YOC AG ANNUAL REPORT 2021

www.yoc.com

THE TECHNOLOGY PLATFORM
FOR HIGH-IMPACT ADVERTISING

BERLIN DUSSELDORF HAMBURG VIENNA WARSAW ZURICH

YOC GROUP AT A GLANCE

REVENUE AND EARNINGS (IN KEUR)	2021	2020	CHANGE IN TOTAL	CHANGE IN %
Total revenue	18,836	15,492	3,344	22
National	11,103	9,694	1,409	15
International	7,733	5,799	1,934	33
Gross profit margin (in %)	42.7	40.6	2.1 PP	5
Total output	19,870	16,079	3,791	24
EBITDA	2,849	1,838	1,011	55
EBITDA margin (in %)	14.3	11.4	2.9 PP	25
Consolidated net profit	2,065	312	1,753	562
Earnings per share (diluted in EUR)	0.54	0.20	0.34	170
Earnings per share (non-diluted in EUR)	0.54	0.20	0.34	170

EMPLOYEES				
Average number of employees	51	46	5	11
Number of employees at 31st December	49	48	1	2
Total revenue per employee (in kEUR)	369	337	33	10
Total output per employee (in kEUR)	390	350	40	11

FINANCIAL POSITION AND CASH FLOW (IN KEUR)				
Total assets at 31st December	9,944	7,200	2,744	38
Cash flow from operating activities	2,721	1,021	1,700	167

The use of rounded amounts and key figures may result in differences due to commercial rounding.

STOP ADVERTISING.
START TELLING A STORY.

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AMERICAN EXPRESS, Austria
YOC Understitial Ad®
Q2/2021

01 TO OUR SHAREHOLDERS

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

In the past financial year 2021, we worked intensively on our mission to establish our **VIS.X®** trading platform as the technology platform for high-impact digital advertising. As a result, all key performance indicators of our activities, regardless of whether they are of a business or platform-related nature, have increased.

The unique selling point of the **VIS.X®** platform is the trading of non-standardized high-impact advertising formats. This enables YOC to distinguish itself from other competitors' platforms in the marketplace. Thanks to the continuously rising investments in the platform and software development, the year of 2021 marks a great milestone for us in moving forward establishing a unique advertising technology.

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

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

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

In this context, we are very pleased that the internationally renowned market research Company Nielsen has once again proven in a second study in fiscal year 2021 that advertisers achieve an effective and also efficient budget deployment through the use of YOC high-impact advertising products. **VIS.X®** enables our advertising customers to purchase our advertising formats automatically or to

process traditional media bookings. The continuously increasing trading volume, with only a disproportionately low increase in costs, leads to economies of scale typical for a platform driven business model and thus to increased operating profitability.

My personal thanks go to all colleagues who are working passionately not only in the year of 2021, but every day to implement our vision, namely to provide everyone with a better advertising experience.

In addition, I would like to thank our Supervisory Board for its prudent and courageous support in strengthening and further developing YOC Group. As a result, we succeeded in the past financial year 2021:

- To enhance the **transaction volume** of our self-developed advertising formats to around 50 % of the Company's total revenues;
- To Increase our **revenues at Group level** by 22 % to EUR 18.8 million (2020: EUR 15.5 million);
- To grow the **gross profit margin** of the Company which reached 43 % (2020: 41 %);
- To improve **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** by 56 % to EUR 2.8 million (2020: EUR 1.8 million);
- To achieve a **consolidated net profit** of EUR 2.1 million (2020: EUR 0.3 million) and thus a **net profit margin** of around 11 %. Thus, the Company was also able to further increase its profitability in fiscal year 2021.

Furthermore, the conversion right of Eiffel Investment Group SAS (formerly Alto Invest SA) from our convertible bond issued in 2018 was exercised in March 2021. As a result, bonds with a nominal amount of EUR 1.5 million were already converted into shares of YOC AG more than one year before their original maturity on 31 July 2022.

Thereby the share capital of the Company and the total number of voting rights of YOC AG increased to a total of 3,476,478 shares and voting rights, respectively. In accordance with Section 6 (2) of the bond conditions, we repaid the remaining total of 6,325 convertible bonds with a total nominal amount of EUR 50,600 to the subscribers of the bond in July 2021.

With the acquisition of Zurich-based theINDUSTRY AG in January 2022, we succeed in expanding our international presence and now complete the DACH (Germany, Austria and Switzerland) region.

The market entry into Switzerland is the next logical step after we have successfully established our technology platform **VIS.X®** in our core markets. With **VIS.X®**, we will enable Swiss media companies and digital content providers to increase monetization. In addition, we will continue to drive the internationalization of our activities.

In the current financial year of 2022, we are also adding many new functions to our **VIS.X®** platform. We are greatly expanding our reach and available media inventory by continuously integrating new publishers. We are connecting new buying platforms to **VIS.X®** and thus enabling many more media buyers to access our platform. We continuously develop innovative, high-impact advertising products and make them tradable programmatically in real time via **VIS.X®**. In addition, we will see an increasing share of revenues from internally developed high-impact advertising formats for the stationary Internet in the current year. We have only started to deliver corresponding advertising products for the desktop via **VIS.X®** since the third quarter of 2021. We are thus meeting the demand of our partners on both the supply and demand side and are thereby generating revenues in a new market segment.

All these steps position YOC as a technology-based provider of high-impact programmatic advertising at the forefront of the advertising market. As a consequence, the trading volume of our **VIS.X®** platform, which was already the driver of our corporate development in the past financial year, should increase significantly. For the current financial year 2022, we therefore expect a stronger increase in **revenues at Group level** of 25 % to 30 % to EUR 23.5 million to EUR 24.5 million. Due to the economies of scale mentioned above, our cost structure will develop at a disproportionately low rate in relation to sales revenue, resulting in **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** of EUR 3.5 million to EUR 4.0 million. Thus, the **Company's consolidated net profit** in financial year 2022 is expected to reach between EUR 2.3 million and EUR 2.8 million.

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

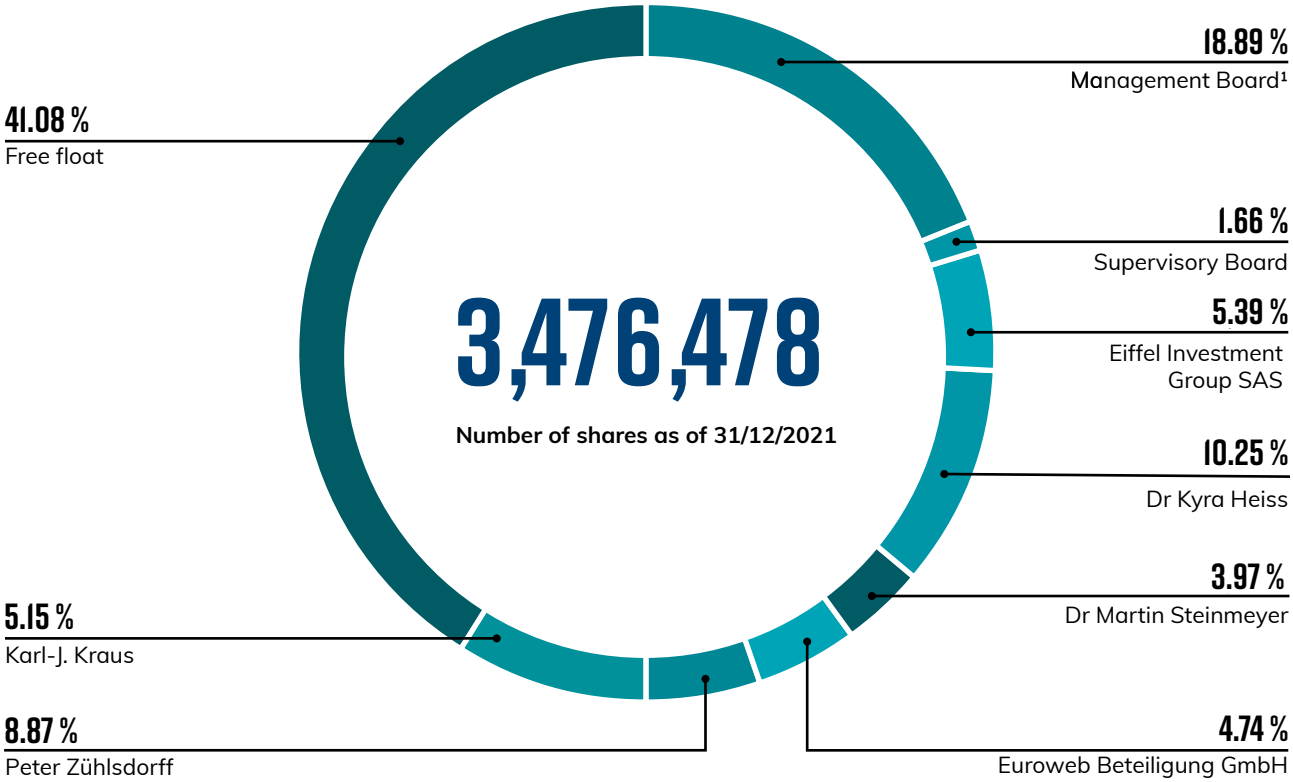
I would like to thank you very much for the trust you have placed in us and look forward to continuing to work with you. May you and your families remain healthy!

Best Regards,

DIRK-HILMAR KRAUS
CEO

THE YOC SHARE

SHAREHOLDER STRUCTURE YOC AG



INFORMATION ON THE LISTING

DOMESTIC SHARES
STOCK TYPE

593273
SECURITIES IDENTIFICATION NUMBER

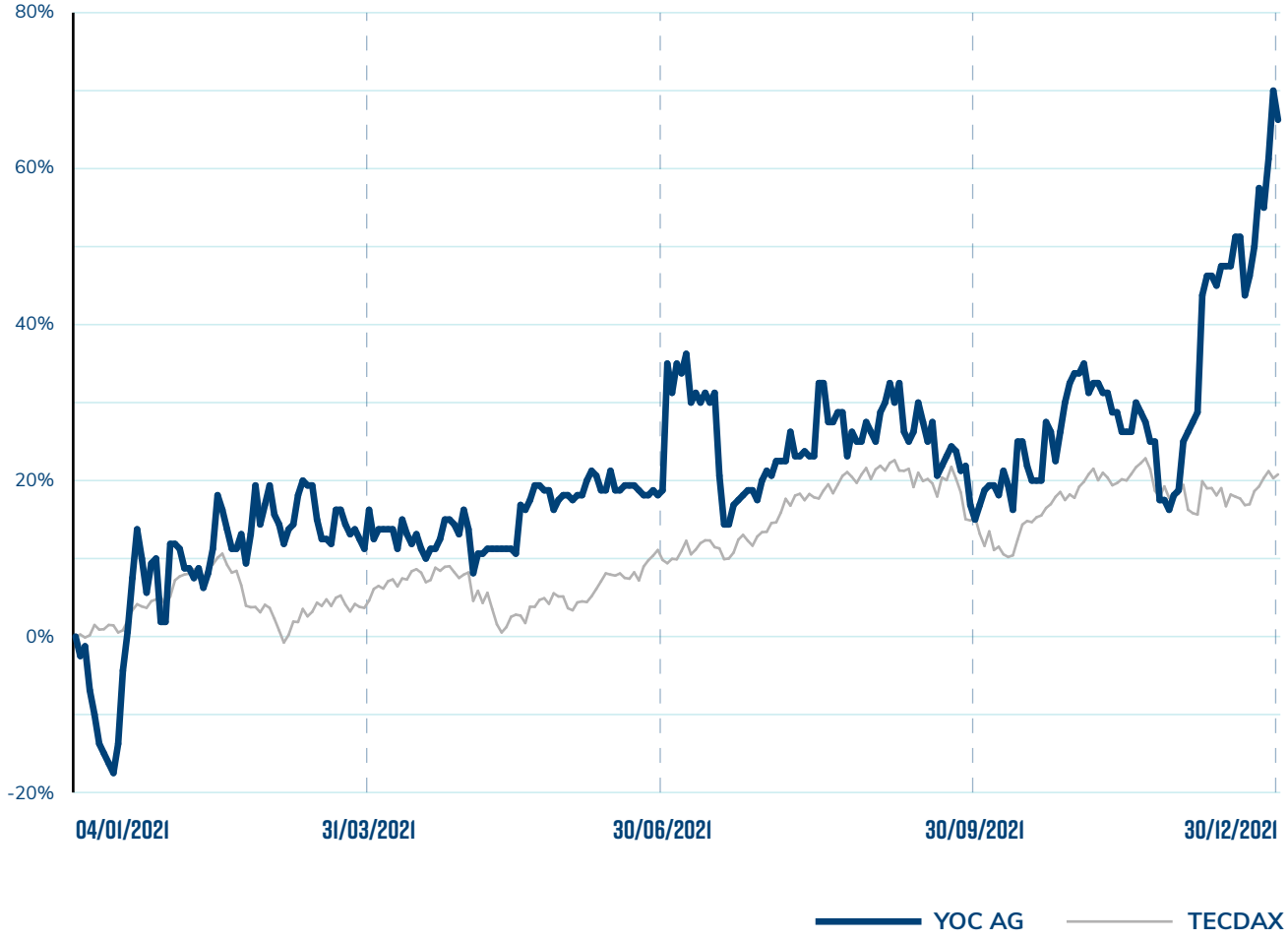
XETRA
TRADING SYSTEM

DE0005932735
ISIN

PRIME STANDARD
STOCK EXCHANGE SEGMENT

1) The ownership interest held by dkam GmbH is attributed to Mr Dirk-Hilmar Kraus.

SHARE PRICE DEVELOPMENT OF YOC AG IN FINANCIAL YEAR 2021



SHARE PRICE DATA IN A YEAR-ON-YEAR COMPARISON

8.00 EUR / 13.30 EUR
YEAR-END MARKETPRICE 2020 / 2021

+66.25 %
CHANGE

8.10 EUR / 13.30 EUR
PEAK PRICE 2020 / 2021

+64.20 %
CHANGE

2.55 EUR / 6.60 EUR
LOWEST PRICE 2020 / 2021

+158.82 %
CHANGE

DEVELOPMENT IN YEAR 2021

YOC SHARE	TECDAX INDEX
8.00 EUR AS OF 04/01/2021	3,212.77 AS OF 04/01/2021
13.30 EUR AS OF 30/12/2021	3,920.17 AS OF 30/12/2021
+66.25 % CHANGE	+22.02 % CHANGE

MANAGEMENT BOARD

The Management Board consisted of one member as of 31 December 2021:

DIRK-HILMAR KRAUS

BUSINESSMAN, BERLIN

Dirk-Hilmar Kraus was reappointed as member of the Management Board of YOC AG on 10 September 2013.

He had previously been represented on the Management Board of the Company from 2001 to 2012 – since 2005 as CEO of the Company. He founded YOC AG with a partner in Berlin in 2001 after working for Roland Berger Strategy Consultants as a senior advisor dealing mainly with the restructuring and strategic realignment of companies. Dirk-Hilmar Kraus does not hold any other mandates.

SUPERVISORY BOARD

As of 31 December 2021, the Supervisory Board consisted of three members:

DR NIKOLAUS BREUEL

BUSINESSMAN, BERLIN

Dr Nikolaus Breuel is Chairman of the Supervisory Board at YOC AG.

He has a long-standing experience as a CEO in the field of services. His core competences lie in the definition and implementation of corporate strategies and restructuring.

Mandates:

- Executive Manager Karl-J. Kraus GmbH
- YOC AG: Chairman of the Supervisory Board (since 01/2014), member (since 06/2013)

KONSTANTIN GRAF LAMBSDORFF

LAWYER, BERLIN

Konstantin Graf Lambsdorff is Deputy Chairman of the Supervisory Board at YOC AG and a lawyer and specialist for tax law.

For over 20 years he has advised companies and investors on shareholding, finance and transactions. Konstantin Graf Lambsdorff is one of the founding partners of Lambsdorff Rechtsanwälte, a spin-off of a major international law firm focused on growth enterprises.

Mandates:

- PRIMUS Immobilien AG: Chairman of the Supervisory Board (since 2008)
- Lambsdorff Rechtsanwälte PartGmbB: Partner (since 2012)
- YOC AG: Deputy Chairman of the Supervisory Board (since 01/2014)

SACHA BERLIK

BUSINESSMAN, COLOGNE

Sacha Berlik is the third member to the YOC AG Supervisory Board. Up until the end of 2019, the entrepreneur and investor was Managing Director EMEA at The Trade Desk, the worldwide leading and independent Company in programmatic media buying. Previously, he had founded the first European programmatic advertising agency in 2008, which he sold to DataXu at the end of 2011. Until 2015 he was General Manager Europe at DataXu, another Company active worldwide in programmatic media buying. It was sold to the US video streaming platform Roku in 2019.

Aside from the digital agency Oridian with 22 offices worldwide, he built Active Agent, one of the first European ad networks, as founder and CEO and planned the online presence of the major German private TV channel Sat.1.

Mandates:

- YOC AG: Member of the Supervisory Board (since 01/2014)

FINANCIAL CALENDAR 2022

23 – 25 MAY 2022
Equity Forum / German Spring Conference 2022, Frankfurt

25 MAY 2022
Interim Report First Quarter 2022

17 AUGUST 2022
Interim Report First Half 2022

16 NOVEMBER 2022
Interim Report Third Quarter 2022

REPORT OF THE SUPERVISORY BOARD

In the 2021 financial year, the Supervisory Board performed its duties and obligations comprehensively and diligently in accordance with the law, the Articles of Association and the Rules of Procedure.

It dealt intensively with the situation of the Company and regularly advised the Management Board on the management of the Company and continuously monitored its activities. In doing so, it assured itself of the lawfulness, appropriateness and regularity of the management.

The monitoring also included appropriate measures for risk prevention and compliance. The Supervisory Board also monitored that the Management Board had taken the measures incumbent upon it in accordance with § 91 para. 2 of the German Stock Corporation Act (AktG) in an appropriate form.

The Supervisory Board was directly involved in all decisions of fundamental importance to the Company and discussed them in detail.

By means of regular written and oral reports from the Management Board, the Supervisory Board dutifully dealt with the Company's revenue and earnings situation, the course of business, the intended business policy and corporate planning as well as the risk management system and the internal control system.

With regard to decisions or measures of the Management Board that require the approval of the Supervisory Board according to the law or the applicable rules of procedure of the Management Board, the Supervisory Board granted its approval in each case after thorough examination of the submitted documents and after detailed discussion.

In addition to numerous factual issues, measures requiring approval as well as the general business development, fundamental questions of corporate and product strategy, financing, the development of international business and personnel decisions were discussed in detail in the 2021 financial year.

Short-term, medium-term and long-term topics were dealt with equally.

COMPOSITION OF THE SUPERVISORY BOARD

In 2021, the Supervisory Board of YOC AG consisted of three persons, unchanged from the previous year, as follows: Dr Nikolaus Breuel is the chairman of the board. His deputy is Konstantin Graf Lambsdorff.

The third member of the Supervisory Board, Sacha Berlik, completes the board.

COMMITTEES

YOC AG has formed an audit committee consisting of all three members of the Supervisory Board with effect from 01 July 2021. The Supervisory Board has unanimously decided that Mr. Graf Lambsdorff will chair the Audit Committee. In fiscal year 2021, the Audit Committee held a total of three meetings, each of which was attended by all committee members.

The Audit Committee dealt with the audit of the financial statements, the monitoring of the financial reporting process, the effectiveness of the internal control system, the risk management system and the internal auditing system, as well as the audit of the financial statements and compliance. The financial reporting includes in particular the consolidated financial statements in accordance with IFRS, the combined Management Report and the separate financial statements in accordance with the German Commercial Code (HGB).

In the financial year 2021, the Supervisory Board dealt in particular with issues relating to the accounting system and financial reporting of YOC AG, as required by law, the German Corporate Governance Code (GCGC) and the rules of procedure of the Supervisory Board.

Due to its size, the Supervisory Board has not formed any other committees.

MAIN TOPICS OF THE SUPERVISORY BOARD'S ACTIVITIES

During the reporting period, the Supervisory Board held a total of five meetings in person. In addition, the Supervisory Board passed resolutions by telephone and in writing.

The Supervisory Board was continuously informed by the Management Board of YOC AG about the current development of the business situation and all significant business transactions.

The Supervisory Board was also informed by the Management Board about events of particular importance between meetings. In addition, the Chairman of the Supervisory Board and the Management Board held regular information and consultation meetings.

The Supervisory Board also regularly made use of the opportunity to discuss and meet without the presence of the Management Board.

In all meetings attended in person and in the other resolutions adopted in the 2021 financial year, the Supervisory Board was quorate and complete at all times.

There were no indications of possible conflicts of interest on the part of Supervisory Board members in the 2021 financial year and none were reported by the members of the Supervisory Board.

The Supervisory Board paid particular attention to economic and strategic aspects such as the business development of all the Company's sites and, in particular, the economic impact of the COVID 19 pandemic and the measures taken to counter it, product development, the further development of the business model as a provider of advertising technology – in this context, primarily the further development of the Company's own **VIS.X®** trading platform, the Company's corporate and liquidity planning, and the self-assessment of the Supervisory Board's work.

MEETINGS OF THE SUPERVISORY BOARD

- At the **Supervisory Board meeting on 25 February 2021** the Supervisory Board dealt intensively with the preliminary figures and the Company's performance in the past 2020 financial year and the expected business development in the first half of 2021 as well with the general liquidity development.
- The **meeting on 20 April 2021** was mainly devoted to the annual and consolidated financial statements for the 2020 financial year. The Supervisory Board approved these at the meeting with a corresponding resolution. Other items on the agenda were the expected business performance in the current first half of 2021 and product and technology development.
- The **meeting on 01 July 2021** focused on the expected business development in the first half of fiscal year 2021 and the development status in the technology and product area. Furthermore, the Management Board reported on the introduction of the Objectives and Key Results (OKR) system and how this will affect the strategy of YOC AG.
- In the **meeting on 10 September 2021** the projection for the financial year 2021 and a first rough planning for the financial year 2022 were discussed. In addition to the discussion on the current progress of YOC's own supply side platform **VIS.X®**, the focus of this meeting was on the consideration of sales and market share in the DACH region.
- The **120th meeting of the Supervisory Board of YOC AG** took place on **16 December 2021.** The Supervisory Board dealt intensively with the business plan and liquidity planning for the financial year 2022. In addition to the discussion of the current progress of YOC's own supply side platform **VIS.X®**, the focus of this Supervisory Board meeting was on the outlook for the technological roadmap development.

Furthermore, the Supervisory Board passed numerous **resolutions** in financial year 2021: Among others, on 25 February 2021 on the German Corporate Governance Code, on 13 May 2021 the resolution on the introduction of a compensation system for Management Board members, and on 16 December 2021 on the non-audit services of the auditor from 01 January 2022 (pre-approval policy).

The resolution to convene the Annual General Meeting 2021 and the proposed resolutions was adopted on 13 May 2021.

CORPORATE GOVERNANCE

In the 2021 financial year, the Supervisory Board again dealt with the recommendations of the German Corporate Governance Code in the version of 07 February 2017 and the new version of 16 December 2019 applicable from 20 March 2020.

In this context, the Supervisory Board reviewed the appropriateness and customary nature of Management Board remuneration.

Furthermore, the Supervisory Board discussed the efficiency of its activities as well as the contents of the corporate governance declaration, including the declaration of compliance with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act (AktG).

The Management Board and Supervisory Board renewed their joint declaration of compliance in February 2022. The Company largely complies with the recommendations of the German Corporate Governance Code.

The declaration of conformity with explanations regarding deviations from the recommendations can be found as part of the corporate governance statement as part of the Management Report in this annual report.

In addition, the declaration of compliance has been made permanently available on the Company's website.

Further information on corporate governance at YOC AG can be found in the corporate governance statement in this annual report.

PERSONNEL CHANGES ON THE MANAGEMENT BOARD

There were no personnel changes on the Management Board of the Company in the 2021 financial year.

TRAINING AND FURTHER EDUCATION MEASURES

The Company supported the members of the Supervisory Board in training and continuing education measures.

In the past fiscal year 2021, the focus was in particular on further training with regard to the changes brought about by the German Act to Strengthen Financial Market Integrity (FISG).

In addition, the members of the Supervisory Board were trained on obligations under capital market law and current topics such as the amendment to the German Corporate Governance Code and the resulting need for action.

In the event of any personnel changes on the Supervisory Board, the Company will also provide appropriate support for the new members of the Supervisory Board during their induction.

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS 2021

The auditor appointed by the Supervisory Board, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, audited the annual financial statements and consolidated financial statements prepared by the Management Board as well as the combined Management Report for YOC AG and the Group for financial year 2021, and issued an unqualified audit opinion for both the annual financial statements and the consolidated financial statements.

The above documents and the audit reports were made available to all members of the Supervisory Board in a timely manner. The documents were comprehensively reviewed and discussed in the presence of the auditor at the balance sheet meeting on 20 April 2022.

The auditor reported on the main results of the audit and was available to provide additional information. The auditor also addressed the scope and focus of the audit. There were no circumstances that might give cause for concern about the auditor's impartiality.

The Supervisory Board took note of the auditor's report and concurred with the result of the audit by the auditor after its own review.

The Supervisory Board continued to agree with the Management Board in its assessment of the situation of YOC AG and YOC Group.

As the final result of its own review did not give rise to any objections, the Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Management Board as well as the Management Report for YOC AG and the Group for the financial year 2021 prepared in summarised form.

The annual financial statements of YOC AG are thus adopted.

THANKS TO THE MANAGEMENT BOARD AND ALL EMPLOYEES

The Supervisory Board would like to thank the Management Board and all employees of YOC AG and all Group companies for their hard work in the past financial year 2021.

Berlin, April 2022

DR NIKOLAUS BREUEL
CHAIRMAN
THE SUPERVISORY BOARD

RENUMERATION REPORT OF YOC AG

NEW REMUNERATION SYSTEM

In accordance with section 120a (1) of the German Stock Corporation Act (AktG) in the version valid since 01 January 2020 following the Act Implementing the Second Shareholders' Rights Directive (ARUG II) of 12 December 2019, the Annual General Meeting of a listed Company shall resolve on the approval of the compensation system for Management Board members presented by the Supervisory Board whenever there is a significant change to the system, but at least every four years.

The first resolution had to be passed by the end of the first Annual General Meeting following 31 December 2020.

In this content, the Supervisory Board of YOC AG has decided on a remuneration system for members of the Management Board which is based on the principles of performance orientation and sustainable increase of the Company's value for the benefit of all stakeholders, and which complies with the requirements of the ARUG II and is based on the recommendations of the GCGC 2020.

The remuneration system for members of the Management Board was approved by the Annual General Meeting of YOC AG on 30 June 2021.

In accordance with legal requirements, the Supervisory Board will apply this remuneration system to service contracts with members of the Management Board of the Company that are newly concluded, amended or extended after the expiry of two months following the first approval of the remuneration system by the Annual General Meeting (Section 87a (2) sentence 1 AktG, Section 26j (1) sentence 2 EGAktG).

Detailed information on the new compensation system can be found on the Company's website at https://yoc.com/de/investor-relations-yoc/management-corporate-governance/.

DESCRIPTION OF THE RELEVANT COMPENSATION SYSTEM FOR MEMBERS OF THE BOARD OF MANAGEMENT

The current Management Board service agreement with the sole Management Board member Dirk-Hilmar Kraus was already extended in March 2020 until 31 March 2023, so that the new compensation system approved by the Annual General Meeting is not yet implemented under the current Management Board service agreement and is therefore not directly addressed in this compensation report.

As far as the Compensation Report refers to the relevant compensation system in accordance with § 162 AktG, the relevant compensation system is the one that applied when the currently valid Management Board service agreement was concluded and continues to apply to it (hereinafter referred to as the „Relevant Compensation System").

Compensation under the Authorized Compensation System is performance related. It is set at a level that is competitive in the market for highly qualified executives and provides an incentive for successful work.

In the 2021 financial year, it comprised a fixed basic salary, a variable component and participation in the virtual stock options program:

- The basic remuneration is a fixed cash payment for the entire year, which is based on the area of responsibility of the respective Management Board member and is paid in twelve monthly instalments.
- The variable component is a cash payment as a profit-sharing bonus, which is based on the operating result according to IFRS (EBITDA) of YOC AG and is capped.
- By participating in the virtual stock options program launched in 2014, members of the Management Board of the Company to be determined by the Supervisory Board receive virtual stock options (phantom stocks). An exercise of 20,000 virtual stock options is linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 WpÜG with an indefinite term.
- In addition, the service contract of Management Board member Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, contains a one-time, performance-based compensation component subject to the condition of a change of control following a takeover bid.

The virtual stock options program simulates a stock options program aimed at the actual participation of the beneficiaries in the equity of the Company.

In contrast to an option program based on „real" stock options, the virtual options do not entitle the holder to subscribe for shares in the Company upon exercise, but grant the beneficiary a claim against the Company for payment of a certain cash amount in accordance with the option terms and conditions.

APPLICATION OF THE AUTHORITATIVE MANAGEMENT BOARD COMPENSATION SYSTEM IN FISCAL YEAR 2021

The authoritative compensation system was fully implemented and applied in the context of Management Board compensation in fiscal year 2021.

In accordance with the Significant Compensation System, the Supervisory Board has defined specific target compensation with the Management Board member. Furthermore, the Supervisory Board has defined the performance criteria with regard to the performance-related variable compensation components for the 2021 financial year.

