenio Publicité	(2,200)	13,445			
React2Media		29,896	4,358		
Antevenio Rich & Reach		129,923		(12,042)	
Foreseen		19,811	691	(19)	
B2Market		27,659	696		
Rebold	(86,338)	16,721			
Dglnt SA de CV			3,566		
	(118,491)	**2,148,263**	**19,825**	**(46,233)**	**850,000**

The amount, in Euros, of transactions performed during the six first months of 2020 and presented in the accompanying Interim Profit and Loss Account is as follows:

Transactions Performed	Services received	Sales and services rendered	Interests Paid	Interests Charged	Dividends paid
Mamvo Performance, S.L.U.		193,360	748	(2,874)	
Marketing Manager		210,927	3,743	(4,243)	
Código barras Networks	(3,000)	52,615	480	(213)	
Antevenio ESP, S.L.U.		258,922		(1,988)	
Antevenio Argentina					
Antevenio S.R.L. (Italy)		51,701		(1,871)	
Antevenio México		218,031			
Antevenio Publicité	(2,200)				
React2Media		6,590	1,965		
Antevenio Rich & Reach		48,847		(8,652)	
B2Market Place		13,200	343		
Foreseen		9,600	469		
	(5,200)	**1,063,793**	**7,748**	**(19,841)**	**-**

At 30 June 2021 the breakdown of balances with related parties was as follows:

Related Party (30 June 2021)	Balance Receivable	Balance Payable
ISP Digital SLU	164,976	(4,714,588)
ISP (on Taxation Group Corporate Income Tax)		(397,556)
Total Group companies	**164,976**	**(5,112,144)**

At 31 December 2020 the balances withe related parties were as follows:

Related Party (31 December 2020)	Balance Receivable	Balance Payable
ISP Digital SLU	121,000	(131,465)
ISP (on Taxation Group Corporate Income Tax)		(135,648)
Total Group companies	**121,000**	**(267,113)**

At 30 June 2020 the breakdown of balances with related parties was as follows:

Related Party (30 June 2020)	Balance Receivable	Balance Payable
ISP Digital SLU	121,000	130,818
ISP (on Taxation Group Corporate Income Tax)		237,749
REBOLD		2,912
DGLNT SA de CV	351,099	
Total Group companies	**472,099**	**371,479**

18.3) <u>Related party transactions</u>

The breakdown of transactions with related parties during the first six months of 2021 and during 2020 is as follows:

During the first 6 months of 2021 transactions with related parties were as follows:

Related Party (30 June 2021)	ISP	ISP Digital SLU
Services received	(116,343)	
Finance Expenses		(10,682)
Total Group companies	**(116,343)**	**(10,682)**

During 2020 transactions with related parties were as follows:

2020	ISP DIGITAL
Sales	-
Purchases	-
Services rendered	-
Services received	-
Finance income	-
Finance Expenses	(1,295)
Total	**(1,295)**

18.4) <u>Balances and Transactions with Directors and Senior Management</u>

The individuals classified as Senior Management are also Directors of the Company.

The breakdown of the amounts received by the Board of Directors or by members of senior management is as follows:

	High Management		
	30/06/21	31/12/20	30/06/20
Wages and salaries	787,571	1,340,894	
Total	787,571	1,340,894	

In addition to these amounts, accrued remunerations arising from share-based payments disclosed under note 12 should be included. At 30 June 2021, at 31 December 2020 and at 30 June 2020, there are no commitments for supplements to pensions, guarantees or securities granted to the Board of Directors.

Other disclosures related to the Board of Directors

In compliance with the provisions of Section 229 of the Spanish Corporations Law, Directors and the related parties referred to in Section 231 of the Spanish Corporations Law, have not entered into situations of conflict of interests.

NOTE 19. EQUITY INSTRUMENTS-BASED PAYMENT TRANSACTIONS.

2016 Plan:
On 16 November 2016 the Annual General Meeting approved a remuneration plan (2016 Plan) consisting in remuneration system, linked to the value of the Company's shares, for certain Executive Directors and Managers and Employees of the Company.

The following terms were approved:

the maximum number of shares that can be granted cannot exceed 125,000 shares;
the exercise or delivery price or the calculation method for exercise or delivery shall be the market value of the share on the day of exercise or delivery;
shares shall be awarded free of charge; and
the plan will be in force up to 30 June 2019.
eligible employees shall stay in the Company during the entire above mentioned term

Additionally, the AGM delegated to the Board of Directors the development, settlement, clarification and interpretation of the terms of the remuneration plan. The plan was approved by the Board of Directors on 16 November 2016.

On 2nd July 2018, a Plan beneficiary executed 75,000 free shares in accordance with the terms of the remuneration plan. Finally, the company and the beneficiary have agreed settlement in shares of the Parent Company.

On 2 July 2019, two beneficiaries exercised their rights by virtue of the remuneration plan for directors and senior management referenced to the value of the shares, approved on 16 November 2016, requesting the delivery of 50,000 of the Company's shares (Note 20).
At 31 December 2016, the value of 2015 Plan shares (278,160 Euros) has been recognized as a personnel expense in the Profit and Loss Account as vested over the period defined as the minimum

required time in the Company's employ for the exercise of the option, and are also recognized with an offsetting entry in equity without reassessing the initial measurement thereof. The 2015 Plan contemplated launching in 2016 a Public Takeover Bid on the Company's shares (see Note 11) among the requirements for the early exercise and accrual of the relevant options. Accordingly, the remaining amounts were been entirely recognized in 2016. At 31 December 2016, the effect thereof on the Company's equity amounted to 347,700 Euros recognized under "Other equity instruments".

At 31 December 2016, the value of 2016 Plan shares (675,000 Euros) has been entirely recognized, in accordance with the principle of prudence, as a personnel expense during the reporting period where the agreement was entered into, irrespective of the minimum required stay in the Company. Since the offsetting entry resulted in an increase in own funds ("Other equity instruments"), there is no impact whatsoever on the Equity of the Company.

Following the above-mentioned exercise of options, the Plan was fully extinguished at 31 December 2019.

NOTE 20. OTHER INFORMATION

The average number of persons employed is as follows:

	30/06/2021	31/12/2020	30/06/2020
Management	8	4	4
Administrative	7	5	6
Commercial	0	0	0
Production	1	2	0
Marketing	2	2	2
Technicians	0	0	0
	18	**13**	**12**

The number of Directors and persons employed by the Company at the balance sheet date of the presented periods, broken down by professional category, is as follows:

	30/06/2021			31/12/2020			30/06/2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Management	2	3	5	2	2	4	2	2	4
Administrative	2	3	5	1	4	5	1	5	6
Commercial	0	0	0	0	0	0	0	0	0
Production	0	2	2	1	1	2	0	0	0
Marketing	1	1	2	1	1	2	1	1	2
Technicians	0	0	0	0	0	0	0	0	0
	5	**9**	**14**	**5**	**8**	**13**	**4**	**8**	**12**

In compliance with Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, establishing measures to combat late payment in commercial transactions, details of the average period for payment to suppliers:

	30/06/2021	31/12/2020	30/06/2020
	Days	**Days**	**Days**
Average period of time for payment to suppliers	52.06	58.04	56.40
Percentage of paid transactions	49.96	58.57	50.79
Percentage of transactions pending payment	59.71	52.61	84.68
	Amount (Euro)	**Amount (Euro)**	**Amount (Euro)**
Total payments made	399,583	1,170,496	678,175.32
Total payments pending	109,982	113,510	134,420.21

NOTE 21. BUSINESS COMBINATIONS

REACT2MEDIA:

On 22nd June 2017 the Parent Company completed the acquisition of 51% of the shares in the US company React2Media, L.L.C for a consideration of 2,250,000 dollars (2,022,275 euros); the entire amount of the consideration was paid to the counterparty on 23 June 2017. This company was thereafter included within the consolidation scope and fully consolidated.

The company React2Media, L.L.C. has its registered address at 35 W 36th St, New York, NY 10018, USA. The company's principal activity is the provision of a full service online advertising network, offering a complete set of interactive marketing opportunities for media agencies, direct advertisers and publishers alike. The main reason supporting the acquisition is the entry of Antevenio Group in the United States market drawing on the market position and knowledge of the investee. Antevenio Group intends to provide the investee with its other business lines in order to generate positive synergies.

Both the Group and the selling shareholders mutually granted themselves unconditional put option rights and call option rights over the remaining 49% shares in the investee, which may be exercised within the same term and for the same amount. These options have a floating price based on certain parameters relating to the investee's performance over financial years 2020, 2021 and 2022; however, total acquisition value may not exceed 8.5 million dollars (of which 2.25 million dollars have already been paid for the acquisition of 51% of shares). Sale price is subject to the fulfilment of certain continuance conditions by the sellers.

In accordance with the International Financial Reporting Standards and based on the existence of cross put and call options with the same value and the same exercise period, the transaction has been treated as an early acquisition of a non-controlling interest pursuant to the requirements of *IAS 32 Financial Instruments: Presentation*, which provides that a contractual obligation to deliver cash to another entity is a financial liability.
The amount recognised by the Group at 31 December 2017 as a financial liability represented to the best estimate, as of that date, of the expected amount to be paid; the fair value of this financial liability

has been measured at 1.98 million euros, recognised under “Other non-current liabilities”.

In accordance with the provisions of International Financial Reporting Standard No. 3 on Business Combinations, during the first half-year of 2018 the Group has decided to reassess this financial liability and to retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. As a consequence, the amount recognised at 31 December 2018 as a financial liability represented to the best estimate, as of that date, of the expected amount to be paid; the fair value of this financial liability has been measured at 2.108 million euros, recognised under “Other non-current liabilities”.

On 21 May 2019, the first tranche of rights to purchase and right to unconditional sale was implemented on 49% of the Company’s shares, remaining from the capital share of said Company in the initial contract dated 22 June 2017. The Group acquires 9% of the US Company React2Media, L.L.C’s shares, for 212,551 dollars (192,778 euros).

In fiscal year 2019, given that the administrators obtained additional information from greater experience and accounting estimates updated in previous years in relation to the valuation of the financial liability generated by the purchase option mentioned above, its value was adjusted prospectively and the effect recognised in the Consolidated Profit and Loss Account for the year was an income of €1.4 million recorded under the heading “Impairment of assets” (Note 17.g).

As a consequence of the events described above, the outstanding amount recorded at 31 December 2019 as a financial liability amounted to €488,257, recorded under the heading "Other non-current liabilities" for €280,340 and under the heading “Other current liabilities” for €207,917 (Note 10).

As at 31 December 2020, put and call options were not exercised as the Group expects to liquidate the subsidiary in the next fiscal year, although there are still certain options that can be exercised by the selling party. Consequently, the Group recorded the effect of unexercised and expired call and put options as if they were a sale to minority interests.

At 31 December 2020, the Group has impaired goodwill in consolidation contributed by the subsidiary React2Media, L.L.C., since it expects to liquidate this subsidiary in fiscal year 2021, given the results obtained in recent fiscal years following the acquisition of this subsidiary in previous years. The impairment recognised in the 2020 consolidated income statement amounted to €1,921,952.

The breakdown of the consideration given, measured as the fair value of net assets and goodwill acquired, is as follows:

	Euros
Fair value of the consideration given	
Cash paid	2,102,903
Put options granted to minority interests	1,933,648
Contingent consideration	35,004
Total consideration given	**4,071,555**
Net identifiable assets acquired	
Non-current investments	38,462
Intangible assets	2,312
Trade and other receivables	1,198,620
Cash	109,457
Debts with financial institutions	(256,188)
Other debts	(13,429)
Trade and other payables	(912,813)
Fair value of net identifiable assets acquired	**166,421**
Gross Value of Goodwill (Note 5)	**3,905,134**
Gross value of goodwill impairment (Note 5)	**(3,492,092)**
Net Value of Goodwill (Note 5)	**413,042**
Consideration paid in cash	(2,102,903)
Cash and cash equivalents acquired	109,457
Net cash outflow	**(1,993,446)**

Goodwill arising from the acquisition was allocated to the Cash Generating Unit relating to the investee's business and relates to the workforce and synergies resulting from Antevenio Group's entry in the United States market drawing on the investee to expand the Group's various business lines.

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Trade receivables	1,198,620	0.00	1,198,620

<u>B2 Marketplace Ecommerce Group S.L.:</u>

On 7 October 2019, the Parent Company acquired 51% of the shares in the company B2MarketPlace, S.L. for a price of €254,240, paying the entire amount to the counterparty on 7 October 2019. This company was thereafter included within the consolidation scope and fully consolidated.

On 4 July 2021, the Parent Company acquired an additional 10% of the share capital of B2MarketPlace, S.L. at a price of €153,224, thus securing 61% holding.

The registered office of investee company B2MarketPlace, S.L. is Calle Apolonio Morales, 13c . The primary object of the company is the optimisation and improvement of brands, manufacturers and distributors presence in digital platforms.

Both the Group and the selling members mutually granted themselves unconditional put option rights and call option rights over the remaining 49% shares in the investee, which may be exercised within the same term and for the same amount. The options detailed above are based on a variable price depending on parameters associated with the results of this company in fiscal years 2021, 2022 and 2023. Sale price is subject to the fulfilment of certain continuance conditions by the sellers.

In accordance with the International Financial Reporting Standards and based on the existence of cross put and call options with the same value and the same exercise period, the transaction has been treated as an early acquisition of a non-controlling interest pursuant to the requirements of IAS 32 Financial Instruments: Presentation, which provides that a contractual obligation to deliver cash to another entity is a financial liability.

In accordance with IFRS 3 on Business Combinations, during one year from the acqusition date, the Group can reassess this financial liability and retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. After this re-evaluation, the amount recognised by the Group at 31 December 2020 as a financial liability constitutes the best estimate to date of the expected amount that the Group expects to pay, the fair value of this financial liability thereof amounting to €1,549,402 (€2,021,306 in 2019); an amount of €1,396,181 (€1,993,489 in 2019) recorded under the heading "Other non-current liabilities" and €153,221 (€27,817 in 2019) under the heading "Other current liabilities" (note 10).

The breakdown of the consideration given measured as the fair value of net assets and goodwill acquired at 31 December 2019 is as follows:

	Euros
Fair value of the consideration given	
Cash paid on the acquisition date	254,240
Put options granted to minority interests	1,993,489
Contingent consideration	27,817
Total consideration given at 31 December 2019	**2,275,546**

Net identifiable assets acquired	
Non-current investments	4,170
Intangible assets	92
Property, plant and equipment	4,479
Trade and other receivables	43,357
Cash	-
Debts with financial institutions	(69,173)
Other debts	-
Trade and other payables	(36,473)
Fair value of net identifiable assets acquired	**(53,547)**

Gross Value of Goodwill (Note 5)	**2,329,094**
Impairment Goodwill (Note 5)	**-**
Net Value of Goodwill (Note 5)	**2,329,094**

Consideration paid in cash	254,240
Cash and cash equivalents acquired	
Net cash outflow	**252,240**

Goodwill generated has been allocated to the Cash-Generating Unit appropriate to the business of the acquiree and has been attributed to the labour force and the synergies that may arise from the acquiree's business for Antevenio Group, allowing the Group to expand its existing business lines with a new business line complementing the existing services offered by the group.

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Trade receivables	43,053	-	43,053

FORESEEN MEDIA S.L.:

On 20 February 2019, the Parent Company acquired 70.40% of shares in the company FORESEEN MEDIA S.L. for a price of €67,420, paying the entire amount to the counterparty on 20 February 2019. This company was thereafter included within the consolidation scope and fully consolidated.

On 4 February 2021, the Parent Company acquired 29.60% of the share capital in the Company Foreseen Media, S.L. at a fixed price of €15,000 plus a variable price corresponding to the equivalent of 15% of the Gross Margin generated in 2021 by the Company's current and new customers for that fiscal year, estimated at €43,000 (see note 20).

The registered office of investee company FORESEEN MEDIA S.L. is Calle Apolonio Morales, 13C, Madrid. The main activity of the company comprises:

1. Purchase, sale, management, marketing and licensing of all types of rights related to eSports or sports played on computer systems, including the purchase and sale of advertising spaces, assets and sponsorship of players, teams and competitions.

2. Conclusion of advertising sponsorship contracts for companies with eSports agents, including yet not restricted to eSport leagues, Clubs, players or third parties who organise eSports events.

3. The Creation and management of eSports Clubs, their commercialisation, sale and economic exploitation.

4. The representation of players and eSports Clubs, purchase and sale of player image rights. If the law requires some sort of professional qualification, degree, administrative authorisation or registration on a public register to exercise of some of the activities included in the corporate purpose, these activities must be carried out by a professional certified in this regard and, where pertinent, may not start before the required administrative requirements have been met. The related activities may also be carried out by the Company in whole or in part indirectly, through holdings in Companies having an object that is identical or similar to that expressed in the preceding paragraphs, or through any other forms admitted by Law.

Given the insignificance represented by the figures integrated by the acquisition of this company in the overall consolidated financial statements, the administrators consider specifying further information in this regard to be unnecessary.

REBOLD MARKETING AND COMMUNICATION, S.L.U.:

At the General Shareholders' Meeting of the Parent Company held on 4 September 2020, the capital increase subscribed in full by its majority shareholder, ISP Digital, S.L.U., was approved, through the contribution of the shares of Rebold Marketing and Communication S.L.U. This company is in turn the head of a group of companies (broken down in the table below) which will therefore be consolidated from that date within the consolidated Antevenio Group as of 31 December 2020:

Company	Holding Percentage
Rebold Marketing and Communication, S.L.U.	100%
Acceso Mexico	100%
Acceso Colombia	100%
Digilant Colombia	100%
Digilant, Inc	100%
Digilant Perú	100%
Digilant SA de CV	100%
Filipides	100%
Digilant Services	100%
Blue Digital	65%
Digilant Chile	100%
Acceso Panamá(1)	0%
Blue Media	100%

(1) **Loss of control of Acceso Panama**

Details of the various companies constituting this new subgroup are set out in note 1 herein.

Details of the consideration given, the fair value of the net assets acquired on the date of the business combination were as follows:

	Euros
Fair value of the consideration given	
Delivered consideration (Parent Company Shares)	14,372,080
Total consideration delivered at business combination date	14,372,080

Net identifiable assets acquired	
Non-current investments	3,685,591
Intangible assets	923,740
Property, plant and equipment	420,147
Trade and other receivables	26,570,007
Cash	1,323,576
Debts with financial institutions	(21,209,894)
Trade and other payables	(25,612,684)
Fair value of net identifiable assets acquired	**(13,899,517)**

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Debtors and other receivables	26,570,007	-	26,570,007

ANTEVENIO S.A.
AND SUBSIDIARIES

Interim Consolidated Financial Statements at 30 June 2021

ANTEVENIO S.A. AND SUBSIDIARIES

Interim Consolidated Financial Statements at 30 June 2021:

Interim Consolidated Financial Statements at 30 June 2021:

ANTEVENIO S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2021:

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2021
(in Euros)

ASSETS	Note	30/06/2021	31/12/2020	30/06/2020
Property, plant and equipment	6	1,920,862	1,427,208	748,955
Goodwill on full consolidation	5	6,437,533	6,437,533	7,386,564
Goodwill	7	456,461	671,560	-
Intangible assets	7	1,177,118	1,251,219	956,302
Non-current financial assets	9	108,436	93,180	68,630
Non-current financial assets, group companies		-	-	350,000
Deferred tax assets	16	6,472,014	5,935,180	2,137,537
Non-current assets		**16,572,423**	**15,815,879**	**11,647,988**
Trade and other receivables	9	21,825,874	31,391,713	4,913,721
Trade receivables, Group companies	9 and 24	146,028	302,618	743,087
Other current assets	9	264,327	254,017	260,958
Other current assets, Group companies		-	-	1,099
Receivables from Public Entities	16	3,065,907	2,101,320	180,272
Current tax assets		184,141	59,203	-
Prepaid expenses		268,104	135,465	112,612
Cash and cash equivalents	9 and 11	9,560,878	9,126,417	3,078,702
Current assets		**35,315,258**	**43,370,753**	**9,290,452**
TOTAL ASSETS		**51,887,681**	**59,186,632**	**20,938,440**

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2021
(in Euros)

EQUITY AND LIABILITIES		30/06/2021	31/12/2020	30/06/2020
Share Capital		819,099	819,099	231,412
Share Premium		-	-	8,189,787
Treasury shares		-	-	-
Legal reserve		46,282	46,282	46,282
Reserves from fully consolidated companies		(4,705,298)	(62,913)	4,874,238
Prior period's losses		214,800	-	-
Profit/(Loss) for the year attributable to the Parent Company	3	1,189,252	(3,930,458)	(5,127,213)
Other equity instruments	14	-	-	-
Minority interests		(355,613)	(430,760)	(44,096)
Translation differences	13	170,625	3,563	(133,001)
Equity attributable to the Parent Company	12	**(2,265,238)**	**(3,124,426)**	**8,081,505**
Equity attributable to non-controlling interests		**(355,613)**	**(430,760)**	**(44,096)**
Equity	12	**(2,620,852)**	**(3,555,185)**	**8,037,409**
Non-current payables, debts with financial institutions	10	10,317,893	8,417,261	1,283,377
Non-current payables, Group companies	10 and 25	8,328,124	8,147,961	-
Other non-current payables	10	3,882,187	3,753,121	919,808
Other non-current liabilities	10 and 25	-	-	2,481,745
Provisions	10 and 18	279,127	283,309	222,468
Deferred tax liabilities	16	795,958	718,794	13,140
Non-current liabilities		**23,603,289**	**21,320,446**	**4,920,538**
Current payables, debts with financial institutions	10	2,871,629	843,967	749,563
Other current payables	10	812,646	913,167	459,415
Current payables to Group companies	10 and 24	914,139	609,732	367,229
Other financial liabilities	10 and 12	-	-	-
Trade and other payables	10	16,972,437	27,093,279	4,183,352
Suppliers, Group companies	10 and 24	1,858,847	1,974,255	328,488
Other financial liabilities		-	-	-
Personnel, salaries payable	10	2,200,479	3,566,254	540,309
Public Entities, payables	16	3,923,532	4,734,347	1,145,902
Current tax liabilities		66,017	140,015	-
Unearned income		1,015,670	1,533,855	129,447
Other current liabilities	10	269,848	12,500	76,788
Current liabilities		**30,905,244**	**41,421,371**	**7,980,493**
Total equity and liabilities		**51,887,681**	**59,186,632**	**20,938,440**

