



Proposal to Serve

The State of Maine – Department of Administrative and Financial Services in
Furtherance of the NASPO ValuePoint Cooperative Purchasing Program

Request for Proposal (RFP) # 202102021 – eProcurement Solutions and Services

Anne Curran
Account Executive
acu@ivalua.com



TABLE OF CONTENTS

Contents

1. OVERVIEW OF THE ORGANIZATION	3
1.1 Ivalua Platform	4
2. PREVIOUS PROJECTS.....	5
3. SUBCONTRACTORS.....	8
4. ORGANIZATIONAL CHART.....	9
5. LITIGATION.....	10
6. FINANCIAL VIABILITY	11

1. OVERVIEW OF THE ORGANIZATION

Founded in 2000, Ivalua is a leading provider of cloud based Spend Management solutions. Over the last several years, Ivalua has had the opportunity and been selected as the partner of choice to provide the platform to enable and accelerate many public sector organizations procurement transformation.

Based on the current results achieved, client feedback from these engagements, and subsequent contracts awarded to Ivalua, it became apparent that our eProcurement platform aligned extremely well with the unique and highly variable requirements and challenges public sector organizations face during their modernization efforts.



FIGURE 1: KEY DIFFERENTIATORS

Our proven platform provides the required scalability, security, and flexibility to allow our customers to meet the many unique and evolving requirements of public procurement. With Ivalua for Public Sector, organizations can be more responsive to legislative, regulatory, and/or policy changes. We have optimized the end-to-end digital experience, by providing a collaboration network for citizens, buyers, and suppliers resulting in full transparency throughout the procurement lifecycle.

Over the last two years Ivalua continued to invest and focus on the public sector by establishing a dedicated Public Sector Practice and fully dedicated team. Ivalua's Public Sector team has extensive experience working within the public sector, with a clear understanding of the unique challenges faced by public sector procurement, challenges commercial companies do not face.

The team includes:

- Head of Public Sector Leadership
- Practice Managers/ Account Executives
- Solution Consultants
- Solution Development Manager
- Product Development staff: enhance current solution to support public sector and develop new products to expand our capabilities
- Account Management for ongoing customer support

We view our investment and focus on the Public Sector will continue our partnership approach to ensuring our Public Sector customers achieve their goals and objectives. We are proud and honored to have the opportunity to be part of that journey.

More broadly within the industry, Ivalua has been recognized for excellence by top analysts, including being the ONLY vendor recognized as a Leader across both S2C and P2P by BOTH Gartner and Forrester. A full list of awards and acknowledgement include:

- 2015: Strategic Sourcing Application Suites Leader in Gartner Magic Quadrant
- 2017: Strategic Sourcing Application Suites Leader in Gartner Magic Quadrant
- 2018: Ivalua, a Leader in Forrester Wave: Supplier Risk and Performance Management Platforms (SRPM, Forrester)
- 2018: For the third time in a row, Gartner has recognized Ivalua as a Leader in Strategic Sourcing Applications Suites, which includes Spend Analysis, Sourcing, Contract Management and Supplier Management (Magic Quadrant, Gartner)
- 2019: Won Award from Procurement Leaders for "Best Specialist P2P Provider". Selected from a group of ~ 10 P2P providers by independent panel of industry veterans at the 2019 World Procurement Awards
- 2019: Recognized as a leader in Gartner Magic Quadrant for Procure-to-Pay
- 2019: Recognized as a leader in Forrester Wave: E-Procurement Platform
- 2019: Recognized as a leader in Forrester Wave: Source to Contract Suites
- 2020: Ivalua, a Leader in Forrester Wave: Supplier Risk and Performance Management Platforms (SRPM, Forrester)
- 2020: Recognized as a leader in Gartner Magic Quadrant for Procure-to-Pay
- Ivalua Awarded Best P2P Solutions Specialist Provider at World Procurement Awards 2020: 2nd consecutive year award given to Ivalua P2P Solutions

1.1 Ivalua Platform

Ivalua offers one of the broadest and deepest spend management platforms in the market. The Ivalua solution is modular, customers can pick and choose what to deploy or extend based on their digital transformation initiatives. All solutions and capabilities are tightly integrated, enabling superior visibility into spend and user experience.

