



Half
year

**Half year
Financial
Report
2020**

HALF-YEAR INCOME STATEMENT (EUR)	30/06/2020	30/06/2019	30/06/2018
Sales and services	48.769.421	47.425.059	46.763.193
Operating charges (before amortisation)	(45.267.217)	(44.674.270)	(42.995.833)
<i>Raw materials, consumables</i>	-5.173.608	-5.639.134	-6.780.262
<i>Services and other goods</i>	-13.642.962	-13.878.955	-13.518.580
<i>Wages, social security charges and pensions</i>	-26.308.861	-24.999.853	-22.604.323
<i>Other operating charges</i>	-141.785	-156.328	-92.668
Earnings before interest, depreciation and amortisation = EBITDA	3.502.205	2.750.789	3.767.360
<i>Depreciation, amortisation and provisions</i>	-1.558.293	-890.743	-1.040.483
Operating profit	1.943.912	1.860.046	2.726.877
Financial result	(416.736)	(551.847)	(194.611)
Current profit before amortisation of consolidated differences	1.527.176	1.308.199	2.532.266
<i>Amortisation of consolidated differences</i>	-1.071.891	-799.417	-1.330.499
Current profit	455.285	508.782	1.201.767
Non-recurrent profit	(157.728)	(558.077)	(33.124)
Profit before tax	297.557	(49.295)	1.168.643
Deferred taxes	-	485	485
Income tax	(274.517)	16.412	(561.683)
Net profit before amortisation of consolidated differences	1.094.931	767.019	1.937.944
Half-year net profit	23.040	(32.398)	607.445
<i>A. Share of minority interests</i>	147.962	6.030	151.693
<i>B. Group share</i>	(124.922)	(38.428)	455.752

DATA PER SHARE	30/06/2020	30/06/2019	30/06/2018
Share price	11,50	12,60	14,00
Number of shares	3.893.353	3.893.353	3.893.353
Market capitalisation	44.773.560	49.056.248	54.506.942
Number of warrants issued	0	0	0
<i>Current half-yearly result / share (in EUR)</i>	0,1169	0,1307	0,3087
<i>Half-year group share / share (in EUR)</i>	-0,0321	-0,0099	0,1171
<i>Half-year net profit / share (in EUR)</i>	0,0059	-0,0083	0,1560
Half-year net profit before amortisation of consolidation differences / share (in EUR)	0,2812	0,1970	0,4978

INTRODUCTION

In accordance with the legal provisions incumbent upon issuers listed on Euronext Growth Brussels, this half-year report 2020 includes the following information:

- (i) the key events in the first half of 2020 as well as the outlook for the rest of the year,
- (ii) Emakina Group's half-year condensed consolidated financial statements as at 30 June 2020 with explanatory notes and a comparison with 30 June 2019 for the income statement and with 31 December 2019 for the balance sheet accounts,
- (iii) the Board of Directors' statement regarding the true and fair view of the financial statements and
- (iv) the Auditor's Report on the limited review of the interim condensed consolidated financial statements as at 30 June 2020.

The publication of these half-year consolidated accounts was approved by the Board of Directors on 24 September 2020.

The Board of Directors would like to thank the shareholders, employees, clients and partners for their constant and constructive support in the development of Emakina's activities.

Brussels, 24 September 2020.

Mr Brice Le Blévennec

Mr Karim Chouikri

Mr Denis Steisel

Mr Pierre Gatz

Mr François Gillet

Ms Daisy Foquet

Mr Valentin Cogels

Ms Anne Pinchart

1. KEY EVENTS IN THE FIRST HALF OF 2020 AND OUTLOOK FOR THE END OF THE YEAR

Impact of COVID-19 pandemic

As announced in early June 2020, the financial impact of the Covid-19 pandemic on the first half of 2020 remained under control. In fact, bearing in mind (i) the good first quarter of 2020, (ii) the growth in international business, (iii) the precautionary measures taken to temporarily reduce costs in the hardest hit zones and (iv) the implementation of additional credit lines, the management has optimally safeguarded the group's margins and cash flow.

To date, the financial outlook for the second half of 2020 remains difficult, as it is heavily dependent on the health aspects of the crisis and the general economic situation. However, the management is maintaining its forecast of a single-figure impact on the consolidated annual income in 2020 compared with 2019, given the volume of work on projects in progress and the commercial indicators. High-performance video conferencing and online collaboration tools have made it possible to ensure the continuity and quality of services despite the lockdown.

Internationalisation and acquisitions

During the first half of 2020, international expansion gathered pace and international income now accounts for 66% of the half-yearly consolidated income, compared with 62% during the same period last year. This trend is underpinned by the good business performance in Central Europe, Asia and the Netherlands in the field of e-commerce services in particular. Emakina is now present in 16 countries on 3 continents.

The internationalisation of the group's activities is set to continue in the coming months, bearing in mind the commercial projects in progress and the external growth strategy, which remains a priority for the management. The current context offers real opportunities.

Talents

At this unusual time of social distancing, the entire management team is working on the management of human capital. This one would like to thank all the talents in particular during this strange period.