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
AT 30 JUNE 2021
(in Euros)

PROFIT AND LOSS	Note	30/06/2021	31/12/2020	30/06/2020
Revenue	17. a	**45,245,007**	**54,425,711**	**10,049,140**
Other income		**226,277**	**25,350**	-
Work carried out by the company for assets		-	**265,714**	**127,308**
Operating grants taken to income		**46,325**	**199,151**	**24,757**
TOTAL OPERATING INCOME		**45,517,609**	**54,915,926**	**10,201,205**
Supplies	17. a and 23	**(25,296,177)**	**(29,199,626)**	**(4,457,488)**
Personnel expenses	17 c	**(14,606,087)**	**(18,254,554)**	**(4,748,549)**
Wages and salaries		(12,253,061)	(15,067,134)	(4,011,999)
Employee benefit expense		(2,353,026)	(3,187,420)	(736,550)
Amortization and depreciation		**(598,263)**	**(873,512)**	**(378,430)**
Depreciation of property, plant and equipment	6	(379,865)	(652,437)	(296,794)
Amortization of intangible assets	7	(218,398)	(221,075)	(81,636)
Other operating expenses		**(3,463,562)**	**(6,934,033)**	**(1,977,518)**
External services	17 d	(3,086,936)	(5,675,924)	(1,868,686)
Impairment losses on current assets	9	(376,626)	(1,258,109)	(108,832)
Other income / (loss)		**(35,818)**	**(85,035)**	**20,171**
TOTAL OPERATING EXPENSES		**(43,999,907)**	**(55,346,760)**	**(11,541,814)**
OPERATING PROFIT / (LOSS)		**1,517,702**	**(430,834)**	**(1,340,609)**
Finance income	17. e	17,495	1,721,460	5,630
Finance income, Group companies		-	-	1,099
Translation differences, gains	11	20,285	173,719	97,792
TOTAL FINANCE INCOME		**37,780**	**1,895,179**	**104,521**
Finance expenses	17. f	(233,803)	(231,583)	(32,978)
Finance expense, Group companies		(61,906)	(52,244)	(647)
Translation differences, losses	11	(87,419)	(133,046)	(26,321)
TOTAL FINANCE EXPENSES		**(383,128)**	**(416,872)**	**(59,946)**
Impairment and gains / (losses) on disposal of financial instruments		-	-	**(3,830,000)**
Impairment of financial instruments			**(5,162,088)**	
Impairment and gains(losses) on loss of significant influence over equity investments			**426,896**	
NET FINANCE INCOME/(EXPENSE)		**(345,348)**	**(3,256,887)**	**(3,785,425)**
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		**1,172,354**	**(3,687,721)**	**(5,126,034)**
CONSOLIDATED PROFIT / (LOSS) BEFORE TAX		**1,172,354**	**(3,687,721)**	**(5,126,034)**
Income tax expense	16	(21,103)	(271,651)	(382)
Taxes and other		(20,786)	(122,044)	(13,370)
CONSOLIDATED PROFIT / (LOSS) FOR THE YEAR		**1,130,465**	**(4,081,416)**	**(5,139,786)**
Profit / (loss) attributable to minority interests		(58,787)	(150,958)	(12,573)
PROFIT/(LOSS) ATTRIBUTABLE TO HOLDERS OF EQUITY INSTRUMENTS OF THE PARENT COMPANY		**1,189,252**	**(3,930,458)**	**(5,127,213)**
Earnings per share:				
Basic		0.08	(0.26)	(1.22)
Diluted		0.08	(0.26)	(1.22)

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AT 30 JUNE 2021
(in Euros)

	Notes	30/06/2021	31/12/2020	30/06/2020
PROFIT / (LOSS) FOR THE PERIOD		**1,130,465**	**(4,081,416)**	**(5,139,786)**
Income and expense directly recognized in equity:			-	
Translation differences		(167,063)	(37,585)	170,897
TOTAL INCOME AND EXPENSES DIRECTLY RECOGNIZED IN EQUITY		**(167,063)**	**(37,585)**	**170,897**
Transfers to Profit and Loss Account:		-	-	-
TOTAL TRANSFERS TO PROFIT AND LOSS ACCOUNT		-	-	-
TOTAL RECOGNIZED INCOME AND EXPENSE		**963,403**	**(4,119,001)**	**(4,968,889)**
Attributable to the Parent Company		**1,189,252**	**(3,930,458)**	**(4,955,063)**
Attributable to minority interests		**(58,787)**	**(150,958)**	**(13,826)**

	Registered Capital	Share Premium	Reserves and Profit/(Loss) for the period	(Parent Company Shares)	Other equity instruments	Translation differences	Minority Interests	Total
Balance at 31/12/2019	**231,412**	**8,189,787**	**4,838,521**	**-**	**-**	**(34,022)**	**(31,523)**	**13,194,175**
Adjustments for errors, 2019	**-**	**-**	**33,709**	**-**		**-**		33,709
Balance at 01/01/2020	**231,412**	**8,189,787**	**4,872,230**	**-**	**-**	**(34,022)**	**(31,523)**	**13,227,885**
Recognized income and expense	-	-	**(5,127,213)**	**-**	**-**	**(98,980)**	**(12,573)**	**(5,238,766)**
Changes in the percentage interest in capital			48,290					48,290
Acquisition higher percentage of share	-	-	-	-	-	-		-
Balance at 30/06/2020	**231,412**	**8,189,787**	**(206,693)**	**-**	**-**	**(133,002)**	**(44,096)**	**8,037,409**
Recognized income and expense	-	-	**1,196,755**	**-**	**-**	**-**	**(386,664)**	**810,091**
Other transactions	-	(21,974,180)	(5,106,624)	-	-	136,565	-	(26,944,240)
Acquisition higher percentage of share	587,687	13,784,393	-	-	-	-	-	14,372,080
Changes in the percentage interest in capital	-	-	169,474	-	-	-	-	169,474
Transactions with Parent Company shares (note 12.6)	-	-	-	-	-	-	-	-
Dividends (Note 12.5)	-	-	-	-	-	-	-	-
Balance at 31/12/2020	**819,099**	**-**	**(3,947,088)**	**-**	**-**	**3,563**	**(430,760)**	**(3,555,185)**
Recognized income and expense	-	-	**1,189,252**	**-**	**-**	**-**	**75,147**	**1,264,399**
Other transactions			(439,127)		-	167,063	-	(272,064)
Acquisition higher percentage of share	-	-	-	-	-	-	-	-
Changes in the percentage interest in capital	-	-	(58,000)	-	-	-	-	(58,000)
Transactions with Parent Company shares (note 12.6)	-	-	-	-	-	-	-	-
Dividends (Note 12.5)	-	-	-	-	-	-	-	-
Balance at 30/06/2021	**819,099**	**-**	**(3,254,963)**	**-**	**-**	**170,625**	**(355,613)**	**(2,620,852)**

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE ANNUAL PERIOD ENDED 30 JUNE 2021
(in Euros)

STATEMENT OF CASH FLOWS	Note	30/06/2021	31/12/2020	30/06/2020
CASH FLOWS FROM OPERATING ACTIVITIES (A)		**1,136,213**	**2,459,729**	**(1,087,362)**
Profit / (Loss) before taxes		1,172,354	(3,687,721)	(5,126,034)
Adjustments for:				
+ Depreciation and amortization	6 and 7	598,263	873,512	378,430
+ / - Impairment losses		376,626	1,258,109	108,832
+ / - Grants taken to P&L		(46,325)	(199,151)	(24,757)
- Finance income	17	(17,495)	(1,721,460)	(5,630)
+ Finance expense	17	295,709	283,827	32,978
+/- Translation differences	11	67,134	(40,671)	(71,471)
+/- Other income and expenses		39,687	4,554,513	(127,308)
+/- Other taxes		-	-	(13,370)
+/- Impairment of goodwill		-	-	3,830,000
Changes in operating assets and liabilities:				
Changes in receivables		9,313,342	(25,285,804)	1,238,237
Changes in payables		(10,236,250)	18,028,300	(1,083,714)
Changes in other current assets		(974,897)	(1,940,916)	67,574
Changes in other non-current liabilities		-	-	228,920
Changes in other current liabilities		966,294	9,556,960	(882,785)
Other non-current assets		-	-	424,515
- Income tax paid		(140,015)	(657,400)	(34,429)
Interest paid (-)		(295,709)	(283,827)	(32,978)
Interest received (+)		17,495	1,721,460	5,630
CASH FLOWS FROM INVESTING ACTIVITIES (B)		**(58,000)**	**(33,845)**	**(153,806)**
Intangible assets	7		(24,000)	(153,806)
Property, plant and equipment	6		(9,845)	
Business combinations	25	(58,000)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES (C)		**(810,815)**	**(624,000)**	**1,384,721**
Changes in other non-current liabilities		-	-	-
Changes in debt to other entities		(810,815)	(624,000)	1,384,721
Grants awarded			-	
Interest on other equity instruments (-)		-	-	-
EFFECT OF FOREIGN EXCHANGE RATES FLUCTUATIONS (D)		**167,063**	**37,585**	**(98,980)**
Net increase/decrease in cash and cash equivalents (E=A+B+C+D)		**434,461**	**1,839,470**	**44,573**
Cash and cash equivalents at beginning of period (F)		**9,126,417**	**3,034,128**	**3,034,129**
Additions from business combinations at transaction date			**4,252,819**	**-**
Cash and cash equivalents at end of period (G=E+F)		**9,560,878**	**9,126,417**	**3,078,702**

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ANTEVENIO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 1. GROUP COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

1.1) Parent Company; particulars and activity

a) Incorporation and registered address

Antevenio, S.A. (hereinafter the Parent Company) was incorporated as a private company on 20 November 1997, with the name "Interactive Network, SL"; subsequently, the Company converted into public and changed its name to "I Network Advertising, S.A." on 22 January 2001. On 7 April 2005, the General Meeting of Shareholders approved the change of the Company's name to its current one.

Its registered office was at C/ Marqués de Riscal, 11, 4th floor, Madrid. On 30 September 2020, the registered office moved to C/ Apolonio Morales 13C, Madrid

The Company, the main shareholders of which are listed in note 12, is controlled by ISP Digital, S.L.U., this being the ultimate parent company of the Group.

b) General information

The Interim Consolidated Financial Statements of Antevenio Group have been prepared and authorized for issue by the Board of Directors of the Company.

The presentation currency used in these Interim Consolidated Financial Statements is Euro. Unless otherwise stated, all figures are presented in Euros.

c) Activity

Its activity consists in those activities that, according to the existing provisions on advertising, are typical of general advertising agencies; accordingly the Company may execute all manner of acts, contracts and transactions and, in general, take all measures directly or indirectly conducive to, or deemed necessary or convenient for the accomplishment of the aforementioned corporate purpose. The activities comprised within its corporate purpose may be performed, entirely or partly, by the parent Company, either directly or indirectly through its interests in other companies with an identical or similar purpose.

Antevenio, S.A. shares are listed on the French alternative stock market Euronext Growth. Antevenio shares were traded for the first time on that market in 2007.

d) Financial Year

The Parent Company's financial year covers the period from January 1 to December 31 of each calendar year.

1.2) Subsidiaries

The details of the subsidiaries included within the consolidation perimeter are as follows:

Company	Percentage of Ownership 30/06/2021	Percentage of Ownership 31/12/2020	Carrying Value
Mamvo Performance, S.L.U.	100%	100%	1,577,382
Marketing Manager Servicios de Marketing, S.L.U	100%	100%	1,441,841
Antevenio S.R.L.	100%	100%	5,027,487
Antevenio ESP, S.L.U.	100%	100%	27,437
Antevenio France S.R.L.	100%	100%	2,000
Código Barras Networks S.L.U (**)	100%	100%	145,385
Antevenio Argentina S.R.L. (*)	100%	100%	341,447
Antevenio México S.A de C.V.	100%	100%	1,908
Antevenio Publicité, S.A.S.U.	100%	100%	-
Antevenio Rich & Reach, S.L.U.	100%	100%	3,000
React2Media, L.L.C. (1)	60%	60%	-
Foreseen Media S.L. (1)	100%	70.4%	125,420
B2Marketplace Ecommerce Consulting Group, S.L. (1)	100%	100%	1,811,125
Rebold Marketing and Communication, S.L.U.	100%	100%	4,572,442
Acceso Mexico (2)	100%	100%	774,598
Acceso Colombia (2)	100%	100%	699,267
Digilant Colombia (2)	100%	100%	-
Digilant INC (2)	100%	100%	1
Digilant Perú (2)	100%	100%	-
Digilant SA de CV (2)	100%	100%	1
Filipides (2)(***)	100%	100%	-
Digilant Services (2)(***)	100%	100%	2,356
Blue Digital (2)	65%	65%	480,628
Digilant Chile (2)(****)	100%	100%	-
Acceso Panamá (2)(3)	0%	0%	-
Blue Media (2)(****)	100%	100%	-
Rebold Panamá	100%	100%	6,428

Holdings in the capital of these subsidiaries are held by the Parent Company, except:

(*) Holding held by Mamvo Performance, S.L.U. and Antevenio ESP, S.L.U. (75% and 25% respectively).
(**) Holding held by Antevenio, Rich & Reach, S.L.U.
(***) Holding by Digilant SA de CV
(****) Holdings held by Blue Digital

(1) See Note 25 Business combinations.
(2) At the General Shareholders' Meeting of the Parent Company held on 4 September 2020, the capital increase subscribed in full by its majority shareholder, ISP Digital, S.L.U., was approved, through the contribution of the shares of Rebold Marketing and Communication

S.L.U. This company is in turn the head of a group of companies (detailed in the table above) which will therefore be consolidated from that date within the consolidated Antevenio Group as of 31 December 2020. See Note 25

(3) Loss of control 2020

There were changes in the value of investments in group companies in the first six months of fiscal year 2021, mainly relating to the following transactions:

-With a view to bolstering the equity of Marketing Manager Servicios de Marketing, S.L., the Company (sole shareholder) made a monetary contribution to the Company's equity of €1,241,909 on 1 June 2021 as "Contributions from shareholders or owners", increasing the value of the investment by this amount.

-With a view to bolstering the equity of Rebold Marketing and Communication, S.L.U., the Company (sole shareholder) opted to carry out a monetary contribution to the Company's equity of €4,572,441 on 1 May 2021 as "Contributions from shareholders or owners", thus increasing the value of the investment by this amount.

During the six-month period ended 30 June 2021, the Parent Company acquired the remaining 29.60% of Foreseen Media S.L., thereby holding 100% of the shares of Foreseen Media S.L. at 30 June 2021.

A new Panama City-based company, Rebold Panama, was created during the six months ended 30 June 2021 and with a 100% stake, with the intention of operating media research and analysis services for companies operating in Panama.

In fiscal year 2020, the directors of the Parent Company have considered that, due to certain events during the fiscal year, there is a loss of control of the company Acceso Panamá. The impact of this loss of control amounted to €426,896, reflected in the 2020 Consolidated Income Statement under "Impairment and gains/losses on loss of significant influence on equity investments". During the six months ended 30 June 2021, the amount is reflected in equity under "Reserves in fully consolidated companies".

In addition, in the first six months of fiscal year 2021 and during 2020, the directors of the Parent Company opted not to exercise the call options on the subsidiary React2Media under contract described in note 25 of these notes to the interim consolidated financial statements, as it is intended to liquidate this company during this financial year. Consequently, the Group recorded the effect of unexercised and expired call and put options as if they were a sale to minority interests during fiscal year 2020.

Companies where the Company holds a majority of voting rights have been fully consolidated as subsidiaries. These companies have also fiscal years ending on 31 December each year.

There are no subsidiaries excluded from the consolidation process, except as described above in relation to the loss of control of the subsidiary Acceso Panamá.

The main features of the subsidiaries are as follows:

Company	Incorporation Year	Registered Address	Corporate Purpose
Mamvo Performance, S.L.U.	1996	C/ Apolonio Morales 13C 28036 Madrid	Online advertising and direct marketing for the generation of useful contacts.
Marketing Manager Servicios de Marketing, S.L.U.	2005	C/ Apolonio Morales 13C 28036 Madrid	Advice to commercial communication-related companies.
Antevenio S.R.L.	2004	Viale Francesco Restelli 3/7 20124Milano	Advertising and Marketing on the Internet.
Antevenio ESP, S.L.U.	2009	C/ Apolonio Morales 13C 28036 Madrid	Advertising, online advertising and e-commerce operation services through electronic means.
Antevenio France, S.R.L.	2009	62B Rue des Peupliers 92100 Boulogne Billancourt, France.	Advertising and promotional services on the Internet, research, distribution and provision of services in the field of advertising and marketing on the Internet.
Código Barras Networks S.L.	2010	C/ Apolonio Morales 13C 28036 Madrid	Its corporate purpose is the marketing of advertising space in products' search engines, price comparators and contextual windows that the Company implements, manages and maintains on the Internet.
Antevenio Argentina S.R.L.	2010	Esmeralda 1376 piso 2 Ciudad de Buenos Aires Argentina	Commercial brokerage, marketing and advertising services.
Antevenio México, S.A. de CV.	2007	C/ Zacatecas Nº 93, Colonia Roma Norte, Deleg. Cuauhtemoc, C.P.: 06700 - Ciudad de México	Other advertising services.
Antevenio Publicité, S.A.S.U.	2008	62B Rue des Peupliers 92100 Boulogne Billancourt, France.	Advertising and promotional services on the Internet; research, distribution and provision of services in the field of advertising and marketing on the Internet.
Antevenio, Rich & Reach, S.L.U.	2013	C/ Apolonio Morales 13C 28036 Madrid	Internet services, especially in the field of online advertising.
React2Media, L.L.C.	2008	35W 36th St New York	Online marketing services
Foreseen Media, S.L.	2017	C/ Apolonio Morales 13C 28036 Madrid	Marketing sectors and content creation in the eSports and gaming sector
B2Marketplace Ecommerce Consulting Group, S.L	2017	C/ Apolonio Morales 13C 28036 Madrid	Company specialised in optimising and improving the presence of brands, manufacturers and distributors on digital platforms
Rebold Marketing and Communication, S.L.U.	1986	Rambla Catalunya, 123, Entlo. 08008 Barcelona	Provision of Internet access services. Creation, management and development of Internet portals
Acceso Mexico	2014	C/ Zacatecas Nº 93, Colonia Roma Norte, Deleg. Cuauhtemoc, C.P.: 06700 - Ciudad de México	Provision of Internet access services. Creation, management and development of Internet portals
Acceso Colombia, S.A.S	2013	Edificio unión 94, Cra 13## 94 A-26 BOGOTA	Provision of media content monitoring and analysis services
Digilant Colombia	2013	Edificio unión 94, Cra 13## 94 A-26 BOGOTA	Evaluation and negotiation of advertising space and purchase and sale, provision of consultancy, marketing, communication and general advisory services
Digilant, Inc	2009	"170 Milk St FL 4 Boston, MA 02109"	An independent advertising technology company that provides its partners and clients with tools and services to plan, buy, measure and deliver digital media more effectively.

Company	Incorporation Year	Registered Address	Corporate Purpose
Digilant SA de CV	2010	C/ Zacatecas Nº 93, Colonia Roma Norte, Deleg. Cuauhtemoc, C.P.: 06700 - Ciudad de México	Purchase, sale, exchange, marketing and other commercial transactions in respect of all kinds of advertising space
Filipides	2008	C/ Zacatecas Nº 93, Colonia Roma Norte, Deleg. Cuauhtemoc, C.P.: 06700 - Ciudad de México	Selection and recruitment of personnel to fill vacancies in any position and provision of personal items to any third party
Digilant Services	2018	C/ Zacatecas Nº 93, Colonia Roma Norte, Deleg. Cuauhtemoc, C.P.: 06700 - Ciudad de México	Provision of administrative services, personnel administration, consultancy, marketing, communication and advisory services in general.
Digilant Perú	2017	Calle los forestales 573 - residencial Los ingenieros -district of La Molina, province and department of Lima	Evaluation and negotiation of advertising space and purchase and sale, provision of consultancy, marketing, communication and general advisory services
Blue Digital	2011	Av Apoquindo 5950 - 20th floor - Las Condes - Metropolitan Region Santiago de Chile	Advertising, propaganda and marketing
Digilant Chile	2017	General del Canto 50 - of 301 PROVIDENCIA / SANTIAGO	Evaluation and negotiation of advertising space, provision of consultancy, marketing, communication and general advisory services
Rebold Panamá	2020	OBARRIO, AVENIDA SAMUEL LEWIS Y CALLE 53, EDIFICIO OMEGA, 6O PISO, OFICINA NO. 6B-861 PANAMÁ,	Conduct business of any nature, inside or outside the Republic of Panama.
Blue Media Chile	2015	Av Apoquindo 5950 - 20th floor - Las Condes - Metropolitan Region Santiago de Chile	Conduct the study, analysis, strategy, planning of social media, negotiation, intermediation and purchase of spaces and the recommendation to advertisers of the choice of media for the transmission of messages that clients intend to transmit.

