

SYZYGY GROUP

9-Month Report

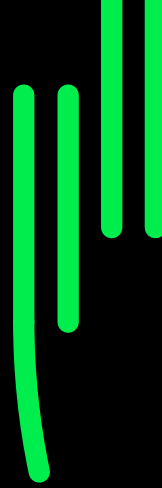
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09

30

2024

Interim Report



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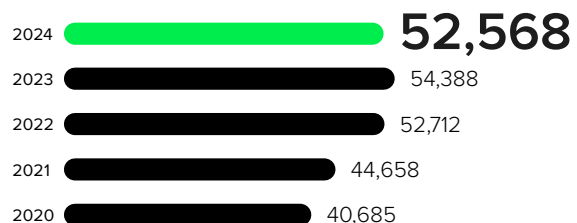
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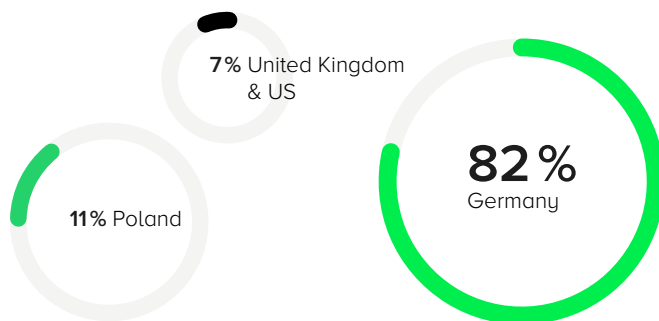


Key financial figures

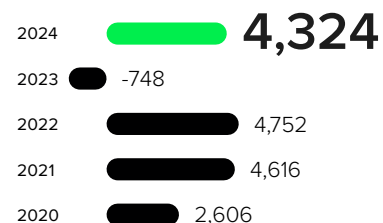
as per 09/30/2024



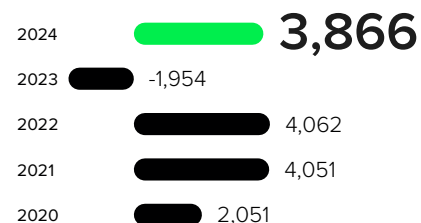
Development of sales (in kEUR)



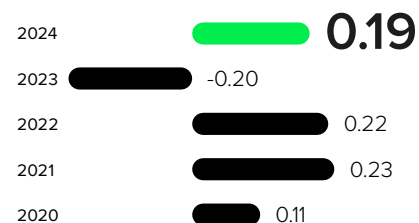
Sales by segments



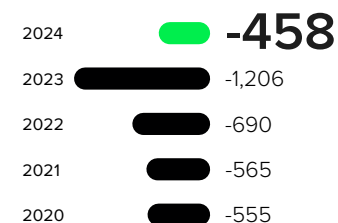
Operating income (in kEUR)



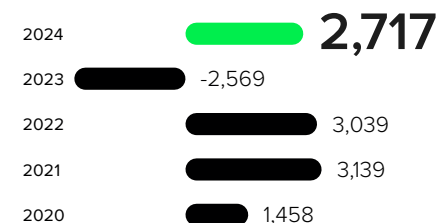
Income before taxes (in kEUR)



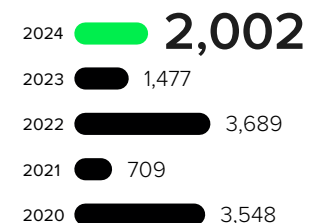
Earnings per share undiluted (in EUR)



Financial income (in kEUR)



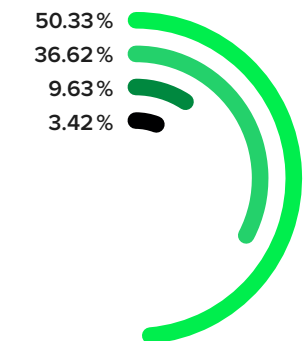
Net income (in kEUR)



Operating cash flow (in kEUR)

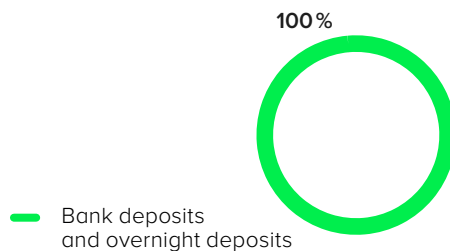


Despite a persistently challenging economic environment, particularly in our core market Germany, **we performed well in the first nine months of the year.**

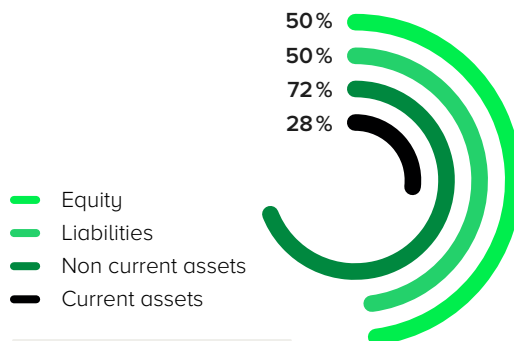


WPP plc., St. Helier
 Private investors/others
 Institutional investors
 HANSAINVEST