Good management of the human capital is vitally important and is key to the successful development of the group. The management paid particular attention to the well-being of their staff in the first half of 2020. Investment in protection and in high-performance video conferencing and online collaboration tools has made it possible to maintain the quality of interaction both internally and with clients, despite the Covid-19 pandemic. Teleworking and protective measures taken proved highly effective in limiting cases of infection within the group.

New clients

In 2020, many national and international companies chose an Emakina agency as their digital transformation partner.

These include, among others: Aurep, Beaulieu, Bestseller, Bugaboo, Constellium, DGZ, Faces, Full Life, Givaudan, Goody, Hartlauer, Hudson, Joolz, Mise au Green, Rotra, Swedish Pension Office, Tory Burch, Union Mart, Visit Qatar, Yves Saint Laurent and Walibi.

New business

During the first half of 2020, in a context heavily impacted by the Covid-19 pandemic, the group moved up a gear in developing its e-commerce services. This resulted in the implementation of multiple online commerce platforms to enable clients to ensure their business continuity.

In increasingly complex technological ecosystems, the Emakina Group strives to guide its clients as well as possible in the choices they make, bearing in mind their specific features and the expected level of integration, connectivity, hosting and development potential. The many technological partnerships that the group has forged over the past few years enable a wide portfolio of solutions.

Integration and processes

In the first half of 2020, Emakina Group continued to invest in integration within its network. All the Belgian entities are to switch to the new centralised project management platform combined with the new version of the ERP in early 2021. The implementation of these platforms in the main operating entities constitutes a real competitive advantage as they improve efficiency in terms of collaboration and delivery. So, it is essential to maintain an ambitious policy here.

Partnerships

Through its commercial partners, Emakina Group continues to offer its clients a wide geographic scope combined with in-depth local knowledge.

Prizes and awards

During the first part of 2020, Emakina Group Emakina won a series of prestigious awards, including the Webby Award for 'Best Association Website' with World Press Photo, a Horizon 'Best in Category Website Award' with Olympique de Marseille and the 'Horizon Video Campaign Award' for SBAB Bank, besides Gold awards for web, video and E-commerce projects for Bardahl, Courir, Courrèges, Dugas and again World Press Photo.

Together with Philip Morris International, Emakina was honoured for the pmi.com website, with a Gold Communicator and a Gold DotComm Award, plus 4 Vega Awards. A second project with PMI, the 'Unsmoke Your World' website also won several distinctions, in the categories UX, UI, copywriting and creativity, at the Vega, Communicator and DotComm Awards.

Comments on the results of the first half of 2020

Growth in activities

During the first half of 2020, Emakina Group's consolidated sales amounted to EUR 48,769,421 compared with EUR 47,425,059 over the same period in 2019, representing an increase of +2.8% (identical at constant scope).

As stressed, the international expansion is gathering pace, with income from abroad now accounting for 66% of the half-yearly consolidated income in 2020, compared with 62% during the same period in 2019. This can partly be attributed to the impact of Covid-19 in Belgium and to the sustained growth in business in Central Europe, Asia and the Netherlands in the field of e-commerce services in particular.

Emakina began the first quarter of 2020 strongly with consolidated income at almost EUR 26 million, in line with the budget. However, the Covid-19 pandemic weighed on the level of income in the second quarter of 2020, when the figure recorded was EUR 23 million owing to a series of project deferrals and cancellations.

Operating performance up (EBITDA)

Earnings before interest, depreciation and amortisation (EBITDA) amounted to EUR 3,502,205 (identical at constant scope) in the first half of 2020, compared with EUR 2,750,789 during the same period in 2019, representing growth in absolute terms of 27.3%. Expressed as a percentage of total sales, EBITDA passed from 5.8% to 7.2% (identical at constant scope) between the first half of 2019 and 2020.

Despite the impact of the pandemic since the second quarter of 2020, the very good level of business activity in the first quarter of 2020 combined with (i) precautionary measures to temporarily cut costs, (ii) optimised production management and (iii) selling prices under control made it possible to maintain a good performance level over the first half of 2020 as a whole compared with 2019. Moreover, video conferencing and online collaboration tools have made it possible to ensure efficient, quality production despite the lockdown.

Current result under control and net result almost positive

The current profit before tax (EUR 455,285) recorded for the first half of 2020 fell by 10.5% compared with the same period in 2019 (EUR 508,782). This can be attributed to (i) the positive development of operating profitability, (ii) a financial result under control offset and by (iii) charges relating to the impairment of trade receivables further to the bankruptcy of a client. The level of the net profit (EUR 23,040) may be attributed to the development of the current profit, a limited non-recurrent element (EUR -157,728) mainly linked to a reorganisation programme and a tax burden under control.

This net profit makes it possible to maintain the group's equity base.

Financial health

As at 30 June 2020, the group's financial health was maintained thanks to the increase in EBITDA, a positive net profit, a stable equity base, a level of financial indebtedness under control and the availability of proportionate credit lines. In the context of the measures taken by governments to support the economy, new lines have been proactively negotiated and the deferral of the reimbursement of long-term debts until the end of 2020 has been activated for preventive reasons. The management constantly monitors the working capital requirement and in particular the aging balance.

