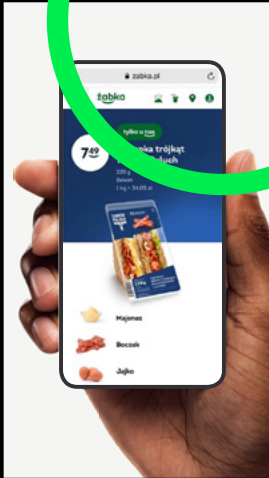
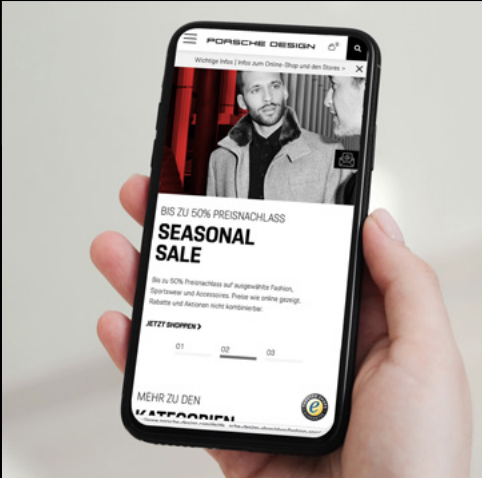
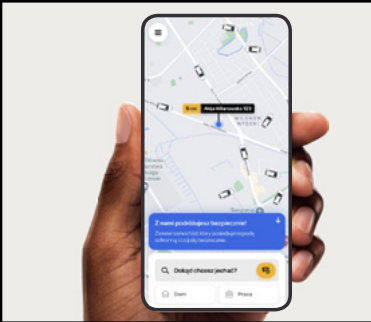


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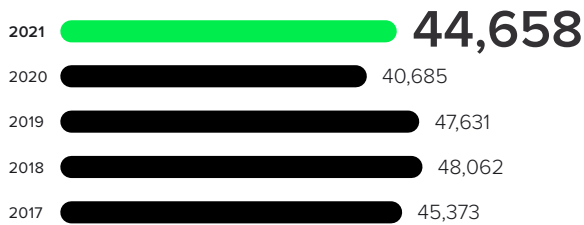


2021

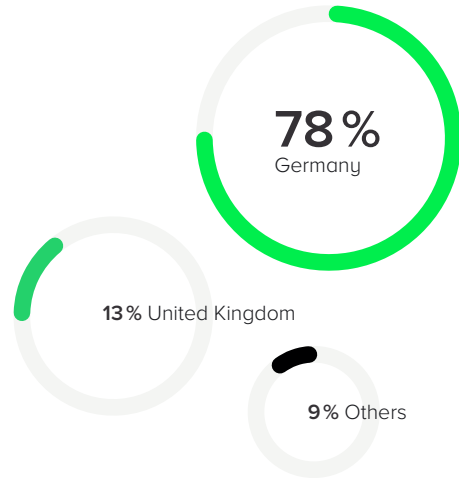
9-Month-Report as per 09/30

# Key financial figures

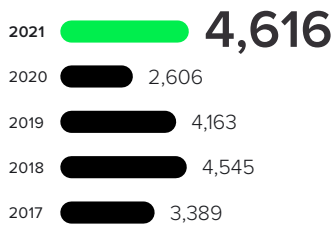
as per 09/30/2021



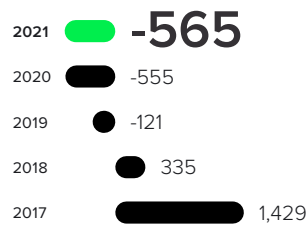
Development of sales  
(in kEUR)



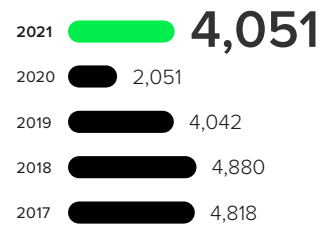
Sales by segments



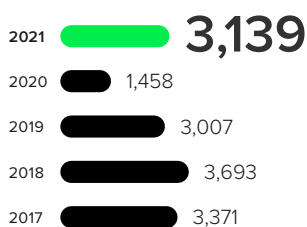
Operating income  
(in kEUR)



Financial income  
(in kEUR)



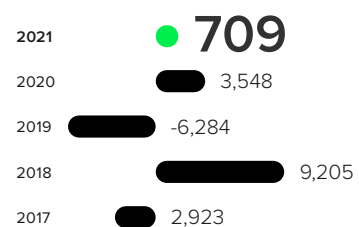
Income before taxes  
(in kEUR)



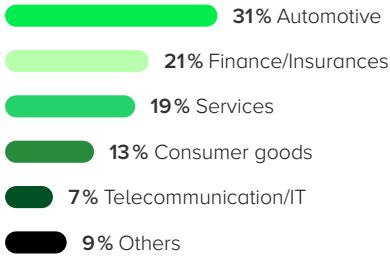
Net income  
(in kEUR)



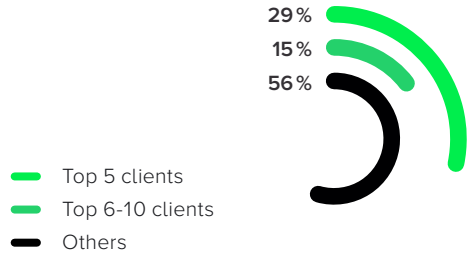
Earnings per share  
undiluted (in EUR)



