

FIRST QUARTER

UNAUDITED CONDENSED
INTERIM FINANCIAL STATEMENTS
AS AT 31 MARCH 2025

2025

» SELECTED GROUP KEY FIGURES

	Q1 2025	Q1 2024	Change
	kEUR	kEUR	in percent
Gross sales	21,465	20,772	3.3
Revenue	5,283	5,176	2.1
Gross profit	5,210	5,014	3.9
EBIT	-80	8	<-100.0
EBITDA	84	221	-62.0
Net profit/(loss) for the period	-126	-24	>100.0
Earnings per share in EUR (basic)	-0.01	-0.01	0.0

	31/3/2025	31/3/2024	Change
	kEUR	kEUR	in percent
Liquid funds*	20,055	22,537	-11.0
Equity	20,498	18,833	8.8
Total assets	40,594	40,880	-0.7
No. of employees	202	213	-5.2

*Liquid funds is an alternative performance measure and includes cash & cash equivalents

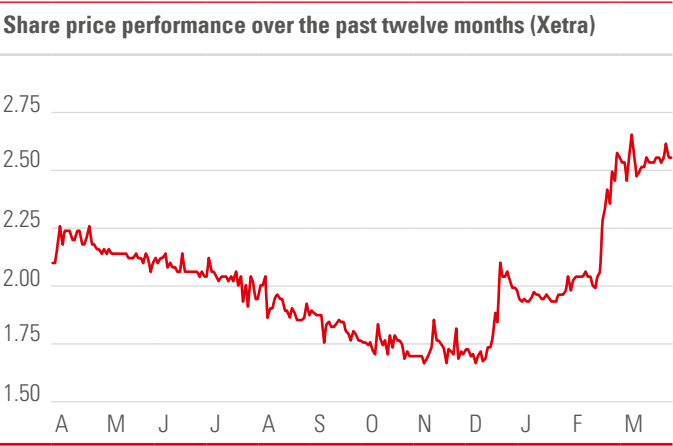
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» KEY FIGURES AT A GLANCE

Key data about the ad pepper share	
Security Identification Number (WKN)	940883
ISIN	NL0000238145
Type of share	Ordinary bearer shares
Stock market segment (Frankfurt Stock Exchange)	Prime Standard
Initial public offering	9 October 2000
Designated Sponsor	Pareto Securities
Capital stock (EUR)	1,160,000
No. of shares	23,193,244
Sector	Advertising

Key share figures	Q1	Q1
	2025	2024
XETRA closing price at end of period (EUR)	2.56	2.14
Highest price (EUR)	2.66	2.44
Lowest price (EUR)	1.93	1.80
Market capitalisation at end of period (EUR)	59.3m	49.6m
Average no. of shares traded (XETRA) per day	8,126	3,773
Earnings per share (basic) (EUR)	-0.01	-0.01
Net cash per share* (EUR)	0.88	0.99



Shareholder structure as at 31/3/2025	Number of shares	Shareholding
		in percent
EMA B.V.	9,486,402	40.90
Treasury stock	1,227,128	5.29
Euro Serve Media GmbH	1,641,786	7.08
Subtotal	12,355,316	53.27
Free float	10,837,928	46.73
Total	23,193,244	100.0

*(liquid funds – long-term debt)/number of shares outstanding

» THE STRUCTURE OF THE AD PEPPER GROUP

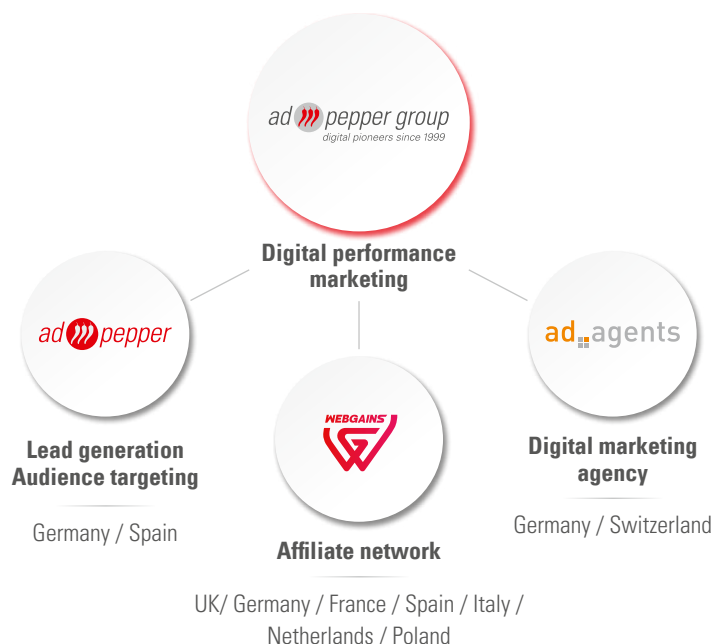
ad pepper media International N.V. is the holding company of one of Europe's leading international performance marketing groups. Founded in 1999, the ad pepper Group is one of the pioneers in the online marketing business. With eleven offices in Germany, Italy, France, Spain, Switzerland, Poland, the United Kingdom and the Netherlands, the ad pepper Group develops performance marketing solutions for its customers around the world.