Outlook for 2020

As announced in June 2020 and despite the current high level of uncertainty, the Emakina Group management is maintaining its forecast of a single-figure fall in its consolidated income for 2020 as a whole compared with 2019, on the basis of the commercial indicators and the existing scope.

2. CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2020

a. Consolidation scope

During the first half of 2020, the consolidation scope altered slightly compared the situation on 31 December 2019 further to the purchase in April 2020 of the remaining 10% of the Emakina FZ-LLC shares now wholly owned by Emakina Asia PTE LTD, which consequently owns 100% of Cloudworks through transitivity.

Moreover, further to a decision taken by Emakina Group to simplify the group structure as regards the Brussels-based activities, Emakina.BE and Emakina/Insights merged on 1 May 2020 in order to optimise the synergies existing between the activities of the two entities.

b. Consolidation method

The Emakina Group subsidiaries are consolidated according to the full consolidation method.

The full consolidation method is adopted when the subsidiary is controlled by the parent company insofar as:

- either the parent company directly or indirectly owns more than 50% of the capital;
- or the parent company has control over the management bodies of the company concerned.

This method involves incorporating into the parent company's accounts every element of the assets and liabilities of the integrated subsidiaries, replacing the balance sheet value of these holdings.

Using this method leads to noting goodwill on consolidation and minority interests. Similarly, the expenses and incomes of these subsidiaries are combined with those of the parent company and their results for the year are divided between the Group and the third parties.

The group's internal operations affecting the assets and liabilities, such as holdings, debts and entitlements, and the results, such as interest, expenses and income, are eliminated in the overall consolidation.

c. Consolidated balance sheet established according to Belgian accounting standards (Belgian GAAP) after appropriation*

	ASSETS (EUR)	Codes	30/06/2020	31/12/2019
	FIXED ASSETS	20/ 28	20.860.181	21.721.511
I	Formation expenses (note VII)	20	216.768	137.936
II	Intangible assets (note VIII)	21	3.812.102	3.532.425
III	Consolidation differences (note XII)	9920	13.855.085	14.912.079
IV	Tangible assets (note IX)	22/27	2.390.488	2.562.913
A.	<i>Land and buildings</i>	22	0	0
B.	<i>Plants, machinery and equipment</i>	23	835.015	839.019
C.	<i>Furniture and vehicles</i>	24	846.614	941.945
D.	<i>Leasing and similar rights</i>	25	0	0
E.	<i>Other tangible assets</i>	26	708.859	781.948
F.	<i>Fixed assets in progress</i>	27	0	0
V	Financial assets (notes I to IV and X)	28	585.739	576.158
A.	<i>Companies consolidated using the equity method</i>	9921	0	0
	<i>1. Participating interests</i>	99211	0	0
B.	<i>Other companies</i>	284/8	585.739	576.158
	<i>1. Participating interests and shares</i>	284	73.848	70.300
	<i>2. Amounts receivable</i>	285/8	511.891	505.858
	CURRENT ASSETS	29/ 58	32.123.461	31.407.847
VII	Stocks and contracts in progress	3	4.657.376	4.682.577
B.	<i>Contracts in progress</i>	37	4.657.376	4.682.577
VIII	Amounts receivable within one year	40/41	18.426.126	20.875.917
A.	<i>Trade debtors</i>	40	16.194.562	19.365.699
B.	<i>Other amounts receivable</i>	41	2.231.564	1.510.218
	<i>1. Deferred taxes</i>	412	0	0
	<i>2. Other</i>	416	2.231.564	1.510.218
IX	Current investments	50/53	8.761	8.761
A.	<i>Own shares</i>	50	8.761	8.761
B.	<i>Other investments</i>	51/53	0	0
X	Cash and cash equivalents	54/58	6.629.945	3.824.864
XI	Accruals and deferrals	490/1	2.401.253	2.015.728
	TOTAL ASSETS	20/ 58	52.983.642	53.129.358

* Article 124 of the Royal Decree of 30 January 2001 implementing the Belgian Code on Companies and Associations.

	LIABILITIES (EUR)	Codes	30/06/2020	31/12/2019
	CAPITAL AND RESERVES	10/15	9.863.612	10.082.940
I	Capital	10	9.347.962	9.347.962
A.	<i>Issued capital</i>	100	9.347.962	9.347.962
II	Share premium account	11	3.436.644	3.436.644
IV	Consolidated reserves (note XI)	9910	-2.518.733	-2.393.811
V	Exchange rate difference	9912	-402.261	-307.855
VI	Capital grants	15	0	0
	MINORITY INTERESTS		475.959	377.994
VIII	Minority interests	9913	475.959	377.994
	PROVISIONS, DEFERRED TAXES AND TAX LIABILITIES	16	56.700	161.700
IX A.	Provisions for liabilities and charges	160/5	56.700	161.700
IX B.	Deferred and latent taxes (note VI, B)	168	0	0
	DEBTS	17/49	42.587.364	42.506.725
X	Amounts payable after one year (note XIII)	17	5.821.766	4.257.722
A.	<i>Financial debts</i>	170/4	5.821.766	4.257.722
	<i>3. Leasing debts</i>	172	0	0
	<i>4. Credit institutions</i>	173	5.821.766	4.257.722
	<i>5. Other loans</i>	174	0	0
XI	Amounts payable within one year (note XIII)	42/48	36.398.824	37.958.605
A.	<i>Current portion of amounts payable after one year</i>	42	1.766.528	2.340.100
B.	<i>Financial debts</i>	43	9.242.462	10.363.625
	<i>1. Credit institutions</i>	430/8	9.242.453	10.363.631
	<i>2. Other loans</i>	439	9	-6
C.	<i>Trade debts</i>	44	6.240.440	7.375.842
	<i>1. Suppliers</i>	440/4	6.240.440	7.375.842
D.	<i>Advances received</i>	46	6.943.741	6.762.505
E.	<i>Taxes, wages and social security charges</i>	45	10.043.673	7.230.003
	<i>1. Taxes</i>	450/3	4.033.918	1.641.321
	<i>2. Wages and social security charges</i>	454/9	6.009.755	5.588.682
F.	<i>Other debts</i>	47/48	2.161.980	3.886.529
XII	Accruals and deferrals	492/3	366.782	290.398
	TOTAL LIABILITIES	10/49	52.983.642	53.129.358

