

# INTERIM REPORT

## FIRST QUARTER 2023

Berlin, 24 May 2023

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# LETTER TO THE SHAREHOLDERS

Dear Shareholders,

in the current financial year 2023, we worked hard to establish our **VIS.X®** trading platform as the leading technology platform for highly effective digital advertising - guided by our vision of "A better advertising experience for everyone".

The differentiating feature of our **VIS.X®** platform results from the trading of non-standardized, high-impact advertising formats.

The platform thus solves a significant market problem by making high-impact advertising formats tradable not only via direct bookings but also programmatically (automated) in real-time and bundling the advertising inventory with YOC's own products within the framework of private marketplaces.

This distinguishes us significantly from other platforms and competitors.

At the same time, the digital advertising market grew to become the world's most important channel for advertising in recent years - and experienced a major transformation: Automated trading of digital advertising space is 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 spend for display advertising - in this segment, around 70 % of all advertising spend is already traded automatically.

Against this backdrop, our powerful supply-side platform (SSP) **VIS.X®** is becoming an increasingly attractive marketplace for website operators as well as advertisers, and one that equally caters to the needs of Internet users:

- By purchasing through **VIS.X®** and YOC's attention-grabbing advertising formats, our advertising clients are allowed to increase awareness of their brand or products in conjunction with high-quality advertising space;
- Internet users receive relevant, interesting advertising messages without being disturbed in their reading or usage 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 current fiscal year 2023, we will continue to implementation of our defined growth strategy. In March 2023, we continued our expansion and acquired Helsinki-based Nostemedia Oy in order to gain a foothold in the Northern European region and to further internationalize our activities.

We see synergies in the provision of **VIS.X®** in the Finnish market, which on the one hand will directly differentiate the Company's product offering from the competition, but on the other hand will further increase the trading volume on our platform. Beyond this transaction, we are evaluating further markets for the internationalization of our activities.

In the first three months of the current fiscal year 2023, we increased our consolidated **Group revenues** by around 18 % to EUR 5.2 million (3M/2022: EUR 4.4 million).

The takeover of Nostemedia Oy and a noticeable increase in personnel in further platform development, sales, and in the context of internationalization cause an increase in the number of employees and thus in the Company's personnel expenses in the first quarter of 2023.

Consequently, the **operating result before interest, taxes, depreciation, and amortization (EBITDA)** amounted to EUR 0.3 million in the reporting period (Q1/2022: EUR 0.6 million). **Consolidated net profit for the period** amounted to EUR 0.0 million (Q1/2022: EUR 0.3 million).

The **VIS.X®** platform and YOC's own advertising formats form the basis for differentiating YOC's offering in the international market for digital advertising technology. Accordingly, we consistently invest in the further development of our platform and our products. Increasing investments in innovations help us to effectively expand our competitive position and lay the foundation for further increasing the value of the Company.

Dear shareholders, in regard to the development of the first quarter and subject to no significant deterioration of the general economic parameters, we confirm our guidance for the financial year 2023. With revenues at Group level increasing by 24 % to 28 % year-on-year to EUR 29.0 million to EUR 30.0 million, we expect operating earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 4.0 million to EUR 4.5 million.

Thank you very much for your trust and I am looking forward to further cooperation with you.

Best Regards,



Dirk-Hilmar Kraus  
CEO

# YOC AT A GLANCE

REVENUE AND EARNINGS (IN KEUR)	3M/2023	3M/2022	CHANGE IN TOTAL	CHANGE IN %
Total revenue	5.213	4.417	796	18
National	2.782	2.593	189	7
International	2.431	1.824	607	33
Gross profit margin (in %)	43,9	42,9	1,0	2
Total output	5.458	4.771	687	14
EBITDA	331	569	-238	-42
EBITDA margin (in %)	6,1	11,9	-5,8	-49
Consolidated net profit	11	264	-253	-96
Earnings per share (diluted in EUR)	0,00	0,08	-0,08	-100
Earnings per share (non-diluted in EUR)	0,00	0,08	-0,08	-100

## EMPLOYEES

Average number of employees	69	60	9	15
Number of employees at 31st March <sup>1)</sup>	78	60	18	30
Total revenue per employee (in kEUR)	76	74	2	3
Total output per employee (in kEUR)	79	80	-1	-1

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

Total assets	11.269	11.562 <sup>1)</sup>	-293	-3
Cash flow from operating activities	159	33	126	382

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

1) as of 31 December 2022

# BUSINESS MODEL AND TECHNOLOGY

## BUSINESS MODEL

### A BETTER ADVERTISING EXPERIENCE FOR EVERYONE

In the 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 space 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-impact advertising inventory by using **VIS.X®** and YOC high-impact advertising formats,
- 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 attention-grabbing 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 spend while ensuring that all involved parties – advertisers, publishers and users of the internet – receive an ideal advertising experience that fits their needs for mobile as well as stationary devices.