Shareholder structure

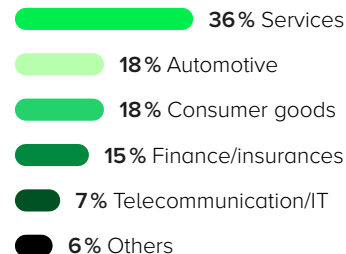


Portfolio structure of cash and marketable securities

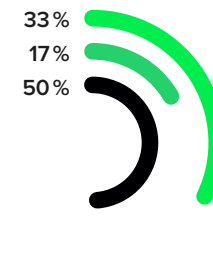


Equity
 Liabilities
 Non current assets
 Current assets

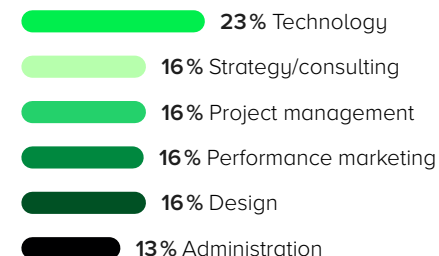
Balance sheet structure



Sales allocation by vertical markets

Sales by employee
annualised (in kEUR)

Sales by clients' volume



Employees by function



Business development and Group Management Report

	3. Quarter			January - September		
	2024	2023	Change	2024	2023	Change
	kEUR	kEUR		kEUR	kEUR	
Sales	17,639	18,396	-4%	52,568	54,388	-3%
EBIT (before goodwill write-downs)	1,486	1,227	21%	4,324	3,457	25%
EBIT margin (before goodwill write-downs)	8.4%	6.7%	1.7 pp	8.2%	6.4%	1.8 pp
Goodwill write-downs	0	0	n.a.	0	-4,205	-100%
EBIT	1,486	1,227	21%	4,324	-748	n.a.
EBIT margin	8.4%	6.7%	1.8 pp	8.2%	-1.4%	9.6 pp
Financial income	-147	-287	49%	-458	-1,206	62%
Net income before tax	1,339	940	42%	3,866	-1,954	n.a.
Net income	910	627	45%	2,717	-2,569	n.a.
Earnings per share (EUR)	0.06	0.04	50%	0.19	-0.20	n.a.
Liquid assets and marketable securities	4,321	2,163	100%	4,321	2,163	100%
Operating cash flow	2,251	1,373	64%	2,002	1,477	36%
Employees incl. freelancers	588	665	-12%	588	665	-12%

1. General

The following Group Management Report provides information on the performance of the SYZYGY GROUP (hereinafter referred to as “SYZYGY”, the “Group” or the “Company”). The consolidated financial statements on which the Group Management Report is based have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial year corresponds to the calendar year.

2. Group profile

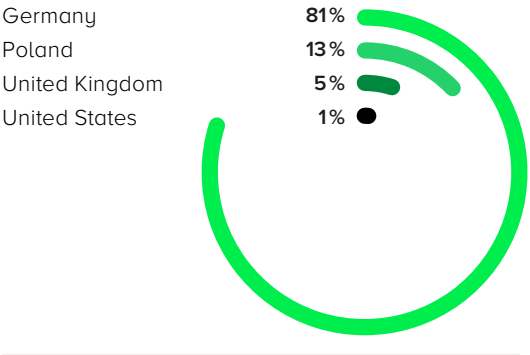
For information on the SYZYGY GROUP’s structure, strategy and management, please refer to the explanatory notes in the 2023 Management Report (2023 Annual Report, page 55 ff.).

The Group consists of Syzygy AG as the holding company and seven subsidiaries:

- Ars Thanea S.A.
- different GmbH
- syzygy Deutschland GmbH
- SYZYGY Digital Marketing Inc.
- Syzygy Performance Marketing GmbH
- SYZYGY UK Ltd.
- Unique Digital Marketing Ltd.

2.1. Employees

The headcount at the SYZYGY GROUP decreased during the reporting period. As of September 30, 2024, the SYZYGY GROUP had 554 permanent employees. This is a decrease of 35 employees compared to December 31, 2023 and a decrease of 73 employees compared to September 30, 2023. This is a decrease of 51 employees in the German companies compared to the same quarter of the previous year and a decrease of 23 employees in the UK and USA, while employment in the Poland segment was largely stable.

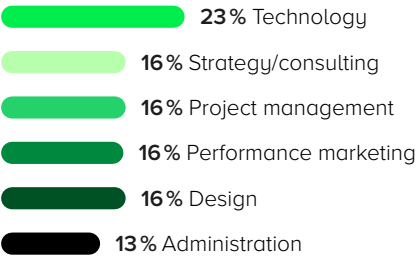


Employees by region

The following table shows the distribution of permanent employees by region:

Employees	09/30/2024	09/30/2023
Germany	448	499
Poland	73	72
United Kingdom	29	48
United States	4	8
Total	554	627

The employees by function or area of work shows a significant increase in employees in the technology sector, while all other areas are declining:



Employees by function

Employees	09/30/2024	09/30/2023
Technology	130	118
Strategy/consulting	92	112
Project management	88	103
Performance marketing	86	108
Design	86	100
Administration	72	86
Total	554	627

On average over the period, 566 employees plus around 34 freelancers worked for the SYZYGY GROUP. Annualised sales per head were therefore EUR 117.000 (previous year: EUR 110.000).

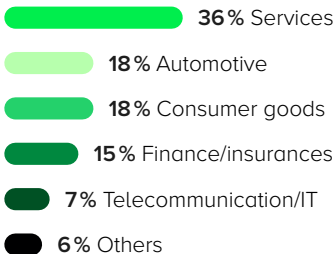
2.2. Net assets, financial position and results of operations of the SYZYGY GROUP

2.2.1. Results of operations

Sales figures for the SYZYGY GROUP are arrived at by deducting media costs from billings. Media costs are incurred in the performance marketing companies as transitory items on the revenue and expenses side.

