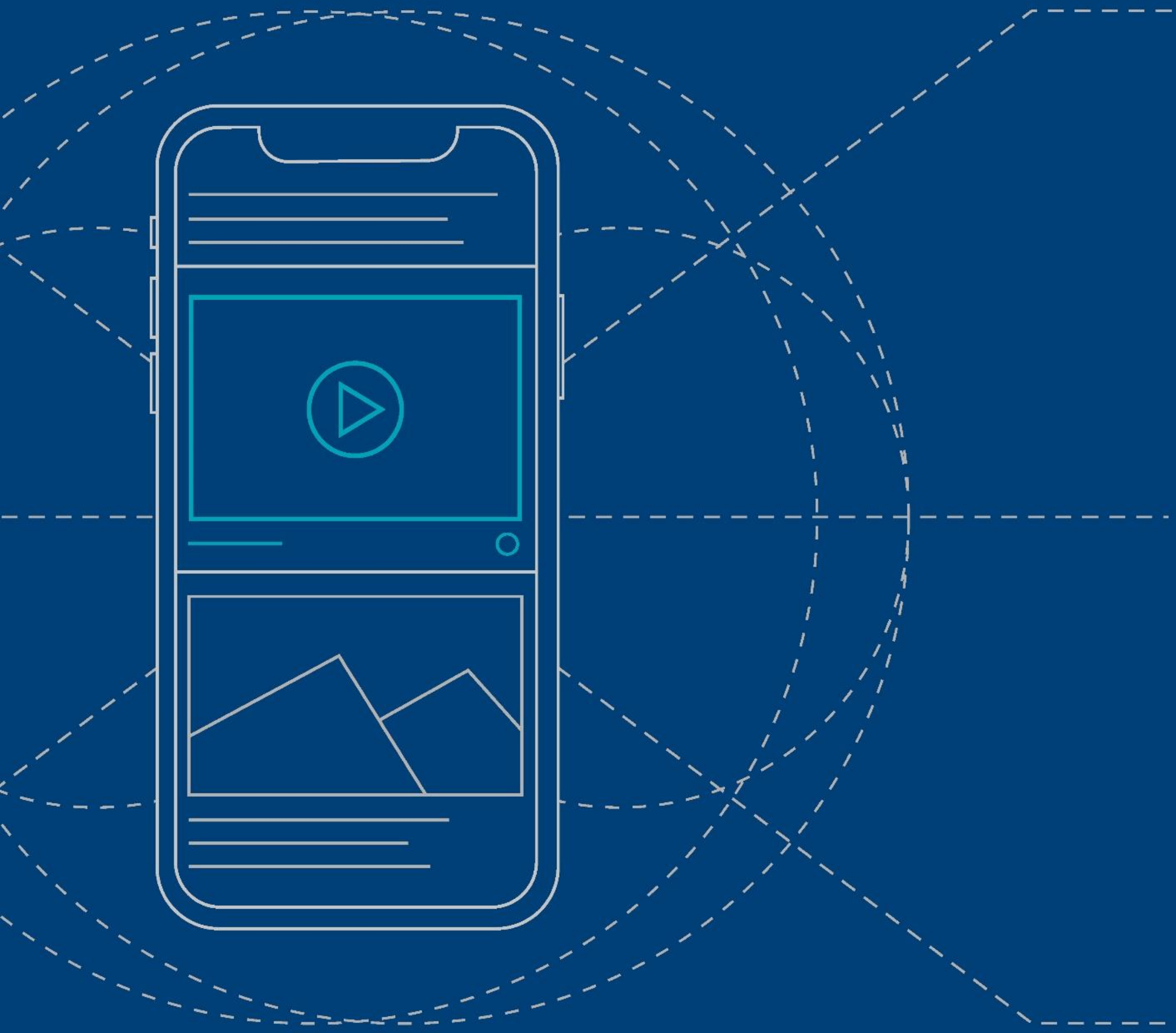

INTERIM REPORT
THIRD QUARTER 2019

Berlin, 20 November 2019

TABLE OF CONTENTS

Letter to the Shareholders 3
YOC at a Glance 4
Interim Consolidated Management Report 5
Interim Consolidated Financial Statements........... 10
Notes to the Financial Statements........................... 15
YOC locations 20
Financial calendar.. 21
Imprint 22

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

YOC Group has been among the leading independent providers of mobile advertising in Europe since 2001. Our goal is to create an ideal digital advertising experience for advertisers, publishers and users of the mobile web.

To this end, we develop eye-catching digital advertising products, which achieve to create a lasting brand awareness and reach out to people through appealing and fascinating ads.

This is why we have conceptualised and developed our new proprietary trade platform **VIS.X®**, which we introduced into the market at the beginning of 2018.

VIS.X® is a programmatic supply-side platform of the next generation, which facilitates the efficient media trade of visible and high-impact advertising products.

VIS.X® allows our clients to purchase high-quality advertising inventory combined with the YOC products fitting their advertising strategy, in an automated and thereby scalable manner, day and night. In parallel, **VIS.X®** supports our publisher partners to realize an increased monetization of their media inventories.

We regard the technological opportunities of **VIS.X®** as visionary. At this stage we have by far not reached the full potential of our platform, however we are on the right course of positioning YOC as a technology-based provider of high-impact programmatic advertising at the top of the advertising market.

We are still going to extend **VIS.X®** by many functionalities and expand our marketplace by continuously adding new well-renowned premium publishers.

We are pleased to report that in the first nine months of financial year 2019 the YOC Group's revenue increased by around 13 % to total revenue of EUR 10.2 million (9M/2018: EUR 9.1 million) compared with the same period last year.

Increased trading via our **VIS.X®** technology platform is helping us to increase the company's profitability: Operating earnings before interest, taxes, depreciation and amortization (EBITDA) improved by 59 % or EUR 0.25 million to EUR -0.18 million (9M/2018: EUR -0.43 million).

Thus, the steady improvement in earnings of previous years continued in the first nine months of 2019.

In addition, the company expanded its existing product lines with **YOC Ads Plus** in the second quarter and is thus pursuing its mission to offer a better advertising experience for everyone. Each **YOC Ads Plus** format promises better awareness, unique user experience and the highest possible quality.