### 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.

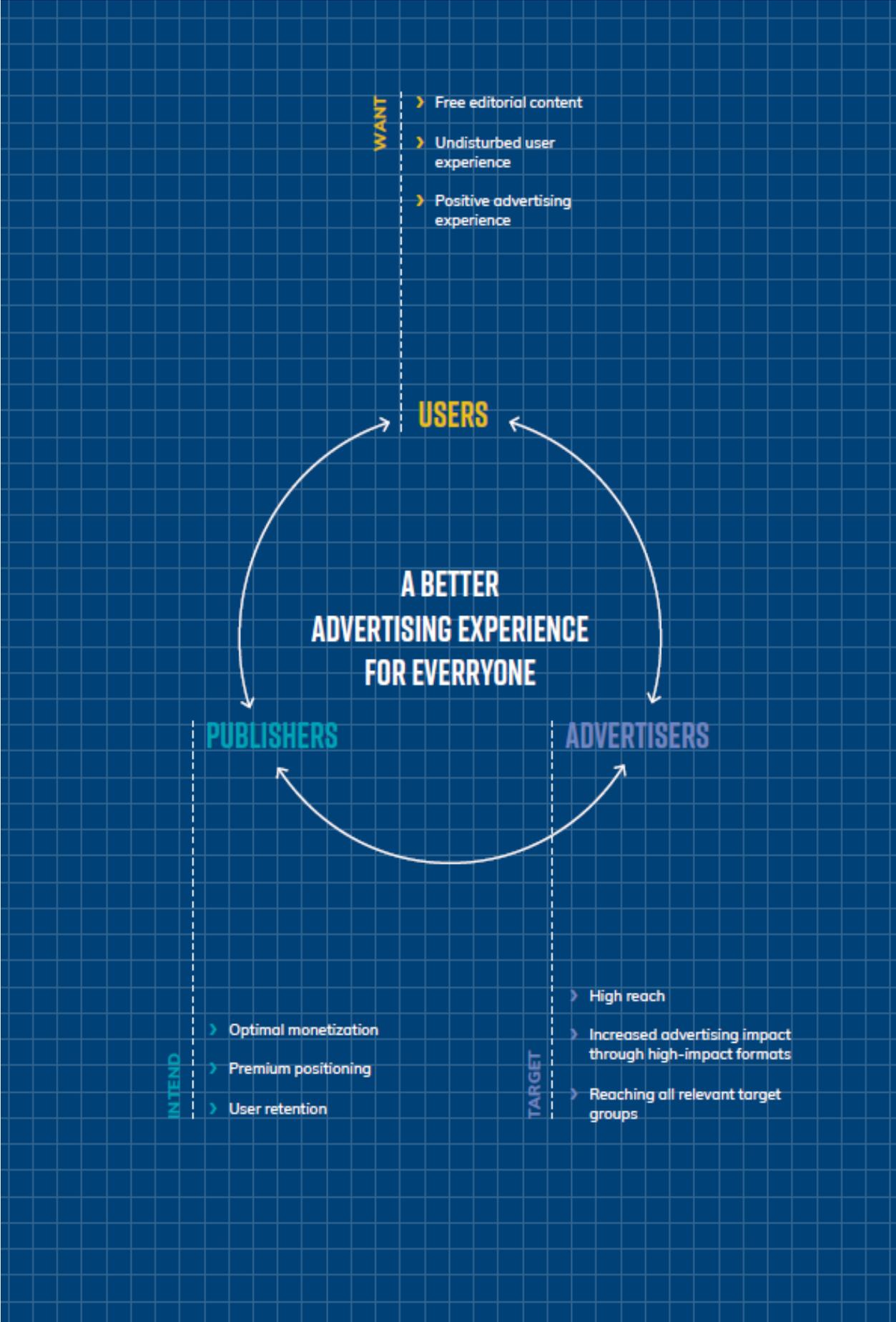
Thereby the Company aims at continuously improving its software so that our partners are offered a comprehensive, efficient and innovative way to trade highly effective advertising media in combination with the best advertising spaces in an automated manner.

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

Current 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-impact 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 and 2022.

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 Marketplaces and, since 2020, guaranteed trading in direct trading via its own AdServer-technology.

The platform always achieves the best result for the supply, demand and the users by combining all available advertising formats within an auction including the demand of all market participants.

The unique selling point of the **VIS.X®** platform is the trading of non-standardized, highly effective 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:

### ADVANCED PRICING MODELS

The **VIS.X®** platform provides maximum flexibility 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).

### VIS.X® ARTIFICIAL INTELLIGENCE (AI)

**VIS.X® AI** is a new innovative feature of the technology platform **VIS.X®**, which aggregates innovative trading algorithms that offer additional value for both, advertisers and publishers.

Advertisers benefit from **VIS.X® AI** through significantly increased KPIs, as the artificial intelligence automatically selects the right YOC advertising product and publisher in real time.

Cost efficiency and the corresponding campaign objective are used as selection criteria, without the use of cookies. The algorithm is based on machine learning predictions, historical data and the performance of past advertising campaigns. This offers full flexibility, as **VIS.X® AI** works both in terms of programmatic deals and in the context of individual direct trading.

### 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 space.

In the last year, more and more leading ad platforms with wide networks of advertisers were integrated as bidders in the **VIS.X®** auction. And allowing new demand sources to access YOC's inventory via the open marketplace.

