

# INTERIM REPORT FIRST QUARTER 2022

Berlin, 25 May 2022

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# LETTER TO THE SHAREHOLDERS

Dear Shareholders,

In the current financial year 2022, we will continue to work intensively on our mission to establish our **VIS.X®** trading platform as the technology platform for high-impact digital advertising.

As a result, all key performance indicators of our activities, regardless of whether they are of a business or platform-related nature, have increased.

The unique selling point of the **VIS.X®** platform is the trading of non-standardized high-impact advertising formats.

This enables YOC to distinguish itself from other competitors' platforms in the marketplace.

In parallel, the digital advertising market has become the world's most important channel for advertising – and has experienced a major transformation: Automated trading of digital advertising inventory is now widely used, so that the majority of digital advertising budgets are now traded in real time – programmatically. This is particularly true in the area of mobile advertising expenditures for display advertising – in this segment, around 70 % of all spendings are already traded automatically.

In this light, our powerful supply side platform (SSP) **VIS.X®** is becoming an increasingly attractive marketplace for website operators as well as advertisers, taking into account the needs of Internet users on a sustainable basis:

- By using **VIS.X®** and YOC's attention-grabbing advertising products, our advertising customers are given the opportunity to increase awareness of their brand or products in conjunction with high-quality advertising inventory;
- Internet users receive relevant, interesting advertising messages without being disturbed in their reading flow;
- Our partners on the supply side, renowned providers of premium media content (premium publishers) offer a global media reach in the form of internet portals as well as mobile applications and benefit from the high monetization through **VIS.X®**.

In the first three months of the current financial year 2022, YOC Group increased its **revenues** by around 26 % to EUR 4.4 million (3M/2021: EUR 3.5 million). **Operating earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by around EUR 0.3 million and thus amounted to EUR 0.6 million (3M/2021: EUR 0.3 million).

As a result, we are pleased to report a **consolidated net profit** for the period of EUR 0.3 million (3M/2021: EUR 0.3 million). In the previous year, the deconsolidation of YOC Spain S.L. made a positive contribution of EUR 0.2 million to the consolidated net profit for the period. Adjusted for this effect, we were able to further increase **profitability** also in the current financial year 2022. Therefore, we expect a further strengthening of our growth momentum in the second quarter.

With the acquisition of Zurich-based theINDUSTRY AG in January 2022, we succeed in expanding our international presence and now complete the DACH (Germany, Austria and Switzerland) region. The market entry into Switzerland is the next logical step after we have successfully established our technology platform **VIS.X®** in our core markets. With **VIS.X®**, we will enable Swiss media companies and digital content providers to increase monetization.

Dear shareholders, the **VIS.X®** platform and YOC's own advertising products form the basis for differentiating YOC's offering in the international market for digital advertising technology. As a result, we are consistently investing in the further development of our platform and our products. The objective here is to continuously improve the software so that our partners are offered a comprehensive, efficient and innovative way to trade highly effective advertising products in combination with the best advertising media inventories in an automated manner. Increasing investment in innovation helps us to effectively expand our competitive position and lays the foundation for further increasing the value of our Company.

In addition, we are evaluating further markets for the internationalization of our activities.

I would like to thank you very much for the trust you have placed in us and look forward to continuing to work with you. May you and your families remain healthy!

Best Regards,



Dirk-Hilmar Kraus

CEO

# YOC AT A GLANCE

REVENUE AND EARNINGS (IN KEUR)	3M/2022	3M/2021	CHANGE IN TOTAL	CHANGE IN %
<b>Total revenue</b>	4.417	3.503	914	26
National	2.690	2.086	604	29
International	1.727	1.417	310	22
<b>Gross profit margin (in %)</b>	42,9	40,3	2,6	6
<b>Total output</b>	4.771	3.789	982	26
<b>EBITDA</b>	569	322	247	77
<b>EBITDA margin (in %)</b>	11,9	8,5	3,4	40
<b>Consolidated net profit</b>	264	278	-14	-5
<b>Earnings per share (diluted in EUR)</b>	0,08	0,02	0,06	300
<b>Earnings per share (non-diluted in EUR)</b>	0,08	0,02	0,06	300

## EMPLOYEES

Average number of employees	54	50	4	8
Number of employees at 31st March	53	50	3	6
Total revenue per employee (in kEUR)	82	70	12	17
Total output per employee (in kEUR)	88	76	12	16

## FINANCIAL POSITION AND CASH-FLOW (IN KEUR)

Total assets	8.906	9.944 <sup>1)</sup>	-1.038	-10
Cash flow from operating activities	165	-61	226	370

When using rounded amounts and key figures, differences may occur due to commercial rounding.

1) as of 31 December 2021

# BUSINESS MODEL AND TECHNOLOGY

## BUSINESS MODEL

### A BETTER ADVERTISING EXPERIENCE FOR EVERYONE

In recent years the digital advertising market has grown to become the world's most important channel for advertising.

At the same time, it has undergone a major transformation: automated trading of digital advertising inventory is now widely adopted, with the majority of digital advertising budgets being traded in real time – programmatically.

As one of the first mobile advertising companies, YOC used its 20 years of expertise to introduce the powerful **VIS.X®** platform to the market.

By providing this proprietary trading platform, YOC enables an optimal advertising experience for advertisers, media providers (publishers) and users of the internet and mobile applications.

The Company positions itself as a developer of high-performance software in the market for advertising technology and optimally serves the needs of the parties involved with **VIS.X®**:

- Advertisers are given the opportunity to increase awareness of their brand or products in combination with high-quality advertising inventory by using **VIS.X®** and YOC high-impact advertising formats,
- Mobile internet users receive relevant, interesting advertising messages without being disturbed in their reading flow,
- Partners on the supply side, renowned providers of premium media content (premium publishers) offer a global media reach in the form of internet portals as well as mobile applications and benefit from the high monetization of the **VIS.X®** platform.

Unlike any previous platform in the market, the **VIS.X®** platform has been specifically designed to deliver innovative and particularly high-impact advertising at scale.

As a result, the Company has secured a competitive position in the advertising technology market.

YOC benefits sustainably from the global shift from traditional to digital advertising spendings while ensuring that all involved parties – advertisers, publishers and users of the internet or mobile applications – receive an ideal advertising experience that fits their needs.

### INVESTING IN INNOVATION

The **VIS.X®** platform and YOC's proprietary advertising formats differentiate YOC's offering in the international digital advertising technology market.

To sustain this advantage, the Company consistently invests in the further development of its platform and products.

