

CORPORATE PRESENTATION

ad pepper media International N.V.



ad  agents

ad  pepper

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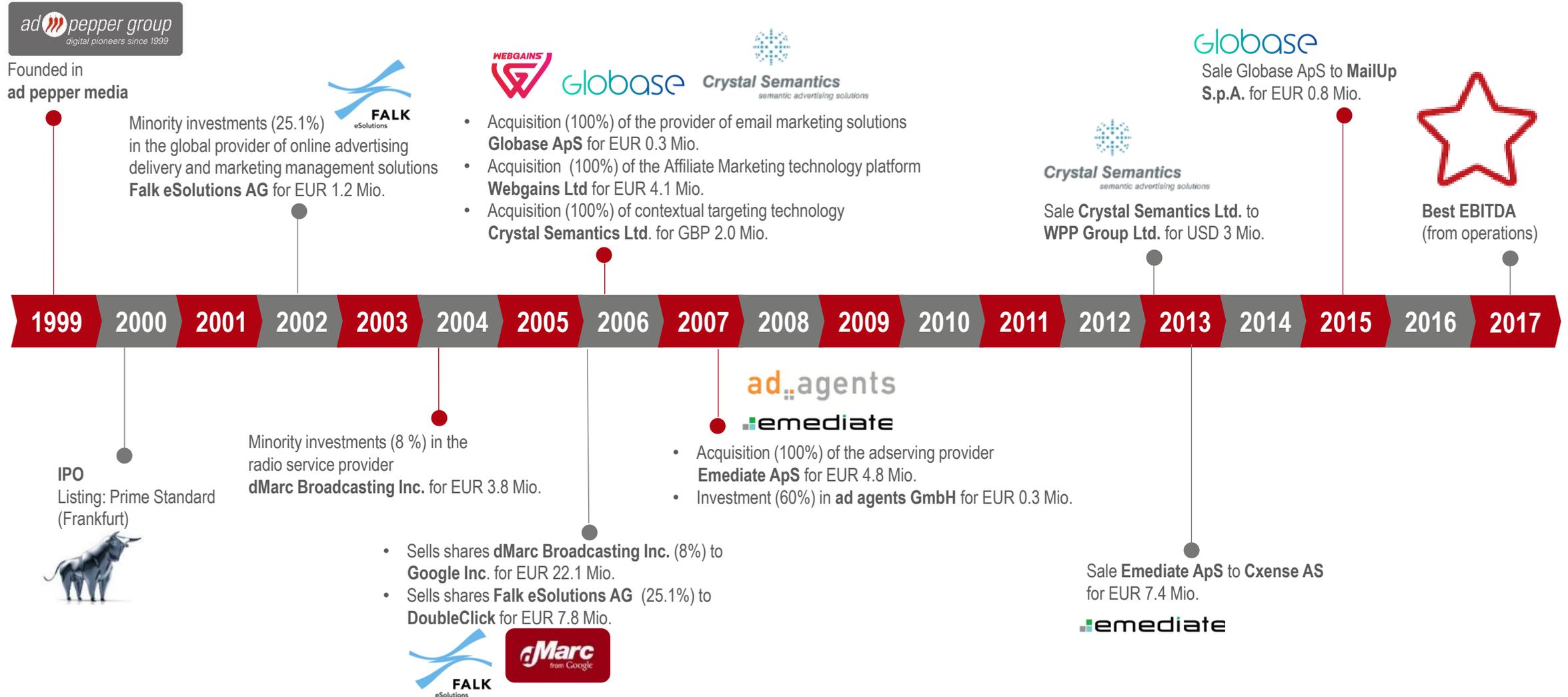
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- 1** About the ad pepper media group
- 2** Our Segments
- 3** Key figures
- 4** Outlook

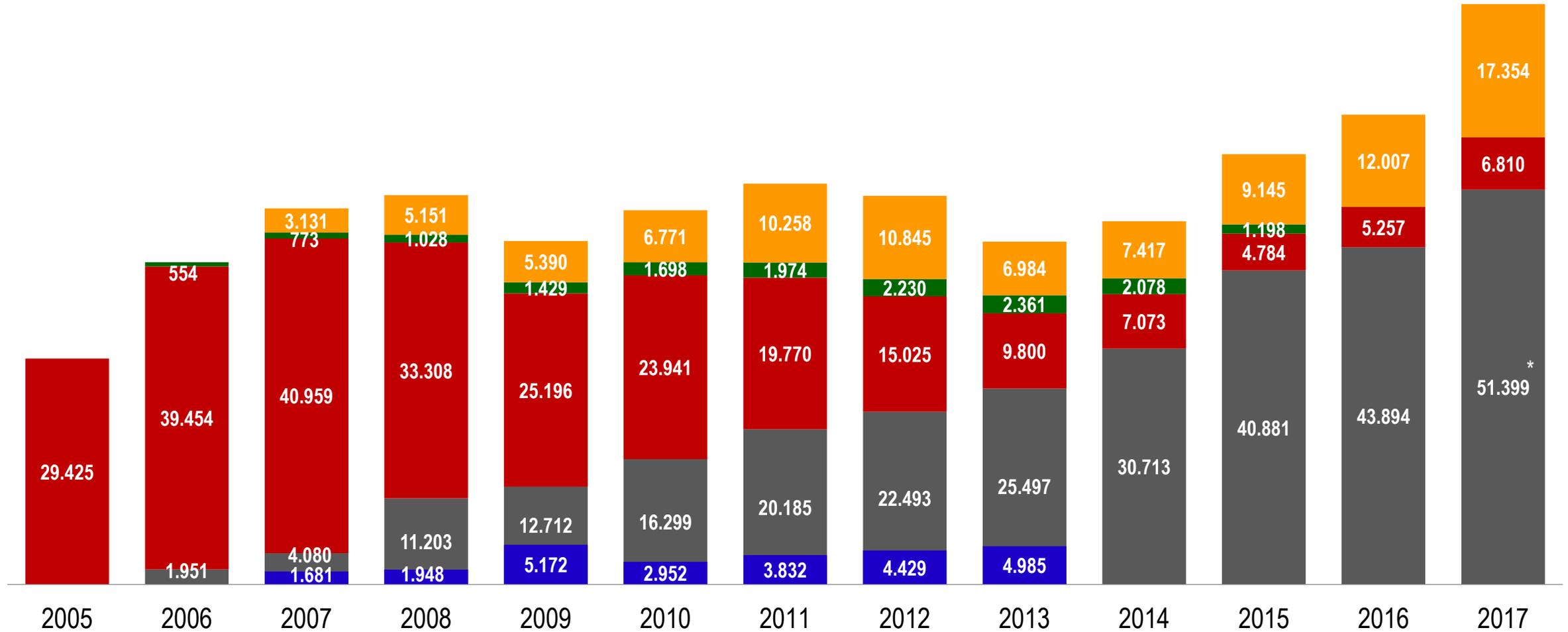
ABOUT THE AD PEPPER MEDIA GROUP

History



Revenue Mix Transformation (kEUR)