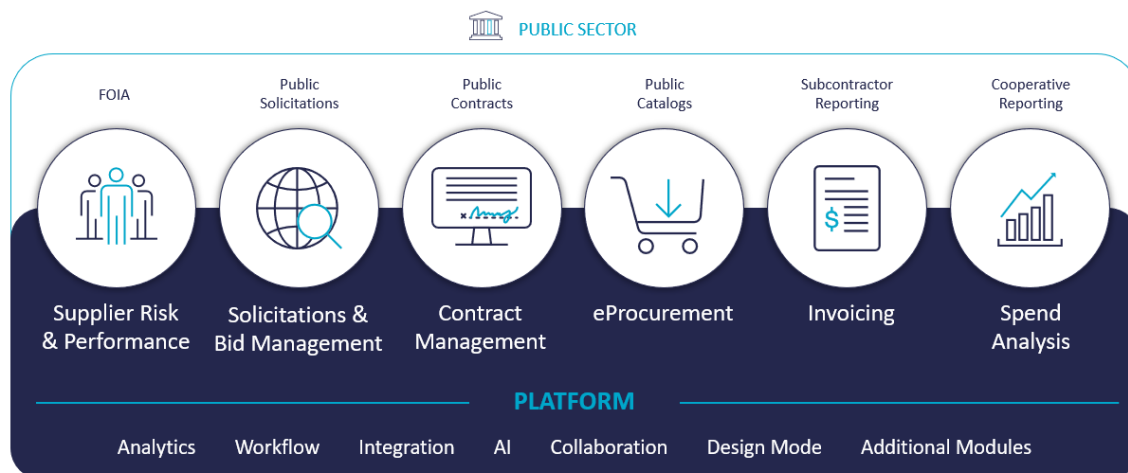


FIGURE 2: THE IVALUA PLATFORM AND SOLUTIONS

We have six main solution areas: Supplier Risk & Performance, Solicitations & Bid Management, Contract Management, eProcurement, Invoicing, and Spend Analytics. All solutions are built using the same components of the Platform and each solution consists of several capabilities, all of which are interconnected. All solutions share common workflow, supplier record, analytics, collaboration capabilities, document/content management and integration capabilities.



2. PREVIOUS PROJECTS

Ivalua has been the solution provider of choice for many public sector organizations over the last few years. Projects include the City of New York, Colorado Judicial Department, California Department of Transportation, Los Angeles Department of Water and Power, Shared Services Canada, the State of Alabama, the State of Arizona, the State of Maryland, and the State of Ohio.

Past Project 1	Detail
Name:	The City of New York
Address:	Mayor's Office of Contract Services 255 Greenwich St 9th floor, New York, NY 10007
Contact person:	First Deputy Director of the NYC Mayor's Office of Contract Services (MOCS)
Contact person's telephone:	To respect client time, and in some cases contractual obligations, Ivalua does not typically distribute reference contact information prior to competitive down-selection. We will gladly broker an introduction at LA County's request at that time.
Contact person's email address:	See above
Industry:	Municipal Government
Description of system(s) implemented:	The City of New York is a full-suite Ivalua implementation utilizing modules from our platform and all our solution sets including; SRM, eSourcing, Contracts & Catalogs, eProcurement, Invoicing and Business Intelligence. Among others, the interfaces include; SSO City user, SSO Supplier (NYC.ID), Supplier integration from FMS to Ivalua, Contract integration from FMS to Ivalua, Supplier commodity from Ivalua to FMS, and ERP - CGI
Date of implementation:	Phase 1 August 2017; Phase 2 April 2019; Phase 3 July 2020

Reference 2	Detail
Name:	State of Maryland
Address:	Office of State Procurement 80 Calvert Street, Annapolis MD 21401
Contact person:	Chief Procurement Officer
Contact person's telephone:	To respect client time, and in some cases contractual obligations, Ivalua does not typically distribute reference contact information prior to competitive down-selection. We will gladly broker an introduction at LA County's request at that time.
Contact person's email address:	See above
Industry:	State Government
Description of system(s) implemented:	The State of Maryland determined Ivalua best capable of providing the capabilities, flexibility and public sector experience required to empower its "Next Generation of



RFP# 202102021
eProcurement Solutions and Services
File 2 Ivalua Inc.

