Unifiedpost Group

Annual report 2023

Table of content

Message of the CEO & Chairman

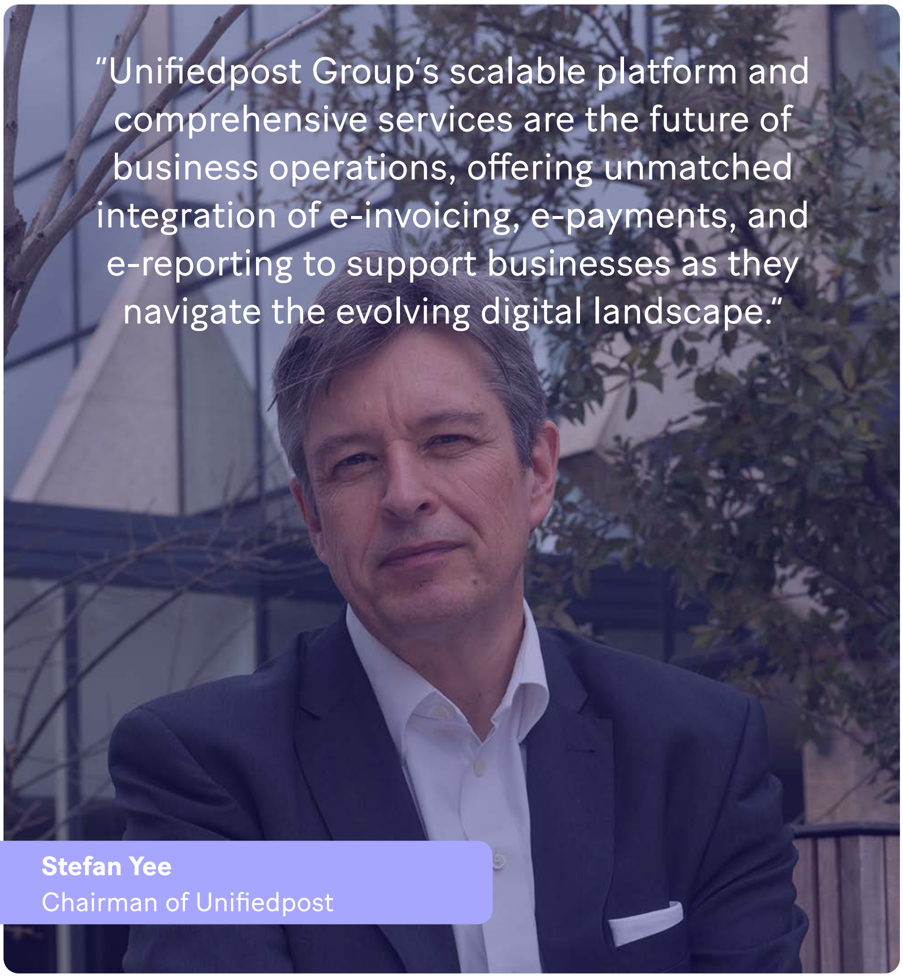
We, as Chairman and CEO of Unifiedpost Group, are proud to present the Annual Report for 2023. Despite the complex market dynamics and the regulatory shifts we navigated this year, our Group has remained steadfast in its mission, continuing to deliver double-digit growth and expanding our market presence with innovative solutions and services.

Our journey since the IPO has been transformative, guided by the revolution in business operations due to increased digitalisation and regulatory requirements. The market is embracing digital solutions, primarily due to regulations across Europe and globally in areas such as e-invoicing, e-reporting, e-payments, and e-identity. Our response to this shift has been proactive and robust, ensuring Unifiedpost remains at the forefront of this digital evolution.

In 2023, we focused on consolidating our offerings, creating a comprehensive platform that integrates these services to meet the varied needs of all businesses. We are proud to say that our platform, developed with a modular approach and capable of full self-service, is now a benchmark in the industry. Our commitment to innovation has been unwavering, as evidenced by the successful deployment of our solutions in markets like Serbia, where we quickly onboarded businesses onto a digital platform, showcasing our ability to turn compliance into opportunity.

As we navigate the complexities of diverse regulations and the unifying directives like ViDA, we have proven our agility and the robustness of our solutions. The delay in regulatory implementation in countries like France and Poland has not deterred us but rather provided an expanded timeline to refine our offerings and prepare for the surge in demand that will follow.

Our financial results reflect the successful execution of our strategy, and we remain on track to become free cash flow positive as projected. We have achieved this through diligent cost control measures and a relentless focus on sustainable growth.



Stefan Yee
Chairman of Unifiedpost

We are also excited about the future, as we look forward to the mandatory B2B e-invoicing in Belgium and other EU countries, which will open up significant opportunities for Unifiedpost Group. Our platform is not just a tool for compliance but a gateway for businesses to enter the digital age with confidence, supported by our suite of services that span from e-invoicing to embedded payments and financing.

To conclude, we want to express our sincere gratitude to our employees, whose expertise and dedication have been the cornerstone of our success. To our customers and partners, your trust and collaboration have been invaluable. Together, we have not only achieved but also surpassed our goals, laying a solid foundation for future growth.

As we look to the future, we are energised by the opportunities that lie ahead. We are committed to leveraging our technology and expertise to support businesses through the forthcoming regulatory changes and beyond. Together, we will continue to shape the future of digital business operations and create value for all our stakeholders.

Thank you for your continued support.

Hans Leybaert	**Stefan Yee**
CEO	*Chairman*

1. Management Report

1.1 Our mission

Our vision: simplifying buying and selling

Imagine a world where business transactions seamlessly cross borders, invoice payments are effortlessly and tax compliance is straightforward. This is the world we envision - one where businesses can flourish without the burden of complexity.

At Unifiedpost, we make business easy and smart by offering enterprises tools to build digital connections with their customers, suppliers and other stakeholders. By doing so, we help our customers become more efficient, cost effective and compliant.

In today's globalised world, where businesses operate across borders, we strive to facilitate smooth business transactions. Our aim is to support the economy by enabling businesses to conduct transactions with ease while allowing companies to comply with law and regulations.

The compliance triangle: a structured relationship

In today's business environment, governments impose laws to protect the interests of consumers and businesses. This creates a clear system where sellers, buyers, and governments work together to follow laws and rules. This system includes sharing details of transactions and making sure that tax and legal duties are met. It emphasises how crucial it is to have accurate and timely information within this triangle.

"The ViDa report issued by the European commission sets the tone and obliges the Member States to implement e-invoicing in their local legislation. This evolution is a key driver for our business model and is at same time a challenge for all European governments to motivate and oblige over 25 million companies to implement the e-invoicing tools. Within this market Unifiedpost aims to become a leading player."

Hans Leybaert
CEO and founder of Unifiedpost

Our strategy focuses on the compliance triangle

Our strategy centres on the compliance triangle, where we integrate e-invoicing, e-payments, e-reporting and e-identity services into a single, user-friendly platform.

1 **E-invoicing:** the foundation of seamless transactions

E-invoicing, short for electronic invoicing, refers to the digital creation, transmission, and receipt of invoices in data format, eliminating the need for paper or PDF invoices. E-invoicing serves as the cornerstone of our vision, facilitating seamless and compliant transaction flows. We support both B2B (business-to-business), B2C (business-to-consumer), and B2G (business-to-government) transactions, both domestically and across borders.

2 **E-payments:** connecting e-invoices and payments for efficient cash flow

Unifiedpost offers a comprehensive approach to invoice payments and streamlining cash flows. As a licensed payment institute, we have developed our own comprehensive payment solution on our platform, creating a unified and efficient system. This integrated approach ensures secure payment processing while aligning with tax and regulatory frameworks. Furthermore, we meet tax authorities' requests for timely payment status updates.

3 **E-reporting:** fostering transparency and compliance

E-reporting simplifies the process of reporting sales and purchase transactions while ensuring compliance with various tax and regulatory frameworks, all of which is reported to the relevant government and tax authorities. As the adoption of real-time reporting becomes a "must-have", we seamlessly adjust to meet evolving requirements.

4 **E-identity:** building trust in the digital era

In the digital world, verifying identity is paramount. It builds trust, prevents fraud and adds an extra layer of security to electronic transactions. Identity verification methods confirm individuals' online identities, ensuring that the person claiming to be someone is indeed who they say they are. Moreover, our identity verification mechanisms establish a secure link between the identified individual and the company they represent, enhancing the overall security of electronic transactions.

1.2 Unifiedpost at glance

1.2.1 Simplifying business operations through cloud-based solutions

Unifiedpost delivers SaaS solutions ...

Unifiedpost specialises in delivering cloud-based "Software-as-a-Service" (SaaS) solutions designed to optimise critical business processes. Our comprehensive suite of services spans a wide spectrum, encompassing (i) Purchase-to-Pay, (ii) Order-to-Cash, (iii) Compliance, (iv) Payments and (v) Value-added services.

on a unified platform for all business needs ...

What distinguishes Unifiedpost is our integrated platform, where services seamlessly converge. Unlike managing multiple tools, Unifiedpost consolidates everything onto a unified platform, simplifying business operations.

It serves all types of business scale ...

Whether a business is a start-up, a mid-sized enterprise or a corporation, we offer services to meet their unique requirements. Our offerings are carefully designed to meet the needs of businesses of all sizes, ensuring they are a fit for various business operations.

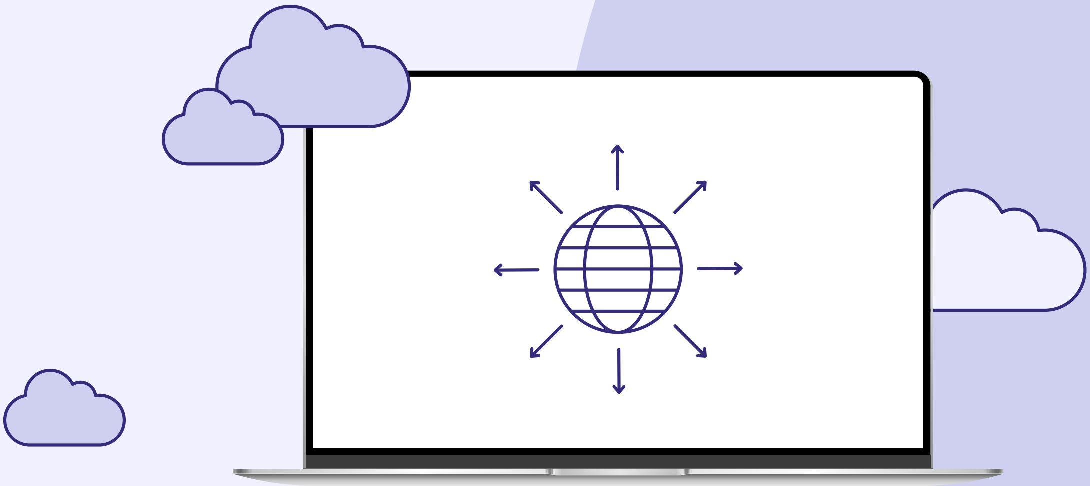
whereby a secure business environment is guaranteed ...

Unifiedpost's reach extends beyond individual business processes. We build secure networks between companies. This means businesses can connect and collaborate with suppliers, customers, partners and stakeholders with unwavering confidence, knowing that the data remains safeguarded.

and the platform is open for integration with other tools.

Our platform integrates with a variety of software providers, including those for accounting and ERP systems and also banking institutions. Moreover, it remains open to collaboration with other providers, following the roaming principle.

Essentially, Unifiedpost simplifies and elevates business operations by offering a unified, secure, and user-friendly platform. We connect companies of all sizes, empowering them to succeed in today's dynamic digital business landscape.



1.2.2 Key figures

Founded in — 2001

Unifiedpost was established in 2001 by Hans Leybaert, who laid a foundation for our journey and continues to serve as CEO.

Recurring revenue — € 179.596 thousand

Our sustainable business model thrives on recurring revenue, with an annual recurring revenue (ARR) of € 179.596 thousand in 2023, constituting 93,8% of the Group revenue.

Organic growth of digital processing revenue — 13,2%

In 2023, our digital processing revenue experienced organic growth at a rate of 13,2%, reflecting the rising demand for our services.

International presence — 33 countries

With offices established in 33 countries, Unifiedpost has an international presence.

Group revenue — € 191.385 thousand

Our total Group revenue in 2023 amounted to € 191.385 thousand, demonstrating our success in providing valuable services to businesses.

Digital processing revenue — €136.615 thousand

In 2023, our digital processing revenue reached €136.615 thousand, reflecting the income generated from our digital solutions.

Full-Time Equivalent (FTE) — 1.266 FTEs

Unifiedpost is powered by a dedicated team of 1.266 FTEs (year-end), including 380 working in R&D, all contributing to our success.

Customers served — 1.234.098

We serve 1.234.098 customers across various industries, showcasing our diverse client base.

R&D investments — € 14.071 thousand

To stay at the forefront of innovation, we allocated € 14.071 thousand in 2023 for Research and Development (R&D), driving continuous improvement and new product development.

2001

Foundation of Unifiedpost
Unifiedpost was founded in Belgium by our CEO, Hans Leybaert, with a central focus on document processing technology.

2004 - 2009

Early European expansion
Building on our success in Belgium, we quickly moved into Luxembourg (2004) and the Netherlands (2008) as we set our sights on European expansion. This was followed with the launch of our flagship "Development Centre" in Timisoara, Romania in 2009.

2012 - 2013

First acquisitions
Eager to catch the digitalisation wave, we knew we needed to combine organic growth with new capabilities. Our first acquisitions, PowertoPay (2012), a corporate payment hub, and Finodis (2013), a financial services provider, set us on the path to becoming an integrated cloud solution capable of serving our customers' entire document processing and financial value chain.

2014 - 2015

Adding identity features to our platform
Managing documents and approvals is a complex collaborative process that occurs within businesses and between entities. It is a critical element of the financial value chain and it's central to Unifiedpost's offering today.
This was made possible when we welcomed eID (2014) and Zet Solutions (2015), which combined brought identity recognition services, document signing tools and community platform solutions to the business.

2016

Unifiedpost becomes a payment institution
In 2016 we launched PAY-NXT (now Unifiedpost Payments), officially establishing Unifiedpost as a payment institution. Today with Unifiedpost Payments, customers can manage invoicing and payments using our platform.

2017

The future is integrated
A key principle of digital transformation is the ability to share, store and access data remotely and collaboratively. The acquisition of Nomadesk brought this capability to our customers.
However, there was still one piece missing from the puzzle: automation. With the acquisition of Onea, which delivers automated processing of incoming invoices and ERP-integrated accounting solutions, our mission to serve the entire document processing and financial value chain was near complete.

2018

Consolidating our position

In 2018, it was all about consolidating Unifiedpost's complete offering. We brought further strength to our financial accounting integration solutions with the addition of ADM Solutions. In the same year, Inventive Designers brought more capabilities in the form of high-volume, omni-channel customer communications technology and other related consultative services.

2019

We set foot in the Baltics

The acquisition of Fitek Group gave direct market access to the Baltic States and Central and Eastern Europe. Together with our first steps on the UK market by acquiring Prime Document, our footprint was secured in eight new markets.

2020

Unifiedpost Group becomes a listed company

Since 22 September 2020, we are listed on the regulated market of Euronext Brussels. The capital increase related to initial public offering amounted to € 175 million and had an initial market capitalisation of € 608 million. Going public was an important milestone for Unifiedpost's future growth journey as an independent fintech company.

2021

Expansion to +30 countries

2021 has been a construction year. Six major acquisitions were done: 21 Grams, Banqup, Akti, Digithera, Sistema eFactura and Crossinx.

2022

Ready for further growth

Francisco Partners, a leading global investment fund that specialises in partnering with technology-enabled businesses, entered the capital and granted a senior facility loan of € 100 million to support further growth.

2023

Government business

After these years of acquisition of features and geographical expansion Unifiedpost reshaped its platform meeting the continuous updated requirements set by the local governments. It launched the first operational governmental platform for the Serbian government with success..

1.3 Market analysis

1.3.1 Market overview

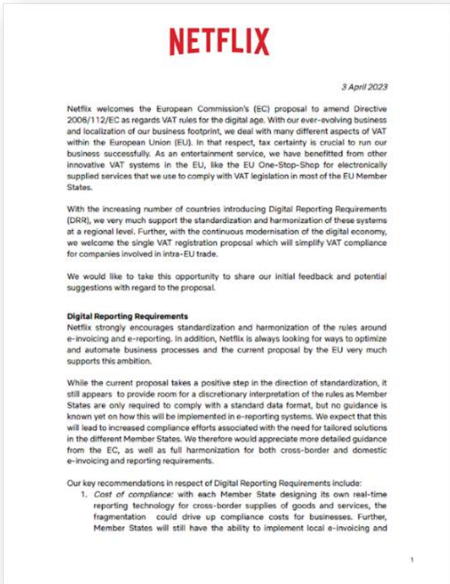
Unifiedpost operates within a rapidly expanding market shaped by the evolving demands of businesses worldwide. This market is characterised by three primary requirements: (i) process automation, (ii) compliance with invoicing and tax reporting regulations and (iii) an increasing emphasis on environmental impact.

Digitalisation and mandatory e-invoicing

The global trend towards digitalisation has gained significant momentum, partly due to the widespread adoption of mandatory electronic invoicing and tax reporting regulations in various countries. E-invoicing is at the forefront of this transformation, but it is important to note that other business documents, such as purchase orders, credit/debit notes, goods receipt records and payment records, also contribute to this shift. For multinational corporations, adapting processes to align with diverse regulations is a challenge.

Globalisation has led to a material increase in the cross-border flow of services, goods and payments. However, the complex nature of business-to-business (B2B) communication arises from the high variety of business documents, data and systems, despite the international nature of transactions. These variations present challenges in efficiently handling transactional information and payments.

Global enterprises, such as Netflix[1], acknowledge the complexity of the reporting and e-invoicing regulations, emphasising the need for robust solutions offered by specialised providers.



NETFLIX

3 April 2023

Netflix welcomes the European Commission's (EC) proposal to amend Directive 2006/112/EC as regards VAT rules for the digital age. With our ever-evolving business and localization of our business footprint, we deal with many different aspects of VAT within the European Union (EU). In that respect, tax certainty is crucial to run our business successfully. As an entertainment service, we have benefitted from other innovative VAT systems in the EU, like the EU One-Stop-Shop for electronically supplied services that we use to comply with VAT legislation in most of the EU Member States.

With the increasing number of countries introducing Digital Reporting Requirements (DRR), we very much support the standardization and harmonization of these systems at a regional level. Further, with the continuous modernisation of the digital economy, we welcome the single VAT registration proposal which will simplify VAT compliance for companies involved in intra-EU trade.

We would like to take this opportunity to share our initial feedback and potential suggestions with regard to the proposal.

Digital Reporting Requirements
Netflix strongly encourages standardization and harmonization of the rules around e-invoicing and e-reporting. In addition, Netflix is always looking for ways to optimize and automate business processes and the current proposal by the EU very much supports this ambition.

While the current proposal takes a positive step in the direction of standardization, it still appears to provide room for a discretionary interpretation of the rules as Member States are only required to comply with a standard data format, but no guidance is known yet on how this will be implemented in e-reporting systems. We expect that this will lead to increased compliance efforts associated with the need for tailored solutions in the different Member States. We therefore would appreciate more detailed guidance from the EC, as well as full harmonization for both cross-border and domestic e-invoicing and reporting requirements.

Our key recommendations in respect of Digital Reporting Requirements include:

1. *Cost of compliance:* with each Member State designing its own real-time reporting technology for cross-border supplies of goods and services, the fragmentation could drive up compliance costs for businesses. Further, Member States will still have the ability to implement local e-invoicing and

1

"We already see a wide **variety of reporting and e-invoicing requirements** [...] and expect this fragmentation trend will continue in the coming years.

[This] will result in **dependencies from** third party e-invoicing and e-reporting **software providers** and will drive up costs for compliance, as companies will not be able to design, implement and maintain these solutions in-house

[We] very much support the standardization and harmonization of these systems at a regional level."

Market size and potential: the growth of e-invoicing

In 2019[2], approximately 550 billion invoices were sent worldwide. Only 3% of these invoices were structured data e-invoices, while the remaining 97% were in paper or PDF format. Consequently, 97% of invoices still required manual processing. These figures underscore the substantial potential for an increased adoption of structured data e-invoicing.

Billentis, a market research firm specialising in e-invoicing and business process automation, estimated the e-invoicing market's value at around € 4,3 billion, with a projected CAGR of 27% between 2019 and 2025.

[1] Source: https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13186-VAT-in-the-digital-age/F3395754_en

[2] Source: https://www.redeye.se/api/articles/download-file/9c8e7d0d-06db-3f7b-8470-030db3bf790c

Market segmentation

The market for digital business document solutions can be categorised in four primary focus areas:

1. **Purchase-to-Pay (P2P):** this segment specialises in optimising procurement processes, streamlining the journey from purchase requests to supplier payments
2. **Order-to-Cash (O2C)**: focused on enhancing sales and revenue generation processes, this category ensures efficient order management, invoicing and payment collection
3. **Compliance**: centred around ensuring adherence to regulatory requirements, this domain helps businesses navigate the complex landscape of local invoicing, tax reporting regulations and compliance standards
4. **Payments**: geared towards facilitating secure and efficient financial transactions, this segment offers solutions for seamless fund transfers and payment processing
5. **Value-added services**: supplementary features that enhance the core offerings to improve business efficiency and provide tailored solutions to meet specific customer needs

In this market, two players coexist:

1. **Specialists**: These providers focus on one of the four domains mentioned above. They offer specialised solutions tailored to specific aspects of business needs.
2. **Generalists**: Providers with a holistic approach who recognise the interconnections between the four areas in the world of business transactions. They offer comprehensive solutions that address multiple facets of business document exchange, emphasising the importance of an integrated approach.

In the coming years, the industry anticipates a shift towards providers capable of addressing all four domains while prioritising business network connectivity. This transition is spurred by the increasing demand for businesses to effectively meet evolving e-reporting requirements. As organisations search for streamlined and compliant solutions to meet their business document needs, providers offering an integrated approach spanning purchase-to-pay, order-to-cash, compliance and payments are positioned to emerge as key players in the market.

Key trends and challenges in the industry

The landscape of digital business transactions is marked by trends and challenges that shape the industry:

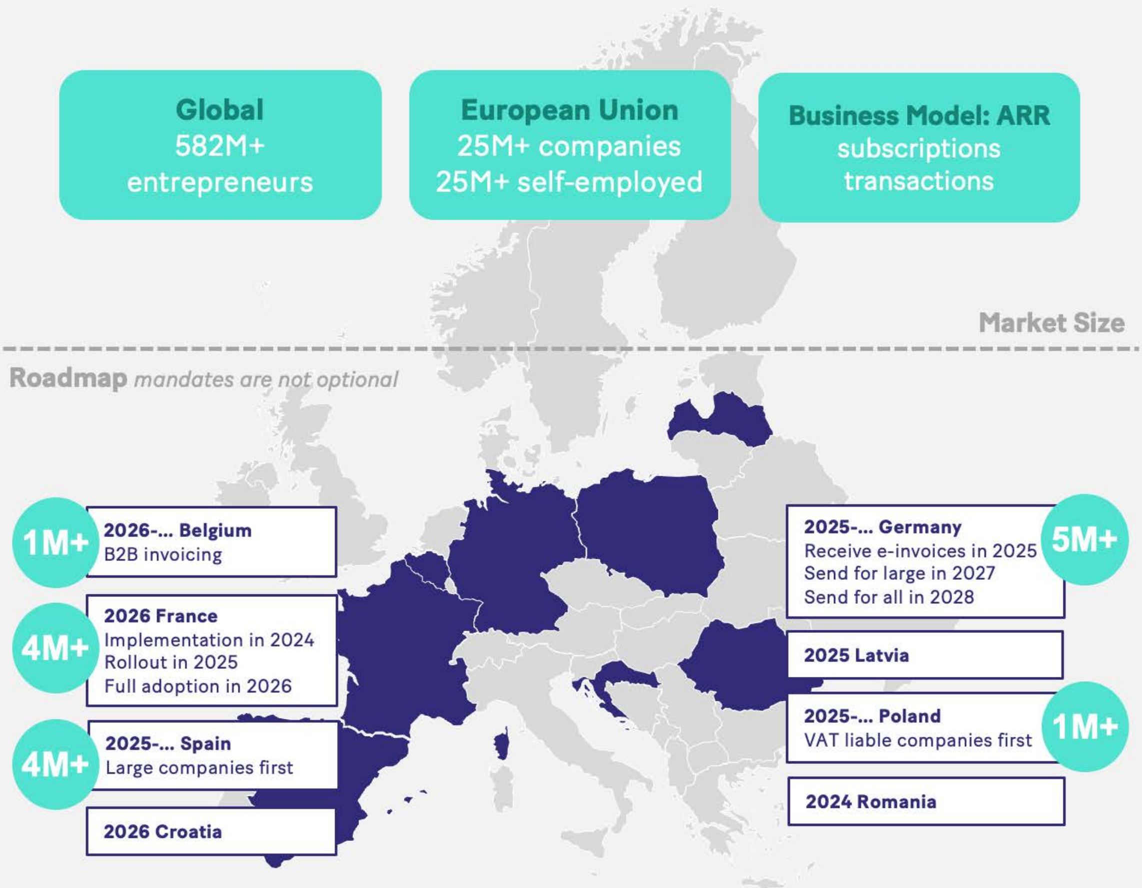
1. **Rising demand for e-invoices**: E-invoices are increasingly becoming a standard requirement, leading to a surge in transaction volumes on platforms. This transition towards electronic invoicing is driven by regulatory mandates and the pursuit of efficiency.
2. **Ongoing regulatory evolution:** Developed markets with established compliance requirements continually experience regulatory modifications and adjustments. Staying current with these changes necessitates access to compliance expertise.
3. **Regulatory-driven growth**: Regulatory initiatives are pivotal market drivers. Many countries initially introduce mandatory e-invoicing to enhance tax revenues. This is followed by an emphasis on automation and Environmental, Social and Governance (ESG) compliance. Substantial growth is driven by these macro-economic tailwinds.
4. **Format and system-agnostic solutions**: The industry is shifting towards holistic providers that excel in all four core competencies: purchase-to-pay, order-to-cash, compliance, and payments. This change is driven by the demand for comprehensive solutions to meet evolving e-reporting requirements while ensuring efficiency and compliance in cross-border transactions.

5. **Government push towards digital invoice processing**: a trend is the push by public authorities to transition from manual to digital invoice processing. This shift is motivated by two key objectives:

    - Reducing the VAT gap: governments aim to narrow the VAT gap, which represents the difference between expected VAT revenues and actual VAT collections. In the European Union, the VAT gap was approximately EUR 164 billion in 2022, constituting about 14% of member states' public revenues. Cross-border trade contributes to this gap.
    - Combating tax evasion: the battle against tax evasion is closely linked to reducing the VAT gap. To make tax evasion more challenging, authorities are implementing processes that are less susceptible to circumvention.

These trends and challenges define the evolving landscape of the digital business platform industry and present opportunities to provide solutions in response to market demands.

In the upcoming five to seven years, Unifiedpost Group is set to engage with a diverse market comprising 25 million businesses and 25 million self-employed individuals across the European Union. This expansive market is poised to operate under the transformative directives of the forthcoming ViDA regulation. Our strategic positioning and innovative solutions are designed to navigate this regulatory landscape, ensuring that we are well-equipped to support these businesses through their digital transformation journeys.



1.3.2 Competitive analysis

Unifiedpost Group operates in a market for digital business documents characterised by rapid growth driven by regulatory requirements, automation and sustainability objectives. This dynamic market features a mix of global and local companies, each offering specific solutions within sub-markets.

Fragmented market with diverse players

The market is fragmented and comprises a diverse mix of global and local companies. Many competitors cater to specific sub-markets, emphasising specialised solutions tailored to niche customer needs.

Variation in competitor offerings

While many competitors fall within the four primary focus categories, the extent and design of their offerings within a specific product area can vary. Unifiedpost asserts that it faces competition within these four categories. Unifiedpost built its product and platform from the ground for a multi-country market and with multi-functions required during the process flow of an e-invoice. Thus, Unifiedpost's unique design and scope set it apart in the market.

Unifiedpost's differentiation strategy

Unifiedpost stands out by providing a comprehensive and integrated solution that transcends geographical boundaries. This unique approach allows Unifiedpost to address a broader segment of the market compared to most peer.

Focused operating model

In the larger market, there are two main ways of operating: network-focused and application-focused. In a network-focused approach a platform combines multiple networks and applications. This approach offers more functions and adaptability, allowing businesses to benefit from a connected system. An application-based model is more specialised.

Unifiedpost's solution is known for its network-focused solution with a network-centric approach, enabling easy communication with various ERP systems and applications. This compatibility is an advantage.

Unifiedpost Group's competitive edge lies in its ability to offer a holistic, network-centric approach to digital business document management. This approach, along with its scalability and international reach, positions Unifiedpost as a player poised to capitalise on emerging market opportunities.

Below is a concise overview of Unifiedpost's competitive positioning and strengths:

1. **Market growth opportunities**: Unifiedpost operates in a rapidly growing global market characterised by regulatory requirements, automation and ESG (Environmental, Social and Governance) considerations. This provides ample opportunities for expansion and revenue growth.
2. **Unique network-centric position**: Unifiedpost stands out as an SME open and network-centric service for cloud-based process management of digital business documents and data. This positions the Company favourably to serve a broad range of clients.
3. **International reach through a single connection**: Unifiedpost offers a valuable proposition of 'one connection, global reach'. This simplifies the onboarding process for clients, making it efficient and cost-effective for them to access a global network of services.
4. **Scalable technology platform**: Unifiedpost has made important investments in its platform, ensuring scalability. This solid foundation, combined with a clear product vision, is set to drive further growth within the network.
5. **Effective partner-driven sales**: Unifiedpost's sales are increasingly partner-driven, embracing self-service models and benefiting from network effects. This approach enhances the Company's ability to efficiently reach and engage a diverse customer base.

1.3.3 Customer segmentation

Our customer segmentation strategy at Unifiedpost Group allows us to provide differentiated services to large enterprises and SMEs. While we offer tailored solutions directly to large companies, we collaborate with partners like ECMA to extend our standardised solutions to SMEs, ensuring that businesses of all sizes can benefit from our expertise and technology.

At Unifiedpost Group, we believe in tailoring our services to meet the needs of our clients and have adopted our sales strategy to get the right access to our different types of customers. To achieve this, we employ a customer segmentation strategy that distinguishes between corporates and SMEs.

Corporates: direct engagement

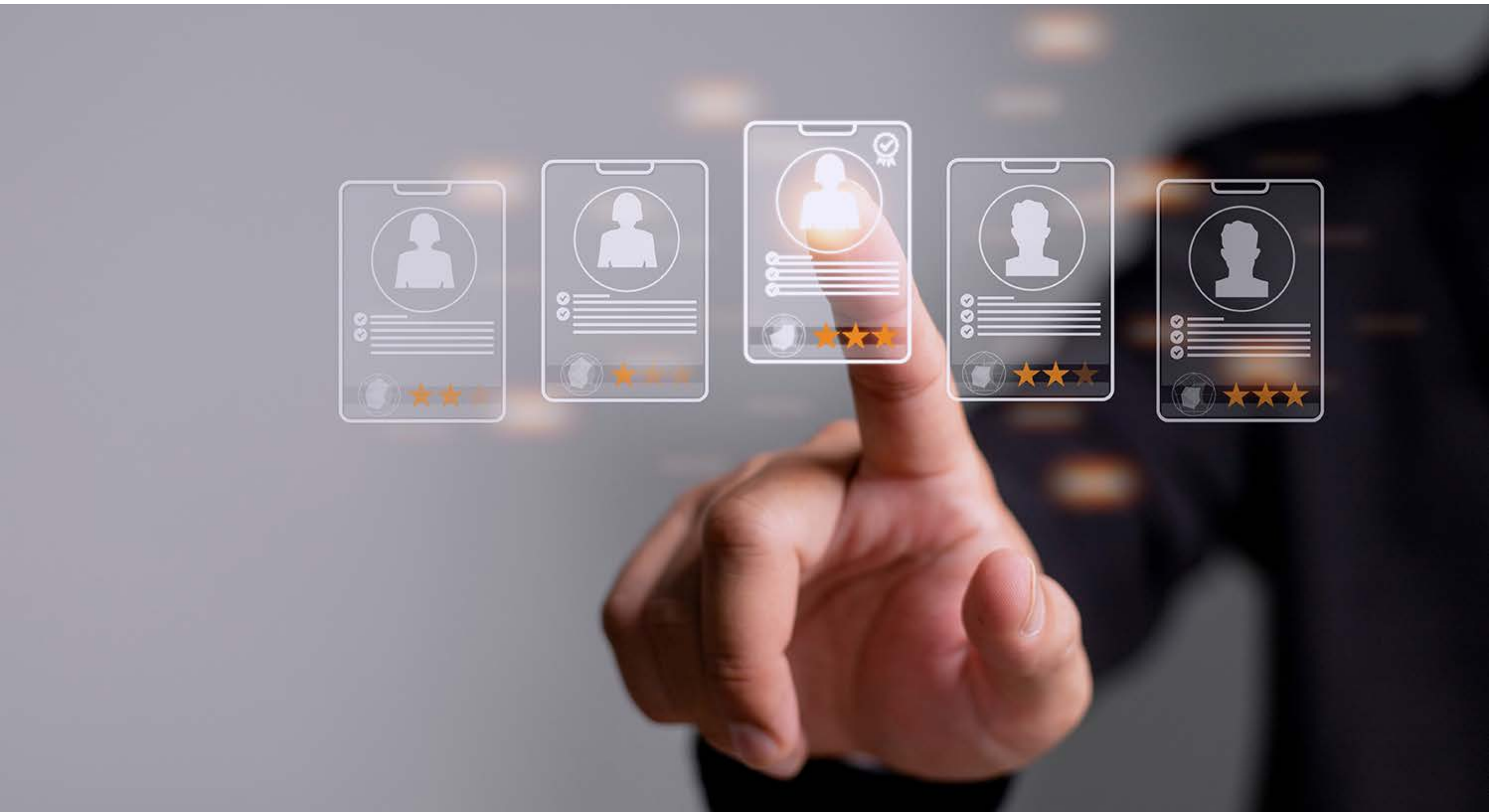
For our large enterprise clients, we have a direct approach. We have a dedicated sales team that engages with these organisations to understand their specific requirements. Our solutions for large enterprises are designed to be highly customisable, leveraging our platform to create tailored solutions that seamlessly integrate with their existing systems. This approach ensures that large companies receive solutions that align with their business objectives and operational complexities. Add that corporates work API based, they can link their ERP system with the platform without using the interface GUI.

SMEs: partner ecosystem

In contrast, for SMEs, we adopt an indirect approach through our partner network. We recognise that SMEs often have similar operational needs, so we provide a standardised solution that addresses these common requirements efficiently. Through our partner ecosystem, we collaborate with organisations that have a deep understanding of the local markets and can effectively reach SMEs.

Partner spotlight: jefacture.com in France

An exemplary illustration of our partnership approach is our collaboration with ECMA in France. Together with ECMA, we are introducing jefacture.com to the French (accountants) market. jefacture.com offers simplified invoicing and payment solutions tailored for small businesses in France. Unifiedpost Group's partnership with ECMA ensures that French SMEs can access a user-friendly, localised solution that streamlines their accounting processes and complies with French e-reporting legislation.



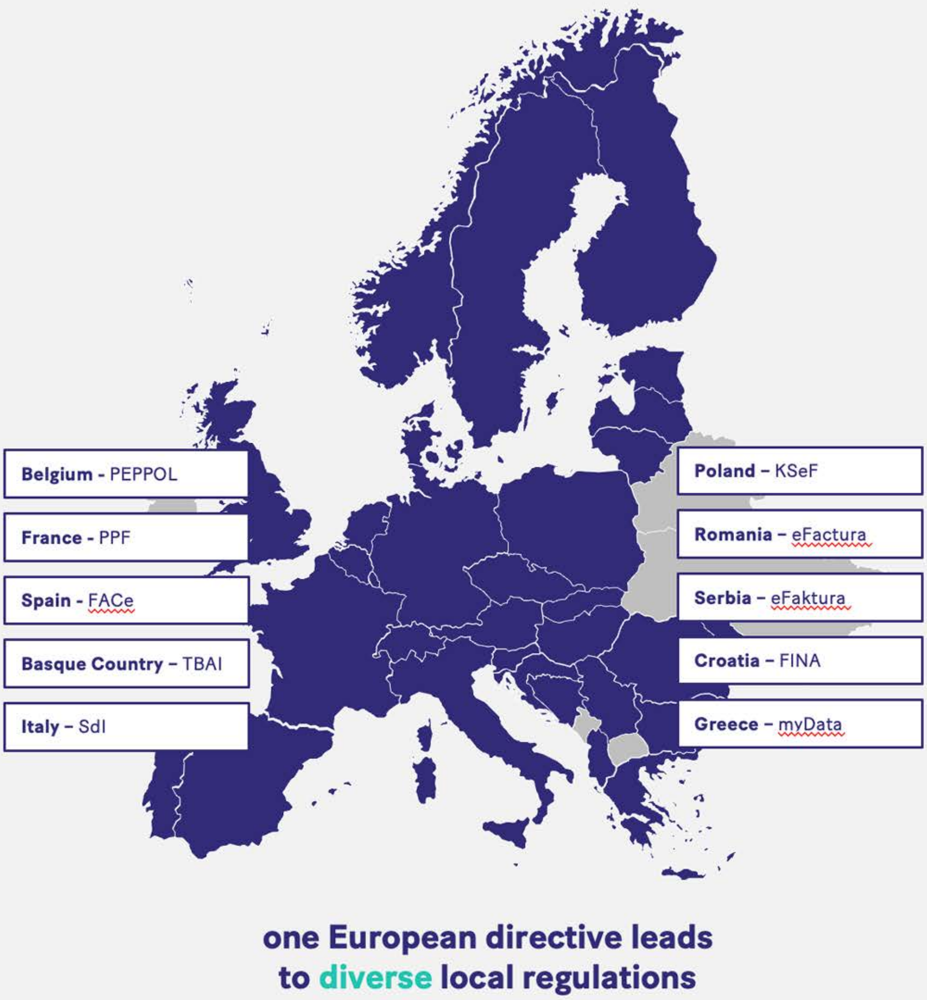
1.4 Regulatory environment

1.4.1 Regulatory landscape

In the ever-evolving business landscape, regulations play a pivotal role in shaping how companies operate. Unifiedpost operates within a multifaceted regulatory environment, subject to various laws and regulations that impact business operations. One of the prominent regulatory frameworks that we navigate is the EU's "VAT in the Digital Age" (ViDA).

These laws and regulations are not mere bureaucratic hurdles, they are safeguards to protect the interests of businesses, consumers and governments. The regulatory landscape reflects the changing needs of the industry and society. Compliance with these laws is not optional but a fundamental aspect of responsible business conduct.

To understand the significance of these laws and regulations, it is crucial to recognise their overarching purpose. They aim to promote fairness, transparency and accountability in the business ecosystem. Regulatory compliance aims for businesses to operate ethically, protect the rights of their customers and contribute to the overall well-being of the market.



Due to regulations' complexity and ever-changing nature, many businesses rely on external service providers. These providers specialise in staying up to date with the latest regulatory changes and ensuring that businesses adhere to them.

1.4.2 Impact of "VAT in the Digital Age"

"VAT in the Digital Age" (ViDA), represents a catalyst for transformation within our industry. It's not just another set of rules, it's a comprehensive set of proposals introduced by the European Commission to modernise and simplify Value Added Tax (VAT) regulations in the digital era.

Key Highlights of ViDA

- on 8 December 2022, the European Commission unveiled its proposals for changes to VAT regulations, including the VAT Directive, the Regulation on VAT administrative cooperation and the VAT Implementing Regulation
- these proposals encompass numerous detailed changes to the existing VAT legislation
- the key highlights of these proposals include digital reporting requirements, transactional and near-real-time data transmission from structured electronic invoices, new VAT collection responsibilities for platforms facilitating short-term accommodation rental, passenger transport and e-commerce marketplaces and expanded possibilities for cross-border businesses to report transactions through a single VAT registration in the EU

Analysis and impact

The ViDA proposals are poised to have a profound impact on businesses throughout the European Union. These changes usher in a new era of VAT compliance and reporting:

- **Digital reporting requirements**: ViDA introduces stringent digital reporting requirements for transactions, necessitating the near-real-time transmission of structured electronic invoices. This represents a shift in how businesses manage VAT compliance.
- **Platform liabilities**: Platforms that facilitate short-term accommodation rental, passenger transport and e-commerce transactions will face new VAT collection responsibilities.
- **Cross-border simplification**: ViDA creates new and expanded opportunities for businesses engaged in cross-border trade. It allows them to report their transactions through a single VAT registration system in the EU, streamlining compliance for companies with international operations.

ViDA is a crucial element of the European Commission's broader action plan for fair and simplified taxation, aligning with the goals of enhancing tax reporting transparency, automation and adapting VAT regulations to the digital age.

From Unifiedpost's perspective, ViDA accelerates the adoption of digital solutions, promotes simplified processes and introduces standardised data exchange. As such, it enables us to offer innovative solutions that align with the evolving regulatory framework.

1.4.3 Compliance and adaptation

We are committed to upholding the highest standards of adherence to the regulatory framework. Our approach to compliance is comprehensive and proactive. We have dedicated teams that closely monitor legislative changes, assess their implications and implement necessary adjustments. This proactive stance allows us to remain at the forefront of compliance, providing our customers with a secure and reliable platform for their digital connections.

In the dynamic world of regulations, adaptation is essential. Unifiedpost has a history of successfully adapting to the evolving regulatory landscape. We implement agile strategies that align with new requirements and standards.

1.5 Business strategy and goals

1.5.1 Corporate objectives

This section outlines Unifiedpost's strategic objectives, outlining our path for sustainable growth and innovation. We detail our goals and strategies to achieve them, providing insights into our commitment to drive value for our stakeholders and clients.

This set of KPIs illustrates Unifiedpost's market reach and the efficiency of its customer acquisition strategies. The positive trends in the KPIs throughout 2023 reinforce Unifiedpost's position as a leading player in the industry.

Our ambition: becoming Europe's premier trusted business network and beyond

Unifiedpost aspires to establish itself as Europe's preeminent network for business data exchange. In an era of heightened globalisation, our mission is to facilitate transactions, eliminate complexity and empower businesses to thrive in an interconnected world.

Streamlining business data exchange

Unifiedpost envisions a future where digital, system-to-system data exchange replaces the traditional method of exchanging invoices and other business documents through PDFs, paper and manual processes. Our platform is designed to simplify business document and data exchange for companies, regardless of their system, location or size. By streamlining these processes, we aim to enhance efficiency, reduce errors and enable businesses to focus on their core operations and successes.

Dominating complex markets

Unifiedpost has carved out a market-leading position in a complex technological and regulatory environment. Our expertise and solutions address the challenges posed by a fragmented market, providing integration and compliance in over 30 markets. We firmly believe that there are barriers to enter our market due to the complexity of our industry. It is unlikely that companies will develop an internal solution due to the complexity.

An agnostic network for business documents and data

At Unifiedpost, we offer a format and system-agnostic network that interprets local variations in business documents and data while ensuring compliance with evolving regulatory requirements. This approach empowers trading partners to engage in efficient sales and purchasing processes, promoting transparency, traceability and connectivity. Our network grants businesses the freedom to seamlessly exchange information, enabling them to adapt to changing market dynamics swiftly.

Creating the largest open business network

Unifiedpost's goal is to help establish the largest open business network in Europe and beyond. A single connection to our platform provides access to approximately 2,3 million businesses through direct access and roaming. As an open network with integration points for various accounting software and ERP solutions, we extend our reach beyond our directly connected customers.

Business Key Performance Indicators (KPIs): showcasing Unifiedpost's 2023 performance

Business KPIs (*)	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Customers	1.234.098	1.212.508	1.172.197	1.133.706	1.063.776
- Paying customers	*520.058*	*505.636*	*490.936*	*473.679*	*468.128*
- Customers paid by 3rd parties	*714.040*	*706.872*	*681.261*	*660.027*	*595.648*
Companies in business network	2.404.891	2.320.065	2.254.762	2.186.270	2.109.297
Banqup customers	161.936	156.450	151.931	143.902	124.333
Banqup customers Belgium (Billtobox)	53.257	50.528	48.651	45.359	40.363
Banqup customers France (jefacture.com)	17.013	15.699	14.291	11.973	5.428

(*) At the end of the quarter

Explanation of the business KPIs

Customers

- The total number of customers (companies) using Unifiedpost's services.
- This KPI reflects the overall reach and market penetration of Unifiedpost's solutions. It signifies Unifiedpost's ability to attract and serve a wide customer base, which is crucial for revenue growth and market leadership.
- The customer base steadily increased throughout 2023, reaching 1.234.098 by the end. This growth demonstrates Unifiedpost's capacity to continuously acquire new customers, which is essential for expanding our market share and revenue streams.

Paying customers

- Companies that use Unifiedpost solutions to streamline their document and financial processes and that pay for those services themselves.
- Monitoring the number of paying customers is vital for Unifiedpost as it directly reflects the organic growth of our customer base. This KPI helps us assess the attractiveness of our solutions to businesses, indicating their willingness to use our services to streamline their operations. An increase in paying customers demonstrates the value and trust they place in Unifiedpost, contributing to revenue generation and long-term partnerships.
- The number of paying customers increased to 520.068 by the end 2023. This growth demonstrates the attractiveness and value of Unifiedpost's services.

Customers paid by 3rd parties

- These are businesses that select Unifiedpost solutions to enhance their operational efficiency. However, the expenses for the services they adopt are covered by third parties, including entities such as accountants, governmental bodies or collaborating corporations.
- Tracking this KPI is significant because it highlights the attractiveness of Unifiedpost's solutions not only to businesses but also to external stakeholders such as accountants, government entities and collaborating corporations. It showcases our ability to provide valuable services that incentivise third parties to invest in the efficiency and success of our customers. This contributes to our revenue streams and reinforces our position as a trusted partner in the digital transformation of businesses.
- The number of customers paid by third parties increased to 714.040 by the end of 2023. This growth suggests successful partnerships and the ability to expand the customer base through indirect channels.

Companies in business networks

- This KPI represents the total count of businesses actively engaged within our digital ecosystem. This figure encompasses not only our direct customers but also extends to companies that we can digitally connect with through roaming agreements and open platform compatibility.
- This KPI holds importance for Unifiedpost as it indicates the reach of our digital solutions. Apart from our direct customers, it's crucial for us to connect with other networks and ERP systems through our open architecture. A growing network implies that our customers can establish digital connections with an increasing number of businesses. This ensures that our clients can fully embrace digital transformation and conduct their operations

efficiently in a rapidly evolving digital landscape. Thus, it is vital for us to offer this extended network to our customers.
- Over the past year, the number of companies within our business network has grown steadily, reaching 2.404.891 at the end of the year. This expansion can be attributed to our efforts to enhance our platform's capabilities, forging strategic partnerships and ensuring compatibility with a variety of ERP systems and networks.

Banqup customers

- The number of customers using Unifiedpost's Banqup services, the Unifiedpost premium solution (Banqup premium).
- Banqup is a key offering within Unifiedpost's portfolio. An increase in Banqup customers reflects the demand for Unifiedpost's premium solutions.
- By the end of 2023, there were 161.936 Banqup customers. The consistent growth in Banqup customers demonstrates the relevance and adoption of Unifiedpost's services.

Banqup customers Belgium (Billtobox)

- The number of customers using Banqup services in Belgium under the Billtobox brand.
- Belgium is a key market for Unifiedpost. An increase in Banqup customers in Belgium signifies Unifiedpost's stronghold in our home market.
- By the end of 2023, there were 53.257 Banqup customers (premium) in Belgium, a growth of 40.363 in the year. This growth highlights the Unifiedpost's ability to serve and expand our customer base in our domestic market.

Banqup customers France (jefacture.com)

- The number of customers using Banqup services specifically in France under the jefacture.com brand.
- France is another important market for Unifiedpost. An increase in jefacture.com customers in France reflects Unifiedpost's international growth and success in expanding its presence.
- By the end of 2023, there were 17.013 jefacture.com customers in France. This growth demonstrates the successful launch of Unifiedpost services on the French market.

1.5.2 Growth strategy

Unifiedpost aims to accelerate its market presence and establish itself as a leader in the digital document and data field. This strategy is underpinned by a relentless commitment to innovation, efficiency and market expansion.

Market penetration and partner network

To promote growth, our solution is marketed both directly to corporates as well as through a partner community (a network of businesses and professionals that collaborate) to SMEs. Respected names are included in this partner network. This dual approach ensures broad market coverage and access to diverse customer segments.

Continued platform and product investment

Unifiedpost is making substantial investments in its platform and organisation, with a clear aim to emerge as one of the leaders in the digital document and data field. These investments are integral to its goal of becoming a prominent player. The strategy revolves around continuous improvement and enhancement of the platform's functionality and user experience.

European and global expansion

Unifiedpost is confident in the opportunities that exist in the global market for compliant exchanges between businesses. This confidence stems from its network-centric approach, which has positioned Unifiedpost as the provider of choice for many companies demanding for cross-border solutions. This is illustrated by our growing list of customers. The Group's first focus is the European market, driven by ViDA.

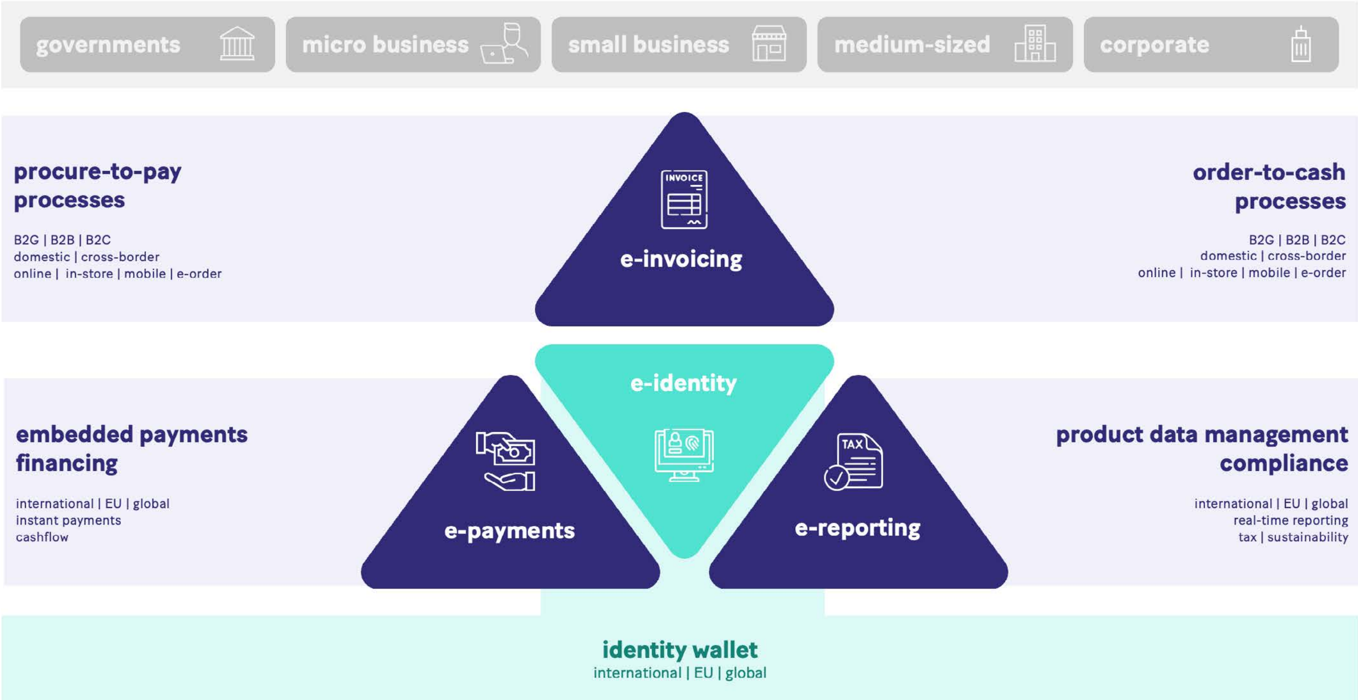
Customer-centric growth

Unifiedpost seeks to grow existing customer base in two ways. First, by increasing the volume of transactions per customer. Second, by upselling more services to its customer base, increasing value delivery as a result.

