



**Agenda with explanatory notes of the annual general meeting of shareholders of ad pepper media International N.V. (the "Company") to be held at 12.00 P.M. (noon) on Tuesday, 17 May 2011, at the NH Schiphol Airport (Kruisweg 495, 2132 NA Hoofddorp, the Netherlands)**

The agenda of the meeting is as follows:

1. Opening
2. Report on the 2010 financial year (discussion item)
3. Adoption of the 2010 annual accounts and appropriation of profit:
  - a. Adoption of the 2010 annual accounts (resolution)
  - b. Discussion of principles underlying appropriation of profit (discussion item)
  - c. Allocation of the result in the period 2010 to the accumulated net loss (resolution)
4. Payment of an amount of 0.05 Euro per share from the distributable reserves of the Company (resolution)
5. Discharge of the members of the Management Board for the 2010 financial year (resolution)
6. Discharge of the members of the Supervisory Board for the 2010 financial year (resolution)
7.
  - A. Amendment to the Company's Articles of Association (resolution)
  - B. Appointment of each member of the Management Board and each (junior) civil law notary of law firm NautaDutilh N.V. (i) to apply for or instruct others to apply for the declaration of no objection as mentioned in article 2:125 of the Dutch Civil Code and (ii) after such declaration has been obtained, to lay down and confirm the proposed amendment of the articles of association by having the notarial deed executed (resolution)
8. Appointment of the auditor for the 2011 financial year (resolution)
9. Reelection of Mr. M. Dean as member of the Supervisory Board (resolution)
10. Resignation of Mr J. Andersen as member of the Supervisory Board as of 18 May 2011 (discussion item)
11. Determination of the number of members of the Supervisory Board (resolution)
12. Authorization of the Management Board to buy back Company stock for a period of 18 months (resolution)
13. End of Annual General Meeting

## **EXPLANATORY NOTES:**

### **Re 2 – Annual Report 2010**

The Annual Report for 2010 contains the Annual Accounts 2010, the report from the Management Board and the report from the Supervisory Board regarding the financial year 2010. The general meeting of shareholders of the Company (the "General Meeting") is invited to discuss the Annual Report for the financial year 2010.

In line with the legal requirements governing securities listed on the Frankfurt Stock Exchange, the agenda and related explanatory comments, the annual financial statements, the 2010 annual report, and the draft version of the amendment to the Articles of Association have been deposited at the Company's premises (Hogehilweg 15, 1101 CB Amsterdam) and at UniCredit Bank AG (Arabellastrasse 14, LCI 4 EC, 81925 Munich) as the paying and depository agent. These documents can also be viewed at the Company's website at [www.adpepper.com](http://www.adpepper.com).

### **Re 3 – Annual Accounts 2010**

#### (a) Adoption of the Annual Accounts 2010

The Annual Accounts for the financial year 2010 have been executed by the members of the Management Board and Supervisory Board. Deloitte Accountants B.V., the Company's external accountant, has issued an unqualified audit opinion, which is included in the Annual Accounts for the financial year 2010. It is proposed to adopt the Annual Accounts for the financial year 2010.

#### (b) Discussion of principles underlying appropriation of profit

The current policy with respect to appropriation of profit shall be briefly discussed during the General Meeting.

#### (c) Allocation of the results in the period 2010 to the accumulated net loss

It is proposed to allocate the results for the financial year 2010 to the Company's accumulated net loss.

### **Re 4 – Payment of an amount of 0.05 EUR per share from the distributable reserves of the Company**

Taking into account the cash position of the Company, it is proposed to make a cash distribution of 0.05 EUR per share out of the Company's distributable reserves without changing the nominal value. This amount shall be payable on 18 May 2011 to those shareholders who are registered as holders on the evening of May 17, 2011. The bearer shares of ad pepper media International N.V. in the nominal value of EUR 0.05 each shall be admitted for trading on the segment of the Regulated Market with additional follow-up obligations concerning admission to the Frankfurt Stock Exchange (Prime Standard) on May 18, 2011 as an "ex-capital repayment".

### **Re 5 and 6 - Discharge**

The discharge of the members of the Management Board and the discharge of the members of the Supervisory Board are two separate items on the agenda. It is proposed to grant discharge to the members of the Management Board for the management and conducted policy during the financial year 2010. It is also proposed to grant discharge to the members of the Supervisory Board for their supervision on the

policies of the Management Board and the general course of affairs of the Company and its affiliated business during the financial year 2010.

