Audit Report on Financial Statements
issued by an Independent Auditor

MEDIASMART MOBILE, S.L.U.
Financial Statements and Management Report
for the year ended
March 31, 2023

Building a better
working world

Ernst & Young, S.L.
Avda. de la Palmera, 33
41013 Sevilla
España

Tel: 954 238 711
Fax: 954 239 437
ey.com

AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 17)

To the sole shareholder of Mediasmart Mobile, S.L.U.:

Opinion

We have audited the financial statements of Mediasmart Mobile, S.L.U. (the Company), which comprise the balance sheet as at March 31, 2023, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at March 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those regulations are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the financial statements of the current period. These risks were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Domicilio Social: C/ Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.

Revenue recognition

Description	As described in Note 4.11 to the financial statements, the Company recognizes revenues derived from a contract when the control over the promised goods or services are transferred to the client, using the complete five-stage process described for this purpose. The Company has identified a single obligation to provide the services that it renders independently, determining at the beginning of the contract whether the performance obligation is fulfilled over time or at a point in time. The Company complies with the performance obligation at a point in time, this is at the time of delivery of the advertisement. In the case of contractual obligations that are fulfilled at a point in time, revenues derived from their execution are recognized on that date. Ordinary income from the sale of services is valued at the monetary amount or, as the case may be, at the fair value of the consideration, received or expected to be received. The consideration is the price agreed for the provision of the service to the client, deducted: the amount of any discount, reduction in the price or other similar items that the Company may grant, as well as the interest included in the nominal value of the credits. The transaction price does not include variable considerations such as return rights, volume discounts, a significant financial component or considerations other than cash, and is established based on the agreed rates. Revenues for the year ended March 31, 2023, amounted to €8,378,392 euros. Revenue is a key measurement indicator of the Company's performance, as such there could be an incentive to recognize revenue before the services have been rendered. Therefore, we have determined revenue recognition to be a most relevant audit issue.
Our response	In this regard, our audit procedures included, among others: ▶ Reviewing the Company's revenue recognition policy to determine whether revenue is recorded correctly in the accounts and monitoring a sales transaction to confirm the understanding and correct design of the process. ▶ Performing substantive analytical tests, including analytical procedures and tracking monthly trends. ▶ Performing detail testing on a sample of revenue transactions. ▶ Performing a test on a sample of credit notes issued after the reporting period. ▶ Performing cut-off testing of transactions at year-end to confirm whether revenue was recognized in its proper accounting period.

- Performing tests to confirm third-party balances and reviewing the related supporting evidence using alternative procedures for a representative sample of accounts receivable as at March 31, 2023.

- Reviewing the disclosures included in Notes 4.11 and 11.1 to the financial statements as required in the applicable regulatory framework for financial reporting.

Other information: management report

Other information refers exclusively to the annual year ended March 31, 2023 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the management report is to assess and report on the consistency of the management report with the financial statements based on the knowledge of the entity obtained during the audit, and to assess and report on whether the content and presentation of the management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, the information contained in the management report is consistent with that provided in the annual year ended March 31, 2023 financial statements and its content and presentation are in conformity with applicable regulations.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the director’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the 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 auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the directors of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the Company's directors of Mediasmart Mobile, S.L.U we determine those that were of most significance in the audit of the financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Inscribed in the Official Register of Account Auditors with Number S0530)

Luis Rosales López de Carrizosa
(Inscribed in the Official Register of Account Auditors with Number 21869)

May 30, 2023

MEDIASMART MOBILE, S.L.U.

Financial statements
for the year ended
31 March 2023

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FINANCIAL STATEMENTS

MEDIASMART MOBILE, S.L.U.
Statement of financial position as at 31 March 2023
(€)

ASSETS	Note	31/3/23	31/3/22
NON-CURRENT ASSETS		**353,150**	**370,111**
Property, plant and equipment	**5**	**34,323**	**25,058**
Technical installations and other property, plant, and equipment		34,323	25,058
Non-current financial assets	**6**	**6,580**	**6,034**
Other financial assets		6,580	6,034
Deferred tax assets	**10**	**312,247**	**339,019**
CURRENT ASSETS		**2,249,672**	**2,369,424**
Trade and other receivables		**1,710,961**	**1,638,153**
Trade receivables	6.1	377,546	841,683
Trade receivables from group companies and associates	6.1	1,307,183	680,724
Other receivables	6.1	0	86,389
Other taxes receivable	10	26,232	29,357
Prepayments for current assets		**65,386**	**34,320**
Cash and cash equivalents	**7**	**473,325**	**696,951**
Cash		473,325	696,951
TOTAL ASSETS		**2,602,822**	**2,739,535**

MEDIASMART MOBILE, S.L.U.
Statement of financial position as at 31 March 2023
(€)

EQUITY AND LIABILITIES	Note	31/3/23	31/3/22
EQUITY		**677,310**	**517,580**
CAPITAL AND RESERVES		**677,310**	**517,580**
Capital	**8.1**	**124,282**	**124,282**
Registered capital		124,282	124,282
Share premium	**8.2**	**334,552**	**334,552**
Reserves	**8.3**	**624,139**	**544,726**
Legal and by-law reserves		24,856	24,856
Other reserves		599,283	519,870
Retained earnings (prior years' losses)	**8.3**	**(485,980)**	**(916,917)**
Prior years' losses		(485,980)	(916,917)
Profit/(loss) for the period	**3**	**80,317**	**430,937**
NON-CURRENT LIABILITIES		**428,793**	**666,044**
Loans and borrowings	**9**	**428,793**	**666,044**
Bank borrowings		99,905	180,466
Other financial liabilities		328,888	485,578
CURRENT LIABILITIES		**1,496,719**	**1,555,911**
Loans and borrowings	**9**	**237,522**	**168,449**
Bank borrowings		81,055	96,404
Other financial liabilities		156,467	72,045
Loans and borrowings with group companies and associates	**9**	**0**	**35,701**
Trade and other payables		**1,259,197**	**1,351,761**
Suppliers	9.2	751,206	664,035
Trade payables to group companies and associates	9.2	246,291	296,976
Other payables	9.2	54,985	177,581
Personnel (salaries payable)	9.2	107,334	91,844
Other taxes payables	10	69,441	38,047
Advances from customers	9.2	29,941	83,278
TOTAL EQUITY AND LIABILITIES		**2,602,822**	**2,739,535**

MEDIASMART MOBILE, S.L.U.
Statement of profit or loss for the year ended 31 March 2023
(€)

	Note	31/3/23	31/3/22
CONTINUING OPERATIONS			
Revenue	11.1	**8,378,392**	**8,297,437**
Sales		8,378,392	8,297,437
Cost of sales		**(3,998,412)**	**(4,694,307)**
Subcontracted work		(3,998,412)	(4,694,307)
Employee benefits expense	11.2	**(2,465,099)**	**(1,350,965)**
Salaries, wages and similar		(1,913,055)	(1,043,026)
Employee benefits		(552,044)	(307,939)
Other operating expenses		**(1,650,881)**	**(1,765,518)**
External services	11.3	(1,650,881)	(1,757,641)
Taxes other than income tax		(2,511)	(4,438)
Losses, impairment and change in trade provisions	6.1	(21,912)	(3,439)
Depreciation and amortisation	11.5	**(12,805)**	**(8,637)**
Impairment and gains/(losses) on disposal of property, plant and equipment		**(2,265)**	**-**
Gains/(losses) on disposal and other		(2,265)	-
Other income/(expenses)		**(1,365)**	**-**
Exceptional expenses		(1,365)	-
OPERATING PROFIT/(LOSS)		**247,564**	**478,010**
Finance costs	11.4	**(8,533)**	**(24,070)**
On payables to third parties		(8,533)	(24,070)
Exchange differences	12	**(131,942)**	**(36,104)**
NET FINANCE INCOME/(EXPENSE)		**(140,475)**	**(60,174)**
PROFIT/(LOSS) BEFORE TAX		**107,089**	**417,836**
Income tax expense	10.1	**-26,772**	**13,101**
PROFIT/(LOSS) FOR THE PERIOD	3	**80,317**	**430,937**

MEDIASMART MOBILE, S.L.U.
Statement of changes in equity for the year ended 31 March 2023
(€)

A) Statement of recognised income and expense for the year ended 31 March 2023

	Note	31/3/23	31/3/22
Profit/(loss) for the period	3	80,317	430,937
Income and expense recognised directly in equity			
Grants, donations and bequests received		-	-
Tax effect		-	-
Total income and expense recognised directly in equity		-	-
Amounts transferred to profit or loss			
Grants, donations and bequests received		-	-
Tax effect		-	-
Total amounts transferred to profit or loss		-	-
TOTAL RECOGNISED INCOME AND EXPENSE		80,317	430,937

MEDIASMART MOBILE, S.L.U.
Statement of changes in equity for the year ended 31 March 2023
(€)