1.5.3 Product and service portfolio

1.5.3.1 Digital processing services – digital platform

Unifiedpost operates a SaaS based business solution platform



1.5.3.1.1. Key functionalities of Unifiedpost's business solutions platform

Our e-invoicing service: simplifying invoicing for businesses

We provide a solution that simplifies creating and receiving digital invoices for businesses. Whether for transactions between businesses or with consumers, locally and internationally, we excel at making invoicing processes effortless.

Our unique service integrates into existing sales and procurement processes, ensuring operations run smoothly. By choosing Unifiedpost, businesses get a powerful tool to streamline transactions, enhance efficiency and reduce the complexities often associated with invoicing.

Our e-payment service: integrating payment processing for swift and secure payments

The Unifiedpost suite of payment solutions integrates into business operations, ensuring companies of all sizes access a broad range of functionalities tailored to today's financial landscape. The Company's strategic decision to internalise all payment capabilities, rather than rely on external parties, offers flexibility and security. This approach is reinforced by our adherence to regulatory compliance, with activities organised within a separate legal entity, overseen by the National Bank of Belgium and local authorities in the countries where we operate.

Central to our services is the facilitation of financial processes, including Order-to-Cash (O2C) and Procure-to-Pay (P2P) workflows. By issuing IBAN accounts to clients, we streamline transactions, creating an ecosystem where payments are processed efficiently. Our P2P capabilities aim to simplify the payment of incoming invoices through automation, covering every aspect of the payment cycle from invoice reception to final payment. This helps businesses manage their expenses without manual intervention, improving operational efficiency and control over cash flow.

Recognising the dynamic nature of today's business environment, our payment solutions are accessible on both PC and mobile platforms. This ensures convenience and security across devices, allowing users to manage their payments whether in the office or on the move.

Our digital payment solutions serve a wide range of needs, from online payments for SMEs through our Banqup solution to the solution for larger enterprises, which streamlines receivables and payables. Features such as payment buttons on invoices, automated payment reminders, and reconciliation processes integrated with existing ERP systems are designed to meet practical business requirements.

In embracing digital transformation, Unifiedpost Group aims to simplify financial operations and align with the digital landscape, prioritising security, efficiency, and convenience. Our payment solutions are designed to streamline financial transactions, offering a secure and user-friendly experience that moves beyond traditional payment processing methods. Our commitment to provide accessible and adaptable payment solutions positions Unifiedpost Group as a valuable partner in financial management, ready to support the evolving needs of the modern business landscape.

Our e-reporting service: simplifying transaction reporting and compliance

Unifiedpost simplifies the reporting of sales and purchase transactions, making it easier for businesses to adhere to tax and regulatory frameworks. We understand the importance of keeping up with evolving reporting standards, such as Continuous Transaction Control (CTC)(a system used by tax authorities to monitor and verify transactions in real-time) systems and we quickly adapt to near-real-time reporting requirements.

In addition to tax compliance, we also support businesses in meeting the requirements of the European Corporate Sustainability Reporting Directive (CSRD). Our platform offers detailed insights into the environmental impact of our operations, helping companies gather and manage product-specific data for accurate and comprehensive reporting.

Our e-identity services: building trust in digital transactions

As businesses adopt e-invoicing, verifying the identities of the parties involved is essential for secure and trustworthy transactions. In today's digital environment, where transactions often take place remotely and without physical signatures, ensuring authenticity and trust is paramount.

Unifiedpost offers robust identity verification mechanisms designed to meet the needs of businesses of all sizes. Our identity verification solutions add an extra layer of trust and security to digital transactions. With our services, companies can engage in secure electronic transactions.

1.5.3.1.2. Key features of Unifiedpost's business solutions platform

API integration for seamless connectivity

Our platform has an API-driven approach, ensuring easy integration, scalability and flexibility. It empowers developers to easily connect and extend functionalities, fostering a dynamic ecosystem. APIs play a vital role in connecting partners to our platform, streamlining data synchronisation and enhancing operational efficiency. They also enable larger enterprises to establish robust connections with our platform.

All-in-One app for SMEs

We understand the challenges faced by SMEs in managing complex financial processes. To simplify this, we offer an all-in-one solution that consolidates financial tasks like invoicing, payments and tax reporting into a user-friendly platform. This frees up valuable time and resources for SMEs to focus on their core activities.

Trusted network for global transactions

The Banqup network connects buyers and sellers through advanced technology, facilitating digital flows of orders, invoices and payments. Beyond efficiency, it transforms data into a strategic asset, enhancing decision-making. It unifies global transactions, integrates with third-party networks and emphasises security.

Efficient cash management

Our platform provides cost-effective cash transfers and real-time information, helping businesses make informed financial decisions. It streamlines tax compliance through swift transactions reconciliation with invoices, eliminating bottlenecks.

Streamlined payments

Banqup redefines financial management with user-friendly interfaces, mobile accessibility and competitive fees. Data analytics provide valuable insights, supporting informed decisions.

Automated tax compliance

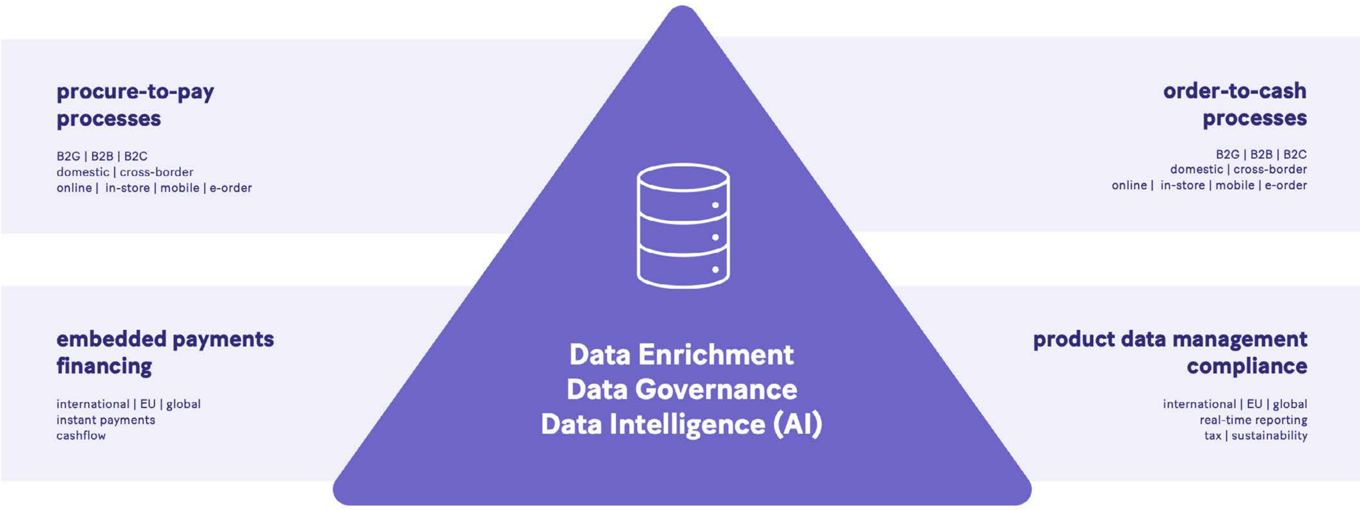
We are working on automated tax calculations, validations and reporting to ensure businesses stay compliant with changing tax rules, especially when operating in multiple jurisdictions.

Support for 3rd party innovation

Our platform is open to third-party developers, allowing them to create application expansions and solutions using our building blocks. This fosters innovation and enhances capabilities.

Centralised data pool

Our data pool is a secure and regulatory compliant repository, empowering extensions to access information and deliver exceptional value. It provides insights for informed decisions.



we gather a lot of valuable business data

data driven services will be developed based on this data

Seamless integration with other systems

We prioritise integration with various software systems and platforms, maximising business opportunities.

1.5.3.2 Digital processing services – hybrid services

The Unifiedpost hybrid services bridge the gap between paper and digital. These services are designed to handle documents in paper or PDF formats, ensuring they can integrate into digital workflows.

Document data extraction

With our document data extraction services, we simplify the process of extracting valuable information from physical documents, such as paper invoices or receipts, and digital documents in PDF format. Our technology captures and converts this into a digital format, making it accessible for further processing with digital systems. This eliminates the need for manual data entry and reduces the risk of errors.

Print and mail services

In cases where certain documents cannot be delivered digitally, Unifiedpost offers print and mail services. We print documents and send them to recipients via traditional postal services. This ensures that such documentation reaches its destination, even when digital delivery is not feasible. Our print and mail services are designed for efficiency, accuracy and timely delivery.

Unifiedpost's hybrid services provide businesses with the flexibility to handle documents in various formats whilst integrating them into their digital operations. Whether extracting data from physical documents or ensuring the delivery of paper-based communications, our hybrid services offer a comprehensive solution to meet document management needs.

1.5.3.3 Postage & Parcel optimisation services

Unifiedpost's "Postage & Parcel optimisation services" refer to a set of solutions aimed at optimising the process of sending out physical documents and parcels, focusing on cost efficiency and convenience. This service was bolstered by Unifiedpost's acquisition of 21Grams and is currently only available for the Scandinavian market.

Optimising large mailings/deliveries

In countries like Sweden, where the postal market is liberalised, companies often send out large volumes of mail and parcels. Unifiedpost helps businesses optimise these large mailings. This means finding the most cost-effective and timely ways to send out documents and parcels. For example, it could involve bundling multiple deliveries going to the same area or choosing the most economical postal services.

Software-based optimisation

This service considers various factors for delivering physical pieces like destination, delivery deadlines, and postal service options to develop the most efficient delivery plan.

Parcel distribution

In addition to optimising postage for documents, Unifiedpost extends its services to (small) parcel distribution. This means we can help clients efficiently send out not only documents but also small physical goods or packages that can be delivered by classic postal services.

1.5.3.4 Transforming Government E-Invoicing (eFaktura)

Unifiedpost Group is at the forefront of digital transformation with its innovative government solution, designed to streamline the transactional processing of B2G (Business to Government) and B2B (Business to Business) invoices. This solution enables governments to implement e-reporting as driver for ViDa, illustrating our commitment to enhancing public sector efficiency through technology.

Unifiedpost offers a licensable product, empowering governments to integrate our advanced e-invoicing system within their existing infrastructures. This approach facilitates the comprehensive handling of B2G and B2B invoices, marking a step towards automating and optimising governmental financial control processes.

The solution's effectiveness is evidenced by its deployment within the tax administrations of Estonia and Serbia, showcasing our ability to deliver a fully functional system tailored to government needs. EFaktura World, as it is known, operates as a national e-invoicing and Continuous Transaction Controls (CTC) platform, particularly in Serbia where it has been live since April 2022. This platform serves as a centralised government tool for enforcing B2B and B2G e-invoicing mandates, demonstrating our solution's versatility and global applicability.

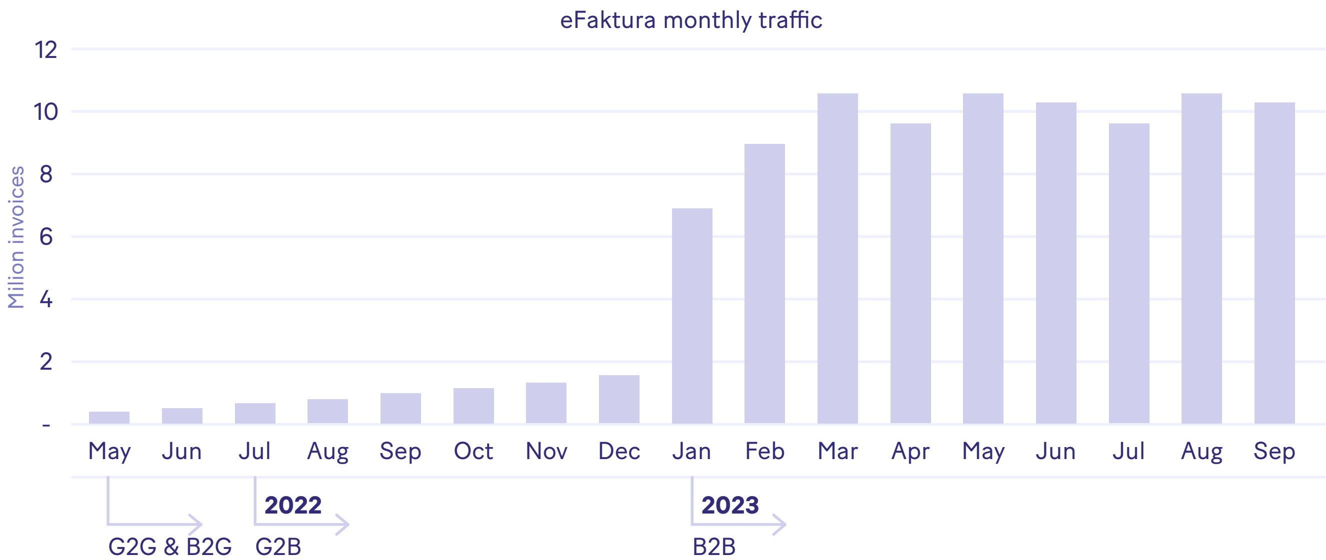
Developed as a multi-component software system, eFaktura boasts independent and reusable components, making it a highly configurable solution. This flexibility allows for the activation or deactivation of system components around the core system, catering to various models of electronic tax reporting and invoicing. Such adaptability is essential for incorporating country-specific elements or local practices, ensuring eFaktura's relevance across different governance frameworks.

EFaktura is designed to meet fiscal objectives by facilitating the capture of invoice data within tax platforms, supported by certified service providers operating on a decentralised basis. This capability ensures its deployment in multiple jurisdictions, aiding in the support of indirect tax controls for domestic, cross-border, and multi-country operations.

Case Study: eFaktura Serbia (SEF)

The implementation of eFaktura in Serbia exemplifies our comprehensive approach to e-invoicing solutions. Contracted by the Ministry of Finance and hosted at the government's ICT office, this centralised e-invoicing exchange system underwent setup, customisation, and integration phases before the e-invoicing law was enforced in May 2022. The mandatory character of using e-invoicing through use of the government's platform became mandatory by 1 January 2023. The chart below shows the one-time big impact from one month to the next, following the regulatory framework that was modified.

EFaktura in Serbia is accessible via both UI and API, ensuring wide accessibility and integration with all commercial e-invoicing platforms. This initiative underscores our main goal to automate VAT reporting and enhance the supervision of both the private and public sectors, contributing to a more transparent and efficient fiscal environment.



1.5.4 Technological developments

In 2023, Unifiedpost continued to leverage on advanced technologies to drive our strategy, enhance our services and ensure our platform's resilience and compliance. Our continued investment in both our technical infrastructure and research and development (R&D) initiatives, underlines our continued commitment of staying at the forefront of technological advancements. These investments are instrumental in achieving our strategic goals and responding effectively to evolving market demands.

Utilisation of technology for business strategy support

Unifiedpost's strategy revolves around simplifying and optimising document flows, payments, compliance and value-added services for businesses of all sizes. To accomplish this, technology plays a pivotal role.

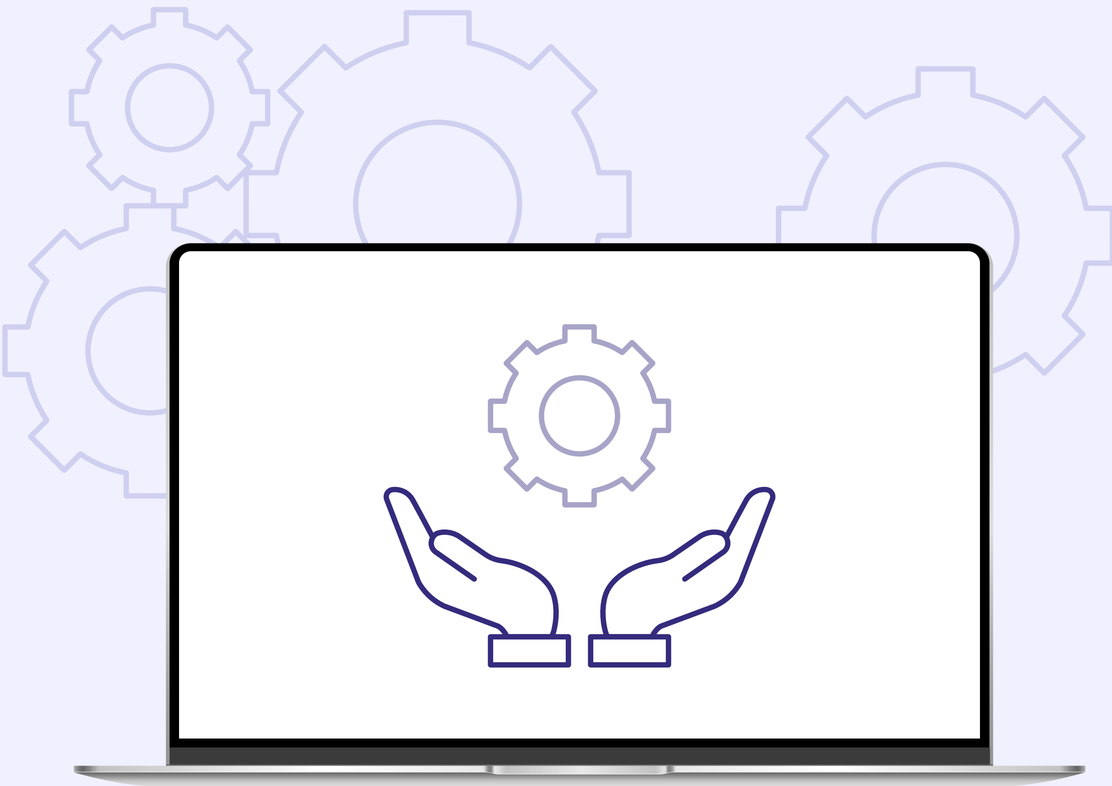
One technological milestone in 2023 was the preparation of our platform for the launch of "Plateforme de Dématérialisation Partenaire" (PDP) in France. This initiative is a testament to our commitment to adapting to emerging regulatory requirements and embracing innovations that enhance data security and privacy.

Investments in technological infrastructure and R&D

Unifiedpost continued to make substantial investments in upgrading our technological infrastructure and expanding our R&D efforts throughout 2023. These investments aim to enhance platform scalability, cyber-security and the integration of emerging technologies.

Impact of emerging technologies

The impact of emerging technologies on our business operations cannot be understated. We recognise the profound influence of AI and data analytics in shaping the future of document management, payments and compliance. These technologies will enable innovative solutions that respond to the needs of our customers and the evolving regulatory landscape.



1.6 Financial highlights

1.6.1 Key financial results

Consolidated key figures

Income statement	**For the year ended 31 December**	
Thousands of Euro	**2023**	**2022**
Group Revenue	191.385	190.963
Recurring digital processing revenue	124.826	112.651
Non-recurring digital processing revenue	11.789	14.265
Postage & Parcel optimisation revenue	54.770	64.047
Recurring revenue (in % of total revenue)	93,8%	92,5%
Total gross profit	65.962	60.153
Total gross margin	34,5%	31,5%
Digital processing gross profit	59.043	53.146
Digital processing gross margin	43,2%	41,9%
R&D spent (expensed and capitalised)	-27.203	-26.279
Impairment loss	-39.000	-
Loss from operations	-65.907	-29.900
EBITDA	-82	-6.389
EBITDA margin	-0,0%	-3,4%
Loss of the year	-83.146	-43.544

Balance sheet	**For the year ended 31 December**	
Thousands of Euro	**2023**	**2022**
Balance sheet total	277.978	338.076 (*)
Equity	75.910	158.290
Goodwill	113.069	153.429
Other intangible assets	82.856	85.516
Cash and cash equivalents	26.323	40.033

(*) The comparative figures 2022 have been restated following IAS 8 regarding the factoring debt.

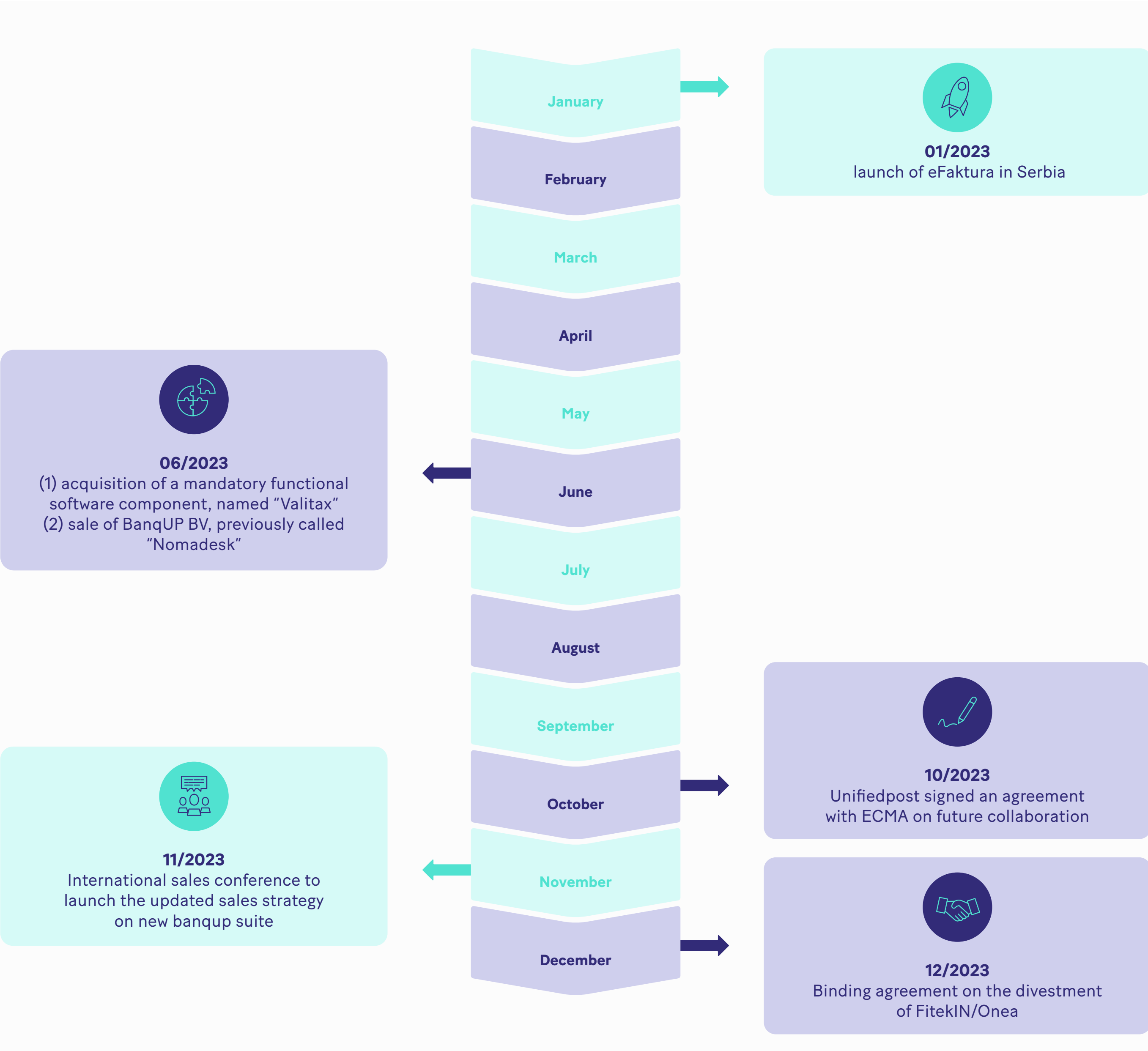
Cash Flow Statement	**For the year ended 31 December**	
Thousands of Euro	**2023**	**2022**
Cash flow from operational activities	14.761	-11.550 (*)
Cash flow from investment activities	-16.838	-32.199
Cash flow from financing activities	-11.559	66.812 (*)
Net increase (-) / decrease in cash classified within current assets held for sale	-74	-
Total net increase / decrease (-) in cash flow	-13.710	23.063

(*) The comparative figures 2022 have been restated following IAS 8 regarding the factoring debt.

Other key figures	For the year ended 31 December	
	2023	2022
Net Financial (Debt)/Cash (*Thousands of Euro)*	-95.242	-71.175 (*)
Average number of shares	35.824.154	34.573.075
Earnings per share (Euro)	-2,32	-1,26
Total number of FTE per 31 December	1.266	1.454
Total number of customers	1.234.098	1.063.776
Revenue split (in thousands of Euro)		
Transaction revenue Document processing	85.905	80.128
Subscription revenue	32.522	28.248
ARPU (Euro/month)	26,1	27,3

(*) The comparative figures 2022 have been restated following IAS 8 regarding the factoring debt.

1.6.2 Activity report - UPG's Milestones in 2023



1.6.3 Highlights from the financial report

In the shift towards towards comprehensive digital invoicing, the Group remains committed to prioritising further enhancements in cash flow while fully preparing for the evolving digital invoicing market.

Unifiedpost demonstrated resilience despite implementation directive delays in various countries, achieving a 13,2% organic growth in digital processing revenue in FY 2023. The customer base expanded to 1.234.098 by year-end, making a 16,0% increase in 2023. Notably, eFaktura in Serbia managed over 10 million invoices monthly.

With a dedicated R&D team comprising 380 full-time employees, a digital processing gross margin of 43,2% and an improved EBITDA of € -0,1 million in 2023 compared to € -6,4 million in 2022, Unifiedpost demonstrates financial stability and adaptability. These factors enable the Company to navigate market challenges with resilience and flexibility.

1.6.3.1 Digital processing services

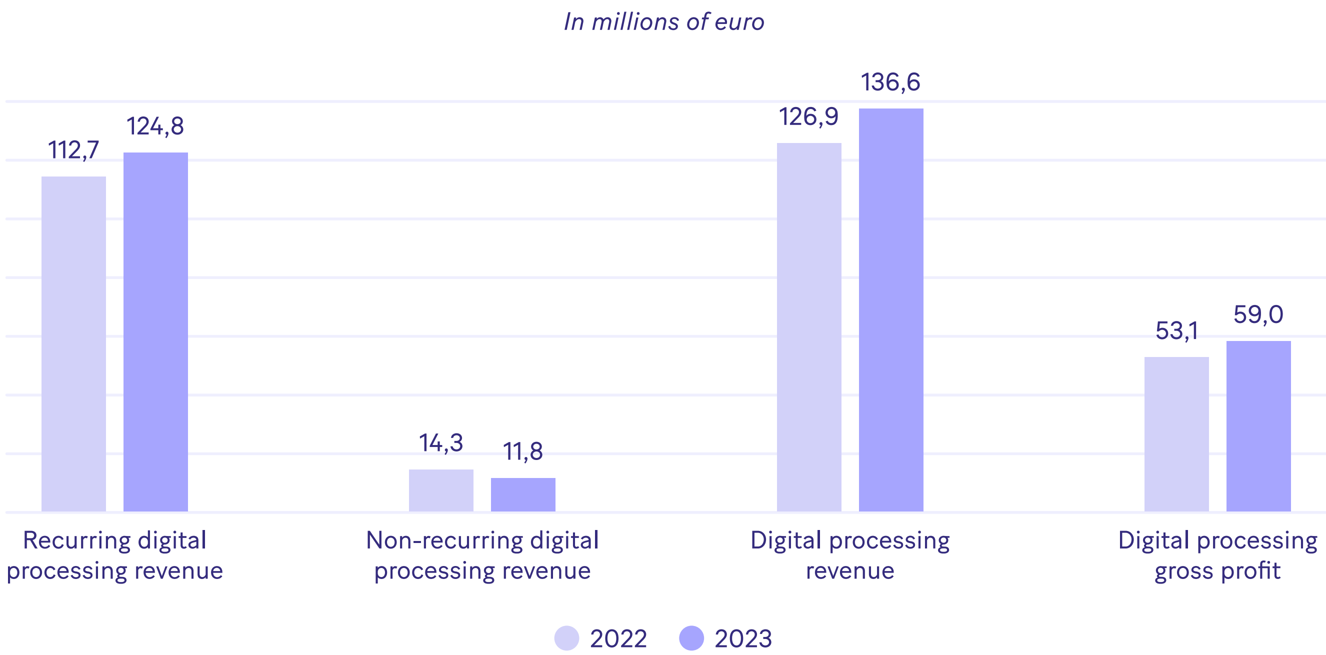
Unifiedpost's revenue resulting from digital processing services amounted to € 136,6 million in FY 2023, an increase of 7,6% compared to FY 2022.

The growth is predominantly supported by the growth of 10,8% in recurring digital processing revenue, spread over different countries and markets with the Nordics, Serbia and the Benelux showing accelerating growth rates in line with last year. However, approximately -23% of that increase can be attributed to the impact of the SEK_EUR exchange rate, meaning that the organic growth on recurring digital processing revenue (i.e. based on constant exchange rates) amounts to 13,2%.

The revenue coming from subscriptions from small and medium companies grew by 15,1% during the year. 91,4% of the total digital processing revenue resulted from recurring services, of which transaction revenue remains the most important. The customer base grew during 2023 by 16,0% year-on-year ('y-o-y') to over 1,2 million paying customers, either directly paid or paid by third parties.

The non-recurring digital processing revenue decreased by 17,5% y-o-y. Project from corporates in this segment performed well in 2023, achieving a growth rate of 7,9% compared to previous year. The revenue from licences was lower due to delayed decisions coming from postponed legislations, although the revenue is anticipated to materialise in the future.

The gross margin of the digital processing business slightly increased to 43,2%, an increase of 1,3%pts y-o-y. This growth was achieved through a combination of revenue expansion and effective cost management practices.

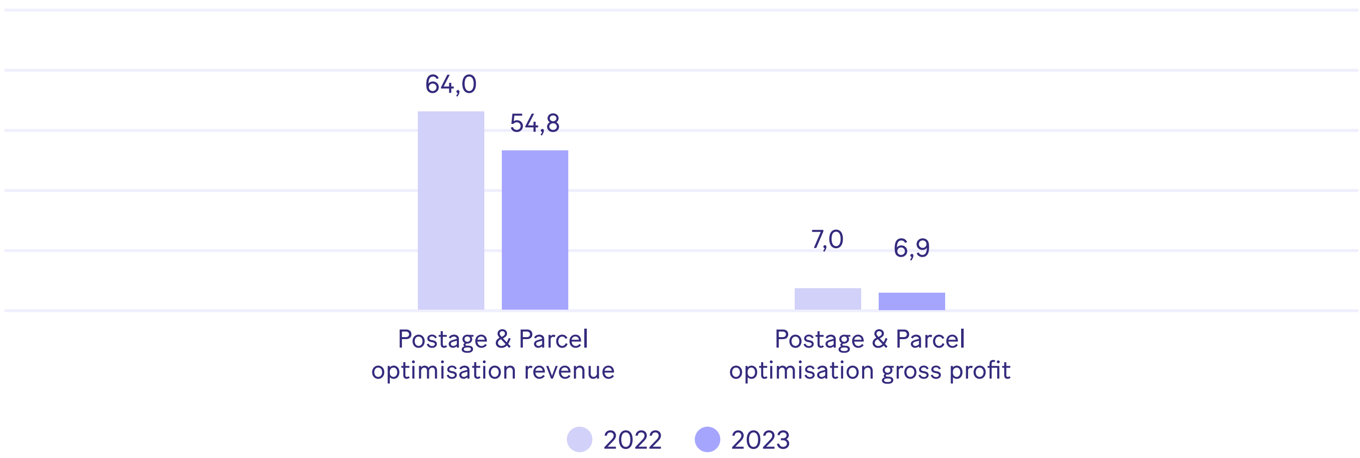


1.6.3.2 Postage & Parcel optimisation

Revenue of postage and parcel optimisation services decreased over the year with 14,4% y-o-y to € 54,8 million. Half of that decrease can be attributed to the impact of the SEK_EUR exchange rate change.

The postage and parcel optimisation services realised a gross margin of 12,6% for FY 2023, slightly higher by 1,7% compared to FY 2022, also mainly a consequence of inflationary effects.

In millions of euro



1.6.3.3 Result for the period

Digital processing services and Postage and Parcel optimisation combined led to a gross profit of € 66,0 million on a total revenue of € 191,4 million (34,5% gross margin).

During 2023, Unifiedpost spent € 27,2 million on R&D, of which 60% was capitalised. The R&D spending is equivalent to 20,2% of digital processing revenue. After having self-developed the platform successfully and rolling out the product, Unifiedpost is able to focus on targeted investments that drive long term value.

G&A expenses as well as S&M expenses for the period decreased each by 8,5% y-o-y. Throughout 2023, Unifiedpost reduced its workforce by 189 full-time equivalents ("FTEs") through careful evaluation and optimisation of its organisational structure.

Unifiedpost's EBITDA developed positively quarter by quarter with even positive EBITDA in Q3 2023 of € 1,3 million and in Q4 2023 of € 3,0 million. Compared to FY 2022 with an EBITDA amounting to € -6,4 million, it improved during FY 2023 towards € -0,1 million.

The total loss from operations amounted to € 65,9 million, including impairment losses of € 39 million. The financial costs, taxes and the loss on equity regarding the associate Facturel, in total amounting to € 17,2 million, brought the total loss of the Company to € 83,1 million. Within the financial costs, a non-cash expense related to the loan of Francisco Partners of € 10,8 million has been included.

1.6.3.4 Goodwill

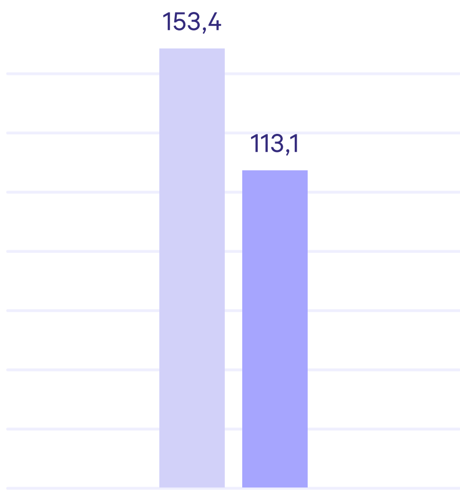
Goodwill has been tested for impairment, conforming to the principles foreseen in IFRS standards, at the end of the year. As a result of that exercise, a total impairment loss of € 39,0 million has been processed.

Of that total amount, € 38,6 million has been deducted from the value of the goodwill, while the remaining portion of € 0,4 million has been offset against other intangibles assets.

Furthermore, goodwill concerning FitekIN and Onea, as planned to divest, has been transferred to assets held for sale to be in line with IFRS 5.

Together with foreign exchange differences amounting € 0,1 million, these movements brought the goodwill from € 153,4 at year-end 2022 to a total amount of € 113,1 million per 31 December 2023.

Goodwill
In millions of euro

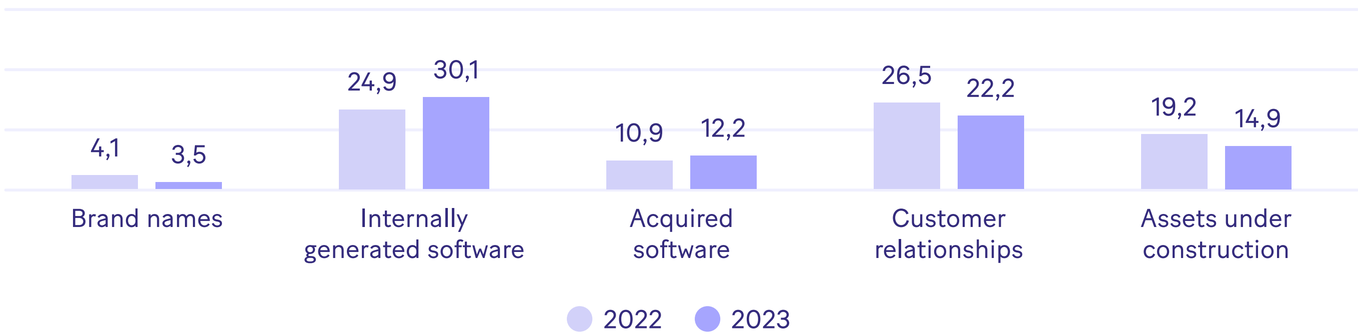


1.6.3.5 Intangible assets

The other intangible assets decreased with € 2,6 million compared to 31 December 2022. This decrease is due to (net of disposals and foreign exchange differences) additions to other intangible assets of €21,4 million and amortisation for the year of € 21,4 million, as well as to the transfer to assets held for sale regarding the planned divestment of the stand-alone products in line with IFRS 5 of a net book value amounting to € 2,6 million.

The net book value of € 82,9 million includes the following components: brand names for € 3,5 million, internally generated software for € 29,7 million, acquired software for € 12,2 million, customer relationships for € 22,2 million and assets under construction for € 15,3 million (mainly internally generated software).

In millions of euro



1.6.3.6 Capital Increases

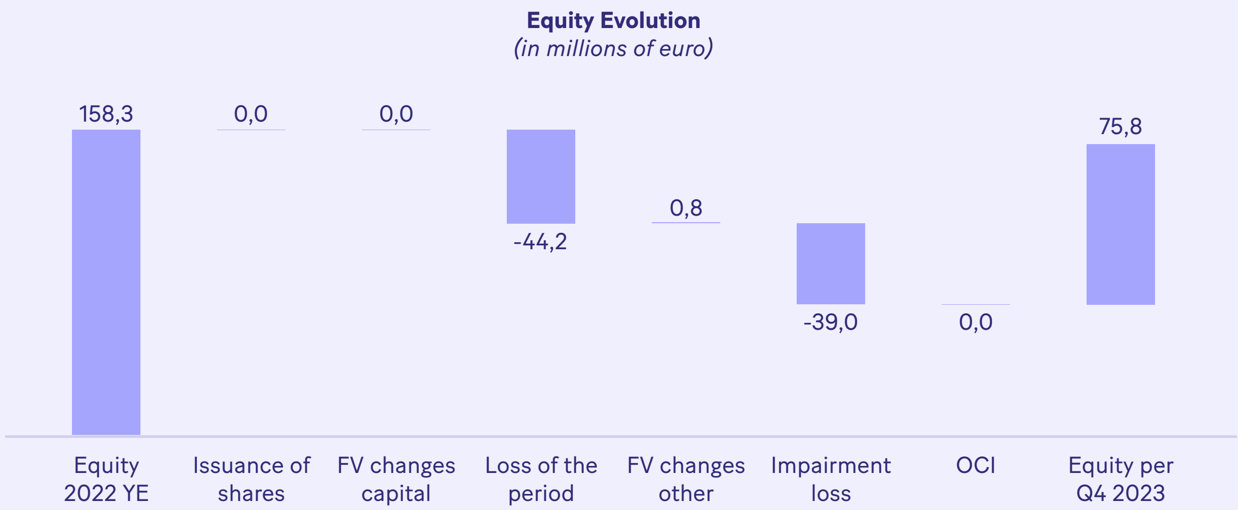
No capital increases were performed by Unifiedpost in 2023, keeping its capital at a level of € 326,8 million at the end of 2023 representing 35.824.154 shares.

1.6.3.7 Equity evolution

Following transactions/results impact the equity evolution:

i. the accumulated deficit of € -44,2 million

ii. the impairment loss of € -39,0 million



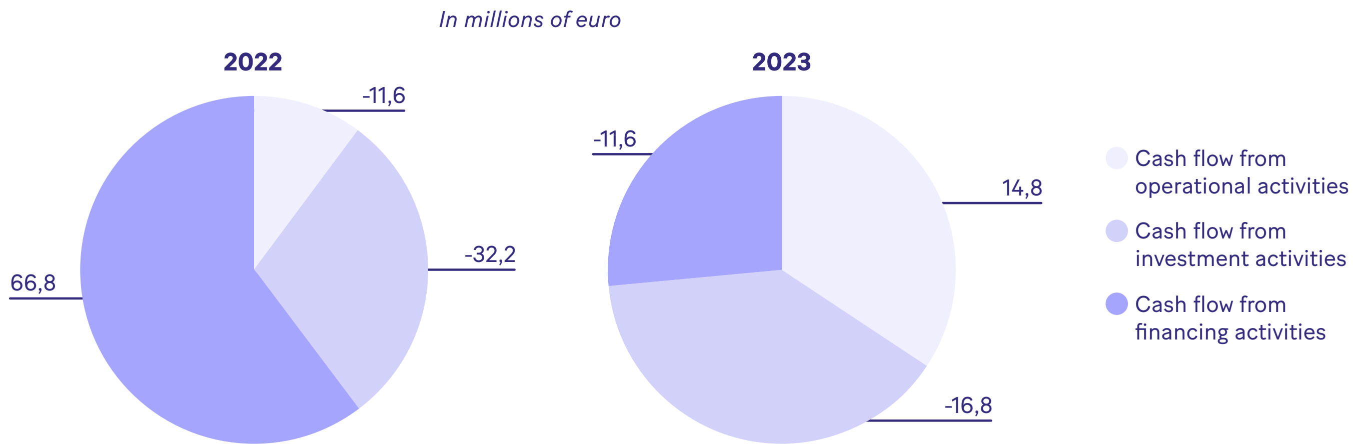
1.6.3.8 Cash flow evolution

The operational cash flow amounts to € 14,8 million, mainly due to (i) the decrease in working capital of € 17,8 million and (iii) a cash out income tax of € -3,2 million.

The cash flow from investing activities is impacted by mainly the capitalisation as well as proceeds of internally generated software resp. property, plant & equipment (€ -16,3 million and € -0,7 million).

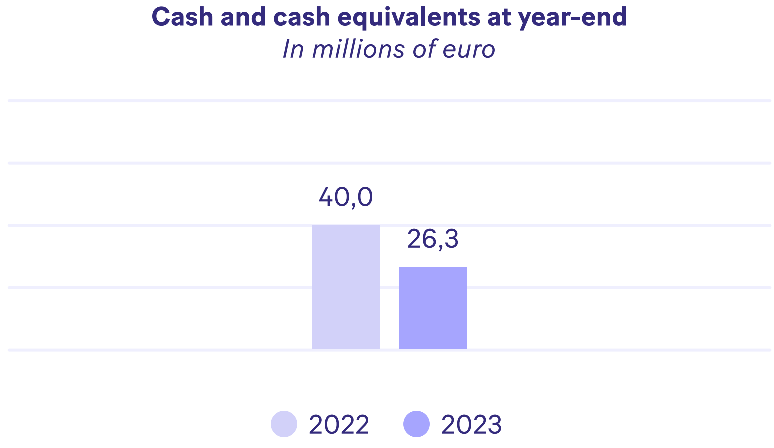
The cash flow from financing activities amounts to € -11,6 million, due to repayments of loans, lease liabilities and interest (€ -15,5 million) and proceeds of new loans amounting to € 3,9 million.

Overall, the Group realises a negative cash flow of € 13,7 million in 2023.



1.6.3.9 Financing

After the cash flow results, Unifiedpost's cash and cash equivalents ends at a total of € 26,3 million, compared to € 40,0 million at year-end 2022.



1.6.4 Information about circumstances that could adversely affect the development

Unifiedpost generally expects the overall market conditions to remain favourable for the Company. Nonetheless, there are certain circumstances that could possibly interfere in the daily operations and business development of Unifiedpost.

The current geopolitical situation is still impacting Europe and its economy. Unifiedpost does not experience any significant negative effects of the current crisis, other than those resulting from general inflation.

Unifiedpost is still a cash burning company, mainly due to the continued R&D efforts in the new technology and efforts in rolling out their products in its Pan-European structure. It is important to stay ahead in this dynamic market and to position the Company for future growth. Thanks to cost-cutting measures implemented over the past two years, Unifiedpost positioned itself with a cost base that provides a solid foundation for future cash flow generation.

Another event that could possibly adversely affect the development of the business is the potential delay of yet-to-be-decided regulation and/or the delay of the implementation of the regulation on B2G and B2B communication and e-invoicing. The regulatory landscape in Europe is rapidly evolving and regulatory shifts are reshaping the business landscape, emphasising the need for digitalisation and compliance with evolving standards across European markets .

For a more detailed analyses of the key risks Unifiedpost faces, as well as the key mitigating actions we undertake, please refer to chapter 3.3.

1.6.5 Research and development

Unifiedpost Group recognises the importance of staying ahead in its dynamic market. To ensure our solutions remain innovative and competitive, Unifiedpost Group continues to invest in the development of its offerings in order to remain at the forefront of technological advancements. These investments not only keep our solutions cutting-edge but also position the Company for future growth.

There are five focus areas where we carry out R&D: (i) platform services, (ii) identity services, (iii) payment solutions, (iv) finance & services and (v) data warehousing & analytics.

The platform services product management teams invest considerable time and energy in understanding our current and potential customers' needs in procure-to-pay, purchase-to-cash and contract-to-sign processes. It furthermore invests a lot of effort in integrating or converting the different platforms into one operational network.

In the area of identity services, our R&D activities are mainly aimed at improving the online self-service options for our clients to enable highly secure access and transaction validation and signing capabilities, and to prepare our services for consumer/citizen applications. In addition, efforts are made in artificial intelligence, customer IT integration and locally required identity solutions.

Our payments division aims to develop its systems focussing on two axes: highly efficient transaction processing and a set of functional characteristics of payments processing. The development areas include online payments, mobile payments, interbank payment accounts, open banking, online onboarding, customer due diligence, transaction screening and fraud prevention. Development efforts mainly focus on building an universal payments infrastructure that operates cross-border and through a variety of clearing networks.

Moreover, we invest significant time in the R&D of premium financial and non-financial services, such as invoice financing products for both sellers and buyers, an e-commerce platform for SMEs, and a variety of third-party services.

Our last R&D area is data analytics. This key project enables us to do advanced business analytics on all its data. Data is a highly valuable asset that can be monetised for commercial purposes, such as a customer acquisition, retention and cross-sell opportunities, or supporting operational efficiency. By combining product, commercial, operational and financial data, within the boundaries and to the extent permitted by the applicable data privacy laws, we can distil highly advanced actionable insights, discover hidden gems in the complex data and even predict the future using artificial intelligence and machine learning techniques on this data.

All these R&D domains must be adapted to country specific systems, habits and regulations.

1.6.6 Important events after the balance sheet date

The following events took place after the reporting date and could have a future impact on the financial reporting:

- Starting from 1 January 2024, Unifiedpost outsourced its IT infrastructure team in the Benelux region to a newly established Belgian entity called Aurify BV. This entity is owned by the former Chief Information Officer (CIO) of the Group along with other investors. A total of 24,9 FTEs has been transferred to Aurify BV and continues to provide services to Unifiedpost. The goal is for these services to gradually decrease in line with the Group's evolution, with Aurify BV eventually outsourcing its skilled and experienced personnel to other clients. This move enables Unifiedpost to acquire the necessary skills and capabilities for its future developments, enhancing flexibility and agility in utilising IT support staff.
- After 7 years in the role of CFO, Mr. Laurent Marcelis left Unifiedpost as at 15 April 2024. He is replaced in his function by Mr. Koen De Brabander. Mr. De Brabander has extensive experience in financial management and strategic planning. He has been working for the Group from 2020 as operational finance director.

1.6.7 Statement by senior management in accordance with royal decree of 14 November 2007

Pursuant to article 13 § 2,3 of the Royal Decree of 14 November 2007, CEO Hans Leybaert and CFO Koen De Brabander declare, on behalf of and for the account of Unifiedpost that, as far as is known to them:

- the Consolidated Financial Statements have been drawn up in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union and that they give a true and fair view of the equity and financial situation of the Group at 31 December 2023, and of its results and cash flows for the financial year ending on that date
- the Annual Report gives a true and fair view of the development and results of Unifiedpost, as well as a description of the main risks and uncertainties with which it is confronted

1.7 Financial objectives

Thanks to the cost-cutting measures implemented over the past two years, Unifiedpost Group positioned itself with a cost base that provides a solid foundation for future cash flow generation. In the transition towards comprehensive digital invoicing and in line with H2 2023, the target remains to be free cash flow positive in 2024. Together with the commitment to prioritise cash flow improvements further, the Group fully prepares for the future digital market. With a modular framework enabling integration of emerging technologies, Unifiedpost Group is well positioned for future growth and for fully realising market potential in the coming years.

2. ESG Realisations and Objectives

A message from Hans Leybaert

"At Unifiedpost, we acknowledge the significant role that Environmental, Social, and Governance (ESG) factors play in both our corporate performance and that of our customers.

An area of emphasis is digital transformation. We assist companies in transitioning from a paper-based to an electronic business model, guiding them towards a digital future. With environmental and cost control pressure, businesses need to accelerate their digital transformation to stay relevant. Businesses are to adapt to changes in customer behaviour and market risks, with digital transformation serving as a facilitator of such change. In the face of ongoing global changes driven by speed, reliability, software integration and new technologies, industries across sectors are evolving. Pursuing digital solutions not only enhances operation efficiencies and reduces costs but also contributes to sustainability.

Hans Leybaert
CEO and founder of Unifiedpost

Our ambition is to develop a sustainable global business network in collaboration with our employees, customers, partners and other stakeholders. This collaboration aims to enhance efficiency, speed, and cost-effectiveness within the network while reducing the carbon footprint of each stakeholder. Our core business supports companies of all sizes.

As a technology innovator, we take responsibility for unifying business communities and meeting their needs, helping them to perform while allowing compliance with legal and tax obligations.

Additionally, we want to be an employer where individuals are eager to work, develop their skills, and achieve an optimal work-life balance. Diversity in gender, age and nationality is integral to our Company governance and workforce, enabling our people to maximise their potential and ensuring the provision of a high-quality network.

By focusing on the dual dimension of our sustainability drive, we aim to maximise our impact as a facilitator of sustainable growth and as an employer. While our ESG journey began, our goals and roadmap are clearly defined."

