Consolidated statement of profit or loss

In € thousand	Notes	2023	2022
Revenue with customers	6	155,746	130,564
Other revenue	6	693	1,519
Total revenue		**156,439**	**132,083**
Cost of sales	7	(45,127)	(42,295)
Gross profit		**111,312**	**89,788**
Research and development expenses	7	(20,009)	(18,341)
Sales and marketing expenses	7	(27,085)	(21,841)
General and administrative expenses	7	(21,314)	(16,027)
Current operating profit		**42,904**	**33,579**
Share of profit of equity-accounted investees, net of tax	19	253	954
Current operating profit including share of profit of equity-accounted investees		**43,157**	**34,533**
Other operating income	11	7,531	-
Other operating expenses	11	(4,489)	-
Operating profit		**46,200**	**34,533**
Income from cash and cash equivalents	12	1,468	59
Cost of debt	12	(290)	(235)
Other finance income	12	2,737	3,555
Other finance costs	12	(1,427)	(585)
Financial income (loss)		**2,489**	**2,795**
Profit before tax		**48,689**	**37,328**
Income tax expense	13	(6,859)	(5,774)
Profit for the period		**41,830**	**31,555**
Non-controlling interests		-	-
Profit for the period - Owners of the Company		**41,830**	**31,555**
Earnings per share			
Basic earnings per share (euro) (1)	14	***0.61***	***0.46***
Diluted earnings per share (euro) (1)	14	***0.60***	***0.46***

(1) Basic and diluted earnings per share have been restated for the 2022 comparative period to take account of the division of the par value of the Group's shares in 2023.

Consolidated statement of comprehensive income

In € thousand	Notes	2023	2022
Profit for the period		**41,830**	**31,555**
Subsidiaries - foreign currency translation differences		(1,087)	547
Equity-accounted investees - foreign currency translation differences	19	(33)	(35)
Reclassification of foreign currency differences on loss of significant influence		100	-
Items that are or may be classified subsequently to profit or loss		**(1,020)**	**512**
Remeasurements of defined benefit liability	9	(271)	704
Related tax	13	63	(176)
Items that will not be reclassified to profit or loss		**(208)**	**528**
Other comprehensive income for the period, net of tax		**(1,228)**	**1,040**
Total comprehensive income for the period		**40,602**	**32,594**
Non-controlling interests		-	-
Total comprehensive income for the period - Owners of the Company		**40,602**	**32,594**

Consolidated statement of financial position

In € thousand	Notes	December 31, 2023	December 31, 2022
Goodwill	15	21,006	5,096
Intangible assets	16	7,606	3,017
Property, plant and equipment	17	4,589	3,989
Right-of-use assets	18	13,694	13,512
Equity-accounted investees	19	-	1,957
Other financial assets	20, 27	995	561
Other non-current assets	23	777	1,036
Deferred tax assets	13	2,390	1,685
Total non-current assets		**51,057**	**30,853**
Trade receivables and contract assets	21	46,592	45,384
Other receivables and current assets	23	14,772	14,031
Cash and cash equivalents	24, 27	142,696	120,518
Total current assets		**204,061**	**179,933**
Total assets		**255,118**	**210,786**

In € thousand	Notes	December 31, 2023	December 31, 2022
Share capital	25	6,939	344
Share premium	25	19,171	9,615
Consolidated reserves		96,585	85,579
Translation reserve		(771)	249
Profit for the period		41,830	31,555
Equity attribuable to owners of the Company		**163,754**	**127,342**
Non-controlling interests		-	-
Total equity		**163,754**	**127,342**
Employee benefits	9	2,252	1,852
Loans and borrowings	18, 26	11,446	11,704
Deferred tax liabilities	13	1,046	-
Total non-current liabilities		**14,744**	**13,556**
Provisions	29	38	76
Loans and borrowings	18, 26	3,569	3,158
Trade payables	30	4,294	4,193
Other payables	30	35,021	31,249
Contract liabilities	22	33,697	31,212
Total current liabilities		**76,620**	**69,888**
Total equity and liabilities		**255,118**	**210,786**

Consolidated statement of changes in equity

		Owners of the Company							
In € thousand	Notes	Share capital	Share premium	Consolidated reserves	Translation reserve	Profit for the period	Total	Non-controlling interests	Total equity
Balance as of January 1, 2022		**344**	**9,615**	**71,235**	**(262)**	**27,123**	**108,055**	**-**	**108,055**
Profit for the period		-	-	-	-	31,555	31,555	-	31,555
Other comprehensive income for the period	9, 13	-	-	528	512	-	1,040	-	1,040
Total comprehensive income for the period		**-**	**-**	**528**	**512**	**31,555**	**32,594**	**-**	**32,594**
Retained earnings		-	-	13,823	-	(13,823)	-	-	-
Dividends		-	-	-	-	(13,300)	(13,300)	-	(13,300)
Other		-	-	(7)	-	-	(7)		
Transactions with owners of the Company		**-**	**-**	**(7)**	**-**	**(13,300)**	**(13,307)**	**-**	**(13,307)**
Balance as of December 31, 2022		**344**	**9,615**	**85,579**	**249**	**31,555**	**127,342**	**-**	**127,342**
Profit for the period		-	-	-	-	41,830	41,830	-	41,830
Other comprehensive income for the period	9, 13	-	-	(208)	(1,020)	-	(1,228)	-	(1,228)
Total comprehensive income for the period		**-**	**-**	**(208)**	**(1,020)**	**41,830**	**40,602**	**-**	**40,602**
Retained earnings		-	-	15,942	-	(15,942)	-	-	-
Dividends		-	-	-	-	(15,613)	(15,613)	-	(15,613)
Equity-settled share-based payment	10	-	-	1,866	-	-	1,866	-	1,866
Capital increase through issuance of new shares	25	3	9,555	-	-	-	9,559	-	9,559
Capital increase by capitalisation of reserves, profits or premiums	25	6,592	-	(6,592)	-	-	-	-	-
Transactions with owners of the Company		**6,595**	**9,555**	**(4,726)**	**-**	**(15,613)**	**(4,188)**	**-**	**(4,188)**
									-
Balance as of December 31, 2023		**6,939**	**19,171**	**96,586**	**(771)**	**41,830**	**163,754**	**-**	**163,754**

Consolidated statement of cash flows

In € thousand	Notes	2023	2022
Profit for the period		**41,830**	**31,555**
Share of profit of equity-accounted investees, net of dividends	19	540	(460)
Depreciation and amortization of intangible, tangible and right-of-use assets	7	7,179	6,442
Change in provisions and employee benefits	9, 29	100	294
Cost of debt	12	290	235
Income tax expense	13	6,859	5,774
Other non-cash items (1)	4, 10	(5,550)	(33)
Operating cash flows		**51,247**	**43,806**
Changes in working capital	31	3,563	(1,560)
Income taxes paid		(7,535)	(8,035)
Net cash from operating activities		**47,274**	**34,212**
Acquisition of intangible and property, plant and equipment	16, 17	(4,851)	(4,773)
Acquisition of financial assets		-	-
Investment in other financial assets	20, 23	(1,154)	(189)
Repayments of other financial assets	20	100	33
Acquisition of subsidiary, net of cash acquired	4	724	
Net cash used in investing activities		**(5,181)**	**(4,929)**
Proceeds from issue of share capital and of premiums	25	-	-
Dividends paid to shareholders of Planisware S.A.		(15,719)	(13,244)
Proceeds from loans and borrowings	26	-	-
Repayment of borrowings	26	(305)	(1,213)
Interests paid on borrowings	26	(0)	(6)
Repayment of lease liabilities	18	(3,183)	(1,971)
Interests paid on lease liabilities	18	(289)	(229)
Net cash from financing activities		**(19,496)**	**(16,663)**
+/- Effect of movements in foreign exchange rates on cash held		(433)	376
Total change in cash and cash equivalents		**22,164**	**12,996**
Net cash and cash equivalents at the beginning of the period		**120,434**	**107,439**
Bank overdraft at the beginning of the period		83	92
Cash and cash equivalents at the beginning of the period	**24**	**120,518**	**107,531**
Net cash and cash equivalents at the end of the period		**142,599**	**120,435**
Bank overdraft at the end of the period		98	83
Cash and cash equivalents at the end of the period	**24**	**142,696**	**120,518**

(1) For the year ended December 31, 2023, other non-cash items mainly concern the share-based payment expense of 1,866 thousand euros and the gain on remeasurement of previously held interests in IFTP KK and Planisware MIS at fair value at the date of acquisition of the remaining shares for 5,728 thousand euros and 1,803 thousand euros, respectively. These items are presented in Note 10 and Note 4, respectively.

Notes to the consolidated financial statements

Content

Note 1. Information about the Group and key events

1.1. Company presenting the consolidated financial statements

Planisware (the “Company”) is a “Société Anonyme” (public limited company) incorporated under the laws of France and registered with the Nanterre Trade and Companies Registry under number 403.262.082.031. The Company’s registered office is located at 200 avenue de Paris - 92320 – Chatillon in France.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as "the Group").

The Group is a leading provider of business-to-business project management softwares (“*Project Economy market*”) and services and carries out its activities through its parent company based in France, its seven subsidiaries based in the United States, Germany, the United Kingdom, Singapore, Japan and United Arab Emirates.

Figures are presented in thousands of euros. Rounding to the nearest thousand euros may, in some cases, lead to immaterial discrepancies in the totals and subtotals shown in the tables.

1.2. Significant events during the financial years presented

Conversion to a public limited company and planned initial public offering

On September 26, 2023, Planisware S.A.S was transformed into a public limited company (“Société Anomyme”) with a Board of Directors at the Extraordinary General Meeting and after submission of the statutory auditors' report.

Capital increases

During the year ended December 31, 2023, Planisware S.A. carried out two capital increases.

The first, on May 31, involved the issue of new shares in consideration for the contribution in kind to the Company of shares in Innovation Framework Technologies Asia and Innovation Framework Technologies Planisware KK for a total amount of 3,285 euros, i.e. the issue of 3,285 new shares with a par value of one euro. The capital increase through the issue of new shares generated a share premium of €9,555,309.

The second, on September 26, by capitalization of reserves, for an amount of 6,592,145 euros by way of an increase in the nominal value of the shares. As a result, the par value of the 346,955 shares was increased from one euro each to twenty euros each.

Acquisition of Innovation Framework Technologies Planisware KK

On May 26, 2023, the Company acquired the remaining 53% equity stake of Innovation Framework Technologies Planisware KK through a contribution in kind from the various direct and indirect shareholders of the Innovation Framework Technologies Planisware KK entity for a consideration of approximately 9.6 million euros and leading to its consolidation from May 26, 2023. The aim of this transaction is to generate structural savings and organizational and functional synergies within the Group. The Group took control of IFTP KK on May 26, 2023, and IFTP KK has been consolidated in the Group's consolidated financial statements since that date. This business combination is presented in Note 4.

Acquisition of MIS Group

On September 25, 2023, the company acquired all the remaining shares (50%) in Planisware MIS Sarl France and its subsidiaries. This transaction was carried out in cash for 2.8 million euros. In addition, pursuant to the share purchase agreement, an earn-out of 600 thousand euros was recognized as of December 31, 2023, bringing the total acquisition price to 3,4 million euros. The aim of this transaction is to improve integration within the Group's value chain, as Planisware MIS is the Group's main subcontractor. The Group took control of Planisware MIS Sarl France on September 25, 2023, and Planisware MIS Sarl France and its subsidiary Planisware MIS DMCC have been consolidated in the Group's consolidated financial statements since that date. This business combination is presented in Note 4.

Free share allocation plan

On June 1, 2023, the Chairman decided to allocate 1,286 free ordinary shares to the Group's managers and employees. These shares to be issued represent 0.37% of the issued share capital. These shares will vest definitively on June 1, 2024, provided that the beneficiaries remain actively employed by the Group until that date, the vesting period for these shares is not subject to any performance conditions.

On October 11, 2023, the Board of Directors decided to allocate 121,500 free ordinary shares to the Chief Executive Officer. These shares will vest definitively and gradually on October 11, 2024, October 11, 2025, and October 11, 2026, provided that the beneficiary remains a company representative of the Company on a continuous and uninterrupted basis until the end of each vesting period. The final number of shares allocated will be subject to non-market performance conditions for each vesting period.

