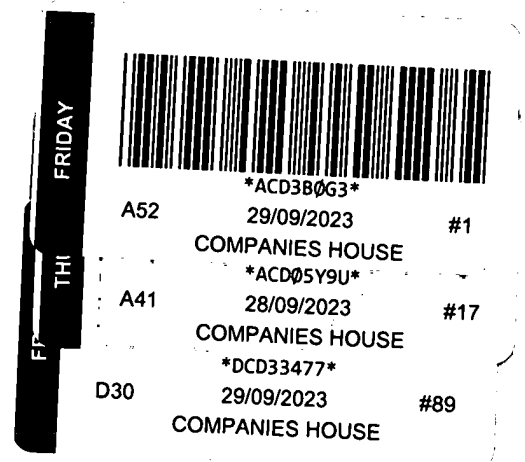


Company registration number 07479183 (England and Wales)

OUTBRAIN UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



OUTBRAIN UK LIMITED

COMPANY INFORMATION

Directors	A Erlmeier Y Galai
Secretary	Abogado Nominees Limited
Company number	07479183
Registered office	100 New Bridge Street London EC4V 6JA
Auditor	Mercer & Hole LLP 21 Lombard Street London EC3V 9AH

OUTBRAIN UK LIMITED

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OUTBRAIN UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report of Outbrain UK Limited ("the Company") for the year ended 31 December 2022.

Review of the business

Outbrain is an online content discovery platform that provides personalised content recommendations that appear as links to articles and videos on digital publishers' web pages and mobile applications.

The results of the Company for the year under review are set out on page 9.

Turnover for the year was £262,202,631 (2021: £229,146,854). The gross profit for the year was £33,038,366 (2021: £42,501,442). There was a net loss for the year of £10,687,221 (2021: profit of £7,236,506) mainly due to the decrease in operating margin (-8%) during the year to -3.9% (2021: 4.1%).

The Company is a subsidiary of Outbrain Inc, a Company incorporated in the United States of America.

During the year, Outbrain Inc allocated indirect costs relating to server, licences and marketing to Outbrain UK Limited totalling £9,531,002 (2021: £7,726,038). The worldwide Group of which Outbrain UK is a part remains a leader in the online recommendation market.

The Company's main business objective is to win and retain clients and to service its clients to the very highest level of satisfaction. We endeavour to continue, on a number of fronts, to grow and succeed in: (i) delivery of high quality service, (ii) continuous improvements in client value-added service and productivity, and (iii) development and introduction of new products to our clients to stay ahead of competition.

Principal risks and uncertainties

The Company, in carrying out its business, faces a number of risks and uncertainties as detailed below.

Credit risk

The risk with respect to trade debtors is mitigated by a combination of the credit evaluations performed and the short duration of our payment terms for the significant majority of our customer contracts.

Foreign exchange risk

The results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. A substantial majority of our turnover and cost of sales are denominated in Sterling, with the remainder in Euros and US Dollar. Our operating expenses are generally denominated in the currencies in which our operations are located, with the majority in Sterling. Foreign exchange risk therefore exists due to the potential for loss from exposure to foreign exchange rate fluctuations. Company policies are aimed at minimising this risk.

Market risk

The Company operates in a highly competitive market, and the continued development of technology has the ability to create new competition.

Failure of a critical IT system

The product offered to customers relies upon a complex system of IT infrastructure. Failure of this technology could negatively affect customers and the Company's brand.

Key performance indicators

The Company is monitored on a monthly basis specifically with regard to actual performance being compared to budget and forecast. The review is focused on the Company's three headline numbers being turnover, gross profit and net profit or loss.

Directors' emoluments

No directors exercised share options during the current and prior year.

OUTBRAIN UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments

In the coming year, we will continue to grow as our parent Company develops and introduces new products to our new and existing clients whilst working and collaborating with clients and continuing to deliver a high level of customer care.