Hans Leybaert,

Founder and CEO of Unifiedpost Group

2.1 Supporting sustainability with Unifiedpost's digital solutions

At Unifiedpost, our primary mission is transforming the financial supply chain, covering key areas such as e-invoicing, e-reporting, e-payments, and e-identity. Central to our business is a commitment to develop a cloud-based platform designed to reduce paper usage.

The sustainable impact is substantial, given the environmental consequences of paper-based services. At the end of its life cycle, paper is typically disposed of in landfills or incinerated, contributing to the release of greenhouse gases like carbon dioxide (CO2).

Studies have shown that the digitalisation and automation of administrative processes hold much of the imminent productivity improvement potential. That is particularly true for e-invoicing. According to the European Expert Group on E-invoicing, the transitioning to electronic invoicing is the most important step companies can take in this direction. It boosts productivity and sustainability and can be regarded as a key enabler for streamlining and automating processes in procurement, tax, accounting and audits.

Empirical evidence from the private sector's adoption of e-invoicing confirms this significant impact. For instance, a comprehensive study[3] comparing the emissions from processing paper invoices to digital e-invoices, a Finnish logistics services company revealed a noteworthy 63% reduction in greenhouse gas emissions per invoice, primarily attributable to efficiency gains.

[3] Source of study: Tenhunen, Maija and Penttinen, Esko, "Assessing the Carbon Footprint of Paper vs Electronic Invoicing" (2010). ACIS 2010 Proceedings. 95"

2.2 Our ESG approach and Unifiedpost's core values

Considering our core business and recognising human capital as our most important asset, creating sustainability aligns with the way we do business. We generate value for our employees, clients, partners and other stakeholders by investing in financial and human resources in ways that address social, environmental and economic needs.

We aim to create positive economic, environmental, and social impact using two key levers:

- Providing products and services that meet sustainable challenges and opportunities of our customers (enabler)
- Leading by example in our own sustainable business operations and practices (exemplar)

Our approach consists of:

- Delivering innovative products and services by enabling commerce and helping business grow
- Upholding high standards of corporate governance and integrity
- Promoting a culture that fosters inclusion, diversity and trust
- Safeguarding our clients' privacy and data
- Supporting actions for climate change and low carbon future

Our ESG approach is intrinsically linked and intertwined with our corporate values:

TEAM UP

We work together in one company where everyone is valued, considered and takes responsibility. We are an important part of the value chain and aspire towards win-win solutions. We actively listen to our customers and create the best solution for their needs.

BUILD TRUST

We are open, honest and supportive to each other. We recognize great results, right efforts and inspire by leading by example. We build long-term relationships with customers and partners. We keep our promises. We value integrity and act in a sustainable way.

INNOVATE

We continuously develop ourselves and share our best practices and ideas with each other. We are one step ahead of the market demands and trends. We create new innovative solutions and processes for our customer, partners and ourselves.

2.3 Our core pillars (Unifiedpost's ESG framework)

The recognition of our responsibility that we have towards global society and the impact we can have as a company and employer is rising every day. This awareness played a crucial role in developing our ESG framework which was created in alignment with the United Nations' Sustainable Development Goals (SDGs). Through this framework, we aim to actively contribute to building a better and more sustainable future for everyone. With all stakeholders in mind, our goal is to consistently enhance our impact through effective policy management and profound leadership.

Environmental

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

15 LIFE ON LAND

Social

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

Governance

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

2.4 Governance of ESG

2.4.1 The ESG Committee

ESG Committee member	Function	Background	Attendance rate
Katrien Meire	Member	Board member	100%
Laurent Marcelis	Member	CFO	100%
Ignace Bruynseraede	Member	Head of HR	100%
Alizée Jolie	Member	Legal counsel & ESG Manager	100%
Mathias Baert	Member	Head of legal and compliance	75%
Hans Leybaert	Member	CEO	25%
Beatrix Csabai	Member	HR Manager (Hungary), ESG Social Responsibility Lead	100%

The ESG Committee is composed of 7 members holding diverse roles within and outside of Unifiedpost. Members from the Board, management, finance, HR and legal departments are represented in the ESG Committee. The ESG Committee is responsible for the coordination of Unifiedpost's ESG strategy and is best placed to facilitate interaction between all actors involved and to ensure accountability relating to ESG matters. In 2023, the ESG Committee held four meetings. In addition, the Chairman reported on ESG to the Board in February and to the Audit Committee in December.

The ESG Committee has the following responsibilities:

- Develop a long-term roadmap for Unifiedpost's ESG goals
- Drive the implementation of the ESG policy and set the KPIs
- Monitor and gather information on the progress made
- Report its recommendations and findings to the Board

2.5 Our 2023 ESG KPIs and 2022 – 2026 Roadmap

Our roadmap serves as a cornerstone for our ongoing efforts. In 2023, we embarked on a crucial phase initiating data collection efforts to assess Unifiedpost's current ESG status and we will continue our efforts in 2024 and beyond.

2.5.1 Environmental

With ever increasing, demanding and changing requirements from society as a whole, regulators and the finance sector, incorporating ESG into our daily business and improving our environmental efforts is a constant work in progress. Sustainability aspects are particularly important for tech companies such as Unifiedpost, because they can have a significant impact on the sustainability and long-term success of the business.

"We are at a crucial point, armed with comparable data, opening the possibility to guide through the complex area of environmental KPIs. As we embrace this newfound clarity, we are preparing ourselves for the challenges of the upcoming sustainability reporting under the CSRD. In this complex journey, we see not only an opportunity but also aim to navigate towards a sustainable future, redefining our commitment through strategic actions."

Alizée Jolie
Legal counsel and ESG Manager
at Unifiedpost Group

Key performance indicators

29,7% of our fleet is green	95% of waste recycled within our printing facilities	3 certified ISO14001 sites	On-site external third-party audit on ESG

2.5.1.1 Risk management

We have analysed climate change risks and their potential impact on our office buildings, data centres and workforce. The risk assessment was performed in accordance with our policies. While no major risk has been identified as potentially impacting our business operations, revenue, or expenditure, we rated the following risks as the highest: (i) IT security, (ii) data protection and privacy, and (iii) operational risk. Note this is not meant to anticipate or replace the double materiality matrix results which will be disclosed as of next year.

2.5.1.2 Guidelines and policies

At Unifiedpost, we aim to respect the environment, a principle embedded in our Code of Conduct. We request that new employees review and agree to adhere to our Code of Conduct, which includes a specific emphasis on environmental responsibility. Applicable to all employees, contractors and members of the Board, adherence to the guidelines as set out in the Code of Conduct is essential to foster a workplace culture that values and prioritises sustainable actions. We encourage all employees to promote sustainability. Any instances of misconduct in this regard can be reported.

2.5.1.3 Measures and progress

2.5.1.3.1. Green fleet

In 2023, 29% of the fleet is composed of cars with environmentally friendly standards. The recent policy changes in some countries mandating that every new car acquisition must be electric (in Belgium) or at least hybrid (The Netherlands), will significantly impact the long-term transition to a green fleet. Notably, the Nordics region stands out as a leader within the Group, where 66,67% of its fleet consists of green cars.

In an effort to boost this green initiative, Unifiedpost has invested in charging infrastructure for electric vehicles. In Belgium, employees are offered the option to request a home charging installation when making the switch to an electrified vehicle. In 2023, Unifiedpost installed 14 new home electric chargers, signifying a 78% increase. To accelerate the transition from fossil fuel usage to electricity, the Belgian car policy mandates employees with hybrid cars to cover a maximum distance using electricity.

These collective initiatives have resulted in a 9,45% reduction in fuel usage across the entire Unifiedpost fleet.

Unifiedpost extends its commitment to sustainability by encouraging employees to explore greener commuting options, such as leasing bicycles. At the end of 2023, there are 18 bicycles leased for employees.

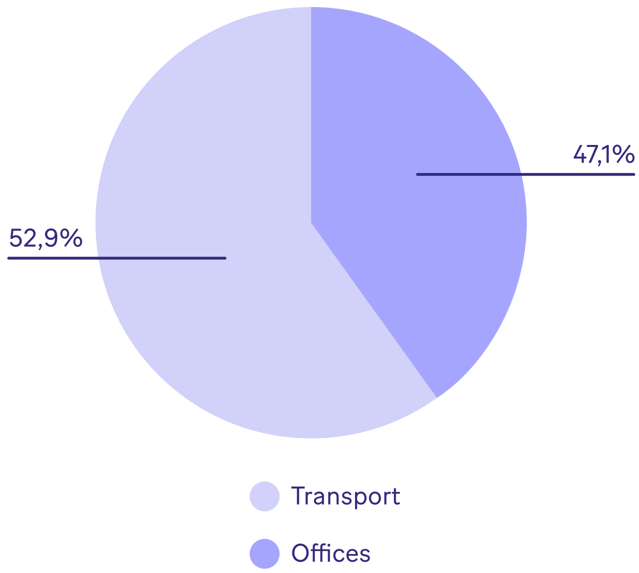
Acknowledging the changing dynamics of work, Unifiedpost has an internal Working Remotely Policy. This policy empowers employees to embrace a flexible work environment while upholding a sense of responsibility in Unifiedpost's innovative approach to working.

2.5.1.3.2. Total energy consumption

At Unifiedpost, energy usage is monitored, both in our offices (electricity), as for our fleet (fuel and electricity).

2023

TOTAL ENERGY USE: 5.888,24 MWh



It is currently unfeasible to monitor every office and pinpoint the origin of electricity powering our electric fleet, particularly in terms of its renewable energy component. Due to this limitation, we have attributed all energy consumption at sites lacking data on "renewable" electricity to non-renewable sources.

36,5%
green electricity in our offices

35,0%
green of overall purchased electricity

Energy intensity ratios are necessary for understanding how much energy Unifiedpost uses relative to its specific activities. These ratios provide a normalised view of the environmental impact of energy consumption. When combined with total energy consumption data, hereabove, energy intensity ratios help put Unifiedpost's efficiency into perspective, allowing comparisons with other similar entities.

Energy intensity Revenue	**2023**
Revenue *(millions of euro)*	191,4
Energy *(MWh)*	5.888,24
Intensity revenue	**30,76**

Energy intensity Employment	**2023**
Headcount *(#)*	1.318
Energy *(MWh)*	5.888,24
Intensity employment	**4,47**

No valid comparison can be made with last year due to enhanced measurement accuracy.

2.5.1.3.3. GHG Emissions

Unifiedpost measures its carbon footprint, encompassing all our offices globally. This year's report varies from the previous one due to the utilisation of more intricate and precise emission factors as well as more enhanced measurements. This adjustment ensures a more accurate depiction of our environmental impact, providing a clearer and more comprehensive insight into our carbon emissions.

	2023
GHG emissions Scope 1 *(t CO2e)*	1.053,99
GHG emissions Scope 2 - Location based *(t CO2e)*	713,71
GHG emissions Scope 2 - Market based *(t CO2e)*	1.128,64

2.5.1.3.4. Waste Management and recycling rate at printing production facilities

Unifiedpost operates 6 printing production facilities within its Group structure. Given the nature of the activities, there is a need for adequate waste management. We closely monitor both the quantity of produced waste and the waste recycling rate as accurately as possible and minimise waste generation wherever feasible.

	2022	2023
Recycled waste(*) (in tonnes)	208	219,63
Non recycled waste (in tonnes)	23	10,11
Total waste (in tonnes)	231	229,7
Recycling rate (%)	90%	95,6%

(*) Recycled waste includes recycling of waste paper, cardboard, wood, plastic and ink. For all our production sites, Unifiedpost partners with external parties for waste collection, transportation and recycling or proper waste disposal. Measurements are taken during this process and are reported to the production site.

2.5.1.3.5. Water Management

None of Unifiedpost's production activities consume water, so all water usage is linked to domestic needs, from lavatories and showers to coffee makers and general housekeeping. The total figure of 2023 reflects the cumulative water usage from offices where data could be accessed, encompassing 81,6% of all offices.

	2022	2023
Total water consumption (m3)	not measured	4.193
Water use intensity (m3 / million EUR revenue)	not measured	21,95

2.5.1.3.6. Biodiversity conservation

Given the nature of Unifiedpost's activities, products & solutions, we do not have a direct impact on biodiversity. Additionally, since we do not own the buildings in which we operate, apart from one location, our influence on biodiversity in those buildings is indirect. The owned building is located in the city centre of Belgrade and there is no impact on biodiversity concentration.

2.5.2 Social

Unifiedpost encourages a culture centred on respect and empathy for its employees and the broader community. Our HR policies prioritise health and well-being, addressing both physical and financial aspects, to meet individual needs and unlock each employee's potential.

We achieved an important milestone by upgrading to a group wide HRIS solution, to provide our managers and employees a tool to follow up on accurate, consequent and up-to-date employee information. This facilitates the safe storage of personal information, establishes structured and streamlined HR processes and enhances our ability to create ESG-related reporting and follow up on target fulfilment. With our presence in 33 countries, providing relevant information at the fingertips of our managers and embedding HR processes, such as employee engagement or other feedback, marks a substantial step forward.

Furthermore, we recently introduced a Human Rights Policy applicable to all people employed or contracted within the Group. This policy explicitly supports internationally recognised human rights standards and conventions, prohibiting forced or compulsory labour, child labour, upholding freedom of association, and condemning discrimination and harassment. It also outlines grievance mechanisms and non-retaliation measures.

Additionally, we have revised and implemented a comprehensive Anti-Harassment and Anti-Discrimination Policy. This policy provides explicit guidance to employees and all other stakeholders on defining what constitutes harassment or discrimination. Work-related human rights violations are addressed through our internal channels. In jurisdictions where local legislation mandates, such as in Belgium, a "Person of Trust" is appointed to serve as the primary contact for employee grievances.

In 2023 we also reviewed and reissued the Health and Safety Policy, incorporating specific guidelines under the Well-being at Work category.

Policy Publication on the Internal Portal and Training Enhancements

All current and newly issued policies across the Group are (made) available on our intranet, ensuring easy navigation for our staff to locate pertinent information effortlessly. As part of our commitment to transparency and accessibility, newly onboarded employees and contractors are granted access to these policies during the onboarding process.

During their induction training, employees must familiarise themselves with the content of our existing policies. This includes a specific emphasis on Unifiedpost's dedication to fostering an environment of diversity and inclusion, as well as upholding human rights principles.

Key performance indicators

182
people hired in 2023

36%
of headcount is female

44
citizenships represented worldwide

2.5.2.1 Workforce overview – Key figures

Our workforce

In the chapter, we present a comprehensive overview of key data tables highlighting various aspects of our workforce and organisational performance. Through these data tables, we aim to showcase our dedication to transparency, accountability, and continuous improvement.

Throughout this chapter, focus will be on the headcount at the end of 2023, referring to the total number of individuals employed by Unifiedpost Group, and regional allocation is based on the location where they are employed. Headcount includes all contract employees, students/interns and temporary workers, as well as contractors.

This is a different approach than used in our financial statements (chapter 4), where we work with FTEs, corresponding to the Full-Time Equivalent of contract employees, temporary employees and contractors. And the geographical allocation in the financial reporting is based on where they are allocated according to our cost structure.

As we are here in the social part of the Annual Report, the social definitions prevails, hence, deviation in numbers between those two different approaches is possible.

As the group wide HRIS solution has only been implemented as of the beginning of 2023, for some specific headcount calculations, comparison for two consecutive years will only be provided as of next year.

Headcount by geographical region and by type

At 31 December 2023, headcount by geographical region and by type can be summarised as follows:

North Europe

Contractor	Employee	Student/ Intern
67	202	1

Grand Total: 270

Rest of the World

Contractor	Employee
116	2

Grand Total: 118

Central East Europe

Contractor	Employee	Temporary
29	30	1

Grand Total: 60

West Europe

Contractor	Employee	Student/ Intern	Temporary
82	275	5	4

Grand Total: 366

South Europe

Contractor	Employee
79	424

Grand Total: 504

Grand Total

Contractor	Employee	Student/ Intern	Temporary
373	933	6	6

Grand Total: 1.318

Headcount by contract type

At 31 December 2023, headcount by type of contract based upon the hours worked can be summarised as follows:

	Part-time	Full-time	Total
Contractor	36	337	Total: 373
Employee	104	829	Total: 933
Student / Intern	0	6	Total: 6
Temporary	4	2	Total: 6
Total	144	1.174	Total: 1.318

Headcount by type of contract based upon the duration of the contract at 31 December 2023 can be summarised as follows:

	Fixed term contract	Permanent contract	Total
Contractor	77	296	Total: 373
Employee	27	906	Total: 933
Student / Intern	3	3	Total: 6
Temporary	6	0	Total: 6
Total	113	1.205	Total: 1.318

To note, Unifiedpost, in line with its policies, does not employ individuals under non-guaranteed hourly contracts.

Headcount by gender

At 31 December 2023, headcount by gender can be summarised as follows:

Contractor

Female 89

Do not wish to disclose 5

Male 279

Total: 373

Employee

Female 379

Do not wish to disclose 3

Male 551

Total: 933

Student/intern

Female 1

Do not wish to disclose 1

Male 4

Total: 6

Temporary

Female 2

Do not wish to disclose 0

Male 4

Total: 6

Total

Female 471

Do not wish to disclose 9

Male 838

Total: 1.318

Employee turnover rate

In 2023, Unifiedpost encountered a total employee turnover rate of 17,6%. Of this turnover, voluntary terminations counted for 50% of that turnover rate.

Employee turnover rate by gender:

16,5%
Female employees

18,3%
Male employees

17,6%
Total

2.5.2.2 Diversity and inclusion

Headcount by age

16%
under 30

61,8%
between 30 and 50

22,2%
above 50

44
number of nationalities

In line with our core values, we recognise talent, engagement and experience. This is reflected in the composition of the different age groups within Unifiedpost. The proportion of employees under the age of 30 has decreased from 23,8% in 2022 to 16,0% in 2023, while the percentage of employees aged 50 and above increased from 14,9% in 2022 to 22,2% in 2023. Unifiedpost, in line with its policies, does not employ individuals under 18 years of age.

Headcount by gender

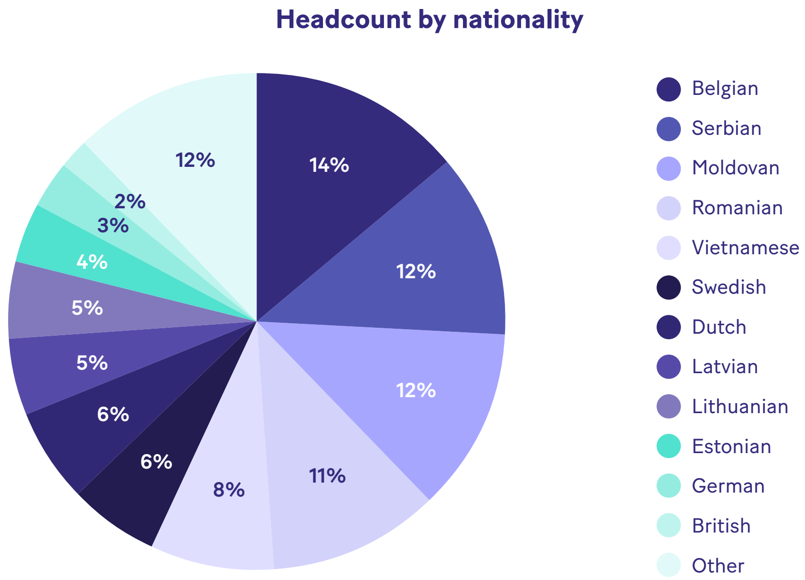
The below table provides a summary of gender distribution within Unifiedpost for the years 2021 through 2023, highlighting the percentages of female and male employees in various categories.

We experienced a positive trend towards gender diversity, with an increase in female representation from 38% in 2021 to 42% in 2023. What the ratio of female employees in managerial roles concerns, our data reveal that 22% of managerial positions were occupied by women.

	Female/Male overall		Female/Male in all managerial positions		Female/Male in Board	
2021	38%	62%	24%	76%	33%	67%
2022	41%	59%	21%	79%	33%	67%
2023	42%	58%	22%	78%	33%	67%

Headcount by nationality

Unifiedpost prioritises diversity and gender equality in its commitment to fostering a professional, inclusive, and globally representative workforce. The most prominent nationalities, listed in descending order, include Belgian (13,9%), Serbian (11,7%), Moldovan (11,6%), Romanian (10,9%) and Vietnamese (7,9%). We do not maintain or collect information on the ethnic origin of our workforce in order to ensure compliance with the applicable data protection laws.



Employees in our workforce with specific needs

In terms of employees requiring special attention, a total of 5 employees voluntarily have disclosed their disability status. The employee's disability status is often associated with tax releases, additional vacation entitlements, or similar benefits. While we do not collect disability status data in adherence to the applicable data protection laws, we address the specific needs of this group by providing tailored support to facilitate their thriving and effective contribution within the workplace.

Coverage by collective agreement

At Unifiedpost, we place a strong emphasis on positive working relationships and ensuring that our employees' rights and needs are well addressed. Consequently, 31,4% of our workforce benefits from coverage by Collective Bargaining Agreements (CBAs), designed to protect their rights and interests, fostering a harmonious and productive workplace.

Unifiedpost has concluded 1 CBA and furthermore, we have valid industrial collective agreements covering our employees in 4 countries (Belgium, France, Romania, and Sweden).

Aligned with local laws and regulations, workers' councils are operational in 4 countries (Belgium, Lithuania, the Netherlands, and Romania). Importantly, across Europe, several Unifiedpost employees in 2023 are either represented by an independent trade union or are covered by CBAs. Please note that, in several European countries, where such organisations exist and represent our employees, we are legally prohibited from inquiring about their status as a member.

For employees not covered by CBAs, Unifiedpost diligently determines their working conditions and terms of employment in accordance with legal requirements, local and regional practices, health and work safety standards to ensure safe and ergonomic work conditions. We value and will continue to value an inclusive and equitable work environment for all our employees, where their well-being and rights are safeguarded.

Employees leaving for and returning from parental leave

Across our locations, we adhere to local regulations concerning leaves, to ensure a good work-life balance for our employees. In 2023, various European member states implemented national rules governing parental leave, paternity leave and carers leave, and the right to request flexible working arrangements in accordance with the Directive (2019/1158) on work-life balance for parents and carers. Unifiedpost ensures alignment with these relevant changes.

During 2023, a total of 98 employees took the above specified family-related leaves (carers' leave or birth leave), with 43% of them being female employees.

What the longer-term parental leaves (relating directly to childbirth or adoption) concern, 24 employees returned from their parental leave in 2023, with 25% of them being male employees. Additionally, 34 employees commenced their long-term parental leaves during the same year and 12% of them were male employees.

2.5.2.3 Career management and training

In 2023, we started a new initiative of establishing structured goal setting and performance evaluation processes. These improvements enable our HR team to further cultivate employee growth, promoting one-on-one discussions between managers and employees, facilitating 360° feedback for individuals, and establishing a structured career management and individual development process.

Via our HRIS tool, we can now provide support to new colleagues upon their job offer acceptance, guiding them through the induction process, overseeing mandatory training, and conducting structured feedback sessions during their initial months of employment.

In 2023, we invited our employees to voluntarily participate in our performance evaluation system and to track their goals. Several countries, particularly those with larger headcounts and experience in performance management, embraced this initiative, leading the way and sharing best practices with other locations.

Furthermore, we incorporated training information into our HRIS, significantly simplifying our reporting responsibilities. In 2023, the average training hours per person amounted to 9 hours. There is a minimal gender disparity in the average training hours with male colleagues exhibiting on average a slightly 5% higher participation rate.

All individuals working at our premises are required to participate in mandatory training sessions. They are expected to familiarise themselves with our policies and procedures, and we can monitor and track their compliance using our HRIS tool.

We want to provide every colleague with access to a comprehensive learning platform that fosters self-empowered development. We encourage our people not only to acquire new skills but also to define their professional goals and aspirations with HR support.

Internships and Prince Albert Fund

At Unifiedpost, we want to nurture young talent and provide them with an opportunity to embark on a promising journey in the fintech industry from the start of their careers. In collaboration with the Belgian Prince Albert Fund, a distinguished non-profit organisation dedicated to assisting talented individuals gain international experience, we have extended internship opportunities to promising talents.

In 2023, we had again the privilege of welcoming young talent through this collaboration. Due to their dedication, determination, and contributions, these interns have assumed a significant managerial role within Unifiedpost.

2.5.2.4 Employee engagement survey 2023

For several years, Unifiedpost has consistently assessed employee wellbeing and engagement using an employee survey:

	2021	2022	2023
Participation rate	82%	85%	86%(*)
Overall Engagement score	78%	79%	80%

(*) In 2023 55% of the workforce was surveyed while in the previous years the participation was asked to everyone.

The most recent feedback received in October 2023 reaffirms the fruits of our efforts to cultivate a positive workplace environment.

The survey results highlight several key strengths within our organisation. Notably, employees value the autonomy and clarity associated with their roles at work, reflected in impressive overall ratings of 4,33 and 4,31 respectively, on a scale of 5,0. Additionally, colleagues expressed a strong sense of connection to their teams, with an average score of 4,21 in response to the statement "My team cares about my wellbeing". These aspects have consistently ranked as our top three evaluated statements for the third consecutive year.

The survey has also shed light on areas where we can make further improvements. Employees have expressed a desire for more frequent communication regarding Unifiedpost's strategic direction. They seek greater clarity on their roles in the execution of our strategy and a deeper understanding of how their individual contributions drive the Company's success.

2.5.2.5 Remuneration

In recognition of the importance of gender pay equality, Unifiedpost is committed to taking specific steps towards achieving greater parity. Although gender pay disparity is a complex issue, we are determined to implement measures that promote fairness and transparency in remuneration.

Utilising our HRIS tool, we can monitor and evaluate the gender pay gap across our organisation, as well as for specific employee groups and position levels. The unadjusted gender pay gap, expressed as the ratio between male and female employees' average earnings, measured monthly throughout 2023, reveals progress. As shown in the chart below, we have observed a reduction in 2023 in the unadjusted gender pay gap from 26,0% to 23,6%.

Having analysed the data, our pay gap is primarily caused by a lower representation of women in senior positions or in higher paid technical roles. Through further future analysis, we will delve deeper into the root causes of these discrepancies, allowing us to take informed actions that further promote gender pay equity.

As a part of our ongoing efforts, we will:

- **Conduct additional pay analysis**: We perform regular pay analyses among different groups of employees to identify any gender pay gaps. This enables us to pinpoint areas where discrepancies exist and to better understand the factors contributing to them.
- **Review and adjust remuneration practices**: Based on the insights gained from our pay analyses, we review and adjust our practices so that they are equitable and free from gender bias.
- **Promote equal opportunities**: We want to foster an inclusive workplace culture that promotes equal opportunities for all employees, irrespective of gender. We actively work to eliminate barriers that may hinder career advancement for women within our organisation.
- **Enhance transparency**: We enhance transparency in our compensation processes through the job classification method and by providing employees with a clear understanding of how pay is determined and how performance evaluations impact pay increase.
- **Regular reporting**: We regularly report on our main findings and our progress in addressing the gender pay gap.

The **total remuneration ratio** reflects the proportion of the highest paid individual's total financial remuneration package, including base salary, bonuses, benefits and long-term incentives, relative to the median employee remuneration package, providing a clear indicator of the Company's competitiveness and commitment to employee welfare. We are able to disclose the remuneration ratio from the base salaries, which is 11,3.

Our Company is dedicated to comply with adequate pay level requirements. We firmly believe that offering wages above the statutory minimum is not only a reflection of our commitment to fair compensation but also an investment in our workforce's well-being and motivation. This approach ensures that we not only attract but also retain top talent.

Unifiedpost ensures that every member of our team is comprehensively covered by the national social security system for all major life events. This coverage is a cornerstone of our support for the workforce, providing peace of mind and security in times of need.

2.5.2.6 Health & Safety

In 2023, Unifiedpost expanded its Health & Safety policy to include contractors as well. This policy is aimed to ensure a proactive approach to accident prevention. Recognising the diverse needs of our workforce in larger countries, we have employed Health and Safety Advisors in our main locations whose expertise is expected to enhance long-term employee health.

The cumulative days lost due to illness were 6.582, leading to an absence rate of 2,95%.

In 2023, no work-related fatalities happened. We reported a total of 4 work-related injuries, with 2 of them being classified as recordable accidents. These incidents led to the loss of 14 workdays, resulting in a Lost Time Injury Frequency Rate (LTIFR) of 7,85.

6.582
Cumulative days lost due to illness

2,95%
Absence rate

2.5.2.7 Incidents

We are pleased to report that in 2023 there were no incidents, or violations pertaining to severe human rights issues. Similarly, no fines or penalties were related to such incidents.

No cases of harassment or discrimination were reported.

2.5.2.8 Social Responsibility and charity activity

In 2023, various initiatives underlined our strong commitment to social responsibility and charity.

In response to the ongoing conflict in Ukraine, our Polish colleagues led in April 2023 a fundraising effort to support families of soldiers in Lugansk and Donbas, providing aid including shelter, food, and medicine. This initiative received global support from our colleagues, extending aid and medical supplies to those defending Ukraine's freedom.

They also engaged in the same period in a meaningful project, constructing kennels for animal shelters.

Following the severe earthquake in Morocco in late 2023, our local team responded by donating blood and essential goods. This was echoed by our Belgian team, who organised major collections of medical supplies, clothing, blankets, and beds, which were then transported to assist the earthquake victims.

Our Romanian team supported the community through various charitable activities. A prime event was a means to support the Helping Other People Everyday foundation, to whom Unifiedpost donated twice this year.

Our Belgian entity has supported Villa MAX, a non-profit organisation dedicated to orchestrating holidays in purposefully outfitted cottages throughout Belgium for families with a child facing serious illness.

2.5.2.9 Roadmap 2024-2026

One of the main aspects of our ESG roadmap lies in our HR strategy. This chapter sheds light on our HR efforts, emphasising the introduction of our remuneration strategy aimed at addressing the gender pay gap and enhancing our reward mechanism.

Remuneration Strategy for Gender Pay Gap Mitigation

One of our primary HR objectives is to align remuneration with roles and levels within the organisation. We have done this by incorporating comprehensive salary benchmark data of a global renowned consulting firm, into our approach. By extensively utilising their data at every stage of executing our remuneration strategy, we are confident that we will be able to offer competitive compensation packages, foster fairness across all levels of our workforce and contribute to reducing the gender pay gap.

Enhanced Reward Mechanism

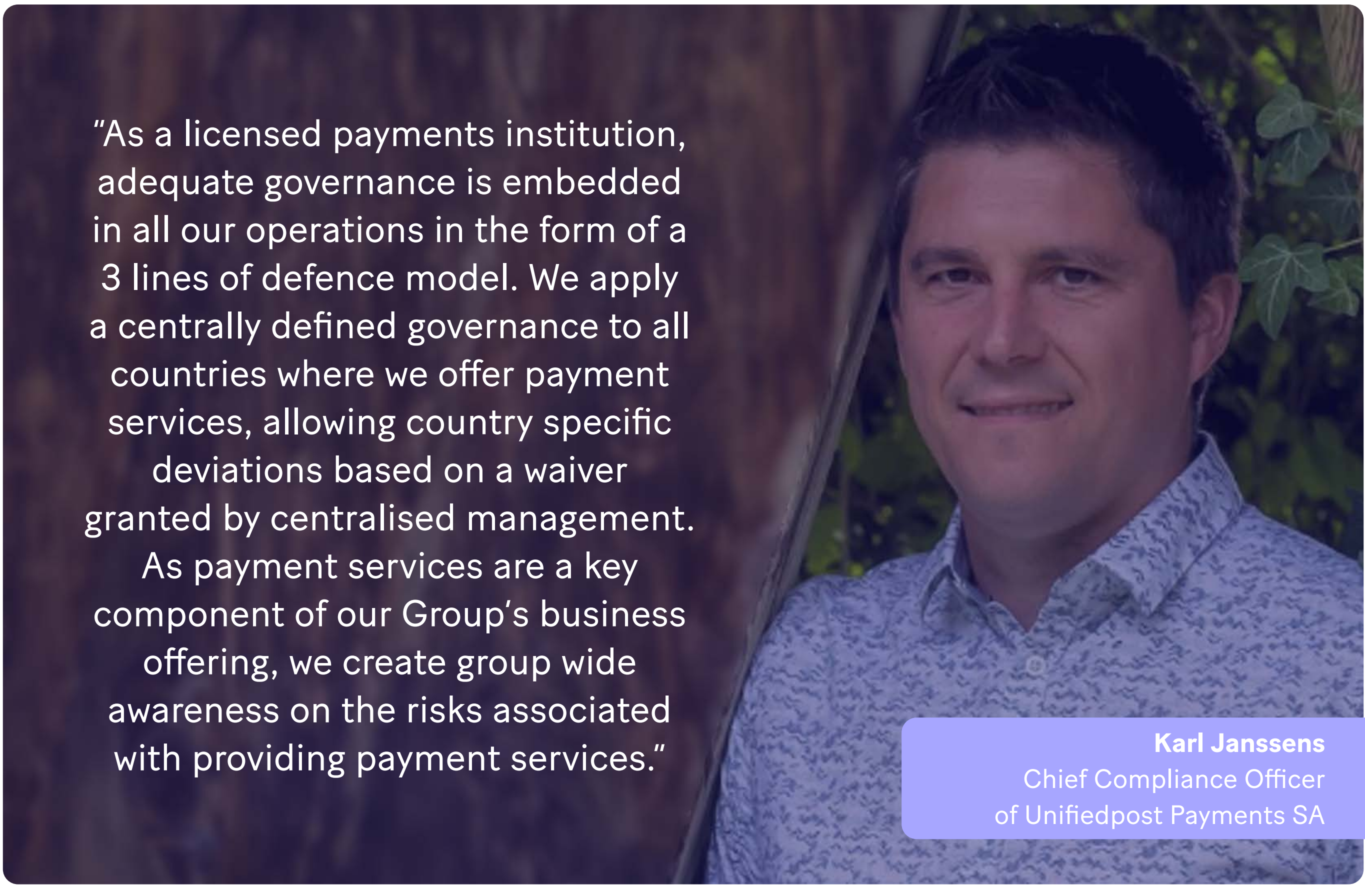
Our revised remuneration strategy not only helps to close the gender pay gap but also improves our overall rewards system. We aim for employees to be recognised and effectively rewarded for their contributions.

Learning and Development Strategy

To further enhance employee growth and development, we are embarking on a new learning and development strategy. This strategy places a strong emphasis on enhancing the skills, knowledge, and capabilities of our workforce. Central to this initiative is the implementation of a Learning Management System (LMS). This LMS will provide employees with access to a wide array of learning resources allowing them to improve themselves.

2.5.3 Governance

Unifiedpost Group applies sound governance practices and has adopted several policies to directly support our values and stakeholder interests. Specifically, as a non-financial group, the Company implemented governance rules that benchmark those of financial institutions and align them as much as possible with the governance model in our payments institution, ensuring transparency and accountability in our operations. Unifiedpost prioritises client's interests and strives to offer an enjoyable user experience through our solutions, consistently aligning with our commitment to excellence in service delivery.



"As a licensed payments institution, adequate governance is embedded in all our operations in the form of a 3 lines of defence model. We apply a centrally defined governance to all countries where we offer payment services, allowing country specific deviations based on a waiver granted by centralised management. As payment services are a key component of our Group's business offering, we create group wide awareness on the risks associated with providing payment services."

Karl Janssens
Chief Compliance Officer
of Unifiedpost Payments SA

Key performance indicators

Renewal of the
ISO 27001 certification
for the Banqup.com platform, our "Documents" solutions, Leleu printing facility and several entities

92%
of all employees within Unifiedpost have obtained awareness training about **IT security training**

95%
of all employees within the entity Unifiedpost Payments (licensed entity) have followed **the awareness training Payments**

89%
of employees have obtained awareness training about **insider trading training**

Whistleblowing tool
has been put in place in 2022

AML week awareness
has been organised

2.5.3.1 Governance

Unifiedpost incorporates a blend of financial and non-financial excellence into its Corporate Governance framework.

The composition and practices of Unifiedpost's Corporate Governance bodies are detailed in chapter 3.

Governance in numbers

	2022	2023
Percentage of women in Management	25 %	0%
Percentage of women on the Board	33%	33%
Number of independent Board Members	5	5
Percentage of independent Board Members	56%	56%
Average attendance rate of Board Members to Board Meetings	94%	95%
Relations with countries on the EU sanctions map	No	No
Number of Board meetings	7	8
Existence of an Audit Committee	Yes	Yes
Existence of a Nomination and Remuneration Committee	Yes	Yes
Existence of an ESG Committee	Yes	Yes

2.5.3.2 Impact, risk and opportunity management

Our governance structure encompasses a comprehensive approach to risk management, this includes not only financial driven risks but also objectives related for instance to HR, compliance, sustainability and environmental matters. As such, roles and responsibilities of the Board and Management include the assessment of non-financial matters. In more detail, the main governance aspects that apply to non-financial matters are:

- **Codes of conduct** addresses business ethics and compliance practices are designed to prevent bribery and corruption in the organisation. Companies active in countries with weak anti-corruption laws are exposed to additional reputational and legal risks.
- **Risk and crisis management** examines the effectiveness of Unifiedpost's risk management organisation and practices, including the independence of risk management from business lines as well as the identification of long-term risks, their potential impact, and Unifiedpost's mitigation efforts, including in terms of sustainability. This also includes escalation procedures in place to report and solve such issues.
- Our **Board** includes members from key control functions including representatives of Legal and Compliance.
- Dedicated quarterly committees for ESG matters. This **ESG Committee** will define and report relevant KPIs, in line with those reported in this Annual Report.

2.5.3.3 Business conduct, policies and corporate culture

2.5.3.3.1. Business conduct

Unifiedpost has established a Code of Conduct that applies to all our staff. During their onboarding process, all staff receive an introduction on the principles outlined in this Code of Conduct. It is the responsibility of managers to facilitate this understanding and provide guidance if needed. Our compliance team is responsible for monitoring the Code of Conduct process. Moreover, we encourage a transparent and supportive atmosphere for our internal stakeholders to address any concerns or report suspected violations.

In most cases, we recommend that concerns be initially discussed with the respective manager. However, if this approach proves uncomfortable or unsuitable for any reason, alternative channels are available:

- a human resources representative
- the legal and compliance department
- the responsible Works Council (if any)

For both internal and external stakeholders, our whistleblowing tool is available on our website (for more information about our whistleblowing tool, see section 2.5.3.3.4 on Whistleblowing).

All claims are investigated ethically and discreetly. Only individuals with a legitimate need-to-know are involved in the investigation process.

We strictly prohibit any form of retaliation against those who report known or suspected violations of laws, regulations, or our Company policies.

2.5.3.3.2. IT Security

As a digital service provider, Unifiedpost manages different types of information and data assets from our customers, suppliers and our own staff.

Unifiedpost is responsible for the information it processes, stores or transmits during its day-to-day activities. The protection of information is the main purpose of information security and we achieve this by implementing a suitable set of controls, including organisational structures, policies and procedures, processes and technical IT controls. These controls are designed, implemented, monitored, reviewed and improved to ensure that the information assets of Unifiedpost, its partners or customers are secure at all times.

Moreover, we have implemented governance, risk management and compliance practices that align with the most recognised information security frameworks. In this respect, we have obtained a number of certifications.

Our security organisation and governance are bolstered by a range of certifications. We've achieved multiple ISO 27001 certifications, affirming our commitment to robust security practices. Moreover, our adherence to stringent process controls is underscored by the attainment of ISAE3402 SOC Type I and II certifications.

Specifically tailored to our Unifiedpost payment products, we maintain compliance with the Payment Card Industry's Data Security Standards (PCI DSS 3.2) through dedicated certifications. Furthermore, our products adhere to SWIFT's rigorous product security control framework. Lastly, our alignment with established standards is reinforced by our official QTSP product certification.

Information Security in numbers

	2022	2023
Participation rate to the yearly IT security awareness training	91%	92%
Certifications (ISO 27001)	Yes	Yes
External audit (ISAE3402 Type I and II)	Yes	Yes

2.5.3.3.3. Privacy

Unifiedpost's services generally entail an important processing of (personal) data and is therefore key to our organisation. We fully recognise the value that such data has for our stakeholders.

We are well aware of the risks that may come with such processing and the impact that it may have on the privacy of our customers, suppliers and other stakeholders. In this regard, we want to make sure that our customers can operate in full compliance with the applicable data protection laws. Therefore, we constantly strive to embed privacy in all our business processes, day-to-day operations, products and services with the support of the DPO.

A privacy program is in place which gives organisational directives used to outline how Unifiedpost will protect its customers and clients data and what it requests from its suppliers. This helps Unifiedpost to maintain privacy compliance and data governance, prevent data breaches, and promote a privacy culture across Unifiedpost entities.

Several policies and procedures[4] have been adopted to comply with all privacy legislations.

[4] Data protection Impact Assessment Policy and Procedure, Data Retention Policy, Data Subject Rights Requests Policy and Procedure, Internal Data Protection Policy, Data Breach Policy and Procedure

Each year, all staff must undergo a general data protection and security training with a successful test required to complete the session. Specific privacy training sessions are organised for different departments such as marketing, sales, product and HR.

Finally, in 2023 we launched a new privacy intranet page to provide our staff with all information related to our privacy governance and GDPR compliance.

Privacy in numbers

Since the GDPR came into force in 2018, Unifiedpost has not received any complaints filed with the Belgian data protection authority or equivalent local authority for non-compliance with the legislation.

	2022	2023
Number of data/GDPR/Privacy incidents reported to data protection authorities	0	0
Participation rate to privacy training	88%	84%
Privacy policy at Group level in place	Yes	Yes
Number of data subject right request handled	31	50
Number of data breaches	5	10
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1/ Customer Privacy 2016)	0	0

2.5.3.3.4. Whistleblowing tool

Unifiedpost encourages an open culture that allows everyone to express concerns about unlawful or unethical behaviour. To facilitate reporting on (potential) misbehaviour, Unifiedpost has in place an whistleblowing tool that ensures confidentiality and protection of the potential whistleblower.

This tool is permanently available on our website, can be used by external or internal stakeholders and is managed by an external and independent organisation. Moreover, a whistleblowing policy has been drafted which is available on our website and explains how and who will handle claims. New joiners need to get acquainted with this policy during their onboarding and in FY 2023 all staff have been reinformed about their right to file a claim should they have one.

	2022	2023
Number of claims entered through the whistleblowing tool	0	0
Notification to staff about the whistleblowing policy and tool	No	Yes

2.5.3.4 Management of relationships with suppliers

2.5.3.4.1. Supplier Code of Conduct

As a company, we frequently rely on third parties. We expect these parties to behave in an ethical way and adhere to similar standards as we do. Therefore, in 2023, Unifiedpost has adopted a new supplier Code of Conduct which must be described by our suppliers in order to ensure their commitment to complying with the rules regarding the environment, human rights and ethical governance standards.

2.5.3.5 Anti-Corruption and anti-bribery

We take a zero-tolerance approach to bribery and corruption. The main risks associated with corruption and bribery include potential undue influence, conflicts of interest, non-objective pricing, subjective awarding of contracts, each of which could have a negative impact on our reputation.

2.5.3.5.1. Training

Our staff is expected to comply with all anti-bribery laws in all the jurisdictions in which we operate. Our Anti-Corruption and Anti-Bribery ("ACAB") policy is sent to each new employee and contractor. Failure to comply with this may lead to a disciplinary action and ultimately in dismissal for misconduct.

Tailored training courses on criminalisation and law enforcement are provided when taking up a function within the legal or finance department, or within Unifiedpost Payments. All functions-at-higher-risk (Senior management, Sales and Finance, staff operating AML/CFT related controls) have been trained and are aware of these rules.

Additionally, an AML awareness week is organised at Group level on an annual basis, where each day of a whole week an article about Money Laundering risks and how to detect them has been sent to all employees to create maximum awareness and trigger staff to read more about the topic. Depending on the test score outcome of the past year, this training session is followed by a competence test for functions-at-risk on an annual or bi-annual basis. As the overall average test result in 2022 was above 80%, no test was planned in 2023.

2.5.3.5.2. Prevention and detection

To prevent ACAB occurrences, we have established a comprehensive training program as an integral component of our IT Code of Conduct. Additionally, our gift policy serves as a critical preventive measure.

In order to detect potential issues, we have implemented a gift reporting procedure, ensuring that any gifts or unusual activities are reported timely.

Our overall approach to addressing these matters includes several key elements:

- **Assessing Conflicts of Interest**: we diligently assess whether any conflicts of interest are present in the situation, which is a crucial aspect of addressing allegations or incidents
- **Impact Assessment**: we evaluate whether the alleged bribe or corruption could potentially impact the anticipated course of action or decision
- **Investigator Independence**: while our current process does not guarantee separation, it allows the reporter to choose between a manager, compliance officer, or legal officer for reporting, and notably, the compliance officer retains the final decision-making authority in gift reporting, ensuring treatment separate from the chain of management

Unifiedpost is actively working towards documenting a formalised process for addressing above aspects on Group level.

2.5.3.5.3. ACAB in numbers

	2022	2023
Number of convictions and the amount of fines for violation of ACAB laws	0	0
Actions to address breaches in the procedures and standards of ACAB	0	0
Number of confirmed incidents	0	0
Number of confirmed incidents in which own workers were dismissed or disciplined for ACAB	0	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to ACAB	0	0
Details of public legal cases regarding ACAB brought against Unifiedpost	0	0

2.5.3.5.4. Political influence and lobbying activities

During 2023, Unifiedpost was not involved in influence or lobbying activities around regulations which could impact our business model. As a result, Unifiedpost has no costs to report in terms of staff, travel or membership of lobbying organisations. Moreover, Unifiedpost is not registered in the EU Transparency Register.

Finally, Unifiedpost did not support any political party.

	2022	2023
Political funding provided	0	0
Internal lobbying costs	0	0
Memberships fees of lobbying organisations	0	0
TOTAL	0	0

2.5.3.6 Payment practices

Invoices are settled within 30 days or 60 days after the receipt of the invoice depending on the agreed terms and conditions, to ensure compliance with the Late Payment directive 2011/7/EU.

We have no ongoing legal proceedings related to late payments.

2.6 EU Taxonomy Reporting

2.6.1 Introduction

The European Taxonomy (2020/852)[5] is a classification system, listing environmentally sustainable economic activities. It aims to help the EU to increase sustainable investment and implement the European New Deal. The European Taxonomy provides companies, investors and policy makers with definitions according to which economic activities can be considered as environmentally sustainable.

According to the European Taxonomy an environmentally sustainable activity is one that:

i. is included in the Delegated Climate Act[6] of the EU Taxonomy (i.e. it is an "eligible activity").

ii. meets the technical screening criteria to prove substantial contribution to one or more environmental objectives - climate change mitigation, climate change adaptation, water, circular economy, pollution prevention and biodiversity.

iii. does not significantly affect any of the other environmental objectives.

iv. complies with the minimum safeguards (related to human rights, anti-corruption and anti-bribery matters)

As of 1 January 2023, Unifiedpost must report its KPIs on both eligible and aligned activities regarding climate change mitigation and adaptation. As from 2023, eligibility for water, circular economy, pollution prevention and biodiversity needs to be disclosed as well.

2.6.2 Procedure for assessing eligibility for the European Taxonomy for the financial year 2023

An "eligible economic activity" is one that is described in the EU Taxonomy, regardless of whether it meets all the technical screening criteria laid out for that activity. Therefore, an "eligible" activity is not necessarily an environmentally sustainable activity, but an activity with the potential to be environmentally sustainable if it complies with the four steps described above (it will then be considered an "aligned" activity).

2.6.2.1 Eligibility of Unifiedpost Group's activities

The eligibility of the activities has been assessed against the activities listed in Annex I and II of the Climate Delegated Act. The identification of certain eligible activities may change in the future.

The assessment of our EU Taxonomy-eligible activities involved the following steps:

i. Search for a match based on the Unifiedpost's main NACE code (NACE J.62.020 - Computer programming, consultancy and related activities)

ii. Screening our activities to match other activities described in the Taxonomy (in addition to the activity J.62.020 – Computer programming, consultancy and related activities mentioned above)

[5] Regulation EU 2020/852 of the European Parliament and the Council, published in the Official Journal of the European Union on 22 June 2020

[6] The Climate Delegated Act: Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 + Commission Delegated Regulation (EU) 2023/2485 and 2023/2486 of 27 June 2023

The eligible activity of Unifiedpost is the following:

Environmental objective	NACE	Activity described under the Delegated Act	Description of the activity	Corresponding activity of Unifiedpost Group
Climate change mitigation	J.63.11	Information and communication	Data processing, hosting and related activities (8.1)	This covers all digital document processing activities for both SMEs and enterprises.

We have carried out an eligibility assessment of the activity "8.2 Computer programming, consultancy and related activities" (NACE J.62) in relation to climate change adaptation. According to the EU Taxonomy, only activities classified as "enabling", i.e. those whose activities contribute substantially to climate change adaptation, can be included in the turnover KPI. However, activity 8.2 is not classified as an "enabling" activity and therefore we cannot attribute a turnover to it. Based on our current understanding of the FAQ document published by the European Commission on 2 February 2022, concerning the interpretation of certain legal provisions of the Delegated Act under Article 8 of the EU Taxonomy Regulation of 6 July 2021, we have concluded that Capex and Opex related to activity 8.2 (climate change adaptation) are not eligible for the EU Taxonomy.

Moreover, the analysis of the legislative texts has led Unifiedpost to consider that among its activities, the following are not eligible within the EU Taxonomy:

i. Payment and electronic financing activities

ii. Paper printing and paper delivery activities

Below, we detail the three KPIs showing the share of our eligible and non-eligible activities in our revenue, capital expenditure (Capex) and the limited scope of operational expenditure (Opex) as required under EU legislation.

The assessment of eligible economic activities and the calculation of Unifiedpost's KPIs for the year 2023 is based on our best interpretation of the European Taxonomy texts.

2.6.2.2 KPIs of activities eligible for the European Taxonomy

After considering the Climate Delegated Act and its amendments published in 2023, Unifiedpost Group reassessed its eligible activities based on the above mentioned six environmental objectives.

	2022			2023		
Thousands of euro, except for the %	**Turnover**	**Capex (*)**	**Opex (*)**	**Turnover**	**Capex (*)**	**Opex (*)**
Data processing, hosting and related activities	84.194	17.605	4.049	91.892	16.782	4.868
Total	190.963	26.962	5.654	191.386	26.192	6.311
%	44,1%	65,3%	71,6%	48,0%	64,1%	77,1%
Total eligible	**44,1%**	**65,3%**	**71,6%**	**48,0%**	**64,1%**	**77,1%**
Total non-eligible	**55,9%**	**34,7%**	**28,4%**	**52,0%**	**35,9%**	**22,9%**

(*) The comparative figures 2022 for Capex and Opex have been reassessed due to additional guidance on the technical screening criteria.

I. Definition of KPIs and methodology of the activity eligible for the European Taxonomy for the financial years 2022 – 2023

The share of eligible activities on revenue, Capex and Opex is calculated by dividing respectively the revenue, Capex and Opex associated with the eligible activity of Unifiedpost (the numerator), by the total turnover, Capex and Opex of Unifiedpost (the denominator).