Information on these plans is provided in Note 10.

1.3. Subsequent events

No significant subsequent events have been identified that would have an impact on the Group's consolidated financial statements for the year ended December 31, 2023.

Note 2. Accounting principles

2.1. Basis of preparation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), as adopted by the European Union as of December 31, 2023. They were approved and authorized for issue by the Board of Directors on March 20th, 2024.

These financial statements cover the years ended December 31, 2023, and December 31, 2022, and have been prepared in accordance with IFRS.

2.2. Current standards and interpretations

New mandatory standards and interpretations as of January 1, 2023

New standards and amendments to existing standards adopted by the European Union, the application of which is mandatory for accounting periods beginning on or after January 1, 2023, mainly consist of the following amendments:

- Amendment to IAS 1 and IFRS Practice Statement 2 - Presentation of Financial Statements regarding the disclosure of accounting policies,
- Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding the definition of accounting estimates,
- Amendment to IAS 12 - International Tax Reform - Model rules for Pillar 2 (not applicable to the Group),
- Amendment to IAS 12 Income Taxes regarding deferred tax related to assets and liabilities arising from a single transaction (further described below).

The impact of the application of these amendments on the consolidated financial statements and notes is described below.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted the amendment to IAS 12 – *Deferred Tax related to assets and liabilities arising from a single transaction* – from January 1, 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases. For leases, an entity is required to recognize the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applied the amendments to transactions that occur after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases applying the "integrally linked" approach, resulting in a similar outcome to the amendments, except that the deferred tax asset or liability was recognized on a net basis. Following the amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of IAS 12. There was also no impact on the opening retained earnings as of January 1, 2022, as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognized – this disclosure is provided in Note 13.

Main standards, amendments and interpretations published by the IASB that are not mandatory in the European Union as of January 1, 2023

The Group has not early adopted any new standards or amendments to existing standards adopted or not by the European Union whose application is mandatory after December 31, 2023, and which may be applied early. The standards, interpretations and amendments published for mandatory application after December 31, 2023, that could have an impact on the Group's financial statements are as follows:

- Amendments to IAS 1– Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current,
- Amendments to IFRS 16 – Lease liability in a Sale and Leaseback
- Amendments to IAS 21 - Absence of convertibility,
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

2.3.Consolidation methods

These consolidated financial statements as of December 31, 2023, include Planisware S.A. (the "Company") and its subsidiaries (together referred to as the "Group").

Subsidiaries

Subsidiaries are entities controlled by the Group directly or indirectly. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist for investments of 20% or more of the investee's outstanding voting common stock.

Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees less dividends received and impairment losses – if any – until the date in which significant influence ceases. Goodwill arising on the acquisition of an entity's shares is included within the value of *Equity -accounted investees*. The Group's share of an associate's profit or loss is recognized on a separate line in the consolidated statement of profit or loss under *Share of profit of equity-accounted investees, net of tax*.

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same as unrealized gains, but only to the extent that there is no evidence of impairment.

When the Group's share of an associate's losses exceeds its interest in the associate, the carrying amount of the *Equity-accounted investees* is reduced to zero and the Group ceases to recognize its share of subsequent losses, except to the extent that it has a legal or constructive obligation to the associate or has made a payment on its behalf.

When the activities of an equity-accounted entity are an integral part of the Group's current operations, the share of profit or loss relating to this entity is included within *Current operating profit*.

The scope of consolidation is presented in Note 3.

2.4. Foreign currency

These consolidated financial statements are presented in euro, which is the Company's functional currency.

Foreign operations

Items included in the financial statements of each Group entity are initially measured using the currency of the primary economic environment in which that entity operates, i.e., its "functional currency".

The accounts of all Group entities whose functional currency differs from the Group's presentation currency are translated into euro as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rate at the reporting date;
- Income, expenses, and cash flows of foreign operations are translated in euro at the average exchange rate for the period where this average rate approximates the exchange rate on the transaction date in the absence of significant fluctuations during the period.

Foreign currency differences are recognized in *Other comprehensive income* under *Items that are or may be classified subsequently to profit or loss* and accumulated in *Translation reserve* within equity, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are recognized in the profit or loss and presented within *General and administrative* for transactions related to operating items and within *Other finance income and costs* for transactions of a financial nature.

The Group does not use cryptocurrencies.

Exchange rates

The applicable exchange rates for the translation of the main foreign currencies used within the Group are as follows:

Equivalent to €1

	Closing rate as of 31/12		Average rate for the year	
	2023	**2022**	**2023**	**2022**
USD	1.105	1.0666	1.0816	1.0539
GBP	0.8691	0.8869	0.8699	0.8526
SGD	1.4591	1.4300	1.4523	1.4520
JPY	156.3300	140.6600	157.4200	138.0050
AED	4.0539	-	3.9793	-

2.5. Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Group's Accounting principles and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Determining lease terms: whether the Group is reasonably certain to exercise an option to extend or not to exercise an option to terminate [Note 18];
- Determining the amortization period for contract acquisition costs and capitalized development costs [Notes 16 and 23].

Assumptions and estimation uncertainties

Information about assumptions and estimations uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in subsequent periods is including in the following notes:

- Impairment test of non-financial assets: key assumptions underlying recoverable amounts [Notes 15];
- Measurement of expected credit loss allowance for trade receivables and contract assets [Note 21];
- Measurement of defined benefit obligations: key actuarial assumptions [Note 9].

2.6. Current operating profit

The Group presents *Current operating profit* which excludes *Other operating income* and *Other operating expenses*. In accordance with ANC recommendation no. 2020-01, these items are included only if a major event occurs during the accounting period that is likely to distort the interpretation of the Group's performance. They therefore are related to a very limited number of unusual, abnormal, and infrequent items of income or expense, of particularly significant amount. *Other operating income* and *Other operating expenses* are presented in Note 11.

Note 3. Scope of consolidation

All the entities included in the scope of consolidation prepare their annual financial statements as of December 31, each year.

For the financial years presented, changes in scope of consolidation concern the acquisitions of Innovative Framework Technologies Planisware KK and Planisware MIS Sarl France and its subsidiaries on May 26, 2023 and September 25, 2023 respectively. These entities are consolidated from the date on which the Group takes control. Prior to the acquisition of control by the Group, these entities were previously associates and accounted for using the equity method.

Certain commercial subsidiaries that are not material, either individually or in aggregate, are not consolidated. They are shown as NC (non-consolidated) in the table below.

The following table shows the countries in which the subsidiaries are located, the percentage of capital held directly or indirectly by the Company as well as the percentage of control and their consolidation method as of December 31, 2023, and December 31, 2022:

Entity	Country	2023 Percentage of control	2023 Percentage of interest	2022 Percentage of control	2022 Percentage of interest	Consolidation method
Planisware, S.A. 200 avenue de Paris 92320, Chatillon	France	100%	100%	100%	100%	Consolidation
Planisware USA, Inc. 343 Sansome Street, Suite 500 San Francisco, California , 94104	United States	100%	100%	100%	100%	Consolidation
Planisware Deutschland, GmbH Leonrodstr. 52-54 80636 Munich	Germany	100%	100%	100%	100%	Consolidation
Planisware UK, Ltd MediaCityUK, White Tower, 4th Floor, Suite 4 Manchester, M50 2NT	United Kingdom	100%	100%	100%	100%	Consolidation
Planisware Singapore PTE. LTD. 16 raffles quay - #38-03 Hong Leong Building Singapore, 048581	Singapore	100%	100%	100%	100%	Consolidation
Innovation Framework Technologies Planisware KK. 1-5-15 Hirakawa-Cho, Chiyoda-Ku, Tokyo, 102-0093	Japan	100%	100%	47%	47%	Consolidation from May 26, 2023. Equity method as of December 31, 2022.
Innovation Framework Technologies Asia, Sarl 17 rue des cerisiers 78290 Croissy-sur-Seine	France	100%	100%	0%	0%	NC
Planisware MIS Sarl France 5 rue du Helder 75009 Paris	France	100%	100%	50%	50%	Consolidation from September 25, 2023. Equity method as of December 31, 2022.
PLW Tunisia, Sarl Rue El Koteb N53Bis Les Jardins du lac 1053 La Marsa	Tunisia	100%	100%	100%	100%	NC
Planisware MIS Sarl TUNISIA MirMar Business City, Centre Urbain Nord 1003 Tunis	Tunisia	100%	90%	50%	45%	NC
Planisware MIS DMCC 3405-27 34th Floor - Swiss Tower | JLT-PH2-Y3A - Jumeirah Lakes Towers Dubai	United Arab Emirates	100%	100%	50%	50%	Consolidation from September 25, 2023. NC as of December 31, 2022.

Note 4. Business combination

Acquisition of Innovation Framework Technologies Planisware KK

On May 26, 2023, the Group acquired the remaining 53% of the shares and voting rights in Innovation Framework Technologies Planisware KK ("IFTP KK"). As a result, the Group's stake in IFTP KK increased from 47% to 100%, thereby granting it control of IFTP KK. The subsidiary is one of the Group's strategic resellers in the Asia-Pacific region. The takeover of IFTP KK will enable the Group to expand in the Asia-Pacific region.

In the seven months following the acquisition of IFTP KK, the company contributed 3,584 thousand euros to Group’s total revenue with customers and 1,303 thousand euros to Group’s profit for the period. If the acquisition had taken place on January 1, 2023, management estimates that Group’s total revenue with customers for the year 2023 would have been 157,725 thousand euros, and Group’s profit for the period would have been 41,711 thousand euros.

Consideration transferred

The following table summarizes, at the acquisition date, the fair value of consideration transferred:

In € thousand	Note	
Equity instruments (3,285 ordinary shares)	25	9,559

The consideration transferred comes from the contribution agreement (“Traité d’apport”) dated as of May 26, 2023 amounting to 2,909.77 euros per share.

Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

In € thousand	Note	
Intangible assets	16	4,328
Property, plant and equipment	17	141
Right-of-use assets	18	429
Other financial assets	23	313
Deferred tax assets	13	33
Trade receivables and contract assets	21	690
Other receivables and current assets	23	292
Cash and cash equivalents	24	1,328
Deferred tax liabilities	13	(1,160)
Lease liabilities	18	(556)
Trade payables	30	(842)
Other payables	30	(144)
Current contract liabilities	22	(713)
Net asset acquired		**4,139**

Goodwill

Provisional goodwill arising from the acquisition has been recognized as follows:

In € thousand	
Total consideration transferred	9,559
Fair value of existing interest in IFTP K.K.	6,704
Fair value of net asset acquired	(4,139)
Goodwill	**12,124**

The remeasurement at fair value of the Group's existing 47% interest in IFTP KK gave rise to a gain of 5,728 thousand euros (6,704 thousand euros less the carrying amount of 876 thousand euros of the associate at the acquisition date less 100 thousand euros of translation reserve reclassified to the income statement). The fair value of the Group's existing 47% interest in IFTP K.K. takes into account a minority discount factor. The gain of 5,728 thousand euros has been included in *Other operating income* in the consolidated statement of profit or loss and is disclosed in Note 11.

The identifiable assets acquired and liabilities assumed include customer relationships recognized as intangible assets and valued at 4,328 thousand euros. The provisional goodwill is mainly attributable to the skills and technical talent of IFTP KK's workforce, and to the synergies expected from integrating the company into the Group's existing activities. In addition, goodwill was initially recognized in Japanese yen - IFTP KK's functional currency - at the acquisition-date exchange rate of 149.1 Japanese yen to 1 euro and will be subject to the impact of exchange rate fluctuations.

Acquisition of MIS Group

On September 25, 2023, the Group acquired the remaining 50% of the shares and voting rights in Planisware MIS. As a result, the Group's stake in Planisware MIS increased from 50% to 100%, thereby granting it control of this subsidiary. The MIS group is one of the Group's main subcontractors. The takeover of the MIS Group will give the Group greater control over its value chain.