### 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.

## MULTICHANNEL-APPROACH

In a first step, the **VIS.X®** platform was optimized specifically for trading advertising space 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.

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 with just over 50 % of all digital advertising expenditure, could be monetized more effectively through further developments within **VIS.X®** as well as the introduction of special new product lines.

In 2022, the trading volume from this channel already reached 12 % of the total trading volume. In the future, a further increase in turnover based on desktop inventory is expected.

## NEW CHANNEL: DYNAMIC IN-GAME ADVERTISING

Dynamic In-Game Advertising (DIGA) is a cutting-edge advertising technology that is transforming the way brands can engage with their target audiences.

By integrating ads in real-time into video games, advertisers can effectively reach millions of users who are actively immersed in the gaming experience. This type of advertising not only captures the attention of gamers but also creates an opportunity for advertisers to form an emotional connection with them. For the video games market, YOC has developed an innovative solution. We are dedicated to developing sophisticated solutions that can seamlessly integrate in-game advertising into existing media mixes. Our **VIS.X® SDK** for the game engine Unity enables us to deliver banners and inline video ads in real-time on Windows OS.

## 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.

A Reporting Application Programming Interface (API) allows YOC partners to create their own analyses and import data from the **VIS.X®** platform into existing business intelligence systems and data pipelines.

#### MANAGEMENT OF ADVERTISING INVENTORY

The management interface offers complete management of traded inventory of integrated publishers, their mobile and stationary 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.

Moreover, the platform offers adaptable inventory settings that enable to set of distinct floor prices based on their geolocation, as well as the option to choose between strictly adhering to publishers' ad requests regarding permitted creative sizes or automatically selecting the most suitable formats.

#### DEAL AND ORDER MANAGEMENT

The core of the **VIS.X®** platform is the management of all current and new deals within private market-places 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.

An increase in targeting options, as well as the inclusion of additional partners, leads to an enhancement of the capabilities available to the advertiser.

#### 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 currently in eight product lines. The Company's goal 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 benefit from the added value of this technology. Each product line can be flexibly deployed and extended with additional feature configurations.

# GROUP INTERIM MANAGEMENT REPORT

## DEVELOPMENT OF YOC GROUP IN THE FIRST THREE MONTHS OF FINANCIAL YEAR 2023

YOC AG develops technologies and software for the digital advertising market. With the help of our programmatic trading platform **VIS.X®** as well as third-party platforms, we enable an optimized advertising experience for advertisers, publishers and users of the Internet and mobile applications.

As one of the pioneers of mobile advertising, YOC AG has been on the market since 2001 and has been listed in the Prime Standard of the Frankfurt Stock Exchange since 2009.

The Company's headquarters are located in Berlin. The Company also operates offices in Dusseldorf, Hamburg, Vienna, Warsaw and Zurich.

On 21 March 2023, YOC AG announced the hundred percent takeover of the shares of Helsinki, Finland-based Nostemedia Oy. Through the acquisition of Nostemedia Oy, the Company is now expanding into the Northern European region.

Nostemedia Oy is a technology service provider in the digital service provider in the digital advertising market and has strong expertise in media sales of digital advertising formats. In addition, the Company has access to an extensive inventory of renowned publishers with almost one billion available advertising spaces (ad impressions) per month. The integration into the YOC Group offers both companies the potential to generate rapid and sustainable growth and to realize corresponding synergies.

The purchase price is divided into a fixed component in the amount of kEUR 1,235 and further variable components, which are dependent on the operating results of Nostemedia Oy in the financial years 2023 to 2026. The resulting anticipated total purchase price of between kEUR 1,235 and kEUR 1,735 is to be financed mainly from the current cash flow of YOC AG.

In the course of this corporate transaction, YOC AG recognized assets in the amount of kEUR 657 and liabilities in the amount of kEUR 476 in the consolidated financial statements as of 31 March 2023.

The goodwill is expected to amount to between kEUR 1,000 and kEUR 1,500. The Group has commissioned an independent purchase price allocation. However, this valuation had not yet been completed at the time the consolidated financial statements were prepared. The net assets recognized in the consolidated financial statements are based only on a preliminary assessment of the fair value.

In the first three months of the current financial year 2023, YOC Group increased its **revenues** by around 18 % to EUR 5.2 million (3M/2022: EUR 4.4 million). In this context, all of the Company's regional branches 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 7 % compared to the same period of the previous year.

Revenues from **international business** activities increased by 33 % in the first three months of 2023.

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 revenue share for proprietary ad tech products continued to increase.

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.3 million in the reporting period (3M/2022: EUR 0.6 million).

**Consolidated net profit for the period** amounted to period under review amounted to EUR 0.0 million (3M/2022: EUR 0.3 million).

## DEVELOPMENT OF THE RESULTS OF OPERATIONS

### REVENUE DEVELOPMENT AND TOTAL OUTPUT

In the reporting period, the Group recorded **revenue growth** of around 18 % to EUR 5.2 million (3M/2022: EUR 4.4 million).

At EUR 5.5 million, **total output** was up by EUR 0.7 million above the level of the previous year (3M/2022: EUR 4.8 million).