The KPIs are determined on the basis of the financial data used for the preparation of the Consolidated Financial Statements of Unifiedpost, established in accordance with the IFRS international accounting standards:

- **Turnover** corresponds to the consolidated revenue as presented in the consolidated statement of profit or loss including the recurring as well as the non-recurring revenue (see chapter 4.1 Consolidated Financial Statements, section 5.6.2).
- As **Capex** should refer to all additions to tangible and intangible assets before depreciation, amortisation, remeasurements, including those resulting from revaluations or impairments and excluding any changes in fair value and resulting from business combinations, Unifiedpost reassessed its approach of last year. Where capex corresponded last year only to the capitalisation of own development, Unifiedpost expanded the total Capex (as the denominator) to correspond to all additions to intangible (see chapter 4.1 section 5.14) and tangible assets (see chapter 4.1 section 5.15 + 5.16). In order to allow activities to become aligned, the Capex associated with the eligible activity of Unifiedpost (the numerator) corresponds not only to the additions to intangibles (see chapter 4.1 section 5.27.1), but also to additions to Unifiedpost's green fleet as described in chapter 2.5.1.3.1.
- **Opex** corresponds only to indirect, non-capitalised, costs that relate to short-term lease, building renovation measures and maintenance and repair, as processed by Unifiedpost as housing & facility costs.
- Unifiedpost had defined **the eligible activity** as corresponding to the cash generating unit (CGU) Digital Document Processing.
    - A **CGU** is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets.
    - The CGU **Digital Document Processing** groups all digital document processing activities for as well SME as Corporate customers, covering the inbound document flow as well as the outbound document flow.

II. Financial years 2022 and 2023 compared

The movement in KPIs of the eligible activity can be explained as follows:

- **Turnover**: detailed information on the increase in revenue can be found in chapter 4.1 section 5.6.2.
- **Capex** remains stable. On the one hand, the capitalisation of own development decreased in 2023 compared to 2022 due to the focus of the Group on its global products and only perform 'maintain efforts in local products (as explained in chapter 4.1, section 5.7.1), while on the other hand, additions to intangible assets increased due to acquiring the software "Valitax" in 2023 (see chapter 4.1, section 5.14).

  Additions to Unifiedpost's green fleet increased from 53% in 2022 towards 62% in 2023 of the total capitalisation of vehicles.
- **Opex**: as in line with the increase in turnover as KPI, also Opex as KPI increased for the eligible activity of Unifiedpost.

2.6.3 Unifiedpost Group's Business Alignment Process for 2023

In 2023, Unifiedpost Group focused on consolidating its offerings, creating a comprehensive platform that integrates these services to meet the varied needs of all businesses. Given the nature of the Group's IT infrastructure and handling the transition from many local platforms to one single platform, we were not able to accurately determine the percentage of our activities that align with the EU Taxonomy regulations for 2023. Hence, the three KPIs representing Unifiedpost's activities aligned with the EU Taxonomy for the financial year 2023 are conservatively set at 0%.

During 2023, a roadmap has been developed outlining the strategic steps necessary for Unifiedpost to achieve compliance with the EU Taxonomy regulations. Recognising the complexity of this endeavour, we are fully aware of the need for adequate resources (in time, tooling and staff) to accurately determine the alignment percentage of our activities as obliged as of 2024.

Economic Activities (1)				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
	Code(s) (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
		EUR	%	Y;N; N/EL(2)	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities																			
/																	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
of which are enabling		-	-	-						-	-	-	-	-	-	-	0%	E	
of which are transitional		-	-							-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL; N/EL(3)**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Data processing, hosting and related activities	CCM(1) 8.1	91.892.400,00	48,0%	**EL**	-	-	-	-	-								44,1%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		91.892.400,00	48,0%	-	-	-	-	-	-								44,1%		
Total (A.1+A.2)		91.892.400,00	48,0%	-	-	-	-	-	-								44,1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		99.493.175,00	52,0%																
Total (A+B)		191.385.575,00	100%																

(1) The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution (for example: CCM – Climate Change Mitigation) plus the section number of the activity in the EU's annex to the Taxonomy Regulation

(2) Y – Yes, Taxonomy-aligned with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned with the relevant environmental objective; N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

(3) EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

Economic Activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N-1 (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
		EUR	%	Y;N; N/EL(2)	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
N/A			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
of which are enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
of which are transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)				**EL; N/EL(3)**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Data processing, hosting and related activities (CapEx A)	CCM 8.1	9.685.549,00	37,0%	EL	-	-	-	-	-								61,2%		
Manufacture of low carbon technologies for transport	CCM3,3	791.572,00	3,0%	EL	-	-	-	-	-								3,4%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		10.477.121,00	40,0%	-	-	-	-	-	-								64,6% (*)		
Total (A.1+A.2)		10.477.121,00	40,0%	-	-	-	-	-	-								64,6% (*)		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		15.714.910,00	60,0%																
Total (A+B)		26.192.031,00	100%																

(1) The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution (for example: CCM – Climate Change Mitigation) plus the section number of the activity in the EU's annex to the Taxonomy Regulation

(2) Y – Yes, Taxonomy-aligned with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned with the relevant environmental objective; N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

(3) EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

(*) The comparative figures 2022 for Capex have been reassessed due to additional guidance on the technical screening criteria.

Economic activities (1)	Code(s) (2)	Absolute OPEX (3)	Proportion of OpEx (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total OpEx, year N (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
		EUR	%	Y;N; N/EL(2)	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which are enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
of which are transitonal		-	-	-						-	-	-	-	-	-	-	-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL; N/EL(3)**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Data processing, hosting and related activities (OpEx A)	CCM 8.1	4.868.491,00	77,1%	EL													71,6% (*)		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4.868.491,00	77,1%	-	-	-	-	-	-								71,6% (*)		
Total (A.1+A.2)		4.868.491,00	77,1%	-	-	-	-	-	-								71,6% (*)		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		1.442.416,00	22,9%																
Total (A+B)		6.310.907,00	100%																

(1) The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution (for example: CCM – Climate Change Mitigation) plus the section number of the activity in the EU's annex to the Taxonomy Regulation

(2) Y – Yes, Taxonomy-aligned with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned with the relevant environmental objective; N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

(3)EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

(*) The comparative figures 2022 for Opex have been reassessed due to additional guidance on the technical screening criteria.

Appendix 2 - Nuclear and fossil gas related activitie	
Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades	NO
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	NO
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

Annex XII – Template 2 Taxonomy-aligned economic activities (denominator)

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
Total applicable KPI	0	0	0	0	0	0

Annex XII - Template 3 Taxonomy-aligned economic activities (numerator)

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	0	0	0	0	0	0
Total applicable KPI	0	0	0	0	0	0

Annex XII – Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	0	0	0	0	0	0

Annex XII - Template 5 Taxonomy non-eligible economic activities

Economic activities	Amount	%
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	0	0

3. Corporate Governance

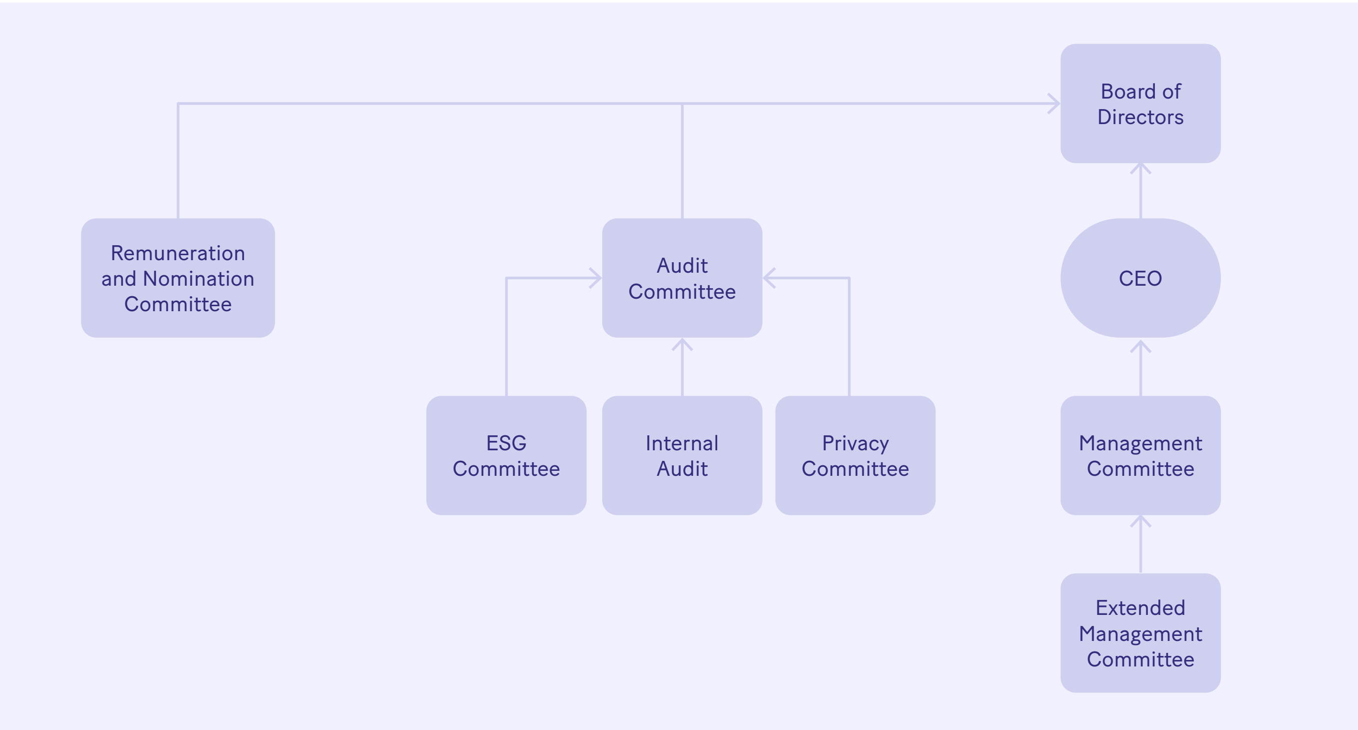
3.1 Corporate Governance Statement

3.1.1 Governance Model & Principles

Unifiedpost is committed to a high standard of Corporate Governance. In setting up, maintaining and monitoring our governance structure, we use the Belgian Code on Corporate Governance 2020 (the Corporate Governance Code) as a reference code. This code is based on the principle of comply or explain. Any deviations from the Corporate Governance Code by Unifiedpost will be explained to ensure transparency and accountability. As Unifiedpost operates globally, we closely monitor international developments. .

Unifiedpost's governance framework operates as a one-tier system, in accordance with articles 7:85 to 7:100 of the BCCA. It is composed of the Board of Directors ("Board"), which possesses the authority to carry out all actions required or beneficial for the achievement of Unifiedpost's objectives, except those explicitly reserved by law for the General Shareholder Meeting. The Board monitors the appropriateness of Corporate Governance principles and procedures, ensuring ongoing compliance with pertinent Corporate Governance regulations or standards.

Unifiedpost governance structure



Additionally, Unifiedpost has integrated the governance principles into its operations in accordance with its recently updated Corporate Governance Charter, its Articles of Association, and various internal policies and procedures. Specifically, Unifiedpost adheres to the following internal policies and procedures:

- Corporate Governance Charter
- Dealing Code (as annexed to the Corporate Governance Charter)
- Code of Conduct
- Remuneration Policy
- Anti-bribery and anti-corruption Policy

Finally, Unifiedpost operates and complies amongst others with the following laws and regulations:

- Belgium code of companies and associations
- Corporate Governance Code 2020
- Regulation (EU) No 596/2014 on Market Abuse

3.1.2 Board of Directors

3.1.2.1 Composition of the Board of Directors

Per 31 December 2023, Unifiedpost's Board is composed of 9 members and features a broad range of expertise from different operational fields. Currently, the CEO is the only executive member of the Board.

Hans Leybaert is the founder and Chief Executive Officer of Unifiedpost. Hans started his career as an analyst programmer for CSC, an IT system-integrating company and was subsequently promoted to project manager where he was in charge of larger projects for Belgian corporate customers. In 1997, he became an account manager at Baan, a Dutch software company, where he was responsible for all large accounts of Baan Belgium. This experience was followed by a partner position at Axias Belgium, where Hans overlooked general, sales and program management. In 2001, he founded Unifiedpost. Since June 2022, Sofias BV, represented by Hans Leybaert, is an independent director of Group S, a social services agency.

Stefan Yee (Chairman) has more than 30 years of experience in audit, corporate law, mergers and acquisitions, corporate finance, investment banking and private equity with companies as KPMG, Linklaters, the Flemish investment bank, Lessius, the Belgian Corporation for International Investment (SBI/BMI), Beluga and as the founder and CEO of PE Group, a Belgian privately held general private equity firm.

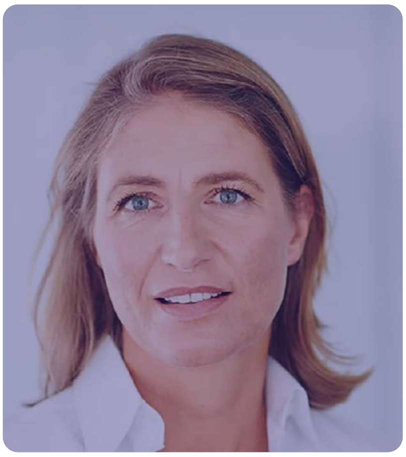
He is and has been an investor and/or board member of several listed and private companies such as, amongst others, Beluga, Docpharma, Encare group (Mensura), AXI, The Reference, Alro Holdings, Loomans Group, United Brands, Capco, AED Rent, Uteron Pharma, Faseas International (Spacewell), HD Partners (Dekabo group), NRG New Generation, Imcyse, Axiles, Bionics and Hyloris Pharmaceuticals. Stefan holds master's degrees in Law and Business Administration from the Universities of Brussels (VUB and ULB Solvay Business School) and the University of Chicago Law School (as a BAEF Fellow).

Joost Uwents[7] is the CEO of Warehouses De Pauw, a public company which specialises in the logistics industry and semi-industrial real-estate. He is currently an independent member of the board of directors of Xior Student Housing. Before his career at WDP, Joost started as an account manager for the General Bank. He obtained a master's degree as a business engineer from the KU Leuven and subsequently did an MBA at Vlerick Business School.

Katrien Meire is founder and executive director of WorkNomads, an employer for digital nomads specialised in industrialised and ICT engineering while also offering worldwide flexible co-living. She started her career as a EU Competition lawyer in a magic circle law firm, before becoming CEO and Director of two English football clubs, i.e. Charlton Athletic and later on Sheffield Wednesday, as well as COO of football club Club Brugge NV. She also served as a council member for two years at the English Football Association. Katrien obtained a master's degree in Law from KU Leuven and a LLM in Competition Law from University College of London.

Katya Degrieck is a senior Executive at Google, where she is head of the Publishers Revenue and News for Northern Europe departments. She started her career as a management consultant at Andersen Consulting and has since then been active in the media industry for over 25 years, including several executive positions at Bertelsmann and Corelio (now Mediahuis). Katya is also an independent director of the publishing company Lannoo Group and Smartphoto, where she is a member of the remuneration committee and audit committee. Katya holds a master's degree in business engineering and an MBA from the University of Brussels Solvay Business School.

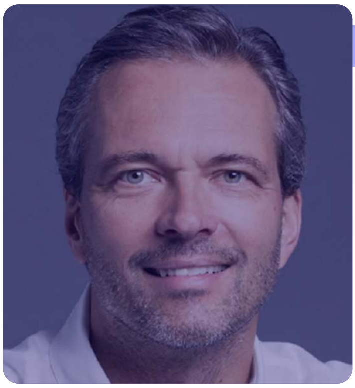
Angeline (Marie-Ange) Marx is the COO of Keytrade Bank, the Belgian branch of Crédit Mutuel Arkea and a board member of Visa Belgium. After an initial career as a lawyer with De Backer & Associés in Brussels, she joined Keytrade Bank in 1999 as managing director of Keytrade Bank Luxembourg and group compliance officer, before being promoted to the COO function in 2007. Marie-Ange is also a board member of Europay Belgium. She obtained master's degrees in law from both the University of Brussels and the College of Europe in Bruges.



[7] Joost Uwents resigned as member of the Board of Unifiedpost Group with effect from 1 January 2024.

Leon Cappaert is an investment manager at FPIM, the Belgian Federal Holding and Investment Company, where he is responsible for investments in technology and new energy. Leon has over 20 years of experience in asset management and private equity. Before joining FPIM, he worked as an analyst and fund manager at KBC Asset Management. Later he joined Korys, the family office of the Colruyt Group, as an investment director. Leon is a certified chartered financial analyst and obtained a master's degree as a commercial engineer from the University of Antwerp.

Philippe De Backer holds several Masters degrees in Biotechnology and earned a doctorate from Ghent University in 2009. In 2012 he received an MBA from Solvay Business School. After some years of working in the world of business, he made his political debut in 2011 as Member of the European Parliament. In 2016, he became Secretary of State for Social Fraud, Privacy and the North Sea. In 2018 he was promoted to Minister, gaining responsibility for Digital Agenda, Telecom, Postal Services and Administrative Simplification and this until the end of the legislature in October 2020. He is currently Senior Partner at Newton Biocapital.



Michael Kleindl is an experienced business angel and venture capital investor, serial entrepreneur and successful founder of a multitude of digital businesses during the last 20 years, including some early foodTech investments. He is currently on the forefront of a climate first venture capital platform called Collateral Good Ventures. Michael holds a University degree from European Business School and his track record includes two IPOs and numerous exits of portfolio companies to prestigious buyers such as Amazon, Axel Springer, Deutsche Post DHL, Eventbrite and Just Eat.

3.1.2.2 About the Board of Directors

Name	Position	Year of initial appointment	Year of end of term	Independent director (*)	Attendance rate
AS Partners BV (permanently represented by **Stefan Yee**)	Chairman	2014	2026	NO	100 %
Sofias BV (permanently represented by **Hans Leybaert**)	CEO	2006	2026	NO	100%
FPIM – SFPI NV (permanently represented by **Leon Cappaert**)	Member	2020	2026	NO	88%
Joost Uwents	Member	2020	2026 (**)	YES	88%
RISUS Sports BV (permanently represented by **Katrien Meire**) (***)	Member	2021	2026	YES	88%
Fovea BV (permanently represented by **Katya Degrieck**)	Member	2020	2026	YES	88%
Angeline (Marie-Ange) **Marx**	Member	2020	2026	YES	100%
SophArth BV (permanently represented by **Philippe De Backer**)	Member	2021	2027	YES	100%
First Performance AG (permanently represented by **Michael Kleindl**)	Member	2021	2026	NO	100%

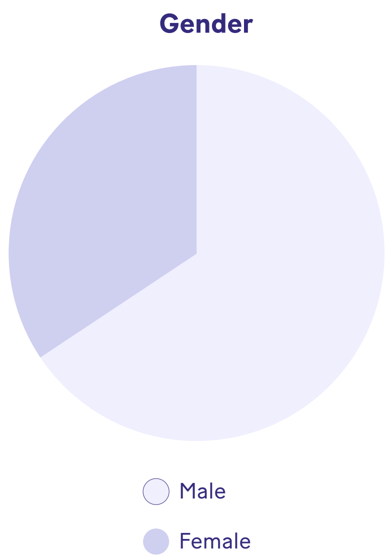
(*) Independent director pursuant to article 7:87 of the Belgian Companies Code and 2020 Code.

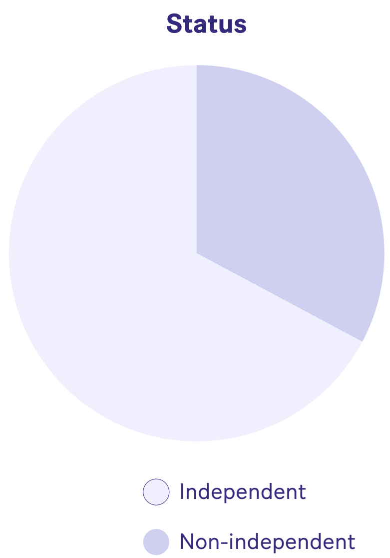
(**) Joost Uwents resigned as member of the Unifiedpost Group Board with effect from 1 January 2024 due to commitments arising from his other professional activities.

(***) Katrien Meire was already appointed as a member of the Board of Directors in 2020, while RISUS Sports BV, permanently represented by Katrien Meire, was appointed as member of the Board of Directors in 2021.

The composition of the Board meets the gender diversity requirement laid down in Article 7:86 of the BCCA, the Board will continue to monitor future compliance. In proposing candidates, consideration is given to diversity in gender, age, nationality, educational and professional background, as well as complementary skills, knowledge and experience.

Moreover, the Board is composed of 8 non-executive directors, 5 of which are independent in the sense of the Article 7:87, §1 of the BCCA.





Pursuant to Unifiedpost's Corporate Governance Charter and as from 2022, Board Members can be appointed for a period of maximum (renewable) four years. As a rule, they can be appointed for a maximum period of three consecutive terms. However, in the interest of Unifiedpost and in order to avoid losing the contribution of Board Members who have been able to develop an increasing insight into Unifiedpost, its strategy and its operations, the Board may grant exceptions to this policy in case that the reasons for the exceptions are explained during the Shareholders' Meeting dealing with the approval of the appointment of the Board Members. No exception to this principle has been granted since the implementation of our Corporate Governance Charter.

The Board is convened by the Chairman or the CEO every three months or whenever the interest of Unifiedpost so requires, or at the request of two Board Members. In principle, the Board will meet at least five times a year.

The Board's role is to pursue sustainable value creation in Unifiedpost by providing entrepreneurial leadership and enabling risks to be assessed and managed. It decides on Unifiedpost's values and strategy, its risk appetite and key policies. The Board Members will closely monitor Unifiedpost's performance and verify that the necessary financial and human resources are in place to meet its defined objectives. They support the executive management in the execution of its tasks and should be prepared to challenge the executive management when appropriate.

In 2023, the Board convened eight times. During these meetings , the Board dealt with our strategy and growth, the evaluation of business opportunities and potential divestments, the cost savings program, the monitoring of cash flows, the preparation of resolutions for approval to the shareholders, and the review and approval of our financial reporting.

The Board has formed three specialised committees which are responsible for assisting the Board of Directors and making recommendations in specific fields: the Audit Committee (in accordance with Article 7:99 of the BCCA and Provision 4.10 to 4.16 of the Corporate Governance Code), the Remuneration and Nomination Committee (in accordance with Article 7:100 of the BCCA and Provision 4.17 to 4.23 of the Corporate Governance Code) and the Management Committee. The terms of reference of these Board committees are primarily set out in the Corporate Governance Charter.

3.1.3 Committees

3.1.3.1 Audit Committee

Audit Committee members	Function	Independent Director	Attendance rate
Joost Uwents (*)	Chairman	YES	80%
Angeline (Marie-Ange) Marx	Member	YES	100%
Stefan Yee	Member	NO	80%

(*) Joost Uwents resigned the Audit Committee with effect from 1 January 2024. He is replaced by Philippe De Backer.

The role of the Audit Committee is to advise the Board on accounting, audit and internal control matters. It also reports regularly to the Board on the exercise of its duties, identifying any matters where it considers that action or improvement is needed and making recommendations as regards the steps to be taken.

At the end of 2023, the Audit Committee consisted of three members, as identified in the table above: Joost Uwents (Chairman), Angeline (Marie-Ange) Marx and Stefan Yee. The Audit Committee's members are non-executive directors, with the majority of them being independent, and have the appropriate expertise and experience in this field as shown in the section above.

There were no changes in the composition of the Audit Committee, which met 5 times during FY 2023. During these meetings, the Audit Committee Members dealt with supervising the financial reporting, discussion on complex accounting matters, internal audit activities and reports, the selection of the statutory auditor for subsidiaries (i.e. BDO), and monitoring compliance and risk. The attendance rate at the Audit Committee meetings in 2023 for each of its members is set forth in the table above.

The Internal Audit operates as an independent assurance function, directly reporting to the Audit Committee. It assists the Board in its oversight responsibilities over internal controls and resolution of control issues. The function is internalised, with audit services enlisted for specific assignments such as certifications or to support Internal Audit, as approved by the Audit Committee. The Head of Internal Audit brings extensive experience and a proven track record in financial industry audit. The audit plan, derived from a comprehensive risk assessment, prioritises entities with higher audit risks. The plan undergoes submission and review by the Audit Committee, and Internal Audit provides quarterly status reports to the Audit Committee.

3.1.3.2 Remuneration and Nomination Committee

Remuneration and Nomination Committee member	Function	Independent Director	Attendance rate
Stefan Yee	Chairman	NO	100%
Katrien Meire	Member	YES	100%
Katya Degrieck	Member	YES	100%

The role of the Remuneration and Nomination Committee is to advise the Board mainly on matters regarding the remuneration and nomination of the Board Members and the Management Committee.

The Remuneration and Nomination Committee also reports regularly to the Board on the exercise of its duties, identifying any matters where it considers that action or improvement is needed and making recommendations as regards to the steps to be taken.

At the end of 2023, the Remuneration and Nomination Committee consisted of three members, as identified in the table above: Stefan Yee (Chairman), Katrien Meire and Katya Degrieck, all being non-executive directors and a majority of them being independent directors. The committee has the necessary expertise in the area of remuneration policy.

There were no changes in the composition of the Remuneration and Nomination Committee, which met 2 times in 2023. During these meetings, the Committee handled the review of the remuneration policy and report, the remuneration and KPIs of the Management Committee and the warrant plan. The attendance rate at the meetings in 2023 set forth in the table above.

3.1.4 Management Committee

3.1.4.1 Composition of the Management Committee

As of 31 December 2023, the Management Committee consists of the following members:

Hans Leybaert – see chapter 3.1.2.1 Composition of the Board of Directors for his biography.

Laurent Marcelis has 26 years of experience in consulting, financial services and management. He is an experienced Chief Financial Officer with a demonstrated history of working in the information technology and services industry with a background in financial services, business process improvement and strategy. Before joining Unifiedpost in 2006, he gained experience as a financial services consultant at Coopers & Lybrand / PwC, and in management functions at Interpolis / Rabobank. In 2006 he started as Chief Operational Officer of Unifiedpost, followed by several management functions and directorship at Unifiedpost. After having left Unifiedpost in 2014 for a management function at Belfius Bank, he returned in 2016 to become the Chief Financial Officer of Unifiedpost.

Tom Van Acker has more than 20 years of international experience in consulting, IT & operations and general management, within both the technology & outsourcing services industry (at Electronic Data Systems) and the financial services industry (at Fortis, ABN Amro and BNP Paribas). Furthermore, Tom has been a member of the BNP Paribas Global retail banking IT management team and of the senior management community of BNP Paribas Group. He has been a board member of several commercial and receivables finance companies in Denmark, Sweden, Italy, France, Turkey, the UK and Germany. Tom holds a Master degree of Business Engineering from the Catholic University of Leuven (KUL).

Management Members	Position	Year of birth	Year of appointment
Hans Leybaert	Executive Director (CEO)	1970	2001
Laurent Marcelis	Chief Financial Officer (CFO)	1970	2016
Tom Van Acker	Chief Operating Officer (COO) / General Manager	1973	2016
Hans Jacobs (*)	Chief of Staff 'Bridge to Business'	1970	2017
Marcus Laube (**)	Chief Sales Officer (CSO)	1968	2021

(*) Hans Jacobs is no longer part of the Management Committee as of 31 August 2023. He remains in his function as Chief of Staff 'Bridge to Business'.

(**) Marcus Laube left his position as CSO on 31 October 2023. Marcus Laube is as of 1 November 2023 engaged as strategic consultant and is in this capacity no longer a member of the Management Committee.

The CEO chairs the Management Committee. The other Members of the Management Committee are appointed and removed by the Board upon advice of the CEO and the Remuneration and Nomination Committee.

The Management Committee exercises the duties assigned to it by the Board, in close consultation with the CEO. The tasks of the Management Committee include the research, identification and development of strategic possibilities and proposals which may contribute to our development in general, management of the Group, the supervision of the actual performance of the business compared to strategic goals, plans and budget.

The Management Committee operates under the ultimate supervision of the Board, and does not constitute an executive board but is merely an informal executive committee within the meaning of Article 3:6, §3 of the BCCA.

Per 31 December 2023, the Management Committee consisted of three members: Mr. Hans Leybaert (CEO), Mr. Laurent Marcelis (CFO) and Tom Van Acker (COO). The Management Committee members have different educational backgrounds, as can be read in each of their profiles above. They meet regularly, and in principle once every week.

In 2023, the Management Committee experienced significant changes aimed at ensuring that decision-making is more agile and responsive to the rapidly changing business environment. Hans Jacobs retained his role as Chief of Staff 'Bridge to Business'. However, in alignment with Unifiedpost's evolving objectives, it was decided that he would no longer be part of the management committee effective 31 August 2023. Marcus Laube vacated his position as CSO on 31 October 2023, and no replacement was appointed within the Management Committee. To ensure comprehensive representation of internal stakeholders, an extended management committee was established, convening four times annually. In 2023, this extended committee comprised members of the Management Committee along with Hans Jacobs (Chief Marketing Officer), Arthur Paijens (CEO of Unifiedpost Payments SA), Koen De Brabander (Operational Finance Director), Geert De Herdt (Chief Information Officer), Ignace Bruynseraede (Head of HR), and Mathias Baert (Head of Legal and Compliance). With the exception of the members of the Management Committee, the members of the extended management committee are not responsible for the daily management of the company.

3.1.5 Evaluation of the Board and its Committees

Regularly assessing the size, composition, functioning and performance of both the Board and its Committees, along with their interaction with the executive management is an important aspect of effective Corporate Governance. The principle of the Board assessment is laid down in the Corporate Governance Code as well as in section 3.6 of Unifiedpost's Corporate Governance Charter.

In adherence to this principle, the Board, led by the Chairman, has to conduct a self-assessment every three (3) years, with the most recent evaluation anticipated to have occurred in 2023. Notwithstanding the foregoing, no self-assessment took place in 2023. Instead, Unifiedpost has chosen to diverge from the recommendations set out in the Corporate Governance Code and Unifiedpost's Corporate Governance Charter, in favour of a more comprehensive review. Instead of a self-assessment, Unifiedpost will in 2024 look into engaging a reputable third party to conduct the evaluation, aiming for a thorough and unbiased examination of the Board's and its Committees' scope, composition and performance.

3.1.6 Annual General Meeting

The Annual general meeting is held on the third Tuesday of May at 7 pm. Shareholders can attend the meeting in person, submit written voting instructions or vote by proxy. The next Annual General Meeting will be held on 21 May 2024 at 7 pm.

Shareholders are informed and invited to the General Meeting at least thirty days before via the Belgian Official Gazette, in media, in a nationally distributed paper and via UPG website. Unifiedpost encourages the involvement of its shareholders and ensures that all necessary facilities and information are available so that they can exercise their voting rights.

3.2 Remuneration Report for financial year 2023

3.2.1 General introduction

In accordance with article 7:89/1 of the Belgian Code on Companies and Associations (BCCA), Unifiedpost's remuneration policy[8] for the Members of the Board and the Members of the Management Committee was approved at the 2021 annual shareholder's meeting on 18 May 2021. The remuneration policy is applicable as from January 1, 2021 and will be submitted to the vote of the general meeting of shareholders at every material change and in any case at least every 4 years. It is designed to ensure fair, well balanced and competitive remuneration practice in order to attract, develop, engage and retain talented people who can help us reach our long-term sustainable performance.

The current remuneration report must be read in conjunction with the remuneration policy, which forms a part of this report as necessary. The remuneration granted to the Members of the Board, the CEO and the other members of the currently existing Management Committee in the financial year 2023 is consistent with the approved remuneration policy. This remuneration report covers the 2023 remuneration of the Members of the Board (see chapter 3.2.1.1), the CEO (see chapter 3.2.1.2.1), who is also a Member of the Board, and the other members of the Management Committee, who are not part of the Board (see chapter 3.2.1.2.2).

Unifiedpost's Management Committee needs to be incentivised to deliver sustainable growth and value for our shareholders. Therefore, our remuneration policy is based on a set of performance criteria linked to Unifiedpost's financial and operational performance. The criteria are designed to balance risk and to reward and promote the interest of our stakeholders.

3.2.1.1 Remuneration for the Members of the Board

The remuneration of the Board Members only consists of a fixed cash amount. Not including performance-related components nor pensions schemes promotes the independence of our Board Members in their supervisory duties over the Management Committee.

This means that, in deviation from the principle 7.6 of the Corporate Governance Code, the non-executive members of the Board did not receive remuneration in the form of shares of Unifiedpost. The reason for this is that the Board considers that share incentives may have an adverse impact on the independence of the non-executive directors.

The remuneration package offered to the Board Members is designed to attract and retain individuals who possess the experience and competencies required for this critical role. We take into account the significant responsibilities that our Members of the Board hold, as well as their commitment to the development of Unifiedpost. Our remuneration package is intended to reflect the importance of their role in shaping the direction and strategy of the Company, as well as in ensuring its long-term success. The CEO, who is also a Member of the Board, does not receive any remuneration for his mandate at the Board. This is in line with our commitment to promoting the independence of our Members of the Board and preventing any conflicts of interest that may arise from their role in the Company's management. By providing a clear separation between the roles of the CEO and Members of the Board, we believe that we are better able to promote good governance and accountability across the organisation.

The total amount of the remuneration granted in 2023 to all Board Members, Chairman included, is amounting to € 237.500 on a gross basis.

8 https://www. Unifiedpost.com/en/about-us/corporate-governance

The overview of the individual gross amounts paid out to the Board Members in 2023, based on their appointment to the different committees is presented in the following table:

Total remuneration Members of the Board (in euro)										
Name and position	**Fixed remuneration**			**Variable remuneration**		**Extraordinary Items**	**Pension Expenses**	**Total Remuneration**	**Portion of the fixed and variable remuneration**	
	Base compensation as member of the Board	**Base compensation as member of the Audit Committee**	**Base compensation as member of the Remuneration Committee**	**One year variable**	**Multi year variables**				**Fixed**	**Variable**
AS Partners BV (permanently represented by **Stefan Yee**)	30.000	7.500	5.000	N/A	N/A	N/A	N/A	42.500	100 %	0 %
Sofias BV (permanently represented by **Hans Leybaert**)	-	-	-	N/A	N/A	N/A	N/A	-	100 %	0 %
FPIM – SFPI NV (permanently represented by **Leon Cappaert**)	20.000	-	-	N/A	N/A	N/A	N/A	20.000	100 %	0 %
Joost Uwents	20.000	7.500	-	N/A	N/A	N/A	N/A	27.500	100 %	0 %
RISUS Sports BV (permanently represented by **Katrien Meire**)	20.000	-	5.000	N/A	N/A	N/A	N/A	25.000	100 %	0 %
Fovea BV (permanently represented by **Katya Degrieck**)	20.000	-	5.000	N/A	N/A	N/A	N/A	25.000	100 %	0 %
Angeline (Marie-Ange) **Marx**	20.000	7.500	-	N/A	N/A	N/A	N/A	27.500	100 %	0 %
SophArth BV (permanently represented by **Philippe De Backer)**	20.000	-	-	N/A	N/A	N/A	N/A	20.000	100 %	0 %
First Performance AG (permanently represented by **Michael Kleindl**)	50.000 (*)	-	-	N/A	N/A	N/A	N/A	50.000	100 %	0 %

(*) First Performance AG (permanently represented by Michael Kleindl) receives a fixed remuneration of € 20 thousand as a member of the Board of Unifiedpost Group and a fixed remuneration of € 30 thousand as member of the Beirat Crossinx GmbH.

The following table gives an overview of the remuneration in euro granted over the last 4 years to members of the Board, Chairman included:

Total 2020 (as of the IPO)	Total 2021	Total 2022	Total 2023
79.375	215.000	237.500 (*)	237.500
Year-over-year variance	+171%	+10,5%	+0%

(*) In the 2022 Annual Report, the total remuneration of the Board did not account for the amount received by First Performance AG as a member of the Beirat Crossinx GmbH. We hereby want to rectify this error in the current Annual Report.

3.2.1.2 Remuneration for the Management Committee

Our pay decisions for the CEO and the Management Committee considered the following factors:

- Unifiedpost's strategic and long-term goals
- the mix of corporate with individual KPIs
- the mix of financial and non-financial KPIs
- the mix of short and long term KPIs

Our remuneration structure for the Members of the Management Committee consists of an annual fixed cash amount and a variable remuneration. The latter consists of a short-term variable remuneration component settled in a cash bonus and a long-term variable component, under the form of subscription rights or warrants under Belgian law. This warrant plan has been put in place in 2021 and has, to date, not yet been used. During the next review of the remuneration policy, Unifiedpost will evaluate, among other factors, its long-term variable component and determine its implementation. The revision of the remuneration policy is scheduled for 2024 and will be presented at the shareholders' meeting.

In accordance with the remuneration policy, the total cash remuneration of the CEO consists of a 75% fixed remuneration and a 25% short-term variable component, the latter of which is linked to 70% corporate KPIs and 30% individual objectives.

As of January 2022, similar remuneration principles are applied to the members of the Management Committee. Due to existing agreements, not all members of the Management Committee have an equal variable component. At present, the variable component varies between 12,5% and 25%. The variable remuneration will however gradually increase so that each member of the Management Committee has a variable component of 25% in 2024. The variable component is linked to 60% corporate KPIs and 40% individual KPIs.

Individual objectives are established annually by the Board upon the recommendation of the Remuneration and Nomination Committee and include a combination of pre-determined and objectively measured financial and non-financial key performance indicators (KPIs). The KPIs are further detailed below.

The rating scale used to measure the KPIs, has been set as follows:

- rating scale of financial KPIs
  - below 85% of target: no variable remuneration
  - as of 85% up to 90% of target: 25% of bonus
  - as of 90% up to 95% of target: 50% of bonus
  - as of 95% up to 100% of target: 75% of bonus increasing linear to 100% of bonus
- no (automatic) extra bonus in case of overachievement
- right of the Board of Directors to deviate in case of specific circumstances

3.2.1.2.1. The remuneration of the CEO

In 2023, our CEO received following compensation in his executive function as CEO:

Total remuneration of the CEO (in euro)

Name and position	Fixed remuneration			Variable remuneration		Extraordinary Items	Pension Expenses	Total Remuneration	Portion of the fixed and variable remuneration (*)	
	Base compensation	Compensation as member of the board	Additional benefits	One year variable	Multi year variables				Fixed	Variable
Hans Leybaert	360.000	-	-	24.000	N/A	N/A	N/A	384.000	93,75%	6,25%

(*) This section sets forth the relative portion of the fixed and variable remuneration. The relative share of fixed remuneration is determined by dividing the sum of the fixed components by the total compensation amount, multiplied by 100. Similarly, the relative share of variable components is calculated by dividing the sum of the variable components by the total compensation, multiplied by 100.

The CEO's base compensation is determined by the actual amount paid by Unifiedpost. In addition to this, the CEO is eligible for a variable compensation in the form of a bonus, which is contingent on achieving specific corporate and individual KPIs outlined below.

Type of KPI	KPI	Relative weight	Measured Performance	Bonus (in euro)
Corporate KPIs	(Over)achieving the approved budgeted Consolidated Gross Profit	15%	Between 90% and 95% of target	9.000
	(Over)achieving the approved budgeted Consolidated Operational Result	15%	below 85% of target	-
	(Over)achieving 30% Organic Recurring Digital Revenue growth	20%	below 85% of target	-
	(Over)achieving cash flow break even in H2 2023	10%	below 85% of target	-
Individual KPIs	Achieving full year cash generation for product units (R&D costs capex + opex)	20%	Between 90% and 95% of target	12.000
	Contribution to increase the visibility and corporate image of the company towards investors	10%	Between 85% and 90% of target	3.000

As requested by BCCA, Unifiedpost reports the pay ratio of the highest remuneration among the members of the management committee, i.e. the CEO remuneration, versus the lowest FTE remuneration in the Group. This pay ratio for the entire Unifiedpost Group amounts to 88,9 for 2023. It is however important to note that Unifiedpost is active in some low cost countries, like Vietnam and Moldova, and this impacts strongly the Group's pay ratio. To benchmark our policy and remuneration gap, we disclose additionally that the pay ratio with focus only on the Belgian workforce is 11,5.

3.2.1.2.2. The remuneration of the Management Committee

The remuneration of the other members of the Management Committee for the year 2023 was as follows:

Total remuneration of the management committee (in euro)										
Name and position	**Fixed remuneration**		**Variable remuneration**		**Extraordinary Items**	**Pension Expenses**	**Total Remuneration**	**Portion of the fixed and variable remuneration**	
	Base compensation	**Additional benefits**	**One year variable**	**Multi year variables**				**Fixed**	**Variable**
Aprilis BV (permanently represented by **Tom Van Acker**) – General manager	270.300	-	12.995	N/A	N/A	N/A	283.295	95%	5%
Marcelis BV (permanently represented by **Laurent Marcelis**) – CFO	205.000	-	17.000	N/A	N/A	N/A	222.000	93%	7%
Kilauea Management Consulting BV (permanently represented by **Hans Jacobs**) – CMO*	146.153	-	-	N/A	N/A	N/A	146.153	100%	0%
Marcus Laube – CSO**	208.333	-	-	N/A	N/A	N/A	208.333	100%	0%

(*) As of 31 August 2023, Kilauea Management Consulting BV, permanently represented by Hans Jacobs ceased to be a member of the Management Committee. However, he continues in his role as Chief Marketing Officer within Unifiedpost, and there have been no alterations to his contractual agreement. The total amount of € 147.153 represents his remuneration until August 2023. Hans Jabobs did not receive any variable remuneration in 2023.

(**) Marcus Laube has left his position as CSO on 31 October 2023 and his agreement terminated in mutual agreement. Marcus Laube is as of 1 November 2023, engaged as strategic consultant and is in this capacity no longer a member of the Management Committee. Marcus and Unifiefpost agreed no variable remuneration or termination indemnity are due.

The Management Committee (excluding CEO) base compensation is determined by the actual amount paid by Unifiedpost. In addition to this, certain members of the Management Committee are eligible for a variable compensation in the form of a short-term bonus, contingent upon achieving specific corporate (60% of the variable compensation) and individual KPIs (40% of the variable compensation).

The corporate KPIs are the same as those for the CEO.

Name and position	Type of KPI	KPI	Total Relative weight	Measured Performance	Bonus (in euro)
Aprilis BV (with permanent representative **Tom Van Acker**) – General manager	Corporate KPIs	Please see the corporate KPIs set out in Chapter 3.2.1.2.1.	60%	Please see the corporate KPIs set out in Chapter 3.2.1.2.1.	3.544
	Individual KPIs	Achieving full year cash generation for local business	20%	Between 85% and 90% of target	2.363
		Execute cost savings program by 31/12/23 with effect of EUR 10 mio on full year 2024	10%	100% of target	4.726
		Execute 2 divestment or outsourcing programs by 31/12/23	10%	Between 90% and 95% of target	2.363
Marcelis BV (with permanent representative **Laurent Marcelis**) – CFO	Corporate KPIs	Please see the corporate KPIs set out in Chapter 3.2.1.2.1.	60%	Please see the corporate KPIs set out in Chapter 3.2.1.2.1.	5.100
	Individual KPIs	Achieving full year cash generation for group functions	20%	Between 90% and 95% of target	6.800
		Set-up monthly cash flow reporting	10%	Between 90% and 95% of target	3.400
		Improve cash management in the group	10%	Between 85% and 90% of target	1.700

The Management Committee, including the CEO, do not benefit from contributions in a pension scheme, nor do they have extra-legal arrangements through an individual or group insurance paid by Unifiedpost. The members of the Management Committee do not receive either any other fringe benefits, except for Hans Leybaert and Marcus Laube (company car).

3.2.1.3 Evolution over time

The remuneration of the Board Members evolved over the past 4 years as follows:

Members of the Board	Total remuneration							
	2023		2022		2021		2020, as of date of the IPO	
	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration
AS Partners BV (permanently represented by **Stefan Yee**) (*)	42.500	-	42.500	-	42.500	-	21.875	-
Jinvest BV (permanently represented by **Jurgen Ingels**) (**)	-	-	-	-	27.500		26.250	
Sofias BV (permanently represented by **Hans Leybaert**)	-	-	-	-	-	-	-	-
FPIM - SFPI NV (permanently represented by **Leon Cappaert**)	20.000	-	20.000	-	20.000	-	5.000	-
Joost Uwents (***)	27.500	-	27.500	-	27.500	-	6.875	-
Katrien Meire	-	-	-	-	-	-	6.250	-
RISUS Sports BV (permanently represented by **Katrien Meire**)	25.000	-	25.000	-	25.000	-	-	-
Fovea BV (permanently represented by **Katya Degrieck**)	25.000	-	25.000	-	25.000	-	6.250	-
Angeline (Marie-Ange) Marx	27.500	-	27.500	-	27.500	-	6.875	-
SophArth BV (permanently represented by **Philippe De Backer**)	20.000	-	20.000	-	20.000	-	-	-
First Performance AG (permanently represented by **Michael Kleindl**) (****)	50.000	-	50000 (*****)	-	-	-	-	-

(*) In 2020, AS Partners was remunerated for the directors function € 21.875 and for other consultancy fees amounting to € 59.000

(**) Jinvest BV, permanently represented by Jurgen Ingels, was a non-executive member of the Board of Directors until 17/12/2021

(***) Joost Uwents resigned as a member of the Board with effect from 1 January 2024 due to commitments arising from his other professional activities

(****) In 2021, First Perfomance AG was remunerated for consulting services amounting to € 25.000 and received a fixed remuneration of € 30.000 as member of the Beirat Crossinx GmbH. These amounts have not been taken up in the evolution over time as First Performance AG was no board member of Unifiedpost Group SA during 2021. As of 2022, First Performance AG (permanently represented by Michael Kleinkl) receives a fixed remuneration of € 20.000 as a member of the Board of Unifiedpost Group SA and € 30.000 as member of the Beirat Crossinx GmbH.

(*****) In the 2022 Annual Report , the fixed remuneration for First Performance AG did not take into account the amount received as a member of the Beirat Crossinx GmbH. We hereby want to rectify this error in the current Annual Report.

For the management committee, the evolution of remuneration granted to its members over the past 4 years can be summarised as follows:

Management Committee	Total remuneration							
	2023		2022		2021		2020	
	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration
Sofias BV (permanently represented by **Hans Leybaert**) - CEO (*)	360.000	24.000	360.000	43.500	360.000	81.420	198.000	73.401
Aprilis BV (permanently represented by **Tom Van Acker**) - COO / General Manager	270.300	12.995	270.185	11.638	270.075	-	267.035	-
Marcelis BV (permanently represented by **Laurent Marcelis**) - CFO (**)	205.000	17.000	210.000	28.420	250.000	50.000	235.800	-
Kilauea Management Consulting BV (permanently represented by **Hans Jacobs**) - CMO (***)	146.153	-	224.265	-	222.666	-	230.870	-
Marleen Mouton BV (permanently represented by **Marleen Mouton**) - CLO (****)	-	-	262.900	-	250.000	-	-	-
Marcus Laube - CSO (*****)	208.333	-	248.000	-	187.790	-	-	-
De Boel Management & Events (permanently represented by J**ohan De Boel**) (******)	-	-	-	-	-	-	150.336	-

(*) The variable remuneration of 2021 includes a one-off bonus of € 50 thousand rewarded for the exceptional work done during more than two years in preparing the IPO

(**) The variable remuneration of 2021 only includes a one-off bonus of € 50 thousand rewarded for the exceptional work done during more than two years in preparing the IPO

(***) As of 31 August 2023, Hans Jacobs is no longer part of the Management Committee, while he remains his function as Chief Marketing Officer

(****) Marleen Mouton left the Company in November 2022. In line with the contractual arrangements, a termination indemnity was paid (which was included in the remuneration of 2022). Unifiedpost and Marleen agreed that no bonuses would be due.

(*****) Member of the Management Committee as of April 2021 until October 2023

(******) The management agreement with De Boel Management & Events was terminated in June 2020, the total fee included a notice period until August 2020

3.2.2 Severance Clauses

The Members of the Management Committee are bound to Unifiedpost on the basis of a service agreement. These contracts are concluded on a permanent basis.

The service agreements provide for termination clauses with an indemnification generally equal to a maximum of 12 months, depending on the position. The notice period shall not be paid in case of termination in certain events of breach of contract. The service agreement of the general manager of Unifiedpost foresees an indemnification equal to 24 monthly fees in case of termination by Unifiedpost following a material change (at least 50%) of shares' ownership.

As of 31 October 2023, Marcus Laube, former CSO, left his role in the Management Committee of Unifiedpost and is now hired as a strategic consultant. The prior contract was terminated in a mutual agreement. No termination indemnities were granted and no variable remunerations were attributable. The consultancy agreement with Marcus Laube will take an end on 31 December 2024.

Finally, the service agreements of the Management Committee include a non-compete clause up to one year from the date of termination.

3.2.3 Adjustments and claw-back

The variable remuneration is not subject to a claw-back by Unifiedpost.

3.2.4 Annual change in remuneration

Unifiedpost has detailed remuneration data of all Group companies including average FTEs and total remuneration paid to all staff since 2019.

The following annual change in remuneration as of FY 2021 took place:

	FY 2021	FY 2022	FY 2023
Average FTE	1.312	1.460	1.346
Year-over year evolution		+11,3%	-7,8%
Average per FTE *(in thousand euro)**	€ 54,8	€ 57,3	€ 59,2
Year-over-year evolution		+4,6%	+3,3%
Total FTE cost *(in thousand euro)*	€ 71.841	€ 83.629	€ 79.694
Year-over-year evolution		+16.40%	-4,7%

(*) The average remuneration per FTE is measured by comparing the total staff and related expenses with the average number of full time equivalent employees of Unifiedpost.

Unifiedpost has not yet a 5-year overview of the annual change in average remuneration of Company's staff. The above average figures are impacted by the geographical spread of our entities in Europe. In general, Unifiedpost applied an annual indexation policy per region. In addition, increases are granted in function of the performance and the defined career path.

Employees are in principle remunerated based on fix gross salary and thus the component of variable remuneration is irrelevant except for sales people whereby, in general, a maximum of one month of variable salary may be earned based on targets.

3.2.5 Impact votes casted during the previous General Meeting

At the previous general annual shareholder meeting, 54,48% of the shares were present or represented. Among those present or represented, 88,42% approved the remuneration report as included in the Annual Report of the Board of Directors on the statutory financial statements closed on 31 December 2022. Based on the above, the remuneration committee recommended KPIs to the Board that align with the previous voting decisions of the shareholders. The Company believes that these KPIs reflect sentiments in the market and emphasise our dedication to transparency and accountability.