As a result, the remuneration of the Management Board of YOC AG in financial year 2021 includes a fixed salary component totalling kEUR 200 gross (2020: kEUR 180 gross) and a variable salary component of a further kEUR 40 gross (2020: kEUR 26 gross). The fixed salary component was paid in 2021.

The variable salary component is due two weeks after adoption of the Company's annual financial statements and will therefore be paid in 2022.

In addition, a payment obligation of YOC AG to its Management Board member Dirk-Hilmar Kraus in the amount of kEUR 180, which has been deferred since financial year 2013, occurred in November 2021.

Apart from this, no advances, loans, security deposits, pension commitments or similar benefits were granted to the Management Board.

A variable salary component of kEUR 26 gross was paid to Dirk-Hilmar Kraus for 2020 in fiscal year 2021.

COMPENSATION GRANTED AND OWED TO THE CURRENT MANAGEMENT BOARD MEMBER IN THE PAST FISCAL YEAR PURSUANT TO SECTION 162 AKTG

The table 1 shows the fixed and variable compensation components granted (paid out) and owed (due in 2021) to the current Management Board member in the past fiscal year, including the respective relative share pursuant to Section 162 AktG.

These are the fixed annual remuneration paid in the financial year 2021, the fringe benefits accrued in the financial year 2021 and the variable remuneration paid in the financial year 2021.

The table 2 shows the fulfilment of the agreed performance criteria for the variable compensation component paid out in fiscal year 2021.

TABLE 1

NAME	FIXED RENUMERATION					PAYMENT FOR PRIOR YEARS	PENSION EXPENSES	TOTAL COMPEN-SATION	RATIO OF FIXED AND VARIABLE REMUNERATION
	BASIC SALARY	EXTRA PAY	FRINGE BENEFITS	ANNUAL	PEREN-NIAL				
Dirk-Hilmar Kraus	200,000 EUR (for fiscal year 2021)	-	2,453 EUR	26,000 EUR (for fiscal year 2020)	-	180,000 EUR	-	408,453 EUR	Fixed: 91 % Variable: 9 %

TABLE 2

NAME	PERFORMANCE CRITERION	RELATIVE WEIGHT OF THE PERFORMANCE CRITERION	PERFORMANCE TARGET INFORMATION		A) TARGET ACHIEVEMENT B) AMOUNT PAID OUT
			A) MINIMUM TARGET B) CORRESPONDING REMUNERATION	A) MAXIMUM TARGET B) CORRESPONDING REMUNERATION	
Dirk-Hilmar Kraus	Achievement of budgeted EBITDA	100 %	a) 65 % b) 19,500 EUR	a) 150 % b) 45,000 EUR	a) 87 % b) 26,000 EUR

CONTRIBUTION TO THE LONG-TERM DEVELOPMENT OF THE COMPANY

The compensation promotes the long-term development of the Company through the composition of fixed and variable compensation components. Purely fixed compensation would not be suitable for promoting the Company's focus on sustainable development characterized by innovation. Rather, a strategic growth course requires variable, incentive-based compensation components in addition to fixed components in order to allow management, as the driver of innovations and visions, to participate appropriately and judiciously in the success of the Company.

The agreement of a variable remuneration component, which is linked to the achievement of the budgeted EBITDA of the Company, promotes the long-term development of YOC Group, because the remuneration is thus linked to the strategic result target, which in turn should serve the long-term development of the Company.

COMMITMENTS IN THE EVENT OF PREMATURE TERMINATION OF MANAGEMENT BOARD MEMBERSHIP

In the event that Dirk-Hilmar Kraus is released from his obligation to serve as a member of the Management Board during the term of his contract, Dirk-Hilmar Kraus will continue to receive the agreed fixed compensation plus the pro-rata performance-related compensation accrued up to the date of release from the relevant year. Other remuneration earned by Dirk-Hilmar Kraus from self-employed and/or non-employed work during the period of release will be offset and reduce the fixed remuneration.

Payments to Dirk-Hilmar Kraus in the event of premature termination of Management Board membership without serious cause are limited to the value of two years' compensation, including fringe benefits.

FURTHER MANDATORY DISCLOSURES PURSUANT TO SECTION 162 AKTG

- No shares or stock options were granted or promised in the financial year 2021.
- No use was made of the option to reclaim variable compensation components, as no breaches of duty were identified by the Board of Management.
- There was no deviation from the relevant compensation system. We would like to point out that the compensation system currently still in place for the current Management Board service contract does not correspond to the compensation system presented for approval at last year's Annual General Meeting. This compensation system is only applicable to new Management Board service agreements to be concluded or extended.
- A resolution of the Annual General Meeting pursuant to Art. 120a par. 4 or a discussion pursuant to Art. 120a par. 5 AktG did not have to be taken into account when determining the compensation of the Management Board.
- The Management Board member was not promised any benefits by a third party in respect of his activities as a member of the Management Board or granted any such benefits in the fiscal year.
- No benefits have been promised to the Management Board member in the event of regular termination of his activity.
- No benefits have been promised or granted in this connection during the past fiscal year to any former Management Board member who terminated his service during the past fiscal year.
- The authoritative compensation system does not contain any stipulations regarding maximum compensation, compliance with which would have to be reported.

DESCRIPTION OF THE COMPENSATION SYSTEM FOR MEMBERS OF THE SUPERVISORY BOARD

The system of compensation for members of the Supervisory Board is based on statutory requirements and takes into account the applied recommendations and suggestions of the German Corporate Governance Code. The Supervisory Board advises and monitors the Management Board and in this respect is closely involved in important operational and strategic issues relating to the management of the Company. The compensation of the Supervisory Board is also a key factor in ensuring that it acts effectively. This should be commensurate with the duties of the Supervisory Board members and the situation of the Company (cf. Section 113 (1) Sentence 3 AktG). Appropriate Supervisory Board remuneration in line with the market thus promotes the business strategy and long-term development of YOC AG.

Pursuant to Section 113 (3) sentences 1 and 2 of the German Stock Corporation Act (AktG), which was revised as of 01 January 2020, the Annual General Meeting of listed companies must pass a resolution on the remuneration of the members of the Supervisory Board at least every four years, whereby a resolution confirming the remuneration is permissible. According to the transitional provision Section 26j (1) sentence 1 of the Introductory Act to the German Stock Corporation Act (AktG), the first resolution had to be passed at the Annual General Meeting following 31 December 2020. This resolution was adopted on 30 June 2021.

Pursuant to Section 16 Sentence 1 of the Articles of Association of YOC AG, the members of the Supervisory

Board receive a fixed remuneration to be determined by the Annual General Meeting.

The remuneration system for the Supervisory Board adopted by the Annual General Meeting provides both the abstract and the concrete framework for the remuneration of the members of the Supervisory Board. This ensures that the remuneration of the members of the Supervisory Board always corresponds to the remuneration system resolved by the Annual General Meeting.

STRUCTURE AND APPLICATION OF THE REMUNERATION SYSTEM OF THE SUPERVISORY BOARD IN FINANCIAL YEAR 2021

In amendment to the resolution of the Annual General Meeting of 30 May 2007, since financial year 2012 the members of the Supervisory Board of YOC AG have received remuneration as follows:

1. the annual remuneration for each member of the Supervisory Board is EUR 12,500.00.

2. the Chairman of the Supervisory Board receives double this amount, the Deputy Chairman of the Supervisory Board receives 1 ½ times this amount.

3. each member of the Supervisory Board receives an amount of EUR 1,000.00 for each meeting of the Supervisory Board, which is an attendance meeting, the Chairman of the Supervisory Board receives double this amount and the Deputy Chairman of the Supervisory Board receives 1 ½ times this amount.

The fixed compensation, the attendance fees and the waiver of performance-related Supervisory Board compensation are intended in particular to promote the independence of the Supervisory Board members. The long-term development of the Company is to be promoted through the appropriate exercise of the Supervisory Board's supervisory and advisory activities.

The Management Board and Supervisory Board are of the opinion that the concept of fixed, non-performance-related compensation for members of the Supervisory Board established by resolution of the Annual General Meeting on 21 August 2012, and approved by the Annual General Meeting on 30 June 2021, has proven its worth.

This model of compensation is practiced by the majority of listed companies and complies with suggestion G.18 of the German Corporate Governance Code as amended on 16 December 2019.

From the perspective of the Management Board and Supervisory Board, the existing regulations on the compensation of Supervisory Board members should be retained in the future. Accordingly, the compensation set to date by resolution of the Annual General Meeting on 21 August 2012 has also been set for the current fiscal year 2021 and for the subsequent fiscal years beginning from 01 January 2022.

REMUNERATION OF THE SUPERVISORY BOARD IN FINANCIAL YEAR 2021

On 30 June 2021 the Annual General Meeting of YOC AG reconfirmed and approved the remuneration of the members of the Supervisory Board set at the Annual General Meeting on 21 August 2012.

In financial year 2021, the remuneration system for the Supervisory Board was applied in all aspects as regulated in Section 16 of the Company's Articles of Association. In the reporting year, the members of the Supervisory Board did not receive any further compensation or benefits for services rendered personally, in particular consulting and mediation services. The members of the Supervisory Board were not granted any loans or advances, nor were any contingent liabilities entered into in their favour.

Accordingly, the remuneration for the activities of the Supervisory Board in fiscal year 2021 totalled kEUR 79 (2020: kEUR 79).

The compensation is due at the end of the 2021 financial year and will therefore not be paid until the 2022 financial year.

NAME	FIXED REMUNERATION	ATTENDANCE FEE	TOTAL
Dr Nikolaus Breuel (Chairman)	25	10	35
Konstantin Graf Lambsdorff	18	8	26
Sacha Berlik	13	5	18
TOTAL	56	23	79

As the fixed Supervisory Board compensation for the 2020 financial year was not due until 2021, payment was also not made until the 2021 financial year.

The following table shows the compensation paid to the members of the Supervisory Board in 2021 for the 2020 financial year.

NAME	FIXED REMUNERATION	ATTENDANCE FEE	TOTAL
Dr Nikolaus Breuel (Chairman)	25	10	35
Konstantin Graf Lambsdorff	18	8	26
Sacha Berlik	13	5	18
TOTAL	56	23	79

COMPARATIVE PRESENTATION OF COMPENSATION AND EARNINGS DEVELOPMENT

The following comparative presentation shows the annual change in the compensation granted and owed to the current members of the Management Board and Supervisory Board, the Company's earnings performance and the compensation of employees on a full-time equivalent basis in accordance with Section 162 AktG (German Stock Corporation Act), whereby the latter is based on the average wages and salaries of the employees of all Group companies in Germany in the respective fiscal year.

The internal peer group is deliberately restricted to Germany because this is where most employees are based.

	COMPENSATION GRANTED AND OWED 2021	COMPENSATION GRANTED AND OWED 2020	CHANGE 2021 COMPARED TO 2020		CHANGE 2020 COMPARED TO 2019		CHANGE 2019 COMPARED TO 2018		CHANGE 2018 COMPARED TO 2017	
	IN KEUR	IN KEUR	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %
Current members of the Board of Management	**408**	**142**	**+266**	**+186**	**-24**	**-15**	**+11**	**+7**	**-11**	**-6**
Dirk-Hilmar Kraus	408	142	+266	+186	-24	-15	+11	+7	-11	-6
Current members of the Supervisory Board	**79**	**79**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Dr Nikolaus Breuel	35	35	0	0	0	0	0	0	0	0
Konstantin Graf Lambsdorff	26	26	0	0	0	0	0	0	0	0
Sacha Berlik	18	18	0	0	0	0	0	0	0	0
Average Salary Employees (Germany)	**79**	**64**	**+15**	**+23**	**-4**	**-6**	**+9**	**+15**	**-12**	**-17**

	FINANCIAL YEAR 2021	FINANCIAL YEAR 2020	CHANGE 2021 COMPARED TO 2020		CHANGE 2020 COMPARED TO 2019		CHANGE 2019 COMPARED TO 2018		CHANGE 2018 COMPARED TO 2017	
	IN KEUR	IN KEUR	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %
YOC Group consolidated net profit	**2.065**	**312**	**1.753**	**+562**	**+784**	**+165**	**-315**	**-200**	**+373**	**+70**
YOC AG net income	**1.735**	**-719**	**2.454**	**+341**	**+959**	**+57**	**-1.704**	**-6.532**	**+757**	**+104**

REPORT OF THE INDEPENDENT AUDITOR

on the audit of the remuneration report pursuant to Sec. 162 (3) AktG

TO YOC AG

OPINION

We have audited the remuneration report of YOC AG, Berlin, for the fiscal year from 01 January to 31 December 2021 to formally verify whether the disclosures required by Sec. 162 (1) and (2) AktG ["Aktiengesetz": German Stock Corporation Act] have been made. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) AktG have been made in the acCompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

BASIS FOR THE OPINION

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the "Responsibilities of the auditor" section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO ["Wirtschaftsprüferordnung": German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/ German Sworn Auditors] including the requirements regarding independence.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The Management Board and Supervisory Board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

RESPONSIBILITIES OF THE AUDITOR

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

CONSIDERATION OF MISREPRESENTATIONS

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and, in doing so, remain alert for indications of whether the remuneration report contains misrepresentations in relation to the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Berlin, 20. April 2022

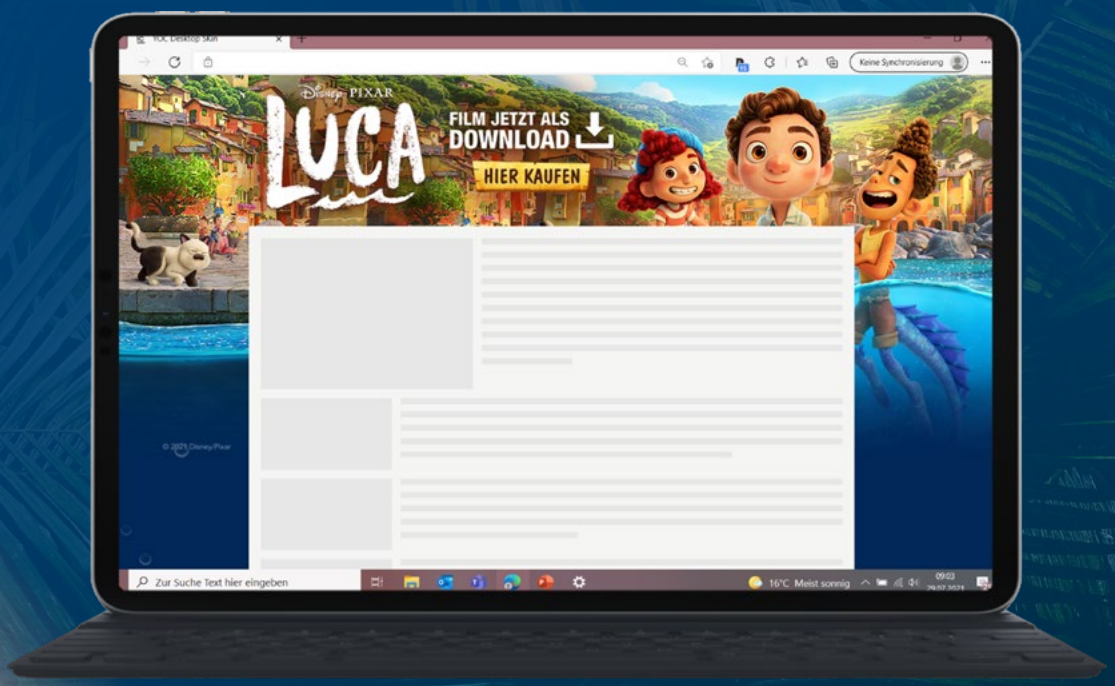
ERNST & YOUNG GMBH
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

DR RÖDERS
WIRTSCHAFTSPRÜFER
[GERMAN PUBLIC AUDITOR]

BEHRENDT
WIRTSCHAFTSPRÜFER
[GERMAN PUBLIC AUDITOR]

Disney+, Germany
YOC Desktop Skin
Q3/2021

02 BUSINESS MODEL, TECHNOLOGY AND MARKET ENVIRONMENT



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 mobile internet and mobile applications.

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

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

INVESTING IN INNOVATION

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

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

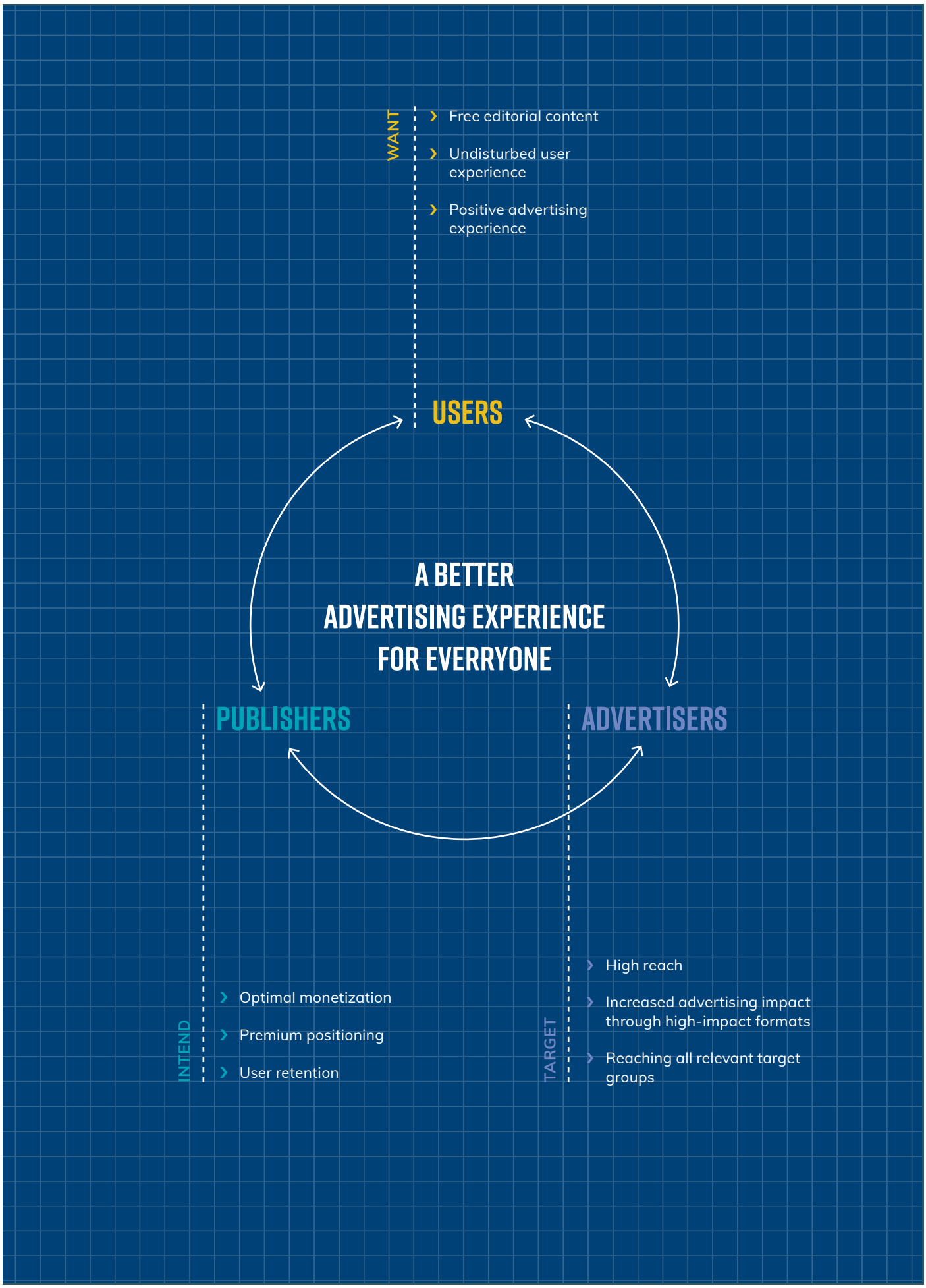
Thereby the Company aims at continuously improving its software so that partners are offered a comprehensive, efficient and innovative way to trade highly effective advertising media in combination with the best advertising spaces in an automated manner.

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

In the financial year 2021, 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.


WANT
Free editorial content
Undisturbed user experience
Positive advertising experience
USERS
A BETTER ADVERTISING EXPERIENCE FOR EVERRYONE
PUBLISHERS
ADVERTISERS
INTEND
Optimal monetization
Premium positioning
User retention
TARGET
High reach
Increased advertising impact through high-impact formats
Reaching all relevant target groups

TECHNOLOGY

VIS.X® PLATFORM

With the market launch of the Supply Side Platform (SSP) **VIS.X®** at the beginning of 2018, YOC established itself as a provider of high-quality advertising technology (ad technology) and operator of a scalable trading platform.

While the feature set reached a key level in 2020, both trading volume and available inventory in the platform increased significantly in 2021.

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

UNIVERSAL AD UNIT

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

Thanks to this technology, the **VIS.X®** platform selects the ideal ad format in real time by evaluating the profitability and benefit for the appropriate advertising campaign. Universal ad units offer both general-purpose standard formats as well as YOC's high-impact ad formats for maximum user experience and cost-effectiveness.

ADVANCED PRICING MODELS

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

These include viewable CPM (vCPM), in which advertising delivery is only billed if the ad is actually seen by the user.

For video advertising, purchasing can also be optimized for fully viewed videos as part of a Cost Per Completed View model (CPCV).

MODERN MACHINE LEARNING

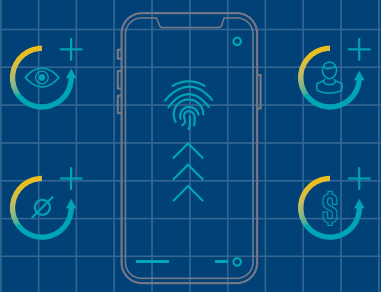
In each auction of an ad slot on the **VIS.X®** platform, a machine learning model is applied that can predict the probabilities of viewability, clicks, and potential view-through.

This model learns independently based on ongoing data analysis and thus continuously optimizes quality and reliability of the buying algorithm. The obtained predictions are incorporated in real time and modulate the probabilities and prices of an ad delivery accordingly.

FRAUD PROTECTION

All advertising formats traded on the platform are subject to manual and automated security checks. Within the fully automated trading environment, inappropriate or illegal advertisements are blocked automatically.

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

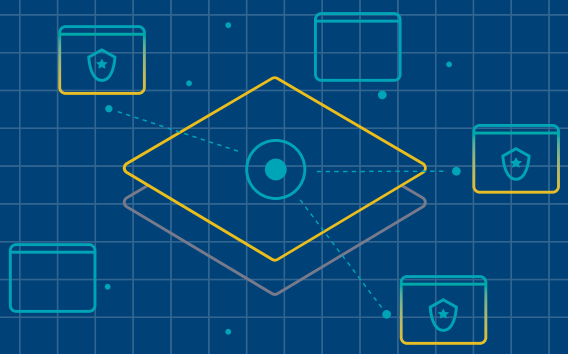


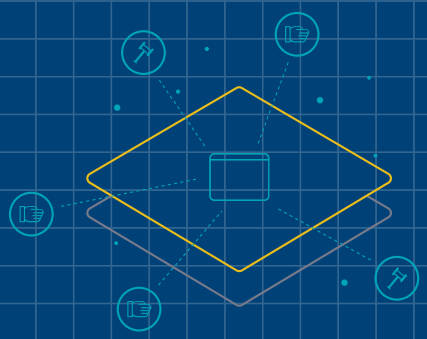
HIGH-IMPACT AD FORMATS

Programmatic trading can be carried out with the attention-grabbing advertising formats developed by YOC – and entirely without adaptations on the part of the buyers' purchasing platforms (DSP). The smart technology of the **VIS.X® SSP** transforms regular advertising media into YOC high-impact formats in real time for every transaction.

BRAND-SAFE PREMIUM INVENTORY

Hundreds of world-renowned publishers are connected to the **VIS.X® SSP** and have already integrated YOC products. Thus, they offer scalable, high-quality premium advertising inventory to all buyers via the platform.





HOLISTIC APPROACH

The **VIS.X® SSP** combines all sales channels and monetization opportunities into one holistic view, determining the best possible sales strategy for each individual ad space in real time.

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.

TRADING IN THE PRIVATE MARKETPLACE (PMP)

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

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

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

DIRECT TRADE

In 2020, the **VIS.X®** platform was enhanced with the possibility of direct trading.

In addition to providing all the features available in Private Marketplaces, exclusive trading allows buyers to purchase a volume guarantee for a specific campaign. This allows various campaign targets, especially for branding advertising, to be managed even more effectively.

MOBILE WEB AND IN-APP

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

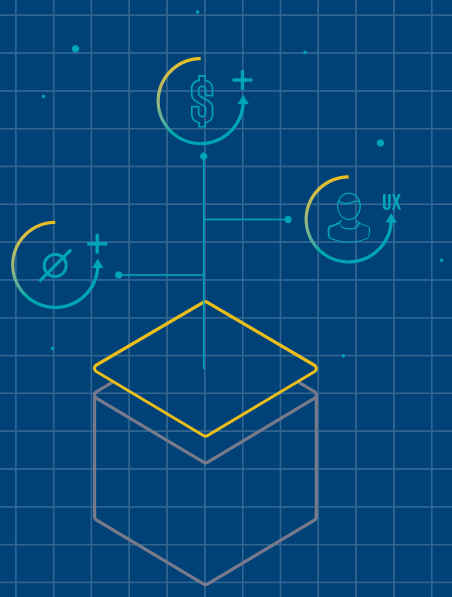
In 2020, this offering was also made available in the in-app environment with the launch of the **VIS.X® Software Development Kit (SDK)**. It enables mobile app developers to benefit from the value created by the **VIS.X®** platform, helping them to improve the advertising utilization and revenues of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

DESKTOP ADVERTISING

In the financial year 2021, YOC enabled the **VIS.X®** platform for trading desktop advertising inventory. The strategic approach of achieving a demonstrably better advertising impact with high-impact advertising formats can also be implemented on advertising spaces of conventional desktops or tablets.

The desktop inventory, which continues to account for a decisive market share in display advertising at just over 50 %, could be integrated into the platform through further developments in **VIS.X®** and the release of special new product lines. In 2022, the trading volume from this channel will rise noticeably and further increase the realized revenue in the platform.



VIS.X® SDK

EFFECTIVE MONETIZATION

The acquisition of high-value advertisers through an excellent sales force and the intelligent technology of the **VIS.X® SDK** enable partners to maximize advertising revenues for their mobile applications with just one technical integration.

HIGH-IMPACT ADVERTISING FORMATS

Serving high-impact ad formats in a premium in-app environment provides advertisers with a sustainable advertising impact. The most important indicators for measuring brand advertising (branding KPI), including brand and advertising recall, as well as advertising appeal, are increased considerably by the proprietary YOC advertising formats.

USER EXPERIENCE

Through the use of high-impact formats, users are encouraged to interact with the ad, resulting in a unique advertising experience. The seamless integration into the editorial content does not disturb the reading flow and improves the app experience.

MANAGEMENT AND REPORTING SYSTEM

The **VIS.X®** platform is controlled centrally and offers all the necessary functions to handle and control trading in a granular manner. This enables a particularly effective work and process flow for users and administrators.

REPORTING SYSTEM

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

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

In parallel, trends and changes can be detected quickly and easily by displaying previous trading periods. This enables YOC's partners to gather their own analysis.

MANAGEMENT OF ADVERTISING INVENTORY

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

The platform offers granular control options to configure the available ad formats, define price points and determine the trading channels. These setting variants allow the optimal combination of revenue and user experience to be realized within the framework of trading.

DEAL AND ORDER MANAGEMENT

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

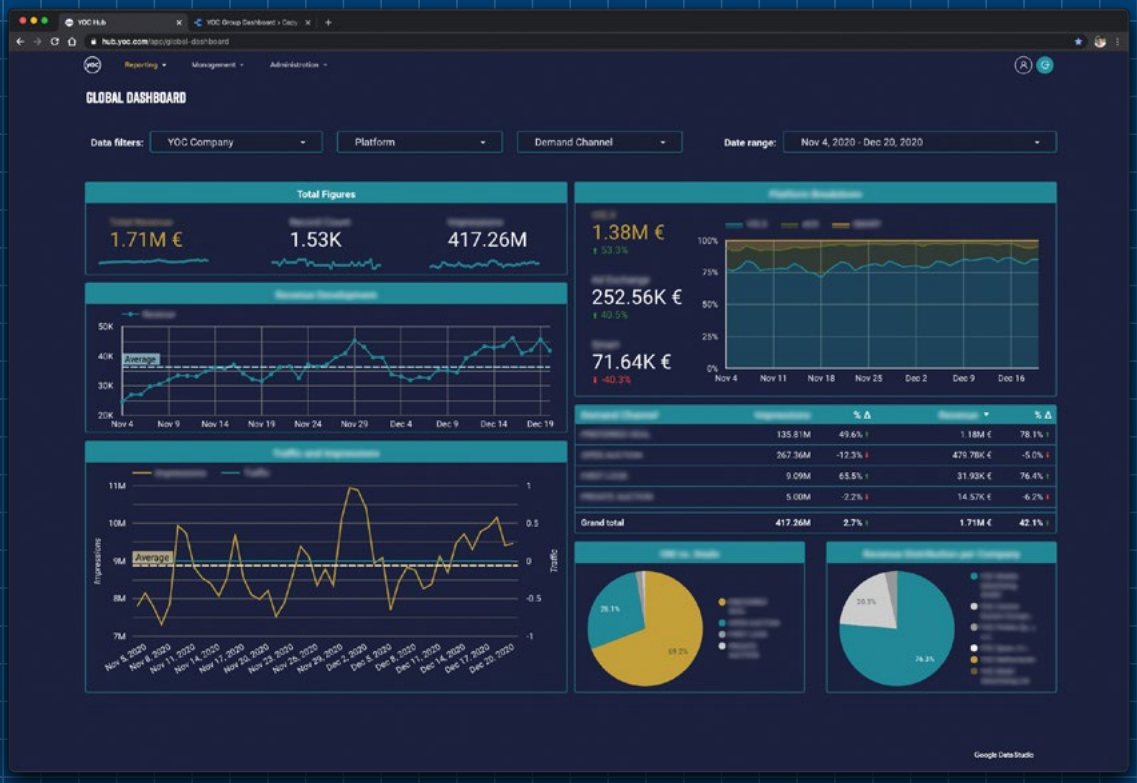
The user interface allows the configuration of various targeting options, which define the specific addressing of the desired target group.