B) Statement of total changes in equity for the year ended 31 March 2023

	Registered capital (Note 8.1)	Share premium (Note 8.2)	Reserves (Note 8.3)	Prior periods' losses (Note 8.3)	Profit/(loss) for the period (Note 3)	TOTAL
CLOSING BALANCE AT 31 MARCH 2021	**124,282**	**334,552**	**527,598**	**(1,110,647)**	**193,729**	**69,514**
Total recognised income and expense	**-**	**-**	**-**	**-**	**430,937**	**430,937**
Other changes in equity	**-**	**-**	**17,128**	**193,729**	**(193,729)**	**17,128**
Distribution of profit/(loss)				193,729	(193,729)	**-**
Other	**-**	**-**	17,128	-	**-**	17,128
CLOSING BALANCE AT 31 MARCH 2022	**124,282**	**334,552**	**544,726**	**(916,918)**	**430,937**	**517,579**
Total recognised income and expense	**-**	**-**	**-**	**-**	**80,317**	**80,317**
Other changes in equity	**-**	**-**	**79,413**	**430,937**	**(430,937)**	**79,413**
Distribution of profit/(loss)	-	-	-	430,937	(430,937)	**-**
Other	-	-	79,413	-	-	79,413
CLOSING BALANCE AT 31 MARCH 2023	**124,282**	**334,552**	**624,139**	**(485,980)**	**80,317**	**677,310**

MEDIASMART MOBILE, S.L.U.
Statement of cash flows for the year ended 31 March 2023
(€)

	Note	31/3/23	31/3/22
OPERATING ACTIVITIES			
Profit for the year before tax		**107,089**	**417,836**
Adjustments for:		**177,757**	**72,250**
Depreciation and amortisation	5	12,805	8,637
Change in provisions		24,477	3,439
Finance costs	11.4	8,533	24,070
Exchange differences	12	131,942	36,104
Working capital changes		**(218,350)**	**16,010**
Trade and other receivables		(94,720)	(198,343)
Trade and other payables		(92,564)	205,255
Other current assets		(31,066)	8,895
Non-current assets and liabilities		-	203
Other cash flows from operating activities		**(140,475)**	**(57,174)**
Interest paid	11.4	(8,533)	(24,070)
Other amounts paid (received)	12	(131,942)	(33,104)
Net cash flows from operating activities		**(73,980)**	**448,922**
INVESTING ACTIVITIES			
Payments for investments		**(30,785)**	**(19,877)**
Property, plant and equipment	5	(30,239)	(19,877)
Others		(546)	-
Proceeds from sale of investments		**5,604**	**1,421**
Property, plant and equipment		5,604	1,421
Net cash flows from/(used in) investing activities		**(25,181)**	**(18,456)**
FINANCING ACTIVITIES			
Proceeds from and payments for financial liability instruments		**(203,878)**	**(650,612)**
Redemption and repayment of		(203,878)	(650,612)
Bank borrowings		(95,910)	(189,442)
Loans and borrowings with group companies and associates		(35,701)	(400,000)
Other loans and borrowings		(72,267)	(61,170)
Payments for dividends and remuneration of other equity instruments		**79,413**	**17,128**
Remuneration of other equity instruments		79,413	17,128
Net cash flows used in financing activities		**(124,465)**	**(633,484)**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		(223,626)	(203,018)
Cash and cash equivalents at the beginning of the period	**7**	**696,951**	**899,969**
Cash and cash equivalents at the end of the period	**7**	**473,325**	**696,951**

1. CORPORATE INFORMATION

Mediasmart Mobile, S.L.U. (the "Company") was incorporated on 7 November 2011 in Madrid, Spain. The Company's registered address is calle García de Paredes 12 Planta 1ª Puerta B MADRID 28010.

The Company was incorporated as a limited company (*sociedad limitada*) under the name Mediasmart Mobile S.L.U., with taxpayer identification number B86329638.

Its objects include providing all kinds of services, e-commerce and mobile programming and marketing, and any other related activities. The Company operates in Spain and France.

Shareholders at the General Meeting held on 30 June 2020 agreed to change the Company's financial year, which now begins on 1 April and ends on 31 March.

The Company is part of the Affle International Group which is listed in India, where Mediasmart Mobile, S.L.U deposits its consolidated financial statements.

The Company's functional currency is the euro.

2. BASIS OF PREPARATION

The annual accounts have been prepared in accordance with the financial information regulatory framework applicable to the Company, which is the one established in the General Accounting Plan approved by Royal Decree 1514/2007, of November 16, which since its publication has been subject to several modifications, the last of them through Royal Decree 1/2021, of January 12, and its implementing regulations, as well as with the rest of the current commercial legislation.

The financial statements have been authorised for issue by the Company's directors and will be submitted for approval by the sole shareholder. It is expected that they will be approved without modification.

The figures shown are in euros (€) unless stated otherwise.

2.1 True and fair view

The accompanying financial statements have been prepared from the auxiliary accounting records of the Company in accordance with prevailing accounting legislation to give a true and fair view of the Company's equity, financial position and results. The statement of cash flows was prepared to present fairly the origin and use of the Company's monetary assets representing cash and cash equivalents.

2.2 Comparative information

In accordance with company law, for comparative purposes for each item of the balance sheet, income statement, statement of changes in equity and the statement of cash flows, in addition to the figures for year ended 31 March 2023, those for the period ended 31 March 2022 are presented. Quantitative information for the preceding period is also included in the notes unless an accounting standard specifically states that this is not required.

2.3 Critical issues regarding the measurement and estimation of uncertainties

The preparation of the Company's financial statements required the directors to make certain estimates that affect the reported amounts of assets, liabilities, revenue and expenses, and the disclosure of contingent liabilities. These estimates were made based on the best information available at end of the reporting period. However, given the uncertainty inherent in estimates, future events could require these estimates to be modified in subsequent reporting periods. Any changes in accounting estimates would be made prospectively.

Key assumptions concerning the future and other relevant data on the uncertainty about these estimates at the reporting date, which could entail a considerable risk of material adjustment to the value of assets and liabilities in the subsequent reporting period, are as follows:

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and and unused tax losses to the extent that it is probable that future taxable profit will be available against which these assets may be utilised. Significant estimates are required by the directors to determine the amount of deferred tax assets that can be recognised based on the dates and the level of future taxable profits and the timing of the reversal of the taxable temporary differences. The Company recognised deferred tax assets at March 31, 2023 amounting to €312,247 (€339,019 at March 31, 2022) corresponding to deductible temporary differences and certain of its unused tax losses (note 10).

Recovery of accounts receivable (delinquency)

Accounts receivable balances with customers are subject to continuous valuation for the purpose of determining whether there are indicators of impairment and determining their provision. The Administrators evaluate the status of accounts receivables and the agreements reached with clients to determine the necessary provision. It is possible that changes in the situation of customers, in the future, may imply the need to provide additional provisions that, where appropriate, would be recorded on a prospective basis.

2.4 Limitations for the distribution of dividends

The Company is required to allocate 10% of the profits for the year to the constitution of the legal reserve, until it reaches at least 20% of the share capital. This reserve, as long as it does not exceed the limit of 20% of the share capital, is not distributable to the sole shareholder (Note 8.3).

Once the care provided for by law or the bylaws has been covered, dividends may only be distributed charged to the profit for the year, or to freely available reserves, if the value of the equity is not or, as a result of the distribution, is not less than social capital. For these purposes, the profits allocated directly to equity may not be subject to direct or indirect distribution. If there were losses from previous years that caused the value of the Company's equity to be less than the amount of the share capital, the profit will be used to offset said losses.

3. DISTRIBUTION OF PROFIT

The distribution of profit for the year ended 31 March 2023 proposed by the directors and expected to be approved by the sole shareholder is as follows:

(Euros)	2023
Basis of distribution	
Profit for the period	80,317
	80,317
Distribution	
Offset of prior years' losses	80,317
	80,317

4. RECOGNITION AND MEASUREMENT STANDARDS

The main recognition and measurement standards applied by the Company in the preparation of these financial statements are as follows:

4.1 Intangible assets

Intangible assets are measured on initial recognition at cost, determined as the purchase price or production cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised on a systematic basis over their estimated useful life, taking into account their residual value. Amortisation methods and periods are reviewed at the end of each reporting period and adjusted prospectively, if appropriate. Intangible assets are tested for impairment at least at the end of each reporting period and any impairment is recognised.

Patents and trademarks

Patents and trademarks are amortised on a straight-line basis over a 10-year period.

4.2 Property, plant and equipment

Property, plant and equipment are measured initially at cost, determined as the purchase price or production cost. The cost of property, plant and equipment acquired in business combinations is their fair value at the date of acquisition.

Following initial recognition, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of assets acquired or produced since 1 January 2008 that need more than one year to get ready for use (qualifying assets) includes borrowing costs accrued prior to putting the assets to use whenever such expenses meet the capitalisation requirements.