The ad pepper Group operates in the highly dynamic digital commerce market, which is characterised by dynamic growth in both consumer and advertising expenditure. Channels such as social media, search, video and mobile – to name just a few – continue to expand their market share.

The ad pepper Group provides services for large corporations and major SMEs based in Europe and abroad. Our clients operate primarily in the "Trade & Consumer Goods", "Financial Services", "Telecommunications & Technology" and "Transport and Tourism" sectors. The ad pepper Group strives for long-term client relationships and has been working with some of its clients for more than a decade.

The ad pepper Group focuses on long-term value creation through organic growth in its existing businesses, while also evaluating inorganic growth opportunities through value-accretive acquisitions. The Group is divided into three reporting segments, which work in close cooperation with the holding company and operate independently in the marketplace: **ad pepper** (performance marketing company), **ad agents** (digital marketing agency) and **Webgains** (affiliate marketing network). The holding company assumes responsibility for the transfer of know-how between the segments, the strategic focus, as well as financing and liquidity as part of the overall governance and administration of the Group. The ad pepper Group's overall strategy is to support and strengthen each segment individually, as each business has its own distinctive culture, clients, product range and regional focus. All three business segments offer their clients performance-based solutions. This means that the advertiser only pays if there are measurable results (completion of specific actions). The most common models in performance-based marketing are: CPM (cost-per-mile), CPC (cost-per-click), CPL (cost-per-lead) and CPA (cost-per-acquisition).

The ad pepper Group also offers a broad range of services, such as consulting and the development of strategies for the use of digital technologies, the design, implementation and execution of digital marketing and communication solutions as well as consulting on digital media strategies and digital media technologies and tools. The ever-increasing importance of digital processes for businesses leads to an increase in the corresponding budgets, and the vast amounts of data thus generated require thorough analysis (preferably in real time). To be successful in the field of digital marketing, companies therefore need to develop competencies that go beyond an effective allocation of digital media spend across multiple channels and managing the respective campaigns. And they need help to achieve this. It is therefore not surprising that – in some areas of our business – the ad pepper Group is competing more and more with well-known strategy and IT consultancies that offer consulting services in the digital marketing space.



The segments of the ad pepper Group

ad pepper

The Group's success story began with ad pepper in 1999. As a leading performance marketing company, ad pepper specialises in lead generation and targeting specific audiences. ad pepper works with its clients to develop on-line marketing strategies for over 50 countries worldwide and uses the latest technologies for each project. Whether at the local, national or international level, ad pepper helps its customers meet their goals by developing the most efficient online marketing strategies for their budget.

Taking local conditions into account, ad pepper is able to optimise campaigns for the target markets. Whether working with an agency or a direct client, the aim is always to deliver the best possible result. What sets ad pepper apart from its competitors? Many years of experience — and iLead. This unique platform enables the agency to generate customised campaigns that are adapted to the specific markets of their clients in next to no time. And the iLead platform was developed in-house. With the help of iLead, over 30,000 campaigns have been successfully launched and managed worldwide and millions of qualified leads have been generated.

Offices: Nuremberg / Madrid



Webgains

Webgains has been part of the ad pepper Group since 2006. Today, the registered and approved affiliate network serves over 1,800 clients worldwide, from start-ups to global brands, in more than 170 global markets. When it comes to designing local and international campaigns, Webgains not only benefits from its strong publisher network, but also from the extensive experience of over 100 highly motivated experts with excellent market knowledge, which they continuously develop. Webgains became the world's first certified B-corp affiliate Network in 2023, balancing globally aligned standards with hi-performance and profits.

Thanks to partnerships with over 250,000 publishers, Webgains' clients have access to one of the world's leading, performance affiliate marketing networks, offering the widest possible reach. Furthermore, Webgains has recently launched the Affiliate Discovery product to create smarter connections, as well as The Tag for seamless integration of technology partners.

The current strategy focuses on a service-oriented and performance-differentiated approach. By investing in talent and technology, Webgains has created the optimum blend of human and artificial intelligence. High-tech advances make it easy to quickly roll out scalable, international campaigns. Meanwhile, customers can count on outstanding data security at all times and benefit from near real-time performance reporting.

**Offices: Nuremberg / Madrid / Bristol / London / Paris /
Milan / Amsterdam / Warsaw**



ad agents

ad agents joined the ad pepper Group in 2007. Today, it is one of Germany's most successful online and performance marketing agencies – and for a good reason. Their strategies are as unique as their personalised consulting and support services, which are always optimised to suit the situation and the specific requirements of ad agents' clients. ad agents maintains an overview of the entire digital advertising market and adapts its comprehensive service portfolio accordingly, thus supporting its clients with planning and implementing efficient and effective online and performance marketing strategies. ad agents' digital marketing experts always find the perfect strategy to increase our clients' brand awareness and sales – across all digital channels and on all devices.