Various international media agencies and advertising customers – including **Nespresso, Milka, Unilever** and **National Geographic** - have purchased different versions of the **YOC Ads Plus** programmatically via **VIS.X®**.

In view of the inadequate business development and the looming Brexit situation, we have reduced our activities in the United Kingdom in order not to further burden our profitability. In the current fourth quarter, we will therefore have to compensate once again for negative sales effects.

Dear shareholders, on the other hand, we are seeing an increase in our business volume in all other markets in which we operate. This is driven by the steadily growing trading volume of our **VIS.X®** technology platform.

In this context, we are very positive about the further development for the new fiscal year 2020 onwards and expect increased growth rates at the level of the company as a whole.

Our team is driving this development with strong commitment.

I wish to express my sincere thanks for the trust you have placed in us and will be looking forward to our continued cooperation.

Kind regards,

Dirk-Hilmar Kraus

CEO

YOC AT A GLANCE

REVENUE AND EARNINGS (IN KEUR)	9M/2019	9M/2018	CHANGE IN TOTAL	CHANGE IN %
Total Revenue	10.203	9.069	1.134	13
National	5.948	4.571	1.378	30
International	4.255	4.498	-243	-5
Gross profit margin (in %)	37,3	38,0	-0,7	k.A.
Total output	10.616	9.742	874	9
EBITDA	-176	-429	253	59
EBITDA margin (in %)	-1,7	-4,4	2,7	k.A.
Earnings after tax	-814	-777	-37	-5
Earnings per share (diluted in EUR)	-0,25	-0,24	-0,01	-4
Earnings per share (basic in EUR)	-0,23	-0,24	0,01	4

EMPLOYEES

Average number of employees[1)]	47	55	-8	-15
Number of employees at end of June	50	53	-3	-6
Total revenue per employee (in kEUR)	204	165	39	24
Total output per employee (in kEUR)	212	177	35	20

FINANCIAL POSITION AND LIQUIDITY (IN KEUR)

Total assets	4.972	6.224[2)]	-1.252	-20
Cash flow from operative activities	188	-1.226	1.414	115

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

1) Based on permanent employees on full-time

2) as of 31/12/2018

INTERIM CONSOLIDATED MANAGEMENT REPORT

BUSINESS DEVELOPMENT OF YOC GROUP DURING THE FIRST NINE MONTHS OF 2019

KEY FIGURES

During the first nine months 2019 financial year, the YOC Group recorded **total revenues** of EUR 10.2 million (9M/2018: EUR 9.1 million). This corresponds to an increase of around 13 % compared with the same period of the previous year.

Revenues on the **national market** increased by 30 % compared to the same period of the previous year. Revenues from **international business** activities declined slightly by 5 % in the first nine months of 2019.

This was due to the fact that the sales targets in the **British** and **Spanish markets** could not be achieved. Corresponding adjustments to the cost structure were made. However, taking the whole year into consideration a stabilisation effect is expected. By contrast, revenues in **Austria** and **Poland** each increased by around 23 % compared with the same period in the previous year.

In particular, the proprietary technological platform **VIS.X®,** introduced into the market in 2018, added to the revenue development in the reporting period with steadily growing sales shares. The trade platform **VIS.X®** allows for the programmatic (automated) trade of highly effective advertising products by YOC, positioning the company as a provider of high-quality advertising technology. Parallel to this development, the proportion of sales accounted for by Ad Tech's own products increased further, so that the company's **gross profit margin** remained stable at 37.3 % in the first nine months of 2019 (9M/2018: 38.0 %).

Operating earnings before interest, taxes, depreciation and amortization (EBITDA) improved by EUR 0.25 million (+59 %) year-on-year to EUR -0.18 million (9M/2018: EUR -0.43 million). Thus, the improvement in profitability of previous years continued in the first nine months of 2019.

The **operating cash flow** in the reporting period came to EUR 0.2 million (9M/2018: EUR -1.2 million). In addition to earnings after taxes, this resulted from the business-related change in working capital.

RANGE OF SERVICE

With its growth of expertise since 2001, YOC develops innovative digital advertising formats, making them available through its marketplace for both traditional and automated real-time trade (programmatic advertising). With its cutting-edge technology, developed in-house, along with a tremendous coverage, the company operates at the forefront of the advertising market.

YOC's proprietary products create positive brand awareness and contribute substantially to changing the advertising market. This way advertising clients reach their goals, while the self-developed, unobtrusive formats improve the user experience. Our long-standing experience, transparent processes, our software and excellent service create trust in YOC and convince both customers and partners.

A large number of the top 500 global advertisers use YOC's technology. Our clients include well renowned brands such as **Deutsche Telekom, Audi, McDonald's, Volkswagen, Mercedes-Benz, Netflix, Coca-Cola, Samsung, Garnier** or **Sky**.

Our around 400 integrated well-selected international partners with a direct global coverage of more than 200 million monthly active users (MAU) include premium publishers such as **Mail Online, Trinity Mirror, Kurier, Kronenzeitung, Der Tagesspiegel, Bunte.de** or **Eurosport**. They trust in YOC due to our technological and market specific skills as well as a long-standing profitable partnership.

The company`s focus lies on positioning itself as a technological provider of its proprietary supply-side platform **VIS.X®** as well as mobile advertising products and solutions in the core markets in Great Britain, Germany, Austria, Spain, Poland - and since the third quarter of 2018 also the Netherlands.

As a result of the modified technological framework parameters, YOC has assumed a stronger position in the market for digital advertising and undergone decisive changes over the past years. To this end, the company has internalised important elements of the value chain in mobile advertising and also tackled the issue of online advertising. This includes the development of proprietary, high-performing advertising products that on the one hand unfold a strong advertising effect for advertisers and on the other do not intrude on the internet user's consumption of media content.

What is more, the company set up a comprehensive system landscape over the past years, consisting of self-developed, innovative software and prominent solutions by well-known external providers like Google, SAP or Salesforce. On this basis, YOC is able to serve all relevant sales channels in a scalable manner.