The value of an item of property, plant and equipment also includes the initial estimate of the present value of obligations for dismantling or removing the item, as well as other obligations associated with the asset, such as restoration, when these obligations give rise to the recognition of provisions.

Expenses for repairs that do not extend the useful life of the assets, as well as maintenance expenses, are recognised in profit or loss as incurred. Costs incurred to renovate, enlarge or improve items of property, plant and equipment which increase capacity or productivity or extend the useful life of the asset are capitalised as an increase in the value of the asset. The carrying amount of items that are replaced are derecognised.

Major overhaul costs of items of property, plant and equipment, irrespective of whether the items affected are replaced, are identified as a component of the cost of servicing the asset at the date of recognition of the asset and depreciated over the period until the next overhaul is performed.

When available for use, property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the assets.

The estimated years of useful life of property, plant and equipment are as follows:

	Years of useful life
Furniture	10
Information technology equipment	4

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.3 Impairment of non-financial assets

The Company assesses, at least at each reporting date, whether there is an indication that a non-current asset or, where applicable, a cash-generating unit (CGU) may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired. The value in use is the present value of the future cash flows expected to be obtained, discounted at a market risk-free rate and adjusted for any risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the CGU to which the asset belongs. A CGU is understood as the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets.

Impairment losses and any subsequent reversals are recognised in profit or loss. Impairment losses are reversed only if the circumstances that gave rise to the impairment cease to exist. Goodwill impairment losses cannot be reversed. Impairment is only reversed up to the limit of the carrying amount of the asset that would have been determined had the impairment loss not been recognised.

4.4 Leases

Leases are classified as finance leases when the economic conditions of the lease agreement indicate that substantially all the risks and rewards incidental to ownership of the asset are transferred. All other lease arrangements are classified as operating leases.

Company as lessee

Operating lease payments are recognised as expenses in profit or loss when accrued.

4.5 Financial assets

Classification and measurement

On initial recognition, the Company classifies all financial assets in one of the categories listed below, which determines the initial and subsequent valuation method applicable:

- Financial assets at amortized cost

Financial assets at amortized cost:

The Company classifies a financial asset in this category, even when it is admitted to trading on an organized market, if the following conditions are met:

- The Company holds the investment under a management model whose objective is to receive the cash flows derived from the execution of the contract.

  The management of a portfolio of financial assets to obtain its contractual cash flows does not imply that all instruments must necessarily be held to maturity; financial assets may be considered to be managed for this purpose even if sales have occurred or are expected to occur in the future. For this purpose, the Company considers the frequency, amount and timing of sales in prior periods, the reasons for those sales and expectations regarding future sales activity.

- The contractual characteristics of the financial asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding. That is, the cash flows are inherent to an agreement that is in the nature of an ordinary or common loan, notwithstanding that the transaction is agreed at a zero or below-market interest rate.

  It is assumed that this condition is met, in the case of a bond or a simple loan with a specific maturity date and for which the Company charges a variable market interest rate, and may be subject to a limit. Conversely, it is assumed that this condition is not met in the case of instruments convertible into equity instruments of the issuer, loans with inverse floating interest rates (i.e. a rate that has an inverse relationship with market interest rates) or those in which the issuer may defer the payment of interest, if such payment would affect its solvency, without the deferred interest accruing additional interest.

In general, this category includes trade receivables ("trade receivables") and non-trade receivables ("other receivables").

Financial assets classified in this category are initially measured at fair value, which, unless there is evidence to the contrary, is assumed to be the transaction price, which is equivalent to the fair value of the consideration given, plus directly attributable transaction costs. That is, the inherent transaction costs are capitalized.

However, trade receivables maturing in less than one year and which do not have an explicit contractual interest rate, as well as receivables from personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value when the effect of not discounting cash flows is not significant.

The amortized cost method is used for subsequent valuation. Accrued interest is recorded in the income statement (financial income) using the effective interest rate method.

Receivables maturing in less than one year which, as described above, are initially valued at their nominal value, continue to be valued at that amount, unless they are impaired.

In general, when the contractual cash flows of a financial asset at amortized cost are modified due to the issuer's financial difficulties, the Company analyzes whether an impairment loss should be recognized.

Off-balance sheet derecognition of financial assets

The Company derecognizes a financial asset from the balance sheet when:

- The contractual rights to the cash flows from the asset expire. In this sense, a financial asset is derecognized when it has expired and the Company has received the corresponding amount.

- The contractual rights to the cash flows of the financial asset have been assigned. In this case, the financial asset is derecognized when the risks and rewards of ownership have been substantially transferred. In particular, in repurchase agreements, factoring and securitizations, the financial asset is derecognized once the Company's exposure, before and after the transfer, to the variation in the amounts and timing of the net cash flows of the transferred asset has been compared, it is inferred that the risks and rewards have been transferred.

After analysis of the risks and rewards, the Company records the derecognition of financial assets in accordance with the following situations:

(a) The risks and rewards of ownership of the asset have been substantially transferred. The transferred asset is derecognized and the Company recognizes the result of the transaction: the difference between the consideration received net of attributable transaction costs (considering any new asset obtained less any liability assumed) and the carrying amount of the financial asset, plus any cumulative amount recognized directly in equity.

b) The risks and rewards of ownership of the asset have been substantially retained by the Company. The financial asset is not derecognized and a financial liability is recognized for the same amount as the consideration received.

c) The risks and rewards of ownership of the asset have not been substantially transferred or retained. In this case there are, in turn, two possible situations:

- Control is relinquished (the transferee has the practical ability to retransfer the asset to a third party): the asset is derecognized.
- Control is not transferred (the transferee does not have the practical ability to retransfer the asset to a third party): the Company continues to recognize the asset for the amount at which it is exposed to changes in the value of the transferred asset, i.e. for its continuing involvement, and must recognize an associated liability.

4.6 Impairment of financial assets

Debt instruments at amortized cost or fair value with changes in equity

At least at year-end, the Company analyzes whether there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events that have occurred after their initial recognition and that cause a reduction or delay in future estimated cash flows, which may be caused by the insolvency of the debtor.

If there is such evidence, the impairment loss is calculated as the difference between the book value and the present value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at a variable interest rate, the effective interest rate corresponding to the closing date of the annual accounts is used in accordance with the contractual conditions. In calculating the impairment losses of a group of financial assets, the Company uses models based on statistical formulas or methods.

Value adjustments for impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

As a substitute for the current value of future cash flows, the Company uses the market value of the instrument, provided that it is reliable enough to be considered representative of the value that the company could recover.

In the case of assets at fair value with changes in equity, the accumulated losses recognized in equity due to a decrease in fair value, provided there is objective evidence of impairment in the value of the asset, are recognized in the income statement and Profits.

4.7 Financial liabilities

Classification and valuation

On initial recognition, the Company classifies all financial liabilities in one of the categories listed below:

- Financial liabilities at amortized cost

The Company has not classified any liability as a financial liability at fair value.

Financial liabilities at amortized cost:

The Company classifies all financial liabilities in this category except when they must be measured at fair value through profit or loss.

In general, this category includes trade payables ("trade payables") and non-trade payables ("other payables").
Participating loans that have the characteristics of an ordinary or common loan are also included in this category, regardless of whether the transaction is agreed at a zero or below-market interest rate.

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is considered to be the transaction price, which is equivalent to the fair value of the consideration received adjusted for directly attributable transaction costs. That is, the inherent transaction costs are capitalized.

However, trade payables maturing in less than one year and which do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, are valued at their nominal value, when the effect of not discounting the cash flows is not significant.

The amortized cost method is used for subsequent valuation. Accrued interest is recorded in the profit and loss account (financial expense), applying the effective interest rate method.

However, debts maturing within one year which, in accordance with the above provisions, are initially valued at their nominal value, continue to be valued at that amount.
Contributions received as a result of joint ventures and similar contracts are valued at cost, increased or decreased by the profit or loss, respectively, to be attributed to the non-managing participants.

The same criterion is applied to participating loans whose interest is contingent, either because a fixed or variable interest rate is agreed upon conditional upon the achievement of a milestone in the borrower company (for example, the achievement of profits), or because it is calculated exclusively by reference to the evolution of the borrower company's activity. Finance costs are recognized in the income statement on an accrual basis, and transaction costs are recognized in the income statement on a straight-line basis over the life of the participating loan, if not applicable.

Cancellation

The Company derecognizes a previously recognized financial liability when one of the following circumstances occurs:

- The obligation has been extinguished because payment has been made to the creditor to cancel the debt (through payments in cash or other goods or services), or because the debtor is legally released from any liability on the liability.

- Own financial liabilities are acquired, even with the intention of repositioning them in the future.

- There is an exchange of debt instruments between a lender and a borrower, provided that they have substantially different terms, and the new financial liability that arises is recognized; in the same way, a substantial modification of the current terms of a financial liability is recorded, as indicated for debt restructurings.