## GROSS PROFIT MARGIN

At 44 %, the **gross profit** ratio was up on the level of the level of the previous year (3M/2022: 43 %).

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 financial year 2023, YOC Group was able to retain top performers and recruit new qualified employees for key positions. As of 31 March 2023 the Group had 78 **employees** (31 March 2022: 60 employees).

The **average number of employees** amounted to 69 employees (3M/2022: 60 employees). Part-time employees are converted to full-time employees. Apprentices, trainees and members of the Executive Board are not included in the calculation. The acquisition of Nostmedia Oy and a noticeable increase in personnel in the areas of further platform development, sales and internationalization have led to an increase in the number of employees and thus in the company's personnel expenses.

**Personnel expenses** in the reporting period amounted to EUR 1.6 million (3M/2022: EUR 1.2 million).

## OTHER OPERATING EXPENSES

In the first three months of fiscal 2023, **other operating expenses** amounted to EUR 0.6 million (3M/2022: EUR 0.4 million). In addition to the general price increases in recent months, this development was mainly due to higher expenses for marketing and consulting services.

## EBITDA

In the reporting period, **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.3 million (3M/2022: EUR 0.6 million).

## EARNINGS AFTER TAXES

The YOC Group recorded **scheduled depreciation** of EUR 0.3 million (3M/2022: EUR 0.2 million).

The **financial result** amounted to EUR -0.0 million (3M/2022: EUR -0.0 million). **Income taxes** totaled EUR 0.0 million (3M/2022: EUR 0.0 million).

As a result, **net profit** amounted to EUR 0.0 million (3M/2022: EUR 0.3 million).

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

The YOC Group ends with a **consolidated net profit for the period** of EUR 0.0 million (3M/2022: EUR 0.3 million).

# DEVELOPMENT OF FINANCIAL POSITION AND NET ASSETS

## CASH-FLOW

As of the balance sheet date, the YOC **Group's cash and cash equivalents** amounted to EUR 0.4 million, a decrease of EUR 1.3 million compared to the year-end balance for 2022 (31 December 2022: EUR 1.7 million).

## OPERATING CASH FLOW

The **operating cash flow** is determined using the indirect method. The starting point for the calculation is the consolidated net profit for the current fiscal year 2023 in the amount of EUR 0.0 million (3M/2022: EUR 0.3 million).

The operating cash flow of the YOC Group amounted to EUR 0.2 million (3M/2022: EUR 0.0 million). In addition to the consolidated profit for the period, this resulted from the business-related change in working capital, taxes paid, and non-cash income and expenses.

## CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** totaling EUR 1.4 million (3M/2022: EUR 0.5 million) primarily comprises the acquisition of Nostmedia Oy in the amount of EUR 1.2 million, as well as the internal development costs eligible for capitalization in connection with the further development of the **VIS.X®** technology platform and the Company's range of advertising formats in the amount of EUR 0.1 million and external development costs in the amount of a further EUR 0.1 million.

## CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.1 million (3M/2022: EUR -0.1 million) results from repayments of leasing and loan liabilities.

## SUMMARY STATEMENT ON THE RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

The concentration of our activities on our **VIS.X@** trading platform and the expansion of our product range resulted in an increasing volume of business for the YOC Group. As a result, YOC Group increased **revenues at Group level** by around 18 % to EUR 5.2 million in current financial year 2023 (3M/2022: EUR 4.4 million).

In the reporting period, **earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.3 million (3M/2022: EUR 0.6 million).

In total, the Group ended the reporting period with a **consolidated net profit for the period** of EUR 0.0 million (3M/2022: EUR 0.3 million).

As a consequence of this corporate development, the **Group's equity** amounted to EUR 1.7 million as of 31 March 2023 (31 December 2022: EUR 1.7 million).

The **balance sheet** total of YOC Group decreased due to seasonal factors to EUR 11.3 million (31 December 2022: EUR 11.6 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 Executive 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 2022, which is part of the audit by the auditor of the annual financial statements.

### OUTLOOK

Internet use is highly established in people's everyday lives. The diverse possibilities as well as the mass of content provided online have an impact on the continuously increasing daily Internet consumption of consumers. In order to remain relevant to this target group, both media providers (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 highly effective formats takes on even greater relevance.

Rich media 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 perception.

For several years now, YOC Group has been positioning itself in this business segment with its product lines and their diverse features and expects to participate in market growth by providing interactive and high-impact advertising formats in the programmatic environment.

According to YOC Group's assessment, the European market currently offers hardly any supply-side platforms that can meet the demand for digital 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 secure 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 highly effective advertising formats, but can now also trade and deliver them platform-based via programmatic sales channels. By connecting numerous publishers and their inventory, the 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 in the future.

The Executive Board's focus is on the continuous increase of the programmatic platform business and thus on the implementation of the defined corporate strategy. With the **VIS.X®** technology platform, the Company gains a sustainable competitive advantage as well as independence from third-party providers through programmatic trading of advertising products developed in-house.

Following revenue growth of more than 20 % in each of the past two fiscal years 2021 and 2022, sustained high growth momentum is expected for fiscal 2023. Compared to the previous year, both revenues and operating profit should increase significantly.

