Annual Report 2024

AZERION GROUP N.V.

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Report of the Board

Message from the CEO

As we look back on 2024, it's clear that our dedication to becoming a European champion in the digital advertising landscape has begun to bear fruit. We have made significant strides in enhancing our advertising platform, which has led to strong revenue growth and improved profitability. Our commitment to innovation, particularly through our investment in advanced machine learning and AI, has empowered us to deliver exceptional service to our clients and adapt to the rapidly changing market.

This year, we focused on expanding our presence in premium advertising formats such as Digital Out-of-Home, Audio, and Connected TV. The integration of our unified media buying platform has not only streamlined operations but also unlocked efficiencies that have directly driven our growth. Notably, our partnerships with Eniro in the Nordics and Captify in France and Italy exemplify our strategic approach to capturing market share in key geographies. The acquisition of Goldbach Austria GmbH opens new avenues for growth and innovation in the DACH region, enhancing our capabilities in delivering impactful advertising solutions.

While our divestment of the social card games portfolio last year positioned us for greater focus, the robust performance of our Platform and Premium Games segments highlights the success of our ongoing strategy.

The successful subsequent bond placement of € 50 million in July this year and a further € 50 million issue in December have fortified our financial position, providing necessary resources to support our strategic initiatives. As we navigate through favorable market dynamics, we have cultivated a strong pipeline of strategic partnership opportunities, and we remain committed to exploring these avenues for further growth.

As we continue this journey, I am excited about the prospects ahead and the role of our innovative platforms in shaping the landscape of digital advertising. Together, we are poised to benefit from market dynamics and tailwinds to drive continued success and capture new opportunities in the coming years.

Umut Akpinar

Azerion at a glance

Customers

Consumers

550m+
Unique monthly active users [1]

20k+
Game titles [2]

Advertisers

400k+
Advertisers [3]

14bn+
Digital ads sold per month [4]

Partners

Digital publishers

300k+
Contracted publisher websites [5]

10k+
Exclusive publisher websites [6]

Game creators

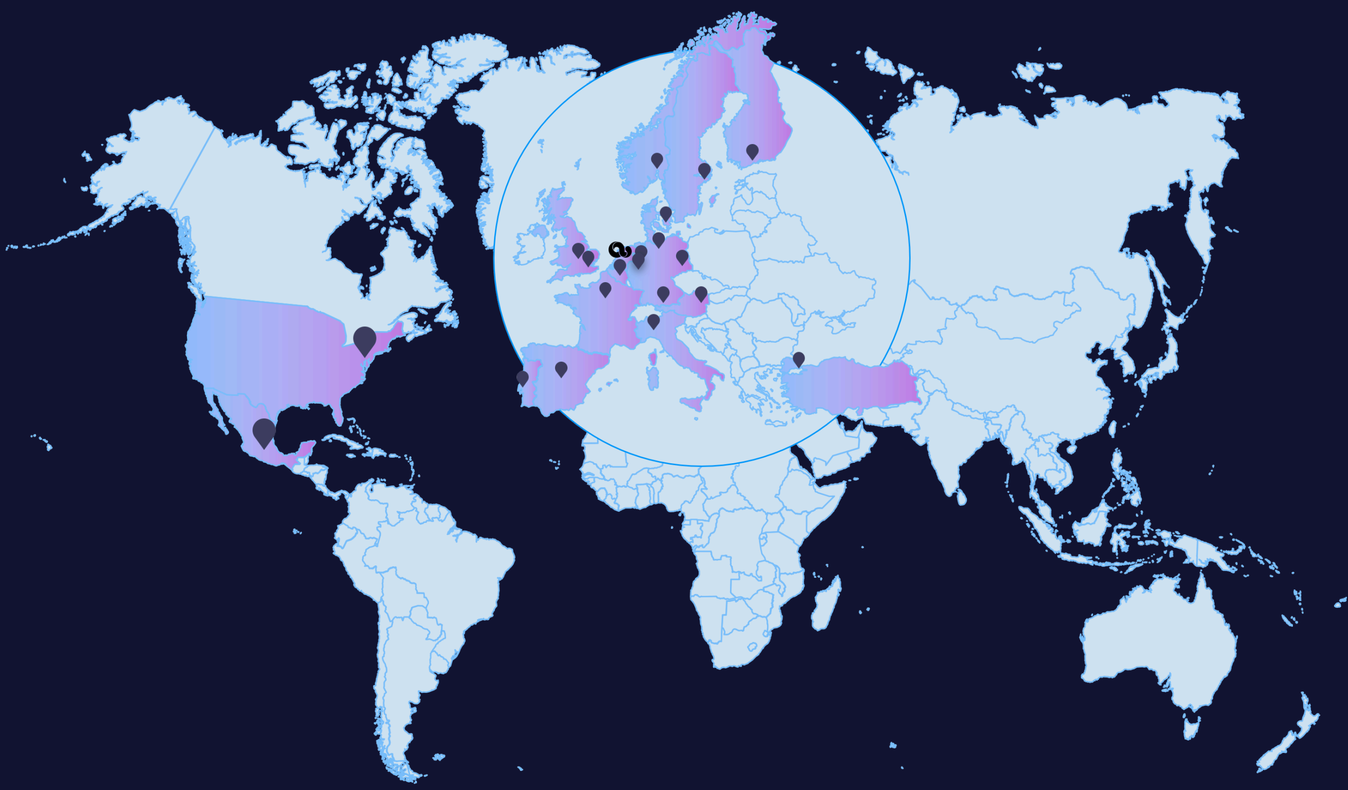
~1.5k
Contracted game creators [7]

~150
Average new casual games per month [8]

Azerion

~1,000
Employees [9]

HQ
21 offices in **16** countries [10]



1 Total number of unique monthly active users that are reached through all our products, including through our digital publisher network; average in Q4 2024.
2 Average number of game titles in Q4 2024, as part of the GameDistribution portfolio.
3 Average monthly number of advertisers placing >1 ad during Q4 2024.
4 Average number of digital ads sold per month during Q4 2024.
5 Number of active domains (websites and apps) where >1 paid impression was shown as of December 2024; Improve Digital only
6 Number of active domains (websites and apps) exclusive to Azerion's where >1 paid impressions was shown as of December 2024; Improve Digital only.
7 Average number of game developers for which Azerion distributes the content, mix of external and internal creators, during Q4 2024.
8 Number of games per month that are activated for distribution in our Casual Distribution channel, mix of external and internal content; average during Q4 2024.
9 Total headcount as of 31 December 2024, including this year's M&A.
10 Number of offices as of 31 December 2024, including this year's M&A

Company profile

Company overview

Azerion was founded in 2013 and is a technology company providing digital advertising and entertainment media headquartered in the Netherlands. Azerion operates a proprietary omnichannel digital advertising platform and local managed services connecting advertisers with audiences through both general (non-gaming) and gaming content which it owns and operates. In recent years Azerion has expanded along the user engagement value chain to become a full stack provider of online digital advertising services. Our mission is to consolidate the fragmented European digital advertising sector and bring engaged consumers to advertisers globally to generate economic, sustainable benefits of scale to all stakeholders.

The Group has grown by integrating technology and acquiring market participants to create a platform of scale. Azerion mainly operates throughout Europe and is strategically positioned in the United States ("US") and South America. Its wide presence allows companies to advertise their products using local insights around the world in a cost-effective and efficient manner.

Azerion is engaged in a number of integrated operating activities including providing technological solutions to automate the purchase and sale of digital advertising inventory (i.e. the available space or opportunities where advertisements can be displayed to an audience, including video, digital out of home, audio, in game and CTV) for advertisers, publishers and game creators. Azerion develops, publishes, distributes, and operates its own online casual and premium games as well as other digital content and sells independent and AAA game keys.

Azerion's single service technology platform allows advertisers, publishers and game creators to automate the purchase and sale of digital content inventory. Azerion's advertising auction platform is further enriched by its publisher monetisation services, whilst local commercial teams add industry and market knowledge to the local service provided to customers. This unique combination of services and insights improves efficiency providing advertisers greater value of distribution whilst content publishers have more relevant ads displayed, creating an engaging experience for the consumer audiences.

During 2024, Azerion worked with more than 400,000 advertisers globally and over 300,000 contracted publisher websites using solutions across all advertising formats, devices and platforms. Through its platform and taking into account all its products, as at December 2024 Azerion's reach extended to an audience of over 550 million unique monthly active users on average. Throughout 2024, Azerion sold on average close to 14 billion digital advertisements per month, published close to 150 new casual games per month and worked with around 1,500 game creators. As at December 2024, Azerion's platform had a portfolio of more than 20,000 game titles and more than 10,000 exclusive publisher websites.

The Azerion Group is headquartered in the Netherlands and operates and reports under two segments: Platform and Premium Games.

History of Azerion

Foundation

2013

Focused on social and casual games

Content expansion

2017

Expansion into ad segment via GameDistribution

2016

Expansion into digital goods distribution through Voidu

2015

Expansion of content offering via several acquisitions

Tech expansion / ad network

2018

2017

Entering into monetisation tech via Improve Digital

Geographical expansion

Expansion into ad segment via GameDistribution

Scale-up through partnerships

2019

Launched partnerships with Ajax eSports and Monopoly

2020

Continued integration and expansion of content and monetisation tech ecosystem offering

Significant scale up - organically and M&A

2021

Further expanding / improving ecosystem with synergy potential

Continued organic and M&A growth

2022

Increased focus on integration and scaling of the Platform

Listed on Euronext Amsterdam

2023

Continued growth in Platform segment and focus on integration and consolidation of past acquisitions

Consolidation and integration of past aquisitions

2024

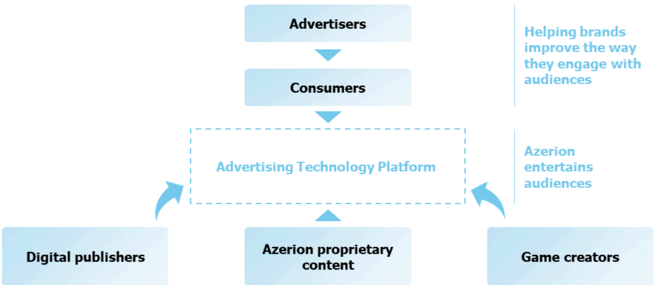
Strengthened European advertising expertise and growth in emerging digital channels

Incorporated at the end of 2013, Azerion was active in 2014 with 45 employees. It has grown rapidly over the years through a combination of organic growth and strategic acquisitions. On 2 February 2022, Azerion became listed on the Euronext Stock Exchange. As of 31 December 2024 Azerion had approximately 1,000 FTEs (2023: approximately 1,100) and 21 offices in 16 countries. Azerion believes that its employees are key to the success of its business as they maintain and develop its relationships with consumers, advertisers, digital publishers, game creators as well as maintain and develop its proprietary technology platform, which is key to the operation of its business.

Business model

Azerion's advertising technology platform connects advertisers with consumer audiences, with those consumers themselves being accessible through scaled, diverse and engaging content. As explained further below, Azerion's platform helps solve critical challenges for advertisers, digital publishers and game creators in a number of different ways.

The diagram below shows a visualisation of Azerion's platform.



Content, data and technology are at the core of Azerion's platform and serve the needs of each of the stakeholders. There are four key stakeholder groups that engage with Azerion's platform: (1) Advertisers, that look to reach digital audiences by placing advertisements; (2) Consumers, that engage with digital content which is funded either by a consumer purchase or by advertising; (3) Digital publishers, that look to generate revenue by displaying advertisements on their digital content (e.g. online newspapers and magazines, websites, digital billboards and audio, connected TV, apps and so on); and (4) Game creators, that utilise Azerion's platform to distribute their games to digital audiences and to monetise their games through digital advertising. These groups create, distribute and engage with content. The operations and solutions that Azerion offers to the various groups that interact with its platform are a catalyst to the complementary network effects that accelerate with scale.

Azerion's integrated platform model

Azerion's platform model consists of a demand- and supply side, enabled by proprietary technology solutions that connect both sides.

The demand side of the platform provides the source of revenue for Azerion and is made up of two categories: advertisers and consumers. Advertisers, who are small and large brands or agencies, pay Azerion to display their advertisements to a digital audience. Advertisers are serviced through two models: i) direct sales, which involves a direct engagement between Azerion's commercial teams and advertisers (or their agencies) in the placement of digital advertisements, and ii) automated auction sales in which advertising inventory is purchased through real-time auctions from its own and connected Demand Side Platforms ("DSP") in the open market, executed in milliseconds programmatically. Consumers generate revenue for Azerion by paying for in-game items or by purchasing game keys for AAA and independent games through e-commerce channels. Azerion uses its proprietary technology solutions to connect advertisers and consumers to the supply side of the platform through its Supply Side Platform ("SSP"), which consists of digital content suppliers. The technology solutions include a digital advertisement buying platform, a self service and managed digital advertising auction platform and publisher monetisation services. The digital content suppliers can be categorised as follows:

- Digital content supply for advertiser clients:
  - Contracted publishers: Includes agreements that Azerion has with its game and non-game publisher partners to monetise their digital content. Azerion partners with more than 300,000 contracted publisher websites. These contracted partners are connected to the internet through Azerion's Advertising auction platform, allowing more than 400,000 advertisers to bid on digital advertising inventory using a digital ad buying platform.;
  - External publishers; External publishers are digital content publishers where advertisements are displayed that have been sourced by Azerion, but which were not transacted through Azerion's supply-side platform or Azerion's full monetisation solutions;
  - Exclusive publishers: Azerion has exclusive partnerships with more than 10,000 digital publishers whose content is predominantly monetised by Azerion. Azerion generally generates a higher margin on digital content that is monetised under exclusive partnerships due to the wider range of services provided and its ability to provide supply chain efficiencies, driven by an end-to-end advertising technology solution;
  - Azerion's content: Azerion manages general content and develops game content. Azerion's participation in select digital publishers and advertising channels such as digital out-of-home and games provides greater monetisation exclusivity. This digital content is

mainly monetised through advertisements and some in-game purchases.

- Digital content supply for consumers:
  - AAA Game Distribution: Through Azerion's digital sales platforms, consumers and e-retailers can purchase digital games and software content. The games in this channel are generally classified as AAA and independent games;
  - Premium games: Consumers play a number of proprietary games, which are mainly focused on stimulating social interaction among players. These games are typically free to download and play for consumers, with revenue mainly generated by consumers making in-game purchases for virtual items such as clothing, furniture, coins or other features.

The revenue generated by advertisers through the contracted publishers, exclusive publishers and Azerion's owned and operated content is classified as advertising revenue.