The cancellation of a financial liability is as follows: the difference between the carrying amount of the financial liability (or of the part of it that has been derecognized) and the consideration paid, including attributable transaction costs, and which also includes any asset transferred other than cash or liability assumed, is recognized in the income statement for the year in which it occurs.

4.8 Cash and cash equivalents

Cash and cash equivalents include cash, current accounts, deposits and purchases of assets under resale agreements which meet the following criteria:

- They are readily convertible to cash.
- They have a maturity of three months or less from the date of acquisition.
- They are subject to an insignificant risk of changes in value.
- They form part of the Company's usual cash management strategy.

For the purposes of the statement of cash flows, occasional overdrafts may also be included as a decrease in cash and cash equivalents when these form an integral part of the Company's cash management.

4.9 Income tax expense (tax income)

Income tax expense (tax income) for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to taxable profit for the year, less deductions and other tax relief, taking into account changes during the year in recognised deferred tax assets and liabilities. The corresponding tax expense is recognised in profit or loss, except when it relates to transactions recognised directly in equity, in which case the corresponding tax expense is likewise recognised in equity, and in the initial recognition of business combinations, for which it is recognised in a similar manner to the other assets and liabilities of the acquiree.

Deferred taxes are recognised for all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts. The tax base of an asset or liability is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included in "Deferred tax assets" or "Deferred tax liabilities" in the statement of financial position, as applicable.

The Company recognises deferred tax liabilities for all taxable temporary differences, except when disallowed under prevailing tax legislation.

The Company recognises deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits, and unused tax losses, to the extent that it is probable that future taxable profit will be available against which these assets may be utilised, except where disallowed by prevailing tax legislation.

On the initial recognition of business combinations, when the deferred tax assets of the acquiree do not qualify for separate recognition, the deferred assets recognised during the measurement period arising from new information on events and circumstances existing at the acquisition date adjust the amount of the related goodwill. Deferred tax assets recognised after the measurement period, or which arise from events or circumstances that did not exist at the acquisition date, are recognised in profit and loss or, if required by the standard, directly in equity.

At the end of each reporting period, the Company reassesses recognised and previously unrecognised deferred tax assets. Based on this analysis, the Company then derecognises previously recognised deferred tax assets when recovery is no longer probable or recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are not discounted and are classified as non-current assets or non-current liabilities, regardless of the date they are expected to be realised or settled.

4.10 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Accordingly, assets and liabilities are classified as current when they are associated with the Company's operating cycle and it is expected that they will be sold, consumed, realised or settled within the normal course of that cycle; when they differ from the aforementioned assets and are expected to mature, to be sold or settled within one year; and when they are held for trading or are cash and cash equivalents whose use is not restricted to one year. All other assets and liabilities are classified as non-current assets and non-current liabilities.

The normal operating cycle is less than one year.

4.11 Revenue and expenses

In accordance with the accrual principle, income is recorded with the transfer of control and expenses are recorded when they occur, regardless of the date of collection or payment. The company is dedicated to providing services.

For the accounting record of income, the Company follows a process consisting of the following successive stages:

a) Identify the contract with the client, understood as an agreement between two or more parties that creates enforceable rights and obligations for them.

b) Identify the obligation or obligations to be fulfilled in the contract, representative of the commitments to transfer goods or provide services to a client.

c) Determine the price of the transaction, or consideration of the contract to which the company expects to be entitled in exchange for the transfer of goods or the provision of services committed to the client.

d) Assign the price of the transaction to the obligations to be fulfilled, which must be carried out based on the individual sale prices of each different good or service that have been committed to in the contract, or, where appropriate, following an estimate of the sale price when it is not observable independently.

e) Recognize income from ordinary activities when the company fulfills a committed obligation through the transfer of an asset or the provision of a service; fulfillment that takes place when the customer obtains control of that good or service, so that the amount of revenue recognized from ordinary activities will be the amount assigned to the satisfied contractual obligation.

Recognition

The Company recognizes the income derived from a contract when the transfer to the client of the control over the committed goods or services takes place (that is, the transfer of the electronic products whose sale and distribution is carried out by the company). The Company has identified a single obligation to fulfill, determining at the beginning of the contract whether the commitment assumed is fulfilled over time or at a specific moment.

The Company complies with the performance obligation at a point in time. In the case of contractual obligations that are fulfilled at a certain time, the income derived from their execution is recognized on that date. The costs incurred in the acquisition of merchandise are recorded as inventories.

Ordinary income from the sale of goods and the provision of services is valued at the monetary amount or, where appropriate, at the fair value of the consideration received or expected to be received. The counterpart is the agreed price for the assets to be transferred to the client, deducting: the amount of any discount, price reduction or other similar items that the company may grant, as well as the interest included in the nominal value of the loans. The transaction price does not include variable considerations such as return rights, volume discounts, significant financial component or non-cash considerations.

4.11.1 Contract balances

a) Contract assets

Unconditional right to receive the consideration

When the Company has an unconditional right to the consideration, regardless of the transfer of control of the assets, a collection right is recognized (sub-headings of "customers for sales and provision of services", or where appropriate "customers, companies of the group and associates”) under the headings of “Trade debtors and other accounts payable” of current or non-current assets, as appropriate due to their maturity according to their normal operating cycle.

"Trade and other accounts payable" from current assets, separates customers that, even within the normal operating cycle, have a maturity of more than one year (long-term).

Right to consideration for transfer of control

When control of an asset of a contract is transferred without having an unconditional right to invoicing, the Company records a right to consideration for the transfer of control. This right to the consideration for transfer of control is written off when an unconditional right to receive the consideration arises. However, their impairment at year-end is analyzed in the same way as for unconditional rights.

These balances are presented, as are the unconditional rights, under the heading of customers in trade debtors. It is classified as current or non-current depending on its maturity.

Assets for right of return

A right of return asset is recognized for the right to recover goods that are expected to be returned by customers. The asset is valued at the previous book value of the inventories, less the expected costs to recover the goods and any potential decrease in value. The Company updates the valuation of the asset for any revision of the expected level of returns and any further decrease in the value of the returned products.

Costs incurred to obtain a contract

The costs incurred to obtain a contract are presented as long-term accruals, where appropriate, short-term accruals according to their maturity.

b) Contract liabilities

Contractual obligations

If the customer pays the consideration, or there is an unconditional right to receive it, before transferring the good or service to the customer, the Company recognizes a contract liability when the payment has been made or is due.

These contract liabilities are presented in customer advances under the heading of trade creditors and other accounts payable (current liabilities) or long-term accruals (non-current liabilities) depending on their maturity.

Return provision

The Company has recorded a provision to cover expenses for sales returns, repair guarantees, revisions and other similar concepts.

4.12 Foreign currency transactions

The Company's functional and presentation currency is the euro.

Transactions in foreign currencies are initially recorded at their functional currency spot rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange gains or losses arising on this process and on settlement of these assets and liabilities are recognised in profit or loss for the reporting period in which they occur.

Non-monetary items that are measured in terms of historical cost are translated using the exchange rates at the dates of the transaction.

Non-monetary items measured at fair value are translated using the exchange rate at the date when fair value is determined. Exchange gains or losses are recognised in profit or loss, unless the change in value of the non-monetary item is recognised in equity, in which case the exchange gains or losses are also recognised in equity.

4.13 Related party transactions

Related party transactions are measured using the same criteria described above, except for the following transactions:

- Non-monetary contributions of a business to a group company, which, in general, are measured at the carrying amount of the assets and liabilities contributed in the consolidated financial statements at the date of the transaction.
- Mergers and and spin-offs, whereby the assets and liabilities acquired are measured at the amount corresponding to them, after the transaction, in the consolidated financial statements, with any differences recognised in reserves.

The prices of related party transactions are adequately documented; therefore, the Company’s directors consider there are no risks of significant tax liabilities arising.

4.14 Severance payment

In accordance with current labor legislation, the Company is obliged to pay compensation to those employees with whom, under certain conditions, it terminates their labor relations. Severance payments that can be reasonably quantified are recorded as an expense for the year in which there is a valid expectation, created by the Company against affected third parties.

5. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of the carrying amount of intangible assets:

(Euros)	Opening balance	Additions and charges	Disposals	Closing balance
31/3/23				
Cost				
Furniture	5,602	0	-	5,602
Information process equipment	54,229	30,239	(11,171)	73,297
Other property, plant, and equipment	594	-	-	594
	60,425	30,239	(11,171)	79,493
Accumulated depreciation				
Furniture	(4,576)	(357)	-	(4,933)
Information process equipment	(30,197)	(12,448)	3,002	(39,643)
Other property, plant, and equipment	(594)	-	-	(594)
	(35,367)	(12,805)	3,002	(45,170)
Net carrying amount	**25,058**			**34,323**
31/3/22				
Cost				
Furniture	5,602	33	(33)	5,602
Information process equipment	35,773	19,844	(1,388)	54,229
Other property, plant, and equipment	594	-	-	594
	41,969	19,877	(1,421)	60,425
Accumulated depreciation				
Furniture	(4,091)	(485)	-	(4,576)
Information process equipment	(22,067)	(8,130)	-	(30,197)
Other property, plant, and equipment	(594)	-	-	(594)
	(26,752)	(8,615)	-	(35,367)
Net carrying amount	**15,217**			**25,058**

5.1 Description of the main movements

Additions in the year ended 31 March 2023 and 2022 are related to the purchase of computers.