■ Webgains ■ ad pepper media ■ Globase ■ ad agents ■ Emediate



* pro forma 9.749

Sale

Tech Assets



Focus

ONLINE MARKETING ASSETS



Sale

Minority investments



Management – ad pepper media group

ad  pepper

ad  pepper group
digital pioneers since 1999



Dr. J. Körner
CEO



Iñigo Abrisqueta
CEO Spain



Susanne Pilz
Managing Director DACH

ad  agents



Wolfgang Schilling
Managing Director



Dirk Lajosbanyai
Managing Director



Richard Dennys
CEO

Our group today



Facts

One of the leading international performance marketing groups

Founded in 1999

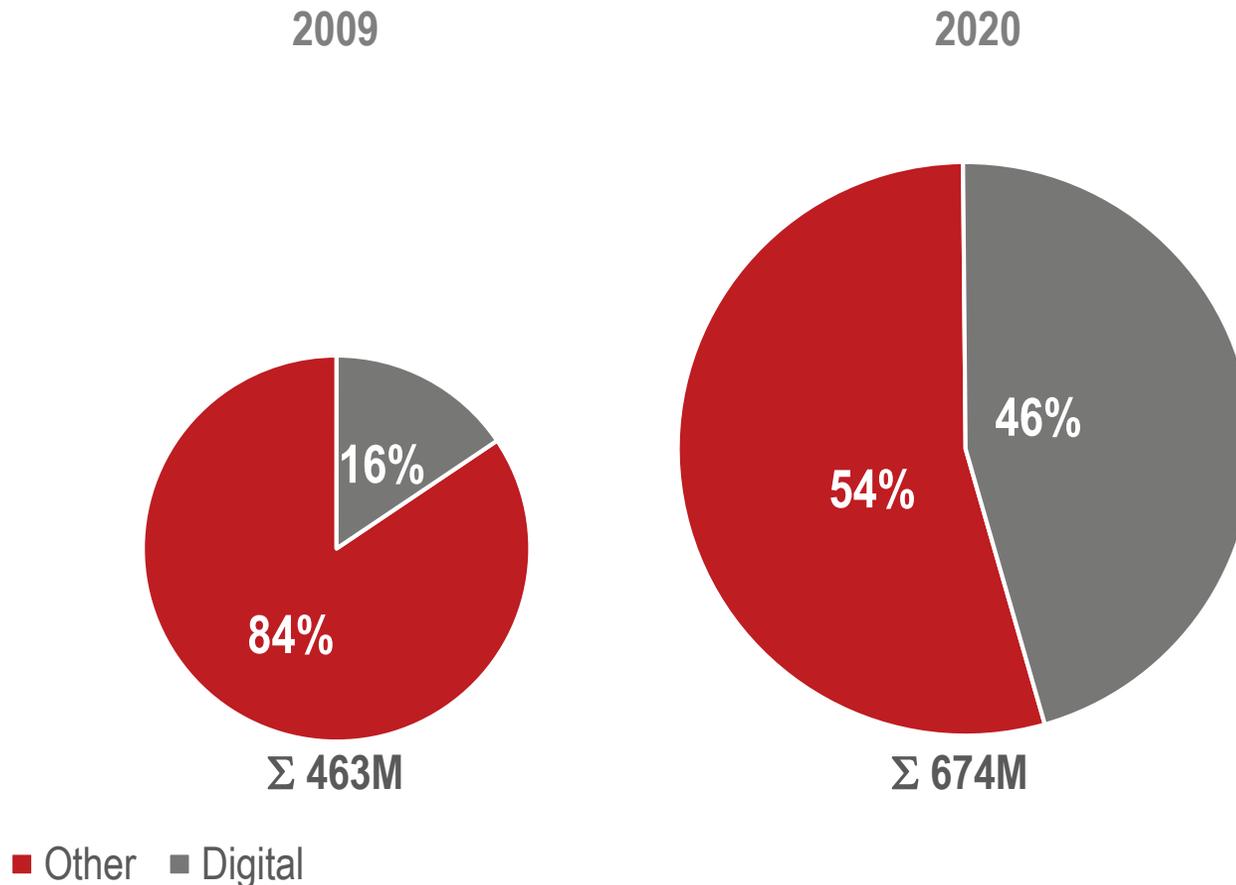
Listing: Prime Standard (Frankfurt)

Headquarter: Nuremberg with 8 offices in 4 European countries and the U.S.

We have approx. 200 experts in all aspects of digital marketing working for us.

We organize our customers' e-commerce on a transaction-oriented basis and using scalable online marketing instruments.

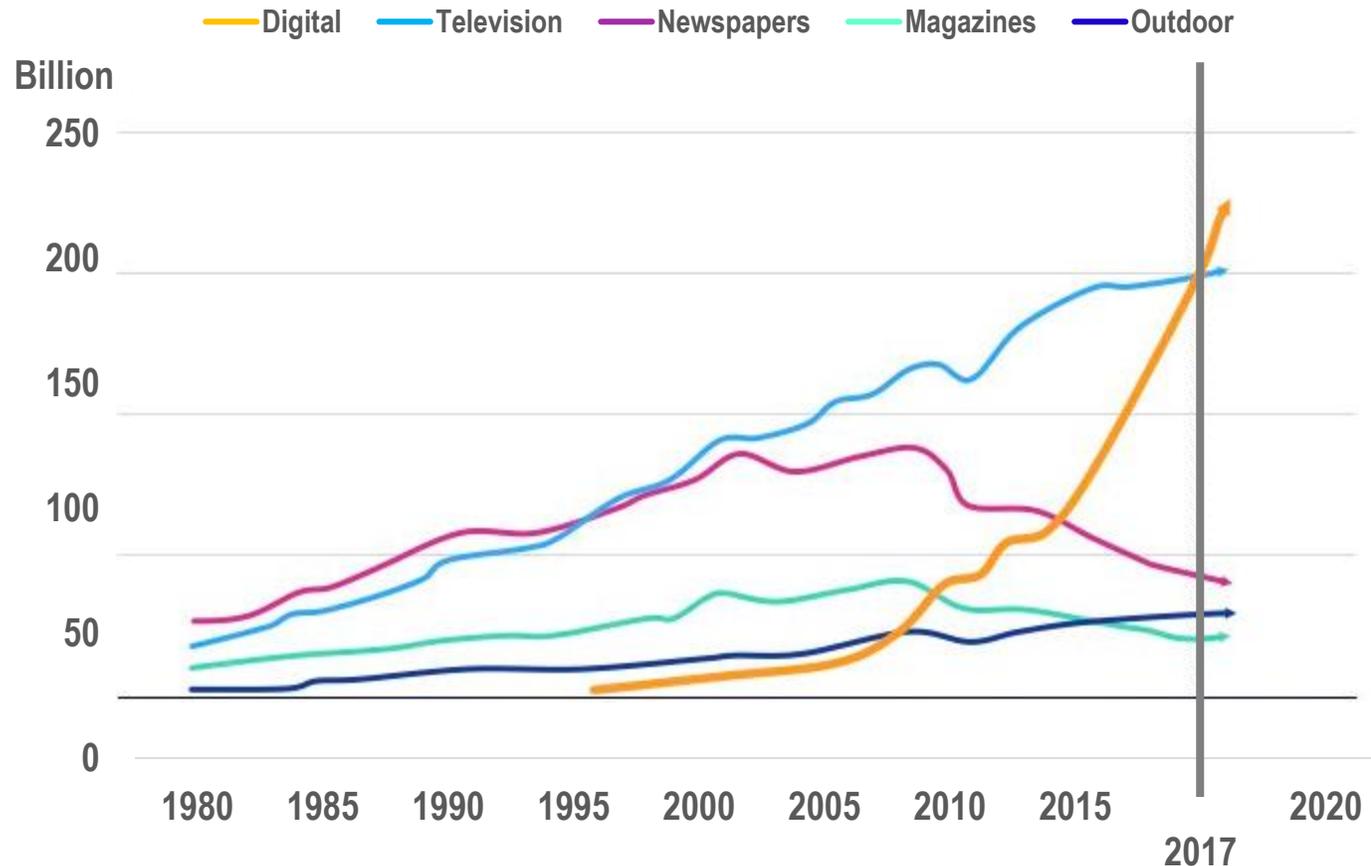
Global Ad Spending (bn USD) and Digital Ad Spending as a % of Total Spend



Massive shift from general marketing spend to digital (“data driven”):

- CAGR Digital: 15.6%
- CAGR other: -0,6%

Digital Ad Spend to Surpassed TV in 2017



2017 will mark a major milestone for ad spending, as total digital surpasses TV for the first time

Today, effective marketing must be:

- Personalized (1-1)
- Delivered over the appropriate channel (mobile, email, POS, direct mail)
- Measurable