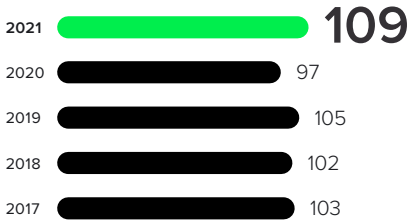
Operating cash flow  
(in kEUR)



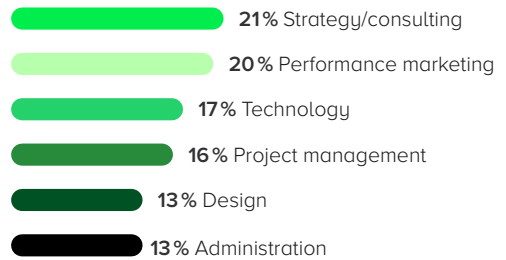
Sales allocation by vertical markets



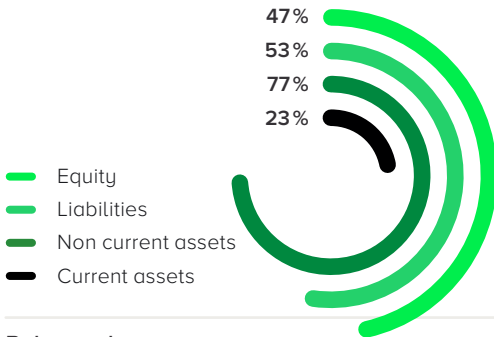
Sales by clients' volume



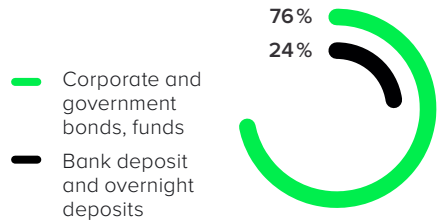
Sales by employee (annualised)  
(in kEUR)



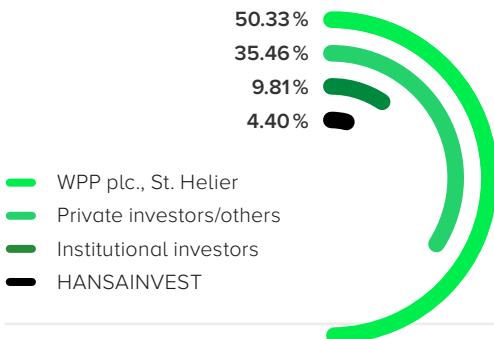
Employees by function



Balance sheet structure



Portfolio structure of cash  
and marketable securities



Shareholders' structure



## Content

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5	Business development and group management report
12	Consolidated balance sheet
13	Consolidated statement of comprehensive income
14	Statement of changes in equity
15	Consolidated statement of cash flows
16	Selected explanatory notes
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# Business development and management report

In kEUR	3. Quarter			January - September		
	2021	2020	Change	2021	2020	Change
Sales	14,622	13,737	6%	44,658	40,685	10%
EBITDA	2,858	3,317	-14%	8,649	7,771	11%
EBITDA margin	19.5%	24.1%	-4.6 pp	19.4%	19.1%	0.3 pp
EBIT	1,518	1,059	43%	4,616	2,606	77%
EBIT margin	10.4%	7.7%	2.7 pp	10.3%	6.4%	3.9 pp
Financial income	-172	-167	3%	-565	-555	2%
EBT	1,346	892	51%	4,051	2,051	98%
Net income	1,043	639	63%	3,139	1,458	115%
Earnings per share (EUR)	0.08	0.05	60%	0.23	0.11	109%
Employees incl. freelancers	545	551	-1%	545	551	-1%
Liquid assets	1,731	1,638	6%	1,731	1,638	6%
Operating cash flow	-708	-962	-26%	709	3,548	-80%

## 1. General

The following Group Management Report provides information on the performance of the SYZYGY GROUP (hereinafter referred to as “SYZYGY”, the “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 2020 management report (2020 Annual Report, page 68 ff.). From the Group’s viewpoint, the following changes apply with regard to the above in the nine months of 2021:

In the second quarter, SYZYGY Media GmbH and SYZYGY Performance GmbH were merged into SYZYGY Performance Marketing GmbH with effect from January 1, 2021. SYZYGY holds 100 per cent of the shares in this company.

The SYZYGY GROUP consists of SYZYGY AG as the holding company and seven subsidiaries:

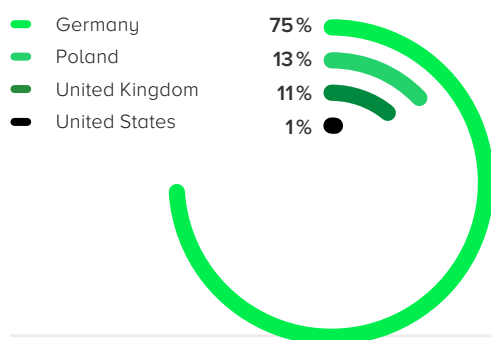
- Ars Thanea S.A.
- different GmbH
- SYZYGY Deutschland GmbH
- SYZYGY Digital Marketing Inc.
- SYZYGY Performance Marketing GmbH
- SYZYGY UK Ltd.
- Unique Digital Marketing Ltd.

## 2.1. Employees

The headcount at the SYZYGY GROUP declined slightly in the period covered by the report. The SYZYGY GROUP had a total of 506 permanent employees as at September 30, 2021. This represents a fall of 8 employees compared with December 31, 2020, and a reduction of 21 compared with the prior-year quarter. The number of employees in the German companies decreased by 35 people compared with the prior-year quarter, while the overall number of employees in the international companies increased by 14.