NOTE 2. BASIS FOR PRESENTATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

a) Application of International Financial Reporting Standards (IFRS)

These Interim Consolidated Financial Statements have been prepared in a manner consistent with the provisions of the International Financial Reporting Standards, as adopted by the European Union in accordance with Regulation (CE) No. 1606/2002 of the European Parliament and the Council, effective as of 31 December 2016, taking into account all compulsory applicable accounting policies, standards and measurement criteria that have a significant impact. Since 2006 the Company has prepared its Interim Consolidated Financial Statements pursuant to the International Financial Reporting Standards (IFRS); shares of the Company were admitted to trading on the French alternative stock market Euronext Growth in 2007 (see Note 1).

Accounting policies and measurement principles applied by Parent Company's Directors in preparing these Interim Consolidated Financial Statements consolidated are summarized in Note 4. The Directors of the Parent Company are responsible for the information presented in these Interim Consolidated Financial Statements.

In compliance with IFRS, the Interim Consolidated Financial Statements comprise the following Consolidated Statements for the six-month period ending 30 June 2021:

- Consolidated Statement of Financial Position
- Consolidated Profit and Loss Account
- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows.
- Notes to the Interim Consolidated Financial Statements.

During 2020 and the six-month period ending 30 June 2021, the following new and amended accounting standards have come into force; accordingly these standards have been taken into account in the preparation of these Interim Consolidated Financial Statements:

a) Standards and interpretations approved by the European Union, applied for the first time in the 2020 Interim Consolidated Financial Statements, and during the six-month period ended 30 June 2021.

The following accounting policies were used in preparing the interim consolidated financial statements effective for the fiscal year 2020 and the six months ended 30 June 2021:

Standards and amendments to Standards		**IASB effective date**	**EU effective date**
Conceptual framework	Amendments to the references to the conceptual framework of the IFRS standards	1 January 2020	1 January 2020
IAS 1 and IAS 8	Amendments to IAS 1 and 8: Stock definition	1 January 2020	1 January 2020
IFRS 3	Amendments to IFRS 3 Business combinations	1 January 2020	1 January 2020
IFRS 9, IAS 39 y IFRS 7	Amendments in the IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform	1 January 2020	1 January 2020
IFRS 17	Insurance contract	1 January 2021	1 January 2023

With regards to the other standards, interpretations and amendments issued by IASB which are not yet effective, the Directors have assessed the potential impact of the future application of these standards and consider their coming into force will not have a significant effect on the Consolidated Financial Statements.

a. Other standards, amendments and interpretations issued by the IASB pending approval by the European Union:

		IASB effective date	EU effective date
IFRS 3	Amendments to IFRS 3 Business combinations	1 January 2020	Pending
Conceptual framework	Amendments to the references to the conceptual framework of the IFRS standards	1 January 2020	Pending
Amendments to IAS 1	Presentation of Financial Statements: Classification of liabilities as current and non-current	1 January 2023	Pending
Amendments to IAS 37	Onerous contracts - Costs of fulfilling a contract	1 January 2022	Pending
Annual improvements to IFRS	Cycle 2018-2020	1 January 2022	Pending
Amendments to IAS 16	Plant, Property and Equipment: Proceeds before intended use	1 January 2022	Pending

None of these Standards has been earlier applied by the Group. The directors have assessed the potential impact of the future application of these standards and consider their coming into force will not have a significant effect on the consolidated financial statements.

a)COVID19 Impact

In the wake of the health and economic crisis triggered by the global coronavirus pandemic (COVID-19), the following new information and detailed information explained below should be taken into account in relation to the following aspects:

During 2020:

<u>Impact on operations and income statements</u>

The aforementioned health crisis affected the Group's first half net sales by 23% on a consolidated basis, which was mitigated and recovered to a large extent during the second half of the year.

The business began to rebound strongly in the third quarter and accelerated in the fourth quarter, driven mainly by the Digital Media Trading business, and the rebound of Technology and Marketing Services, which now includes monitoring and analytics services, developed within Rebold.

The main trends in 2020 for each business unit are:

- Decline in the Publishing unit (content creation through the Group's four main vertical portals: travel, fashion, learning and health/lifestyle), with a 19% drop in revenues, with a particularly pronounced decline in travel-related portals.

- Decline in the Technology and Marketing Services unit (email marketing, monitoring, analytics, e-commerce and associated services), with a 12% drop in revenues, thus reflecting the resilience of technology-intensive activities in a market in sharp decline.

- Stability of the Digital Media Trading division (media buying and selling activities, programmatic marketing, content marketing and affiliation) with revenues down by 1%, largely due to sound performance in the United States, despite significant exposure to the tourism sector and the underperformance of React2Media activities, which could not relaunch in the context of the crisis triggered by COVID-19.

In the wake of the pandemic, the Group made no significant changes to the risk management strategy described in note 11 herein.

Lease concessions

The Group negotiated rental concessions with its lessors for the majority of its leases as a result of the severe impact of the COVID-19 pandemic during the year. The Group has recognised these concessions in accordance with the treatment described in the February 2021 ICAC consultation "On the accounting treatment of rent reductions agreed in an operating lease of business premises due to extraordinary measures adopted by the Government to address the effects of the COVID-19 health crisis".

In addition, the effect of increased teleworking of staff resulted in the non-use of certain office spaces, leading to termination and savings in rental costs.

As a result of this treatment, the Group recognised a lower expense during the months to reflect the changes in lease payments arising from the rental concessions related to COVID-19.

Government aid

In response to the pandemic triggered by the coronavirus (COVID-19), the Spanish Government approved a series of measures available to the Group, as set out in Royal Decree-Law 9/2020 of 27 March on the suspension of employment contracts.

More specifically, the Group availed itself of one of the measures approved by this rule and, in particular, almost all Group/Company employees were enrolled in the respective furlough programmes (ERTEs) from 1 May to 31 December. This average ERTE resulted in a 20% reduction in working hours, with consequent savings in labour costs. However, the company supplemented the salary of all workers partially from May to October (both inclusive), and supplemented the entire (100%) salary from October to December 2020.

Moreover, article 29 of RoyalDecree-law 8/2020 of 17 March approved a line of State Guarantees of up to €100 billion from the Ministry of Economic Affairs and Digital Transformation to facilitate the maintenance of employment and alleviate the economic effects of the health crisis.

The guarantees would be given to the financing granted by financial institutions to facilitate access to credit and liquidity for businesses and the self-employed to cope with the economic and social impact of the pandemic.

The agreements of the Council of Ministers of 24 March, 10 April, 5 May, 19 May and 16 June 2020 provide for the activation of the tranches of the facility, which are distributed as follows:

- SMEs and freelancers: €67,500 million
- Non-SMEs: €25,000 million
- Tourism sector and related activities: €2.5 billion for the freelancers and SMEs.
- Acquisition or financial or operational leasing of road transport motor vehicles for professional use: €500 million for freelancers and businesses.

This line of State Guarantees for companies and freelancers from the Ministry of Economic Affairs and Digital Transformation is managed by the Instituto de Crédito Oficial (also referred to as "ICO" or the "Official Credit Institute") through the financial institutions that grant financing to companies and freelancers to alleviate the economic effects of the pandemic, helping with liquidity and covering the working capital needs of freelancers, SMEs and companies, in order to maintain productive activity and employment.

Companies can access these guarantees through their financial institutions, through the formalisation of new financing operations or the renewal of existing ones.

The Group secured this financing from the Instituto de Crédito Oficial (Official Credit Institute), guaranteed by the corresponding State guarantees, as follows:

- ICO loans: List of ICO loans obtained with the different financial institutions:

Group	Product	Amount
Rebold	ICO loan	100,000
Rebold	ICO loan	500,000
Rebold	ICO loan	1,000,000
Rebold	ICO loan	2,000,000
Rebold	ICO loan	2,000,000
Antevenio	ICO loan	500,000
Antevenio	ICO loan	750,000

- ICO credit lines: List of ICO credit policies obtained with the different financial institutions:

Group	Product	Amount
Rebold	Policy	300,000
Rebold	ICO Policy	150,000
Rebold	ICO Policy	300,000
Rebold	ICO Policy	150,000
Rebold	ICO Policy	500,000
Antevenio	ICO Policy	500,000

· Paycheck Protection Program ("PPP") loan

> The companies Digilant INC and Reat2Media received loans from Congressional Bank amounting to €1.226 and €247 thousand respectively under the Paycheck Protection Programme (PPP), established by the Coronavirus Relief, Assistance and Economic Security Act.

In light of these Group-wide measures, the directors of the Parent Company has concluded that there are no material uncertainties that may cast doubt on its ability to continue with its operations as a going concern.

During the first six months of 2021:

On a pro forma basis, the first half of 2021 is characterised by a rapid recovery in sales, achieving a 30% increase in sales compared to the same period in 2020.

The main trends in 2021 for each business unit are:

- Increase in the Publishing unit (content creation through the Group's four main vertical portals: travel, fashion, learning and health/lifestyle), with a 15%.

- Growth in the Technology and Marketing Services unit (e-mail marketing, monitoring, analytics, e-commerce and associated services), with revenues up 8%, reflecting the resilience of technology-intensive activities in a market in sharp decline.

- High growth in the Digital Media Trading division (media buying and selling activities, programmatic marketing, content marketing and affiliate marketing) with a 40% increase in revenues.

In the wake of the pandemic, the Group made no significant changes to the risk management strategy described in note 11 herein.

There were also no changes in lease contracts or aid received in relation to COVID-19.

With regard to the Temporary Layoff Plan (ERTE) temporarily implemented in 2020, the company has implemented no temporary reduction in working hours so far in 2021 owing to good business performance in this period.

Regarding government loans (ICO), the company requested an extended grace period on most of the ICO loans, which were granted, thus extending their repayment over the time horizon foreseen in the granting of these loans, and has not carried out any request to reduce the financial liabilities linked to the ICO.

b) <u>Fair presentation</u>

The accompanying Interim Consolidated Financial Statements for the six-month period ended 30 June 2021 have been prepared from the accounting records of the companies included in the

Group and are presented in accordance with the provisions of the International Financial Reporting Standards and the applicable Spanish accounting legislation, in order to show a true and fair view of the equity, financial position, results, changes in equity and cash flows of the Group occurred during the six-month period ended 30 June 2021.

c) <u>Critical issues regarding the measurement and estimation of uncertainties</u>

In the preparation of the accompanying Interim Consolidated Financial Statements according to IFRS, the Directors of the Parent Company have used accounting estimates and assumptions to measure certain of the assets, liabilities, income, expenses and commitments obligations therein disclosed. Accounting estimates and assumptions having a more significant impact on these Interim Consolidated Financial Statements have been separately addressed in different sections of this document:

- The useful life of property, plant and equipment and intangible assets (Notes 4f and 4g). Determining useful life requires making estimates in connection with future technological developments and alternative uses for assets. There is a significant element of judgment involved in making technological development assumptions, since the timing and scope of future technological advances are difficult to predict.

- The assessment of eventual impairment losses on goodwill (notes 4h and 4i). The decision to recognize an impairment loss involves developing estimates that include, among others, an analysis of the causes of the potential impairment, as well as its timing and expected amount. On an annual basis the Group assesses its relevant cash-generating units' performance to identify potential impairments; these assessments are based on risk-adjusted future cash flows discounted at the appropriate interest rates. Key assumptions used are disclosed in Note 5. The assumptions relating to risk-adjusted future cash flows and discount rates are based on business estimates and, accordingly, are inherently subjective in nature. Future events may lead to changes in the estimates made by Directors, with the resulting adverse impact on the Group's future results. Insofar as it has been deemed material, a sensitivity analysis of the impact of changes in the assumptions used and of the impact on the recoverable value of the relevant cash generating unit (CGU) has been disclosed.

- The fair value of certain financial instruments and their eventual impairment (note 4k and 4w).

- The calculation of provisions, as well as the likelihood of occurrence and the amount of indeterminate or contingent liabilities (note 4o).

- Forecasts of future taxable profits that make the recovery of deferred tax assets likely (note 4m). The Group assesses the recoverability of deferred tax assets based on estimates of future earnings of the tax group. Such recoverability ultimately depends on the tax group's ability to generate taxable earnings over the period for which the deferred tax assets remain deductible. Future events may lead to changes in the estimates made by Directors, with the resulting adverse impact on the Group's future taxable profit. This analysis is based on the estimated schedule for reversing deferred tax liabilities.

- Determination of fair value at acquisition date of assets, liabilities and contingent liabilities acquired in business combinations (Note 4u).

- The measurement of the estimation for expected credit losses due to trade and other receiveables and assets of the contract: key cases for determining the weighted average loss ratio;

These estimates were made based on the best information available at the date of preparation of these Interim Consolidated Financial Statements, on past experience and on other various factors that were then considered material. However, the actual final results may differ from those estimates. Any future event not known at the date of preparation of these estimates could result in changes (upwards or downwards), which would, when appropriate, applied prospectively.

The outbreak of the COVID-19 pandemic and measures taken by the world’s governments to mitigate the spread of the pandemic have significantly affected the Group. These measures made it necessary for the directors of the Parent Company to factor this impact into all the estimates identified above on the basis of the most likely scenario that the Group will face in the short term in the future.

The Group has concluded that there are no material uncertainties that may cast doubt on its ability to continue with its operations as a going concern.

d) <u>Classification of current and non-current items</u>

For the classification of the current items, a maximum period of one year from the date of the accompanying Interim Consolidated Financial Statements has been applied.

e) <u>Correction of errors</u>

No corrections of errors during the six-month period ending on 30 June 2021 were made.

f) <u>Comparative information</u>

The Interim Consolidated Financial Statements for the six-month period ended 30 June 2021 include, for comparison purposes, the figures for the six-month period ended 30 June 2020 and the figures for 2020 included in the Consolidated Financial Statements approved by the Company’s General Meeting of Shareholders, held on 16 June 2021, that have also been prepared in accordance with the provisions of the International Financial Reporting Standards, as adopted by the European Union. Accordingly, the accounts from prior periods are comparable and homogeneous; the accounts for the year ended 31 December 2020 are not comparable as they refer to a 12-month period.

NOTE 3. EARNINGS / LOSS PER SHARE

Basic earnings/loss per share

Basic earnings/loss per share is calculated by dividing the consolidated profit/loss attributable to the Parent Company by the weighted average number of shares outstanding during the financial year, excluding the average number of treasury shares held during the period.

Diluted earnings/loss per share

Diluted earnings/loss per share is calculated similarly to the basic profit/loss per share, but the weighted average number of shares outstanding is increased with stock options, warrants and convertible bonds.

Calculation of earnings/loss per share is shown below:

	30/06/2020	31/12/2020	30/06/2021
Net profit/(loss) for the year	(5,127,214)	(3,930,458)	1,189,252
Weighted average number of outstanding shares	4,192,495	14,891,262	14,891,262
Basic earnings per weighted average number of shares	**(1.22)**	**(0.26)**	**0.08**

During the presented periods, the Group did not execute any transaction causing dilution; accordingly, basic earnings/loss per share matches diluted earnings/loss per share.

The Annual General Meeting held on 16 June 2021 approved the following distribution of profit made as of 31 December 2020 by the Parent Company:

Basis of distribution	
Profit and loss (loss)	(5,172,390)
Total	(5,172,390)
Application	
Prior period's losses	(5,172,390)
Total	**(5,172,390)**

Distribution of dividends:

No dividends were distributed to companies outside the scope of consolidation during fiscal year 2020 and 2021.

Royal Decree-Law 18/2020 of 12 May, on social measures in defence of employment, includes a limitation on the distribution of dividends of companies that apply a Temporary Layoff Plan (ERTE). Article 5.2 states that trading companies or other legal entities that avail themselves of the temporary redundancy plans regulated in Article 1 of the Royal Decree-Law and use the public resources allocated to them may not distribute dividends corresponding to the fiscal year in which these temporary redundancy plans are applied, unless they previously pay the amount corresponding to the exemption applied to social security contributions.

In addition, the Resolution of 6 May 2020, published in the Official State Gazette of 9 May 2020, of the Secretary of State for the Economy and Business Support, which publishes the Agreement of the Council of Ministers of 5 May 2020, establishing the terms and conditions of the third tranche of the line of guarantees for loans granted to companies and freelancers, promissory notes included in the Alternative Fixed Income Market (MARF) and guarantees granted by the Compañía Española de Reafianzamiento, SME, Sociedad Anónima (CERSA), and limits are authorised to acquire expenditure commitments charged to future fiscal years in application of the provisions of article 47 of the General Budgetary Law 47/2003, of 26 November, which establishes that "the financing obtained must be used to meet the liquidity needs derived, among others, from the management of invoices, payment of payrolls and suppliers, the need for working capital and maturities of financial or tax obligations. *Therefore, by way of example, State-guaranteed financing may under no circumstances be used for the payment of dividends or interim dividends".*

In 2020, the Group benefited from some relief as a consequence of the COVID-19 pandemic (refer to note 2): ERTEs where social security contributions have not been waived but ICO loans have been applied for.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied by the Group in the preparation of the Interim Consolidated Financial Statements for the six-month period ended 30 June 2021 were as follows:

a) Consolidation methods

These Interim Consolidated Financial Statements include the Parent Company and all the subsidiaries over which the Group has control. Subsidiaries are those companies over which the Parent Company or any of its subsidiaries have control. Control is established by:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor’s returns.

Subsidiaries are consolidated even if acquired for disposal.

Any balances, transactions, and gains and losses realized between Group companies included within the Group’s continuing operations are subsequently eliminated in the consolidation process. Transactions between continuing and discontinuing operations expected to continue after disposal are not eliminated from continuing operations in order to present continuing operations consistently with the commercial operations they carry out.

Associates, companies over which the Group has a significant influence but over which it has no control, and jointly-controlled entities ("joint ventures"), where companies are entitled to the joint arrangement's net assets, have been consolidated using the equity method, except when these investments are eligible to be classified as held-for-sale. Any gains or losses resulting from transactions between Group companies and associates or jointly-controlled entities have been eliminated in proportion to the Group's interests in those companies. When the Group's share in the losses of a company consolidated using the equity method exceeds the amount of the Group investment, the Group recognizes a provision for its share of losses in excess of the investment. The value of the investment in any investee consolidated using the equity method is equal to the carrying amount of the equity investment and any other non-current interest that form an essential part of the net investment in the investee.

When control over a subsidiary is lost as a result of a transaction, event or any other circumstance, the Group derecognizes all the assets, liabilities and non-controlling interests at their carrying amount and recognizes the fair value of consideration received. Retained interests in the former subsidiary are recognized at fair value as at the date when control over it was lost. Any resulting difference is recognized as a gain or loss under "Other Income (Expense)" in the Statement of Comprehensive Income.

The financial statements of subsidiaries, associates and jointly-controlled entities are referred to the reporting period ended on the same date of the Parent Company's separate interim financial statements, and have been prepared applying consistent accounting policies (EU-IFRS).

Loss of control (IFRS 10)

A parent company may lose control of a subsidiary in two or more agreements (transactions). However, sometimes circumstances indicate that multiple agreements should be accounted for as a single transaction. In determining whether to account for the arrangements as a single transaction, a parent shall consider all of the terms and conditions of the arrangements and their economic effects. The presence of at least one of the following factors indicates that a parent should account for multiple arrangements as a single transaction:

(a) They are entered into at the same time or in contemplation of each other.
(b) They form a single transaction designed to achieve an overall commercial effect.
(c) The occurrence of one arrangement is dependent on the occurrence of at least one other arrangement.
(d) One arrangement considered on its own is not economically justified, but it is economically justified when considered together with other arrangements.

If a parent loses control of a subsidiary, it shall:

a) Derecognise:

-the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost; and

- the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them).

b) Recognise:

- the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control
- if the transaction, event or circumstances that resulted in the loss of control involves a distribution of shares of the subsidiary to owners in their capacity as owners, that distribution; and
- any investment retained in the former subsidiary at its fair value at the date when control is lost.

c) Reclassify to profit or loss, or transfer directly to retained earnings if required by other IFRSs, the amounts recognised in other comprehensive income in relation to the subsidiary.

d) Recognise any resulting difference as a gain or loss in profit or loss attributable to the parent.

If a parent loses control of a subsidiary, the parent shall account for all amounts previously recognised in other comprehensive income in relation to that subsidiary on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the parent shall reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses control of the subsidiary. If a revaluation surplus previously recognised in other comprehensive income would be transferred directly to retained earnings on the disposal of the asset, the parent shall transfer the revaluation surplus directly to retained earnings when it loses control of the subsidiary.

In fiscal year 2020, the directors of the Parent Company have considered that, due to certain events during the fiscal year, there is a loss of control of the company Acceso Panamá. The impact of this loss of control amounted to €426,896, which is reflected in the Consolidated Income Statement under the heading "Impairment and gains(losses) on loss of significant influence over equity investments".

b) Uniformity of line items

The different line items in the separate financial statements of each Group company have been subject to the appropriate measurement uniformity by adapting the criteria used to those used by the Parent Company (Antevenio, S.A.) for its own financial statements, provided they involve a significant effect.

