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

*This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the information concerning the Group presented in 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.*

# PUBLICIS GROUPE S.A.

## Statutory auditors' report on the consolidated financial statements

Year ended December 31, 2023  
PUBLICIS GROUPE S.A.  
133, avenue des Champs-Élysées 75008 PARIS

KPMG S.A., société d'expertise comptable et de commissaires aux comptes inscrite au Tableau de l'Ordre des experts comptables de Paris sous le n° 14-30080101 et rattachée à la Compagnie régionale des commissaires aux comptes de Versailles et du Centre.  
Société française membre du réseau KPMG constitué de cabinets indépendants affiliés à KPMG International Limited, une société de droit anglais (private company limited by guarantee).

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Siège social :  
Tour EQHO  
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Capital social : 5 497 100 €  
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## **PUBLICIS GROUPE S.A.**

133, avenue des Champs-Élysées 75008 PARIS

### **Statutory auditors' report on the consolidated financial statements**

For the year ended December 31, 2023

To the Annual General Meeting of Publicis Groupe S.A.,

### **Opinion**

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Publicis Groupe S.A. for the year ended December 31, 2023.

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, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

### **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 the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for statutory auditors (*Code de déontologie*) for the period from January 1, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

## Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

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

### *Revenue recognition*

(Notes 1.3 « Revenue », « Contract assets» and «Contract liabilities» and 27 «Contract liabilities» to the consolidated financial statements)

Risk identified	Our response
<p>Total revenue amounts to 14 802 million euros as of December 31, 2023 in the consolidated financial statements.</p> <p>The principles of revenue recognition are presented in note 1.3 to the consolidated financial statements.</p> <p>Service contracts between the Group's entities and their clients include specific contractual terms. Accounting standards related to the recording of these contracts require a detailed analysis of contractual obligations and criteria for the transfer of control of promised services to the customer, particularly for contracts in progress at the closing date.</p> <p>An error in the analysis of contractual terms and obligations to determine the transfer of control of promised services to the customer may lead to an error in revenue recognition.</p> <p>Consequently, we consider revenue recognition as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• For each type of contract, we obtained an understanding of the revenue recognition process established by management, from the conclusion of the agreement, through the performance of the services, the invoicing, the estimation of the amount to recognize at the closing date, and its booking in the accounts, until the receipt of payment.</li> <li>• We performed design, implementation and effectiveness testing of key controls over revenue processes and information systems related to revenue recognition.</li> <li>• We analyzed the appropriateness and correct application of the accounting principles and methods relating to revenue recognition, as described in the consolidation financial statements.</li> <li>• We performed substantive testing of revenue recognition for a selection of contracts based on quantitative and qualitative criteria, with reference to signed contracts and other external evidence, and checked for proper booking and cut-off.</li> <li>• We examined the contractual documentation, the subsequent payment and the analysis carried out by the Group, concerning particularly the recoverability of accounts receivables and work-in-progress.</li> <li>• We have also assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements.</li> </ul>

### Valuation of goodwill and intangible assets

(Notes 1.3 « Goodwill », 7 « Depreciation, amortization and impairment loss », 12 « Goodwill » and 13 « Intangible assets, net » to the consolidated financial statements)

Risk identified	Our response
<p>The business development of Publicis Groupe involves especially external growth transactions. These acquisitions have resulted in the recognition of significant goodwill and intangible assets in the consolidated balance sheet.</p> <p>As of December 31, 2023, net goodwill amounts to 12 422 million euros in the consolidated balance sheet and net intangible assets amount to 958 million euros.</p> <p>Publicis Groupe performs impairment tests on goodwill at least once a year, and on intangible assets when there is an indication of impairment loss. An impairment loss is recognized whenever the recoverable amount is below the carrying amount, the recoverable amount being the higher of value in use and fair value less transaction costs.</p> <p>The valuation of the recoverable amount of these assets involves the use of numerous estimates and judgments from the management, particularly the assessment of the competitive, economic and financial environment in the countries where the Group operates, the Group's ability to generate operating cash flow as a result of strategic plans, in particular the levels of revenue and operating margin, and the determination of discount and growth rates.</p> <p>Impairment tests on goodwill resulted in losses of 6 million euros in 2023.</p> <p>We consider that the valuation of goodwill and intangible assets constitutes a key audit matter, given the sensitivity of these items to the assumptions used by management and the materiality of the amount of these in the consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>• We obtained an understanding of the procedure and key controls set up by the management to perform the impairment tests and notably for the determination of the cash flows used to calculate the recoverable amount.</li> <li>• In order to assess the reliability of the business plans data used to calculate the recoverable amount, we have: <ul style="list-style-type: none"> <li>○ compared the five-year financial projections (2024-2028) used for impairment testing with the previous pluriannual financial projections and with the actual results for the fiscal years concerned;</li> <li>○ compared the main assumptions used in the five-year financial projections with the explanations obtained through interviews with the independent expert engaged by Publicis Groupe S.A. for impairment tests' purpose and the financial and operational managers of Publicis Groupe S.A.;</li> <li>○ compared the main assumptions used by Publicis Groupe S.A.'s management on revenue, operating margin and investments with external data when available, such as market studies or analysts' reports;</li> <li>○ evaluated the consistency of future cash flow estimates with the main assumptions made in the five-year financial projections (2024-2028), the year 2024 being directly derived from the annual budget approved by management;</li> <li>○ studied the sensitivity analyses performed by the independent expert and carried out our own sensitivity analyses on the key assumptions in order to assess the potential impacts of these assumptions on the conclusions of the impairment tests.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• We involved our valuation experts in order to: <ul style="list-style-type: none"> <li>○ assess the methods used to determine the discount and infinite growth rates, compare these rates with market data or external sources and re-compute these rates using our own data sources.</li> <li>○ test the mathematical accuracy of the models and re-calculate the significant amounts;</li> </ul> </li> <li>• We also assessed the appropriateness of the information disclosed in note 7 to the consolidated financial statements, which includes the key assumptions used to determine the recoverable amounts.</li> </ul>
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*Accounting and valuation of provisions for risks and litigation, liabilities relating to tax risks and litigation, and contingent liabilities*