	Procurement" transformation. With Ivalua, the State implemented eMaryland Marketplace Advantage (eMMA), a single, highly secure digital platform able to integrate seamlessly with other State systems for all users and procurement processes. Stood-up within 4.5 months, "eMMA" is based on Ivalua's complete platform, including 1.) Public Portal, 2.) Supplier Management, 3.) Solicitation to Bid Management, 4.) Strategy & Analytics, 5.) Contract Management, 6.) Procurement, and 7.) Invoicing. In addition to the capacity created by automating transactional and manual tasks, Ivalua improves multi-jurisdictional cooperation, ensures fewer supply chain disruptions, and facilitates better internal management/approval control at every level. Furthermore, strategic, citizen, and legislative insights not previously available are now delivered via Ivalua's best-in-class reporting tools.
Date of implementation:	July 22nd, 2019

Reference 3	Detail
Name:	State of Ohio
Address:	Office of State eProcurement 4200 Surface Road, Columbus Ohio 43228
Contact person:	State eProcurement Manager & Agency Lean Liaison Office of Procurement Services, General Services Division
Contact person's telephone:	To respect client time, and in some cases contractual obligations, Ivalua does not typically distribute reference contact information prior to competitive down-selection. We will gladly broker an introduction at Suffolk County's request at that time.
Contact person's email address:	See above
Industry:	State Government
Description of system(s) implemented:	State of Ohio selected Ivalua to implement "OhioBuys" an online purchasing solution capable of empowering both buyers within state government and suppliers to the government. The initial deployment included core functionality that was rolled out to 12 early adopter agencies which included the full suite of Source-to-Pay (S2P) covering \$704 million in addressable spend and was supported by 21 key integration points within the agencies and the State. Ivalua supports a standardized "core model" across agencies and stakeholders that drives a level of standardization resulting in quicker time-to-value and reduced administrative requirements maintaining the solution for 130 State Agencies (\$5B Annual Addressable Spend), 24 Cabinet Agencies (\$1B Annual Addressable Spend), and 12 Early Adopter Agencies (\$704M Addressable Spend).
Date of implementation:	December 10th, 2018

Reference 4	Detail
Name:	State of Alabama
Address:	600 Dexter Avenue Montgomery, AL USA 36130
Contact person:	State eProcurement Manager & Agency Lean Liaison Office of Procurement Services, General Services Division
Contact person's telephone:	To respect client time, and in some cases contractual obligations, Ivalua does not typically distribute reference contact information prior to competitive down-selection. We will gladly broker an introduction at Suffolk County's request at that time.
Contact person's email address:	See above
Industry:	State Government
Description of system(s) implemented:	State of Alabama selected Ivalua's Source to Pay solution because of the flexibility of configuration, and the reporting and dashboard functionality.
Date of implementation:	In implementation

Reference 5	Detail
Name:	Los Angeles Department of Water and Power
Address:	111 N. Hope St., Los Angeles, CA USA 90068
Contact person:	State Procurement Director Office of Procurement Services, General Services Division
Contact person's telephone:	To respect client time, and in some cases contractual obligations, Ivalua does not typically distribute reference contact information prior to competitive down-selection. We will gladly broker an introduction at LA County's request at that time.
Contact person's email address:	See above.
Industry:	State Government Agency
Description of system(s) implemented:	Los Angeles Department of Water and Power selected Ivalua because of the completeness of the Ivalua solution. The first phases of the project were implementing the Solicitation and Supplier Information Management solution which is part of the Ivalua full Source to Pay platform.
Date of implementation:	May 19, 2020

3. SUBCONTRACTORS

Ivalua Cloud (except for Azure based regions) is hosted in third-party data centers, and all the infrastructure equipment is owned, administered, and monitored by Ivalua personnel only. Since Ivalua does not rely on any 3rd party personnel or 3rd party infrastructure, we know at all times where the client data is stored. The Client can select one of the available hosting regions.

As displayed in the diagram below, Ivalua's US data center locations are:

- Equinix DC3 Data Center - Ashburn, VA (Primary, DR)
- Equinix CH3 Data Center - Elk Grove, IL (Primary, DR)



FIGURE 3: DATA CENTER MAP

4. ORGANIZATIONAL CHART

Ivalua is providing below a Recommended Project Team Structure. This is a sample organizational chart given the differences in projects which may result from this contract.

