



Abbreviated Consolidated Financial Statements

2023

Director's report

Management review

ESOMAR was founded in 1948. The registered office of the Society is in Amsterdam, the Netherlands (chamber of commerce number 54165458). Operations are managed from the office, which is located at HNK, Burgemeester Stramanweg 105 D, 1101 AA Amsterdam, The Netherlands. The Society has a 100% subsidiary: ESOMAR B.V., which is registered in the Netherlands (chamber of commerce number 33299075).

As of January 1st 2024 the ESOMAR organisation has been restructured. The office in Amsterdam has been divided into two big departments Member Services and Operations, plus a unit combining the teams of Government Affairs, Professional Standards and the Intelligence unit.

Member Services, lead by the Chief Services Officer, grouping together Membership, Business Development & Sales, Marketing and Communication, and Global content and events.

The Operations department, lead by the Chief Finance Officer/Chief Operations Officer, concentrating the supporting services of Finance, Human Resources, Tax and Legal, and Business Systems and R&D. The Director General, together with the CFO/COO and the CSO form the steering committee of the ESOMAR BV.

Within ESOMAR all 35 employees are bound by the standards of performance and behaviour at work, which are written down in the Personnel Manual that also contains paragraphs regarding valuing diversity and dignity at work. The Personnel Manual is being updated annually.

2023 brought our community to our hometown Amsterdam for our 76th anniversary. Regional conferences in Mexico and Bangkok, Thailand were back on the ESOMAR in-person event calendar after a four year break caused by the COVID pandemic. Our first AI Forum in Amsterdam completed our in-person calendar in 2023. Together with strong membership growth figures complemented by Directory, the ESOMAR Academy and webinars, as well as our publications revenue grew by over EUR 500K from EUR 5,136K in 2022 to EUR 5,684K in 2023.

	2023	2022	2021
Revenue	5,684	5,136	3,888
Operational expenditure	(3,665)	(3,851)	(1,722)
Total General expenditure	(1,862)	(2,207)	(1,707)
Subtotal	157	(922)	459
Financial results (incl. Assets portfolio, etc.)	380	(488)	270
Operating results before special expenses	537	(1,410)	729
Council approved expenses	(267)	(299)	(74)
Net results (before tax)	270	(1,709)	655

Operational expenditure focused on delivering the best possible service to our members and the data insights industry, and General expenditure 2023 were below 2022 expenditure figures, bringing back a positive result before Financial results and Council approved expenses.

The bottom line net result over 2023 was EUR 270K versus EUR (1,709)K in 2022. The ESOMAR US initiative have been presented as part of the Council approved expenses over the period of 2019 till 2023 and will become official part of the Operational expenditure as of 2024.

In the table below they are already absorbed under Operational expenditure, Professional Standards and representation.

In thousands of euro	2023	2022
Revenue	5,684	5,136
Operational expenditure	(3,932)	(4,150)
Membership	(408)	(515)
Directory	(496)	(695)
Professional Standards and Representation	(1,137)	(1,385)
Events and Publication	(1,891)	(1,555)
Total General expenditure	(1,862)	(2,207)
Overhead costs, salaries and social charges	(434)	(591)
Office expenses	(523)	(521)
Other expenses	(516)	(675)
Amortisation/depreciation of (in)angible fixed assets	(389)	(420)
Total result (excluding financial results)	(110)	(1,221)
Financial result	380	(488)
Net result before tax	270	(1,709)
Tax	-	(33)
Net result to accumulated funds	270	(1,742)

Highlights 2023

- **ESOMAR Membership**

The Corporate Membership segment has demonstrated robust financial growth, underscoring resilience and positive progress. As of the fiscal year-end 2023, ESOMAR reports 660 Corporate Members, including agencies and clients, reflecting a 2% increase from the preceding year.

The overall financial health of ESOMAR's membership portfolio exhibits consistent growth, with a 6% surge. A significant contributor to this financial momentum is the outstanding 36% expansion of our Corporate Membership by the conclusion of the fiscal year 2023.

Corporate Membership now constitutes a substantial 82% share of the entire ESOMAR membership, marking a noteworthy increase from the 74% recorded at the close of the fiscal year 2022.

Through our dynamic community of individual and corporate members, ESOMAR establishes valuable connections with over 50,000 practitioners globally. This fosters a diverse and expansive network of professionals, creating an environment stimulating collaboration and knowledge-sharing. The financial strength and growth observed within the Corporate Membership segment are important components contributing to ESOMAR's overall financial success.

- **Young ESOMAR Society (YES)**

The landscape of the Young ESOMAR Society (YES) underscores our commitment to empowering the youth as the industry's dynamic force. YES strategically defines its age threshold at "under 31" to align with industry norms, focusing on nurturing the potential of young researchers. YES initiatives are aimed at elevating the knowledge, expanding exposure, and fostering valuable networking opportunities for young professionals within our sector.

In recognition of the importance of cultivating young talent, YES has strategically formed partnerships with five universities through its university enrollment program. This strategic financial move not only enhances collaboration but also positions YES at the forefront of the industry's future. As of the latest financial reporting period, we have 1,225 individuals aged 30 and below, with a strong likelihood of many more young researchers joining us under the corporate membership umbrella. The outlook indicates a great potential for more young researchers to join under the corporate and academic umbrella, further strengthening the YES community.