SYZYGY GROUP sales decreased by 3 per cent to EUR 52.6 million in the 2024 reporting period. The proportion of sales generated in Germany rose to 82 per cent. The UK & US segment contributed 7 per cent of the sales generated, while the Poland segment contributed for 11 per cent to the total SYZYGY GROUP sales.

Sales with customers in the service sector rose by 4 percentage points, while sales with customers from the consumer goods and telecommunications sectors each increased by 2 percentage points. In contrast, sales to customers in the automotive sector fell by 3 percentage points and sales to customers in the finance and insurance sector fell by 5 percentage points. The proportion of sales generated by companies that cannot be allocated to any of these five core sectors remained constant at 6 per cent.



Sales allocation by vertical markets

The Group generated 50 per cent of total sales with its ten largest customers. This is an increase of one percentage point compared to the same period last year.

2.2.2. Operating Expenses and depreciation

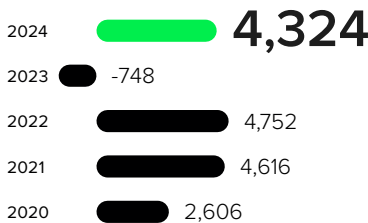
The cost of sales for services rendered fell by 5 per cent to EUR 40.3 million (previous year: EUR 42.3 million). The gross margin increased by one percentage point to 23 per cent.

Sales and marketing costs and general administration costs fell by 8 and 9 per cent respectively to EUR 3.7 million (previous year: EUR 4.0 million) and EUR 5.8 million (previous year: EUR 6.4 million).

Depreciation and amortisation of fixed assets (before goodwill amortisation) decreased by EUR 0.8 million (EUR 3.3 million compared to EUR 4.1 million in the same period of the previous year). Furthermore, EUR 4.2 million of goodwill amortisation was incurred in the previous year. The decrease is mainly due to the reduction in rental space and the associated lower depreciation of leasehold improvements.

2.2.3. Operating income and EBIT margin

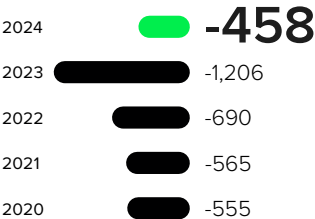
The SYZGY GROUP's operating profit (before goodwill impairment) increased year-on-year to EUR 4.3 million (previous year: EUR 3.5 million), while the EBIT margin rose accordingly to 8.2 per cent (previous year: adjusted EBIT margin of 6.4 per cent). No impairment losses on goodwill were recognised in the 2024 financial year (previous year: EUR 4.2 million).



Operating income (in kEUR)

2.2.4. Financial income

The SYZYGY GROUP reported a negative financial result of EUR 0.5 million after nine months (previous year: EUR -1.2 million). The financial expenses mainly result from financing costs and pro rata interest expenses for long-term contracts in accordance with IFRS 16 (primarily rental agreements).



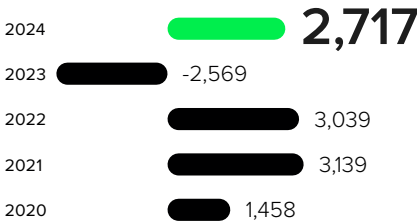
Financial income (in kEUR)

2.2.5. Income taxes, net income, earnings per share

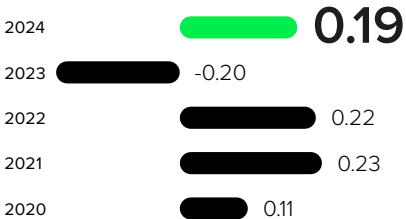
Business performance at the SYZYGY GROUP is reflected in earnings before taxes of EUR 3.9 million. This corresponds to an increase in earnings before taxes of EUR 5.8 million. After deducting taxes of EUR 1.1 million, consolidated net income totalled EUR 2.7 million. Based on the average of 13,500,000 shares entitled to dividends and after deducting minority interests of EUR 147 thousand, basic earnings per share amounted to EUR 0.19, which is EUR 0.39 higher than in the same period of the previous year.



Income before taxes (in kEUR)



Net income (in kEUR)



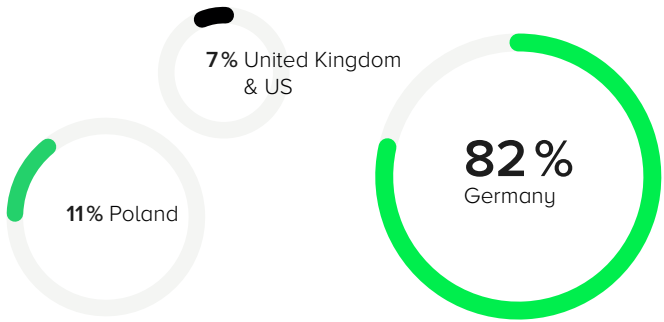
Earnings per share undiluted (in EUR)



2.2.6. Segment reporting

In accordance with IFRS 8, which is based on the management approach, the SYZYGY GROUP is reporting segments unchanged from the previous year. The UK & US segment consists of the UK companies and SYZYGY Digital Marketing in the USA. The segment Poland consists the agency business under the SYZYGY Poland brand and the CGI business under the Ars Thanea brand.