Fact Sheet: Webgains



Present with Platforms all over the world



Headquarter London



Offices Paris, Madrid, Bristol, New York, Munich, Nuremberg

One of the leading international affiliate networks

Part of the Group since 2006

1,800 advertisers

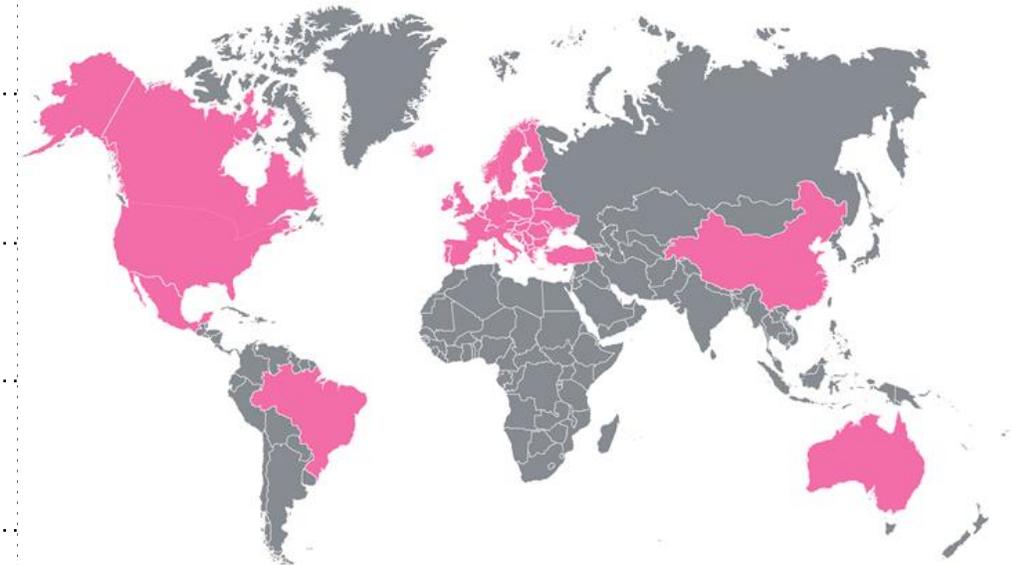
250,000 publishers

100,000,000 transactions

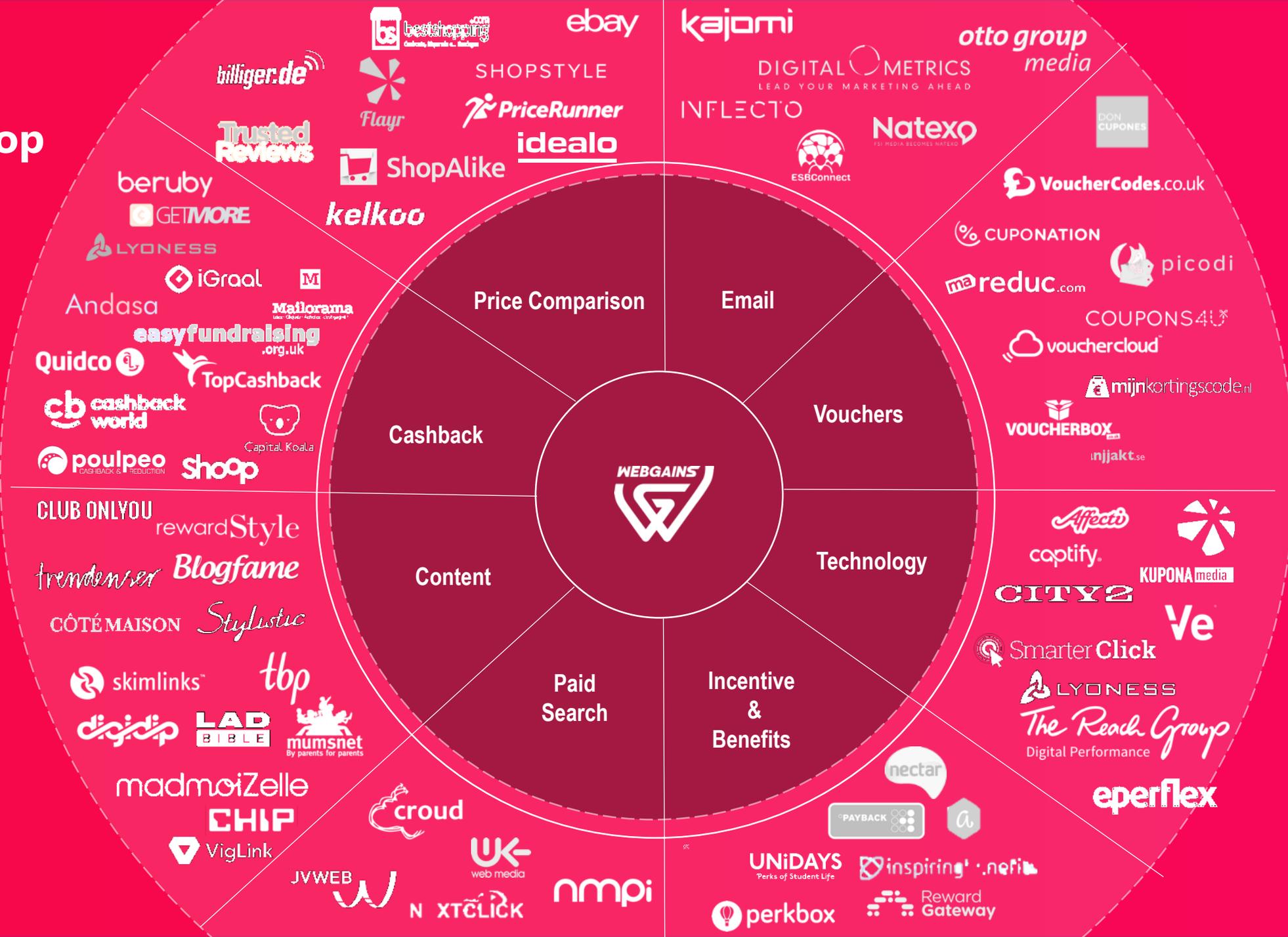
€ 977,575,616 Gross Sales Value

International brands on Webgains

KEY INTERNATIONAL CLIENT LIST	ACTIVE REGIONS	DETAILS
NIKE (exclusive)	UK, CH, BE, NO, PT, IE, DK, ES, IT, SE, PL, FR, DE, NL	Migrated from Awin and TD and subsequently launched 8 additional markets
FEELUNIQUE (exclusive)	UK, US, NO, SE, ES, DK, FI, IE, DE, AU	Migrated from Awin and subsequently launched 8 additional markets
OAKLEY (exclusive)	FR, NL, BE, DK, AT, CH, DE, SE, IT, ES, NO, UK	Webgains chosen as their first affiliate network
LOVEHONEY (exclusive)	CA, NZ, DE, FR, US, rest of EU	Migrated from POR and subsequently launched 5 additional markets
AFFILIRED GROUP	UK, AU, US, IE, NL, BE, FR, ES, PO, BR, IT, DK, FI, SE, DE, PL	Moving 100 travel programs exclusively to Webgains (Agoda, Iberostar etc.)
Hertz (exclusive)	UK, FR, NL, BE, DE, IT, ES	Migrated from 3 networks: TD, PHG and Daisycon



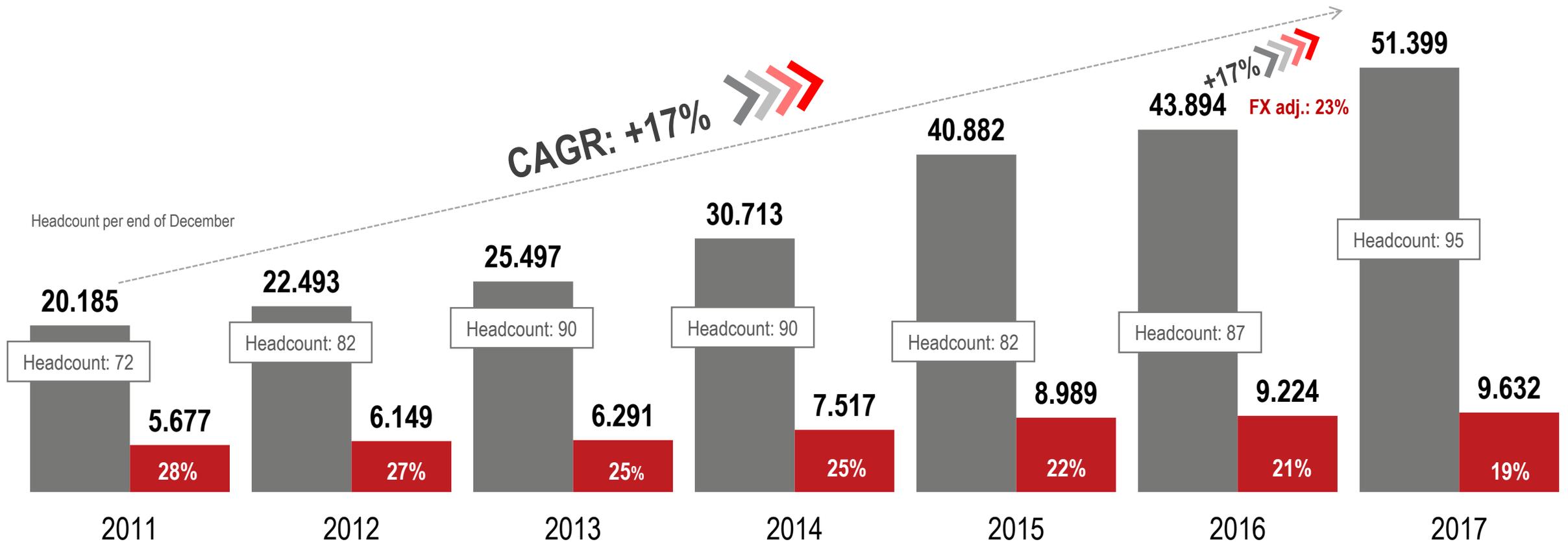
Our Affiliate Network of Top Partners



Webgains: Operating Leverage @ Work

Webgains is making more than twice as much revenue than 2011

■ Gross Profit (kEUR and % of revenue) ■ Revenue (kEUR)



COGNITIVE TECHNOLOGY USE CASE: “PRODUCTS IN DEMAND”

1 - USE CASE “as publisher, what products should I push to maximise for demand?”