Going concern

During 2022 the Company made a loss after tax of £10,687,221 (2021: profit of £7,236,506). At the balance sheet date 31 December 2022, it held net liabilities of £5,189,865 (2021: net assets of £5,889,294).

The Directors have prepared a forecast for 12 months from the date of approvals of these financial statements. As part of this cash flow forecast, sensitivity analysis was also carried out which considers different risk factors which could negatively impact the Company's cashflow projections. On this basis, including taking potential risk factors into account, the Directors believe the Company has adequate resources to continue in operational existence through at least the forecasted period including FY23 and to September 2024.

In FY23 Outbrain, like many businesses, has started to see the impact from the current macroeconomic conditions, with inflation, the war in Ukraine and wider supply chain issues all leading to slower business on the demand (advertiser) side of our business. Accordingly steps to reduce costs in order to protect profitability have been taken in 2023. The Company's forecasts and projections show that the Company should be able to continue to operate as a going concern.

The Company continues to monitor its creditors and liabilities. As of 31 December 2022, the Company has sufficient cash in bank, which together with its forecasted cash flows will allow it to meet its obligations for a minimum of 12 month from the date of the approval of these financial statements.

Accordingly, the Company continues to adopt the going concern basis in preparing the annual report and accounts.

Other information

Pursuant to section 54(1) of the UK Modern Slavery Act 2015, the Company's Modern Slavery disclosure can be found on its website www.outbrain.com.

Section 172 statement

The directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

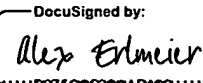
- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

("the s.172 matters")

The directors of the Company have sought to balance the needs of its members with the s.172 matters throughout the year, ensuring that the Company's reputation for high standards of conduct are maintained and through strong relationships with employees and colleagues. The directors of the Company have a duty to promote the success of the Company, and this relies on smooth operations and the support and joint efforts of management. Thus, effective communication and interaction are indispensable in the Company's business operations.

OUTBRAIN UK LIMITED
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board

DocuSigned by:

.....B875CC58CRAF4C9.....
A Erlmeier
Director

Date: September 28, 2023
.....

OUTBRAIN UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the Company remained as an online content discovery platform that provides personalised content recommendations that appear as links to articles and videos on digital publishers' web pages and mobile applications. Outbrain generates revenue from marketers through user engagements with promoted content recommendations that we deliver across a variety of third-party publisher partner properties. We pay traffic acquisition costs to our publisher partners on whose digital property the recommendation is shown. Our market solutions are priced using a performance-based model based on the actual number of engagements, or clicks, generated by users. The actual number of engagements generated by users is highly dependent on our ability to generate trustworthy and interesting recommendations to individual users based on our proprietary algorithms.

Results and dividends

The directors do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: £nil).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Erlmeier
Y Galai

Auditor

Mercer & Hole LLP were appointed as auditor to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.


Energy and carbon report

As the Company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board

DocuSigned by:

B575CC5B3CAAF4C9...
A Erlmeier
Director

Date: September 28, 2023
Date:

OUTBRAIN UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

OUTBRAIN UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OUTBRAIN UK LIMITED

Opinion

We have audited the financial statements of Outbrain UK Limited (the 'Company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

OUTBRAIN UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OUTBRAIN UK LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, employment law, and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

OUTBRAIN UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF OUTBRAIN UK LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Andrew Turner

Senior Statutory Auditor

For and on behalf of Mercer & Hole LLP

September 28, 2023

Date:

Chartered Accountants

Statutory Auditor

21 Lombard Street
London
EC3V 9AH

OUTBRAIN UK LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Turnover	3	262,202,631	229,146,854
Cost of sales		(229,164,265)	(186,645,412)
Gross profit		33,038,366	42,501,442
Administrative expenses		(43,257,724)	(33,097,579)
Other operating income	4	15,341	-
Operating (loss)/profit	5	(10,204,017)	9,403,863
Interest receivable and similar income	9	611	15,469
Interest payable and similar expenses	10	(640,367)	(14,389)
(Loss)/profit before taxation		(10,843,773)	9,404,943
Tax on (loss)/profit	11	156,552	(2,168,437)
(Loss)/profit for the financial year		(10,687,221)	7,236,506
Other comprehensive (expense) / income			
Currency translation (loss)/gain arising in the year		(1,626,085)	1,408,949
Share based compensation reserve		-	(780,313)
Total comprehensive (expense) / income for the year		(12,313,306)	7,865,142

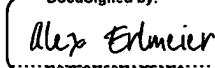
The profit and loss account has been prepared on the basis that all operations are continuing operations.

OUTBRAIN UK LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		135,085		193,286
Investments	13		39,454,803		264,309
			<u>39,589,888</u>		<u>457,595</u>
Current assets					
Debtors falling due after more than one year	15	14,243,723		4,303,557	
Debtors falling due within one year	15	91,858,765		54,356,322	
Cash at bank and in hand		17,463,122		22,127,511	
		<u>123,565,610</u>		<u>80,787,390</u>	
Creditors: amounts falling due within one year	16	(168,345,363)		(75,355,691)	
Net current (liabilities)/assets (including debtors falling due after more than one year totalling £14,243,723 (2021: £4,303,557))			<u>(44,779,753)</u>		<u>5,431,699</u>
Net (liabilities)/assets			<u>(5,189,865)</u>		<u>5,889,294</u>
Capital and reserves					
Called up share capital	19	2,000,000		2,000,000	
Share based compensation reserve	21	742,468		(491,679)	
Currency translation reserve	22	(1,177,324)		448,761	
Profit and loss reserves	22	(6,755,009)		3,932,212	
Total equity			<u>(5,189,865)</u>		<u>5,889,294</u>

The financial statements were approved by the board of directors and authorised for issue on September 28, 2023 and are signed on its behalf by:

DocuSigned by:



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A Erlmeier

Director

September 28, 2023

Company Registration No. 07479183

OUTBRAIN UK LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital £	Share based compensation reserve £	Currency translation reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2021	2,000,000	288,634	(960,188)	(3,304,294)	(1,975,848)
Year ended 31 December 2021:					
Profit for the year	-	-	-	7,236,506	7,236,506
Other comprehensive income:					
Currency translation differences	-	-	1,408,949	-	1,408,949
Share based compensation reserve movement	-	(780,313)	-	-	(780,313)
Total comprehensive income for the year	-	(780,313)	1,408,949	7,236,506	7,865,142
Balance at 31 December 2021	2,000,000	(491,679)	448,761	3,932,212	5,889,294
Year ended 31 December 2022:					
Loss for the year	-	-	-	(10,687,221)	(10,687,221)
Other comprehensive expense:					
Currency translation differences	-	-	(1,626,085)	-	(1,626,085)
Total comprehensive expense for the year	-	-	(1,626,085)	(10,687,221)	(12,313,306)
Share based compensation reserve movement	-	1,234,147	-	-	1,234,147
Balance at 31 December 2022	2,000,000	742,468	(1,177,324)	(6,755,009)	(5,189,865)

OUTBRAIN UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Outbrain UK Limited is a private Company limited by shares incorporated in England and Wales. The registered office is 100 New Bridge Street, London, EC4V 6JA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number of options and restricted stock units ("RSU"), weighted average exercise price of share options, how the fair value of RSUs granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Outbrain Inc. These consolidated financial statements are available from its registered office, 111 West 19th Street, New York, NY 10011, (646) 867-0149.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its group.

Outbrain UK Limited is a wholly owned subsidiary of Outbrain Inc and the results of Outbrain UK Limited are included in the consolidated financial statements of Outbrain Inc which are available from its registered office, 111 West 19th Street, New York, NY 10011, (646) 867-0149.