In the first nine months of 2024, the individual segments contributed to earnings as follows, compared with the same period in the previous year:



Sales by segments

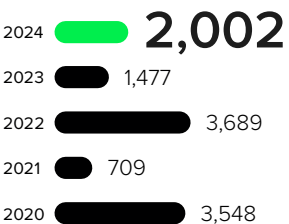
January to September (in kEUR)	Germany		United Kingdom & US		Poland	
	2024	2023	2024	2023	2024	2023
Sales (unconsolidated)	43,092	43,398	3,806	6,327	5,923	4,718
Operative income (EBIT)	4,813	-624	73	409	888	800
Operative income (EBIT) in %	11%	-1%	2%	6%	15%	17%
Share of group sales in % (consolidated)	82%	81%	7%	12%	11%	7%

2.2.7. Financial position

SYZGY had liquidity reserves totalling EUR 4.3 million as of the balance sheet date. This corresponds to an increase of EUR 0.3 million compared to December 31, 2023. Cash and cash equivalents are almost unchanged, with a significant reduction in trade payables being financed by taking out short-term loans and from operating cash flow.

A total of 100 per cent of the funds was accounted for by bank deposits as at September 2024.

Cash flow from operating activities was positive at EUR 2.0 million in the reporting period. This is mainly due to a positive consolidated result of EUR 2.7 million, depreciation and amortisation of EUR 3.2 million and an increase in advance payments received of EUR 1.0 million, while payments of liabilities (EUR -5.6 million) had a negative impact on cash flow.



Operating cash flow (in kEUR)

Total cash flow was slightly positive at EUR 0.2 million as at the reporting date.

Cash flow from investing activities was slightly positive at EUR 0.2 million. Changes in non-current assets totalling EUR 0.8 million were offset by investments in intangible assets and property, plant and equipment amounting to EUR 0.6 million.

The cash flow from financing activities is mainly characterised by repayments of lease liabilities in the amount of EUR 3.0 million and payments for the interest portion of lease obligations in the amount of EUR 0.4 million. In addition, the proceeds from the utilisation of loans exceeded the repayments of loans by EUR 1.5 million. Accordingly, cash flow from financing activities amounted to EUR -2.0 million.

2.2.8. Asset situation

Total assets of the SYZGY GROUP decreased by EUR 1.1 million to EUR 86.2 million in the reporting period compared to December 31, 2023, which corresponds to a decrease of 1 per cent.

Non-current assets decreased by EUR 1.3 million to EUR 61.8 million compared to the balance sheet date on December 31, 2023 (EUR 63.1 million). The main reason for this development is the EUR 1.2 million decrease in property, plant and equipment and right-of-use assets (due to depreciation).



SYZGY / Warsaw

At EUR 24.4 million, current assets are slightly above the level as of December 31, 2023 (EUR 24.2 million). The EUR 0.3 million increase in liquidity reserves was the main reason for this.

At EUR 43.3 million, equity increased by EUR 3.1 million compared to December 31, 2023. The main reason for this development is the consolidated net profit of EUR 2.7 million. In addition, there is other comprehensive income of EUR 0.5 million (previous year: EUR 0.6 million), which includes differences from the foreign currency translation of foreign business operations. The equity ratio rose by 4 percentage points to 50 per cent due to the positive consolidated result.

Liabilities were reduced by EUR 4.2 million in the reporting period, with non-current liabilities decreasing by EUR 0.9 million compared to December 31, 2023.

At EUR 26.3 million, current liabilities were significantly lower than at the end of 2023 (EUR 29.6 million). This mainly includes the decrease in trade payables of EUR 5.3 million and other non-financial liabilities of EUR 1.4 million. This is offset by an increase in contract liabilities of EUR 1.0 million and other provisions of EUR 0.6 million.

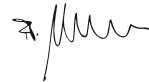
2.3. Expected performance of the SYZYGY GROUP

The ongoing shift of marketing budgets to the digital channel and continued investment in the digitalisation of processes in sales and marketing offer the SYZYGY GROUP fundamentally good framework conditions. Overall, the economic environment in the markets relevant to the SYZYGY GROUP is in recession. The negative growth in economic output in Germany continues to lead to restrained spending behaviour on the part of the customers relevant to SYZYGY.

Based on the information available to date, the SYZYGY GROUP anticipates a decline in sales of around 3 per cent in the 2024 financial year, with an EBIT margin of around 8 per cent before goodwill amortisation. The EBIT margin is defined as the ratio of earnings before interest and taxes (EBIT) to sales revenue. Possible impairments on goodwill are not included in the forecast EBIT figure.

Bad Homburg v.d.H., October 29, 2024
Syzygy AG

The Management Board



Frank Wolfram (CEO)



Frank Ladner (CTO)



Erwin Greiner (CFO)



Syzygy AG, Bad Homburg v.d.H.

Consolidated balance sheet as at September 30, 2024

Assets	09/30/2024	09/30/2023	12/31/2023
	kEUR	kEUR	kEUR
Non-current assets			
Goodwill	39,359	39,110	38,913
Intangibles	161	182	173
Tangible Assets	4,180	5,305	4,801
Right of use Assets	14,480	19,406	14,953
Non-current financial assets	2,660	1,074	3,352
Deferred tax assets	954	1,094	928
Total non-current assets	61,794	66,171	63,120
Current assets			
Cash and cash equivalents	4,321	2,163	4,007
Accounts receivable, net and contract assets	13,107	13,644	13,868
Contract assets	2,826	2,636	1,894
Prepaid expenses and other current assets	3,229	2,782	3,453
Other financial assets	887	9	960
Total current assets	24,370	21,234	24,182
Total assets	86,164	87,405	87,302