d. Consolidated income statement established according to Belgian accounting standards (Belgian GAAP)

	INCOME STATEMENT (EUR)	CODES	30/06/2020	30/06/2019
I	Operating income			
1.	Sales and services	70/76A	48.810.226	47.498.166
	<i>A. Turnover</i>	70	46.527.802	44.316.324
	<i>B. Variations in contracts in progress</i>	71	487.572	2.217.143
	<i>C. Capitalised production</i>	72	530.771	328.802
	<i>D. Other operating income</i>	74	1.223.276	562.790
	<i>E. Non-recurrent operating income</i>	76A	40.805	73.107
2.	Cost of sales and services	60/66A	-47.024.043	-46.196.197
	<i>A. Raw materials, consumables</i>	60	-5.173.608	-5.639.134
	1. Purchases	600/8	-4.663.037	-5.639.134
	2. Variation in stock	609	-510.571	0
	<i>B. Services and others goods</i>	61	-13.642.962	-13.878.955
	<i>C. Wages, social security charges and pensions</i>	62	-26.308.861	-24.999.853
	<i>D. Depreciation charges on formation expenses, intangible and tangible fixed assets</i>	630	-1.038.438	-815.163
	<i>E. Amounts written off stocks, work in progress and trade debts (increase +, decrease -)</i>	631/4	-524.080	-68.341
	<i>F. Provisions for liabilities and charges (increase +, use and decrease -)</i>	635/7	4.225	-7.240
	<i>G. Other operating expenses</i>	640/8	-141.785	-156.328
	<i>I. Non-recurrent operating expenses</i>	66A	-198.533	-631.184
	Recurrent operating profit	9901	1.943.912	1.860.046
II	Earnings before interest, tax, depreciation and amortisation = EBITDA		3.502.205	2.750.789
	Operating profit		1.786.184	1.301.969
III	Financial result			
1.	Financial income	75	539.992	79.003
	<i>A. Income from financial fixed assets</i>	750	-33.587	3.514
	<i>B. Income from current assets</i>	751	29.407	37.237
	<i>C. Other financial income</i>	752/9	544.172	38.252
	<i>D. Non-recurrent operating income</i>	76B	0	0
2.	Financial charges	65	-2.028.618	-1.430.267
	<i>A. Debt charges</i>	650	-210.878	-192.482
	<i>B. Amortisation of consolidated differences</i>	9961	-1.071.891	-799.417
	<i>D. Other financial charges</i>	652/9	-745.850	-438.368
	<i>E. Non-recurrent financial charges</i>	66B	0	0
IV	Profit on ordinary activities before taxes	9902	455.285	508.782
V	Profit before tax	9903	297.557	-49.295
VI	Deferred taxes		0	485
	<i>B. Transfers</i>	680	0	485
VII	Income tax	67/77	-274.517	16.412
	<i>A. Taxes</i>	67	-291.769	-214.547
	<i>B. Adjustment of income taxes and write-back of tax provisions</i>	77	17.252	230.959
XIII	Result of the financial year	9904	23.040	-32.398
IX	Share in the result of companies consolidated using the equity method	9975	0	0
X	Consolidated result	9976	23.040	-32.398
	<i>A. Share of minority interests</i>	99761	147.962	6.030
	<i>B. Group share</i>	99762	-124.922	-38.428

e. Cash flow statement (EUR)