As a full-service performance marketing agency, ad agents has a sixth sense for trends, extensive experience and transparent reporting structures. They advise and support national and international companies from virtually every industry who partner with ad agents to create exceptional and successful performance marketing campaigns.

Exceptional quality always pays off: ad agents is a certified Google Premier Partner, Microsoft Advertising Elite Agency as well as a Meta (Platform) Business Partner and maintains strong partnerships with leading-edge technology providers.

Offices: Herrenberg / Zurich

ad agents

» GENERAL INFORMATION ABOUT THIS MANAGEMENT REPORT

Definitions

All mentions of "ad pepper media International N.V.", "ad pepper Group" or the "Group" in this management report relate to the ad pepper Group.

This management report contains forward-looking statements and information based on the beliefs of and assumptions made by our management using information currently available to them. We have based these forward-looking statements on our current expectations, assumptions, and projections about future conditions and events. As a result, our forward-looking statements and information are subject to uncertainties and risks, many of which are beyond our control. If one or more of these uncertainties or risks materialise, or if the management's underlying assumptions prove incorrect, our actual results could differ materially from those described in or inferred from our forward-looking statements and information. We describe these risks and uncertainties in the risk report of our Annual Report 2024.

The words "aim", "anticipate", "assume", "believe", "continue", "could", "counting on", "is confident", "estimate", "expect", "forecast", "guidance", "intend", "may", "might", "outlook", "plan", "project", "predict", "seek", "should", "strategy", "want", "will", "would" and similar expressions as they relate to us are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date specified or the date of this report. Unless we are required to do so by law, we accept no obligation to publicly update or revise any forward-looking statements due to new information, changed conditions, or any other future events that had not existed before the publication of this report.

Internal control system

Revenue and profits (EBIT, EBITDA, gross profit) are some of the parameters that the ad pepper Group analyses monthly and compares with the original business plan to control and monitor the development of individual subsidiaries. In addition, further key performance indicators are calculated each month for control purposes and are used within all the operating companies of the ad pepper Group. External indicators are also regularly analysed for company management purposes. In addition, weekly jour fixes as well as regular shareholder meetings are held with the individual subsidiaries.

» MACROECONOMIC FRAMEWORK

According to IfW Kiel Institute for the World Economy (IfW) the German economy — still the most important market for the company - is stuck in stagnation. There are no signs of a significant economic recovery. Instead, there are increasing signs that the economic weakness is primarily structural rather than cyclical, which means there is little room for improvement in economic activity in the short term. There is also a risk of additional headwinds in 2025. If the new US administration follows through on its protectionist announcements, this will be a further drag on exports. Against this backdrop, IfW has lowered its forecast and expect GDP to stagnate in 2025. In 2026, economic output is expected to grow by 0.9 percent, whereby almost 0.3 percentage points are attributed to the additional number of working days. The economic weakness is leaving its mark on the labor market. The unemployment rate is expected to rise from 5.7percent in 2023 to 6 percent in 2024 and 6.3 percent in 2025. After a noticeable increase this year, real disposable household income will barely grow in the next two years. As a result, private consumption will not gain much momentum either, according to IfW.

As far as the global economy is concerned, IfW is forecasting an expansion of 3.1 percent in 2025. The outlook for 2026 has deteriorated and IfW recently reduced its forecast by 0.2 percentage points to 3.1 percent. The decline in inflation has slowed down of late, and the lack of a year-on-year fall in energy prices and the expected further decline in inflation towards the target of 2 percent is likely to be sluggish mainly due to the persistent rise in services

prices. There is a risk that monetary policy will remain restrictive for longer than currently expected. In addition, there are still major risks for the global economy from a possible escalation of geopolitical conflicts. Trade conflicts could also escalate further, but they could also turn out to be less severe than assumed, according to IfW.

Online advertising market

The following developments are expected for 2025:

- **e-commerce:** Global e-commerce revenue is forecast to reach around EUR 4,366 billion in 2025 (source: Digital Commerce 360);
- **Expanded use of AI:** AI is increasingly being used to provide personalised content and optimise marketing strategies (source: eMarketer);
- **Price comparison engines:** The use of price comparison sites is growing in importance as consumers increasingly look for the best deals, and companies use these platforms to attract new customers (source: Digital Commerce 360);
- **Sustainability and value-centric marketing:** Consumers are increasingly prioritising sustainability and ethical business practices, which prompts companies to adapt their marketing messages accordingly (source: Digital Commerce 360);
- **Affiliate marketing:** On Cyber Monday, the online sales day of the year 2024, social media influencers and other affiliate marketers contributed to around 20 percent of e-commerce sales, an increase of 7 percent compared to the previous year. Products promoted via affiliate links were six times more likely to result in a purchase than content without such links, underlining the importance of affiliate marketing as an effective channel for acquiring new customers (source: businessinsider.com);
- **Data privacy and transparency:** As data privacy concerns grow, consumers expect companies to be transparent about their data practices and to protect their personal information (source: El País);
- **Search engine advertising and Google:** Search engine advertising is a vital component of online marketing, with Google maintaining a dominant position in both search and search advertising (source: Think with Google);
- **Social media:** Platforms such as TikTok and Instagram continue to grow in importance, particularly through the integration of shopping features that enable direct purchases via social media (source: Wall Street Journal).