5.2 Operating leases

The Company has a lease for its offices in Madrid, which expires on 9 March 2023. From that date, renew the lease with a duration of 5 years (until March 9, 2028).

The future minimum payments under non-cancellable operating leases at 31 March are as follows:

(Euros)	31/3/23	31/3/22
Within one year	31,200	27,600
After one year but not more than five years	124,800.00	-
More than five years	-	-
	156,000	**27,600**

5.3 Other information:

Fully depreciated property, plant and equipment at March 31:

(Euros)	31/3/23	31/3/22
Technical installations and other property, plant, and equipment	26,327	12,557
	26,327	**12,557**

Property, plant and equipment are located within Spain.

As of March 31, 2023 and 2022, the Company did not have any firm commitments to acquire property, plant and equipment.

6. FINANCIAL ASSETS

Financial assets as of March 31, it´s as follows:

	Loans, derivatives and other		Total	
(Euros)	31/3/23	31/3/22	31/3/23	31/3/22
Non-current financial assets				
Financial assets at amortized cost	6,580	6,034	6,580	6,034
	6,580	**6,034**	**6,580**	**6,034**
Current financial assets				
Financial assets at amortized cost	1,684,729	1,608,796	1,684,729	1,608,796
	1,684,729	**1,608,796**	**1,684,729**	**1,608,796**
	1,691,309	**1,614,830**	**1,691,309**	**1,614,830**

These amounts are included in the following statement of financial position line items:

	Loans, derivatives and other		Total	
(Euros)	31/3/23	31/3/22	31/3/23	31/3/22
Non-current financial assets				
Long-term financial investments	6,580	6,034	6,580	6,034
	6,580	**6,034**	**6,580**	**6,034**
Current financial assets				
Trade and other receivables (**)	1,684,729	1,608,796	1,684,729	1,608,796
	1,684,729	**1,608,796**	**1,684,729**	**1,608,796**
	1,691,309	**1,614,830**	**1,691,309**	**1,614,830**

(**) Excluding tax receivables and other current taxes

Non-current financial assets

Financial assets included in this category as of 31 March:

(Euros)	31/3/23	31/3/22
Non-current guarantees given	5,200	4,654
Long-term deposits	1,380	1,380
	6,580	**6,034**

6.1 Financial Assets at amortized cost

Trade and other receivables

The breakdown of this item of 31 March as follows:

(Euros)	31/3/23	31/3/22
Trade receivables	377,546	841,683
Trade receivables from group companies and associates (Note 16.1)	1,307,183	680,724
Other receivables	-	86,389
	1,684,729	**1,608,796**

Impairment losses

The balance of "Trade receivables" is presented net of impairment. The changes in impairment losses are as follows:

(Euros)	31/3/23	31/3/22
Opening balance	292,526	303,690
Arising during the year	27,524	10,119
Unused amounts reversed	(5,612)	(6,680)
Uncollectable	(292,526)	(14,603)
Closing balance	**21,912**	**292,526**

7. CASH AND CASH EQUIVALENTS

The breakdown of this item at 31 March as follows:

(Euros)	31/3/23	31/3/22
Demand deposits in current accounts	473,325	696,951
	473,325	**696,951**

Current accounts earn market interest rates.

There are no restrictions on these balances.

8. EQUITY – CAPITAL AND RESERVES

8.1 Registered capital

The Company's share capital at 31 March 2023 and 2022 consisted of 124,282 shares of €1 par value each, for a total of €124,282. The shares were fully subscribed and paid in.

On 28 February 2020, Affle International PTE acquired shares representing 94.78% of the share capital of Mediasmart Mobile, S.L.U. from the previous shareholders. The transaction had no impact on the share capital, share premium and reserves.

On 24 March 2021, Affle Internacional PTE acquired shares representing 5.22% of the share capital of Mediasmart Mobile, S.L.U. from the previous shareholders, giving it ownership of 100% of the Company's shares, making it the sole shareholder.

8.2 Share premium

The share premium at 31 March 2023 and 2022 stood at €334,552. The balance of this account is unrestricted.

8.3 Reserves and retained earnings (prior years' losses)

The breakdown of items composing "Reserves" and "Retained earnings (prior years' losses)" is as follows:

(Euros)	Opening balance	Distribution of profit/(loss)	Other	Closing balance
31/3/23				
Legal reserve	24,856	-	-	24,856
Voluntary reserves	519,870	-	79,413	599,283
Retained earnings (prior years' losses)	(916,917)	430,937	-	(485,980)
	(372,191)	**430,937**	**79,413**	**138,159**
31/3/22				
Legal reserve	24,856	-	-	24,856
Voluntary reserves	502,742	-	17,128	519,870
Retained earnings (prior years' losses)	(1,110,647)	193,729	-	(916,917)
	(583,049)	**193,729**	**17,128**	**(372,191)**

Legal reserve

In accordance with the restated text of the Spanish Companies Act, until the legal reserve exceeds the limit of 20% of share capital, it cannot be distributed to shareholders and can only be used to offset losses, if no other reserves are available for this purpose. This reserve can be used to increase capital by the amount exceeding 10% of the new capital after the increase.

9. FINANCIAL LIABILITIES

The breakdown of financial liabilities at 31 March is as follows:

	31/3/23			31/3/22		
(Euros)	Bank borrowings	Derivatives and other	Total	Bank borrowings	Derivatives and other	Total
Non-current financial liabilities						
Financial liabilities at amortized cost or cost	99,905	328,888	428,793	180,466	485,578	666,044
	99,905	328,888	428,793	180,466	485,578	666,044
Current financial liabilities						
Financial liabilities at amortized cost or cost (*)	81,055	1,346,224	1,427,279	96,404	1,421,460	1,517,864
	81,055	1,346,224	1,427,279	96,404	1,421,460	1,517,864
	180,960	**1,675,112**	**1,856,072**	**276,870**	**1,907,038**	**2,183,908**

(*) Excluding tax payables and other current taxes

These amounts are included in the following statement of financial position line items:

	31/3/23			31/3/22		
(Euros)	Bank borrowings	Derivatives and other	Total	Bank borrowings	Derivatives and other	Total
Non-current financial liabilities						
Loans and borrowings	99,905	328,888	428,793	180,466	485,578	666,044
	99,905	328,888	428,793	180,466	485,578	666,044
Current financial liabilities						
Loans and borrowings	81,055	156,467	237,522	96,404	72,045	168,449
Loans and borrowings with group companies and associates	-	0	0	-	35,701	35,701
Trade and other payables (*)	-	1,189,757	1,189,757	-	1,313,714	1,313,714
	81,055	1,346,224	1,427,279	96,404	1,421,460	1,517,864
	180,960	**1,675,112**	**1,856,072**	**276,870**	**1,907,038**	**2,183,908**

(*) Excluding taxes payable and other current taxes

9.1 Bank borrowings

Bank borrowings as of 31 March 2023 and 2022 is as follows:

(Euros)	31/3/23	31/3/22
Non-current		
Bank loans and borrowings	99,905	180,466
	99,905	180,466
Current		
Bank loans and borrowings	81,055	96,404
	81,055	96,404
	180,960	**276,870**

Bank loans and borrowings

Breakdown of bank loans and borrowings:

	31/3/23	31/3/22			
(Euros)	Outstanding amount payable	Outstanding amount payable	Maturity	Interest rate	Limits
Loans					
Bankinter	0	16,667	15/5/22	2.75%	400,000
Sabadell	-	-	30/6/21	1.75%	200,000
BBVA I	180,960	260,203	14/5/25	2.75%	325,000
	180,960	**276,870**			

Annual maturities of principal on bank loans and borrowings as of 31 March:

(Euros)	31/3/23	31/3/22
2022/2023	-	96,404
2023/2024	81,055	61,257
2024/2025	85,541	83,665
2025/2026	14,364	35,544
	180,960	**276,870**

9.2 Derivatives and other

Financial liabilities classified in this category at 31 March:

(Euros)	31/3/23	31/3/22
Non-current		
Other financial liabilities	328,888	485,578
Current		
Other financial liabilities	156,467	72,045
Group companies and associates (Note 13.1)	-	35,701
Trade and other payables (*)	1,189,757	1,313,714
	1,675,112	**1,907,038**

(*) Excluding taxes payable and other current taxes

Other non-current and current financial liabilities

The breakdown of these items 31 March 2023 and 2022 is as follows:

(Euros)	Current	Non-current	Total
31/3/23			
Emprendetur I+D+I	105,870	-	105,870
Centro de Desarrollo Tecnológico e Industrial (CDTI)	50,597	328,888	379,485
	156,467	328,888	485,355
31/3/22			
Emprendetur I+D+I	105,870	105,870	211,740
Centro de Desarrollo Tecnológico e Industrial (CDTI)	-	379,708	379,708
Others	(33,825)	-	(33,825)
	72,045	485,578	557,623

On 30 September 2016, the Ministry of Industry granted Mediasmart Mobile, S.L.U. a €317,610 loan within the framework of the Emprendetur R&D&I programme with an original maturity of 30 September 2021. The loan carries a fixed interest rate of 6.571% and includes a 2-year grace period on principal payments. In accordance with Royal Decree 11/2020 of March 31, as a measure to deal with the situation caused by COVID, payments were suspended for one year, with the due date being postponed to September 30, 2022. Subsequently, in accordance to the Second Additional Provision of Royal Decree-Law 5/2021, of March 12, 2021, the suspension of payments for one year, postponing the due date to September 30, 2023. The outstanding balance as of March 31, 2023 amounts to €105,870 (€211,740 as of March 31, 2022).