Recommended Project Team Structure

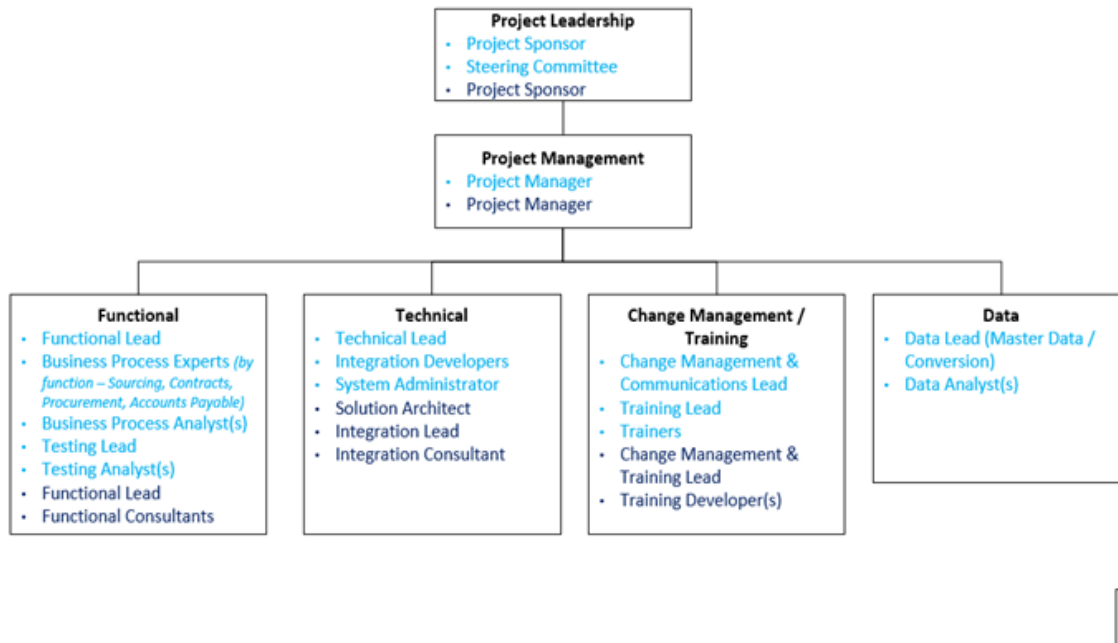


FIGURE 4: RECOMMENDED PROJECT TEAM STRUCTURE



5. LITIGATION

Ivalua, Inc. currently (and in the past 5 years) has no litigation that impacts its ability to enter into or perform this contract (if awarded).



6. FINANCIAL VIABILITY

As outlined in the Q&A, in lieu of the Dun & Bradstreet report, Bidders may provide the three (3) most recent years of Financial Statements audited or reviewed by a Certified Public Accountant. Please see the following pages containing Ivalua's Financial Statements in response to this requirement.

Ivalua

Financial year ended 31 December 2018

Statutory auditors' report on the consolidated financial statements

GROUPE SR CONSEIL PARIS

91, rue Saint Lazare

75009 Paris

A simplified joint-stock company with

share capital of €850

789 994 514 R.C.S. Paris

Statutory Auditor

A member of the Compagnie

Régionale de Paris

ERNST & YOUNG Audit

Tour First

TSA 14444

92037 Paris-La Défense cedex

A simplified joint-stock company

with variable capital

344 366 315 R.C.S. Nanterre

Statutory Auditor

A member of the Compagnie

Régionale de Versailles

Ivalua

Financial year ended 31 December 2018

Statutory auditors' report on the consolidated financial statements

To Ivalua's partners,

Opinion

In fulfilment of the assignment entrusted to us collectively by the partners and by your Shareholder Meeting, we have audited the consolidated financial statements of Ivalua for the financial year ended 31 December 2018, which are enclosed with this report.

We certify that the consolidated financial statements provide a true and fair view of the company's operating results for the past financial year, as well as its assets, liabilities and financial position as of 31 December 2018, in accordance with the accounting rules and principles applicable in France. Given that your company was not previously required to publish consolidated financial statements, the consolidated financial statements for the previous year have not been audited.

Basis of opinion

- Audit matrix

We conducted our audit in accordance with the professional standards applicable in France. We believe we have collected sufficient and appropriate evidence on which to base our opinion.

The responsibilities we hold by virtue of these standards are set out in the section of this report entitled "Responsibilities of the statutory auditors relative to the audit of the consolidated financial statements".