For subsidiaries that were included in the consolidated Antevenio Group for the previous fiscal year, no unification of timing was required as all the companies included in the attached Consolidated Financial Statements have their year end date on 31 December of each fiscal year.

However, it should be noted that, as mentioned in note 1.2 to the consolidated financial statements, the subsidiaries included in the Rebold subgroup in the current fiscal year were included since the date of the parent company capital increase described in that note, so it should be noted that the consolidated income statement only includes the transactions carried out by all these subsidiaries.

c) First consolidation difference

The first consolidation difference was calculated as the difference between the carrying amount of the investment in the subsidiaries and the value of the proportional share of the investees' consolidated equity on the date of first consolidation.

In the case of a positive consolidation difference, corresponding to the excess of the cost of the investment and the attributable carrying amount of the investee at the date of joining the Group, the difference is allocated directly, to the extent possible, to assets of the subsidiary without exceeding the market value thereof. When the difference cannot be allocated to assets, it is considered as consolidation goodwill that shall be annually subject to the relevant impairment test (see Note 4i).

Negative consolidation differences are recognized in the Consolidated Profit and Loss Account, and relate to the negative difference between the carrying amount of the parent Company's direct investment in the capital of the subsidiary and the value of the proportional share in the investee's equity attributable to the investment on the date of initial consolidation.

d) Translation differences

In the Consolidated Statement of Financial Position and in the Consolidated Profit and Loss Account, items relating to consolidated companies whose functional currency is not the Euro have been translated to Euro using the following criteria:

- Assets, liabilities, income and expenses (excluding equity): at the exchange rate at the end of each year

- Items in the Consolidated Profit and Loss Account: at the average exchange rate of the financial year.

- Equity at the historical exchange rate.

The differences resulting from the application of different exchange rates, in accordance with criteria above, are recognized under the "Translation Differences" in the Consolidated Statement of Financial Position.

<u>Hyperinflationary economies</u>:

Pursuant to the provisions of International Accounting Standard (IAS) 21, the results and financial position of an entity whose functional currency is the currency of a hyperinflationary economy shall be translated into a different presentation currency using the following procedures:

(a) all amounts (i.e. assets, liabilities, equity items, income and expenses, including comparatives) shall be translated at the closing rate at the date of the most recent statement of financial position; except that

(b) when amounts are translated into the currency of a non-hyperinflationary economy, comparative amounts shall be those that were presented as current year amounts in the relevant prior year financial statements (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

When an entity's functional currency is the currency of a hyperinflationary economy, the entity shall restate its financial statements in accordance with the translation method set out in the foregoing paragraphs, except for comparative amounts that are translated into a currency of a non-hyperinflationary economy. When the economy ceases to be hyperinflationary and the entity no longer restates its financial statements, it shall use as the historical costs for translation into the presentation currency the amounts restated to the price level at the date the entity ceased restating its financial statements. The Group has concluded that application of this model to the Group company based in Argentina is not relevant; accordingly, the comparative figures for the annual period ended 31 December 2020 have been restated and the six-month period ending 30 June 2021.

e) Transactions between companies included in the consolidation perimeter

As prior step to preparation of the Interim Consolidated Financial Statements, the Directors have proceeded to eliminate all balances and transactions between Group companies, as well as any gains or losses obtained or incurred in by such companies as a result of the aforementioned transactions.

Transactions between Rebold subgroup subsidiaries and Antevenio group companies from 1 January 2020 to 31 August 2020 were not eliminated, since they were not part of the consolidated group until the date described in note 1.2.

f) Intangible assets

In general, intangible assets are always recognized when they comply with the identifiability criterion and are initially measured at their acquisition or production cost, less accumulated amortization and, where appropriate, impairment losses. In particular, the following criteria are applicable:

Industrial property

Industrial property relates to capitalized development costs for which the relevant patents, etc. have been obtained, and includes the costs of registration and formalization of industrial property and those of acquisition of the rights from third parties. Industrial property is amortized on a straight-line basis throughout its useful life, at an annual rate of 20%.

Computer software

The licenses for computer software acquired from third parties or internally developed computer software are recognized as intangible assets on the basis of the costs incurred in acquiring or developing them, and preparing them for use.

Computer software is amortized on a straight-line basis throughout its useful life, at an annual rate of 25%.

Any maintenance costs relating to computer applications incurred into during the year are recognized in the Consolidated Profit and Loss Account.

g) Property, plant and equipment

Property, plant and equipment is recognized at acquisition or production cost and less any accumulated depreciation and, where appropriate, impairment losses.

Indirect taxes on property, plant and equipment are included in the acquisition price or production cost only when they are not directly recoverable from Tax Authorities.

The costs of expansion, modernization or improvements leading to increased productivity, capacity or efficiency, or to an extension of the useful lives of the assets are recognized as an increased cost thereof. Upkeep and maintenance expenses are charged to the Consolidated Profit and Loss Account for the relevant year.

The Group depreciates property, plant and equipment on a straight-line basis. The useful life and depreciation rates applied are as follows:

	Annual Percentage	Estimated Years of Useful Life
Other installations	20	5
Furniture	10	10
Computer Hardware	18	5.71
Motor vehicles	25	4
Machinery	20	5
Other property, plant and equipment	20-10	5-10

Investments made by the Group in leased premises, which are not separable from the leased asset, are amortized over their useful life which corresponds to the lesser of the duration of the lease, including renewal period when there is evidence to support that it will occur, and the economic life of the asset.

h) Goodwill

Goodwill may only be recognized as an asset when it arises from an onerous acquisition in a business combination.

Goodwill is allocated between all the company’s cash-generating units that are expected to benefit from the synergies of the business combination and, where appropriate, an impairment is recognized (see Note 4 i).

Subsequent to initial recognition thereof goodwill is measured at purchase price less any accumulated amortization and, where appropriate, the accumulated amount of any recognized impairment.

Goodwill is amortized on a straight-line basis over a period of ten years. Useful life shall be separately determined for each cash generating unit to which goodwill has been allocated.

The Company shall assess at least at the end of each reporting period whether there is any indication that any cash-generating units to which goodwill had been allocated may be impaired, and, where any such indication exists, the Company shall verify the eventual impairment thereof pursuant to Note 4i). Impairment recognized for goodwill is not reversed in subsequent reporting periods.

i) Impairment of intangible assets; property, plant and equipment, and consolidation goodwill.

An impairment loss in the value of intangible assets or property, plant and equipment occurs when their carrying amount exceed their recoverable value, the latest understood as the higher of its fair value less costs to sell and its value in use. For the calculation of the recoverable value of property, plant and equipment and intangible assets, the value in use is the criterion used by the Group.

To these purposes, at least at year end, the Group assesses, using the so-called "impairment test", whether there is evidence that any intangible assets or property, plant and equipment with indefinite useful life, or, where applicable, any cash-generating unit may be impaired; if so the Company proceeds to estimate the recoverable amount thereof applying the corresponding value adjustments. A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash flows that are largely independent of those derived from other assets or groups of assets.

The impairment of property, plant and equipment is calculated individually. However, when the recoverable amount of each individual asset cannot be determined, the Company proceeds to establish the recoverable amount of the cash-generating unit to which the relevant asset is associated.

The procedure implemented by the Group management for determining the impairment is as follows:

For estimating value in use, the Group management annually prepares a business plan by markets and activities for each cash-generating unit, these business plans typically extend over a five-year period. The main components of this plan are the projections of income and cash flows.

Other variables that influence the calculation of the recoverable amount are:

- The discount rate to apply, estimated at 10.6%, depending on the geographic area, being the main variables that influence its calculation, the cost of the liabilities and the specific risks of the assets.

- The growth rate of approximately 2% for the cash flows used were established based on each company and each geographic market.

The projections are prepared based on past experience as well as the best available estimates, which are consistent with the information from external sources.

The five-year strategic plan for the Group companies is approved by the Directors of the Parent Company.

At the close of the fiscal year ending 31 December 2020, as described in note 5, the goodwill associated with the cash-generating unit React2Media, L.L.C. was impaired as this company is expected to be liquidated in the second half of fiscal year 2021 and the goodwill associated with Antevenio Publicité, S.A.S.U. was impaired as the future forecasts of this company's results have changed.

Should the company need to recognize an impairment loss for a cash-generating unit to which all or part of goodwill has been allocated, it shall first reduce the carrying amount of the goodwill associated with that unit. If impairment exceeds the amount of goodwill, the company shall then reduce the remaining assets in the cash-generating unit on a pro rata basis based on their carrying amounts. The carrying amount of each asset may not be reduced below the higher of its fair value less costs to sell, its value in use or zero. Impairment losses shall be recognized in the income statement as an expense.

When an impairment loss is subsequently reversed (a circumstance that is not permitted in the specific case of goodwill), the carrying amount of the relevant asset or cash-generating unit is increased to the revised estimate of its recoverable value, insofar as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or the cash-generating unit in prior years. A reversal of an impairment loss is recognized as income in the Consolidated Profit and Loss Account.

j) Leases and other transactions of similar nature

<u>The Group as lessee</u>

For any new contract entered into as of 1 January 2019, the Group considers whether a contract is or contains a lease. A lease is defined as “a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.” To apply this definition, the Group assesses whether the contract satisfies three key evaluations, namely:

• the contract contains an identified asset that is either explicitly identified in the contract or implicitly specified by being identified at the time that the asset is made available to the Group.

• the Group has a right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, considering its rights within the scope defined in the contract.

• the Group has the right to direct the use of the identified asset throughout the period of use. The Group will assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Valuation and recognition of leases as lessee

On the lease start date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is valued at cost, consisting of the initial acquisition value of the lease liability, initial direct costs incurred by the Group, an estimate of the costs of dismantling and disposal of the asset at the end of the lease, and payments made prior to the commencement date (net of any incentive received).

The Group amortises right-of-use assets from the lease start date to the end of the useful life of the right-of-use asset or the end of the lease term, the first of the two cases. The Group also evaluates impairment on the right-of-use asset when such indicators exist.

On the start date, the Group measures the liability by the current value of the instalments pending payment on that date, discounted using the interest rate implicit in the lease contract whenever that rate is easily available, or the Group's incremental borrowing rate.

The instalments included in the valuation of the lease liability comprise fixed instalments (including in-substance fixed payments), variable instalments based on an index or interest rate, expected amounts, etc., to be paid by virtue of a residual value guarantee, and payments derived from options whose exercise is reasonably safe.

Subsequent to the initial measurement, the liability will be reduced for payments made but increased for interest. It is remeasured to reflect any re-evaluation or modification, or if there are changes to in-substance fixed payments.

When revaluing the lease liability, the corresponding adjustment is reflected in the right-of-use asset or in the profit/loss for the year if the right-of-use asset has already been reduced to zero.

The Group has opted to account for short-term leases and leases on low-value assets using practical expedients. Instead of recognising a right-of-use asset and a finance lease liability, their related payments are recognised as an expense in the profit/loss for the year linearly throughout the lease term.

In the statement of financial position, right-of-use assets have been included under property, plant and equipment and lease liabilities have been included under trade and other payables.

At 30 June 2021, the impact from the application of this standard has led to recognition of the following:

- A right-of-use asset for a gross amount of 1,940,072 euro, 1,347,775 in 2020, (recognized under "Property, plant and equipment" in the consolidated statement of financial position).

-A liability for future payment obligations amounting to €1,468,044 (€1,050,567 in 2020):

- For the long-term tranche, an amount of €952,646 (€586,910 in 2020) was recognised under the non-current liabilities item "Provisions".

- For the short-term tranche: an amount of €515,391 (€463,657 in 2020) was recognised under the current liabilities item "Other current liabilities".

-An amortisation charge of €273,018 (€490,087 in 2020) for this right-of-use asset under "Provisions for amortisation and depreciation of fixed assets" in the consolidated income statement.

-A financial expense relating to liability updates, amounting to €11,510 (€14,743 in 2020), under "Financial expenses with third parties" in the consolidated profits account.

Those future minimum lease payment commitments relate to leases held by the following Group companies. Below is a breakdown of the contractually agreed mandatory expiry year:

-Antevenio Publicité, S.A.S.U. (2026): rent cancelled in 2020
-Antevenio S.R.L.(2023)
-Antevenio México, S.A. de CV (2022): rent cancelled in 2021
-React2Media, L.L.C.(2020)
-Antevenio, S.A.(2025)
-Rebold Marketing and Communication, S.L.U. Madrid and Barcelona (2025 and 2022 respectively).
-Digilant Chile (2023)
-Digilant INC (2025)

<u>The Group as lessor</u>

The Group's accounting policy under IFRS 16 has not changed with respect to the comparative period. As lessor, the Group classifies its leases as operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset but as an operating lease if it does not.

k) Financial Instruments

k.1) Recognition and derecognition

The Group recognizes financial assets and liabilities when the Group becomes party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when both the financial asset and substantially all the risks and rewards of ownership have been transferred. Financial liabilities are derecognized when they are extinguished, i.e. when the contractual obligation is discharged, cancelled or expires.

k.2) Classification and initial measurement of financial assets

Except for trade receivables that not contain a significant financing component and that are measured at transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than designated and effective hedging instruments, are classified as either:

-At amortized cost.
-At fair value through profit or loss (FVTPL).
-At fair value through other comprehensive income (FVOCI).

In the reporting periods presented, the Group has no financial asset classified as FVOCI.

Financial assets are classified on the basis of both:

-The entity's business model for managing the financial asset.
-The contractual cash flow characteristics of the financial asset.

Except for the impairment on trade receivables that is presented under “Other expenses”, all income and expense relating to financial assets are recognized in profit or loss for the period as either finance expense, finance income or other finance items.

k.3) Subsequent measurement of financial assets

Financial assets at amortized cost
Financial assets (not designated at FVTPL) are measured at cost if both the following two conditions are met:

-The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

-The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, assets are measured at amortized cost, applying the effective interest method. Financial assets are not discounted when the effect of discounting them is immaterial. Cash and cash equivalents, trade receivables and most Group receivables are included in this category of financial instruments, together with listed bonds that were previously classified as held to maturity in accordance with IAS 39.

k.4) Impairment of financial assets

IFRS 9 impairment requirements include using additional prospective information for recognition of expected credit losses — the expected credit loss (ECL) approach. This approach replaces the “incurred loss model” of IAS 39. Instruments included within the scope of the new requirements include loans and other debt financial assets measured at amortized cost and at FVOCI; trade receivables; contract assets recognized and measured in accordance with IFRS 15, as well as loan commitments and certain financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss. Recognition of credit losses no longer depends on the Group having first identified a credit loss event. Instead, the Group considers a wider range of information when assessing credit risk and when measuring expected credit losses; this information includes past events, current conditions and reasonable and supporting forecasts affecting the expected collectability of the instrument future cash flows.

When applying this prospective approach, a distinction is made between:

-Financial instruments whose credit risk has not increased significantly since initial recognition or determined to have a low credit risk ("stage one"); and

-Financial instruments whose credit risk has increased significantly since initial recognition or not having a low credit risk ("stage two").

Stage 3 will cover any financial assets when at presentation date there is objective evidence of the asset being credit-impaired.

An allowance equal to "12-month expected credit losses" is recognized for the first category, while an allowance equal to "lifetime expected credit losses" is recognized for the second category. "Credit losses" are recognized for the second category.

Expected credit losses are measured using a probability-weighted estimate of the financial instrument's lifetime expected credit losses.

Trade and other receivables and contract assets

The Group applies a simplified approach in accounting for trade and other receivables and contract assets, and recognizes a loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected deficits in contractual cash flows, taking into account potential default at any time during the life of the financial instrument. For measurement thereof, the Group uses its past experience, external indicators and prospective information to calculate expected credit losses using a provision matrix.

The Group assesses the impairment of trade receivables on a collective basis, given that trade receivables share credit risk characteristics and have been grouped by the number of past-due days.

k.5) Classification and measurement of financial liabilities

Since accounting for financial liabilities under IFRS 9 is substantially similar to IAS 39, the Group's financial liabilities have not been affected by the adoption of IFRS 9. However, the accounting policy is disclosed below for the sake of completeness.

The Group's financial liabilities include financial debt and trade and other payables.

Financial liabilities are initially measured at fair value and, where appropriate, are adjusted for transaction cost, unless the Group had designated the financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost applying the effective interest method, except for derivatives and financial liabilities designated at FVTPL that are subsequently measured at fair value and any gains or losses thereon are recognized in profit or loss.

Any expense relating to interest and, where appropriate, to fair value changes of financial instruments reported in profit or loss are presented under either finance expense or finance income.

l) Foreign Currency

Line items included in the interim consolidated financial statements of each Group company are measured in their respective functional currencies. The Interim Consolidated Financial Statements are presented in Euro, which is the functional and presentation currency of the Parent Company.

The companies included in the Group recognize in their individual financial statements:

- Transactions in currencies other than the functional currency executed during the year at the exchange rates prevailing at the dates of the transaction.

- The balance of monetary assets and liabilities in currencies other than the functional currency (cash and items not losing value on realization) are measured at the exchange rates at year-end.

- The balances of non-monetary assets and liabilities in currencies other than the functional currency are measured at the historical rates.

Any gains and losses from these line items are included in the Consolidated Profit and Loss Account.

m) Income Tax

Group companies with registered address in Spain paid in 2016 taxes under the Special Consolidated Tax Regime within the Group led by the Parent Company.

The Board of Directors informed, at the meeting held on 30 December 2016, that the company Inversiones y Servicios Publicitarios, S.L. ("ISP") owns a 83.09% interest in the share capital of Antevenio (see Note 12) and that, pursuant to the provisions of Article 61.3 of Law 27/2014, of 27 November, on Corporate Income Tax and having regard to the fact that Antevenio S.A. no longer was the parent company of taxation group 0212/2013 sin ISP had acquired an interest exceeding 75% of the share capital and voting rights in Antevenio, the Board approve including the any eligible Antevenio Group company, effective from the taxation period beginning of 1 January 2017, as a subsidiary of taxation group 265/10, whose parent company is ISP.

Income tax expense for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to the taxable base for the year, net of any deductions and tax reliefs, and net of any changes registered during the year in deferred tax assets and liabilities. Income Tax is recognized in the Consolidated Profit and Loss Account, except when it relates to transactions directly recognized in Equity, in which case the related tax is also recognized in Equity.

Deferred taxes are recognized for any temporary differences existing at the date of the Consolidated Statement of Financial Position between the tax bases of assets and liabilities and their carrying amounts. The tax base of an asset, liability or equity instrument is the amount attributed to that item for tax purposes. The tax effect of temporary differences is included under the appropriate headings of "Deferred tax assets" and "Deferred tax liabilities" in the Consolidated Statement of Financial Position.

The Group recognizes a deferred tax liability for all taxable temporary differences, except, where appropriate, for the exceptions provided in the existing regulations.

The Group recognizes deferred tax assets for all deductible temporary differences to the extent that it is probable that the Company will have future taxable profits that allow the recovery of these assets, except, where appropriate, for the exceptions provided in the existing regulations.

At each balance sheet date, the Group assesses any recognized deferred tax assets and any previously unrecognized deferred tax assets. On the basis of this assessment, the Company proceeds to derecognize previously recognized deferred tax asset when recovery is no longer probable, or proceeds to recognize a previously unrecognized deferred tax asset if it is probable that the Company will have future taxable profits to enable its application.

Assets and deferred tax liabilities are measured at the rates expected to prevail upon their reversal, based on tax legislation in force and in accordance with the manner in which the assets are reasonably expected to be recovered or and liabilities settled.

Deferred tax assets and liabilities are not discounted and classified as non-current assets and liabilities, regardless of the date of realization or settlement.

Since the Consolidated group is member of a taxation group, the resulting payable/receivable amounts for Corporate Income Tax will not be directly settled with Public Entities, but will rather be settled with the parent company of the taxation group in which the Company is included.

n) Revenue and expenses

IFRS 15 establishes that the Group shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized when the customer obtains control of the goods or services.

Based on the new criteria, a five step model shall be applied for recognition of revenue in order to determine the timing of recognition and the amount of revenue to be recognized:

•Step 1: Identify the contract
•Step 2: Identify the separate performance obligations in the contract
•Step 3: Determine the transaction price
•Step 4: Allocate the transaction price to the separate performance obligations
•Step 5: Recognize revenue when the entity satisfies a performance obligation

In this model, it is specified that the income must be recognized when (or insofar as) an entity transmits control of the assets or services to a client, and in the amount that the entity wishes to have the right to receive. Depending on whether certain criteria are met, the income is recognized either throughout a period of time, in such a way that shows the entity's undertaking of the contractual obligation; or at a specific time, when the client obtains control over the assets or services.

Total transaction price is distributed among performance obligations on the basis of their respective stand-alone selling prices. The transaction price of a contract excludes any amounts collected on behalf of third parties.

Revenue is recognized at a given time or over time, when (or as) the Company satisfies the performance obligations by transferring the promised goods or services to its customers.

The Group recognizes contract liabilities for any unsatisfied performance obligations and presents the amount thereof as "Other liabilities" in the statement of financial position. Similarly, if the Group satisfies a performance obligation before having received the relevant consideration, the Group recognizes either a contract asset or, when the right to receive the consideration is conditioned on something other than the passage of time, a receivable in the statement of financial position.