2 - CONTEXT:

I am publisher X, I don't know what products to promote/push this week or month (or articles/blog to write about) so to drive business.



3 - VALUE PROPOSITION:

Webgains give me the insight (**the edge**): a list of 10 products within the Affiliate Programs I joined, that have higher likelihood to generate business, and that I should promote right here and now.

ad_ agents

Company background

Company profile

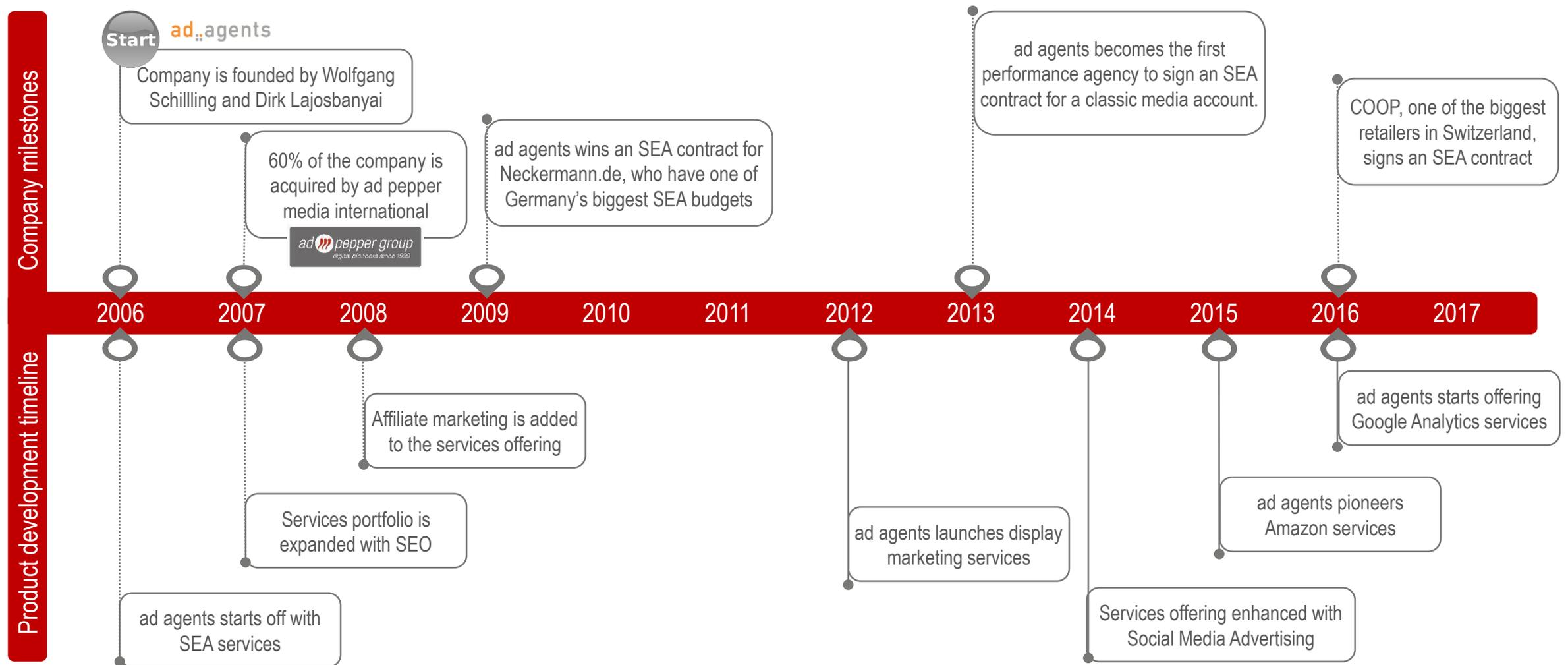
- ad agents was founded in 2006 by Wolfgang Schilling and Dirk Lajosbanyai, who are still shareholders and manage the company
- ad agents management has over 30 years of combined online marketing experience
- In 2007, ad pepper media international N.V. (publicly listed) acquired 60% from the founding shareholders
- The company is based in Herrenberg (Böblingen), 25 km southwest of Stuttgart



Diversified client base counting more than 100 clients, the majority of which are key accounts



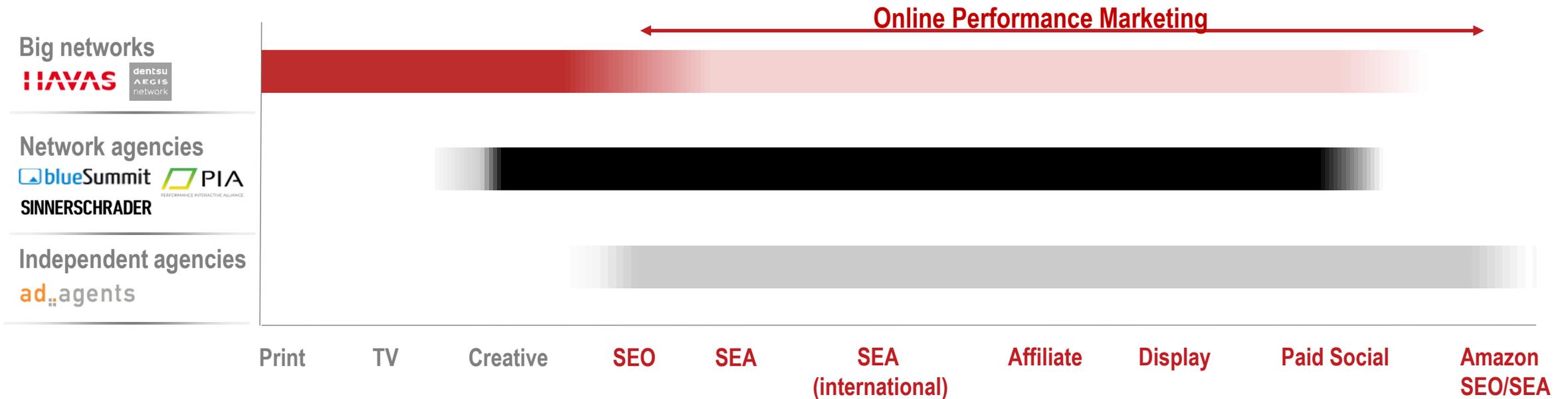
ad agents milestones and achievements



Competitive landscape

ad agents is one of the few independent agencies competing against the big players

- The agencies field has become smaller as consolidation has taken place and many smaller agencies have become part of bigger networks
- Within its core business, ad agents mostly competes against other performance agencies
- Compared to its performance peers, ad agents differentiates itself through its comprehensive service offering as well as its Amazon services
- In practice, ad agents finds itself pitching against big networks as well, and is likely to face them more often due to consolidation in the industry
- With its broad performance marketing expertise, ad agents has a strong position when pitching against big networks since they typically lack experience and knowledge in this area
- All in all, ad agents has become one of the few independent agencies successfully competing against bigger players in the market