Depending on the selected pricing model, the platform's integrated algorithm automatically optimizes the ideal quantity and timing.

AUTOMATED BILLING

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

This enables highly scalable accounting and thus supports the growth of the **VIS.X®** platform.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Platform
Demand Channel
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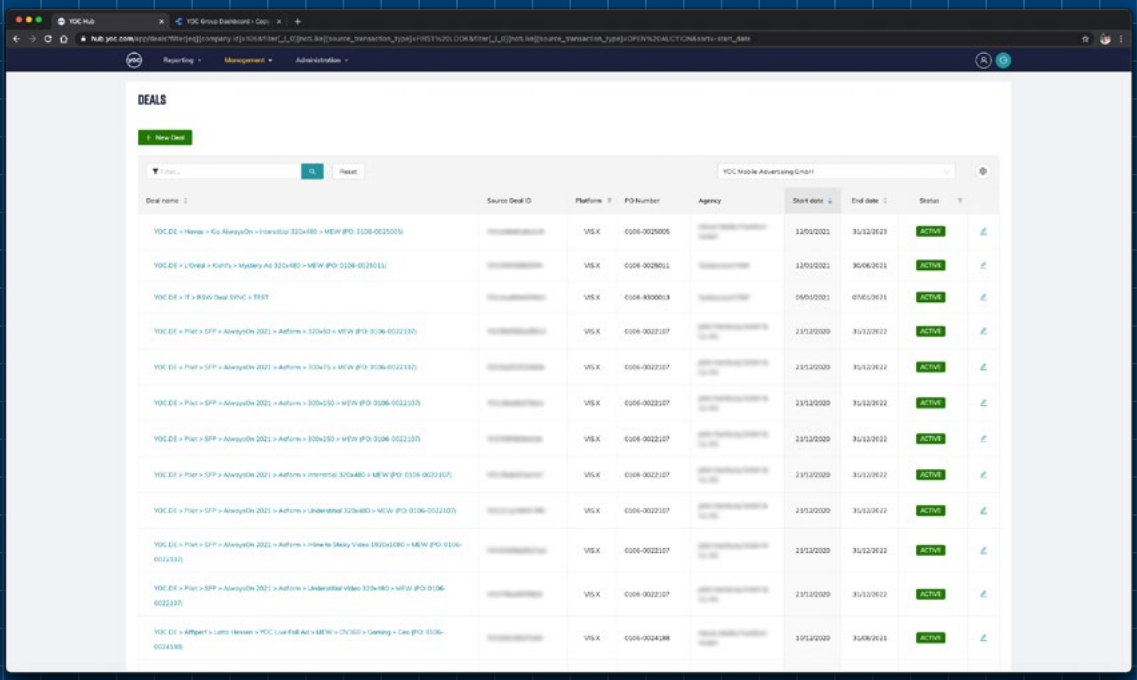
1.38M €
252.56K €
71.64K €
Average
Grand total
Google Data Studio


DEALS
New Deal
Reset
YOC Mobile Advertising GmbH
Deal name
Source Deal ID
Platform
PO Number
Agency
Start date
End date
Status
ACTIVE

HIGH-IMPACT ADVERTISING FORMATS

YOC develops high-impact advertising formats and offers them in six 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 mobile 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.

NIELSEN STUDIES IN 2020 AND 2021

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

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

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

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

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

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

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

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

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

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

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

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

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

PLANNING FOR IMPACT

OPTIMISING BRAND AWARENESS BY RETHINKING AD FORMATS AND CONTACT FREQUENCY

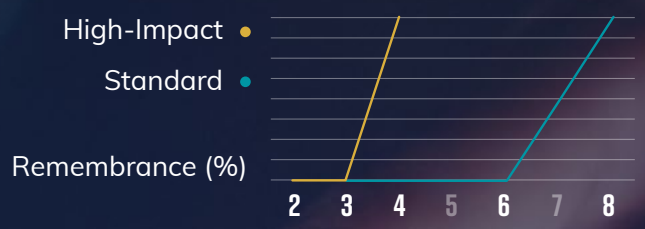
BRAND RECALL

↑ 273%

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

AD RECALL

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



After repeated contact with the advertisment

20%

of respondents still find high-impact advertising formats very appealing

IMPACT INCREASE

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

OPTIMIZATION

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

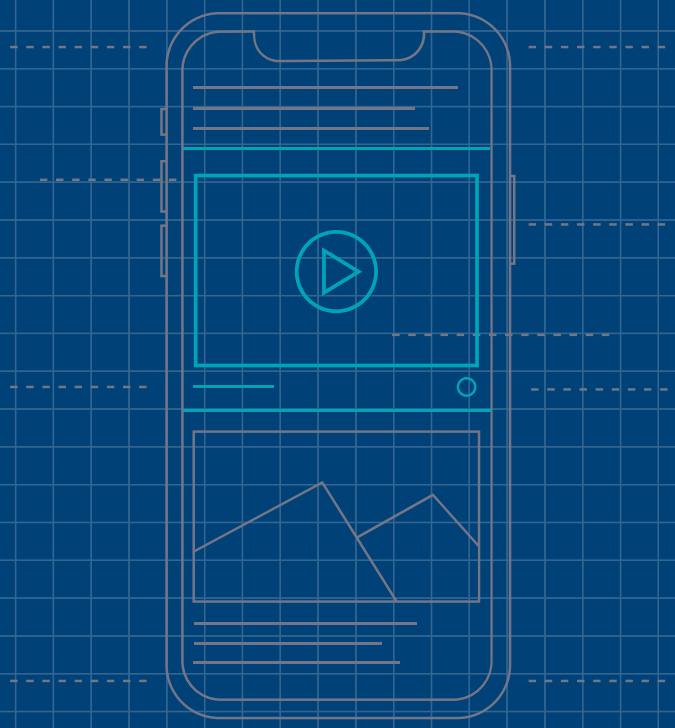
Optimization of campaign success through the use of high-impact formats with the same budget

yoc Nielsen

"Planning for Impact" - Study on the advertising impact of high-impact formats, Nielsen, November 2021

Scan QR code now
and watch live.

Audi



YOC INLINE VIDEO AD

The most exciting and effective way to share your story with the world: Using the **YOC Inline Video Ad** your message can be shared across display and video placements. The ad is seamlessly integrated into the content of a website or mobile app. The video only starts playing when the ad is at least 50 % in view, guaranteeing your audience's attention. YOC's proprietary video technology (IVA) transcodes any video asset to auto-play across all devices.

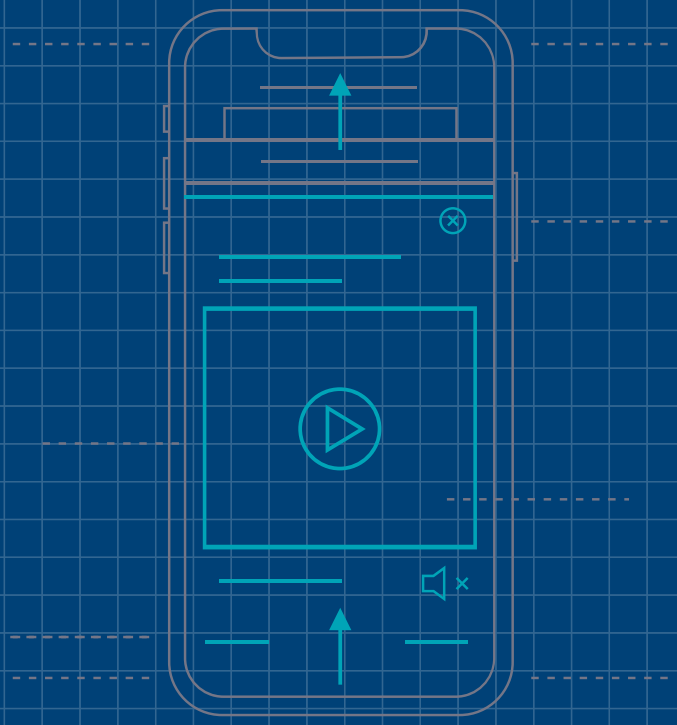
46 %
VIDEO COMPLETION RATE

10 %
HIGHER BRAND AWARENESS

100 %
GUARANTEED VIEWABILITY

Scan QR code now
and watch live.

Nivea



YOC UNDERSTITIAL AD®

Take center stage using the **YOC Understitial Ad®**. A user-initiated format, allowing the individual to reveal the ad by scrolling up or down. The non-intrusive full screen ad format is delivered without interrupting the user's reading flow. It creates noticeably higher engagement rates using HTML5, 16:9 or vertical video, guaranteeing an enjoyable user experience. Unlock the best branding effect.

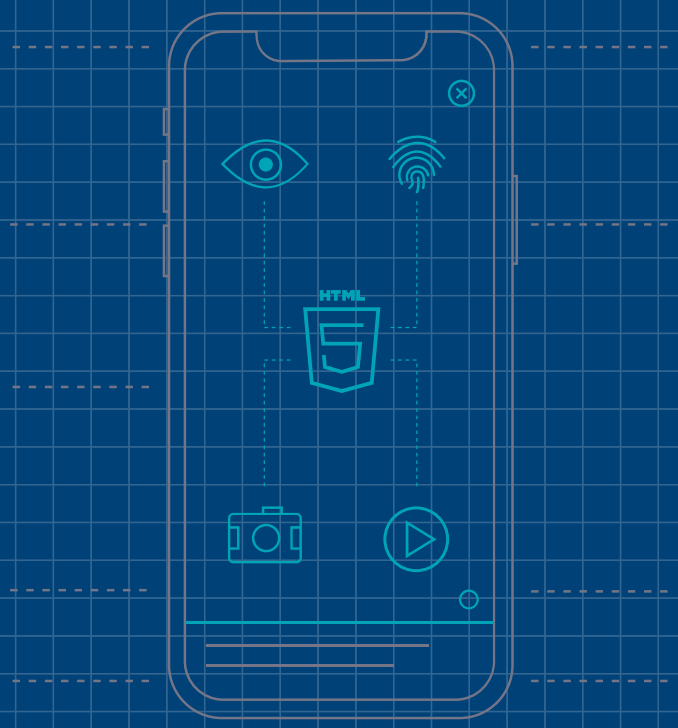
3.5X
HIGHER
CTR

4.2X
HIGHER vCTR
WITH VIDEO OR HTML5

100 %
GUARANTEED
VIEWABILITY

Scan QR code now
and watch live.

Vodafone



YOC MYSTERY AD®

The **YOC Mystery Ad®** is an innovative product that provides endless ways in which users can interact directly with the campaign, creating a memorable and personalised brand experience.

The **YOC Mystery Ad®** received several recognized industry awards including iab webAD and the Golden Cannes Mobile Lion award. Add layers of interaction and transform your creative idea into an engaging advertising solution. The possibilities are endless.

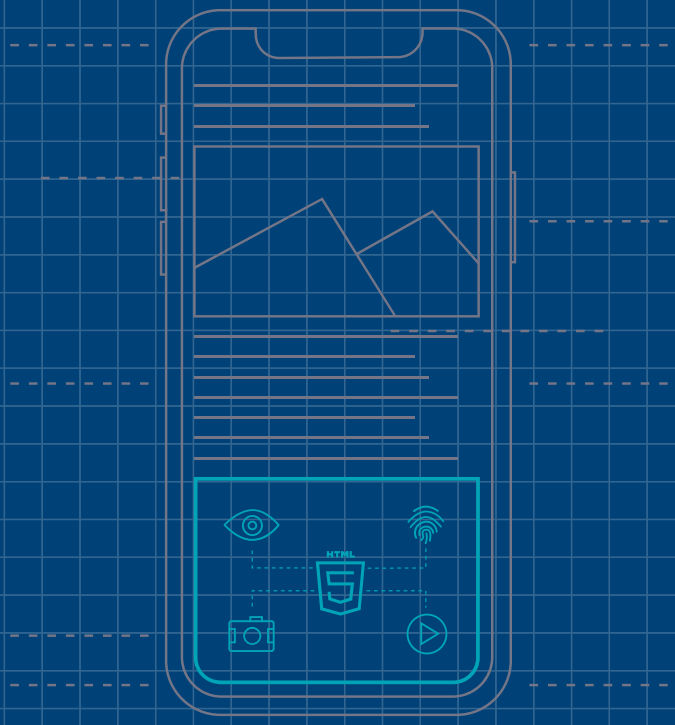
5.5X
HIGHER
TIME SPENT

1.6X
HIGHER
ENGAGEMENT RATE

7.2X
HIGHER USER-INITIATED
PLAYRATE

Scan QR code now
and watch live.

Dove



YOC MYSTERY SCROLLER®

YOC reactive-scroll technology makes it possible for users to interact with your advertising message. Rich media ad content dynamically changes when the user scrolls up or down the screen. The act of scrolling initiates animations, personalized effects and video transitions within the ad unit. **YOC Mystery Scroller®** is supported by all mobile browsers and takes up just 30 % of a mobile device's screen. The advert remains on screen without interfering with the user's journey. With this proactive approach, the **YOC Mystery Scroller®** does not simply play an advertising format, but gives it a special touch without distracting transitions.

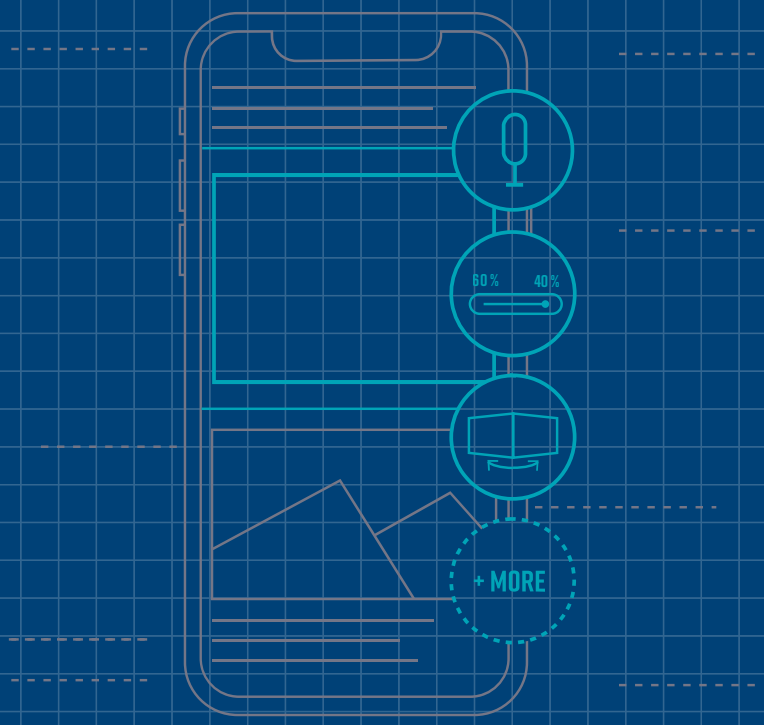
1.5X
HIGHER CTR

2X
HIGHER vCTR WITH VIDEO OR HTML5

100 %
GUARANTEED VIEWABILITY

Scan QR code now
and watch live.

Thomy



YOC ADS PLUS

YOC Ads Plus are creative extensions of the existing product lines and complement them. Thereby YOC follows its mission to offer a better advertising experience for everyone. Each **YOC Ads Plus** format promises better awareness, a unique user experience and highest quality. Thereby the exclusivity of the formats is just as much a matter of course as the individual support provided by YOC's creative team and the above-average performance.

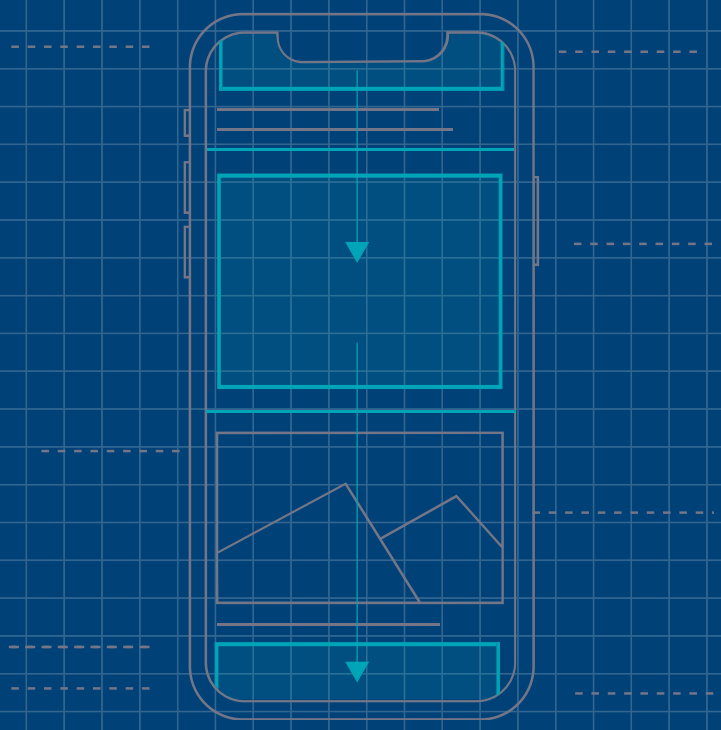
10 %
HIGHER
CTR

25 %
HIGHER
ENGAGEMENT RATE

30 %
HIGHER
DWELL TIME

Scan QR code now
and watch live.

Samsung



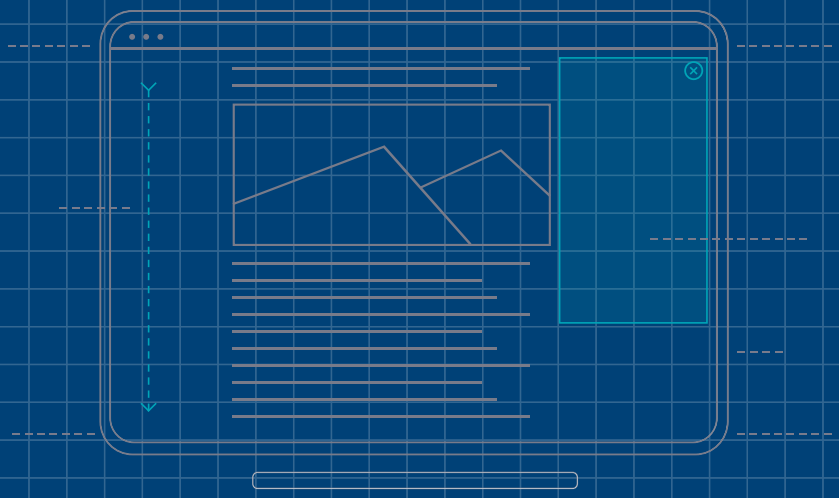
YOC BRANDED TAKEOVER

The **YOC Branded Takeover** is a combination of different high-impact advertising formats from YOC, which together offer maximum space for a lasting branding effect. Thanks to YOC's innovative technology, all desired advertising spaces on a page can be occupied at the same time, resulting in maximum advertising impact.

93 %
HIGHER AD APPEAL

39 %
HIGHER AD RECALL

100 %
GUARANTEED VIEWABILITY



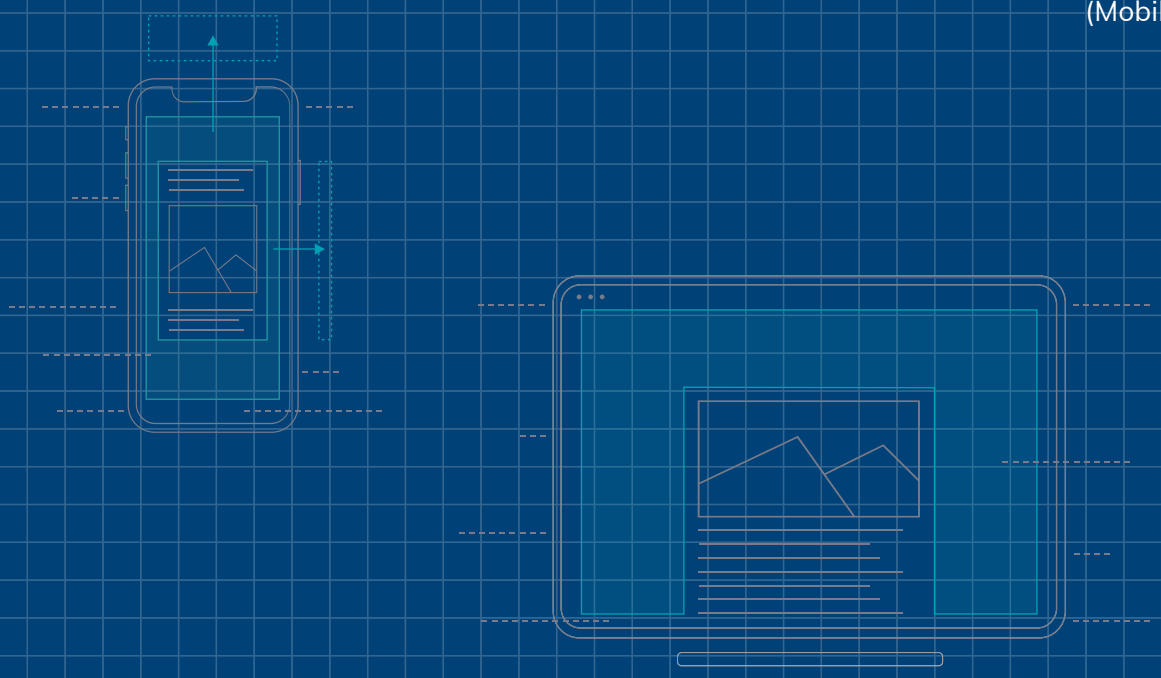
YOC SITEBAR (DESKTOP) NEW!

The **YOC Sitebar** is an eye-catching high-impact desktop ad format placed on one or both sides of a site that empowers an advertisement message to unfold its creativity giving it the real estate it deserves. The ad format remains fully visible as the page is scrolled without disturbing the reading flow of the internet user. The **YOC Sitebar** is fully responsive, thus ensuring an effective use of the available space to transfer the advertisement message. Furthermore, the ad format offers the opportunity to work with built-in interactive elements that enhance creative possibilities as well as encouraging users to interact with the advertisement.

This impactful YOC ad product convinces advertisers because of its capability to enhance the awareness of the advertised brand significantly as well as guaranteeing a 100 % visibility of the brand message.

Scan QR code now
and watch live.

Mercedes-Benz
(Mobile)



YOC SKIN NEW! (MOBILE AND DESKTOP)

The **YOC Skin** is a high-impact ad format that gradually wraps around the homepage of a publisher's site on mobile, tablet and desktop not intruding on the content itself. Thus, the multi-screen ad product offers a prominent advertising placement that guarantees full attention for the brand and the advertising message in the immediately visible area. The **YOC Skin** enables a variety of graphical and interactive elements – from animated images to videos and expansions of elements when swiping upon mouse-over.

This YOC high-impact ad format generates one hundred percent visibility as well as high click rates, thus making it a perfect fit for increasing brand value and recognition and driving results for advertisers.

MARKET ENVIRONMENT PROGRAMMATIC ADVERTISING

MOBILE FIRST – THE SMARTPHONE AS AN INTEGRAL PART OF EVERYDAY LIFE

Smartphones have become a matter of course in people's everyday lives. The global number of smartphone users continues to rise every year – in the 2021 financial year, 3.9 billion people were using a smartphone.[1]

Thus, global smartphone density has grown by 6.1 % to over 50 % in fiscal 2021.[2]

By comparison, Germany already has a share of 89 % in 2021.[3]

In the advertising-relevant target groups, almost complete user coverage can actuallly be observed.

Not only the widespread distribution, but also the user behaviour illustrates the great importance of smartphones.

SevenOne Media's Media Activity Guide shows that in Germany, the TV and the smartphone are the two most frequently used devices in Germany.[4]

The same development is also evident with regard to internet use via smartphones.

According to the ARD/ZDF Online Study 2021, daily mobile internet use in Germany was more than two hours. In the under-forty age group, usage even amounted to almost four hours daily.[5]

The same development is also reflected in web traffic. Mobile internet usage already accounted for more than half of global web traffic in the financial year 2021, with an annual average of 55 %.[6]

DISPLAY ADVERTISING RECORDED GLOBAL GROWTH

GLOBAL ADVERTISING SPENDING ON THE RISE

According to the Ad Spend Forecast published in December 2021 by Zenith, a global media agency, global advertising spend is forecasted to grow by 15.6 % in fiscal 2021, following a decline in fiscal 2020 as a result of the COVID-19 pandemic. Growth is expected to continue at a rate in line with 9.1 % in 2022, according to Zenith.[7]

In Germany, on the other hand, advertising investment increased by only 6.6 % in fiscal 2021. In fiscal 2021, the German advertising market thus recorded advertising spending totaling EUR 23 billion, thus already offsetting the declines caused by the COVID-19 pandemic.[7]

In the following two years, annual growth of 3.7 % and 3.8 % respectively is expected for the year 2023. Stronger growth of 4.6 % is expected in 2024.[7]

A decisive factor here will be the hosting of the European soccer championship in Germany.[7]

GLOBAL DIGITAL ADVERTISING SPENDING WITH FURTHER GROWTH

According to the statistics database Statista, the market volume for global digital advertising spending in 2021 is expected to amount to EUR 382 billion.[8]

Thus, with a share of 61.5 %, advertising spending in the digital channel has become the world's most important advertising channel, already accounting for well over half of all advertising spending since 2019.[9]

1) https://de.statista.com/statistik/daten/studie/309656/umfrage/prognose-zur-anzahl-der-smartphone-nutzer-weltweit/
2) https://newzoo.com/insights/trend-reports/newzoo-global-mobile-market-report-2021-free-version/
3) https://de.statista.com/statistik/daten/studie/585883/umfrage/anteil-der-smartphone-nutzer-in-deutschland/
4) https://www.sevenonemedia.de/documents/924471/1111769/Media+Activity+Guide+2021.pdf/b9388acc-5e06-51f2-572a-54b4108cb7b4?t=1638866908659
5) https://www.ard-zdf-onlinestudie.de/ardzdf-onlinestudie/infografik/
6) https://www.statista.com/statistics/277125/share-of-website-traffic-coming-from-mobile-devices/
7) https://www.zenithmedia.com/digital-advertising-to-exceed-60-of-global-adspend-in-2022/
8) https://www.statista.com/outlook/dmo/digital-advertising/worldwide?currency=EUR
9) https://www.wuv.de/wuvplus/digitaler_wandel_laesst_werbeausgaben_steigen

Global digital media advertising spend in fiscal 2021 can be broken down into four segments:

- Search Advertising (39 %)
- Display Advertising (37 %)
- Video Advertising (20 %)
- Classified Ads (4 %)[8]

Social media accounts for 33 % of total digital advertising expenditure, with video advertising accounting for 45 % and display advertising for 55 %.[9]

A large part of the advertising investment in social media is attributable to the walled gardens of the major US platforms. These include Google (incl. YouTube), Amazon, Meta (previously: Facebook), Snap Inc. or Twitter.[10]

For display advertising (excluding social media), which represents YOC's core business, Statista consequently records investments amounting to around 16 % of all digital advertising expenditure. This corresponds to a global volume of EUR 63 billion in the financial year 2021.[8]

Video, which is subsumed under display advertising in some studies, is recorded separately here.[9]

MOBILE AS A GLOBAL GROWTH DRIVER

Within digital display advertising, YOC has focused on mobile advertising since the beginning. This area continued to consolidate its position as a growth driver in 2021 and recorded a share of 67 % of digital display advertising expenditure. As a result, global mobile display advertising spend amounted to EUR 42 billion in 2021.[11]

By contrast, display advertising via the desktop channel generated 33 % of all advertising expenditure for display advertising, resulting in a volume of approximately EUR 21 billion in 2021.[11]

Since financial year 2021, YOC has enabled its customers to buy high-impact formats programmatically for desktop devices as well.

This will enable the Company to tap into a further market segment and exploit expanded potential in the display advertising market.

Growth in both areas is expected to continue in 2022.[12]

The share of global spending on mobile display advertising will thus reach a volume of EUR 46 billion in the current fiscal year 2022. This corresponds to growth in the amount of 9 %.[8]

Desktop display advertising will record growth of around 2 % and thus achieve a slightly increased volume of just over EUR 21 billion.[8]

IN EUROPE AND GERMANY, THE GROWTH TREND CONTINUES TOO

In the context of this analysis, the focus is exclusively on display advertising forms of advertising, as this represents the market environment of YOC Group.