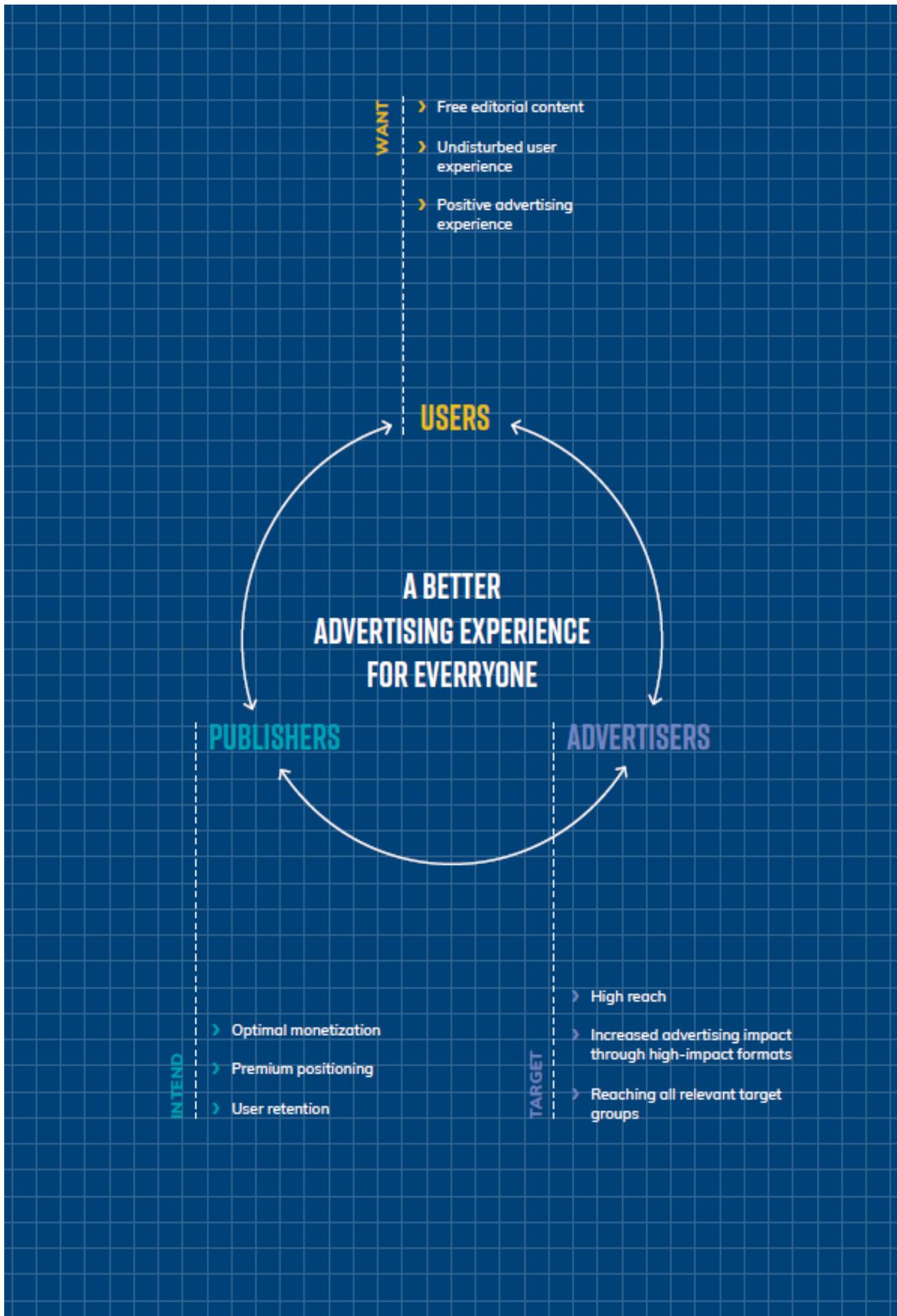
Thereby the Company aims at continuously improving its software so that partners are offered a comprehensive, efficient and innovative way to trade highly effective advertising media in combination with the best advertising inventory in an automated manner.

As a result, the Company is expanding its competitive position effectively.

Recent examples of the success of this strategy are the expansion of functionality for automated trading of desktop inventory as well as the introduction of new advertising product lines for desktop devices.

This underpins the flexibility and scalability of the platform and enables further growth in new environments for the Company.

The YOC Group continues to pursue its mission of providing a better advertising experience for everyone by allocating further investments into its proprietary software stack.



## TECHNOLOGY

### VIS.X® PLATFORM

With the market launch of the Supply Side Platform (SSP) **VIS.X®** at the beginning of 2018, YOC established itself as a provider of high-quality advertising technology (ad technology) and operator of a scalable trading platform. While the feature set reached a key level in 2020, both trading volume and available inventory in the platform increased significantly in 2021.

As a full-stack platform, **VIS.X®** manages three important variants of trading of digital advertising inventory: fully automated trading in the Open Market, advanced trading in the Private Marketplace and, since 2020, guaranteed trading in direct trading via its own technology. The platform always achieves the best result for the supply, demand and the users by combining all available advertising formats within the auctioning process and including the demand of all market participants.

The unique selling point of the **VIS.X®** platform is the trading of non-standardized, high-impact advertising formats. This is what enables YOC's proprietary high-impact advertising formats to be accessible and tradable in programmatic trading.

In addition, the platform was provided with further technical features that clearly differentiate the platform and contribute to its success and scaling:

#### UNIVERSAL AD UNIT

The concept of the Universal Ad Unit makes it possible to offer all available advertising formats on any placement within a website or within a mobile application.

Thanks to this technology, the **VIS.X®** platform selects the ideal ad format in real time by evaluating the profitability and benefit for the appropriate advertising campaign.

Universal ad units offer both, general-purpose standard formats as well as YOC's high-impact ad formats for maximum user experience and cost-effectiveness.

#### ADVANCED PRICING MODELS

The **VIS.X®** platform provides maximum flexibility for advertising clients in choosing the right pricing model when trading media. In addition to the common Cost Per Mille (CPM) and purchasing via a Cost Per Click (CPC) model, advanced pricing models can be selected on the platform.

These include viewable CPM (vCPM), in which advertising delivery is only billed if the ad is actually seen by the user. For video advertising, purchasing can also be optimized for fully viewed videos as part of a Cost Per Completed View model (CPCV).

### MODERN MACHINE LEARNING

In each auction of an ad slot on the **VIS.X®** platform, a machine learning model is applied that can predict the probabilities of viewability, clicks, and potential view-through.

This model learns independently based on ongoing data analysis and thus continuously optimizes quality and reliability of the buying algorithm.

The obtained predictions are incorporated in real time and modulate the probabilities and prices of an ad delivery accordingly.

### FRAUD PROTECTION

All advertising formats traded on the platform are subject to manual and automated security checks.

Within the fully automated trading environment, inappropriate or illegal advertisements are blocked automatically.

In addition, the Fraud Protection Algorithm identifies ads that could run malicious programs on users' end devices and removes them before they are displayed. This ensures user safety and a consistently high quality of ads for publishers.

### TRADING IN THE OPEN MARKET PLACE (OMP)

The Open Market Place represents a free, worldwide trading place where advertising inventory can be traded in large quantities among many participants in an extremely scalable manner.

The **VIS.X®** platform combines the supply and demand side in an auction and selects the highest bidder.

The offer of **VIS.X®** differentiates itself on one hand with a very high quality of advertising inventory and on the other hand with full transparency.

This creates a secure trading environment for buyers and sellers and at the same time enables them to make a targeted selection of advertising inventory.

### TRADING IN THE PRIVATE MARKETPLACE (PMP)

Trading in the Private Marketplace allows buyers of advertising inventory to access YOC high-impact advertising formats via the **VIS.X®** platform.

Various additional trading criteria can be defined and set for trading in the form of deals, allowing buying market participants to acquire exactly the advertising inventory that fits the advertisers' goals.

Unlike in the Open Market, buyers in private trading receive a preferred access to the offered inventory.

## DIRECT TRADE

In 2020, the **VIS.X®** platform was enhanced with the possibility of direct trading. In addition to providing all the features available in Private Marketplaces, exclusive trading allows buyers to purchase a volume guarantee for a specific campaign.

This allows various campaign targets, especially for branding advertising, to be managed even more effectively.

## MOBILE WEB AND IN-APP

In a first step, the **VIS.X®** platform was optimized specifically for trading advertising inventory on the mobile internet – the fastest-growing platform among digital media.