Equity and Liabilities	09/30/2024	09/30/2023	12/31/2023
	kEUR	kEUR	kEUR
Equity			
Common stock	13,500	13,500	13,500
Additional paid-in capital	20,728	27,058	20,728
Accumulated other comprehensive income	-1,631	-2,516	-2,123
Retained earnings	10,361	1,658	7,783
Equity attributable to shareholders of Syzygy AG	42,958	39,700	39,888
Minorities	339	301	331
Total Equity	43,297	40,001	40,219
Non-current liabilities			
Longterm lease liabilities	15,051	17,933	16,157
Other long-term Provisions	589	588	624
Long-term financial liabilities	563	567	429
Deferred tax liabilities	411	376	267
Total non-current liabilities	16,614	19,464	17,477
Current liabilities			
Finance liabilities	6,000	7,500	4,500
Lease Liabilities	3,787	3,857	3,791
Income tax accruals	884	271	730
Accrued expenses	1,110	905	498
Contract liabilities	7,635	4,628	6,624
Accounts payable	4,417	8,439	9,667
Other non-financial liabilities	2,420	2,340	3,796
Total current liabilities	26,253	27,940	29,606
Total liabilities and equity	86,164	87,405	87,302

The accompanying notes are an integral part of the financial statements.

Syzygy AG, Bad Homburg v.d.H.

Consolidated statement of comprehensive income from January 1, to September 30, 2024

	3. Quarter			January - September			
	2024	2023	Change	2024	2023	Change	2023
	kEUR	kEUR		kEUR	kEUR		kEUR
Sales	17,639	18,396	-4%	52,568	54,388	-3%	71,742
Cost of revenues	-13,649	-14,280	-4%	-40,317	-42,288	-5%	-57,353
Sales and marketing expenses	-1,182	-1,391	-15%	-3,685	-3,984	-8%	-4,762
General and administrative expenses	-1,758	-2,140	-18%	-5,825	-6,385	-9%	-8,407
Other operating income	536	704	-24%	2,090	2,049	2%	3,295
Other operating expenses	-100	-62	61%	-507	-323	57%	-435
Goodwill Impairment	0	0	n.a.	0	-4,205	-100%	-4,736
EBIT	1,486	1,227	21%	4,324	-748	n.a.	-656
Financial income	56	20	180%	174	48	263%	141
Financial expenses	-203	-307	-34%	-632	-1,254	-50%	-1,434
Income before income taxes (EBT)	1,339	940	42%	3,866	-1,954	n.a.	-1,949
Income taxes	-429	-313	37%	-1,149	-615	87%	-814
Total net income of the period	910	627	45%	2,717	-2,569	n.a.	-2,763
thereof net income share to other shareholders	33	72	-54%	139	141	-1%	152
thereof net income share to shareholders of Syzygy AG	877	555	58%	2,578	-2,710	n.a.	-2,915

The accompanying notes are an integral part of the financial statements.

Syzygy AG, Bad Homburg v.d.H.

Consolidated statement of comprehensive income from January 1, to September 30, 2024

	3. Quarter			January - September			
	2024	2023	Change	2024	2023	Change	2023
	kEUR	kEUR		kEUR	kEUR		kEUR
Items that will or may be reclassified to profit or loss							
Currency translation adjustment from foreign business operations	196	-390	n.a.	500	325	54%	737
Net unrealized gains/ losses on marketable securities, net of tax	0	37	-100%	0	240	-100%	240
Other comprehensive income	196	-353	n.a.	500	565	-12%	977
Comprehensive income	1,106	278	304%	3,217	-2,004	n.a.	-1,786
thereof income share to other shareholders	36	61	-41%	147	142	4%	172
thereof income share to shareholders of Syzygy AG	1,070	213	402%	3,070	-2,146	n.a.	-1,958
Earnings per share from total operations (basic in EUR)	0.06	0.04	50%	0.19	-0.20	n.a.	0.00

The accompanying notes are an integral part of the financial statements.

Syzygy AG, Bad Homburg v.d.H.

Statement of changes in equity from January 1, to September 30, 2024

In kEUR	Common stock	Additional paid-in capital	Own shares	Retained earnings	Accum. other comprehensive income			Minority interest	Total equity
					Foreign exchange currency	Unrealised gains and losses	Equity attributable to shareholders of Syzygy AG		
January 01, 2023	13,500	27,058	0	7,338	-2,821	-259	44,816	279	45,095
Net income of the period				-2,915			-2,915	152	-2,763
Other comprehensive income					717	240	957	20	977
Comprehensive income				-2,915	717	240	-1,958	172	-1,786
Withdrawal from the capital reserves		-6,330	6,330				0		0
Dividend			-2,970				-2,970		-2,970
Payment to minorities							0	-120	-120
Dec. 31, 2023	13,500	20,728	0	7,783	-2,104	-19	39,888	331	40,219

In kEUR	Common stock	Additional paid-in capital	Own shares	Retained earnings	Accum. other comprehensive income			Minority interest	Total equity
					Foreign exchange currency	Unrealised gains and losses	Equity attributable to shareholders of Syzygy AG		
January 01, 2024	13,500	20,728	0	7,783	-2,104	-19	39,888	331	40,219
Net income of the period				2,578			2,578	139	2,717
Other comprehensive income					492	0	492	8	500
Comprehensive income				2,578	492	0	3,070	147	3,217
Payment to minorities							0	-139	-139
Sept. 30, 2024	13,500	20,728	0	10,361	-1,612	-19	42,958	339	43,297

The accompanying notes are an integral part of the financial statements.

Syzygy AG, Bad Homburg v.d.H.