According to the study by Statista, mobile display advertising expenditure in Europe will only amount to 55 % of display advertising expenditure in 2021.[8]

This corresponds to a value of EUR 6 billion and a growth of 12 % compared to the previous year. Desktop display advertising expenditure amounted to EUR 5 billion and recorded growth of 6 % year-on-year.[13]

A similar development also took place in the German market for mobile display advertising in fiscal year 2021: here, Statista recorded a share of 54 % of total spending on mobile display advertising, which corresponds to a volume of EUR 0.8 billion and growth of 12 %.[13]

With regard to desktop display advertising expenditure, this results in a market volume of EUR 0.6 billion and corresponds to growth of 5 % compared with 2020.[9]

10) https://www.adzine.de/2021/10/digitale-werbeumsaetze-ueberholen-erstmals-die-der-klassischen-medien/
11) https://www.statista.com/outlook/dmo/digital-advertising/banner-advertising/worldwide?currency=EUR & own calculations
12) https://www.statista.com/outlook/dmo/digital-advertising/banner-advertising/worldwide?currency=EUR
13) https://www.statista.com/outlook/dmo/digital-advertising/banner-advertising/europe?currency=EUR#ad-spending

PROGRAMMATIC MEDIA BUYING CONSOLIDATES POSITION AS STANDARD BUYING METHOD

MORE THAN THREE QUARTERS OF GLOBAL DIGITAL ADVERTISING SPEND IS TRADED PROGRAMMATICALLY

According to Statista, 81 % of global digital advertising expenditure was programmatic, i.e. automated, in the financial year 2021.[8] Programmatic display advertising is the relevant field of activity for YOC Group.

The other sub-segments of the digital advertising market (search advertising, social media advertising, video instream advertising and classified ads) are therefore not the focus of further consideration.

In the financial year 2021, the global programmatic volume traded in the display advertising segment therefore amounted to EUR 51 billion.[8]

Two-thirds of this, or EUR 34 billion, was attributable to mobile programmatic display advertising spend. Consequently, desktop programmatic advertising spend in 2021 was EUR 17 billion.[8]

For fiscal year 2022, Statista forecasts a further increase in programmatically traded global advertising spend to EUR 55 billion. This will then correspond to a share amounting to 82 % of total digital display advertising expenditure.[8]

TREND CONTINUES IN EUROPE

A similar development also took place in Europe. According to the Company's own calculations, the share of display advertising spend sold programmatically was around 80 % of all display advertising spend in the financial year 2021, resulting in a market volume in Europe of around EUR 9 billion for 2021.[14]

The distribution of programmatic advertising spend for the mobile and desktop channels amounted to 55 % for mobile advertising spend and 45 % for desktop advertising spend, according to our own calculation. This resulted in a market volume of mobile programmatic display advertising spend in Europe of EUR 5 billion. The desktop advertising segment thus recorded EUR 4 billion.[14]

More than 70 % of all advertisers already invested more than 40 % of their display advertising spend via programmatic channels in 2021.[15]

In 2019, this figure was only 50 % of advertisers. The mobile advertising buy-side has increasingly recognized the potential of programmatic advertising for scalable execution of branding campaigns, so further growth will result in subsequent years.[15]

PROGRAMMATIC DISPLAY ADVERTISING CONTINUES TO GAIN IN IMPORTANCE IN GERMANY

In Germany, too, 77 % of all display advertising was already purchased programmatically in fiscal year 2021, meaning that a market volume of EUR 1.1 billion can be determined for Germany for automatically traded display advertising.[12]

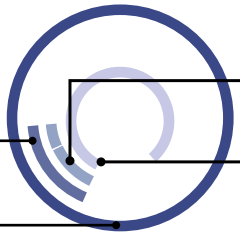
Of this, 54 %, or EUR 0.6 billion, is attributable to the mobile programmatic display advertising market. For the area of programmatic desktop display advertising, this results in a market volume of EUR 0.5 billion for 2021.[9]

By adding high-impact desktop products in 2021, YOC is expanding its business activities and thus is opening up new market potential.

14) https://www.statista.com/outlook/dmo/digital-advertising/banner-advertising/europe?currency=EUR#ad-spending
15) https://iabeurope.eu/wp-content/uploads/2021/10/IAB-Europe-Attitudes-to-Programmatic-Advertising-Report-2021_October-2021.pdf

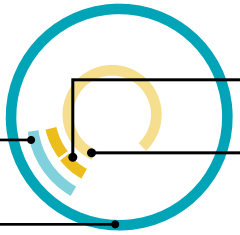
OVERVIEW OF MARKET VOLUMES AND DEVELOPMENT 2021

GLOBAL [17]



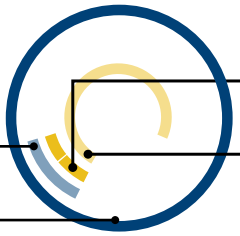
VOLUME (in EUR billion)	GROWTH		GROWTH	VOLUME (in EUR billion)		GROWTH
63 Display	5 %	8 %		42 Mobile Display	21 Desktop Display	0 %
382 Digital	9 %	9 %		34 Mobile Programmatic Display	17 Desktop Programmatic Display	1 %

EUROPE [18]



VOLUME (in EUR billion)	GROWTH		GROWTH	VOLUME (in EUR billion)		GROWTH
11 Display	9 %	12 %		6 Mobile Display	5 Desktop Display	6 %
72 Digital	12 %	13 %		5 Mobile Programmatic Display	4 Desktop Programmatic Display	7 %

GERMANY [19]



VOLUME (in EUR billion)	GROWTH		GROWTH	VOLUME (in EUR billion)		GROWTH
1.5 Display	9 %	12 %		0,8 Mobile Display	0,7 Desktop Display	5 %
11 Digital	10 %	14 %		0,6 Mobile Programmatic Display	0,5 Desktop Programmatic Display	6 %

17) Statista (2021): Digital Advertising - worldwide , [online] https://www.statista.com/outlook/dmo/digital-advertising/worldwide?currency=EUR & own calculations
18) Statista (2021): Digital Advertising - Europe , [online] https://www.statista.com/outlook/dmo/digital-advertising/europe?currency=EUR & own calculations
19) Statista (2021): Digital Advertising - Germany , [online] https://www.statista.com/outlook/dmo/digital-advertising/germany?currency=EUR & own calculations

LANCÔME, Germany
YOC Mystery Ad®
Q1/2021

03 GROUP MANAGEMENT REPORT

BUSINESS DEVELOPMENT YOC GROUP

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

Within digital display advertising, YOC focused on mobile advertising. This area continued to consolidate its position as a growth driver in 2021, recording a 67 % share of digital display advertising spendings. Thus, global mobile display advertising spend amounted to EUR 42 billion in 2021. By contrast, display advertising via the desktop channel generated 33 % of all advertising expenditure for display advertising, resulting in a volume of approximately EUR 21 billion for this area in 2021.[1]

Since the second half of financial year 2021, the Company has enabled its customers to buy high-impact formats programmatically for desktop devices as well. This enables the Company to tap into another market segment and exploit an expanded potential of the display advertising market. The Management Board expects growth in both areas to continue in 2022.[1]

The share of global spending on mobile display advertising will thus reach a volume of EUR 46 billion in the current financial year 2022. This corresponds to growth of 9 %.[2] Desktop display advertising will record growth of around 2 % and thus achieve a slightly increased volume of just over EUR 21 billion.[2]

YOC AG is one of the pioneers of mobile advertising, the Company has been on the market since 2001 and has been listed in the Prime Standard of Deutsche Börse since 2009. The Company's headquarters are located in Berlin. The Company also operates branches in Dusseldorf, Hamburg, Vienna and Warsaw. In addition, YOC AG now also has a branch office in Zurich, Switzerland, following the acquisition of theINDUSTRY AG in January 2022.

In October 2020, as part of an international study in cooperation with the global data analysis and market research Company Nielsen, YOC examined the impact of its own YOC high-impact advertising formats compared to standard advertising formats. The results of the study prove that the high-impact formats developed by YOC have a significantly positive impact on the effectiveness of advertising on smartphones. Both advertising and brand recall, ad appeal, brand perception and purchase intent are significantly increased compared to conventional advertising formats.[3]

A second study from 2021 analyzed the influence of the frequency of contact with an advertising format on brand awareness. As in the first joint study with Nielsen, standard formats were again compared with various YOC high-impact formats in a real test environment. The results of the study show that standard formats require at least two times as many contacts to achieve the same advertising recall as YOC's proprietary high-impact products.[4] In addition, unaided brand recall is 273 % higher with high-impact formats than with standard advertising formats, despite half the number of contacts. This illustrates that brands are retained in consumers' minds through the powerful influence of high-impact formats.[4]

Advertisers are given the opportunity to increase awareness of their brand and products in conjunction with high-value advertising inventory through the use of VIS.X® and YOC's high-impact advertising formats. Renowned premium publishers offer global media reach and, in turn, benefit from the high monetization of our VIS.X® platform.

The outbreak of the Corona pandemic in early 2020 was not only tumultuous, but impacted, challenged and changed the lives of people worldwide. The challenges associated with the pandemic are still as diverse as they are enormous. No one, whether individual, institution or economic entity, has been and remains unaffected. At the same time, the economic consequences of the repeated international lockdown measures as well as restrictions are having a strong impact, threatening entire macroeconomies as well as individual companies or business models. The negative impact of the pandemic also continued to affect the purchasing volume of our advertising customers not only in the first quarter of 2021 but also in the second quarter of 2021, before the YOC Group was able to report increased growth again in the second half of 2021.

As a result, the Company increased its **revenues at Group** level by 22 % to EUR 18.8 million in the financial year 2021 (2020: EUR 15.5 million). In this context, all of the Company's regional locations continued to develop positively with a significant increase in sales compared to the same period of the previous year. The **German** business activities grew by 14 % (2020: 4 %). In **Austria**, business volume increased by 22 % (2020: 5 %). The **Polish** subsidiary contributed currency-adjusted sales of EUR 1.5 million in 2021 (2020: EUR 0.7 million) - this corresponds to growth of revenues of around 114 % compared with the prior-year period. In particular, the Company's proprietary technology platform VIS.X® contributed to this development. The VIS.X® trading platform enables programmatic (automated) trading of YOC's advertising products and positions the Company as a provider of advertising technology (Ad Technology). In parallel with this development, the share of sales accounted for proprietary ad tech products continued to increase.

The **gross profit margin** of the Company was increased to a level of 42.7 % (2020: 40.6 %). **Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved

1) https://www.statista.com/outlook/dmo/digital-advertising/banner-advertising/worldwide?currency=EUR
2) https://www.statista.com/outlook/dmo/digital-advertising/worldwide?currency=EUR
3) According to the Study Nielsen/YOC (2020): The effectiveness of high-impact ad formats, [Online] https://insights.yoc.com/nielsen-brandawareness
4) According to the Study Nielsen/YOC (2021): Planning for Impact, [Online] https://insights.yoc.com/planningforimpact

by 56 % in financial year 2021 and thus amounted to EUR 2.8 million (2020: EUR 1.8 million). Due to the low business volume and the particular challenges triggered by the Corona crisis, YOC Group discontinued its activities in the Spanish market already in financial year 2020. The closure required the discontinued operation to be presented separately in accordance with the requirements of IFRS 5. The liquidation of the Company's subsidiary YOC Spain S.L. in fiscal year 2021 resulted in a positive impact of EUR 0.2 million on YOC Group's net profit in 2021.

In addition, the **capitalization of deferred taxes** in the amount of EUR 0.3 million (2020: EUR 0 million) made a positive contribution to the consolidated profit for the period.

The result is a **consolidated profit** for the period of EUR 2.1 million (2020: EUR 0.3 million) – a significant increase in profitability compared to the previous year. Thus, the Company was also able to increase its profitability in the financial year 2021. Consequently, this means a net profit margin of around 11 %.

Parallel to this development, the exercise of the conversion right of Eiffel Investment Group SAS (formerly Alto Invest SA) from the convertible bond issued in 2018 took place in March 2021. As a result, bonds with a nominal amount of EUR 1.5 million were converted into shares of YOC AG before their maturity on 31 July 2022. These 183,500 no-par shares were transferred to Eiffel Investment Group SAS in April 2021 with the addition of a further 4,000 YOC shares held in treasury. As a result, the **share capital** of the Company and the total **number of voting rights** of YOC AG increased by 183,500 shares to a total of 3,476,478 shares or voting rights. The Company repaid the remaining 6,325 convertible bonds to the holders of the convertible bonds in August 2021 ahead of schedule.

DEVELOPMENT OF THE YOC GROUP'S RESULTS OF OPERATIONS

The following comments on the results of operations do not include the activities of the subsidiary YOC Spain S.L., which were already terminated in financial year 2020. The Spanish Company was deconsolidated as of 31 March 2021. The earnings component of the Spanish subsidiary in financial year 2021 is therefore shown in discontinued operations in accordance with IFRS 5.

REVENUE TREND AND OVERALL PERFORMANCE

In the financial year 2021, the Group recorded **revenue growth** of around 22 % to EUR 18.8 million (2020: EUR 15.5 million).

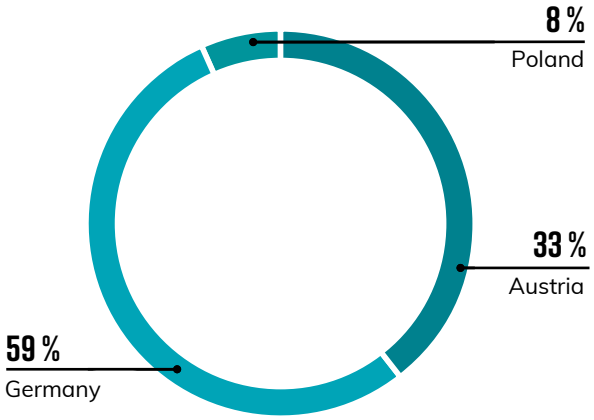
The introduction of the VIS.X® technology platform in the financial year 2018 helps the Company to sustainably position itself in the market for digital advertising and to differentiate itself from the competition.

Total output of the Group amounted to EUR 20.0 million and was therefore EUR 3.9 million higher than in the previous year (2020: EUR 16.1 million).

REVENUE BY REGION

In financial year 2021, sales in the **German market** increased by 14 % to EUR 11.1 million (2020: EUR 9.7 million) compared to the previous year.

In **Austria**, revenues increased by 22 % to EUR 6.2 million (2020: EUR 5.1 million). Revenues in **Poland** of EUR 1.5 million (2020: EUR 0.7 million) doubled in financial year 2021 compared to the previous year. The percentage shares of sales per region in the reporting period are as follows:



GROSS PROFIT MARGIN

Due to the increased share of sales of the VIS.X® technology platform, the **gross profit margin** increased to 42.7 % in the reporting period (2020: 40.6 %). 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 PERSONNEL DEVELOPMENT

In the past financial year 2021, YOC Group was able to retain top performers and recruit new qualified employees for key positions. The Company was thus able to effectively counteract the shortage of skilled workforce.

The **average number of employees** (excluding the Management Board) of YOC Group was 51 (2020: 46 employees). As of 31 December 2021, the YOC Group employed 49 **employees** (31 December 2020: 45 employees).

In financial year 2021, **personnel expenses** totaled EUR 4.6 million (2020: EUR 3.7 million). The noticeable increase in personnel expenses of the year 2021 is mainly due to the utilization of the possibilities created by the respective states of the European Union to reduce working hours (short-time work) in order to reduce personnel expenses in the amount of EUR 0.6 million in the previous year.

OTHER OPERATING EXPENSES

In financial year 2021, **other operating expenses** amounted to EUR 1.7 million (2020: EUR 1.4 million). The increase in other operating expenses is mainly based on savings to limit the economic impact on the Company in the context of the Corona crisis in the previous year.

EBITDA

Earnings before interest, taxes, depreciation and amortization (EBITDA) improved by 56 % in financial 2021 and amounted to EUR 2.8 million (2020: EUR 1.8 million). Thus, the Company's increase in **profitability** continued in financial year 2021.

PROFIT AFTER TAX CONTINUING OPERATIONS

In the financial year 2021, the YOC Group recorded **scheduled depreciation** of EUR 0.8 million (2020: EUR 0.7 million).

The **financial result** amounted to EUR -0.2 million (2020: EUR -0.3 million).

Taxes on income totaled EUR 0.3 million (2020: EUR 0.2 million). This was offset by the capitalization of **deferred taxes** in the amount of EUR 0.3 million (2020: EUR 0.0 million).

As a result, **earnings after tax** amounted to EUR 1.9 million (2020: EUR 0.6 million).

PROFIT AFTER TAX DISCONTINUED OPERATIONS

The deconsolidation of the Spanish Company took place on 31 March 2021, resulting in a **result from discontinued operations** of EUR EUR 0.2 million (2020: EUR -0.3 million).

Consequently, the Company reports the result from YOC Spain S.L as a discontinued operation in accordance with IFRS 5.

CONSOLIDATED NET PROFIT FOR THE PERIOD OF THE YOC GROUP

The YOC Group ends the financial year 2021 with a **consolidated net profit for the period** of EUR 2.1 million (2020: EUR 0.3 million).

DEVELOPMENT OF FINANCIAL POSITION AND NET ASSETS YOC GROUP

NON-CURRENT ASSETS

As of the balance sheet date, **non-current assets** amounted to EUR 2.9 million (2020: EUR 2.3 million). In-house software developments amounting to EUR 0.8 million (2020: EUR 0.6 million) were capitalized under **intangible assets**. Of this amount, EUR 0.6 million (2020: EUR 0.5 million) relates to own work capitalized and a further EUR 0.2 million (2020: EUR 0.1 million) to externally procured or commissioned development services.

These are mainly investments in the further development and functional expansion of the VIS.X® technology platform.

Due to the low investment requirement, **property, plant and equipment** remained at the level of the previous year at EUR 0.1 million (2020: EUR 0.1 million).

The **rights of use from leasing** in accordance with IFRS 16 amounted to EUR 0.7 million (2020: EUR 0.8 million).

Depreciation and amortization totaling EUR 0.8 million (2020: EUR 0.7 million) had the opposite effect on non-current assets.

Deferred tax assets amounted to EUR 0.3 million at the balance sheet date (2020: EUR 0 million) and relate exclusively to domestic tax loss carryforwards.

CURRENT ASSETS

Current assets amounted to EUR 7.0 million as of the balance sheet date (2020: EUR 4.9 million).

Trade receivables increased by EUR 1.2 million to EUR 5.1 million as of the balance sheet date (2020: EUR 3.9 million). The increase in trade receivables is based on the steadily increasing programmatic sales portions, which have longer payment terms.

The Company's typical payment terms with direct customers are between 7 and 30 days. The payment terms for programmatic sales via the VIS.X® technology platform and other third-party platforms (including Google, The Trade Desk and Xandr) have significantly longer contractual payment terms of up to 90 days.

Other financial assets amounted to EUR 0.2 million as of the balance sheet date (2020: EUR 0.1 million).

As of 31 December 2021, **cash and cash equivalents** recorded an increase of EUR 0.9 million compared to the previous year's balance sheet date to EUR 1.8 million (2020: EUR 0.9 million).

EQUITY

As of 31 December 2021, the **equity** of YOC Group amounts to EUR -0.6 million (2020: EUR -4.0 million).

The significant increase in equity by EUR 3.4 million compared to the previous year is based, on the one hand, on the **consolidated result for the period** of EUR 2.1 million (2020: EUR 0.3 million). In parallel, the exercise of the conversion right of Eiffel Investment Group SAS (formerly Alto Invest SA) from the convertible bond issued in 2018 took place in March 2021. As a result, bonds with a nominal amount of EUR 1.5 million were converted into shares of YOC AG before their maturity on 31 July 2022.

In total, 183,500 no-par shares plus 4,000 YOC **shares held in treasury** were transferred to Eiffel Investment Group SAS in April 2021 as part of the conversion of the bond.

As a result, the **share capital** of the Company and the **total number of voting rights** of YOC AG increased by 183,500 shares to a total of 3,476,478 shares and voting rights, respectively.

The **currency translation differences** of kEUR 8 (2020: kEUR 6) result from the translation of the financial statements of the Polish subsidiary from PLN to EUR.

NON-CURRENT LIABILITIES

As of the balance sheet date, the Company's **non-current liabilities** decreased significantly by EUR 2.2 million year-on-year to EUR 0.8 million (2020: EUR 3.0 million). In particular, the early exercise of the conversion right of Eiffel Investment Group SAS from the convertible bond issued in 2018 contributed to this development in the amount of EUR 1.4 million.

CURRENT LIABILITIES

In financial year 2021, **current liabilities** increased to EUR 9.7 million (2020: EUR 8.3 million).

The increase results in particular from the rise in liabilities for purchase invoices not yet received and is again due to the increased business volume, particularly in the fourth quarter of 2021.

Trade payables decreased by EUR 0.2 million to EUR 2.9 million (2020: EUR 3.1 million).

Other financial liabilities totaling EUR 5.3 million (2020: 4.0 million) mainly include liabilities from purchase invoices not yet received in the amount of EUR 4.6 million and loans granted by shareholders in the amount of EUR 0.7 million.

Liabilities from purchase invoices not yet received mainly include liabilities for agency refund of EUR 3.0 million (2020: EUR 2.2 million). The conclusion of agency agreements and the associated agency refunds are of particular importance for the business model. These represent a kind of annual minimum purchasing volume with the respective media agency partners. In return, they receive a contractually agreed refund in the following year.

As of 31 December 2021, liabilities from **advance payments received, leases, other liabilities and tax liabilities** amount to EUR 1.5 million (2020: EUR 1.3 million). The change of EUR 0.2 million compared to the previous year is mainly due to the increase in liabilities from payroll and sales taxes.

CASH FLOW

As of 31 December 2021, YOC Group's **cash and cash equivalents** amounted to EUR 1.8 million.

The increase in liquidity thus amounted to EUR 0.9 million compared to the previous year's balance sheet date (2020: EUR 0.9 million).

OPERATING CASH FLOW

Cash flow from operating activities is calculated using the indirect method.

The starting point for the calculation is the consolidated net profit for the period of the past financial year in the amount of EUR 2.1 million (2020: EUR 0.3 million).

In the reporting year 2021, the operating cash flow of YOC Group amounted to EUR 2.7 million (2020: EUR 1.0 million). In addition to earnings after tax, this resulted from the business-related change in working capital. The change in working capital in the completed financial year 2021 is based on the higher programmatic revenue share, which has longer payment terms.

CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** totaling EUR 1.1 million (2020: EUR 0.9 million) primarily includes capitalizable internal development costs related to the further development of the Company's technological platforms and innovative products in the amount of EUR 0.8 million and external development costs of a further EUR 0.1 million. EUR.

CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of EUR -0.7 million (2020: EUR -0.2 million) results from the assumption and repayment of lease liabilities and loan liabilities. In addition, convertible bonds have been repaid to the subscribers of the bond in the financial year 2021.

SUMMARY STATEMENT ON THE EARNINGS, FINANCIAL AND ASSET SITUATION

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

The negative impact of the pandemic also affected the purchasing volume of our advertising customers even beyond the first quarter of 2021, before YOC Group was able to report increased growth again in the second half of 2021. As a result, YOC Group increased **revenues at Group level** by around 22 % in financial year 2021 to EUR 18.8 million (2020: EUR 15.5 million).

In financial year 2021, YOC Group increased profitability and achieved **operating earnings before interest, taxes, depreciation and amortisation (EBITDA)** of EUR 2.8 million (2020: EUR 1.8 million).

In total, the Group ended the financial year 2021 with a **consolidated net profit** of EUR 2.1 million (2020: EUR 0.3 million).

Parallel to this development, the exercise of the conversion right of Eiffel Investment Group SAS from the convertible bond issued in 2018 took place in March 2021. As a result, bonds with a nominal amount of EUR 1.5 million were converted into shares of YOC AG before their maturity on 31 July 2022.

In total, 183,500 no-par shares plus 4,000 **shares held in treasury** were transferred to Eiffel Investment Group SAS in April 2021 as part of the conversion of the shares into equity of the Company. As a result, the **share capital** of the Group and the total **number of voting rights** of YOC AG increased by 183,500 shares to a total of 3,476,478 shares and voting rights respectively.

As a consequence of this corporate development, the **Group's equity** increased significantly by a total of EUR 3.4 million in the course of 2021. As of 31 December, the equity of YOC Group amounted to EUR -0.6 million (2020: EUR -4.0 million).

The **balance sheet** total of YOC Group increased by EUR 2.7 million to EUR 9.9 million (2020: EUR 7.2 million).

FORECAST REPORT YOC GROUP

Internet usage is highly established in people's everyday life. The wide range of possibilities as well as the mass of content made available online is having an impact on the continuously increasing daily internet consumption of consumers.

In order to remain relevant to this target group, both publishers and advertisers must provide attractive information and entertainment offerings.

For publishers, this means not overwhelming their users with advertising and ideally even offering them added value with creative formats. For advertisers, on the other hand, this means knowing their target group precisely and addressing them creatively. Against this background, the demand for creative and high-impact advertising formats takes on even greater relevance. Rich media formats, i.e. those that allow the integration of diverse media such as video, audio or HTML5, generate higher interaction rates than standard banners and therefore lead to a higher and more positive brand awareness.[5]

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

According to YOC Group's assessment, the European market currently offers hardly any supply-side platforms that can meet the demand for mobile programmatic advertising in conjunction with high-impact advertising products. Reservations arose from the concern of many advertisers that their ads could appear in negatively tainted

5) According to Nielsen/YOC (2020): The effectiveness of high-impact ad formats, [Online] https://insights.yoc.com/nielsen-brandawareness

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 high-impact advertising formats, but can now also trade and deliver them platform-based via programmatic sales channels.

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

In March 2021, the Management Board had based its forecast for the financial year 2021 on increasing **revenues at Group level** in the range of EUR 17.0 million to EUR 18.0 million with **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** of between EUR 1.8 million to EUR 2.3 million and a **consolidated net profit for the period** of EUR 0.8 million to EUR 1.3 million.

In the further course of 2021, the Management Board adopted an increased forecast for the financial year 2021 after evaluating the order backlog for the fourth quarter and taking into account the development in the first nine months. Based on this forecast, **revenues at Group level** were expected to be in the range of EUR 18.5 million to EUR 19.0 million and **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** of an expected EUR 2.5 million to EUR 2.8 million, as well as **consolidated net profit for the period** of EUR 1.5 million to EUR 1.8 million.

YOC Group succeeded in meeting the revenue and earnings targets for the financial year 2021, which were raised in December 2021, at the upper end of expectations. In terms of earnings, the YOC Group achieved **revenue growth** of 22 % to EUR 18.8 million (2020: EUR 15.5 million) and increased operating **earnings before interest, taxes, depreciation and amortisation (EBITDA)** of EUR 2.8 million (2020: EUR 1.8 million).

Consolidated net profit for the period increased significantly by EUR 1.8 million to EUR 2.1 million (2020: EUR 0.3 million).

The expectations for the current financial year 2022 are positive. Compared to the previous year, it should be possible to significantly increase both sales and the operating result. We assume that it will be possible to gradually contain the Corona pandemic in Europe in the further course of the year. We do not expect a comparative slump or state of shock in the advertising industry, which occurred at the beginning of the pandemic in the first quarter of 2020, even if the pandemic continues. However, the sales forecast assumes the progress of a nationwide administration of vaccines or booster vaccinations and that no further lockdown measures will be necessary in the future in the core markets relevant for the YOC Group.

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

Overall, the YOC Group expects **revenues** to increase by 25 % to 30 % to EUR 23.5 million to EUR 24.5 million with a disproportionately low increase in expenses. Based on this revenue forecast, the Management Board expects **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** to increase to EUR 3.5 million to EUR 4.0 million in financial year 2022. As a consequence, the **consolidated net profit for the period** should reach a level of EUR 2.3 million to EUR 2.8 million for the financial year 2022.

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

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

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

DEVELOPMENT OF THE RESULTS OF OPERATIONS OF YOC AG

YOC AG, headquartered in Berlin, is the parent Company of all subsidiaries included in the YOC Group.

In addition to the corporate functions, the entire product and platform development departments are managed by YOC AG.

REVENUE DEVELOPMENT AND OVERALL PERFORMANCE

YOC AG's **revenues** in financial year 2021 totaled EUR 9.8 million (2020: EUR 10.1 million).

External revenues of EUR 7.9 million (2020: EUR 7.1 million) result from programmatic trading to monetize the international advertising inventory of publisher partners via the technology platform VIS.X® and other technology platforms. In the financial year 2021, revenues acquired through the VIS.X® technology platform increased by around 25 % to EUR 6.9 million (2020: EUR 5.5 million) compared to the same period of the previous year. In addition, further programmatic revenues of EUR 1.0 million (2020: EUR 1.6 million) were generated via third-party platforms (including Google AdX).

Total **revenues with affiliated companies** amounted to EUR 1.9 million (2020: EUR 3.1 million) and include the recharging of costs on the basis of the function as a holding Company vis-à-vis its subsidiaries for the use of the VIS.X® technology platform as well as other operating services. The decrease is due in particular to the adjustment of the internal accounting in the financial year 2021.

In the 2020 financial year, the costs for the use of the VIS.X® technology platform were charged on to the subsidiaries. In the past financial year, these costs were deducted directly from the programmatic revenue of the subsidiaries and recognized in return against the cost of materials. If applied accordingly in the 2020 financial year, revenue from affiliated companies would have been reduced by EUR 1.0 million.