Ongoing shift in strategic focus

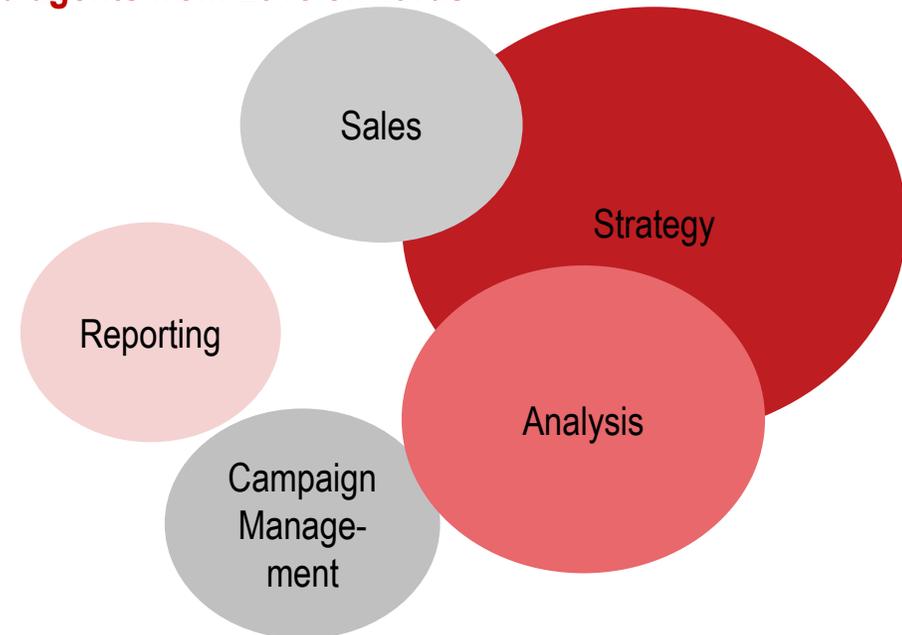
ad agents is increasingly focusing on consultancy, advisory, data science and analysis

- As marketing automation becomes increasingly ubiquitous, technology will take over functions traditionally handled by campaign management professionals, which weakens the rationale for campaign management rather than strategy
- As data management platforms are becoming increasingly important as sources of data on all channels from email to social, ad agents is focusing on its capabilities in the field of data management, platforms and analysis

ad agents in 2014



ad agents from 2018 onwards



ad  *pepper*

Fact Sheet: ad pepper media

- ad pepper media specializes in lead generation
- For over **19 years**
- Offices: Germany, Spain

“With the proprietary technology platform iLead ad pepper media provides our customers high quality leads, big volume and a comprehensive service to acquire subscribers through test runs, trade samples, catalogue orders, user registrations or competitions”



Attracting leads

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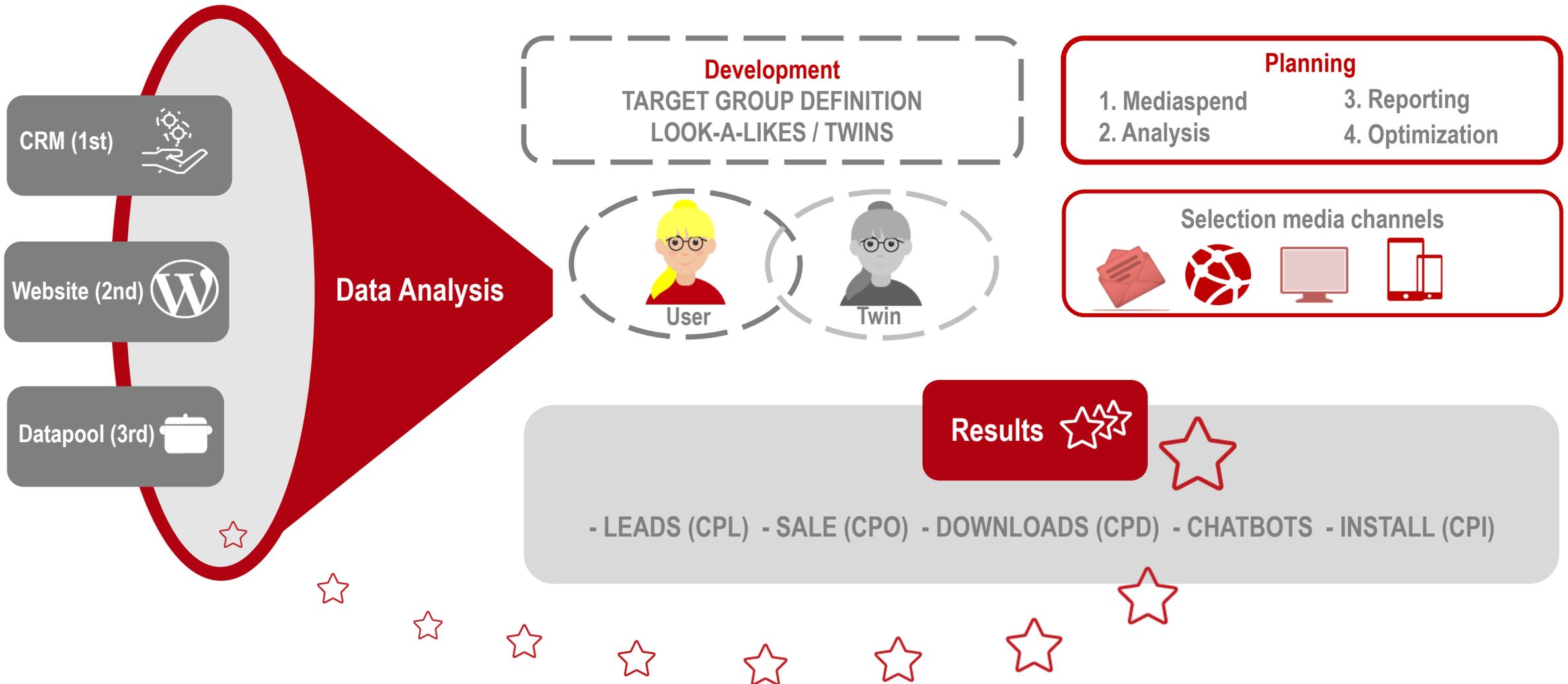
Validating leads

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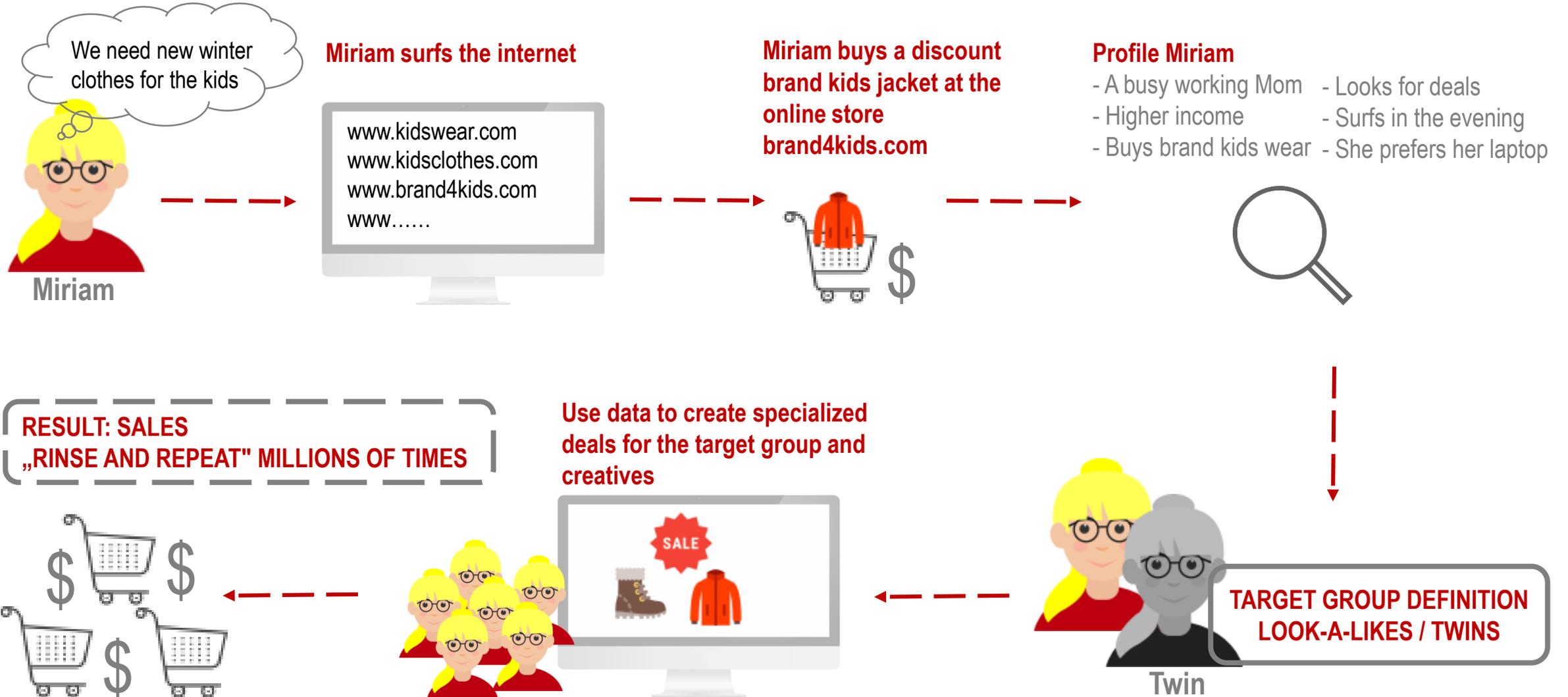


Delivering valuable leads to customers





Example: User-Based-Advertising



Case: Performance Display for Opel (PSA Group)

CHALLENGE



As part of their “business weeks”, the German car company Opel (known in Great Britain under the brand name Vauxhall) wanted to generate high-quality leads for their models Insignia, Astra, and Mokka. While the campaign’s target groups were very specific, any overlappings with B2C campaigns were not desired.