## **Re 7 – Amendment of Articles of Association**

- A. It is proposed to amend the Company's Articles of Association (hereinafter also: "Articles") in conformity with the draft documentation attached hereto as Annexes 1, 2, 3 and 4 (Dutch and English texts reflecting the proposed amendments of the Articles). The proposal to amend the Company's articles of association is made by the Management Board and has been approved by the Supervisory Board. Pursuant to article 21 of the current Articles of the Company, the General Meeting may thus resolve to amend the articles of association by an absolute majority of the votes cast.

All amendments - except for the proposed change of article 25.3 - to the Articles are proposed in connection with the implementation in Dutch law of Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies (the "Directive"). The Directive was implemented in the Netherlands as of 1 July 2010 and lead to a number of changes in the Dutch Civil Code (*Burgerlijk Wetboek*) and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

In order to align the Articles with the amended Dutch laws, it is proposed to amend article 19 of the Articles as reflected in the aforementioned Annexes. The most significant amendments that are proposed are the following:

- Notice of the meetings will no longer have to be announced in a newspaper in the Netherlands. The proposed article 19.4 refers to an announcement in electronic form, as well as in the way as required by the laws of the jurisdiction of the regulated market or the regulations of such regulated market in which the Company's shares are listed.
- The Company's Management Board and Supervisory Board are no longer entitled to refuse a request to put items on the agenda of a general meeting on the basis of a substantial overriding interest of the Company. It is proposed to delete this possibility from the current article 19.5.
- Dutch law now provides for a fixed record of 28 days prior to the general meeting. The deposit of shares is no longer allowed for listed companies. The proposal is to delete the current articles 19.12 and 19.15. It is also proposed to amend the current articles 19.8, 19.10, 19.11, 19.13 and 19.14 to align them with the current legislation. It is furthermore proposed to simplify these articles and to include broad wording to maintain flexibility in the event of possible future changes in Dutch law.

It is furthermore proposed to amend article 25.3 of the Articles to allow for more efficient notifications of payments by the Company. By deleting the requirement to publish notifications of payments in newspapers the administrative burden for the Company will be reduced.

- B. It is proposed to appoint and authorize each member of the Management Board and each (junior) civil law notary of law firm NautaDutilh N.V. (i) to apply for or instruct others to apply for the declaration of no objection as mentioned in article 2:125 of the Dutch Civil Code and (ii) after such declaration has been obtained, to lay down and confirm the proposed amendment of the articles of association by having the notarial deed executed (resolution).

#### **Re 8 – Appointment Auditor**

It is proposed to reappoint Deloitte Accountants B.V. at Rotterdam, the Netherlands, as the external auditor charged with the auditing of the Annual Accounts for the financial year 2011.

#### **Re 9 – Re-election of Mr M. Dean as member of the Supervisory Board**

Pursuant to the rotation schedule, Mr Dean will resign on 27 May 2011 as member of the Supervisory Board. It is proposed to reappoint him as of 17 May 2011, up to and including 17 May 2015. The reappointment will be further motivated at the General Meeting.

Mr Dean was born on May 24, 1941. He is management consultant, CEO and Director of Interfilm Inc. He holds 8,000 shares in the capital of the Company. The following current and previous positions are relevant in connection with the fulfillment of his duties as supervisory director of the Company: Mr Dean was President/CEO of Grupo Televisa International SA, COO of AdForce Inc. and President of dMarc Broadcasting Inc.

In view of Mr Dean`s knowledge and experience in the online marketing industry, and the way he fulfils his role as a member of the Supervisory Board, the Supervisory Board proposes to re-appoint Mr Dean.

#### **Re 10 – Resignation of Mr J. Andersen as member of the Supervisory Board**

Mr Andersen tendered his resignation as member of the Supervisory Board as of 18 May 2011. He wishes to resign for personal reasons.

#### **Re 11 – Determination of the number of members of the Supervisory Board**

Taking into account the resignation of Mr Andersen, it is proposed that the general meeting determine that the Supervisory Board shall consist of 3 members.

#### **Re 12 – Authorization of the Management Board to buy back Company stock for a period of 18 months**

It will be proposed to authorize the Management Board for a period of 18 months from the date of the General Meeting to repurchase shares in the Company's own share capital up to a maximum amount of 50 percent of the Company's issued share capital. The consideration for the shares to be repurchased will be at least 80 percent of the stock price (opening stock price) of the shares of the Company at the date of such repurchase and at the most 120 percent of such stock price.