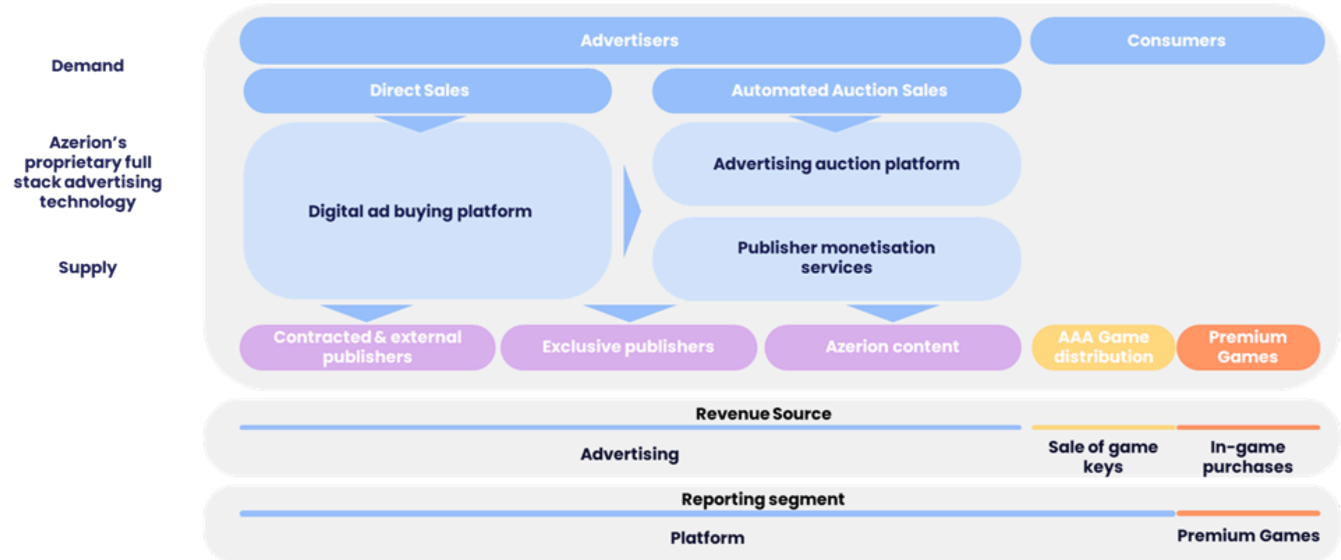
A graphical representation of the company's integrated platform model is below.

Reporting segment: Platform

The Platform segment includes Azerion's proprietary digital advertising platform, its owned and operated AAA Game Distribution e-retailer platform and the distribution of Casual Games, which are integrated through the Group's technology.

Azerion proprietary one-stop-shop advertising platform covers the entire value chain connecting global brands (European and US Fortune 500 companies) and major agencies (Publicis, Omnicom, Dentsu, WPP) as well as local advertisers (small and family owned businesses) to digital advertising opportunities across digital media channels globally and aims to cater for all the needs of all participants within its ecosystem. Azerion's integrated platform partners with digital publishers and game creators to bring engaging content to consumers and connect them to advertisers. It generates revenue mainly by displaying digital advertisements across multiple owned, partnered and external channels such as mobile and web (Chicago Tribune, ItaliaOnline, Money.it, and Philips), DOOH (JCDecaux, MyAdbooker), audio (Deezer, Acast, Spotify), CTV (SambaTV, StampTV, XITE), and in-game (Huawei).

Azerion provides advertisers and media agencies direct access to audiences through both local direct sales teams and self-serve technologies using its fully integrated Demand Side Platform (DSP). This approach allows some advertisers to bid on ad space directly from the platform and others to have their campaigns and media buying execution delivered by one of Azerion's local advertising experts. Advertisers and their agencies can also choose to access Azerion's publisher inventory through their own alternative buying platform. This flexibility ensures



that advertisers can efficiently manage their campaigns while taking full advantage of Azerion's expansive reach.

For publishers, Azerion functions as an open network, connecting them with a vast array of advertisers. Utilizing Azerion’s Supply Side Platform (SSP), Azerion aggregates advertising slots from various publishers, seamlessly making these available to potential buyers (advertisers) and ensuring optimal fill rates. Azerion also helps publishers to maximise revenue from digital audiences by offering managed full monetization solutions, enabling publishers to leverage their content effectively.

Azerion's data management platform (“DMP”) technology allows efficient and easy access to these audiences at scale. Azerion’s audience identity technology, Edge, leverages Azerion’s casual and premium game user data, as well as partnered 3rd party data providers such as Roqad to provide a holistic identifiable solution. The company has invested in the development and use of artificial intelligence for many years, improving its contextual and behavioural identification for greater audience reach and the categorisation of content. Through its partnership with Amazon Cloud, Azerion’s platform technology is able to scale up efficiently generating increased returns.

Azerion has ownership in general (non-game) and game digital content as well as partners with over 300,000 digital publishers of all types of content across various channels, including digital newspapers and magazines, OEMs of television, radio and music streaming platforms, digital-out-of-home operators and other online video platforms. Azerion’s owned digital content is monetised predominately through advertising revenue with a portfolio consisting of free to play Casual Games, Game Distribution portals and interactive sports club white label solutions (Fanzone).

Azerion’s AAA Game Distribution sales platforms, Voidu and Genba Digital, enable digital content owners to distribute their games and software content online both to users and partnered e-retailers. These sales platforms focus on selling digital access to AAA developed games. Voidu is a digital business-to-consumer distribution platform enabling publishers, developers and distributors of games to distribute their games directly to users. Voidu has an extensive catalogue of gaming titles across a wide range of genres, mainly for PC. It generates revenue from selling games directly to consumers and shares that revenue with the content owners. Genba is a business-to-business digital logistics platform connecting games and software content owners with sales channels around the world. Genba works with publishers distributing games and software products to multiple regions through a network of partnered e-retailers. Genba generates revenue from selling access to content through its platform in business-to-business sales and shares that revenue with the content owners.

Reporting segment: Premium Games

Azerion operates multiple premium games titles, defined as where it generates revenue mainly by offering users the ability to make in-game purchases for extra features and virtual goods, to enhance their gameplay experience. The aim of premium games is to stimulate social interaction among players by encouraging sharing, competing and cooperating with other players, as well as forming social bonds and networks offering an extended value proposition to advertisers and creating cross-selling opportunities with the Platform segment.

Premium Games are generally higher margin activities which predominantly generate revenue through in-game purchases. The premium games can be divided broadly into social casino games branded as myjackpot.com and metaverse titles

Social casino games branded myjackpot.com

The principal social casino games brand is myjackpot.com, which is a free to play online portal where users can play slots and casino games. Users progress through the games as they unlock more slots and features while playing. Chips are the main currency used in myJackpot.com. Chips can be earned by winning games, logging in through a social media-platform, spinning the wheel of chance every two hours, logging in daily, inviting friends or watching in-game advertisements. Users can purchase in-game chips, credits and tokens to enhance game play experience. The more chips a user purchases, the larger the discount he or she will receive on the chip purchase. The users cannot receive cash by playing the game, nor is it allowed to trade inside or outside the game.

Metaverse

Azerion has been active as an operator of metaverse games for a long time. Azerion owns and operates two premium game metaverse titles in Habbo Hotel and Hotel Hideaway. Habbo Hotel was founded over 20 years ago and over the years has developed a community of players from over 150 countries. Hotel Hideaway, a similar game that provides users with an interactive social online 3D role playing environment, is monetised primarily through in-game purchases. This experience in developing, distributing and monetising a metaverse environment makes Azerion an attractive partner for advertisers for in-game branding opportunities and sale of virtual items.

Azerion's growth strategy

Azerion's strategy is based on a combination of organic growth opportunities and value accretive acquisitions. Azerion believes that its integrated platform and strong acquisition track record will enable it to execute and accelerate its buy-and-build strategy across its platform. Azerion has identified four main drivers of continued growth: structural market growth; platform growth; platform synergies and M&A.

Structural market growth

Azerion is well positioned to benefit from the anticipated future structural growth in the digital advertising and gaming markets. Ten years ago roughly two and half billion people had access to the internet and it has increased to five and a half billion today. As an increasing amount of the population gain access to the internet the digital advertising market has grown significantly. The compound annual growth rate for the market is to be approximately 10% between 2024 and 2028, reaching a total market size of approximately $1tn (source: Statista Number of internet users worldwide from 2005 to 2023 (May 2024) and eMarketer (March 2024).

Platform growth

Azerion's organic growth strategy is centred around a number of drivers to capture market share in 2025 and onwards. These include, amongst others:

- Continue to expand existing partnerships and build new strategic partnerships with agencies and advertisers;
- Expand geographically by the continued introduction of sales teams in selected new regions;
- Optimise advertiser spend on Azerion's proprietary advertising platform by providing innovative advertising formats for brands;
- Enter into new and/or expanded strategic partnerships with digital publishers;
- Further integrate and consolidate previous acquisitions and technologies.

Platform synergies

Azerion is focused on realising platform synergies and capturing network effects, including delivering the synergies available from past acquisitions. Azerion realises platform synergies in a number of different ways, including through content, its advertising sales capabilities and its operations and technology. Firstly, Azerion realises synergies through its content by applying enhanced distribution and generating an increased return on investment on user acquisition, which supports an increase in revenue and margin. Secondly, Azerion realises operational synergies through utilisation of its proprietary technology and content for its advertising sales teams. Lastly, Azerion realises synergies through its operations and technology, for example, by generating operational leverage with shared services, back-office efficiencies, hosting and development resources, which supports an increase in margin over time.

Partnerships and M&A

M&A has been a core element of Azerion's growth since inception with more than 60 acquisitions made in the last nine years. As the company moves forward it will continue to review acquisition opportunities with the objectives to acquire new technology, people and key partnerships, consolidate market position in key geographies and strengthen relationships with publishers.

Management structure and Corporate Governance

Initially, the Management Board comprised of Mr. Umut Akpinar and Mr. Atilla Aytekin acting as Co-Chief Executive Officers of Azerion Group N.V. On 12 March 2023, Mr. Aytekin decided to temporarily step down as Co-CEO of Azerion, following the AFM investigation that was announced on 13 March 2023.

On 14 March 2025 it was announced that the AFM has concluded the investigation into irregularities in trading of Azerion shares. The investigation did not lead to any punitive measures against Azerion or its major shareholders.

The Management Board is supported by an Executive Committee ("Executive Committee") which, in addition to the Management Board, consisted of the following members per 31 December 2024:

- Julie Duong Ferat, Chief Financial Officer
- Sebastiaan Moesman, Chief Strategy Officer
- Joost Merks, Chief M&A and Corporate Development Officer
- Ben Davey, Chief Investment Officer
- Gönenç Seçil Tarakcıoğlu, Chief People Officer
- Jurriaan van Teunenbroek, Chief Publishing Officer
- Mickael Ferreira, Chief Business Officer

For more detail on the Supervisory Board and the Corporate Governance proceedings of Azerion Group N.V., please refer to the Supervisory Board report.

The Dutch Corporate Governance Code

The Dutch Corporate Governance Code applies to Dutch companies whose shares are listed on a regulated market or a comparable system. The Dutch Corporate Governance Code applies to Azerion Group N.V., as a result of its listing on Euronext Amsterdam. Azerion recognises the importance of good corporate governance and endorses the core principles of the Dutch Corporate Governance Code and is committed to following the Dutch Corporate Governance Code's best practices. However, considering its interest and the interests of stakeholders, Azerion deviates from a limited number of best practice provisions.

For a detailed comply-or-explain section in relation to the Dutch Corporate Governance Code, please refer to the section on Corporate Governance, starting on page 52.

The Management Board declares that the information required to be disclosed pursuant to the Decree Article 10 Takeover Directive is included in this report, to the extent required and applicable.

Change of control clauses

Pursuant to article 10.1 (j) of the *Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids*, Azerion discloses the following information in relation to its significant agreements which take effect, alter or terminate upon a change of control of the Company, following a takeover bid.

Senior Secured Callable Floating Rate Bonds (ISIN: NO0013017657)
According to the terms and conditions of the above-mentioned bonds, where Azerion Group N.V. is the signing party as the issuer, a "Change of Control Event" is defined as the occurrence of an event or series of events whereby one or more persons, not being a Main Shareholder (or an affiliate of a Main Shareholder), acting together, acquire control over Azerion Group N.V. as the issuer. In this context, "Main Shareholder" is defined as each of Mr. U. Akpinar and Mr. A. Aytekin, through their direct and indirect holdings. "Control" refers to controlling, directly or indirectly, more than 50% of shares of Azerion, or the right to appoint or remove all or majority of the directors of Azerion. In the case of a Change of Control Event, each bondholder has the right to request that all, or some only, of its bonds be repurchased, in accordance with and subject to the terms and conditions of the bonds.

Factoring agreements with Lidion Bank plc
A number of Azerion's subsidiaries have factoring agreements in place with Lidion Bank plc. The definition of an event of default under the factoring agreements includes the occurrence of an event or series of events whereby one or more persons, acting together, acquire control over the relevant Azerion subsidiary or any of its direct or indirect holding / parent companies. In this regard "control" means (a) acquiring or controlling, directly or indirectly, more than fifty (50) per cent of the shares of the relevant Azerion subsidiary or any of its direct or indirect holding / parent companies or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the relevant Azerion entity or any of its direct or indirect holding / parent companies.

Super Senior Revolving Credit Facility Agreement
According to the terms of this agreement, where Azerion Group N.V. is the signing party as the borrower, a "Change of Control" is described as the occurrence of an event or series of events whereby one or more persons, not being a Main Shareholder (or an affiliate of a Main Shareholder) acting together, acquire control over Azerion Group N.V. as the borrower. In this context, "Main Shareholder" is defined as each of Mr. U. Akpinar and Mr. A. Aytekin, through their respective direct and indirect shareholdings in Azerion. "Control" refers to controlling, directly or indirectly, more than 50% of shares in Azerion, or the right to appoint or remove all or majority of the directors of Azerion. In case of Change of Control, lender shall not be obliged to fund a utilisation (except for a rollover loan), and has the right to cancel the available commitment and declare the loans and all other outstanding amounts due and payable, in accordance with and subject to the terms of this agreement.

Employee share schemes

The Company has an executive annual incentive plan, under which employees may be granted depositary receipts of the Company via a foundation (STAK) which administrates and controls the underlying shares, including voting rights, until decertified and transferred to the employee or otherwise sold at the employee's request.

Authorisation to issue shares

Pursuant to resolution 8a and 8b adopted by the general meeting of the Company of 20 June 2024, the Management Board is authorised to issue shares, and to grant rights to acquire shares, including the right to restrict or exclude pre-emptive rights, subject to certain conditions.

Pursuant to resolution 9a and 9b adopted by the general meeting of the Company of 20 June 2024, the Management Board is authorised to issue shares and to grant rights to acquire shares in connection with any long-term incentive plan, including the right to restrict or exclude pre-emptive rights, subject to certain conditions.

Pursuant to resolution 10 adopted by the general meeting of the Company of 20 June 2024, the Management Board is authorised to repurchase the Company's own ordinary shares, for a period of 18 months, subject to certain conditions.

Internal risk management and control systems

Azerion has a comprehensive set of procedures and practices in place that manage and mitigate the impact and the likelihood of risks materialising and having an adverse effect on its operating results and financial position. Risk assessments are carried out annually, the results of which are reported to the Executive Committee. If necessary, improvements are made to the risk measures. Azerion's risk management framework addresses identified major risks per function, including strategic, operational, financial and compliance-related risks.

Related party transactions

For a full description of related party transactions, please refer to note 26: Related parties. Best practice provision 2.7.5 of the Dutch Corporate Governance Code has been complied with in relation to these related party transactions.

Anti-takeover measures

The Company does not currently have anti-takeover measures in place.

Shareholder engagements

Engagement activities

In our third year as a listed company, the Investor Relations team at Azerion has worked to connect the senior management of the business with research analysts, shareholders and investor communities through financial results reporting, business updates and direct engagements. During 2024 Azerion participated in various conferences and market participant engagements in order to increase visibility on our activities and business model. Through the ongoing activities with capital markets stakeholders, we were able to continue providing visibility on the company and further engage with shareholders and other capital markets stakeholders.

The capital market stakeholder engagement during the year supported the successful issuance and placement of subsequent bonds totalling an amount of EUR 100 million under the Company's existing senior secured floating rate bond framework of EUR 300 million with ISIN NO0013017657 (the "Bonds"). The outstanding aggregate principal amount under the Bonds was EUR 265 million at the end of 2024. For further information on subsequent bond placement and issues, this refinancing, please refer to the Operational and financial review section.