IMPLEMENTATION



As basis for the campaign, ad pepper media compiled a profound profiling. Tracking on Opel’s landing page delivered essential data about relevant target groups. Subsequently, a homogenous performance display setup was developed in cooperation with iProspect. What makes this solution exceptional, is the fact that it is not only optimized for websites but also measures the behavior of site visitors searching for industry-specific key topics

SUCCESS



Thanks to a target-oriented design, the campaign performed strongly and reached just the right placements. As a direct, traceable result, Opel received more than 700 B2B requests connected to their “business weeks” within five months.



KEY FIGURES OF THE GROUP

New international accounting standards impacting 2018 onwards

IFRS 15

- New standard regarding the recognition of revenues
- Mandatory as of January 2018
- Complete overhaul of revenue recognition principles

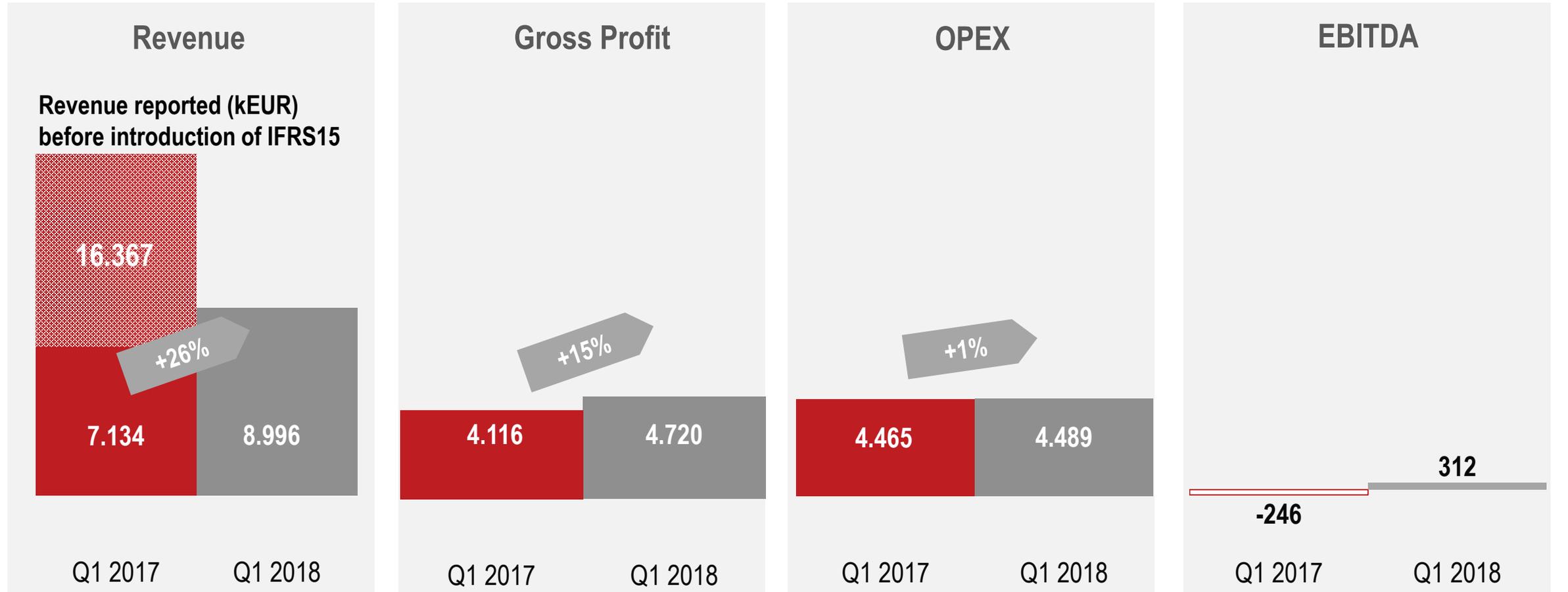
Impact on financial statements:

- Most important effect: Webgains to switch from gross to net revenue reporting
- Corresponding revenue decrease
(no impact on EBITDA)

Introduction of IFRS 15: Pro forma figures for ad pepper media group in 2017

- **Revenues** to decrease by approximately 55%
- No impact on **EBITDA** (in EUR)
- **EBITDA margin** to increase from ~ 3% to ~ 7%

Key Figures | Group

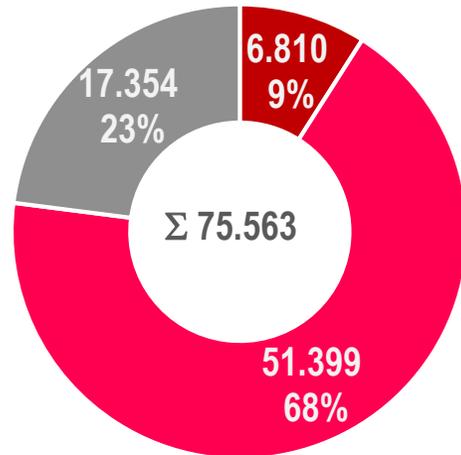


in EUR `000

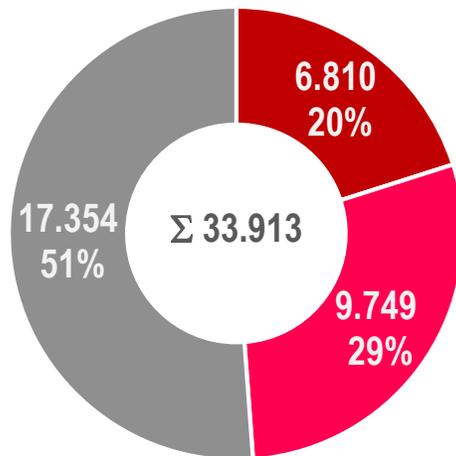
Pro forma 26% revenue growth in Q1 2018

Revenue & Gross Profit-Mix (kEUR)