OPERATING CASH FLOW	30/06/2020	31/12/2019
Group result	-124.922	-224.198
Result of minority interests	147.962	152.933
Amortisation	2.110.329	3.680.792
Write-downs	524.080	155.455
Provisions	-109.225	-68.405
Transfers to deferred taxes	0	0
Transfers from deferred taxes	0	-485
Net gains or losses on disposal of assets	0	489
Other movements (exchange rate difference, subsidies, etc.)	-94.407	-201.528
Operating cash flow before working capital	2.453.817	3.495.053
Variations in current assets	1.565.387	-2.613.743
Stocks	25.201	-1.303.125
Amounts receivable < 1 year	1.925.711	-1.660.177
Accruals and deferrals	-385.525	-226.460
Investments	0	576.019
	0	0
Variations in liabilities (short-term)	211.331	1.857.897
Trade debts	-1.135.402	1.231.476
Tax and social security debts	2.813.670	-415.263
Contracts in progress	181.236	2.454.318
Other debts	-1.724.549	-1.320.424
Accruals and deferrals	76.376	-92.210
Variation in working capital	1.776.717	-755.846
Net cash flow from operating activities (A)	4.230.535	2.739.207
INVESTMENT CASH FLOW	30/06/2020	31/12/2019
Acquisition of fixed assets		
Tangible and intangible assets	-1.263.937	-3.181.196
Financial assets	-24.477	-1.674.493
Total investments	-1.288.415	-4.855.689
Disposal of fixed assets		
Tangible and intangible assets	39.416	47.041
Financial assets	0	0
Total disposals	39.416	47.041
Net cash flow from investment activities (B)	-1.248.999	-4.808.648
FINANCING CASH FLOW	30/06/2020	31/12/2019
Dividends paid to third parties	-45.765	-152.385
Variation in bank debts*	-130.691	2.200.677
Capital increase	0	0
Net cash flow from financial activities (C)	-176.456	2.048.292
	30/06/2020	31/12/2019
Variation in cash flow over the period (A+B+C)	2.805.080	-21.149
Cash flow at start of period	3.824.864	3.846.013
Cash flow at end of period	6.629.945	3.824.864

f. Notes on the consolidated accounts
NOTE I. LIST OF CONSOLIDATED SUBSIDIARIES

Name and address	Consolidation method	Holding %	Variation % in the first half of 2020	31 December 2019* (EUR)		
				Capital and reserves	EBITDA	Net result
Emakina.BE SA Rue Middelbourg 64 A 1170 Brussels Belgium BE 0463.478.965	Full	100%	0%	3.094.533	826.561	309.075
Emakina.CH SA Rue Le Royer, 13 CH - 1227 Les Acacias Switzerland	Full	90%	0%	863.322	219.716	5.012
Emakina.FR SA Rue Atlantis 4 Parc d'Ester BP 26840 87280 Limoges France	Full	100%	0%	592.292	-46.523	-97.255
<i>Emakina/Influx SAS Rue Atlantis 4 Parc d'Ester BP 26840 87280 Limoges France</i>	<i>Full</i>	<i>60% **</i>	<i>0%</i>	<i>52.962</i>	<i>68.306</i>	<i>55.416</i>
Emakina.NL BV Danzigerkade 4 1013 AP Amsterdam Netherlands	Full	89,9%	0%	5.138.388	755.345	255.255
<i>Emakina Turkey LTD Emakina BilgisayarYazılım LTD. Şti. Zafer Serbest Bölge Mah. Nilüfer Sokak No: 31/14-15 Gaziemir, İzmir Turkey</i>	<i>Full</i>	<i>89,9%</i>	<i>0%</i>	<i>1.207.621</i>	<i>765.147</i>	<i>513.819</i>
<i>WittyCommerce MYE Bilgisayar Yazılım Ticaret AŞ Şehit Fethi Sekin Cad. No:4 Novus Plaza Kat:16 Bayraklı - İzmir Turkey</i>	<i>Full</i>	<i>89,9%</i>	<i>0%</i>	<i>550.227</i>	<i>489.144</i>	<i>136.784</i>
The Reference NV Stapelplein 70 9000 Ghent Belgium BE 0474.475.203	Full	100%	0%	398.616	402.044	-263.904
<i>Emakina.US INC 79 Madison Ave, New York, NY 10016, USA BE 0474.475.203</i>	<i>Full</i>	<i>100%*****</i>	<i>0%</i>	<i>-58.411</i>	<i>-10.154</i>	<i>-26.781</i>
<i>The Reference.US INC 79 Madison Ave, New York, NY 10016, USA BE 0474.475.203</i>	<i>Full</i>	<i>100%*****</i>	<i>0%</i>	<i>-133.125</i>	<i>-309.194</i>	<i>-322.249</i>
Design Is Dead BVBA Rue Middelbourg 64 B 1170 Brussels Belgium BE 0457.419.732	Full	100%	0%	749.211	309.305	166.592
Your Agency SA Rue de Bois-Seigneur-Isaac 40/5 1421 Ophain Belgium BE 0437.615.005	Full	100%	0%	244.779	265.388	135.449