» EARNINGS, FINANCIAL AND NET ASSET POSITION

Earnings position

The Group generated gross sales of EUR 21,465k (Q1 2024: EUR 20,772k) and revenue of EUR 5,284k (Q1 2024: EUR 5,176k), corresponding to an increase of 3 percent and around 2 percent, respectively. The ad pepper segment improved its revenue to EUR 612k in the first quarter, up 32 percent year-on-year (Q1 2024: EUR 463k). The Webgains and ad agents segments almost reached the previous year's levels despite season-related delays in bookings by our advertising partners with revenues of EUR 2,921k (Q1 2024: EUR 2,957k) and EUR 1,750k (Q1 2024: EUR 1,756k).

The segment EBITDAs were as follows: The ad pepper segment generated EBITDA of EUR 133k, above the previous year's level (Q1 2024: EUR -13k), and ad agents achieved EUR 168k (Q1 2024: EUR 193k). EBITDA of the Webgains segment amounted to EUR 328k in the first quarter (Q1 2024: EUR 631k).

Financial position

Gross cash flow amounted to EUR 34k (Q1 2024: EUR 75k). The cash flow from operating activities shows a figure of EUR -3,903k as against EUR -547k for the first three months of 2024. The increased operating outflow of funds is mainly due to affiliate commission payments related to transactions made in the last quarter of the previous year.

Cash outflow for investing activities amounted to EUR 54k (Q1 2024: EUR 1,482k) and includes mainly software purchases.

Cash flow from financing activities amounted to EUR -122k in the first quarter 2025 (Q1 2024: EUR -200k) and consists of cash outflow for leasing payments made in conjunction with capitalised right-of-use assets (Q1 2024: EUR 177k).

Net asset position

Total assets decreased by EUR 7,776k to EUR 40,594k compared with 31 December 2024 (EUR 48,370k). The decrease was mainly due to lower trade receivables and lower trade payables, which fell by EUR 3,445k to EUR 12,572k

(31 December 2024: EUR 16,018k) respectively by EUR 6,257k to EUR 14,353k (31 December 2024: EUR 20,610k). Mainly lower VAT liabilities resulted in a decrease in other liabilities by EUR 1,134k to EUR 1,299k (31 December 2024: EUR 2,433k). Financial liabilities amount to EUR 3,074k (31 December 2024: EUR 3,471), showing a decrease of EUR 398k mainly due to bonus payments made in the first quarter of 2025. Total non-current liabilities amount to EUR 776k (31 December 2024: EUR 853k), whereof EUR 763k (31 December 2024: EUR 840k) relate to long term-lease liabilities for capitalised right-of-use assets.

Total liabilities amount to EUR 20,096k (31 December 2024: EUR 27,767k). The Group still has no liabilities to banks. Total equity stands at EUR 20,498k (31 December 2024: EUR 20,603k). The equity ratio increased to 50 percent (31 December 2024: 43 percent).

» RESEARCH AND DEVELOPMENT ACTIVITIES

Research and development largely comprises activities in the Webgains segment. However, no investment in research and development was made in the period covered by this report, i.e. research costs are expensed as incurred.

» EMPLOYEES

As at 31 March 2025, the ad pepper Group had 202 employees, as against a total of 213 employees at the end of the equivalent period in the previous year. The workforce of the ad pepper Group is assigned to the following segments:

	31/3/2025	31/3/2024
	Number	Number
ad pepper	19	21
Webgains	92	91
ad agents	77	85
Administration	14	16

» RISK AND OPPORTUNITY REPORT

There have been no material changes in the opportunity and risk situation of ad pepper media International N.V. compared with the information provided in the Annual Report as at 31 December 2024. Reference is therefore made to the information presented in the management report for the 2024 financial year.

» OUTLOOK

The year ahead will be significantly shaped by the acquisition of the majority stake in solute GmbH, as announced on 24 April 2025. Solute, the operator of billiger.de and shopping.de, is one of the leading providers in the German-speaking price comparison market. In the previous financial year, solute generated revenue of approximately EUR 44.7 million and an EBITDA of around EUR 3.9 million. In 2024, the ad pepper group achieved revenue of approximately EUR 21.5 million with an EBITDA of around EUR 2.0 million.

The coming quarters will be characterised by

- a) revenue and earnings figures that in some cases will differ significantly from those of the previous year, and
- b) a focused operational alignment along our segments, with particular emphasis on identifying synergies and common ground between our existing structure and solute.

Nuremberg, 19 May 2025
ad pepper media International N.V.