Assuming that the military conflict in Ukraine remains regionally confined to the territory of Ukraine, we expect that there will only be a minor impact on the sales and earnings performance of YOC Group.

In view of the Corona pandemic, we do not expect a comparable slump or state of shock in the advertising industry, even in the event of another pandemic, as occurred at the beginning of the pandemic in the first quarter of 2020.

The significant increase in the inflation rate and the associated turnaround in interest rates in almost all European countries represent a renewed macroeconomic challenge, the effects of which are weighing on the economy as a whole.

At the present time, no negative effects can be derived from this for digital advertising expenditure.

In the past quarters, the business model of YOC Group has proven resilient to the general macroeconomic development, but the effects on the quarters ahead are difficult to estimate at this point in time.

Overall, the YOC Group expects for the fiscal year 2023 **revenues** to increase to between EUR 29.0 million and EUR 30.0 million, with a disproportionately low increase in expenses.

Based on this revenue forecast, the Executive Board expects **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** to increase to EUR 4.0 million to EUR 4.5 million in fiscal 2023.

In parallel, the average order backlog should also increase in the financial year 2023. In the course of further revenue and Company growth, YOC Group expects the number of employees to increase slightly in the course of 2023.

As a consequence, the **consolidated net profit for the period** should reach a level of EUR 2.5 million to EUR 3.0 million for the financial year 2023.

In March 2023, YOC AG concluded an agreement with Commerzbank AG for a credit line of EUR 1.0 million with a term until 30 June 2024.

In addition, in May 2023, following the acquisition of Nostemedia Oy, a loan of EUR 0.5 million was taken out with Commerzbank AG with a term until 31 December 2025.

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

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME 3M/2023 (UNAUDITED)

All figures in EUR

	3M/2023	3M/2022
Revenue	5.213.606	4.416.654
Own work capitalised	164.013	140.519
Other operating income	80.144	214.062
<b>Total output</b>	<b>5.457.763</b>	<b>4.771.235</b>
Cost of material	2.927.229	2.523.250
Personnel expenses	1.600.395	1.236.156
Other operating expenses	599.113	442.869
<b>Earnings before interest, taxes, depreciation and amortization</b>	<b>331.026</b>	<b>568.960</b>
Depreciation and amortisation expenses	286.994	239.526
<b>Earnings before interest and taxes</b>	<b>44.032</b>	<b>329.434</b>
Financial income	50	0
Financial expenses	13.190	26.348
Financial result	-13.140	-26.348
<b>Earnings before taxes</b>	<b>30.892</b>	<b>303.086</b>
Income taxes	20.156	39.126
<b>Net profit</b>	<b>10.736</b>	<b>263.960</b>
<b>CONSOLIDATED NET PROFIT</b>	<b>10.736</b>	<b>263.960</b>

### EARNINGS PER SHARE

Earnings per share non-diluted	0,00	0,08
Earnings per share diluted	0,00	0,08

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated net profit	10.736	263.960
Net other comprehensive income to be reclassified through profit or loss in subsequent periods:		
Unrealised gains/losses from foreign currency translation	-450	1.056
<b>Total other comprehensive income</b>	<b>-450</b>	<b>1.056</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>10.286</b>	<b>265.016</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 2023 (UNAUDITED)

All figures in EUR

	31/03/2023	31/12/2022
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>5.935.992</b>	<b>4.190.181</b>
Property, plant and equipment	192.447	186.550
Goodwill	2.130.008	551.283
Intangible assets	2.406.580	2.164.075
Rights of use from leasing	515.871	597.215
Deferred tax assets	691.086	691.058
<b>Current assets</b>	<b>5.332.944</b>	<b>7.371.910</b>
Trade receivables	4.354.450	5.460.402
Other financial receivables	600.659	208.247
Tax receivables	9.972	0
Cash and cash equivalents	367.863	1.703.261
<b>Total assets</b>	<b>11.268.936</b>	<b>11.562.091</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>1.717.286</b>	<b>1.707.001</b>
Subscribed capital	3.476.478	3.476.478
Additional paid in capital	22.053.357	22.053.357
Accumulated losses	-23.812.487	-23.823.223
Other comprehensive income from currency translation differences	-62	389
<b>Non-current liabilities</b>	<b>1.099.389</b>	<b>864.577</b>
Provisions	99.918	100.425
Leasing liabilities	303.413	345.970
Other financial liabilities	500.000	0
Liabilities to credit institutions	111.833	122.667
Tax liabilities	84.225	295.515
<b>Current liabilities</b>	<b>8.452.261</b>	<b>8.990.513</b>
Prepayments received	216.246	120.812
Trade payables	2.636.146	3.014.058
Liabilities to credit institutions	101.691	37.316
Other liabilities	572.290	589.044
Other financial liabilities	3.362.701	4.592.805
Leasing liabilities	287.342	331.234
Tax liabilities	520.316	305.244
Provisions	755.529	0
<b>Total equity and liabilities</b>	<b>11.268.936</b>	<b>11.562.091</b>

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

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED CASH FLOW STATEMENT 3M/2023 (UNAUDITED)