Name and address	Consolidation method	Holding %	Variation % in the first half of 2020	31 December 2019* (EUR)		
				Capital and reserves	EBITDA	Net result
Emakina Central & Eastern Europe GmbH (Emakina.CEE) Weyringergasse 30 A-1040 Vienna Austria	Full	100%	0%	156.805	218.621	-140.461
<i>Netlounge Internet Media Services GmbH Weyringergasse 30 A-1040 Vienna Austria</i>	<i>Full</i>	<i>100%*****</i>	<i>0%</i>			
<i>diamond dogs switzerland GmbH Bahnhofstrasse 2 CH-9100 Herisau Switzerland</i>	<i>Full</i>	<i>100%*****</i>	<i>0%</i>			
<i>Emakina.HR d.o.o. Damira Tomljanovića Gavrana 11 HR-10000 Zagreb Croatia</i>	<i>Full</i>	<i>75.2%*****</i>	<i>0%</i>			
<i>Emakina Inbound Marketing GmbH Weyringergasse 30 A-1040 Vienna Austria</i>	<i>Full</i>	<i>62%*****</i>	<i>0%</i>			
<i>Emakina.PL Sp. z.o.o. ul. Metalow 3 60-118 Poznan Poland</i>	<i>Full</i>	<i>70%*****</i>	<i>0%</i>			
Emakina.RS d.o.o. Novi Sad Novosadskog sajma 2 21000 Novi Sad Serbia	Full	70%	0%	6.555	30.846	10.811
Emakina Asia Pte Ltd 6 Shenton Way QUE Downtown #38-01 Singapore 068809 Singapore	Full	100%	0%	13.462	-33.031	-33.632
<i>Emakina.SG Pte Ltd 6 Shenton Way QUE Downtown #38-01 Singapore 068809 Singapore</i>	<i>Full</i>	<i>100%*****</i>	<i>0%</i>	<i>110.412</i>	<i>3.855</i>	<i>1.432</i>
<i>Emakina FZ-LLC Premises No. 909, Floor 9, Building: DSC Tower Dubai Studio City, P.O Box No.478891 Dubai United Arab Emirates</i>	<i>Full</i>	<i>100%*****</i>	<i>10%</i>	<i>42.737</i>	<i>65.762</i>	<i>29.355</i>
<i>Cloudworks Tiffany Tower Cluster W, 3302 Dubai United Arab Emirates</i>	<i>Full</i>	<i>100%*****</i>	<i>10%</i>	<i>349.947</i>	<i>60.505</i>	<i>56.188</i>
Emakina DBG AB Fiskargatan 8, 116 20 STOCKHOLM Sweden	Full	100%	0%	298.595	-1.296	-19.372

* 'Statutory' or 'consolidated' data as at 31 December 2019. These statutory results do not take account of reprocessing or of the consolidation method but provide a view of their respective profitability in the year 2019.

** Company held via Emakina.FR SA

*** Company held via Emakina.NL BV

**** Company held via Emakina.TR

***** Company held via The Reference NV

***** Company held via Emakina.US Inc

***** Company held via Emakina Central & Eastern Europe GmbH

***** Company held via Emakina Asia

***** Company held via Emakina FZ-LLC

NOTE VI B. DEFERRED AND LATENT TAXES

	<u>30/06/2020</u>	<u>31/12/2019</u>
Breakdown of Liabilities heading 168		
Latent taxes (pursuant to Article 129 of the Royal Decree of 30 January 2001)		
At the end of the previous financial year	0	485
Latent taxes on capitalisation of acquisition costs	0	0
Adjustment of latent taxes	0	-485
At the end of the financial year	0	485

Latent tax liabilities acknowledged at Emakina Group relating to the capitalisation in the consolidated accounts (only) of costs related to acquisitions.

NOTE VII. STATEMENT OF FORMATION EXPENSES

	<u>30/06/2020</u>	<u>31/12/2019</u>
Net book value at the end of the previous financial year	137.936	152.331
Movements during the financial year:		
- New expenses incurred	98.257	24.505
- Amortisation (-)	-19.425	-38.900
- Variation in the consolidation scope (+)	0	0
Net book value at the end of the financial year	216.768	137.936
<i>Including formation expenses and capital increase costs</i>	<i>150.887</i>	<i>69.748</i>
<i>Including restructuring costs</i>	<i>65.881</i>	<i>68.188</i>

NOTE VIII. STATEMENT OF INTANGIBLE FIXED ASSETS

	<u>R & D</u>		<u>Concession, patents, licences</u>		<u>Goodwill</u>	
	<u>30/06/2020</u>	<u>31/12/2019</u>	<u>30/06/2020</u>	<u>31/12/2019</u>	<u>30/06/2020</u>	<u>31/12/2019</u>
a/ Acquisition value						
At the end of the previous financial year	5.965.407	4.301.166	2.676.316	2.597.923	1.093.480	1.040.932
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	0	0	0
- Acquisitions	727.234	1.664.242	28.156	76.310	0	0
- Transfers and withdrawals (-)	-10.259	0	0	0	0	0
- Transfers	0	0	0	2.082	0	0
- Other	2.487	0	0	0	16.205	52.548
At the end of the financial year	6.684.869	5.965.407	2.704.472	2.676.316	1.109.685	1.093.480
c/ Amortisation and write-downs						
At the end of the previous financial year	3.018.737	2.459.260	2.146.241	1.886.952	1.037.800	986.945
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	0	0	0
- Recorded	426.690	559.477	130.953	259.289	-73.496	50.854
- Cancelled further to disposals and withdrawals (-)	0	0	0	0	0	0
- Transfers	0	0	0	0	0	0
- Other	0	0	0	0	0	0
At the end of the financial year	3.445.428	3.018.737	2.277.194	2.146.241	964.304	1.037.800
d/ Net book value at the end of the financial year: a - c	3.239.442	2.946.670	427.278	530.075	145.381	55.680