IFRS 15 requires the recognition of an asset for incremental costs incurred to obtain contracts with customers that are expected to be recovered and amortised systematically in the Consolidated Income Statement to the same extent as the related revenue is recognised. There is no significant impact arising from the application of the new regulation.

Operating expenses are recognised in profit or loss for the fiscal year when the service is used or incurred.

The Antevenio Group is primarily engaged in Digital Media Trading, more specifically in performance and brand marketing. The Group has identified the performance obligations of this core activity, namely achieving customer-specified KPIs, which can be measured in terms of leads, clicks, views, etc. in the various media used. The Group sets the price of these obligations when it defines the contractual characteristics of each contract with each specific customer, allocating the price to the performance obligations described above. The Group also recognises revenue on each contract when these performance obligations are fulfilled and it secures the customer's acceptance. Moreover the credit that the Group confers to its customers is based on the specific characteristics and creditworthiness of the customer.

o) Provisions and contingencies

The directors of the Parent Company, in the preparation of the Interim Consolidated Financial Statements, distinguish between:

n.1) Provisions: liabilities that cover present obligations arising from past events, whose future settlement is likely to result in an outflow of resources, for which the amount and settlement date are uncertain.

n.2) Contingent liabilities: possible obligations that arise from past events and whose existence is contingent upon the occurrence or non-occurrence of one or several future events beyond the control of the Company.

The Interim Consolidated Financial Statements include all the provisions for which the probability of having to meet the obligation is estimated as greater than the opposite alternative, and they are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party. Contingent liabilities are not recognized in the Interim Consolidated Financial Statements but are disclosed in the notes.

Provisions are measured on the balance sheet date at the present value of the best estimate of the amount required to settle or transfer the obligation to a third party; any adjustments made to update these provisions shall be recognized as a financial expense as it accrues. Provisions expiring within one year shall not be discounted where the financial effect is not material.

Reimbursements receivable from a third party on settlement of the obligation shall not reduce the amount of debt; the company shall nonetheless recognize the related receivable as an asset, provided that there is no doubt as to its collection.

p) Deferred Income

Non-refundable capital grants, as well as donations and bequests, are measured at the fair value of the amount awarded or the item received. Non-refundable capital grants, donations and bequest are initially accounted for as liabilities under "Deferred income" in the Consolidated Statement of Financial Position and recognized in the Consolidated Profit and Loss Account proportionally to the depreciation of the assets financed by these grants, except in the case of non-depreciable assets that shall be recognized as income the year when their disposal or derecognition occurs.

Refundable grants are accounted for as either current or non-current liabilities (considering the term of repayment) convertible into grants until they meet the criteria for classification as non-refundable.

Operating grants are accounted for as income on an accrual basis.

q) Assets of environmental nature

Because of its activity, the Group has no significant assets of property, plant and equipment, intended to minimize environmental impact and, protecting and improving the environment and, has not received grants nor incurred in expenses during the year whose purpose is to protect and improve the environment. Furthermore, the Group has not made provisions for risks and expenses related to environmental actions, considering that there are no contingencies related to the protection and improvement of the environment.

r) Transactions between related parties

Transactions between related parties, irrespective of the type of relationship, are accounted for in accordance with the general standards. Therefore, as a general rule, items involved in a transaction will be initially measured at fair value. If the agreed transaction price were not the fair value, the difference shall be recognized based on the economic reality of the transaction. Subsequent measurement is performed in accordance with the applicable standards.

s) Equity instruments-based payments

The goods or services received in these operations are recorded as assets or as expenses depending upon their nature, at the moment they are obtained, and the corresponding increase in equity, if the transaction is paid off with equity instruments or the corresponding liability, if the transaction is paid off with the amount based on the value of the same.

The transactions with employees settled with equity instruments, both services rendered as well as the increase in equity to be recognized are assessed according to the fair value of the granted equity instruments, referring to the date of approval of the granting.

These executive share option scheme are initially measured at fair value (see note 4w) at grant date, applying a generally accepted financial calculation method that takes into account, inter alia, the option exercise price, the volatility, the time frame for exercising the options, the expected dividends and the risk-free interest rate.

The estimated fair value of this financial liability was classified within Level 1 of the fair value hierarchy (see note 4w).

Options are recognized as a personnel expense in the Profit and Loss Account as vested over the period defined as the minimum required time in the Company's employ for the exercise of the option.

t) Statement of Cash Flows

The Consolidated Statement of Cash Flows has been prepared using the indirect method, and uses the following expressions with the meaning specified:

- Operating activities are the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.

- Investing activities are the acquisition, sale or disposal of long-term assets and other investments not included in cash and cash equivalents.

- Financing activities are activities that result in changes in the size and composition of the equity and liabilities that are not part of the operating activities.

u) Business combinations

At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value, provided this can be measured reliably, subject to the following exceptions:

- Non-current assets classified as held-for-sale are measured at fair value less costs to sell.

- Deferred tax assets and liabilities are measured at the amount expected to be paid or recovered from the taxation authorities, using the tax rates expected to prevail upon their reversal, based on the existing or approved and pending publication regulations as of the date of acquisition. Deferred tax assets and liabilities are not discounted.

- Assets and liabilities associated with long-term employee benefits under defined benefit schemes are accounted for at the acquisition date as the present value of the defined benefit obligation less the fair value of the plan assets out of which the obligations are to be settled.

- Intangible assets, the value of which cannot be measured in relation to an active market and would result in a recognition of income in the Profit and Loss Account have been deducted from the initially calculated negative goodwill.

- Assets received as compensation for contingencies and uncertainties are recognized and measured in a manner consistent with the item causing the relevant contingency or uncertainty.

- Reacquired rights recognized as intangible assets are measured an amortized on the basis of their remaining contractual lifecycle.

- Obligations classified as contingent liabilities are recognized as a liability at fair value, provided that the liability is a present obligation that arises from past events and the fair value can be measured reliably, even when it is not probable that an outflow of resources embodying economic benefits will result from settlement of the obligation.

At acquisition date, the excess of the cost of the business combination over the value of the identifiable assets acquired less the liabilities assumed is recognized as goodwill.

When the value of the identifiable assets acquired less liabilities assumed exceeds the cost of the business combination, the excess is accounted for as income in the Profit and Loss Account. Prior to recognizing the aforementioned income, the Company reassesses whether it has correctly identified and measured the identifiable assets acquired and the liabilities assumed, as well as the cost of the combination.

Subsequently, any liabilities and equity instruments issued as cost of the relevant business combination and any identifiable assets acquired and liabilities assumed will be accounted for in accordance with the relevant recognition and measurement standards applicable to the nature of the transaction or to the nature of the relevant asset or liability.

v)Own equity instruments (treasury shares)

Treasury shares of the Parent Company acquired by the Group are recognized at the value of the consideration paid, as a reduction in the value of Equity. The proceeds arising from the purchase, sale, issue or redemption of own equity instruments are recognized directly in Equity, and under no circumstances can they be recognized in the Consolidated Profit and Loss Account.

w)Measurement of the fair value of the financial instruments

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels in a fair value hierarchy. The three levels are defined based on the observability of the significant contributions to the measurement, as indicated below:

- Level 1: (unadjusted) quoted prices 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 or indirectly.

- Level 3: unobservable inputs for the asset or liability.

NOTE 5. CONSOLIDATION GOODWILL

Based on the above mentioned criteria, the breakdown of consolidation goodwill is as follows:

Goodwill	30/06/2020	31/12/2020	30/06/2021
Marketing Manager Servicios de Marketing, S.L.	276,461	276,461	276,461
Antevenio S.R.L.	3,686,847	3,686,847	3,686,847
Antevenio ESP, S.L.U.	81,027	81,027	81,027
Antevenio Publicite S.A.R.L.	490,584	-	-
React2Media, L.L.C. (see Note 25)	413,042	-	-
Foreseen Media, S.L. (see Note 25)	109,509	109,509	109,509
B2Marketplace Ecommerce Consulting Group, S.L (see Note 25)	2,329,094	1,811,125	1,811,125
Adquisición Blue Digital	-	472,563	472,563
Total	**7,386,564**	**6,437,533**	**6,437,533**

Each of the above mentioned goodwill arose on acquisition of the relevant company. The directors have defined each of these companies as a Cash Generating Unit. (CGU).

For estimating recoverable value, the Group management annually prepares a business plan by markets and activities for each cash-generating unit, these business plans typically extend over a five-year period. The main components of this plan are the projections of income and cash flows.

The recoverable value of each CGU has been determined on the basis of its value in use.

The recoverable amount of each company's goodwill has been determined on the basis of management estimates of its value in use. In order to make these estimates, the cash flows of each company for the next 5 fiscal years were projected and extrapolated using a growth rate determined by management. The present value of the expected cash flows of each company is determined by applying an appropriate WACC rate that reflects the current time value of money situation and the specific risks of each company.

The key assumptions used in these projections of future results and cash flows and that have an impact on calculation of the recoverable amount are:

- The discount rate to be applied, estimated at around 10.6%; the main variables that influence the calculation are the cost of the liabilities and the specific risks of the assets.

- Cash flow estimates are based on past performance, accordingly the assumptions used by Directors included stable profit margins based on current investments.

- A perpetual growth rate of 2%, to reflect the industry's long-term average growth rate.

The projections are prepared based on past experience as well as the best available estimates, which are consistent with the information from external sources.

Impairment tests, considering these recent developments, resulted in a further reduction of the goodwill of some of the Group companies in fiscal year 2020 to their recoverable amount as shown in the table above.

In preparing the estimates made to analyse the key assumptions used in the value in use calculations and sensitivity to changes in assumptions, the impact that the health and economic crisis caused by the global expansion of COVID 19 may have on the key assumptions has been taken into account.

Specifically, the main assumptions used and described above have been weighted downwards, taking into account how they would have been projected, without taking into account the scenario of the aforementioned health and economic crisis, so that they have been impacted as described below:

1. Gross Margins: Projected gross margins have been reduced, as we have taken into account the effect of increased competition and the decline in household disposable income as end-users, which directly impacts on the reduction of our projected gross margins in each of the business lines.

2. Growth rates: With regard to this variable, we believe that the impact of the healthcare crisis will affect the entire Group's market, leading to a decrease in the growth rate as a result of increased competition and the aforementioned price reduction.

Finally, in order to weight the sensitivity of management's estimates to changes in the main assumptions, different scenarios have been considered, increasing and decreasing the rates used in the different assumptions. A more conservative scenario has been chosen when calculating the value in use of the assets of each of the branches of activity, given that it is a scenario of greater certainty at an economic level, according to the information available to management at the time these interim consolidated financial statements were drawn up.

The 5-year strategic plan for Group companies, approved by the Board of Directors of the Parent.

Situations have come to light at the date of preparation of the interim consolidated financial statements which have led to a revision of the assumptions and conclusions reached by the Group, namely:

- At 31 December 2020, the Group has impaired the goodwill in consolidation (see note 25) contributed by the subsidiary React2Media, L.L.C. in its entirety as it expects to liquidate this subsidiary in the second half of the fiscal year 2021, given the results obtained in recent fiscal years following the acquisition of this subsidiary in previous years. The impairment recognised in the 2020 consolidated income statement amounted to €2,464,042. No change for the first six months of fiscal year 2021.

- In addition, the Group impaired all the goodwill in consolidation contributed by the subsidiary Antevenio Publicité, S.A.S.U. owing to the fact that the future forecasts made for the company have been modified. The impairment recognised in the consolidated income statement amounts to €2,269,585. No change for the first six months of fiscal year 2021.

- In addition, the Group revised the estimates used for the valuation of the call and put options detailed in note 25 in relation to the subsidiary B2Market Place within the interim accounting valuation period provided for by the regulations. The company readjusted goodwill on consolidation in 2020 by €517,969. No change for the first six months of fiscal year 2021.

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

In the first six months of 2021 and in 2020, the balances and movements of gross values, accumulated depreciation and impairment are as follows:

COST	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2021**
Technical installations, machinery, tools, furniture and other items of PPE	2,560,865	264,893	(84,322)	2,437	2,743,872
Right-of-use (IFRS 16)	1,347,765	825,230	(232,924)		1,940,071
TOTAL COST	**3,908,630**	**1,090,122**	**(317,245)**	**2,437**	**4,683,943**
ACCUMULATED DEPRECIATION	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2020**
Technical installations, machinery, tools, furniture and other items of PPE	(2,184,213)	(106,848)	9,025	(9,018)	(2,291,054)
Right-of-use(IFRS 16)	(297,208)	(273,018)	98,198		(472,027)
TOTAL ACCUMULATED AMORTISATION	**(2,481,421)**	**(379,865)**	**107,223**	**(9,018)**	**(2,763,081)**
IMPAIRMENT ALLOWANCES	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2021**
Technical installations, machinery, tools, furniture and other items of PPE	-				-
TOTAL ALLOWANCES	**-**	**-**	**-**	**-**	**-**
NET	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2021**
Technical installations, machinery, tools, furniture and other items of PPE	376,652	158,045	(75,297)	(6,581)	452,819
Right-of-use (IFRS 16)	1,050,557	552,212	(134,725)	-	1,468,044
TOTAL NET CARRYING AMOUNT	**1,427,209**	**710,257**	**(210,022)**	**(6,581)**	**1,920,862**

The additions in fiscal year 2020 was related to the business combination of Rebold Marketing and Communication, S.L.U. (notes 1 and 25).

The right-of-use asset figure at 30 June 2021 amounts to €1,940,072 (31 December 2020: €1,347,775) with a amortisation charge of €273,018 (31 December 2020: €490,086.80). The balance recorded refers to leases signed by the Group that must be recognised in the consolidated statement of financial position under IFRS 16.

Considering these recent developments, the impairment tests for this right of use have not given rise to impairments in the group.

In preparing the estimates made to analyse the key assumptions used in the value in use calculations and sensitivity to changes in assumptions, the impact that the health and economic crisis caused by the global expansion of COVID 19 may have on the key assumptions has been taken into account.

Specifically, the main assumptions used and described above have been weighted downwards, taking into account how they would have been projected, without taking into account the scenario of the aforementioned health and economic crisis, so that they have been impacted as described below:

1. Gross Margins: Projected gross margins have been reduced, as we have taken into account the effect of increased competition and the decline in household disposable income as end-

users, which directly impacts on the reduction of our projected gross margins in each of the business lines.

2. Growth rates: With regard to this variable, we believe that the impact of the healthcare crisis will affect the entire Group's market, leading to a decrease in the growth rate as a result of increased competition and the aforementioned price reduction.

Finally, in order to weight the sensitivity of management's estimates to changes in the main assumptions, different scenarios have been considered, increasing and decreasing the rates used in the different assumptions. A more conservative scenario has been chosen when calculating the value in use of the assets of each of the branches of activity, given that it is a scenario of greater certainty at an economic level, according to the information available to management at the time these interim consolidated financial statements were drawn up.

The gross value of fully depreciated items in use is as follows:

ITEM	30/06/2020	31/12/2020	30/06/2021
Technical installations, machinery, tools, furniture and other items of PPE	419,535	633,021	1,657,764
TOTAL COST	**419,535**	**633,021**	**1,657,764**

The Group's entire property, plant and equipment is allocated to operations, appropriately insured and not subject to any encumbrance whatsoever.

The net book value of tangible fixed assets outside Spanish territory amounts to €230,816 at 30 June 2021 (€151,196 at 31 December 2020; €132,383 at 30 June 2020).

At 30 June 2021 and 31 December 2020 there were no firm purchase commitments for the acquisition of items of property, plant and equipment.

The policy of the Company consists in taking out insurance policies to cover the possible risks to which the various elements of its property, plant and equipment are subject. At 30 June 2021 and 31 December 2020, the assets of the Group were insured under an insurance policy. The Group's directors consider that this insurance policy sufficiently covers any risks associated to its property, plant and equipment.

NOTE 7.INTANGIBLE ASSETS

In the first six months of 2021 and in 2020, the balances and movements of gross values, accumulated depreciation and impairment are as follows:

COST	31.12.2020	RECOGNITION	DERECOGNITION	TRANSFERS	30.06.2021
					-
Industrial property	90,178	335,513		2,360	428,051
Computer software	5,527,452	179,668	(319,924)	(120,003)	5,267,193
Goodwill	671,560	227,828			899,388
					-
TOTAL COST	**6,289,191**	**743,010**	**(319,924)**	**- (117,643)**	**6,594,633**
ACCUMULATED DEPRECIATION	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2021**
Industrial property	(84,055)	(120,249)		(2,060)	(206,364)
Computer software	(4,020,799)	(98,150)	68,742		(4,050,208)
Goodwill				(198,308)	(198,308)
TOTAL ACCUMULATED AMORTISATION	**(4,104,855)**	**(218,399)**	**68,742**	**(200,368)**	**(4,454,880)**
PROVISION FOR IMPAIRMENT	**31.12.2020**	**RECOGNITION**	**DERECOGNITION**	**TRANSFERS**	**30.06.2021**
Computer software	(261,557)				(261,557)
Goodwill		(244,619)			(244,619)
TOTAL ALLOWANCES	**(261,557)**	**(244,619)**			**(506,176)**
TOTAL NET CARRYING AMOUNT	**1,922,779**	**279,991**	**(251,183)**	**(318,011)**	**1,633,577**

The main additions in fiscal year 2020 relate to computer software and goodwill from the customer portfolio contributed by Rebold Marketing and Communication S.L.U. and Digilant USA for Anagram.

At 30 June 2021, the net book value of intangible assets located outside Spain amounts to €365,730 (€530,803 at 31 December 2020; €197,666 at 30 June 2020

The gross value of fully depreciated items in use is as follows:

ITEM	30.06.2020	31.12.2020	30.06.2021
Patents, licenses, brands and similar	65,245	83,934	85,934
Computer software	2,249,217	2,467,275	2,334,529
Other Intangible Assets	44,378	-	100,914
TOTAL COST	**2,358,840**	**2,551,209**	**2,521,377**

NOTE 8.OPERATING LEASES

During the first six months of 2021 and during the entire 2020 financial year, the expense for operating leases amounted to €134,941 and €248,428, respectively (€59,173 in the first six months of 2020) (see note 17 d).

Minimum future payment commitments relating to non-cancellable operating leases have been recognised by the Group on the basis of the early application of the new IFRS No. 16, which was previously explained in Note 4 (Notes 7 and 10.1).

The main leases relate to offices located at Barcelona and Madrid, and to a lesser extent to offices leased in Italy, Chile and USA.

According to IFRS 16, save for cases in which it is decided to apply the practical exemptions indicated in note 4, the lessee shall:

-Recognize a financial liability equal to the current value of the fixed payments to be carried out during the period of the lease;

-Recognise an asset in the Consolidated Statement of Financial Position for the right to use the corresponding asset, which shall be assessed taking as a reference the amount of the associated financial liability, to which the direct costs incurred to enter into the contract, the payments which must be made in advance, and the costs of future dismantling will be added.

As of the reporting date of these Interim Consolidated Financial Statements, the Group has opted for this standard.

The impact from application of this standard resulted in the recognition of the following leases at 30 June 2021, as detailed below:

	Assets	2021 Amortization and depreciation	2021 Accumulated Amortization	Financial Liabilities	Interest expenses	Rental expenses
Antevenio Publicité, S.A.S.U.	-	-	-	-	-	-
Antevenio S.R.L.	280,013	33,667	(165,757)	(114,250)	998	(34,665)
Antevenio México, S.A. de CV	-	24,904	-	-	509	(25,414)
Digilant, Inc	492,066	45,470	(45,470)	(446,597)	2,912	(48,381)
React2Media, L.L.C.	-	-	-	-	-	-
Antevenio, S.A.	144,141	10,839	(10,839)	(133,302)	861	(11,700)
Antevenio, S.A.	-	-	-	-	-	-
Digilant Chile	188,544	27,421	(27,421)	(161,123)	1,093	(28,514)
Rebold Marketing and Communication, S.L.U. (Madrid)	580,584	62,839	(105,192)	(475,392)	3,814	- (66,653)
Rebold Marketing and Communication, S.L.U. (Barcelona)	254,723	67,878	(117,349)	(137,374)	1,322	(69,200)
	1,940,072	**273,018**	**(472,028)**	**(1,468,038)**	**11,509**	**(284,528)**

As at 31 December 2020, the impact resulting from the application of this regulation is as follows:

	Assets	Amortization and depreciation 2020	Amortization and depreciation Cumulative 2020	Financial Liabilities	Expense interests	Rental costs
Antevenio Publicité, S.A.S.U.	-	53,974	-	-	5,374	(59,348)
Antevenio S.R.L.	279,545	66,466	(132,090)	(147,449)	2,734	(69,200)
Antevenio Mexico, SA. de CV	-	8,014	-	-	147	(8,160)
Antevenio México, S A. de CV	232,923	73,294	(73,294)	(159,630)	1,942	(75,236)
Rtact2Mtdia. LL.C.	-	105,703	-	-	657	(106,361)
Antevenio S.A.	-	41,649	-	-	337	(41,986)
Antevenio S.A.	-	49,163	-	-	614	(49,777)
Rebold Marketing and Communication	580,584	42 353	(42,353)	(538,237)	2,082	(44,435)
Rebold Marketing and Communication		49,471	(49,471)	(205,252)	856	(50,327)
	1,347,775	**490,087**	**(297,208)**	**(1,050,567)**	**14,743**	**(504,830)**

The maturity classification of the debt associated with these assets at 30 June 2021 and 31 December 2020 is as follows:

Financial Liabilities	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Antevenio S.R.L.	33,984	68,754	11,512			**114,250**
Digilant, Inc	45,195	94,112	98,229	102,409	106,652	**446,597**
Antevenio, S.A.	11,040	25,651	29,761	34,640	32,210	**133,302**
Digilant Chile	32,158	69,908	59,057			**161,123**
Rebold Marketing and Communication, S.L.U. (Madrid)	63,308	128,039	129,960	131,909	22,176	**475,392**
Rebold Marketing and Communication, S.L.U. (Barcelona)	74,699	62,675				**137,374**
	260,384	**449,139**	**328,519**	**268,958**	**161,038**	**1,468,038**

Financial Liabilities	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Antevenio S.R.L.	67,463	68,475	11,512	-	-	147,449
Antevenio México. S. A	127,466	32,164	-	-	-	159,630
Rebold Marketing and	126,147	123,039	129,960	131,905	22,186	533,237
Rebold Marketing and	142,577	62,675	-	-	-	205,252
V	**463,651**	**291,353**	**141,471**	**131,905**	**22,186**	**1,050,567**

These maturities are included in the maturities described in note 10.2 under Other non-current liabilities.