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

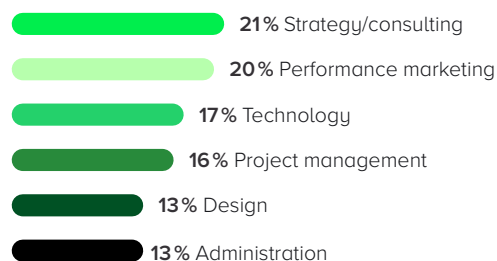
Employees	09/30/2021	09/30/2020
Germany	379	414
Poland	64	61
United Kingdom	58	48
United States	5	4
<b>Total</b>	<b>506</b>	<b>527</b>



#### Employees by region

The proportion of employees in each function/work area breaks down as follows:

Employees	09/30/2021	09/30/2020
Strategy/consulting	103	131
Performance marketing	101	85
Technology	88	95
Project management	80	76
Design	67	64
Administration	67	76
<b>Total</b>	<b>506</b>	<b>527</b>



#### Employees by function

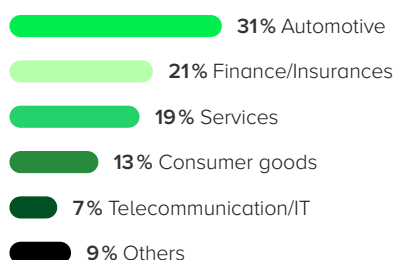
On average over the period, 509 employees plus around 37 freelancers worked for the SYZYGY GROUP. Annualised sales per head were therefore EUR 109,000 (previous year: EUR 97,000, with an average headcount of 532 including 30 freelancers).

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

### 2.2.1. Results of operations

The 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 increased by 10 per cent in the 2021 reporting period to reach EUR 44.7 million. The share of sales generated in Germany was 78 per cent. The UK segment posted strong sales growth of 25 per cent, with the UK now accounting 13 per cent of sales. Sales in the Other segment (Poland and the US) were up 29 per cent, contributing 9 per cent to total SYZYGY GROUP sales.



#### Sales allocation by vertical markets

Shifts in sales patterns gave rise to a number of changes compared to the previous year. Sales to clients in the financial and insurance sector rose by 2 percentage points. Sales to clients in the automotive and consumer goods sector each rose by 1 percentage point. By contrast, clients from the services sector saw a drop of 4 percentage points; clients from the telecommunications industry were also down 1 percentage point. Companies that cannot be assigned to any of these five key areas accounted for 1 percentage point more than last year.

SYZGY generated 44 per cent of total sales with the ten largest clients. This corresponds to a drop of 5 percentage points compared with the same period in the previous year.

2.2.2. Operating expenses and depreciation

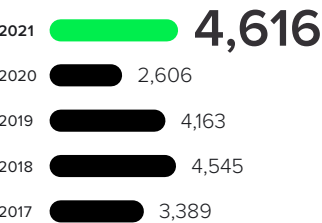
The cost of sales increased along with sales by 7 per cent, to reach EUR 31.6 million (previous year: EUR 29.6 million). Gross margin increased by 2 percentage points to 29 per cent due to sales outstripping costs.

General administrative expenses were flat at EUR 6.1 million (previous year: EUR 6.1 million) while sales and marketing costs decreased by 4 percentage points to EUR 3.7 million (previous year: EUR 3.9 million).

Depreciation of fixed assets decreased by EUR 0.4 million to EUR 4.0 million (previous year: EUR 4.4 million).

2.2.3. Operating income and EBIT margin

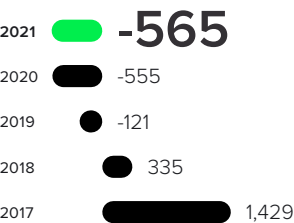
The SYZGY GROUP’s operating profit increased by 77 per cent compared with the same period of the previous year, climbing from EUR 2.6 million to EUR 4.6 million; the EBIT margin rose accordingly to 10.3 per cent (previous year: 6.4 per cent). This growth is chiefly due to the disproportionate increase in sales compared with the cost of sales, as well as marketing and sales costs dropping slightly while administrative expenses remained flat. Overall, the steps taken in the previous year to reduce costs are having an ongoing impact on profitability.



Operating income (in kEUR)

2.2.4. Financial income

SYZGY reported negative financial income of kEUR 565 for the first nine months of 2021 (previous year: kEUR 555). Financial expenses chiefly comprise pro rata interest expense from long-term contracts in accordance with IFRS 16 (primarily leases). Financial income of kEUR 101 (previous year: kEUR 272) from investment in securities was only partially able to offset expenses.



Financial income (in kEUR)



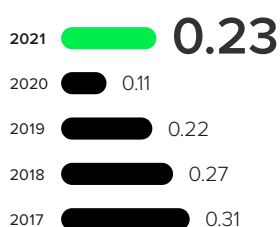
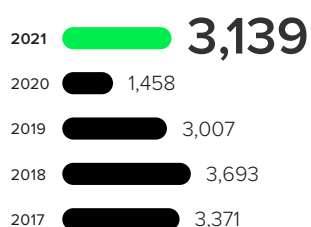
### 2.2.5. Income taxes, net income, earnings per share

Business performance at the SYZYGY GROUP is reflected in pre-tax income of EUR 4.0 million. In the same period of the previous year, the figure was EUR 2.1 million, meaning that pre-tax income grew by 98 per cent. After income taxes of EUR 0.9 million, net income was EUR 3.1 million.