Share information

Azerion's issued capital and voting rights are notified to the Dutch Authority for the Financial Markets (AFM). This reporting can be found in the register issued capital on https://www.afm.nl. Shareholders owning 3% or more of the issued capital and/or voting rights of a listed company must report this to the AFM as soon as this and certain other thresholds are reached, exceeded or crossed. The obligation to notify changes in ownership when a threshold is reached, exceeded or crossed is the responsibility of the respective shareholder. This reporting by shareholders can be found in the 'Register of substantial holdings and gross short positions' at https://www.afm.nl.

The following table sets out the notifications of substantial shareholdings with the AFM, as at 22 April 2025:

Main shareholder information

in % of ownership

Shareholder	Number of ordinary shares [1]	Ownership percentage against number of ordinary shares outstanding [2]	Date of last notification at the AFM
Principion Holding B.V. (MeDu Beheer B.V. and Arman Ozan Beheer B.V. are both board members and shareholders and BeKoNi Holding B.V. is a shareholder)	26,913,594	22.0%	28/08/2024
MeDu Beheer B.V. (investment vehicle of U. Akpinar)	18,518,519	15.2%	28/08/2023
Arman Ozan Beheer B.V. (investment vehicle of A. Aytekin)	18,518,519	15.2%	28/08/2023
HTP Investments B.V. (W. de Pundert is Chairman of the Board)	8,318,808	6.8%	23/08/2023
W.P. de Pundert	7,273,182	6.0%	09/01/2025
BeKoNi Holding B.V. (investment vehicle of Y. Erbas)	4,174,866	3.4%	26/04/2024

[1] As recorded in the AFM Register of substantial holdings and gross short positions.

[2] Implied capital interest percentage based on number of Ordinary Shares outstanding (excl. Treasury) as at 22 April 2025, as presented on the Investor section of Azerion's website. As such, the implied percentages differ from the percentages shown in the AFM Register of substantial holdings and gross short positions, since the AFM percentages are based on all capital instruments (e.g. including Treasury Shares and not limited to Ordinary Shares alone).

Information on our IR page website

Azerion has an Investor Relations page on our website where, among other information, our financial calendar, annual reports, press releases, presentations, webcasts, and shareholder information are readily available to the public. Investor Relations is the primary point of contact for all potential and current shareholders, bondholders, analysts, and other stakeholders.

Azerion aims to always act with integrity and in compliance with all applicable laws, regulations, and best practices. To ensure compliance and transparency, the 'Investor Relations Privacy Policy' has been adopted and is published on our website.

Operational and financial Review 2024

Azerion is organised by way of two different segments: Platform and Premium Games.

The Platform segment includes our digital advertising activities, AAA Game Distribution (formerly referred to as ecommerce), Casual Game Distribution (being the operation and distribution of casual games) and Azerion Sports. The Premium Games segment contains our highest user engagement titles, monetised primarily through in-app purchases.

The Dutch structure regime *(structuurregime)* is not applicable to Azerion.

Overview of key events

Acquired companies

Azerion has experienced rapid expansion since 2014, driven by both organic activities and strategic acquisitions.

In 2024, Azerion completed the following corporate acquisitions:

- 26% of issued capital in Eniro Group AB
- 100% of issued capital in PDPH SA
- 100% of issued capital in Goldbach Austria GmbH
- Business and assets of Captify Technologies SARL and Captify Technologies SRL

For further detail on the 2024 acquisitions, please refer to note 4: Acquisitions.

Legal entity reorganisation

During 2024 the Company liquidated the legal entities Hybrid Theory Ltd, Hybrid Theory BCN SL, Zoom.in Italia Srl, Sulake UK Ltd, Collective Europe Ltd, Sublime Skinz Limited, Hi-Media Nederland B.V., View&Buy International SL . In addition, as part of our ongoing consolidation and integration efforts, we merged a number of legal entities. For further detail on the legal entity mergers, please see note 27: List of subsidiaries

Other key events

On 4 April 2024 Azerion entered into an Intercreditor Agreement and a Super Senior Working Capital Facility Agreement with Citibank Europe plc (as original lender and agent), Citibank N.A., London Branch (as arranger) and Nordic Trustee & Agency AB (PUBL) (as security agent), amongst others, under which the Company is granted a € 15,000,000 super senior revolving credit facility.

On 30 May 2024 Azerion announced the expansion of its Executive Committee and new responsibilities for some members of the Executive Committee. Julie Duong Ferat took on the role of Chief Financial Officer, Ben Davey (former CFO) transitioned to Chief Investment Officier and Gönenç Tarakcioglu became Chief People Officer.

On 5 July 2024 and 3 December 2024 Azerion successfully issued Subsequent Bonds in an amount of € 50 million on each occasion under the Company's existing senior secured floating rate bond framework of € 300 million with ISIN NO0013017657. Following the Subsequent Bond Issues, the outstanding aggregate principal amount under the Bonds is € 265 million.

On 20 June 2024 Benjamin van de Vrie was appointed as member of the Supervisory Board and Florence von Erb stepped down as member of the Supervisory Board.

On 19 November 2024 Azerion announced Chris Figee would be stepping down from his roles on the Supervisory Board with effect from the end of November 2024. Azerion also announced the further expansion of its Executive Committee with the addition of Mickael Ferreira, Chief Business Officer, and Jurriaan van Teunenbroek, Chief Publishing Officer.

Group financial review 2024

Financial review 2024

Revenue

Revenue for the full year 2024 amounted to € 551.2 million, an increase of € 36.2 million, or 7.0% as compared to Revenue for full year 2023 of € 515.0 million. In relation to the total Revenue for full year 2024 of € 551.2 million, Platform Revenue increased 13.7% to € 497.3 million (2023: € 437.4 million), mainly driven by increased advertising revenue from Direct sales, the strong growth in automated auction sales and the integration of previous acquisitions. Premium Games Revenue for full year 2024 decreased 30.5% to € 53.9 million as compared to full year 2023 of € 77.6 million, predominantly due to the loss of revenue from the sale of the social card games portfolio completed during Q3 2023.

Operating expenses

Personnel costs for full year 2024 amounted to € (86.2) million, a decrease of € 12.3 million as compared to the full year 2023 (€ (98.5) million). The decrease was mainly driven by a continued reduction in full-time equivalent employees during the course of 2024 from approximately 1,100 at the start of 2024 to approximately 1,000 at the end of 2024 combined with the full year effects of the significant reduction in full-time equivalent employees during the course of 2023. For further detail, please refer to note 21: Personnel costs.

Other expenses for the full year 2024 amounted to € (40.8) million, as compared to € (37.3) million for the full year 2023. The increase was mainly driven by the one-off .increase related to the settlement of a commercial dispute.

Earnings

The operating loss for the full year 2024 amounted to € (24.3) million, compared to a profit of € 72.8 million in 2023, mainly explained by the gain on the sale of the social card games portfolio completed on 28 August 2023 of € 72.6 million incurred in 2023, but not present in 2024, and fair value loss on respective earnout in 2024.

Adjusted EBITDA was € 75.1 million for full year 2024 as compared to € 71.9 million for full year 2023, an increase of 4.5%, mainly due to increased contribution from Platform business at higher margins coupled with efficiencies from cost optimisation and the integration and consolidation of previously acquired businesses, partly offset by the loss of contribution from the sale of the social card games portfolio completed in Q3 2023.

Profit / (loss) for the full year 2024 attributable to owners of the Company amounted to € (57.9) million, compared to a € 23.7 million profit for full year 2023. This is due to the operating loss explained in the previous paragraphs, an increase in net finance costs to € (39.5) million for full year 2024 (2023: € (28.7) million) mainly as a result of the subsequent bonds completed in Q3 and Q4 2024 and offset by an income tax benefit for full year 2024 of € 7.3 million as compared to an income tax expense of € (19.0) million for full year 2023.

Cash flow

Cash flow from operating activities for the full year 2024 was an inflow of € 7.8 million, mainly due to operating profit after cancellation of non-cash items. Cash flow from investing activities for the full year 2024 was an outflow of € (36.8) million, mainly due payments for acquisitions and investments made in 2024, including Goldbach, Eniro and Produpress as well as deferred payments and earn-outs relating to past acquisitions including Hawk of € (27.7) million and payments for intangibles of € (20.0) million. Cash flow from financing activities for the full year 2024 totaled an inflow of € 80.1 million, mainly relating to the subsequent bond issues of € 82.7 million (net of transaction costs).

Capex

Azerion capitalizes its development costs, which are generated by continuous investments in asset development, a core activity to support innovation in its content and technology platforms. These costs primarily relate to developers' time devoted to the development of games, the Platform more generally and other new features. A total of € 23.9 million (2023: € 26.2 million) were additions due to development, of which € 16.2 million (2023: € 17.5 million) related to internally developed intangible assets, equivalent to 2.8% of revenue (2023: 3.4%). Any costs associated with research are expensed as they arise and only identifiable development costs are capitalised. See the paragraph in this section headed Research and Development and the note note 7: Intangible assets for more information on capitalisation of Research and development costs

Financial position and borrowing

Net interest bearing debt (as defined in the Terms & Conditions of the Senior Secured Callable Floating Rate Bonds ISIN: NO0013017657) amounted to € 202.8 million as at 31 December 2024, mainly comprising the outstanding bond loan with a nominal value of € 265 million (part of a total € 300 million framework) and lease liabilities with a balance of € 19.4 million less the cash and cash equivalents position of € 90.6 million. The Net interest bearing debt position as at 31

December 2024 implies a Net interest bearing debt / Adjusted EBITDA ratio as at 31 December 2024 of approximately 2.7x and a YoY increase in Net Interest Bearing Debt of 40.6% compared to € 144.2 million as at 31 December 2023.

Information regarding financial instruments

Financial instruments include borrowings, trade and other receivables, cash items, trade payables and other amounts payable. During the normal course of business, the Group uses various financial instruments that expose it to market, currency, interest, cash flow, credit and liquidity risks. To control these risks, the Group has instituted policies and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets, including the credit, liquidity- and cash flow risks that could negatively affect the financial performance of the Group. The business risk exposure is relatively limited within financial instruments, due to the nature of the business. Contracts are generally short-term, and currency exposure is relatively limited but increases as the company grows internationally. The largest part of the Company's revenue and external financing is denominated in Euros.

For further information on financial instruments, please refer to note 29: Financial risk management

Research and development

Azerion's R&D team is responsible for the development of our digital advertising technology and the creation of our online games. In 2024, we continued to develop our digital advertising technology through the launch of products such as a Generative AI Contextual solution and Azerion Edge. Furthermore, through the integration of past acquisitions, Azerion has further expanded into digital audio, connected TV (CTV), digital-out-of-home (DOOH), and further developed its portfolio of ad formats, which are all accessible to advertisers through a single multi-channel buying platform.

Within our Premium Games segment, we continued to develop our Metaverse and Social Casino games titles and further improved our white-label solutions to create unique gaming environments for brands through Fanzone and MyJackpot.com. In addition, we continued to invest in crossover between the Platform and Premium Games segment through in-game advertisement and creating lifetime connections with brands through Web3-supported digital assets in our Metaverse titles.

The development process, including software architecture design and planning is managed from the Company's headquarters in Schiphol-Rijk.

The Group's total research and development costs in 2024 amounted to € 31.0 million, out of which development costs of € 16.2 million were capitalised in intangible assets, while the rest was included in the statement of profit or loss and other comprehensive income.

Outlook

Azerion achieved solid top-line growth in the financial year 2024, as well as focusing on the integration and consolidation of past acquisitions and the delivery of efficiencies and cost optimisation across the business. The business has shown continued resilience over 2024, improving its profitability with further benefits from its cost management programme expected in 2025. Furthermore the market conditions are presenting increasingly attractive opportunities to further grow our business through partnerships and strategic investments.

For Full Year 2025, Net Revenue is expected to range between approximately € 600 million to € 650 million. In the medium term, the Group anticipates annual revenue growth of around 10%. Adjusted EBITDA for FY 2025 is forecasted to be at least approximately € 85 million, with an expected Adjusted EBITDA margin of approximately 14% to 16% in the medium term. These projections reflect organic growth as well as contributions from previously acquired businesses now fully integrated into our platform.

The Group maintains a robust financial position, supported by diversified revenue streams and disciplined investment strategies. Ongoing efforts to optimize the cost base have resulted in a steady year-on-year reduction in OPEX as a percentage of total revenue, further strengthening the Group's ability to finance growth from operations.

In 2024 and into 2025, the Group continues to focus on high-return investments, particularly in technology, automation, and scalable platform enhancements. Acquisitions made in recent years (including Goldbach) are expected to contribute significantly to both revenue growth and margin improvement following their full integration.

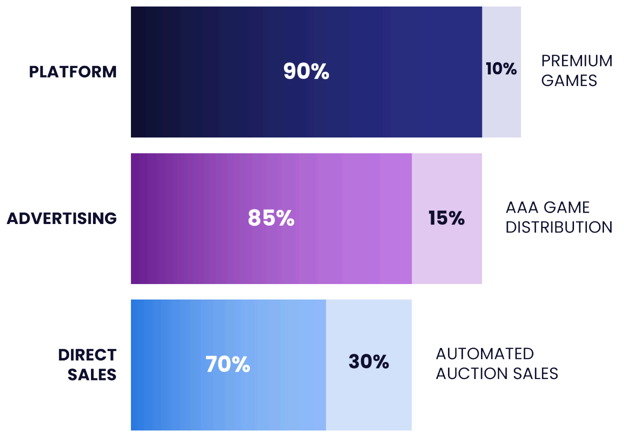
Attracting and retaining talent remains a key priority. The Group is investing in leadership development and performance culture initiatives to ensure its teams are equipped to scale sustainably. Diversity targets have been set for senior leadership, with a goal of 33% female representation by the end of 2026. Progress is being made, but further efforts are needed to reach this goal within the timeframe.

Revenue development is influenced by a mix of direct sales growth and the phased integration of acquired businesses. While certain legacy revenues from acquisitions may taper post-transaction, this is offset by higher-margin, Azerion-aligned revenues replacing them over time. A notable Q4 2024 decline in AAA revenue—partly due to underperformance of a major game release—was temporary and is not expected to recur.

The Group will continue to pursue selected acquisitions and partnerships in 2025 to accelerate growth, while maintaining a strong focus on profitability, operational efficiency, and shareholder value creation

Segment financial review 2024 - introduction

For the full year 2024, our Platform segment accounted for approximately 90% of total Revenue, whereas Premium Games accounted for approximately 10% of total Revenue. The graph below illustrates the indicative splits of Revenue for the full year 2024:



Platform financial review 2024

Our Platform segment includes our Digital Advertising Activities, AAA Game Distribution (formerly referred to as e-commerce), Casual Game Distribution (being the operation and distribution of casual games) and Azerion Sports. The Platform segment generates Revenue mainly by displaying digital advertisements in both game and general content, as well as selling and distributing AAA games. Advertisers are serviced through two models: i) Direct sales, which involve a direct engagement between Azerion's commercial teams and advertisers or their agencies in the placement of digital advertisements, and ii) Automated auction sales in which advertising inventory is purchased through the open market.