Other **operating income** amounted to EUR 1.2 million (2020: EUR 0.8 million).

Own work capitalized totaled EUR 0.3 million (2020: EUR 0.2 million) in the past financial year 2021.

At EUR 11.2 million, the Company's **total output** in the reporting year was slightly above the level of the previous year (2020: EUR 11.1 million).

COST OF MATERIAL

The **cost of material** of EUR 8.4 million (2020: EUR 8.4 million) mainly include remuneration for publishers and technical costs for the operation of the VIS.X® technology platform and for the Company's server structure.

PERSONNEL EXPENSES AND PERSONNEL DEVELOPMENT

As of 31 December 2021, the Management Board of YOC AG continued to consist of one member. The Management Board member Dirk-Hilmar Kraus was also appointed in part as managing director of subsidiaries of YOC AG in the financial year 2021.

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

In the reporting period, the Company **employed an average** of 28 employees (2020: 27 employees). At the end of the financial year, YOC AG had 27 **employees** (31 December 2020: 29 employees).

Personnel expenses amounted to EUR 2.2 million (2020: EUR 1.8 million). The increase in personnel expenses compared to the previous year is mainly due to the utilization of the reduction in working hours (short-time work) in the amount of around EUR 0.3 million in the previous year.

OTHER OPERATING EXPENSES

In the 2021 financial year, **other operating expenses** corresponded to a volume of EUR 1.5 million (2020: EUR 1.3 million).

EBITDA

In financial year 2021, the **operating result before interest, taxes, depreciation and amortization (EBITDA)** of YOC AG was EUR -0.9 million (2020: EUR -0.3 million).

INVESTMENT AND FINANCIAL RESULT

The result from the profit and loss transfer agreement with YOC Mobile Advertising GmbH for financial year 2021 amounted to EUR 2.3 million (2020: EUR 1.1 million).

In financial year 2021, the Austrian subsidiary YOC Central Eastern Europe GmbH distributed **profits** from financial year 2020 in the amount of EUR 0.7 million to YOC AG.

The **interest result** of YOC AG amounted to EUR -0.4 million in financial year 2021 (2020: EUR -0.4 million).

DEPRECIATION AND AMORTIZATION

Amortization of intangible assets, depreciation of property, plant and equipment and write-downs of current assets had an impact in the reporting period of EUR 0.3 million (2020: EUR 0.8 million).

In the previous financial year of 2020, the investment in the Spanish subsidiary YOC Spain S.L. and other loans totaling EUR 0.6 million, which were recognized in current assets, were written down.

NET INCOME

For the financial year 2021, the **net profit** of YOC AG amounted to EUR 1.7 million (2020: EUR -0.7 million). The capitalisation of **deferred taxes** in the amount of EUR 0.3 million (2020: EUR 0.0 million) made a positive contribution.

At the same time, net income after taxes in the 2020 financial year was negatively impacted by the discontinuation of activities on the Spanish market and the associated depreciation and amortization and expenses totaling EUR 1.1 million.

DEVELOPMENT OF FINANCIAL POSITION AND NET ASSETS YOC AG

FIXED ASSETS

As of 31 December 2021, **fixed assets** totaled EUR 1.3 million (2020: EUR 1.0 million), an increase of EUR 0.3 million.

In financial year 2021, capitalizable investments in the further development and acquisition of external software developement totaled EUR 0.1 million (2020: EUR 0.2 million).

This mainly relates to investments in the Company's proprietary technology platform VIS.X® for programmatic trading of high-impact advertising products.

Furthermore, additional capitalization of internally generated software for the further development and functional expansion of the VIS.X® technology platform took place in the amount of EUR 0.4 million (2020: EUR 0.2 million).

Investments in property, plant and equipment in financial year 2021 amounting to kEUR 80 (2020: kEUR 20) were made for the expansion and renewal of the technical and administrative infrastructure.

Intangible assets increased in the reporting period by EUR 0.2 million to EUR 1.0 million (2020: EUR 0.8 million) and are primarily based on investments in the expansion of the functional scope of the VIS.X® technology platform.

Property, plant and equipment of EUR 0.1 million (2020: EUR 0.1 million) is almost unchanged compared to the previous year.

Shares in affiliated companies amount to EUR 0.1 million (2020: EUR 0.1 million) as of 31 December 2021.

EQUITY

As of 31 December 2021, the **equity** amounts to EUR -1.7 million (2020: EUR -4.8 million).

The significant increase of EUR 3.1 million compared to the previous year is based on the one hand on the **net income** of EUR 1.7 million (2020: EUR -0.7 million).

In parallel, the exercise of the conversion right of Eiffel Investment Group SAS from the convertible bond issued in 2018 took place in March 2021. As a result, bonds with a nominal amount of EUR 1.5 million were converted into shares of YOC AG before their maturity on 31 July 2022.

As a result, the **subscribed capital** increased to a total of 3,476,478 shares or voting rights.

As a result of the **net income** of EUR 1.7 million (2020: EUR -0.7 million), the **accumulated deficit** as of 31 December 2021 decreased accordingly to EUR 28.3 million (2020: EUR 30.1 million).

LIABILITIES

YOC AG's **liabilities** decreased by EUR 1.4 million to EUR 8.2 million in the reporting period (2020: EUR 9.6 million). The above-mentioned conversion of the convertible bond contributed to this development in particular.

Liabilities to shareholders include loans granted by shareholders totaling EUR 0.7 million (2020: EUR 1.0 million). As of 31 December 2021, trade receivables had been pledged as collateral for some of these liabilities to shareholders.

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

YOC AG was able to increase its business activities in financial year 2021 and closed the reporting year with a **net profit** of EUR 1.7 million (2020: EUR -0.7 million).

As a consequence of this business development, the **equity** of YOC AG increased by a total of EUR 3.1 million in the course of 2021. The Company's equity was valued at EUR -1.7 million as of 31 December 2021 (2020: EUR -4.8 million).

As of 31 December 2021, the **balance sheet total** of YOC AG amounted to EUR 8.7 million (2020: EUR 10.3 million).

FORECAST REPORT YOC AG

The business development of YOC AG is closely related to that of YOC Group, as YOC AG is a holding within the group and is responsible for coordinating the group-wide development, sales, corporate services and marketing.

Due to the existing close link between YOC AG and YOC Group, we refer to the economic conditions described in the section "Forecast Report of YOC Group".

OUTLOOK

In addition to the corporate functions, YOC AG operates the central platform and product development as well as the central revenue optimization to increase the monetization of the advertising inventory provided by all publishers of the YOC Group.

Overall, YOC AG expects **revenues** to increase in the range of EUR 10.0 million to EUR 12.0 million (2021: EUR 9.8 million) with a disproportionately low increase in expenses.

In the context of a formation of a fiscal unity between YOC AG and YOC Mobile Advertising GmbH, YOC AG expects a positive **earnings contribution from profit transfer** from YOC Mobile Advertising GmbH of EUR 2.5 million to EUR 3.0 million (EUR 2.3 million). Due to the steady increase in programmatic trading volume, growing revenues in the lower double-digit percentage range are expected for YOC Mobile Advertising GmbH in the financial year of 2020.

Due to the positive result of the Austrian subsidiary YOC Central Eastern Europe GmbH, further contributions to **earnings from profit distributions** amounting to EUR 0.7 million (2021: EUR 0.7 million) are also planned for the financial year 2022. For the Polish subsidiary, sales and earnings growth are expected for 2022, but no profit distributions are expected yet. For the Swiss Company theINDUSTRY AG, which was acquired in January 2022, no profit distributions have been taken into account yet either. In the medium term, however, we expect that both subsidiaries will also generate positive contributions to earnings and thereby increase the results of YOC AG.

Overall, YOC AG thus expects a positive **income from investments** of EUR 3.2 million to EUR 3.7 million for financial year 2022 (2021: EUR 3.0 million).

For the financial year 2022, YOC AG anticipates, on the basis of the developments presented, increasing **revenues** compared to the reporting year 2021, increased **operating earnings before interest, taxes, depreciation and amortisation (EBITDA)** as well as a **net profit** of EUR 1.5 million to EUR 2.0 million (2021: EUR 1.7 million).

Liquidity planning is mainly carried out at the level of the YOC Group. We therefore refer to the comments in the section "Forecast report of YOC Group".

Due to the relative size of the parent Company to the Group, the very close performance links within the Group and the centralized treasury functions, the financial position of the Group and YOC AG are comparable.

In April 2022, YOC AG concluded an agreement with Commerzbank AG for a credit line in the amount of EUR 1.0 million with a term until 30 June 2023. This means that the Company has sufficient liquidity even in the event of a significant budget shortfall in the forecast period.

OPPORTUNITIES AND RISK REPORT

PRINCIPLES OF RISK AND OPPORTUNITY MANAGEMENT

YOC Group takes a comprehensive, systematic approach to opportunity and risk management to achieve its objectives. This ensures that the Company is able to recognise and diligently seize opportunities without disregard for the associated risks.

A continual development of the opportunity and risk management system to adapt to rapidly changing market and business conditions is the foundation for sustainable growth.

To that end, the Company consciously takes necessary risks while weighing them against the potential rewards in order to take advantage of market opportunities and exploit the potential for success inherent in them.

The Group uses various financial and non-financial performance indicators to manage the YOC Group. Key criteria for assessing the value development of the operating business include the increase in sales revenues, operating earnings before interest, taxes, depreciation and amortisation (EBITDA), the gross profit margin and the operating cash flow. In addition to these key financial indicators, the Management Board also measures key non-financial parameters for managing

the YOC Group. Among other things, the focus is on the development of incoming orders and the development of the number of employees.

This allows risks and opportunities to be identified and assessed at an early stage. The Management Board monitors the implementation of risk controlling measures and the realisation of opportunities in the operating units.

The appropriateness of the risk management methods and processes for identifying, assessing, managing, monitoring and communicating risks is reviewed at regular intervals and adapted to internal and external developments.

OPPORTUNITY MANAGEMENT

Based on our product portfolio, our know-how and our innovation power, we are convinced that we will be able to realise the opportunities resulting from our entrepreneurial activities and successfully meet the challenges arising from the following risks.

RISK MANAGEMENT

A) RISKS AND OPPORTUNITIES ON THE ADVERTISING INDUSTRY WITH REGARD TO THE FURTHER DEVELOPMENT OF THE CORONA PANDEMIC

Macroeconomic risks and opportunities represent the framework conditions for the risks and opportunities mentioned in the following categories and are included as premises in the quantification of these risks and opportunities. The macroeconomic framework has a significant influence on the advertising industry and thus on the success of the YOC Group.

A significant risk for the development of the advertising industry is the further course of the COVID-19 pandemic. The Company's expectations are positive despite the ongoing Corona pandemic. We assume that the pandemic in Europe will be gradually contained as the year progresses.

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

However, the Company assumes that the nationwide provision and administration of suitable vaccines or booster vaccinations will progress and that no further lockdown measures will be necessary in the future in the core markets relevant for YOC AG.

Should further infection, including new virus variants, make more drastic and comprehensive containment measures necessary again, this would severely impair the economic recovery and could have an impact on the budgets of advertisers and thus on the advertising industry.

For YOC Group, this risk could have a negative impact on the achievement of the revenue expectation advised in our guidance report. In contrast, a successful containment of the pandemic in the course of 2022, for example through the more rapid and widespread availability and vaccination of suitable vaccines, could lead to a more dynamic recovery of the global economy and thus boost the advertising industry. As a consequence, this could possibly even lead to higher revenues compared to the revenue expectations stated in the forecast report.

B) MARKET AND COMPETITION RISK

YOC Group is active in a rapidly developing market. This environment demands highly flexible procedures and structures.

Changes in market and competitive conditions, such as the appearance in the market of a new competitor, are among the risks which YOC Group seeks to anticipate through constant market and Company monitoring.

In particular the platform and product departments as well as the country organisations work to ensure that emerging trends and new developments are detected.

Changes in economic factors resulting in declines in orders especially in the advertising sector may also have an impact on YOC Group's development.

Given its broad range of products and services and its diversified customer base, YOC Group is well positioned to withstand such developments.

C) TECHNOLOGICAL RISKS

YOC Group pursues a uniform IT strategy which involves constant monitoring and further development of its IT systems.

The speed of technological innovation in the market demands a great deal of flexibility and increasingly poses a risk. A large part of the problem is the lack of standards in some areas of the technological environment. Substitutes or products from competitors could weaken YOC Group's competitive position.

Technological innovation must therefore be promoted in the interest of long-term success and to strengthen the Company's market position.

Because of the highly dynamic nature of the market for digital advertising technologies, investments in the development of new products and technologies always bear the risk that such investments could prove to be unprofitable.

When selecting IT systems, YOC Group for the most part chooses industry-specific standard software from reputable providers.

The IT security covers the Company's entire information technology, including office IT, systems and applications. As is the case with other companies, it is possible that the Company could become the target of cyber-attacks.

In order to minimise risks, we undertake a number of steps, which include, among others, staff training, comprehensive monitoring of our networks and information systems as well as the application of encryption methods, firewalls and virus scanners.

Precautionary measures against the breakdown of technical systems were taken by the parallel operation of applications, in order to ensure the smooth execution of client orders at any time.

In addition, backup systems protect the database against a possible loss of data and ensure that it is consistently available.

D) LEGAL RISKS AND LIABILITY RISKS

To avoid legal risks, external lawyers are engaged to review substantial legal transactions.

YOC Group protects itself against claims and potential liability risks with a comprehensive insurance coverage which is subject to ongoing review. The current Directors and officers liability insurance policy serves to protect the management against possible financial losses of the YOC Group.

Neither YOC AG nor any of its subsidiaries were involved in current or foreseeable legal or arbitration proceedings in financial year 2021 that could have a material impact on the economic situation of the Company or the Group.

Decisions of the legislator, such as changes in data protection regulations, could have a negative impact on the business activities of YOC Group. As the financial statements are being drawn up, however, YOC Group is not aware of any plans for legislative changes in the foreseeable future that would significantly affect it.

E) PERSONNEL RISKS

The successful development of YOC Group depends on its ability to attract and earn the loyalty of qualified employees.

Owing to vigorous growth in the market of relevance to YOC Group, the labour market for personnel with the required knowledge and experience is extremely competitive. The risk of staff shortages is monitored and avoided with the support of a group-wide staff planning system. Staff development measures and a performance-based remuneration system, which is subject to regular review by the Management Board ensures the competitiveness in the market for personnel.

Training and advanced education programs also guarantee that several key members of staff work in each Company segment. Rules on replacement and succession ensure the safeguarding of business procedures and decision-making processes.

Employees who work with confidential information are required to comply with the relevant confidentiality requirements and to handle the respective information responsibly.

F) PLANNING RISKS

Planning risks exist in the revenue and cost forecast. Particularly in view of the dynamic nature of the digital advertising market, short- and medium-term planning is based on significant estimates and assumptions, especially regarding revenue development.

The regular review of assumptions is intended to enable the Management Board to respond to deviations from the plan and initiate appropriate measures.

The achievement of the corporate planning for the current financial year 2022 is above all also dependent on the further development of the Corona pandemic. This risk will continue to be constantly monitored and discussed by the Management Board and Supervisory Board on an ongoing basis.

With regard to the uncertainties concerning the further development of the Corona pandemic and its effects on YOC Group, we refer to the comments in the Company's forecast report.

CONTROL AND RISK MANAGEMENT REPORT ON THE ACCOUNTING PROCESS

(Pursuant to Sect. 289 Para. 4 and Sect. 315 Para. 4 German Commercial Code HGB)

For both YOC AG and YOC Group, the existing control and risk management system comprises the entirety of all organisational provisions and measures for identifying, assessing and communicating risks and dealing with the risks of entrepreneurial activity.

With regard to the (consolidated) accounting process, the design and continuous development of the internal control system is also intended to ensure compliance with the relevant accounting regulations and standards and the correctness of the accounting.

This is to ensure that the financial reporting provides a true and fair view of the real circumstances of YOC AG's and YOC Group's net assets, financial position and results of operations. The Management Board bears all responsibility for the internal control and risk management system as it relates to the (group) accounting process.

All companies covered in the consolidated financial statements are integrated through a defined management and reporting structure.

Operational responsibility is vested in the Management Board which is assisted by the Director of Finance.

We regard the following elements of YOC Group's internal control and risk management system as essential to the (group) accounting process:

- Procedures for identifying, assessing and documenting all essential business processes and areas of risk relating to accounting, including the associated key controls. These encompass financial and accounting processes along with administrative and operational business processes which generate information that is essential for the compilation of the annual and consolidated financial statements, including the management and group management reports;
- Process-integrated controls (EDP-assisted controls and access restrictions, the dual-control principle, separation of functions, analytical controls);
- Standardised financial accounting processes;
- Ensuring uniform accounting through group-wide guidelines and procedures;
- Regular internal group reporting as well as profit and loss accounting and monthly results reporting, including the analysis and reporting of essential developments and target/performance deviations.

A group-wide reporting system has the task of ensuring that the Management Board and Supervisory Board receive regular and timely information.

The Management Board and Supervisory Board are regularly apprised of the current risk situation and the functioning, effectiveness and adequacy of the internal control and risk management system.

With effect from 01 July 2021, YOC AG has formed an audit committee consisting of all three members of the Supervisory Board, which is also responsible for monitoring the accounting process, the effectiveness of the internal control system and the risk management system, among other things. The Supervisory Board unanimously resolved that Mr Graf Lambsdorff will chair the Audit Committee.

In the opinion of the Management Board, the processes, systems and controls in place are a sufficient guarantee that the accounting processes are followed in conformity with the relevant accounting principles.

INFORMATION ON THE SHARES AND EXPLANATORY REPORT OF THE MANAGEMENT BOARD

(Pursuant to Sect. 289a Para. 1 and Sect. 315a Para. 1 of the German Commercial Code HGB)

SUBSCRIBED CAPITAL

As of 31 December 2021, the subscribed capital of YOC AG amounts to EUR 3,476,478 and is divided into 3,476,478 no-par value bearer shares. There are no different classes of shares.

All shares carry the same rights and obligations.

Each share entitles the holder to one vote at the Annual General Meeting and is decisive for the shareholders' share in the profits of the Company.

This does not apply to treasury shares held by the Company, which do not entitle the Company to any rights.

RESTRICTIONS ON VOTING RIGHTS OR THE TRANSFER OF SHARES

There are no restrictions on the voting rights associated with shares in YOC AG or the transfer of shares in YOC AG.

SHAREHOLDINGS IN THE CAPITAL EXCEEDING 10 % OF THE VOTING RIGHTS

The following direct or indirect ownership interests in YOC AG's capital which exceed 10 % of the voting rights are based on voting rights announcements pursuant to Sect. 33 et seq. of the German Securities Trading Act (WpHG) received and published by the Company in the financial year 2021 and earlier.

- **Mr Dirk-Hilmar Kraus**, Germany, has notified the Company that his share of voting rights in YOC AG amounts to 18.89 % (corresponding to 656,685 of a total of 3,476,478 voting rights) as of 31 December 2021. These shares are held in part by Mr Dirk-Hilmar Kraus directly or by dkam GmbH, which is indirectly attributable to him.
- **Mrs Dr Kyra Heiss**, Germany, notified the Company on 18 December 2018 pursuant to Section 33 (1) WpHG that her share of voting rights in YOC AG at that time amounted to 10.82 % (corresponding to 356,384 voting rights) as of 31 August 2018. As of 31 December 2021, the share of voting rights corresponds to 10.25 % (this corresponds to 356,384 of a total of 3,476,478 voting rights).

SHARES WITH SPECIAL RIGHTS WHICH CONFER SUPERVISORY POWER

There are no shares with special rights which confer supervisory powers.

RULES FOR THE APPOINTMENT AND DISMISSAL OF MEMBERS OF THE MANAGEMENT BOARD AND FOR AMENDING THE ARTICLES OF ASSOCIATION

The provisions of law governing the appointment and dismissal of members of the Management Board are found in Sect. 84 and Sect. 85 of the German Stock Corporation Act (AktG). Sect. 7 Para. 2 of YOC AG's Articles of Association provides for a consistent regulation.

Pursuant to Sect. 119 Para. 1 No. 5 AktG, Sect. 179 AktG, the Articles of Association can be amended only by a resolution of the General Meeting.

Unless mandatory provisions of the law provide otherwise, resolutions of the General Meeting are passed pursuant to Sect. 133 AktG and Sect. 22 Para. 1 of the Articles of Association of YOC AG with a simple majority of the votes cast and, where applicable, with a simple majority of the represented capital.

Changes to the business purpose require a 75 % majority of the represented capital according to Sect. 179 Para. 2 AktG; the Company does not make use of the right to determine a larger capital majority in the Articles of Association.

Pursuant to Sect. 181 Para. 3 AktG, amendments to the Articles of Association become effective upon entry in the Commercial Register.

The Supervisory Board is authorised to pass amendments to the Articles of Association that concern only the drafting (Sect. 17 of the Articles of Association of YOC AG).

POWERS OF THE MANAGEMENT BOARD WITH REGARD TO THE POSSIBILITY OF ISSUING OR REPURCHASING SHARES

A) ACQUISITION OF OWN SHARES

Based on the resolution of the Annual General Meeting of 25 August 2015, the Company was authorised to acquire treasury shares until 24 August 2020. This authorisation has expired and has not yet been renewed.

At the end of financial year 2021, the Company held no treasury shares.

B) AUTHORISED CAPITAL

Pursuant to Section 6 (5) of the Articles of Association of YOC AG, there is an Authorised Capital 2021/I.

By resolution of the Annual General Meeting of 20 June 2021, the Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company on one or more occasions until 29 June 2026 by up to a total of EUR 1,738,239 against cash contributions and/or contributions in kind by issuing new no-par value bearer shares.

Further details of the authorization can be found in the invitation to the Annual General Meeting on 20 June 2021, which is available on the website of YOC AG (see agenda item 7 as well as the report of the Management Board made in this regard).

C) CONDITIONAL CAPITAL

In order to continue to provide the Company with the necessary flexibility to issue convertible bonds and/or bonds with warrants for corporate financing purposes, the authorisation granted by the Annual General Meeting in 2015 to the Management Board and the Supervisory Board, was renewed at the Annual General Meeting of YOC AG on 29 October 2020 and, to this end, an essentially identical authorisation to issue convertible bonds or bonds with warrants (collectively “W/O bonds”) and a new conditional capital (Conditional Capital 2020/I) was resolved.

Accordingly, the Management Board is authorised, with the consent of the Supervisory Board, to issue warrant or convertible bonds (or a combination of these instruments) on one or more occasions until 28 October 2025 (inclusive) in a total nominal amount of up to EUR 10,000,000.00 with a fixed term of no more than ten years and to grant option rights to the holders of warrant bonds or conversion rights to the holders of convertible bonds for new shares of the Company with a proportionate amount of the share capital of up to a total nominal amount of EUR 1,000,000.00 (“New Shares”) in accordance with the terms and conditions of the bonds with warrants or convertible bonds.

Details of the authorization can be found in the invitation to the Annual General Meeting on 29 October 2020, which is available on the website of YOC AG (see agenda item 9 and the report of the Management Board on this subject).

SIGNIFICANT AGREEMENTS OF THE COMPANY THAT ARE CONDITIONAL UPON A CHANGE OF CONTROL AS A RESULT OF A TAKEOVER BID

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

In addition, the service contract of Management Board member Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, contains a one-off, performance-related remuneration conditional on a change of control following a takeover bid.

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

No liabilities have been recognized in this connection.

In addition, reference is made to the "Compensation Report".

Beyond this, the Company has no significant agreements that are subject to the condition of a change of control following a takeover bid.

DECLARATION ON CORPORATE GOVERNANCE

(Sect. 289f German Commercial Code HGB; Sect. 315d HGB)

The Declaration on Corporate Governance pursuant to Sect. 289f HGB and Sect. 315d HGB includes the Declaration of Conformity in accordance with Sect. 161 of the German Stock Corporation Act (AktG), relevant information concerning Company management practices and a description of the working methods of the Management Board and the Supervisory Board, as well as disclosures pursuant to Sect. 289f Para. 2 No. 4 HGB concerning regulations promoting the equal representation of women and men in leading positions.

This declaration is part of the Management Report of YOC AG and the Group for the financial year 2021.

Pursuant to Section 317 (2) Sentence 6 of the German Commercial Code (HGB), the disclosures pursuant to Section 289f (2) of the German Commercial Code (HGB) and Section 315d of the German Commercial Code (HGB) are not to be included in the audit by the auditor.

DECLARATION ON THE GERMAN CORPORATE GOVERNANCE CODE BY THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF YOC AG PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (DECLARATION OF CONFORMITY 2021)

Pursuant to section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of a listed stock corporation must declare annually that the recommendations of the “Government Commission on the German Corporate Governance Code” published by the Federal Ministry of Justice in the official section of the Federal Gazette have been and are being complied with or which recommendations have not been or are not being applied and why not.

The declaration shall be made publicly available on the Company’s website.

The German Corporate Governance Code (GCGC) contains regulations of varying binding effect.

In addition to descriptions of the applicable stock corporation law, it contains recommendations from which companies may deviate; however, they are then obliged to disclose this annually.

According to Section 161 of the German Stock Corporation Act (AktG), deviations from the recommendations of the GCGC must also be justified. In addition, the GCGC contains suggestions from which deviations may be made without disclosure.

The declaration concerns the period since the last declaration of conformity of February 2021 and refers to the recommendations of the "Government Commission on the German Corporate Governance Code" in the version of 16 December 2019 ("GCGC 2020") .

The declaration has been made permanently available to the public on the Company's website (www.yoc.com) under “Investor Relations”.

Earlier versions of the Declaration of Conformity can also be found there.

INFORMATION ON COMPENSATION

The compensation report for the last financial year and the auditor's report pursuant to Section 162 of the German Stock Corporation Act, the applicable compensation system pursuant to Section 87a (1) and (2) Sentence 1 of the German Stock Corporation Act and the last compensation resolution pursuant to Section 113 (3) of the German Stock Corporation Act have been made publicly available on the Company's website at https://yoc.com/de/investor-relations-yoc/management-corporate-governance/.

INFORMATION CONCERNING CORPORATE GOVERNANCE PRACTICES

BASIC PRINCIPLES

Sustainable economic, ecological and social action is a defining element of the corporate culture at YOC AG. This also includes integrity in dealings with employees, investors, customers, suppliers, authorities, interest groups, other stakeholders and the public. YOC AG is a stock corporation with its registered office in Germany.

The framework for corporate governance therefore derives from German law, in particular the stock corporation and capital market legislation, as well as the German Corporate Governance Code (as far as no deviations to it were declared), the YOC AG articles of association and the Management and Supervisory Boards’ rules of procedure.

Being a service Company, YOC AG depends on its ability to win and maintain the trust of its customers and business partners through exemplary behaviour. The objective is to act in a credible, trustworthy and reliable manner and to convey a corresponding image.

TRANSPARENCY

A uniform, comprehensive and prompt information policy in relation to employees, investors, customers, suppliers, authorities, interest groups and other stakeholders ranks high in importance at YOC AG.

The aforementioned parties are all provided with information by YOC AG on a uniform, comprehensive, prompt and simultaneous basis. The business situation and operating results of YOC AG and YOC Group are reported in the annual report, the mid-year report and the interim reports. In addition, so-called ad hoc announcements pursuant to Article 17 of the Market Abuse Regulation are published via a European media bundle and on the Company's website to the extent required by law.

All announcements, presentations and communications as well as the current financial calendar can be viewed on the Company's web pages (www.yoc.com) under "Investor Relations".

Changes in the composition of the shareholder structure (Announcements of Voting Rights, Sect. 33 et seq. WpHG) and any transaction conducted on own account of individuals holding management positions within YOC AG, as well as persons closely associated with them, relating to shares or debt instruments of YOC AG and to derivatives or other financial instruments linked thereto (Directors' Dealings according to Art. 19 EU Regulation 596/2014 (Market Abuse Regulation)) are also published by the Company.

YOC AG furthermore keeps an insider list according to Art. 18 EU Regulation 596/2014. The individuals who are to be included in the insider list are informed of the legal duties and sanctions.

RISK MANAGEMENT

YOC Group is a provider of product-based mobile advertising technology and as such is exposed to many of the opportunities and risks specific to the industry as well as to the Company itself.

YOC AG has an established, comprehensive and effective system which enables the Company to detect, assess, report on and deal with opportunities and risks associated with all functions and business processes at an early stage. The objective of this system is to systematically detect risks at the earliest possible time, assess the likelihood of their occurrence, estimate their potential qualitative and quantitative effects and initiate effective countermeasures.

Risk management is regularly discussed and further developed at Management Board and Supervisory Board level. Risks arising from the Corona pandemic continue to be constantly monitored and discussed by the Management Board and Supervisory Board on an ongoing basis.

Further information on the Company's risk management, the specific risks it faces and the accounting-related internal control and risk management can be found in the Risk Report, which is part of the Company's Group Management Report.

DESCRIPTION OF THE OPERATING PRINCIPLES OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

As a German stock corporation, YOC AG is subject to the German Stock Corporation Act. This means that a dual management system is prescribed by law. In the dual management system, management (Management Board) and business control (Supervisory Board) are strictly separated in terms of personnel. The Management Board and Supervisory Board have independent competences, as simultaneous activity on the Supervisory Board and Management Board is not legally permissible.