1.2 Going concern

During 2022 the Company made a loss after tax of £10,687,221 (2021: profit of £7,236,506). At the balance sheet date 31 December 2022, it held net liabilities of £5,189,865 (2021: net assets of £5,889,294).

The Directors have prepared a forecast for 12 months from the date of approvals of these financial statements. As part of this cash flow forecast, sensitivity analysis was also carried out which considers different risk factors which could negatively impact the Company's cashflow projections. On this basis, including taking potential risk factors into account, the Directors believe the Company has adequate resources to continue in operational existence through at least the forecasted period including FY23 and to September 2024.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****1 Accounting policies****(Continued)**

In FY23 Outbrain, like many businesses, has started to see the impact from the current macroeconomic conditions, with inflation, the war in Ukraine and wider supply chain issues all leading to slower business on the demand (advertiser) side of our business. Accordingly steps to reduce costs in order to protect profitability have been taken in 2023. The Company's forecasts and projections show that the Company should be able to continue to operate as a going concern.

The Company continues to monitor its creditors and liabilities. As of 31 December 2022, the Company has sufficient cash in bank, which together with its forecasted cash flows will allow it to meet its obligations for a minimum of 12 month from the date of the approval of these financial statements.

Accordingly, the Company continues to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

Revenue in respect of content recommendations and promoted content is recognised when the Company obtains the right to consideration exchange for its performance which is based on click through rates on a pay-per-click basis. The Company places its content discovery platform on internet publishers' websites; as users click through on the recommended content, or promoted content, the platform records a click, which generates chargeable revenue from the content provider. Content recommendation and promoted content revenues are recorded net of value added tax.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight line over the remaining period of the lease
Fixtures and fittings	3 years straight line
Computers	2 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Company holds a long-term interest and where the Company has significant influence. The Company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****1 Accounting policies****(Continued)****1.6 Impairment of fixed assets**

At each reporting period end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****1 Accounting policies****(Continued)*****Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate. Hedge accounting is not applied.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

OUTBRAIN UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****1 Accounting policies****(Continued)****1.13 Share-based payments**

The Company issues equity-settled share options and restricted stock units of the Company's ultimate parent Company to certain employees within the Group. Equity-settled share-based payment transactions are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, adjusted for the effect of non market-based vesting conditions. Forfeitures are recognised as they occur.

Fair value of options is measured by use of the Black Scholes pricing model which is considered by management to be the most appropriate method of valuation. The fair value of the Company's restricted stock units is the fair value of the Company's common stock on the date of grant.

As the Company is part of a group share-based payment plan, it recognises and measures its share-based payment expense on the basis of a reasonable allocation of the expense recognised for the group.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

2 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	14,547,425	16,848,036
Europe	243,711,710	203,276,297
United States of America	992,070	1,305,003
Rest of World	2,951,426	7,717,518
	<u>262,202,631</u>	<u>229,146,854</u>

Turnover generated through the United Kingdom but promoted on publishers across the world is recognised within United Kingdom above.

4 Other operating income

Other operating income relates to amounts received in respect of a historic VAT refund received in Germany amounting to £15,341.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****5 Operating (loss)/profit**

	2022	2021
	£	£
Operating (loss)/profit for the year is stated after charging:		
Exchange losses	668,981	313,971
Depreciation of owned tangible fixed assets	126,167	105,448
Share-based compensation	815,504	1,663,098
Operating lease charges	625,814	440,536
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the Company's auditor and associates:		
For audit services		
Audit of the financial statements of the Company	53,000	76,000
	<u> </u>	<u> </u>
For other services		
All other non-audit services	6,000	-
	<u> </u>	<u> </u>

7 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2022	2021
	Number	Number
General and administrative	35	31
Sales and marketing	108	115
	<u> </u>	<u> </u>
Total	143	146
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	14,862,314	15,276,865
Social security costs	2,023,935	1,800,831
Pension costs	580,606	491,544
	<u> </u>	<u> </u>
	17,466,855	17,569,240
	<u> </u>	<u> </u>

The cost of contributions to the defined contribution schemes for the year was £580,606 (2021: £491,544). Pension contribution costs accrued, but not paid at the end of the year amounted to £39,726 (2021: £45,393).