- Independence

We conducted our audit in accordance with the rules on independence to which we are subject, over the period starting on 1 January 2018 and ending on the date our report was published. In particular, we confirm that we did not provide any services prohibited by the Code of Ethics for Statutory Auditors.

Justification for our assessments

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification for our assessments, we inform you that our most important assessments, in our professional judgement, related to the suitability of the accounting principles applied, the reasonableness of the significant estimates made and the overall presentation of the financial statements.

These assessments were made within the context of our audit of the consolidated financial statements taken as a whole and allowed us to form the opinion expressed above. We have not expressed an opinion on any isolated elements of these consolidated financial statements.

Specific checks

In accordance with the professional standards applicable in France, we also performed specific checks on the information regarding the group that was provided in the President's management report, as required by the relevant laws and regulations.

We have no comments to make regarding their accuracy and consistency with the consolidated financial statements.

Responsibilities of the management and those charged with the company's governance as it relates to the consolidated financial

The management is responsible for preparing consolidated financial statements that give a true and fair view of its results, in accordance with the accounting rules and principles applicable in France, and for implementing any internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatements, whether due to fraud or to error.

In preparing the consolidated financial statements, it is the management's responsibility to assess the company's ability to continue as a going concern, to make appropriate disclosures in these financial statements as to whether the company is a going concern and to apply the going concern accounting policy, unless the company is to be wound up or to cease trading.

The consolidated financial statements have been approved by the President.

Responsibilities of the statutory auditors relative to the audit of the consolidated financial statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurances that the consolidated financial statements taken as a whole are free of material misstatements. "Reasonable assurances" should be taken to mean a high level of assurance, but this does not guarantee that an audit conducted in accordance with professional standards of practice will always detect any material misstatement. Misstatements may be the result of fraud or error and are considered material when it is reasonable to imagine that they could, individually or collectively, influence the economic decisions made by users of the financial statements based on their content.

As specified in Article L. 823-10-1 of the French Commercial Code, in no way does our certification of the financial statements signify that we vouch for the viability or quality of your company's management.

When conducting an audit in accordance with the professional standards of practice applicable in France, the statutory auditor exercises their professional judgement throughout the duration of said audit. Moreover:

The auditor identifies and evaluates the risk that the consolidated financial statements contain material misstatements, whether due to fraud or error, defines and performs audit procedures to address such risks, and obtains any evidence deemed sufficient and appropriate to form a basis for their opinion. The risk stemming from the failure to detect a material misstatement due to fraud is higher than the risk of overlooking a material misstatement due to error, because fraud may involve collusion, falsification, wilful omission, false declaration or circumvention of internal controls.

They familiarise themselves with any internal controls relevant to the audit so as to define audit procedures suited to the circumstances, but not to express an opinion on the effectiveness of the internal controls.

They assess the suitability of the accounting methods used and the reasonableness of the accounting estimates made by the management, as well as any information regarding these estimates provided in the consolidated financial statements.

They assess whether the management applies the going concern accounting policy in an appropriate manner and, based on the evidence gathered, whether or not there is significant uncertainty regarding particular events or circumstances that could call into question the company's ability to continue as a going concern. This assessment is based on information gathered up until the date of the auditor's report, although one must bear in mind that subsequent circumstances or events could jeopardize the Group's ability to continue as a going concern. If the auditor concludes that there is a material uncertainty, they will draw the attention of readers of the report to the information provided in the consolidated financial statements regarding said uncertainty or, if that information is not provided or is not relevant, they shall express a qualified opinion on the financial statements or, if appropriate, refuse to certify the latter.

The auditor assesses the overall presentation of the consolidated financial statements and determines whether the latter accurately reflect the underlying transactions and events that have occurred.

As regards the financial information relating to persons or entities included in the scope of consolidation, the auditor collects any appropriate evidence they deem sufficient to be able to express an opinion on the consolidated financial statements. They are responsible for managing, supervising and conducting the audit of the consolidated financial statements and for the opinion expressed on the latter.

Paris and Paris-La Défense, 23 September 2019

The Statutory Auditors

GROUPE SR CONSEIL PARIS

ERNST & YOUNG Audit



Grégoire Proust



Jean-Christophe Pernet

Ivalua, s.a.s.