The mix of a modern and scalable supply-side platform, innovative advertising products and a high-performing technological infrastructure is the striking competitive feature by which YOC clearly stands out from other market participants.

YOC'S SUPPLY-SIDE PLATFORM (SSP): VIS.X®

In addition to the established product lines, YOC has developed a new platform for highly automated media trade and introduced it into the market at the beginning of 2018. This strategy aims at delivering the solution to one of the prevailing problems of the digital advertising market: satisfying the demand for the programmatic purchase of highly impact advertising formats.

Most of the platforms available in the market concentrate on standard products, so that the product lines developed by YOC in-house - as well as eye-catching advertising formats from several third-party providers – were not available for programmatic booking.

With **VIS.X®**, YOC establishes a new programmatic trading venue for international, brand-safe inventory by premium publishers – positioning itself in the market as a provider of high-quality advertising technology.

The platform combines the publishers' advertising inventory with YOC's own products via private marketplaces in an integral auction, thereby offering the advertisers all relevant products in one transaction.

In line with the buyers' targeting data and individual campaign goals, YOC provides the appropriate auctioning mechanisms for an efficient media purchase. The purchasing process for advertisers, media agencies as well as their trading desks does not require further technological adaptations to the existing infrastructure.

Already available advertising media are transformed into YOC's in-house, promotionally effective products and delivered through **VIS.X®** in real-time. The technology developed by YOC thereby unfolds the full potential of programmatic advertising, making **VIS.X®** the ideal platform for effective digital advertising.

By integrating several hundred publishers and due to the high performance of **VIS.X®**, the trading desks are offered high scalability in real-time as well as international premium inventory for their media purchase.

The available inventory of one publisher is offered to all buyers at the same time. This ensures ideal monetising for the publishing partner. At the same time, the platform offers YOC's advertising client's premium inventory, high transparency as well as brand safety, leading to better advertising results.

Hence, the use of **VIS.X®** provides the publishers, trading desks and advertisers with a sustainable competitive edge. The company benefits from its independence from third-party suppliers, positioning itself as a strong technology provider with a scalable business model.

This constantly drives the company to further develop the in-house supply-side platform (SSP) **VIS.X®** and thereby increase the platform's performance capacity. In the past financial year 2018, **VIS.X®** was protected and registered as a European trademark by the European Patent Office.

PRODUCT LINES

The company successfully commercialises its product lines **YOC Understitial Ad®, YOC Inline Video Ad, YOC Mystery Ad®** as well as the **YOC Mystery Scroller®**.

The aim of these products is to spread the advertising messages of advertisers among the end users in an effective and purposeful way. The use of different methods of display, interactive elements as well as unobtrusive operating principles leads to a better acceptance with users.

Adding to this, other than traditional standard formats, the YOC products allow for enhanced methods of measuring different interaction and retrieval statistics. This is how, on the one hand, they contribute substantially to the measurability of marketing success for advertisers, while on the other hand enhancing the potential for optimising the advertising effect with the end users.

In particular those product variants with video components offer advertisers the possibility to advertise their brands and products audio-visually on mobile devices in a comprehensive and highly scalable manner.

The core characteristic of **YOC Understitial Ad®** is its effective but nonetheless unobtrusive placement in the content environment of a website. Advertisers reach the smartphone or desktop users with large-scale advertising material without disrupting them in their user habits.

In this advertising medium, YOC unites technological experience with expertise in targeting users in digital environments.

Last financial year 2018, **YOC Understitial Ad®** was further improved. Especially the video version was enhanced with the newest software protocols and received new components.

Following the success of the mobile format **YOC Understitial Ad®**, the company also introduced a version for the desktop advertising market:

YOC Understitial Desktop Ad is just as unobtrusive in the editorial content as the mobile product, and it is opened successively by scrolling a page until it becomes fully visible. The online advertising format is available for HTML5, video or image content. Here, too, the intention not to intrude on the users' digital habits is the main focus.

Meanwhile, YOC improves monetising for publishers with this product extension, as advertising campaigns based on **YOC Understitial Ad®** are available both for mobile and online sale. On top of this, the development of **YOC Understitial Desktop Ad** strengthens the holistic communication approach of the advertisers.

YOC Inline Video Ad is an innovative digital advertising format which allows advertisers to place video ads on traditional websites without own video content. It is compatible with the standards of the branch (VAST and VPAID) and plays the video ad in high quality. The special feature of this product is that it can be used anywhere and that no fixed placement within the publisher's website is required.

The integrated automatic start-stop system only lets the video play when the user is actually viewing it on his smart phone display or monitor, and it pauses as soon as it moves out of the visible range by scrolling.

This significantly improves the viewability and, as a consequence, the advertising effect for the advertiser.

YOC Mystery Ad® is a full-screen mobile advertising format which has won several awards. The product's special feature lies in the possibility of inviting the user to interact with the brand message through any number of creative elements. **YOC Mystery Ad®** hence offers comprehensive design options that guarantee to attract great attention with the users.

In mid-2018, YOC introduced its fourth advertising format into the market: **YOC Mystery Scroller®**. The advantage of the **YOC Mystery Scroller®** is its reactive scrolling technology: animations, effects and videos can be adapted to the user's scrolling behaviour.

YOC Mystery Scroller® is supported by all mobile browsers, only using around 30 % of the display. The ad remains visible at all times, without disturbing the reading flow. Due to its proactive nature, **YOC Mystery Scroller®** does not just play an advertising format but gives it a special touch without annoying transitions.

Aside from the mentioned YOC-owned products, the company also offers traditional advertising formats that follow the internationally applicable IAB and MMA standards. Moreover, the team of experts at YOC is able to develop additional functionalities such as responsive formats, enhanced tracking possibilities or the use of special advertising media within standard formats. Measuring viewability has advanced to becoming a decisive factor for managing, optimising and analysing a campaign.

In financial year 2018, YOC hence further extended its technological infrastructure for measuring and analysing the viewability of mobile ad formats.

The YOC products follow the standards of the market (IAB and MRC) and thereby offer advertisers internationally comparable performance indicators for the effectiveness of their digital advertising. As a consequence, YOC provides alternative payment models for its advertising clients based on the collected viewability data. A campaign is only charged for when for example a video has been played in full length in the user's field of vision.