All figures in EUR

	3M/2023	3M/2022
<b>Consolidated net profit</b>	<b>10.736</b>	<b>263.960</b>
Depreciation and amortisation	286.994	239.526
Taxes recognised in the income statement	20.156	39.126
Interest recognised in the income statement	13.140	26.348
Other non-cash income and expenses	-269.882	-324.988
<b>Cash-Earnings</b>	<b>61.144</b>	<b>243.972</b>
Changes in receivables and other financial receivables	1.245.526	1.423.539
Changes in liabilities, prepayments and other liabilities	-1.848.590	-2.249.573
Changes in provisions	755.022	660.728
Interest received	50	0
Interest paid	-3.959	-14.031
Interest paid leasing	-9.231	-10.756
Income taxes paid	-40.817	-20.834
<b>Cash flow from operating activities</b>	<b>159.145</b>	<b>33.045</b>
Acquisition of subsidiaries (net of cash acquired)	-1.119.794	-257.121
Purchase of property, plant and equipment	-22.469	-20.802
Purchase of intangible assets	-23.557	-27.768
Outflow from development costs	-233.172	-217.878
Disposal of assets	10.964	168
<b>Cash flow from investing activities</b>	<b>-1.388.028</b>	<b>-523.401</b>
Repayment of lease liabilities	-95.681	-70.873
Loan repayment	-10.834	-8.923
Drawdown of working capital line	787.032	0
Repayment of working capital line	-787.032	0
<b>Cash flow from financing activities</b>	<b>-106.515</b>	<b>-79.796</b>
<b>Net increase / decrease</b>	<b>-1.335.398</b>	<b>-570.152</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1.703.261</b>	<b>1.792.839</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>367.863</b>	<b>1.222.687</b>

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 2023 (UNAUDITED)

All figures in EUR

	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	INCOME FROM CURRENCY TRANSLATION	TOTAL
as of 01/01/2022	3.476.478	22.053.357	-26.159.080	7.813	-621.432
Net profit	0	0	263.960	0	263.960
Currency translation differences	0	0	0	1.056	1.056
Comprehensive income	0	0	263.960	1.056	265.016
as of 31/03/2022	3.476.478	22.053.357	-25.895.120	8.869	-356.416

	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	INCOME FROM CURRENCY TRANSLATION	TOTAL
as of 01/01/2023	3.476.478	22.053.357	-23.823.223	389	1.707.001
Net profit	0	0	10.736	0	10.736
Currency translation differences	0	0	0	-451	-451
Comprehensive income	0	0	10.736	-451	10.285
as of 31/03/2023	3.476.478	22.053.357	-23.812.487	-62	1.717.286

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 digital advertising technology.

The Company is entered in the Commercial Register at the Charlottenburg Local Court (HRB 77285).

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 2023 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 required disclosures and information as presented in the context of 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 2022.

## Standards and interpretations required to be applied in the current fiscal year 2023

In the current fiscal year 2023, all standards whose application is mandatory as of 01 January 2023 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 1	01 January 2024	insignificant
IAS 1	01 January 2024	insignificant
IFRS 16	01 January 2024	insignificant

The Executive 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 21 March 2023, YOC AG announced the one hundred percent acquisition of the shares of Nostemedia Oy, Helsinki, Finland.

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

FULLY CONSOLIDATED COMPANIES	SHARE IN %	HELD THROUGH NO.	BEGINNING SINCE
1. YOC AG, Berlin, Germany	-	-	-
2. YOC Germany 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. YOC Switzerland AG, Zurich, Switzerland	100 %	1	01/02/2022
6. Nostemedi Oy Helsinki, Finland	100 %	1	21/03/2023
7. Vau Family Oy Helsinki, Finland	100 %	6	21/03/2023

The purchase price of Nostemedi Oy is divided into a fixed component in the amount of kEUR 1,235 and further variable performance-related components, which are dependent on the operating results of Nostemedi Oy in the financial years 2023 to 2026.

The resulting expected total purchase price of kEUR 1,235 up to kEUR 1,735 is to be financed mainly from the current cash flow of YOC AG.

In the course of this corporate transaction, YOC AG acquired assets in the amount of kEUR 657 and liabilities in the amount of kEUR 476 in the consolidated financial statements as of 31 March 2023.

The goodwill to be capitalized is expected to amount to kEUR 1,000 up to kEUR 1,500. The Group has commissioned an independent purchase price allocation.

However, this valuation had not yet been completed at the time the consolidated financial statements were prepared. The net assets recognized in the consolidated financial statements was based only on a preliminary assessment of the fair value.

The transaction costs for the acquisition of Nostemedi Oy amounted to a total of kEUR 68.

Since the date of acquisition, Nostemedi Oy has contributed kEUR 94 to the revenues and kEUR 28 to the net income of the YOC Group. If the acquisition had already taken place on 01 January 2023, the consolidated revenues would have been kEUR 561 and kEUR -3 to the consolidated net profit for the period for the current financial year 2023.

## GENERAL ACCOUNTING AND VALUATION PRINCIPLES

YOC AG acts as the parent company of the Group and directly holds one hundred percent of the shares in all subsidiaries of the YOC Group.