The strength of the ESOMAR community serves as a global platform where young researchers worldwide can find their place and thrive. This commitment to fostering the future of the industry through the support of YES aligns with ESOMAR's broader vision.

- **Directory**

The ESOMAR Directory, a specialized platform enabling members to demonstrate their expertise on both a local and global scale, is currently undergoing stabilization and showing modest growth in the year 2023. This upturn is predominantly influenced by a rising demand from corporate members.

In response to this heightened demand, we are consistently innovating, incorporating new features into the ESOMAR Directory of Research. We hold a strong belief that both current and prospective ESOMAR members will recognize the value of this platform. This recognition will empower them to broaden the horizons of their businesses and leverage the opportunities presented in the forthcoming years.

- **Advocacy**

- Participation to several public consultations promoted by the European Data Protection Board
- Artificial Intelligence Act: proposed amendments to the legislator and promoted several activities to provide ESOMAR members with the right tools to prepare for compliance (e.g. through presentations at key ESOMAR events, including AI Forum and ASI Singapore)
- Developed a position statement to defend the current interpretation of GDPR Art. 89 and the exceptions provided to the MR sector by GDPR and other legislative texts
- Developed a position paper, together with our partner in Bruxelles, in occasion of the 5th anniversary of GDPR
- Invited to join the Cookie Pledge Initiative organized by the European Commission
- Joined the Audience Measurement Coalition for the purpose of advocating for the protection of audience measurement in the context of the European Media Freedom Act, which aims to establish a common framework for media services in the internal market
- Participated to the consultation "Virtual worlds (metaverses) – a vision for openness, safety and respect" promoted by the European Commission

- **Professional Standards**

- Published guidelines on Demographics (gender; working status)
- Enforced the disciplinary procedures. Observed an increase in the number of complaints and queries received (numbers to be presented during the Professional Standards Committee meeting).
- Completed the transition from SERENE to the new Queries and Complaints self-regulation platform
- Initiated the renewal procedures for the update of the ICC/ESOMAR International Code

- **Other**

- ESOMAR Plus: ESOMAR is supporting ESOMAR Plus Subscribers around the world, assisting them with data privacy matters, working with research and analytics agencies as well as end-clients. In 2023 we started a renovation phase for ESOMAR Plus which will allow it to remain relevant in the coming years
- International Market Research Day: 2-week campaign organized between April and May 2023 to celebrate IMRD with several online and physical events independently organized by national associations and other interested entities and coordinated by ESOMAR under the theme "Research for Good"
- Associations Leaders Summit: held during ESOMAR Congress in Amsterdam and local events in Mexico and Singapore. A dozen associations took part in person. Discussions on advocacy, capacity building and safeguarding the industry.
- Research Got Talent competition: is an association-led initiative to spotlight young research talent and demonstrate the value of research to the work of charities and NGOs. RGT falls under the scope of the Associations Executive Committee (AEC), with regular updates to be given to the committee along with the presentation plan.

- **Events**

In 2023, buoyed by widespread vaccination and enhanced safety measures, the resurgence of in-person events reignited a sense of connection and community longed for during the digitally dominated 'COVID era'.

While we continued to offer digital meetups and sponsored webinars, our members enthusiastically embraced face-to-face networking opportunities, revitalizing the liveliness of local, regional, and international gatherings, thereby driving membership engagement and growth throughout the year.

With much anticipation, we announced the return of our flagship Congress to Europe after a four-year hiatus, alongside our regional event presence in key membership markets in Latin America and Asia Pacific, also marking a four-year absence.

In addition, the launch of the ESOMAR AI taskforce in 2023 identified a need to offer a one-day AI Forum to facilitate discussion on the issues surrounding the use of artificial intelligence in the research, insights, and analytics sector worldwide.

All four events were carefully curated to enhance value and proximity with our members. Three of them offered live streaming for those unable to attend in person and included dedicated CLICK meetings for our corporate client members and audiences.

Moreover, complementing our digital portfolio of Academy trainings, the return to location-based events enabled us to provide a selection of in-person workshops preceding the events.

The revival of in-person events facilitated increased visibility for our client-led Research Effectiveness Award, YES (Young ESOMAR Society) Awards, and allowed us to reconnect with student networks, providing industry networking opportunities at our events.

- **Publishing**

The increase in the number of our events enabled us to increase both written and video content on our own research library on ANA, as well as to distribute these papers to WARC thus boosting our revenue. Gaining insight into the latest thinking, methods, and tools available to the industry, require online resources which means that the fully pivoted, online availability of Research World and other publications are well placed to meet demand.

- **Intelligence Unit:**

- ESOMAR completes the yearly Membership Questionnaire to learn the opinion of its members and publishes infographic with the findings.
- The members-only online dashboard, based on the Global Market Research reports of several years, was finally published and was intended to become a strong point in the value proposition towards acquiring data analysts.
- Industry presentations continue to take place such as the one at IIEX in Amsterdam, ESOMAR LATAM in Mexico, SAIMO (online), Succet (both online and face-to-face in Wiesbaden), MIE in Utrecht, Data Analytics Congress in Amstelveen, ESOMAR's Congress in Amsterdam, MRSI (online) or the ESOMAR/CUBE event in Puurs-Sint-Amands.
- Publication of a family of industry reports, the Global Insights Overview, that includes the Global Market Research, Global Data Analytics and Global Users & Buyers of Insights.