All YOC product lines, with the exception of the **YOC Inline Video Ad**, have been protected and registered with the European Patent Office in past financial year 2018 for brand safety reasons.

ADDITIONAL DIGITAL SERVICES

YOC offers its advertising clients effective mobile and online advertising solutions for successful advertising campaigns:

CREATIVE SERVICES

For already more than a decade, YOC has advised advertisers on the right choice of mobile advertising formats and, as the case may be, also handles the production of advertising media. Aside from these services, the company's specialists also provide their expertise in managing the campaigns on digital devices.

YOC HUB

The business intelligence platform **YOC Hub** is both a tool for internal process management at YOC and for publishers to control and optimise their marketing activities. In addition, the company's own platform **VIS.X®** is controlled by **YOC Hub**.

The enhanced support of the programmatic business segment through dedicated reporting simplifies the daily operating business. Through the comprehensive and freely configurable software surface of **YOC Hub**, users gain an up-to-date overview of the YOC products' marketing success.

DEVELOPMENT OF PROFITABILITY

The new accounting standard IFRS 16 has been applicable since 01 January 2019. It regulates the recognition, measurement, disclosure and disclosure requirements for leases.

For a more detailed presentation of the revaluation and reclassification effects, please refer to the section "Principles for the preparation of the financial statements, accounting and valuation methods" in the notes of the interim report.

REVENUE TREND AND OVERALL PERFORMANCE

During the first nine months of the current 2019 financial year, the YOC Group increased **total revenues** by around 13 % year-on-year to EUR 10.2 million (9M/2018: EUR 9.1 million).

At EUR 10.6 million, the Group's **total output** was EUR 0.9 million higher than in the previous year (9M/2018: EUR 9.7 million).

GROSS PROFIT

In the reporting period, the **gross profit margin** ratio remained constant at 37.3 % compared to the previous year (9M/2018: 38.0 %). The continued increase of the gross profit margin is an important element of the further sustained positive corporate development and at the same time reflects the new market position of the company.

PERSONNEL EXPENSES AND STAFF DEVELOPMENT

Compared with the previous year, the **average head-count** (excluding the Management Board) of the Group fell to 47 employees (9M/2018: 55 employees). As of 30 September 2019, the YOC Group employed 50 permanent staff.

Compared with the previous year, this represented a decline of 6 % (9M/2018: 53 permanent employees). As a consequence, **sales per employee** increased by 24 % from EUR 165 thousand to EUR 204 thousand in the first nine months of fiscal year 2019.

At EUR 3.0 million, **personnel expenses** were around 3 % below the level of the previous year (9M/2018: EUR 3.1 million).

OTHER OPERATING EXPENSES

During the first nine months of the current fiscal year 2019, **other operating expenses** of total EUR 1.4 million on the same the level of the previous year (9M/2018: EUR 1.4 million). The cost control measures implemented in recent years continue to have an impact.

EBITDA

Operating earnings before interest, taxes, depreciation and amortization (EBITDA) improved by EUR 0.25 million (+59 %) year-on-year to EUR -0.18 million (9M/2018: EUR -0.43 million). Thus, the improvement in profitability of previous years continued in the nine months of 2019.

POST-TAX PROFIT OR LOSS

YOC Group recognised **scheduled depreciation** in the amount of EUR 0.4 million (9M/2018: EUR 0.2 million). This figure includes rental payments of EUR 0.2 million (9M/2018: EUR 0 million), which according to IFRS 16 must be recognized for the first time as depreciation of rights of use as of 01 January 2019.

In addition a negative **financial result** in the amount of EUR 0.2 million (9M/2018: EUR -0.1 million) as well as **taxes on income and revenue** in the amount of EUR 0.1 million (9M/2018: EUR 0.1 million) is recognized.

Earnings after tax (including corporate functions) thus came to EUR -0.8 million in the reporting period (9M/2018: EUR -0.8 million).

FINANCIAL POSITION AND NET ASSETS

As of 30 September 2019, YOC Group's **cash and cash equivalents** amounted to EUR 0.2 million.

OPERATING CASH FLOW

The **operating cash flow** is determined using the indirect method. The starting point for determining the operating cash flow is the net income after taxes in the reporting period, amounting to EUR -0.8 million (9M/2018: EUR -0.8 million). The operating cash flow includes all cash transactions that are not attributable to investing or financing activities.

The **operating cash flow** came to EUR 0.2 million in the reporting period (9M/2018: EUR -1.2 million). In addition to earnings after taxes, this resulted from the business-related change in working capital.

CASH FLOW FROM INVESTING ACTIVITIES

The **cash flow from investing** activities totalling EUR 0.4 million (9M/2018: EUR 0.4 million) primarily comprises capitalizable development costs in connection with the further development of the company's technological platforms and innovative products as well as external development costs. In the fixed assets, the additions and disposals are balanced.

CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.2 million (9M/2018: EUR 1.5 million) results from the reduction of loan and leasing liabilities.

OPPORTUNITIES, RISKS AND OUTLOOK

OPPORTUNITIES AND RISKS

Being a service provider with an international focus, YOC Group is active in a dynamic market which naturally brings about certain corporate and branch-specific as well as financial risks.

Main risks include market and competition risks, technological risks, liability risks, personnel risks, planning risks, organisational as well as financial and treasury risks. These risks are influenced by our own business activities as well as external factors. YOC Group has taken measures to detect such possible risks in time and to reduce them. To this end, an adequate risk management system has been developed which records and evaluates risks by means of a company-wide risk inventory at regular intervals and, if necessary, constantly monitors them. YOC Group's risk policies which have been set by the Management Board remain unchanged and are a vital part of the corporate policy, in line with the pursuit of sustainable growth, growth in company value and securing the company's existence in the long-term. For this purpose, necessary risks are consciously taken, while taking into account the risk-return-ratio, in order to make use of market opportunities and to exhaust the success potential inherent in them. By means of anticipatory risk control as part of the internal control system, risks and opportunities can be detected and evaluated at an early stage so that a timely and appropriate response is possible, and efficient management can be guaranteed for the company's success. The measures that are to be taken in line with risk control are being implemented in the respective operating units.