ANTEVENIO

NOTE 9. CURRENT AND NON-CURRENT FINANCIAL ASSETS

The break-down of non-current financial assets is as follows:

	Receivables and other			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Loans and receivables (Note 9.2)	418,630	93,180	108,436	418,630	93,180	108,436
Total	**418,630**	**93,180**	**108,436**	**418,630**	**93,180**	**108,436**

The break-down of current financial assets is as follows:

	Current			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Cash and cash equivalents (Note 9.1)	3,078,702	9,126,417	9,560,877	3,078,702	9,126,417	9,560,878
Loans and receivables (Note 9.2)	5,918,865	31,948,347	22,236,228	5,918,865	31,948,347	22,236,228
Total	**8,997,567**	**41,074,764**	**31,797,105**	**8,997,567**	**41,074,764**	**31,797,106**

The carrying amount of loans and receivables is considered a reasonable approximation to the fair value thereof.

9.1) Cash and cash equivalents

This heading includes the fully liquid part of the Group´s assets and consists in the balances of cash in Treasury and with banks, as well as short-term bank deposits with an original maturity shorter than or equal to three months. These balances are freely available and are not subject to risks of changes in value.

The break-down of “Cash and Cash equivalents” is as follows:

	30/06/2020	31/12/2020	30/06/2021
Current accounts	2,879,250	9,125,480	9,554,973
Treasury	43	937	5,905
Highly liquid deposits (a)	199,409	0	0
Total	**3,078,702**	**9,126,417**	**9,560,878**

(a) The above figures mainly correspond to bank deposits with Bankia, amounting to €0 at 30 June 2021 and 31 December 2020 (€199,409 at 30 June 2020).

Interest accrued during the six months to 30 June 2021 and as at 31 December 2020 on bank deposits and bank accounts amounts to €0 (€6,832.93 during the first 6 months of fiscal year 2020).

At 30 June 2021, cash held by foreign companies amounted to €8,834,691 (€7,321,312 at 31 December 2020 and €1,551,795 at 30 June 2020).

9.2) Loans and receivables

The breakdown, in euro, of this heading is as follows:

	30/06/2020		31/12/2020		30/06/2021	
	Non-current	Current	Non-current	Current	Non-current	Current
Trade receivables						
Third-party receivables	-	4,913,721	-	31,391,713	-	21,825,874
Trade receivables, Group companies (Note 24)	-	743,087	-	-	-	-
Total trade receivables	**-**	**5,656,808**	**-**	**31,391,713**	**-**	**21,825,874**
Trade receivables, Group companies	-	-	-	302,618		146,028
Total with group companies	**-**	**-**	**-**	**302,618**	**-**	**146,028**
Guarantees and deposits	68,630		91,563	-	108,436	-
Other assets		260,958	1,617	254,017	-	264,327
Other current assets, Group companies	350,000	1,099	-	-	-	-
Total non-trade receivables	**418,630**	**262,057**	**93,180**	**254,017**	**108,436**	**264,327**
Total	**418,630**	**5,918,865**	**93,180**	**31,948,348**	**108,436**	**22,236,228**

The breakdown of the item "Receivables" is as follows:

Description	30/06/2020	31/12/2020	30/06/2021
Trade receivables			
Trade balances	4,495,890	31,372,868	21,296,609
Volume discounts granted and pending settlement	(661,600)	(628,804)	(547,882)
Trade balances pending issue	1,079,432	647,648	1,077,147
Total	**4,913,722**	**31,391,712**	**21,825,874**

Almost all of the balances held with customers in respect of commercial transactions relate to balances under contracts with customers.

The increase in trade balances is explained by the inclusion of Rebold Marketing and Communication, S.L.U. and the other subgroup companies following the transaction during the past year described in note 1.

Changes resulting from impairment losses arising from credit risk, broken down by financial assets, were as follows:

Impairment	30/06/2020	Business combination registrations (note 27)	Impairment loss	Impairment reversal	Application	31/12/2020	Impairment loss	Impairment reversal	Application	30/06/2021
Trade receivables										
Trade receivables	(1,644,892)	(604,224)	(888,361)	410,496	348,262	(2,378,719)	(217,600)	537,360	134,982	(1,923,977)
Total	**(1,644,892)**	**(604,224)**	**(888,361)**	**410,496**	**348,262**	**(2,378,719)**	**(217,600)**	**537,360**	**134,982**	**(1,923,977)**

The Group recognizes these changes in impairment losses under "Impairment losses on current assets" in the Consolidated Profit and Loss Account. During the first six months of 2021, the amounts of impairment losses for which allowances were made in the past have been applied and against receivable balances amounting to €134,982 (€348,262 at 31 December 2020 and €108,832 at 30 June 2020).

9.3) Classification by maturity

The maturity of most of the different non-current financial assets is more than five years.

NOTE 10. NON-CURRENT AND CURRENT LIABILITIES

The breakdown of non-current liabilities, classified by category, is the following:

	Other			Total		
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021
Debts and payables (Note 10.1)	**4,907,398**	**20,601,652**	**22,807,331**	**4,907,398**	**20,601,652**	**22,807,331**
Total	**4,907,398**	**20,601,652**	**22,807,331**	**4,907,398**	**20,601,652**	**22,807,331**

The breakdown of current financial liabilities, classified by category, is the following:

	Other current payables			Other					
	30/06/2020	31/12/2020	30/06/2021	30/06/2020	31/12/2020	30/06/2021	31/12/2020	30/06/2021	
Debts and payables (Note 10.1)	749,563	843,967	2,871,629	5,955,581	34,169,189	23,028,397	35,013,156	25,900,026	
Total	**749,563**	**843,967**	**2,871,629**	**5,955,581**	**34,169,189**	**23,028,397**	**35,013,156**	**25,900,026**	

10.1) Debts and payables

At 30 June 2021 and 2020 and at 31 December 2020 the breakdown of this item is as follows:

	Balance at 30/06/2020		Balance at 31/12/2020		Balance at 30/06/2021	
	Non-current	Current	Non-current	Current	Non-current	Current
Trade payables:						
Suppliers	-	2,905,622.94	-	4,941,800		8,081,336
Suppliers, associates	-	328,488.00	-	1,974,255		1,858,847
Other trade payables	-	1,277,729.06	-	22,151,479		8,891,101
Total trade payables	**-**	**4,511,840**	**-**	**29,067,534**	**-**	**18,831,284**
Non-trade payables:						
Debts with financial institutions (2)	1,283,377	749,563	8,417,261	843,967	10,317,893	2,871,629
Other debts (1)	919,808	459,415	2,356,940	756,946	2,486,007	812,646
Provisions (4)	222,468	-	283,309	-	279,127	-
Payables to third parties (3)	2,481,745	-	1,396,181	156,221	1,396,181	-
Loans and other payables	**4,907,398**	**1,208,978**	**12,453,691**	**1,757,134**	**14,479,207**	**3,684,275**
Payables to Group companies (notes 17 and 25)	-	367,229	8,147,961	609,732	8,328,124	914,139
Personnel (outstanding remunerations)		540,309	-	3,566,255	-	2,200,479
Total non-trade payables	**-**	**907,538**	**8,147,961**	**4,175,987**	**8,328,124**	**3,114,618**
Other current liabilities (4)		76,788	-	12,500	0	269,848
Other current liabilities	**-**	**76,788**	**-**	**12,500**	**-**	**269,848**
Total Debts and payables	**4,907,398**	**6,705,144**	**20,601,652**	**35,013,155**	**22,807,331**	**25,900,026**

(1) "Other debts" relates mainly to debts with Centro de Desarrollo Tecnológico Industrial (CDTI).

(2) The amount included under the heading Debts with credit institutions corresponds to ICO loans received in relation to COVID-19, bank credit card debts and financial leasing.

(3) The amount recognised under "Long-term payables to third parties" at 30 June 2021 for €1,396,181 (€1,396,181 at 31 December 2020 and €2,481,745 at 30 June 2020) correspond to the financial liabilities arising from the business combination disclosed in Note 25.

(4) The amounts recognised under the above-mentioned items mainly relate to both non-current and current amounts adjusted by the company for the application of the new International Financial Reporting Standard No. 16, as explained in Note 2 above.

(5)The financial expenses associated with the liabilities recorded as at 30 June 2021 amount to €160,919 (€231,583 at 31 December 2020).

10.2) Classification by maturity

At 30 June 2021, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2022	2023	2024	2025	2026 and onwards	Total
Non-current payables						
Debts with credit institutions and other debts	870,862	2,392,534	1,789,707	1,639,438	3,625,352	**10,317,893**
Other non-current liabilities	2,691,518	249,557	250,380	140,655	421,010	**3,753,120**
Total	**3,562,380**	**2,642,091**	**2,040,087**	**1,780,093**	**4,046,362**	**14,071,013**

At year-end 2020, the classification by maturity of the different non-current financial liabilities with fixed or determinable maturity is as follows:

	2022	2023	2024	2025	2026 onwards	Total
Non-current payables						
Debts with financial institutions	1,741,723	2,392,534	1,789,707	1,639,438	853,859	**8,417,261**
Other non-current liabilities	2,691,518	249,557	250,380	140,655	421,010	**3,753,121**
Total	**4,433,242**	**2,642,092**	**2,040,087**	**1,780,093**	**1,274,869**	**12,170,382**

At 30 June 2020, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2021	2022	2023	2024	2025 onwards	Total
Non-current payables						
Debts with credit institutions and other debts	207,277	371,471	407,874	414,323	381,734	**1,782,679**
Other non-current liabilities	420,506	-	-	-	-	**420,506**
Total	**627,783**	**371,471**	**407,874**	**414,323**	**381,734**	**2,203,185**

NOTE 11.INFORMATION ON THE NATURE AND LEVEL OF RISK FROM FINANCIAL INSTRUMENTS

The Group's activities are exposed to various types of financial risks, particularly to credit, liquidity and market risks (exchange rate, interest rate and other price risks).

Interest Rate Risk

As disclosed in Note 15, the subsidiary Mamvo Performance, S.L. was granted a loan by Centro para el Desarrollo Tecnológico Industrial (CDTI) on a subsidised interest rate, as collaboration in the development of the Research and Development project called "New System of Personalised Digital Advertising through Machine Learning Techniques and through Advanced Algorithms for Data Processing."

As disclosed in Note 15 below, the Centro de Desarrollo Tecnológico Industrial (CDTI) granted the subsidiary Rebold Marketing y Comunicación, S.L. a zero-interest loan as contribution to the development of the Research and Development project called "Automatic reverse typesetting of printed press news", better known as "Lune Project".

As disclosed in Note 15 below, the Centro de Desarrollo Tecnológico Industrial (CDTI) granted the subsidiary Rebold Marketing y Comunicación, S.L. a zero-interest loan as contribution to the development of the Research and Development project called "System for exploiting knowledge by combining multiple points of contact that brands have with consumers from different channels". It is also referred to as the "Project Profiling tool".

Exchange rate risk

The Group tries to finance foreign currency-denominated non-current assets in the same currency in which the asset is denominated. This is particularly true in the case of acquisitions of companies with assets denominated in currencies other than the euro.

The exchange rate risk arises basically from sales of foreign currency, mainly sales in USD and Mexican Pesos. The net foreign exchange result shows a net foreign exchange loss of €67,134 as at 30 June 2021 and a net foreign exchange gain of €71,471 as at 30 June 2020 and €40,672 as at 31 December 2020.

Liquidity Risk

The overall situation in the financial markets, especially the banking market, over the last few months has been particularly unfavourable for credit seekers, though the Group was able to avail itself of the governmental aid (ICO loans) described in note 2 to reduce the liquidity risk in view of the situation. The Group permanently pays attention to the evolution of the different factors that can help to resolve liquidity crisis and, in particular, to the funding sources and their characteristics.

In particular, we can summarize the points which are our main focus of attention:

- Liquidity of monetary assets: surplus is always invested on highly available and very short maturities. At 30 June 2021, cash and cash equivalents amounted to €9,560,877 (€9,126,417 at 31 December 2020).

- At 30 June 2021, working capital was positive and amounted to €4,408,882 (€1,949,381 at 31 December 2020 and €1,309,959 Euros at 30 June 2020).

The Group draws on available analytical data to calculate the cost of its products and services, which is useful when reviewing cash requirements and for optimising returns on investments. Considering the remaining contractual maturities of financial liabilities at the date of the interim consolidated financial statements, as described in note 10.

Credit risk

The Group has no significant concentration of credit risk, exposure being spread over a large number of counterparties and customers.

The Group's main financial assets are cash and cash equivalents, trade and other receivables, and investments which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group carries out constant monitoring on the creditworthiness of the clients using a credit rating measurement. Whenever possible, credit ratings and/or external reports on the clients are obtained and used. The policy of the group is to only deal with solvent partners. The credit terms are between 30 and 90 days. The credit conditions negotiated with the clients are subject to an internal approval process which takes into account the credit rating score. The current credit risk is managed by means of periodic checking of the ageing analysis, along with the credit limits per client.

Trade and other receivables make up a large number of clients in different sectors and geographic areas.

The Group's maximum exposure to credit risk is the carrying amount of the financial assets recognised in the consolidated balance sheet (see note 9) at the balance sheet date, less the accumulated impairment on these assets at the balance sheet date. Impairment losses on financial assets and contract assets recognised in profit or loss for the year are as described in the corresponding note.

Competition Risk

In an industry constantly evolving and offering high growth rates, new players have entered the markets where Antevenio operates. However, given the experience of over fifteen years in this market, the position and visibility of the Antevenio Group and the quality of our services, Directors believe the Group will continue holding a leading position.

Customer and Supplier Dependency Risk

The risk of dependency on customers and suppliers is limited because none bears significant weight in the turnover.

Customers include media agencies that work in turn with many advertisers, which further dilutes the customer dependency risk.

With regard to technology providers, the risk is small because the services provided by these companies are offered by other actors competing with them and which could, therefore, provide

Antevenio with similar services.

“Key-Person” Risk

One of the Antevenio Group main assets is that the Group was able to gather a team of managers and key executives in strategic positions of the Group.

Personal Data Processing Risk

The Antevenio Group carries out numerous personal data processing activities in the ordinary course of its business, both as Data Controller and Processor.

Antevenio Group is deeply aware of the importance of the regulations governing personal data, electronic communications, privacy and commercial communications, and uses all available means to achieve a scenario of utmost compliance therewith.

The legal framework governing the company’s business and its operations is formed by the following regulations:

1. Regulation (EU) 2017/679 of the European Parliament and of the Council of 27 April 2017 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

2. Organic Law 3/2018, of 5 December, on Personal Data Protection and safeguard of digital rights.

3. Law 34/2002, of 11 July, on Information Society Services and Electronic Commerce.

4. Proposal, dated 10 January 2018, for a Regulation of the European Parliament and of the Council concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications).

5. Guides, guidelines and other relevant materials issued by the Spanish Data Protection Agency, CNIL, GARANTE Privacy and the so-called Article 29 Working Group on Data Protection, as well as by the European Data Protector Supervisor.

Antevenio Group is currently in the process of adaptation to the existing and upcoming regulations, by way of the creation and implementation of privacy management system (PMS) and the permanent monitoring thereof by the Legal and Privacy team.

Antevenio Group is aware of the increased regulations concerning the digital marketing business, and has engaged two providers (INT55 and DELOYERS) to promote legal compliance and to provide assistance in the event of any incident occurring.

NOTE 12.EQUITY

The breakdown of consolidated equity is as follows:

	30/06/2020	31/12/2020	30/06/2021
Registered share capital of the Parent Company:	**231,412**	**819,099**	**819,099**
Reserves:	**13,110,308**	**(16,630)**	**214,687**
Of the Parent Company	5,054,562	12,702,945	12,702,945
From fully consolidated companies and from companies consolidated using the equity method	8,055,746	(12,719,575)	(11,974,770)
Other equity instruments	-	-	-
Prior period's losses	-	-	**(5,172,391)**
Profit/(Loss) for the year attributable to the Parent Company	**(5,127,213)**	**(3,930,458)**	**1,189,252**
Translation differences	**(133,002)**	**3,563**	**170,625**
Minority Interests	**(44,096)**	**(430,760)**	**(355,613)**
	8,037,409	**(3,555,186)**	**(2,620,852)**

12.1) Share Capital

At 30 June 2021 and 2020 and 31 June 2020, the share capital of the parent company was represented by 14,891,262 shares of 0.055 Euro each, fully subscribed and paid up. These shares have equal voting and dividend rights.

On 4 September 2020, the share capital of Antevenio S.A. was increased via non-monetary contributions of €587,607 consisting of all shares constituting the share capital of Rebold Marketing and Communication, S.L.U., to be carried out by the holder ISP Digital, S.L.U., through the issue and circulation of 10,683,767 new shares, represented by book entries with a par value of 0.055 euros, which are created with an issue premium of 1.2902184 euros per share, for a total premium amount of €13,784,393.

The total disbursement therefore amounts to €14,372,000.

The company Inversiones y Servicios Publicitarios, S.a. (ISP) holder at 31 December 2015 of a 18.68% interest in Antevenio S.A. share capital, represented by 785,539 nominal value shares of 0.055 euros each, purchased on 3 August 2016 the shares from the Company's founder and CEO, Mr. Joshua David Novick, who owned a 11.89% interest in the Company's share capital, represented by 500,271 nominal value shares of 0.055 euros each, at a price of 6 euros per share.

Subsequent to the above mentioned shareholding change, ISP launched a Voluntary Public Offer Bid on the remaining Company's shareholders that was accepted by 1,360,806 shares, representing 32.34% of Antevenio S.A. share capital, at a purchase price of 6 Euros each. The company Aliada Investment B.V. has thereafter transferred its shares in the Company to ISP; accordingly, ISP currently controls 83.09% of Antevenio SA share capital.

On 22 February 2017, the company ISP contributed 3,495,853 shares of Antevenio S.A. to ISP Digital S.L.U., thus making the company the majority shareholder.

At 30 June 2021, direct and indirect shareholders of the Company were:

	No. of Shares	Holding %
ISP Digital, S.L.U.	14,407,750	96.75%
Free Float	483,512	3.25%
Total	**14,891,262**	**100%**

The direct and indirect shareholders of the Company at 31 December 2020:

	No. of Shares	Holding %
ISP Digital, S.L.U.	14,179,460	95.22%
Free Float	711,802	4.78%
Total	**14,891,262**	**100%**

And at 31 June 2020:

	No. of Shares	Holding %
ISP Digital, S.L.U.	3,723,983	88.51%
Other <5%	109,907	2.61%
Nextstage To	373,605	8.88%
Total	**4,207,495**	**100%**

12.2)Parent Company Reserves

The legal reserve has restrictions of use, which is subject to several legal provisions. In accordance with the Corporations Law, commercial companies obtaining, under the said legal form, benefits are under the obligation of allocating 10% of benefits to the legal reserve, until the reserve reaches one fifth of the registered share capital. The legal reserve may only be used to offset losses; for capital increases, in the 10% portion exceeding the increased capital; and, for distribution to shareholders upon liquidation. At 30 June 2021 and 2020 and 31 December 2020, the Parent Company's legal reserve is not fully allocated.

As of 30 Junbe 2020, the legal reserve was fully allocated.

12.3) Share Premium

The Corporations Law expressly permits the use of the share premium balance for capital increases and does not establish any specific restriction as to the availability of that balance.

12.4) Voluntary Reserves

These are unrestricted reserves generated by the Parent Company as a result of prior years' income not distributed.

At the meeting of the Board of Directors of Antevenio, S.A. on 27 November 2020, a decision was taken to convert the entire share premium, which amounted to €21,974,180 following the capital increase described above, into voluntary reserves.

12.5) Distribution of dividends

No dividends were distributed to companies outside the scope of consolidation at 30 June 2021 and during fiscal year 2020.

Royal Decree-Law 18/2020 of 12 May, on social measures in defence of employment, includes a limitation on the distribution of dividends of companies that apply a Temporary Layoff Plan (ERTE). Article 5.2 states that trading companies or other legal entities that avail themselves of the temporary redundancy plans regulated in Article 1 of the Royal Decree-Law and use the public resources allocated to them may not distribute dividends corresponding to the fiscal year in which these temporary redundancy plans are applied, unless they previously pay the amount corresponding to the exemption applied to social security contributions.