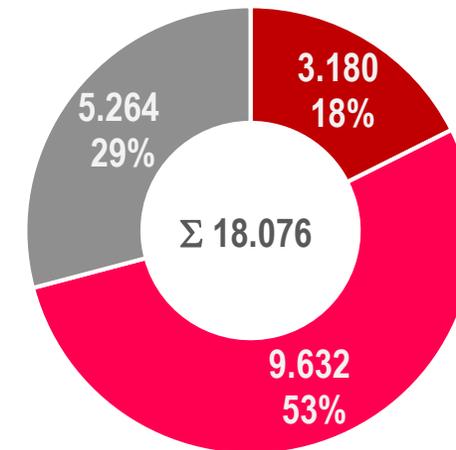
Revenue 2017



Pro forma



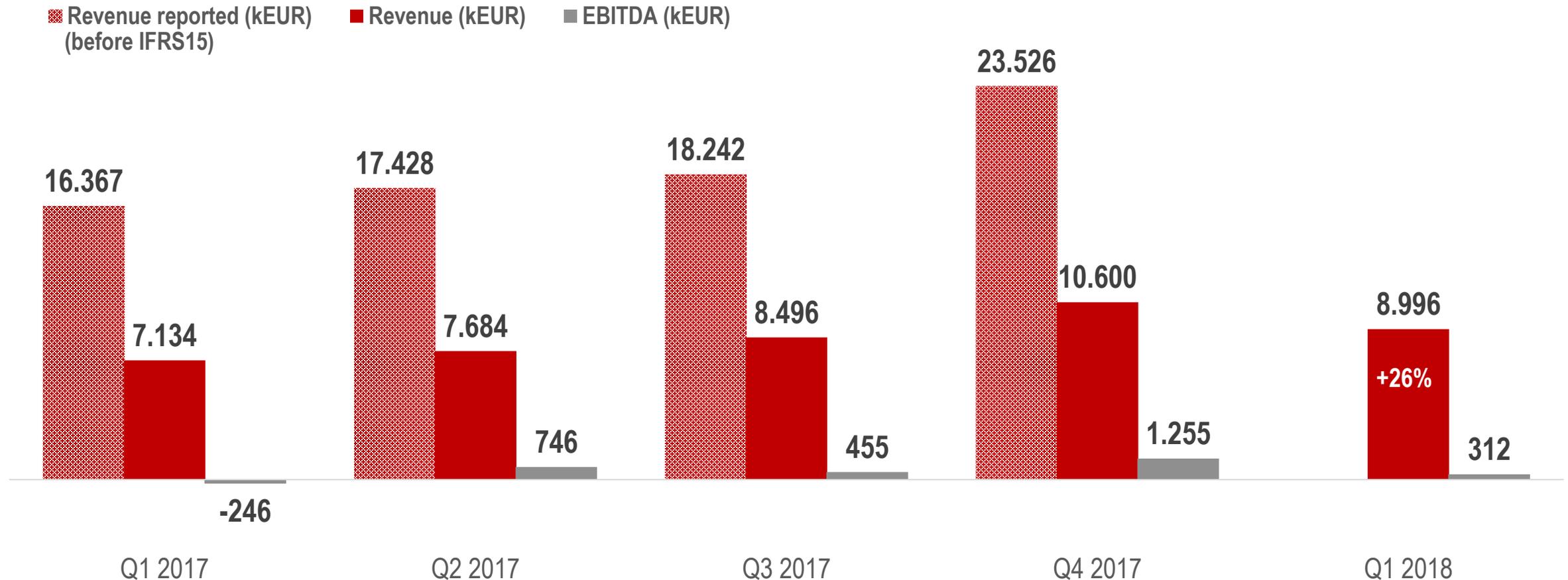
Gross Profit 2017



■ WBG ■ AA ■ APM

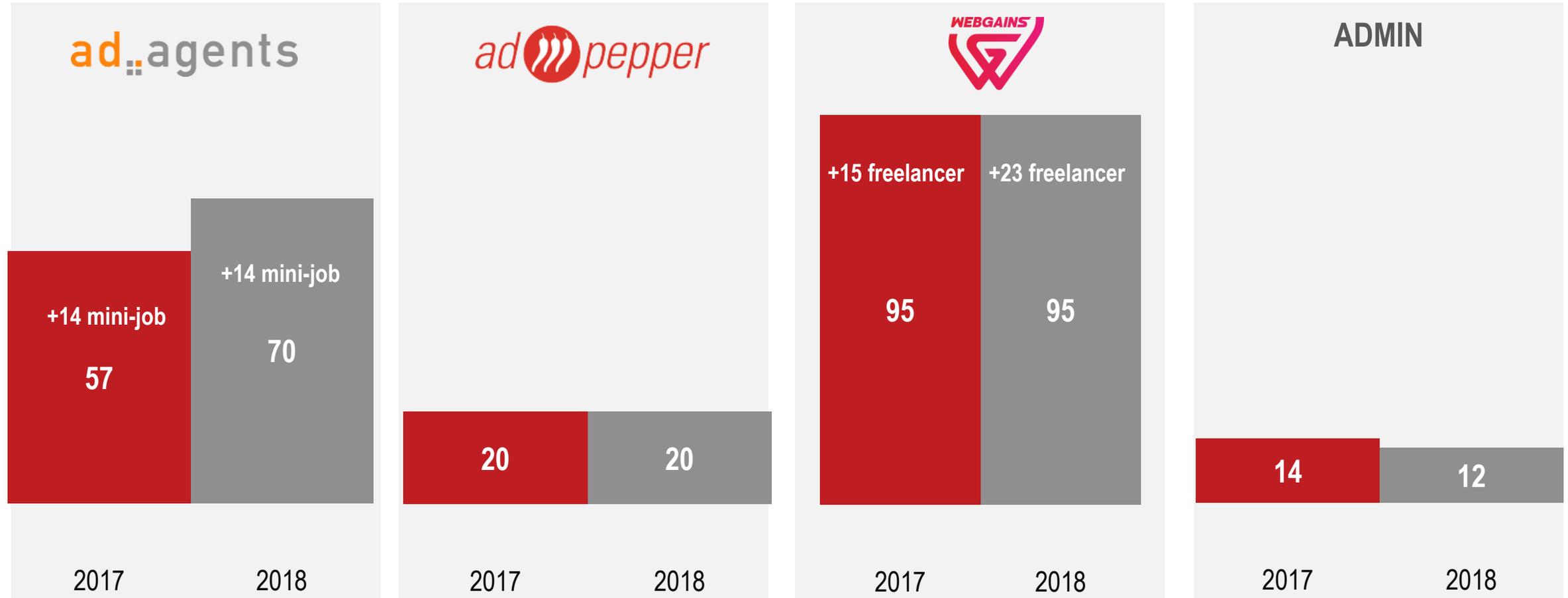
No impact on Gross Profit due to IFRS 15 - more than 50% of total Gross Profit is generated by Webgains Segment

Key Figures per Quarter | Group 2017/18



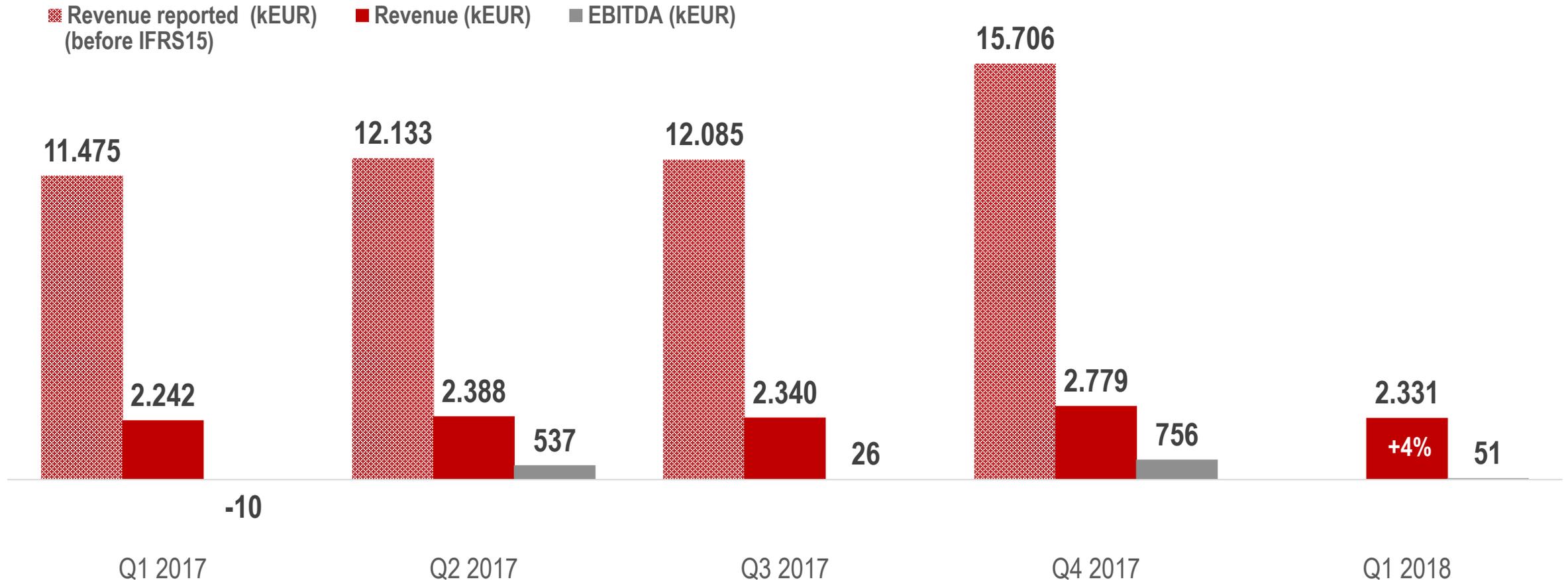
Q4 performance indicated strong seasonality; Q1 2018: 26% growth and positive EBITDA

Headcount | 31.03.2018 (Quarter-on-Quarter)