NOTE IX. STATEMENT OF TANGIBLE FIXED ASSETS

	<u>Plant, machinery and equipment</u>		<u>Furniture and vehicles</u>		<u>Other fixed assets</u>	
	<u>30/06/2020</u>	<u>31/12/2019</u>	<u>30/06/2020</u>	<u>31/12/2019</u>	<u>30/06/2020</u>	<u>31/12/2019</u>
a/ Acquisition value						
At the end of the previous financial year	3.448.107	3.021.045	2.654.943	2.135.898	2.007.037	1.852.414
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	31.128	0	0
- Acquisitions	269.182	481.960	58.378	534.680	48.630	261.354
- Transfers and withdrawals (-)	-16.557	-54.899	-12.580	-88.474	-20	-79.549
- Transfers	-181.457	0	181.457	0	0	0
- Other	0	0	-17.468	41.711	-4.255	-27.181
At the end of the financial year	3.519.275	3.448.107	2.864.730	2.654.943	2.051.392	2.007.037
c/ Amortisation and write-downs						
At the end of the previous financial year	2.609.087	2.305.828	1.712.998	1.422.712	1.225.089	1.045.863
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	12.197	0	0
- Recorded	206.858	353.887	210.104	321.007	117.691	230.062
- Cancelled (disposals and withdrawals) (-)	0	-50.628	-11.760	-79.957	0	-44.807
- Transfers	-131.684	0	131.684	0	0	0
- Other	0	0	-24.911	37.038	-247	-6.028
At the end of the financial year	2.684.261	2.609.087	2.018.115	1.712.998	1.342.533	1.225.089
d/ Net book value at the end of the financial year: a - c	835.014	839.019	846.615	941.945	708.859	781.948

NOTE X. STATEMENT OF FINANCIAL ASSETS

	<u>30/06/2020</u>	<u>31/12/2019</u>
B. Other companies		
1/ Participating interests		
Net book value at the end of the previous financial year	70.300	70.300
Movements during the financial year:		
- Acquisitions	3.547	0
- Disposals	0	0
- Write-downs	0	0
- Reversal of write-downs	0	0
- Other	0	0
Net book value at the end of the financial year	73.847	70.300
2/ Amounts receivable		
Net book value at the end of the previous financial year	505.858	440.997
Movements during the financial year:		
- Additions	9.906	76.761
- Reimbursements	-6.451	-11.900
- Other	2.578	0
Net book value at the end of the financial year	511.891	505.858

NOTE XI. STATEMENT OF CONSOLIDATED RESERVES

	<u>30/06/2020</u>	<u>31/12/2019</u>
Consolidated reserve at the end of the previous financial year	-2.393.811	-2.170.702
Movements during the financial year:		
- Group share of the consolidated result	-124.922	-224.197
- Other variations	0	1.089
Net book value at the end of the financial year	-2.518.733	-2.393.811

NOTE XII. STATEMENT OF CONSOLIDATION DIFFERENCES

	Book value Net at the end of the previous financial year	Variations due to a difference of % held or price supplement	Amortisation	Book value Net at the end of the financial year
Emakina.EU	196.905		20.607	176.298
Emakina.FR	438.850		44.276	394.573
Emakina Media	141.539		12.156	129.383
Your Agency	21.288		4.258	17.030
Emakina.CH	1.281.010		96.963	1.184.047
Emakina.NL	3.361.437		293.312	3.068.126
Emakina.CEE	4.383.274		291.460	4.091.814
Emakina.SE	3.342.908		224.278	3.118.630
Witty	664.817	1.780	40.831	625.766
Emakina USA	433.296		26.260	407.035
Cloudworks	646.755	-15.256	17.489	614.010
Emakina GCC	0	28.373	0	28.373
TOTAL	14.912.079	14.897	1.071.891	13.855.085

The variations can be attributed to price supplements linked to previous acquisitions.

NOTE XIII. STATEMENT OF AMOUNTS INITIALLY PAYABLE AT MORE THAN ONE YEAR

	Due within one year		> 1 year and < 5 years		> 5 years			
	Heading 42		Heading 17		Heading 17		Total	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2018	30/06/2020	31/12/2018
Credit institutions	1.766.528	2.340.100	5.821.766	4.257.722	0	0	7.588.294	6.597.822
TOTAL	1.766.528	2.340.100	5.821.766	4.257.722	0	0	7.588.294	6.597.822

NOTE XIV. RESULTS

		30/06/2020	30/06/2019
A.	Group turnover in Belgium (heading 70/4)	21.580.485	23.847.204
B11.	Number of persons employed (FTE)	901	871
	Total number of persons employed at the end of the period	1.001	950
B12.	Personnel costs (heading 62)	26.308.861	24.999.853
B13.	Number of persons employed in Belgium (FTE) by the companies concerned	322	367
C2.	Other non-current expenses (heading 664/8)	198.533	628.097
	<i>Restructuring costs</i>	190.121	566.711
	<i>Exits from the scope of consolidation</i>		
	<i>Other</i>	8.412	61.386