69 rue de Paris

91400 Orsay

CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2018

TABLE OF CONTENTS

Consolidated balance sheet	3
Consolidated income statement.....	4
Consolidated statement of changes in shareholders' equity.....	5
Consolidated cash flow statement	6

CONSOLIDATED BALANCE SHEET*(amounts in thousands of euros)*

ASSETS	<i>Notes</i>	Gross	Amortization	31/12/18 Net	31/12/17 Net
Goodwill	1	1,624		1,624	1,553
Intangible assets	2	1,216	(213)	1,003	971
Tangible assets	2	5,118	(2,481)	2,637	1,670
Long-term financial assets	2	597	-	597	438
FIXED ASSETS		8,555	(2,694)	5,862	4,632
Trade receivables and related accounts	3	18,770	(749)	18,021	15,483
Other receivables and accruals	3	8,533		8,533	3,044
Deferred tax assets	4	1,400		1,400	723
Cash assets	5	31,405	-	31,405	29,599
CURRENT ASSETS		60,107	(749)	59,358	48,849
TOTAL ASSETS		68,663	(3,443)	65,220	53,481
LIABILITIES	<i>Note</i>			31/12/18	31/12/17
Share capital	6			100	100
Issue premiums				25,797	25,749
Consolidated reserves				6,002	4,811
Consolidated income				(870)	1,192
Other				22	163
SHAREHOLDERS' EQUITY (GROUP)				31,052	32,015
Minority interests					
TOTAL SHAREHOLDERS' EQUITY				31,052	32,015
PROVISIONS	7			1,855	1,565
Borrowings and financial liabilities	8			350	1,319
Trade payables and related accounts	9			5,970	3,161
Other payables and accrued expenses	9			25,992	15,420
ACCOUNTS PAYABLE				32,313	19,901
TOTAL LIABILITIES				65,220	53,481

CONSOLIDATED INCOME STATEMENT*(amounts in thousands of euros)*

	Notes	2018 (12 months)	2017 (12 months)
Revenue	10	62,950	46,932
Other operating income		9	0
OPERATING REVENUE		62,959	46,932
Other purchases and external expenses	11	(27,419)	(13,929)
Taxes and duties		(655)	(671)
Personnel expenses	12	(35,911)	(24,447)
Charges for depreciation, amortization and provisions - Net	13	(1,758)	(861)
Other operating expenses		(912)	(3,563)
OPERATING EXPENSES		(66,655)	(43,471)
OPERATING INCOME		(3,696)	3,461
Financial income and expenses	14	1,394	(1,965)
ORDINARY INCOME OF CONSOLIDATED COMPANIES		(2,301)	1,497
Non-recurring income and expenses	15	16	(374)
Taxes on income	16	1,415	69
NET INCOME OF THE CONSOLIDATED GROUP		(870)	1,192
Net income - Minority interests			
NET INCOME - GROUP SHARE		(870)	1,192
Earnings per share (in euros)	17	(0.09)	0.13
Diluted earnings per share (in euros)	17	(0.09)	0.12

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY*(amounts in thousands of euros)*

	Capital	Premiums	Consolidated reserves	Consolidated income	Exchange rate differences	Total – Group share	Minority Interests	Total shareholders', equity
31/12/2016 (after allocation of income)	85	3,107	5,530		(68)	8,429	-	8,429
Capital increase	15	22,643				22,657	-	22,657
Distribution of dividends			(494)			(494)		(494)
Change in exchange rate differences					231	231	-	231
Income for the financial year				1,192		1192	-	1,192
31/12/2017	100	25,749	4,811	1,192	163	32,015	-	32,015
Exercise of founders' warrants	0	48				48	-	48
Allocation of income for year N-1			1,192	(1,192)				
Change in exchange rate differences					(141)	(141)	-	(141)
Income for the year				(870)		(870)	-	(870)
31/12/2018	100	25,797	6,002	(870)	22	31,052	-	31,052