- Publication of a new edition of the biannual Global Prices Study.
- Publication of free reports like the ESOMAR Global Top-50 Insights Companies or ESOMAR's Insights Market Development Index.
- Publication of a series of Country Market Research reports focused on the activity for several countries.
- Development of the first CEO questionnaire, presented at ESOMAR's Congress in Amsterdam.

- **Collaborative Partnerships**

ESOMAR has formed partnerships with notable organizations in the market research sector, such as Quirks, Greenbook, DINN, TMRE, WARC, Printemps des Etudes, DIMENSION, Succet, and WIRE. These collaborations aim to share knowledge and work together on various projects, contributing to the broader industry's growth.

- **AI Taskforce Initiative**

The AI Taskforce is ESOMAR's response to the increasing integration of artificial intelligence in market research. It focuses on exploring ethical considerations, setting best practices, and encouraging innovative uses of AI, helping members navigate the evolving technological landscape.

- **Monthly E-newsletter for Members**

ESOMAR introduced a monthly e-newsletter to keep its members updated on industry news, events, and insights. It's designed as a resource for those looking to stay connected with the wider market research community.

- **Event Websites and Mobile App**

To improve the experience for event attendees, ESOMAR launched specific websites for its major events, complemented by a mobile app. These tools provide detailed event information and facilitate networking, making the event experience more engaging and informative.

- **"Talking Insights 'On the Road'" Podcast Series**

This podcast series offers a glimpse into the market research industry through interviews and discussions. It aims to cover current trends and provide insights directly from professionals and ESOMAR events worldwide.

- **ESOMAR Connect Networking**

With ESOMAR Connect, the organization has hosted networking events in various global locations, promoting the exchange of ideas and opportunities among market research professionals.

- **Commitment to Data Quality and Anti-Fraud Measures**

ESOMAR is actively working to enhance data quality and combat fraud in market research. This involves setting high standards and collaborating with partners to ensure the reliability and integrity of research data.

- **Enhancements to Research World Magazine**

Research World has been updated to include multimedia content like podcasts and videos, a refreshed visual design, and a new LinkedIn group. These changes, alongside a significant increase in site visits, reflect an effort to provide more engaging content.

- **Foundation and Sustainability Efforts**

In partnership with its Foundation, ESOMAR has been involved in marketing efforts for fundraising and has launched a sustainability project. This project emphasizes the industry's role in promoting sustainable practices and includes a dedicated website and mailing list for community engagement.

- **Virtual Academy Updates**

The Virtual Academy has seen improvements for better accessibility and promotion, including the integration of Research World articles, ongoing communication efforts, and website optimizations. These updates aim to enhance the learning experience for professionals in the market research field.

Financial position and overview

Revenue

In 2023, the Society registered a turnover of EUR 5,684K, compared to EUR 5,136K in 2022, EUR 3,888K in 2021, EUR 3,711K in 2020 and EUR 5,330K in 2019.

- (1) *In 2023 we successfully brought back our Annual Congress to our hometown for our members and the industry at large. Together with our regional events, the AI Forum, the ESOMAR academy, and a very varied series of webinars we were able to connect thousands of members and non-members worldwide. All these activities together generated EUR 1,875K of which EUR 1,312K came from our Annual Congress in Amsterdam, The Netherlands.*
- (2) *After an increase of EUR 184K in 2022, Membership revenue for 2023 increased by EUR 144K to EUR 2,350K (after re-allocation to other activities). For this we are grateful to our loyal members, the many new members that joined in 2023 and the popularity of the ESOMAR plus services provided to our corporate members.*

The Licensee package (i.e. employees can register as “designated members” for a fixed annual fee) was first sold in 2017. After some modifications were made to the offer, the popularity of the licensee fee continued to grow from EUR 243K to EUR 301K in 2023.

- (3) *The impact of corporate membership subscriptions has not only benefited the membership numbers but has also contributed significantly to the Directory results for 2023. 46% of all Directory revenue comes from corporate membership subscriptions vs. 43% in 2022, 39% in 2021 and 38% in 2020. Total Directory revenue increased from EUR 1,171K (before re-allocation) in 2022 to EUR 1,194K in 2023.*
- (4) *Education, ESOMAR Academy both live and on-demand and sponsored webinars, contributed EUR 63K to the 2023 accounts. The Academy and webinars served the needs and interests of many professionals within the global business community of insights and analytics, and together generated EUR 149K of which EUR 111K came from the participants to the Virtual Academy (EUR 102K in 2022). The number of participants to the Academy continued to grow in 2023, a clear signal the topics covered align with the interest of our members.*
- (5) *Despite a decrease in revenue from EUR 319K in 2022 to EUR 265K in 2023 Research World and ESOMAR publications contributed positively to the professional development and events result, by EUR 148K. Our industry reports of which the Global (and Country!) Market Research reports, The Global Prices Study and the Evolution of the Insights & Analytics Industry are just a few examples are highly valued membership benefits that also continue to find their way to other professionals within the industry.*

Expenditure

General Expenditure as per the tables presented on page 3 decreased in all categories compared to 2022.

General expenditure totaled EUR (1,862)K in 2023 vs. EUR (2,207)K in 2022.

The total result (excluding financial results) for 2023 as per the table presented on page 3 registered a negative result of EUR (110)K compared to EUR (1,221)K in 2022.