The Management Board manages the Company, while the Supervisory Board advises and monitors the Management Board. In doing so, the Management Board and the Supervisory Board work together closely and in a spirit of trust in the fulfilment of their legal duties.

MANAGEMENT BOARD

The Management Board has sole responsibility for the management of the Company. It has a duty to act in the interest of the Company and is committed to the sustainable development of the Company.

The Management Board responsibilities include determining the Company's strategic direction in consultation with the Supervisory Board and managing the business of the Company. The Management Board manages the Company's business in accordance with the relevant laws, the Articles of Association and its Rules of Procedure.

The members of the Management Board bear joint responsibility for corporate governance, work together cooperatively and keep each other regularly informed of important actions and events in their business areas.

The members of the Management Board are appointed by the Supervisory Board. The term of office served by Management Board members must not exceed five years. Management Board members may however be appointed more than once.

The Supervisory Board may appoint a member of the Management Board as Chairman of the Management Board. The Management Board of YOC AG currently has only one member.

Mr Dirk-Hilmar Kraus has been appointed to the Management Board of YOC AG with effect from 10 September 2013 and has assumed the function of CEO of the Company. Since October 2016, Dirk-Hilmar Kraus has been the sole member to the YOC AG Management Board.

The Management Board works closely with the Supervisory Board and reports to the Supervisory Board regularly, promptly and in full on significant matters relating to business development, strategy and planning, the Group's risk situation and compliance, and consults with the Supervisory Board before making any significant strategic decision.

The Management Board is responsible for preparing the quarterly reports, the half-yearly and annual financial statements of YOC AG and the consolidated financial statements.

In addition, the Management Board regularly consults with the members of the second management level of the Company. The Management Board has not formed any committees. The work of the Management Board is governed by the rules of procedure. The rules of procedure contain the basic principles for the management of the Management Board members, the matters reserved for the Management Board as a whole and the unanimity required for Management Board resolutions in the case of two Management Board members.

The rules of procedure can be found on the Company's website at https://yoc.com/de/investor-relations-yoc/management-corporate-governance/.

SUPERVISORY BOARD

The Supervisory Board is responsible for advising and monitoring the Management Board. It is involved in strategy and planning as well as in all issues of fundamental importance to the Company. Major decisions of the Management Board require its approval.

These include decisions or measures that fundamentally change the asset, financial or earnings situation of the Company.

This also includes the corporate planning for the following year (budget) prepared by the Company once a year, which is presented by the Management Board to the Supervisory Board, discussed with it and adjusted if necessary. The Supervisory Board also commissions the auditor appointed by the Annual General Meeting.

The Supervisory Board holds at least four meetings a year.

The Supervisory Board of YOC AG consists of three members, none of whom were previously members of the Company's Management Board. The Supervisory Board is elected by the Annual General Meeting.

YOC AG has formed an audit committee consisting of all three members of the Supervisory Board with effect from 01 July 2021. The Supervisory Board has unanimously decided that Mr Graf Lambsdorff will chair the audit committee. Due to its size, the Supervisory Board of YOC AG has not formed any other committees.

The working methods of the Supervisory Board are governed by rules of procedure. Resolutions of the Supervisory Board are usually passed in face-to-face meetings; in addition, meetings and resolutions may also be passed in writing, by telephone, by telex or by other means of telecommunication.

The Management Board of the Company attends the meetings when necessary, and other members of the extended management of the Company are also invited to the meetings when necessary.

In accordance with the recommendation of the German Corporate Governance Code as amended on 16 December 2019, the Supervisory Board also meets regularly without the Management Board.

The agenda and proposed resolutions for the Supervisory Board meetings are communicated in writing to all participants sufficiently in advance of the meetings.

In the event of the need for resolutions at short notice, such resolutions are adopted by written circulation procedure, if necessary. All Supervisory Board meetings are minuted in writing.

The Chairman of the Supervisory Board explains the activities of the Supervisory Board annually at the Annual General Meeting and in his report to the shareholders, which is printed in the Company's annual report.

In the past financial year 2021, the Supervisory Board assessed how effectively the Supervisory Board performs its work as part of a self-assessment.

Within the framework of the self-assessment, the board discussed the work performed in the Supervisory Board in the past year, the cooperation, the flow of information, the organisation and execution of the meetings as well as the risk management and accounting as well as the strategy development in the Supervisory Board and Management Board.

The self-assessment was carried out on the basis of detailed questionnaires and interviews with all members of the Supervisory Board to discuss more complex issues and to deepen the knowledge and observations gained.

According to the assessment of the Supervisory Board, the members of the Supervisory Board Mr Dr Nikolaus Breuel, Mr Konstantin Graf Lambsdorff and Mr Sacha Berlik are independent in the sense of the German Corporate Governance Code.

DIVERSITY CONCEPT

The Management Board and Supervisory Board of YOC AG have hitherto not formulated an individual diversity concept in accordance with Sect. 289f Para. 2 No. 6 HGB concerning the composition of the body authorised to represent the group and of the Supervisory Board with regard to aspects such as age, gender, educational or professional backgrounds.

The Management Board and the Supervisory Board opine that aside from the objectives for the composition of Management Board and Supervisory Board and the measures so far implemented and projected to foster diversity, an additional diversity concept does not effectuate a substantial additional value. The Management Board and the Supervisory Board will, however, reevaluate in financial year 2022 whether an individual diversity concept will be developed.

SPECIFICATIONS PROMOTING THE EQUAL PARTICIPATION OF WOMEN AND MEN IN LEADING POSITIONS

The "Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector" requires the Management and Supervisory Boards of certain companies in Germany to set targets for the proportion of women on the Supervisory Board, Management Board and the subsequent two management levels and to determine by when the respective proportion of women is to be achieved.

REPRESENTATION OF WOMEN ON THE SUPERVISORY BOARD

The Supervisory Board of YOC AG had resolved that up to the fixed date of 30 June 2017, the status quo of the representation of women on the Supervisory Board was to be retained and a target figure of 0 % thus to be pursued.

This objective was met at the expiry of this period. The Supervisory Board of YOC AG presently still includes no women.

As an expansion of the Supervisory Board is not intended and a change to the Supervisory Board personnel is neither targeted nor foreseeable due to the current members' expertise which is of great importance to the Company, the YOC AG Supervisory Board has agreed effective 30 June 2017, that the status quo for the representation of women on the Supervisory Board will be maintained and hence a target figure of 0 % is envisaged until 30 June 2022.

REPRESENTATION OF WOMEN ON THE MANAGEMENT BOARD

The YOC AG Supervisory Board had resolved that up to the fixed date of 30 June 2017, the status quo of the representation of women on the Management Board was to be retained and a target figure of 0 % thus to be pursued.

This objective was met at the expiry of this period. The Management Board of YOC AG presently still includes no women.

As an expansion of the Management Board and a change to the Board's personnel are neither intended nor foreseeable, the YOC AG Supervisory Board has agreed effective 30 June 2017, that the status quo for the representation of women on the Management Board shall be maintained and hence a target figure of 0 % is envisaged until 30 June 2022.

REPRESENTATION OF WOMEN IN THE TWO LEVELS OF MANAGEMENT BELOW THE MANAGEMENT BOARD

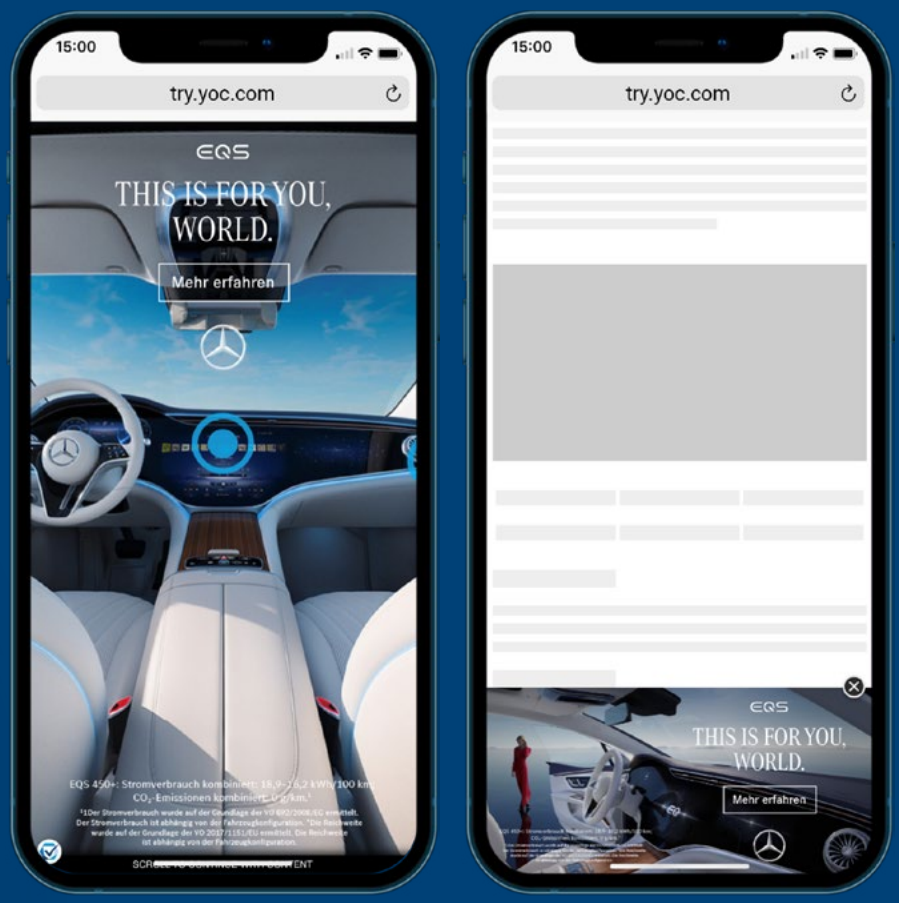
The Management Board of YOC AG had resolved that by 30 June 2017 at least 20 % of the positions within the first level of management below the Management Board shall be held by women. At the expiry date one director position was held by a woman. This corresponds to 33.33 %.

The Management Board of YOC AG had resolved with effect from the end of 30 June 2017 that by 30 June 2022 at least 20 % of the positions within the first level of management below the Management Board shall again be held by women. The first level of management below the Management Board corresponds with the level of Directors. With the same deadline of 30 June 2017, at least 20 % of the positions within the second level of management below the Management Board shall be held by women. As of 30 June 2017, 50 % of these positions were held by women.

With the deadline of 30 June 2022, at least 20 % of the positions within the second level of management below the Management Board shall again be held by women. The second level of management below the Management Board includes the "Head of" level.

Mercedes-Benz, Germany
YOC Branded Takeover
Q3/2021

04 CONSOLIDATED FINANCIAL STATEMENTS



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures in EUR

CONSOLIDATED INCOME STATEMENT	NOTE #	2021	2020
Revenue	6.1	18,836,146	15,492,397
Own work capitalised	6.2	612,341	509,658
Other operating income	6.3	421,956	76,647
Total output		**19,870,442**	**16,078,702**
Cost of materials	6.4	10,802,398	9,207,898
Personnel expenses	6.5	4,550,206	3,683,113
Other operating expenses	6.6	1,668,939	1,350,142
Earnings before interest. taxes. depreciation and amortization		**2,848,899**	**1,837,549**
Depreciation and amortisation expenses	7.1/7.2/7.3	839,457	704,960
Earnings before interest and taxes		**2,009,442**	**1,132,589**
Financial expenses		150,521	264,138
Financial result	6.7	-150,521	-264,138
Earnings before taxes		**1,858,921**	**868,451**
Income taxes	6.8	266,573	222,714
Deferred tax income	6.8	259,404	0
Net income continuing operations		**1,851,751**	**645,737**
Net income discontinued operations	5.1	213,475	-334,151
Net income		**2,065,226**	**311,586**
CONSOLIDATED NET PROFIT		**2,065,226**	311,586

EARNINGS PER SHARE

Earnings per share non-diluted	6.9	0.60	0.09
Earnings per share diluted	6.9	0.60	0.09

EARNINGS PER SHARE CONTINUING OPERATIONS

Earnings per share non-diluted	6.9	0.54	0.20
Earnings per share diluted	6.9	0.54	0.20

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Net income		**2,065,226**	**311,586**
Net other comprehensive income to be reclassified through profit or loss in subsequent periods:	9		
Unrealised gains/losses from foreign currency translation		2,197	-236
Realised results from currency translation within the scope of deconsolidation within the scope of deconsolidation		0	26,608
Total other comprehensive income		**2,197**	**26,372**
TOTAL COMPREHENSIVE INCOME		**2,067,423**	337,958

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

CONSOLIDATED BALANCE SHEET

All figures in EUR

ASSETS	NOTE #	31/12/2021	31/12/2020
Non-current assets		**2,927,846**	**2,321,366**
Property. plant and equipment	7.1	134,163	95,925
Intangible assets	7.2	1,856,126	1,470,286
Rights of use from leasing	7.3	678,153	755,155
Deferred tax assets	6.8	259,404	0
Current assets		**7,016,097**	**4,878,688**
Trade receivables	7.4	5,059,230	3,873,929
Other financial receivables	7.4	164,029	134,151
Cash and cash equivalents	7.5	1,792,839	870,608
TOTAL ASSETS		**9,943,943**	**7,200,055**

EQUITY AND LIABILITIES	NOTE #	31/12/2021	31/12/2020
Equity		**-621,432**	**-4,014,807**
Subscribed capital	7.6	3,476,478	3,292,978
Additional paid in capital	7.6	22,053,357	20,961,224
Accumulated losses	7.6	-26,159,080	-28,224,307
Other comprehensive income from currency translation differences	7.6	7,813	5,617
Own shares	7.6	0	-50,319
Non-current liabilities		**843,490**	**2,949,996**
Provisions	7.7	73,276	83,831
Leasing liabilities	7.8	533,545	622,662
Other financial liabilities	7.8	0	2,243,503
Tax liabilities	6.8	236,669	0
Current liabilities		**9,721,885**	**8,264,865**
Prepayments received	7.8	25,957	80,849
Trade payables	7.8	2,887,321	3,053,928
Other liabilities	7.8	991,372	667,657
Other financial liabilities	7.8	5,300,310	3,953,888
Leasing liabilities	7.8	234,699	230,432
Tax liabilities	6.8	282,225	278,111
TOTAL EQUITY AND LIABILITIES		**9,943,943**	**7,200,055**

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

CONSOLIDATED CASH FLOW STATEMENT

All figures in EUR

CONSOLIDATED CASH FLOW STATEMENT	NOTE #	2021	2020
Net income continuing operations	**6.10**	**1,851,751**	**645,737**
Net income discontinued operations	**5.1**	**213,475**	**-334,151**
Depreciation and amortisation		839,457	747,060
Taxes recognised in the income statement		266,573	222,714
Deferred tax income		-259,404	0
Interest recognised in the income statement		150,521	264,850
Other non-cash income and expenses		84,960	21,860
Result from deconsolidations		-213,475	0
Cash-Earnings	**8.1**	**2,933,860**	**1,568,070**
Changes in receivables and other financial receivables		-1,215,178	-698,804
Changes in liabilities. prepayments and other liabilities		1,211,177	339,498
Changes in provisions		-10,555	14,928
Interest paid		-124,478	-146,021
Interest paid leasing		-44,060	-57,118
Income taxes paid		-29,431	0
Cash flow from operating activities	**8.1**	**2,721,335**	**1,020,553**
Purchase of property. plant and equipment		-80,982	-33,405
Purchase of intangible assets		-139,604	-214,917
Outflow from development costs		-836,741	-646,153
Disposal of assets		340	985
Cash flow from investing activities	**8.1**	**-1,056,986**	**-893,490**
Repayment of lease liabilities		-236,518	-223,269
Loan repayments		-455,000	-225,000
Loan borrowing		0	200,000
Drawdown of working capital line		485,565	0
Repayment of working capital line		-485,565	0
Repayment of convertible bonds		-50,600	0
Cash flow from financing activities	**8.1**	**-742,118**	**-248,269**
Net increase / decrease		**922,231**	**-121,206**
Cash and cash equivalents at the beginning of the period	**8.2**	**870,608**	**991,814**
Cash and cash equivalents at the end of the period	**8.2**	**1,792,839**	**870,608**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All figures in EUR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	NOTE #	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	OTHER COMPREHENSIVE INCOME FROM CURRENCY TRANSLATION DIFFERENCES	OWN SHARES	TOTAL
As of 01/01/2020		3,292,978	20,961,224	-28,535,893	-20,756	-50,319	-4,352,765
Net income	6.10	0	0	311,586	0	0	311,586
Currency translation differences	4.3/9	0	0	0	26,372	0	26,372
Comprehensive income	**9**	**0**	**0**	**311,586**	**26,372**	**0**	**337,958**
As of 31/12/2020		3,292,978	20,961,224	-28,224,307	5,617	-50,319	-4,014,807

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	NOTE #	SUBSCRIBED CAPITAL	ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES	OTHER COMPREHENSIVE INCOME FROM CURRENCY TRANSLATION DIFFERENCES	OWN SHARES	TOTAL
As of 01/01/2021		3,292,978	20,961,224	-28,224,307	5,617	-50,319	-4,014,807
Net income	6.10	0	0	2,065,226	0	0	2,065,226
Currency translation differences	4.3/9	0	0	0	2,197	0	2,197
Comprehensive income	**9**	**0**	**0**	**2,065,226**	**2,197**	**0**	**2,067,423**
Exercise of YOC convertible bond 2018-2022	7.6	183,500	1,092,133	0	0	50,319	1,325,952
As of 31/12/2021		3,476,478	22,053,357	-26,159,080	7,813	0	-621,432

No shares are held by non-controlling shareholders.

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

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE COMPANY

YOC AG, with headquarters at Greifswalder Str. 212, Berlin, Germany, is an international provider of mobile advertising technology.

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

The consolidated financial statements of YOC AG as of 31 December 2021 have been prepared pursuant to Sect. 315e of the German Commercial Code (HGB) in accordance with the principles of the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), London, United Kingdom, and with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union (EU) as effective on the reporting date.

The consolidated financial statements provide a fair presentation of the Company's net assets, financial position and results of operations.

The Management Board of YOC AG prepared the consolidated financial statements and authorised their submission to the Company's Supervisory Board on 14 April 2022.

2. APPLICATION OF NEW OR AMENDED STANDARDS

2.1 STANDARDS AND INTERPRETATIONS TO BE APPLIED IN THE CURRENT FINANCIAL YEAR

In the current financial year 2021, all standards whose application is mandatory as of 01 January 2021 were respected.

2.2 PUBLISHED STANDARDS AND INTERPRETATIONS WHOSE APPLICATION IS NOT YET MANDATORY

The IASB has adopted the following standards, amendments to standards and interpretations, which have already been endorsed by the EU. However, mandatory application is only planned for the future.

STANDARD	CHANGES / INTERPRETATIONS	EFFECTIVE DATE	EXPECTED EFFECTS
IAS 16	Property, plant and equipment – revenue before intended use (amendment to IAS 16)	01 January 2022	none
IAS 37	Onerous contracts – costs of fulfilling a contract (amendment to IAS 37)	01 January 2022	insignificant
IFRS 3	References to the Framework	01 January 2022	insignificant

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

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

STANDARD	CHANGES / INTERPRETATIONS	EFFECTIVE DATE	EXPECTED EFFECTS
IAS 8	Definition of accounting estimates (Published: 12 February 2021)	01 January 2023	insignificant
IAS 1	Classification of liabilities as current or non-current, amendment to IAS 1; Practice Statement 2 (Published: 12 February 2021)	01 January 2023	insignificant
IAS 1	Definition of materiality (Published: 12 February 2021)	01 January 2023	insignificant
IAS 12	Offsetting deferred tax items from the same transaction	01 January 2023	insignificant
IFRS 17	Insurance contracts including amendments to IFRS 17	01 January 2023	none

3. CONSOLIDATION

3.1 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 inter-Company earnings and expenses as well as assets, liabilities and equity capital are eliminated in full.

3.2 CONSOLIDATED COMPANIES

The scope of consolidation of the YOC Group comprises the following four companies as of 31 December 2021:

FULLY CONSOLIDATED COMPANIES		SHARE IN %	HELD THROUGH NO.	SINCE
DOMESTIC				
1	YOC AG, Berlin	-	-	-
2	YOC Mobile Advertising GmbH, Berlin	100 %	1	11/03/2009
FOREIGN				
2	YOC Central Eastern Europe GmbH, Vienna, Austria	100 %	1	01/06/2009
3	YOC Poland Sp. z o. o., Warsaw, Poland	100 %	1	04/04/2019

In cooperation with the Supervisory Board, the Management Board decided in the first half of 2020 not to continue the Spanish subsidiary YOC Spain S.L.. The subsidiary was deconsolidated as of 31 March 2021.

4. ACCOUNTING AND MEASUREMENT PRINCIPLES

4.1 GENERAL PRINCIPLES

YOC AG acts as the parent Company of the Group and directly holds 100 % of the shares in all subsidiaries of the YOC Group. The financial years for all Group companies correspond to the calendar year. The consolidated financial statements are prepared on the assumption that the Company will continue as a going concern.

The consolidated statement of financial position is structured according to IAS 1, "Presentation of Financial Statements", and the principle of maturity. Consequently, the statement items are divided into non-current and current assets or liabilities respectively.

Assets and liabilities are generally classified as current when they have a remaining term to maturity or turnover within the scope of ordinary business operations of less than one year. Accordingly, assets and liabilities are classified as non-current when they remain within the Company for more than one year.

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

The consolidated financial statements are presented in Euros. For purposes of clarity and comparability, all amounts are generally (unless otherwise declared) stated in kEUR.

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

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

The accounting and measurement principles described below have been applied to the consolidated financial statements:

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is measured at historical or production cost and depreciated on a straight-line basis over the expected economic life (three to eight years).

If there is an indication of impairment, an impairment test also is performed. Gains and losses from asset disposals are recognised in other operating income or in other operating expenses respectively.

INTANGIBLE ASSETS

Intangible assets include both acquired and self-developed intangible assets.

Acquired intangible assets are valued at cost and, if applicable, less accumulated depreciation and impairment.

They include both those intangible assets which have been acquired as a result of business combinations, if they meet the recognition criteria of IFRS 3, and those intangible assets which have been acquired separately.

Internally-generated intangible assets from which it is probable that future economic benefits will flow to the Group and which meet the recognition criteria of IAS 38, "Intangible Assets", are measured at the production costs incurred during the development phase of the assets.

Capitalized development costs include directly attributable costs as well as an internally calculated general cost key.

Research costs and development costs that cannot be capitalised are recognised in full as expenses in the periods in which they are incurred.

Unless intangible assets have an indefinite useful life, they are amortised on a straight-line basis over their expected useful life.

In the case of internally-generated intangible assets, amortisation begins from the date on which the assets are completed. If there are indications of impairment, an impairment test is also performed. If impairment losses occur, intangible assets are written down to their recoverable amount.

The useful lives are as follows:

	USEFUL LIVE IN YEARS
Internally developed software	3 to 8
Acquired software and licences	3 to 8
Operating and office equipment	3 to 8

RECEIVABLES AND OTHER FINANCIAL ASSETS

Pursuant to IFRS 9, receivables and other financial assets are allocated to "at amortised acquisition cost" and recognised at their transaction price. The contract assets include those revenues that have been generated, but not yet invoiced as of the reporting date. Contract assets are, on grounds of materiality, recognised as trade and other receivables.

They are subsequently measured at amortised acquisition cost, where required, under application of the effective interest method minus any impairment resulting from a difference between the booking value of the receivable and the estimated future cash flow to be expected from this receivable.

Impairment losses are recognised as other operating expense. Other financial assets that are not financial instruments pursuant to IFRS 7 are initially recognised at acquisition cost. They are subsequently measured at amortised acquisition cost taking into consideration any impairments.

Due to the application of IFRS 9, an expected credit loss (ECL) was recognized for trade receivables. Impairment losses were not recognized for other financial instruments. For trade receivables and contract assets, the Group applies a simplified expected credit loss methodology based on its past experience and forward-looking factors with credit losses. All receivables and other assets recognized are current.

CASH AND CASH EQUIVALENTS

Payment instruments including cash balances and bank balances are allocated to "at amortised acquisition cost" pursuant to IFRS 9. Cash equivalents comprise short-term investments with a remaining term at purchase of up to 90 days, which display a low risk of fluctuations in value. Cash and cash equivalents are measured at nominal value.

DEFERRED TAX

Deferred taxes are recognised on temporary differences between the tax valuations of assets and liabilities and their carrying amounts in the consolidated financial statements, and on loss carry forwards, to accurately account for future tax liability and relief. Deferred taxes were measured using the expected tax rates based on current law as of the end of the financial year.

The tax calculations took into consideration the circumstances particular to the individual legal entities.

For foreign companies, the tax rates used were those specific to the country in which they are based.

Deferred tax liabilities have been recognised for all taxable temporary differences. Deferred tax assets have been recognised in those cases in which it is sufficiently certain that they can be realised in the near future.

The tax effect of tax loss carryforwards was capitalized to the extent that future utilization of the loss carryforwards is probable. Short- and medium-term corporate planning on the future taxable income situation of the YOC Group is used to determine deferred tax assets. However, due to conservative planning assumptions, only the expected tax loss offset for financial year 2022 is taken into account. Unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are offset to the extent that a legal right of set-off exists against the same tax authority.

EQUITY

Own shares are measured at cost and deducted from equity with no effect on the income statement.

This is reported in a separate item in the statement of financial position. Buying, selling, issuing and recalling of own shares are recognised with no effect on the income statement.

PROVISIONS

Provisions are made for present legal and constructive obligations to third parties if the obligation is likely to lead to a future outflow of resources and the amount of the obligation can be reliably estimated.

Provisions are recognised at the expected settlement amount, with long-term provisions being recognised at present value. To calculate the present value, provisions are discounted to the reporting date on the basis of a risk- and duration-adequate market interest rate.

ADVANCES RECEIVED, LIABILITIES AND TAX LIABILITIES

The liabilities explained in the notes include advance payments received, trade payables, other financial and non-financial liabilities, tax liabilities and leasing liabilities.

Financial liabilities within the meaning of IFRS 7 are trade payables, financial liabilities and liabilities from unpaid purchase invoices. In accordance with IFRS 15, liabilities include contract liabilities arising from advance payments received under performance obligations to customers. Advance payments received are recognized at the settlement amount. Non-current liabilities are subsequently measured at amortized cost using the effective interest method. Current liabilities are subsequently measured at the settlement amount without discounting. Tax liabilities are recognized in the amount of the expected tax payments.

REVENUES

YOC Group generates its revenues from the provision of mobile advertising services. Revenue is recognized at the time the service is rendered. YOC Group enters into contracts with advertisers as well as with the purchasing platforms connected to the VIS.X® technology platform. YOC Group sets the selling prices of the advertising media sold at its own discretion, provides essential technical integration services to enable the delivery of the digital advertising campaigns, mainly performs billing and collection activities and performs advertising services on its own responsibility in its own name and for its own

account. In addition, YOC Group controls the economic access to the advertising inventory of the publishers at all times. As a result, YOC Group acts as principal and therefore reports revenues and corresponding costs gross. Services are rendered upon delivery of the advertising services based on the agreements made with the advertisers. The number of advertising formats delivered is the basis for calculating revenues. Deliveries are usually measured in terms of ad impressions, clicks, downloads, or other actions by mobile internet users. Deliveries are made using software applications and advertising formats specially developed by YOC Group.

Ad impressions are mainly billed to advertisers using CPM (cost per mille or price per thousand contacts). The performance-based billing methods CPC (cost per click) and CPI (cost per install) are also used.

The associated publisher fees are recognized on an accrual basis as purchased services under cost of materials.

Revenues are measured at the fair value of the consideration and reduced by amounts from bonus agreements with customers, discounts granted, or similar deductions.

INTEREST

Interest income and expenses are recognised in profit or loss according to the effective interest method.

LEASES

The rights of use and the corresponding lease liabilities are recognized in the balance sheet.

Rights of use under leases are capitalized at present value at the inception of the lease and amortized on a straight-line basis over the lease term. Leasing liabilities are recognised from the time they are being used at present value of those lease payments not yet settled and measured through the incremental borrowing rate. They are updated according to the effective interest method. Interest expenses are recognised in the financial result. For liabilities against the lessor, the appropriate amount is classified as liabilities. Repayments of these liabilities are shown in the cash flow statement as cash flow from financing activities.

4.2 IMPORTANT JUDGEMENTS AND ESTIMATION UNCERTAINTIES

The preparation of the consolidated financial statements in accordance with IFRS requires assumptions and discretionary decisions to be made that relate to the future and, by their very nature, do not have to correspond to circumstances that will occur later. Such assumptions and estimates affect the recognition and measurement of assets and liabilities as well as income and expenses. The estimates and assumptions in these consolidated financial statements are based on empirical values and other factors that are considered plausible and commercially reasonable under the given circumstances. Since assumptions and estimates may differ from actual values and have a significant effect on the Company's net assets, financial position and results of operations, these assumptions and estimates are subject to regular review. Key estimates and assumptions are made in respect of the following issues in particular:

REVENUE RECOGNITION

In the context of the application of IFRS 15, YOC Group has made an assessment regarding the recognition of revenues as principal or as agent. In doing so, the YOC Group subjected the requirements of IFRS 15 for a principal position to an analysis with regard to the business model of the YOC Group. Significant elements taken into account in the discretionary decision were, in particular, the assessment of the material scope of integration services provided by YOC Group, the assumption of the performance and default risk for the complete advertising service and the ability of YOC Group to fix the price with advertisers.