Undiluted earnings per share were EUR 0.23, based on the average available 13,500,000 shares qualifying for participation in the profits and after deducting minority shares of EUR 97,000. This figure is EUR 0.12 above the level achieved in the prior-year period.

### 2.2.6. Segment reporting

In accordance with IFRS 8, which is based on the management approach, SYZYGY uses geographical criteria to report segments and thus distinguishes between Germany, the UK and the Other segment. The latter category includes Ars Thanea and SYZYGY Digital Marketing Inc. Under IFRS 8.13, these companies are not big enough to be reported as geographically independent segments.





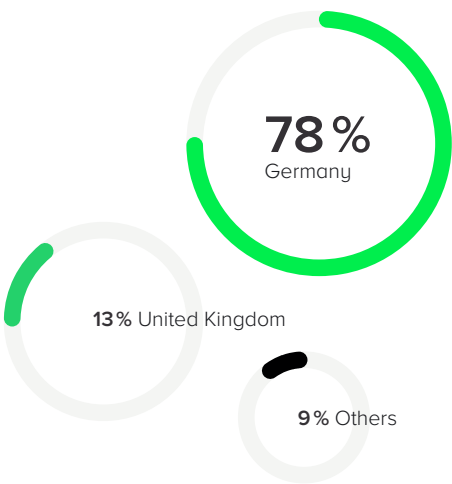
In the first nine months of 2021, the individual segments contributed to earnings as follows, compared with the same period in the previous year:

3. Quarter (in kEUR)	Germany		United Kingdom		Others	
	2021	2020	2021	2020	2021	2020
Sales (unconsolidated)	35,391	33,424	5,954	4,752	4,293	3,338
Operating income (EBIT)	4,896	4,343	838	-46	880	-436
Operating income (EBIT) in %	13.8%	13.0%	14.1%	-1%	20.5%	-13.1%
Share of Group sales (consolidated)	78%	81%	13%	11%	9%	8%

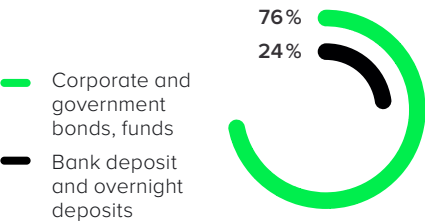
2.2.7. Financial position

SYZGY had liquidity reserves totalling EUR 1.7 million as at the balance sheet date, corresponding to a decline of EUR 4.1 million compared with December 31, 2020. Liquid funds decreased by EUR 5.2 million to EUR 0.4 million, while securities held rose from EUR 0.2 million to EUR 1.3 million. The change in liquid funds is largely due to cash inflows from positive operating cash flow and cash outflows resulting from the dividend paid to SYZGY shareholders, as well as investments in intangible assets and fixed assets.

A total of 24 per cent of funds were accounted for by bank deposits as at September 30, 2021; 76 per cent were invested in securities, including a fund to make future payments for phased retirement.



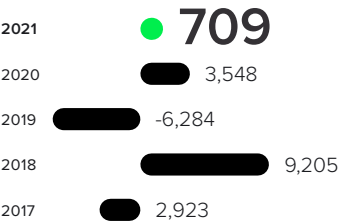
Sales by segments



Portfolio structure of cash and marketable securities

Total cash flow of the SYZYGY GROUP was negative EUR 5.1 million as at the reporting date. Cash flow from business operations stood at EUR 0.7 million in the period under review. Net income of EUR 3.1 million, depreciation and amortisation of EUR 4.0 million and an increase in accounts payable of EUR 3.2 million were positive contributors in this respect. In contrast, operating cash flow was reduced by EUR 6.2 million due to the rise in accounts receivable and other assets as well as a decrease of EUR 1.8 million in advance payments.

Negative cash flow from investment operations of EUR 3.4 million was recorded. Investments in intangible assets and fixed assets of EUR 1.7 million and the balance of EUR 1.2 million from the acquisition and sale of securities led to a corresponding outflow of funds. Cash flow from financing activities in the first nine months of the year included a dividend distribution to shareholders amounting to EUR 2.0 million, and repayment of lease liabilities of EUR 2.5, while the net change in existing loans of EUR 2.2 million contributed positively.



Operating cash flow  
(in kEUR)

2.2.8. Asset situation

Total assets of the SYZYGY GROUP increased by EUR 4.5 million to EUR 117.1 million in the period under review compared to December 31, 2020, representing a rise of 4 per cent.

Non-current assets increased slightly by EUR 0.1 million to EUR 90.4 million compared to the balance sheet date of December 31, 2020 (EUR 90.3 million). While deferred tax assets rose by EUR 0.4 million, long-term-assets reduced by EUR 0.3 million due to depreciation.

Current assets of EUR 26.7 million were above the level as at December 31, 2020 (EUR 22.3 million). This rise was largely due to accounts receivable, which increased by EUR 6.2 million, and to growth in other current assets of EUR 2.2 million. This was offset by a drop in liquid funds of EUR 4.1 million to EUR 1.7 million (previous year: EUR 5.8 million).

At EUR 54.7 million, equity was up by EUR 1.3 million compared to December 31, 2020. This growth stems from net income of EUR 3.1 million, the dividend distribution of EUR 2.0 million and the change in other net income of EUR 0.4 million. The latter is primarily due to currency translation adjustment from foreign business operations. The equity ratio remained stable at 47 per cent.

At EUR 30.2 million, current liabilities were above the level as at year-end 2020 (EUR 26.8 million). This mainly includes a rise of the other current liabilities of EUR 2.3 million as well as an increase of EUR 1.6 million in other provisions.