Despite the continuing war between Ukraine and Russia our Financial Assets showed strong recovery in 2023. The Value of our financial assets increased by EUR (380)K, whereas 2022 had closed with a negative Financial Asset result of EUR (488)K. Previous year results were EUR 270K in 2021, EUR 69K in 2020 and EUR 247K in 2019.

The solvency of ESOMAR is, as always, very good with a 62% score. With a total of cash and equivalent of EUR 624K at year end 2023 (2,011K in 2022) there is limited risk ESOMAR will not be able to cover their bills.

Financial risk management

Overview

The Group has exposure to credit, liquidity, and market risk, from its use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk, and the Group's management capital. Further quantitative disclosures are included throughout these abbreviated consolidated financial statements.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Principally it arises from the Group's receivables from investment securities and customers.

Investments

The Group limits its exposure to credit risk by mainly investing in triple-A rated bonds and securities (Standard & Poor's) and A from Moody's. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by each customer's individual characteristics. The Group establishes an impairment allowance that represents its estimate of incurred losses regarding trade and other receivables and investments. The allowance consists of a specific loss component that relates to individually significant exposures.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for the current period. This is done by preparing cash flow budgets for the coming year and the current cash position (including cash position as part of asset management) is sufficient to cover the

operational expenses. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk investment.

The Group has mandated ABN AMRO Asset management to buy and sell securities and to maintain cash balances for investment purposes. All such transactions are carried out within the risk profile set by the Council of the Society of ESOMAR.

To manage market risks, the asset management portfolio performance is reviewed on a monthly basis by the management of ESOMAR.

Currency risk

The Group is exposed to currency risk on investments and purchases that are denominated in a currency other than the Euro.

Based on the risk assessment performed by the Group, the net exposure of the currency risk is kept to an acceptable level and therefore no hedge instruments are applied to manage the currency risk on investments and trade payables denominated in a foreign currency.

Interest rate risk

The risk of fluctuations in value of fixed income assets is not hedged.

Other market price risk

The primary goal of the Group's investment strategy is to maximize investment returns, keeping in mind the defined strategic mix agreed by Council and the management of ESOMAR. In accordance with this strategy all investments are designated at fair value through profit or loss since their performance is actively monitored and they are managed on a fair value basis.

Capital management

The Group monitors its capital which comprises all components of accumulated funds attributable to the members of the society. The Group's objective when maintaining capital is to safeguard the Group ability to continue as a going concern, so that it can continue to meet its strategy and benefits for other stakeholders.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. Following the capital management structure, the Group's strategy is to preserve a strong cash base and to have a spread investment portfolio.

Industry outlook 2024:

The industry continues to move apace in a landscape of relatively high interest rates, the shadow of high inflation rates and a progressive return to normalcy after the shockwave of the pandemic and the post-pandemic shocks (a very diverse pace of recovery, global supply chain shortage, food and energy inflation).

The last fiscal year, 2023, was a period of caution, characterised by relatively low movement in the M&A landscape, conservative growth and a lack of obvious outliers beyond the usual faster-than-average growth of the software research sector.

An official figure for global insights industry turnover for 2023 will be published in ESOMAR's Global Market Research report in the coming months. In the meantime, the preliminary expected turnover for 2023 is US\$ 138.7 billion made up as follows:

- *the market research sector, by which we mean full-service providers and sample panel providers, has a combined turnover of US\$ 48.4 billion representing 35% of the global turnover*
- *the software research sector, including subscription software firms dedicated to DaaS, SaaS, CRMs and the like, including digital data providers, social listening, communities, self-serve research providers or enterprise feedback management firms, have a combined turnover of US\$ 56.0 billion and a global share of 41% of the market, and lastly*
- *the reporting sector, including consultancy services and specialised industry reports, have a global value of US\$ 32.6 billion and a global share of 24%.*

Please note that this is still to be validated by ESOMAR's Global Market Research report, in its September 2024 edition.

One of the main effects of the COVID-19 crisis was the increased understanding that decision-makers for brands and institutions need to be very close to their customers/users/citizens' changing needs. This was exacerbated by tech companies showing that data-driven businesses obtained better results and/or capped evaluation.

The combination of the two elements has propelled the overall data, insights and market research ecosystem on many fronts:

+ Ownership transformation: The increased investment by private equity and venture capitalists in companies of all sizes has affected the management and performance expectations of market research companies. A more intense focus on finance, sales and technology is altering the decision-making of big groups and has boosted the sales mindset of the industry.

+ Technology pressure: 2023 has been the first full year where Artificial Intelligence (AI) is top of mind for all decision-makers on a daily basis.

With the Metaverse, the hot topic of 2022, long forgotten, and automation being a constantly internalised activity, all eyes are now on how to ride the AI new wave. 2023 has been the year of discovery and experimentation with some initial adoption of concepts, tools and technology in fields not previously embraced, but let's not forget that artificial intelligence is not new in this industry. It does now come with new features and capabilities that open new areas of interest such as video analytics, chatbot interviews, qualitative at scale, text analytics and verbatim coding, emotion AI,

creative testing, knowledge management, CX and product feedback, but the one that is expected to be very central is synthetic data and respondents.