Consolidated statement of cash flows from January 1, to September 30, 2024

	January - September		
	2024	2023	2023
	kEUR	kEUR	kEUR
Period net income	2,717	-2,569	-2,763
– Depreciation on fixed assets	3,267	4,094	5,244
– Goodwill Impairment	0	4,205	4,736
– Profit (-) and loss (+) on sale of securities	0	633	633
– Profit (-) and loss (+) on sale of fixed assets	2	17	-287
– Other non-cash income and expenses	-16	60	21
Changes in operating assets and liabilities:			
– Accounts receivable and other assets	140	14	375
– Contract liabilities	980	-1,438	560
– Accounts payable and other liabilities	-5,578	-3,097	-1,050
– Tax accruals and payables, deferred taxes	490	-442	-402
Cash flows provided by operating activities	2,002	1,477	7,067

	January - September		
	2024	2023	2023
	kEUR	kEUR	kEUR
Changes in other non-current assets	805	-534	-12
Investments in fixed assets	-599	-236	-695
Proceeds from sale of marketable securities	0	835	835
Changes from fixed asset investments	16	0	51
Cash flows used in investing activities	222	65	179
Proceeds from borrowings	21,000	20,500	24,000
Repayment of borrowings	-19,500	-21,000	-27,500
Repayment of lease obligations	-2,969	-2,769	-3,778
Interest expense on leasing liabilities	-389	-402	-531
Dividend paid to minority shareholders	-139	-120	-120
Dividend paid to shareholders of Syzygy AG	0	-2,970	-2,970
Cash flows from financing activities	-1,997	-6,761	-10,899
Total	227	-5,219	-3,653
Cash and cash equivalents at the beginning of the period	4,007	7,814	7,814
Exchange rate differences	87	-432	-154
Cash and cash equivalents at the end of the period	4,321	2,163	4,007

The accompanying notes are an integral part of the financial statements.

Selected explanatory notes to the Consolidated Financial Statements

Accounting

Pursuant to the provisions of section 53 (6) of the BörsO (Stock Exchange Directive), the financial report of Syzygy AG for the first nine months of 2024 comprises interim consolidated financial statements and an interim Group Management Report. The interim consolidated financial statements were prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) for interim financial reporting as applicable within the European Union. The unaudited interim financial statements were prepared in compliance with IAS 34 and in accordance with DRS 16. Accordingly, the company elected to produce a short-form report, compared with the consolidated financial statements as of December 31, 2023. The Management Report was prepared in accordance with the applicable requirements of the WpHG. The interim financial report has not been audited.

The accounting and consolidation principles are applied as described in the notes to the consolidated financial statements to the 2023 Annual Report. Balance sheet and statement of comprehensive income positions are presented following the same accounting policies as in the 2023 Annual Report. As a result, the following figures and notations should be read in accordance with the 2023 Annual Report.

Business activities of the SYZYG Y GROUP

The SYZYG Y GROUP is a leading consultancy and implementation partner for digitisation, transformation and strategy in marketing and sales. It digitises structures and organisations, and develops new products, services and business models.

Syzygy AG acts as a management holding company that provides its subsidiaries with central services relating to strategy, design, planning, accounting, IT infrastructure and finance. Syzygy AG also supports the subsidiaries in their new business activities.

As operating entities, the subsidiaries are responsible for providing consultancy and other services. With branches in Bad Homburg v.d.H., Berlin, Frankfurt/Main, Hamburg, London, Munich, New York and Warsaw, they offer major companies a comprehensive range of services, from strategic consulting to project planning, concepts and design to technical realisation of brand platforms, business applications, websites, hosting, online campaigns and mobile apps. Performance marketing services such as consulting and data analysis as well as search engine marketing/optimisation are also a major business area. In addition, SYZYG Y GROUP helps clients meet customer experience and usability requirements and assists them at every stage of the user-centred design process. Digital illustrations, virtual reality (VR), augmented reality (AR) and animations round off the service portfolio.

The business focus is on the automotive, services, financial/ insurance, consumer goods and telecommunications/IT sectors.

Scope of consolidation and principles

The consolidated financial statements are based on the financial statements of the companies included in the Group. These were prepared in accordance with IFRS accounting and valuation methods as applicable in the European Union and the supplementary provisions of Section 315e (1) HGB. The balance sheet dates of these companies correspond to the consolidated balance sheet date.

As of September 30, 2024, the following subsidiaries were included in the consolidated financial statements of Syzygy AG as the top-level parent company and fully consolidated. In the case of these companies, Syzygy AG can exercise the power of disposal, is exposed to fluctuating returns from the subsidiaries and can influence the level of returns due to its power of disposal:

- Ars Thanea S.A., Warsaw, Polen
(Ars Thanea for short)
- different GmbH, Berlin, Deutschland
(different for short)
- syzygy Deutschland GmbH, Bad Homburg v.d.H., Deutschland
(SYZGY Deutschland for short)
- SYZGY Digital Marketing Inc., New York City, Vereinigte Staaten von Amerika
(SYZGY NY for short)

- Syzygy Performance Marketing GmbH, Bad Homburg v. d. H., Deutschland
(SYZGY Performance for short)
- SYZGY UK Ltd., London, Großbritannien
(SYZGY UK for short)
- Unique Digital Marketing Ltd., London, Großbritannien
(Unique Digital UK for short)

A subsidiary is incorporated into the consolidated financial statements from the date on which Syzygy AG gains control over the subsidiary until the date on which control by the Company ends. The income generated by subsidiaries acquired or sold in the course of the year is recognised accordingly in the consolidated statement of comprehensive income from the actual date of acquisition or up to the actual date of disposal and is recorded under other comprehensive income.

The profit or loss and every component of other comprehensive income are attributable to the shareholders of Syzygy AG and the non-controlling shares. This remains the case even if it results in non-controlling shares posting a negative balance.