Dr Jens Körner, CEO

» CONSOLIDATED INCOME STATEMENT

	Q1 2025	Q1 2024
	kEUR	kEUR
Gross sales ¹	21,465	20,772
Media cost ²	-16,182	-15,596
Revenue³	5,283	5,176
Cost of sales	-73	-161
Gross profit	5,210	5,014
Selling and marketing expenses	-3,393	-3,284
General and administrative expenses	-1,880	-2,066
Other operating income	122	417
Other operating expenses	-140	-74
Operating profit/(loss)	-80	8
Financial income	42	73
Financial expenses	-17	-16
Income/(loss) before taxes	-54	65
Income taxes	-71	-89
Net profit/(loss)	-126	-24
Attributable to shareholders of the parent company	-186	-120
Attributable to non-controlling interests	60	96
Basic earnings per share on net income for the year attributable to shareholders of the parent company (EUR)	-0.01	-0.01
Diluted earnings per share on net income for the year attributable to shareholders of the parent company (EUR)	-0.01	-0.01
	No. of shares	No. of shares
Weighted average number of shares outstanding (basic)	21,956,846	21,951,116
Weighted average number of shares outstanding (diluted)	21,956,846	21,951,116

1 Gross sales represents the total amount billed and billable to clients by the Group, net of discounts, VAT and other sales-related taxes. Disclosure of gross revenue information is not required under IFRS; however, it is voluntarily disclosed in the Consolidated Income Statement since management has concluded that the information is useful for users of the financial statements.

2 Media costs relate to payments made to suppliers of ad inventory (commonly referred to as media buys and publishers). Disclosure of media cost information is not required under IFRS; however, it is voluntarily disclosed in the Consolidated Income Statement since management has concluded that the information is useful for users of the financial statements.

3 Revenue is defined pursuant to IFRS 15.

» CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

	Q1 2025	Q1 2024
	KEUR	KEUR
Net profit/(loss)	-126	-24
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	-21	-20
Revaluation of listed debt securities	0	-4
Other comprehensive income, net of tax	-21	-24
Total comprehensive income	-147	-48
Attributable to non-controlling interests	60	96
Attributable to shareholders of the parent company	-207	-144

» CONSOLIDATED STATEMENT OF
FINANCIAL POSITION – ASSETS

	31/3/2025	31/12/2024
	kEUR	kEUR
Non-current assets		
Intangible assets	359	336
Property, plant, and equipment	95	100
Right-of-use assets	1,166	1,197
Investment in associate	5,056	5,056
Other financial assets	263	356
Deferred tax assets	68	68
Total non-current assets	7,007	7,113
Current assets		
Trade receivables	12,572	16,018
Other receivables	342	305
Income tax receivables	598	764
Other financial assets	19	15
Cash and cash equivalents	20,055	24,155
Total current assets	33,587	41,257
Total assets	40,594	48,370

» CONSOLIDATED STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

	31/3/2025	31/12/2024
	kEUR	kEUR
Equity attributable to shareholders of the parent company		
Issued capital*	1,160	1,160
Share premium	67,149	67,149
Legal reserves	-1,237	-1,216
Other reserves	-47,342	-49,458
Net profit/(loss) for the period	-186	2,074
Equity attributable to shareholders of the parent company	19,544	19,709
Non-controlling interests	954	894
Total equity	20,498	20,603
Non-current liabilities		
Other liabilities	776	853
Total non-current liabilities	776	853
Current liabilities		
Trade payables	14,353	20,610
Contract liabilities	348	223
Other liabilities	1,299	2,433
Other financial liabilities	3,074	3,471
Income tax liabilities	246	177
Total current liabilities	19,320	26,914
Total liabilities	20,096	27,767
Total equity and liabilities	40,594	48,370

*The authorised share capital amounts to EUR 4,000,000 divided into 80,000,000 shares with a par value of EUR 0.05 each, of which 23,193,244 are issued and 21,966,166 shares were floating at 31 March 2025 (31 December 2024: 21,951,116).

» CONSOLIDATED STATEMENT OF CASH FLOWS – 1/2

	1/1 - 31/3/2025	1/1 - 31/3/2024
	KEUR	KEUR
Net profit/(loss)	-126	-24
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets, and amortisation of intangible assets	164	212
Share-based compensation	41	43
Other financial income and financial expenses	-26	-57
Income taxes	71	89
Income from the release of accrued liabilities	-155	-211
Other non-cash expenses and income	65	22
Gross cash flow	34	75
Change in trade receivables	3,337	1,283
Change in other assets	66	124
Change in trade payables	-6,139	-1,472
Change in other liabilities	-1,387	-411
Income taxes received	194	0
Income tax paid	-26	-178
Interest received	34	49
Interest paid	-16	-16
Net cash flow from/used in operating activities	-3,903	-547
Purchase of intangible assets and property, plant, and equipment	-54	-32
Proceeds from sale of security and maturity of deposits	0	1,513
Net cash flow from/used in investing activities	-54	1,482