In addition, the Resolution of 6 May 2020, published in the Official State Gazette of 9 May 2020, of the Secretary of State for the Economy and Business Support, which publishes the Agreement of the Council of Ministers of 5 May 2020, establishing the terms and conditions of the third tranche of the line of guarantees for loans granted to companies and freelancers, promissory notes included in the Alternative Fixed Income Market (MARF) and guarantees granted by the Compañía Española de Reafianzamiento, SME, Sociedad Anónima (CERSA), and limits are authorised to acquire expenditure commitments charged to future fiscal years in application of the provisions of article 47 of the General Budgetary Law 47/2003, of 26 November, which establishes that "the financing obtained must be used to meet the liquidity needs derived, among others, from the management of invoices, payment of payrolls and suppliers, the need for working capital and maturities of financial or tax obligations. Therefore, by way of example, State-guaranteed financing may under no circumstances be used for the payment of dividends or interim dividends".

In 2020, the Group benefited from some relief as a consequence of the COVID-19 pandemic (refer to note 2): ERTEs where social security contributions have not been waived but ICO loans have been applied for.

Capital Management

The Group's objective regarding capital management is to maintain an optimal financial structure that reduces the capital cost while ensuring the ability to continue to manage its operations, always with the objective of growth and creation of value. This Group's objective is not officially defined nor have parameters thereto been set by the Board of Directors.

The main sources used by the Group to finance its growth are:

- The cash flows generated by the Group.
- The cash available at year-end.

- Existence of positive working capital.

The capital structure is controlled by the leverage ratio, calculated as net financial debt to equity. The Group mainly has debt with financial entities due to financial leasing and loans. At 30 June 2021, finance leases amounted to €19.594 (€25,146 at 31 December 2020 and €33,353 at 30 June 2020). The group also has loans and other products with financial institutions amounting to 13.1 million (9.2 million as at 31 December 2020) and undrawn credit lines amounting to 8.2 million (8.4 million as at 31 December 2020).

NOTE 13. TRANSLATION DIFFERENCES

Changes in the balance of this item between 30 June 2021 and in 2020 were as follows:

	30/06/2020	31/12/2020	30/06/2021
Opening balance	**(34,022)**	**(34,022)**	**3,563**
Net change during the reporting period	(98,980)	37,585	167,063
Closing balance	**(133,002)**	**3,563**	**170,626**

Translation differences are generated by companies with registered address abroad and functional currency other than the Euro. Specifically, these currencies are the Argentinean peso, the American dollar, the Mexican peso, the Colombian peso and the Peruvian soles.

When an entity's functional currency is the currency of a hyperinflationary economy, the entity shall restate its financial statements in accordance with the translation method set out in the foregoing paragraphs, except for comparative amounts that are translated into a currency of a non-hyperinflationary economy. When the economy ceases to be hyperinflationary and the entity no longer restates its financial statements, it shall use as the historical costs for translation into the presentation currency the amounts restated to the price level at the date the entity ceased restating its financial statements. The Group has concluded that the application of this model is not relevant to the Group company domiciled in Argentina and therefore the comparative figures for the year have not been restated.

NOTE 14. EQUITY INSTRUMENTS-BASED PAYMENT TRANSACTIONS.

Stock Option Plan Digilant Inc

Stock options were granted to certain employees in the group company Digilant Inc. pursuant to specific stock option agreements. The 2014 Stock Option Plan (the "Plan") was established to provide incentives to key employees and reward opportunities designed to enhance the Company's profitable growth. The Plan authorised the issuance of options to acquire up to 3,333,333 shares. The vesting period, the number of option shares covered and the fiscal exercise price per share are contemplated in the agreements. The vesting period for grants is generally four years and the maximum option period is 10 years. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model and requires the input of highly subjective assumptions. Key assumptions include estimating the length of time employees and directors will hold their options before exercising them (the expected term of the option), estimated volatility of the Company's shares over the expected term of the option, risk-free interest rate over the expected term of the option and expected annual dividend yield of the Company. The Company believes that the valuation technique and the approach used to develop the underlying assumptions are appropriate for estimating the fair values of the Company's share options. The values derived from the use of the Black-Scholes model are recognised as an expense during the period of consolidation, net of estimated forfeitures. Estimates of fair values are not intended to predict actual future events or the value ultimately obtained by individuals receiving remuneration in shares.

NOTE 15.DEFERRED INCOME

Mamvo Perfomance, S.L. “Datalake”

On 27 November 2018, Centro para el Desarrollo Tecnológico Industrial (CDTI) granted a loan for a total amount of 445,176 euro, comprising a non-refundable tranche of 133,553 euro and a refundable tranche of 331,623 euro as subsidised interest rate loan, to the company Mamvo Performance, S.L. as collaboration in the development of a Research and Development project named “Dynamic assessment and advice on marketing campaigns”. On
10 January 2019, the company received €155,811 of the granted amounts.

During the six months ended 30 June 2021, a total of €6,325 recorded in the consolidated income statement (31 December 2020: €49,151), corresponding to the non-reimbursable part of the aid granted to Mamvo Performance, S.L (part of the expenses incurred), was charged to the profit for the year.

Rebold Marketing & Communication, S.L.U. “Lune”

In 2020, the Centre for the Development of Industrial Technology (CDTI) granted Rebold Marketing & Communication, S.L.U. a grant to collaborate in the development of the Research and Development project called “Lune” (based on a project to apply technology for reverse typesetting of news to simplify their processing), amounting to €347,858, comprising a non-reimbursable tranche of €69,571 and another reimbursable tranche of €278,286 as a loan at a subsidised interest rate. The first disbursement arrived on 13 July 2020 of €121,750 (35%), of which €37,743 € was posted as a grant and €84,008 as a loan. The next 2 disbursements are expected to be received in 2021 and 2022.

Rebold Marketing & Communication, S.L.U. “Profiling Tool”

As disclosed in Note 15 below, the Centro de Desarrollo Tecnológico Industrial (CDTI) granted the subsidiary Rebold Marketing y Comunicación, S.L. a zero-interest loan as contribution to the development of the Research and Development project called "System for exploiting knowledge by combining multiple points of contact that brands have with consumers from different channels”, €714,340.96714,341, comprising a non-refundable tranche of €142,868 and another refundable tranche of €571,473 euros as a loan at a subsidised interest rate.

NOTE 16.TAXATION

The breakdown of the balances with Public Entities is as follows:

30/06/2021	**Receivables**	**Payables**
Current:		
Value Added Tax	3,034,338	(3,029,854)
Recoverable Taxes	184,141	-
Assets arising from deductible temporary differences (*)	3,435,892	-
Tax loss carryforwards (*)	3,036,122	-
Deferred tax liabilities (*)	-	(795,958)
Deductions arising from Personal Income Tax	-	(483,492)
Other payables to Public Entities	-	(5,973)
Income tax expense	25,090	(66,017)
Social Security	6,479	(404,213)
	9,722,062	**(4,785,507)**

31/12/2020	**Receivables**	**Payables**
Current:		
Value Added Tax	2,106,294	(4,171,736)
Recoverable Taxes	59,203	-
Assets arising from deductible temporary differences (**)	2,989,910	-
Tax loss carryforwards (**)	2,945,270	-
Deferred tax liabilities (**)	-	(718,794)
Deductions arising from Personal Income Tax	-	(221,613)
Other payables to Public Entities	-	(10,947)
Income tax expense	-	(140,015)
Social Security	-	(335,025)
	8,100,677	**(5,598,130)**

30/06/2020	**Receivables**	**Payables**
Current:		
Value Added Tax	120,586	(489,835)
Recoverable Taxes	59,532	-
Assets arising from deductible temporary differences (*)	310,486	-
Tax loss carryforwards (*)	1,388,931	-
Deferred tax liabilities (*)	-	-
Deductions arising from Personal Income Tax	-	(309,969)
Other payables to Public Entities	-	(5,973)
Income tax expense	155	(49,447)
Social Security	-	(290,679)
	1,879,690	**(1,145,903)**

(*) Amounts recognized under non-current assets in the Consolidated Statement of Financial Position

The Board of Directors informed, at the meeting held on 30 December 2016, that the company Inversiones y Servicios Publicitarios, S.L. (“ISP”) owns a 83.09% interest in the share capital of Antevenio (see Note 14) and that, pursuant to the provisions of Article 61.3 of Law 27/2014, of 27 November, on Corporate Income Tax and having regard to the fact that Antevenio S.A. no longer was the parent company of taxation group 0212/2013 sin ISP had acquired an interest exceeding 75% of the share capital and voting rights in Antevenio, the Board had approved including the Company, effective from the taxation period beginning of 1 January 2017, as a subsidiary of taxation group 265/10, whose parent company is ISP.

Group companies with registered address in Spain paid in 2016 taxes under the Special Consolidated Tax Regime within the Group led by the Parent Company.

Income Tax expense for the Consolidated Group is calculated as the sum of the Income Tax expense from all Companies. The tax bases are calculated from the profit/(loss) for the year as adjusted for any temporary differences, any permanent differences and tax losses from prior years.

Income Tax is calculated by applying the tax rates in force in each of the countries where the group operates. The main types are:

(*) Average tax rate accrued in Italy

Tax rate	**2021**	**2020**
Spain	25.00%	25.00%
Italy (*)	30.45%	30.45%
France	33.33%	33.33%
Mexico	30.00%	30.00%
Argentina	30.00%	30.00%

The reconciliation of Corporate Income Tax expense and pre-tax profit or loss is as follows:

	30/06/2020	31/12/2020	30/06/2021
Profit / (Loss) before taxes	(5,126,035)	(4,930,740)	1,130,465
	-	-	-
Permanent differences	4,595,508	5,459,466	(261,412)
Tax liability	-	(512,359)	-
Other	-	-	-
Application of tax lox carryforwards and deductions	382	53,276	-
Domestic CIT payable or receivable	**382**	**(459,083)**	**495**
International CIT expense	-	570,271	20,608
International CIT income	(21,573)	(216,934)	-
International CIT payable or receivable	**(21,573)**	**353,337**	**20,608**
CIT receivable	**(21,191)**	**(105,746)**	**21,103**

The breakdown by company of corporate income tax expense, distinguishing current and deferred taxes, is as follows:

	30/06/2020	31/12/2020	30/06/2021
Current taxes	(558)	105,969	(216,032)
Deferred taxes	176	(377,620)	194,929
Total Corporate Income Tax expense	**(382)**	**(271,651)**	**(21,103)**

According to current legislation, tax losses may be offset against taxable profits obtained as per local regulations.

As at 30 June 2021, the group has the following tax credits to offset against future results:

Total tax credits			
Company	BINS	DTD	CIT deductions
Antevenio SA	346,132.07	87,191.50	
Mamvo Performance SLU	206,213.00	15,595.44	127,248.02
MMSM SLU	91,244.00	3,953.25	106,241.79
Antevenio ESP	88,035.00	8,417.00	46,149.57
Codigo Barras	148,665.00	1,500.00	242,489.14
Antevenio Rich and Reach	103,244.08	4,573.00	29,451.90
Foreseen Media		5,418.96	
Rebold	470,619.56	519,033.52	969,667.06
Antevenio S.R.L.(Italia)	170,415.27		
Antevenio Publicite		54,231.66	
Digilant INC	142,927.74		
Antevenio Mejico		248,212.90	
Acceso Mexico		45,766.81	
Digilant Peru		198,470.61	
Digilant SA de CV		1,783,417.80	
Filipides		113,755.81	
Digilant Services		889.69	
Blue Digital	83,981.28	8,861.45	
	1,851,477.00	**3,099,289.40**	**1,521,247.48**

Deferred taxes

The breakdown of changes in deferred tax assets between 31 December 2020 and 30 June 2021 is as follows:

	30/06/2020	Recognition	Derecognition	31/12/2020	Recognition	Derecognition	30/06/2021
Tax credits for tax loss carryforwards	1,426,485	1,518,785		2,945,270	427,454		3,372,724
Temporary differences (Expected taxes)	272,932	2,716,978		2,989,910	109,379		3,099,289
Total registered deferred tax assets	**1,699,417**	**4,235,763**		**5,935,180**	**536,834**		**6,472,014**

The breakdown of tax credits is as follows:

	30/06/2020	31/12/2020	30/06/2021
Companies included in the consolidated tax group	1,426,485	3,329,094	3,615,664
Companies with registered address abroad	711,053	2,844,934	2,856,350
Total tax credits	**2,137,538**	**6,174,028**	**6,472,014**

As stated in the accounting policies, the Group only recognises deferred tax assets in the consolidated statement of financial position, provided that they are recoverable within a reasonable period of time, also considering the legally established limitations for their application. Specifically, the requirements of the applicable financial reporting framework for recognising a tax credit are as follows:

- The Group is likely to realise sufficient future taxable profits to be able to apply such tax credits.

- Sufficient future taxable profits are not considered likely to be realised when:

  - The future recovery is expected to occur after a period of more than ten years from the end of the fiscal year, irrespective of the nature of the tax credit.
  - It is unlikely that the requirements of the tax rules for their recovery will be met at the time they are deemed recoverable.

The Group draws up a business plan for each company with tax credits in order to verify the recoverability of the tax credits pending offset, on which the necessary adjustments are made to determine the future taxable profits against which the tax credits can be offset. In addition, the Group considers the limitations on offsetting tax bases set by the respective jurisdictions. The Group also assesses the existence of deferred tax liabilities against which to offset such tax losses in the future. The Group considers financial and macroeconomic circumstances appropriate to the entity's own operating environment when formulating the projections in the business plans. Parameters such as expected growth, use of installed production capacity, prices, etc., are projected considering forecasts and reports from independent experts, and also historical data and targets set by management. An estimate has been made for the tax credits of each jurisdiction separately, adjusting the calculation parameters to the tax regulations of each jurisdiction applicable to each one.

The above mentioned deferred tax assets have been recognized in the Consolidated Statement of Financial Position as Directors consider that, according to the best estimates of future earnings for companies in the Group, including certain measures of fiscal planning, these assets are likely to be recovered.

Additional disclosures

Under current legislation, taxes cannot be regarded as definitive until the returns have been inspected by the tax authorities or the statute of limitations period of four years has elapsed. At 30 June 2021, the Group’s Spanish companies had 2017 and subsequent years open for review by the tax authorities for Income Tax and 2018 and subsequent years for the main taxes applicable to them. Companies with registered address abroad have open to inspection any tax returns currently non-statute-barred according to the respective local regulations. Directors consider the above mentioned tax returns to be appropriately filed and settled; accordingly, even in the case of discrepancies in the construction of the existing regulations for the tax treatment of the transactions, any resulting liabilities, were they to materialize, will not significantly affect the accompanying Interim Consolidated Financial Statements.

NOTE 17. REVENUE AND EXPENSES

a) Revenue

The breakdown of revenue by activity is as follows:

Type of Activity	30/06/2020	31/12/2020	30/06/2021
Online Advertising	8,852,558	32,558,549	39,048,778
Technology services	1,196,582	21,867,162	6,196,229
Total revenue	**10,049,140**	**54,425,711**	**45,245,007**

b) Supplies

The entire balance of this item relates to "Operating Expenses."

c) Personnel Expenses

The breakdown of this heading in the attached Consolidated Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Wages and salaries	(3,968,967)	(14,434,538)	(12,204,705)
Termination benefits	(43,032)	(632,596)	(48,356)
Social security payable by the Company	(695,205)	(2,497,447)	(2,260,441)
Employee benefits expense	(41,345)	(689,973)	(92,586)
Total personnel expenses	**(4,748,549)**	**(18,254,554)**	**(14,606,087)**

d) External Services

The breakdown of this heading in the attached Consolidated Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Research and development expense in the reporting period	(315)	-	-
Leases and royalties (Note 8)	(59,173)	(248,428)	(134,941)
Repairs and maintenance	(7,009)	(17,744)	15,234
Independent professional services	(1,324,400)	(3,936,529)	(1,556,557)
Transport	(17,897)	(11,913)	(150,030)
Insurance premiums	(44,158)	(67,452)	(81,578)
Banking and similar services	(21,891)	(66,647)	(22,017)
Advertising, publicity and public relations	(141,820)	(309,040)	(302,183)
Utilities	(89,215)	(217,867)	(200,224)
Other services	(162,808)	(800,306)	(654,641)
	(1,868,686)	**(5,675,924)**	**(3,086,936)**

e) Other financial interest and income

The breakdown of this heading in the Consolidated Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Finance income from accounts and similar	5,630	1,721,460	5,305
Finance income, Group companies	1,099		
	6,729	**1,721,460**	**5,305**

The line item at 31 December 2020 records €220,961 corresponding to the non-execution of R2M stock options and €1,500,500 of financial income, of which, €1,226,861 comes from Digilant Inc, the loan received from the Congressional Bank under the Paycheck Protection Program (PPP), established by the Coronavirus Economic Relief, Assistance and Security Act.

f) Finance Expenses

The breakdown of this heading in the Consolidated Profit and Loss Account is as follows:

	30/06/2020	31/12/2020	30/06/2021
Debts and similar expenses	(32,978)	(231,583)	(233,803)
Finance expense, Group companies	(647)	(52,244)	(61,906)
	(33,625)	**(283,827)**	**(295,709)**

NOTE 18.PROVISIONS AND CONTINGENCIES

Changes in provisions were as follows:

Item	30/06/2020	Allowance	Application/ Reversal	31/12/2020	Allowance	Application/ Reversal	30/06/2021
Provisions for other liabilities	222,468	-	60,841	283,309	-	(4,182)	279,127
TOTALS	**222,468**	**-**	**60,841**	**283,309**	**-**	**(4,182)**	**279,127**

This item relates mainly to provisions for the remuneration of personnel arising from Antevenio S.R.L. in compliance with the existing Italian labor-related regulations and amounting to 279,127 Euros (248,523 Euros at 31 December 2020 and 222,468 Euros at 30 June 2020).

React2Media, Inc. is currently the subject of an investigation initiated by the New York Attorney General regarding the company's participation in the generation of leads for the Restore Internet Freedom public consultation on net neutrality organised in 2017 by the US Federal Communications Commission. In the opinion of the Group's commissioned legal advisors, it is considered likely that a disbursement will be made to cover the legal costs and possible liabilities that could arise for the company, without being able to reliably quantify the amount given the current status of the process. The Group has therefore made a prudent provision of €190,171 to cover legal costs and possible liabilities that may arise for the company.

Net book value of intangible assets located outside Spain amounts to 178.154 euros at 30 June 2021 (227,664 euros at 31 December 2019 and 45,497 Euros at 30 June 20210).

NOTE 19. ENVIRONMENTAL INFORMATION

The Group´s companies have no significant assets nor have incurred in expenses intended to minimize environmental impact or to protect and improve the environment. Furthermore, there are not provisions for risks and expenses, nor contingencies related to the protection and improvement of the environment.

NOTE 20.EVENTS AFTER THE REPORTING PERIOD

Subsequent to the close of the 6-month period ended 30 June 2021, the following significant events have taken place:

Antevenio SA acquired the US technology company Happyfication on 15 September 2021. The New York-based company helps marketers by using data intelligence and cognitive marketing to better understand their customers' decision-making in today's market environment. Happyfication does so by linking the on and off channels so as to facilitate operational transparency through a single platform for connection, activation and measurements.

The Happyfication acquisition will also enable the group to offer brands new ways to plan and execute online and offline experiences to connect with customers.

This purchase will enable the group's companies to strengthen their ability to analyse, locate omnichannel audiences and gain insights into their behaviour. By integrating its solutions for the marketing sector, Happyfication can offer differential benefits such as:

- Media planning and execution designed for a future without third-party cookies.
- Advanced audience targeting that goes beyond device data to include search and contextual data.
- Interactive reporting enabling users to dive deeper into weekly reporting of campaign effectiveness and attribution models.

On 4 July 2021, Antevenio SA acquired 10% of the share capital of the company B2MarketPlace, S.L. at a price of €153,224, thus obtaining 61% of the company's shares.

NOTE 21. COMPENSATION AND INTERESTS OF AND BALANCES WITH DIRECTORS OF THE PARENT COMPANY

Balances and Transactions with Directors and Senior Management

The individuals classified as High Management are also Directors of the Parent Company.

The amounts accrued by the Directors or by members of High Management, under all headings, are as follows:

	High Management 30/06/2020	31/12/2020	30/06/2021
Wages and salaries	-	1,340,894	787,571
Total	**-**	**1,340,894**	**787,571**

In addition to these amounts, accrued remunerations arising from share-based payments disclosed under Note 17 c should be included. At 30 June 2021 and 2020 and at 31 December 2020 there are no commitments for pension supplements, sureties or guarantees, loans or advances granted to the Board of Directors.

<u>Other disclosures related to the Board of Directors</u>

In compliance with the provisions of Section 229 of the Spanish Corporations Law, Directors and the related parties referred to in Section 231 of the Spanish Corporations Law, have not entered into situations of conflict of interests.