Information on general consolidation principles is provided in the 2023 annual report in chapter 1.4 Consolidation Principles.



SYZGY / Frankfurt

Segment Reporting

Application of IFRS 8 requires segment reporting in accordance with the Group's management approach. SYZYGY GROUP thus bases segment reporting on geographical lines.

As the holding company, Syzygy AG mainly delivers services to the operating units and therefore needs to be considered separately as a provider of central functions.

The United Kingdom & US segment consists of SYZYGY UK, Unique Digital UK and SYZYGY NY. The Germany segment comprises different, SYZYGY Deutschland and SYZYGY Performance. Ars Thanea makes up the Poland segment.

The individual segments apply the same accounting principles as the consolidated entity. The criteria primarily used by Syzygy AG to assess the performance of the segments are sales and EBIT.

Sales to third parties are allocated based on the registered office of the company unit that makes the sale. Information on the geographical regions in relation to segment sales and non-current assets can be derived from the segment disclosures summarised below. Sales included in segment reporting consist of sales to external clients and intersegment sales. Transactions within segments, which are charged at market prices, were eliminated.

Segment assets are equivalent to total assets plus the goodwill attributable to the respective segment, less receivables attributable to companies in the same segment.

Segment investments comprise investments in intangible assets and fixed assets.

Segment liabilities correspond to total liabilities excluding equity plus minority shares attributable to the respective segment, less liabilities attributable to companies in the same segment.

SYZYGY Performance / Hamburg



09/30/2024 (in kEUR)	Germany	United Kingdom & US	Poland	Central functions	Consolidation	Total
Sales	43,092	3,806	5,923	0	-253	52,568
of which internal sales	-486	-4	743	0	-253	0
Goodwill Impairment	0	0	0	0	0	0
EBIT (incl. goodwill write-downs)	4,813	73	888	-1,449	-1	4,324
Financial income	16	90	8	1,818	-1,758	174
Financial expenses	-212	-146	-19	-257	2	-632
Earnings before tax (EBT)	4,617	17	877	112	-1,757	3,866
Income taxes	-20	17	-183	-332	-631	-1,149
Profit after tax (EBT)	4,597	34	694	-220	-2,388	2,717
Assets	57,850	16,791	11,071	81,337	-80,885	86,164
of which non-current assets	36,570	10,135	8,865	2,748	-138	58,180
of which goodwill	24,022	8,521	6,816	0	0	39,359
Investments	174	1,541	87	93	0	1,895
Depreciation and amortisation	1,792	240	322	913	0	3,267
Segment liabilities	27,209	6,943	2,589	12,056	-5,930	42,867
Employees as per balance sheet date	401	33	73	47	0	554

09/30/2023 (in kEUR)	Germany	United Kingdom & US	Poland	Central functions	Consolidation	Total
Sales	43,398	6,327	4,718	38	-93	54,388
of which internal sales	-700	-28	786	38	-96	0
Goodwill Impairment	-4,205	0	0	0	0	-4,205
EBIT (incl. goodwill write-downs)	-624	409	800	-1,332	-1	-748
Financial income	333	3	8	2,285	-2,581	48
Financial expenses	-280	-119	-19	-1,236	400	-1,254
Earnings before tax (EBT)	-571	293	789	-283	-2,182	-1,954
Income taxes	95	50	-272	-488	0	-615
Profit after tax (EBT)	-476	343	517	-771	-2,182	-2,569
Assets	61,897	16,098	10,221	81,781	-82,592	87,405
of which non-current assets	39,620	12,053	8,379	3,822	129	64,003
of which goodwill	24,553	8,237	6,320	0	0	39,110
Investments	820	114	834	285	0	2,053
Depreciation and amortisation	6,041	1,066	274	917	1	8,299
Segment liabilities	31,066	6,911	2,506	14,920	-7,999	47,404
Employees as per balance sheet date	447	56	72	52	0	627

Treasury Stock

The SYZYGY GROUP is authorised to resell or call-in treasury shares or to offer treasury shares to third parties in the course of acquiring companies. Treasury shares do not entitle Syzygy AG to any dividend or voting rights. The extent of the share buyback is shown as a separate item to be deducted from equity.

On October 27, 2020, the Annual General Meeting authorised the Management Board to acquire a maximum of 10 per cent of Syzygy AG's outstanding shares until October 26, 2025. Furthermore, she is authorised to resell or call-in treasury shares, to offer them to employees of the Company as compensation, or to offer treasury shares to third parties in the course of acquiring companies.

As of September 30, 2024, no treasury shares are held in the company, as in the previous year.

Directors' Dealings

Current holdings of shares and transactions carried out in the period under review are disclosed in the following tables:

Management Board: Shares

Number of shares	Frank Wolfram	Frank Ladner	Erwin Greiner	Total
As at: December 31, 2023	0	0	20,000	20,000
Purchases	0	0	0	0
Sales	0	0	0	0
As at: September 30, 2024	0	0	20,000	20,000

Supervisory Board: Shares

Number of shares	Antje Neubauer	Dominic Grainger	Shahid Sadiq	Total
As at: December 31, 2023	0	0	0	0
Purchases	0	0	0	0
Sales	0	0	0	0
As at: September 30, 2024	0	0	0	0

The members of the Management Board and Supervisory Board do not hold any options.