With the increasing importance of the so-called header bidding process, the inventory risk increases for the YOC Group. This now consists for the YOC Group in the fact that the ad impression offered by the publisher must first be auctioned and purchased by the YOC Group before then can in turn be offered for sale to the advertiser. In accordance with this discretionary decision, YOC Group acts as principal and reports revenues of kEUR 18,836 in financial year 2021 (2020: kEUR 15,492). Compensation to publishers in the amount of kEUR 9,334 (2020: kEUR 8,405) is recognized in cost of materials. A different decision would have resulted in the recognition of the difference between revenues and payment to publishers as revenue in the amount of kEUR 9,502 (2020: kEUR 7,087).

The conclusion of agency agreements and the associated agency reimbursements are of particular importance in the advertising industry. These represent a kind of annual minimum purchasing volume with the respective media agencies. In return, they receive a contractually agreed refund in the following year.

DEFERRED TAX ASSETS

Deferred tax assets are recognized if sufficient taxable income is available in the future. The planned results from operating activities and the effects on earnings from the reversal of taxable temporary differences are included. Based on the planned future taxable income, management assesses the recoverability of deferred tax assets at each balance sheet date.

As future business developments are uncertain and partly beyond management's control, assumptions are required to estimate future taxable income and the timing of the realization of deferred tax assets. However, due to conservative planning assumptions, only the expected tax loss offset for the financial year 2022 is taken into account. Estimated figures are adjusted in the period in which there are sufficient indications for an adjustment. If management assumes that deferred tax assets cannot be realized in part or in full, a valuation allowance is recognized in the corresponding amount. For further information, please refer to Note 6.8.

DEVELOPMENT COST

The Group capitalises development costs for those internally developed intangible assets which are likely to be of benefit for the Group in future and which meet the recognition criteria of IAS 38, "Intangible Assets". The initial recognition of cost is based on the management's assessment that technical and economic feasibility is given.

The internally developed software is valuated at the production cost arisen during the development stage of the assets in question. Additions to capitalized development costs as of 31 December 2021 totaled kEUR 837 (2020: kEUR 646). Of this amount, kEUR 612 (2020: kEUR 510) relates to own work capitalized and a further kEUR 225 (2020: kEUR 136) to externally procured or commissioned development services.

Further information can be found in the notes under section 6.2.

LEASES

The YOC Group is required to determine the lease terms. They are based on the basic term of the respective lease and, after careful consideration, the relating options for renewal and termination.

The Company has entered into several leasing contracts that include options for renewal and termination. The Management assesses the exercise of renewal and termination options based on economic principles in order to determine whether the exercise of the respective options is reasonably certain. For leases with an indefinite term it is assumed that the lease object will be used by the YOC Group within the following 24 months.

It is also assumed that all options for renewal will be exercised. The Company also considers short-term leases as well as low-value leases.

For the valuation of leases, the YOC Group makes use of the incremental borrowing rate. The weighted average interest rate is 5.75 %.

4.3 CURRENCY EFFECTS AND CURRENCY TRANSLATION

The functional currency of the parent Company and the presentation currency of the Group is the Euro. When transactions are invoiced in a foreign currency, receivables and liabilities are translated into the functional currency and entered in the accounting records at the exchange rate applicable on the closing date of the transaction.

Receivables and liabilities existing on the reporting date are adjusted to take exchange rate fluctuations into account.

For the annual financial statements of foreign subsidiaries, currencies are translated according to the functional currency concept.

The functional currency of a subsidiary is its national currency. Assets and liabilities of affiliated companies whose functional currency is not the Euro are translated into Euros at an exchange rate that is valid on the reporting date. Changes during the year as well as expenses and income are translated into Euro using annual average exchange rates. Equity is translated using the historical exchange rate. Differences resulting from the translation at end-of-period exchange rates are recorded as exchange differences in equity.

Currency is translated based on the following exchange rates:

	CLOSING RATE		AVERAGE RATE	
	31/12/2021	31/12/2020	2021	2020
1 Euro (EUR) = US-Dollar (USD)	1.1324	1.2282	1.2170	1.1414
1 Euro (EUR) = Polish Zloty (PLN)	4.5920	4.5490	4.5303	4.4398

The following table indicates the sensitivity of the Group's consolidated pre-tax earnings when compared to a reasonably possible significant exchange rate change as a percentage of the Polish Zloty (PLN) or the US-Dollar (USD).

FOREIGN CURRENCY	FOREIGN EXCHANGE RATE TREND (IN PERCENTAGE POINTS)	EFFECT ON COMPREHENSIVE INCOME BEFORE TAX (IN KEUR)
2021		
US-Dollar (USD)	+5	-83
	- 5	92
Polish Zloty (PLN)	+5	-8
	- 5	9
2020		
US-Dollar (USD)	+5	-83
	- 5	91
Polish Zloty (PLN)	+5	-2
	- 5	-2

All monetary items in foreign currency are factored into the sensitivity. All other variables remain constant in the analysis.

4.4 INTEREST EFFECTS

An increase in the three-month EURIBOR by two percentage points would have an impact on the financial result, as a working capital line is linked to the EURIBOR development.

5. RESULT FROM DISCONTINUED OPERATIONS

5.1 DISCONTINUED OPERATIONS

In cooperation with the Supervisory Board, the Management Board decided in the first half of 2020 to discontinue the subsidiary YOC Spain, S.L., Madrid, Spain.

The closure is conditional on the requirements of IFRS 5 to present the discontinued operation separately and to adjust the previous year's statement of operations for better comparability.

The deconsolidation of the Spanish subsidiary took place as of 31 March 2021. The result from discontinued operations impacted with a profit of kEUR 213 (2020: kEUR -334) in the financial year 2021.

The net income components of discontinued operations as of 31 December 2021 are as follows:

NET INCOME DISCONTINUED OPERATIONS (IN KEUR)	2021	2020
Total output	213	116
Costs	0	407
EBITDA	**213**	**-291**
Depreciation	0	42
Financial result	0	-1
Earnings before taxes	**213**	**-334**
Income taxes	0	0
NET INCOME DISCONTINUED OPERATIONS	213	-334

Earnings per share (diluted in EUR)	0.06	-0.10
Earnings per share (non-diluted in EUR)	0.06	-0.10

5.2 CASH FLOW DISCONTINUED OPERATIONS

The cash flow from discontinued operations is as follows:

CASH FLOW FROM DISCONTINUED OPERATIONS (IN KEUR)	2021	2020
Cash flow from operating activities	0	14
Cash flow from investing activities	0	0
Cash flow from financing activities	0	-22
TOTAL	0	-7

6. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

6.1 REVENUE

In financial year 2021, YOC Group increased its **revenues** at Group level by 22 % to kEUR 18,836 (2020: kEUR 15,492). As a result, revenues acquired through the VIS.X® technology platform increased by around 25 % to kEUR 6,919 (2020: kEUR 5,518) in financial year 2021. In addition, further programmatic revenues of kEUR 1,177 (2020: kEUR 2,589) were generated via third-party platforms (including Google AdX). The traditional, order-based sales channel contributed revenues of kEUR 10,740 (2020: kEUR 7,385) to consolidated revenues. The share of sales deductions increased to 74 % in the reporting year 2021 (2020: 68 %) and is attributable to the increased total sales volume.

Sales deductions include refunds, bonuses, agency commissions, discounts granted and other rebates to customers.

REVENUE (IN KEUR)	2021	2020
Revenue	72,179	48,955
Revenue deductions	53,343	33,463
TOTAL	18,836	15,492

The YOC Group makes use of the leniency rules of IFRS 15, whereby outstanding obligations from contracts with an expected initial term of up to one year as well as revenues recognised in accordance with invoicing are exempt from the disclosure requirement.

6.2 OWN WORK CAPITALISED

In 2021, development costs of **own work capitalised** amounting to kEUR 612 (2020: kEUR 510) have been capitalized. In financial year 2021, YOC Group focused its development activities on the further development of VIS.X®.

In addition, the further development of the business intelligence tool YOC Hub took place in financial year 2021. With YOC Hub, the publisher partners of YOC Group are provided with a reporting and analysis tool that enables the management and evaluation of marketing activities in real time.

In addition, the VIS.X® Software Development Kit (SDK) was further developed. It enables mobile app developers to benefit from the added value of the VIS.X® platform and to improve the advertising utilization and revenues of their mobile apps. In parallel, all YOC product lines were revised so that they are now also available via the sales channels of mobile applications as well as the traditional desktop.

The recognition criteria of IAS 38 have been met. The capitalization of internally generated software is based on the directly attributable personnel costs plus an overhead key.

Production costs are determined on the basis of hours worked, measured at hourly rates per employee plus an overhead key. Total costs for the development of new products and technical innovations were increased further in financial year 2021 and amounted to kEUR 1,065 (2020: kEUR 931).

6.3 OTHER OPERATING INCOME

The Group's **other operating income** amounted to kEUR 422 (2020: kEUR 77). The change compared to the previous year is mainly due to the increase in income from currency differences and the derecognition of liabilities.

OTHER OPERATING INCOME (IN KEUR)	2021	2020
Income from derecognition of liabilities due to limitation of claims	229	62
Income from currency differences	152	0
Income from derecognition of personnel liabilities	10	5
Income from selling fixed assets	0	1
Other income	31	9
TOTAL	422	77

6.4 COST OF MATERIALS

The **cost of materials** for purchased services increased to kEUR 10,802 (2020: kEUR 9,208) and mainly includes costs for publisher inventory incurred and expenses for the technical infrastructure for the provision of services.

6.5 PERSONNEL EXPENSES

In financial year 2021, **personnel expenses** totalled kEUR 4,550 (2020: kEUR 3,683).

The increase in personnel expenses in financial year 2021 is mainly due to the utilization of the options created by the respective states of the European Union to reduce working hours (short-time work) in the amount of approximately EUR 0.6 million in the previous year.

PERSONNEL EXPENSES (IN KEUR)	2021	2020
Wages and salaries	3,822	3,005
Social security costs	728	678
TOTAL	4,550	3,683

Social security contributions include contributions of kEUR 5 (2020: kEUR 5) for direct insurance and contributions to statutory pension insurance of kEUR 327 (2020: kEUR 316).

The **average number of employees** (excluding the Management Board) of YOC Group amounted to 51 employees (2020: 46 employees).

As of 31 December 2021 YOC Group had 49 **employees** (31 December 2020: 45 employees).

6.6 OTHER OPERATING EXPENSES

In financial year 2021, **other operating expenses** amounted to kEUR 1,669 (2020: kEUR 1,350).

OTHER OPERATING EXPENSES (IN KEUR)	2021	2020
Current operating expense	369	336
Legal and consulting expense	346	291
Outside services	344	220
Marketing, communication and media placement	200	123
Stock exchange listing fees	94	57
Recruiting and training expense	90	50
Expense from currency translation	79	83
Supervisory Board	79	79
Travel costs	20	28
Other operating expense	48	83
TOTAL	1,669	1,350

6.7 INTEREST

Interest expenses of 151 kEUR (2020: 264 kEUR) mainly include interest from shareholder loans, the YOC convertible bond 2018-2022 and from lease liabilities in accordance with IFRS 16.

NET INTEREST (IN KEUR)	2021	2020
Interest expense from current liabilities	19	20
Interest expense from non-current liabilities	132	244
Interest expenses	**151**	**264**
FINANCIAL RESULT	-151	-264

6.8 INCOME TAXES

Tax expenses for the financial year 2021 consists of the following:

INCOME TAXES (IN KEUR)	2021	2020
ACTUAL INCOME TAXES		
Actual taxes on foreign income	266	223
Total actual income taxes	**266**	**223**
DEFERRED TAXES		
Deferred domestic taxes	-259	0
Total deferred taxes	**-259**	**0**
OTHER TAXES		
Total income taxes continuing operations	7	0
Total income taxes discontinued operations	0	0
TOTAL INCOME TAXES	7	223

Current income taxes comprise corporate income tax, trade tax, solidarity surcharge and foreign income taxes.

Deferred taxes recognized in profit or loss break down as follows:

DEFERRED TAXES RECOGNISED THROUGH PROFIT OR LOSS (IN KEUR)	2021	2020
From temporary differences	639	543
From loss carryforwards and tax credits	-898	-543
TOTAL DEFERRED TAXES RECOGNISED THROUGH PROFIT OR LOSS	-259	0

The expected tax expense is calculated by multiplying the consolidated profit before tax by the parent Company's tax rate of 30.38 % (2020: 30.41 %).

The relevant tax rate is calculated in accordance with the tax regulations applicable at the reporting date. Corporate income tax, the solidarity surcharge and trade tax are taken into account accordingly.

Deferred taxes for German entities are recognized using a corporate income tax rate of 15 % and a solidarity surcharge of 5.5 %.

The trade tax rate is calculated on the basis of a 3.5 % measurement figure and the respective municipality-specific assessment tax rate.

The following table illustrates the reconciliation from the expected to the actually reported tax expense for the Group as a whole:

RECONCILIATION (IN KEUR)	2021	2020
Comprehensive income before taxes continuing operations	1.859	868
Comprehensive income before taxes discontinued operations	214	-334
Profit before taxes	**2.073**	**534**
Relevant tax rate	30 %	30 %
Expected tax expense	**630**	**162**
CHANGES RESULTING FROM DEVIATIONS TO THE TAX MEASUREMENT BASIS		
Tax-exempt income, tax-exempt amounts and benefits	51	52
Non-tax deductible expense	-41	46
TAX EFFECTS FOR THE GROUP		
Consolidation effects	-65	0
TAX RATE DIFFERENCES		
Effects of differing foreign tax rates	-52	-7
RECOGNITION AND MEASUREMENT OF DEFERRED TAX ASSETS		
Non-recognition of deferred tax assets on loss carryforwards	-6	88
Utilization of the loss carryforward	-171	-26
Write-up of deferred taxes on previously unrecognized temporary differences/loss carryforwards	-343	-85

CHANGES OF PERMANENT DIFFERENCES

Changes of permanent differences	0	1

OTHER

Other	4	-8

Actual tax expense per income statement	**7**	**223**
Tax expense recognised in the income statement	7	223
Income tax expense attributable to the discontinued operations	0	0
TOTAL	7	223

The following deferred tax assets and liabilities were recognized on differences and on loss carry forwards:

DEFERRED TAX ASSETS / LIABILITIES (IN KEUR)	2021		2020	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	0	433	0	313
Rights of use from leasing (IFRS 16)	0	206	0	230
Accounts payable trade	0	0	0	1
Leasing liabilities (IFRS 16)	233	0	259	0
Tax loss carry-forwards and benefits	665	0	284	0
Total	**898**	**639**	**543**	**543**
Netting	-639	-639	-543	-543
RECOGNISED ON STATEMENT OF FINANCIAL POSITION	**259**	**0**	**0**	**0**

Deferred taxes on balance sheet items at the foreign investments are recognized in accordance with the tax circumstances applicable to the respective company.

As of 31 December 2021, deferred tax assets on tax loss carryforwards from corporate income tax in the amount of kEUR 12,082 (2020: kEUR 14,447) and from trade tax in the amount of kEUR 10,768 (2020: kEUR 13,227) have not been recognized.

Deferred taxes on tax loss carryforwards are recognized taking into account future realizability. The deferred tax assets remaining after netting deferred tax assets and liabilities were recognized in the amount of kEUR 259 (2020: kEUR 0).

Deferred tax assets are determined on the basis of short- and medium-term corporate planning regarding the future taxable income situation of the YOC Group.

Due to conservative planning assumptions, however, only the expected tax loss offset for financial year 2022 is taken into account.

6.9 EARNINGS PER SHARE

In March 2021, the conversion right of Eiffel Investment Group SAS (formerly Alto Invest SA) from the convertible bond issued in 2018 was exercised.

As a result, bonds with a nominal amount of EUR 1.5 million were converted into shares of YOC AG before their maturity on 31 July 2022.

In total, 183,500 no-par value shares, with the addition of a further 4,000 **YOC shares held in treasury**, were transferred to Eiffel Investment Group SAS in April 2021 as part of the conversion of the bond into equity of YOC Group.

As a result, the **share capital** of YOC Group and the total number of **voting rights** of YOC AG increased by 183,500 shares to a total of 3,476,478 shares or voting rights (31 December 2020: 3,292,978 shares or voting rights).

In calculating **earnings per share**, the earnings attributable to the holders of ordinary shares of YOC AG are divided by the weighted average number of shares issued in financial year 2021.

The undiluted average number of shares issued was 3,419,457 (diluted: 3,479,355).

6.10 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**

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

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

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

In the financial year 2021, YOC Group increased its **revenues at Group** level by 22 % to EUR 18.8 million (2020: EUR 15.5 million). In this context, both regional segments of YOC Group continued to develop positively with a significant increase in revenues compared to the same period of the previous year. **Earnings before interest, taxes, depreciation and amortization (EBITDA)** improved by 56 % in financial year 2021 and amounted to EUR 2.8 million (2020: EUR 1.8 million).

In accordance with IFRS 8.34, two customers each accounted for more than 10 % of consolidated revenues in financial 2021. These customers are purchasing platforms connected to the Company's proprietary technology platform VIS.X®. These customers are not directly attributable to any segment of the YOC Group.

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

	Revenues of the YOC Group in financial year 2021 with the customer (financial year 2020)	YOC Group's receivable from the customer as of 31.12.2021 (as of 31.12.2020)
Customer A	20 % (26 %)	21 % (22 %)
Customer B	10 % (7 %)	12 % (16 %)

In the **national segment, revenues** increased by 15 % to kEUR 11,103 (2020: kEUR 9,695). As a consequence, **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** increased significantly by kEUR 1,815 to kEUR 3,734 (2020: kEUR 1,919) compared to the same period of the previous year.

Revenues from **international operations** increased by 33 % to kEUR 7,734 in financial year 2021 (2020: kEUR 5,798). As a result, the segment contributed **operating earnings before interest, taxes, depreciation and amortization (EBITDA)** to the consolidated result of kEUR 2,002 (2020: kEUR 1,037).

As of 31 December 2021, **trade receivables** amounted to kEUR 1,755 (2020: kEUR 1,013) in the **national segment,** kEUR 1,234 (2020: kEUR 889) in the **international segment**, and kEUR 2,071 (2020: kEUR 1,971) in the **Corporate Functions** segment.

In addition, **trade payables** as of 31 December 2021 amounted to kEUR 1,468 (2020: kEUR 1,824) in the **national segment**, kEUR 692 (2020: kEUR 681) in the international segment, and kEUR 727 (2020: kEUR 549) in the **Corporate Functions** segment.

Operating earnings before interest, taxes, depreciation and amortization (EBITDA) can be reconciled to the consolidated profit for the period as follows:

RECONCILIATION (IN KEUR)	2021	2020
EBITDA	**2,849**	**1,838**
Depreciation and amortisation	-839	-705
Financial result	-151	-264
Net income before taxes	**1,859**	**869**
Taxes	-266	-223
Deferred tax income	259	0
Net income from discontinued operations	213	-334
NET INCOME	2,065	312

The following table clarifies the results of the individual segments. EBITDA is used as the measure of earnings in accordance with the internal reporting structure:

SEGMENT REPORTING (IN KEUR)	NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	TOTAL YOC GROUP
01/01/2021 – 31/12/2021					
External revenue	11,103	7,734	0	0	18,836
Internal revenue	833	234	915	-1,981	0
Total revenue	**11,935**	**7,967**	**915**	**-1,981**	**18,836**
Own work capitalised	0	0	612	0	612
Other operating income	247	82	1,000	-907	422
Total output	**12,182**	**8,049**	**2,527**	**-2,888**	**19,870**
Cost of materials	6,432	4,319	1,095	-1,044	10,802
Personnel expenses	1,415	956	2,179	0	4,550
Other operating expenses	600	772	1,204	-908	1,669
EBITDA	**3,734**	**2,002**	**-1,950**	**-936**	**2,849**

SEGMENT REPORTING (IN KEUR)	NATIONAL	INTERNATIONAL	CORPORATE FUNCTIONS	CONSOLIDATION	TOTAL YOC GROUP
01/01/2020 – 31/12/2020					
External revenue	9,695	5,798	0	0	15,492
Internal revenue	78	1	2,000	-2,079	0
Total revenue	**9,773**	**5,799**	**1,999**	**-2,079**	**15,492**
Own work capitalised	0	0	510	0	510
Other operating income	105	41	287	-356	77
Total output	**9,878**	**5,840**	**2,796**	**-2,435**	**16,079**
Cost of materials	6,175	3,418	1,312	-1,697	9,208
Personnel expenses	1,203	730	1,750	0	3,683
Other operating expenses	581	655	853	-739	1,350
EBITDA	**1,919**	**1,037**	**-1,120**	**1**	**1,838**

7. NOTES TO INDIVIDUAL ITEMS IN THE STATEMENT OF FINANCIAL POSITION

7.1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment mainly comprise operating and office equipment and IT infrastructure such as server systems.

As of 31 December 2021, the consolidated statement of financial position shows property, plant and equipment in the amount of kEUR 134 (2020: kEUR 96). In financial year 2021, depreciation of property, plant and equipment amounted to kEUR 44 (2020: kEUR 50).

There are no restraints on disposal or restrictions on individual items of property, plant and equipment. Similarly, no property, plant and equipment has been pledged or otherwise provided as collateral.

The development of property, plant and equipment in the 2020 financial year is as follows:

ACQUISITION COSTS (IN KEUR)

As of 01/01/2020	**602**
Additions	25
Disposals	44
AS OF 31/12/2020	582

DEPRECIATION (IN KEUR)

As of 01/01/2020	**476**
Additions	50
Disposals	40
AS OF 31/12/2020	487
Net carrying amount as of 31/12/2020	**96**

The development of property, plant and equipment in the 2021 financial year is as follows:

ACQUISTION COSTS (IN KEUR)

As of 01/01/2021	**582**
Additions	84
Disposals	157
AS OF 31/12/2021	510

DEPRECIATION (IN KEUR)

As of 01/01/2021	**487**
Additions	44
Disposals	155
AS OF 31/12/2021	375
Net carrying amount as of 31/12/2021	**134**

7.2 INTANGIBLE ASSETS

Additions to internally generated software totaled kEUR 837 as of 31 December 2021 (2020: kEUR 646). Of this amount, kEUR 612 (2020: kEUR 510) relates to own work capitalized and a further kEUR 225 (2020: kEUR 136) to externally procured or commissioned development services.

As of 31 December 2021, the remaining useful lives of **intangible assets** remained unchanged at between three and eight years. Amortization of intangible assets amounted to kEUR 572 for the financial year 2021 (2020: kEUR 440).

There are no restraints on disposal or restrictions on individual intangible assets. Similarly, no intangible assets have been pledged or issued as collateral.

The development of intangible assets is as follows:

DEVELOPMENT OF INTANGIBLE ASSETS 2020 (IN KEUR)	INTERNALLY DEVELOPED SOFTWARE	WEBSITE AND TRADEMARK RIGHTS	ACQUIRED SOFTWARE AND LICENCES	CUSTOMER BASES	TOTAL
ACQUISITION COSTS					
As of 01/01/2020	**3,215**	**110**	**632**	**139**	**4,095**
Additions	646	0	220	0	866
Disposals	0	0	0	0	0
AS OF 31/12/2020	3,862	110	852	139	4,961
DEPRECIATION					
As of 01/01/2020	**2,493**	**97**	**322**	**139**	**3,051**
Additions	329	0	111	0	440
Disposals	0	0	0	0	0
AS OF 31/12/2020	2,822	97	432	139	3,491
Net carrying amount as of 31/12/2020	**1,039**	**12**	**420**	**0**	**1,470**

DEVELOPMENT OF INTANGIBLE ASSETS 2021 (IN KEUR)	INTERNALLY DEVELOPED SOFTWARE	WEBSITE AND TRADEMARK RIGHTS	ACQUIRED SOFTWARE AND LICENCES	CUSTOMER BASES	TOTAL
ACQUISITION COSTS					
As of 01/01/2021	**3,862**	**110**	**852**	**139**	**4,961**
Additions	837	0	121	0	959
Disposals	0	0	128	0	128
AS OF 31/12/2021	4,699	110	845	139	5,792
DEPRECIATION					
As of 01/01/2021	**2,822**	**97**	**432**	**139**	**3,491**
Additions	463	0	109	0	572
Disposals	0	0	127	0	127
AS OF 31/12/2021	3,285	97	414	139	3,936
Net carrying amount as of 31/12/2021	**1,414**	**12**	**431**	**0**	**1,856**

7.3 RIGHTS OF USE FROM LEASING

Leases with a remaining term of up to one year are treated as short-term leases.

The office space rented by YOC Group companies results in corresponding rights of use and rental liabilities.

As of 31 December 2021, the **rights of use from leases** amounted to kEUR 678 (2020: kEUR 755).

The corresponding scheduled depreciation for the financial year 2021 amounted to kEUR 223 (2020: kEUR 262).

The development of the rights of use from leases is as follows:

CHANGES OF USE FROM LEASING 2020 (IN KEUR)

ACQUISTION COSTS

As of 01/01/2020	**1,246**
Additions	16
Disposals	44
AS OF 31/12/2020	1,218

DEPRECIATION

As of 01/01/2020	**245**
Additions	262
Disposals	44
Reposting	0
AS OF 31/12/2020	463
Net carrying amount as of 31/12/2020	**755**

CHANGES OF USE FROM LEASING 2021 (IN KEUR)

ACQUISTION COSTS

As of 01/01/2021	**1,219**
Additions	152
Disposals	150
AS OF 31/12/2021	1,221

DEPRECIATION

As of 01/01/2021	**464**
Additions	223
Disposals	150
Reposting	6
AS OF 31/12/2021	543
Net carrying amount as of 31/12/2021	**678**

7.4 RECEIVABLES AND OTHER FINANCIAL ASSETS

Trade receivables amounted to kEUR 5,059 as of 31 December 2021 (2020: kEUR 3,874) and consisted of the following:

TRADE RECEIVABLES (IN KEUR)	2021	2020
Trade receivables before impairment	5,060	3,875
Specific valuation allowance	0	0
Expected default (according to IFRS 9)	-1	-1
TOTAL	5,059	3,874

The increase in trade receivables is based on the steadily increasing programmatic sales shares, which have longer payment terms. The typical payment terms of the YOC Group with direct customers are between 7 and 30 days. The payment terms for programmatic sales via the VIS.X® technology platform and other third-party platforms (including Google, The Trade Desk and Xandr) have significantly longer contractual payment terms of up to 90 days. In accordance with IFRS 15, trade receivables include contract assets of kEUR 22 as of the reporting date (2020: kEUR 22).

The valuation allowances recognized on trade receivables on the basis of an expected default rate in accordance with IFRS 9 developed as follows:

CHANGES IN SPECIFIC VALUATION ALLOWANCE (IN KEUR)	2021	2020
As of 01/01/	1	6
Additions	1	0
Reversals	0	0
Usage	1	-5
AS OF 31/12/	1	1

The following table explains the analysis of the age structure of the overdue trade receivables in the portfolio as of the reporting date:

TRADE RECEIVABLES MATURITY ANALYSIS (IN KEUR)	2021	2020	EXPECTED CREDIT LOSS (IN %)
Neither due nor impaired as of 31/12	4,528	3,234	0.03
Up to 30 days	486	614	0.03
31 days to 90 days	43	25	0.03
91 days to 180 days	2	1	0.03
From 181 days	0	0	0.00
Due valud-adjusted receivables as of 31/12/	0	0	0.00
TOTAL TRADE RECEIVABLES	5,059	3,874	

Receivables management takes account of a balanced age structure of receivables by continuously analyzing the receivables portfolio. If there are indications of the need for a specific valuation allowance at an earlier stage, the receivables concerned are impaired accordingly. No significant receivables defaulted in the past financial years.

Other financial assets of kEUR 164 (2020: kEUR 134) mainly include deposits paid of kEUR 57 (2020: kEUR 61) and receivables from prepayments of kEUR 102 (2020: kEUR 64).

The prepayments were made for insurance, membership fees, rents and licenses, among other things. Impairment losses on other assets did not arise in financial year 2021.

All receivables and other assets are current items. There are no particular default risks or concentrations of default risks in the receivables of YOC Group. The carrying amounts presented above reflect the Group's maximum default risk for such receivables and other assets. Partwise, trade receivables have been pledged as collateral for shareholder loans.

Deferred tax assets amounted to kEUR 259 as of the balance sheet date (2020: kEUR 0) and relate exclusively to domestic tax loss carryforwards.

7.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all bank and cash balances totaling kEUR 1,793 (2020: kEUR 871). Bank accounts denominated in foreign currencies were translated at the closing rate.

As of 31 December 2021, no cash and cash equivalents had been issued as collateral.

7.6 EQUITY

As of 31 December 2021, the equity of YOC Group amounts to kEUR -621 (2020: kEUR -4,015). The significant increase in **equity** by kEUR 3,394 compared to the previous year is based on the one hand on the consolidated result for the period of kEUR 2,065 (2020: kEUR 312).

In parallel, the exercise of the conversion right of Eiffel Investment Group SAS (formerly Alto Invest SA) from the convertible bond issued in 2018 took place in March 2021. As a result, bonds with a nominal amount of kEUR 1,500 were converted into shares of YOC AG before their maturity on 31 July 2022.