In July 2019, the Center for Technological and Industrial Development (CDTI) extended the Company a grant of 136,614 euros and a loan of 379,485 euros maturing in June 2030 at a 0% interest rate. The repayment schedule is as follows: 180,635 euros in July 2019, 180,849 euros in the second quarter of 2020 and 154,586 euros in the second quarter of 2021. As a guarantee of repayment of the loan, the Company offers bank guarantees for 27.34% of each payment by the CDTI. The outstanding balance of the loan granted as of March 31, 2023 amounts to 379,708 euros (379,708 euros as of March 31, 2022).

Annual maturity schedule of other financial liabilities as of 31 March:

(Euros)	31/3/23	31/3/22
2022/2023	-	72,045
2023/2024	156,467	156,468
2024/2025	50,598	50,598
2025/2026	50,598	50,598
2026/2027	50,598	50,598
2027/2028	50,598	50,598
2028/2029	126,496	126,718
	485,355	**557,623**

Trade and other payables

The breakdown of this item at 31 March as follows:

(Euros)	31/3/23	31/3/22
Suppliers	751,206	664,035
Suppliers, group companies and associates (Note 13.1)	246,291	296,976
Other payables	54,985	177,581
Personnel (extra pro-rated salary)	107,334	91,844
Advances from customers	29,941	83,278
	1,189,757	**1,313,714**

10. TAXES

Set out below are tax assets and tax liabilities at 31 March:

(Euros)	31/3/23	31/3/22
Deferred tax assets	312,247	339,019
Other tax receivables	26,232	29,357
VAT	26,232	29,357
	338,479	**368,376**
Other taxes payables	69,441	38,047
Personal income tax withholdings	25,572	9,658
Social Security payable	43,869	28,389
	69,441	**38,047**

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by the tax authorities or until the four-year inspection period has expired. The Company is open to inspection of all taxes to which it is liable for the last four years. The Company's directors and their tax advisors consider that, in the event of a tax inspection, no significant tax contingencies would arise as a result of varying interpretations of the tax legislation applicable to the Company's transactions.

10.1 Calculation of income tax expense

The reconciliation of net income and expense for the year to taxable income (tax loss) is as follows:

(Euros)	Statement of profit or loss		
	Increases	Decreases	Total
31/3/23			
Income and expense for the year			
Continuing operations	80,317	-	80,317
Income tax			
Continuing operations	26,772	-	26,772
Income and expense for the year before tax	**107,089**	**-**	**107,089**
Offset of unused tax losses	(107,089)	-	(107,089)
Taxable income (tax loss)	**-**	**-**	**-**
31/3/22			
Income and expense for the year			
Continuing operations	430,937	-	430,937
Income tax			
Continuing operations	(13,101)	-	(13,101)
Income and expense for the year before tax	**417,836**	**-**	**417,836**
Offset of unused tax losses	(417,836)	-	(417,836)
Taxable income (tax loss)	**-**	**-**	**-**

The reconciliation between income tax expense/(income) and the result of multiplying total recognised income and expense by the applicable tax rates is as follows:

(Euros)	31/3/23	31/3/22
Accounting profit/(loss) before tax	**107,089**	**417,836**
Adjusted accounting profit/(loss)	**-**	**-**
Tax expense (income)	**26,772**	**(13,101)**
Reimbursement of tax credits	-	-
Total income tax expense/income recognised in profit or loss	**26,772**	**(13,101)**

Income tax expense/(income) is broken down as follows:

(Euros)	31/3/23	31/3/22
	Statement of profit or loss	Statement of profit or loss
Current tax		
Continuing operations	-	-
	-	**-**
Change in Deferred tax	-	-
Unused tax losses	**(26,772)**	**(13,101)**
	(26,772)	**(13,101)**

10.2 Deferred tax assets and liabilities

The movements in items composing “Deferred tax assets” and “Deferred tax liabilities” are as follows:

(Euros)	Opening balance	Additions	Disposals	Closing balance
31/3/23				
Deferred tax assets				
Other	-	-	(81,321)	(81,321)
Tax losses	339,019	54,548	-	393,567
	339,019	**54,548**	**(81,321)**	**312,247**
31/3/22				
Deferred tax assets				
Other	3,542	-	(3,542)	-
Tax losses	327,906	11,113	-	339,019
	331,448	**11,113**	**(3,542)**	**339,019**

Unused tax losses as of 31 March after those applied in the year are as follows:

(Euros) Year arising	31/3/23	31/3/22
2014	-	-
2015	-	-
2018	132,242	276,573
2019	540,265	540,265
2020	561,358	561,358
	1,233,864	**1,378,196**

At 31 March 2023, the Company recognised deferred tax assets amounting to €312,247 for the carry forward of unused tax losses (2022: €339,019).

Based on its budgets, the Company has estimated the taxable profit it expects to obtain over the next five years (the period for which it considers the estimates to be sufficiently reliable). It also analysed the timing of the reversal of taxable temporary differences, identifying those expected to reverse in periods in which the unused tax losses can be utilised. Based on this analysis, the Company recognised deferred tax assets relating to the unused tax losses and those for which it considers that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

11. REVENUE AND EXPENSES

11.1 Revenue

The breakdown of revenue from continuing operations by business category and geographic market is as follows:

(Euros)	31/3/23	31/3/22
Segmentation by activity		
Mobile advertising	8,378,392	8,297,437
	8,378,392	**8,297,437**
Segmentation by geographical markets		
Spain	39,378	126,357
European Union	1,032,218	1,285,728
Other	7,306,796	6,885,352
	8,378,392	**8,297,437**

Balances of contracts with customers

The breakdown of the balances of contracts with customers is as follows:

(Euros)	31/3/23	31/3/22
Current contract assets		
Commercial debtors and others receivables		
Customers for sales and short-term services	377,546	841,683
Trade receivables from group companies and associates	1,307,183	680,724
	1,684,729	**1,522,407**
Current contract liabilities		
Customer advances	29,941	83,278
	29,942	**83,278**

The detail of customers by sales and provision of services is as follows:

(Euros)	Current contract assets	Total
Fiscal year 2023		
Unconditional rights to receive consideration	1,525,081	1,525,081
Right to consideration for transfer of control	159,648	159,648
	1,684,729	**1,684,729**
Fiscal year 2022		
Unconditional rights to receive consideration	1,582,268	1,582,268
Derecho a la contraprestación por transferencia de control	(59,861)	(59,861)
	1,522,407	**1,522,407**

11.2 Employee benefits expense

Breakdown of employee benefits expense:

(Euros)	31/3/23	31/3/22
Salaries, wages and similar		
Salaries and wages	1,913,055	1,043,026
Employee benefits		
Social Security payable	503,607	299,043
Other employee benefits	48,437	8,896
	2,465,099	**1,350,965**

11.3 External Services

The breakdown of external services is as follows:

(Euros)	31/3/23	31/3/22
Leases	469,791	585,129
Repairs and maintenance	-	118
Independent professional services	162,242	438,337
Insurance premiums	5,037	15,130
Bank services	48,567	58,429
Publicity, advertising and public relations	473,958	204,965
Utilities	4,873	2,876
Other services	461,990	452,657
	1,626,458	**1,757,641**

The rental expense includes the rental of the offices that the company has (see Note 5.2) and the payment of royalties for the license rights to use the platform to the Affle India Limited group.