### **2.3. Expected performance of the SYZYGY GROUP**

The ongoing shift of marketing budgets to digital channels and continuing investment in digitisation and transformation of sales and marketing processes are both factors that create a favourable backdrop for the SYZYGY GROUP. The repercussions of the COVID-19 pandemic present both opportunities and risks. While some clients are still curtailing their spending, the pandemic has also accelerated the trend towards digital transformation. As a result, opportunities will predominate over the medium term.

SYZYGY AG is confirming its profitability forecast of an EBIT margin of around 10 per cent and predicted sales growth of some 10 per cent. The expected increase in sales will be delivered by all units, both national and international, with all segments also contributing to profitability.

Bad Homburg v.d.H., October 27, 2021  
SYZYGY AG

The Management Board

SYZGY AG, Bad Homburg v.d.H.

## Consolidated balance sheet

as at September 30, 2021

Assets	09/30/2021	09/30/2020	12/31/2020
	kEUR	kEUR	kEUR
<b>Non-current assets</b>			
Goodwill	57,596	57,185	57,349
Intangibles	359	562	493
Tangible Assets	29,892	30,539	30,206
Non-current financial assets	200	200	200
Other non-current assets	354	181	364
Deferred tax assets	2,018	2,576	1,662
<b>Total non-current assets</b>	<b>90,419</b>	<b>91,243</b>	<b>90,274</b>
<b>Current assets</b>			
Cash and cash equivalents	413	622	5,631
Marketable securities	1,318	1,016	153
Accounts receivable, net and contract assets	21,460	16,547	15,229
Prepaid expenses and other current assets	3,493	2,110	1,325
<b>Total current assets</b>	<b>26,684</b>	<b>20,295</b>	<b>22,338</b>
<b>Total assets</b>	<b>117,103</b>	<b>111,538</b>	<b>112,612</b>

Equity and Liabilities	09/30/2021	09/30/2020	12/31/2020
	kEUR	kEUR	kEUR
<b>Equity</b>			
Common stock	13,500	13,500	13,500
Additional paid-in capital	27,058	27,058	27,058
Own shares	0	-407	0
Accumulated other comprehensive income	-2,486	-3,010	-2,836
Retained earnings	16,622	14,955	15,675
<b>Equity attributable to shareholders of SYZGY AG</b>	<b>54,694</b>	<b>52,503</b>	<b>53,397</b>
Minorities	262	187	190
<b>Total Equity</b>	<b>54,956</b>	<b>52,690</b>	<b>53,587</b>
<b>Non-current liabilities</b>			
Long-term liabilities	30,707	32,994	31,405
Other long-term Provisions	468	75	202
Deferred tax liabilities	822	2,252	588
<b>Total non-current liabilities</b>	<b>31,997</b>	<b>35,321</b>	<b>32,195</b>
<b>Current liabilities</b>			
Income tax accruals	2,259	792	1,788
Accrued expenses	5,818	6,025	4,306
Contract liabilities	1,642	1,444	3,493
Accounts payable	8,856	8,704	8,000
Other current liabilities	11,575	6,562	9,243
<b>Total current liabilities</b>	<b>30,150</b>	<b>23,527</b>	<b>26,830</b>
<b>Total liabilities and equity</b>	<b>117,103</b>	<b>111,538</b>	<b>112,612</b>

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

SYZGY AG, Bad Homburg v.d.H.

## Consolidated statement of comprehensive income as at September 30, 2021

	3. Quarter			January - September			12/31/2020
	2021	2020	Change	2021	2020	Change	
	kEUR	kEUR		kEUR	kEUR		kEUR
<b>Sales</b>	<b>14,622</b>	<b>13,737</b>	<b>6%</b>	<b>44,658</b>	<b>40,685</b>	<b>10%</b>	<b>55,521</b>
Cost of revenues	-10,178	-9,508	7%	-31,634	-29,618	7%	-39,028
Sales and marketing expenses	-1,263	-1,414	-11%	-3,719	-3,885	-4%	-4,312
General and administrative expenses	-2,076	-2,101	-1%	-6,117	-6,080	1%	-10,418
Impairment losses, net of trade receivables and contract assets	-39	13	-400%	-41	63	-165%	106
Other operating income/expense, net	452	332	36%	1,469	1,441	2%	2,130
<b>Operating profit (EBIT)</b>	<b>1,518</b>	<b>1,059</b>	<b>43%</b>	<b>4,616</b>	<b>2,606</b>	<b>77%</b>	<b>3,999</b>
Financial income	27	115	-77%	101	272	-63%	433
Financial expenses	-199	-282	-29%	-666	-827	-19%	-1,130
<b>Income before income taxes (EBT)</b>	<b>1,346</b>	<b>892</b>	<b>51%</b>	<b>4,051</b>	<b>2,051</b>	<b>98%</b>	<b>3,302</b>
Income taxes	-303	-253	20%	-912	-593	54%	-1,219
<b>Total net income of the period</b>	<b>1,043</b>	<b>639</b>	<b>63%</b>	<b>3,139</b>	<b>1,458</b>	<b>115%</b>	<b>2,083</b>
thereof net income share to other shareholders	25	16	56%	97	21	362%	24
thereof net income share to shareholders of SYZGY AG	1,018	623	63%	3,042	1,437	112%	2,059
<b>Items that will not be reclassified to profit and loss:</b>	<b>0</b>	<b>0</b>	<b>n.a.</b>	<b>0</b>	<b>0</b>	<b>n.a.</b>	<b>0</b>
<b>Items that will or may be reclassified to profit and loss:</b>							
Currency translation adjustment from foreign business operations	-254	-137	n.a.	334	-1,207	n.a.	-1,120
Net unrealized gains/losses on marketable securities, net of tax	-11	-42	-74%	13	-290	n.a.	-204
<b>Other comprehensive income</b>	<b>-265</b>	<b>-179</b>	<b>48%</b>	<b>347</b>	<b>-1,497</b>	<b>n.a.</b>	<b>-1,324</b>
<b>Comprehensive income</b>	<b>778</b>	<b>460</b>	<b>69%</b>	<b>3,486</b>	<b>-40</b>	<b>n.a.</b>	<b>759</b>
thereof income share to other shareholders	20	16	n.a.	94	4	n.a.	7
thereof income share to shareholders of SYZGY AG	758	444	71%	3,392	-43	n.a.	752
Earnings per share from total operations (basic in EUR)	0.08	0.05	60%	0.23	0.11	109%	0.15