3.3 Internal Control & Risk Management

3.3.1 Our overall approach to Risk Management

We are operating in a rapidly evolving environment which inherently brings along certain risks. Given that context, we have adopted a three lines of defence model to adequately identify and manage those risks:

- The first line is made of business and process managers, who have the primary responsibility to own and manage risks associated with day-to-day operational activities. This includes the design and implementation of controls.
- The second line oversees and supports the first line of defence controls. It conducts monitoring to assess how effectively they are doing it, and helps provide consistency of definitions and measurement of risk. Core groups responsible for the second line of defence at UPG are Compliance, Controlling and Quality Management.
- The third line is our Internal Audit, responsible for assessing whether the first and second lines are operating effectively. Internal Audit is an independent function, reporting directly to the Audit Committee as described in chapter 3.1.3.1.

Further in this chapter we summarise the most important risks Unifiedpost currently faces (derived from the existing risk management initiatives), as well as our response to each of these.

3.3.2 Top risk themes and Unifiedpost's response

We have classified the main risks at Unifiedpost under four broader themes: strategic, financial, operational (including information technology) and compliance risks.

3.3.2.1 Strategic risks

Strategic risk – Competition	2023 main actions
Risk description Intense competition, evolving customer expectations, and delays in regulatory adoption could hinder Unifiedpost's ability to grow its market share, revenue, and customer renewals, potentially leading to higher-than-expected costs and operational challenges. Unifiedpost offers services in a variety of countries, in each of which we may face new or established competitors with similar service offerings. In parallel, new and rapidly changing technology may facilitate the entrance of new competitors. Furthermore, even though there is a clear regulatory tailwind for our product offering, our experience to date is that customers tend to take it up in large numbers only when regulatory deadlines are nearby, which is not yet the case for all our target markets. The postponing of the ViDA reform in Europe is bringing extra time for our competition to get ready for the postponed schedule. To realise our growth strategy and to increase our revenue from subscriptions, we are onboarding new customers and aim to upgrade them into higher value-added service offerings at premium fees. ***Trend : increasing***	Whilst the competitive pressure is real, Unifiedpost's overall offering cannot be matched easily by local players and our diverse local market presence allows us to identify trends early on so that we can react accordingly. More importantly, the end product that we are working on is a cross-border application while other players are focusing mainly on local solutions. In addition, Unifiedpost continued to be open to local partnerships where deemed appropriate to serve customer needs and nourish our growth. In France, a key strategic market for Unifiedpost, our growth in number of SMEs and accounting firms has been sustained, with a continued constructive partnership with the local chartered accountants association ECMA.

Strategic risk – Political and macro-economic situation including inflation

Risk description

Unifiedpost faces potential political and macro-economic changes and volatility in some customer markets, and while certain uncertainties have reduced in 2023, adverse scenarios such as geopolitical conflicts, economic downturns, or changes in interest rates could lead to reduced demand for its services and products, impacting the business model and growth strategy.

We intrinsically face potential political and macro-economic changes and volatility in some of the markets our customers operate in.

While it was deemed to be elevated in 2022, the degree of uncertainty over the geo-political and security situation in Europe, as well as inflation has decreased in 2023. While real, Ukraine war impact on EU economies is not as significant as initially feared and despite the conflict extension, EU military help in Ukraine decreased throughout 2023. Moreover, the crisis in the Middle East has shifted the priorities of European Members. In parallel, in the wake of the US Federal Reserve, after a period of rates stabilisation, the ECB is now expected to decrease interest rates in 2024.

Trend : stabilising

2023 main actions

Unifiedpost is not directly impacted by the Ukraine war, with no business in Ukraine or Russia. Through our presence in multiple countries, and our continuous effort to develop and integrate scalable products, we are less exposed to individual adverse local events.

With regards to inflation, the extra funding Unifiedpost obtained early 2022 has a fixed interest rate. We also closely monitor our cost base and have raised prices to reflect inflation as per contractual agreements.

Strategic risk – Regulatory framework

Risk description

The European Commission's "VAT in the digital age" (ViDa) regulatory framework mandates digital invoicing implementation by 2028 across Member States, with specific country requirements impacting product readiness. Delays, complexity, or further postponements in the final requirements may necessitate additional development efforts or product rollout delays in specific markets.

While initially foreseen for 2024, France has finally postponed the deadline for implementation to 2026. Belgium, Germany, Spain, Poland and Romania announced deadlines ranging from 2024 to 2027. Additional countries are expected to confirm deadlines shortly, increasing clarity around the exact implementation timeline.

Trend : stabilising

2023 main actions

Unifiedpost follows closely the detailed implementation timeline of ViDA and adapts its development accordingly in order to optimise best seize market opportunities and increase further cash flows.

The Unifiedpost platform is built in a modular concept, and can be adapted for the specific country needs. It is also expected that the specifications will be mostly aligned between the Member States.

3.3.2.2 Financial risks

Financial risk – Profitability **Risk description** Achieving net profitability will depend on the realisation of the assumptions included in Unifiedpost's business plan and is subject to Unifiedpost's ability to sustain or improve its growth rate. Failure to become and remain profitable may impair Unifiedpost's ability to sustain operations and affect its ability to raise capital. In addition, Unifiedpost faces competition that will add pressure on prices. In particular, some of the features currently offered by Unifiedpost such as e-billing are at risk of being commoditised on a medium-term basis. ***Trend : increasing***	**2023 main actions** Unifiedpost continues to develop the next version of its core digital solution, with the aim of being released in a few strategic markets throughout 2024, with the launch expected to result in short-term high revenue growth. Maintaining the current growth levels in digital activities will allow to achieve positive operating results. Finally, Unifiedpost is implementing a strict cost saving plan, while allowing the ongoing developments to be finalised.
Financial risk – Refinancing **Risk description** Unifiedpost has funded its strategy through a mix of equity, equity linked and debt financings. The private placement in September 2020 at the Euronext stock exchange enabled the funding of a number of acquisitions. To respond to business opportunities and to harmonise our product offerings in multiple countries, Unifiedpost secured a senior facility loan of € 100 million in March 2022, granted by Francisco Partners, a major US fund. This type of debt financing includes covenants on Unifiedpost's capital-raising activities and other financial and operational matters, which may make it more difficult for Unifiedpost to obtain additional capital and to pursue business opportunities in the future. In case Unifiedpost would not be capable of attracting timely additional funds, it could adversely affect its financial position and it may have an impact on the roll-out of its future plans and ambitions. ***Trend : increasing***	**2023 main actions** Unifiedpost's ambitious plan and growing activities need a financial structure that adapts to its needs. Cash management continues to be a key point of attention, with dedicated centrally steered escalation procedures in place. Management monitors the covenants and is in close contact with its financial stakeholders.

Risk	2023 main actions
Financial risk – Settlement and debtor risk **Risk description** The payments institution of Unifiedpost has specific regulations relating to the settlement and safeguarding of customer funds. The risk that at any moment all these obligations cannot be met, cannot be excluded. Failure to comply with these obligations would, in addition to a financial impact, include a significant legal impact, and might also impair the Company's reputation significantly. Should such event occur, it could impact the future growth development potential of the different business lines. ***Trend : stable***	**2023 main actions** The Group has sustained internal controls and testing procedures to reconcile the outstanding balances, and to assure that the underlying databases are complete and correct. The monitoring of the databases on a continuous basis with integrated alarms in case of a technical failure is in place. Customer virtual accounts and Unifiedpost Payments' physical bank accounts are continuously monitored to verify sufficient liquidity is available and meet customers' obligations. Finally, the ongoing development on Banqup application will include prepayment features, which will be decreasing the settlement risk in the future.
Financial risk – Foreign exchange risk **Risk description** Unifiedpost operates across several countries, mainly in the Eurozone but also in Great Britain, Romania, Moldova, Serbia, Norway, Denmark, Sweden, Vietnam and Singapore. Volatile currency markets in one of the latter countries may adversely impact the financial results of Unifiedpost. ***Trend : stable***	**2023 main actions** Unifiedpost continuously monitors its liquidity and financial net risk position by currency. Main exposures are in Scandinavia, and are mostly naturally locally hedged.

3.3.2.3 Operational risks

Risk	2023 main actions
Operational Risk – Scalability of products **Risk description** The roll-out of the updated and expanded Banqup product in multiple countries entails organisational and technical challenges. Sales and local support teams have been reinforced, and we need to guarantee compliance with country-specific laws and regulations. The end-product will also need to include country specific requirements, for instance in France which is the first large market hit with the ViDA legislation. Next to that, we need to continue to onboard significant volumes of new customers, with strict local regulatory requirements in most countries. Should we fail to respond timely to these needs, we may impact our growth model in an adverse way. Whilst we are confident in our technical and organisational capabilities, the challenges could lead to roll-out delays in individual countries, in turn resulting in additional costs and lost opportunities. ***Trend : stable***	**2023 main actions** As part of our strategic roll-out roadmap, we have standardised local organisations and common tools supported by Unifiedpost, so that local challenges are minimised. Furthermore, in 2023 we continued to centralise a number of processes, including around procurement, payments and operational support functions, to allow knowledge transfer and cross-country support.
Operational risk – Resource allocation **Risk description** While we continue to develop our upgraded common platform, we continue to have local platforms implemented in multiple countries. Our development teams are however located in a reduced amount of countries (Romania, Vietnam, Moldova and Belgium). As such, there is an inherent risk as to whether we can always allocate our resources in an optimal manner, balancing time-cost-quality for each of the different platforms. ***Trend : decreasing***	**2023 main actions** Our main investment initiatives were concentrated in the 2020-2023 period, all conducted under clear project management structures. Throughout 2023, we continued to align development teams with the current strategic objectives. We also have defined plans to outsource some development teams, providing flexibility on resource allocation and access to different skill sets.

Operational risk – Human resources	2023 main actions
Risk description A skilled workforce is essential for the continued success of our business. Difficulties in attracting, retaining and developing employees may lead to vacancies in certain critical areas, turnover, lower performance or underutilisation of existing skills. Staffing issues could result in a skillset not meeting all competency requirements in view of rapidly moving technologies or changing business models. ***Trend : stable***	Unifiedpost has a multi-faceted approach to reducing the staffing and skills risks, including : • Competitive wage and benefits packages, tailored by location • Development opportunities • Continuous improvement
Operational risk – Information security	**2023 main actions**
Risk description Due to the nature of our business, we are inherently exposed to information security threats. Unifiedpost conducts a yearly threat assessment considering multiple scenarios, and identified the following as the most important ones: Web application hacking: Unifiedpost uses numerous web applications which might contain unknown vulnerabilities, and could be exploited by hackers to steal or alter data, to misappropriate company assets (e.g. financial fraud) or to render the application unavailable Advanced hacking attack: an advanced and targeted attack could compromise Unifiedpost's infrastructure General cybercrime: activity relying on social engineering and/or malware might succeed in stealing information or funds from Unifiedpost, due to insufficient employee awareness and end-point security controls Internal errors: employees with privileged access rights may unintentionally disclose or alter sensitive data or render information systems unavailable, due to inappropriate access restrictions or insufficient controls on the end-point system or applications Internal fraud: an employee could leverage their access to Unifiedpost's systems and facilities to earn financial gains, by stealing data or funds Significant information security breaches could lead to direct and indirect financial impacts, in addition to the amplification of the risk around availability and reliability of our platforms. ***Trend : stable***	Unifiedpost has established an extensive information security program, that was continued in full during 2023, to reasonably ensure confidentiality, integrity, availability and security of our systems. The entire security approach is underpinned by policies and procedures, and for selected platforms and entities, it is also formalised by obtaining certifications such as ISO27000, ISAE3402 and PCI DSS. Other risk reduction initiatives include an information security training and awareness program and a broad penetration testing schedule, with immediate correction in case of findings.

Risk	2023 main actions
Operational risk – Availability & reliability of the platform **Risk description** We obtain, process and share large amounts of data related to invoices and payment transactions as part of our regular business and offerings. Reliability and availability of our platform and underlying infrastructure is therefore essential. This is even more so the case for 2023 and beyond where we expect significant growth in customers, data and volumes. Frequent platform unavailability would result in a significant impact on our business as it would harm our reputation, result in the payment of damages, or may drive customers to our competitors. This might also attract the attention of our financial supervisors and may lead to fines and penalties, and ultimately to the loss of our regulatory licence. ***Trend : stable***	**2023 main actions** Unifiedpost applies a range of risk mitigation measures to maintain high product availability and reliability, including: strong business continuity measures, and avoidance of single points of failure in the set-up of platform processes use of trusted third-party infrastructure where appropriate permanent systems performance and availability monitoring In addition, we have agreements in place with Google and Microsoft Azure, securing stable server reliability on a long term basis.
Operational risk – Fraud **Risk description** Fraud risk is the possibility that Unifiedpost and/or its customers become subject to fraudulent activity, either by our employees or by external individuals abusing Unifiedpost's services. Such internal or external fraud might negatively impact our customers, and result in reputational, operational and regulatory consequences. ***Trend : stabilising***	**2023 main actions** We have continued to strengthen our compliance and operational risk frameworks for all businesses including payments. More broadly, we continuously improve internal controls including over financial processes, and security awareness training has continued at full pace. We did not experience any major fraud in 2023.

Operational risk – Reliance on third parties

Risk description

Our platforms often require the use of third-party vendors, service providers and partners (e.g. accounting and ERP packages).

This collaboration model inherently brings multiple operational risks for Unifiedpost: availability of services and products, information security, privacy and business continuity. Dealing with third parties who do not meet our quality criteria or who do not perform in conformity with our quality standards, may have an impact on our product branding. Poor third-party performance could negatively impact our growth strategy.

Our marketing increasingly relies on local partnerships to be fully successful, e.g. local accounting associations.

Trend : stable

2023 main actions

In order to reasonably reduce the risks related to outsourced activities, Unifiedpost has established procedures for up-front information security and privacy assessments for new suppliers and partners as well as an outsourcing policy for IT partners and suppliers to the payment institution (including ongoing monitoring of existing suppliers).

We have also demonstrated our ability to coordinate with local players including on key strategic initiatives.

3.3.2.4 Compliance risks

Compliance risk – Overall

Risk description

As a quoted company, our Group is subject to a number of laws including corporate, labour, commercial, privacy, whistleblowing and insider trading. In addition, our payment institution - headquartered in Belgium - is subject to the supervision of the National Bank of Belgium. With local branches in multiple countries, we also need to comply with additional local regulations and binding guidelines. Changing regulations could impact customer onboarding practices or how services are being offered.

Failure to comply with Belgian and international regulations could lead to potential fines, and ultimately the loss of our licence for payment services.

Trend : stable

2023 main actions

UnifiedPost implemented a comprehensive Legal & Compliance framework. We also continuously monitor regulatory changes which could have an impact on our obligations, for example through our RegWatch process, a service where we are notified of all changes in relevant regulations. When necessary, we use specialised counsels to verify our solutions to the regulatory framework.

One of the 2023 focus was on the delivery of projects automating regulatory driven controls that were previously handled manually.

Also, the ESG raising regulatory requirements have triggered the creation of a dedicated project team.

Tailored training courses are provided at regular intervals to all.

Compliance risk – Privacy

Risk description

We are subject to various data protection laws and regulations, such as GDPR, UK GDPR and Swiss Federal Act of Data Protection.

We process very significant amounts of data in cloud platforms. This implies that we are more exposed to Data Subjects requests or complaints.

Due to the rising occurrences of cyber-security threats, we are also more exposed to data breaches.

We have an international presence, meaning we might face investigations from several data protection authorities. We see an increased activity of the supervisory authorities and fines culture, which could go up to 4% of the annual turnover.

We also process personal data on behalf of our customers. Most of them have a strong privacy culture and they can legally and contractually request to audit our platform or processes.

Failure to comply with privacy laws or expectations could have a direct reputational impact, and might also lead to proceedings against us or our customers, and to potential fines.

Trend : increasing

2023 main actions

Unifiedpost has reinforced DPO Office that handles compliance monitoring, data subject requests and potential data breaches, training and awareness campaigns for all Group entities.

In addition, the DPO Office provides assistance on new platform developments and continuously monitors and advises on the regulatory landscape on privacy.

The DPO Office worked to structure our privacy compliance by enhancing its Group privacy program. It also focused its efforts on raising awareness and enhancing data protection in the decision process.

3.3.3 Financial risk Management

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

The Board's objective is to set policies reducing risk as much as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

3.3.3.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss for the Company. Unifiedpost grants credit to its customers in the framework of its normal business activities. It is our policy, implemented locally, to assess the credit risk of new customers before entering contracts, taking into account their financial position, past experience and other factors. For higher risk clients, credit sales are made only with approval of Group's management. We monitor on a monthly basis the ageing of its trade receivables.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted (see chapter 4, section 5.28.2.1).

3.3.3.2 Market risk

Market risk arises from Unifiedpost's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), in foreign exchange rates (currency risk) or in other market factors (another price risk) (see chapter 4, section 5.28.2.2).

3.3.3.3 Liquidity risk

Liquidity risk is the risk that Unifiedpost will not be able to meet its financial obligations as they become overdue. Management reviews cash flow forecasts on a regular basis to determine whether the Group has sufficient funds to meet future working capital requirements and to take advantage of business opportunities (see chapter 4, section 5.28.2.3).

3.3.3.4 Capital risk management

The Group's objectives when managing capital are to safeguard Unifiedpost's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group monitors capital on the basis of the ratio net debt divided by total equity (see chapter 4, section 5.28.2.4).

3.3.4 Internal controls on financial reporting

As part of its responsibilities, Unifiedpost's Management Committee has established an internal control system to provide accurate financial reporting.

Applying overall risk management principles to the preparation of financial statements involves the identification and evaluation of:

1. significant financial reporting data and their purpose
2. potential risks to the achievement of financial statement objectives (existence, accuracy, valuation, completeness, rights and obligations, and presentation and disclosure)
3. control mechanisms and their effectiveness

Financial reporting objectives include (i) financial statements comply with IFRS, (ii) the information presented in financial results is both transparent and accurate, (iii) accounting principles are in line with Unifiedpost's transactions and its sector, and (iv) providing reasonable assurance over the reliability of financial reporting and the preparation and fair presentation of published financial statements.

3.4 Market abuse

Unifiedpost has adopted a Dealing Code, which complies with the requirements set in the EU Market Abuse Regulation EU 596/2014 of 16 April 2014.

This Dealing Code restricts transactions of Unifiedpost securities by Members of the Board and the Management Committee, senior management and certain other persons during closed and prohibited periods. It also contains rules concerning the disclosure of intended and executed transactions by leading managers and their closely associated persons through a notification to Unifiedpost and to the FSMA.

Next to the Dealing Code, Unifiedpost builds a culture of integrity and ethics by defining clear expectations in the Code of Conduct for the staff regarding their actions on behalf of the Company.

3.5 Conflict of interest

Unifiedpost follows the rules and procedures set in the BCCA for conflicts of interest of a financial nature and related party transactions (Article 3:6, §1, 7° juncto article 7:96, §1, 2 BCCA and article 7:97, §4/1, 4 BCCA).

In 2023, no conflicts of interest of a financial nature or related party transactions falling within the scope of these procedures arose.

3.6 Share Capital, shares & shareholders

3.6.1 Shareholder structure

On 31 December 2023 the total capital of Unifiedpost amounted to € 326.805.355,82 and was represented by 35.824.154 shares without mention of nominal value.

All shares are ordinary shares and confer equal rights. Each share entitles its holder to one vote at the General Meeting and the shares represent the denominator for the purpose of transparency notifications, as set forth hereafter.

3.6.2 Shareholders

3.6.2.1 Major shareholders of Unifiedpost

Based on the transparency notifications received by Unifiedpost and the FSMA, the shareholders owning 3% or more are NN Group, Alychlo, Sofias, PE Group and Francisco Partners.

Name	Number of shares, reported in the transparency notification	% of voting rights, reported in the transparency notification on 31 December 2023(*)
NN Group N.V.	5.374.021	15%
Alychlo	4.120.282	11,93 % (**)
Sofias BV (Hans Leybaert)	3.904.970	12,84%
PE Group N.V.	1.412.440	4,09%
Francisco Partners	1.082.862	3,13%

(*) Article 74 §7 of the law of 1 April 2007 related to public acquisition offers is not applicable in casu as no shareholder hold 30% of the shares.

(**) At the moment of publication of the Annual Report, Unifiedpost has received an additional transparency notification. This can be found on our website: www.unifiedpost.com.

The major shareholders, to the extent known to Unifiedpost, are detailed on our website. None of the major shareholders have special voting rights or control rights. There is no relationship agreement between Unifiedpost and its shareholders.

3.6.2.2 Agreement between Unifiedpost's shareholders

On the date of this report, Unifiedpost had no knowledge of the existence of any shareholders' agreement between its shareholders.

3.6.3 Authorised capital

In accordance with the Articles of Association of Unifiedpost, the extraordinary general meeting of 31 August 2020 has authorised the Board to issue new shares within the framework of the authorised capital and to increase the capital, in one or more times, up to a maximum (cumulative) amount of € 242.343.298,24. This authorisation is granted for a period of 5 years from the date of publication of this authorisation in the Annexes to the Belgian Official.

In 2023, the Board did not make use of this authorisation. On 31 December 2023, the Board is still authorised to issue new shares within the framework of the authorised capital and to increase the capital, in one or more instalments, up to a maximum (cumulative) amount of € 168.137.510,66.

3.6.3.1 Dividend policy

Unifiedpost's dividend policy is the result of a yearly balancing of (i) return to shareholders and (ii) availability of free cash flow to finance growth opportunities. Hence, Unifiedpost may decide at any given time not to propose to pay out any dividend.

3.6.3.2 Holders of subscription rights

On 31 December 2023, the following subscriptions rights issued by Unifiedpost were outstanding:

- 100,000 "key man subscription rights", with an exercise price of € 18,30 (the "**Key Man Subscription Rights**"), issued by Unifiedpost on 5 October 2015, all allocated to Sofias BV, and each Key Man Subscription Right entitling the holder of such Key Man Subscription Right to ten (10) shares of Unifiedpost. The Key Man Subscription Rights can be exercised in whole or in part, at the sole discretion of Sofias BV at any relevant time, taking into account the expiration date thereof, being 5 October 2025;
- 35.250 "employee subscription rights", with an exercise price which has been determined by the Board (the "**ESOP Subscription Rights**"), issued by Unifiedpost in the context of an employee subscription right (stock option) plan on 5 October 2015 and each ESOP Subscription Right entitling the holder of such ESOP Subscription Right to ten (10) shares of Unifiedpost. During the term of the ESOP Subscription Rights, being ten (10) years as of 5 October 2015, vested ESOP Subscription Rights can be exercised at any time and, as the case may be, in case of a capital increase in cash in accordance with article 7:71 of the BCCA. The Board can decide, at its discretion, to foresee additional exercise periods. At the date of this report, 1.000 ESOP Subscription Rights have currently not been allocated;
- 500.000 "Stock Option Warrants" issued by Unifiedpost on 29 October 2021 (the "**Stock Option Warrants**"), allowing each to subscribe to one new ordinary share, and, subject to the condition precedent of the grant, acceptance and exercise of subscription rights and has increased the capital up to a maximum sum equivalent to the multiplication of the number of Stock Option Warrants subscription rights exercised by the exercise price of the Stock Option Warrants subscription rights, and this by the issuance of a maximum of 500.000 new shares. The beneficiaries of the subscription rights are members of the personnel of Unifiedpost within the meaning of article 1:27 of BCCA. On 31 December 2023, none of these new warrants were granted.

3.6.4 Anti-takeover provisions

In application of the Belgian law of 2 May 2007 on the disclosure of major shareholdings in issuers whose securities are admitted to trading on a regulated market and Article 11 of the Articles of Association of Unifiedpost, the applicable major shareholding notification thresholds are set at 3%, 5%, 10% and each successive multiple of 5% of Unifiedpost Group's total number of voting rights.

3.6.5 Major agreement to which Unifiedpost is a party that come into force, undergo amendments or expires in case of a change of control over Unifiedpost after a public takeover bid

The Annual General Meeting of 17 May 2022 approved the change of control clause in connection with the senior facilities agreement entered into by Unifiedpost Group and some of its subsidiaries on 7 March 2022. This clause specifies that if an individual or group (excluding a limited number of reference shareholders) acquires ownership and control of over 30% of the issued voting share capital of Unifiedpost Group, each lender will have the right to demand that all amounts owed under the senior facilities agreement become due and payable. There is a specific procedure that must be followed before the lenders can exercise this right.

3.7 Gender diversity

For companies whose securities are admitted to a regulated market for the first time, the requirement to have at least one-third of board members of an opposite gender than the other members is to be met as of the first day of the sixth financial year starting after the IPO. Hence, this requirement will be enforceable as of 1 January 2026 for Unifiedpost. Our Board is already currently 33% female as we have thoroughly invested in a specific gender related search.

3.8 Relevant information in the event of a takeover bid

Article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of securities which have been admitted to trading on a regulated market, requires that listed companies disclose certain items that may have an impact in the event of a takeover bid:

3.8.1 Capital structure

A comprehensive overview of our capital structure as at 31 December 2023 can be found in the "Capital Structure" section of this Corporate Governance chapter.

3.8.2 Restrictions on transfers of securities

Unifiedpost's articles of association do not impose any restrictions on the transfer of shares. Furthermore, Unifiedpost is not aware of any such restrictions imposed by Belgian law except in the framework of the Market Abuse Regulation.

3.8.3 Holders of securities with special control rights

There are no holders of securities with special control rights other than the nomination rights set out below.

Unifiedpost has not set up employee share plans where control rights over the shares are not exercised directly by the employees.

3.8.4 Restriction on voting rights

The articles of association of Unifiedpost do not contain any restrictions on the exercise of voting rights by the shareholders, provided that the shareholders concerned comply with all formalities to be admitted to the Shareholders' Meeting.

3.8.5 Shareholder agreements

Unifiedpost is not aware of any shareholder agreement which includes, or could lead to, a restriction on the transfer of its shares or exercise of voting rights related to its shares.

3.8.6 Competence of the Board of Directors regarding buy back of shares or emission of shares

We refer in this regard to section 3.6.3 on the authorised capital, which can be used by the Board of Directors in the context of a takeover bid.

3.8.7 Major agreement to which Unifiedpost is a party that come into force, undergo amendments or expires in case of a change of control over Unifiedpost after a public takeover bid

We refer is this regard to section 3.6.5.

3.8.8 Agreements with directors or employees that include compensation in case of dismissal or resignation following a public takeover bid

We refer is this regard to section 3.2.2.

3.9 Consultation of Unifiedpost's documents

The stand-alone and Consolidated Financial Statements, Articles of Association, Annual Reports and other information that is disclosed for the benefit of the shareholders are available free of charge at Unifiedpost's registered office. The Articles of Association can be consulted on our corporate website (www.unifiedpost.com) in the section entitled "Investor relations".

3.10 Statutory auditor

The audit of the stand-alone financial statements of Unifiedpost is entrusted to the Statutory Auditor which is appointed at the Shareholders' Meeting, for renewable terms of three years. The Shareholders' Meeting determines the remuneration of the Statutory auditor.

Unifiedpost's current Statutory Auditor is BDO Bedrijfsrevisoren BV/BDO Réviseurs d'Entreprises SRL, having its registered office at Corporate Village, Da Vincilaan 9 box E.6, 1930 Zaventem, Belgium, represented by Ms. Ellen Lombaerts.

BDO is a member of the Institute of certified Auditors (Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises) (membership number B00023).

BDO has been re-appointed for a term of three years by the Company's Shareholders' Meeting held on 17 May 2022 so that its mandate will expire at the annual Shareholders' Meeting that will be asked to approve the stand-alone annual accounts and the consolidated accounts for the financial year ended on 31 December 2024. In years past, Unifiedpost has not had any disputes or material disagreements with BDO.

Article 3:71 of the BCCA and Article 24 of the Law of 7 December 2016 on the organisation of the profession of and the public supervision over auditors limit the liability of auditors of listed companies to € 12,0 million for, respectively, tasks concerning the legal audit of annual accounts within the meaning of Article 3:55 of the BCCA and other tasks reserved to auditors of listed companies by Belgian law of in accordance with Belgian law, except for liability resulting from the auditor's fraud or other deliberate breach of duty.

4. Financial Statements

4.1 Consolidated Financial Statements

1. Consolidated statement of profit or loss and other comprehensive income

Thousands of Euro, except per share data		For the year ended 31 December	
	Note	**2023**	**2022**
Digital processing revenues	5.6	136.615	126.916
Digital processing cost of services	5.7.1	(77.572)	(73.770)
Digital processing gross profit		**59.043**	**53.146**
Postage and Parcel optimisation revenues	5.6	54.770	64.047
Postage and Parcel optimisation cost of services	5.7.1	(47.851)	(57.040)
Postage and Parcel optimisation gross profit		**6.919**	**7.007**
Research and development expenses	5.7.1	(23.662)	(14.133)
General and administrative expenses	5.7.1	(41.895)	(45.788)
Selling and marketing expenses	5.7.1	(26.705)	(29.190)
Other income / (expenses)	5.8	(607)	(942)
Impairment losses	5.13.5	(39.000)	-
Profit / (loss) from operations		**(65.907)**	**(29.900)**
Financial income		175	308
Financial expenses	5.9	(15.910)	(9.367)
Change in fair value of financial liabilities	5.28.1	-	(4.295)
Share of profit / (loss) of associates	5.17	(573)	(1.875)
Profit / (loss) before tax		**(82.215)**	**(45.129)**
Current Income tax	5.10.1	(2.318)	(1.178)
Deferred tax	5.10.1	1.387	2.763
PROFIT / (LOSS) FOR THE YEAR		**(83.146)**	**(43.544)**
Other comprehensive income / (loss):		**(15)**	**(3.286)**
Items that will not be reclassified to profit or loss, net of tax:			
Remeasurements of defined benefit pension obligations	5.26	123	50
Items that will or may be reclassified to profit or loss, net of tax:			
Exchange gains / (losses) arising on translation of foreign operations	5.20	(138)	(3.336)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(83.161)**	**(46.830)**
Profit / (loss) is attributable to:			
Owners of the parent		(83.899)	(43.550)
Non-controlling interests		753	6
Total comprehensive income / (loss) is attributable to:			
Owners of the parent		(83.914)	(46.836)
Non-controlling interests		753	6
Earnings / (loss) per share attributable to the equity holders of the parent:			
Basic	5.11	(2,32)	(1,26)
Diluted	5.11	(2,32)	(1,26)

The notes form an integral part of these financial statements.

2. Consolidated statement of financial position

Thousands of Euro		At 31 December	
	Note	**2023**	**2022**
ASSETS			
Goodwill	5.13.2	113.069	153.429
Other intangible assets	5.14	82.856	85.516
Property and equipment	5.15	7.420	8.231
Right-of-use-assets	5.16	9.734	10.214
Investments in associates	5.17	1.493	1.875
Non-current contract costs		475	872
Deferred tax assets	5.10.2	776	462
Other non-current assets		2.086	1.728
Non-current assets		**217.909**	**262.327**
Inventories		612	822
Trade and other receivables	5.18	23.420	29.629 (*)
Contract assets		617	426
Contract costs		1.281	1.859
Current tax assets		770	705
Prepaid expenses		1.901	2.275
Cash and cash equivalents	5.19	26.323	40.033
Current assets from continuing operations		**54.924**	**75.749**
Assets classified as held for sale	5.12	5.145	-
Current assets		**60.069**	**75.749**
TOTAL ASSETS		**277.978**	**338.076**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	5.20	326.806	326.806
Costs related to equity issuance		(16.029)	(16.029)
Share premium reserve	5.20	492	492
Accumulated deficit		(232.257)	(148.497)
Reserve for share-based payments	5.31	1.831	1.813
Other reserve	5.20	(1.581)	(2.863)
Cumulative translation adjustment reserve		(3.851)	(3.713)
Equity attributable to equity holders of the parent		**75.411**	**158.009**
Non-controlling interests		499	281
Total shareholders' equity		**75.910**	**158.290**
Non-current loans and borrowings	5.21	110.517	97.408
Liabilities associated with puttable non-controlling interests	5.22	200	840
Non-current lease liabilities	5.24	6.193	6.438
Non-current contract liabilities	5.6.4	4.430	4.039
Retirement benefit obligations	5.26	-	83
Deferred tax liabilities	5.10.3	4.636	5.720
Non-current liabilities		**125.976**	**114.528**
Current loans and borrowings	5.21	5.059	4.706 (*)
Current liabilities associated with puttable non-controlling interests	5.22	7.560	7.670
Current lease liabilities	5.24	3.547	3.800
Trade and other payables	5.25	43.930	34.853
Contract liabilities	5.6.4	13.487	12.701
Current income tax liabilities		1.845	1.528
Current liabilities from continuing operations		**75.428**	**65.258**
Liabilities directly associated with assets classified as held for sale	5.12	664	-
Current liabilities		**76.092**	**65.258**
TOTAL EQUITY AND LIABILITIES		**277.978**	**338.076**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

The notes form an integral part of these financial statements.

3. Consolidated statement of changes in equity

Thousands of Euro	Note	Share capital	Costs related to equity issuance	Share premium reserve	Accumulated deficit	Share based payments	Other reserves	Cumulative translation adjustment reserve	Non-controlling interests	Total equity
Balance at 1 January 2022		**309.220**	**(15.926)**	**492**	**(101.332)**	**1.545**	**2.529**	**(376)**	**277**	**196.429**
Result for the period		-	-	-	(43.550)	-	-	-	6	(43.544)
Other comprehensive income / (loss)	5.20	-	-	-	50	-	-	(3.336)	-	(3.286)
Total comprehensive loss for the period		**-**	**-**	**-**	**(43.500)**	**-**	**-**	**(3.336)**	**6**	**(46.830)**
Issuance of new shares	5.20	17.586	(103)	-	-	-	(3.801)	-	-	13.682
Share-based payments	5.31	-	-	-	-	74	-	-	-	74
Own Shares		-	-	-	-	194	-	-	-	194
Current year profit AND OCI of NCI with put option	5.22	-	-	-	-	-	3	-	(3)	-
Changes in carrying value of liabilities associated with puttable NCI	5.22	-	-	-	-	-	(5.230)	-	-	(5.230)
True up of liabilities associated with puttable NCI and unwind of other reserve due to exercise of linked call option (UP Balkan)	5.22	-	-	-	(3.637)	-	3.637	-	-	-
Other		-	-	-	(28)	-	(1)	(1)	1	(29)
Balance at 31 December 2022		**326.806**	**(16.029)**	**492**	**(148.497)**	**1.813**	**(2.863)**	**(3.713)**	**281**	**158.290**

Thousands of Euro	Note	**Share capital**	**Costs related to equity issuance**	**Share premium reserve**	**Accumulated deficit**	**Share based payments**	**Other reserves**	**Cumulative translation adjustment reserve**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2023		**326.806**	**(16.029)**	**492**	**(148.497)**	**1.813**	**(2.863)**	**(3.713)**	**281**	**158.290**
Result for the period		-	-	-	(83.899)	-	-	-	753	(83.146)
Other comprehensive income / (loss)	5.20	-	-	-	123	-	-	(138)	-	(15)
Total comprehensive loss for the period		**-**	**-**	**-**	**(83.776)**	**-**	**-**	**(138)**	**753**	**(83.161)**
Share-based payments	5.31	-	-	-	-	18	-	-	-	18
Current year profit AND OCI of NCI with put option	5.22	-	-	-	-	-	535	-	(535)	-
Changes in carrying value of liabilities associated with puttable NCI	5.22	-	-	-	-	-	750	-	-	750
Other		-	-	-	16	-	(3)	-	-	13
Balance at 31 December 2023		**326.806**	**(16.029)**	**492**	**(232.257)**	**1.831**	**(1.581)**	**(3.851)**	**499**	**75.910**

The notes form an integral part of these financial statements.

4. Consolidated statement of cash flows

Thousands of Euro		For the year ended 31 December	
	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		**(83.146)**	**(43.544)**
Adjustments for:			
- Amortisation and impairment of intangible fixed assets	5.14	21.332	17.891
- Impairment losses of goodwill	5.13	38.574	-
- Depreciation and impairment of property, plant & equipment	5.15	1.489	1.452
- Depreciation of right-of-use-assets	5.16	4.429	4.168
- Impairment of trade receivables		335	35
- Gain on disposal of fixed assets	5.8	(33)	(18)
- Financial income		(174)	(308)
- Financial expenses	5.9	15.910	9.367
- Change fair value contingent consideration	5.20	-	4.830
- Change fair value of derivative	5.28	-	(535)
- Share of profit / (loss) of associate	5.17	573	1.875
- Income tax expense / (income)	5.10.1	931	(1.585)
- Share-based payment expense / own shares	5.31	18	269
Subtotal		**238**	**(6.103)**
Changes in Working Capital			
- (Increase) / decrease in trade receivables and contract assets & costs		6.145	4.410 (*)
- (Increase) / decrease in other current and non-current receivables		(61)	(616)
- (Increase) / decrease in Inventories		209	(261)
- Increase / (decrease) in trade and other liabilities		11.518	(7.416)
Cash generated from / (used in) operations		**18.049**	**(9.986) (*)**
Income taxes paid		(3.222)	(1.563)
Net cash provided by / (used in) operating activities		**14.827**	**(11.550) (*)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments made for purchase of associate	5.17	-	(3.750)
Exercise of the put option – UP Balkan	5.22	-	(5.000)
Payments made for purchase of intangibles and development expenses	5.14	(16.372)	(22.242)
Proceeds from the disposals of intangibles and development expenses		15	316
Payments made for purchase of property, plant & equipment	5.15	(739)	(1.778)
Proceeds from the disposals of property, plant & equipment		17	136
Interest received		175	119
Net cash provided by / (used in) investing activities		**(16.904)**	**(32.199)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and borrowings – Francisco Partners	5.20	-	12.756
Costs related to equity issuance		-	(103)
Proceeds from loans and borrowings	5.23	3.913	83.981 (*)
Repayments of loans and borrowings	5.23	(6.367)	(22.538) (*)
Repayment of lease liabilities	5.24	(4.524)	(4.326)
Interest paid on loans, borrowings and leasings	5.9, 5.23, 5.24	(4.581)	(2.958)
Net cash provided by / (used in) financing activities		**(11.559)**	**66.812 (*)**
FX impact cash		-	-
Net increase / (decrease) in cash & cash equivalents		**(13.636)**	**23.063**
Cash classified within current assets held for sale		(74)	-
Net increase/(decrease) in cash & cash equivalents, including cash classified within current assets held for sale		**(13.710)**	**23.063**
Cash and cash equivalents at beginning of period	5.19	40.033	16.970
Cash and cash equivalents at end of period	5.19	26.323	40.033

(*) The comparative figures 2022 have been restated following IAS 8 regarding the factoring debt.

The notes form an integral part of these financial statements.

5. Notes to the consolidated financial statements

5.1 General

Unifiedpost Group SA (the "Company") is a Belgian fintech company providing a complete technology portfolio for document processing, identity management, payment services, added value financial services and Postage and Parcel optimisation activities. Unifiedpost Group SA is a limited liability company with its registered office at Avenue Reine Astrid 92, 1310 La Hulpe. The consolidated financial statements of Unifiedpost Group SA as of 31 December 2023 (the "Consolidated Financial Statements") comprise Unifiedpost Group SA and its subsidiaries, together "the Group" as outlined in note 5.34.

These Consolidated Financial Statements were authorised for issue by the Board of Directors on 17 April 2024.

As stated in Article 4 of the Transparency Directive 2004/109/EC, the official version of the Consolidated Financial Statements is the ESEF version. This pdf-version is meant as an appendix to the official version enabling the reader to choose the most appropriate medium.

5.2 Declaration of conformity

These Consolidated Financial Statements of the Group for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union ("EU-IFRS"). The Group adopted IFRS since 1 January 2017.

The principal accounting standards adopted in the preparation of the Consolidated Financial Statements are set out in note 5.35.

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

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

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

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

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

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

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (applicable for annual periods beginning on or after 1 January 2024)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1 January 2024)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (applicable for annual periods beginning on or after 1 January 2025, but not yet endorsed in the EU)

All "currency" values are rounded to the nearest thousands in these Consolidated Financial Statements, except where otherwise indicated.

5.3 New accounting policies and significant changes

Unifiedpost Group SA has applied the same accounting policies and methods of computation in its Consolidated Financial Statements for the year ended 31 December 2023 as in its 2022 Annual Consolidated Financial Statements, except for the amendments stated above, which apply for the first time in 2023 and the new accounting policies as explained in this chapter.

Restatement of the factoring debt

The factoring debt in the consolidated statement of financial position as well as in the consolidated statement of cash flows has been reclassified after reassessing the factoring agreement with Belfius/BNP. As this concerns a limited recourse agreement, the factoring debt should match with the outstanding trade receivables. The balances of trade receivables and the short-term secured other bank borrowings were both overestimated for an amount of € 2.261 thousand in the Consolidated Financial Statements of 2022. Comparative figures have been restated in accordance with IAS 8.

Application of IFRS 5 Assets held for sale

The Company decided strategically to divest two software applications (Onea and FitekIN) and signed in this context a binding agreement with a third party. The assets held for sale and liabilities directly associated with these assets held for sale are measured at the lower carrying value and fair value less costs to sell, and are presented separately in the statement of financial position. A specific disclosure is prepared in note 5.12.

5.4 Significant accounting estimates and judgements

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

5.4.1 Going concern

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

Unifiedpost has incurred net losses and significant cash outflows over the past years, as it has been investing significantly in the development of its document processing and payment application as well as in the roll out of these products in its Pan-European structure. During the financial year 2023, the Company incurred a consolidated net loss of € 83,1 million, positive cash flows from operating activities of € 14,8 million and negative cash flows from investing and financing activities of respectively € 16,9 million and € 11,6 million. At 31 December 2023, the Company has an accumulated deficit of € 232,3 million but a positive total equity balance of € 75,4 million.

Per 31 December 2023, Unifiedpost Group has a net debt of € 95,2 million (see note 5.28.2.4) and cash and cash equivalents of € 21,3 million (excluding restricted cash for a total amount of € 5, 0 million) supported by the access to a short-term factoring line of € 20 million, of which only € 5,3 million was used at 31 December 2023.

Management prepared a budget 2024 that was approved by the Board of Directors and assumes further growth of the business, improved contributions and margins, combined with measures around cost control and business activation. Furthermore, the Company is actively exploring or working on divestments to streamline the Group's operations and to refocus on core business activities. Additionally, key management is committed to exercise part of its subscription rights that will result in a capital raise of € 2,3 million[9]. These steps are taken, to ensure that the funds available in the Company, including any undrawn portion of the factoring line, are sufficient to meet the Company's cash flow needs for a period of at least twelve months after the date these Consolidated Financial Statements are approved. The budget also takes into account the covenants linked to the Francisco Partner loan that include a minimum required liquidity of € 12,5 million (see note 5.28.2.4). Based on the approved budget for 2024, cash inflows from divestments and subscription rights, the Company believes it will meet its covenant requirement at 31 December 2024 and beyond.

Management recognises that material uncertainties exist in relation to the realisation of the budget due to uncertainties about (i) the speed and degree of adaptation of the Unifiedpost product line in the market, (ii) the successful continuation of a cost saving plan and/or business activation plans, and (iii) the successful realisation at a fair price of the divestments of business activities. Management is confident that all deviations from the budgeted cash flow can be mitigated by additional cost control measures on top of these that have already been taken. This approach enables management to absorb budget uncertainty and deviations from the budget with no or minimal impact on cash flow. By managing budget uncertainty in this way, management can effectively address any challenges related to the Company's going concern status and covenants linked to Francisco Partners' funding.

[9] Commitments until 15 April 2024 have been taken up in the total amount of € 2,3 million.

5.4.2 Other significant judgements, assumptions and uncertainties

5.4.2.1 Estimation of uncertainty requested by IAS 1.125

The following significant accounting estimates potentially have a negative impact on the carrying value of assets and liabilities within the next twelve months:

- **Impairment testing of goodwill and non-financial asset:**

  In the context of future business plans used for the impairment testing, the Group has made assumptions to build future modelling for the banqup product suite, where Unifiedpost Group could not or limitedly rely on past experience. These assumptions were multiple: (i) period of mandatory character of e-billing per country inspired in the current legislative context, (ii) the expected monthly penetration rate of our product in the market per country, (iii) a target conversion rate from freemium user into paying user, and (iv) the sales channels to enter the market as different channels have and will have a different cost structure. This type of modelling is used for the banqup products in the cash generating units Digital document processing, Payment and Services and Apps. In the weighted average case between the different models, only half of the base case scenario was withheld. The Group acknowledges that in one or more countries, it may not realise its ambitions and for other countries, the Group can attract more customers than foreseen in the modelling. The presence and current accessible network of SMEs in different countries is decreasing the risk which is inherent to such a model.
- In the context of impairment, the current assumptions on the risk profile of the Group impacting the calculation of the weighted cost of capital may change due to (i) changing financial market circumstances, such as increasing market risk premium or country specific risk premiums or sector specific risk premiums (out of the Group's control), (ii) attracting additional funding to support going concern of the Group and (iii) growing inherent risk profile of the Group by not meeting its budget targets. In such a case, the weighted cost of capital will further increase with a negative impact on the value in use, which could lead to additional impairment in the course of 2024.

  The applied weighted cost of capital is computed considering risk free interest rates, market risk premiums, country risk premiums and small-cap risk premiums reported in financial reports from highly reputable financial analyst firms and considering a weighted cost of debt currently applicable for the Group, whereby the underlying data for those parameters was collected mainly in December 2023.

  The impact of an increasing weighted cost of capital on our impairment testing is further commented on and explained in the disclosure note on impairment testing (see note 5.13). For the cash generating unit Digital document processing, representing the most significant part of our carrying value, missing our growth target by 1% over the next five years or lowering our gross margin by 2% would result in an additional 8% write down of our carrying value. A further increase of the discount rate by 1% would result in an additional impairment of our carrying value by 5%.
- In the budget phase, assumptions were made on one-off project deals, which were regularly realised in the past. These kind of one-off project deals, such as perpetual licenses, were included in the budget of 2024 for an amount of € 6 million. While several projects are currently in the pipeline, the certainty of their completion within the current financial year remains uncertain. Failure to realise this projected level of project revenue in the upcoming year would have a negative impact on our estimated cash flow. In the modelling process, Unifiedpost Group has established a recurring future level of project revenue at € 3,7 million. This adjustment reflects a more conservative approach, acknowledging the unpredictability of one-off project deals and ensuring a more reliable estimation of future cash flow.
- The carrying amounts tested during the impairment exercise and the applied discount rates are presented in note 5.13. We note that the current market capitalisation of the Company values at € 107 million compared to a value in use of € 238 million.

5.4.2.2 Estimation of uncertainty requested by IAS 1.112c

The following information on estimation of uncertainty is relevant to understanding the Consolidated Financial Statements. It is disclosed further and it does not fall within the scope of IAS 1.125:

- **Development expenses** – estimate whether the conditions to capitalise development expenses in line with IAS 38 are being met and more specifically whether there will be sufficient future economic benefits generated by the capitalised development expenses. Furthermore, an important element of the estimate is linked to the determination of the useful life of each of the internally developed intangible assets (see note 5.7).
- **Deferred tax** – Estimate of timing and amount of future taxable profits against which unused tax losses can be utilised.
- **Fair value measurement** – Fair value measurement of the liabilities associated with puttable non-controlling interest, are all categorised as a level 3 in the fair value hierarchy of IFRS 13 Fair Value Measurement (see note 5.28.1).

5.4.2.3 Accounting treatment and judgement on cash inflow from associate

The cash flows related to the revenue streams towards the associate company Facturel SAS, inclusive those arising from the sale of the distribution rights of last year (€ 3.750 thousand), are presented as operating cash flow (see note 5.17). In the case of the sale of distribution rights, the principle of substance over form was judged as being part of the regular operating business of Unifiedpost Group.

5.5 Significant events and transactions

Divestment of the stand-alone products FitekIN and ONEA

Unifiedpost signed a binding term sheet on 31 July 2023 to divest business assets related to the applications FitekIN and ONEA with a private equity fund. In order to make this transaction possible it required a complex carve-out exercise of the business assets in five different countries. After the formal realisation of this carve-out (early October 2023), the structure was in place for the transaction to take place. The assets and related liabilities involved were considered from that moment onwards as available for immediate sale in their present condition.

On 29 December 2023, a binding framework agreement was signed between parties to execute the planned transaction, organised partially in a sale of shares and partially (intellectual property) a sale of assets. The entirety of this transaction is sold for a cash value of € 7,2 million. This divestment represents a strategic decision for the Group and allows it to sharpen its focus on its core offering of e-invoicing and e-payments.

At year-end 2023, this transaction has not been closed. As the sales strategy is clear and conform to IFRS 5, the assets and related liabilities will be reported as assets held for sale and liabilities directly associated with assets classified as held for sale respectively. Further disclosure can be found in note 5.12.

The delay in regulatory implementation

The regulatory landscape in Europe is rapidly digitising as stringent frameworks like the ViDA ("VAT in the Digital Age") regulation, introduced by the European Commission, drive the adoption of digital invoicing, payments and reporting systems. Various laws and regulations aim to promote fairness, transparency and accountability making regulatory compliance a fundamental aspect of responsible business conduct. However, the implementation of the ViDA regulation has been delayed in many countries. In Belgium, e-invoicing will be mandated as of the beginning of 2026, France will follow with the implementation of e-invoicing requirements from 2026, other countries like Germany and Spain are also expected to follow. As this concerns mainly political decisions in each country, we are unsure that the current set dates of mandatory character of e-invoicing will be maintained, which could impact our growth model.

Geopolitical situation

The geopolitical situation remains unsettled due to elevated inflationary pressure and the volatile circumstances in the Russia-Ukraine region. The fluid nature of this evolving situation could potentially disrupt various European economies and economies where the Group currently operates. However, unless the present crises escalates or triggers heightened turbulence across commodity markets, the Group does not anticipate any substantial adverse impacts beyond broad-based cost inflation.

5.6 Revenue from contracts with customers

5.6.1 Revenue by type of transaction

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

Thousands of Euro		Timing of revenue recognition	For the year ended 31 December	
			2023	2022
Revenue from digital processing services			**136.615**	**126.916**
Revenue from recurring digital processing services			**124.826**	**112.651**
- Transactions			88.130	82.029
	Document processing	Over time	85.905	80.128
	Print production	At a point in time	2.225	1.901
- Subscriptions		Over time	32.522	28.248
- Managed services		Over time	4.174	2.374
Revenue from non-recurring digital processing services			**11.789**	**14.265**
- Project revenue			8.388	7.774
	Implementation requests	Over time when not distinct, at a point in time otherwise	5.565	4.211
	Change requests	At a point in time	2.823	3.563
- Sale of licenses		At a point in time	3.401	6.491
Revenue from Postage and Parcel Optimisation (recurring)			**54.770**	**64.047**
- Transactions		At a point in time	54.770	64.047
Total			**191.385**	**190.963**

The growth in revenue from digital processing services between 2023 and 2022 amounts to 7,7%, and growth in recurring digital processing services between 2023 and 2022 amounts to 10,8%. The SEK_EUR exchange rate adversely impact this growth rate in recurring digital processing revenue, making it end up at 13,2% when based on constant SEK_EUR exchange rates.