(€)	31/03/2022	31/03/2021
Interest on loans to other companies		
Other finance income	-	1.033
	-	**1.033**

11.4 Finance costs

The breakdown of finance costs is as follows:

(Euros)	31/3/23	31/3/22
Interest expense on third-party borrowings		
Bank loans and borrowings	8,533	24,070
	8,533	**24,070**

11.5 Amortization of fixed assets

The breakdown of fixed asset amortization expenses is as follows:

(Euros)	31/3/23	31/3/22
Intangible assets	-	22
Tangible assets (Note 5)	12,805	8,615
	12,805	**8,637**

12. FOREIGN CURRENCY

12.1 Foreign currency balances and transactions

The breakdown of assets and liabilities denominated in foreign currencies at 31 March is as follows:

(Euros)	US dollars	Pound sterling	Indian rupee	Other	Total
2023					
Trade receivables	1,425,223	-	-	2,104	1,427,327
	1,425,223	**-**	**-**	**2,104**	**1,427,327**
Suppliers	927,800	-	1,254	-	929,054
	927,800	**-**	**1,254**		**929,054**
2022					
Trade receivables	986,404	59,608	-	741	1,046,753
	986,404	**59,608**	**-**	**-**	**1,046,753**
Suppliers	1,074,165	249	3,568	3,693	1,081,674
	1,074,165	**249**	**3,568**	**3,693**	**1,081,674**

Foreign currency transactions:

(Euros)	US dollars	Pound sterling	Indian rupee	Other	Total
2023					
Sales	986,404	59,608	-	741	1,046,753
2022					
Sales	6,316,161	69,514	16	4,531	6,390,222

The detail of the exchange differences recognized in the profit and loss account by class of financial instruments is as follows:

(Euros)	31.03.2022	31.03.2021
Negative exchange differences	(131,942)	(36,104)
	(131,942)	**(36,104)**

13. RELATED PARTY TRANSACTIONS

Related parties with which the Company carried out transactions in the year ended 31 March 2023 and 31 March 2022, and the nature of the relationship, are as follows:

	Nature of the relationship
Affle International PTE	Shareholder
Affle MEA FZ-LLC	Group company
Affle (India) Limited	Group company
Jampp Ltd	Group company
PT Affle Indonesia	Group company
Appnext	Group company

13.1 Related parties

The breakdown of related party balances is as follows:

(Euros)	Shareholder	Other group companies	Total
2023			
Trade receivables (Note 6.1)	132,721	1,174,462	1,307,183
Current loans and borrowings (Note 9.2)	-	-	-
Suppliers (Note 9.2)	(71,792)	(174,499)	(246,291)
2022			
Trade receivables (Note 6.1)	194,900.00	485,824	680,724
Current loans and borrowings (Note 9.2)	-	(35,701)	(35,701)
Suppliers (Note 9.2)	(200,974)	(96,002)	(296,976)

The breakdown of related party transactions is as follows:

(Euros)	Shareholder	Other group companies	Total
2023			
Sales	514,737	2,151,177	2,665,914
External services	229,425	1,483,014	1,712,439
2022			
Sales	667,658	2,143,538	2,811,196
External services	445,215	555,828	1,001,043

13.2 Directors and senior management

In the year ended 31 March 2023, the directors accrued €332,615 in remuneration, allowances and by-law stipulated shares (2022: €160,000).

During the year ended March 31, 2023, the remuneration corresponding to the natural persons representing the Company in the administrative bodies of the companies in which the Company is the managing legal entity amounted to €172,615 (2022: €0).

As of March 31, 2023, the Company had obligations contracted in terms of pensions and life insurance with respect to the administrators for an amount of €0 (2022: €0).

No loans had been granted to senior executives or directors at 31 March 2023 or 2022, nor had any guarantees been given on their behalf.

In the year ended 31 March 2023, premiums were paid on third-party liability insurance of directors for damages caused in the discharge of their directorships amounting to €1,439 (2022: €10,815).

In accordance with Article 229 of the Spanish Companies Act, the directors have stated that there are no situations that may involve a conflict of interest with the Company.

The Company considers senior management to be those persons who perform functions related to the Company's general objectives, such as planning, management and control of activities, performing their duties with autonomy and full responsibility, limited only by the criteria and instructions of the Company's legal owners or the governing and administrative bodies representing those owners. As the Company's strategic decisions and its operations are taken and controlled by the parent of the group, the Company does not have any employees who could be considered senior managers as defined above.

14. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The risk management policies are established by management and were approved by the Company's directors. Based on these policies, the Finance Department has established a series of procedures and controls that make it possible to identify, measure, and manage the risks arising from financial instrument activity. These policies stipulate, *inter alia*, that the Company may not use derivatives for speculative purposes.

Financial instrument activity exposes the Company to credit, market, and liquidity risk.

14.1 Credit risk

Credit risk is the risk of financial loss caused by the Company's counterparties not meeting their obligations, i.e. the possibility that financial assets will not be recovered at their carrying amount within the established time frame.

The maximum exposure to credit risk at 31 March was as follows:

(Euros)	31/3/23	31/3/22
Non-current financial assets	6,580	6,034
Trade and other receivables	1,710,961	1,638,153
Cash and cash equivalents	473,325	696,951
	2,190,866	**2,341,137**

Amounts presented in the statement of financial position are shown net of the allowances for credit losses estimated by the group's management based on prior years' experience and current assessments of the economic environment. The commercial and financial departments set credit limits for each customer.

Each month a breakdown with the age of each of the accounts receivable is prepared; this serves as the basis for managing their collection. The finance department requests settlement of past-due receivables on a monthly basis until they are more than six months old, at which point they has forwarded to legal affairs for monitoring and, where appropriate, legal action.
The credit limits of customers with late payments are reviewed on a half-yearly basis and those of other customers annually.

The detail of "Trade and other receivables" at 31 March, by concentration of credit risk and counterparty, is as follows:

	31/3/23		31/3/22	
(Euros)	No. customers	Amount	No. customers	Amount
Balance of more than €100 thousand	3	1,274,736	5	951,564
Balance between €100 and €50 thousand	1	72,597	4	250,154
Balance between €50 and €20 thousand	7	237,196	7	222,490
Balance of between €20 thousand and €10 thousand	3	52,976	8	123,884
Balance of less than €10 thousand	30	73,456	39	90,061
Total	**44**	**1,710,961**	**63**	**1,638,153**

14.2 Market risk

Market risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in market prices. Market risk comprises interest rate, foreign currency and other price risks.

Interest rate risk

Interest rate risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates. The Company's exposure to interest rate risk is mainly related to long-term floating rate loans and borrowings.

Foreign currency risk

Foreign currency risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in foreign exchange rates.

Receivables is the only item in the Company's assets and liabilities with balances in a currency other than the functional currency.

14.3 Liquidity risk

Liquidity risk is the risk of the Company having a shortage of funds or lacking access to sufficient funds at an acceptable cost to meet its payment obligations at all times. The Group monitors on an ongoing basis trends in various factors that could help offset liquidity risk, especially sources of funding and their features. In August 2020 and November 2020, Affle Group made two payments of €200,000 each under the agreement entered into between the Company and the parent whereby the parent undertakes to provide the Company with finance of up to €600,000.

The Company has its liquidity needs guaranteed at all times through credit facilities with banks. At 31 March 2023, the Company had a €100,000 credit facility with BBVA, of which it had drawn down €9,823

15. OTHER INFORMATION

15.1 Structure of personnel

The number of employees by professional category is as follows:

	Total number of employees at year-end			Average number of employees in the year	Average number of employees with a disability of a severity of >33% as a percentage of the total
	Men	Women	Total		
2023					
Dirección	1	-	1	1	-
Administration	20	15	35	33	-
	21	**15**	**36**	**34**	**-**
2022					
Administration	18	15	33	26	-
	18	**15**	**33**	**26**	**-**

The Company had three directors at 31 March 2023 and 2022, two men and one woman.

15.2 Audit fees

Audit fees accrued during the year for services rendered by the statutory auditor were as follows:

	31/3/23	31/3/22
Audit of the financial statements	11,210	9,039
Other services	15,425	12,267
	26,635	**21,306**

15.3 Environmental disclosures

The Company's directors consider that no significant contingencies exist with respect to environmental protection and improvement. Therefore, they did not consider it necessary to recognise any provision in this connection.

15.4 Guarantees

The Company has extended guarantees to several institutions amounting to €141,102 at 31 March 2023 (2022: €141,102).

15.5 Information on average payment period to suppliers. Additional Provision Three. “Disclosure requirements" under Law 15/2010, of 5 July

Disclosures regarding the average supplier payment period:

	31/3/23	31/3/22
(Days)		
Average period of payment to suppliers	44	37
Ratio of transactions paid	44	38
Ratio of transactions outstanding	41	33
(€)		
Total payments made	5,498,437	5,995,629
Total payments outstanding	512,597	441,200
Monetary volume of invoices paid in a period less than the maximum established in the delinquency regulations	5,498,437	5,995,629
Percentage represented by payments below this maximum on the total payments made100%	100%	100%
(Number of invoices)		
Invoices paid in a period less than the maximum established in the delinquency regulations	737	n/a
Percentage of total invoices	100%	n/a

16. EVENTS AFTER THE REPORTING PERIOD

No events occurred between the reporting date and the date of authorisation for issue of these financial statements worth disclosing.

17. ADDITIONAL NOTE FOR ENGLISH TRANSLATION

These financial statements for the year ended 31 March 2023 are presented on the basis of accounting principles generally accepted in Spain and the Spanish report will prevail over any translation.