+ End clients' transformation: In a world where speed is key, having access to quick insights is reshaping end-user departments' purchase criteria, habits and user profiles. This change is redefining the offer side creating two main categories that determine demand and supply: affordable, quick and tactic versus thorough, strategic and higher-value decisions. While big market research groups can transform their offer and positioning, this trend will boost the emergence of new players and increase the specialisation of established companies.

These trends are determining the evolution of the industry and will keep evolving in 2024 and the coming years. They are constantly redefining the landscape of the market research, data and insights ecosystem. It is said that change is the constant. We can also state that understanding the needs, usages and preferences of people is and will remain a constant. Therefore, the insights and market research industry, driven by people interested in understanding people, is constantly renewing and boosting its relevance.

Amsterdam, 19 June 2024

The Board of Management,

Ray Poynter

ESOMAR President

Tom de Ruyck

ESOMAR Vice-President

Corrine Moy

ESOMAR Treasurer

Martha Llobet

Council member

Alain Mizrahi

Council member

Alina Serbanica

Council member

Jean-Marc Léger

Council member

Dharmendra Jain

Council member

Liubov Ruchinskaya

Council member

Abbreviated Consolidated statement of the financial position

As at 31 December 2023

In thousands of euro

	2023	2022
Non-current assets		
Intangible assets	1,092	1,155
Property, plant and equipment	70	164
Financial fixed assets	3,999	4,139
Income tax deferred	-	-
Total non-current assets	5,161	5,458
Current assets		
Receivables		
Debtors	291	247
Prepaid expenses and other receivables	585	550
Income tax receivable	-	-
Accrued income	89	70
	965	867
Cash and cash equivalents	437	844
	437	844
Total current assets	1,402	1,711
Total assets	6,563	7,169
Current liabilities		
Payables and accrued expenses	612	1,539
Income tax payable	-	-
Deferred income	1,871	1,820
Total current liabilities	2,483	3,359
Total assets less current liabilities	4,080	3,810
Financed by: accumulated funds attributable to the members of the Society	4,080	3,810

Abbreviated Consolidated statement of profit or loss

For the year ended 31 December 2023

In thousands of euro

	2023	2022
<i>Professional standards and membership</i>		
Membership and entrances fee	2,350	2,206
Local meetings	-	-
Membership expenditure	(408)	(515)
	1,942	1,691
Directory entries	1,194	1,171
Directory expenditure	(496)	(695)
	698	476
Other corporate and representation expenditure	(1,137)	(1,385)
Subtotal gross margin professional standards and membership	1,503	782
<i>Professional development and events</i>		
Congress revenue	1,312	1,223
Congress expenditure	(1,265)	(1,196)
	47	27
Conferences revenue	414	43
Conferences expenditure	(422)	(32)
	(8)	11
Education (workshops) revenue	149	174
Education (workshops) expenditure	(86)	(125)
	63	49
Publishing revenue	265	319
Publishing expenditure	(118)	(202)
	147	117
Subtotal gross margin professional development and events	249	204
Total gross profit	1,752	986
General expenditure		
Overhead costs, salaries and social charges	(434)	(591)
Office expenses	(523)	(521)
Other expenses	(516)	(675)
Amortisation and depreciation on intangible and tangible assets	(389)	(420)
Total general expenditure	(1,862)	(2,207)
Operating result (carry forward)	(110)	(1,221)

For the year ended 31 December 2023

In thousands of euro

	2023	2022
Operating result (carried forward)	(110)	(1,221)
Finance income	380	-
Finance expenses	-	(488)
Net finance income / (expense)	380	(488)
<hr/>		
Net result before tax	270	(1,709)
Income tax	-	(33)
<hr/>		
Net result and comprehensive income attributable to the members of the Society	270	(1,742)

Abbreviated Consolidated cash flow statement

For the year ended 31 December 2023

In thousands of euro

	2023	2022
Operating result	(110)	(1,221)
Amortisation of intangible assets	279	225
Depreciation property, plant and equipment	111	198
Changes in provisions	-	-
Change in fair value Financial fixed asset	(319)	471
Gain/(loss) on disposal of Financial fixed asset	4	46
	(35)	(281)
Changes in debtors	(44)	8
Changes in prepaid expenses, other receivables and accrued income	(54)	(214)
Changes in payables and accrued expenses	(883)	1,043
Changes in taxes and social security	(44)	(8)
Changes in deferred income	51	391
Net cash flow from operations	(1,009)	939
Income tax paid	-	-
Interest paid	-	(16)
Net cash flow from operating activities	(1,009)	923
Cash flows from investing activities		
Interest / Dividend received	380	(472)
Proceeds from sale of financial fixed assets	62	661
Acquisitions of investments	(372)	(524)
Acquisitions of intangible assets	(216)	(569)
Acquisition of property, plant and equipment	(17)	(30)
Net cash flow from/(used) in investing activities	(163)	(934)
Net cash from/(used) in financing activities	-	-
Net movement in cash and cash equivalents	(1,172)	(11)
Cash and cash equivalents at 1 January	2,011	2,022
Cash and cash equivalents at 31 December	839	2,011
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	437	844
Cash component of Asset Management	402	1,167
Cash and equivalent at 31 December	839	2,011

Abbreviated Consolidated statement of changes in equity

For the year ended 31 December 2023

In thousands of euro

Balance as at 1 January 2022	5,552
Net result for the year 2022	(1,742)
Balance as at 1 January 2023	3,810
Net result for the year 2023	270
Balance at 31 December 2023	4,080

Notes to the abbreviated consolidated financial statements for the year 2023

1 General notes

Activities

ESOMAR is the world organisation for enabling better research into markets, consumers, and societies. With 11,907 (of which 42 applicants) members in 141 countries, ESOMAR's aim is to promote the value of market and opinion research in illuminating real issues and bringing about effective decision-making. In addition to the 11,907 individual members, we are proud to have 668 corporate members, (of which 8 applicants) representing more than 50,000 employees, as part of our member base.