» CONSOLIDATED STATEMENT OF CASH FLOWS – 2/2

	1/1 - 31/3/2025	1/1 - 31/3/2024
	kEUR	kEUR
Payment of lease liabilities	-122	-177
Transaction costs of issue of shares	0	-23
Net cash flow from/used in financing activities	-122	-200
Net decrease/increase in cash and cash equivalents	-4,079	735
Cash and cash equivalents at beginning of period	24,155	19,842
Effect of exchange rates on cash and cash equivalents	-21	-20
Cash and cash equivalents at end of period	20,055	20,556

» CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2025

	Other comprehensive income					Share based payment	Issuance of shares	Transaction costs related to issue of share-capital	Balance at 31/3/2025
	Balance at 1/1/2025	Appropriation of profit/(loss)	Profit/(loss) for the period	Other comprehensive income	Total comprehensive income				
Issued capital (kEUR)	1,160	0	0	0	0	0	0	0	1,160
Share premium (kEUR)	67,149	0	0	0	0	0	0	0	67,149
Legal reserves									
Currency translation basis of preparation differences (kEUR)	-1,216	0	0	-21	-21	0	0	0	-1,237
Subtotal legal reserves	-1,216	0	0	-21	-21	0	0	0	-1,237
Other reserves (kEUR)									
Treasury reserve (kEUR)	-6,138	0	0	0	0	0	28*	0	-6,110
For employee stock option plans (kEUR)	3,167	0	0	0	0	13	0	0	3,180
Other reserves (kEUR)	-1,633	0	0	0	0	0	0	0	-1,633
Accumulated deficit (kEUR)	-44,854	2,074	0	0	0	0	0	0	-42,780
Subtotal other reserves	-49,458	2,074	0	0	0	13	28	0	-47,342
Profit/(loss) for the period	2,074	-2,074	-186	0	0	0	0	0	-186
Equity attributable to shareholders of the parent company (kEUR)	19,709	0	-186	-21	-207	13	28	0	19,544
Non-controlling interests (kEUR)	894	0	60	0	60	0	0	0	954
Total equity (kEUR)	20,603	0	-126	-21	-147	13	28	0	20,498

*In conjunction with the exercise of stock options.

» CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2024

	Balance at 1/1/2024	Appropriation of profit/(loss)	Other comprehensive income			Share based payment	Issuance of shares	Transaction costs related to issue of share-capital	Balance at 31/3/2024
			Profit/(loss) for the period	Other comprehen- sive income	Total comprehen- sive income				
Issued capital (kEUR)	1,160	0	0	0	0	0	0	0	1,160
Share premium (kEUR)	67,173	0	0	0	0	0	0	-23	67,150
Legal reserves									
Currency translation basis of preparation differences (kEUR)	-1,120	0	0	-20	0	0	0	0	-1,140
Revaluation of listed debt securities (kEUR)	2	0	0	-4	0	0	0	0	-2
Subtotal legal reserves	-1,118	0	0	-24	-24	0	0	0	-1,142
Other reserves (kEUR)									
Treasury reserve (kEUR)	-6,138	0	0	0	0	0	0	0	-6,138
For employee stock option plans (kEUR)	3,073	0	0	0	0	23	0	0	3,096
Other reserves (kEUR)	-1,633	0	0	0	0	0	0	0	-1,633
Accumulated deficit (kEUR)	-43,910	-944	0	0	0	0	0	0	-44,854
Subtotal other reserves	-48,607	-944	0	0	0	23	0	0	-49,528
Profit/(loss) for the period	-944	944	-120	0	-120	0	0	0	-120
Equity attributable to shareholders of the parent company (kEUR)	17,644	0	-120	-24	-144	23	0	-23	17,520
Non-controlling interests (kEUR)	1,217	0	96	0	96	0	0	0	1,313
Total equity (kEUR)	18,881	0	-24	-24	-48	23	0	-23	18,833

» SELECTED EXPLANATORY NOTES

Consolidated segment information (IFRS)

Q1 2025	ad pepper	Webgains	ad agents	admin	Intersegment elimination	Group
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
Gross sales	1,169	14,168	6,138	0	0	21,465
Revenue	612	2,921	1,750	47	-47	5,283
Thereof external	612	2,921	1,750	0	0	5,283
Thereof intersegment	0	0	0	47	-47	0
Gross profit	560	2,889	1,715	47	-47	5,210
Expenses (including cost of sales) and other income	-440	-2,634	-1,590	-626	0	-5,290
Thereof depreciation and amortisation	-13	-73	-43	-35	0	-164
Thereof other non-cash expenses	-4	-104	0	0	0	-108
Thereof other non-cash income	4	188	0	8	0	200
EBITDA	133	328	168	-545	0	84
Operating profit/(loss)	120	255	125	-580	0	-80
Financial income	3	5	0	35	0	43
Financial expenses	-1	-11	-1	-4	0	-17
Income taxes	-8	-21	-43	0	0	-71
Net income/(loss) for the period	114	228	81	-549	0	-126