Platform is also integrated with parts of our Premium Games segment, leveraging inter-segment synergies

Selected business highlights in 2024 include:

- Azerion rated as the leading advertising network in France by Médiamétrie in collaboration with NetRatings.
- Azerion Intelligence launched enabling new demographic segments in the Azerion DMP.
- Launched Smart AI Curation in the Azerion Marketplace further improving the ability to create custom audiences.
- Announced a strategic partnership with Stamp, an innovative France-based platform for monetizing streaming services on television screens, enabling all Azerion and Hawk DSP media agencies and advertisers across Europe to instantly access all types of CTV inventories available via the Stamp platform.
- Expanded our Digital-Out-of-Home ("DOOH") advertising through the integration of MyAdbooker into Azerion's DSP, through which Azerion will support local advertisers and agencies in France, The Netherlands and Belgium access exclusive high-impact DOOH inventory offering a powerful new dimension to their programmatic media strategies.
- Launched Generative AI Contextual solution in Marketplace, a robust system that provides accurate and reliable classification of web content, enabling more effective campaigns and curated deals for our partners.
- Expanded our digital audio advertising platform offering through a strategic partnership with Acast, in which Azerion will support local advertisers and agencies in Spain, Belgium, The Netherlands, Italy and Greece to execute their audio advertising campaigns on Acast's podcast network.
- Azerion Casual Games Distribution expanded its reach in 2024 by adding over 1000 games and onboarding close to 170 new publishers, including third party channels such as Samsung Instant Plays. By the end of the 2024, its casual games portfolio exceeded 21,000 titles, demonstrating steady year-over-year growth
- Azerion Sports expanded into a new area of sport signing with the national Premier Hockey League of the Netherlands, signed an additional 3 clubs to its white-label fan engagement app, now totalling 26 clubs, and launched in-app digital sports collectibles to reward the clubs' most loyal fans.

Platform – selected financial KPIs

Financial results - Platform

n millions of €

	FY 2024	FY 2023
Advertising Platform	412.3	348.6
AAA Game Distribution (e-commerce)	85.0	88.8
Total Revenue	**497.3**	**437.4**
Operating profit / (loss)	(1.7)	(2.0)
Adj. EBITDA	**62.4**	**53.2**
Revenue growth % - Advertising Platform	18.3%	
Revenue decrease % - AAA Game Distribution	(4.3%)	
Total Revenue (decrease) / growth %	13.7%	
Adjusted EBITDA growth %	17.3%	
Adjusted EBITDA margin %	12.5%	12.2%

Total Platform Revenue of € 497.3 million in 2024, compared to € 437.4 million in 2023, an increase of 13.7% due to increased Revenue from the Advertising platform particularly in Direct sales.

For the full year 2024, advertising revenue contributed around 85% of Platform segment Revenue, with the AAA Game Distribution (formerly e-commerce) business representing the remaining balance. For the full year 2024, Azerion's Direct sales teams contributed approximately 70% of Platform advertising Revenue, a similar proportion to 2023 (70%), with the balance provided by automated auction sales. For the full year 2024, our AAA Game Distribution business generated Revenues of € 85.0 million as compared to € 88.8 million for the full year 2023, a decrease of (4.3%) YoY, due to fewer high-profile AAA game releases in Q4 2024 and optimising towards profitability rather than revenue which meant that the business sold smaller but higher margin titles. In the full year 2024, our AAA Game Distribution Revenue represented 17.1% of total Platform Revenue, as compared to 20.3% in 2023.

Total Platform Operating Loss of € (1.7) million in 2024, compared to € (2.0) million in 2023, an improvement largely due to our efforts to integrate acquisitions, create synergies and reduce costs throughout the year.

Total Platform Adjusted EBITDA of € 62.4 million in 2024, compared to € 53.2 million in 2023, an increase of 17.3% mainly as a result of growth in advertising revenue from Direct sales and the integration of previous acquisitions.

Advertising - Selected Operational KPIs

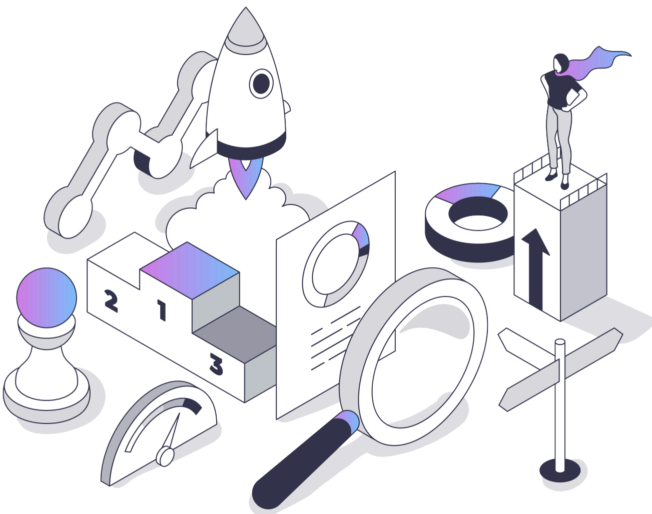
Advertising - Operational KPIs

	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Avg. Digital Ads Sold per Month (bn)	13.9	11.9	12.1	12.6	14.1
Avg. Gross Revenue per Million Processed Ad Requests across the Azerion Platform (EUR)	34.5	25.4	29.0	23.4	24.3

Note: Both Advertising Operational KPIs now include data relating to the Hawk acquisition as of Q4 2023.

The Average Digital Ads sold per Month increased to 14.1 billion in Q4 2024 from 13.9 billion in Q4 2023, an increase of 1.4%, reflecting the Platform's demand side growth due to the integration of past acquisitions and the consolidation of Azerion's monetisation technology into a single scalable media buying platform.

The Average Gross Revenue per Million Processed Ad Requests across the Azerion Platform in Q4 2024 was € 24.3, compared to € 34.5 in Q4 2023, reflecting a small decline year on year as we continue to balance and optimise between volume and efficiency.



Premium Games financial review 2024

From Q4 2023, the Premium Games segment consists of social casino games and metaverse games. Azerion completed the sale of its social card games portfolio to Playtika Holding Corp. on 28 August 2023 and its contribution to the Premium Games segment ceased at that date. The segment generates revenue mainly by offering users the ability to make in-game purchases for extra features and virtual goods to enhance their gameplay experience. This segment aims to stimulate social interaction among players and build communities, offering an extended value proposition to advertisers and generating cross-selling opportunities with the Platform segment.

Selected 2024 business highlights

- Launched Habbo Hotel: Origins, recreating the iconic virtual world as it existed in 2005, targeting 18+ audiences to offer a true nostalgic and immersive experience.
- Created new immersive quests and rolled out second hand store in Hotel Hideaway, encouraging social journey gameplay and allowing users to purchase their favourite add-ons at a discount further monetising the Game.
- Partnered with Everi, one of the largest suppliers of technology solutions for casinos, to empower their Social Casino Brand Super Jackpot Slot offering with Azerion's established technology and game mechanics bringing innovative gaming to the casino industry.
- Expanded partnerships with Verse Group providing monetization services and game content in their decentralized metaverse with its own marketplace and digital economy.
- Launch of MyJackpot Journey, a progression-based social casino slot game, throughout the DACH region after successful testing in the French market.
- Habbo continued its adoption of Web3 technology with the launch of Collector Cabinets, a feature that can convert in-game items into NFTs

Premium Games – selected financial KPIs

Financial results - Premium Games

In millions of €

	FY 2024	FY 2023
Revenue (excluding social card games)	53.9	49.3
Social card games portfolio	-	28.3
Total Revenue	**53.9**	**77.6**
Operating profit / (loss) (excluding social card games)	(0.7)	(6.2)
Social card games portfolio	(21.9)	81.0
Total Operating profit / (loss)	**(22.6)**	**74.8**
Adjusted EBITDA (excluding social card games)	12.7	9.0
Social card games portfolio	-	9.7
Total Adjusted EBITDA	**12.7**	**18.7**
Revenue growth % (excluding social card games)	9.3%	
Adjusted EBITDA growth % (excluding social card games)	41.1%	
Adjusted EBITDA margin % (excluding social card games)	23.6%	18.3%

Revenue was € 53.9 million in 2024, as compared to € 49.3 million in 2023 (excluding social card games), an increase of 9.3%, mainly driven by the increased number of paying users in metaverse titles due to the ongoing strong performance of Habbo Hotel Origins combined with new Social Casinos sale features, improved discount strategies and increased partner user acquisition spend, partly offset by the sale of Woozworld at the start of January 2024 (totalling € 1.7 million Revenue in 2023).

Adjusted EBITDA of € 12.7 million in 2024, compared to € 9.0 million in 2023 (excluding social card games), an increase of 41.1%, mainly driven by improved performance from metaverse titles due to the ongoing strong performance of Habbo Hotel Origins, consolidation and integration efforts resulting in improved operational performance and product development across the social casino and other metaverse titles.

Operating Loss of € (0.7) million in 2024, compared to € (6.2) million in 2023 (excluding social card games), an improvement once again reflecting the developments described for Adjusted EBITDA above.

Premium Games – Selected Operational KPIs

Premium Games - Operational KPIs

	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Avg. Time in Game per Day (min)	95.0	87.0	81.0	84.7	89.3
Avg. DAUs (thousands)	255.4	251.2	252.9	239.4	227.4
Avg. ARPDAU (EUR)	0.47	0.42	0.53	0.57	0.59

- The **Average Time in Game per Day (min)** decreased by (6.0)% in Q4 2024 to 89.3 minutes per day as compared to 95.0 minutes per day in Q4 2023 due to slightly shorter average game time in the newly released Habbo Origins title compared with the rest of the metaverse games.
- The **Average Daily Active Users (DAUs)** decreased by (11.0)% in Q4 2024 to 227.4 compared to Q4 2023 of 255.4, mainly due to lower user acquisition spend and increased focus on greater engagement with higher paying users.
- The **Average Revenue per Daily Active User (ARPDAU)** increased by 25.5% in Q4 2024 to € 0.59 compared to Q4 2023 of € 0.47, driven by improved in-game sales mechanics in social casino, features and events.

Given the sale of the social cards portfolio in August 2023, the selected operational KPIs for all quarters have been revised to no longer contain results from the social card games portfolio.

Other information

Interest-bearing debt

Interest-bearing debt

in millions of €

	31 December 2024	31 December 2023
Total non-current indebtedness	268.7	172.0
Total current indebtedness	24.9	12.6
Total financial indebtedness	**293.6**	**184.6**
Deduct Zero interest-bearing loans	(0.2)	(0.1)
Interest-bearing debt	**293.4**	**184.5**
Less: Cash and cash equivalents	(90.6)	(40.3)
Net Interest-bearing debt (Bond terms)	**202.8**	**144.2**

References to bond terms in the table above refer to the terms as defined in the Senior Secured Callable Floating Rate Bonds ISIN: NO0013017657

Reconciliation of Profit / (loss) for the period to Adjusted EBITDA

Reconciliation of Profit / (loss) for the period to Adjusted EBITDA [1]

in millions of €

	YTD							
	2024				2023			
	Azerion Group	Premium Games	Platform	Other	Azerion Group	Premium Games	Platform	Other
Profit / (loss) for the period	**(56.0)**				**25.1**			
Income Tax expense	(7.3)				19.0			
Profit / (loss) before tax	**(63.3)**				**44.1**			
Net finance costs	39.5				28.7			
Share in profit/(loss) of associates	(0.5)				-			
Operating profit / (loss)	**(24.3)**	**(22.6)**	**(1.7)**	**-**	**72.8**	**74.8**	**(2.0)**	**-**
Depreciation & Amortization	47.8	11.5	36.3	-	46.4	12.9	33.5	-
Share in profit/(loss) of associates	0.5	-	0.5	-	-	-	-	-
Social card games portfolio	21.9	21.9	-	-	(72.6)	(72.6)	-	-
Other	5.7	1.5	4.2	-	3.2	0.7	2.5	-
Acquisition expenses [2]	22.2	-	22.2	-	14.4	1.1	13.3	-
Restructuring	1.3	0.4	0.9	-	7.7	1.8	5.9	-
Adjusted EBITDA	**75.1**	**12.7**	**62.4**	**-**	**71.9**	**18.7**	**53.2**	**-**

[1] Adjusted EBITDA represents operating Profit / (Loss) excluding depreciation, amortisation, impairment of non-current assets, restructuring and acquisition related expenses and other items at management discretion, principally those assessed as extraordinary items or non-recurring items which are not in line with the ordinary course of business. This is the measure reported to the Group's Chief Executive Officers for the purpose of resource allocation and assessment of segment performance.

[2] In the past, all changes to the fair value of liabilities for contingent considerations were adjusted out of EBITDA on the basis that these impacts were acquisition related. Management has decided to cease these adjustments where the consideration is contingent upon the achievement of financial targets, because these changes in fair value are offsetting opposite movements already included in the operational performance of the acquired entity. This change has been applied prospectively.

Additional notes:

Acquisition expenses include € 7.7 million relating to:
- € 4.8 million in Q2 2024 on one-off settlement of a commercial dispute and contingent consideration fair value loss (non-operational performance target) relating to a previous acquisition
- € 2.9 million in Q3 2024 on renegotiation of contingent consideration terms for one of the acquisitions.

Risk management

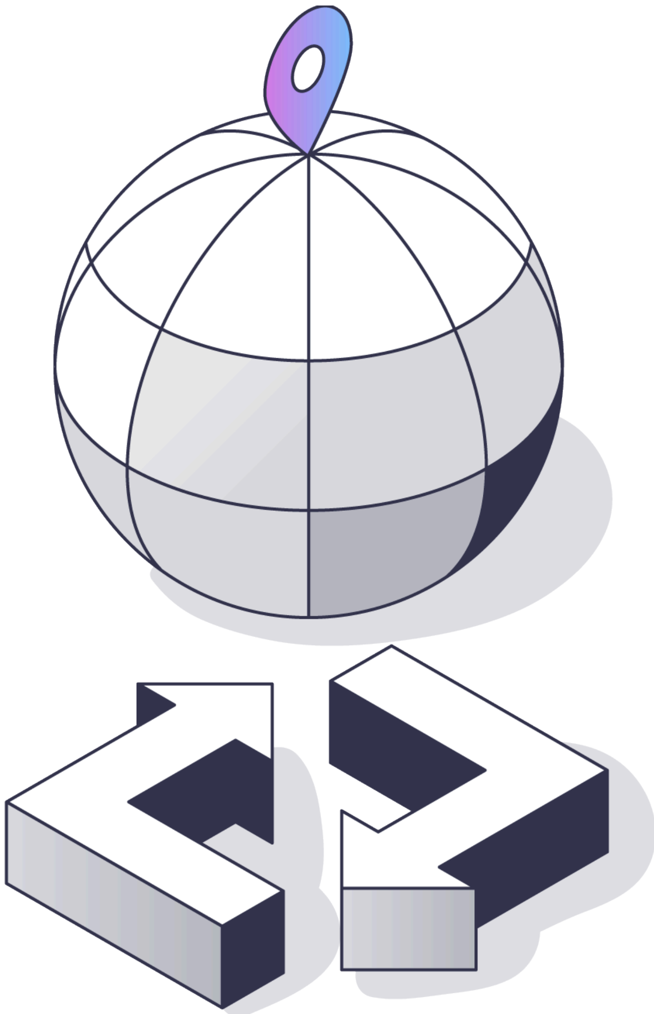
Selected Significant Risks and Uncertainties

The digital gaming and digital advertising industries are dynamic global markets. There are various risks and uncertainties that may have a material adverse effect on Azerion's business, financial condition, results of operations and prospects. These risks include macro-economic circumstances and general economic and geo-political environments, changes in applicable legislation and regulations, governments, infrastructure and new, emerging technologies or existing technologies going out of style or use. There are also risks related to Azerion failing to source and integrate new acquisitions, or failure to source attractive content and attract sufficient advertisers and publisher partners. In addition, Azerion must be continuously technically competent and prepared for risks and uncertainties relating to fraud and deception on digital traffic and the internet. Failure of internet and infrastructure is an uncertainty. Although this type of major failure occurs rarely, it can have a significant effect if it were to materialise.