In the three months following the acquisition of the MIS group, the contribution to Group’s total revenue with customers was 1,160 thousand euros and to Group’s profit for the period was 253 thousand euros. If the acquisition had taken place on January 1, 2023, management estimates that Group’s total revenue with customers for the year 2023 would have been 157,275 thousand euros, and Group’s profit for the period would have been 42,402 thousand euros.

Consideration transferred

The following table summarizes, at the acquisition date, the fair value of consideration transferred:

In € thousand	Note	
Cash payment		2,800
Earn-out		600
Fair value of consideration transferred		**3,400**

Pursuant to the share purchase agreement, an earn-out of 600 thousand euros was taken into account in calculating the fair value of the consideration transferred, bringing the acquisition price to 3,400 thousand euros.

Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

In € thousand	Note	
Property, plant and equipment	17	39
Right-of-use assets	18	57
Other financial assets	23	30
Trade receivables and contract assets	21	1,331
Other receivables and current assets	23	304
Cash and cash equivalents	24	2,197
Lease liabilities	18	(47)
Trade payables	30	(393)
Other payables	30	(659)
Current contract liabilities	22	(1,490)
Net asset acquired		**1,368**

Goodwill

Provisional goodwill arising from the acquisition has been recognized as follows:

In € thousand	
Total consideration transferred	3,400
Fair value of existing interest in Planisware MIS	2,312
Fair value of net asset acquired	(1,368)
Goodwill	**4,344**

The remeasurement at fair value of the Group's existing 50% interest in Planisware MIS resulted in a gain of 1,803 thousand euros (2,312 thousand euros less the carrying amount of 509 thousand euros of the company accounted for by the equity method at the acquisition date). The fair value of the Group's existing 50% interest in Planisware MIS takes into account a minority discount factor. The gain of 1,803 thousand euros has been included in *Other operating income* in the consolidated statement of profit or loss and is disclosed in Note 11.

The provisional goodwill is mainly attributable to the skills and technical talent of the Planisware MIS workforce, and to the synergies expected from integrating the company into the Group's existing activities.

Note 5. Operating segments

Accounting principles

Pursuant to IFRS 8, operating segments are components of a group for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker ("CODM") to assess performance and allocate resources.

All of the Group's revenue for the years ended December 31, 2023 and 2022 comes from the design, development and marketing of software products, together with the associated implementation and consulting services.

According to IFRS 8, segment information is based on internal management information used by the Board of Directors, the Group's operating decision-maker. The Group is managed on a basis reflecting its global activity which is then classified as a single operating segment. Prior to the Company's transformation in "Société Anonyme", the Group's operating decision-maker was the Chairman of the Company, OLHADA (formerly Planisware Management), represented by Mr. Pierre DEMONSANT.

The chief operating decision maker regularly reviews:

- Revenue by revenue stream; and
- Recurring versus non-recurring revenue; and
- Revenue by region (based on customers' billing addresses); and
- Group Adjusted EBITDA and adjusted EBITDA margin.

Disaggregation of revenue is shown in Note 6. Furthermore, no single customer accounts for more than 10% of total revenue.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA is calculated as *Current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2 (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs. For the years ended December 31, 2023, and 2022, these adjustments for non-recurring items or non-operating items related to free shares plan expense and external costs incurred by the Group in the run-up to its preparation for its planned initial public offering.

Adjusted EBITDA margin is the ratio of adjusted EBITDA to total revenue.

Adjusted EBITDA is not a performance measure defined under IFRS. The Group's definition of Adjusted EBITDA may not be comparable to similar measures of performance and information provided by other entities.

The following table present a reconciliation between *Current operating profit including share of profit of equity-accounted investees* and Adjusted EBITDA, as well as the calculation of the Adjusted EBITDA margin for the periods presented:

In € thousand	**2023**	**2022**
Current operating profit including share of profit of equity-accounted investees	43,157	34,533
Depreciation and amortization of intangible, tangible and right-of-use assets	7,182	6,442
Adjustment for IPO costs classified in current operating profit	-	428
Share-based payment expense	1,866	-
Adjusted EBITDA	**52,205**	**41,403**
Total revenue	156,439	132,083
Adjusted EBITDA margin (%)	***33.4%***	***31.3%***

Non-current assets (1) by countries (2)

As of December 31, 2023

In € thousand	**France**	**USA**	**Germany**	**United Kingdom**	**Japan**	**Other**	**Total**
Goodwill	9,440	-	-	-	11,566	-	21,006
Intangible assets	3,611	-	0	-	3,995	-	7,606
Property, plant and equipment	3,782	212	395	62	129	9	4,589
Right-of-use assets	10,812	1,866	456	228	307	25	13,694
Other non-current assets	-	777	-	-	-	-	777

As of December 31, 2022

In € thousand	**France**	**USA**	**Germany**	**United Kingdom**	**Japan**	**Other**	**Total**
Goodwill	5,096	-	-	-	-	-	5,096
Intangible assets	3,017	-	0	-	-	-	3,017
Property, plant and equipment	3,165	277	440	106	-	-	3,989
Right-of-use assets	10,831	1,726	639	316	-	-	13,512
Other non-current assets	-	1,036	-	-	-	-	1,036

(1) Non-current assets disclosed in this note are non-current assets other than financial instruments and deferred tax assets as required by *IFRS 8 Operating Segments*.
(2) Countries are not representative of operating sectors and only correspond to geographical areas where legal entities are located.

Statement of profit or loss items

Note 6. Revenue

Accounting principles

Revenue recognition should reflect the transfer of control of goods or services promised to the customer for the amount of the consideration the Group expects in return.

a. General principles

i. Identifying the contract with the customer

Revenue recognition for a contract or a group of contracts must meet five criteria: the contract must have commercial substance (generation of future cash flows for the Group), the parties must have approved the contract and have pledged to meet their respective obligations, the rights and obligations of each party are identified, the payment terms and conditions are identifiable, and it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer (i.e., the customer has the ability and intention to pay that amount of consideration in exchange for the goods and services provided).

ii. Identifying the performance obligations in the contract

A performance obligation is a promise, in a contract with a customer, to transfer products or services, distinct from the other promises in the contract. The contract or group of contracts may include one or more performance obligations: single-service or multi-component arrangements. A performance obligation is distinct from others if it meets two conditions.

First, the underlying good or service must be distinct: the customer can benefit from the good or service either on its own or through readily available market resources.

Second, the good or service must also be distinct with respect to the contract, requiring an analysis of the transformation relationship between the various goods and services comprising the contract. This relationship does not exist if the good or service is not used to produce other goods or services covered in the contract; it does not significantly modify or customize another good or service promised in the contract; or it is not highly dependent on, or highly interrelated with, other goods or services promised in the contract.

iii. Determining the transaction price

Once the contract's existence validated and the various performance obligations identified, the contract's transaction price must be determined and allocated to the various performance obligations.

The contract's transaction price may include variable consideration, generally in the form of discounts, reductions, or penalties or, conversely, bonuses, and may be subject to the completion of project milestones. It can also include a financial component or a consideration payable to the client.

At the contract's inception, variable consideration is only considered in the amount for which the Group deems it highly probable that there will not be a material decrease in revenue in subsequent periods, and provided it is not subject to factors outside the company's influence. This variable consideration is allocated to the performance obligations pro rata to their respective standalone selling price if it cannot be otherwise allocated.

iv. Allocating the transaction price to the various performance obligations identified

The transaction price is allocated to each performance obligation identified in the contract based on the relative standalone selling prices of each underlying good or service. The standalone selling price is the price of the performance obligation as if it were sold separately. It is based on list prices, similar past transaction prices and observable market prices.

The amount allocated to each performance obligation identified in the contract is recognized in revenue when the control of the underlying goods or services promised in the contract is transferred to the customer.

v. Recognizing revenue

The control of a good or service is transferred to the customer over time (requiring revenue recognition on a percentage-of-completion basis) solely if one of the following three criteria is met:

- the customer simultaneously receives and consumes the benefits of performance as it occurs,
- the performance creates or enhances an asset that the customer controls as the asset is created or developed,
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Services rendered not yet invoiced or partially invoiced are presented on the statement of financial position as *Contract assets* under *Trade receivables and contract assets*. Services invoiced but not totally fulfilled are presented on the statement of financial position under *Contract liabilities*. Customer contract assets and liabilities are presented on a net basis for each individual contract. These items are described in more detail in notes 21 and 22.

vi. Costs of obtaining a contract

The costs of obtaining a contract are capitalized in assets if two conditions are met: they would not have been incurred if the contract had not been obtained, and they are recoverable. They include sales commissions if these are specifically and solely linked to obtaining a contract and were not therefore granted in a discretionary manner. The costs of obtaining a contract are capitalized and deferred in the statement of profit or loss at the same rate as the revenue to which they relate. These assets are presented in note 23.

b. Practical application: Revenue recognition for services performed by the Group for its customers

Planisware's revenues are derived from five main activities, i.e., revenue from SaaS offerings, revenue from the sale of perpetual licenses and related maintenance contracts, support services including "Subscription support" and "Evolutive support", and "Implementation" support.

Legally, Planisware does not bundle its various services into a single contract; however, for accounting purposes, where it sells various services concurrently within a relatively short period of time, its contracts are analyzed as a single contract pursuant to IFRS 15.

Typically, Planisware's solutions and services described below are treated as separate performance obligations and the portion of the transaction price allocated to them is accounted for separately. This is because the price of each performance obligation is independent of whether the performance obligation is sold on its own or in a bundle, and whether or not it is sold concurrently to other performance obligations.

In general, Planisware's software does not require the creation of additional code or modifications of the source code in order to be adapted and integrated into the customer's environment. As such, Planisware does not consider that the services related to the deployment of its software significantly adjust or modify the software according to IFRS 15 criteria (whether sold as a perpetual license or as part of a SaaS contract). Furthermore, due to the nature of the integration services offered to customers and their volume relative to the volume of perpetual licenses and SaaS contracts to which they relate, implementation support typically goes beyond pure setup activities and qualifies as a separate performance obligation.

Perpetual licenses

Revenue from the sale of perpetual licenses represents the fees earned from the sale of licenses of software to customers for on-premise use owned or fully controlled by them for an indefinite period. Revenue from the sale of a perpetual license is recognized when the software is made available to the client and no significant obligation remains towards the client in connection with the sale of the license.

Maintenance

Revenue from maintenance services include periodic fees associated with the sale of unspecified software updates and technical support. Maintenance contracts are generally entered into in conjunction with the initial purchase of a software license. Maintenance can be renewed by the clients at the end of each term. Revenues from maintenance services are recognized over time on a straight-line basis as they represent “stand-ready obligations” throughout the term of the contract without significant peaks in activity.

SaaS (i.e., “Software as a Service”)

Revenue from SaaS offerings represents a right to access Planisware’s software solutions in a cloud-based infrastructure that it hosts. The customer does not have the right to terminate the hosting contract and to take possession of the software to either run it on its own IT infrastructure or to engage an unrelated third-party provider to host and manage the software. Revenues from SaaS contracts are recognized ratably over the duration of the contract.

Some SaaS contracts include clauses relating to the availability of the service provided. However, to date, the Group has not identified any variable consideration that would have a material impact on Group’s total revenue.

Support and professional services

The Group’s support and professional services from which it derives significant revenues can be grouped into three distinct performance obligations:

- Implementation services represent the fees earned on a non-recurring basis related to the initial deployment of Planisware’s software in a customer’s business environment,
- “Evolutive” support represents the fees (recurring in nature) earned from services that allow clients to continuously adapt the software to their changing needs, including configuration and support services in addition to the maintenance and support services for standard functionality already included in the SaaS offering or maintenance contract related to perpetual licenses,
- Subscription support corresponds to the fees earned from premium support provided beyond the regular support embedded in the underlying cloud subscription services.

Revenue from implementation services and evolutive support is mainly derived from time-based contracts and is recognized on the basis of time spent or other billable units of work.

A limited number of service contracts may be provided on a fixed-price basis, in which case revenue is recognized on the basis of a percentage of completion method.

Revenue from subscription support is generally recognized ratably over the duration of the contract. Under these contracts, Planisware’s performance obligation is to stand ready to provide technical support and unspecified updates, upgrades, enhancements, and configuration based on availability and customer demand without significant peaks in activity. Customers simultaneously receive and consume the benefits of performance as it occurs.

vii. Principal/Agent distinction

Planisware considers itself to be acting as 'principal' , being in particular responsible to the customer for the performance and acceptance of the service. Revenues are recognized on a gross basis and external purchases are recognized in full as operating expenses.