The financial year for all group companies correspond to the calendar year. The interim 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 in accordance with IAS 1 "Presentation of Financial Statements" using the current/non-current distinction.

The balance sheet items are therefore divided into non-current and current assets and liabilities. Assets and liabilities are generally classified as current if they have a remaining term to maturity or a longer duration in the ordinary course of business of less than one year.

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

The annual financial statements of the companies included in the consolidated financial statements are based on uniform accounting policies.

The consolidated financial statements have been prepared in Euro.

Unless otherwise indicated, all amounts are stated in million Euro for the sake of clarity and comparability.

Due to commercial rounding of individual items and percentages, minor rounding differences may occur.

The statement of comprehensive income is presented in two separate statements, the income statement prepared using the nature of expense 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) amounted to EUR 0.3 million in the reporting period (3M/2022: EUR 0.6 million).

## EARNINGS AFTER TAXES

The YOC Group recorded **scheduled depreciation** of EUR 0.3 million (3M/2022: EUR 0.2 million).

The **financial result** amounted to EUR -0.0 million (3M/2022: EUR -0.0 million).

**Income taxes** totaled EUR 0.0 million (3M/2022: EUR 0.0 million).

As the result, **net profit** amounted to EUR 0.0 million (3M/2022: EUR 0.3 million).

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

The YOC Group ends with a **consolidated net profit for the period** of EUR 0.0 million (3M/2022: EUR 0.3 million).

## SEGMENT REPORTING

Segment reporting is based on the internal management structure and the corresponding reporting. In addition to the **Corporate Functions**, the Group is divided into the following reportable regional operating segments:

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

To form the above **reportable operating segments**, the regions Austria, Poland, Switzerland and, since 21 March 2023, also the Finnish business activities of Nostemedia Oy have been combined in the International segment. Revenues are determined on the basis of the revenues generated by the national companies in the respective countries.

The revenues within the segment are predominantly outsourced revenues. Internal revenues within segments are eliminated accordingly.

Transfer prices between the business segments are determined on the basis of arm's length principles.

The Corporate Functions segment includes income and expenses that are incurred in the parent company and cannot be directly allocated to any operating segment.

In current fiscal year 2023, one customer accounted for more than 10 % of total Group revenues.

Trade receivables included a total of two customers, each accounting for more than 10 % of the total. Both customers are programmatic purchasing platforms connected to the Company's own VIS.X® technology platform. These customers of the YOC Group are to be allocated to the **National segment** and the **International segment**.

The percentage of revenue and the percentage of trade accounts receivable are as follows:

	Revenue of YOC Group with the customer (previous year)	YOC Group's receivable from the customer (previous year)
Customer A	13 % (16 %)	12 % (16 %)
Customer B	7 % (8 %)	8 % (16 %)

In the first three months of 2023, the Group recorded **revenue growth** of around 18 % to EUR 5.2 million (3M/2022: EUR 4.4 million).

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.3 million (3M/2022: EUR 0.6 million).

In the **national segment**, revenue amounted to EUR 2.9 million (3M/2022: EUR 2.6 million). **Operating earnings before interest, taxes, depreciation and amortization (EBITDA)** amounted to EUR 0.8 million (3M/2022: EUR 0.8 million).

**Revenue from international operations** increased by 33 % to EUR 2.4 million (3M/2022: EUR 1.8 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 0.3 million (3M/2022: 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/2023	3M/2022
EBITDA	331	569
Depreciation and Amortisation	287	240
Financial Result	-13	-26
<b>Net Profit before Taxes</b>	<b>31</b>	<b>303</b>
Taxes	20	39
<b>CONSOLIDATED NET PROFIT</b>	<b>11</b>	<b>264</b>

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

SEGMENT REPORTING (in kEUR)		NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	YOC GROUP
<b>01/01/2023 - 31/03/2023</b>						
Sales to direct customers		1.414	1.646	0	0	3.060
Programmatic revenue		1.369	785	0	0	2.154
Internal revenue		102	11	0	-113	0
<b>Total revenue</b>		<b>2.885</b>	<b>2.442</b>	<b>0</b>	<b>-113</b>	<b>5.214</b>
Own work capitalised		0	0	164	0	164
Other operating income		1	11	68	0	80
<b>Total output</b>		<b>2.886</b>	<b>2.453</b>	<b>232</b>	<b>-113</b>	<b>5.458</b>
Cost of material		1.620	1.420	0	-113	2.927
Personnel expenses		379	571	650	0	1.600
Other operating expenses		70	189	341	0	600
<b>EBITDA</b>		<b>817</b>	<b>273</b>	<b>-759</b>	<b>0</b>	<b>331</b>

SEGMENT REPORTING (in kEUR)		NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	YOC GROUP
<b>01/01/2022 - 31/03/2022</b>						
Sales to direct customers		1.532	1.260	0	0	2.792
Programmatic revenue		1.060	564	0	0	1.624
Internal revenue		21	7	0	-27	1
<b>Total revenue</b>		<b>2.613</b>	<b>1.831</b>	<b>0</b>	<b>-27</b>	<b>4.417</b>
Own work capitalised		0	0	141	0	141
Other operating income		28	74	111	0	213
<b>Total output</b>		<b>2.641</b>	<b>1.905</b>	<b>252</b>	<b>-27</b>	<b>4.771</b>
Cost of material		1.413	1.140	0	-30	2.523
Personnel expenses		333	361	542	0	1.236
Other operating expenses		47	121	275	0	443
<b>EBITDA</b>		<b>848</b>	<b>283</b>	<b>-565</b>	<b>3</b>	<b>569</b>

In order to clarify the revenue streams, the revenues of the YOC Group are divided into revenues from direct customers and programmatic revenues in the segment reporting.