In achieving its long-term objectives, Azerion is inherently involved in taking certain risks and accepting selected uncertainties. The extent to which Azerion is prepared to take risks to achieve its objectives differs according to each objective and risk category. The table below, while not exhaustive, describes the principial material risks that may impact Azerion's business and the industries it operates in and is reviewed periodically by the Management Board and Executive Committee.

When considering making an investment in Azerion, you should read these risks and uncertainties. Other risks and uncertainties currently not known to Azerion may occur in future and could materially affect Azerion's operating results and financial position adversely .

As of the De-SPAC Transaction between EFIC1 and Azerion Holding B.V. completed on 1 February 2022, Azerion complies with principle 1.4 of the Dutch Corporate Governance Code ('Risk management accountability') from 2022.



Risk category	Risk appetite	Impact	Mitigants
Strategic Risks			
Technology developments and innovation	*High*	Medium - There is a risk that adjustments and changes in technology, development platforms, devices or operating models can affect the online gaming, advertising technology and e-commerce industries have an adverse effect on Azerion's operating results and financial condition.	Azerion constantly evaluates technological developments and innovations in the sectors it operates in. Azerion's lean and agile product and engineering team allows the company to adapt to new technologies and challenges. Significant investments are made annually to maintain the relationships with counterparties, suppliers, clients and peers to be constantly aware of technological advancements and developments in order to adapt appropriately.
Competition	*Medium*	Medium - The digital advertising market is highly fragmented and intensely competitive and digital advertising businesses face competitive pressure from well-established internet companies, advertising agencies and traditional media. Increasing competitive pressure may have a material adverse effect on Azerion's operating results and financial position.	Azerion acts as a consolidator in a fragmented and competitive market. It has substantial acquisition experience and dedicates significant resources to sourcing, executing and financing acquisitions. Azerion combines a global presence with local expertise. This enables Azerion to deliver tailored solutions, while maitaining the economies of scale of a global organisation. Azerion continuously seeks to expand and improve its product and service offering to consumers and clients to remove friction and pricing inefficiencies from, for example, the digital advertising value chain. In addition, our increasing scale offers operating leverage to support our margins and our ability to be competitive over time.
Acquisition	*Medium*	Medium - Azerion may not be able to successfully source or integrate acquisitions without incurring substantial costs or additional risks, or with delays or with other adverse effects or may incur unforeseen liabilities from past acquisitions. Associated costs could have a material adverse effect on Azerion's operating results and financial condition.	Azerion acts as a consolidator in a fragmented market. It has substantial acquisition experience and dedicates significant resources to sourcing, executing and implementing acquisitions. It has a dedicated in-house M&A and integration team consisting of M&A specialists, legal counsel and finance specialists, supported by in-house specialists on compliance, tech/IT and business topics. In addition, it maintains working relationships with a broad range of advisory firms including on M&A, legal and financial/tax.

Risk category	Risk appetite	Impact	Mitigants
Strategic Risks			
Market power shifts	*Medium*	Medium - Changes in the advertising network value chain, where programmatic buying reduces the intermediaries' importance or where other new models emerge, may result in a decrease in Azerion's margins, which may materially and adversely affect Azerion.A decrease in Azerion's margins may also result from a consolidation of publishers, advertisers or intermediaries along the value-chain as such shifting buying power across the industry. If for any other reason there is a shift in the buying power among the publishers, other intermediaries and the advertisers respectively, this could have a material adverse effect on Azerion's operating results and financial position.	Azerion has diversified revenue streams across owned and operated gaming content, game distribution and advertising technology. In advertising technology, we consolidated services and products throughout the entire value chain, both organically and through M&A. Our extensive content portfolio and audience-related datasets provide us with a competitive advantage and, combined with our end-to-end technology stack, provides a level of protection against changing market power shifts.
Market conditions	*Medium*	Medium - General economic, market and political conditions that negatively affect marketing and advertisement spend, may affect Azerion's operating results and financial position.	We have designed our organisation in a lean, agile and flexible way and train employees to be comfortable with changing circumstances. We have a proven ability to adapt to and mitigate adverse market conditions and our diverse business model and client base provide a measure of resilience to market conditions.

Risk category	Risk appetite	Impact	Mitigants
Operational Risks			
Advertising clients	*Medium*	Low - If Azerion is unable to attract and maintain a sufficiently scaled userbase by failing to offer attractive advertising formats and models or technology, advertisers may not purchase Azerion's owned and third party inventory. Conversely, for Azerion's network of publishers it becomes less attractive to allocate publisher inventory through Azerion's technology solutions. This could have a material adverse effect on Azerion's operating results and financial position.	Azerion invests significantly into the development of its full stack Advertising Platform technology to provide a broader and targeted audience in a safe environment. Through ad optimisation and various ad formats, Azerion is able to provide a higher quality ad, resulting in greater audience engagement. Operating across the digital advertising supply chain, Azerion is able to increase publisher monetisation by reducing the number of intermediaries in the process, providing publishers a greater return on their inventory. Localised sales teams across Europe provide localised expertise to reach an engaged global audience.
Game and content customer (B2C) retention and acquisition	*Medium*	Low - If Azerion is unable to attract and maintain a sufficient user base or otherwise fails to offer attractive games and game features, costs for retaining users as well as acquiring new users may increase or become less economically viable.	Azerion invests significant resources into the development of new features for existing and new games in order to maintain and grow its user base. Through data and analytics we are able to test and adjust our acquisition, retention and monetisation mechanisms to optimally align with user preferences and enhance the gaming experience where possible.
Dependence on paying players and risks related to behaviour	*Medium*	Low - Azerion's games are mostly available to users for free, but Azerion generates revenue from the games when users make in-game purchases, as well as from in-game advertising. If Azerion fails to manage its gaming economies properly or fails to protect Azerion's games against cheats, inappropriate behaviour or malfunction, our reputation may be damaged and users may be less inclined to play and/or spend money in the games, which could have a material adverse effect on Azerion's operating results and financial position.	Azerion invests significant resources in new feature development of its existing games as well as in new games in order to maintain its userbase and in ensuring its games are safe and reliable. Furthermore, in addition to in-app purchases, our games are monetised through advertising, providing revenue resilience.

Risk category	Risk appetite	Impact	Mitigants
Operational Risks			
Third party content owners and third-party distribution partners (B2B)	*Medium*	Medium - There is a risk that Azerion fails to maintain good relationships with a sufficient number of owners/ developers of relevant content and third party distribution partners, which could cause the number of games it can offer and distribute to decrease. This could have a material adverse effect on Azerion’s operating results and financial position.	Azerion operates a dedicated developer and publisher relations team, who are responsible for ensuring that engaging gaming and non-gaming content is accessible on our Platform. Azerion’s Platform benefits from scale as the larger the number of gaming and non-gaming content grows the more attractive and necessary it is for distribution partners to engage with it.
Intellectual property	*Low*	Low - There is a risk that Azerion's failure to protect its IPR and expenses related thereto may have a material adverse effect on Azerion's operating results and financial position.	Key IPs are protected by Azerion and our internal legal teams work with the business leadership to monitor and, if required, protect that IP, supported by external advisers if required. Monitoring is done with automated scans and vigilance by internal and external experts for IP infringements of our content.
Cyber security and dependence on (third party) technology	*Low*	Medium/High - There is a risk of Azerion failing to prevent technological/infrastructure disruptions to its technology platform and/or third-party critical infrastructure and/or external threats through cyber attacks, which could have a material adverse effect on Azerion's operating results and financial position.	Azerion has a specialised in-house Corporate IT team, working in partnership with the Legal and Data Protection teams, providing services including information security and cyber security protection. A Cloud Centre of Excellence is used for the management of cloud security. In addition, Azerion has adopted and implemented both internal and externally provided technology tools and processes related to protection.
Functionality of Azerion's algorithms and data engines	*Low*	Low - The data Azerion collects may not be universally relevant and it may be inaccurate and outdated. Furthermore, the increase in data processing increases the likelihood of defects and errors.	Azerion invests significantly into the development of its full stack Advertising platform. Additionally, Azerion has dedicated product tech teams who are responsible for ensuring that Azerion's algorithms and data engines function optimally.

Risk category	Risk appetite	Impact	Mitigants
Operational Risks			
Customer loyalty	*Medium*	Medium - Although Azerion's overall levels of client concentration remain relatively low, in Azerion's client base there is a handful of large advertisers and publishers. In the advertizing market it is common practice to have short termination notice periods. If many large contracts are terminated simultaneously, this may have an adverse effect on Azerion's operating results and financial position.	Azerion works with and maintains a diverse and broad client and contract base and invests significant resources into maintaining and expanding client relationships (including contract duration) as well as in the attractiveness of its product suite. The largest segment of the client population uses Azerion's own product and game distribution and monetization. These clients don't terminate easily due to Azerion's unique value proposition. A small segment of the client population, however, has more choice in the market and may terminate more easily. To promote customer loyalty, Azerion operates a significant network of client service management teams across European countries and continuously adds new features and products to its technology to keep providing maximum value and minimum friction to all of its clients.
Environmental impact of our business activities	*Medium*	Low – Our business activities across online gaming and digital advertising require a significant amount of data usage and data processing as well as associated hardware manufacturing and power usage, both contributing to global greenhouse gas emissions. Compliance with environmental regulations may lead to additional costs for Azerion, which may adversely affect Azerion's operating results and financial position.	Azerion has multiple processes and policies in place to track and monitor its environmental impact, including promotion of climate awareness campaigns towards its employees, as well as various offset initiatives. In addition, energy reduction is an important vendor selection criterion. For more details, please refer to: *ESG overview, starting on page 36*
Fraud in advertising creatives and bot activity in ad views	*Low*	Medium - Advertising creatives may contain malvertise and fraudulent scripts, which may cause reputational damage to our clients and it may have regulatory consequences for our clients and Azerion itself. Bot accounts generate fraudulent ad views. That makes advertising less effective and (prospective) advertisers may not be interested in selling ads through Azerion's technology solutions. All of the above could have a material adverse effect on Azerion's operating results and financial position.	Azerion performs continuous automatic and manual scans on advertising creatives provided by demand side partners for malvertise and fraudulent scripts. Malvertise and fraudulent scripts are detected very quickly and removed immediately upon detection. Azerion has tools in place to automatically identify unusual behaviour in our publisher network - including tools to detect high numbers of bot account creation - and to block fraudulent activities.

Risk category	Risk appetite	Impact	Mitigants
Operational Risks			
Fraud related to in-game payments, app store purchases and e-commerce	*Medium*	Low - There is a risk of illegitimate in-game payments, illegitimate purchases in the app stores and illegitimate e-commerce purchases. That may cause products to be sold, without receiving payment, which could have a material adverse effect on Azerion's operating results and financial position.	Azerion has systems in place that monitor in real time whether a sale is done legitimately. In the rare instances where real time checks cannot be done, post event checks are conducted to identify and block any fraudulent accounts. The occurrences of fraud on Azerion's e-commerce platforms are both small in amount and in duration, as unusual behavioural patterns are easily recognised by Azerion's own and 3rd party automatic controls and by the experienced technical team. The detection of fraudulent and bot activity is recognised almost instantaneously and blocked immediately.
Phishing and social engineering	*Low*	Medium - Phishing and social engineering activity sometimes target employees for personal or company details, occasionally in exchange for a reward. WhatsApp and e-mail scams sometimes target the employees to execute payments to illegitimate receivers. If processed, such payments could have a material adverse effect on Azerion's operating results and financial position.	Within Azerion there is broad awareness of these phishing and social engineering risks and management continues to focus on ongoing training, systems and controls. Furthermore, in case of a social engineering event, IT is informed and the e-mail addresses are added to the blocking lists and spam filters. Additionally, Azerion conducts a periodic anti-phishing awareness campaign.
Key employee retention	*Low*	Medium - If Azerion cannot retain its senior leadership and other key employees, it may not be able to manage its operations successfully and deliver its strategic objectives.	Azerion has designed competitive compensation packages for its key employees, benchmarked against appropriate peers. Part of these packages are variable and aligned with the performance of the business. The senior management is organized in a multi-skilled, cross-functional way so that, even in the case of the loss of an individual manager, the critical competencies are retained to manage its operations successfully and deliver its strategic objectives. In addition, we actively promote career development and other development opportunities.

Risk category	Risk appetite	Impact	Mitigants
Compliance and Legal Risks			
Compliance with regulations and/ or government actions	*Low*	High - Azerion is subject to a variety of national and international laws, directives, regulations, policies, actions by governments or related authorities, and other legal obligations. The increasingly complex set of compliance rules could result in additional costs and liabilities and constraints for Azerion and may have a material adverse effect on its operating results and financial condition.	Azerion strives to adhere to all relevant regulatory obligations. We have in-house Legal and Compliance teams who, together with the relevant business teams, actively monitor and assess developments in laws and regulations in applicable jurisdictions and act appropriately where necessary or prudent to mitigate potential risks as well as continue to invest in technologies and tools to enhance the control environment.
Litigation	*Medium*	Low - As part of the ordinary course of operation, there is a risk of commercial disputes arising from time to time. In some instances those commercial disputes may result in litigation and additional costs and liabilities that may have a material adverse effect on its operating results and financial condition.	Azerion has in-house Legal teams who, together with the relevant business teams, actively monitor developments in its commercial relationships. In addition, where appropriate Azerion has a network of external legal advisers to advise on and assist in managing any such commercial disputes.

Risk category	Risk appetite	Impact	Mitigants
Financial and Reporting Risks			
Adverse economic developments and seasonality	*Medium*	Medium - Azerion is subject to microeconomic and macroeconomic developments across a wide geographical footprint. The industries in which Azerion operates are also subject to seasonality in activity. There is no assurance that trends seen in previous years with respect to operations and cash flows will continue into the future, which may limit the predictability of Azerion's operating results and financial position.	As an organisation Azerion is used to adapting to seasonal trends. Azerion expects similar seasonal patterns to continue over the long-term and to benefit from an increasingly scaled, diverse customer and partner base, as well as an increasingly scaled and diverse business model over time.
Funding	*Low*	High - If sufficient cash flow to finance Azerion's strategy cannot be generated, Azerion may require access to external sources of capital. In such cases, Azerion may encounter limitations in accessing internal and external funding including, (but not limited to): decrease in creditworthiness; decrease in profitability; increase in interest rates; increase in risk premium for investors; inclement terms by lenders; inclement conditions for bond repayment. Such challenges may have a material adverse effect on Azerion's operating results and financial position.	Azerion has a track record of Adjusted EBITDA-profitable growth and is continuing to grow its business aiming to increase its revenue, Adjusted EBITDA and cash generation from operating activities over time. Azerion seeks to employ and maintain a diversified, well-balanced funding structure including equity, bond financing, factoring and bank facilities. In addition, Azerion addresses funding challenges through cash flow modelling, disciplined planning and control and early engagements with banks and advisers on (bond) refinancing strategies.
Foreign exchange exposure	*Medium*	Medium - Most of Azerion's revenue and expenses are in Euros. However, due to the international nature of Azerion's business, including from recent acquisitions, an increasing portion of its revenue and expenses are denominated in currencies other than Euro, particularly USD and GBP. Fluctuations in exchange rates between the Euro and the other currencies in which Azerion does business could have a material adverse effect on Azerion's operating results and financial position, including the potential implementation of hedging strategies.	The largest part of the Company's revenue, expenses and external financing is denominated in Euros. While the conversion risk remains relatively low, the proportion of cashflows denominated in USD and GBP has increased compared to previous years. As a result, Azerion's business, finance and treasury teams work together to manage these evolving foreign exchange risks.