Consolidated segment information (IFRS)

Q1 2024	ad pepper	Webgains	ad agents	admin	Intersegment elimination	Group
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
Gross sales	955	13,893	5,924	0	0	20,772
Revenue	463	2,957	1,757	38	-39	5,176
Thereof external	463	2,957	1,756	0	0	5,176
Thereof intersegment	0	0	1	38	-39	0
Gross profit	403	2,861	1,713	38	-1	5,014
Expenses (including cost of sales) and other income	-510	-2,417	-1,615	-664	38	-5,168
Thereof depreciation and amortisation	-34	-91	-50	-37	0	-212
Thereof other non-cash expenses	-16	-35	0	-32	0	-83
Thereof other non-cash income	0	263	0	10	0	273
EBITDA	-13	631	192	-588	-1	221
Operating profit/(loss)	-47	540	142	-626	-1	8
Financial income	0	7	3	73	-10	73
Financial expenses	-4	-17	-4	-1	10	-16
Income taxes	-10	-43	-36	0	0	-89
Net income/(loss) for the period	-61	487	105	-554	-1	-24

1. Basis for the preparation of the Interim Financial Statements

The current condensed interim consolidated financial statements of ad pepper media International N.V. were prepared according to the provisions of the International Financial Reporting Standards IFRS as applicable on the closing date and are presented in euros (EUR). The comparative figures from the previous year were determined according to the same principles and adjusted where necessary. The quarter-end financial statements meet the requirements of IAS 34. The condensed consolidated interim financial statements do not include all of the information required for the full annual financial statements and should therefore be read in conjunction with the consolidated Annual Report for the year ended 31 December 2024.

The consolidated interim financial statements as at 31 March 2025 were authorised for issue by the Board of Directors on 19 May 2025.

2. Accounting principles

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024 except for the adoption of new standards effective from 1 January 2025. The Group has not prematurely adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

No new standards or improvements have been released by the authorities in the first quarter 2025.

3. Consolidated Group

The entities included in consolidation are as follows:

Entity	31/3/2025	31/3/2024
	percent	percent
ad pepper media GmbH, Nuremberg, Germany	100	100
Webgains GmbH, Nuremberg, Germany	100	100
Webgains France S.A.R.L., Paris, France	100	100
ad pepper media Spain S.A., Madrid, Spain	65	65
Webgains S.L., Madrid, Spain	65	65
ad pepper media USA LLC, New York, USA	0	100
Webgains Ltd, London, United Kingdom	100	100
ad agents GmbH, Herrenberg, Germany	60	60
ad agents AG, Zurich, Switzerland	60	60
Webgains Italy S.r.l SB., Milan, Italy	100	100
Webgains B.V., Amsterdam, Netherlands	100	100
Webgains Sp. z o.o., Warsaw, Poland	100	0

4. Notes to the Interim Financial Statements

Revenue from contracts with customers

Set out below is a breakdown of the Group’s revenue from the contracts with customers:

For the three months ended 31 March 2025				
Segments	ad pepper	Webgains	ad agents	Total
	kEUR	kEUR	kEUR	kEUR
Geographical markets				
Germany	359	588	1,193	2,140
United Kingdom	0	1,531	0	1,531
Spain	253	431	0	684
Other	0	372	557	928
Total revenue	612	2,921	1,750	5,283

For the three months ended 31 March 2024				
Segments	ad pepper	Webgains	ad agents	Total
	kEUR	kEUR	kEUR	kEUR
Geographical markets				
Germany	162	650	1,326	2,138
United Kingdom	0	1,450	0	1,450
Spain	301	508	0	809
Other	0	349	430	779
Total revenue	463	2,957	1,756	5,176

Regarding results of operations, financial position and net assets, reference is made to the comments in the Interim Management Report.

The following one-off items affecting the income statement occurred in the period under review:

Other operating income includes reversals of EUR 35k (Q1 2024: EUR 62k) of time barred claims and income of EUR 82k (Q1 2024: EUR 188k) from reversals of non-disbursed affiliate credits in the Webgains segment that are classified by the ad pepper Group as not being likely to be paid out.

The net foreign exchange loss amounts to EUR 28k, while a net foreign exchange loss of EUR 19k was posted in the equivalent prior year’s period.

Write downs on receivables included in other operating expenses amount to EUR 108k (Q1 2024: EUR 51k).

5. Segment reporting according to IFRS 8

IFRS 8 requires an entity to report financial and descriptive information about its so-called “reportable segments”. Reportable segments are either operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity for which separate financial information is available that is evaluated regularly by the chief operating decision-maker for the purpose of allocating resources and assessing performance.

In general, financial information is required to be reported on the same basis as used internally to evaluate the operating segments (management approach). The information reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance is focused on the category of services delivered. For this reason, the Group reports segment information for the operating segments of “ad pepper” (lead, mail, banner), “Webgains” (affiliate marketing), “ad agents” (SEM/SEO), and for the non-operating “admin” (administration) segment. The accounting policies of the reportable segments correspond to the Group’s accounting policies described in Note [2] of the consolidated Annual Report for the year ended 31 December 2024.