Disaggregation of revenue

By revenue stream

In € thousand	2023	2022
SaaS	64,553	48,718
"Subscription" support	9,368	5,707
"Evolutive" support	41,990	35,567
Maintenance	18,756	18,484
Perpetual licences	5,709	5,551
Implementation services and other non-recurrent services	15,370	16,537
Revenue with customers	**155,746**	**130,564**
Other revenue	693	1,519
Total revenue	**156,439**	**132,083**

The Group's recurring revenue is a performance measure not defined in IFRS, and defined as the aggregation of SaaS, Maintenance, Evolutive and Subscription support services.

The amount of recurring revenue is 134,667 thousand euros for the year ended December 31, 2023 against 108,476 thousand euros for the year ended December 31, 2022, representing respectively 86.5% and 83.1% of revenue with customers over the two years presented.

Except for sales of perpetual licenses, the Group’s performance obligations are mainly transferred over time.

Other revenue mainly comprises royalties invoiced by the Company to associate Innovation Framework Technologies Planisware KK prior the takeover by the Group.

By region

Revenues by region in the following tables are based on customers' billing addresses.

The regions shown in the table below are as follows: Europe, North America and “APAC and Rest of World”.

In € thousand	2023	2022
Europe	76,061	66,561
North America	68,476	57,129
APAC and rest of the world	11,210	6,874
Revenue with customers	**155,746**	**130,564**

For the year ended December 31, 2023, 49% of revenue with customers have been generated in Europe, of which 18% in France, 44% in North America, of which 90% in United States and 7% in “APAC and the Rest of the World”.

For the year ended December 31, 2022, 51% of revenue with customers was generated in Europe, of which 20% in France, 44% in North America, of which 89% in United States and 5% in “APAC and Rest of the World”.

Note 7. Operating expenses

Accounting principles

Cost of sales

Cost of sales consists primarily of staff costs directly associated with professional services and operations, including salaries, benefits, bonuses, and allocated overhead, as well as the costs of outsourcing. Costs of sales also consist of expenses related to hosting services and providing support to customers. These expenses are comprised of depreciation related to owned computer hardware and leased datacenter facilities where the SaaS solutions are hosted, and network connectivity costs for the provisioning of hosting services under SaaS arrangements.

Research and development

Research and development expenses consist primarily of non-capitalized staff expenses directly associated with research and development teams, including salaries, benefits, bonuses, and allocated overhead. Research and development expenses also include costs associated with external services contracted for research and development purposes, amortization of capitalized development costs, and the benefits from the French research tax credit (CIR, or Crédit d'Impôt Recherche).

Sales and marketing

Sales and marketing expenses consist primarily of personnel and related costs for sales and marketing teams, including salaries and benefits, and allocated overhead, as well as contract acquisition costs including commissions earned by sales personnel, training and trade show and promotional marketing costs. Sales and marketing expenses include expected credit loss allowance on trade receivables and contract assets.

General and administrative

General and administrative expenses consist primarily of personnel and related costs associated with administrative functions of the business including finance, human resources, and internal information system support, and allocated overhead as well as legal, accounting and other professional fees, and foreign exchange gains and losses on royalties invoiced by the Company in foreign currencies to Group entities.

7.1 Cost of sales

In € thousand	**2023**	**2022**
Employee costs	28,867	25,413
Outsourcing and hosting fees	12,238	13,326
Depreciation and amortization	3,158	2,807
Other expenses	865	748
Total cost of sales	**45,127**	**42,295**

Gross margin, which corresponds to gross profit as a percentage of total revenue, increased from 68.0% in the year ended December 31, 2022 to 71.2% in the year ended December 31, 2023, mainly as a result of an efficient monitoring of resources, in particular with respect to recruitment and outsourcing.

7.2 Research and development expenses

In € thousand	2023	2022
Employee costs	17,639	16,044
Research Tax Credit	(807)	(823)
Depreciation and amortization	2,400	2,404
Other expenses	777	715
Total research and development expenses	**20,009**	**18,341**

As a percentage of total revenue, research and development expenses slightly decreased from 13.9% in the year ended December 31, 2022, to 12.8% in the year ended December 31, 2023 partially due to a higher capitalization of development costs as disclosed in Note 16.

7.3 Sales and marketing expenses

In € thousand	2023	2022
Employee costs	18,560	15,053
Sales commissions	2,963	2,485
Marketing costs	3,025	2,379
Depreciation and amortization	1,040	747
Other expenses	1,497	1,177
Total sales and marketing expenses	**27,085**	**21,841**

As a percentage of total revenue, sales and marketing expenses increased from 16.5% in the year ended December 31, 2022 to 17.3% in the year ended December 31, 2023, demonstrating the Group's continuous efforts in expanding relationships with existing customers and attracting new customers. Sales commissions include expenses relating to non-activated commissions and amortization of capitalized sales commissions.

7.4 General and administrative expenses

In € thousand	2023	2022
Employee costs	13,569	9,512
Fees and other external services	1,814	1,748
Depreciation and amortization	584	483
Other expenses	5,347	4,285
Total general and administrative expenses	**21,314**	**16,027**

As a percentage of total revenue, general and administrative expenses increased from 12.1% in the year ended December 31, 2022 to 13.6% in the year ended December 31, 2023. The increase in general and administrative expenses reflects investments in corporate infrastructure and capabilities to support the Company's global expansion and business growth strategies.

Note 8. Employees

8.1 Employee headcount

The following table provides an overview of employee headcount (excluding employees from non-consolidated entities) broken down by region as of December 31, 2023, and as of December 31, 2022:

Number of employees	2023	2022
France	304	286
United States	163	159
Rest of the world	124	94
Total headcount as of December 31	**591**	**539**

8.2 Employee costs

The statement of profit or loss shows employee costs by function. They break down as follows:

In € thousand	2023	2022
Salaries	55,903	48,308
Sales commissions	2,963	2,485
Social security contributions	13,507	10,632
Expense for post-employment and similar benefit obligations	1,242	1,157
Employee profit-sharing	4,713	4,600
Share-based payment	1,866	-
Other employee's related expenses	1,402	1,324
Total employee costs and sales commissions	**81,597**	**68,506**

Employee costs and sales commissions represented 52.2% of total revenue for the year ended December 31, 2023. This ratio was 51.9% for the year ended December 31, 2022.

Note 9. Employee benefits

Accounting principles

The Group contributes to pension, medical and termination benefit plans in accordance with the laws and practices of each country. These benefits can vary depending on a range of factors, including seniority, salary, and payments to compulsory general plans.

These plans may be either defined contribution plans or defined benefit plans.

Defined benefit pension plans

Post-employment defined benefit plans relate to employees in France. These obligations are not covered by plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method which stipulates that each period of service gives rise to the recognition of a unit of benefit entitlement, and values each of these units separately to obtain the defined benefit obligation.

The future payments for employee benefits are measured on the basis of future salary increases, retirement age, mortality and length of employment with the Group, and are discounted at a rate determined by reference to yields on long-term high quality corporate bonds of a duration corresponding to the estimated duration of the benefit plan concerned.

The net expense for the year, corresponding to the sum of the current service costs, past service costs and net interest expense or income, is charged in full to profit or loss. Current service costs are broken down by function in the statement of profit or loss within *Employee costs* as disclosed in note 6, whereas interest expense or income is accounted for under *Other finance income and costs*.

The actuarial assumptions used to calculate defined benefit obligations involve uncertainties which may affect the value of financial assets and obligations towards employees. Actuarial gains and losses arising from the effects of changes in demographic assumptions, financial assumptions and the difference between the discount rate are recognized in other comprehensive income in the period in which they arise within *Items that will not be reclassified to profit or loss.*

Defined contribution pension plans

Obligations for contributions to defined contributions plans are expensed as the related service is provided. These expenses are broken down by function in the statement of profit or loss within *Employee costs* as disclosed in note 7.

Defined contribution plans mainly relate to subsidiaries in the USA and Germany.

9.1 Actuarial assumptions

The actuarial assumptions used are as follows:

Asumptions	2023	2022
Discount rate	3.30%	3.83%
Salary increase rate	2.00%	2.00%
Mortality table for men	TH 17-19	TH 13-15
Mortality table for women	TF 17-19	TF 13-15
Turnover rate	Between 0% and 7%	Between 0% and 7%

9.2 Changes in employee benefits liability

Employee benefits obligation calculated amounts to 2,252 thousand euros for French employees as of December 31, 2023. The gross impact on statement of profit or loss for the year ended December 31, 2023, is an expense of 137 thousand euros, mainly due to the current service cost of 171 thousand euros, partially offset by income relating to the past service cost following the French pension reform, reform treated as a change of plan in accordance with IAS 19.

In € thousand	2023	2023
Evolution of employee benefits liability		
As of January 1	**(1,852)**	**(2,301)**
Current service cost	(171)	(229)
Past service cost (plan amendment)	103	-
Interest (costs) income	(69)	(30)
Benefits paid	8	3
Actuarial gains or losses	(271)	704
As of December 31	**(2,252)**	**(1,852)**
Charge included in statement of profit or loss		
Current service cost	(171)	(229)
Past service cost (plan amendment)	103	-
Interest (cost) income	(69)	(30)
Charge for the period	**(137)**	**(259)**
Included in other comprehensive income		
Actuarial (loss) gain arising from experience adjustments	(93)	(108)
Actuarial (loss) gain arising from change in financial asumptions	(178)	812
Total actuarial (loss) gain for the period	**(271)**	**704**
Actuarial (loss) gain reserve at the end of the period	**559**	**830**
Other		
Benefits paid	8	3
Total other	**8**	**3**
Total changes in employee benefits liability	**(400)**	**448**

9.3 Sensitivity analysis of the discount rate

In € thousand	2023	2023
Impact on the amount of the obligation		
Decrease of 0.25%	90	63
Increase of 0.25%	(86)	(60)

9.4 Undiscounted future cash-flows

In € thousand	December 31, 2023	December 31, 2022
Estimation of future services		
<1 an	10	10
2 to 5 years	284	386
6 to 10 years	748	656
> 10 years	12,584	10,347
Total theoretical undiscounted future services	**13,626**	**11,399**

Note 10. Share-based payments arrangements

Free shares plan (Equity-settled)

Free share plan – June 1st, 2023

On June 1, 2023 (the "grant date"), the Chairman decided to allocate 1,286 free ordinary shares to the Group's managers and employees. These shares to be issued represent 0.37% of the issued share capital. These shares will vest definitively on June 1, 2024, provided that the beneficiaries remain actively employed by the Group until that date.

Free shares are measured at fair value on the grant date. Their fair value has been determined by an independent expert using *Discounted Cash Flow* method. Their fair value is recognized in the statement of profit or loss with a corresponding increase in equity and amortized on a straight-line basis over the vesting period.

Grant date	June 1st, 2023
Number of shares granted (before share split) (1)	1,286
Number of beneficiaries	66
Vesting period	1 year
Estimate of the number of equity instruments expected to vest	100%
Fair value of the shares at grant date (€)	2,487
Expected dividends	na.

(1) After the 2023 stock-split, the number of potential shares acquired on June 1, 2024, is 257,200.

Free share plan – October 1st, 2023

On October 11, 2023 (the "grant date"), the Board of Directors decided to allocate 121,500 free ordinary shares to the Chief Executive Officer. These shares will vest definitively and gradually on October 11, 2024, October 11, 2025, and October 11, 2026 provided that the beneficiary remains a company representative of the Company on a continuous and uninterrupted basis until the end of each vesting period. The final number of shares allocated will be subject to non-market performance conditions for each vesting period.

Free shares are measured at fair value on the grant date using *Discounted Cash Flow* method. Their fair value is recognized in the statement of profit or loss with a corresponding increase in equity and amortized on a straight-line basis over the vesting period.

Grant date	October 11th, 2023
Number of shares granted (after share split)	121,500
Number of beneficiaries	1
Vesting period	1, 2 and 3 years (graded vesting)
Estimate of the number of equity instruments expected to vest	73%
Fair value of the shares at grant date (€)	12.44
Expected dividends	na.