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

SYZYGY AG, Bad Homburg v.d.H.

## Statement of changes in equity

as at September 30, 2021

	Common stock	Additional paid-in capital	Own shares	Retained earnings	Foreign exchange currency	Accum. other comprehensive income	Unrealised gains and losses	Equity attributable to shareholders of SYZYGY AG	Minority interest	Total equity
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
<b>January 01, 2020</b>	<b>13,500</b>	<b>27,069</b>	<b>-407</b>	<b>14,657</b>	<b>-1,719</b>	<b>190</b>	<b>53,290</b>	<b>-347</b>	<b>52,943</b>	
Net income of the period				2,059				2,059	24	2,083
Other comprehensive income					-1,103	-204	-1,307		-17	-1,324
<b>Comprehensive income</b>				<b>2,059</b>	<b>-1,103</b>	<b>-204</b>	<b>752</b>	<b>7</b>	<b>7</b>	<b>759</b>
Payment to minorities				-446				-446	-66	-512
Sale of own shares		-11	407					396		396
Effects from changes in ownership interests				-595				-595	596	1
<b>December 31, 2020</b>	<b>13,500</b>	<b>27,058</b>	<b>0</b>	<b>15,675</b>	<b>-2,822</b>	<b>-14</b>	<b>53,397</b>	<b>190</b>	<b>53,587</b>	
<b>January 01, 2021</b>	<b>13,500</b>	<b>27,058</b>	<b>0</b>	<b>15,675</b>	<b>-2,822</b>	<b>-14</b>	<b>53,397</b>	<b>190</b>	<b>53,587</b>	
Net income of the period				3,042				3,042	97	3,139
Other comprehensive income					337	13	350		-3	347
<b>Comprehensive income</b>				<b>3,042</b>	<b>337</b>	<b>13</b>	<b>3,392</b>	<b>94</b>	<b>94</b>	<b>3,486</b>
Dividend				-2,028				-2,028	0	-2,028
Payment to minorities				-67				-67	-22	-89
<b>September 30, 2021</b>	<b>13,500</b>	<b>27,058</b>	<b>0</b>	<b>16,622</b>	<b>-2,485</b>	<b>-1</b>	<b>54,694</b>	<b>262</b>	<b>54,956</b>	

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

SYZGY AG, Bad Homburg v.d.H.

Consolidated statement of Cash Flows  
as at September 30, 2021

	January - September		
	2021	2020	2020
	kEUR	kEUR	kEUR
Period net income	3,139	1,457	2,083
Adjustments to reconcile income from operations to net cash provided by operating activities			
– Depreciation on fixed assets	4,033	5,210	5,655
– Profit (-) and loss (+) on sale of securities	47	51	-11
– Profit (-) and loss (+) on sale of fixed assets	3	332	446
– changes in Earn-Out liabilities	0	-400	-443
– Profit (-)/Loss(+) on sale of fixed asset investments	0	0	0
– Other non-cash income and expenses	-40	32	42
Changes in operating assets and liabilities:			
– Accounts receivable and other assets	-6,205	2,435	3,953
– Customer advances	-1,843	-4,089	-2,046
– Accounts payable and other liabilities	3,217	-2,182	-914
– Tax accruals and payables, deferred taxes	-1,642	702	1,245
<b>Cash flows provided by operating activities</b>	<b>709</b>	<b>3,548</b>	<b>10,010</b>
Changes in other non-current assets	6	89	-95
Investments in fixed assets	-1,707	-2,328	-2,673
Purchases of marketable securities	-7,463	-4,457	-5,105
Proceeds from sale of marketable securities	6,272	6,636	8,333
Changes from fixed asset investments	-40	-40	-40
Acquisition of consolidated entities less liquid funds	0	-3,309	-3,308
Interest expense on leasing liabilities	-448	-522	-676
<b>Cash flows used in investing activities</b>	<b>-3,380</b>	<b>-3,931</b>	<b>-3,564</b>
Change in bank loans	2,198	3,208	1,951
Repayment of lease obligations	-2,506	-2,494	-3,381
dividend paid to minority shareholders	-89	-512	-512
dividend paid to shareholders of SYZGY AG	-2,028	0	0
<b>Cash flows from financing activities</b>	<b>-2,425</b>	<b>202</b>	<b>-1,942</b>
<b>Total</b>	<b>-5,096</b>	<b>-181</b>	<b>4,504</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,631</b>	<b>944</b>	<b>944</b>
Exchange rate differences	-122	-141	183
<b>Cash and cash equivalents at the end of the period</b>	<b>413</b>	<b>622</b>	<b>5,631</b>

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

SYZYG AG, Bad Homburg v.d.H.