To facilitate this on-going dialogue, ESOMAR creates and manages a comprehensive programme of industry specific and thematic conferences, publications and communication as well as actively advocating self-regulation and the worldwide code of practice.

Registered office

ESOMAR was founded in 1948. The registered office of the Society is in Amsterdam, the Netherlands. Operations are managed from the office located at HNK, Burgemeester Stramanweg 105, 1101 AA Amsterdam, The Netherlands.

Basis of consolidation

The abbreviated consolidated financial statements include the financial statements of the Society and its subsidiary ESOMAR B.V. ("the Group"), using the full consolidation method. All material inter-company income and expenses, balances, transactions and profits and losses resulting from intra-group transactions are eliminated on consolidation. The Society has a 100% subsidiary: ESOMAR B.V., which is registered in the Netherlands.

Continuity

Our financial fixed assets, EUR 4M at the end of 2023, of which 5% (EUR 187K) is readily available in liquidities, provided us with sufficient cash to meet all our financial obligations.

Use of estimates and judgements

The preparation of abbreviated consolidated financial statements in compliance with Dutch GAAP requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The estimates and assumptions that have a risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Impairment allowance for doubtful debtors (refer to note 8)

- Useful lives of intangible assets and property plant and equipment (refer to note 5 and 6)

2 General accounting policies

Basis of measurement

The abbreviated consolidated financial statements are prepared under the historical cost convention except for the following assets and liabilities, which are stated at fair value: derivative financial instruments, financial instruments and assets held for trading.

Functional and presentation currency

The abbreviated consolidated financial statements are presented in Euro thousands and rounded as such, which is equal to the functional currency.

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity investments, a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised in other comprehensive income.

3 Accounting policies applied to the valuation of assets and liabilities

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement using the straight-line amortisation method with no residual value over the estimated useful life of the assets (5 years).

Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement using the straight-line depreciation method with no residual value over the estimated useful lives of the assets mainly as follows:

- o Office equipment, licenses and furniture: 5 years

Financial instruments

Non-derivate financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a

transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Financial assets designated at fair value through profit or loss comprise equity securities that otherwise would have been classified as available for sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables, including service concession receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Available-for-sale financial assets comprise equity securities and debt securities.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged,

cancelled, or expire. The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, and trade and other payables.

Inventory

Inventories are stated at the lowest of cost and net realisable value. The cost of inventory is based on the FIFO method.

Impairment

An assessment is made at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, an estimate of the asset's recoverable amount is made. An asset's recoverable amount is the highest of its fair value less selling costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement.

Recognition of Income, other than events

This represents revenues from third parties, mainly members of the Society.

- Membership fees are recognised in the income statement of the period to which they relate. Membership entrance fee is invoiced to new members only and recognised at invoice date.
- Directory income is recognised in the income statement of the period to which the fees relate.
- Publishing revenue is recognised in the income statement at shipment date.

Recognition of Income and expenses from events (Congress, Conferences and Education)

Congress, Conferences and Education revenue is recognised in the income statement on the date when the event takes place.

Deferred income

As far as revenue is presented on the balance sheet under Deferred income the amounts relate to the sum of what has been invoiced throughout the reporting year regarding revenue to be recognised in the income statement of the following reporting year.

Expenditure

Expenditure is directly allocated to activities where possible; salaries are allocated based on the number of staff working for specific activities.

Defined contribution plans

Commitments for defined contributions to pension plans are recognised as expenditure in the income statement as incurred. The pension premiums payable as per balance sheet relate to the Group's contribution to the pension scheme.

Financial income net

Interest income is recognised in the income statement as it accrues. Dividend income is recognised in the income statement on the date the entity's right to receive payment is established. Furthermore, the financial expenditure comprises interest payable and management fees for Asset Management.

Income tax

Income tax on result is calculated by applying the current Dutch tax rate to the taxable result of the 100% subsidiary ESOMAR B.V.

No tax is due on the result of the Society, as these activities are tax exempt in The Netherlands.

Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses. The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

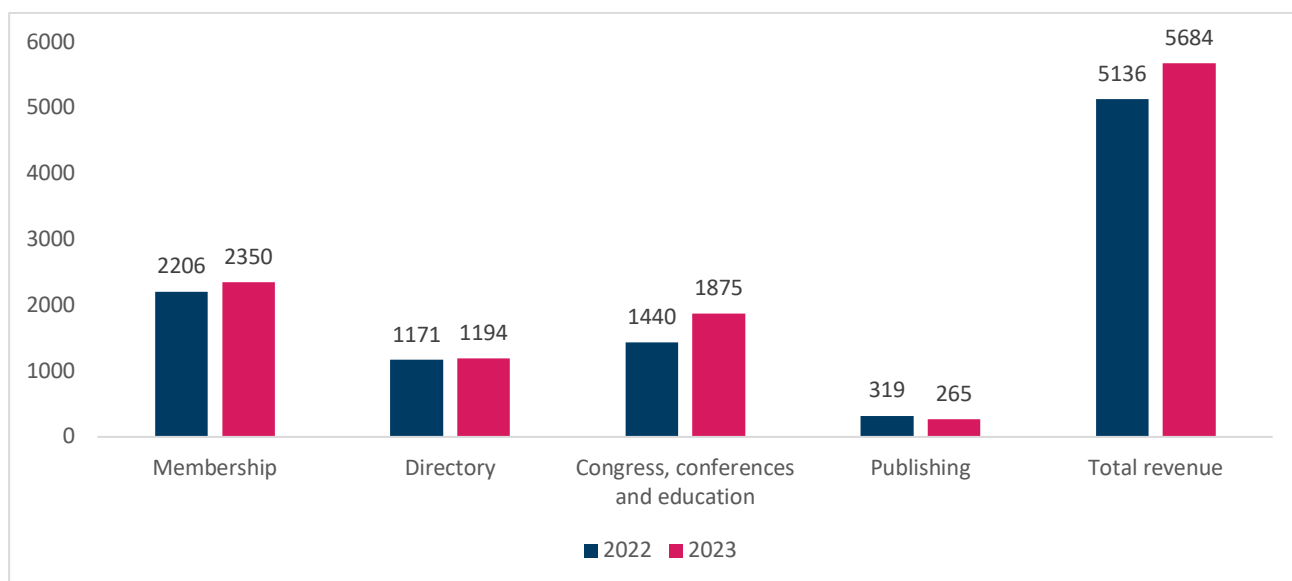
Deferred income taxes are recognized at nominal value.

Cash flow statement

The abbreviated consolidated cash flow statement, which has been prepared according to the indirect method, shows the cash flow from operating activities, investing activities, financing activities and the cash position at the beginning and at the end of the year. Cash flow from operating activities is stated as operating result adjusted for non-cash operating items and working capital movements. Cash flow from investing activities comprises investments and divestments of intangible, tangible and financial assets. The cash equivalents within the cash flow statement comprise the cash and the cash component of the Asset Management.

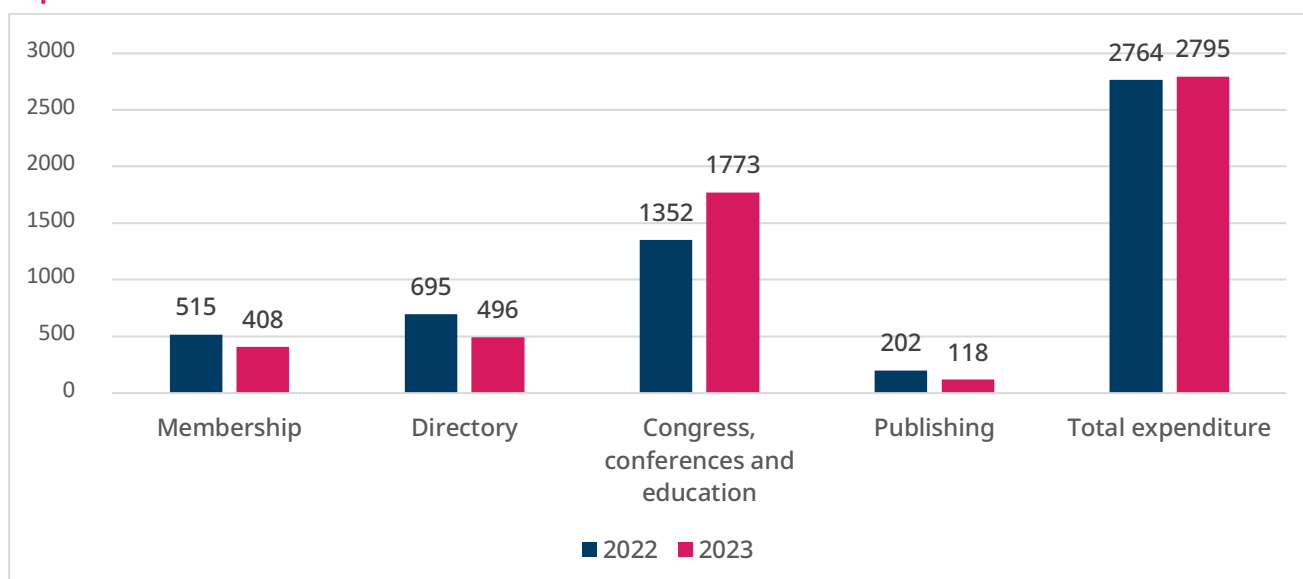
Abbreviated consolidated statement of profit and loss for the year 2023

Revenue



Whereas in 2022 Congress returned as an in-person event again, whilst our conferences remained virtual, 2023 saw the return of in-person regional conferences and a new forum around the topic of Artificial Intelligence. Total revenues increased from EUR 5,136K in 2022 to EUR 5,684K in 2023. Revenues can be analysed as follows: Membership and entrance fees EUR 2,350K (2022: EUR 2,206K), Directory entries EUR 1,194K (2022: EUR 1,171K), Congress, conferences and education EUR 1,875K (2022: EUR 1,440K) and Publishing EUR 265K (2022: EUR 319K).