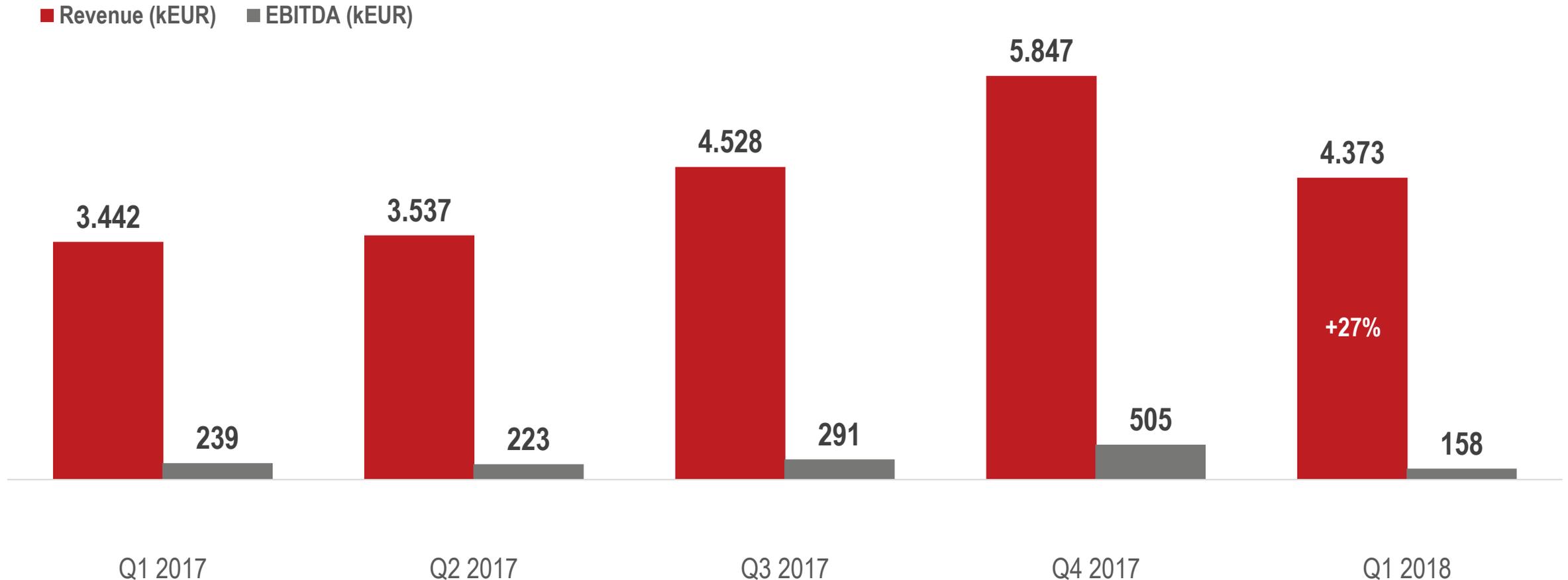
#of HC increased mainly due to ad agents and Webgains

Revenue & EBITDA - Segment Webgains



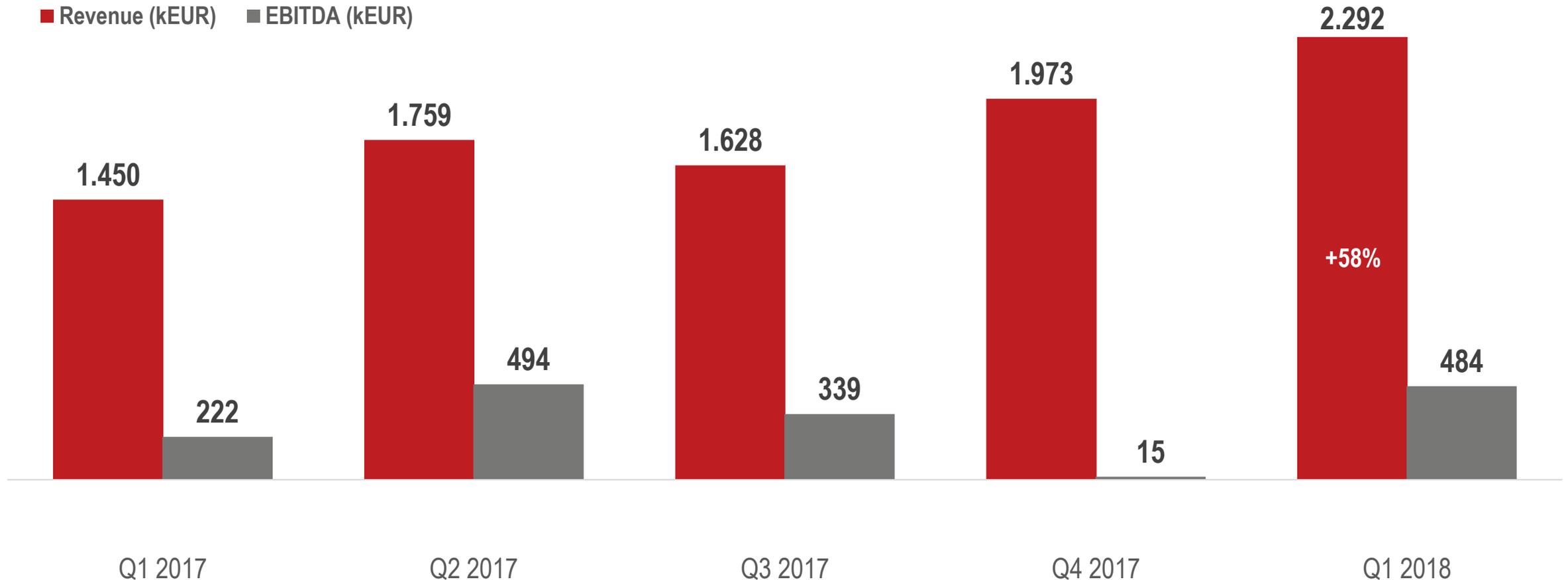
Webgains with a positive trend despite moderate growth in Q1

Revenue & EBITDA - Segment ad agents



ad agents on a very healthy growth path

Revenue & EBITDA - Segment ad pepper media



ad pepper media with impressive growth and EBITDA figures also in Q1

Investment Case



100% focus on Performance Marketing



Increased EBITDA from 1.7m in 2016 to 2.2m in 2017, beating own guidance



All segments with double-digit growth in 2017



High net cash position (almost EUR 1.00/share)

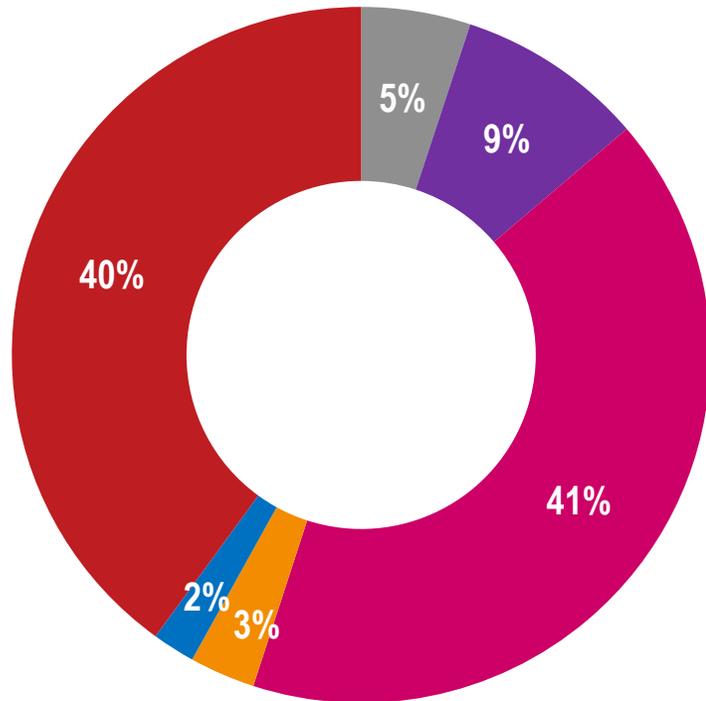


Gaining critical mass in all segments with big international clients on board



Growth Strategy: organic and M&A

Shareholder Structure



- Axxion S.A.
- EMA B.V.
- Euro Serve Media GmbH
- Treasury stock
- Dieter Koppitz
- Freefloat

- Total number of shares: **23,000,000** (nominal value EUR 0.05)
- Last share repurchase program: Initiated in February 2016 and commenced in July 2016 (3%)
- Liquid funds: EUR 22,642k (31.12.2017), debt-free
- ISIN: NL0000238145

Upcoming events



**August 21
2018**

Quarterly Report
II/2018



**November 15
2018**

Quarterly Report
III/2018

OUTLOOK



“We expect to achieve an EBITDA higher than in the previous business year.”

As announced on March 29, 2018, we expect to achieve an EBITDA higher than in the previous business year. While we experienced a very solid first quarter, we intend to provide a more detailed guidance after assessing our second quarter performance.