NOTE 22. OTHER INFORMATION

The average number of persons employed by the Group, broken down by category, is as follows:

	30/06/2020			31/12/2020			30/06/2021		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Management			0	24	13	37	16	9	25
Administrative	7	13	21	20	29	49	19	31	50
Commercial	20	14	35	37	45	82	26	48	74
Production	30	52	81	119	162	281	110	158	268
Marketing				1	6	7	1	4	5
Technical	15	4	19	31	10	41	39	5	44
	73	**83**	**156**	**232**	**265**	**497**	**211**	**255**	**466**

The number of persons employed by the Group at the end of the reporting period and at the end of prior periods, by category, is as follows:

	30/06/2020	31/12/2020	30/06/2021
Management	23	35	28
Administrative	15	53	55
Commercial	33	64	69
Production	64	274	288
Marketing	17	5	4
Technical	19	41	42
	171	**472**	**486**

The average number of persons with disabilities equal to or exceeding thirty three percent employed by the Group, broken down by category, is as follows:

	30/06/2020	31/12/2020	30/06/2021
Management	1	1	1
Administrative	-	-	-
Commercial	-	1	-
Production	1	-	1
Marketing	-	-	0
	2	**2**	**2**

The number of Directors and persons employed by the Parent Company at the balance sheet date of the presented periods, broken down by professional category, is as follows:

	30/06/2021			31/12/2020			30/06/2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Management	2	3	5	2	2	4	2	2	4
Administrative	2	3	5	1	4	5	1	5	6
Commercial	0	0	0	0	0	0	0	0	0
Production	0	2	2	1	1	2			0
Marketing	1	1	2	1	1	2	1	1	2
Technicians	0	0	0	0	0	0	0	0	0
	5	**9**	**14**	**5**	**8**	**13**	**4**	**8**	**12**

The Board of Directors receives no remuneration. The Board of Directors of the Parent Company consists of 5 men and 1 woman.

The fees for auditing the consolidated group amounted to €94,400 in the first half of 2021 and €223,957 for fiscal year 2020.

In compliance with Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, establishing measures to combat late payment in commercial transactions, details of the average period for payment to suppliers:

	At 30 June 2020	**At 31 December 2020**	**At 30 June 2021**
	Days	**Days**	**Days**
Average period of time for payment to suppliers	44.01	49.94	41.54
Percentage of paid transactions	37.96	48.88	42.32
Percentage of transactions pending payment	37.55	67.74	38.48
	Amount (Euro)	**Amount (Euro)**	**Amount (Euro)**
Total payments made	1,755,473	10,234,317	5,394,903
Total payments pending	541,835	1,329,918	1,167,600

NOTE 23. SEGMENT REPORTING

The distribution of net turnover corresponding to the ordinary business activities of the Group, by activity categories, as well as by geographical markets is as follows:

By customers (30/06/20201	**Total**
Online Advertising	39,048,778
Technology services	6,196,229
Total revenue	**45,245,007**

By customer (31/12/2020)	**Total**
Online Advertising	32,558,549
Technology services	21,867,162
Total revenue	**54,425,711**

By customer (30/06/2020)	**Total**
Online Advertising	8,852,558
Technology services	1,196,582
Total revenue	**10,049,140**

The aggregation criteria used to draw up the segmentation shown in the previous tables are established on the basis of the types of activity carried out by the companies in the group:

- Online Advertising Main activity managed within the group, covering the advertising activities provided to the company's customers.
- Technology Services: This activity refers to the service of our e-mailing and SMS platform, Media and consumer intelligence and e-commerce consulting platform.

The economic indicators assessed to determine the segments were the value-generating capacity of each segment and the technical characteristics that each segment possesses per se.

Distribution of Sales and Costs to Sell by Territory

Distribution / Sales	Consolidated Amount 30/06/2020	Consolidated Amount 31/12/2020	Consolidated Amount 30/06/2021
Spain	4,668,586	13,675,100	10,116,382
Europe and Latin America	5,380,555	40,750,612	35,128,626
Total Sales Distribution	**10,049,140**	**54,425,711**	**45,245,007**

Distribution of Costs to Sell	Consolidated Amount 30/06/2020	Consolidated Amount 31/12/2020	Consolidated Amount 30/06/2021
Spain	(1,902,373)	(5,853,239)	(3,401,061)
Europe and Latin America	(2,555,116)	(23,346,387)	(21,895,117)
Total Costs Distribution	**(4,457,488)**	**(29,199,626)**	**(25,296,177)**

Consolidated Profit and Loss Account broken down by category of activity

	30.06.2021			31.12.2020			30.06.2021		
	Online Advertising	Rendering of Technology Services	**Total**	Online Advertising	Rendering of Technology Services	**Total**	Online Advertising	Rendering of Technology Services	**Total**
Revenue	8,852,558	1,196,582	**10,049,140**	42,706,056	11,719,655	**54,425,711**	39,048,778	6,196,229	**45,245,007**
Other operating income	152,065	-	**152,065**	464,865	25,350	**490,215**	232,602	40,000	**272,602**
Supplies	(3,945,857)	(511,631)	**(4,457,488)**	(25,987,667)	(3,211,959)	**(29,199,626)**	(23,598,002)	(1,698,176)	**(25,296,177)**
Other operating expenses	(371,475)	(6,956)	**(1,977,520)**	(5,200,525)	(1,733,508)	**(6,934,033)**	(2,577,880)	(859,293)	**(3,437,173)**
Amortization and depreciation	(371,475)	(6,956)	**(378,430)**	(777,426)	(96,086)	**(873,512)**	(562,187)	(62,465)	**(624,652)**
Personnel expenses	(4,509,704)	(238,845)	**(4,748,549)**	(13,474,119)	(4,780,435)	**(18,254,554)**	(11,392,747)	(3,213,339)	**(14,606,086)**
Other income / (loss)	20,171	-	**20,171**	(14,014)	(21,021)	**(35,035)**	(35,818)		**(35,818)**
Operating profit / (loss)	(1,306,563)	(4,872)	**(3,785,425)**	(2,282,829)	1,901,995	**(380,834)**	1,114,746	402,956	**1,517,702**
Net Finance Income	(3,780,553)	(4,872)	**(3,785,425)**	(1,922,494)	(904,703)	**(2,827,198)**	(259,011)	(86,337)	**(345,348)**
Profit / (loss) before income tax	(5,087,116)	(38,919)	**(5,126,035)**	(4,205,323)	997,292	**(3,208,031)**	855,735	316,619	**1,172,354**
Income Tax	(382)	-	**(382)**	(188,659)	(88,781)	**(277,439)**	(16,882)	(4,221)	**(21,103)**
Other taxes	(13,370)	-	**(13,370)**	(122,044)		**(122,044)**	(20,786)		**(20,786)**
Profit/(loss) for the year	(5,100,868)	(38,919)	**(5,139,787)**	(4,516,026)	908,511	**(3,607,515)**	818,068	312,398	**1,130,466**

NOTE 24.RELATED PARTY TRANSACTIONS

There was a change in the Group's structure in fiscal year 2020, as Rebold Marketing and Communication, S.L.U. and the subgroup joined the Group.

There were related party transactions in fiscal year 2020 with the following companies.

Company / Group	Relation
ISP Digital Group	*Parent Company*
ISP Group	*Related party*

At 30 June 2021 and 31 December 2020 the balances with the related parties were as follows:

RELATED PARTY (30 June 2021)	BALANCE RECEIVABLE	BALANCE PAYABLE
Other debts		
ISPD	-	12,417
ISP for corporate tax	-	627,242
Total other debts	**-**	**639,659**
Trade activity balances (client/vendor)		
ISPD	145,836	1,564,615
ISP	-	294,233
IN STORE MEDIA	192	-
Total commercial activity	**146,028**	**1,858,847**
Loan Balances		
ISPD	-	5,096,791
ISP	-	3,505,813
Total Loans	**-**	**8,602,604**

RELATED PARTY (31 December 2020)	BALANCE RECEIVABLE	BALANCE PAYABLE
Other debts		
ISP for corporate tax	-	335,252
ISPD	-	129,480
ISP loan-short term		145,000
Total other debts	**-**	**609,732**
Trade activity balances (client/vendor)		
ISPD	242,618	1,714,842
ISP	60,000	259,413
Total commercial activity	**302,618**	**1,974,255**
Loan Balances		
ISPD		4,874,263
ISP		3,273,698
Total Loans		**8,147,961**

RELATED PARTY (30 June 2020)	BALANCE RECEIVABLE	BALANCE PAYABLE
OTHER DEBTS		
ISP FOR CORPORATE TAX	-	237,749
ISPD	-	129,480
DGLNT SA DE CV	351,099	-
TOTAL OTHER DEBTS	**351,099**	**367,229**
TRADE ACTIVITY BALANCES (CLIENT/VENDOR)		
ACCESO COLOMBIA	170,255	79,330
ACCESO CONTEN IN CONTEXT SA DE CV	9,000	-
DIGILANT COLOMBIA	-	526
DGLNT SA DE CV	146,403	815
ISPD	121,000	1,337
REBOLD	268,070	179,462
DIGILANT INC	28,359	67,018
TOTAL COMMERCIAL ACTIVITY	**743,087**	**328,488**

The breakdown of transactions with related parties during the first six months of 2021 and during 2020 is as follows:

At 30 June 2021	IN STORE MEDIA(*)	ISP(*)	ISP DIGITAL(*)
Sales of goods	159	-	-
Rendering of services	-	4,800	-
Services received	-	(227,010)	-
Finance income	-	-	-
Finance Expenses	-	(21,567)	(40,339)
Total	**159**	**(243,777)**	**(40,339)**

At 31 December 2020	IN STORE MEDIA(*)	ISP(*)	ISP DIGITAL(*)
Sales of goods	1,800	-	26,571
Rendering of services		23,154	9,494
Services received		(70,353)	(263,873)
Finance income		2,137	-
Finance Expenses		(49,262)	(95,388)
Total	**1,800**	**(94,325)**	**(323,195)**

At 30 June 2020	ACCESO COLOMBIA	DIGILANT INC	REBOLD	DIGILANT SA DE CV	ISP DIGIAL
Sales	37,465.06	50,433.07	581	64,505.80	-
Purchases	(21,029.52)	(40,862.06)	(14,768.65)	(812.94)	-
Services rendered	-	-	39,420.68	80,004.75	-
Services received	-	-	(24,129.76)	-	-
Finance income	-	-	-	1,098.85	-
Finance Expenses	-	-	-	-	-647.40
Total	**16,435.54**	**9,571.01**	**1,103.27**	**144,796.46**	**-647.40**

Transactions were carried out on terms equivalent to transactions with third parties.

NOTE 25.BUSINESS COMBINATIONS

REACT2MEDIA:

On 22nd June 2017 the Parent Company completed the acquisition of 51% of the shares in the US company React2Media, L.L.C for a consideration of 2,250,000 dollars (2,022,275 euros); the entire amount of the consideration was paid to the counterparty on 23 June 2017. This company was thereafter included within the consolidation scope and fully consolidated.

The company React2Media, L.L.C. has its registered address at 35 W 36th St, New York, NY 10018, USA. The company's corporate purpose is the provision of a comprehensive service of on-line advertising networks, offering a complete array of interactive marketing opportunities to media agencies, direct advertisers and editors. The main reason supporting the acquisition is the entry of Antevenio Group in the United States market drawing on the market position and knowledge of the investee. Antevenio Group intends to provide the investee with its other business lines in order to generate positive synergies.

Both the Group and the selling shareholders mutually granted themselves unconditional put option rights and call option rights over the remaining 49% shares in the investee, which may be exercised within the same term and for the same amount. These options have a floating price based on certain parameters relating to the investee's performance over financial years 2020, 2021 and 2022; however, total acquisition value may not exceed 8.5 million dollars (of which 2.25 million dollars have already been paid for the acquisition of 51% of shares). Sale price is subject to the fulfilment of certain continuance conditions by the sellers.

In accordance with the International Financial Reporting Standards and based on the existence of cross put and call options with the same value and the same exercise period, the transaction has been treated as an early acquisition of a non-controlling interest pursuant to the requirements of *IAS 32 Financial Instruments: Presentation*, which provides that a contractual obligation to deliver cash to another entity is a financial liability.

The amount recognised by the Group at 31 December 2017 as a financial liability represented to the best estimate, as of that date, of the expected amount to be paid; the fair value of this financial liability has been measured at 1.98 million euros, recognised under "Other non-current liabilities".

In accordance with the provisions of International Financial Reporting Standard No. 3 on Business Combinations, during the first half-year of 2018 the Group has decided to reassess this financial liability and to retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. As a consequence, the amount recognised at 31 December 2018 as a financial liability represented to the best estimate, as of that date, of the expected amount to be paid; the fair value of this financial liability has been measured at 2.108 million euros, recognised under "Other non-current liabilities".

On 21 May 2019, the first tranche of rights to purchase and right to unconditional sale was implemented on 49% of the Company's shares, remaining from the capital share of said Company in the initial contract dated 22 June 2017. The Group acquires 9% of the US Company React2Media, L.L.C's shares, for 212,551 dollars (192,778 euros).

In fiscal year 2019, given the administrators obtained additional information from greater experience and accounting estimates updated in previous years in relation to the valuation of the financial liability generated by the purchase option mentioned above, its value was adjusted prospectively and the effect recognised in the Consolidated Profit and Loss Account for the year was an income of €1.4 million recorded under the heading "Impairment of assets" (Note 17.g).

As a consequence of the events described above, the outstanding amount recorded at 31 December 2019 as a financial liability amounted to €488,257, recorded under the heading "Other non-current liabilities" for €280,340 and under the heading "Other current liabilities" for €207,917 (Note 10).

As at 31 December 2020 and 30 June 2021, put and call options were not exercised as the Group expects to liquidate the subsidiary in the second half of fiscal year 2021, though there are still certain options that can be exercised by the selling party. Consequently, the Group recorded the effect of unexercised and expired call and put options as if they were a sale to minority interests.

At 31 December 2020, the Group impaired goodwill in consolidation contributed by the subsidiary React2Media, L.L.C., since it expects to liquidate this subsidiary in the second half of fiscal year 2021, given the results obtained in recent financial years following the acquisition of this subsidiary in previous years. The impairment recognised in the 2020 consolidated income statement amounted to €1,921,952.

The breakdown of the consideration given, measured as the fair value of net assets and goodwill acquired, is as follows:

	Euros
Fair value of the consideration given	
Cash paid	2,102,903
Put options granted to minority interests	1,933,648
Contingent consideration	35,004
Total consideration given	**4,071,555**
Net identifiable assets acquired	
Non-current investments	38,462
Intangible assets	2,312
Trade and other receivables	1,198,620
Cash	109,457
Debts with financial institutions	(256,188)
Other debts	(13,429)
Trade and other payables	(912,813)
Fair value of net identifiable assets acquired	**166,421**
Gross Value of Goodwill (Note 5)	**3,905,134**
Gross value of goodwill impairment (Note 5)	**(3,492,092)**
Net Value of Goodwill (Note 5)	**413,042**
Consideration paid in cash	(2,102,903)
Cash and cash equivalents acquired	109,457
Net cash outflow	**(1,993,446)**

Goodwill arising from the acquisition was allocated to the Cash Generating Unit relating to the investee's business and relates to the workforce and synergies resulting from Antevenio Group's entry in the United States market drawing on the investee to expand the Group's various business lines.

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Trade receivables	1,198,620	0.00	1,198,620

B2 Marketplace Ecommerce Group S.L.:

On 7 October 2019, the Parent Company acquired 51% of the shares in the company B2MarketPlace, S.L. for a price of €254,240, paying the entire amount to the counterparty on 7 October 2019.
This company was thereafter included within the consolidation scope and fully consolidated.

On 4 July 2021, the Parent Company acquired an additional 10% of the share capital of B2MarketPlace, S.L. at a price of €153,224, thus securing 61% holding.

The registered office of investee company B2MarketPlace, S.L. is Calle Apolonio Morales, 13c. The primary object of the company is the optimisation and improvement of brands, manufacturers and distributors presence in digital platforms.

Both the Group and the selling members mutually granted themselves unconditional put option rights and call option rights over the remaining 49% shares in the investee, which may be exercised within the same term and for the same amount. The options detailed above are based on a variable price depending on parameters associated with the results of this company in fiscal years 2021, 2022 and 2023. Sale price is subject to the fulfilment of certain continuance conditions by the sellers.

In accordance with the International Financial Reporting Standards and based on the existence of cross put and call options with the same value and the same exercise period, the transaction has been treated as an early acquisition of a non-controlling interest pursuant to the requirements of IAS 32 Financial Instruments: Presentation, which provides that a contractual obligation to deliver cash to another entity is a financial liability.

In accordance with IFRS 3 on Business Combinations, during one year from the acqusition date, the Group can reassess this financial liability and retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. After this re-evaluation, the amount recognised by the Group at 31 December 2020 as a financial liability constitutes the best estimate to date of the expected amount that the Group expects to pay, the fair value of this financial liability thereof amounting to €1,549,402 (€2,021,306 in 2019); an amount of €1,396,181 (€1,993,489 in 2019) recorded under the heading "Other non-current liabilities" and €153,221 (€27,817 in 2019) under the heading "Other current liabilities" (note 10).

The breakdown of the consideration given measured as the fair value of net assets and goodwill acquired at 31 December 2019 is as follows:

	Euros
Fair value of the consideration given	
Cash paid on the acquisition date	254,240
Put options granted to minority interests	1,993,489
Contingent consideration	27,817
Total consideration given at 31 December 2019	**2,275,546**

Net identifiable assets acquired	
Non-current investments	4,170
Intangible assets	92
Property, plant and equipment	4,479
Trade and other receivables	43,357
Cash	-
Debts with financial institutions	(69,173)
Other debts	-
Trade and other payables	(36,473)
Fair value of net identifiable assets acquired	**(53,547)**
Gross Value of Goodwill (Note 5)	**2,329,094**
Impairment Goodwill (Note 5)	**-**
Net Value of Goodwill (Note 5)	**2,329,094**

Consideration paid in cash	254,240
Cash and cash equivalents acquired	
Net cash outflow	**252,240**

The goodwill generated was assigned to the Cash Generating Unit corresponding to the activity of the acquired company and is attributed to the workforce and the synergies that the business of the acquired company can offer the Antevenio Group, completing with a new line of business the offer already existing in the group, as the acquired company can be used to expand the different lines of business of the Group.

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Trade receivables	43,053	-	43,053

FORESEEN MEDIA S.L.:

On 20 February 2019, the Parent Company acquired 70.40% of shares in the company FORESEEN MEDIA S.L. for a price of €67,420, paying the entire amount to the counterparty on 20 February 2019. This company was thereafter included within the consolidation scope and fully consolidated.

On 4 February 2021, the Parent Company acquired 29.60% of the share capital in the Company Foreseen Media, S.L. at a fixed price of €15,000 plus a variable price corresponding to the equivalent of 15% of the Gross Margin generated in 2021 by the Company's current and new customers for that fiscal year, estimated at €43,000 (see note 20).

The registered office of investee company FORESEEN MEDIA S.L. is Calle Apolonio Morales, 13C, Madrid. The main activity of the company comprises:

1. Purchase, sale, management, marketing and licensing of all types of rights related to eSports or sports played on computer systems, including the purchase and sale of advertising spaces, assets and sponsorship of players, teams and competitions.

2. Conclusion of advertising sponsorship contracts for companies with eSports agents, including yet not restricted to eSport leagues, Clubs, players or third parties who organise eSports events.

3. The Creation and management of eSports Clubs, their commercialisation, sale and economic exploitation.

4. The representation of players and eSports Clubs, purchase and sale of player image rights. If the law requires some sort of professional qualification, degree, administrative authorisation or registration on a public register to exercise of some of the activities included in the corporate purpose, these activities must be carried out by a professional certified in this regard and, where pertinent, may not start before the required administrative requirements have been met. The related activities may also be carried out by the Company in whole or in part indirectly, through holdings in Companies having an object that is identical or similar to that expressed in the preceding paragraphs, or through any other forms admitted by Law.

Given the insignificance represented by the figures integrated by the acquisition of this company in the overall consolidated financial statements, the administrators consider specifying further information in this regard to be unnecessary.

REBOLD MARKETING AND COMMUNICATION, S.L.U.:

At the General Shareholders' Meeting of the Parent Company held on 4 September 2020, the capital increase subscribed in full by its majority shareholder, ISP Digital, S.L.U., was approved, through the contribution of the shares of Rebold Marketing and Communication S.L.U. This company is in turn the head of a group of companies (broken down in the table below) which will therefore be consolidated from that date within the consolidated Antevenio Group as of 31 December 2020:

Company	Holding Percentage
Rebold Marketing and Communication, S.L.U.	100%
Acceso Mexico	100%
Acceso Colombia	100%
Digilant Colombia	100%
Digilant INC	100%
Digilant Perú	100%
Digilant SA de CV	100%
Filipides	100%
Digilant Services	100%
Blue Digital	65%
Digilant Chile	100%
Acceso Panamá(1)	0%
Blue Media	100%

(1) Loss of control of Acceso Panama

Details of the various companies constituting this new subgroup are set out in note 1 herein.

Details of the consideration given, the fair value of the net assets acquired on the date of the business combination were as follows:

	Euros
Fair value of the consideration given	
Delivered consideration (Parent Company Shares)	14,372,080
Total consideration delivered at business combination date	14,372,080

Net identifiable assets acquired	
Non-current investments	3,685,591
Intangible assets	923,740
Property, plant and equipment	420,147
Trade and other receivables	26,570,007
Cash	1,323,576
Debts with financial institutions	(21,209,894)
Trade and other payables	(25,612,684)
Fair value of net identifiable assets acquired	**(13,899,517)**

The Company has considered that fair value of the identifiable assets and liabilities acquired is equal to the relevant carrying values as of the of the acquisition date. As shown in the table above, almost all the assets and liabilities acquired relate to working capital.

The breakdown of fair value of trade receivables as of the acquisition date is as follows:

Euros	Contractual gross amount	Impairment adjustment	Fair value
Debtors and other receivables	26,570,007	-	26,570,007