OUTLOOK

The use of the internet has already permeated peoples' daily lives to a large extent. Its various possibilities along with the bulk of content provided online affect the continuously increasing daily internet consumption. Especially people who go online with their mobile devices while on the move use the internet at a much higher rate compared to the overall population: on average 209 minutes daily. In the group of users under 30 years of age, the daily usage was even 278 minutes.[1)]

In order to stay relevant for this generation, both publishers and advertisers need to provide attractive information and entertainment products. For publishers this implies not to overstrain their users with advertisements and ideally even to offer them additional value through creative formats. For advertisers, on the other hand, it means to exactly know their target group and to address them in a creative way. In this light, the need for high impact formats becomes even more relevant. Studies show that rich media formats, i.e. formats that allow for integrating multifarious media such as video, audio or HTML5, create interaction levels five times as high as standard banners achieve, leading to a higher and more positive brand awareness.[2)]

For some years, YOC has already positioned itself in this business segment with numerous attractive product lines and features and will participate in the growth of the market by providing interactive and highly effective advertising formats in the programmatic environment. However, the automation of the media trade, especially in Germany, was met with hesitation in the past.

But also, in the European context the market currently offers few supply-side platforms that can service the demand for mobile programmatic advertising in connection with highly effective advertising products. Further reservations arise from the concern of many advertisers that their ad could appear in negatively connoted environments. This shows all the more the relevance of secure premium environments and especially their transparency. Against the background, YOC saw the need for corresponding in the past year: By developing the new proprietary supply-side platform VIS.X® in 2018, YOC not only offers highly effective advertising formats that meet the requirements of the Coalition For Better Ads[3)], but can now also trade them via platform-based programmatic sales channels. By binding premium publishers and their high-quality inventory, YOC moreover covers the strong demand for brand safety, i.e. for secure advertising environments, and will thereby in future participate in the further expansion of programmatic trade in Europe.

In financial year 2019, the Management Board devotes special attention to stabilising the dynamic growth of the programmatic platform trade and thereby to implementing the defined business strategy. To this end it is necessary that all YOC subsidiaries adapt the new market positioning and implement all relevant tasks. Meanwhile, YOC Group's internationalisation shall be further advanced. By introducing its own technology platform **VIS.X®** into the market, the company will achieve a sustainable competitive edge as well as independence from third party providers through the programmatic trade of highly effective advertising products. On top of this, aside from the existing business, further revenue will be generated successively in the programmatic real-time trade.

Expectations regarding the general business development of the YOC Group remain positive. Due to the looming Brexit situation and the unsatisfactory trading volume in the British market, we have further reduced our activities in the United Kingdom in order not to burden our overall profitability.

Against this backdrop, the YOC Group is adjusting its forecast for the 2019 financial year and now expects **revenues** of **EUR 15.0 million to EUR 15.5 million** (previously EUR 15.5 million to EUR 16.5 million) with a disproportionately low increase in the cost structure.

On the basis of this revenue forecast, the company is also maintaining its positive expectation of earnings for the 2019 financial year and anticipates **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** of **EUR 0.4 million to EUR 0.5 million** (previously EUR 0.2 million to EUR 0.5 million).

For the financial year 2020, we are very positive about the further development of sales and anticipate increased growth rates for the company as a whole. This development will be driven by the steadily growing trading volume of VIS.X® in all markets in which the YOC Group is active.

1) ARD/ZDF. ARD/ZDF-Onlinestudie 2018. 10.10.2018. http://www.ard-zdf-onlinestudie.de/ardzdf-onlinestudie-2018/. Access on: 11.03.2019.

2) Adform. Standard vs. Rich Media! Who will win the battle?. Website of adform. 09.17.2012. https://blog.adform.com/rich-media/standard-vs-rich-media/. Access on: 03.11.2019.

3) Coalition for Better Ads. The Bad Ads Standards. No publication date. https://www.betterads.org/standards/. Access on: 11.03.2019.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME Q3/2019 (UNAUDITED)

All figures in EUR

	Q3/2019	Q3/2018
Revenue	3.423.515	3.337.378
Own work capitalised	83.558	72.841
Other operating income	69.275	142.546
Total output	**3.576.348**	**3.552.765**
Expenses for goods and services	2.140.030	2.027.721
Personnel expenses	1.009.625	995.480
Other operating expenses	592.907	518.533
Earnings before interest, taxes, depreciation and amortization	**-166.214**	**11.031**
Depreciation and amortisation expenses	147.198	58.767
Earnings before interest and taxes	**-313.412**	**-47.736**
Financial expenses	61.732	34.884
Financial result	-61.732	-34.884
Earnings before taxes	**-375.144**	**-82.620**
Income taxes	7.305	26.332
Net income continuing operations	**-382.449**	**-108.952**
Net income	**-382.449**	**-108.952**

EARNINGS PER SHARE

	Q3/2019	Q3/2018
Earnings per share basic	**-0,12**	**-0,03**
Earnings per share diluted	**-0,11**	**-0,03**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q3/2019	Q3/2018
Net income	**-382.449**	**-108.952**
Net other comprehensive income to be reclassified through profit or loss in subsequent periods:		
Unrealised gains/losses from foreign currency translation	11.561	4.779
Total other comprehensive income	**11.561**	**4.779**
Total comprehensive income	**-370.888**	**-104.173**

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 9M/2019 (UNAUDITED)

All figures in EUR

	9M/2019	9M/2018
Revenue	10.202.907	9.069.623
Own work capitalised	232.700	239.788
Other operating income	180.069	432.576
Total output	**10.615.676**	**9.741.988**
Expenses for goods and services	6.393.427	5.619.813
Personnel expenses	2.957.113	3.112.601
Other operating expenses	1.440.717	1.438.286
Earnings before interest, taxes, depreciation and amortization	**-175.581**	**-428.711**
Depreciation and amortisation expenses	399.378	212.628
Earnings before interest and taxes	**-574.958**	**-641.339**
Financial expenses	168.604	82.099
Financial result	-168.604	-82.099
Earnings before taxes	**-743.563**	**-723.438**
Income taxes	70.560	53.073
Net income continuing operations	**-814.123**	**-776.512**
Net income	**-814.123**	**-776.512**