Thus, the platform is able to serve the most important channel for internet users and to efficiently trade advertising spaces either in combination with or without YOC's high-impact advertising formats.

The use of YOC's own advertising formats has a special added value in this channel due to the usage type and screen size.

Advertisers reach the potential customer with their message and achieve extraordinary attention without disturbing the users in their actual reading flow. The positive perception of users of advertising formats developed by YOC ultimately leads to increased acceptance and impact of the advertising message compared to normal forms of advertising.

In 2020, this offering was also made available in the in-app environment with the launch of the **VIS.X®** Software Development Kit (SDK). It enables mobile app developers to benefit from the value created by the **VIS.X®** platform, helping them to improve the advertising utilization and revenues of their mobile apps.

The **VIS.X®** SDK was specifically designed to make YOC's attractive advertising formats displayable and, above all, deliverable within mobile applications while keeping the integration as simple as possible.

## DESKTOP ADVERTISING

In the financial year 2021, YOC enabled the **VIS.X®** platform for trading desktop advertising inventory.

The strategic approach of achieving a demonstrably better advertising impact with high-impact advertising formats can also be implemented on advertising spaces of conventional desktops or tablets. The desktop inventory, which continues to account for a decisive market share in display advertising at just over 50 %, could be

integrated into the platform through further developments in **VIS.X®** and the release of special new product lines. In 2022, the trading volume from this channel will rise noticeably and further increase the realized revenue in the platform.

## MANAGEMENT AND REPORTING SYSTEM

The **VIS.X®** platform is controlled centrally and offers all the necessary functions to handle and control trading in a granular manner.

This enables a particularly effective work and process flow for users and administrators.

## REPORTING SYSTEM

The **VIS.X®** platform has a versatile and high-performance reporting system, which enables a detailed analysis of trading activities. Historical and daily values can be broken down and analyzed across all channels.

A detailed evaluation on the level of inventory, advertising media, buyers and platforms as well as corresponding graphical representations of the activities provide clarity and decision-making support for the market partners of the **VIS.X®** platform.

In parallel, trends and changes can be detected quickly and easily by displaying previous trading periods.

This enables YOC's partners to gather their own analysis.

## MANAGEMENT OF ADVERTISING INVENTORY

The management interface offers complete management of traded inventory of integrated publishers, their websites or apps, as well as individual ad spaces.

The platform offers granular control options to configure the available ad formats, define price points and determine the trading channels.

These setting variants allow the optimal combination of revenue and user experience to be realized within the framework of trading.

## DEAL AND ORDER MANAGEMENT

The core of the **VIS.X®** platform is the management of all current and new deals within private marketplaces as well as direct advertising campaigns.

The user interface allows the configuration of various targeting options, which define the specific addressing of the desired target group. Depending on the selected pricing model, the platform's integrated algorithm automatically optimizes the ideal quantity and timing.

## AUTOMATED BILLING

The system is seamlessly integrated with the Company's ERP system. Orders and delivery data from direct sales and programmatic trading are automatically captured and synchronized with the accounting system.

This enables highly scalable accounting and thus supports the growth of the **VIS.X®** platform.

## HIGH-IMPACT ADVERTISING FORMATS

YOC develops high-impact advertising formats and offers them in six product lines. The Company's vision is to create a better advertising experience for everyone.

Users should only receive relevant and interesting advertising messages when consuming content of the internet and mobile applications, while advertisers achieve better advertising impact through the use of creative advertising formats.

Publishers also benefit from the added value of this technology. Each product line can be flexibly deployed and extended with additional feature configurations.

## NIELSEN STUDIES IN 2020 AND 2021

In October 2020, YOC conducted an international study in cooperation with the global data analysis and market research company Nielsen to investigate the impact of YOC's own high-impact advertising formats compared to standard advertising formats.

The study results show that YOC high-impact ad formats are more memorable than standard ad formats and achieve a significant increase in brand and ad recall.

They are also able to differentiate themselves significantly from standard ad formats by showing large uplifts in key advertising characteristics such as attractiveness, noticeability and innovation.

Thus, brands are perceived as more premium and elegant through the use of high-impact advertising formats.

Particularly attention-grabbing advertising formats, such as the YOC Branded Takeover, can even positively influence the purchase decision regarding the advertised products.

In parallel, the study proves that the high-impact advertising formats developed by YOC are positively perceived by consumers. This is expressed by an increase in the likeability of advertising when high-impact formats are used. In this context, 55 % of all respondents even stated they liked high-impact advertising formats.

At the same time, six out of ten respondents expressed that the ads are well integrated into the editorial content of a mobile website or mobile app.

YOC high-impact formats are classified as memorable, perceived as innovative, more frequently recognized immediately and clearly preferred over standardized advertising formats.

Consequently, the mobile audience is not disturbed by these unique ads, but remembers them, nonetheless. This illustrates that by using YOC high-impact formats, advertisers achieve their campaign objectives more effectively while positively influencing the advertising experience of the user.

The second study carried out with Nielsen in November 2021 analyzed the influence of the frequency of contact with an advertising format on brand awareness. The methodology again compared standard formats with various YOC high-impact formats in a real test environment.

The results of the study show that standard formats require at least two times as many contacts to achieve the same brand recall as the proprietary YOC high-impact formats.

In addition, unaided brand recall is 273 % higher with high-impact formats than with standard advertising media, despite half the number of contacts. This illustrates that brands and their advertising are remembered by consumers due to the strong influence of high-impact formats.

Thus, advertisers can use these findings and, by using YOC high-impact formats, address their target group with high reach and use their campaign budget not only effectively but also more efficiently compared to standard advertising media.

# PLANNING FOR IMPACT

## OPTIMISING BRAND AWARENESS BY RETHINKING AD FORMATS AND CONTACT FREQUENCY



### BRAND RECALL

↑ 273%

High-impact formats achieve 4 times the unaided brand recall compared to standard formats

### AD RECALL

Through the use of high-impact formats, advertising recall increases significantly faster



After repeated contact with the advertisement

20%

of respondents still find high-impact advertising formats very appealing

### IMPACT INCREASE

Standard formats require a doubling of advertising exposure to achieve similar results to high-impact formats



### OPTIMIZATION

Campaign goals can be reached faster and the budget can be used more efficiently



Optimization of campaign success through the use of high-impact formats with the same budget



# GROUP INTERIM MANAGEMENT REPORT

## DEVELOPMENT OF YOC GROUP IN THE FIRST THREE MONTHS OF FINANCIAL YEAR 2022

YOC AG is a technology company and develops software for the digital advertising market. With the help of our technology platform **VIS.X®** as well as via third-party platforms, we enable an optimized advertising experience for advertisers, publishers and internet users.

YOC AG is one of the pioneers of mobile advertising, the Company has been on the market since 2001 and has been listed in the Prime Standard of Frankfurt Stock Exchange since 2009. The Company's headquarters are located in Berlin. The Company also operates branches in Dusseldorf, Hamburg, Vienna and Warsaw.

In addition, YOC AG now also has a branch office in Zurich, Switzerland, following the acquisition of theINDUSTRY AG in January 2022. On 26 January 2022, YOC AG announced the wholly-owned acquisition of the company shares of Zurich, Switzerland-based theINDUSTRY AG. With the completion of this acquisition, YOC AG is now represented in the complete DACH region (Germany, Austria and Switzerland). The integration into the YOC Group offers both companies the potential to generate faster and sustainable growth and to realise corresponding synergies.

The purchase price is divided into a fixed component and further variable performance-related components, which depend on the operating results of theINDUSTRY AG in the financial years 2022 to 2024. The resulting expected total purchase price of EUR 0.4 million to EUR 0.75 million will be fully financed from the current cash flow of YOC AG.