MANAGEMENT REPORT FOR THE YEAR ENDED 31 MARCH 2023

1. BUSINESS ACTIVITY

The financial year 2023 (April 2022 - Mar 2023) has been mediasmart's third year as part of the Affle group. The company's activity has not changed, although in some of the new regions to which we have expanded in the last two years (Asia and the Middle East) the business model has. We have also started locally invoicing clients in Brazil, where we already have a team of five people. As a consequence, the percentage of revenue from services billed directly to customers has continued to decline, while services billed through other group companies have increased, with entities in countries such as Brazil, the United Arab Emirates, India or Indonesia.

2. BUSINESS PERFORMANCE

During the 2023 financial year, the company has managed to grow its revenues by 1% (3% less than last year). Due to changes in the privacy-oriented ecosystem that already took place last year, the number of user acquisition campaigns for apps on iOS has continued to decrease, and the reach of localized campaigns that measure visits, but as compensation, the income related to other types of advertising campaigns has grown, such as campaigns on connected televisions (CTV), particularly thanks to the pioneering functionality in the market of "Household Sync", or video campaigns in OTT applications.

The trend that began last year has continued, and ads with video creatives - whether on connected televisions or mobile - have now accounted for more than half of what our clients billed.

The portfolio of clients to whom we license our technology remains balanced and the first 10 clients represent only 62% of the annual gross income for this concept. No license customer accounts for more than 12% of the revenue billed to customers for platform licenses. Clients also remain very loyal: this year 28 of the 30 largest clients that license our platform have invested with mediasmart each and every month since they started their activity, or in the last 12 months. Of the two customers in the top 30 that did not, only one is a customer that ended the year with no activity; the other simply paused its activity on the mediasmart platform for two months.

On the other hand, the income from clients for whom the mediasmart team manages the campaigns on the platform has grown a lot. This business model has been dominant in India and Southeast Asia, and a great driver of growth particularly in India. It is a model that we plan to expand to more regions in fiscal year 2024. While in the licensing model the target market is independent medium-sized media agencies, in the business model in which mediasmart offers the campaign management service the target market expands to large agencies and direct advertisers.

3. EVENTS AFTER THE REPORTING PERIOD

No significant events occurred between 31 March 2023 and the date of authorisation for issue of these financial statements.

4. R&D MATTERS

The Company invested in research and development in the following areas during the year:

1. Products. Examples of features developed during the year include:

- New campaigns on outdoor digital screens (“Digital Out of Home”), as well as integration with new providers of this type of inventory in Europe, Asia and America.

- New functionality that allows segmenting CTV campaigns based on the system television operating system, as well as available device identifiers, to increase the relevance of ads on CTV.

- New functionality that allows to measure "in-house" if the impressions have been viewed on the screen of the device both in "display" ads (until then this functionality was provided by a third party) and in video (functionality not available until now).

- Extension of our measurement and attribution system to measure "cross-screen", that is, to enable the attribution of conversions on a mobile device to ads that have been served on television, connected, for example.

- Integration with Google Data Studio so customers can analyze their data directly into their Google Data Studio accounts in a simple way.

- Support for Guaranteed Programmatic Deals with one of our inventory service providers: Pubmatic.

- New dashboards with reports for campaigns on televisions connected to “Household Sync”.

- "Recognition estimator": New functionality that allows directing an advertising campaign to those devices and advertising spaces that are most likely to capture the user's attention (patent pending).

2. At the systems and algorithm level, the team has invested a lot of time and effort in developments that often go unnoticed by customers but are critical to the sustainability of the company. Here are some examples:

- Production of anti-fraud measures that allow to a) identify and b) automatically filter inventory that is highly suspected of being fraudulent or deceptive (for example, inventory that is displayed on mobile but is presented as connected television)

- RTB Filter update to optimize based on auctions won and not executed auctions.

- “Reverse proxy” in front of the RTB filter to separate this part of the architecture into two layers, instead of everything being on one server, for more stability.

- Certification of Doubleclick "adtags" to minimize discrepancies.

- Update of the "transcoding" algorithms for video creatives to avoid hits to the limit of the AWS Elastic Transcoder.

- Added support for url with notification of lost auctions as well as embed of this information to the “campaign monitor”.

- Updated the region calculation for more accuracy: calculation based on the city in instead of the IP address.

- Support for PDPL (privacy law in UAE).

3. At the user interface level, the team has continued working on the new front-end architecture and certain functionalities (Backoffice & Dashboards) are already available in version 2.0 of the interface.

4. Integrations with external partners. These included:

- Integration with the inventory provider in CTV MetaX.
- Integration with inventory providers Digital Out of Home LMX, Vistar Media, VIOOH and Magnite.
- Integration with Liveramp.
- Update of the integration with the MMPs to support “CTV Cross-screen attribution”.
- Integration with the new SSPs Adsolute, Smile Wanted, as well as the extension of the integration with Improve Digital to cover native formats and video.

5. TRANSACTIONS WITH DERIVATIVE FINANCIAL INSTRUMENTS

The Company did not invest in any derivative financial instruments.

6. TREASURY SHARE TRANSACTIONS

The company did not carry out operations with its own shares

7. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The risk management policies are established by management and were approved by the Company’s directors. Based on these policies, the Finance Department has established a series of procedures and controls that make it possible to identify, measure, and manage the risks arising from financial instrument activity. These policies stipulate, *inter alia*, that the Company may not use derivatives for speculative purposes.

Financial instrument activity exposes the Company to credit, market, and liquidity risk.

7.1 Credit risk

Credit risk is the risk of financial loss caused by the Company’s counterparties not meeting their obligations, i.e. the possibility that financial assets will not be recovered at their carrying amount within the established time frame.

The maximum exposure to credit risk at 31 March was as follows:

	31/3/23	31/3/22
Long-term financial investments	6,580	6,034
Commercial debtors and other accounts receivables	1,710,961	1,638,153
Cash and other equivalent liquid assets	473,325	696,951
	2,190,866	**2,341,138**

Amounts presented in the statement of financial position are shown net of the allowances for credit losses estimated by the group's management based on prior years' experience and current assessments of the economic environment. The commercial and financial departments set credit limits for each customer.

Each month a breakdown with the age of each of the accounts receivable is prepared; this serves as the basis for managing their collection. The finance department requests settlement of past-due receivables on a monthly basis until they are more than six months old, at which point they has forwarded to legal affairs for monitoring and, where appropriate, legal action.
The credit limits of customers with late payments are reviewed on a half-yearly basis and those of other customers annually.

The detail of "Trade and other receivables” at 31 March, by concentration of credit risk and counterparty, is as follows

	31/3/23		31/3/22	
(Euros)	No. customers	Amount	No. customers	Amount
Balance of more than €100 thousand	3	1,274,736	5	951,564
Balance between €100 and €50 thousand	1	72,597	4	250,154
Balance between €50 and €20 thousand	7	237,196	7	222,490
Balance of between €20 thousand and €10 thousand	3	52,976	8	123,884
Balance of less than €10 thousand	30	73,456	39	90,061
Total	**44**	**1,710,961**	**63**	**1,638,153**

7.2 Market risk

Market risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in market prices. Market risk comprises interest rate, foreign currency and other price risks.

Interest rate risk

Interest rate risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates. The Company’s exposure to interest rate risk is mainly related to long-term floating rate loans and borrowings.

Foreign currency risk

Foreign currency risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in foreign exchange rates.

Receivables is the only item in the Company’s assets and liabilities with balances in a currency other than the functional currency.

7.3 Liquidity risk

Liquidity risk is the risk of the Company having a shortage of funds or lacking access to sufficient funds at an acceptable cost to meet its payment obligations at all times. The Group monitors on an ongoing basis trends in various factors that could help offset liquidity risk, especially sources of funding and their features. In August 2020 and November 2020, Affle Group made two payments of €200,000 each under the agreement entered into between the Company and the parent whereby the parent undertakes to provide the Company with finance of up to €600,000.

The Company has its liquidity needs guaranteed at all times through credit facilities with banks. At 31 March 2023, the Company had a €100,000 credit facility with BBVA.

8. INFORMATION ON AVERAGE PAYMENT PERIOD TO SUPPLIERS. ADDITIONAL PROVISION THREE. “DISCLOSURE REQUIREMENTS" UNDER LAW 15/2010, OF 5 JULY

Disclosures regarding the average supplier payment period:

	31/3/23	31/3/22
(Days)		
Average period of payment to suppliers	44	37

AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The directors of Mediasmart Mobile, S.L.U. authorised for issue the accompanying financial statements and management report for the year ended 31 March 2023 at their meeting held on 9 May 2023.

Noelia Amoedo Casqueiro	Anuj Kumar	Viraj Sinh
Taxpayer ID no.: 44.078.975-G	Foreigner ID no.: Y8.038.524-S	Foreigner ID no.: Y8.038.552-(