EARNINGS PER SHARE

	9M/2019	9M/2018
Earnings per share basic	**-0,25**	**-0,24**
Earnings per share diluted	**-0,23**	**-0,24**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	9M/2019	9M/2018
Net income	**-814.123**	**-776.512**
Net other comprehensive income to be reclassified through profit or loss in subsequent periods:		
Unrealised gains/losses from foreign currency translation	22.423	19.660
Total other comprehensive income	**22.423**	**19.660**
Total comprehensive income	**-791.700**	**-756.852**

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30/09/2019 (UNAUDITED)

All figures in EUR

	30/09/2019	31/12/2018
ASSETS		
Non-current assets	**1.819.114**	**844.641**
Property, plant and equipment	118.237	96.189
Intangible assets	932.334	747.287
Deferred tax assets	0	1.165
Rights of use from leasing	768.543	0
Current assets	**3.152.834**	**5.379.230**
Trade receivables	2.735.899	4.532.281
Other receivables	182.180	182.720
Tax receivables	0	0
Cash and cash equivalents	234.755	664.228
Total assets	**4.971.948**	**6.223.871**
EQUITY AND LIABILITIES		
Equity	**-4.686.307**	**-3.894.606**
Subscribed capital	3.292.978	3.292.978
Additional paid in capital	20.961.224	20.961.224
Retained earnings	-28.877.503	-28.063.379
Other comprehensive income from currency translation differences	-12.687	-35.111
Own shares	-50.319	-50.319
Non-current liabilities	**3.237.895**	**2.430.181**
Provisions	76.426	79.714
Liabilities from leasing	636.114	0
Other financial liabilities	2.525.356	2.350.467
Current liabilities	**6.420.360**	**7.688.296**
Prepayments received	5.219	12.485
Trade payables	2.822.132	3.426.506
Other liabilities	348.707	575.906
Other financial liabilities	1.733.027	3.610.140
Liabilities from leasing	142.933	0
Tax liabilities	4.767	46.760
Provisions	1.363.575	16.500
Total equity and liabilities	**4.971.948**	**6.223.871**

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT 9M/2019 (UNAUDITED)

All figures in EUR

	9M/2019	9M/2018
Net income	**-814.124**	**-776.512**
Depreciation and amortisation	399.378	212.628
Taxes recognised in the income statement	70.560	53.073
Interest recognised in the income statement	168.604	82.099
Other non-cash income and expenses	-25.907	37.111
Cash-Earnings	**-201.489**	**-391.601**
Changes in receivables and other receivables	1.796.923	454.737
Changes in liabilities, prepayments and other liabilities	-2.556.836	-2.054.244
Changes in provisions	1.343.786	886.673
Changes in other assets and liabilities	10.503	0
Interest paid	-135.508	-63.947
Income taxes paid	-69.876	-58.024
Cash flow from operating activities	**187.503**	**-1.226.403**
Purchase of property, plant and equipment	-14.206	-39.485
Purchase of intangible assets	-103.295	-121.458
Outflow from development costs	-269.522	-239.788
Disposal of assets	6.576	1.202
Cash flow from investing activities	**-380.447**	**-399.529**
Issuance of convertible bond	0	1.550.600
Repayment of lease liabilities	-176.530	0
loan repayment	-160.000	0
Issuance of loans	100.000	0
Transaction costs convertible bond	0	-52.597
Cash flow from financing activities	**-236.530**	**1.498.003**
Net increase / decrease	**-429.474**	**-127.929**
Cash and cash equivalents at the beginning of the period	**664.228**	**984.244**
Cash and cash equivalents at the end of the period	**234.755**	**856.315**

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30/09/2019 (UNAUDITED)

All figures in EUR

	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	RETAINED EARNINGS	OTHER COMPREHENSIVE INCOME FROM CURRENCY TRANSLATION	OWN SHARES	TOTAL
as of 01/01/2018	**3.292.978**	**20.641.091**	**-27.904.959**	**-70.306**	**-50.319**	**-4.091.514**
Net income	0	0	-776.512	0	0	-776.512
Adjustment IFRS15 as of 01.01.2018	0	0	-743	0	0	-743
Currency translation differences	0	0	0	19.660	0	19.660
Comprehensive income	**0**	**0**	**-777.255**	**19.660**	**0**	**-757.595**
as of 30/09/2018	**3.292.978**	**20.641.091**	**-28.682.213**	**-50.646**	**-50.319**	**-4.849.109**
as of 01/01/2019	**3.292.978**	**20.961.224**	**-28.063.379**	**-35.111**	**-50.319**	**-3.894.606**
Net income	0	0	-814.124	0	0	-814.124
Currency translation differences	0	0	0	22.423	0	22.423
Comprehensive income	**0**	**0**	**-814.124**	**22.423**	**0**	**-791.701**
as of 30/09/2019	**3.292.978**	**20.961.224**	**-28.877.503**	**-12.687**	**-50.319**	**-4.686.307**

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, with headquarters at Greifswalder Str. 212, Berlin, Germany, is an international provider of Mobile Advertising.

YOC AG is listed in the Prime Standard of the Frankfurt Stock Exchange under the identification number WKN 593273 / ISIN DE 0005932735.

PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS, ACCOUNTING AND VALUATION METHODS

Principles for the preparation of the financial statements

YOC AG's interim report as of 30 September 2019 was prepared in compliance with the German Securities Trading Act (WpHG).

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 information and disclosures necessary for the preparation of complete financial statements at the end of the financial year.

It is therefore to be recommended to read the interim report along with the Annual Report 2018.

Standards and interpretations requiring mandatory application in the current financial year

In the ongoing financial year 2019, all standards that were mandatory as of 01 January 2019 were complied with.

IFRS 16 regulates the recognition, measurement, presentation and disclosure of leases. The standard provides a single accounting model for the lessee.

IFRS 16 was published in January 2016 and is to be applied for the first time to financial years beginning on or after 01 January 2019. This results in the lessee recognising all assets and liabilities under leases in the balance sheet unless the lease term is 12 months or less or the asset is of low value (either option).