In the course of this transaction, YOC AG recognized assets in the amount of EUR 0.2 million and liabilities in the amount of EUR 0.4 million of theINDUSTRY AG in the consolidated financial statements in the first quarter of 2022.

In the first three months of the current financial year 2022, YOC Group increased its **revenues** by around 26 % to EUR 4.4 million (3M/2021: EUR 3.5 million). In this context, all of the Company's regional locations continued to develop positively with a significant increase in sales compared to the same period of the previous year.

In the **national market**, revenues increased by 29 % compared to the same period of the previous year. Revenues from **international business** activities increased by 22 % in the first three months of 2022.

In particular, the Company's proprietary technology platform **VIS.X®** contributed to this development. The **VIS.X®** platform enables full trading of YOC's advertising products and positions the Company as a provider of high-grade advertising technology (Ad Technology). In parallel, the share of sales accounted for proprietary ad tech products continued to increase.

The **gross profit margin** of the Company was increased to a level of 42.9 % (3M/2021: 40.3 %).

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by around EUR 0.3 million in the first quarter of 2022 and thus amounted to EUR 0.6 million (3M/2021: EUR 0.3 million).

The result is a **consolidated profit** for the period of EUR 0.3 million (3M/2021: EUR 0.3 million). In the previous year, the deconsolidation of YOC Spain S.L. made a positive contribution of EUR 0.2 million to the consolidated result for the period.

Adjusted for this effect, the company was able to further enhance its **profitability** in the current financial year 2022.

Consequently, this means a **net profit margin** of around 6 % for the first three months of 2022.

## DEVELOPMENT OF THE RESULTS OF OPERATIONS

### REVENUE TREND AND OVERALL PERFORMANCE

In the first quarter of 2022, the Group recorded **revenue growth** of around 26 % to EUR 4.4 million (3M/2021: EUR 3.5 million).

The introduction of the **VIS.X®** technology platform in the financial year 2018 helps the Company to sustainably position itself in the market for digital advertising and to differentiate itself from the competition.

At EUR 4.8 million, **total output** was EUR 1.0 million higher than in the previous year (3M/2021: EUR 3.8 million).

## GROSS PROFIT MARGIN

Due to the increased share of sales of the **VIS.X@** technology platform, the **gross profit margin** increased to 42.9 % in the reporting period (3M/2021: 40.3 %).

In the context of the development of the past years, which was characterized by an increasing focus on our technology as well as the YOC advertising product lines, the gross profit margin of the Company steadily improved.

The further increase in the gross profit margin represents an important factor for scaling and thus for the further positive development of the Company.

## PERSONNEL EXPENSES AND DEVELOPMENT

In the current fiscal year 2022, YOC Group was able to retain top performers and recruit new qualified employees for key positions. The Company was thus able to effectively counteract the shortage of skilled workforce.

As of 31 March 2022, the YOC Group employed 53 **employees** (31 March 2021: 50 employees).

The **average number of employees** (excluding the Management Board) of YOC Group was 54 (3M/2021: 50 employees).

**Personnel expenses** in the first quarter of 2022 amounted to EUR 1.2 million (3M/2021: EUR 1.1 million).

## OTHER OPERATING EXPENSES

In the first three months of the current fiscal year 2022, **other operating expenses** amounted to EUR 0.4 million (3M/2021: EUR 0.3 million).

## EBITDA

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by around EUR 0.3 million and thus amounted to EUR 0.6 million (3M/2021: EUR 0.3 million) in the first quarter of 2022.

The company's increase in **profitability** thus continued in the current fiscal year 2022.

## NET PROFIT CONTINUING OPERATIONS

The YOC Group recorded **scheduled depreciation** of EUR 0.2 million (3M/2021: EUR 0.2 million).

The **financial result** amounted to EUR -0.03 million (3M/2021: EUR -0.04 million).

**Income taxes** totaled EUR 0.04 million (3M/2021: EUR 0.03 million).

As the result, **net profit** amounted to EUR 0.3 million (3M/2021: EUR 0.1 million).

## NET PROFIT DISCONTINUED OPERATIONS

In the same period of the previous year, the liquidation of the Spanish company and the associated deconsolidation resulted in income of EUR 0.2 million (3M/2022: EUR 0.0 million).

## CONSOLIDATED NET PROFIT FOR THE PERIOD OF THE YOC GROUP

The YOC Group ends the first quarter of 2022 with a **consolidated net profit** for the period of EUR 0.3 million (3M/2021: EUR 0.3 million).

# DEVELOPMENT OF THE FINANCIAL POSITION AND NET ASSET POSITION

## CASH-FLOW

As of the balance sheet date, the YOC Group's **cash and cash equivalents** amounted to EUR 1.2 million. In addition, the Company has working capital lines with its principal banks totaling EUR 1.1 million.

## OPERATING CASH FLOW

**Cash flow from operating activities** is calculated using the indirect method. The starting point for the calculation is the consolidated net profit for the period of the current financial year in the amount of EUR 0.3 million (3M/2021: EUR 0.3 million).

In the first quarter of 2022, the operating cash flow of YOC Group amounted to EUR 0.2 million (2021: EUR -0.1 million). In addition to earnings after tax, this resulted from the business-related change in working capital.

## CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** totaling EUR 0.7 million (3M/2021: EUR 0.3 million) primarily includes capitalizable internal development costs related to the further development of the Company's technological platforms and innovative products in the amount of EUR 0.2 million and external development costs of a further EUR 0.1 million. In addition, EUR 0.4 million was attributable to the acquisition of the INDUSTRY AG, Zurich.

## CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.1 million (3M/2021: EUR -0.2 million) results from repayments of leasing and loan liabilities.

## SUMMARY STATEMENT ON THE EARNINGS, FINANCIAL AND ASSET SITUATION

The concentration of our activities on our **VIS.X®** trading platform and the improved economic environment compared to the previous year led to an increasing business volume of YOC Group.

As a result, YOC Group increased **revenues at Group level** by around 26 % in current financial year 2022 to EUR 4.4 million (3M/2021: EUR 3.5 million).

In parallel with this development, YOC Group increased its profitability in the first three months of financial year 2022, generating **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** of EUR 0.6 million (3M/2021: EUR 0.3 million).

In total, the Group ended first Quarter 2022 with a **consolidated net profit** of EUR 0.3 million (3M/2021: EUR 0.3 million).

As a consequence of this development, the **Group's equity** was further increased.

As of 31 March 2022, the equity of YOC Group amounted to EUR -0.4 million (31 December 2021: EUR -0.6 million).

The YOC Group's **total assets** decreased due to seasonal factors to EUR 8.9 million (31 December 2021: EUR 9.9 million).

## OPPORTUNITIES, RISKS AND OUTLOOK

### OPPORTUNITIES AND RISKS

As an internationally oriented service provider, YOC Group operates in a dynamically developing market, which naturally entails company-specific, industry-specific and financial risks.

The main risks are market and competition risks, technological risks, liability risks, personnel risks, planning risks, organizational risks and financial and treasury risks.

These risks can result both from the company's own entrepreneurial activities and from external factors.

YOC Group has taken measures to identify and reduce such potential risks in good time.

For this purpose, an appropriate risk management system has been set up, in the context of which risks are recorded, assessed and continuously monitored at regular intervals by means of a company-wide risk inventory.

YOC Group's risk policy, as defined by the Management Board, continues to be an integral part of the company's corporate policy as part of its efforts to achieve sustainable growth, to increase the value of the company and to secure the company's continued existence in the long term.