In total, 183,500 no-par shares were transferred to Eiffel Investment Group SAS in April 2021 with the addition of a further 4,000 YOC **shares held in treasury.**

As a result, the **share capital** of YOC Group and the total number of **voting rights** of YOC AG increased by 183,500 shares to a total of 3,476,478 shares and voting rights, respectively.

According to the statutory voting right notifications made by the shareholders of YOC AG, the shareholdings as of 31 December 2021 are held as follows:

SHAREHOLDERS OF YOC AG	OWNERSHIP
Management Board*	18.89 %
Supervisory Board	1.66 %
Dr Kyra Heiss	10.25 %
Peter Zühlsdorff	8.87 %
Eiffel Investment Group SAS	5.39 %
Karl-J. Kraus	5.15 %
Euroweb Beteiligung GmbH	4.74 %
Dr Martin Steinmeyer	3.97 %
Free Float	41.08 %
TOTAL	100.00 %

* The ownership interest held by dkam GmbH is attributed to Mr Dirk-Hilmar Kraus.

The **currency translation differences** affecting equity in the amount of kEUR 8 (2020: kEUR 6) result from the translation of the financial statements of the Polish subsidiary from PLN to EUR.

As of 31 December 2021, the **capital reserve** included an amount of kEUR 22,053 (2020: kEUR 20,961).

The **accumulated losses** of the past financial years showed an amount of kEUR -26,159 as of 31 December 2021 (2020: kEUR -28,224). The change compared to the previous year results from the consolidated net profit for the period 2021 and from currency translation differences.

7.7 PROVISIONS AND SHARE-BASED REMUNERATION

The **provisions** are comprised as follows:

PROVISIONS (IN KEUR)	AS OF 01/01/2021	RE-VERSAL	RELEASE	ADDITION	AS OF 31/12/2021
Long-term					
Provisions for archiving	84	11	0	0	73
TOTAL	84	11	0	0	73

As of 31 December 2021, YOC Group reported provisions totaling kEUR 73 (2020: kEUR 84), which exclusively include non-current provisions for archiving costs. The archiving provision results from the obligation to retain Company documents. Discounting is based on the interest rates published by the Bundesbank for the respective remaining terms. This amounts to an average of 1 % for financial year 2021 (2020: 1 %).

Under the virtual stock option program (cash-settled share-based payments) launched in September 2014, 20,000 virtual stock options remain, which are linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 of the German Securities Acquisition and Takeover Act (WpÜG) with an indefinite term. The strike price at the grant date on 01 October 2014 was EUR 1.92. These virtual stock options are vested. No resulting liabilities were recognized as of the reporting date.

7.8 LIABILITIES

As of 31 December 2021, **liabilities** totaled kEUR 10,492 (2020: kEUR 11,131) and break down as follows:

LIABILITIES 31/12/2021 (IN KEUR)	CURRENT	NON-CURRENT	TOTAL
Trade payables	2,887	0	2,887
Liabilities from leasing	235	533	768
Shareholder loans	700	0	700
YOC convertible bond 2018 – 2022	0	0	0
Other financial liabilities	4,600	0	4,600
Other liabilities	1,018	0	1,018
Tax liabilities	282	237	519
TOTAL	9,722	770	10,492

LIABILITIES 31/12/2020 (IN KEUR)	CURRENT	NON-CURRENT	TOTAL
Trade payables	3,054	0	3,054
Liabilities from leasing	230	623	853
Shareholder loans	275	880	1,155
YOC convertible bond 2018 – 2022	0	1,363	1,363
Other financial liabilities	3,679	0	3,679
Other liabilities	749	0	749
Tax liabilities	278	0	278
TOTAL	8,265	2,866	11,131

The **shareholder loans** were partially rolled over in the course of 2021 and are now broken down by maturity as follows:

SHAREHOLDER LOANS (IN KEUR)	DURATION	AMOUNT	INTEREST RATE
Curent loans	1-10 Months	700	7 % - 7,25 %
TOTAL		700	

Partwise, trade receivables have been pledged as collateral for shareholder loans.

As of 31 December 2021, **other financial liabilities** of kEUR 4,600 (2019: kEUR 5,042) consisted of the following:

OTHER FINANCIAL LIABILITIES (IN KEUR)	2021		2020	
	TOTAL	OF WHICH CURRENT	TOTAL	OF WHICH CURRENT
Liabilities from invoices not received yet	4,576	4,576	3,506	3,506
Miscellaneous other financial liabilities	24	24	173	173
YOC convertible bond 2018 – 2022	0	0	1,363	0
TOTAL	4,600	4,600	5,042	3,679

Other liabilities totaling kEUR 1,018 (2020: kEUR 749) broke down as follows as of 31 December 2021:

OTHER LIABILITIES (IN KEUR)	2021		2020	
	TOTAL	OF WHICH CURRENT	TOTAL	OF WHICH CURRENT
Liabilities arising from personnel matters	614	614	569	569
Liabilities from operating taxes	312	312	32	32
Liabilities to Supervisory Board	48	48	49	49
Advance payments received	26	26	81	81
Miscellaneous other liabilities	18	18	18	18
TOTAL	1,018	1,018	749	749

Liabilities from personnel matters include bonus and commission claims totaling kEUR 277 (2020: kEUR 316), liabilities from wage and church taxes and social security contributions, obligations to the employers' liability insurance association and severely disabled compensation levy totaling kEUR 265 (2020: kEUR 171), and obligations for vacation days not yet taken as of the reporting date totaling kEUR 72 (2020: kEUR 82).

The **advance payments** received in the amount of kEUR 26 (2020: kEUR 81) include contractual performance obligations to customers (contract liability) in accordance with IFRS 15.

7.9 OTHER DISCLOSURES ON FINANCIAL INSTRUMENTS

The carrying amounts of cash instruments, trade receivables, other current assets and other current financial liabilities nearly correspond with their fair value, mainly due to the short maturity of these instruments.

On grounds of materiality, the fair value for these current items in the Statement of Financial Position is equated to the carrying value.

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

EVALUATION CATEGORIES 31/12/2021 (IN KEUR)	CARRYING AMOUNT	AMORTIZED COSTS
FINANCIAL ASSETS		
Cash and cash equivalents	1,793	1,793
Trade receivables	5,059	5,059
Other financial assets	164	164
FINANCIAL LIABILITIES		
thereof long-term		
Liabilities from leasing	534	534
thereof short-term		
Trade payables	2,887	2,887
Liabilities from leasing	235	235
Fixed rate borrowing	700	700
Other financial liabilities (without loans)	4,600	4,600

EVALUATION CATEGORIES 31/12/2020 (IN KEUR)	CARRYING AMOUNT	AMORTIZED COSTS
FINANCIAL ASSETS		
Cash and cash equivalents	871	871
Trade receivables	3,874	3,874
Other financial assets	134	134
FINANCIAL LIABILITIES		
thereof long-term		
Fixed rate borrowing	880	880
YOC convertible bond 2018 – 2020	1,364	1,364
Liabilities from leasing	623	623
thereof short-term		
Trade payables	3,054	3,054
Liabilities from leasing	230	230
Fixed rate borrowing	275	275
Other financial liabilities (without loans)	3,679	3,679

The fixed-interest loans exclusively comprise short-term shareholder loans. These are agreed at standard market conditions with a remaining term of up to one year.

The following table shows the future undiscounted contractually agreed cash outflows related to the financial instruments:

MATURITY ANALYSIS (IN KEUR)	CARRYING AMOUNT AS OF 31/12/2021	NON-DISCOUNTED CASH-OUTFLOW UP TO 1 YEAR	NON-DISCOUNTED CASH-OUTFLOW 1 TO 5 YEARS
Other liabilities	991	991	0
Other financial liabilities	4,600	4,600	0
Trade payables	2,887	2,887	0
Liabilities to shareholders	700	700	0
Liabilities from leasing	768	235	533

MATURITY ANALYSIS (IN KEUR)	CARRYING AMOUNT AS OF 31/12/2020	NON-DISCOUNTED CASH-OUTFLOW UP TO 1 YEAR	NON-DISCOUNTED CASH-OUTFLOW 1 TO 5 YEARS
Other liabilities	668	668	0
Other financial liabilities	3,679	3,679	0
YOC convertible bond 2018 – 2022	1,364	0	1,364
Trade payables	3,054	3,054	0
Liabilities to shareholders	1,155	275	880
Liabilities from leasing	853	230	623

YOC Group has a group-wide liquidity management system which monitors the liquidity of the group companies on a daily basis.

As in the previous year, the maximum default risk as of 31 December 2021 is the carrying amount of all financial assets due from third parties.

The default risk on trade accounts receivable relates in particular to the concentration of the three largest debtors.

These account for around 34 % of total trade accounts receivable. Revenues and expenses as well as profits and losses from financial instruments recognised in the statement of comprehensive income are presented in the table below:

GAINS AND LOSSES FROM FINANCIAL INSTRUMENTS (IN KEUR)	2021	2021
FINANCIAL LIABILITIES		
Amortized cost	90	183
TOTAL	90	183

8. NOTES TO THE CASH FLOW STATEMENT

8.1 CASH FLOW FROM INDIVIDUAL ACTIVITIES

OPERATING CASH FLOW

Cash flow from operating activities is calculated using the indirect method.

The starting point for the calculation is the consolidated net profit for the past financial year of kEUR 2,065 (2020: kEUR 312).

Cash flow from operating activities amounted to kEUR 2,721 in the reporting period (2020: kEUR 1,021). In addition to the consolidated net profit for the period, this resulted from the business-related change in working capital.

The change in working capital in the completed financial year 2021 is based on the higher programmatic share of sales, which has longer payment terms.

CASH FLOW FROM INVESTING ACTIVITIES

The **cash outflow from investing activities** of kEUR 1,057 (2020: kEUR 893) primarily comprises development costs in connection with the further development of the Company's technological platforms and innovative products.

CASH FLOW FROM FINANCING ACTIVITIES

The **cash flow from financing activities** of kEUR -742 (2020: kEUR -248) results from the assumption and repayment of lease liabilities and loan liabilities.

In addition, 6,325 convertible bonds were repaid before maturity to the subscribers of the bond in financial year 2021 in the amount of kEUR 51.

The following table shows the change between the opening balance sheet and the closing balance sheet values of liabilities from financing activities in accordance with IAS 7:

LIABILITIES FROM FINANCING ACTIVITIES (IN KEUR)	AS OF 01/01/21	REDEMP-TION*	RAIS-ING*	NON-CASH EFFECTIVE	AS OF 31/12/21
short term					
Loan liabilities	275	-275	0	700	700
Operating bank line	0	-486	486	0	0
Convertible bond	0	0	0	0	0
Liabilities from leasing	230	-230	0	235	235
long-term					
Loan liabilities	880	-180	0	-700	0
Convertible bond	1,364	-51	0	-1,313	0
Liabilities from leasing	623	-6	0	-83	534
TOTAL	3,372	-1,228	486	-1,161	1,469

* Cash effective

LIABILITIES FROM FINANCING ACTIVITIES (IN KEUR)	AS OF 01/01/20	REDEMP-TION*	RAIS-ING*	NON-CASH EFFECTIVE	AS OF 31/12/20
short term					
Loan liabilities	225	-225	0	275	275
Convertible bond	0	0	0	0	0
Liabilities from leasing	224	-223	0	229	230
long-term					
Loan liabilities	955	0	200	-275	880
Convertible bond	1,317	0	0	47	1,364
Liabilities from leasing	854	0	17	-248	623
TOTAL	3,575	-448	217	28	3,372

* Cash effective

8.2 CASH FUNDS

Cash and cash equivalents comprise all bank and cash balances and amounted to kEUR 1,793 (2020: kEUR 871) as of 31 December 2021.

9. NOTES TO THE STATEMENT OF CHANGE IN EQUITY

In addition to the consolidated profit for the period of kEUR 2,065 (2020: kEUR 312) recognized in accumulated losses, currency translation effects of kEUR 2 (2020: kEUR 26) impacted consolidated equity as of 31 December 2021.

10. OTHER DISCLOSURES

10.1 GUARANTEES, CONTINGENT LIABILITIES AND SIMILAR OBLIGATIONS

An exercise of 20,000 virtual stock options are linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 WpÜG with an indefinite term. The strike price at the grant date on 01 October 2014 was EUR 1.92. These virtual stock options are vested. No resulting liabilities were recognized as of the reporting date.

In addition, the service contract of the Management Board member Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, includes a one-time performance-related payment subject to the condition of a change of control following a takeover bid. The performance-related compensation, which is staggered according to the share price at the time of the transaction, amounts to a maximum of 1.5 % of the transaction volume.

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

10.2 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION REPORTING DATE

On 26 January 2022, YOC AG announced the wholly-owned acquisition of the Company shares of Zurich, Switzerland-based theINDUSTRY AG. With the completion of this

acquisition, YOC AG is now represented in the complete DACH region (Germany, Austria and Switzerland). The integration into the YOC Group offers both companies the potential to generate faster and sustainable growth and to realise corresponding synergies.

The purchase price is divided into a fixed component and further variable performance-related components, which depend on the operating results of theINDUSTRY AG in the financial years 2022 to 2024. The resulting expected total purchase price of EUR 0.4 million to EUR 0.75 million will be fully financed from the current cash flow of YOC AG. In the course of this corporate transaction, YOC AG will acquire assets amounting to EUR 0.2 million and liabilities amounting to EUR 0.4 million of theINDUSTRY AG which will be recognized in the consolidated financial statements as of the first quarter of 2022.

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.

Apart from that, no further events with a material impact on the net assets, financial position and results of operations have occurred after the balance sheet date.

10.3 FINANCIAL RISK MANAGEMENT

YOC Group is exposed to default, liquidity and market risks in the course of its ordinary business activities. The Management Board is informed about the development of YOC Group's equity through regular reporting of key figures such as sales development, gross profit margin or EBITDA.

In addition, regular monitoring of liquidity risks takes place in order to analyze cash flow fluctuations and to identify liquidity bottlenecks in good time and take countermeasures. Financial risk management is operated by a central treasury department under the supervision of the Management Board. Liquidity management supports the Management Board in monitoring measures to safeguard liquidity by monitoring business developments and cash flow fluctuations.

DEFAULT RISK

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

Credit risks result from trade receivables. A concentration of risk arises due to the increasingly growing share of programmatic trading and the resulting increase in average payment terms. The proportionate share of trade accounts receivable of the three largest debtors corresponds to approximately 34 % of total trade accounts receivable. As of 31 December 2021, 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 Management Board in monitoring measures to secure liquidity by monitoring business development and cash flow fluctuations.The management is carried out, among other things, by means of key figures (for example, equity and debt ratios, working capital, etc.), which provide information about the capital structure of the Company.

As of 31 December 2021, YOC Group has a liquidity balance of EUR 1.8 million. In April 2022, YOC AG concluded an agreement with Commerzbank AG for a credit line of EUR 1.0 million with a term until 30 June 2023. This means that YOC Group has sufficient liquidity even in the event of a significant budget shortfall in the forecast period.

MARKET RISK

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

INTEREST RATE RISK

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

CURRENCY RISK

The Group operates internationally and is exposed in particular to foreign currency risk. The currency risks arise from future business transactions and asset and liability items denominated in foreign currencies. Such items are denominated in US dollars in particular.

As part of the management of the exchange rate risk against the US dollar, YOC Group is considering hedging these risks in the future by means of forward exchange contracts.

OTHER PRICE RISK

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

OTHER RISK IN CONNECTION WITH THE CORONA PANDEMIC

We do not expect a comparative slump or shock in the advertising industry, which occurred at the beginning of the pandemic in the first quarter of 2020, even if the pandemic continues. However, the Company's sales forecast is based on the assumption that the nationwide provision and administration of suitable vaccines and booster vaccinations will progress and that no further lockdown measures will be necessary in the future in the core markets relevant for YOC AG.

10.4 RELATED PARTY DISCLOSURES

Related parties within the meaning of IAS 24 are generally members of the Management Board and Supervisory Board of YOC AG and their family members, as well as companies controlled by this group of persons. In addition, persons in key positions and their close family members (in accordance with IAS 24.9) are considered related parties.

Obligations of YOC AG to its Management Board member Dirk-Hilmar Kraus in the amount of kEUR 180 have been subject to interest at a rate of 5 % p. a. since 01 January 2015. The resulting interest has been paid annually in January of each subsequent year in accordance with the contract. The repayment to Mr Dirk-Hilmar Kraus was made in November 2021.

Furthermore, Mr Dirk-Hilmar Kraus had provided YOC Group with a loan in the amount of kEUR 100 in the course of 2019 to finance further Company growth. This loan bore interest at 6 % p. a. until repayment in July 2021.

In addition, Mr Dirk-Hilmar Kraus provided YOC Group with another loan in the amount of kEUR 200 in February 2020. This loan bears interest at 7 % p. a. and has now been reported under current liabilities to shareholders as of 31 December 2021. As a result, the loans provided to the Group by Dirk-Hilmar Kraus totaled kEUR 200 as of the balance sheet date (2020: kEUR 480).

These loans are not secured. The resulting interest expenses amounted to kEUR 25 in financial year 2021 (2020: kEUR 27). There were no other significant business transactions with related parties in the reporting period.

10.5 MANAGEMENT BOARD AND SUPERVISORY BOARD REMUNERATION

REMUNERATION OF THE MANAGEMENT BOARD

In financial year 2021, the Management Board of YOC AG continued to consist of one member, Mr Dirk-Hilmar Kraus. The remuneration of the Management Board in financial year 2021 included a fixed salary component totaling kEUR 200 (2020: kEUR 141). There was also an additional variable component of kEUR 41 (2020: kEUR 26).

In addition, payment of an obligation of YOC AG to its Management Board member Dirk-Hilmar Kraus in the amount of kEUR 180, which had been deferred since financial year 2013, was made in November 2021. An exercise of 20,000 virtual stock options is linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 WpÜG with an indefinite term. The strike price at the grant date on 01 October 2014 was EUR 1.92. These virtual stock options are vested. No resulting liabilities were recognized as of the reporting date.

In addition, the service contract of the Management Board member Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, includes a one-time performance-related payment subject to the condition of a change of control following a takeover bid. The performance-related compensation, which is staggered according to the stock market 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. In addition, no advances, loans, security deposits, pension commitments or similar benefits were granted to the members of the Management Board.

REMUNERATION OF THE SUPERVISORY BOARD

Supervisory Board remuneration was set by the General Meeting of YOC AG on the basis of a proposal by the Management Board and Supervisory Board.

Supervisory Board remuneration is fixed at kEUR 12.5 for one financial year. The chairman of the Supervisory Board receives twice this amount and the deputy chair 1.5 times this amount. For each face-to-face meeting of the Supervisory Board, each member of the Supervisory Board receives the amount of kEUR 1.0, the chairman of the Supervisory Board receives twice that, and the deputy chair 1.5 times that amount.

No remuneration was granted for personally rendered services apart from the board activities, particularly for any consulting or referral services.

Remuneration for the activities of the Supervisory Board came to a total of kEUR 79 in financial year 2021 (2020: kEUR 79).

REMUNERATION OF THE SUPERVISORY BOARD IN 2021 (IN KEUR)

NAME	FIXED REMUNERATION	ATTENDANCE FEE	TOTAL
Dr Nikolaus Breuel (Chairman)	25	10	35
Konstantin Graf Lambsdorff	18	8	26
Sacha Berlik	13	5	18
TOTAL	56	23	79

10.6 AUDITOR'S FEES

Fees of kEUR 93 were incurred for the services of the auditors Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Berlin, in the reporting year.

AUDITOR'S FEES (IN KEUR)	2021	2020
Audit of financial statements	79	70
Tax consulting services	9	18
Other services	5	0
TOTAL	93	88

10.7 DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE

The Declaration of Conformity with the German Corporate Governance Code (Deutscher Corporate Governance Kodex) pursuant to Sect. 161 of the German Stock Corporation Act (AktG) was issued by the Management Board and the Supervisory Board and has been made permanently accessible to YOC AG's shareholders on the web page at www.yoc.com in the "Investor Relations" section.

STATEMENT OF RESPONSIBILITY BY THE MANAGEMENT BOARD

(Pursuant to Sect. 37y No. 1 Securities Trading Act WpHG in conjunction with Sect. 297 Para. 2 Sent. 4 and Sect. 315 Para. 1 Sent. 5 German Commercial Code HGB)

To the best of my knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report, which has been combined with the Management Report of YOC AG, 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.

Berlin, 14 April 2022

DIRK-HILMAR KRAUS
THE MANAGEMENT BOARD

INDEPENDENT AUDITOR'S REPORT

„TO YOC AG

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

OPINIONS

We have audited the consolidated financial statements of YOC AG, Berlin, and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2021, and the consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity for the financial year from 01 January to 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of YOC AG for the financial year from 01 January to 31 December 2021.

In accordance with the German legal requirements, we have not audited the content of the parts of the group management report specified in the appendix to the auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the acCompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2021 and of its financial performance for the financial year from 01 January to 31 December 2021, and

- the acCompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with consolidated financial statements which comply with German legal requirements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of the components of the group management report referred to in the appendix to the auditor's report.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 01 January to 31 December 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1) EXISTENCE AND MEASUREMENT OF REVENUE FROM DIGITAL ADVERTISING SERVICES

Reasons why the matter was determined to be a key audit matter

The YOC Group generates revenue from rendering digital advertising services. Revenue is recognized in the annual financial statements of YOC AG at the point in time the service is rendered. Revenue from rendering digital advertising services has a significant influence on the Group's net income for the year and is one of the most important performance indicators for the YOC Group. Due to the large transaction volume of digital advertising services and the risk of fictitious revenue, we consider the existence of revenue from digital advertising services to be a key audit matter.

Auditor's response

In the course of our audit procedures, we assessed the accounting policies applied in the consolidated financial statements of YOC AG for revenue recognition, taking into account the criterion for transferring significant opportunities and risks. We analyzed the processes implemented by the executive directors of the Group on the basis of the accounting principles to determine the existence of revenue from digital advertising services.

To be able to identify any significant fictitious revenue, we performed a correlation analysis of revenue with trade receivables and payments received for financial year 2021. We also obtained balance confirmations for material trade receivables as audit evidence. Furthermore, we verified the existence of revenue from digital advertising services through quantity reconciliations with evidence of delivering digital advertising services provided by external service providers.

Moreover, we assessed the existence of revenue from digital advertising services on a sample basis by inspecting corresponding contracts and evidence of orders. In addition, we assessed whether the internal requirements for revenue recognition were complied with and tested the design and effectiveness of implemented internal controls.

Our audit procedures did not lead to any reservations regarding the existence of revenue from digital advertising services.

Reference to related disclosures

For information on the accounting policies applied to revenue, we refer to section 4 "Accounting and measurement principles" and section 6.1 "Revenue" of the notes to the financial statements.

2) RECOVERABILITY OF INTERNALLY DEVELOPED SOFTWARE

Reasons why the matter was determined to be a key audit matter

The capitalization of internally developed software is based on the estimate of the future usability of the relevant platforms and software products in the business operations. The estimate of the future usability is based on assumptions, especially regarding the future cash flow expected from using this software, and is therefore subject to judgment.

On account of the executive directors' use of judgment in estimating the future usability, we consider the recoverability of internally developed software to be a key audit matter.

Auditor's response

To assess the future usability of the relevant platforms and applications, we examined the payments expected in the future for internally developed software on the basis of the YOC Group's liquidity and business planning. We discussed the assumptions underlying the planning with the executive directors and assessed these taking into account the results achieved in the past. In this connection, we evaluated the planning reliability on the basis of plan/actual variances in the past. We also obtained evidence for the use of capitalized software and applications on a spot check basis.

Our audit procedures did not lead to any reservations regarding the assessment of the recoverability of internally developed software.

Reference to related disclosures

Disclosures on the accounting policies applied to internally developed software can be found in section 4 "Accounting and measurement principles" of the notes to the consolidated financial statements.

For information on the composition of internally developed software, we refer to the subsection "Intangible assets" in section 7 "Notes to individual items in the statement of financial position" of the notes to the consolidated financial statements.

3) ASSESSMENT OF LIQUIDITY RESOURCES IN THE FORECAST PERIOD

Reasons why the matter was determined to be a key audit matter

The Group has generated losses for many years in the past. As a result, the Group's liquidity has been tight. Financing was generally provided by short-term shareholder loans and a convertible bond. In 2020, the Group achieved positive consolidated net income again for the first time. The planning for the forecast period involves significant growth compared to the previous year and, together with the measures to improve liquidity resources, forms the basis for the Group's liquidity planning. Due to the past losses with the acCompanying tight liquidity position, the assessment of the liquidity position in the forecast period was an important audit matter in the context of our audit.

Auditor's response

In accordance with Art. 10 (2) c) ii) of the EU Audit Regulation, we summarize our audit response to this risk as follows: As part of our audit procedures, we analyzed the group planning for 2022 and 2023 on a monthly basis and at Company level, and discussed the underlying assumptions with the executive directors and compared them with industry expectations, as well as assessing the planning reliability of previous years' planning. Particular attention was paid to scenario planning in the event of a negative deviation from the forecast EBITDA. We discussed with the executive directors the underlying assumptions regarding cash flow and EBITDA taking into account the development of the YOC Group's revenue and earnings in the first quarter of 2022, obtained sufficient and appropriate evidence, and assessed the impact on liquidity planning on this basis.

We also obtained and assessed audit evidence regarding the existence and possibility of obtaining additional financing, in particular in connection with the agreement of a working capital facility. In addition, we obtained evidence on the conversion of the convertible bond issued in 2018 and analyzed the corresponding impact on the planned development of the Group's liquidity.

Our audit procedures did not lead to any reservations regarding to the assessment of the liquidity position in the forecast period.

Reference to related disclosures

We refer to the Management Board's comments in the "YOC Group Forecast Report" section of the management report, which was combined with the group management report, and section "4.1 General principles".

Our opinions are not modified in respect of this matter.

OTHER INFORMATION

The Supervisory Board is responsible for the Report of the Supervisory Board. The executive directors and the Supervisory Board are responsible for the Declaration pursuant to Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the Declaration on Corporate Governance, and for the remuneration report pursuant to Sec. 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the parts of the annual report mentioned in the appendix to the auditor's report.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern.

They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the assurance work.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SEC. 317 (3B) HGB

OPINION

We have performed assurance work in accordance with Sec. 317 (3b) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the attached file 391200YTK6VMV8JTZV90-2021-12-31-de.zip (SHA-256-Checksum: KOA:53ed8a14944ab563316ea45f98189381afe72bd8d2e6553fdf275299d5d0c582 and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format").

In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

Under those requirements, our assurance likewise does not extend to the tagging of the individual disclosures in the notes to the consolidated financial statements performed voluntarily by the Company.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

Beyond this assurance opinion and our audit opinions on the acCompanying consolidated financial statements and the acCompanying group management report for the financial year from 01 January to 31 December 2021 contained in the "Report on the audit of the consolidated financial statements and of the group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Furthermore, we do not express any assurance opinion on the Company's voluntary tagging of individual group disclosures in the notes to the consolidated financial statements.

BASIS FOR THE OPINION

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file identified above in accordance with Sec. 317 (3b) HGB and Exposure Draft of IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3b) HGB (ED IDW AsS 410). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with Sec. 328 (1) Sentence 4 No. 2 HGB. In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format. The executive directors of the Company are also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited consolidated financial statements and the audited group management report as well as other documents to be published to the operator of the Bundesanzeiger [German Federal Gazette].

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

GROUP AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE WORK ON THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB.

We exercise professional judgment and maintain professional skepticism throughout the assurance work.

We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ART. 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the Annual General Meeting on 30 June 2021. We were engaged by the Supervisory Board on 30 June 2021.

We have been the group auditor of YOC AG without interruption since financial year 2010.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be published in the Bundesanzeiger [German Federal Gazette] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Dr. Ingo Röders."

PARTS OF THE MANAGEMENT REPORT WHOSE CONTENT IS UNAUDITED

We have not audited the content of the following parts of the group management report:

- the Declaration on Corporate Governance.

Furthermore, we have not audited the content of the following disclosures extraneous to management reports. Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 315, 315a or Secs. 315b to 315d HGB or GAS 20:

- the "Statement of Responsibility by the Management Board" section pursuant to Sec. 297 (2) Sentence 4 HGB and Sec. 315 (1) Sentence 5 HGB,
- the "Report of the Supervisory Board" section,
- the "Letter to the Shareholders" section,
- the "Management Board and Supervisory Board of YOC AG" section,
- the "Remuneration Report of YOC AG" section,
- the "YOC Share" section,
- the "Financial Calendar 2022" section,
- the "Declaration of Conformity 2021" section,
- the "Business Model" section,
- the "Technology" section,
- the "YOC Product Overview" section,
- the "Market Environment Programmatic Advertising" section,
- the "Range of services" section,
- the "Control and Risk Management Report on the Accounting Process" section,
- Study by Nielsen / YOC "The effectiveness of high-impact ad formats",
- Study by Nielsen / YOC "Planning for Impact".

Berlin, 20 April 2022

ERNST & YOUNG GMBH
WIRTSCHAFTSPRÜFERGESELLSCHAFT

DR RÖDERS
WIRTSCHAFTSPRÜFER
[GERMAN PUBLIC AUDITOR]

BEHRENDT
WIRTSCHAFTSPRÜFER
[GERMAN PUBLIC AUDITOR]

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