## Selected explanatory Notes to the Consolidated Financial Statements

### Accounting

Pursuant to the provisions of section 50 para. 6 of the FwB Exchange Rules in conjunction with section 37 y para. 2 of the WpHG (German Securities Trading Act), the financial report of SYZYG AG for the first nine months of 2021 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 at December 31, 2020. The Management Report was prepared in accordance with the applicable requirements of the WpHG. The consolidated interim report has not been subject to an auditor's review in accordance with section 37 w para. 7 of the WpHG.

The same accounting and consolidation principles were applied as described in the notes to the financial statements in the 2020 annual report. Individual items in the balance sheet and consolidated statement of comprehensive income are likewise presented using the same valuation principles as described and applied in the annual report for 2020. The financial figures and associated information must therefore be read in conjunction with the annual report on the consolidated financial statements for 2020.

### Business activity of the Group

The SYZYG GROUP creates better experiences through digitisation and transformation - digitises structures and organisations, and develops new products, services and business models.

SYZYG AG acts as a management holding company that provides its subsidiaries with central services relating to strategy, design, planning, accounting, IT infrastructure and finance. SYZYG 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 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

As at September 30, 2021, the following subsidiaries were included in the consolidated financial statements of SYZYG AG as the top-level parent company and fully consolidated. In the case of these companies, SYZYG 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, Poland  
(Ars Thanea for short)
- different GmbH, Berlin, Germany  
(different for short)
- SYZYG Deutschland GmbH, Bad Homburg v.d.H., Germany (SYZYG Deutschland for short)
- SYZYG Digital Marketing Inc., New York City, United States (SYZYG NY for short)



- SYZYGY Performance Marketing GmbH, Bad Homburg v.d.H., Germany (SYZYGY PER for short)
- SYZYGY UK Ltd., London, United Kingdom (SYZYGY UK for short)
- Unique Digital Marketing Ltd., London, United Kingdom (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 allocable 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 2020 annual report from page 100 onwards.

### Changes in shareholdings

SYZYGY AG contributed 100 per cent of the shares in both SYZYGY Media GmbH and SYZYGY Performance GmbH to SYZYGY Performance Marketing GmbH and merged the three companies. The merger agreement was signed on April 15, 2021 and entered in the Commercial Register on May 7, 2021. The merger took effect from January 2, 2021 (merger date), with the result that SYZYGY Media GmbH and SYZYGY Performance GmbH have been absorbed into SYZYGY Performance Marketing GmbH with retroactive effect.

### Segment reporting

Application of IFRS 8 requires segment reporting in accordance with the Group's management approach. SYZYGY 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 UK segment comprises SYZYGY UK and Unique Digital UK. The Germany segment comprises different, SYZYGY Deutschland and SYZYGY PER. Ars Thanea and SYZYGY NY do not fulfil the size criteria to qualify as an independent geographical segment and are thus presented under "Other 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 on the basis of 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 inter-segment sales. Transactions within segments, which are charged at market prices, were eliminated.

9/30/2021 (in kEUR)	Germany	United Kingdom	Other segments	Central functions	Consolidation	Total
Billings	58,120	18,827	8,933	162	-1,173	<b>84,869</b>
Media costs	-22,729	-12,873	-4,640	0	31	<b>-40,211</b>
Sales	35,391	5,954	4,293	162	-1,142	<b>44,658</b>
of which internal sales	371	35	613	82	-1,101	<b>0</b>
Operating income (EBIT)	4,896	838	880	-2,001	3	<b>4,616</b>
Financial income	-164	-153	-27	1,270	-1,491	<b>-565</b>
Earnings before tax (EBT)	4,732	685	853	-731	-1,488	<b>4,051</b>
Assets	75,171	24,673	11,285	82,222	-76,248	<b>117,104</b>
of which non-current assets	59,857	14,305	8,119	5,327	239	<b>87,847</b>
of which goodwill	43,026	8,237	6,333	0	0	<b>57,596</b>
Investments	520	146	1,619	1,727	0	<b>4,012</b>
Depreciation and amortisation	2,157	889	283	709	-5	<b>4,033</b>
Impairment on goodwill	0	0	0	0	0	<b>0</b>
Segment liabilities	26,535	14,414	3,590	21,745	-4,137	<b>62,147</b>
Employees as per balance sheet date	345	58	69	34	0	<b>506</b>

9/30/2020 (in kEUR)	Germany	United Kingdom	Other segments	Central functions	Consolidation	Total
Billings	60,865	9,526	5,809	162	-1,039	<b>75,323</b>
Media costs	-27,441	-4,774	-2,471	0	49	<b>-34,637</b>
Sales	33,424	4,752	3,338	162	-990	<b>40,686</b>
of which internal sales	220	19	788	12	-1,039	<b>0</b>
Operating income (EBIT)	4,343	-46	-436	-1,273	19	<b>2,607</b>
Financial income	-211	97	-14	915	-1,342	<b>-555</b>
Earnings before tax (EBT)	4,132	51	-450	-358	-1,323	<b>2,052</b>
Assets	71,197	20,763	9,327	92,826	-82,575	<b>111,538</b>
of which non-current assets	60,262	14,523	6,687	6,479	335	<b>88,286</b>
of which goodwill	43,033	7,811	6,341	0	0	<b>57,185</b>
Investments	1,157	20	164	3,135	0	<b>4,476</b>
Depreciation and amortisation	3,139	870	370	802	-16	<b>5,165</b>
Impairment on goodwill	0	0	0	0	0	<b>0</b>
Segment liabilities	29,267	10,631	2,460	27,036	-10,545	<b>58,849</b>
Employees as per balance sheet date	382	48	65	32	0	<b>527</b>

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.