Management Board: Phantom stocks

Number of shares	Frank Wolfram	Frank Ladner	Erwin Greiner	Total
As at: December 31, 2023	0	60,000	60,000	120,000
Additions	150,000	100,000	100,000	350,000
Disposals	0	0	0	0
As at: September 30, 2024	150,000	160,000	160,000	470,000

The Management Board members received phantom stocks as multi-year variable remuneration. These share price-based bonus agreements provide that 40 per cent (1st tranche) of allocated phantom stocks shall be exercisable two years after allocation, and 60 per cent (2nd tranche) three years after allocation. In each case, the difference between a base price on allocation of the phantom stocks and the share price on exercise of the phantom stocks will be paid out. The share price on exercise is determined as the average value over the 10 trading days prior to the exercise date, using XETRA closing prices in each case, in order to eliminate short-term price fluctuations. Similarly, when phantom stocks are issued, the average of the 10 trading days prior to allocation is used to determine the base price.

The first and second tranches may each be exercised within a timeframe of 12 months from the first exercise date, at the discretion of the Management Board. It follows that the first tranche may be exercised between 24 to 36 months after allocation, and the second tranche within 36 to 48 months after allocation.

The maximum payout amount from long-term profit participation is capped at 60 per cent of the price increase from the base price for the first tranche, and at 90 per cent of the price increase from the base price for the second tranche.

As of September 30, 2024, Management Board members Frank Ladner and Erwin Greiner each held 60,000 phantom stocks from the 2021 phantom stock programme, which was granted on January 1, 2021, and 100,000 phantom stocks each from the 2024 phantom stock programme, which was granted on January 1, 2024. The base price of the phantom stocks issued under the 2021 programme is EUR 5.68 and under the 2024 programme is EUR 3.20. As of September 30, 2024, CEO Frank Wolfram held a total of 150,000 phantom stocks from the H1-2024 phantom stock programme, which was granted on July 1, 2024. The base price of the phantom stocks issued under the H1-2024 programme is EUR 3.49.

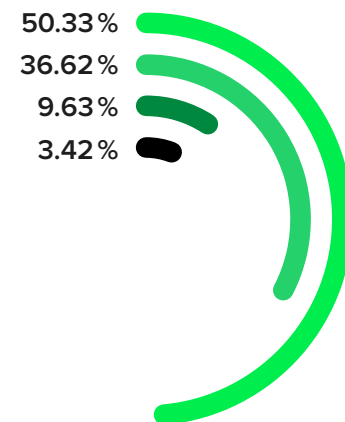
Shareholder structure

As of September 30, 2024 the shareholder structure has changed slightly compared to December 31, 2023. The shareholder structure of the company at the reporting date was as follows:

In thousand	Shares	per cent
WPP plc., St. Helier, Jersey	6,795	50.33
Private investors/others	4,943	36.62
Institutional investors	1,300	9.63
HANSAINVEST	462	3.42
Total	13,500	100.00

Bad Homburg v.d.H., October 29, 2024
Syzygy AG

The Management Board



- WPP plc., St. Helier
- Private investors/others
- Institutional investors
- HANSAINVEST

Shareholder structure

Financial calendar 2024



3-Month-Report
as per March 31
(english version: 05/08)

04/24

MKK – Munich
Capital Market
Conference (Munich)

04/25

Half-Year Report
as per June 30
(english version: 08/02)

07/26

General Annual
Meeting 2024
(virtually)

07/09

9-Month-Report
as per September 30
(english version: 11/05)

10/29

German
Equity Forum
(Frankfurt)

11/25-27

All dates are subjects to change.
For current informations, see syzygy-group.net

Contact
Impress
/

SYZYGY GROUP

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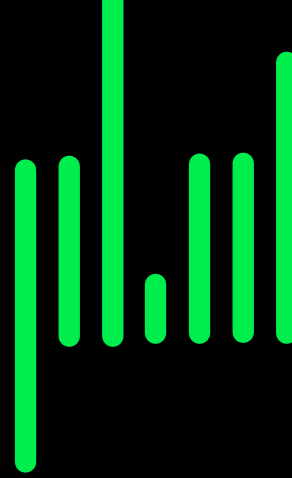
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Chairwoman of the Supervisory Board
Antje Neubauer

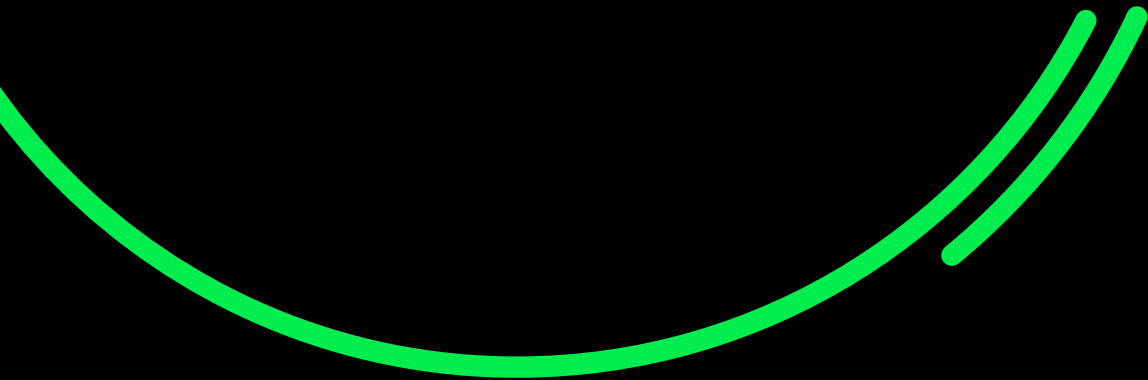
Management Board
Frank Wolfram (CEO, since July 1, 2024)
Erwin Greiner (CFO)
Frank Ladner (CTO)

Editorial Department
SYZYGY GROUP

Credits
SYZYGY GROUP, Ruben Rheintländer



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