The programmatic revenues result from programmatic trading for the monetization of the international advertising inventory of the publisher partners via the technology platform **VIS.X®** and other technology platforms.

The previous year has been adjusted accordingly.

The non-current assets of the YOC Group are mainly located in Germany.

As of 31 March 2023 **trade receivables** amounted to EUR 1.0 million (previous year: EUR 0.9 million) in the **national segment**, EUR 1.4 million (previous year: EUR 1.0 million) in the **international segment** and EUR 2.0 million (previous year: EUR 1.5 million) attributable to programmatic revenues.

In addition, **trade payables** as of 31 March 2023 amounted to EUR 1.1 million (previous year: EUR 1.1 million) in the **national segment**, EUR 1.3 million (previous year: EUR 0.8 million) in the **international segment**, and EUR 0.2 million (previous year: EUR 0.4 million) in the **Corporate Functions** segment.

## 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.

(IN KEUR)	VALUATION CATEGORIES ACCORDING TO IFRS 9	31/03/2023	31/03/2022
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### FINANCIAL ASSETS

Trade receivables	AC	4.354	3.407
Financial assets	AC	601	428
Cash and cash equivalents	AC	368	1.223

### FINANCIAL LIABILITIES

Trade payables	FLAC	2.636	2.251
Financial liabilities	FLAC	214	904
Other financial liabilities	FLAC	3.863	3.320

**AC** Amortized Costs

**FLAC** Financial Liability measured at Amortized Costs

## EXPLANATION OF THE CASH FLOW STATEMENT

### OPERATING CASH FLOW

The **operating cash flow** is determined using the indirect method. The starting point for the calculation is the consolidated net profit for the current fiscal year 2023 in the amount of EUR 0.0 million (3M/2022: EUR 0.3 million).

The operating cash flow of the YOC Group amounted to EUR 0.2 million (3M/2022: EUR 0.0 million). In addition to the consolidated profit for the period, this resulted from the business-related change in working capital, taxes paid, and non-cash income and expenses.

### CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** totaling EUR 1.4 million (3M/2022: EUR 0.5 million) primarily comprises the acquisition of Nostemedia Oy in the amount of EUR 1.2 million, as well as the internal development costs eligible for capitalization in connection with the further development of the **VIS.X®** technology platform and the company's range of advertising formats in the amount of EUR 0.1 million and external development costs in the amount of a further EUR 0.1 million.

### CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.1 million (3M/2022: EUR -0.1 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 0.4 million as of 31 March 2023.

## 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.

In addition, the service contract of the Executive Board member Dirk-Hilmar Kraus, which was renewed in December 2022 and runs until 31 March 2026, 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 Executive 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 Executive Board. Liquidity management supports the Executive 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 rise in the average payment terms of the individual trading platforms.

The proportion of receivables accounted for by the three largest accounts receivable correspond to approximately 33 % (previous year: 40 %) of total trade accounts receivable. As of 31 March 2023, no further risk concentrations with significant amounts are identifiable.

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 Executive 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.

Cash and cash equivalents comprise all bank and cash balances and amounted to EUR 0.4 million as of 31 March 2023.

In March 2023, YOC AG concluded an agreement with Commerzbank AG for a credit line of EUR 1.0 million with a term until 30 June 2024. In addition, in May 2023, following the acquisition of Nostemedia Oy, a loan of EUR 0.5 million was taken out with Commerzbank AG with a term until 31 December 2025. 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 in fiscal year 2023.

### 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.

### CLIMATE-RELATED RISKS

YOC Group is aware of its responsibility to incorporate considerations of sustainability, the environment and social responsibility into its corporate management.

The aim is for all business activities of the YOC Group to have the least possible negative impact on the environment and to comply with environmental protection laws and rules.

However, this might not be considered sufficient by employees or business partners. Future possible impacts on the YOC Group based on climate change are difficult to assess overall.

#### OTHER RISK RELATED TO THE CONFLICT IN UKRAINE

So far, the future effects and the resulting consequences on economic development in Europe can only be predicted to a limited extent.

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.

#### OTHER RISK IN CONNECTION WITH THE CORONA PANDEMIC

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.

#### DISCLOSURES ON RELATIONSHIPS WITH RELATED COMPANIES AND PERSONS

Related parties within the meaning of IAS 24 are generally members of the Executive 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.

There were no 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 Executive Board and the Supervisory Board in February 2023 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 EXECUTIVE 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 2023.

Berlin, 24 May 2023



Dirk-Hilmar Kraus

The Executive Board

# IMPRINT

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