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****8 Directors' remuneration**

The directors are remunerated by the parent entity, Outbrain Inc. The estimated proportion of their remuneration attributable to these accounts is considered immaterial by the directors.

No directors exercised share options during the year (2021 - nil).

9 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	31	18
Interest receivable from group companies	580	15,451
	<u>611</u>	<u>15,469</u>

10 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	7,756	14,389
Interest payable to group undertakings	177,190	-
Finance costs for financial instruments measured at fair value through profit or loss	292,263	-
Unwinding of discount on provisions	163,158	-
	<u>640,367</u>	<u>14,389</u>

11 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	(761,377)	767,247
Adjustments in respect of prior periods	81,282	(79,961)
	<u>(680,095)</u>	<u>687,286</u>
Total UK current tax		
Foreign current tax on profits for the current period	1,222,795	1,039,730
Adjustments in foreign tax in respect of prior periods	879,667	(20,118)
	<u>1,422,367</u>	<u>1,706,898</u>
Total current tax		
Deferred tax		
Origination and reversal of timing differences	(1,516,742)	436,876
Changes in tax rates	(392,073)	(82,166)
Previously unrecognised tax loss, tax credit or timing difference	329,896	106,829
	<u>(1,578,919)</u>	<u>461,539</u>
Total deferred tax		
Total tax (credit)/charge	<u>(156,552)</u>	<u>2,168,437</u>

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****11 Taxation****(Continued)**

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
(Loss)/profit before taxation	(10,843,773)	9,404,943
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(2,060,317)	1,786,939
Tax effect of expenses that are not deductible in determining taxable profit	122,543	(110,811)
Change in unrecognised deferred tax assets	(461,303)	512,999
Adjustments in respect of prior years	81,282	(79,961)
Deferred tax adjustments in respect of prior years	45,725	106,829
Foreign tax	2,020,808	1,060,585
Change in tax rate - deferred tax	(392,073)	(82,166)
Foreign tax credits - utilised in the UK	(250,922)	(515,104)
Foreign tax credits - carried forward	822,147	(512,999)
Other	(84,442)	2,126
Taxation (credit)/charge for the year	(156,552)	2,168,437

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Group's future current tax charge accordingly.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****12 Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2022	206,831	203,452	471,630	881,913
Additions	5,768	536	71,978	78,282
Disposals	-	-	(365,770)	(365,770)
Exchange adjustments	2,192	7,446	6,879	16,517
At 31 December 2022	214,791	211,434	184,717	610,942
Depreciation and impairment				
At 1 January 2022	122,528	172,431	393,668	688,627
Depreciation charged in the year	42,443	12,526	71,198	126,167
Eliminated in respect of disposals	-	-	(354,660)	(354,660)
Exchange adjustments	1,612	7,360	6,751	15,723
At 31 December 2022	166,583	192,317	116,957	475,857
Carrying amount				
At 31 December 2022	48,208	19,117	67,760	135,085
At 31 December 2021	84,303	31,021	77,962	193,286

13 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	14	39,454,803	264,309

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****13 Fixed asset investments****(Continued)****Movements in fixed asset investments**

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022	264,309
Additions	39,190,494
At 31 December 2022	39,454,803
Carrying amount	
At 31 December 2022	39,454,803
At 31 December 2021	264,309

Outbrain UK Limited holds a 1% share in Outbrain Services Monetização de Conteúdo Ltda, a Company incorporated in Brazil and registered at Rua Leopoldo Couto de Magalhães Jr., 758-11°, CEP 04534-040, São Paulo. Outbrain Inc, a Company incorporated in the United States of America, holds the remaining 99%.