To this end, the necessary risks are consciously taken, taking into account the risk-return ratio, in order to be able to take advantage of the market opportunities offered and to exploit the potential for success inherent therein.

Forward-looking risk controlling as part of the internal control system enables opportunities and risks to be identified and assessed at an early stage so that appropriate responses can be made in good time and efficient management ensured for the success of the company. The measures to be taken as part of risk management are implemented in the operating units.

All further information on the corporate, industry-specific and financial risks of YOC Group and their management is provided in detail in the risk report of the group management report for financial year 2021, which is part of the audit by the auditor of the annual financial statements.

### OUTLOOK

Internet usage is highly established in people's everyday life. The wide range of possibilities as well as the mass of content made available online is having an impact on the continuously increasing daily internet consumption of consumers. In order to remain relevant to this target group, both publishers and advertisers must provide attractive information and entertainment offerings.

For publishers, this means not overwhelming their users with advertising and ideally even offering them added value with creative formats.

For advertisers, on the other hand, this means knowing their target group precisely and addressing them creatively. Against this background, the demand for creative and high-impact advertising formats takes on even greater relevance. Rich media ad formats, i.e. those that allow the integration of diverse media such as video, audio or HTML5, generate higher interaction rates than standard banners and therefore lead to a higher and more positive brand awareness.<sup>1)</sup>

For some years now, the Company has been positioning itself in this business area with its product lines as well as features and expects to participate in market growth by providing interactive and high-impact advertising formats in the programmatic environment.

1) According to Nielsen/YOC (2020): The effectiveness of high-impact ad formats, [Online] <https://insights.yoc.com/nielsen-brand-awareness>

According to YOC Group's assessment, the European market currently offers hardly any supply-side platforms that can meet the demand for mobile programmatic advertising in conjunction with high-impact advertising products.

Reservations arose from the concern of many advertisers that their ads could appear in negatively tainted environments. This shows all the more the relevance of brand safety premium environments for media providers and, above all, their transparency.

Since the launch of the **VIS.X®** technology platform in 2018, YOC not only offers high-impact advertising formats, but can now also trade and deliver them platform-based via programmatic sales channels.

By connecting numerous publishers and their inventory, YOC Group also covers the demand for brand safety, i.e. safe advertising environments, and will thus participate in the further expansion of programmatic trading in Europe. The Management Board is focusing in particular on further increasing the programmatic platform business and thus implementing the defined corporate strategy. With its own **VIS.X®** technology platform, the Company gains a sustainable competitive advantage and independence from third-party providers through programmatic trading of proprietary high-impact advertising products.

The expectations for the current financial year 2022 are positive. Compared to the previous year, it seems realistic to significantly increase both sales and the operating result. We assume that it will be possible to gradually contain the Corona pandemic in Europe in the further course of the year.

We do not expect a comparative slump or state of shock in the advertising industry, which occurred at the beginning of the pandemic in the first quarter of 2020, even if the pandemic continues.

However, the sales forecast assumes the progress of a nationwide administration of vaccines or booster vaccinations and that no further lockdown measures will be necessary in the future in the core markets relevant for the YOC Group.

Assuming that the military conflict in the context of the Ukraine crisis remains regionally limited to the territory of Ukraine, we assume that there will only be a minor impact on the sales and earnings development of YOC Group.

Overall, the YOC Group expects **revenues** to increase by 25 % to 30 % to EUR 23.5 million to EUR 24.5 million with a disproportionately low increase in expenses.

Based on this revenue forecast, the Management Board expects **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** to increase to EUR 3.5 million to EUR 4.0 million in financial year 2022.

As a consequence, **the consolidated net profit** for financial year 2022 is supposed to reach a level of EUR 2.3 million to EUR 2.8 million.

As a result, the **Group's equity** should be balanced again as early as mid-year 2022 and be valued at EUR 1.4 million to EUR 1.9 million as of 31 December 2022.

In April 2022, YOC AG concluded an agreement with Commerzbank AG for a working capital line of EUR 1.0 million with a term until 30 June 2023.

This means that the Company disposes of sufficient liquidity even in the event of a significant shortfall in the forecast period.

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME Q1/2022 (UNAUDITED)

All figures in EUR

	Q1 2022	Q1 2021
Revenue	4.416.653	3.503.087
Own work capitalised	140.519	157.724
Other operating income	214.062	128.121
<b>Total output</b>	<b>4.771.235</b>	<b>3.788.933</b>
Cost of materials	2.523.250	2.092.633
Personnel expenses	1.236.156	1.074.083
Other operating expenses	442.869	300.282
<b>Earnings before interest, taxes, depreciation and amortization</b>	<b>568.960</b>	<b>321.935</b>
Depreciation and amortisation expenses	239.526	183.469
<b>Earnings before interest and taxes</b>	<b>329.434</b>	<b>138.466</b>
Financial expenses	26.348	39.612
Financial result	-26.348	-39.612
<b>Earnings before taxes</b>	<b>303.086</b>	<b>98.854</b>
Income taxes	39.126	34.481
<b>Net profit continuing operations</b>	<b>263.960</b>	<b>64.373</b>
Net income discontinued operations	0	213.475
<b>Net profit continuing operations</b>	<b>263.960</b>	<b>277.848</b>
<b>CONSOLIDATED NET PROFIT</b>	<b>263.960</b>	<b>277.848</b>

### EARNINGS PER SHARE

Earnings per share non-diluted	0,08	0,08
Earnings per share diluted	0,08	0,08

### EARNINGS PER SHARE CONTINUING OPERATIONS

Earnings per share non-diluted	0,08	0,02
Earnings per share diluted	0,08	0,02

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated Net Profit	263.960	277.848
Net other comprehensive income to be reclassified through profit or loss in subsequent periods:		
Unrealised gains/losses from foreign currency translation	1.055	5.107
<b>Total other comprehensive income</b>	<b>1.055</b>	<b>5.107</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>265.016</b>	<b>282.954</b>

When using rounded amounts and key figures, differences may occur due to commercial rounding.

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2022 (UNAUDITED)

All figures in EUR

	31/03/2022	31/12/2021
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>3.848.522</b>	<b>2.927.846</b>
Property, plant and equipment	147.658	134.163
Goodwill	691.253	0
Intangible assets	1.935.728	1.856.126
Rights of use from leasing	814.479	678.153
Deferred tax assets	259.404	259.404
<b>Current assets</b>	<b>5.057.749</b>	<b>7.016.097</b>
Trade receivables	3.407.394	5.059.230
Other financial receivables	427.669	164.029
Cash and cash equivalents	1.222.687	1.792.839
<b>Total assets</b>	<b>8.906.272</b>	<b>9.943.943</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>-356.416</b>	<b>-621.432</b>
Subscribed capital	3.476.478	3.476.478
Additional paid in capital	22.053.357	22.053.357
Accumulated losses	-25.895.120	-26.159.080
Other comprehensive income from currency translation differences	8.869	7.813
<b>Non-current liabilities</b>	<b>1.240.531</b>	<b>843.490</b>
Provisions	73.232	73.276
Leasing liabilities	582.938	533.545
Other financial liabilities	139.971	0
Liabilities to credit institutions	168.752	0
Tax liabilities	275.639	236.669
<b>Current liabilities</b>	<b>8.022.157</b>	<b>9.721.885</b>
Prepayments received	25.071	25.957
Trade payables	2.250.847	2.887.321
Liabilities to credit institutions	35.690	0
Other liabilities	595.919	991.372
Other financial liabilities	3.879.913	5.300.310
Leasing liabilities	319.985	234.699
Tax liabilities	253.959	282.225
Provisions	660.772	0
<b>Total equity and liabilities</b>	<b>8.906.272</b>	<b>9.943.943</b>

Where rounded figures are used, differences may occur due to commercial rounding.