The revenue from Postage and Parcel Optimisation services decreased by 14,5% in 2023 compared to 2022. Half of that decrease can be attributed to the impact of the SEK_EUR exchange rate change.

5.6.2 Revenue by Cash Generating Unit and by type of transaction

The Group's revenue per CGU (see note 5.27.1) was as follows for the years ending 31 December 2023 and 2022:

Thousands of Euro	For the year ended 31 December 2023					
	Digital document processing	**Paper processing**	**Payment**	**Services and Apps**	**Postage and Parcel optimisation**	**Total**
Revenue from recurring services	**80.434**	**39.128**	**2.368**	**2.896**	**54.770**	**179.596**
- Transactions	48.268	39.117	724	21	54.752	142.882
- Subscriptions	29.975	11	1.644	892	18	32.540
- Managed services	2.191	-	-	1.983	-	4.174
Revenue from non-recurring services	**11.458**	**133**	**114**	**84**	**-**	**11.789**
- Implementation requests	5.456	21	88	-	-	5.565
- Change requests	2.601	112	26	84	-	2.823
- Sale of licenses	3.401	-	-	-	-	3.401
Total	**91.892**	**39.261**	**2.482**	**2.980**	**54.770**	**191.385**

Thousands of Euro	For the year ended 31 December 2022					
	Digital document processing	**Paper processing**	**Payment**	**Services and Apps**	**Postage and Parcel optimisation**	**Total**
Revenue from recurring services	**70.279**	**36.946**	**2.674**	**2.751**	**64.043**	**176.693**
- Transactions	44.461	36.946	620	1	64.023	146.051
- Subscriptions	25.348	-	2.054	846	20	28.268
- Managed services	470	-	-	1.904	-	2.374
Revenue from non-recurring services	**13.915**	**-**	**189**	**162**	**4**	**14.270**
- Implementation requests	4.074	-	137	-	-	4.211
- Change requests	3.349	-	52	162	-	3.563
- Sale of licenses	6.492	-	-	-	4	6.496
Total	**84.194**	**36.946**	**2.863**	**2.913**	**64.047**	**190.963**

The Group expects its revenue from subscriptions, transactions and management services to repeat and considers it as revenue from recurring services because the contracts with its customers generally extend over the current accounting period in exchange for active use of our services, or because they include auto-renewal provisions.

5.6.3 Contract liabilities

The Group's contract liabilities primarily arise from:

- Subscription fees that are invoiced in advance of the period of service and are recognised monthly when the performance obligation has been satisfied
- Fees for non-distinct implementation services ("NDIS") that are recognised rateably over the initial non-cancellable term of a Software-as-a-Service (SaaS) contract, which typically ranges from one to three years
- Revenue deferred until when Post-contract Customer Service ("PCS") obligations (including stand-ready obligations to provide unspecified software upgrades) have been satisfied

Thousands of Euro	At 31 December	
	2023	**2022**
Non-current	4.430	4.039
Current	13.487	12.701
Total Contract liabilities	**17.917**	**16.740**

The following table provides an overview of contract liabilities from contracts with customers:

Contract liabilities as at 31 December 2023						
Thousands of Euro	Income to be recognised in:					
	Total	**2024**	**2025**	**2026**	**2027**	**2028**
Subscription fees	16.375	12.002	3.244	1.015	38	76
Fees for NDIS	247	208	37	2	-	-
Revenues from PCS	1.295	1.277	9	9	-	-
Total Contract liabilities	**17.917**	**13.487**	**3.290**	**1.026**	**38**	**76**

Contract liabilities as at 31 December 2022						
Thousands of Euro	Income to be recognised in:					
	Total	**2023**	**2024**	**2025**	**2026**	**2027**
Subscription fees	14.479	10.579	2.987	913	-	-
Fees for NDIS	460	322	112	26	-	-
Revenues from PCS	1.801	1.800	1	-	-	-
Total Contract liabilities	**16.740**	**12.701**	**3.100**	**939**	**-**	**-**

Movements in current contract liabilities for the years ending 31 December 2023 and 2022 are as follows:

Thousands of Euro	**Subscription**	**NDIS**	**PCS**	**Total**
At 1 January 2022	**12.274**	**1.274**	**3.110**	**16.658**
Revenue recognised that was included in the contract liability balance at beginning of period	(8.966)	(1.056)	(3.014)	(13.036)
Revenue deferred during the period	11.171	242	1.705	13.118
At 31 December 2022	**14.479**	**460**	**1.801**	**16.740**
Revenue recognised that was included in the contract liability balance at beginning of period	(10.614)	(320)	(1.742)	(12.676)
Revenue deferred during the period	12.510	107	1.236	13.853
At 31 December 2023	**16.375**	**247**	**1.295**	**17.917**

5.6.4 Remaining performance obligations

The transaction price allocated to remaining performance obligations that are unsatisfied, or partially unsatisfied, represents contracted revenue that will be recognised in future periods. The Group's future performance obligations consist primarily of SaaS hosting/subscription obligations relating to future periods of the one to three-year contractual term of its contracts, and to contracted but uncompleted PCS obligations. The amount of revenue recognised during any period presented from performance obligations satisfied in prior periods was insignificant. Except for those amounts reported as contract liabilities, the Group generally has a right to consideration from customers in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

5.7 Disclosure of expenses

5.7.1 Expenses by nature and by type

Thousands of Euro	For the year ended 31 December	
	2023	**2022**
Expenses by nature		
- Direct operating expenses	110.834	116.521
- Indirect operating expenses	14.404	18.314
- Staff and related expenses	79.694	83.629
- Amortisation and depreciation expenses	26.824	23.511
- Capitalisation of own development cost	(14.071)	(22.054)
Total	**217.685**	**219.921**
Expenses by type		
Cost of services digital processing	77.572	73.770
Cost of services postage and parcel optimisation	47.851	57.040
Research and development expenses	23.662	14.133
General and administrative expenses	41.895	45.788
Selling and marketing expenses	26.705	29.190
Total	**217.685**	**219.921**

The total expenses decreased slightly from € 219,9 million to € 217,7 million, with lower direct and indirect operating costs as well as staff and related expenses, spread over all cost centres, on the one hand and a decrease of capitalisation of development cost on the other hand. The decrease in operating expenses as well as in staff and related expenses is due to the measures taken by the management to reduce costs, while ensuring efficiency throughout the organisation. Capitalisation of own development costs decreased compared to last year, due to the focus of the Group on its global products and the decision to only do 'maintain' efforts in the local products.

5.7.2 Staff and related expenses

Thousands of Euro		For the year ended 31 December	
	Note	**2023**	**2022**
Wages, salaries, fees and bonuses		48.734	47.700
Social security		8.685	8.564
Fees paid to contractors		17.205	21.827
Pensions costs: defined contribution plans	5.26	944	1.087
Pensions costs: defined benefit plans	5.26	370	264
Employee benefits – company car		2.191	1.875
Other benefits		1.565	2.312
Total		**79.694**	**83.629**

Expenses and cost in thousands of Euro, except for FTE	**As per 31 December 2023**			**For the year ended 31 December 2023**
	FTE (*)	**Average FTE**	**Employee benefit expense**	**Cost per FTE**
Cost of services	425	430	14.000	33
Research and development expenses	380	424	25.571	60
General and administrative expenses	232	250	20.613	82
Selling and marketing expenses	229	242	19.510	81
Total	**1.266**	**1.346**	**79.694**	**59**

Expenses and cost in thousands of Euro, except for FTE	**As per 31 December 2022**			**For the year ended 31 December 2022**
	FTE (*)	**Average FTE**	**Employee benefit expense**	**Cost per FTE**
Cost of services	434	428	13.661	32
Research and development expenses	458	465	25.865	56
General and administrative expenses	304	303	22.815	75
Selling and marketing expenses	258	264	21.288	81
Total	**1.454**	**1.460**	**83.629**	**57**

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

5.7.3 Amortisation and depreciation charges

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

Thousands of Euro		**For the year ended 31 December**	
	Note	**2023**	**2022**
Depreciation			
Cost of services digital processing		590	555
Cost of services postage and parcel optimisation		-	73
Research and development expenses		-	196
General and administrative expenses		5.241	4.533
Selling and marketing expenses		87	263
Total depreciation	5.15, 5.16	**5.918**	**5.620**
Amortisation			
Cost of services digital processing		-	-
Cost of services postage and parcel optimisation		-	-
Research and development expenses		12.472	10.096
General and administrative expenses		3.614	3.190
Selling and marketing expenses		4.820	4.605
Total amortisation	**5.14**	**20.906**	**17.891**
Total amortisation and depreciation		**26.824**	**23.511**

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

5.8 Other income and expenses

Thousands of Euro	For the year ended 31 December	
	2023	**2022**
Foreign exchange losses	(481)	(862)
Settlement FSMA	(250)	-
Loss on realisation of trade receivables	(58)	(101)
Gain or (loss) sale on plant, property and equipment	33	18
Gain on sale of hardware	54	28
Other	95	(25)
Total	**(607)**	**(942)**

5.9 Financial expenses

Thousands of Euro	For the year ended 31 December	
	2023	**2022**
Interest and finance charges paid/payable on financial liabilities at amortised costs	14.946	8.636
Interest and finance charges paid/payable for lease liabilities	376	289
Other	588	442
Total	**15.910**	**9.367**

Regarding the Francisco Partner loan, the total interest and finance charges paid / payable amounts to € 14.139 thousand. In 2023, a total interest amount of € 10.826 thousand has been accrued and € 3.286 thousand was paid as interest (see note 5.23).

5.10 Income tax

5.10.1Tax expense / (credit)

Thousands of Euro	For the year ended 31 December	
	2023	**2022**
Current tax expense		
Current tax on profits for the year	(2.318)	(1.178)
Total current tax expense	**(2.318)**	**(1.178)**
Deferred tax expense		
Origination and reversal of temporary differences	997	827
Recognition of tax assets arising from unused tax losses	390	1.936
Total deferred tax expense / (credit)	**1.387**	**2.763**
Total tax expense in profit and income statement	**(931)**	**1.585**
Profit / (loss) for the year	(83.146)	(43.544)
Income tax expense/(income)	931	(1.585)
Profit / (loss) before tax	**(82.215)**	**(45.129)**
Tax using the Company's domestic tax rate of 25% (2022: 25%)	**(20.554)**	**(11.282)**
Expenses not deductible for tax purposes (incl. GAAP differences)	12.105	1.008
Tax credit	(462)	(796)
Share-based payments	4	18
Tax effect of debt issuance	(369)	(476)
Share of profit / (loss) of associates	143	468
Change in fair value of financial liabilities	-	1.207
Change in fair value of derivatives	-	(134)
Income not taxable for tax purposes	(164)	(55)
Subtotal tax effect of amounts which are not deductible (taxable) in calculating taxable income	**11.257**	**1.240**
Addition to unrecognised tax losses	11.205	10.240
Previously unrecognised tax losses used to reduce	(673)	(568)
Subtotal changes in unrecognised tax losses	10.532	9.672
Recognition of previously unrecognised deferred tax assets	2	(1.722)
Expired deferred tax assets	-	-
Subtotal changes in unrecognised tax losses (deferred tax expense)	**2**	**(1.722)**
Different tax rates applied in other jurisdictions	(307)	475
Other	1	32
Total tax expense	**931**	**(1.585)**

5.10.2 Deferred tax assets

The following table presents for each temporary difference the amount of deferred tax assets recognised in the statement of financial position:

Thousands of Euro	Tax losses	Contract balances	Intangible assets	Property, plant and equipment	Other	Other receivables	Provisions	Total
At 1 January 2022	**276**	**-**	**-**	**14**	**3**	**9**	**8**	**310**
(Charged) / credited								
- To profit or loss	179	-	4	23	(16)	(5)	(33)	152
At 31 December 2022	**455**	**-**	**4**	**37**	**(13)**	**4**	**(25)**	**462**
(Charged) / credited								
- To profit or loss	295	-	9	(1)	13	(2)	-	314
At 31 December 2023	**750**	**-**	**13**	**36**	**-**	**2**	**(25)**	**776**

At 31 December 2023, a deferred tax asset of € 181.188 thousand (2022: € 145.306 thousand) has not been recognised relating to temporary differences, unused tax losses, and unused tax credits due to uncertainty over their future utilisation. These tax losses and credits can generally be carried forward indefinitely. Management believes that, at the date of the Consolidated Financial Statements, no sufficient convincing evidence was available that future taxable profits will be available for the entities concerned to counter the negative presumption created by the existence of unused tax losses.

5.10.3 Deferred tax liabilities

The following table presents for each temporary difference the amount of deferred tax liabilities recognised in the statement of financial position:

Thousands of Euro	Tax losses	Contract balances	Intangible assets	Property, plant and equipment	Other	Total
At 1 January 2022	**510**	**(747)**	**(8.562)**	**(45)**	**143**	**(8.701)**
(Charged) / credited						
- To profit or loss	(251)	45	3.654	(28)	(439)	2.981
At 31 December 2022	**259**	**(702)**	**(4.908)**	**(73)**	**(296)**	**(5.720)**
(Charged) / credited						
- To profit or loss	(57)	253	784	83	21	1.084
At 31 December 2023	**202**	**(449)**	**(4.124)**	**10**	**(275)**	**(4.636)**

5.11 Earnings / (loss) per share

Earnings / (loss) per shares of 31 December 2023 and 2022, as well as the weighted number of share for both reporting periods:

Thousands of Euro (except number of shares and earnings / (loss) per share)	At 31 December	
	2023	**2022**
Basic earnings / (loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	(2,32)	(1,26)
Diluted earnings / (loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	(2,32)	(1,26)
Basic earnings / (loss) per share		
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings / (loss) per share	(83.146)	(43.544)
Diluted earnings / (loss) per share		
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted earnings / (loss) per share	(83.146)	(43.544)
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares for the purposes of basic earnings / (loss) per share	35.824.154	34.573.075
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings / (loss) per share	35.824.154	34.573.075

To calculate the basic earnings / (loss) per share, the weighted average of outstanding (and fully paid) shares per year has been computed by applying a pro rata approach on the capital increases during the year.

The weighted average number of shares used as the denominator to calculate diluted earnings or loss per share includes all instruments with a potential dilutive impact. However, in 2022 and 2023 the Group incurred net losses. Instruments that can be converted into ordinary shares would only be treated as dilutive when their conversion into ordinary shares would decrease earnings per share or increase loss per share. As a result, these instruments have an anti-dilutive effect in periods of losses and therefore the diluted loss per share is the same as the basic loss per share for these periods.

Potential dilutive instruments that have been assessed to result in an anti-dilutive impact on the earnings or loss per share include, granted subscription rights (warrants) to acquire shares (as described in note 5.31) and the anti-dilution protection rights (as described in note 5.20).

5.12 Assets held for sale

As explained in note 5.5, Unifiedpost signed a binding framework agreement with a private equity fund on 29 December 2023 to divest the stand-alone products FitekIN and ONEA for a cash value of € 7,2 million. These assets belong solely to the CGU_Digital document processing.

To be recognised as assets held for sale while closing of the agreement is not yet final, IFRS 5 requires the entity to realise the asset or intend to sell it in its normal operating cycle within twelve months after the reporting period. The assets and liabilities classified as assets held for sale shall be presented as current separately from other assets and liabilities in the statement of financial position.

The income statement related to these activities is recognised in the consolidated statement of profit and loss and thus not as discontinued operations as these activities are not considered as a major business line for Unifiedpost in accordance with IFRS 5. A restatement of the comparative figures is not needed as a consequence.

The assets held for sale and the liabilities associated with those assets linked to this transaction at 31 December 2023:

Thousands of Euro	**At 31 December 2023**
Assets	
Goodwil	1.847
Intangible assets – customer relationship	114
Intangible assets – internally generated software	2.512
Property plant and equipment – Furniture, fitting and equipment	5
Property plant and equipment – Machinery and vehicles	5
Deferred tax assets	1
Non current assets held for sale	**4.484**
Trade receivables	411
Other receivables	100
Contract assets	1
Prepaid expenses	75
Cash and cash equivalents	74
Current assets	**661**
Assets held for sale	**5.145**
Liabilities	
Bank loans unsecured	39
Trade payables	41
Contract liabilities	87
Tax payable – VAT	51
Salaries and social security payable	404
Other amounts payable	7
Accrued expenses	35
Current liabilities associated with assets held for sale	**664**
Liabilities associated with assets held for sale	**664**

5.13 Goodwill and impairment testing

5.13.1 Cash generating units

The cash generating units can be described as follows:

- CGU Digital document processing [CGU_DDP]: groups all digital processing activities for as well SME clients as corporate clients. It covers the inbound document flow as well as the outbound document flow.
- CGU Paper processing [CGU_PAP]: groups all offset printing activities and paper delivery activities (inclusive sales of stamps).
- CGU Payment [CGU_PAY]: groups all regulated activities regarding payment activities, for which specific compliance rules are applicable and separate reporting as well as separate governing bodies are installed.
- CGU Services and Apps [CGU_FSA]: groups all financial and other services offered to our clients whereby we make use of data gathered.
- CGU Postage and Parcel optimization ([CGU_PPO]: is a separate group of entities in the Nordics for which the business model differs from our classic business. The business optimizes the postage distribution in the Scandinavian market.

5.13.2 Carrying amounts of goodwill

The carrying amount of goodwill is summarised below:

Thousands of Euro	**At 31 December 2021**	**Currency exchange**	**At 31 December 2022**	**Impairment**	**Transfer to assets held for sale**	**Currency exchange**	**At 31 December 2023**
CGU_DDP	144.909 (*)	(1.527)	143.382 (*)	(37.400)	(1.847)	61	104.196
CGU_PAP	2.183 (*)	-	2.183 (*)	-	-	-	2.183
CGU_PAY	6.690 (*)	-	6.690 (*)	-	-	-	6.690
CGU_FSA	1.174 (*)	-	1.174 (*)	(1.174)	-	-	-
CGU_PPO	-	-	-	-	-	-	-
Total	**154.956**	**(1.527)**	**153.429**	**(38.574)**	**(1.847)**	**61**	**113.069**

(*) The allocation of the goodwill in 2020 has been updated in order to align with the impairment testing, hence the carrying values of the goodwill at 31 December 2021 and 2022 changed compared to previous annual report.

The carrying amount of goodwill is expressed in local currency and yearly foreign exchange differences will occur for goodwill originally expressed in Swedish Krona and in British Pound.

5.13.3 Carrying amounts at basis of the impairment testing

The carrying values included in the impairment testing at 30 September 2023 are:

Thousands of Euro	**CGU_DDP**	**CGU_PAP**	**CGU_PAY**	**CGU_FSA**	**CGU_PPO**	**Total**
Goodwill	142.850	2.183	6.690	1.174	-	152.897
Intangible assets	69.983	27	10.196	851	4.726	85.783
Tangible assets	15.589	1.799	73	-	394	17.855
Leasing debt	(9.053)	(1.075)	(74)	-	-	(10.202)
Working capital	4.880	1.997	(307)	286	1.561	8.417
Total	**224.249**	**4.931**	**16.578**	**2.311**	**6.681**	**254.750**

These values were tested and thus compared with the value in use during the execution of the impairment exercise. At 31 December 2023, the carrying values were reassessed. This reassessment did not trigger any additional impairment risk.

5.13.4 Weighted cost of capital

The applied weighted cost of capital ("WACC") 2023 and 2022 are:

in %	CGU_DDP	CGU_PAP	CGU_PAY	CGU_FSA	CGU_PPO
W ACC_2023 pre_tax	18,78%	15,53%	20,41%	20,41%	12,81%
W ACC_2022 pre_tax	16,32%	17,82%	17,74%	17,74%	13,56%

In general, it is noted that the WACC has been on an upward trend, given that interest rates have risen over the past year and this has a direct impact on risk premiums.

For the CGU Paper processing, the decrease in WACC is impacted due to the decreasing risk premiums in the benchmarked industry sector.

5.13.5 Impairment testing

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

The current exercise is executed in the period December 2023 – January 2024. The plan was built, starting from the approved budget 2024, and extended with a business plan for another 4 years per CGU specific growth expectations. Due to significant growth in certain revenue streams, the plan has been extended by an additional 5 years, creating an extended period to be regarded as a landing phase. This extension is particularly relevant as the markets in which the Group operates are transitioning towards increased maturity.

In a second step, the base model starting from the budget was reassessed with two supplementary scenarios, named a modest case and a stress case. The three scenarios, (i) base case (hereafter BC), (ii) modest cast (hereafter MC), and (iii) stress case (hereafter SC) are respectively weighted at 30%, 40% and 30%. The 'base case' represents the ambition of Group management, while the 'modest case' starts with more conservative revenue growth rates and similar gross margins as in the 'base case' as well as an indirect cost structure that adapts taking into account revenue levels. The 'stress case' starts from low revenue growth rates with decreasing gross margins and an indirect cost structure that remains at a high level compared to the business level. For each of these cases the starting point is equal to the approved budget for 2024. In each of these models inter CGU invoicing for services provided, based on business/economic reason, generating revenue and cost between CGUs, are foreseen mainly from the cash generating unit 'Services and Apps' towards as well the CGU 'Digital document processing' and 'Payment'.

The weighted average case is finally the model which was the basis for the impairment testing. For each CGU a specific pre-tax discount rate was computed based on a weighted average cost of the capital model, and this taking into account specific risk factors for each of the CGUs. Finally, a sensitivity analysis was performed on the obtained results.

The applied discount rate, the carrying value and the value in use of each CGU are:

Thousands of Euro	WACC	Value in use	Carrying value (*)	Headroom	Impairment
CGU Digital document processing	18,78%	186.930	224.249	-37.319	-37.400
CGU Paper processing	15,53%	25.014	4.931	20.083	-
CGU Payment	20,41%	19.132	16.578	2.554	-
CGU Services and Apps	20,41%	757	2.311	-1.554	-1.600
CGU Post and Parcel optimisation	12,81%	6.987	6.681	306	-
CGU Group	-	-	-	-	-
Total		**238.820**	**254.750**	**-15.930**	**39.000**

(*) Carrying values were determined as at 30 September 2023.

An impairment of € 37.400 thousand was applied for the CGU_DDP which was entirely deducted from the remaining goodwill. An impairment of € 1.600 thousand was applied for the CGU_FSA. Part of this impairment, amounting to € 1.174 thousand, has been deducted from the value of the goodwill, while the remaining portion of € 426 thousand has been offset against the internally generated software.

A sensitivity analysis was performed, focussing on the impact of three parameters, namely (i) lowering the CAGR 5-year growth, (ii) lowering the level of gross margin, and (iii) increasing discount rates.

Hereafter, we further comment on each of the CGUs.

CAGR figures with reference 2023-2028 in the below tables refer to growth starting from actuals 2023 and ending with forecast figures of 2028.

5.13.5.1 Impairment testing CGU Digital document processing

		Base case	Modest case	Stress case	Weighted
Key assumptions	Sales growth rate 2023 - 2028	11,48%	9,01%	6,36%	9,02%
	Sales growth rate 2023 - 2033	8,37%	6,23%	4,26%	6,38%
	Gross Margin evolution 2024 - 2033	57,1%-67,6%	56,9%-63,8%	54,6%-58%	56,6%-63,6%
	Pre-tax discount rate	18,78%	18,78%	18,78%	18,78%
	Terminal growth rate	1,50%	1,50%	1,50%	1,50%
Results	Value in use minus Carrying value (in thousands of Euro)				-37.318,4
	Headroom-% = Value in in use / Carrying value -1				-16,6%
				Update parameter	Headroom-%
Sensitivity	Sensitivity CAGR 2023 - 2028 lowered with -1,00% (*)		CAGR	8,02%	-8,1%
	Sensitivity CAGR 2023 - 2028 lowered with -0,50% (*)		CAGR	8,52%	-4,1%
	Sensitivity gross margin lowered with -2,00% (*)		GM-%	54,6%-61,6%	-8,4%
	Sensitivity gross margin at level of stress case		GM-%	stress case	-19,1%
	Sensitivity Discountrate increased with 1,00% (*)		Discountrate	19,78%	-4,9%
	Sensitivity Discountrate increased with 0,50% (*)		Discountrate	2,00%	-1,3%

(*) Tested after impaired carrying value with k € -37.400

The weighted average case shows a revenue growth of 8,08% over the upcoming 5 years with a gross margin growing from 56,6% to 63,6% over the same period. The growth modelling is done considering the growth potential of each product and considering the different markets in which Unifiedpost is active. For the banqup product, where experience is limited to the Benelux countries, a modelling target on market penetration and number of paying users was set. The obtained market penetration end of 2028 in a base case scenario for 7 key countries (Belgium, Germany, Spain, France, Italy, the Netherlands, and the United Kingdom), varies between 1% and 11% of SME businesses. For these 7 key countries, in the base case modelling, 2,48 % of the market potential has been attracted as paying users by the end of 2028. In the weighted average case between the different models only half of the base case scenario was withheld.

The increasing gross margin is impacted by the changing product mix whereby the pure digital products represent step by step a bigger portion of our activities.

The pre-tax discount rate is set at 18,78% with a terminal growth of 1,50%.

Each shortage of headroom of 1% represents a value of € 1.869 thousand (after the carrying value has been impaired).

An impairment of € 37,4 million was recorded, mainly to the increase of the applied discount rate and due to delay in the roll of our banqup product. The latter is strongly linked to the fact that most governments in Europe are delaying the mandatory character of e-invoicing.

5.13.5.2 Impairment testing CGU Paper processing

		Base case	Modest case	Stress case	Weighted
Key assumptions	Sales growth rate 2023 - 2028	-5,08%	-5,90%	-7,40%	-6,09%
	Sales growth rate 2023 - 2033	-3,77%	-4,58%	-5,86%	-4,69%
	Gross Margin evolution 2024 - 2033	22,5%-28,0%	22,5%-26,8%	13,6%-22,5%	20,3%-25,5%
	Pre-tax discount rate	15,53%	15,53%	15,53%	15,53%
	Terminal growth rate	1,50%	1,50%	1,50%	1,50%
Results	Value in use minus Carrying value (in thousands of Euro)				20.082,6
	Headroom-% = Value in in use / Carrying value -1				407,3%
				Update parameter	Headroom-%
Sensitivity	Sensitivity CAGR 2023 - 2028 lowered with -10,00%		CAGR	-16,09%	142,8%
	Sensitivity CAGR 2023 - 2028 lowered with -6,00%		CAGR	-12,09%	179,7%
	Sensitivity gross margin lowered with -1,00%		GM-%	19,3%-24,5%	366,4%
	Sensitivity gross margin at level of stress case		GM-%	stress case	286,2%
	Sensitivity Discountrate increased with 1,00%		Discountrate	16,53%	390,0%
	Sensitivity Discountrate increased with 0,50%		Discountrate	16,03%	458,1%

The weighted average case shows a revenue decrease of 5,50% over the upcoming 5 years with a gross margin growing from 20,3% to 25,5% over the same period. This revenue decrease is the result of Unifiedpost's focus on pure digital products and the current market trends. Gross margin is increasing in this cash generating unit as the result of product mix whereby the low margin products are decreasing faster than some other products.

The pre-tax discount rate is set at 15,53% with a terminal growth of 1,50%.

The headroom for the CGU Paper processing amounts to 407,3%.

1% of headroom represents a value of € 49 thousand.

5.13.5.3 Impairment testing CGU Payment

		Base case	Modest case	Stress case	Weighted
Key assumptions	Sales growth rate 2023 - 2028	70,23%	50,19%	34,08%	53,66%
	Sales growth rate 2023 - 2033	35,21%	24,56%	16,70%	27,15%
	Gross Margin evolution 2024 - 2033	68,7%-81,8%	68,7%-79,3%	68,7%-74,6%	68,7%-79,9%
	Pre-tax discount rate	20,41%	20,41%	20,41%	20,41%
	Terminal growth rate	1,50%	1,50%	1,50%	1,50%
Results	Value in use minus Carrying value (in thousands of Euro)				2.553,4
	Headroom-% = Value in in use / Carrying value -1				15,4%
				Update parameter	Headroom-%
Sensitivity	Sensitivity CAGR 2023 - 2028 lowered with -10,00%		CAGR	52,66%	3,0%
	Sensitivity CAGR 2023 - 2028 lowered with -6,00%		CAGR	53,16%	9,1%
	Sensitivity gross margin lowered with -1,00%		GM-%	66,7%-77,9%	2,8%
	Sensitivity gross margin at level of stress case		GM-%	stress case	-19,7%
	Sensitivity Discountrate increased with 1,00%		Discountrate	21,41%	6,7%
	Sensitivity Discountrate increased with 0,50%		Discountrate	20,91%	13,1%

The weighted average case shows a revenue growth of 47,83% over the upcoming 5 years with a gross margin growing from 68,7% to 79,9% over the same period.

The growth in this market segment is partially inspired by existing contracts initiating additional onboarding of accounts and is for the banqup Optimum tool based on modelling. The obtained market penetration end of 2028 in a base case scenario for 7 key countries (Belgium, Germany, Spain, France, Italy, the Netherlands, and the United Kingdom), varies between 1.76% and 0.05% of SME businesses. For these 7 key countries, in the Base case modelling, 0,38% of the market potential has been attracted as paying users by the end of 2028. In the weighted average case between the different models only half of the base case scenario was withheld.

The increasing gross margin is impacted by the changing product mix whereby the SaaS payment application represents step by step a bigger portion of our activities.

The pre-tax discount rate is set at 20,41% with a terminal growth of 1,50%.

The headroom for the CGU Payment amounts to 15,4%.

1% of headroom represents a value of € 166 thousand.

5.13.5.4 Impairment testing CGU Services & Apps

		Base case	Modest case	Stress case	Weighted
Key assumptions	Sales growth rate 2023 - 2028	66,20%	34,69%	15,27%	43,29%
	Sales growth rate 2023 - 2033	32,20%	17,50%	8,69%	22,30%
	Gross Margin evolution 2024 - 2033	45,1%-81,9%	53,4%-81,8%	62,1%-81,5%	49,1%-81,7%
	Pre-tax discount rate	20,41%	20,41%	20,41%	20,41%
	Terminal growth rate	1,50%	1,50%	1,50%	1,50%
Results	Value in use minus Carrying value (in thousands of Euro)				-1.554,1
	Headroom-% = Value in in use / Carrying value -1				-67,2%
				Update parameter	Headroom-%
Sensitivity	Sensitivity CAGR 2023 - 2028 lowered with -5,00% (*)		CAGR	38,29%	-243,6%
	Sensitivity CAGR 2023 - 2028 lowered with -1,00% (*)		CAGR	42,29%	-45,8%
	Sensitivity gross margin lowered with -2,00% (*)		GM-%	47,1%-79,7%	-67,5%
	Sensitivity gross margin at level of stress case		GM-%	stress case	554,2%
	Sensitivity Discountrate increased with 1,00% (*)		Discountrate	21,41%	-5,3%
	Sensitivity Discountrate increased with 0,50% (*)		Discountrate	20,91%	3,5%

(*) Tested after impaired carrying value with k € -1.600

The weighted average case shows revenue growth of 38,23% over the upcoming 5 years with a gross margin growing from 49,1% to 81,7% over the same period.

The growth in this segment is based on modelling whereby the market potential based on the number of customers subscribing to the banqup Payment application is at the basis. Furthermore, assumptions are made in targeting the number of users of the funding services even as the average commission per customer that will be realised. Significant growth is only foreseen from the period 2026 onwards.

The decreasing gross margin (gross margin decreases from 81,5% in 2024 to 50,3% in 2028 and 49,1% in 2033) is only the result of the product mix that changes towards the SaaS offering in this cash generating unit.

The pre-tax discount rate is set at 20,41% with a terminal growth of 1,50%.

Each shortage of headroom of 1% represents a value of € 7 thousand (after the carrying value has been impaired).

An impairment of € 1,6 million was recorded, mainly to the increase of the applied discount rate and due to delay in the roll of our banqup product. The development of the market in this cash generating unit is highly dependent on the growth of the banqup product in the cash generating unit Digital document processing.

5.13.5.5 Impairment testing CGU Postage and Parcel optimisation

		Base case	Modest case	Stress case	Weighted
Key assumptions	Sales growth rate 2023 - 2028	-2,26%	-4,05%	-8,56%	-4,75
	Sales growth rate 2023 - 2033	-2,65%	-3,50%	-5,67%	-3,83%
	Gross Margin evolution 2024 - 2033	11,4%-11,5%	11,5%-11,5%	11,5%-11,5%	11,5%-11,5%
	Pre-tax discount rate	12,81%	12,81%	12,81%	12,81%
	Terminal growth rate	1,50%	1,50%	1,50%	1,50%
Results	Value in use minus Carrying value (in thousands of Euro)				252,0
	Headroom-% = Value in in use / Carrying value -1				3,8%
				Update parameter	Headroom-%
Sensitivity	Sensitivity CAGR 2023 - 2028 lowered with -1,00%		CAGR	-5,75%	-16,4%
	Sensitivity CAGR 2023 - 2028 lowered with -0,50%		CAGR	-5,25%	-6,4%
	Sensitivity gross margin lowered with -0,50%		GM-%	11,0%-11,0%	-22,2%
	Sensitivity gross margin at level of stress case		GM-%	stress case	-35,9%
	Sensitivity Discountrate increased with 1,00%		Discountrate	13,81%	0,4%
	Sensitivity Discountrate increased with 0,50%		Discountrate	13,31%	3,3%

The weighted average case shows a revenue decrease of 5,08% over the upcoming 5 years with a gross margin remaining stable over this period at 11,5%. This figure reflects conservative market trends which also depend on the local market regulatory environment.

The gross margin over the past years exceeded 12% and was maintained stable. The budget and current approach during this testing is based on a more conservative approach at its origin.

The pre-tax discount rate is set at 12,81% with a terminal growth of 1,50%.

The headroom for the CGU Postage and Parcel optimisation amounts to 3,8%.

1% of headroom represents a value of € 67 thousand.

5.14 Other intangible assets

Thousands of euro	Note	Brands	Assets under construction	Internally generated software	Customer relationships	Acquired software	Total
(i) At Cost							
At 1 January 2022		**5.634**	**9.122**	**34.365**	**41.985**	**24.301**	**115.407**
Additions		44	19.511	2.543	108	36	22.242
Disposals		-	(33)	(387)	(1.265)	(276)	(1.961)
Transfers		2	(9.412)	8.601	(25)	834	-
Other		205	-	4	1.032	230	1.471
Foreign exchange impact		53	-	968	(455)	(2.009)	(1.443)
At 31 December 2022		**5.938**	**19.188**	**46.094**	**41.380**	**23.116**	**135.716**
Additions		-	16.291	1	-	5.080	21.372
Disposals		-	-	(54)	-	(35)	(89)
Transfers		-	(20.599)	20.599	-	-	-
Transfer to assets held for sale	5.12	-	-	(6.464)	(182)	-	(6.646)
Foreign exchange impact		(1)	1	(9)	124	(7)	108
At 31 December 2023		**5.937**	**14.881**	**60.167**	**41.322**	**28.154**	**150.461**
(ii) Accumulated amortisation							
At 1 January 2022		**790**	**-**	**13.232**	**10.681**	**7.201**	**31.904**
Amortisation charge	5.7.3	512	-	8.824	4.157	4.398	17.891
Disposals		-	-	(153)	(1.265)	(272)	(1.690)
Transfer		-	-	(79)	-	79	-
Other		250	-	4	1.032	230	1.516
Foreign exchange impact		300	-	(599)	310	568	579
At 31 December 2022		**1.852**	**-**	**21.229**	**14.915**	**12.204**	**50.200**
Amortisation charge	5.7.3	634	-	12.419	4.207	3.646	20.906
Impairment	5.13.5	-	-	426	-	-	426
Disposals		-	-	(40)	-	(35)	(75)
Transfer		-	-	-	-	-	-
Transfer to assets held for sale	5.12	-	-	(3.952)	(67)	-	(4.019)
Foreign exchange impact		-	-	(7)	32	142	167
At 31 December 2023		**2.486**	**-**	**30.075**	**19.087**	**15.957**	**67.605**
(iii) Net book value							
At 1 January 2022		**4.844**	**9.122**	**21.133**	**31.304**	**17.100**	**83.503**
Gross book value		5.938	19.188	46.094	41.380	23.116	135.716
Accumulated amortisation		(1.852)	-	(21.229)	(14.915)	(12.204)	(50.200)
At 31 December 2022		**4.086**	**19.188**	**24.865**	**26.465**	**10.912**	**85.516**
Gross book value		5.937	14.881	60.167	41.322	28.154	150.461
Accumulated amortisation		(2.486)	-	(30.075)	(19.087)	(15.957)	(67.605)
At 31 December 2023		**3.451**	**14.881**	**30.092**	**22.235**	**12.197**	**82.856**

In June 2023, the Group acquired the software "Valitax" and its related intellectual property for an amount of € 5 million. Valitax will be set in the market as a stand-alone product as well it will be embedded in the banqup product and will enable Unifiedpost to fulfil the ViDa requirement of applying VAT rules correctly on bills by combining tax compliance services with e-invoicing and e-reporting services. The price is payable in three equal annual instalments at the end of September, for the first time in 2023. Hence the remaining € 3.333 thousand due is shown as 'loans and borrowings' in the consolidated statement of financial position (see note 5.21.3).

Linked to the divestment of the stand-alone products FitekIN and ONEA, a net book value amounting to € 114 thousand for customer relationships and € 2.512 thousand for internally generated software have been transferred to assets held for sale (see note 5.12).

As explained in note 5.13.5, € 426 thousand of the total impairment of € 39 million has been written off on the other intangible assets.

The following table provides an overview of the intangibles **per cash generating unit**:

Thousands of euro	**Brands**	**Assets under construction**	**Internally generated software**	**Customer relationships**	**Acquired software**	**Total**
Digital document processing	2.765	14.668	19.777	24.203	9.150	70.563
Paper processing	97	-	-	35	5	137
Payment	-	3.939	3.664	-	-	7.603
Services and Apps	-	581	-	-	-	581
Post and Parcel optimisation	1.224	-	1.424	1.780	1.514	5.942
Corporate	-	-	-	447	243	690
At 31 December 2022	**4.086**	**19.188**	**24.865**	**26.465**	**10.912**	**85.516**
Digital document processing	3.249	9.932	21.603	20.304	5.498	60.586
Paper processing	-	-	-	-	-	-
Payment	202	4.949	6.261	328	-	11.740
Services and Apps	-	-	897	-	4.781	5.678
Post and Parcel optimisation	-	-	657	1.604	1.918	4.179
Corporate	-	-	673	-	-	673
At 31 December 2023	**3.451**	**14.881**	**30.091**	**22.236**	**12.197**	**82.856**

5.15 Property and equipment

The cost, accumulated depreciation and net book values of property and equipment assets are summarised per relevant category as follows:

Thousands of euro	Note	**Land and Buildings**	**Furniture, fittings and equipment**	**Machinery and vehicles**	**Total**
(i) At Cost					
At 1 January 2022		**3.220**	**3.949**	**4.431**	**11.600**
Addition		13	1.222	543	1.778
Disposal		(13)	(310)	(376)	(699)
Transfer		19	(358)	339	-
Transfer from right-of-use assets		-	-	637	637
Foreign exchange impact		5	(15)	(73)	(83)
At 31 December 2022		**3.244**	**4.488**	**5.501**	**13.233**
Addition		-	118	621	739
Disposal		-	(126)	(260)	(386)
Transfer		-	-	-	-
Transfer to assets held for sale	5.12	-	(5)	(5)	(10)
Foreign exchange impact		2	(3)	(1)	(2)
At 31 December 2023		**3.246**	**4.472**	**5.856**	**13.574**
(i) Accumulated depreciation					
At 1 January 2022		**129**	**1.082**	**2.385**	**3.596**
Addition	5.7.1, 5.7.3	87	656	709	1.452
Disposal		-	(305)	(365)	(670)
Transfer		(19)	358	(339)	-
Transfer from right-of-use assets		-	-	623	623
Foreign exchange impact		33	(138)	106	1
At 31 December 2022		**230**	**1.653**	**3.119**	**5.002**
Addition	5.7.1, 5.7.3	104	832	553	1.489
Disposal		3	(110)	(226)	(333)
Transfer		(17)	17	-	-
Transfer to assets held for sale	5.12	-	-	-	-
Foreign exchange impact		-	(4)	-	(4)
At 31 December 2023		**320**	**2.388**	**3.446**	**6.154**
(iii) Net book value					
At 1 January 2022		**3.091**	**2.867**	**2.046**	**8.004**
Gross book value		3.244	4.488	5.501	13.233
Accumulated amortisation		(230)	(1.653)	(3.119)	(5.002)
At 31 December 2022		**3.014**	**2.835**	**2.382**	**8.231**
Gross book value		3.246	4.472	5.856	13.574
Accumulated amortisation		(320)	(2.388)	(3.446)	(6.154)
At 31 December 2023		**2.926**	**2.084**	**2.410**	**7.420**

5.16 Right-of-use assets

Thousands of Euro	Land and Buildings	Machinery and Hardware	Vehicles	Total
At 1 January 2022	**8.812**	**621**	**2.285**	**11.718**
Addition	1.204	-	1.737	2.941
Depreciation charge	(2.445)	(416)	(1.307)	(4.168)
Disposal (-)	(188)	(10)	(301)	(499)
Reversal Depreciation charge – disposal	126	10	235	371
Transfer to property and equipment	-	(637)	-	(637)
Depreciation charge – transfer	-	623	-	623
Foreign exchange impact	(124)	(7)	(4)	(135)
At 31 December 2022	**7.385**	**184**	**2.645**	**10.214**
Addition	1.518	1.290	1.272	4.080
Depreciation charge	(2.765)	(357)	(1.307)	(4.429)
Disposal (-)	(697)	(238)	(288)	(1.223)
Reversal Depreciation charge – disposal	678	222	209	1.109
Foreign exchange impact	(22)	3	2	(17)
At 31 December 2023	**6.097**	**1.104**	**2.533**	**9.734**

5.17 Investments in associates

In December 2022, Unifiedpost Group and ECMA (Expert Comptable Media Association) founded jointly a new entity called "Facturel". The objective of this entity is to launch in collaboration with the banqup product "jefacture.com" in the French market.

Both parties agreed to contribute € 3.750 thousand to the newly created entity. The new company has an issued capital of € 7.500 thousand with two shareholders each owning 50% of the shares. Unifiedpost paid up his engagement for 100% while ECMA only paid up the issued capital for 50%. The remainder part can be called whenever the company needs additional funds. The company has issued 750.000 shares with each a nominal value of 10 €.

The newly created company Facturel is a "société par actions simplifiée" with registered office at Immeuble Le Jour 200-216 rue Raymond Losserand FR 7560 Paris Cedex 14. The company is known at the trade register under number 922.547.047 RCS Paris.

Based on the governance structure of the entity it is concluded that the ECMA has full control over the entity and consequently the investment qualifies under IFRS as an associate company.

Thousands of euro	
Investment in issued capital	3.750
Share in equity result	-
Elimination in result from downstream transaction	(1.875)
At 31 December 2022	**1.875**
Share in result of the associate	(382)
At 31 December 2023	**1.493**

Share of profit / (loss) of associates

In accordance with IAS 28.28, gains and losses resulting from upstream and downstream transactions between Unifiedpost Group and Facturel SAS are recognised in the Group's Consolidated Financial Statements to the extent of proportionate ownership of Unifiedpost in Facturel SAS.

In December 2022, Unifiedpost sold its distribution rights on the product 'jefacture.com' for the French market to the associate company Facturel SAS for a price of € 3.750 thousand. The result of this downstream transaction was recognised 100% as a revenue (see note 5.6.1 as revenue from sale of licenses). Conform IAS 28.28, 50% of the unrealised gain has been eliminated as it represents an intangible asset in Facturel SAS.

The loss over the period for 2023 in Facturel SAS amounts to a total € 764 thousand, including the amortisation of € 750 thousand on the distribution rights. These distribution rights for a total amount of € 3.750, as explained in the previous paragraph, are considered to be amortised over a period of 5 year, starting as of 1 January 2023. Proportionate to the ownership in Facturel SAS and conform IAS 28.28, Unifiedpost recognised 50% of the total loss of Facturel SAS or € 382 thousand, and decreases the investments in associates on the statement of financial position by that same amount as shown in the table above.

Additionally, in 2023, Unifiedpost invoiced managed services to Facturel SAS for a total amount of € 1.399 thousand, recognised 100% as revenue (see note 5.6.1 as revenue from Managed services) . In Facturel SAS, these professional services are processed as assets under construction and amortisation will start at the moment of commercialisation in the French market.

The margin that Unifiedpost realised upon these professional services amounts to € 381 thousand. This margin needs to be deferred for 50% in Unifiedpost Group and can only be recognised at the moment of amortisation of the software in Facturel SAS. On the statement of financial position, this deferral has been processed through the non-current contract liabilities for an amount of € 191 thousand per 31 December 2023.

Following these two movements, the total share of loss of associates in Unifiedpost Group amounts to € 573 thousand:

Thousands of euro	**For the year ended**
	2023
Loss of the year Facturel SAS	(382)
Deferred margin for services made to Facturel SAS	(191)
Total share of profit / (loss) of associates	**(573)**

The cash flows related to the revenue streams towards the associate company Facturel SAS, inclusive those arising from the sale of the distribution rights of last year, are presented as operating cash flow and this consistent with the chosen IFRS approach.

5.18 Trade and other receivables

Thousands of Euro	**At 31 December**	
	2023	**2022**
Trade receivables	27.093	28.795
Less: allowance for expected credit losses	(519)	(184)
Trade receivables – net	26.574	28.611
VAT receivable	794	2.294
Factoring Receivable	(5.268)	(2.261) (*)
Other amounts receivable	1.320	985
Total	**23.420**	**29.629 (*)**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

The Company holds its receivables to collect its cash flows. In order to finance its operations, the Company occasionally engages in factoring arrangements with financial institutions.

5.19 Cash and cash equivalents

Thousands of Euro	At 31 December	
	2023	**2022**
Cash in hand	2	16
Cash at bank	21.342	36.871 (*)
Restricted Cash (Payment Solutions customers' cash)	3.789	2.025
Other restricted cash	1.190	1.121 (*)
Cash equivalents	-	-
Cash and cash equivalents per statement of financial position	**26.323**	**40.033**

(*) The comparative figures 2022 have been restated for restricted cash processed originally as cash at bank.

Linked to the divestment of the stand-alone products FitekIN and ONEA, € 74 thousand has been transferred to assets held for sale (see note 5.12).

Cash and cash equivalents decreased by € 13,7 million compared to 2022.

5.20 Share Capital and Reserves

Share capital

The total capital of Unifiedpost Group amounts to € 326.806 thousand and is represented by 35.824.154 shares without mention of nominal value. There are no preference shares. Each of these shares confers one voting right at the Shareholders' Meeting and these shares therefore represent the denominator for the purposes of notifications under the transparency regulations, i.e. notifications in the event that the statutory or legal thresholds starting at 3%, 5%, 10%, 15%, 20% (or every subsequent multiple of 5), of the total number of voting rights attached to Unifiedpost Group's securities are reached or exceeded. Unifiedpost Group's articles of association do not provide for any additional statutory thresholds.

Share capital transactions

The impact of the share capital transactions over the reporting period can be summarised as follows:

Thousands of Euro	Number of shares	Issued capital	Share premium	Other reserve
At 1 January 2022	**33.463.569**	**309.220**	**492**	**2.529**
Issuance of new shares in cash	1.082.862	12.756	-	(3.801)
Issuance of new shares from contribution in kind	1.277.723	4.830	-	-
Changes in carrying value of liabilities associated with puttable NCI	-	-	-	(5.230)
True up of liabilities associated with puttable NCI and unwind of other reserve due to exercise of linked call option	-	-	-	3.637
Other	-	-	-	2
At 31 December 2022	**35.824.154**	**326.806**	**492**	**(2.863)**
Changes in carrying value of liabilities associated with puttable NCI	-	-	-	750
Current year profit and OCI of NCI with put option	-	-	-	535
Other	-	-	-	(3)
At 31 December 2023	**35.824.154**	**326.806**	**492**	**(1.581)**

The capital increases since 1 January 2022 are summarised in following transactions:

a) Capital increase of 18 March 2022

- On 18 March 2022, the Company issued 1.082.862 new shares. As part of the transaction with Francisco Partners in which they provided a € 100 million five-year term loan facility to Unifiedpost, Francisco Partners obtained an equity commitment fee of 3% of the share capital of Unifiedpost, representing € 12,8 million of share capital.

b) Capital increase of 20 October 2022

- On 20 October, the Group issued 1.277.723 new shares for a one-time payment of € 4.830 thousand, to settle the earn-out obligations as stipulated in the agreement with the former Crossinx shareholders (see note 5.28).

After the forementioned issuances of the new shares, the share capital of the Company increases to € 326.805.355,82 represented by 35.824.154 shares without mention of nominal value.

Subscription rights

At the beginning of 2022, the Company had 20.646 non-executed anti-dilution rights left whereby each subscriber was entitled to additionally invest 25% of their initial investment at the same subscription price. However, this clause expired as at 26 June 2022, which means these subscriptions rights are null and void.