For the year ended December 31, 2023, an expense of 1,866 thousand euros has been recognized with respect to the share-based payment arrangements, of which 424 thousand euros, 231 thousand euros, 521 thousand euros and 691 thousand euros have been allocated to *Cost of sales*, *Research and development expenses*, *Sales and marketing expenses*, and *General and administrative expenses* respectively.

Note 11. Other operating income and other operating expenses

In € thousand	2023	2022
Gains on remeasurement at fair value of investments in associates - IFTP KK	5,728	-
Gains on remeasurement at fair value of investments in associates - Planisware MIS	1,803	
Other operating income	**7,531**	-
Costs related to IPO	(4,489)	-
Other operating expenses	**(4,489)**	-
Total other operating income and other operating expenses	**3,043**	-

Transactions relating to gains arising from the remeasurement at fair value of investments in associates are disclosed in Note 4.

Costs relating to the IPO project consist mainly of lawyers' fees and the costs of external advisers who assisted the Company with its IPO project.

Note 12. Financial income (loss)

In € thousand	2023	2022
Interest on loans and borrowings	(0)	(6)
Interest on lease liabilities	(289)	(229)
Income from cash and cash equivalents	1,468	59
Cost of debt, net	**1,179**	**(176)**
Foreign exchange gains on financial items	978	3,304
Other finance income	1,760	252
Other finance income	**2,737**	**3,555**
Foreign exchange losses on financial items	(1,276)	(338)
Other finance costs	(151)	(247)
Other finance costs	**(1,427)**	**(585)**
Financial income (loss)	**2,489**	**2,795**

The increase in income from cash and cash equivalents reflects the Group's short-term investments of its available cash in time deposits and marketable securities.

Foreign exchange gains and losses are mainly due to the revaluation at year-end exchange rates of the Company's cash and cash equivalents denominated in foreign currencies.

Other financial income mainly comprises gains on disposals and unrealized gains on marketable securities.

Note 13. Income tax

Accounting principles

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit or loss except to the extent that it related to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax

Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognized on all temporary differences between the tax base and the carrying amount of assets and liabilities.

Deferred tax assets are only recognized if it is probable that they will be recovered as a result of taxable profit expected in future periods within a reasonable time frame. They are reviewed at the end of each reporting period. Tax assets and liabilities are measured based on the tax rates enacted or substantively enacted applicable to the reporting period during which the asset will be realized or the liability settled.

Deferred tax is presented in the statement of financial position separately from current tax assets and liabilities and classified as non-current.

Uncertainty over Income Tax Treatments

An "uncertain tax treatment" is a tax treatment for which there is uncertainty as to whether the tax authorities concerned will accept the tax treatment under tax legislation.

If the Group concludes that it is likely that the tax authorities will accept an uncertain tax position, all tax-related items (taxable income, tax bases, tax rates, tax loss carryforwards, tax credits, taxes) will be determined in accordance with that position.

If the Group concludes that acceptance by the tax authorities is unlikely, this uncertainty will be included in the calculation of tax items, giving rise to the recognition of a tax liability.

For the years ended December 31, 2023, and 2022, the Group is not aware of any uncertain tax treatment that would have a material impact on the financial statements.

Within the Group, there is no tax consolidation group.

13.1 Analysis of income tax expense

In € thousand	**2023**	**2022**
Current tax	(7,569)	(6,289)
- Of which income tax	*(7,262)*	*(5,796)*
- Of which added-value tax (CVAE)	*(307)*	*(493)*
Deferred tax	710	515
Income tax expense recognized in the statement of profit or loss	**(6,859)**	**(5,774)**

13.2 Amounts recognized in other comprehensive income

In € thousand	**2023**	**2022**
Deferred taxes on remeasurement of defined benefit plan liability (actuarial differences)	63	(176)
Income tax expense recognized in other comprehensive income	**63**	**(176)**

13.3 Movement in deferred tax balances

In € thousand	**2023**	**2022**
Deferred tax assets - Opening	1,685	1,354
Deferred tax liabilities - Opening	-	(31)
As of January 1	**1,685**	**1,323**
Recognized in the profit or loss statement	710	515
Recognized in other comprehensive income	63	(176)
Scope entry	(1,127)	-
Effect of movements in exchange rates	13	23
Change over the period	**(341)**	**362**
Deferred tax assets - Closing	2,390	1,685
Deferred tax liabilities - Closing	(1,046)	-
As of December 31	**1,344**	**1,685**

13.4 Components of recognized deferred tax assets and liabilities

In € thousand	December 31, 2023	December 31, 2022 restated*
Lease liabilities	3,652	3,445
Employee benefits	582	463
Revaluation of the expected credit loss on trade receivables	203	268
Non-deductible provisions	864	930
Deductible research and development expenses	378	173
Foreign tax credit	443	-
Other temporary differences	1,001	720
Set-off of tax	(4,732)	(4,314)
Deferred tax assets after set-off	**2,390**	**1,685**
Right-of-use assets	(3,524)	(3,378)
Development costs	(924)	(704)
Intangible asset acquired in a business combination	(1,032)	-
Fair value of cash equivalents	(258)	-
Other temporary differences	(40)	(233)
Set-off of tax	4,732	4,314
Deferred tax liabilities after set-off	**(1,046)**	**(0)**

Non-deductible provisions for the year mainly concern employee profit-sharing, for which a deferred tax asset of 803 thousand euros and 747 thousand euros has been recognized as of December 31, 2023 and December 31, 2022 respectively.

The Group has not recognized any deferred tax assets relating to tax losses. The amount of unrecognized tax loss carryforwards is not material.

* In accordance with the amendment to IAS 12, the comparative year ended December 31, 2022, has been restated.

13.5 Reconciliation between the theoretical income tax expense and the recognized income tax expense

In € thousand	2023		2022	
Profit for the period		**41,830**		**31,555**
Income tax expense	*14.1%*	**(6,859)**	*15.5%*	**(5,774)**
Of which current tax		(7,569)		(6,289)
Of which deferred tax		710		515
Profit for the period before tax		**48,689**		**37,329**
Theoretical income tax at French standard rate	***25.8%***	**(12,574)**	***25.8%***	**(9,640)**
Taxation of foreign companies at different rates	*-0.1%*	26	*0.3%*	(115)
Tax effects:				
- Share of profit of equity-accounted investees, net of tax	*-0.1%*	65	*-0.7%*	246
- Permanent differences	*-3.3%*	1,597	*0.2%*	(73)
- Tax benefits and tax credits	*-8.8%*	4,288	*-11.3%*	4,236
- Added value tax (CVAE), net of tax	*0.5%*	(227)	*1.0%*	(366)
- Losses for which no deferred taxes have been recognized	*0.1%*	(34)	*0.2%*	(62)
Effective income tax	***14.1%***	**(6,859)**	***15.5%***	**(5,774)**

The reconciliation between theoretical income tax and effective income tax is based on the tax rate payable in France by the Group's parent company. For the years ended December 31, 2023, and December 31, 2022, this comprises the corporate tax rate of 25.0% plus the social contribution on profits of 3.3%.

The “CVAE” (“Cotisation sur la Valeur Ajoutée des Entreprises”), a component of the “Contribution Économique Territoriale” (“CET”) in France, is classified as income tax by the Group.

In addition, tax benefits and tax credits mainly relate to the "IP Box" scheme from which the Company has benefited since 2019, and the Research Tax Credit.

Permanent differences are mainly due to the non-deductibility of the expense relating to equity-settled share-based payment for (482) thousand euros and to the non-taxable revaluation at fair value of existing interests in IFTP KK and Planisware MIS for 1,945 thousand euros.

« IP BOX » scheme

The IP Box allows Planisware to benefit from a corporate tax rate of 10% on its income from intellectual property. In this case, the Group's eligible income is income relating to evolutive maintenance generating new versions of Planisware Enterprise software. A net "IP BOX" result is then obtained by subtracting the research and development expenditure that contributed directly to the eligible assets. Under this scheme, the Group was able to benefit from a tax reduction of 4,052 thousand euros for the year ended December 31, 2023 and 3,891 thousand euros for the year ended December 31, 2022.

Research Tax Credit

The research tax credit (“CIR”) is a tax measure enabling the Group to finance its research and development and innovation activities through a tax credit granted by the French government. Only expenditure relating to Planisware Enterprise is covered by this tax credit for the financial years presented. The amount of this tax credit for the years ended December 31, 2023 and 2022 is 807 thousand euros and 823 thousand euros respectively.

Under IFRS, the research tax credit is treated as a grant, in accordance with *IAS 20 Government grants*, due to its refundable nature. The research tax credit is linked to operating expenses and is therefore recorded as a reduction in the expenses to which it relates and recognized in the period during which the expenses are charged to the statement of profit or loss under *Research and development* expenses. The expenses covered by the research tax credit are mainly employee costs.

Note 14. Earnings per share

Accounting principles

Basic earnings per share are calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of shares outstanding during the period, excluding the number of treasury shares. To calculate diluted earnings per share, the number of shares outstanding is adjusted to take account of the dilutive effect of equity instruments issued by the company, such as options, warrants and free shares.

Planisware does not own any treasury shares and has not issued any dilutive equity instruments. The composition of the share capital is described in note 25.

	Exercice 2023	Exercice 2022 restated*
Numerator (In € thousand)		
Profit for the period - Owners of the Company (a)	41,830	31,555
Denominator		
Average number of ordinary shares on the period (b)	**69,117,250**	**68,734,000**
Effect of share plan	150,033	-
Weighted-average number of ordinary shares on the period (c)	69,267,283	69,267,283
Basic earnings per share (In €) (a/b)	**0.61**	**0.46**
Diluted earnings per share (In €) (a/c)	**0.60**	**0.46**

*In accordance with IAS 33, the comparative 2022 period has been restated to reflect a capital increase in 2023 by capitalization of reserves followed by a share split in September 2023.

Notes on the statement of financial position items

Note 15. Goodwill

Accounting principles

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a “concentration test” that allows a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlements of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If share-based payments awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

Goodwill arising on the acquisition of subsidiaries is measured at cost less any accumulated impairment losses.

15.1 Changes in Goodwill

As described above in note 4, goodwill was recognized on the following two transactions:

- Takeover of IFTP KK by the Group, generating goodwill of 12,124 thousand euros;
- Takeover of the MIS group, generating goodwill of 4,344 thousand euros.

The Group now owns the entire share capital of these two subsidiaries.

Year 2023

In € thousand	December 31, 2022	Acquisition	Impairment loss	Effect of movements in exchange rates	December 31, 2023
Gross value	5,096	16,469	-	(558)	21,006
Net value	**5,096**	**16,469**	**-**		**21,006**

Year 2022

In € thousand	January 1, 2022	Acquisition	Impairment loss	Effect of movements in exchange rates	December 31, 2022
Gross value	5,096	-	-	-	5,096
Net value	**5,096**	**-**	**-**		**5,096**

15.2 Impairment test

Accounting principles

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill and intangible assets are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset of CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The Group performed impairment tests as of the years ended December 31, 2023, and December 31, 2022, based on the cash flows generated by its activities, discounted at the weighted average cost of capital of 9.8% and 9.3% respectively. The cash flows generated by the Group's activities are calculated on the basis of a six-year business plan, taking into account the characteristics of the market in which the Group operates, the growth dynamic and the maturity of its activities. The cash flows over the five-years business plan are consistent with the growth rate of sales and Adjusted EBITDA margin over the historical financial years. From year seven onwards, cash flows are calculated by applying a perpetual growth rate of 2.0% to the last modelled flow.

Given the countries in which Planisware operates, cash inflows are generated on an independent basis and, as such, countries are the smallest cash-generating unit and therefore independent CGUs. For the purpose of impairment testing, goodwill has been allocated to a group of CGUs representing the Group as a whole. This is because the Group's products target all markets in which the Group operates, and all the Group's assets target all the Group's customers, regardless of their location. The Group's customers are often international groups that purchase Planisware products for all their subsidiaries. The product development teams, based exclusively in France, are constantly involved in improving the global offering, and the Group's complementary products provide a complete package for the *Project Economy* market. The Group does not monitor performance other than revenue at a more detailed level than the Group as a whole, i.e. it does not monitor goodwill at a finer level than the Group as a whole. Acquisitions made during the year ended December 31, 2023, are not likely to change this analysis, given their activity.