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED CASH FLOW STATEMENT Q1/2022 (UNAUDITED)

All figures in EUR

	3M/2022	3M/2021
Net profit continuing operations	263.960	64.373
Net profit discontinued operations	0	213.475
Depreciation and amortisation	239.526	183.469
Taxes recognised in the income statement	39.126	34.481
Interest recognised in the income statement	26.348	39.612
Other non-cash income and expenses	-504.059	240.447
Result from deconsolidations	0	-213.475
<b>Cash-Earnings</b>	<b>64.901</b>	<b>562.382</b>
Changes in receivables and other financial receivables	1.388.196	880.633
Changes in liabilities, prepayments and other liabilities	-1.903.472	-1.431.180
Changes in provisions	660.728	-6.536
Interest paid	-14.031	-54.525
Interest paid leasing	-10.756	-11.989
Income taxes paid	-20.834	0
<b>Cash flow from operating activities</b>	<b>164.731</b>	<b>-61.215</b>
Acquisition of investments	-388.808	0
Purchase of property, plant and equipment	-20.802	-37.865
Purchase of intangible assets	-27.768	-45.055
Outflow from development costs	-217.878	-214.518
Disposal of assets	168	0
<b>Cash flow from investing activities</b>	<b>-655.088</b>	<b>-297.438</b>
Repayment of lease liabilities	-70.873	-57.503
Loan repayment	-8.923	-175.000
<b>Cash flow from financing activities</b>	<b>-79.796</b>	<b>-232.503</b>
<b>Net increase / decrease</b>	<b>-570.152</b>	<b>-591.156</b>
Cash and cash equivalents at the beginning of the period	1.792.839	870.608
Cash and cash equivalents at the end of the period	1.222.687	279.453

Where rounded figures are used, differences may occur due to commercial rounding.

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF 31 MARCH 2022 (UNAUDITED)

All figures in EUR

	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	INCOME FROM CURRENCY TRANSLATION	OWN SHARES	TOTAL
<b>as of 01/01/2021</b>	3.292.978	20.961.224	-28.224.307	5.617	-50.319	-4.014.807
Net profit	0	0	277.848	0	0	277.848
Currency translation differences	0	0	0	5.107	0	5.107
<b>Comprehensive income</b>	0	0	277.848	5.107	0	282.955
<b>as of 31/03/2021</b>	3.292.978	20.961.224	-27.946.459	10.723	-50.319	-3.731.853

	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	INCOME FROM CURRENCY TRANSLATION	OWN SHARES	TOTAL
<b>as of 01/01/2022</b>	3.476.478	22.053.357	-26.159.080	7.813	0	-621.432
Net profit	0	0	263.960	0	0	263.960
Currency translation differences	0	0	0	1.055	0	1.055
<b>Comprehensive income</b>	0	0	263.960	1.055	0	265.016
<b>as of 31/03/2022</b>	3.476.478	22.053.357	-25.895.120	8.869	0	-356.416

Where rounded figures are used, differences may occur due to commercial rounding.

➤ No shares are held by non-controlling shareholders.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## GENERAL INFORMATION

YOC AG is a company based in Berlin, Greifswalder Straße 212, Germany and operates as an international provider of mobile advertising technology.

YOC AG is listed in the Prime Standard of the Frankfurt Stock Exchange under the identification number WKN: 593273 / ISIN: DE0005932735.

## BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

### Basis of preparation of the financial statements

The financial report as of 31 March 2022 of YOC AG complies with the requirements of the Securities Trading Act. The interim consolidated financial statements were prepared as condensed financial statements pursuant to IAS 34 and comply with Section 315a of the German Commercial Code (HGB) in accordance with the rules of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as adopted by the European Union and valid on the reporting date as well as the interpretations of the IFRS Interpretations Committee (IFRS IC) approved by the IASB.

The condensed and unaudited interim consolidated financial statements of YOC AG do not contain all the disclosures and information required full consolidated financial statements for the financial year.

It is therefore recommended that the interim report is being used together with the consolidated financial statements for the financial year 2021.

### Standards and interpretations required to be applied in the current fiscal year 2022

In the current fiscal year 2022, all standards whose application is mandatory as of 01 January 2022 have been observed.

### Published standards and interpretations whose application is not yet mandatory

The following standards are not yet mandatory, as their adoption by the EU into European law has not yet been implemented.

STANDARD	EFFECTIVE DATE	EXPECTED EFFECTS
IAS 8	01 January 2023	insignificant
IAS 1	01 January 2023	insignificant
IAS 1	01 January 2023	insignificant
IAS 12	01 January 2023	insignificant
IFRS 17	01 January 2023	none

The Management Board of YOC AG assumes that the standards and interpretations listed will be applied in the consolidated financial statements of the financial year in which their application is mandatory, if appropriate.

## CONSOLIDATION PRINCIPLES

The consolidated financial statements include those companies which YOC AG controls.

Control of an investee is considered to exist when the Group is exposed, or has rights to, variable returns from its involvement with the investee, and is able to apply its power of disposition over the affiliated company to affect those yields.

The inclusion of subsidiaries in the consolidated financial statements begins from the date on which YOC AG achieves control over the subsidiary. It ends at the time at which control of the subsidiary is lost.

The separate financial statements of the consolidated companies are prepared as of the reporting date of the consolidated financial statements.

All intercompany earnings and expenses as well as assets, liabilities and equity capital are eliminated in full.

## CONSOLIDATED COMPANIES

On 26 January 2022, YOC AG acquired one hundred percent of the shares in theINDUSTRY AG, which is based in Zurich, Switzerland. For reasons of materiality, the company was consolidated in the consolidated financial statements of YOC AG as of 01 February 2022.

The scope of consolidation of YOC Group now comprises the following five companies:

FULLY CONSOLIDATED COMPANIES		SHARE IN %	HELD THROUGH NO.	BEGINNING SINCE
1.	YOC AG, Berlin, Germany	-	-	-
2.	YOC Mobile Advertising GmbH, Berlin, Germany	100 %	1	11/03/2009
3.	YOC Central Eastern Europe GmbH, Vienna, Austria	100 %	1	01/06/2009
4.	YOC Poland Sp. Z o. o., Warsaw, Poland	100 %	1	08/02/2019
5.	theINDUSTRY AG, Zurich, Switzerland	100 %	1	01/02/2022

#### GENERAL ACCOUNTING AND VALUATION PRINCIPLES

YOC AG acts as the parent company of the Group and directly holds 100 % of the shares in all subsidiaries of the YOC Group. The financial years for all Group companies correspond to the calendar year.

The consolidated financial statements are prepared on the assumption that the Company will continue as a going concern.

The consolidated statement of financial position is structured according to IAS 1, "Presentation of Financial Statements", and the principle of maturity.

Consequently, the statement items are divided into non-current and current assets or liabilities respectively.

Assets and liabilities are generally classified as current when they have a remaining term to maturity or turnover within the scope of ordinary business operations of less than one year.

Accordingly, assets and liabilities are classified as non-current when they remain within the Company for more than one year.

The annual financial statements of the companies included in these consolidated financial statements are based on uniform accounting and measurement principles.

The consolidated financial statements are presented in Euros.