Risk category	Risk appetite	Impact	Mitigants
Financial and Reporting Risks			
Related party transactions	*Medium*	Low - Azerion and certain of its subsidiaries are party to lease agreements, financing arrangements and certain other arrangements which may be considered related party transactions. These related party transactions may create potential conflicts of interest.	Azerion takes care to provide that such transactions are conducted on an arm's length basis, including by involving independent third parties and/or utilising market data where appropriate to assess and review key transaction terms and fundamentals.
Tax	*Medium*	Medium - Changes in tax laws, regulations and treaties, changes in the interpretation and enforcement thereof, and the introduction of new tax laws or regulations with or without retroactive effect could have a material adverse effect on Azerion. Azerion conducts business in multiple jurisdictions and is exposed to the tax laws of such jurisdictions, including the risks in connection with challenges to its tax position or adverse outcomes of tax audits. In addition, transfer pricing adjustments may adversely affect our corporate income tax expense.	Our in-house Tax team, supported by external advisers, monitor and review local practices to provide reasonable assurance that we remain aware of and act in compliance with relevant laws and policies, including those related to reporting and tax. A dedicated transfer pricing specialist manages the transfer pricing.
Bond prepayment event	*Low*	High - Pursuant to the final terms and conditions for the Bonds, the Bonds will be subject to prepayment at the option bondholders if a prepayment event occurs. There is a risk that the Group will not have sufficient funds at the time of such a prepayment to make the required prepayment of the Bonds which would have a material adverse effect on the Group, e.g., by causing insolvency or an event of default under the terms and conditions, and thus have a material adverse effect on all bondholders and not only those that choose to exercise the option.	Azerion has invested significantly in its internal system of checks and balances to monitor and control events that could lead to early prepayment. This includes investment in its finance, accounting and legal teams and enhanced governance structures, as well as the appropriate use of external advisers and resources from time to time. In addition, our recent stock market listing provides us with additional sources of potential financing to help meet early prepayments, if any.

Risk category	Risk appetite	Impact	Mitigants
Financial and Reporting Risks			
Bond guarantees	*Medium*	Medium - Azerion's obligations towards the bondholders under the bonds will be guaranteed. However, there is a risk that any enforcement of claims under the guarantees would be insufficient to satisfy all amounts owed to the bondholders at the time of enforcement. If the guarantors were to guarantee any other obligations, there is a risk that guarantees granted towards the current bondholders would be impaired.	Azerion has a track record of Adjusted EBITDA-profitable growth and is continuing to grow its business aiming to increase its revenue, Adjusted EBITDA and cash generation from operating activities over time. Azerion seeks to employ and maintain a diversified, well-balanced funding structure including equity, bond financing, factoring and bank facilities.
Transaction security	*Medium*	Low - Azerion's obligations towards the bondholders under the bonds will be secured. However, there is a risk that the proceeds of any enforcement sale of the pledged shares or that the sums of money of the pledged intra-group loans will not be sufficient to satisfy all amounts owed to the bondholders.	Azerion has a track record of Adjusted EBITDA-profitable growth and is continuing to grow its business aiming to increase its revenue, Adjusted EBITDA and cash generation from operating activities over time. Azerion seeks to employ and maintain a diversified, well-balanced funding structure including equity, bond financing, factoring and bank facilities.
Floating interest rate	*Medium*	Low - Changes or uncertainty with respect to the EURIBOR or a replacement interest rate benchmarks may affect the value or payment of interest under the bonds.	Azerion is in frequent contact with relevant market players to assess whether hedging measures should be applied.

The importance of effective risk management at Azerion was underlined following Azerion's announcement on 13 March 2023 of an investigation by the Dutch Authority for Financial Markets ("AFM"), related to compliance with article 15 of the Market Abuse Regulation. The AFM's investigation does not appear to focus on Azerion, but it did put us in the spotlight. To mitigate potential damage as a result, we took immediate action, which included ensuring effective ongoing management of the business.

Events relating to the investigation by the AFM

On 7 March 2023, the Dutch Authority for the Financial Markets, the Autoriteit Financiële Markten (AFM) approached Azerion to obtain information. Azerion's Supervisory Board and management team were subsequently informed about an investigation by the AFM, which according to AFM-information then made known to Azerion, appeared to be related to compliance with article 15 of the Market Abuse Regulation.

Shortly after this notification, Azerion put together a Special Committee through a delegation of Supervisory Board members, supported by relevant staff of the company. The information provided by the AFM was relatively limited, but it did appear that while including Azerion, the investigation seemed to be focused on the shareholders of Principion Holding B.V., including Azerion co-CEOs Atilla Aytekin and Umut Akpinar. Principion is Azerion's largest shareholder.

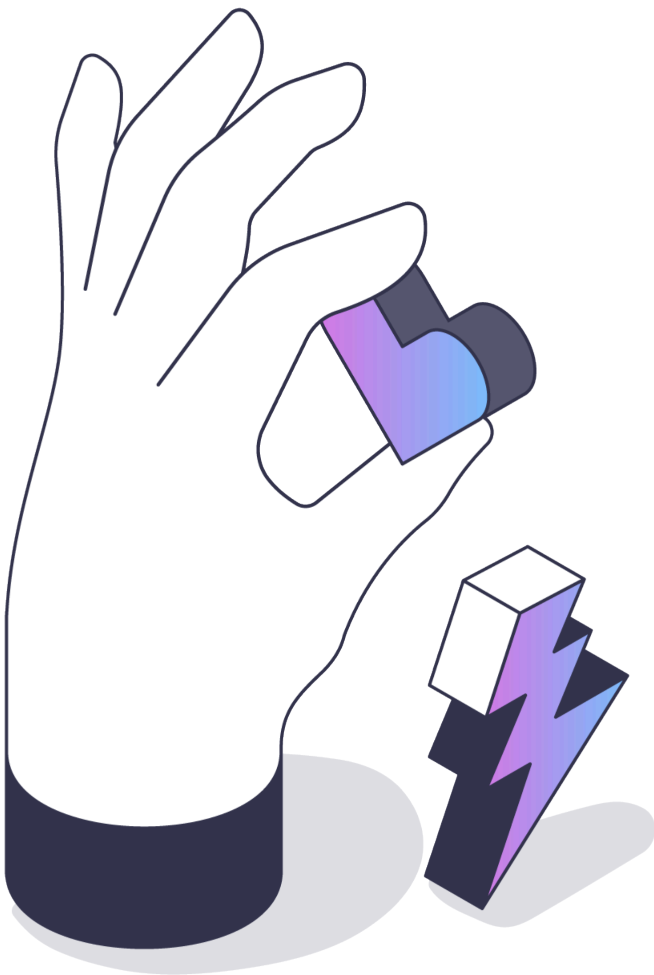
In the following few days, the Supervisory Board obtained separate legal advice and support from a leading Dutch law firm. The Special Committee and the wider Supervisory Board discussed the fact pattern that had emerged and further legal advice was obtained on the matter.

On 12 March 2023, after careful consultation with the Supervisory Board, Atilla Aytekin decided to temporarily step down as Co-Ceo of Azerion, pending the AFM investigation. This was considered to be in the interests of Azerion and its stakeholders.

In discussion with the Supervisory Board, it was agreed that the operational leadership of Azerion remained with Azerion's Executive Committee and broader leadership team, with Umut Akpinar as CEO and Ben Davey as CFO, as of June 2024 succeeded by Julie Duong Ferat. This was a de facto continuation of the current day-to-day practice for organic and inorganic activities. The team has remained focused on fulfilling Azerion's strategy and dedicated execution of the business plan.

Very soon after the events took place, we proactively contacted a number of our key stakeholders to share with them the limited knowledge we had about the situation that had arisen. We also communicated as transparently and fully as possible to our colleagues. We thank all our stakeholders for their patience and are grateful to have these long-standing relationships supporting our business. Our business partners have appreciated that the AFM investigation appears to be focused on the shareholders of Principion.

On 14 March 2025 it was announced that the AFM has concluded the investigation into irregularities in trading of Azerion shares. The investigation did not lead to any punitive measures against Azerion or its major shareholders.



ESG overview

Introduction

Azerion remains committed to sustainability and is closely monitoring the evolving requirements of the Corporate Sustainability Reporting Directive (CSRD). The European Commission's Omnibus Proposal, introduced in February 2025, aims to simplify sustainability reporting under the CSRD and the Corporate Sustainability Due Diligence Directive (CSDDD). While these changes are expected to accelerate implementation in Dutch law, they are still under review. In preparation, we're working to better understand our environmental and social impact, as well as the risks and opportunities ahead, ensuring we're ready for future compliance. This approach helps us contribute to a more sustainable future while continuing to create value for our stakeholders.

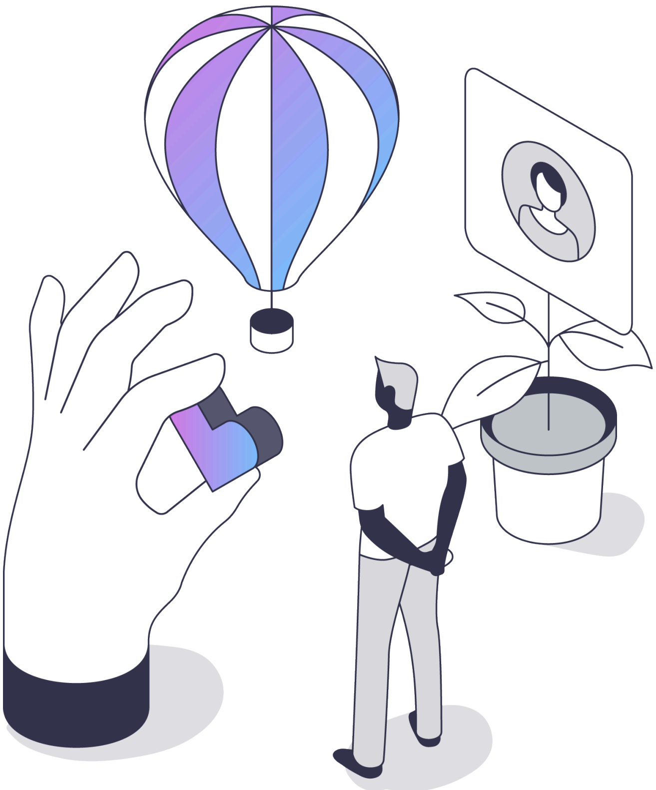
Since our inception, Azerion has experienced significant growth, both in revenue and profitability. As we scale, so does our impact on the environment and society. We recognize that responsible growth is about striking the right balance, where financial success must be paired with a positive and lasting contribution to the planet, our communities, and our people. This balance is the bedrock of our Environmental, Social, and Governance (ESG) vision, and it will continue to guide our decisions as we look towards the future.

The CSRD and Omnibus proposals have not yet been implemented in Dutch law, while waiting for CSRD implementation, we adopt the Directive 2014/95/EU on the disclosure of non-financial and diversity information (referred to as the 'Non-financial Reporting Directive' –NFRD). This has been prepared on a consolidated basis, aligning with the scope of consolidation for the financial statements of Azerion Group N.V. for the financial year ended 31 December 2024. This report covers the period from 1 January 2024 to 31 December 2024 and will be made publicly available in April 2025.

Estimates and uncertainties are common in areas like GHG emissions and supplier sustainability data, with factors like energy grid changes and data availability affecting results. Reporting methods have improved with better data collection, updated emission factors, and a broader scope for primary data for assessing social and environmental impacts. 2024 indicators are shown with prior year data, noting any changes in calculations or scope.

Azerion has committed to implementing identified key aspects of the United Nations' (UN) Sustainable Development Goals. Taking note of the guidelines and recommendations set out in the NFRD, this section of the Annual Report 2024 first lays out Azerion's overall ESG strategy and its relation to the UN's Sustainable Development Goals, before specifically addressing the following areas of focus under the NFRD:

- Our impact model
- Social responsibility and employee aspects
- Diversity, Equity and Inclusion
- Respect for Human Rights
- Anti-Corruption and Anti-Bribery
- Environmental matters



Azerion's overall ESG strategy

In 2024, we built further on the ESG framework we developed in 2021 and progressed in 2022 and 2023. In particular, we deepened our assessment of different business and non-business factors and their impact on Azerion and the manner in which they should be prioritised. This selection and prioritisation continues to be the basis of our ESG strategy and helps define the focus of our reporting on the non-financial elements of our business. Our assessment reinforced the importance of a number of factors, that are classified as high impact areas: Data Security and Customer Privacy, which reflects the core of our digital business; Labour Practices and Health & Safety, both of which are addressed in our initiatives relating to health and ethical work practices for our employees; and Product Development & Lifecycle, which includes the incorporation of environmental, social and governance considerations in the characteristics and features of our products and services, including digital content and advertising technology solutions.

The foregoing is captured in our ESG framework, which consists of three pillars:

Our planet

Our communities

Our inclusion and well-being

We believe it's essential to consider how our people, products, and ideas align with our core pillars and contribute to the UN's Sustainable Development Goals. These pillars are grounded in our company values, including inclusion and diversity, human rights, anti-corruption, and anti-bribery. Our approach and initiatives focuses on using resources and products for good, prioritizing employee well-being, giving back to the community, promoting responsible media activation, and driving environmental awareness through gaming.

ESG Stakeholders

At Azerion, we believe that understanding and incorporating the perspectives of our stakeholders is crucial for driving growth and achieving long-term success. Our goal is to support free content and create experiences that are not only fun but also ensure a safe environment, this approach could also positively impact society. We stay connected with our stakeholders through regular communication, feedback channels, and collaborative efforts, ensuring we maintain an ongoing dialogue throughout the year. We gather feedback and insights from weekly customer interviews, at industry events, with internal feedback platforms, through RFI responses, at investor meetings, and through regular updates like internal newsletters, reports, and press releases.

Our stakeholders expect us to deliver not just innovative and entertaining content, but also to uphold strong ethical standards, protect user data, promote diversity, and pay attention to our environmental impact. Meeting these expectations requires continuous communication, solid governance, and a dedication to improving every day. This ongoing engagement helps us adapt our strategies and operations to meet regulatory requirements and the evolving needs of our stakeholders. Ultimately, it drives sustainable growth and innovation. In our ESG strategy sections are some examples of initiatives that support sustainability in our business, all of which have been shaped by our ongoing engagement with our key stakeholders.

Our planet

The strategy for our planet incorporates the UN Sustainable Development Goals 9. Industry, Innovation & Infrastructure, 12. Responsible Consumption and Production and 13. Climate Action. Our objectives include making a positive impact on our planet, incorporating a more sustainable approach to living and working by improving our energy efficiency, being more mindful of how we use resources and progressively monitoring the effect our business has on the environment. As part of these efforts, we have reduced direct CO_2 emissions in our corporate travel and encouraged and facilitated remote work across our workforce. For example, we continued equipping meeting rooms across offices with time sensors and digital booking systems in order to make optimal and energy-efficient use of office space, we have furthered initiatives around waste recycling and we continue to work with our suppliers to focus on the use of renewable energy sources. Furthermore, we continue our efforts to harness the power of our advertising business, encouraging the direction of advertising budgets to generate meaningful, tangible environmental and social-economic impact addressing the UN Sustainable Development Goal Climate Action through our advertising campaigns. Examples include:

- Azerion's long-standing collaboration with Right Thing Media (RTM) has led to over €150,000 directed toward social and environmental impacts in the past three years. Through partnerships with advertisers, agencies, and charitable organizations, we're addressing global challenges like economic well-being, diversity, equity, and sustainable living.