Other equity

Other equity includes:

- share-based payments reserve amounting to € 1.831 thousand at 31 December 2023 and € 1.813 thousand at 31 December 2022
- cumulative translation adjustments: the cumulative amount of the exchange differences relating to a foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity
- the difference between the redemption liability associated with puttable non-controlling interests and the amounts of non-controlling interests derecognised

Other comprehensive income

A reconciliation of amounts recorded to Other comprehensive income or loss is as follows:

Thousands of euro	**2023**			**2022**		
	Before tax amount	**Tax (expense)/ benefit**	**Net-of-tax amount**	**Before tax amount**	**Tax (expense)/ benefit**	**Net-of-tax amount**
Exchange differences in translating foreign operations	(138)	-	(138)	(3.336)	-	(3.336)
Re-measurements of the net defined benefit liability	123	-	123	50	-	50
Other comprehensive income	**(15)**	**-**	**(15)**	**(3.286)**	**-**	**(3.286)**

5.21 Borrowings

Thousands of Euro	Note	At 31 December 2023			At 31 December 2022		
		Non-current	Current	Total	Non-current	Current	Total
Bank borrowings	5.21.1	5.633	3.282	8.915	5.061	3.792 (*)	8.853 (*)
Refundable government advances	5.21.2	234	94	328	260	75	335
Other loans	5.21.3	104.650	1.683	106.333	92.087	839	92.926
Total loans and borrowings		**110.517**	**5.059**	**115.576**	**97.408**	**4.706 (*)**	**102.114 (*)**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

5.21.1Bank borrowings

Thousands of Euro	At 31 December 2023			At 31 December 2022		
	Non-current	Current	Total	Non-current	Current	Total
Unsecured						
Subordinated loan	2.400	800	3.200	3.200	800	4.000
Other bank borrowings	8	1.585	1.593	8	1.215	1.223
Total unsecured bank borrowings	**2.408**	**2.385**	**4.793**	**3.208**	**2.015**	**5.223**
Secured						
Acquisition facility Buildings Sirius Star	1.024	191	1.215	1.216	186	1.402
Investment Credit	700	209	909	637	495	1.132
Other bank borrowings	1.501	497	1.998	-	1.096 (*)	1.096 (*)
Total secured bank borrowings	**3.225**	**897**	**4.122**	**1.853**	**1.777 (*)**	**3.630 (*)**
Total bank borrowings	**5.633**	**3.282**	**8.915**	**5.061**	**3.792 (*)**	**8.853 (*)**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

The Group's principal loans outstanding are:

a) BMI Subordinated Loan (unsecured)

Financial Automation Solutions OÜ, the Estonian subsidiary of the Company holding the previously Fitek group of entities, has, on 19 September 2019, entered into a Subordinated Loan Agreement with "Belgische Maatschappij voor Internationale Investering NV" (the "BMI Subordinated Loan"), with the Company acting as co-debtor. The BMI Subordinated loan has a term of 7,5 years and carries an interest of 7% per annum. On short-term, Financial Automation Solutions OÜ needs to repay € 800 thousand.

b) Acquisition Facility Buildings Sirius Star

This acquisition facility was granted by ProCredit Banka to Unifiedpost Balkan and relates to the real estate Sirius Star Building in Belgrade. The non-current secured acquisition facility outstanding per 31 December 2023 amounts to € 1.024 thousand and on short-term € 191 thousand is outstanding.

c) Acquisition Facility Belfius Bank

In order to refinance past acquisitions, the Company entered into an acquisition credit facility for a total amount of € 25 million with Belfius Bank NV on 12 March 2019, with an increase towards € 34 million on 4 April 2019. The Acquisition Facility was divided in a "Facility A" (€ 17 million) and a "Facility B" (€ 17 million). Pursuant to the terms, the Company has repaid end of September 2020 all outstanding loans under Facility B, together with any break costs and accrued interest thereon. On 11 March 2022, the outstanding amount of € 16,4 million was entirely repaid.

d) Liquidity facility Belfius Bank

Belfius Bank NV granted in August 2021 a liquidity facility of € 5 million to Unifiedpost Group, a revolving facility with a maximum term of 18 months, not covered by the Gigarant guarantee. This facility has been entirely reimbursed on 11 March 2022.

e) Investment Credits Unifiedpost Balkan

Unifiedpost d.o.o. has currently 2 investment loans agreed with ProCredit Banka. The long-term outstanding of these credits is € 338 thousand and short-term outstanding is € 169 thousand.

New Image doo has 2 outstanding investment loans with Erste banka and ProCredit Banka with a long-term outstanding of € 362 thousand and € 40 thousand at short term.

f) Other bank borrowings

- **Long-term loan with Commerzbank (secured):** On 17 March 2021, Crossinx GmbH entered into a 'Universal loan' agreement with Commerzbank. The loan has a fixed interest rate of 3,19% and a maturity at 31 January 2027 (€ 750 thousand). No redemption payment was due within the first 12 months. Per 31 December 2023, the outstanding debt amounts to € 497 thousand.
- **Long-term loan with ProCredit Banka (secured)**: On 27 June 2023, Unifiedpost Solutions d.o.o. agreed with ProCredit Banka 3 new secured other bank borrowings, with for all these three loans a maturity of 3 years and a grace period until 1 January 2025. The long-term outstanding of these loans amounts to a total of € 1.501 thousand.
- **Other unsecured bank borrowings:** Per 31 December 2023, the Group has € 1.604 thousand outstanding short-term loans for vacation pay or 13th month, a cash guarantee of € 8 thousand at long-term and a bank overdraft of € 20 thousand.
- Of these other unsecured bank borrowings, € 39 thousand has been transferred to assets held for sale, as it is related to the divestment of the stand-alone products FitekIN and ONEA (see note 5.12).

5.21.2 Refundable government advances

Prior to 1 January 2017, the Group has received financing from the Walloon Region government in the form of low interest-bearing loans funding certain research and development activities. In case the funded research is successful, and the Company exploits its results, 30% of the loan is repayable in fixed amounts, and up to 170% in the form of royalties. Repayment can be forgiven at any time if the Company assigns the results of the research to the government.

On transition date to IFRS and subsequently, the loans have been recorded at their amortised cost retrospectively applying the effective interest method in IFRS 9.

The table below provides details on the refundable government advances granted to the Group and repayments made in 2022 and 2023.

						2023		2022	
Ref.	**Grant amount**	**Comments**	**Contract date**	**Decision year on fixed repayments part**	**% Fixed**	**Liability expressed in financial position**	**Paid**	**Liability expressed in financial position**	**Paid**
1.	304	R&D project closed in 2019	2005	2007	6%	60	-	53	20
2.	830	R&D project closed in 2019	2008	2012	6%	268	55	282	55
Total						**328**	**55**	**335**	**75**

5.21.3 Other loans

The other loans can be summarised as follows:

Thousands of euro	At 31 December 2023			At 31 December 2022		
	Non-current	**Current**	**Total**	**Non-current**	**Current**	**Total**
Francisco Partners – Facility A + CAF	86.010	-	86.010	86.010	-	86.010
Francisco Partners – Accrued interest	16.900	-	16.900	6.069	38	6.107
Valitax	1.666	1.667	3.333	-	-	-
Valitax – accrued interest	59	16	75	-	-	-
Deferred considerations	-	-	-	-	801	801
Debt minority shareholder subsidiary Bulgaria	15	-	15	8	-	8
Total other loans	**104.650**	**1.683**	**106.333**	**92.087**	**839**	**92.926**

The other loans outstanding are:

a) Facility Francisco Partners

- On 7 March 2022, Unifiedpost signed a € 100 million five-year senior facilities agreement ("SFA"), provided by Francisco Partners, a leading global investment firm that specializes in partnering with technology-enabled businesses.
- This newly granted loan facility is and can be used for refinancing of existing financial debts, financing of working capital requirements, financing of permitted acquisitions, financing of exercised option rights, financing of committed deferred considerations and eventually earn-out payments, financing of transaction costs, fees and expenses.

The key elements of the SFA are:

- The facility is structured in a term loan facility A ("Facility A") of € 75 million and a capex and acquisition facility ("CAF") of € 25 million. The term loan facility A is funded in full at closing. The CAF remains available for 24 months from the closing date. Unifiedpost Group has called the CAF in December 2022.
- The senior facility expires in 5 years from the signature date on 7 March 2027.
- The loan bears a 3% cash interest payable at the end of each interest period and an 8% interest paid in kind and capitalised at the end of each interest period (default interest periods are 3 or 6 months). In addition, Francisco Partners received a fee/reinvestment for 3% equity which is already been reinvested in the equity (see note 5.20).
- An upfront fee of € 2,5 million was deducted from utilisation at closing.
- Pursuant to this facility, the Company is subject to two financial covenants, which need to be calculated on a quarterly basis (see note 5.28.2.4).
- The loan facility is guaranteed by a share pledge on the main Belgian entities, the Dutch entities, and the entities in Luxembourg, UK, Sweden and Germany. In addition to the share pledge, there is (i) an IP pledge on the intellectual property in Belgium and Germany, (ii) a bank account pledge on Swedish bank accounts, (iii) a business assets pledge in the UK and (iv) an intragroup receivable pledge on Unifiedpost Group SA.

The net proceeds from the Francisco Partner Loan can be summarised as follows:

Thousands of euro	
Facility A	75.000
Capex and acquisition facility	25.000
Upfront transaction fee	(2.500)
Equity fee	(12.756)
Transaction costs	(2.534)
Net proceeds received	**82.210**

b) Valitax

The purchase price for the Valitax tool amounted to € 5 million (see note 5.14), payable in three annual instalments. The contractually agreed interest rate is set at Euribor 12 months of the day preceding payment (but never less than 0%). Per 31 December 2023 a total of € 75 thousand interest has been accrued.

One third of the loan has been paid in 2023 for an amount of € 1.667 thousand. The other two thirds are due in respectively September 2024 and September 2025.

c) Deferred considerations

The remaining deferred considerations of the 2021 acquisitions of € 801 thousand has been paid in January 2023.

5.22 Liabilities associated with puttable non-controlling interests

The liabilities associated with puttable non-controlling interests can be summarised as follows:

Thousands of euro	At 31 December 2023			At 31 December 2022		
	Non-current	**Current**	**Total**	**Non-current**	**Current**	**Total**
Put option – Serbia	-	6.450	6.450	-	7.240	7.240
Put option – Romania	-	330	330	-	430	430
Put option – Croatia	-	780	780	650	-	650
Put option – Bulgaria	200	-	200	190	-	190
Total liabilities associated with puttable non-controlling interests	**200**	**7.560**	**7.760**	**840**	**7.670**	**8.510**

The following changes in value took place in 2022 and 2023:

Thousands of euro	**Non-current**	**Current**	**Total**
At 1 January 2022	**1.200**	**7.080**	**8.280**
Changes in value of estimated redemption liability due to the passage of time and other reasons – Serbia	-	5.160	5.160
Changes in value of estimated redemption liability due to the passage of time and other reasons – Romania	(520)	430	(90)
Changes in value of estimated redemption liability due to passage of time and other reasons – Croatia	(30)	-	(30)
Put option relating to Bulgaria	190	-	190
Realisation put option – Serbia	-	(5.000)	(5.000)
At 31 December 2022	**840**	**7.670**	**8.510**
Changes in value of estimated redemption liability due to the passage of time and other reasons – Serbia	-	(790)	(790)
Changes in value of estimated redemption liability due to the passage of time and other reasons – Romania	-	(100)	(100)
Changes in value of estimated redemption liability due to passage of time and other reasons – Croatia	(650)	780	130
Changes in value of estimated redemption liability due to passage of time and other reasons – Bulgaria	10	-	10
At 31 December 2023	**200**	**7.560**	**7.760**

Unifiedpost Serbia (previously named 'Fitek Balkan')

On 26 February 2020 a shareholder's agreement was signed in which the Group granted a put option to non-controlling shareholders of Unifiedpost Serbia whereby they have the right to sell their shares to the Group, at a price to be determined at the time of exercise based on an agreed formula approximating a market price adjusted for the fair market value of the Sirius Star's building in Belgrade. The terms do not provide the Group with a present ownership interest in the shares subject to the put option. The amount that may become payable under the option on exercise was initially recognised at the present value of the estimated redemption amount within liabilities (€ 6.355 thousand). The liability is subsequently adjusted for the changes in value, including the effect of unwinding the discount and other changes in the estimated redemption amount due to changes in management's assumptions, directly through equity. There is no separate accounting for the unwinding of the discount due to the passage of time.

At 31 December 2021, the Unifiedpost Serbia put option was valued at € 7.080 thousand. On 4 July 2022, the Minority shareholders exercised the put option right to sell 24% of ownership interests in the digital business for a total amount of € 5 million. The remaining estimated redemption liability increased by a total of € 5.160 thousand during 2022, which was directly recorded in equity, to bring the value of the put option to € 7.240 thousand per 31 December 2022. In 2023, the liability decreased with € 790 thousand, also recorded in equity.

Unifiedpost Romania JV

A shareholder's agreement was signed, upon the establishment of the subsidiary of Unifiedpost in Romania, in which the Group granted a put option to non-controlling shareholders of SC Unifiedpost s.r.l. whereby they have the right to sell their shares to the Group, at a price to be determined at the time of exercise based on an agreed formula approximating a market price. The put option can only be exercised after 8 December 2023. The terms do not provide a present ownership interest in the shares subject to the put. The amount that may become payable under the option on exercise was initially recognised at the present value of the redemption amount within liabilities amounting to € 1 million. The liability is subsequently adjusted for the changes in value, including the effect of unwinding of the discount and other changes in the estimated redemption amount due to changes in management's assumptions, directly through equity. There is no separate accounting for the unwinding of the discount due to the passage of time. The estimated redemption liability decreased by a total of € 90 thousand during 2022, which has been recorded directly in equity. In 2023, the liability decreased further with another € 100 thousand, also recorded directly in equity, to end up at a fair value of € 330 thousand at 31 December 2023.

Unifiedpost Croatia JV

On 8 July 2021, the Group established a subsidiary Unifiedpost Limited Liability Company, with the aim to provide e-invoicing services in Croatia. The Group has a 51% ownership in this subsidiary. On 11 June 2021 a shareholder's agreement was signed in which the Group granted a put option to non-controlling shareholders of Unifiedpost Croatia whereby they have the right to sell their shares to the Group, at a price to be determined at the time of exercise based on an agreed formula approximating a market price. The put option can only be exercised following the 3rd anniversary of the incorporation. The terms do not provide a present ownership interest in the shares subject to the put. The amount that may become payable under the option on exercise was initially recognised at the present value of the redemption amount within liabilities of € 680 thousand. The liability is subsequently adjusted for the changes in value, including the effect of unwinding the discount and other changes in the estimated redemption amount due to changes in management's assumptions, directly through equity. There is no separate accounting for the unwinding of the discount due to the passage of time. The estimated redemption liability decreased by a total of € 30 thousand during 2022, which has been recorded directly in equity. In 2023, the liability increased by € 130 thousand, also recorded in equity, to end up at a fair value of € 780 thousand at 31 December 2023.

Unifiedpost Bulgaria JV

On 17 May 2022, the Group established a subsidiary Unifiedpost Business Solutions Bulgaria OOD, with the aim to provide e-invoicing services in Bulgaria. The Group has a 70% ownership in this subsidiary. In the shareholder's agreement the Group granted a put option to non-controlling shareholders of Unifiedpost Bulgaria whereby they have the right to sell their shares to the Group, at a price to be determined at the time of exercise based on an agreed formula approximating a market price. The put option can only be exercised following the 3rd anniversary of the incorporation. The terms do not provide the Group with a present ownership interest in the shares subject to the put option. The amount that may become payable under the option on exercise was initially recognised at the present value of the estimated redemption amount within liabilities (€ 190 thousand) with debit entries to derecognise non-controlling interests (€ 0 thousand) and a direct charge to the equity attributable to equity holders for the difference (€ 190 thousand). In 2023, the liability increased by € 10 thousand, recorded in equity, to bring the value of the put option to € 200 thousand at 31 December 2023.

5.23 Reconciliation of liabilities arising from financing activities

The table below explains changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. For lease liabilities, we refer to note 5.24.

Thousands of Euro	**Non-current**	**Current**	**Total**
At 1 January 2022	**10.068**	**29.497**	**39.565 (*)**
Cash flows			
Debt drawdown	83.150	831	83.981 (*)
Repayments debts	-	(22.538)	(22.538) (*)
Exercise of the put option in Serbia	-	(5.000)	(5.000)
Non-cash changes			
Accrued interest	5.142	-	5.142
Discount effect on other borrowing	978	-	978
Reclass to current	(4.533)	4.533	-
Embedded derivatives in capital increase in cash	-	(535)	(535)
Put option written on non-controlling interests	(360)	5.590	5.230
Equity cost booked in other reserves	3.801	-	3.801
FX difference	2	(2)	-
At 31 December 2022	**98.248**	**12.376**	**110.624 (*)**
Cash flows			
Debt drawdown	1.781	2.132	3.913
Repayments debts	-	(6.367)	(6.367)
Repayment interest Francisco Partners	-	(3.286)	(3.286)
Non-cash changes			
Deferred payment Valitax	3.333	1.667	5.000
Deferred payment Valitax – accrued interest	59	16	75
Accrued interest	8.737	3.334	12.071
Discount effect on other borrowing	2.093	-	2.093
Reclass to current	(2.896)	2.896	-
Put option written on non-controlling interests	(640)	(110)	(750)
Transfer to assets held for sale	-	(39)	(39)
FX difference	2	-	2
At 31 December 2023	**110.717**	**12.619**	**123.336**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

Per 31 December 2022, € 82.210 thousand debt drawdown, € 5.092 thousand accrued interest and discount effect of € 978 thousand concerned the loan facility of Francisco Partners, while per 31 December 2023, the accrued interest for the Francisco Partners loan amounted to € 8.544 thousand and the discount effect to € 2.093 thousand (see note 5.21.3).

5.24 Lease liabilities

In the below table the lease liabilities are presented:

Thousands of Euro	**Land and Buildings**	**Machinery and Hardware**	**Vehicles**	**Total**
At 1 January 2022	**8.879**	**441**	**2.284**	**11.604**
Addition	1.122	-	1.508	2.630
Interest expense	200	9	80	289
Effect of modification to lease terms	215	-	-	215
Lease payment	(2.687)	(344)	(1.295)	(4.326)
Disposal	(35)	-	(2)	(37)
Foreign exchange movement	(124)	(9)	(4)	(137)
Other	(137)	90	47	-
At 31 December 2022	**7.433**	**187**	**2.618**	**10.238**
Addition	1.211	1.290	1.268	3.769
Interest expense	221	65	90	376
Effect of modification to lease terms	77	-	-	77
Lease payment	(2.779)	(361)	(1.384)	(4.524)
Disposal	(8)	(94)	(81)	(183)
Foreign exchange movement	(16)	4	(1)	(13)
At 31 December 2023	**6.139**	**1.091**	**2.511**	**9.740**

5.25 Trade and other payables

Thousands of Euro		**At 31 December**
	2023	**2022**
Trade payables	27.313	22.116
VAT payable	2.578	2.044
Salaries and social security payable	8.503	7.155
Payment Solutions customers' Funds in Transit	3.736	1.996
Other amounts payable	1.124	818
Accrued expenses	676	724
Total	**43.930**	**34.853**

Linked to the divestment of the stand-alone products FitekIN and ONEA, a total amount of € 517 thousand has been transferred to liabilities directly associated with assets held for sale (see note 5.12).

5.26 Retirement benefit schemes

The Group sponsors various post-employment benefit plans. These include both defined contribution and defined benefit plans as defined by IAS 19 Employee Benefits.

Defined contribution plans

For defined contribution plans outside Belgium, the Group pays contributions to publicly or privately administered pension funds or insurance contracts. Once the contributions have been paid, the Group has no further payment obligation. The contributions are expensed in the year in which they are due. For 2023, contributions paid into defined contribution plans amounted to € 948 thousand (2022: € 1.087 thousand).

Defined benefit plans

The Group has group insurance plans for some of its Belgian employees funded through defined payments to insurance companies. The Belgian pension plans are by law subject to minimum guaranteed rates of return. In the past the minimum guaranteed rates were 3,25% on employer contributions and 3,75% on employee contributions. A law of December 2015 (enforced on 1 January 2016) modifies the minimum guaranteed rates of return applicable to the Company's Belgian pension plans. For insured plans, the rates of 3,25% on employer contributions and 3,75% on employee contributions will continue to apply to the contributions accumulated before 2016. For contributions paid from 2016, a variable minimum guaranteed rate of return with a floor of 1,75% applies. The Group obtained actuarial calculations, from an independent actuary, for the periods reported based on the projected unit credit method.

Thousands of Euro	**At 31 December**	
	2023	**2022**
The amounts recognised in the statement of financial position are as follows:		
Present value of funded defined benefit obligations	(2.667)	(2.212)
Fair value of plan assets	2.671	2.131
Unrecognised past service cost	-	(2)
Total	**4**	**(83)**
The amounts recognised in the statement of profit or loss are as follows:		
Service cost	374	265
Interest cost	71	19
Expected return on plan assets	(75)	(19)
Effect of any curtailment or settlement	-	(236)
Total pension expense	**370**	**29**
Changes in the present value of the defined benefit obligation are as follows:		
Defined benefit obligation at beginning of year	**2.212**	**2.000**
Current service cost	374	129
Past service cost	-	135
Interest cost	71	19
Benefits paid	(191)	(53)
Actuarial remeasurements	200	(18)
Exchange rate		-
Defined benefit obligation at end of year	**2.666**	**2.212**

Thousands of Euro	At 31 December	
	2023	**2022**
Changes in the fair value of the plan assets are as follows:		
Fair value of plan assets at beginning of the year	2.131	1.825
Interest income on plan assets	75	(5)
Remeasurements	323	19
Contributions paid by the company and by participants	354	110
Benefits and expenses paid	(191)	182
Fair value of the plan assets at end of the year	**2.671**	**2.131**
Amounts recognised in other comprehensive (income)/loss in the period:		
Prior year cumulative actuarial remeasurements	(119)	(81)
Remeasurements	(123)	(38)
Cumulative number of actuarial gains and losses recognised in other comprehensive (income)/loss	**(242)**	**(119)**
Movements in the net (liability)/ asset recognised in the balance sheet are as follows:		
Net liability in the balance sheet at beginning of year	(83)	(175)
Total expense recognised in the income statement	(370)	(291)
Contributions paid by the company	333	110
Benefits paid directly		235
Amount recognised as recognised in other comprehensive (income)/loss	123	38
Defined benefit obligation at end of year	**4**	**(83)**

Thousands of Euro	At 31 December	
	2023	**2022**
Actual return on plan assets is as follows:		
Actual return on plan assets	302	19
Remeasurement of plan assets	(200)	19
Actuarial return on plan assets	**(102)**	**38**

The principal actuarial assumptions used in determining the present value of the defined benefit obligations include:

	At 31 December	
	2023	**2022**
Discount rate	3,45%	3,30%
Future salary increases	3,20%	3,30%
Future inflation	2,20%	2,30%

5.27 Segment information

The Company's chief operating decision-maker is its Board of Directors, who reviews information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance, and allocating resources. The key available information for the decision-makers are data per (i) operating segment and (ii) country/regional level.

5.27.1 Information per operating segment

The Group has identified the following operating segments with separate business activities. These business units are fully in line with the cash generating units as described in the impairment testing (see note 5.13):

- Digital document processing: groups all digital document processing activities for as well SME clients as Corporate clients, covering the inbound document flow as well as the outbound document flow
- Paper processing: groups all offset printing activities and paper delivery activity including sale of stamps
- Payment: groups all regulated activities regarding payment activities, for which specific compliance rules are applicable and separate reporting as well as separate governing bodies are installed
- Services and Apps: groups all financial and other services offered to our clients whereby we make use of data gathered
- Postage and Parcel optimisation: this segment groups all optimisation activities for the postage distribution (today only in the Scandinavian market)

Compared to the segment information disclosed until 31 December 2022, on top of revenue per business activity, also segment information until contribution has been added for 2023, as well as total capitalisation on other intangible assets as of 2023.

Thousands of Euro	**Digital document processing**	**Paper processing**	**Payment**	**Services and Apps**	**Postage and Parcel optimisation**	**Corporate**	**Total**
For the year ended 31 December 2023							
Total Revenue (*)	91.892	39.261	2.482	2.980	54.770	-	191.385
Total Revenue in %	48,0%	20,5%	1,3%	1,6%	28,6%	-	100%
Total Contribution	47.275	8.963	1.141	1.664	6.919	-	65.962
Contribution Margin	51,4%	22,8%	46,0%	55,8%	12,6%	-	34,5%
At 31 December 2023							
Intangible assets – Total Capex (***)	15.990	-	4.969	410	3	-	21.372
Intangible assets – Capex own development	9.685	-	4.383	3	-	-	14.071
Intangible assets net book value	60.048	-	11.740	5.678	4.179	673	82.318
Staffing in number of FTE (****) at closing date	974	50	102	31	38	71	1.266

Thousands of Euro	**Digital document processing**	**Paper processing**	**Payment**	**Services and Apps**	**Postage and Parcel optimisation**	**Corporate**	**Total**
For the year ended 31 December 2022							
Total Revenue (*)	84.194	36.946	2.863	2.913	64.047	-	190.963
Total Revenue in %	44,1%	19,3%	1,5%	1,5%	33,6%	-	100%
Total Contribution (**)	na	na	na	na	na	na	na
Contribution Margin (**)	na	na	na	na	na	na	na
At 31 December 2022							
Other intangible assets – Total Capex (***)	16.679	-	4.145	469	949	-	22.242
Other intangible assets – Capex own development	16.500	-	4.143	471	940	-	22.054
Intangible assets net book value	70.563	137	7.603	581	5.942	690	85.516
Staffing in number of FTE (****) at closing date	1.246	70	73	26	28	11	1.454

(*) see note 5.6.2

(**) data for previous year was not available in same format of presentation

(***) see note 5.14

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

5.27.2 Information per geographical area

The Group defined following geographical regions:

- West Europe: Austria – Belgium – Switzerland – Germany – France – Luxembourg – The Netherlands – United Kingdom
- Central East Europe: Bulgaria – Czech Republic – Hungary – Poland – Slovakia
- South Europe: Albania – Bosnia-Herzegovina – Spain – Greece – Croatia – Italy – Moldova – Portugal – Romania – Republic of Serbia
- North Europe: Denmark – Estonia – Finland – Lithuania – Latvia – Norway – Sweden
- Rest of the World: Morocco – Singapore – Vietnam

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

Thousands of Euro	**West Europe**	**Central East Europe**	**South Europe**	**North Europe**	**Rest of the World**	**Total**
For the year ended 31 December 2023						
Total Revenue (*)	64.589	4.310	19.418	103.000	68	191.385
Total Revenue in %	33,7%	2,3%	10,1%	53,9%	0,0%	100%
Total Contribution	36.162	2.289	8.674	18.812	25	65.962
Contribution Margin	56,0%	53,1%	44,7%	18,3%	36,6%	34,5%
At 31 December 2023						
Other intangible assets – Total Capex (***)	20.577	-	784	11	-	21.372
Other intangible assets – Capex own development	13.635	-	436	-	-	14.071
Intangible assets net book value	56.503	2	23.017	2.796	-	82.318
Staffing in number of FTE (****) at closing date	603	37	252	342	32	1.266

Thousands of Euro	**West Europe**	**Central East Europe**	**South Europe**	**North Europe**	**Rest of the World**	**Total**
For the year ended 31 December 2022						
Total Revenue (*)	63.870	4.285	14.818	107.978	12	190.963
Total Revenue in %	33%	2%	8%	57%	0%	100%
Total Contribution (**)	na	na	na	na	na	na
Contribution Margin (**)	na	na	na	na	na	na
At 31 December 2022						
Other intangible assets – Total Capex (***)	19.454	-	107	2.681	-	22.242
Other intangible assets – Capex own development	19.404	-	107	2.543	-	22.054
Intangible assets net book value	52.999	4	2.506	30.007	-	85.516
Staffing in number of FTE (****) at closing date	520	76	504	289	65	1.454

(*) see note 5.6.2

(**) data for previous year was not available in same format of presentation

(***) see note 5.14

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

The revenue relating to the Belgian market, which is the local market of Unifiedpost Group SA, amounts to € 29,3 million in 2023 (2022: € 31,1 million), a slight decline as the one-off license revenue for Facturel was recognised in 2022 (€ 3.750 thousand).

5.28 Financial instruments and financial risk management

5.28.1 Financial instruments

Categories and fair value of financial instruments

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

		At December 31	
	Categories	**2023**	**2022**
Financial assets			
Trade and other receivables	FAAC (*)	23.420	29.629 (****)
Cash and cash equivalents	FAAC (*)	26.323	40.033
Total		**49.743**	**69.662**
Financial liabilities			
Loans and borrowings	FLAC (**)	115.576	102.114 (****)
Liabilities associated with puttable non-controlling interests	FLAFTE (***)	7.760	8.510
Lease liabilities	FLAC (**)	9.740	10.238
Trade and other payables	FLAC (**)	43.930	34.853
Total		**177.006**	**157.715**

(*) Financial assets measured at amortised cost

(**) Financial liabilities measured at amortised cost

(***) Financial liabilities at fair value through equity

(****)The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

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

For the majority of the borrowings, the fair values are not materially different from their carrying amounts, because interest payable on those borrowings is either close to current market rates or the loans were taken recently.

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

Financial instruments recognised at fair value measurements

IFRS recognises the following hierarchy of fair value measurements:

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

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

- The Subscription rights are no longer valid since 30 June 2022, consequently these are valued at € 0 at balance sheet date
- The put options have been valued still applying a discounted cash flow method and confirm with the methodology contractually agreed (addenda to the original agreements have been signed in June 2023 and have been processed accordingly in the valuation at year-end)

Liabilities associated with puttable non-controlling interest

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

- The weighted annual growth rate of the revenues (2,98%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues
- The applied discount rate (8,63%): an increase of the discount rate by 1% would decrease fair value by € 230 thousand, a decrease of the discount rate by 1% would increase fair value by € 230 thousand

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

- The weighted annual growth rate of the revenues (6,54%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues
- The applied discount rate (8,63%): an increase of the discount rate by 1% would decrease fair value by € 50 thousand, a decrease of the discount rate by 1% would increase fair value by € 60 thousand

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

- The weighted annual growth rate of the revenues (132,01%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues
- The applied discount rate (8,78%): an increase of the discount rate by 1% would decrease fair value by € 20 thousand, a decrease of the discount rate by 1% would increase fair value by € 20 thousand

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

- The weighted annual growth rate of the revenues (153,46%): an increase or decrease of the annual growth rate of the revenues would not affect the fair value as put option liability has been capped with call option liability minimal value, which is not dependent on the revenues
- The applied discount rate (5,59%): an increase of the discount rate by 1% would decrease fair value by € 40 thousand, a decrease of the discount rate by 1% would increase fair value by € 40 thousand

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

- The weighted annual growth rate of the revenues (75,96%): an increase or decrease of the annual growth rate of the revenues would not significantly affect the fair value of the put option liability
- The applied discount rate (5,29%): an increase of the discount rate by 1% would decrease fair value by € 10 thousand, a decrease of the discount rate by 1% would increase fair value by € 10 thousand

5.28.2 Financial risk management

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

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

5.28.2.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss for the Company. Unifiedpost grants credit to its customers in the framework of its normal business activities. Usually, no pledge or other collateral is required to cover the amounts due. It is the Group's policy, implemented locally, to assess the credit risk of new customers before entering into contracts, taking into account their financial position, past experience and other factors. For higher risk clients future credit sales are made only with the approval of the Group's management. The Group monitors on a monthly basis the ageing of its trade receivables.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

The Group applied the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected low allowance for all receivables. To measure the expected credit losses, receivables have been grouped based on credit risk characteristics and the days past due. The provision for expected credit losses was insignificant given that there is no history of material credit losses and the high-quality nature of Unifiedpost's customers.

The Group's allowance as at 31 December 2023 and 2022 was determined as follows for both trade receivables and contract assets:

Thousands of Euro	Neither past due nor impaired	Past due but not impaired			
		< 3 months	3-6 months	6+ months	Total
31 December 2022					
Expected loss rate	0,26%	0,81%	3,89%	16,86%	0,63%
Gross carrying amount – trade receivables	23.057	4.975	361	402	28.795
Contract assets	426	-	-	-	426
Loss allowance	**62**	**40**	**14**	**68**	**184**
31 December 2023					
Expected loss rate	0,18%	0,96%	4,80%	68,58%	1,87%
Gross carrying amount – trade receivables	18.627	7.495	398	573	27.093
Contract assets	617	-	-	-	617
Loss allowance	**35**	**72**	**19**	**393**	**519**

5.28.2.2 Market risk

Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), in foreign exchange rates (currency risk) or in other market factors (another price risk).

Foreign exchange risk

The Group operates across several countries, with its major operations in the Eurozone. It operates in each country predominately in the local currencies, of which the most important ones are:

(a) the Euro
(ii) the Romanian Lei (RON) for its development centre in Romania
(iii) the British pound (GBP) for the Unifiedpost Ltd operations
(iv) the Serbian Dinar (RSD) for Unifiedpost Serbian operations
(v) the Swedish Krona (SEK), for Unifiedpost Swedish operations
(vi) the Norwegian Krona (NOK) for Unifiedpost Norwegian operations

The Group's policy to date has not been to actively hedge the net investment position in local operations.

At 31 December 2023, the currency risk on assets and liabilities was as follows based on notional amounts:

Thousands of Euro	RON	GBP	RSD	SEK	NOK	OTHER
Trade and other receivables	171	831	1.921	7.684	896	586
Trade and other payables	1.040	929	5.349	10.253	779	1.088
Loans payable	-	-	1.501	-	-	-

At 31 December 2022, the currency risk on assets and liabilities was as follows based on notional amounts:

Thousands of Euro	RON	GBP	RSD	SEK	NOK	OTHER
Trade and other receivables	669	772	1.439	9.921	900	771
Trade and other payables	1.454	716	3.197	8.673	631	892
Loans payable	-	-	213	-	-	-

A 10% strengthening or weakening of the Euro against these foreign currency rates would not significantly affect reported equity.

Cash flow and fair value interest rate risk

The Group's interest rate risk primarily is limited as the senior facility loan is expressed in euro and set at a fixed rate. Also the BMI subordinated loan and the Sirius building loan is set at fixed interest rate. Other loans are less significant.

5.28.2.3 Liquidity risk

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

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on their remaining term at the reporting dates. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments.

As per 31 December 2023 and 31 December 2022, the liquidity risk can be summarised as follows:

Thousands of Euro	< 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 years and 5 years	> 5 years	Total
Loans & Borrowings	953	7.960	8.290	155.609	305	173.117
Liabilities associated with puttable non-controlling interests	-	7.560	200	-	-	7.760
Lease liabilities	1.010	2.779	3.238	3.329	119	10.475
Trade & other payables	40.874	3.051	-	5	-	43.930
At 31 December 2023	**42.837**	**21.350**	**11.728**	**158.943**	**424**	**235.282**

Thousands of Euro	< 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 years and 5 years	> 5 years	Total
Loans & Borrowings	1.633 (*)	6.262	5.086	160.103	257	173.341
Liabilities associated with puttable non-controlling interests	-	7.670	650	190	-	8.510
Lease liabilities	1.053	3.023	2.977	3.583	214	10.850
Trade & other payables	33.625	982	26	43	177	34.853
At 31 December 2022	**36.311**	**17.937**	**8.739**	**163.919**	**648**	**227.554**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

5.28.2.4 Capital risk management

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

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

Thousands of Euro		At 31 December	
	Note	**2023**	**2022**
Net financial debt / (cash)			
(Cash and cash equivalents)	5.19	(26.323)	(40.033)
Bank borrowings	5.21.1	8.915	8.853 (*)
Other loans (FP)	5.21.3	102.910	92.117
Lease liabilities	5.24	9.740	10.238
Net financial debt / (cash)		**95.242**	**71.175**
Net debt / (cash) (i.e. excl. subordinated loan)		**92.042**	**67.175**
'Equity'			
Reported shareholders' equity		75.910	158.290
'Equity'		**75.910**	**158.290**
Gearing ratio (Net financial debt / equity)		**125,5%**	**45,0%**

(*) The comparative figures 2022 have been restated following IAS 8 as explained in note 5.3.

The gearing ratio mainly increased at 31 December 2023 due to the impairment on goodwill that has been processed through profit and loss of operations.

Under the terms of the loan facility of Francisco Partners, the Group is subject to two financial covenants as described in note 5.21.3. Per 31 December 2023, Unifiedpost Group was not in breach with these covenants:

- The Financial Maintenance Covenant or Minimum Liquidity states that the Group liquidity must be at least € 20 million, and can be decreased to a minimum of € 12,5 million if the subscription revenue is € 25 million (or more) or the last twelve month recurring digital processing revenue amounts to € 110 million (or more). This covenant was met because per 31 December 2023 as the Group liquidity was higher than the minimum liquidity of € 12,5 million (remaining headroom amounts to € 13,8 million at 31 December 2023).
- The Financial Incurrence Covenant, applicable for various transactions such as permitted acquisitions, CAF utilisations, or the Annual Recurring Leverage Ratio ("ARR") was also met because it did not exceed 1,50:1. The total net borrowings (including all loans and borrowings for a total amount of € 115,6 million as well as the lease liabilities of € 9,7 million minus the cash and cash equivalents for € 26,3 million) reached a total amount of € 99 million compared to € 179,6 million annual recurring revenue, making the ARR end up at 0,50 per 31 December 2023.

Furthermore, under the terms of the Universal loan agreement with Commerzbank (see note 5.21.1), the Group is subject to the following covenant as of December 2022:

- A positive free cash flow is required and an EBIT of € 1 million. As the Group did not reach a positive free cash flow nor an EBIT of € 1 million, this covenant was not met and the loan was processed as on short term.

Finally, under the terms of the 3 new 'Other bank loans' in Serbia, agreed with ProCredit Banka (see note 5.21.1), the Group is also subject to the following covenants:

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

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

Unifiedpost is not in breach of any of these covenants at year-end 2023.

5.29 Significant agreements, commitments and contingencies

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

5.30 Transactions with related parties

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

Thousands of Euro	**Sales to related party**		**Services from related party**	
	For the year ended 31 December		**For the year ended 31 December**	
	2023	**2022**	**2023**	**2022**
Key management	-	-	-	-
Associates & joint ventures	1.399	4.000 (*)	-	-
Members of the Board of Directors	-	-	238	238
Other related parties	-	-	-	-

(*) The comparative figures 2022 have been restated to take up the sales in 2022 to Facturel sas.

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

Thousands of Euro	**Amounts owed to related party**		**Amount owed by related party**	
	For the year ended 31 December		**For the year ended 31 December**	
	2023	**2022**	**2023**	**2022**
Key management	438	569	-	-
Associates & joint ventures	-	-	362	4.000 (*)
Members of the Board of Directors	121	94	-	-
Other related parties		-	-	-

(*) The comparative figures 2022 have been restated to take up the amount awed by Facturel sas per 31 December 2022.

Amounts owed to related parties are unsecured and will be settled in cash. No guarantees have been given or received. The amounts owed to related parties are mainly related to outstanding invoices from key management or agreed fees for members of the Board of Directors.

No provisions of doubtful debts have been raised against amounts outstanding, and no expense has been recognised during the period in respect of bad or doubtful debts due from related parties.

The category members of the Board of Directors are used to present transactions with Board Members, who are not part of Key Management or Main Shareholders.

Key management personnel compensation:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel are members of the management committee.

The key management compensation reflects the fixed remuneration as well as the accrual for bonus. The bonusses for 2023 have been approved in the Remuneration Committee of 7 February 2024.

Thousands of Euro	**For the year ended 31 December**	
	2023	**2022**
Key management compensation	1.245	1.648 (*)
Total	**1.245**	**1.648**

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

For the year ended 31 December 2023, the key management compensation consisted out of € 1.190 thousand as fixed remuneration and € 55 thousand variable remuneration, compared to € 1.574 thousand fixed remuneration and € 74 thousand variable remuneration in 2022.

The decrease in key management compensation is due to (i) the cessation to be a member of the Management Committee of Kilauea Management Consulting BV, permanently represented by Hans Jacobs , as of 31 August 2023, (ii) the termination of the agreement with Marcus Laube as CSO on 31 October 2023, and (iii) Marleen Mouton BV, permanently represented by Marleen Mouton, who left the Company in November 2022. The key management compensation for Kilauea Management Consulting BV, permanently represented by Hans Jacobs, has been taken up in this overview until August 2023, whereas the one for Marcus Laube has been taken up until October 2023.

5.31 Share-based payment schemes

At 31 December 2023, as at 31 December 2022, 135.250 subscription rights remained outstanding of which 134.250 had been granted as follows:

- 100.000 "Key Man Subscription Rights", with an exercise price of € 18,30, which upon exercise, will convert into Class C shares initially, but after listing, in ordinary shares; and
- 34.250 "Employee Subscription Rights" granted under an employee stock option plan, with an exercise price which shall be determined by the Board of Directors, provided that the exercise price may never be lower than the nominal value of the shares. Upon exercise, these warrants would transform into Class C shares initially, but after the listing, in ordinary shares.

At the end of October 2021, 500.000 new warrants were issued. On 31 December 2023 non of these warrants were granted.

The table below summarises the main characteristics and number and weighted average exercise prices of subscription rights attributed:

Term	Exercise price	Attributed at 31 Dec. 2023	Granted 2023	Vested 2023	Converted 2023	Expired 2023	Attributed at 31 Dec. 2022	Granted 2022	Vested 2022	Converted 2022	Expired 2022
Key Management Subscription Rights											
31 December 2015 to 5 October 2025	18,30	100.000	-	-	-	-	100.000	-	-	-	-
ESOP Subscription Rights											
31 December 2015 to 30 December 2025	18,30	23.750	-	-	-	-	23.750	-	-	-	-
24 March 2017 to 23 March 2027	34,00	-	-	-	-	-	-	-	-	-	-
1 September 2017 to 31 August 2027	34,00	2.500	-	-	-	-	2.500	-	-	-	-
13 December 2017 to 12 December 2027	34,00	2.500	-	-	-	-	2.500	-	-	-	-
4 July 2019 to 3 July 2029	40,00	-	-	-	-	-	-	-	-	-	-
4 May 2020 to 3 May 2030	40,00	5.500	-	-	-	-	5.500	-	-	-	-
Total		**134.250**	**-**	**-**	**-**	**-**	**134.250**	**-**	**-**	**-**	**-**

The weighted average exercise price amounts to € 19,62 per title (2022: € 19,62). The weighted average remaining contractual life years for the ESOP subscription rights for the year ended December 2023 and December 2022 amount to 2,07 years and 3,07 years respectively.

The below table presents the number of titles that are still exercisable and the weighted average price of exercise:

	Exercisable at 31 December 2023	Exercisable at 31 December 2022
Number	133.270	133.270
Weighted average price of exercise	19,62	19,62

The assessed fair value of each subscription right is estimated on the date of grant using the binomial model by Black and Scholes using the following key assumptions:

- The three-year volatility of quoted peer companies (determined in a range of 50% to 60% depending on the grant date)
- The risk-free interest rate at the date of grant based on that of Belgian Sovereign Debt with a term equal to the expected life of the subscription rights
  - for Key Management Subscription Rights, this was negative 0,22% in 2017 and negative 0,35% in 2019
  - for ESOP Subscription Rights, this was 0,74% in 2017, 0,12% in 2019 and 0,02% in 2020
- The expected lifetime of the subscription rights

The share-based payment expense recognised in the statement of profit and loss was as follows:

Thousands of Euro	**For the year ended 31 December**	
	2023	**2022**
General and administrative expenses	18	74
Total	**18**	**74**

5.32 Audit fees

Thousands of Euro	**For the year ended 31 December**	
	2023	**2022**
Audit fees	669	675
Audit fees – overrun 2022	150	-
Fees for legal missions	8	61
Permitted non-audit services		
- Other assurance	62	70
Total	**889**	**806**

The audit fees disclosed concern the fees of BDO Bedrijfsrevisoren BV/BDO Réviseurs d'Entreprises SRL and its network (the "Auditor") to approve the consolidated accounts for the financial year 2023 and 2022 as well as the fees for the Auditor to approve the statutory annual accounts of Unifiedpost Group SA and some of its subsidiaries.

5.33 Events after the reporting date

The following events took place after the reporting date and could have a future impact on the financial reporting:

- Starting from 1 January 2024, Unifiedpost outsourced its IT infrastructure team in the Benelux region to a newly established Belgian entity called Aurify BV. This entity is owned by the former Chief Information Officer (CIO) of the Group along with other investors. A total of 24,9 FTEs has been transferred to Aurify BV and continues to provide services to Unifiedpost. The goal is for these services to gradually decrease in line with the Group's evolution, with Aurify BV eventually outsourcing its skilled and experienced personnel to other clients. This move enables Unifiedpost to acquire the necessary skills and capabilities for its future developments, enhancing flexibility and agility in utilising IT support staff.
- After 7 years in the role of CFO, Mr. Laurent Marcelis left Unifiedpost as at 15 April 2024. He is replaced in his function by Mr. Koen De Brabander. Mr. De Brabander has extensive experience in financial management and strategic planning. He has been working for the Group from 2020 as operational finance director.

5.34 Investments

5.34.1 Investments in subsidiaries

The Group's financial statements consolidate the following entities, from incorporation or acquisition date or date from which the Group obtained control.