As of the years ended December 31, 2023 and December 31, 2022, the Group concluded that the recoverable amount of the group of CGUs exceeded its carrying amount. Management believes that no reasonably possible change in the above-mentioned key assumptions would result in the recoverable amount of the group of CGUs being significantly lower than its carrying amount.

To validate these conclusions, the Group performed sensitivity tests on the main assumptions used to calculate the recoverable amount of its single group of CGUs, namely the discount rate and the perpetual growth rate. Thus, a combined increase of 1% in the discount rate and a decrease of 0.5% in the perpetual growth rate would not have led to the impairment of the Group's goodwill.

Note 16. Intangible assets

Accounting principles

Development costs

In application of *IAS 38 Intangible assets*:

- All research expenses are recognized as charges in the year they are incurred;
- Development costs relating to our products are capitalized if the following six conditions are met:
  - It must be technically feasible to complete development of the intangible asset so that it will be available for use or sale,
  - The Group must have the intention to complete the development of the intangible asset and use or sell it,
  - The Group must be able to use or sell the intangible asset,
  - The Group must be able to demonstrate that the intangible asset will generate probable future economic benefits,
  - The Group must provide adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset,
  - The Group must be able to measure reliably the expenditure attributable to the intangible asset during its development.

Other development costs that do not meet the above criteria are recognized directly as expenses for the year.

The Group's development activity falls into two categories:

- Development activities which aim at creating new products (e.g., application, modules) or adding new functionalities to existing products, for which the capitalization criteria defined above are assessed by the development teams at the time the projects are launched,
- Development activities which aim at maintaining existing products (adaptation to new operating systems, corrective maintenance, etc.), which do not meet the conditions required by the standard and are therefore not capitalized.

Subsequent to initial recognition, capitalized development costs are measured at costs less accumulated amortization and any accumulated impairment losses. They are amortized on a straight-line basis over their estimated useful life of three years – period that the Group has judged to be reasonable in view of the rapid technological evolution and regular releases of new versions and updates of the products.

Customer relationships

Customer relationships are initially recognized at their fair value on the date on which the Group takes control of an entity. They are subsequently amortized on a straight-line basis and recognized in the balance sheet at initial cost less accumulated amortization and any impairment losses.

Customer relationships recognized at the time of IFTP KK’s acquisition are being amortized over 18 years.

Other intangible assets

Other intangible assets mainly comprise licenses and software acquired by the Group, valued at acquisition cost and amortized on a straight-line basis over one year.

16.1 Gross value of intangible assets

Changes in gross value of intangible assets are presented below:

In € thousand		Development costs	Licenses and softwares	Customer relationship	Other intangible assets	Total
Gross value as of January 1, 2022		**5,228**	**5,557**	**-**	**22**	**10,807**
Acquisitions						
	Internally generated	1,416	-	-	-	**1,416**
	Purchases	-	361	-	-	**361**
Gross value as of December 31, 2022		**6,644**	**5,917**	**-**	**22**	**12,584**
Acquisitions						
	Internally generated	2,048	-	-	-	**2,048**
	Purchases	-	10	-	-	**10**
Scope entry		-	-	4,328	-	**4,328**
Effect of movements in exchange rates		-	-	(199)	-	**(199)**
Gross value as of December 31, 2023		**8,692**	**5,928**	**4,129**	**22**	**18,771**

16.2 Amortization of intangible assets

Changes in amortization of intangible assets are presented below:

In € thousand	Development costs	Licenses and softwares	Customer relationship	Other intangible assets	Total
Accumulated amortization and impairment losses as of January 1, 2022	**(2,319)**	**(5,473)**	**-**	**(7)**	**(7,799)**
Amortization	(1,508)	(260)	-	-	**(1,768)**
Impairment loss	-	-	-	-	**-**
Accumulated amortization and impairment losses as of December 31, 2022	**(3,827)**	**(5,733)**	**-**	**(7)**	**(9,567)**
Amortization	(1,286)	(178)	(137)	-	**(1,601)**
Impairment loss	-	-	-	-	**-**
Effect of movements in exchange rates	-	-	3	-	**3**
Accumulated amortization and impairment losses as of December 31, 2023	**(5,113)**	**(5,911)**	**(134)**	**(7)**	**(11,165)**

16.3 Carrying amount of intangible assets

In € thousand	Development costs	Licenses and softwares	Customer relationship	Other intangible assets	Total
Carrying amount as of December 31, 2022	**2,817**	**184**	**-**	**15**	**3,017**
Carrying amount as of December 31, 2023	**3,579**	**17**	**3,995**	**15**	**7,606**

Note 17. Property, plant and equipment

Accounting principles

Items of property, plant and equipment are measured at acquisition cost less accumulated depreciation and any impairment loss.

Depreciation of an asset begins as soon as it is ready to be put into service. Where an item of property, plant and equipment has significant components with different useful lives, these are recognized separately.

Maintenance and repair costs are expensed as incurred.

The straight-line depreciation periods are as follows:

- Fixtures and fittings: 3 to 9 years,
- Computer and office equipment (including computer racks): 3 to 4 years,
- Office furniture: 5 to 8 years.

Additional depreciation is recognized in the event of a loss of value. In the event of a change in the estimated useful life, annual depreciation is adjusted accordingly.

17.1 Gross value of property, plant and equipment

Changes in gross value of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Gross value as of January 1, 2022	**1,147**	**6,458**	**1**	**7,606**
Additions	813	2,178	5	**2,996**
Disposals	-	(100)	-	**(100)**
Transfer	6	-	(6)	**-**
Effect of movements in exchange rates	(2)	29	-	**27**
Gross value as of December 31, 2022	**1,965**	**8,565**	**(0)**	**10,530**
Additions	533	2,264	-	**2,798**
Scope entry	87	214	-	**301**
Disposals	(206)	(101)	-	**(307)**
Transfer	-	-	-	**-**
Effect of movements in exchange rates	(3)	(27)	-	**(30)**
Gross value as of December 31, 2023	**2,376**	**10,915**	**(0)**	**13,291**

17.2 Depreciation of property, plant and equipment

Changes in depreciation of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Accumulated depreciation as of January 1, 2022	**(672)**	**(4,017)**	**-**	**(4,689)**
Depreciation	(136)	(1,796)	-	**(1,932)**
Disposals	-	98	-	**98**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	1	(19)	-	**(18)**
Accumulated depreciation as of December 31, 2022	**(807)**	**(5,733)**	**-**	**(6,540)**
Depreciation	(240)	(2,009)	-	**(2,249)**
Scope entry	(16)	(104)		**(120)**
Disposals	113	77	-	**191**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	0	16	-	**17**
Accumulated depreciation as of December 31, 2023	**(950)**	**(7,753)**	**-**	**(8,702)**

17.3 Carrying amount of property, plant and equipment

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Carrying amount as of December 31, 2022	**1,158**	**2,832**	**(0)**	**3,989**
Carrying amount as of December 31, 2023	**1,426**	**3,163**	**(0)**	**4,589**

Note 18. Leases

Accounting principles

In application of *IFRS 16 Leases*, all leases that meet the criteria of the standard are recognized as assets by accounting for a right-of-use and as liabilities by accounting for a lease liability corresponding to the present value of future lease payments.

Measurement of right-of-use assets

The right-of-use is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made on or before the effective date, plus the initial direct costs incurred in entering into the contract and an estimate of any costs of dismantling or restoring the leased asset in accordance with the terms of the contract, less any lease incentives received, if any.

Subsequently, it is depreciated in accordance with *IAS 16* using the straight-line method from the commencement date to the end of the lease term, corresponding to the non-cancellable contractual period of use of the asset after considering renewal options that the Group is reasonably certain of exercising and early termination options that the Group is reasonably certain of not exercising. In addition, the right-of-use asset may be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability in accordance with IAS36.

Measurement of lease liabilities

The lease liability is initially measured at the present value of future lease payments. The discount rate used corresponds to the implicit interest rate in the contract or, if this cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

Lease payments included within the scope of IFRS 16 are recognized in *Net cash flows from financing activities* in the consolidated statement of cash flows, broken down between repayment of the principal of the lease liability (included in *Repayment of lease liabilities*) and payment of interest (included in *Interests paid on lease liabilities*)

Exemptions

The Group has elected not to recognized right-of-use assets and lease liabilities for short-term leases of a period of 12 months or less, and leases of low value assets with an individual value of less than US$5,000. The associated lease payments are expensed directly to profit or loss.

In addition, for leases relating to the rental of space in data centers, the Group has applied the practical expedient of not separating the service component "electricity" from the rental charge, as the component cannot always be determined explicitly.

Types of leases

The Group has identified two main categories of assets covered by leases:

- Office leases,
- Datacenter leases.

Lease terms

Judgment was required to determine the lease term, considering the termination or renewal options available under certain leases. In particular, for property leases, the assessment was made on the basis of the asset location (France or abroad) and its strategic or non-strategic nature. In France, the Group's two main office leases are so-called "3 6 9" commercial leases; in general, a lease term of 9 years is elected, taking into account the Company's analysis in terms of penalties and economic incentives, such as related investments, moving expenses, or contractual penalties provided for in the contracts. In particular, non-removable fixtures and fittings are not material and have a useful life similar to the residual term of the leases.

The terms of the main leases are as follows, determined in accordance with the principles described above:

- Offices: between 1 and 9 years,
- Data centers (duration depending on the country and the strategic nature of the location): between 3 and 5 years.

At each reporting date, the Group reassesses the duration of the contract in the event of a significant event or change in circumstances that would affect its ability to exercise or not exercise the renewal or termination option.

Changes in the carrying amounts of right-of-use assets are presented below:

18.1 Gross value of right-of-use assets

In € thousand	Offices	Datacenters	Total
Gross value as of January 1, 2022	**8,177**	**803**	**8,979**
Additions to right-of-use assets	9,691	848	**10,539**
Rent indexation	64	-	**64**
Derecognition of right-of-use assets	(631)	-	**(631)**
Effect of movements in exchange rates	138	-	**138**
Gross value as of December 31, 2022	**17,439**	**1,650**	**19,089**
Additions to right-of-use assets	1,252	1,137	**2,389**
Rent indexation	768	-	**768**
Scope entry	624	-	**624**
Derecognition of right-of-use assets	(411)	(282)	**(693)**
Effect of movements in exchange rates	(139)	-	**(139)**
Gross value as of December 31, 2023	**19,533**	**2,505**	**22,038**

18.2 Depreciation of right-of-use assets

In € thousand	Offices	Datacenters	Total
Depreciation as of January 1, 2022	**(3,133)**	**(287)**	**(3,420)**
Depreciation	(2,418)	(324)	**(2,742)**
Contract modification	631	-	**631**
Effect of movements in exchange rates	(46)	-	**(46)**
Depreciation as of December 31, 2022	**(4,966)**	**(611)**	**(5,577)**
Depreciation	(2,766)	(569)	**(3,335)**
Scope entry	(139)	-	**(139)**
Contract modification	411	236	**648**
Effect of movements in exchange rates	60	-	**60**
Depreciation as of December 31, 2023	**(7,400)**	**(944)**	**(8,344)**

18.3 Carrying amount of right-of-use assets

In € thousand	Offices	Datacenters	Total
Carrying amount as of December 31, 2022	**12,473**	**1,039**	**13,512**
Carrying amount as of December 31, 2023	**12,133**	**1,561**	**13,694**