NOTE XV. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

A	RIGHTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 2,379,190
B	COMMITMENTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 2,379,190
C	OTHER MAJOR COMMITMENTS:
	<p><u>Miscellaneous commitments:</u></p> <ul style="list-style-type: none"> - Rental guarantees of EUR 292,056 - Bank guarantees of EUR 111,124 - Credit lines of EUR 16,930,687
	<p><u>Major commitments pertaining to participating interests:</u></p> <ul style="list-style-type: none"> - Joint guarantee from Emakina Group to affiliated companies: EUR 3,170,000. - Commitment in respect of minority shareholders in Emakina.NL for the purchase of the remaining shares for an amount that varies depending on profitability. - Commitment in respect of former shareholders of Emakina DBG, Emakina.CEE, The Reference US, Witty and Cloudworks regarding price supplements for an amount that varies depending on profitability.

g. Summary of main consolidation valuation rules

I - CONSOLIDATION SCOPE AND METHODS

Please refer to section 2. a and b, as well as Note I. above.

II - VALUATION RULES

The valuation rules applied to the consolidated accounts closed as at 30 June 2020 are identical to the rules applied on 31 December 2019.

The valuation rules are set out in the annual report of 31 December 2019 which can be found on our website (www.emakina.group - "Investor relations" section).

3. BOARD OF DIRECTORS' STATEMENT

The Board of Directors of the company declares that, to the best of its knowledge, the interim condensed consolidated financial statements as at 30 June 2020, established in accordance with Belgian accounting standards, give a true and fair view of the assets, financial status and results of the Emakina Group. The half-yearly financial report contains an accurate description of the information that must be included in it.

4. REPORT OF THE STATUTORY AUDITOR OF EMAKINA GROUP SA ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2020 AND FOR THE MONTH PERIOD THEN ENDED

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Emakina Group SA (the “Company”), and its subsidiaries (collectively referred to as “the Group”) as at 30 June 2020 and the related interim consolidated statements of income, for the six month period then ended, and explanatory notes, collectively, the “Interim Condensed Consolidated Financial Statements”. The board of directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance the financial-reporting framework applicable in Belgium. Our responsibility is to express a conclusion on these Interim Condensed Consolidated Financial Statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements are not prepared, in all material aspects, in accordance with the financial-reporting framework applicable in Belgium.

Emphasis matter – Covid-19

Without qualifying our review opinion, we draw your attention to the disclosures of the Half-Year Financial Report with regards to the consequences on the result of the Company, of the measures taken relating to the Covid-19 virus. The continuous evolution around the Covid-19 virus, creates an important uncertainty. The impact of these developments on the Company is disclosed in the Half-Year Financial Report and more specifically described in the Chapter “Key events in the first half of 2020 and outlook for the end of the year” regarding the risks and uncertainties for the Company as a consequence of the measures taken relating to the Covid-19 virus.

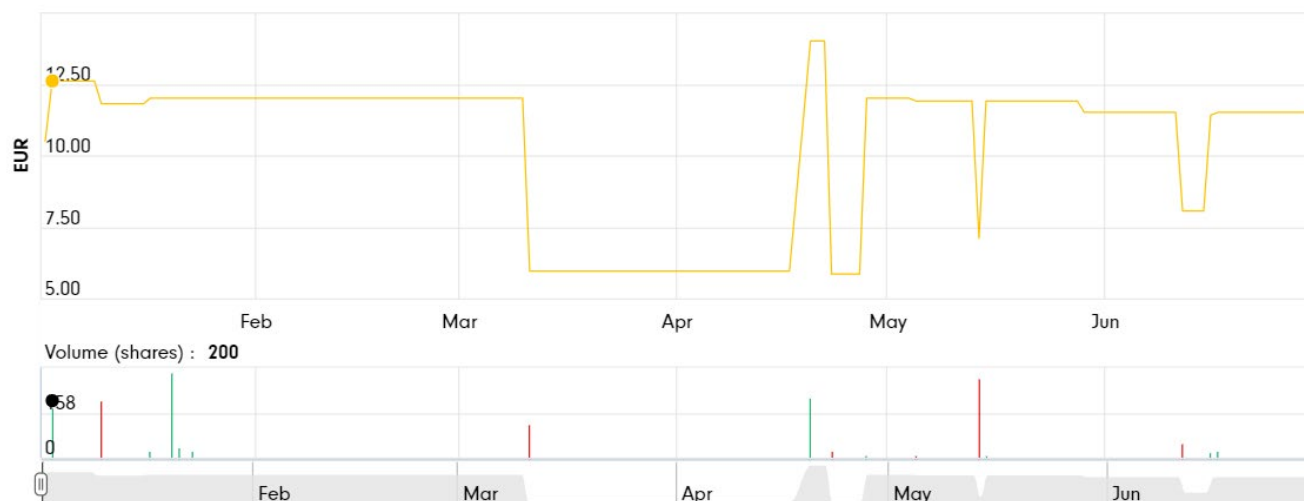
Diegem, 25 September 2020

EY Réviseurs d’Entreprises SRL
Statutory auditor
represented by

Marie Kaisin
Associate Partner

5. INVESTOR RELATIONS

Share price fluctuation in the first six months of 2020



Financial calendar

Annual press release 2020:	26 March 2021
Annual report 2020:	1 April 2021
Ordinary Meeting of Shareholders 2021:	22 April 2021

6. CONTACTS

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