(Notes 1.3 « Provisions », 10 « Income tax » and 22 « Provisions for risks and litigation » to the consolidated financial statements)

Risk identified	Our response
<p>Publicis Groupe S.A.'s entities operate in more than 100 countries and are therefore subject to many laws and regulations, including tax rules, that are complex and constantly changing.</p> <p>Furthermore, in the course of their activity, Publicis Groupe S.A. and its subsidiaries may be sued or jointly cited in legal proceedings brought against them, or against their customers, by third parties, by competitors, by an administrative or regulatory authority, or by a consumer association.</p> <p>Management's evaluation of the associated risks has led Publicis Groupe S.A. to recognize provisions for risks and litigation in the amount of 232 million euros as at December 31, 2023, and to recognize some uncertain income tax liability in the amount of 216 million euros as at December 31, 2023.</p>	<ul style="list-style-type: none"> <li>• We obtained an understanding of the procedures implemented by the management in order to identify risks and disputes, including tax risks, to measure their impact and, where appropriate, assess the amount of liabilities to be recorded.</li> <li>• We obtained an understanding of the internal risk and litigation reports prepared by the local teams and compiled by the legal and tax departments.</li> <li>• We assessed the probability of an outflow of resources and the estimated amount of the obligation: <ul style="list-style-type: none"> <li>○ by considering the risk analysis performed by Publicis Groupe S.A. and by conducting interviews with the company's legal and tax departments, for a selection of risks and disputes deemed complex and significant, in the litigation or pre-litigation phase;</li> <li>○ by inquiring the external advisers of Publicis Groupe S.A. or by obtaining legal opinions for the risks and disputes deemed most significant.</li> </ul> </li> </ul>

Given the uncertainty of the outcome of the proceedings initiated, management's high level of judgment in estimating risks, and the recorded amounts of provisions and liabilities, we considered the recognition and measurement of provisions for risks and litigation, liabilities relating to tax risks and litigation, and contingent liabilities, to be a key audit matter.

- We have assessed the appropriateness of the risk and litigation information disclosed in the notes to 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 Group's information given in the Executive Board's report.

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

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's information given in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party.

### Report on Other Legal and Regulatory Requirements

#### Format of preparation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditor regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Executive Board, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation regulation. Based on the work we have performed, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to technical limitations inherent to the block-tagging of the consolidated financial statements prepared in the European single electronic format, the display of the content of certain tags of the accompanying notes may not be identical in the consolidated financial statements attached to this report.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### **Appointment of the Statutory Auditors**

We were appointed as statutory auditors of Publicis Groupe S.A. by your Annual General Meeting held on May 31, 2023 for KPMG S.A. and on June 4, 2007 for ERNST & YOUNG et Autres.

As at December 31, 2023, KPMG S.A. was in its first year of engagement, and ERNST & YOUNG et Autres was in the seventeenth year of total uninterrupted engagement (ERNST & YOUNG Audit having previously served as statutory auditor of Publicis Groupe from 2001 to 2006).

### **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 the European Union 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 Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Executive Board.

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

### Objectives and audit approach

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.821-55 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.

### **Report to the Audit Committee**

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for statutory auditors (*Code de déontologie*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The statutory auditors French original signed by

Paris-La Défense, February 8, 2024

KPMG S.A.

Paris-La Défense, February 8, 2024

ERNST & YOUNG et Autres

Marie Guillemot

Nicolas Poncet

Nicolas Pfeuty

Claire Cesari-Walch