The segment results are measured by EBIT and EBITDA for each segment without differences to IFRS. The segment results thus calculated are reported to the chief operating decision-maker for the purpose of allocating resources and assessing segment performance.

The “dealing at arm’s length” principle forms the basis of accounting for intersegment transactions.

Geographical information

The Group operates in three principal geographical areas – Germany, United Kingdom and Spain.

Information on segment assets is broken down by geographical location below. Non-current assets do not include financial instruments or deferred tax assets:

	Non-current assets	
	31/3/2025	31/3/2024
	kEUR	kEUR
Germany	829	541
United Kingdom	564	814
Spain	186	141
Other	41	106
Total	1,620	1,602

In the first three months of 2025, there is no single customer who accounts for 10 percent or more of the Group’s total revenue (Q1 2024: none).

6. Treasury stock

Acquisition of treasury stock

By a shareholders’ resolution dated 16 June 2024, the Board of Directors was authorised to repurchase treasury stock of up to 50 percent of the issued capital within the following 18 months. There is currently no active share repurchase programme.

As at 31 March 2025, ad pepper media International N.V. held 1,227,128 treasury shares (31 March 2024: 1,242,128) at a nominal value of EUR 0.05 each, corresponding to 5.29 percent (31 March 2024: 5.36 percent) of the share capital. According to a shareholders’ resolution, these shares can be used for stock option plans or the cancellation of shares.

Sale of treasury stock

No treasury shares were sold during the first three months of 2025 (Q1 2024: 0). 15,000 shares were sold under the stock option plans (Q1 2024: 0).

Number of shares outstanding

The number of shares issued and outstanding as at 31 March 2025 totals 21,966,116 (31 March 2024: 20,257,872). Each share has a nominal value of EUR 0.05.

7. Seasonal influences on business operations

The ad pepper Group is engaged in the field of online advertising in the broadest sense. Due to the seasonal character of the advertising industry, with its traditional focus on expenditure in the fourth quarter, revenue and, thus, operating profit are generally higher in the second half of the year.

8. Stock options and shareholdings

As at 31 March 2025, a total of 779,625 (31 March 2024: 799,625) stock options existed for members of the Board of Directors, members of the Supervisory Board and employees. The exchange ratio for each of the stock options is one share per option. The exercise price is between EUR 1.86 and EUR 1.9751. In the first quarter 2025 15,000 options have been exercised (Q1 2024: 0). No cash settled shares have been exercised (Q1 2024: EUR 20k).

	Shares as at 31/3/2025	Options as at 31/3/2025
Board of Directors		
Dr Jens Körner		140,625
Supervisory Board		
Dagmar Bottenbruch		18,000
Thomas Bauer		18,000
Dr Stephan Roppel		18,000
Employees		585,000
Associated companies		
EMA B.V.	9,486,402	
Euro Serve Media GmbH	1,641,786	

9. Report on major transactions with related companies and persons

ad pepper and six shareholders of solute Holding GmbH & Co. KG (“solute”) signed on 24 February a purchase agreement for 18.73 percent of the shares in solute (“transaction”). The purchase price was approx. EUR 4.5m. As consideration, 2,305,195 new shares in ad pepper have been issued in April 2025 without subscription rights of the current shareholders against contribution in kind. The sellers are (i) Schlütersche Marketing Holding GmbH, (ii) G. Braun Telefonbuchverlage GmbH & Co. KG, (iii) Vorländer GmbH & Co. KG, (iv) Greven Medien GmbH & Co. KG, (v) Kunze Medien AG as well as (vi) Ostthüringer Regionaler Telefonbuch-Verlag GmbH. The transaction is

still subject to the usual closing conditions and the approval of the boards of solute. The transaction is regarded as a so-called related party transaction according to Dutch corporate law.

10. Events after the balance sheet date

On 24 April 2025 ad pepper media International N.V. signed another purchase agreement for 14.5 percent of shares in solute, with an effective date as of 1 May 2025. The purchase price was EUR 3.5m. Both transactions will result in a total shareholding of 58.86 percent and a majority of voting rights. ad pepper is in the process of assessing the date of the control transfer. Both transactions are regarded as related party transactions. In 2024, solute’s sales amounted to around EUR 44.7m with an EBITDA of approximately EUR 3.9m.

Nuremberg, 19 May 2025
ad pepper media International N.V.



Dr Jens Körner, CEO

» FINANCIAL CALENDAR

All financial and press dates relevant for the capital market at a glance:

Annual General Meeting	24 June 2025
Quarterly Report II / 2025	14 August 2025
Quarterly Report III / 2025	18 November 2025

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Dr Jens Körner, CEO

Our 2024 Annual Report as well as the Interim Financial Reports for 2025 are available in English at www.adpeppergroup.com under:

Investor relations / Publications / Financial reports

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