- We've strengthened our commitment to sustainable advertising by integrating sustainability initiatives into our clients' offerings and actively participating in IAB working groups on Sustainability and Ad Net Zero initiative events. In collaboration with Impact+, we have integrated carbon emissions measurement into our campaigns across key regions. By evaluating green house gas emissions in campaigns, we are able to help clients understand their environmental impact and offer strategies for reduction when desired. We also provide campaign insights, including emissions data from end users viewing client ads, enabling clients to track emission savings through energy-efficient ad delivery. This includes prioritizing smartphones and tablets, using Wi-Fi instead of cellular data, and selecting smaller ad formats.
- In collaboration with Sovereign Nature Initiative (SNI) Azerion supported Forgotten Parks Foundation's biodiversity conservation work in the Democratic Republic of Congo. Together, we transformed the Hotel Hideaway metaverse into an educational virtual sanctuary, fostering awareness about wildlife and their habitats. The experience educated, but also inspired our community to become stewards of our planet's precious biodiversity. The project resulted in 2024 over 6.2 million room visits, 15k avg daily visitors and 888k digital assets sold and contributed to the park.
- With our GD + Metaverse studios, we joined the United Nations Playing4thePlanet initiative alongside the world's largest video game companies to set more ambitious climate goals. We're committed to promoting impactful environmental content within our games by supporting our gaming partners in publishing and activating sustainable gaming content on our platforms that raises environmental awareness. We're also signed our commitment in engaging with the Alliance through our participation in the annual Green Gaming Jam, where AAA game studios compete to create the best in-game climate content. Rather than developing new games, we work within existing games with live audiences, challenging studios to integrate themed content that educates players about nature and the environment, inspiring a new wave of environmentally-conscious players.

Our community

Our objectives include empowering, motivating and taking care of those around us, creating communities that are inclusive and in which all members are supported to create a bright future for the generations to come. It includes our efforts to keep our customers and their online identities private and secure, by complying with the applicable regulatory frameworks, including GDPR and CPPA. Among other initiatives, our development and moderation process aims to ensure our content and games remain a safe and fun experience for our users and players. We also collaborate with authorities, regulators and safety groups on these topics.

Examples of our community initiatives in 2024 include;

- Participation in industry trade associations within the digital marketing and advertising ecosystem to advance sustainability initiatives in the digital advertising sector.
- In our Metaverse, the Safety Ambassadors program empowers users to promote safety and responsible gaming. In 2024, over 40,000 users worldwide took part in Safety Ambassador activities, helping to build trust and share safety knowledge. We also enhanced community documentation, giving players the tools to improve their gaming experience, develop skills, and engage positively. This included new safety content, reinforcing a secure and enjoyable space while promoting respect for community standards, the moderation system, and fellow players. Moreover, our Metaverse titles continued the partnership with nonprofit organisations focusing on internet safety. These organisations directly engage with players in our social games. Including local initiatives like HelpWanted in the Netherlands, Nettimummolam, Netari and PHKOPA in Finland.
- Our metaverses are proud official supporters of the European Commission's Safer Internet Day, a global initiative bringing together stakeholders to create a safer, better online space—especially for children and young people. This year, our Safer Internet activities focused on fighting cyberbullying, with 16,534 players worldwide taking part in the initiative. Additionally, over 17,000 people engaged with our safety content across our social media channels, reinforcing our commitment to a safer online community.

Our inclusion and well-being

Our vision around Inclusion and well-being incorporates the UN Sustainable Development Goal 10 Reduced Inequalities. Our objectives include incorporating an inclusive culture that refers to measures related to work culture and atmosphere in the workplace. It provides a holistic employee vitality system that considers both mental and physical health, with the ambition of building a workforce that is inclusive, healthy, inspired and feels valued. We are very proud of our diverse workforce that includes 58 different nationalities and we have taken a clear stance about equal work opportunities regardless of gender identity, sexual orientation, disability, religion, age, race, ethnicity, origin, or other status. Our Diversity Policy and our Code of Conduct are available on our website. We value these diversity, equity and inclusion principles both in our work culture and in relation to our products and services. A specific example is our Metaverse titles, which are designed with inclusivity in mind, taking into consideration factors such as age, gender, ethnicity, abilities, and cultural backgrounds. Integrating these principles into the product development process not only aligns with ethical principles but also enhances our product's relevance, usability, and acceptance in a global and diverse market. In these products we process and incorporate feedback from diverse user groups, ensuring continuous improvement.

Examples of our inclusion and well-being initiatives in 2024 include:

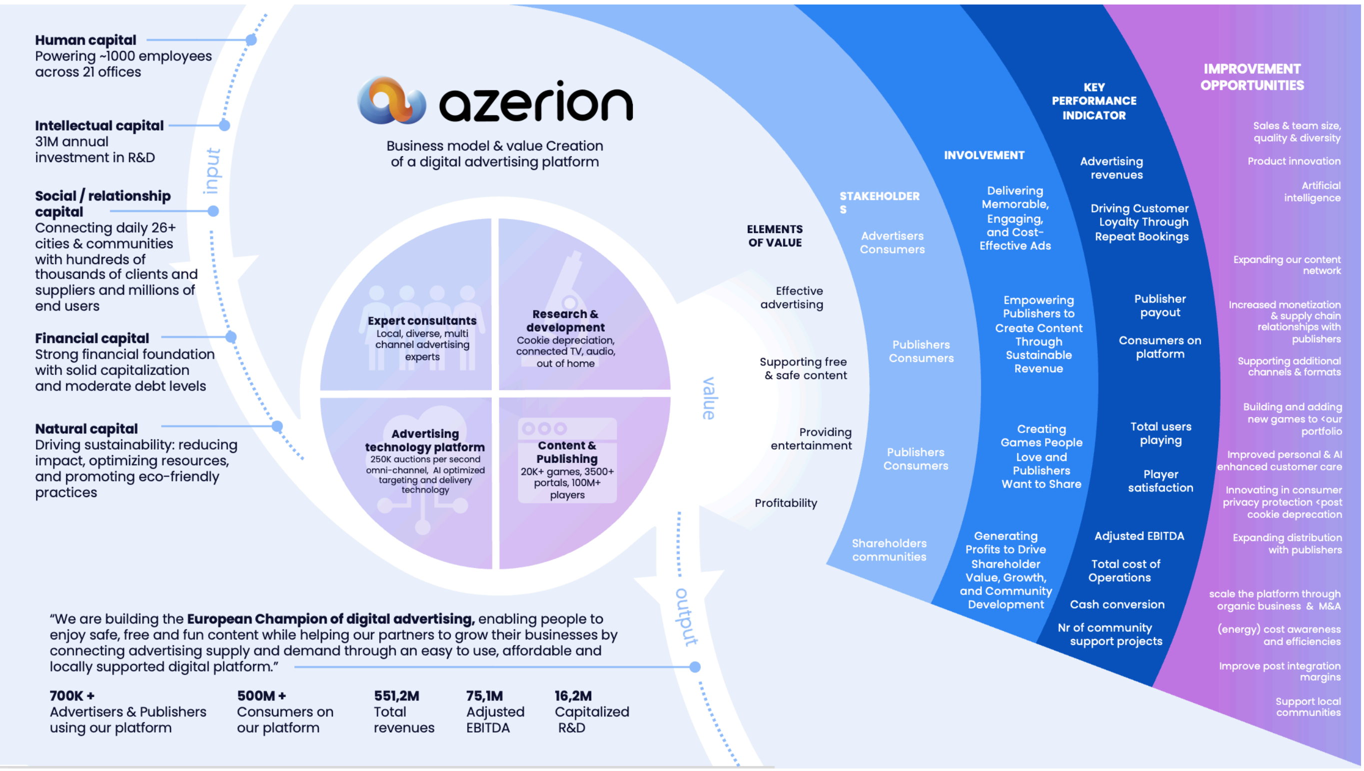
- Azerion's ongoing involvement and sponsorship of the Dutch professional women's football, including being the name partner of the Women's Dutch League and launching in 2024 a new mobile application for the Azerion Women's League. The League App enabled fans to follow live scores, purchase tickets, vote for the player of the match, make predictions, and engage with interactive games. This initiative reinforced Azerion's commitment to digital innovation within the sports industry, enhancing fan engagement and accessibility to women's football.
- The Spanish gaming entity and the Spanish union UGT introduced an Equality Plan to foster an inclusive, fair, and respectful workplace. This strategic and operational framework enhances gender equality by improving management, leveraging talent, and aligning with local requirements. It covers anti-discrimination policies in hiring and promotions, work-life balance initiatives, and guidelines for preventing workplace harassment.
- In our Metaverse, we prioritise diversity, equity, and inclusion, fostering a harmonious, innovative, and cooperative environment. We welcome inclusive characters, storylines, and settings. In 2024, we supported non-binary Hotel Hideaway avatars, provided LGBTQ+ flags, and hosted various supportive in-game events.
- Our game community managers promote DEI year-round with interactive activities. For International Women's Day, players joined a quiz on inspiring women, and 1,000+ users participated in a purple dress-up challenge. Our social media content reached 14,000 people, sparking discussions on diversity. We also host events for IDAHOT in May and Pride Month in June, reinforcing our commitment to inclusion and equality.

We uphold a positive workplace culture that values well-being and collaboration. Our regional teams focus on various topics, allowing them to choose and execute initiatives that they find important, including mental health training to improve stress management and employee well-being, as well as wellness programs like yoga classes, weekly massages, or gym access. We also invest in team-building training, facilitate social (sports) events and charity work to strengthen interpersonal relationships.

We are extremely proud of our local teams, who have taken the lead in driving social responsibility and making a positive impact in every region. Their commitment to charity and volunteerism drives impactful initiatives in each office, benefiting local communities and sustainability efforts. Examples from 2024 include; the UK office partnered with The Felix Project to rescue surplus food for vulnerable families, with employees volunteering in collection and preparation. We also donated €4,700 in meals through our prize draw and events. In the Netherlands, we participated in the Homewalk run, raising around 10k in funds supporting sick children at the Ronald McDonald Home. The Germany offices took part in the 22nd HafenCity Run, raising €90,000 for charity, benefiting single mothers and educational programs and launched the Pink Logo Initiative for Breast Cancer Awareness Month. Istanbul office donated electronic devices to the Electronic Waste Recycling Support Association, contributing to environmental sustainability. In Spain, the office supported Doc3Words, an NGO combating childhood cancer, by including a charity book in client gifts and raising donations during the holiday season. The Belgium office also participated in a charity race, pledging €10 per kilometer run, resulting in a €2,200 donation to a chosen association. In December 2024, the Sweden team donated €1,700 to UNHCR instead of giving traditional Christmas gifts. These actions highlight our ongoing dedication to local charitable causes and creating a positive impact across our communities around us.

Our Impact Model

We set out below a visualisation of Azerion's high level impact model. The impact model helps us frame our ESG thinking within the context of our business operations and drives our NFRD reporting:



Non-financial reporting review

Social responsibility and employees aspects

Azerion is committed to fostering a welcoming community and workplace where employees enjoy being in the work environment, feel part of the team and know that they will be treated with dignity and respect. To support this, we follow the principles and guidelines outlined in our code of conduct and diversity policies, available on our website. We also embrace local initiatives that align with these goals, such as the equality plan in our Spanish gaming entity, ensuring compliance with regional requirements.

The code of conduct is in place to ensure and communicate the formal channels available to employees for raising and resolving disputes and to address concerns and harmful behaviour. Within Azerion, there is no place for harassment or bullying of any kind. Azerion's compliance officer handles all complaints in a confidential and timely manner. Employees are encouraged to take an active role in combating all forms of harassment and discrimination and are promised that they will be adequately supported should they face harassment or discrimination at work.

Azerion is a diverse and inclusive opportunity employer. We are committed to making every reasonable effort to ensure that there is no discrimination on the grounds of age, sex, gender, sexual orientation and gender reassignment, pregnancy and maternity, paternity, race (including as relating to colour, nationality, ethnic or national origin), religion or belief, disability or marital status in the recruitment, treatment, retention of employees, hiring of contractors, or the treatment of visitors to our campuses. This ambition applies to all aspects of Azerion's working practices and, therefore, applies to the recruitment and selection of employees, terms and conditions of employment, training, salary, work allocations, promotion, and the management of grievances and disciplinary procedures. Our recruitment, selection and promotion procedures and general policies will be periodically reviewed to ensure that Azerion strives to foster equal opportunities.

Diversity, equity and inclusion

Diversity and inclusion are an integral part of the history, culture and identity of Azerion as a whole and are embedded in our company values. We believe that diversity fuels innovation and increases the connection with the customers and the communities we serve.

"Diversity and inclusion are an integral part of the history, culture and identity of Azerion as a whole and are embedded in our company values"

As at the end of 2024, the Management Board consisted of 2 members, both of whom are male.

More generally across Azerion, By the end of 2024, Azerion's workforce included around 58 nationalities and which the percentage of female employees grew by 3 points, increasing from 39% to 42% compared to the previous year. Meanwhile, 57% of employees were men, with the rest identifying as non-binary or undisclosed.

Although Azerion believes that its gender diversity in its workforce is more balanced than the tech industry average as a whole, Azerion is committed to further increase the gender diversity across its organisation. One way of achieving this is through our recruitment process. In 2024 approximately 56% of our new hires were female.

Gender split [1]

	2024	2023
Female	42%	39%
Male	57%	60%
Non-binary / undisclosed	1%	1%

[1] 2023 is based on total headcount as at 31 December 2023, respectively, including 2023 year's M&A.
2024 is based on total headcount as at 31 December 2024. Compared to the 2023 scope, this excludes contractors, third-party service providers, interns, and trainees, while including this year's M&A.

New hires gender split [1]

	2024	2023
Female	56%	43%
Male	44%	57%
Non-binary / undisclosed	0%	0%

[1] 2023 is based on total headcount of new hires throughout the year 2023, respectively, excluding 2023 year's M&A and interns.
2024 is based on total headcount of new hires throughout the year 2024. Compared to the 2023 scope, this excludes contractors, third-party service providers, interns, and trainees, moreover excluding this year's M&A.

Besides gender, diversity also relates to age. Azerion aims for a culture that values and respects employees of all ages. We welcome employees from different age groups and recognise the contributions each brings. The age distribution of our workforce as at 31 December 2024 was as follows:

Age split [1]

	2024	2023
20-29	22%	25%
30-39	46%	42%
40-49	24%	23%
50-59	7%	7%

[1] 2023 is based on total headcount as at 31 December 2023, respectively, including 2023 year's M&A.
2024 is based on total headcount as at 31 December 2024. Compared to the 2023 scope, this excludes contractors, third-party service providers, interns, and trainees, while including this year's M&A.

We follow the ESRS-prescribed 'Own Workforce' definition to determine our total headcount, using it as a guideline to shape our 2024 diversity metrics and future ESG reporting. Data is sourced from our centralized HRIS system, which is maintained and updated by our HR teams. These metrics exclude payroll subsidiaries, offering a clear view of our workforce composition

Respect for human rights

At Azerion, we strongly believe in the importance of protecting and upholding human rights. Our objective is for all our audiences to use our products freely and fairly and for our employees to work in an environment where they feel they are respected and their rights protected.

To help ensure the respect of human rights at Azerion, we promote and observe the principles set out in our Code of Conduct and our Diversity Policy, both of which can be found on our website.

Anti-corruption and anti-Bribery

At Azerion, we are aware of and striving to meet the basic safeguards set out in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Our priority is to operate in an ethical and straightforward manner. From an operational perspective, our ethical business strategy is embedded in our Code of Conduct and our Whistleblower Policy, which can be found on our website.