CONSOLIDATED CASH FLOW STATEMENT*(amounts in thousands of euros)*

	Notes	2018 (12 months)	2017 (12 months)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income of consolidated companies		(870)	1,192
<i>Elimination of income and expenses with no cash impact or not related to operating activities</i>			
Depreciation, amortization and provisions (net)		1,182	705
Research tax credit recognized as income		(930)	(731)
Change in deferred taxes		(636)	345
Capital gains/losses on the sale of assets		(2)	5
Cash flows of consolidated companies		(1,257)	1,516
Dividends received from equity affiliates			
Change in operating receivables		(7,490)	(8,739)
Change in operating payables		12,461	8,200
Change in working capital requirements relating to operating activities		4,970	(539)
Research tax credit collected/compensated over the period		930	731
Net cash flows from operating activities		4,643	1,709
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of fixed assets		(1,928)	(2,661)
Sales of fixed assets		11	0
Impact of changes in the scope of consolidation ''			(527)
Net cash flows from investing activities		(1,918)	(3,187)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital increase in cash		46	22,657
Dividends paid to shareholders of the parent company			(494)
Loan issuances			0
Loan repayments		(1,093)	(232)
Net cash flows from financing activities		(1,047)	21,931
Impact of exchange rate variations		127	(331)
CASH FLOW CHANGE		1,806	20,121
Opening cash position	5	29,599	9,478
Closing cash position	5	31,405	29,599
CASH FLOW CHANGE		1,806	20,121
Breakdown of net cash and cash equivalents			
Cash assets and marketable securities (excluding treasury shares)	5	31,405	29,599
Bank overdrafts	5		
Net cash position		31,405	29,599
<i>(1) - Cash acquired</i>			
<i>Cash paid out</i>			(527)
<i>Total</i>			(527)

GROUPE SR CONSEIL PARIS

ERNST & YOUNG Audit

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditor's report includes information required by French law, such as the verification of the management report and other documents provided to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Ivalua

Year ended December 31, 2019

Statutory auditors' report on the consolidated financial statements

GROUPE SR CONSEIL PARIS

91, rue Saint-Lazare
75009 Paris
S.A.S. au capital de € 30 000
789 991 514 R.C.S

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG Audit

Tour First
TSA 14444
92037 Paris-La Défense Cedex
S.A.S. à capital variable
344 366 315 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Ivalua

Year ended December 31, 2019

Statutory auditors' report on the consolidated financial statements

To the Shareholders of Ivalua,

Opinion

In compliance with the engagement entrusted to us by collective decision of the shareholders and by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Ivalua for the year ended December 31, 2019. These consolidated financial statements were approved by the President, on September 10, 2020, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted in accordance with French accounting principles.

Basis for Opinion

■ Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

■ Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of Ethics (*Code de déontologie*) for statutory auditors.

Emphasis of Matter

We draw attention to the following matter described in Note "Change of method" to the consolidated financial statements relating to change of method concerning the treatment of certain operating expenses and tangible fixed assets. Our opinion is not modified in respect of this matter.

Justification of Assessments

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that, in our professional judgment, the most significant assessments we made were related to the appropriateness of the accounting policies used, to the reasonableness of the significant accounting estimates and to the overall presentation of the consolidated financial statements.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the President's management report as approved on September 10, 2020. Regarding the events that occurred and the elements known after the date of approval of the consolidated financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the shareholders called to decide on these financial statements.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by French accounting principles and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the President.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Paris and Paris-La Défense, September 14, 2020

The Statutory Auditors
French original signed by

GROUPE SR CONSEIL PARIS

ERNST & YOUNG Audit

Grégoire Proust

Jean-Christophe Pernet

CONSOLIDATED BALANCE SHEET*(amounts in thousands of euros)*

ASSETS	Notes	Gross	Amortization and depreciation	12/31/19 Net	12/31/18 Net
Goodwill	1	1,653	-	1,653	1,624
Intangible assets	2	1,098	(581)	517	1,003
Tangible assets	3	3,954	(1,981)	1,974	2,637
Long-term financial assets	4	1,386	-	1,386	597
FIXED ASSETS		8,091	(2,561)	5,529	5,862
Inventories and work-in-progress		-	-	-	-
Trade receivables and related accounts	5	28,830	(1,767)	27,064	18,021
Other receivables and accruals	6	15,143	-	15,143	8,533
Deferred tax assets	7	1,486	-	1,486	1,400
Marketable securities		58,036	-	58,036	-
Cash assets		16,793	-	16,793	31,405
CURRENT ASSETS		120,289	(1,767)	118,522	59,358
TOTAL ASSETS		128,380	(4,328)	124,052	65,220