Own shares

SYZGY 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 SYZGY 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 SYZGY’s outstanding shares until October 26, 2025. SYZGY 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.

In the 2020 financial year, SYZGY used all of its treasury shares as consideration for the acquisition of further shares in SYZGY Performance. The proportion of treasury shares in common stock was 0.54 per cent at the time of sale.

As at September 30, 2021, SYZGY held no treasury shares, as in the previous quarter.

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)	Franziska von Lewinski	Frank Ladner	Erwin Greiner	Total
As at: December 31, 2020	0	0	0	0
Purchases	0	0	0	0
Sales	0	0	0	0
As at: September 30, 2021	0	0	0	0

Supervisory Board: Shares

(Number of shares)	Antje Neubauer	Dominic Grainger	Andrew Payne	Total
As at: December 31, 2020	0	0	0	0
Purchases	0	0	0	0
Sales	0	0	0	0
As at: September 30, 2021	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)	Franziska von Lewinski	Frank Ladner	Erwin Greiner	Lars Lehne	Total
As at: December 31, 2020	0	33,000	48,000	144,000	<b>225,000</b>
Additions	250,000	100,000	100,000	0	<b>450,000</b>
Disposals	0	0	0	-144,000	<b>-144,000</b>
<b>As at: September 30, 2021</b>	<b>250,000</b>	<b>133,000</b>	<b>148,000</b>	<b>0</b>	<b>531,000</b>

The phantom stock plan was set up in 2015. Under this arrangement the eligible employee receives the difference between the share price on the date of granting and the share price on exercise of the phantom stocks as a special payment. 40 per cent of the phantom stocks granted (Tranche 1) are not exercisable until at least 2 years have elapsed and will lapse after 3 years at the latest, while 60 per cent of the phantom stocks granted (Tranche 2) are not exercisable until at least 3 years have elapsed and will lapse after 4 years at the latest. The maximum price increase is limited to 60 per cent for Tranche 1 and to 90 per cent in the case of Tranche 2. Further information on the terms is available in the Annual Report from p. 87 onward.

CEO Franziska von Lewinski was appointed for three years with effect from January 1, 2021, while the Management Board contracts of Management Board members Erwin Greiner and Frank Ladner were extended for 3 years. The Management Board members were accordingly granted phantom stocks which have a base price of EUR 5.68. Franziska von Lewinski was granted 250,000 phantom stocks, while Erwin Greiner and Frank Ladner were each granted 100,000 phantom stocks. Of these, 40 per cent may be exercised from January 1, 2023 onward, and a further 60% starting from January 1, 2024.

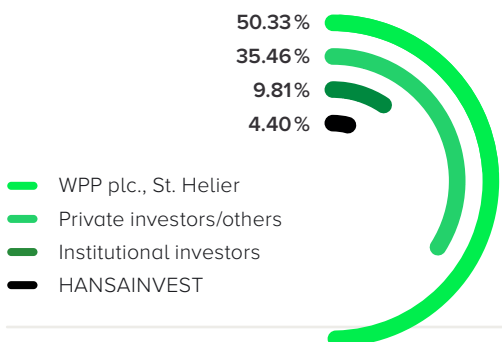
Erwin Greiner and Frank Ladner still hold 48,000 and 33,000 phantom stocks, respectively (legacy holdings). These were issued with effect from January 1, 2018 and will lapse on December 31, 2021. The base price of these phantom stocks is EUR 11.25.

## Shareholders' structure

As at September 30, 2021, the shareholders' structure was slightly changed compared to December 31, 2020.

The shareholders' structure of the Company at the reporting date was as follows:

In thousand	Shares	per cent
WPP plc., St. Helier	6,795	50.33
Private investors/others	4,787	35.46
Institutional investors	1,324	9.81
HANSAINVEST	594	4.40
<b>Total</b>	<b>13,500</b>	<b>100.00</b>



## Shareholders' structure

Bad Homburg v.d.H., October 27, 2021  
SYZGY AG

The Management Board

# Financial calendar 2021



**3-Month-Report  
as per March, 31**  
(english version: 05/07)

04/30

**Half-Year-Report  
as per June, 30**  
(english version: 08/04)

07/28

**9-Month-Report  
as per September, 30**  
(english version: 11/03)

10/27

**General Annual  
Meeting 2021**  
(virtually)

05/28

**German Equity Forum**  
(virtually)

11/22-24

**MKK – Munich Capital Market  
Conference, Munich**

12/08-09

## **Contact Impress**



**SYZYG GROUP**

SYZYG AG  
Horexstraße 28  
D-61352 Bad Homburg v.d.H.

T +49 6172 9488-252  
F +49 6172 9488-270  
ir@syzygy.de  
ir.syzygy.net

**Chairwoman of the  
Supervisory Board**  
Antje Neubauer

**Management Board**  
Franziska von Lewinski (CEO),  
Erwin Greiner (CFO),  
Frank Ladner (CTO)

**Editorial Department**  
SYZYG GROUP

**Photography**  
SYZYG GROUP, Franziska Taffelt,  
Aneta Pomieczynska, Martina van  
Kann, Getty Images, Adobe Stock

All dates are subjects to change.  
For current information, see [ir.syzygy.net](https://ir.syzygy.net)