Outbrain UK Limited hold a 100% share in Outbrain Spain S.L., a Company incorporated in Spain and registered at Ronda General Mitre, 28-30, Barcelona 08017.

Outbrain UK Limited hold a 100% share in Outbrain Germany GmbH., a Company incorporated in Germany and registered at Oberanger 28, 80331, Munich, Germany.

On 5 January 2022, Outbrain UK Limited acquired 100% of the shares in video intelligence AG ("vi"), a Company registered in Switzerland which specialises in recommending video content on behalf of advertisers on publisher-based websites, for a purchase price of approximately \$53 million (approximately £39 million).

The directors have considered the carrying value of the investment for both the Company through review of the forecasts of the business and the net assets of the entities. Following this exercise, they do not believe any impairments are required.

14 Subsidiaries

Details of the Company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Outbrain Spain S.L.	Ronda General Mitre, 28-30, Barcelona 08017	Ordinary shares	100.00
Outbrain Germany GmbH	Oberanger 28, 80331, Munich, Germany	Ordinary shares	100.00
video intelligence AG	Mühlebachstraße 54, 8008 Zurich, Switzerland	Ordinary shares	100.00

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****15 Debtors**

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	55,239,661	40,971,631
Corporation tax recoverable	2,025,347	165,658
Amounts owed by group undertakings	20,285,063	7,056,279
Other debtors	6,332,219	1,249,364
Prepayments and accrued income	7,976,475	4,913,390
	<u>91,858,765</u>	<u>54,356,322</u>
	2022	2021
	£	£
Amounts falling due after more than one year:		
Other debtors	12,374,073	4,017,177
Deferred tax asset (note 17)	1,869,650	286,380
	<u>14,243,723</u>	<u>4,303,557</u>
Total debtors	<u>106,102,488</u>	<u>58,659,879</u>

Other debtors falling due after more than one year consists of deferred TAC amounting to £12,233,433 (2021: £3,876,417) and long-term deposits totalling £140,640 (2021: £140,760).

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	32,068,299	23,381,614
Amounts owed to group undertakings	82,666,104	10,541,155
Taxation and social security	2,700,263	1,093,356
Other creditors	3,478,192	1,509,122
Accruals and deferred income	47,432,505	38,830,444
	<u>168,345,363</u>	<u>75,355,691</u>

At the balance sheet date, loan amounts totalling £14,167,349 (2021: £9,854,429) were due to Outbrain Inc and are included within amounts owed to group undertakings within current liabilities. Interest on this loan is charged at the US federal short-term rate as defined in Internal Revenue Code section 1274(d) and Treasury Regulation section 1.482-2(a)(2)(iii)(C). The total loan facility available is \$20,000,000, and amounts outstanding are payable on demand.

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****17 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon:

	Assets 2022 £	Assets 2021 £
Balances:		
Allowance for doubtful debts	509,266	179,972
Stock based compensation	195,963	133,776
Foreign tax credit carried forward	866,310	1,327,612
Net operating loss carried forward	1,199,475	-
Accruals and other timing differences	(35,054)	(27,368)
Valuation allowance	(866,310)	(1,327,612)
	<u>1,869,650</u>	<u>286,380</u>
		2022 £
Movements in the year:		
Asset at 1 January 2022		(286,380)
Other		(1,583,270)
Asset at 31 December 2022		<u>(1,869,650)</u>

18 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>580,606</u>	<u>491,544</u>

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

19 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****20 Share based compensation reserve**

	2022	2021
	£	£
At the beginning of the year	(491,679)	288,634
Share based compensation reserve movements	1,234,147	(780,313)
At the end of the year	<u>742,468</u>	<u>(491,679)</u>

21 Currency translation reserve

	2022	2021
	£	£
At the beginning of the year	448,761	(960,188)
Translation (loss)/gain arising in the year	(1,626,085)	1,408,949
At the end of the year	<u>(1,177,324)</u>	<u>448,761</u>