For accounting purposes, the lessor continues to distinguish between finance and operating leases. The lessor's accounting model is not materially different from that in IAS 17 - Leases.

The company makes use of the modified retrospective application. The company has not made use of the possibility of early application. The new regulations relate to the accounting and valuation of rental leases that were previously classified as operating leases.

In the context of the first-time application, leases with a remaining term of up to one year were treated as short-term leases.

The office space leased by the company leads to corresponding rights of use and correlating leasing liabilities. The leasing liabilities in accordance with IFRS 16 are discounted using the marginal borrowing rate as of 01 January 2019. The weighted average interest rate is 7.9 %.

Published standards and interpretations that are not yet mandatory

IFRIC 23 rules the requirements for recognition and measurement of uncertain income tax items. This interpretation is to be applied to taxable profits (tax losses), tax bases, unused tax losses, unused tax credits and to tax rates, where there is uncertainty regarding the income tax treatment according to IAS 12.

The company is currently assessing the implications of applying the interpretation to the consolidated financial statements.

The YOC AG Management Board assumes that the abovementioned standards and interpretations will be applied in the financial statements of the financial year in which they become mandatory, if cases should occur in which they apply.

NOTES TO KEY DEVELOPMENTS IN THE STATEMENT OF FINANCIAL POSITION AND COMPREHENSIVE INCOME

OTHER DISCLOSURES TO FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, trade receivables, other current 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.

30/09/2019 (IN KEUR)	CARRYING AMOUNT	FAIR VALUE (IFRS 9)
FINANCIAL ASSETS		
Cash and cash equivalents	235	235
Trade receivables	2.736	2.736
Other assets	182	182
FINANCIAL LIABILITIES		
thereof long-term		
Fixed rate borrowing	1.220	1.220
YOC Convertible Bond 2018 - 2020	1.305	1.305
thereof short-term		
Trade payables	2.822	2.822
Fixed rate borrowing	0	0
Other financial liabilities	1.733	1.733

30/09/2018 (IN KEUR)	CARRYING AMOUNT	FAIR VALUE (IFRS 9)
FINANCIAL ASSETS		
Cash and cash equivalents	856	856
Trade receivables	2.596	2.596
Other assets	148	148
FINANCIAL LIABILITIES		
thereof long-term		
Fixed rate borrowing	780	780
YOC Convertible Bond 2018 - 2020	1.550	1.550
thereof short-term		
Trade payables	2.520	2.520
Fixed rate borrowing	700	700
Other financial liabilities	1.612	1.612

REVENUE AND TOTAL OUTPUT

During the first nine months of the current 2019 financial year, the YOC Group increased **total revenues** by around 13 % year-on-year to EUR 10.2 million (9M/2018: EUR 9.1 million). At EUR 10.6 million, the Group's **total output** was EUR 0.9 million higher than in the previous year (9M/2018: EUR 9.7 million).

GROSS PROFIT

In the reporting period, the **gross profit margin** remained constant at 37.3 % compared with the previous year (9M/2018: 38.0 %).

EBITDA

Operating earnings before interest, taxes, depreciation and amortization (EBITDA) improved by EUR 0.25 million (+59 %) year-on-year to EUR -0.18 million (9M/2018: EUR -0.43 million).

Thus, the improvement in profitability of previous years continued in the nine months of 2019.

SEGMENT REPORTING

Segment reporting is based on the internal management structure and reporting. At the beginning of the second quarter of 2019, internal reporting and external corporate communications were changed.

In addition to the **corporate functions**, the Group is divided into the following reportable regional business segments:

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

To form the above reportable business segments, the regions Austria, Great Britain, Spain, Poland and the Netherlands are combined first time in the **international segment** were summarised for the first time in the course of the preparation of the 2019 half-year financial statements, as they have comparable economic characteristics and are also comparable with regard to their products, services, customers, processes, structures and sales methods.

The previous year's figures were adjusted accordingly.

Sales revenue is calculated based on the revenue generated by the subsidiaries in the respective countries. Internal sales between the segments are predominantly obligations.

Internal sales within a segment are eliminated accordingly. In addition, the parent company generates revenues in the central revenue optimization area of the YOC Group's international publisher portfolio and passes them on internally.

The following table shows the results of the different segments. In accordance with the internal reporting structure, EBITDA is used to measure the earnings:

SEGMENT REPORTING

(in kEUR)

	NATIONAL	INTER-NATIONAL	CORPORATE FUNCTIONS	CONSOLI-DATION	YOC GROUP
01/01/2019 - 30/09/2019					
External revenue	3.776	3.262	3.165	0	10.203
Internal revenue	2.013	992	425	-3.430	0
Total revenue	**5.789**	**4.255**	**3.590**	**-3.430**	**10.203**
Own work capitalised	0	0	233	0	233
Other operating income	132	80	647	-679	180
Total output	**5.921**	**4.334**	**4.470**	**-4.109**	**10.616**
Costs of goods sold	3.630	2.514	3.678	-3.429	6.393
Personnel expenses	809	905	1.243	0	2.957
Other operating expenses	580	261	1.320	-720	1.441
EBITDA	**902**	**654**	**-1.771**	**39**	**-176**
01/01/2018 - 30/09/2018					
External revenue	3.246	3.855	1.967	0	9.068
Internal revenue	1.279	644	615	-2.539	0
Total revenue	**4.525**	**4.499**	**2.583**	**-2.539**	**9.068**
Own work capitalised	0	0	240	0	240
Other operating income	208	105	857	-738	433
Total output	**4.733**	**4.604**	**3.679**	**-3.277**	**9.741**
Costs of goods sold	2.829	2.711	2.622	-2.543	5.620
Personnel expenses	1.175	710	1.228	0	3.113
Other operating expenses	426	950	800	-738	1.438
EBITDA	**304**	**234**	**-971**	**4**	**-429**

In the **national segment**, total sales including internal sales increased by 28 % to kEUR 5,789 (9M/2018: kEUR 4,525). As a result, EBITDA increased by kEUR 598 to kEUR 902 (9M/2018: kEUR 304) compared to the same period of the previous year.