LIABILITIES	Notes	12/31/19	12/31/18
Share capital	8	107	100
Issue premiums		79,218	25,797
Consolidated reserves		6,524	6,002
Exchange rate reserves		(26)	22
Consolidated income		(7,615)	(870)
SHAREHOLDERS' EQUITY (GROUP SHARE)		78,208	31,052
Minority interests		-	-
TOTAL SHAREHOLDERS' EQUITY		78,208	31,052
OTHER EQUITY		-	-
PROVISIONS	9	2,970	1,855
Borrowings and financial liabilities	10	238	350
Trade payables and related accounts	11	7,088	5,970
Deferred tax liabilities		15	-
Other payables and accrued expenses	11	35,532	25,992
ACCOUNTS PAYABLE		42,873	32,313
TOTAL LIABILITIES		124,052	65,220

CONSOLIDATED INCOME STATEMENT

(amount in thousands of euros)

	Notes	2019 (12 months)	2018 (12 months)
Revenue	12	83,911	62,950
Other operating income	13	614	9
OPERATING REVENUE		84,525	62,959
Other purchases and external expenses	14	(37,161)	(27,419)
Taxes and duties		(1,335)	(655)
Personnel expenses	15	(53,341)	(35,911)
Charges for depreciation, amortization and provisions - Net	16	(2,182)	(1,758)
Other operating expenses		(96)	(912)
OPERATING EXPENSES		(94,115)	(66,655)
OPERATING INCOME		(9,591)	(3,696)
Financial income and expenses	17	1,129	1,394
CURRENT INCOME OF THE CONSOLIDATED GROUP		(8,462)	(2,301)
Non-recurring income and expenses	18	411	16
Taxes on income	19	436	1,415
NET INCOME OF THE CONSOLIDATED GROUP		(7,615)	(870)
Net income - Minority interests		-	-
NET INCOME - GROUP SHARE		(7,615)	(870)
Earnings per share (in euros)	20	(0.07)	(0.09)
Diluted earnings per share (in euros)	20	(0.07)	(0.09)

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(amount in thousands of euros)

	Capital	Additional paid-in	Consolidated reserves	Consolidated income	Exchange rate differences	Total Group Share	Minority interests	Total Shareholders' Equity
12/31/2017	100	25,749	4,811	1,192	163	32,015	-	32,015
Exercise of founders' warrants	0	48	-	-	-	48	-	-48
Allocation of income from the previous year	-	-	1,192	(1,192)	-	-	-	-
Change in exchange rate differences	-	-	-	-	(141)	(141)	-	(141)
Income for the period	-	-	-	(870)	-	(870)	-	(870)
12/31/2018	100	25,797	6,002	(870)	22	31,052	-	31,052
Allocation of income from the previous year	-	-	(870)	870	-	-	-	-
Capital increase	7	53,421	-	-	-	53,428	-	53,428
Change of scope	-	-	1,392	-	-	1,392	-	1,392
Change in exchange rate differences	-	-	-	-	(49)	(49)	-	(49)
Income for the period	-	-	-	(7,615)	-	(7,615)	-	(7,615)
12/31/2019	107	79,218	6,524	(7,615)	(26)	78,208	-	78,208

The changes of scope correspond to prior corrections due to a change in accounting methods explained under 3.1 "Accounting standards".

CONSOLIDATED CASH FLOW STATEMENT*(amount in thousands of euros)*

	2019 (12 months)	2018 (12 months)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income of consolidated companies	(7,615)	(870)
<i>Elimination of income and expenses with no cash impact or not related to operating activities</i>		
Depreciation, amortization and provisions (net)	2,054	1,182
Change in deferred taxes	79	(636)
Capital gains/losses on the sale of assets	2	(2)
Cash flows of consolidated companies	(5,479)	(327)
Change in operating receivables	(14,958)	(7,490)
Change in operating payables	12,243	12,461
Change in working capital requirements relating to operating activities	(2,715)	4,970
Net cash flows from operating activities	(8,195)	4,643
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of tangible and intangible assets	(1,950)	(1,928)
Disposal of tangible and intangible assets	(4,374)	11
Changes in financial assets	4,376	-
Net cash flows from investing activities	(1,948)	(1,918)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital increase in cash	53,428	46
Loan repayments	(176)	(1,093)
Net cash flows from financing activities	53,252	(1,047)
Impact of exchange rate variations	316	127
CASH FLOW CHANGE	43,425	1,806
Opening cash position	31,405	29,599
Closing cash position	74,829	31,405
Breakdown of net cash and cash equivalents		
Marketable securities	58,036	-
Cash assets	16,793	31,405
Net cash position	74,829	31,405