5.34.1.1 List with entities

Foundation/ Acquisition year	Name of entity	Registered office	Country	Company registration n°	Share at end FY 2023	Share at end FY 2022	Ref
2000	Unifiedpost SA	Avenue Reine Astrid 92 A, 1310 La Hulpe	Belgium	BE 0471.730.202	100%	100%	
2004	Unifiedpost SARL	10A, rue Windhof, 8360 Goetzingen	Luxemburg	B99.226	100%	100%	
2006	Unifiedpost Group SA	Avenue Reine Astrid 92 A, 1310 La Hulpe	Belgium	BE 0886.277.617	100%	100%	
2008	Unifiedpost BV	Albert Einsteinweg 4, 8218 NH Lelystad	The Netherlands	KvK 39078749	100%	100%	
2009	SC Unifiedpost SRL	Strada Coriolan Brediceanu 10, Timișoara 300011	Romania	J35/901/2009	100%	100%	
2011	UP-nxt NV	Kortrijksesteenweg 1146, 9051 Sint-Denijs-Westrem	Belgium	BE 0842.217.841	100%	100%	
2014	The eID Company SA	Rue du Congrès 35, 1000 Bruxelles	Belgium	BE 0886.325.919	-	-	(d)
2016	Unifiedpost Payments SA	Avenue Reine Astrid 92 A, 1310 La Hulpe	Belgium	BE 0649.860.804	100%	100%	
2017	Banqup Files NV	Kortrijksesteenweg 1146, 9051 Gent	Belgium	BE 0867.499.902	100%	100%	
2017	Stichting Unifiedpost Payments	Albert Einsteinweg 4, 8218 NH Lelystad	The Netherlands	KvK 69248907	-	100%	(f)
2018	Leleu Document Services NV	Dorpstraat 85B, 1785 Merchtem	Belgium	BE 0716.630.753	100%	100%	
2018	Drukkerij Leleu NV	Dorpstraat 85B, 1785 Merchtem	Belgium	BE 0429.709.208	100%	100%	
2018	Advanced Document Management Solutions NV	Kortrijksesteenweg 1146, 9051 Gent	Belgium	BE 0544.854.839	-	-	(d)
2018	Inventive Designers NV	Sint-Bernardsesteenweg 552, 2660 Antwerpen	Belgium	BE 0453.758.377	-	-	(d)
2018	Unifiedpost I.K.E.	Souliou 2, 17342 Athens	Greece	801073446	100%	100%	
2019	Financial Automation Solutions OÜ	Veerenni tn 40a Harju maakond, 10138 Tallinn	Estonia	12949376	100%	100%	
2019	Unifiedpost CEE SIA	Dēļu iela 4, Rīga	Latvia	40103957063	100%	100%	
2019	Unifiedpost AS	Veerenni tn 40a Harju maakond, 10138 Tallinn	Estonia	10179336	100%	100%	
2019	Unifiedpost AS	Delu street 4, Riga	Latvia	40003380477	100%	100%	
2019	Unifiedpost UAB	Senasis Ukmergės kel. 2, Užubalių k., 14302 Vilniaus r.	Lithuania	111629419	100%	100%	

2019	Unifiedpost s.r.o.	Nádražná 1958, Ivanka pri Dunaji 900 28	Slovakia	46950095	100%	100%	
2019	Unifiedpost s.r.o.	Ieseniova 2829/20, 130 00 Prague	Czech Republic	6145132	100%	100%	
2019	PDOCHOLCO Ltd.	Unit 3 Park Seventeen, Moss Lane, Whitefield, Manchester, M45 8FJ	United Kingdom	09741928	100%	100%	
2019	Unifiedpost Limited	Unit 3 Park Seventeen, Moss Lane, Whitefield, Manchester, M45 8FJ	United Kingdom	03732738	100%	100%	
2019	Unifiedpost Finance & Services SA	Avenue Reine Astrid 92 A, 1310 La Hulpe	Belgium	BE 0734.987.509	100%	100%	
2020	New Image d.o.o.	Tosin bunar 185, Belgrade 11070	Serbia	20451653	51%	51%	
2020	Unifiedpost d.o.o.	Tosin bunar 185, Belgrade 11070	Serbia	17245481	75%	75%	(e)
2020	Unifiedpost Solutions d.o.o.	Tosin bunar 185, Belgrade 11070	Serbia	20006188	75%	75%	(e)
2020	Unifiedpost d.o.o. Banja Luka	Đ. Damjanovića 24, Banjaluka 78000	Bosnia and Herzegovina	11090249	75%	75%	(e)
2020	Sirius Star d.o.o.	Tosin bunar 185, Belgrade 11070	Serbia	21448150	75%	75%	(e)
2020	Tehnobiro d.o.o.	Varvarinska 14, Belgrade	Serbia	17097512	51%	51%	
2020	Unifiedpost Business Solutions s.r.l.	Bd. 1 Decembrie 1918, nr 1G, Sector 3, 032451 Bucharest	Romania	J40/7873/2020	51%	51%	
2020	Unifiedpost Ltd	Opal Tower – 92 Nuguyen Huu Canh street Ward 22, Binh Thanh District, Ho Chi Minh city	Vietnam	316455613	100%	100%	
2020	Unifiedpost SAS	3-5 Boulevard des Bouvets, 92000 Nanterre	France	880.353.339	100%	100%	
2021	21 Grams Holding AB	Box 43, 121 25 Stockholm-Globen	Sweden	559024-4132	100%	100%	
2021	21 Grams AB	Box 43, 121 25 Stockholm-Globen	Sweden	556666-3729	100%	100%	
2021	21 Grams AS	Sven Oftedals vei 8, 950 Oslo	Norway	919043903	100%	100%	
2021	21 Grams Ltd	7/8 Eghams Court Boston Drive, Bourne End, Buckinghamshire, SL8 5YS	United Kingdom	5826757	-	-	(b)
2021	Addoro AB	Box 43, 121 25 Stockholm-Globen	Sweden	556771-5957	100%	100%	
2021	Europe Post ApS	Hedelykken 2-4, 2640 Hedehusenek	Denmark	33581920	100%	100%	
2021	Mailworld Group AB	Box 43, 121 25 Stockholm-Globen	Sweden	556914-4081	100%	100%	
2021	Mailworld AktieBolag	Box 43, 121 25 Stockholm-Globen	Sweden	556647-7658	100%	100%	
2021	Mailworld Office AB	Box 43, 121 25 Stockholm-Globen	Sweden	556790-7778	100%	100%	
2021	Mailworld Invest AB	Lumaparksvägen 9, 120 31 Stockholm	Sweden	559125-1920	-	-	(c)
2021	Akti NV	Kantersteen 10, Brussel, 1000	Belgium	BE 0882.583.501	-	-	(d)
2021	BanqUP BV	Kortrijksesteenweg 1146, 9051 Sint-Denijs-Westrem	Belgium	BE 0664.929.753	-	-	(d)

2021	Unifiedpost Sp.z.o.o.	Aleje Jerozolimskie 123A, Warszawa, 02-017	Poland	PL9512426439	100%	100%	
2021	Unifiedpost SRL	Via Paleocapa 1, Milano, 20121	Italy	IT08567210961	100%	100%	
2021	Unifiedpost SL	Calle Musgo 3, Madrid, 28023	Spain	ESB88554589	100%	100%	
2021	Crossinx GmbH	Hanauer Landstrasse 291A, Frankfurt am Main, 60314	Germany	DE257417911	100%	100%	
2021	Unifiedpost AG	Seefeldstrasse 69, Zurich, 8008	Switzerland	CHE-191.936.025 MWST	100%	100%	
2021	I.C.S. Crossinx SRL	str. P.Moliva 21 of 9, Chisinau, MD-2004	Moldova	TVA 40773114	100%	100%	
2021	Unifiedpost Kft.	Ábel Jenő utca 23, Budapest, 1113	Hungary	HU14463053	100%	100%	
2021	Unifiedpost PTE.LTD.	176 Orchard Rd, Level 5, The Centrepoint - JustCo, Singapore, 238843	Singapore	202103840H	100%	100%	
2021	Unifiedpost Limited Liability Company	Oreskoviceva ulica 6N/2, Zagreb (Grad Zagreb)	Croatia	34517716416	51%	51%	
2021	Unifiedpost Oy	Rorttajankatu 2, 00120 Helsinki	Finland	3224862-5	100%	100%	
2021	Unifiedpost GmbH	Graben 19, 4.&5.Stock 1010 Wien	Austria	567482h	100%	100%	
2021	Unifiedpost, Unipessoal LDA	Av. da Liberdade 110, Santo Antonio 1269 046 Lisboa	Portugal	516530070	100%	100%	
2021	eInvoice.SG PTE LTD	80 Robinson Road, #08-01, Singapore 068898	Singapore	201904946H	-	-	(a)
2021	PayIn GmbH	Hanauer Landstrasse 291A, Frankfurt am Main, 60314	Germany	HRB 124813	100%	100%	
2022	Unifiedpost SARL	131 Bd d'Anfa Résidence Azur Bureau n° 11B, Casablanca	Morocco	3044642000032	100%	100%	
2022	Unifiedpost Payments Limited.	Unit 3 Park Seventeen, Moss Lane, Whitefield, Manchester, M45 8FJ	United Kingdom	14383692	100%	100%	
2022	Unifiedpost Business Solution Bulgaria OOD	Sofia, p.c. 1839, Kremikovtsi District, 272 Botevgradsko Shose Blvd.	Bulgaria	207046073	70%	70%	
2023	Onea BV	Kortrijksesteenweg 1146, 9051 Sint-Denijs-Westrem	Belgium	BE 0803.681.325	100%	-	(g)
2023	Aurify Limited Liability Company	Dreamplex Ngo Quang Huy 42, Thao Dien Ward, Thu Duc City, Ho Chi Minh City	Vietnam	317998080	100%	-	(g)
2023	Unifiedpost Services BV	Albert Einsteinweg 4, 8218 NH Lelystad	The Netherlands	92019226	100%	-	(g)
2023	Fitek OÜ	Veerenni tn 40a, 10138 Tallinn	Estonia	16869243	100%	-	(g)
2023	Fitek UAB	Spaudos g. 6-1, 05132 Vilnius	Lithuania	306621255	100%	-	(g)
2023	Fitek SIA	Riga, Delu iela 4, LV-1004	Latvia	40203519257	100%	-	(g)
2023	Fitek s.r.o.	Nádrazná 1958 900 28 Ivanka pri Dunaji	Slovakia	55789528	100%	-	(g)

(a) Merged with Unifiedpost PTE LTD on 1 April 2022

(b) Strike off in 2022

(c) Sold in 2022

(d) Merged with UP-nxt in July 2022

(e) Put option exercised to increase ownership to 75% in July 2022

(f) Liquidated in March 2023

(g) New entities created in the course of 2023

Changes in the 2023 consolidation range

- Stichting Unifiedpost Payments was liquidated in March 2023
- Onea BV, a new company in Belgium, with its registered seat at Kortrijksesteenweg 1146 in Sint-Denijs-Westrem, was incorporated on 28 June 2023
- Aurify Limited Liability Company, a new entity in Vietnam, with its registered seat at Dreamplex Ngo Quang Huy 42, Thao Dien Ward, Thu Duc City, Ho Chi Minh City, was established on 17 August 2023
- Unifiedpost Services BV, a new entity in The Netherlands, with its office in Albert Einsteinweg 4 in Lelystad, was incorporated on 17 November 2023
- Fitek OÜ, a new company in Estonia, with its office in Veerenni tn 40a in Tallinn, was incorporated on 27 November 2023
- Fitek UAB, a new company in Lithuania, with its office in Spaudos g. 6-1 in Vilnius, was incorporated on 3 November 2023
- Fitek SIA, a new entity in Latvia, with its office in Delu iela 4 in Riga, was established on 2 November 2023
- Fitek s.r.o., a new entity in Slovakia, with its office in Nádrazná 1958 900 28 Ivanka pri Dunaji, was incorporated on 15 October 2023

Changes in the 2022 consolidation range

- 21 Grams Ltd was liquidated in March 2022
- eInvoice.SG PTE LTD merged with Unifiedpost PTE Ltd on 1 April 2022
- Unifiedpost SARL, a new company in Morocco, with its office in 131, Bd d'Anfa, Résidence Azur Bureau n° 11B in Casablanca, was incorporated on 4 April 2022
- The Belgian entities Advanced Document Management Solutions SRL, Inventive Designers SA, Akti SA, banqUP SRL, The eID Company SA merged into UP-nxt NV merged on 1 July 2022
- The minority shareholders exercised 24% of its put option of Unifiedpost Solutions doo, Unifiedpost doo for respectively a price agreed at € 500 thousand, € 4.500 thousand
- In 2022, a subsidiary has been established in Bulgaria

5.34.1.2 List with branch offices

Foundation/ Acquisition year	Name of branch	Registered office	Country	Company registration n°	Branch office of...
2020	Unifiedpost Payments Société de droit étranger	3-5 Boulevard des Bouvets, 92000 Nanterre	France	883.319.030	Unifiedpost Payments SA
2021	Unifiedpost Albania	Njesia bashkiake nr.8, Bulevardi Zogu I, pallata 33, ap 23 Tirane	Albania	L51411004C	Unifiedpost S.R.L.
2021	Unifiedpost Payments, filial af Unifiedpost Payments SA, Belgium	Hedelykken 2 Flong, 2640 Hedehusene	Denmark	42457825	Unifiedpost Payments SA
2021	Unifiedpost Payments Eesti filial	Veerenni tn 40a Harju maakond, 10138 Tallinn	Estonia	16262334	Unifiedpost Payments SA
2021	Unifiedpost Payments SA	Via Pietro Paleocapa 1, Milano (MI), CAP 20121	Italy	11859530963	Unifiedpost Payments SA
2021	Unifiedpost Payments SA (Luxembourg)	Rue de Windhof 10A, 8360 Goetzingen	Luxemburg	B256243	Unifiedpost Payments SA
2021	Unifiedpost Payments organizačná zložka	Nádrazná 1958 900 28 Ivanka pri Dunaji	Slovakia	8737/B	Unifiedpost Payments SA
2021	UNIFIEDPOST PAYMENTS - SUCURSAL EM PORTUGAL	Av. da Liberdade 110, Santo Antonio 1269 046 Lisboa	Portugal	980728606	Unifiedpost Payments SA
2021	Unifiedpost Payments filialas	Senasis Ukmergés kel. 2, Uzubaliu k., 14180 Vilniaus	Lithuania	305918809	Unifiedpost Payments SA
2021	Unifiedpost Payments SA filiale Latvia	Delu iela 4, 1004 Riga	Latvia	40203331328	Unifiedpost Payments SA
2021	Unifiedpost Payments SPÓŁKA AKCYJNA ODDZIAŁ W POLSCE	Aleje Jerozolimskie 123A, Warszawa, 02-017	Poland	906618	Unifiedpost Payments SA
2021	Unifiedpost Payments	Albert Einsteinweg 4, 8218 NH Lelystad	The Netherlands	74001256	Unifiedpost Payments SA
2021	Unifiedpost Payments SA - ΥΠΟΚΑΤΑΣΤΗΜΑ ΑΛΛΟΔΑΠΗΣ	1 Ellis, 17235 Dafni, Athens	Greece	160457501001	Unifiedpost Payments SA
2021	Unifiedpost Payments S.A. Zweigniederlassung Österreich	Graben 19, 4.&5. Stock, 1010 Wien	Austria	559698k	Unifiedpost Payments SA
2021	Unifiedpost Payments Sweden Filial	Box 43, 121 25 Stockholm-Globen	Sweden	516412-7689	Unifiedpost Payments SA
2021	Unifiedpost Payments SA (German Branch)	Hanauer Landstrasse 291A, Frankfurt am Main, 60314	Germany	HRB 124468	Unifiedpost Payments SA
2021	UNIFIEDPOST PAYMENTS SA SUCURSAL EN ESPAÑA	Calle Musgo 3, Madrid, 28023	Spain	ES28065.082018876	Unifiedpost Payments SA
2021	Unifiedpost Payments Magyarországi Fióktelepe	Aliz utca 3, 1117 Budapest	Hungary	HUOCCSZ.01-17-001449	Unifiedpost Payments SA
2022	Unifiedpost Payments SA, odštěpný závod	Roztylská 1860/1, Chodov, 148 00 Prague	Czech Republic	14384302	Unifiedpost Payments SA
2022	Unifiedpost Payments La Hulpe Sucursala Timisoara	Strada Coriolan Brediceanu 10, Timișoara 300011	Romania	J/35/1010/2022	Unifiedpost Payments SA
2022	Unifiedpost Payments SA Finland Branch	Erottajankatu 2, 00120 Helsinki	Finland	3272126-7	Unifiedpost Payments SA

To deliver a full payment services package to the SME market segment in 25 countries, including PSD2 connectivity and IBAN accounts, the Group is gradually establishing branches of Unifiedpost Payments SA in 21 countries.

5.34.2 Investment in associate

Foundation/ Acquisition year	Name of entity	Registered office	Country	Company registration n°	Share at end FY 2023	Share at end FY 2022	Ref
2022	Facturel sas	200-216 Rue Raymond Losserand 75680 Paris CEDEX 14	France	922.547.047	50%	50%	(a)

Creation of the company Facturel in December 2022 (see note 5.17)

For associate companies, the Group applies the equity method to value the investment of the Group.

5.35 Accounting policies

5.35.1 Principles of consolidation and equity accounting

The consolidated financial statements include:

- the assets and liabilities, and the results and cash flows, of the Company and its subsidiaries; and
- the Group's share of the results and net assets of associates and joint ventures.

Subsidiaries

Entities over which the Group has the power to direct the relevant activities so as to affect the returns to the Group, generally through control over the financial and operating policies, are accounted for as subsidiaries.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The acquisition method of accounting is used to account for business combinations by the Group (refer to accounting policy 5.36.3 for business combinations below).

The financial statements of entities consolidated are made up to 31 December each year.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Transactions with non-controlling interests are recorded directly in equity.

Associates and joint ventures

Where the Group has the ability to exercise significant influence over entities, they are accounted for as associates. Joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement are accounted for as joint ventures. The results and assets and liabilities of associates and joint ventures are incorporated into the consolidated financial statements using the equity method of accounting (see note 5.35.9).

5.35.2 Foreign currencies

Foreign currency transactions are booked in the functional currency of each Group entity at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in the income statement.

On consolidation, assets and liabilities of Group entities whose functional currency is not the Euro are translated into Euros at rates of exchange ruling at the balance sheet date. Their results and cash flows are translated into Euros using average rates of exchange.

Exchange adjustments arising on translating foreign currency-denominated financial statements are taken to a separate component of equity.

5.35.3 Business combinations

Business combinations are accounted for using the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired are measured at fair value at acquisition date. The consideration transferred is measured at fair value and includes the sum of the acquisitiondate fair values of the assets transferred by the Group, the liabilities incurred by the Group to former owners of the acquired businesses (including those resulting from contingent consideration arrangements) and the equity interests issued by the Group. If the business combination is achieved in stages, consideration transferred also includes the fair value of the existing equity interest in the acquiree.

The excess of the consideration transferred, together with any non-controlling interests in the acquiree, over the fair value of the net assets, liabilities and contingent liabilities acquired, is recorded as goodwill. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

5.35.4 Segment reporting

To date, the Company manages its operations and allocates resources to the following operating segments (see note 5.27) with separate business activities:

- Digital document processing: Groups all digital document processing activities for as well SME clients as Corporate clients are part of this type of activity. It covers the inbound document flow (COLLECT) and the outbound document flow (CHANNEL)
- Paper processing: all offset printing activities and paper delivery activity, (including sale of stamps).
- Payment: concerns all regulated activities under the supervision of the Belgian National Bank and which needs separate reporting and the payment activities linked to PSD2-applications and Corporate Payment HUB
- Services and Apps: Groups all services offered to our clients based on gathered data from the platform, such as factoring of receivables – collection management applications
- Postage and Parcel optimisation: this segments groups all optimisation activities for the postage distribution (today only in the Scandinavian market).

The Company's chief operating decision-maker is its Board of Directors, who reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance, and allocating resources. See note 5.6 for information regarding the Company's revenue.

5.35.5 Revenue

The Group generates the majority of its revenue from software-as-a-service (SaaS) fees, which consist primarily of periodic fixed and usage-based fees paid by its customers for access to, and usage of, its cloud-based software solutions for a specified contract term. The Group also derives revenue from professional services fees, which primarily include fees related to the implementation of its customers onto its platform, typically including discovery, configuration and deployment, integration, testing, and training, as well as other ad hoc consulting services (for example, change requests by existing customers) and managed services to users outsourcing certain network and application resource procedures. Customers may also purchase a perpetual or term license for certain software products.

Revenue is recognised as the Group transfers goods and services to customers, at amounts it expects to receive as consideration under enforceable contractual arrangements. Revenue is recognised as the Group satisfies contractual performance obligations, which can occur either at a point in time or over time.

The Group recognises revenue according to a five-step model that involves:

- Identifying the contract (or contracts) with a customer;
- Identifying the performance obligations in the contract(s);
- Determining the transaction price;
- Allocating the transaction price to the contractual performance obligations; and
- Recognising revenue as we satisfy the performance obligations.

The Group considers a contract to exist when it has legally enforceable rights and obligations with a customer. The Group's contracts can take a variety of forms but are normally in writing and include all major commercial terms such as the goods or services it will be obligated to transfer under the arrangement, the amount the customer is obligated to pay us upon fulfilment of the Group's obligations and the payment terms.

Performance obligations in a contract are accounted for separately if they are determined to be distinct. The Group considers a performance obligation to be distinct if that good or service is separately identified from other items in the contract and if the customer can benefit from that performance obligation on its own or together with resources that are readily available to the customer. In assessing whether a customer can benefit from a performance obligation on its own, the Group considers factors such as the interdependency or interrelationship of the item with other goods or services in the contract, the complexity of any required integration or customisation and the ability of the customer's personnel or other third-party providers to fulfil like goods or services. If a particular good or service is not considered to be distinct, it is combined with other performance obligations in the arrangement and revenue is recognised as the combined performance obligation is satisfied.

The transaction price is the amount of consideration the Group expects to be entitled to under a contract upon fulfilment of the performance obligations. The starting point for estimating the transaction price is the selling price stipulated in the contract, however the Group includes in the determination of the overall transaction price an estimate of variable consideration to the extent it is probable that it will not result in a significant future reversal of revenue. The Group excludes from the determination of the transaction price value-added or other taxes it bills to and collects from customers and remit to government authorities.

For contracts involving the sale of more than one good or service, the transaction price is allocated to contractual performance obligations on a relative standalone selling price basis.

Revenue is recorded, either at a point in time or over time, as the Group satisfies the performance obligations in a contract.

Transactions

Most of our SaaS-contracts are generally also subject to variable pricing fees based on customer processing, usage or volume. The Group sees its primary performance obligation to its customers as a stand-ready commitment to provide transaction processing services as the customers require, which is satisfied over time in periodic increments. Since the timing and quantity of transactions to be processed by the Company is not determinable, the total consideration is determined to be variable consideration. The variable consideration for our transaction processing services is usage-based and therefore specifically relates to our efforts to satisfy our obligation. The Company's progress towards complete satisfaction of its performance obligation is measured using an output method: revenue is recognised based on the value of services transferred to date determined by the number of transactions processed. The variability is satisfied each time the service is provided to the customer. Services are considered to be transferred when a transaction is captured. Transaction fees are accordingly recognised over time based on the actual number of transactions processed.

For service contracts with our customers, even in case it concerns long term contracts, the revenue is recognised each time the service is rendered. In practice, this means that revenue is recognised on monthly basis, derived from the number of documents processed during that period.

When the customer is entitled to periodic discounts based on volumes of transactions, the Group estimates at the end of each financial reporting period the amount of variable consideration included in the transaction price to constrain revenue recognised as performance obligations are satisfied to the extent that a significant revenue reversal will not occur.

If our services do not meet certain service level commitments, our customers are entitled to receive service credits, and in certain cases, refunds, each representing a form of variable consideration. We have historically not experienced any significant incidents affecting the defined levels of reliability and performance as required by our subscription contracts. Accordingly, the amount of any estimated refunds related to these agreements in the consolidated financial statements is not material during the periods presented.

Postage & Parcel optimisation

The Group recognises revenue from postage & parcel optimisation services offered at a point in time upon completion of the performed service and acceptance by the customer.

Print production

The Group recognises revenue from print production services offered at a point in time upon completion of the performed service and acceptance by the customer.

Subscriptions

The Group generates subscription and transaction revenue through the provision of hosted SaaS-based solutions including e-invoicing, e-identity and payment processing. These can include contractually fixed revenue amounts as well as usage-based fees. Our SaaS arrangements consist of an obligation for us to provide continuous access to a technology solution that we host. They do not provide the customer with the right to take possession of our software operating our solutions suite at any time.

The Group's subscription agreements generally have annual contractual terms and a small percentage have multi-year contractual terms. Revenue is recognised over the related contractual term beginning on the date that the platform is made available to a customer. Access to the platform represents a series of distinct services as the Company continually provides access to, and fulfils its obligation to the end customer, over the subscription term. The series of distinct services represents a single performance obligation that is satisfied over time. The Company recognises revenue because the customer receives and consumes the benefits of the platform throughout the contract period. The Company's contracts are generally non-cancellable. The Company typically bills annually in advance for contracts with terms of one year or longer. The Company records contract liabilities when cash payments are received or due in advance of performance to deferred revenue. Deferred revenue primarily relates to the advance consideration received from the customer.

Managed services

Revenue from Managed services contracts, which includes hosting activities, is recognised as the Group earns the right to bill the customer as the amount invoiced corresponds directly to the value to the customer of the performance completed to date. Each performance obligation is satisfied over time as the client continuously receives and consumes the benefits of the services. The services are priced based on the number of hours spent on the contract. The amount to be billed is representative of the value of the service delivered to the customer and therefore, applying the right-to-bill practical expedient, revenue is recognised over time based on the hours spent. The related costs on resources-based contracts are expensed as incurred.

Implementation and change request services

For certain of our hosted or SaaS solutions, customers are charged a fee for implementation services. In determining whether the implementation services are distinct from the hosting services we consider various factors, including the level of customisation, the complexity of the integration, the interdependency and interrelationship between the implementation services and the hosting services and the ability (or inability) of the customer's personnel or other service providers to perform the services. Where we conclude that the implementation services in our hosting arrangements with multiple performance obligations are not distinct, we recognise fees for implementation services over the initial non-cancellable term of the SaaS contract.

Our change request services typically represent distinct performance obligations which are provided on a time and materials basis. Revenue for them is recognised as the services are performed.

Sale of Licenses

Software licenses revenue reflects non-recurring fees the Group charges to license software on a perpetual basis when the customer is allowed to install the software on his own infrastructure. For software licenses that do not include significant customisation the Group recognises revenue at the point in time where the customer has obtained access to the intellectual property and the license period has commenced. The Group's software licenses may be sold with post-contract customer support (PCS) which is comprised of technical assistance and unspecified software upgrades. Generally, the software license and PCS will each be distinct, because the software remains functional without the PCS. The Group recognises revenue for the updates and technical support service over time using an appropriate measure of progress that reflects the transfer of control of the promise, based on costs of delivering the updates, among others.

5.35.6 Intangible assets

Goodwill

Goodwill is measured as described in note 5.13. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Tradenames, licenses and customer relationships

Separately acquired trademarks and licences are shown at historical cost. Tradenames, licenses and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

In case of a business combination, the costs of software that have internally been generated by the acquiree up until the acquisition date are processed by the Group in the statement of financial position as "acquired software". As of the acquisition date, the new internally generated software needs to be classified as "internally generated software".

Research and development

Research expenditure and development expenditure that do not meet the criteria in the paragraph above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The following table presents the estimated useful lives of intangible assets:

Intangible asset	Estimated useful life
Internally generated software	5 years
Acquired software	3 - 5 years
Customer relationships	5 – 10 years
Tradenames	5 years

The estimated useful life is reviewed annually.

5.35.7 Property and equipment

Equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the related asset, which is generally three to seven years. Leasehold improvements are amortised on a straight-line basis over the shorter of their estimated useful lives or the term of the related lease.

5.35.8 Leases

The Group leases office space, data centres, and vehicles under operating leases with various expiration dates. It has adopted IFRS 16 Leases on transition date to IFRS (1 January 2017) using the full retrospective approach. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the Group has the right to direct the use of the asset if either:
    - the Group has the right to operate the asset; or
    - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate for leases of premises and the implicit rate for leases of vehicles.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment, with initial value of € 5.000 or below. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.35.9 Investments in associate

An investment in an associate is accounted for its investment using the equity method. Under the equity method of accounting, the investments in associate are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Any unrealised profits and losses from upstream and downstream transactions are eliminated, to the extent of the entity's interest in the associate, on the line item Share of profit / (loss) of associates. The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy for Impairment of assets below.

5.35.10 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

5.35.11 Financial assets

Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Our financial liabilities are measured at amortised cost using the effective interest rate method.

Part of the trade receivables of the Group are sold to a provider of invoice discounting and debt factoring services. The agreement with this provider is a limited recourse agreement, therefore the debt transferred is matched with the outstanding trade receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model, unless the Group has irrevocably elected to classify them at fair value through other comprehensive income.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

5.35.12 Cash and cash equivalents

The content of the account classes should be organised based on below description:

- Cash in hand
- Cash at bank
- Restricted cash (Payment Solutions customers' cash)
- Other restricted cash

The Group chart of accounts is specifically designed to enable accounting teams to record for cash and cash equivalents, deposits in the categories as included in our consolidated financial statements. Separate G/L accounts are foreseen in our chart of accounts for all the abovementioned categories, both for a balance sheet point of view as from an income statements- point of view.

5.35.13 Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company's equity instruments, the consideration paid is deducted from equity attributable to the owners of the parent until the equity instruments are cancelled or reissued. Where such equity instruments are subsequently reissued, any consideration received is included in equity attributable to the owners of the parent.

5.35.14 Financial Liabilities

Our financial liabilities are measured at amortised cost using the effective interest rate.

Borrowings

All other borrowings are initially recorded at the fair value of proceeds received, net of transaction costs. They are subsequently carried at amortised cost using the effective interest rate method, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Anti-dilution subscription rights

The following anti-dilution subscription right exists: During a term of two years starting from the date of the capital increase of 26 June 2020 and 17 July 2020, each subscriber is entitled to additionally invest at the same subscription price of 10 € per share for an amount up to 25% of his initial investment. The instrument has been measured at fair value through profit or loss

The issuing of the shares is considered to be an equity transaction in accordance with the requirements of IAS 32.

The Company applied judgement when assessing the accounting treatment of the anti-dilution subscription rights. The subscription rights issue is treated as a single unit of account that should be classified in its entirety, because:

- it is a single bundle of rights issued at the same time together with the issue of the shares under the capital transaction and is not contractually separate;
- no premium is contractually defined for writing each of the options.

The subscription rights instrument meets the definition of a derivative financial instrument in IFRS 9, but does not meet the definition of an own equity instrument of the issuer in accordance with IAS 32, as the contract as a whole does not require the delivery of a fixed number of own equity shares for a fixed amount.

These changes in fair value of the non-executed subscription rights are recognised through profit and loss.

Put option over non-controlling interests

The Group has written put options (and acquired call options) over the equity of certain subsidiaries which permit the non-controlling shareholders to put their shares in the respective subsidiary to the Group at a price to be determined at the time of exercise based on an agreed formula purporting to approximate market price. The terms do not provide the Group with a present ownership interest in the shares subject to the put options.

While the non-controlling shareholders hold put options which impose an obligation on the Group to acquire their minority shares, the Group acquired also call options, imposing an obligation on the non-controlling shareholders to sell their minority shares to the Group.

In accordance with IFRS, both the put and call options are assessed at their fair values recorded in equity.

The amount that may become payable under the put option on exercise was initially recognised at the present value of the estimated redemption amount within financial liabilities with a corresponding charge directly to equity. The expected redemption amount is estimated by management based on a number of assumptions, including cash flow projections, estimated likelihood of the exercise of the put options in different years (if the call option price is lower than the calculated put option value given, it may indicate that it is more beneficial for the Group to exercise its call options at certain times). While the put options over the non-controlling interests remains unexercised, the accounting at the end of each reporting period is as follows:

- The Group determines the amount that would have been recognised for the non-controlling interests, including an update to reflect allocation of profit or loss and of changes in other comprehensive income
- The Group derecognises the non-controlling interests as if they were acquired at that date
- The Group recognises a financial liability at the present value of the estimated redemption amount
- The Group accounts for the difference between the estimated redemption amount and the amount of non-controlling interests derecognised as an equity transaction

For avoidance of doubt, the remeasurements of the financial liability, including unwinding of the discounting impact are recognised in equity.

At date of exercise, the related "Liabilities associated with puttable non-controlling interests" is reversed against the price paid (additional investment value) and the difference recorded in "Other reserves". All changes in carrying value of liabilities associated with puttable NCI recorded in "Other reserves" as well as all "NCI" related to this put option since inception, are recycled to "Accumulated deficit".

As the exercise price of the call options is reflected in the shareholders' agreement as a fixed formula, based upon revenue and EBITDA levels of the Group, the value of the call options is considered as being in line with the fair value of the underlying assets, hence it is considered immaterial or nil.

Trade and other payables

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

5.35.15 Government assistance

The Group has received government assistance from regional authorities in the form of low interest-bearing cash advances financing research and development projects. 30% of the cash received from the regional government is unconditionally repayable. The balance is repayable in cash only if the entity decides to exploit and commercialise the results of the project. The terms of that repayment can result in the Group repaying as much as twice the amount of the original cash proceeds if the project is successful. If the Group decides not to exploit and commercialise the results of the research phase, the cash received is not repayable in cash, but instead the Group must transfer to the government the rights to the research. The cash received gives rise to a financial liability initially measured at its fair value. The difference between the cash received and the fair value of the financial liability is treated as a government grant. The financial liability is subsequently measured at amortised cost using the effective interest method less repayments of principal.

5.35.16 Post-retirement benefits

The Group operates both defined benefit and defined contribution pension plans.

Pension plans in Belgium are of the defined benefit type because of the minimum promised return on contributions required by law. The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

5.35.17 Share-based compensation

The fair value of options granted under the Group's share-based compensation plans is recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, normally using the Black-Scholes model. The fair value is expensed on a straight-line basis over the vesting period, based on an estimate of the number of options that will eventually vest.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve in equity.

5.35.18 Taxation

Current tax is provided at the amounts expected to be paid applying tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax accounts for the future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities shown on the statement of financial position. Deferred tax assets and liabilities are not recognised if they arise in the following situations: the initial recognition of goodwill; or the initial recognition of assets and liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the date of the statement of financial position.

The Group does not recognise deferred tax liabilities, or deferred tax assets, on temporary differences associated with investments in subsidiaries, joint ventures and associates where the parent company is able to control of the timing of the reversal of the temporary differences and it is not considered probable that the temporary differences will reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable based on all available positive and negative evidence that future taxable profits will be available against which the asset can be utilised. Such evidence includes, but is not limited to, recent cumulative earnings or losses, expectations of future taxable income by taxing jurisdiction, and the carry-forward periods available for the utilisation of deferred tax assets. The carrying amount of the deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Under the Estonian Income Tax Act and the Law on Corporate Income Tax of the Republic of Latvia, corporate profit for the year is not subject to income tax, i.e. the income tax rate applicable to undistributed profit is 0%. Income tax is instead levied on distributed profit (i.e. dividends) and conditionally or theoretically distributed profit (e.g. fringe benefits, gifts, donations, entertainment expenses, non-business expenditures, doubtful debts, excessive interest payments, transfer pricing adjustments). In accordance with IAS 12 Income taxes, income taxes payable by our subsidiaries in Estonia and Latvia include only such taxes that are based on the taxable profit, thus, corporate income tax calculated on the taxable base consisting of conditionally or theoretically distributed profit is shown under Other expenses. Deferred tax assets and liabilities arising in these subsidiaries are recognised by applying the rate applicable to undistributed profits – i.e. at nil amounts.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same tax authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.35.19 Assets held for sale and Discontinued operations

Following IFRS 5, the Company needs to classify certain assets and liabilities as held for sale if:

- Group management is committed to plan a sell
- the asset is available for immediate sale
- an active program to locate a buyer is initiated
- the sale is highly probable, within 12 months of classification as held for same
- the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value
- actions required to complete the plan indicate that it is unlikely that the plan to sell will be significantly changed or withdrawn.

In accordance with IFRS 5, assets held for sale and liabilities directly associated with these assets held for sale are measured at the lower carrying value and fair value less costs to sell, and are represented separately in the statement of financial position. Depreciation of these assets needs to be ceased when it is held for sale.

A discontinued operation is defined by IFRS 5 as a component of an entity, that either has been disposed or is classified as held for sale, which

- represents either a separate major line of business or a geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale and the disposal involves loss of control

In case of a discontinued operation, as in line with IFRS 5, a separate presentation in the statement of other comprehensive income is required.

5.35.20 Earnings / (loss) per Share

We report both basic and diluted earnings or loss per share. Basic earnings or loss per share is calculated based on the weighted average number of ordinary shares outstanding and excludes the dilutive effect of stock options or any other type of convertible securities. Diluted earnings or loss per share adjusts the figures used in the determination of basic earnings or loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

5.35.21 Fair value measurement

The Group applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognised or disclosed at fair value in the financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value measurements for assets and liabilities, the Group considers the principal or most advantageous market in which it would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions, and credit risk. Fair value is estimated by applying the following hierarchy, which prioritises the inputs used to measure fair value into three levels and bases the categorisation within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

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UNIFIEDPOST GROUP SA

Statutory auditor’s report
to the general meeting
for the year ended 31 December 2023
(Consolidated financial statements)

Free translation

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Free translation

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF UNIFIEDPOST GROUP SA FOR THE YEAR ENDED 31 DECEMBER 2023 (CONSOLIDATED FINANCIAL STATEMENTS)

In the context of the statutory audit of the consolidated financial statements of Unifiedpost Group SA ('the Company') and its subsidiaries (together referred to as 'the Group'), we hereby present our statutory auditor's report. It includes our report of the consolidated financial statements and the other legal and regulatory requirements.
This report is an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of 17 May 2022, following the proposal formulated by the administrative body and issued upon recommendation of the Audit Committee and upon presentation by the works' council.
Our statutory auditor's mandate expires on the date of the General Meeting deliberating on the financial statements closed on 31 December 2024. We have performed the statutory audit of the consolidated financial statements of the Group for 5 consecutive years.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of 277.978 thousand EUR and for which the consolidated statement of profit or loss shows a loss for the year of 83.146 thousand EUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's net equity and financial position as at 31 December 2023, as well as of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as applicable in Belgium.
Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the consolidated financial statements' section in this report.
We have complied with all the ethical requirements that are relevant to the audit of consolidated financial statements in Belgium, including those concerning independence.

We have obtained from the administrative body and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

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

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Impairment of goodwill and intangible assets

Description of the Matter

The Group's evaluation of goodwill and intangible assets for impairment, involves the comparison of the recoverable amount of each cash generating unit ('CGU') to its carrying value. The Group uses the expected discounted cash flow model to estimate the recoverable amount of each of the CGU identified, which requires management to make significant estimates and assumptions related to forecasts of future revenue, gross margins, discount and perpetual growth rates. Changes in these assumptions could have a significant impact on the recoverable amount and the amount of goodwill impairment.

Given the significant estimates made to determine the recoverable amount of each CGU and the impairment amount resulting from it, performing audit procedures to evaluate the reasonableness of management's estimates and assumptions required a high degree of auditor judgment and an increased extent of effort, including the need to involve our valuation specialists.

Disclosure regarding the Group's impairment exercise and related estimates made can be found in Notes 5.4.2.1. and 5.13.

Procedures performed

Our audit procedures related to the forecasts of future revenue and gross margin used by management to estimate the recoverable amount of the CGUs, included the following:

- We evaluated the reasonableness of the valuation methodology and tested the mathematical accuracy of the exercise.
- We evaluated management's ability to accurately forecast future revenue and gross margin by comparing actual results to management's historical forecasts.
- We also evaluated the reasonableness of management's revenue and operating margin forecasts by comparing the forecasts to (i) the historical operating results of the Group for each of the CGUs,

(ii) appropriate internal evidence and indications of growth such as new signed contracts, minutes and press releases; and (iii) industry information.

- We reviewed the sensitivity analysis prepared by management to understand the effect of a change in assumptions and performed our own sensitivity analysis.
- We verified the appropriateness and completeness of the goodwill and intangible assets impairment disclosures in the Group's financial statements.

Responsibilities of the administrative body for the drafting of the consolidated financial statements

The administrative body is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory provisions applicable in Belgium, and for such internal control as the administrative body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the administrative body is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the administrative body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

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

When executing our audit, we respect the legal, regulatory and normative framework applicable for the audit of the consolidated financial statements in Belgium. However, a statutory audit does not guarantee the future viability of the Group, neither the efficiency and effectiveness of the management of the Group by the administrative body. Our responsibilities regarding the continuity assumption applied by the administrative body are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrative body;

- Conclude on the appropriateness of the administrative body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, the supervision and the performance of the Group audit. We assume full responsibility for the auditor's opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

We also provide the Audit Committee with a statement that we respected the relevant ethical requirements relating to independence, and we communicate with them about all relationships and other issues which may influence our independence, and, if applicable, about the related measures to guarantee our independence.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year, and are therefore the key audit matters. We describe these matters in our statutory auditor's report, unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

The administrative body is responsible for the preparation and the contents of the director's report on the consolidated financial statements, the statement of non-financial information attached to the director's report on the consolidated financial statements and for the other information included in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

In the context of our mission and in accordance with the Belgian standard (version revised 2020) which is complementary to the International Standards on Auditing (ISA) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the director's report on the consolidated financial statements the statement of non-financial information attached to the director's report on the consolidated financial statements and the other information included in the annual report on the consolidated financial statements, as well as to report on these elements.

Aspects relating to the director's report on the consolidated financial statements and to the other information included in the annual report on the consolidated financial statements

In our opinion, after having performed specific procedures in relation to the director's report, this director's report is consistent with the consolidated financial statements for the same financial year, and it is prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the director's report on the consolidated financial statements and the other information included in the annual report on the consolidated financial statements, contain a material misstatement, i.e. information which is inadequately disclosed or otherwise misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information, as required by article 3:32, §2 of the Code of companies and associations, has been included in a separate report attached to the director's report on the consolidated annual accounts, which is part of the section on sustainability in the annual report. This report of non-financial information contains the information required by article 3:32, §2 of the Code of companies and associations and is consistent with the consolidated annual accounts for the same financial year. In preparing this non-financial information, the Company has based itself on the United Nations' Sustainable Development Goals ("SDG's"). In accordance with article 3:80, §1, first paragraph, 5° of the Code of companies and associations, we do not express an opinion on the question whether this non-financial information has been prepared in accordance with the information contained in the director's report on the consolidated annual accounts in accordance with the SDG's.

Statement concerning independence

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements and our audit firm remained independent of the Group during the terms of our mandate.

- The fees related to additional services which are compatible with the statutory audit as referred to in article 3:65 of the Code of companies and associations were duly itemised and valued in the notes to the consolidated financial statements.

European Single Electronic Format (ESEF)

In accordance with the draft standard of the Institute of Réviseurs d'Entreprises concerning the standard on auditing the conformity of financial statements with the European Single Electronic Format (hereinafter "ESEF"), we also audited the conformity of the ESEF format with the regulatory technical standards established by Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The administrative body is responsible for preparing, in accordance with ESEF requirements, the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter "digital consolidated financial statements") included in the annual financial report.

It is our responsibility to obtain sufficient and appropriate supporting information to conclude that the format and mark-up language of the digital consolidated financial statements comply in all material aspects with the ESEF requirements under the Delegated Regulation.

Based on our work, we believe that the format and the mark-up of information in the official French version of the digital consolidated financial statements included in the annual financial report of Unifiedpost Group SA as at 31 December 2023 comply in all material aspects with the ESEF requirements under the Delegated Regulation.

Other statements

This report is in compliance with the contents of our additional report to the Audit Committee as referred to in article 11 of regulation (EU) No 537/2014.

Zaventem, 17 April 2024

BDO Réviseurs d'Entreprises SRL
Statutory auditor
Represented by Ellen Lombaerts*
Auditor
*Acting for a company

4.2 Statutory financial Statements

The following information is extracted from the separate Belgian GAAP financial statements of Unifiedpost Group SA. These separate financial statements, together with the management report of the Board of Directors to the general assembly of shareholders as well as the auditors' report, will be filed with the National Bank of Belgium within the legally foreseen time limits. It should be noted that only the Consolidated Financial Statements as set forth in chapter 4.1 present a true and fair view of the financial position and performance of the Unifiedpost Group. Therefore, these separate financial statements present no more than a limited view of the financial position of Unifiedpost Group SA. For this reason, the Board of Directors deemed it appropriate to publish only an abbreviated version of the non-consolidated statement of financial position and statement of profit & loss prepared in accordance with Belgian GAAP as at and for the year ended 31 December 2023. Participations in affiliated companies are recognised at purchase price. The statutory auditors' report is unqualified and certifies that the non-consolidated financial statements of Unifiedpost Group SA prepared in accordance with Belgian GAAP for the year ended 31 December 2023 give a true and fair view of the financial position and results of Unifiedpost Group SA in accordance with all legal and regulatory dispositions. The full statutory financial statements can be obtained at the registered office of the Company at Avenue Reine Astrid 92A, B-1310 La Hulpe.

Thousands of Euro	For the year ended 31 December	
	2023	**2022**
Audit fees	669	675
Audit fees - overrun 2022	150	-
Fees for legal missions	8	61
Permitted non-audit services		
Other assurance	62	70
Total	**889**	**806**

4.2.1 Income Statement

Thousands of Euro			**At 31 December**
		2023	**2022**
Operating Income	**70/76A**	**21.938**	**18.044**
Turnover	**70**	**21.737**	**18.044**
Increase, decrease in stocks of finished goods, work and contracts in progress	71		
Own construction capitalised	72		
Other operating income	74	200	
Non-recurring operating income	76A		
Operating charges	**60/66A**	**-23.814**	**-21.111**
Raw materials, consumables and goods for resale	60	-3.851	
Services and other goods	61	-13.653	-20.495
Remuneration, social security costs and pensions	62	-5.019	
Depreciation and amounts written off	630	-514	-517
Ammounts written off	631/4		
Provisions for liabilities and charges	635/8		
Opter operating charges	640/8	-777	-99
Operating charges capitalised as reorganisation costs	649		
Non-recurring operating charges	**66A**		
Operating profit / (loss)	**9901**	**-1.876**	**-3.066**
Financial income	75/76B	30.799	3.499
Financial charges	65/66B	-83.320	-12.373
Profit / (loss) for the period before taxes	**9903**	**-54.398**	**-11.940**
Income taxes	67/77	-5	-0
Profit / (loss) for the period	**9905**	**-54.402**	**-11.941**

4.2.2 Balance sheet

Thousands of Euro		At 31 December	
		2023	**2022**
Assets			
Formation expenses	**20**	**11.407**	**14.977**
Fixed assets	**21/28**	**391.386**	**416.214**
Intangible assets	21	175	689
Tangibles assets	22/27		
Financial assets	28	391.211	415.525
Current assets	29/58	1.231	19.347
Amounts receivable after more than one year	**29**		
Stock and contracts in progress	3		
Amounts receivable within one year	40/41	38	840
Investments	50/53		
Cash at bank and in hand	54/58	385	18.201
Deferred charges and accrued income	490/1	808	306
Total assets	**20/58**	**404.023**	**450.538**

Thousands of Euro		At 31 December	
		2023	**2022**
Liabilities			
Capital and reserves	**10/15**	**217.108**	**271.510**
Capital and reserves	10	326.805	326.805
Share premium accounts	11	492	492
Revaluation surplus	12		
Reserves	13	31	31
Proftit / (loss) carried forward	14	-110.220	-55.818
Investment grants	15		
Advances to associates on net assets distribution	**19**		
Provisions and deferred taxation	**16**		
Creditors	**17/49**	**186.915**	**179.028**
Amounts payable after more than one year	17	113.827	105.092
Current portion of amounts payable after more than one year	42		801
Financial debts	43	746	38
Trade debts	44	13.457	15.970
Advances received on contracts in progress	46		
Taxes, remuneration and social security	45	1.166	
Other amounts payable	47/48	57.717	57.127
Accrued charges and deferred income	492/3		
Total liabilties	**10/49**	**404.023**	**450.538**

5. Other

5.1 Glossary

ACAB	:	Anti-Corruption and Anti-Bribery
AI	:	Artificial Intelligence
AML	:	Anti-Money Laundering (often considered in combination with Countering the Financing of Terrorism: AML/CFT obligation, applicable to credit and financial institutions, as well as selected other industries)
API	:	Application Programming Interface, which is a set of programming code that queries data, parses responses and sends instructions between one software platform to another
APMs	:	Alternative Performance Measures
ARPU	:	Average digital Revenue per Paying Users
Audit Committee	:	Audit Committee of the Board established in accordance with Article 7:99 if the BCCA and Provisions 4.10 to 4.16 of the Corporate Governance Charter
B2B	:	Business to Business
B2C	:	Business to Consumer
B2G	:	Business to Government
Baltic States	:	Estonia, Latvia and Lithuania
BCCA	:	Belgian Code on Companies and Associations
BDO	:	BDO Bedrijfsrevisoren BV / BDO Réviseurs d'Entreprises SRL, having its registered office at the Corporate Village, Da Vincilaan 9 box E.6, 1930 Zaverntem, Belgium, represented by Ms. Ellen Lombaerts
Board	:	Board of Directors of Unifiedpost
CAGR	:	Compound Annual Growth Rate
CBA	:	Collective Bargaining Agreement referring to an agreement between Unifiedpost and its employee representatives
Central East Europe	:	Bulgaria, Czech Republic, Hungary, Poland and Slovakia
CEO	:	Chief Executive Officer of Unifiedpost, currently being Sofias BV, permanently represented by Hans Leybaert
CFO	:	Chief Financial Officer, until 15 April 2024 being Marcelis BV, permanently represented by Laurent Marcelis and replaced as of that date by Koen De Brabander
CGU	:	Cash Generating Unit, the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets
Companies in business networks	:	Businesses actively engaged within the Unifiedpost's digital ecosystem, including also companies that we can connect through roaming agreements and open platform capability
Compliance triangle	:	Basis of Unifiedpost's strategy, where e-invoicing, e-payments, e-reporting and e-identity services are integrate into a single, user-friendly platform
Corporate Governance	:	The Corporate Governance charter adopted by Unifiedpost, conditional upon and with effect as of the realisation of the Conditions Precedent to the Private Placement, available on its website www.unifiedpost.com
Corporate(s)	:	Any customer of Unifiedpost that has over 500 full-time equivalent employees
CSRD	:	The European Corporate Sustainability Reporting Directive
CTC	:	Continuous Transaction Control, a system used by tax authorities to monitor and verify transaction in real-time
Customers	:	The total number of customers (companies) using Unifiedpost's services

Customers paid by 3rd parties	: Businesses that select Unifiedpost's solutions, but the expenses for the services they adopt are covered by third parties, including entities such as accountants, governmental bodies or collaborating corporations
Digital processing revenue	: Revenue generated from Unifiedpost's digital solutions
DPO	: Data Protection Officer
EBITDA	: Profit or loss from operation, plus amortisations, depreciations and impairment losses
ECMA	: Expert Comptable Media Association
EEA Agreement	: Agreement on the European Economic Area, which was established to allow non-European Union member countries to participate in the EU's single market
e-invoice	: An invoice that has been issued in a structured data format (e.g. XML) in a VAT-compliant way, which allows for its automatic and electronic processing
Engagement survey	: To measure employee engagement, the Gallup Q-12 survey questionnaire was used (further information available at https://www.gallup.com/q12/)
ERP	: Enterprise Resource Planning, an integrated management system for main business processes
Euronext Brussels	: Euronext Brussels SA/NV, located at 1 rue du Marquis, 1000 Brussels, Belgium
Franscisco Partners	: A leading global investment firm that specialises in partnering with technology and technology-enables businesses, located at One Letterman Drive, San Francisco, CA 94129, United States of America
FSMA	: Financial Services and Markets Authority (Belgium)
FTE	: Full-Time Equivalent of contract employees, temporary employees, and contractors
G&A expenses	: General and Administrative expenses
GDPR	: General Data Protection Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data
Gender pay gap	: The ratio between male and female employees' average earnings
Group revenue	: Total consolidated revenue of Unifiedpost for a particular period in time
Headcount	: All contract employees, students/interns and temporary workers, as well as contractors
HRIS	: Human Resource Information System
IFRS	: International Financial Reporting Standards, as adopted by the European Union
Industrial collective agreement	: Agreement for a specific group or industry, binding the particular Unifiedpost entity in the respective country
KPI	: Key Performance Indicator
kWh	: Kilo-watt hour, a unit of energy commonly used to measure electricity consumption
Late Payment Directive	: To protect European business against late payment and to improve their competitiveness, the EU adopted Directive 2011/7/EU on combating late payment in commercial transaction in February 2011 and in needed to be integrated into national law by EU countries bu March 2013.
LTIFR	: Lost Time Injury Frequency Rate, calculated from the number of lost-time injuries, divided by the total hours worked and multiplied by 1 million
Management	: The members of the Management Committee
Member State	: Member States of the European Union and where relevant other states that are part of the EEA Agreement

MWh	:	Mega-watt hour or 1.000 kWh
North Europe	:	Denmark, Estonia, Finlanc, Lithuania, Latvia, Norway and Sweden
O2C	:	Order-to-Cash, including order management, invoicing and payment collection
Organic growth	:	Growth of the business after removing the impact of acquisitions or other scope changes as well as exchange rate movements
P2P	:	Purchase-to-Pay, as the process from purchase request to supplier payment
Paying customers	:	Companies that use Unifiedpost's solutions to streamline their document and financial processes and that pay for those services themselves
PDF	:	Portable Document Format
Postage and parcel optimisation revenue	:	Revenue generated from Unified post's postage and parcel optimisation services as a reference to a set of solutions aimed at optimising the process of sending out physical documents and parcels, as only available in the Scandinavian market
PSD1	:	The first Payment Services Directive (EU) 2007/64/EC of 13 November 2007 on payment services in the internal market
PSD2	:	The second Payment Services Directive (EU) 2015/2366 of 25 November 2015 on payment services in the internal market
QTSP	:	Quality Trust Service Provider
R&D	:	Research & Development
Recurring revenue	:	The portion of the revenue that is expected to continue regularly in the future
Remuneration and Nomination Committee	:	Committee of the Board, established in accordance with Article 7:100 of the BCCA and Provision 4.17 to 4.23 of the Corporate Governance Charter
Rest of the World	:	Morocco, Singapore and Vietnam
Royal Decree of 14 November 2007	:	The Belgian Royal Decree of 14 November 2007 relating to the obligation of issuers of financial instruments admitted to trading on a Belgian regulated market, as amended (Koninklijk besluit betreffende de verplichtingen van emittenten van financiële instrumenten die zijn toegelaten tot de verhandeling op een Belgische gereglementeerde markt / Arrêté royal relative aux obligations des émetteurs d'instruments financiers admis aux négociations sur un marché réglementé belge)
S&M expenses	:	Sales and Marketing expenses
SaaS	:	Software-as-a-Service
SDG	:	Sustainable Development Goal
Share capital	:	Share capital of Unifiedpost
Shareholder	:	Shareholder of Unifiedpost
Shareholders' Meeting	:	Annual, special or extraordinary General Meeting of Shareholders of Unifiedpost
Shares	:	Shares that represent the Share Capital, with voting rights and without designation of nominal value, issued by Unifiedpost
SME	:	Any customer of Unifiedpost that is not a corporate
South Europe	:	Albania, Bosnia-Herzegovina, Spain, Greece, Croatia, Italy, Moldova, Portugal, Romania and Republic of Serbia
Statutory Auditor	:	Past, current and future statutory auditor of Unifiedpost (currently, the statutory auditor is BDO)

Subscription rights	: Key Man Subscriptions Rights, Employee Stock Ownership Plan ('ESOP') subscription rights, as well as any other subscription rights issued by Unifiedpost
t.CO2e	: Ton CO2 equivalents
Total Remuneration Ratio	: The proportion of the highest paid individual's total financial remuneration package, including base salary, bonuses, benefits and long-term incentives, relative to the median employee remuneration package
Turnover rate	: Calculated by dividing the number of leavers during the reporting period by the total workforce at the end of the reporting period
Unifiedpost	: Unifiedpost Group SA/NV, a public limited liability company under Belgian law with registered office at Avenue Reine Astrid 92A, 1310 La Hulpe, Belgium and registered with the Register of Legal Entities under number 0886.277.617
Unifiedpost Group	: Unifiedpost and all of its direct or indirect, wholly or partially owned subsidiaries, branches or associates, also referred to as Unifiedpost, the Group, Group entities or the Company
Unifiedpost Payments	: Unifiedpost Payments SA/NV, a subsidiary of Unifiedpost Group that obtained a payment license under PSD1 on 12 October 2016 and an extension under PSD2
VAT	: Value Added Tax
VAT gap	: The VAT gap is the overall difference between the expected VAT and the amount actually collected
West Europe	: Austria, Belgium, Switzerland, Germany, France, Luxembourg, the Netherlands and United Kingdom
Workforce	: Number of legally contracted employees and contractors with a valid agreement at the end of the reporting period, including part-time and defined duration as well as replacement contract employees or contractors
Workforce turnover	: The number of individuals in our workforce who left Unifiedpost during the reporting period, including all kinds of leaves
XML	: Extensible Markup Language, where a Markup Language means a set of codes, or tags, that describes the text in a digital document

5.2 APMs

The Alternative Performance Measures (APMs) are defined as follows or based on the following defined terms:

- **Net Financial Debt / (cash)** is defined as interest bearing financial debts plus lease liabilities minus cash and cash equivalents
- **Net debt / (cash)** is defined as net financial debt / (cash) excluding any subordinated loan
- **EBITDA** is defined as profit or loss from operations plus non-cash items from operations (i.e. amortisation, depreciation and impairment expenses)
- **Free cash flow** is defined as net income (i) plus non-cash items in the income statement, (ii) cash out for IFRS 16 adjustments, (iii) minus capital expenditure, (iv) minus reimbursement on loans and leasings for the reporting period
- **ARPU** is defined as the digital processing revenue per period divided by the number of paying customers at the end of that period

Unifiedpost measures its financial performance using the above listed alternative performance measures and believes that these measurements are useful for analysing and explaining changes and trends in the historical results of operations as they allow performance to be compared on a consistent basis.