Revenues from **international business** activities declined slightly in the first nine months of 2019, falling by 5 % to kEUR 4,255 (9M/2018: kEUR 4,499).

This was due to the fact that the sales targets in the **British** and **Spanish markets** could not be achieved.

On the other hand, sales revenues in **Austria** and **Poland** each increased by around 23 % year-on-year.

For the year as a whole, however, the **international segment** is expected to stabilise and generate revenue growth compared with the previous year.

By adjusting the cost structure accordingly, the EBITDA of the **international segment** activities improved by kEUR 420 compared with same period of the previous year.

The segment's result is positive EBITDA to the consolidated result in the amount of kEUR 654 (9M/2018: kEUR 234).

The EBITDA of YOC Group is reconciled to net income as follows:

RECONCILIATION

(in kEUR)

	9M/2019	9M/2018
EBITDA	-176	-429
Depreciation and amortisation	-399	-213
Financial result	-169	-82
Net income before taxes	**-744**	**-724**
Taxes	-71	-53
Net income	**-814**	**-777**

As of September 30, 2019, trade receivables in the **national region** amounted to kEUR 1,418 (previous year: kEUR 882) and kEUR 712 (previous year: kEUR 1,151) in the **international region** and kEUR 606 (previous year: kEUR 563) in **corporate functions**.

In addition, liabilities in the **national region** amounted to kEUR 1,689 (previous year: kEUR 1,261), **international region** to kEUR 731 (previous year: kEUR 915) and **corporate functions** to kEUR 402 (previous year: kEUR 344).

CASH FLOW STATEMENT

As of 30 September 2019, YOC Group's **cash and cash equivalents** amounted to EUR 0.2 million.

The **operating cash flow** came to EUR 0.2 million in the reporting period (9M/2018: EUR -1.2 million). In addition to earnings after taxes, this resulted from the business-related change in working capital.

The **cash flow from investing activities** totalling EUR 0.4 million (9M/2018: EUR 0.4 million) primarily comprises capitalizable development costs in connection with the further development of the company's technological platforms and innovative products as well as external development costs. In the fixed assets, the additions and disposals are balanced.

The **cash flow from financing activities** of EUR -0.2 million (9M/2018: EUR 1.5 million) results from the reduction of loan and leasing liabilities.

EVENTS AFTER THE INTERIM REPORTING PERIOD

On 01st October 2019, YOC AG announced that the fine proceedings of the Federal Financial Supervisory Authority (BaFin) have been terminated by way of settlement. This settlement takes into account in particular the cooperation of YOC AG in clarifying the facts of the case. The payment to BaFin resulting from the settlement amounts to kEUR 45.

The background to the proceedings was the failure to include the assurance of the legal representatives in the half-year financial reports 2016 and 2017 pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 of the German Commercial Code.

The accuracy of the financial information is and was not in question.

There were no other significant events after 30 September 2019 up to the date of publication of the interim consolidated financial statements.

REPORT ON RISKS AND OPPORTUNITIES

The financial instruments of the YOC Group include trade accounts payable, cash and cash equivalents, other assets and trade accounts payable, other liabilities and the YOC convertible bond 2018–2022.

It is possible that the YOC convertible bond 2018–2022 was not or only partially converted into YOC shares on the repayment date. In this case, 112 % of the non-converted bonds would be repaid.

All other information on the company- and industry-specific and financial risks of the YOC Group and its management is provided in the risk report of the Group management report, which forms part of the audit by the auditor.

GUARANTEES, CONTINGENT LIABILITIES AND SIMILAR OBLIGATIONS

Depending on a specific exercise scenario, payment obligations may arise from the virtual stock option program under certain circumstances.

There are no other contingencies, warranties, contingent liabilities or similar obligations.

RELATED PARTY DISCLOSURES

For the purposes of IAS 24, related companies and persons are generally defined as members of the Management Board and of the Supervisory Board of YOC AG along with their family members and companies controlled by these persons. Persons in key positions and their close family members are also considered related parties (according to IAS 24.9).

Since 01 January 2015, YOC AG's obligations to the Management Board member Dirk-Hilmar Kraus amounting to kEUR 180 have been subject to interest at a rate of 5 % p. a. and reported under non-current financial liabilities.

In addition, Mr. Dirk-Hilmar Kraus provided the company with a loan in the amount of kEUR 100 in the course of 2019 to finance further growth. This loan bears interest at 6 % p. a. and is reported under non-current financial liabilities.

Beyond that, no significant business transactions with related companies or persons took place in the period under review.

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, 20 November 2019

Dirk-Hilmar Kraus

The Management Board

YOC LOCATIONS

BERLIN

YOC AG
YOC Mobile Advertising GmbH

Greifswalder Straße 212
10405 Berlin
Germany

VIENNA

YOC Central Eastern Europe GmbH

Neubaugasse 10/2/17
1070 Vienna
Austria

DUSSELDORF

YOC Mobile Advertising GmbH

Königsallee 94
40212 Dusseldorf
Germany

WARSAW

YOC Poland sp. z o.o.

Ul. Biały Kamien 3 m 49
02-593 Warsaw
Poland

LONDON

YOC Mobile Advertising Ltd.

WeWork Chancery Lane
14 Gray's Inn Road
London, WC1X 8HN
Great Britain

AMSTERDAM

YOC Mobile Advertising Netherlands

Mediarena 2
1114 BC Amsterdam – Duivendrecht
Netherlands

MADRID

YOC Spain S.L.

Calle de Orense nº 20
1ª Planta Ofic. 4
28020 Madrid
Spain

FINANCIAL CALENDAR

10/11 DECEMBER 2019

MKK – Münchner Kapitalmarkt Konferenz

IMPRINT

PUBLISHER

YOC AG
Greifswalder Straße 212
10405 Berlin
Germany

P +49 (0) 30 72 61 62 - 0
F +49 (0) 30 72 61 62 - 222
info@yoc.com

Commercial Register Registration: Berlin HRB 77 285

EDITORIAL

YOC AG
Investor Relations

ir@yoc.com
www.yoc.com

yoc