For purposes of clarity and comparability, all amounts are generally (unless otherwise declared) stated in kEUR.

Minor rounding differences may occur as a result of commercial rounding of individual items and percentages.

The total income is presented in two separate statements: the income statement according to the expenses method and the statement of comprehensive income.

## EXPLANATORY NOTES ON SIGNIFICANT DEVELOPMENTS IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

#### EBITDA

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by around EUR 0.3 million in the first quarter of 2022 and thus amounted to EUR 0.6 million (3M/2021: EUR 0.3 million).

Thus, the Company's increase in **profitability** continued in the current financial year 2022.

#### NET PROFIT CONTINUING OPERATIONS

The YOC Group recorded **scheduled depreciation** of EUR 0.2 million (3M/2021: EUR 0.2 million).

The **financial result amounted** to EUR -0.03 million (3M/2021: EUR -0.04 million).

**Income taxes** totaled EUR 0.04 million (3M/2021: EUR 0.03 million).

As the result, **net profit** amounted to EUR 0.3 million (3M/2021: EUR 0.1 million).

#### NET PROFIT DISCONTINUED OPERATIONS

In the same period of the previous year, the liquidation of the Spanish company and the associated deconsolidation resulted in income of EUR 0.2 million (3M/2022: EUR 0.0 million).

#### CONSOLIDATED NET PROFIT FOR THE PERIOD OF THE YOC GROUP

The YOC Group ends the first quarter of 2022 with a **consolidated net profit** for the period of EUR 0.3 million (3M/2021: EUR 0.3 million).

## SEGMENT REPORTING

Segment reporting is based on the internal management structure and the corresponding reporting.

Accordingly, in addition to the **Corporate Functions**, the Group is divided into the following reportable regional operating segments:

- > **National**
- > **International**

For the purpose of forming the above reportable operating segments, the regions Austria, Switzerland and Poland are combined in the International segment, as they have comparable economic characteristics and are also comparable in terms of their products, services, customers, processes, structures and sales methods.

Revenues are determined on the basis of the sales generated by the national companies in the respective countries. Intra-segment revenues are predominantly outsourced sales. Intersegment sales within the respective segments are eliminated accordingly.

The **Corporate Functions** segment includes income and expenses that are incurred in the parent company and cannot be directly allocated to any operating segment. Intercompany sales include the recharging of costs based on the function as a holding company to its subsidiaries for the use of the **VIS.X®** technology platform and other operating services.

In accordance with IFRS 8.34, two customers each accounted for more than 10 % of consolidated revenues in current financial year 2022.

These customers are purchasing platforms connected to the Company's proprietary technology platform **VIS.X®**. These customers are not directly attributable to any segment of the YOC Group.

The percentage of sales and the share of trade receivables are as follows:

	Revenues of YOC Group with the customer (previous year)	YOC Group's receivable from the customer (previous year)
Customer A	16 % (21 %)	16 % (20 %)
Customer B	8 % (11 %)	16 % (15 %)

In the first quarter of 2022, the Group recorded **revenue** growth of around 26 % to EUR 4.4 million (3M/2021: EUR 3.5 million).

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by around EUR 0.3 million in the first quarter of 2022 and thus amounted to EUR 0.6 million (3M/2021: EUR 0.3 million).

In the **national segment**, revenues amounted to EUR 2.7 million (3M/2021: EUR 2.1 million). **Operating earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.8 million (3M/2021: EUR 0.4 million).

**Revenues from international operations** increased by 22 % to EUR 1.7 million (3M/2021: EUR 1.4 million). As a result, the segment contributed **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** to the consolidated net profit for the period of EUR 0.2 million (3M/2021: EUR 0.3 million).

**Operating earnings before interest, taxes, depreciation and amortization (EBITDA)** can be reconciled with earnings after taxes as follows:

RECONCILIATION (IN KEUR)	3M/2022	3M/2021
EBITDA	569	322
Depreciation and Amortisation	240	183
Financial Result	-26	-40
<b>Net Profit before Taxes</b>	<b>303</b>	<b>99</b>
Taxes	39	34
<b>Net Profit Continuing Operations</b>	<b>264</b>	<b>65</b>
<b>Net Profit Discontinued Operations</b>	<b>0</b>	<b>213</b>
<b>CONSOLIDATED NET PROFIT</b>	<b>264</b>	<b>278</b>

As of 31 March 2022, **trade receivables** amounted to EUR 0.9 million in the **national region** (previous year: EUR 0.8 million) and EUR 1.0 million (previous year: EUR 0.5 million) in the **international region** and EUR 1.5 million (previous year: EUR 1.4 million) in **Corporate Functions**.

In addition, **trade accounts payable** in the **national region** amounted to EUR 1.1 million (previous year: EUR 1.3 million), **internationally** to EUR 0.8 million (previous year: EUR 0.7 million) and in the **Corporate Functions** to EUR 0.4 million (previous year: EUR 0.4 million).

The following table presents the results of the individual segments. In accordance with the internal reporting structure, **earnings before interest, taxes, depreciation and amortization (EBITDA)** are used as the measure of earnings.

**SEGMENT REPORTING**

(in kEUR)

**01/01/2022 - 31/03/2022**

	NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	YOC GROUP
External revenue	2.698	1.718	0	0	4.417
Internal revenue	21	9	339	-369	0
<b>Total revenue</b>	<b>2.719</b>	<b>1.727</b>	<b>339</b>	<b>-369</b>	<b>4.417</b>
Own work capitalised	0	0	141	0	141
Other operating income	133	74	198	-191	214
<b>Total output</b>	<b>2.852</b>	<b>1.802</b>	<b>678</b>	<b>-560</b>	<b>4.771</b>
Cost of materials	1.502	1.022	368	-370	2.523
Personnel expenses	333	362	542	0	1.236
Other operating expenses	178	219	275	-229	443
<b>EBITDA</b>	<b>839</b>	<b>198</b>	<b>-507</b>	<b>38</b>	<b>569</b>

**SEGMENT REPORTING**

(in kEUR)

**01/01/2021 - 31/03/2021**

	NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	YOC GROUP
External revenue	2.088	1.415	0	0	3.503
Internal revenue	14	2	401	-416	0
<b>Total revenue</b>	<b>2.102</b>	<b>1.417</b>	<b>401</b>	<b>-416</b>	<b>3.503</b>
Own work capitalised	0	0	158	0	158
Other operating income	92	24	198	-186	128
<b>Total output</b>	<b>2.194</b>	<b>1.441</b>	<b>757</b>	<b>-603</b>	<b>3.789</b>
Cost of materials	1.305	779	276	-268	2.093
Personnel expenses	336	198	541	0	1.074
Other operating expenses	144	161	181	-185	300
<b>EBITDA</b>	<b>408</b>	<b>304</b>	<b>-241</b>	<b>-149</b>	<b>322</b>

## EXPLANATORY NOTES ON SIGNIFICANT DEVELOPMENTS IN THE CONSOLIDATED BALANCE SHEET

### OTHER DISCLOSURES TO FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents,

trade receivables, other current financial assets and other current financial liabilities approximate their fair values mainly due to the short maturities of these instruments.

For reasons of materiality, the fair value of these short-term balance sheet items is equated with their carrying amount.

The following table shows the carrying amounts, fair values and categorisation in accordance with IFRS 9.