22 Profit and loss reserves

	2022	2021
	£	£
At the beginning of the year	3,932,212	(3,304,294)
(Loss)/profit for the year	(10,687,221)	7,236,506
At the end of the year	<u>(6,755,009)</u>	<u>3,932,212</u>

23 Operating lease commitments**Lessee**

At the reporting end date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	440,228	596,715
Between two and five years	1,310,256	273,578
	<u>1,750,484</u>	<u>870,293</u>

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****24 Related party transactions****Transactions with related parties**

During the year the Company entered into the following transactions with related parties:

	2022	2021
	£	£
<i>Net receivables invoiced to customers on behalf of:</i>		
Outbrain Inc	-	1,064,996
Ligatus GmbH	-	3,025,412
<i>Net payables invoiced to customers on behalf of:</i>		
Outbrain Inc	16,300,046	-
Ligatus GmbH	2,563,954	-
Outbrain Services Monetização de Conteúdo Ltda	645,742	273,427
Outbrain Japan KK	1,850,778	960,676
vi AG	245,802	-
<i>Costs allocated from parent Company:</i>		
Outbrain Inc	9,531,002	7,726,038
<i>Interest received on intercompany loan:</i>		
Outbrain Inc	-	15,676
<i>Decrease on intercompany loan receivable</i>		
Outbrain Inc	10,755,791	-
<i>Interest payable on intercompany loan:</i>		
Outbrain Inc	404,018	-
<i>Increase on intercompany loan payable</i>		
Outbrain Inc	13,990,980	-
<i>Expenses paid for on behalf of:</i>		
Outbrain Inc	3,648,707	-
Ligatus GmbH	-	410,630
Zemanta Holdings	10,963,001	1,746,503
Outbrain Italy Srl	116,932	482,668
Outbrain Australia PTY Ltd	-	15
<i>Expenses payable to:</i>		
Outbrain Inc	-	85,264
Ligatus GmbH	2,843,029	-
Outbrain Australia PTY Ltd	16	-
Outbrain Spain SL	16,449	-
Outbrain Singapore Pte. Ltd	1,313	-
vi AG	1,178,390	-
<i>Charges receivable for the use of IP:</i>		
Ligatus GmbH	-	2,304,552
<i>Charges payable for the use of IP:</i>		
Outbrain Inc	13,072,693	11,337,493

OUTBRAIN UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****24 Related party transactions****(Continued)****Payables related to SBC charges:**

Outbrain Inc	-	3,376,282
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Receivables related to SBC:

Outbrain Inc	522,930	-
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The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due to related parties		
Outbrain Inc	74,828,060	5,269,145
Ligatus GmbH	169,785	-
Outbrain Services Monetização de Conteúdo Ltda	1,910,860	1,265,118
Outbrain Israel Ltd	54,251	55,352
Outbrain Japan KK	3,136,625	1,285,847
Outbrain Singapore Pte. Ltd	11,146	9,833
Outbrain Italy Srl	2,163,724	2,280,656
Outbrain Spain SL	391,653	375,204
	<u>82,666,104</u>	<u>10,541,155</u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due from related parties		
Ligatus GmbH	-	5,237,198
Outbrain Australia PTY Ltd	4,469	4,485
Zemanta Holdings	12,777,598	1,814,596
Outbrain Germany GmbH	10,961	-
vi AG	7,492,035	-
	<u>20,285,063</u>	<u>7,056,279</u>

25 Ultimate controlling party

Outbrain Inc (incorporated in United States of America) is regarded by the directors as being the Company's ultimate parent Company and controlling party. Both the highest and lowest levels at which the results of the Group are consolidated are in the accounts of Outbrain Inc. Outbrain Inc is a public listed Company, trading on the Nasdaq market on the New York Stock Exchange. Outbrain Inc is registered at 615 South DuPont Highway, Dover, Delaware 19901.