Expenditure



With the re-introduction of face-to-face meetings and conferences in 2023 total revenue related expenditure increased from EUR 2,764K in 2022 to EUR 2,795K in 2023. Expenditure can be analysed

as follows: Membership EUR 408K (2022: EUR 515K), Directory EUR 496K (2022: EUR 695K), Congress, conferences and education EUR 1,773K (2022: EUR 1,352K) and Publishing EUR 117K (2022: EUR 202K).

Corporate expenditure and representation

Corporate expenditure and representation can be specified as follows:

In thousands of euro

	2023	2022
Governance (Council and committees)	57	101
Public Relations and Representation	442	459
Self-regulation	136	128
Market Research and Development projects	83	115
Other Industry Initiatives	49	106
Allocated salaries	370	476
	1,137	1,385

Overhead costs, salaries and social charges

Overhead costs, salaries and social charges can be specified as follows:

In thousands of euro

Overhead costs, salaries and social charges	2023	2022
Salaries	1,701	2,573
N.O.W.	(39)	(67)
Sickness benefit	(21)	-
Salaries and sickness benefit	1,641	2,506
Social security charges	322	250
Pension charges	137	153
Insurances	42	33
Travel allowance	23	13
Other salaries related costs	524	449
Salary cost allocated to events, publishing and other activities	(1,731)	(2,364)
Total	434	591

The pension charges relate to a defined contribution plan. The insurances charges relate to insurances of ESOMAR staff.

The average number of FTE taking into account part-timers converted during the year was 30 (2022: 24).

Office expenses

The office expenses can be specified as follows:

In thousands of euro

	2023	2022
General office and personnel costs	93	64
Rental and lease costs	82	112
Telephone, internet and fax	18	21
Computer consultancy and license fees	300	289
Cleaning	7	7
Electricity and gas	23	21
Other	-	7
	523	521

Other expenses

The other expenses can be specified as follows:

In thousands of euro

	2023	2022
Brand/General Promotion	36	16
Website/CRM	7	37
Advisory costs: tax, legal, Interim management, etc	353	548
Audit fees	114	42
Training personnel	6	32
	516	675

The audit and other accounting fees of the accounting organisation providing the audit opinion of the annual accounts are specified as follows:

In thousands of euro

	2023	2022
Audit annual account	108	60
Tax advisory	12	12
Other non-audit services (incl N.O.W. audit)	28	30
Total	148	102

Net finance income / (expense)

The net finance expense can be specified as follows:

In thousands of euro

	2023	2022
Other income/financial results	-	-
Interest income on financial assets	-	-
Dividend income on financial assets	71	45
Net gain (loss) on disposal of financial assets	7	(46)
Change in fair value of financial assets	320	(471)
Management fees	(18)	(14)
Bank charges	-	(2)
Net finance income / (expense)	380	(488)

Compensation of key management

The Board of Management is the group's key management. The following table summarises the compensation received by key management:

In thousands of euro

	2023	2022
Short-term employee benefits	216	1,159
Post-employment benefits	8	61
Total	224	1,220

The Society members elect a Council, voluntary unpaid non-executive directors who act in accordance with the statutes of the Society, on behalf of the members.

The Society reimbursed the expenses incurred by Council members amounting to EUR 10K (2022: EUR 116K).

Place: Amsterdam and 19 June 2024

The Board of Management,

Ray Poynter

ESOMAR President

Tom de Ruyck

ESOMAR Vice-President

Corrine Moy

ESOMAR Treasurer

Martha Llobet

Council member

Alain Mizrahi

Council member

Alina Serbanica

Council member

Jean-Marc Léger

Council member

Dharmendra Jain

Council member

Liubov Ruchinskaya

Council member

Independent auditor's report

To: the members and the Council of The Society of ESOMAR

Our opinion

The abbreviated consolidated financial statements 2023 of The Society of ESOMAR, based in Amsterdam, are derived from the audited consolidated financial statements of The Society of ESOMAR.

In our opinion the accompanying abbreviated consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of The Society of ESOMAR in accordance with the principles described in note 1-3.

The abbreviated consolidated financial statements comprise:

1. The abbreviated consolidated statement of financial position as at 31 December 2023.
2. The abbreviated consolidated statement of profit and loss for 2023.
3. The notes comprising a summary of the applicable accounting policies and other explanatory information.

Abbreviated consolidated financial statements

The abbreviated consolidated financial statements do not contain all the disclosures required by Part 9 of Book 2 of the Dutch Civil Code. Reading the abbreviated consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of The Society of ESOMAR including our auditor's report thereon. The abbreviated consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The audited consolidated financial statements and our auditor's report thereon

We expressed an unqualified audit opinion on those consolidated financial statements in our report dated 18 June 2024.

Responsibilities of management the Council for the Abbreviated consolidated financial statements

Management is responsible for the preparation of the abbreviated consolidated financial statements in accordance with the principles described in note 1-3.

The Council is responsible for overseeing the company's financial reporting process.

Our responsibilities

Our responsibility is to provide an opinion if the abbreviated consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our audit, in accordance with Dutch law, including Dutch Standard on Auditing 810 Engagements to report on abbreviated financial statements.

Amstelveen, 19 June 2024

For and on behalf of BDO Audit & Assurance B.V.,

sgd.
J.S. Terlingen RA