18.4 Changes in lease liabilities

In € thousand	Offices	Datacenters	Total
Lease liabilities as of January 1, 2022	**5,229**	**551**	**5,780**
Additions to lease liabilities	9,691	848	**10,539**
Rent indexation	64	-	**64**
Interest expense on lease liabilities	218	11	**229**
Interest paid on lease liabilities	(218)	(11)	**(229)**
Repayment of lease liabilities	(1,633)	(338)	**(1,971)**
Contract modification	(34)	-	**(34)**
Effect of movements in exchange rates	96	-	**96**
Lease liabilities as of December 31, 2022	**13,413**	**1,061**	**14,474**
Additions to lease liabilities	1,252	1,137	**2,389**
Rent indexation	768	-	**768**
Interest expense on lease liabilities	265	24	**289**
Interest paid on lease liabilities	(265)	(24)	**(289)**
Repayment of lease liabilities	(2,632)	(550)	**(3,182)**
Contract modification	-	(46)	**(46)**
Scope entry	603	-	**603**
Effect of movements in exchange rates	(87)	-	**(87)**
Lease liabilities as of December 31, 2023	**13,317**	**1,601**	**14,918**

18.5 Maturity of lease liabilities

The following table shows the maturity of lease liabilities:

In € thousand	< 1 year	1 to 5 years	> 5 years	Total as of December 31, 2023
Lease liabilities maturity	(3,472)	(7,858)	(3,588)	**(14,917)**

18.6 Undiscounted contractual cash flows

The following table show the maturity of undiscounted contractual cash flows:

In € thousand	< 1 year	1 to 5 years	> 5 years	Total as of December 31, 2023
Undiscounted contractual cash flows	(4,020)	(8,301)	(3,655)	**(15,976)**

18.7 Out-of-scope leases expenses

Residual lease expenses mainly include lease payments for leases with a term of 12 months or less and for leases of low-value assets:

In € thousand	2023	2022
Short-term leases	337	272
Leases of low-value assets	23	15
Services, taxes and insurances	78	93
Total leases expenses out-of-scope	**438**	**380**

Note 19. Equity-accounted investees

19.1 Equity-accounted investees

Equity-accounted investees includes the Group's interests in the two associates Planisware MIS and Innovation Framework Technologies Planisware K.K. until the Group took control of theses entities on September 25, 2023 and May 26, 2023 respectively, as follows:

In € thousand	December 31, 2023	December 31, 2022
Planisware MIS, Sarl	-	943
Innovation Framework Technologies Planisware KK.	-	1013
Total equity-accounted investees	-	**1,957**
Change during the year	*(1,957)*	*432*

19.2 Changes in equity-accounted investees

Changes in equity-accounted investees are presented below:

In € thousand	2023	2022
Share of profit of equity-accounted investees, net of tax	253	954
- Planisware MIS, Sarl	*358*	*793*
- Innovation Framework Technologies Planisware KK.	*(105)*	*161*
Change in capital	-	7
Currency translation differences	(33)	(35)
Dividend payments	(793)	(494)
Takeover of Planisware MIS	(868)	-
Takeover of IFTP KK	(770)	-
Change during the year	**(1,957)**	**432**

19.3 Financial information reconciliation

The following table summarizes the financial information of the two associates as of December 31, 2022, as well as of the dates of the Group's takeover of the two entities in 2023, as included in their own financial statements, and reconciles the summarized financial information to the carrying amount of the Group's interest in both of associates:

Planisware MIS

In € thousand	September 25, 2023	December 31, 2022
Percentage ownership interest	50%	50%
Revenue (100%)	(4,205)	5,249
Total comprehensive income (100%)	717	1,586
Cash and cash equivalent (100%)	2,185	1,971
Net assets (100%)	**1,018**	**1,887**
Group's share of net assets	509	943
Carrying amount of equity-accounted investees	**509**	**943**
Share of profit of equity-accounted investees, net of tax	358	793
Group's share of total comprehensive income	**358**	**793**

Innovation Framework Technologies Planisware KK

In € thousand	May 26, 2023	December 31, 2022
Percentage ownership interest	47%	47%
Revenue (100%)	2,020	4,942
Total comprehensive income (100%)	(226)	343
Cash and cash equivalent (100%)	1,328	1,313
Net assets (100%)	**929**	**1,367**
Group's share of net assets	533	643
Goodwill	442	442
Translation reserve	(100)	(72)
Carrying amount of equity-accounted investees	**876**	**1,013**
Share of profit of equity-accounted investees, net of tax	(105)	161
Effect of change in percentage of interest	-	-
Subsidiaries - foreign currency translation differences	(33)	(35)
Group's share of total comprehensive income	**(138)**	**126**

In addition, none of the associates had any significant financial debt as of December 31, 2022 and as of the dates of the Group's takeover of the two entities.

Note 20. Other financial assets

Accounting principles

Other financial assets comprise equity securities and guarantee deposits paid mainly in connection with leases contracts. Equity securities are carried at fair value through profit or loss.

In € thousand	Equity securities	Deposits and securities paid	Total
Gross value as of January 1, 2022	**3**	**397**	**400**
Additions	-	189	189
Financial assets repaid	-	(33)	(33)
Effect of movements in exchange rates	-	4	4
Gross value as of December 31, 2022	**3**	**558**	**561**
Additions	-	208	208
Financial assets repaid	-	(100)	(100)
Scope entry	1	342	343
Effect of movements in exchange rates	-	(17)	(17)
Gross value as of December 31, 2023	**4**	**992**	**995**

Other financial assets consist mainly of guarantees given for leased premises. These non-interest-bearing deposits are maintained at their nominal value, given that the effect of discounting is not material.

Note 21. Trade receivables and contract assets

Accounting principles

Trade receivables are initially recognized at their nominal value invoiced which generally equates to the fair value of the consideration to be received pursuant to IFRS 15. The impact of discounting would be negligible given the Group’s average short-term credit period.

An expected credit loss allowance is recognized when the probable recovery of the receivable is less than its carrying amount. Depending on the nature of the receivables, the risk associated is assessed individually or using statistical methods based on their age and estimated expected credit losses over their lifetime. The amount of loss allowance increases as long outstanding balances increase.

Customer contract assets are described in note 6. The change for the period results, on the one hand, from the appearance of rights to invoice transforming the assets into trade receivables and, on the other hand, from the recognition of revenue not yet invoiced.

21.1 Trade receivables and contract assets

In € thousand	December 31, 2023	December 31, 2022
Trade receivables	46,158	45,021
Loss allowance for trade receivables	(1,992)	(2,173)
Net trade receivables	**44,166**	**42,848**
Contract assets	2,426	2,536
Total trade receivables and contract assets	**46,592**	**45,384**

All contract assets recognized as of December 31, 2022, have been reclassified as receivables in the year ended December 31, 2023, as the right to consideration becomes unconditional.

21.2 Maturity of trade receivables

In € thousand	December 31, 2023	December 31, 2022
Current (not past due)	36,927	32,667
1 to 30 days past due	3,883	5,770
30 to 90 days past due	2,576	2,227
90 to 120 days past due	232	312
120 to 365 days past due	1,184	2,001
More than 1 year past due	1,356	2,044
Total trade receivables	**46,158**	**45,021**

21.3 Expected credit loss

Year 2023

Trade receivables and contract assets as of December 31, 2023 (In € thousand)	Current (not past due)	1 to 30 days past due	30 to 90 days past due	90 to 120 days past due	120 to 365 days	More than 1 year past due	Total
Weighted-average loss rate	0.9%	5.0%	8.6%	16.7%	18.2%	70.0%	4.1%
Gross value of trade receivables and contract assets	39,353	3,883	2,576	232	1,184	1,356	48,585
Expected credit loss allowance	**371**	**194**	**222**	**39**	**215**	**950**	**1,992**

Year 2022

Trade receivables and contract assets as of December 31, 2022 (In € thousand)	Current (not past due)	1 to 30 days past due	30 to 90 days past due	90 to 120 days past due	120 to 365 days	More than 1 year past due	Total
Weighted-average loss rate	1.1%	4.3%	8.6%	13.7%	15.0%	49.6%	4.6%
Gross value of trade receivables and contract assets	35,202	5,770	2,227	312	2,001	2,044	47,557
Expected credit loss allowance	**375**	**251**	**191**	**43**	**299**	**1,014**	**2,173**

21.4 Changes in loss allowance for trade receivables

Changes in loss allowance are presented below:

Year 2023

In € thousand	December 31, 2022	Net remeasurement	Amounts written off	December 31, 2023
Loss allowance for trade receivables	(2,173)	25	156	(1,992)
Total	**(2,173)**	**25**	**156**	**(1,992)**

Year 2022

In € thousand	December 31, 2021	Net remeasurement	Amounts written off	December 31, 2022
Loss allowance for trade receivables	(2,361)	(24)	212	(2,173)
Total	**(2,361)**	**(24)**	**212**	**(2,173)**

Note 22. Contract liabilities

Accounting principles

When the amounts received or receivable from a customer exceed the revenue for a contract, a contract liability is recognized. Contract liabilities mainly reflect invoices due, or payments received prior to the recognition of revenue. Contract liabilities are settled when the corresponding performance obligations are satisfied.

In € thousand	December 31, 2023	December 31, 2022
Contract liabilities	(33,697)	(31,212)
Total contract liabilities	**(33,697)**	**(31,212)**

Contract liabilities mainly relate to subscription contracts.

The corresponding balance to these amounts not yet paid at year-end is included – inclusive of all taxes – within *Trade receivables and contract assets*" as described in Note 21.

Contract liabilities are settled within one year for all contracts. In this instance, contract liabilities as of December 31, 2022 have been entirely recognized in 2023.

Note 23. Other non-current assets and other receivables and current assets

Accounting principles

Other receivables and current assets

Other receivables are recorded at their nominal value minus any loss of value recorded in a special impairment account. As receivables are due in under a year, they are not discounted.

Cost of obtaining a contract: sales commissions

The Group has several types of plans relating to variable remuneration paid to internal sales employees. As these costs are incremental costs of obtaining and renewing contracts, and in accordance with *IFRS 15 Revenue from Contracts with Customers*, they are capitalized if two conditions are met: they would not have been incurred if the contract had not been obtained and they are recoverable.

Capitalized commissions are generally amortized over a period of three years; certain commissions relating to significant contracts may be amortized over a period of four or five years.

Other non-current and current assets are detailed as follows:

In € thousand	December 31, 2023	December 31, 2022
Sales commissions - non-current	777	1,036
Total other non-current assets	**777**	**1,036**
Tax and social security receivables	5,963	5,604
Current tax	1,502	1,414
Other receivables	1,544	1,147
Prepayments	3,607	4,981
Sales commissions - current	1,190	850
Ohter financial assets	966	36
Total other receivables and current assets	**14,772**	**14,031**

Tax and social security receivables mainly comprise recoverable VAT.

Other receivables mainly include the Research Tax Credit (“CIR”) receivable for an amount of 807 thousand euros and 823 thousand euros as of the years ended December 31, 2023, and December 31, 2022, respectively.

Changes in sales commissions are explained as follows:

In € thousand	December 31, 2023	December 31, 2022
Capitalized commissions as of January 1	**1,886**	**1,103**
Capitalization of commissions for the period	1,205	1,440
Amortization expense for the period	(1,056)	(716)
Effect of movements in exchange rates	(69)	60
Capitalized commissions as of December 31	**1,967**	**1,886**
Of which sales commissions - non-current	*777*	*1,036*
Of which sales commissions - current	*1,190*	*850*

Note 24. Cash and cash equivalents

Accounting principles

Cash and cash equivalents

In accordance with IAS 7 "Cash Flow Statements", the line-item *Cash and cash equivalents* in the consolidated statement of financial position comprises:

- Cash,
- Cash equivalents such as time deposits, and other highly liquid investments that are readily convertible to a fixed amount of cash, with an insignificant risk of changes in value, held to meet short-term cash requirements.

Bank overdrafts, which are treated as financing, are excluded from cash and cash equivalents, and are included the current portion of *Loans and borrowings*.

Cash equivalents are recognized at fair value; changes in fair value are recognized in the statement of profit or loss in *Other finance income and costs.*

In € thousand	December 31, 2023	December 31, 2022
Cash at banks	45,262	91,198
Time deposits	47,742	10,030
Money market and other funds	49,693	19,290
Cash and cash equivalents	**142,696**	**120,518**

Cash and cash equivalents (excluding bank overdrafts) of 142,696 thousand euros as of December 31, 2023, are held 118,426 thousand euros by the Company in France, 15,627 thousand euros by Planisware USA, Inc. in the United States and 8,644 thousand euros by the other foreign subsidiaries.