**31/03/2022**

**(IN KEUR)**

#### FINANCIAL ASSETS

	CARRYING AMOUNT	AT AMORTIZED VALUE
Cash and cash equivalents	1.223	1.223
Trade receivables	3.407	3.407
Other financial assets	428	428

#### FINANCIAL LIABILITIES

##### thereof long-term

Liabilities from leasing	583	583
Liabilities to credit institutions	169	169
Other financial liabilities	140	140
Fixed rate borrowing	0	0
YOC Convertible Bond 2018 - 2022	0	0

##### thereof short-term

Trade payables	2.251	2.251
Liabilities from leasing	320	320
Liabilities to credit institutions	36	36
Fixed rate borrowing	700	700
Other financial liabilities	3.180	3.180

**31/03/2021**

**(IN KEUR)**

#### FINANCIAL ASSETS

	CARRYING AMOUNT	AT AMORTIZED VALUE
Cash and cash equivalents	279	279
Trade receivables	2.669	2.669
Other financial assets	459	459

#### FINANCIAL LIABILITIES

##### thereof long-term

Liabilities from leasing	579	579
Liabilities to credit institutions	0	0
Other financial liabilities	0	0
Fixed rate borrowing	680	680
YOC Convertible Bond 2018 - 2022	1.363	1.363

##### thereof short-term

Trade payables	2.431	2.431
Liabilities from leasing	217	217
Liabilities to credit institutions	0	0
Fixed rate borrowing	300	300
Other financial liabilities	2.422	2.422

## EXPLANATION OF THE CASH FLOW STATEMENT

### OPERATING CASH FLOW

**Cash flow from operating activities** is calculated using the indirect method. The starting point for the calculation is the consolidated net profit for the period of the current financial year in the amount of EUR 0.3 million (3M/2021: EUR 0.3 million).

In the first quarter of 2022, the operating cash flow of YOC Group amounted to EUR 0.2 million (2021: EUR -0.1 million). In addition to earnings after tax, this resulted from the business-related change in working capital.

### CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** totaling EUR 0.7 million (3M/2021: EUR 0.3 million) primarily includes capitalizable internal development costs related to the further development of the Company's technological platforms and innovative products in the amount of EUR 0.2 million and external development costs of a further EUR 0.1 million.

In addition, EUR 0.4 million was attributable to the acquisition of the new subsidiary theINDUSTRY AG, Zurich.

### CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.1 million (3M/2021: EUR -0.2 million) results from repayments of leasing and loan liabilities.

### CASH FUNDS

**Cash and cash equivalents** comprise all bank and cash balances and amounted to EUR 1.2 million (31 December 2021: EUR 1.8 million) as of 31 March 2022.

In addition, the Company is disposing of working capital lines with its principal banks totaling EUR 1.1 million.

## OTHER DISCLOSURES

### CONTINGENCIES, WARRANTIES, CONTINGENT LIABILITIES AND SIMILAR MATTERS

An exercise of 20,000 virtual stock options are linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 WpÜG with an indefinite term.

The strike price at the grant date on 01 October 2014 was EUR 1.92. These virtual stock options are vested. No resulting liabilities were recognized as of the reporting date. In addition, the service contract of the Management Board member Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, includes a one-time performance-related payment subject to the condition of a change of control following a takeover bid.

The performance-related compensation, which is staggered according to the share price at the time of the transaction, amounts to a maximum of 1.5 % of the transaction volume.

No resulting liabilities were recognized at the reporting date. There are no other contingent liabilities, warranties, contingent liabilities or similar.

### EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION REPORTING DATE

No events with a significant impact on the net assets, financial position and results of operations occurred after the balance sheet date.

### FINANCIAL RISK MANAGEMENT

YOC Group is exposed to default, liquidity and market risks in the course of its ordinary business activities. The Management Board is informed about the development of YOC Group's equity through regular reporting of key figures such as sales development, gross profit margin or EBITDA. In addition, regular monitoring of liquidity risks takes place in order to analyze cash flow fluctuations and to identify liquidity bottlenecks in good time and take countermeasures.

Financial risk management is operated by a central treasury department under the supervision of the Management Board. Liquidity management supports the Management Board in monitoring measures to safeguard liquidity by monitoring business developments and cash flow fluctuations.

### DEFAULT RISK

Default risk is the risk that a counterparty will fail to meet its obligations under a financial instrument, resulting in a financial loss. The Group's maximum exposure to credit risk is equal to the carrying amounts of financial assets and receivables and the carrying amounts of cash and cash equivalents. Credit risks result from trade receivables.

A concentration of risk arises due to the increasingly growing share of programmatic trading and the resulting increase in average payment terms. The risk of bad debts is countered by stringent accounts receivable management, which focuses on monitoring the age structure of receivables and managing doubtful debts. In the past three financial years, neither YOC AG nor its subsidiaries have had any significant defaults on receivables from customers.

## LIQUIDITY RISK

YOC Group has established a dedicated treasury function to plan and monitor cash flows. Liquidity management supports the Management Board in monitoring measures to secure liquidity by monitoring business development and cash flow fluctuations. The management is carried out, among other things, by means of key figures (for example, equity and debt ratios, working capital, etc.), which provide information about the capital structure of the Company.

As of 31 March 2022, YOC Group has a liquidity balance of EUR 1.2 million. In April 2022, YOC AG concluded an agreement with Commerzbank AG for a working capital line of EUR 1.0 million with a term until 30 June 2023.

This means that YOC Group disposes of sufficient liquidity even in the event of a significant budget shortfall in the forecast period.

## MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes currency risk, interest rate risk and other price risks.

## INTEREST RATE RISK

An increase in the three-month EURIBOR by two percentage points would have an impact on the financial result, as a working capital line of EUR 1.0 million is linked to the EURIBOR development. The financial result would therefore change by up to kEUR 20.

## CURRENCY RISK

The Group operates internationally and is exposed in particular to foreign currency risk. The currency risks arise from future business transactions and asset and liability items denominated in foreign currencies. Such items are denominated in US Dollars in particular. As part of the management of the exchange rate risk against the US Dollar, YOC Group is considering hedging these risks in the future by means of forward exchange contracts.

## OTHER PRICE RISK

Apart from the financial risks that may arise from changes in exchange rates, commodity prices and interest rates, YOC Group is not exposed to any significant price risks as of the balance sheet date.

## DISCLOSURES ON RELATIONSHIPS WITH RELATED COMPANIES AND PERSONS

Related parties within the meaning of IAS 24 are generally members of the Management Board and Supervisory Board of YOC AG and their family members as well as companies controlled by these

persons. In addition, persons in key positions and their close family members in accordance with IAS 24.9 are considered related parties.

The Management Board, Mr Dirk-Hilmar Kraus, provided YOC AG with a loan in the amount of TEUR 200 in financial year 2020. This bears interest at 7 % p. a. and is due for repayment in October 2022. There were no other significant business transactions with related parties in the reporting period.

## DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE

The annual **declaration of compliance** with the German Corporate Governance Code pursuant to **Section 161 of the German Stock Corporation Act (AktG)** was issued by the Management Board and the Supervisory Board in February 2022 and made permanently available to the shareholders of YOC AG on the website [www.yoc.com](http://www.yoc.com) in the section "Investor Relations".

## STATEMENT OF RESPONSIBILITY BY THE MANAGEMENT BOARD

I assure, to the best of my knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Berlin, 25 May 2022



Dirk-Hilmar Kraus  
The Management Board

# FINANCIAL CALENDAR 2022

**23 – 25 MAY 2022**

Equity Forum / German Spring Conference 2022, Frankfurt

**25 MAY 2022**

Interim Report First Quarter 2022

**17 AUGUST 2022**

Interim Report First Half 2022

**16 NOVEMBER 2022**

Interim Report Third Quarter 2022

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