“Time deposits” and “Money market and other funds” include short-term deposits and investments in mutual funds which are readily convertible into a known amount of cash and with no significant risk of loss of value. Time deposits with an original maturity of less than 3 months are included under *Time deposits* within *Cash and cash equivalents*, while time deposits with an original maturity of more than 3 months are included under *Other financial assets* within *Other receivables and current assets*, as presented in Note 23.

The Group does not hold any restricted cash balances for the Group as of December 31, 2023, and as of December 31, 2022.

Note 25. Equity

At December 31, 2023, the share capital of Planisware S.A. comprised 69,391,000 ordinary shares with a par value of 0.1 euro.

The table below details changes in the number of shares and share capital during the 2023 and 2022 financial years:

	2023		2022	
	Number of shares	Share capital (in euro)	Number of shares	Share capital (in euro)
Share capital as of January 1	343,670	343,670	343,670	343,670
Capital increase by issuing of new shares	3,285	3,285	-	-
Capital increase through capitalization of reserves, profits or additional paid-in capital	-	6,592,145	-	-
Division of the par value of the Company's shares by increasing the number of shares	69,044,045	-	-	-
Share capital as of December 31	**69,391,000**	**6,939,100**	**343,670**	**343,670**

As of December 31, 2023, 6.22% of shares were held by employees.

The shares comprising the share capital are fully paid up.

The capital increase through the issue of new shares generated a share premium of 9,555,309 euros.

The capital increase by incorporation of reserves generated a deduction of 6,592,145 euros from other reserves.

Note 26. Loans and borrowings

Accounting principles

Financial debt essentially comprises bank borrowings and bank overdrafts.

Bank borrowings are initially recognized at fair value net of transaction costs and subsequently recognized at amortized cost; any difference between the principal amount borrowed (net of transaction costs) and the amount repayable is recognized in the statement of profit or loss over the term of the borrowings using the effective interest rate method.

The portion of financial debt due within 12 months from the reporting date is classified in current liabilities.

26.1 Loans and borrowings

As of the years ended December 31, 2023, and December 31, 2022, the maturities of loans and borrowings are presented as follows:

In € thousand	December 31, 2023	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	-	-	-	-
Lease liabilities	(14,917)	(3,472)	(7,858)	(3,588)
Bank overdrafts	(98)	(98)	-	-
Accrued interests	-	-	-	-
Total loans and borrowings	**(15,015)**	**(3,569)**	**(7,858)**	**(3,588)**

In € thousand	December 31, 2022	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	(304)	(304)	-	-
Lease liabilities	(14,474)	(2,770)	(7,017)	(4,688)
Bank overdrafts	(83)	(83)	-	-
Accrued interests	(0)	(0)	-	-
Total loans and borrowings	**(14,862)**	**(3,158)**	**(7,017)**	**(4,688)**

At December 31, 2023, the Group had no borrowings from credit institutions.

26.2 Reconciliation with the cash flow statement

Changes in *Bank borrowings* are presented as follows:

In € thousand	2023	2022
Bank borrowings as of January 1	**(304)**	**(1,517)**
Repayment of borrowings	304	1,213
Interests expenses	(0)	(6)
Interests paid on borrowings	0	6
Bank borrowings as of December 31	**-**	**(304)**

Changes in lease liabilities are presented in Note 18.

Note 27. Financial instruments classification and fair values

As of December 31, 2023

As of December 31, 2023 In € thousand	*Classification according to IFRS 9* Amortized cost	Fair value to P&L	Faire value to OCI	Book value	Fair value
Equity securities		■		4	4
Deposits and securities	■			992	992
Trade receivables and contract assets	■			46,592	46,592
Other receivables and current assets	■			14,772	14,772
Cash and cash equivalents		■		142,696	142,696
Total financial assets				**205,056**	**205,056**
Bank borrowings	■			-	-
Trade payables	■			4,294	4,294
Other payables	■			35,021	35,021
Total financial liabilities				**39,315**	**39,315**

As of December 31, 2022

As of December 31, 2022 In € thousand	*Classification according to IFRS 9* Amortized cost	Fair value to P&L	Faire value to OCI	Book value	Fair value
Equity securities		■		3	3
Deposits and securities	■			558	558
Trade receivables and contract assets	■			45,384	45,384
Other receivables and current assets	■			14,031	14,031
Cash and cash equivalents		■		120,518	120,518
Total financial assets				**180,494**	**180,494**
Bank borrowings	■			304	304
Trade payables	■			4,193	4,193
Other payables	■			31,249	31,249
Total financial liabilities				**35,746**	**35,746**

The fair value of current receivables, trade payables and other current assets and liabilities is identical to their carrying amount, given their short-term nature. The fair value of guarantees included in other financial assets, as well as bank borrowings, is considered to be close to their carrying amount, as the effect of discounting is considered to be immaterial.

Note 28. Management of financial risks

28.1 Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is therefore exposed to foreign exchange risk arising from fluctuations in exchange rates in various foreign currencies, principally the US dollar and pounds sterling.

The Group's exposure to the risk of changes in exchange rates relates mainly to the Group's operating activities (when income or expenses are denominated in a currency other than the euro).

The Group does not use hedging instruments to hedge its foreign exchange risk.

Translation impact

In the statement of profit or loss, as the accounts are consolidated in euros, the operations of a subsidiary whose transactions are denominated in a foreign currency are mechanically affected by exchange rate fluctuations on translation.

In the statement of financial position, the impact is mainly related to the receivables invoiced by the parent company to its subsidiaries and customers and denominated in foreign currencies. The risk relates to the variation between exchange rates on the date of invoicing and those on the date of collection. This impact is included in current operating profit under *General and administrative expenses*.

28.2 Interest rate risk

The Group adopts a prudent policy of managing its cash surpluses to meet its short-term commitments, which are invested in marketable securities or interest-bearing term accounts.

28.3 Liquidity risks

Given the Group's current financial position and projected cash flows, the risk that the Group will face short-term cash flow difficulties is considered low.

The Group's main contractual commitments relate to leases. The Group's residual contractual commitments are disclosed in Note 18.

28.4 Credit risk

The Group's credit risk arises mainly from trade receivables. As the risk exposure is spread over many well-diversified counterparties and customers, the Group has a low credit risk on its operations. Further information on credit risk management applied to trade receivables is provided in note 21. The carrying amounts of trade receivables disclosed in this note represent the Group's maximum exposure to credit risk.

Furthermore, the Group may be exposed to the default of one of the bank counterparties that manages its cash. The Group uses leading financial institutions for its cash investments. It therefore considers that it does not bear any significant counterparty risk on its cash or financial instruments.

28.5 Dependence on customers

There is no significant risk of dependence on any customer(s). Over the two financial years presented, no individual customer represented more than 5% of total revenue; the top 10 customers together represented less than 25% of total revenue and the top 20 customers less than 35%.

Note 29. Provisions and contingent liabilities

Accounting principles

A provision is recorded when:

- the Company has a current obligation (legal or implicit) resulting from a past event;
- it is likely that an outflow of resources representing economic benefits will be required to settle the obligation;
- the amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

The amount recognized as a provision is the best estimate of the costs required to settle the obligation at the reporting date. A provision is discounted when the effect is material, and the settlement date exceeds one year.

29.1 Break-down of provisions

Break-down of the Group's provisions is shown below:

In € thousand	December 31, 2023	December 31, 2022
Provision for litigation	-	40
Provision for guarantees given to customers	38	36
Provisions	**38**	**76**

29.2 Changes in provisions

In € thousand	2023	2022
Provisions as of January 1	**76**	**41**
Provisions made during the year	19	56
Provisions used during the year	(56)	(21)
Provisions reversed during the year	-	-
Provisions as of December 31	**38**	**76**

29.3 Contingent liabilities

At the reporting date, the Group was not aware of any contingent liabilities. To the best of the Group's knowledge, there are no proceedings in progress that could have a material adverse effect on the Group's financial position other than those for which a provision has been made.

29.4 Impact of environmental risks on the consolidated financial statements

The Group considers that, at this stage, climate change has no significant impact on its financial statements, particularly given the nature of its activities.

Note 30. Trade payables and other current payables

In € thousand	December 31, 2023	December 31, 2022
Trade payables	2,601	3,186
Accrued expenses	1,693	1,007
Trade payables	**4,294**	**4,193**
Tax payables	6,730	6,118
Social payables	26,020	23,124
Current tax	1,262	1,093
Other liabilities	1,008	914
Other payables	**35,021**	**31,249**

Trade payables amounted to 4,294 thousand euros as of December 31, 2023, compared with 4,193 thousand euros as of December 31, 2022.

Tax liabilities mainly comprise VAT collected in the accounts of the parent company and its subsidiaries.

Social payables as of December 31, 2023, mainly comprise employee profit-sharing and incentive schemes, provisions for employee and management bonuses, related social security charges and provisions for paid holidays.

Note 31. Changes in working capital

Changes in working capital for the three years presented comprise the following items:

In € thousand	2023	2022
Changes in trade receivables and contract assets	(123)	(9 258)
Changes in capitalized sales commissions	(149)	(724)
Changes in trade payables	(1 014)	(165)
Changes in prepayments	1 572	(1 636)
Changes in contract liabilities (1)	1 202	10 298
Changes in other assets and liabilities (2)	2 074	(75)
Changes in working capital	**3 564**	**(1 560)**

(1) The change in contract liabilities mainly relates to Group's subscription contracts, which increased proportionally over the year. The amount of these liabilities mechanically results from the period over which significant contracts are signed and invoiced to customers at the end of the year.

(2) The change in other assets and liabilities mainly relates to employee-related liabilities.

Other information

Note 32. Off-balance sheet commitments

All of the Group's commitments are reflected in the consolidated financial statements for the years ended December 31, 2023, and December 31, 2022. The Group has not identified any significant off-balance sheet commitments that could be generated by its current operating activities other than customer commitments.

Note 33. Related parties

33.1 Transactions with associates

Associates are companies over which Planisware exercises significant influence and which are consolidated using the equity method.

All transactions with related parties were carried out under normal market conditions over the two financial years.

Transactions with associates correspond to transactions with:

- Planisware MIS, before the Group's takeover on September 25, 2023:

In € thousand	Period from January 1, 2023 to September 25, 2023	2022
Other revenue	70	41
Cost of sales	(3,626)	(4,335)

- Innovation Framework Technologies Planisware K.K., before the Group's takeover on May 26, 2023:

In € thousand	Period from January 1, 2023 to May 26, 2023	2022
Other revenue	380	1,243
Cost of sales	(38)	-

In addition, the impact on the Group's financial statements of non-consolidated entities is not material.

33.2 Transactions with subsidiaries

Transactions and balances between the Company and its subsidiaries are fully eliminated on consolidation, these subsidiaries being consolidated.

33.3 Relations with OLHADA

The parent entity of the Group Planisware is Planisware SA, which is owned by OLHADA (ex-Planisware Management). As Chairman of the Company until its conversion into a Société Anonyme ("S.A.") and in accordance with the new services agreement signed on September 26, 2023, OLHADA (formerly Planisware Management) received remuneration from Planisware S.A. The amounts invoiced to the Company in this respect amounted to 4,736 thousand euros for the year ended December 31, 2023 and 4,699 thousand euros for the year ended December 31, 2022.

33.4 Key management compensation

The table below shows the compensation of the Company's key management, comprising the three co-founders of the Company, over the two financial years. For the year ended December 31, 2023, the compensation of the new Chief Executive Officer has been added to that of the three co-founders.

In € thousand	2023	2022
Short-term employee benefits	629	386
Share-based payment	208	-
Key management compensation	**837**	**386**

These members all sit on the Company's Board of Directors.

Note 34. Auditors' fees

In € thousand	Total 2023	Total 2022	KPMG 2023	KPMG 2022	Mazars 2023	Mazars 2022
Audit and limited review of the individual and consolidated financial statements	**590**	**520**	**142**	**222**	**448**	**298**
> Planisware S.A.	296	394	142	222	154	172
> Subsidiaries	294	126	-	-	294	126
Non audit services	**614**	**-**	**313**	**-**	**301**	**-**
> Planisware S.A.	614	-	313	-	301	-
> Subsidiaries	-	-	-	-	-	-