Under the Whistleblower Policy, Azerion has put down a single and uniform policy which is designed to meet corporate governance obligations and recommendations under Dutch law and international best practice. This policy provides every employee with an avenue to voice their concerns about alleged irregularities. Azerion respects employees who raise concerns about alleged irregularities and will not retaliate or allow retaliation against anyone who in good faith reports such alleged irregularities. The Whistleblower Policy is central to our effort to establish and sustain an ethical workplace environment and sound business practices.

We do not tolerate corruption in any form and as a company, Azerion will strive to combat and prevent incidents of a corrupt nature. Occurrences of bribery are uncommon in our industry but nevertheless, we remain alert to ensure that no such incidents arise within the Company. Our ambition is to embrace an ethical and transparent way of conducting our business.

Environmental protection

Azerion notes with concern the climate challenges facing our planet and is focused on the impact we as a company can have on this issue. Sustainability is an important part of our executive agenda, and we are supporting several initiatives aimed at protecting the environment. In 2024 we moved forward with our environmental ambitions, gaining further insights into and reporting on our carbon footprint. For 2024, we report total carbon emission data by scope as well as our operational CO2e efficiency, as measured by tons of CO2e per million EUR Revenue. The calculations are done in accordance with the guidance and standards of the Greenhouse Gas Protocol (GHG Protocol) - Corporate Standard

Absolute emissions in tCO2e

	2024 [1]	2023 [2]
Gross scope 1 emissions	78	121
Gross location based scope 2 emissions	473	
Gross market based scope 2 emissions	401	143
Gross scope 3 emissions	1,085	1,177
Total GHG emissions location based (Scope 1,2,3)	**1,636**	
Total GHG emissions market based (Scope 1,2,3)	**1,564**	1,441
Total tons CO2e per million EUR revenue location based	2.97	
Total tons CO2e per million EUR revenue market based	2.84	2.80

[1] In 2024, emissions data was collected from all 21 offices, improving accuracy in Scope 2 reporting and explaining the observed increase.
2024 is based on total headcount as at 31 December 2024. Compared to the 2023 scope, this excludes contractors, third-party service providers, interns, and trainees, while including this year's M&A.

[2] In 2023, renewable electricity was considered zero-emission and the distinction between location- and market-based emissions data was not disclosed due to the lack of finalized methodologies and information at the time.
Additionally, extrapolating data from 12 large offices to estimate emissions for 9 smaller offices affected comparability.
2023 is based on total headcount as at 31 December 2023, respectively, including 2023 year's M&A. After publication a tweaking of the extrapolation took place, resulting in a minor difference of the restated emissions.

Methodology

In line with GHG standards, we have expanded our emissions scope to include emissions from all leased office contracts—covering HQs, regional offices, co-working spaces, and M&A acquisitions from 2024. Azerion currently operates from 21 offices with approximately 1000 employees. To ensure comprehensive reporting for the consolidated Azerion Group N.V., we have collected actual Scope 1, 2, and 3 emissions data across all locations, establishing a consistent baseline for tracking emissions over time. This subset is considered representative of the total Group.

Compared to 2023, we made methodological improvements implemented during the year, including refined emission factors, our emissions scope, particularly in expanding primary data from 12 to 21 of the offices and adjusting the definition of employees that fall under our scope, following ESRS guidelines. In 2024, following the availability of clearer guidance and enhanced internal processes, we were able to calculate and disclose both location- and market-based emissions data. This distinction was not included in the 2023 reporting. With improved data availability and greater clarity in 2024, we have begun reporting these figures to ensure greater transparency and alignment with evolving standards.

Where primary data in 2024 was available, it was used directly to calculate emissions. In instances where such data was unavailable, internal comparable-average estimates—derived from the available primary data—were applied. As Azerion maintained sufficient internal data, from current and previous years, there was no need to rely on external industry benchmarks. Instead, internal proxies from comparable Azerion offices within scope (e.g., using data from Germany to estimate Austria's emissions for one month) were used to provide more accurate estimates. Approximately 82% of Scope 1 and 2 data is based on primary data.

Scope 1 emissions refer to direct emissions from sources that are owned or controlled by the reporting entity. For Azerion, as a digital company with digital products and services, this mainly includes energy consumption from the stationary combustion of natural gas used for heating in our office buildings. This year we could confirm availability of 100% primary consumption data. Fugitive (refrigerant) emissions were not accounted for because of the insignificant share. Compared to the 2023 report, there have been no significant changes in the GHG Protocol and updated regulations affecting Scope 1 emissions.

Scope 2 emissions are indirect emissions resulting from the purchase of energy resources owned or controlled by another entity. For Azerion, this year includes energy consumption in our office buildings, covering district heating, nuclear energy and both renewable and non-renewable electricity used for heating and cooling. Compared to the 2023 report, there were significant changes in the GHG Protocol, as well as updates to Azerion's scope of material categories, including the addition of nuclear energy in 2024. Under the revised GHG Protocol, we calculate Scope 2 emissions using both location-based and market-based methods. While this change does not affect what we measure, it impacts how emissions are reported. Our location-based emissions reflect the average emissions intensity of the electricity grid where we operate, this method reflects the actual energy mix of our local offices, regardless of any renewable energy contracts or purchases. Market-based emissions account for reductions from the renewable energy purchased, backed by formal contracts like renewable energy credits (REC). If those contracts or supplier-specific data aren't available, we used internal proxies. This change also applies to on-site charging stations when relevant. As a result, we have gained more accurate insights in the sources of our energy mix.

For determining Scope 3 emissions we incorporate activity-based and spend-based methods to estimate emissions provided by suppliers in our value chain. Based on the 15 categories outlined in the GHG Protocol, we have identified 5 material (upstream) categories. The 10 categories not disclosed, have been assessed as not material for our Company and this year's reporting, given the nature of our business activities. Our Scope 3 emissions cover the following:

Category 1: Purchased Goods and Services covers emissions from office paper, data center energy consumption, and, newly added for 2024, cloud computing services. Office paper emissions are based on actual consumption per office, while cloud computing services and data center energy consumption rely on emissions data provided by our third-party data providers. The yearly provided reduced emissions by our data center provider includes Scope 1 (direct operations) and Scope 2 (electricity production) emissions. Scope 3 data has not yet been provided and is currently under assessment by the data center company.

Category 2: Capital Goods covers emissions from purchased IT equipment, based on actual consumption per office. This year we included accurate data from IT equipment under Capital Goods instead of Purchased Goods and Services because Azerion's finance team classifies IT equipment as capital goods in bookkeeping.

Category 5: Waste Generated in Operations includes recycled and non-recycled waste from our offices. As a digital company with only office-based operations, we have minimal waste, which is considered insignificant. Most of the data is based on actual consumption, and when actual data wasn't available, comparable office size estimates were used.

Category 6: Business Travel includes travel by air and land, such as public transport and car usage. Hotel stays were newly added for the 2024 reporting. Data includes car usage (including taxis), public transport (bus, subway, train), flights (categorized into four zones), and overnight hotel stays (with emissions based on the number of nights spent per country).

Category 7: Employee Commuting includes emissions from employee commutes by car and public transport. Data is based on actual headcount per office, estimated office visits, transportation methods (cars, public transport, mopeds, and bikes), and average roundtrip distance in kilometers. It also includes third-party leased car data for employees primarily located at Azerion's Amsterdam HQ.

Both emissions in category 6 and 7 are calculated based on registered reimbursements in our corporate travel booking system, through travel agencies and/or recorded activity and spend data in our regions. The GHG Protocol and the included Scope 3 categories will be reassessed annually to ensure continued accuracy and relevance.

In scope 1 our accurate data has increased compared to last year, as we're seeing similar consumption and emissions to the previous report. While in Scope 1, the amount of offices using gas for heating stayed the same, we see a decrease in both consumption and emissions. Total Scope 1 emissions accounted for less than 5% of total emissions, in line with the prior year's results.

In scope 2 there's been an overall emission's increase due to updated methodology and classification of renewable energy. Consumption of all energy sources approximately remained the same. When recalculating 2023 resulting in 391 tCO_2e market based emissions we see a small increase (3%) in comparison with 2024 emissions. More offices have switched to district heating, which is reflected in both consumption and emissions.

In scope 3 we see the majority of our emissions, Total Scope 3 emissions decreased by 8% from 2023, but remained nearly in line with the prior year as a proportion of total GHG emissions from around 80% to 70%. However, we are aware of the impact of our Scope 3 emissions, primarily driven by our flights, employee commuting and the server capacity needed for our games and advertising tech operations, which we outsource through cloud service providers. We are unable to reference consumption due to the lack of detailed data from our suppliers; our reporting is based solely on emissions. The carbon emissions and energy usage linked to running data centers and using cloud services have a clear environmental impact. Hosting and servers fall under 'purchased goods and services' in the GHG Protocol, contributing to Scope 3 emissions and our overall carbon footprint. To address this, we're working with AWS, our main data center provider, to reduce emissions through pilot projects and improvements in power usage efficiency. Together, we've optimised traffic and energy usage using machine learning models, which have already led to several steps in reducing energy consumption in our campaigns. These efforts include refining digital content to make it high-quality yet lightweight, reducing the energy needed for delivery and display. We've also streamlined our hosting solutions and consolidated resources to eliminate unnecessary energy use. We're particularly pleased with AWS's carbon reduction and offset initiatives, including their goal to use 100% renewable energy by 2025. In 2024, together with AWS, we reduced our data center carbon emissions by 70% from 124,628 kg CO_2e in 2023 to 37,639 kg CO_2e in 2024.

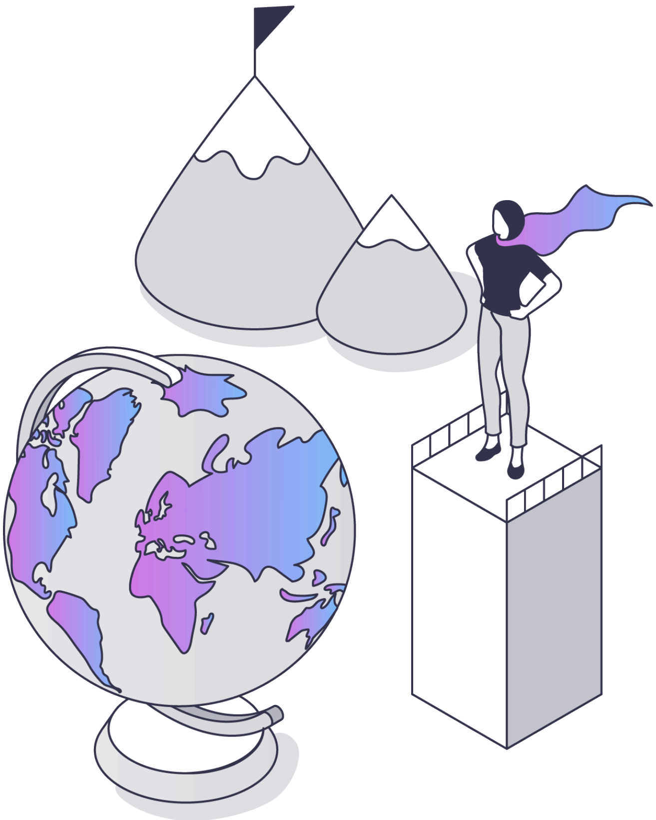
Across all scopes we see energy consumption in our offices, along with flights and employee commuting, driving our largest emissions footprint.

Calculating emissions is a complex process, influenced by various frameworks that evolve over time and are based on several assumptions, along with limitations on data availability and accuracy. Additionally, some of the required and reported data comes from third-party providers and partners. We have verified the accuracy and completeness of this externally provided primary data as much as possible. Our emissions may vary from year to year due to changes in business operations, supply chain dynamics, and other internal and external factors, which can affect the ability to compare emissions data over time. This is evident when comparing the 2023 and 2024 calculations, where Scope 2 emissions, in particular, account for the majority of the differences in results. We continue to monitor current and forthcoming regulations and guidelines, particularly the GHG standards and CSRD guidelines for the 2025 reporting year, with the goal of improving insights and accuracy of our emissions data.

Azerion believes in building awareness and mobilising our employees to support the environmental agenda. We encourage employees to consider the impact of their actions on the environment and take steps to make this impact positive. At a higher level, Azerion has also embraced localised environmental initiatives, including compensating employees for commuting by public transport, providing vegetarian and vegan lunch and/or dining options and electrifying our fleet of corporate cars. Furthermore, in our offices we aim to reduce emissions, for example through intensive usage of office plants, replacing existing lighting with LED sources, equipping meeting rooms with time sensors to minimise electricity usage, enhancing waste recycling programs and more.

For a description of principal risks and uncertainties, including those related to ESG matters, please refer to our Risk Management chapter. Given the nature of our economic activities as a digital services provider as well as taking into account our office-based physical presence, the impact of climate change is considered low. It is important to us that Azerion continues to use its creativity to entertain, its impact to encourage a sense of responsibility and its resources to contribute to a more sustainable world and we will continue to develop our ESG strategy to positively impact the world we operate in.

We are preparing to meet CSRD requirements once legally applicable and expect to report an enhanced ESG framework in the 2025 Annual Report.



EU Taxonomy

The EU Taxonomy has been implemented as part of the European Green Deal, which was passed in 2019. The European Green Deal was adopted by the EU in relation to the Paris Agreement goals, and aims to reach a climate-neutral economy by 2050 and to reduce net greenhouse gas emissions by at least 55% by 2030 (as compared to 1990 levels). In order to meet the 2030 and 2050 targets, investments need to be directed towards sustainable projects and activities. The EU Taxonomy Regulation (EU 2020/852), including associated delegated acts, is a legislative act adopted by the European Union in 2020 aimed at establishing a framework for sustainable investment. The regulation sets out common criteria and guidelines to identify economic activities that can be classified as environmentally sustainable, in order to promote sustainable finance and transition towards a more sustainable economy.

The EU Taxonomy Regulation sets out the basis for the EU Taxonomy by setting out certain overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable. These include the condition that an economic activity has to make a substantial contribution to one or more of the following six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

Under the Taxonomy Regulation, the European Commission had to come up with the actual list of environmentally sustainable activities by defining technical screening criteria for each environmental objective through delegated acts. On the date of publication of this report, delegated acts in relation to each of the six environmental objectives have been published.

The EU Taxonomy framework provisions require companies to report on their proportion of taxonomy-eligible activities and taxonomy-non-eligible activities in their total Turnover, CapEx and OpEx. This analysis and disclosure follows hereafter.

In the current EU Taxonomy framework, the European Commission has prioritized economic activities of sectors that can contribute most substantially to environmental sustainability and, as such, focuses primarily on sectors with high greenhouse gas emissions. This includes such sectors as manufacturing, energy & utilities, transport, construction and real estate, among others, and economic activities enabling their sustainable contribution. Azerion's business activities primarily include providing digital advertising solutions and production, publishing and distribution of digital entertainment content, which are at present not covered by the EU Taxonomy framework and therefore mostly out of scope.

As a digital technology company Azerion produces, processes, analyzes and stores large amounts of data as part of its daily business operations. All of these activities are outsourced to third-party infrastructure providers and are therefore not included in our eligibility analysis as no operational control or influence is exerted over these activities by Azerion.

Azerion welcomes the implementation of the EU Taxonomy framework and our analysis hereafter intends to assess the impact on our economic activities in line with the framework's stated objectives. It should be noted, however, that the EU Taxonomy framework is still relatively new, complex and leaves room for interpretation. We expect the framework to develop further over time, with further guidance, clarification, and best practices to arise. We will continue to monitor future developments and to adapt and enhance our methodologies, analysis and disclosure in future. In our analysis we have used judgments and assumptions to best align with the framework's ultimate goal. Changes to our interpretation, based on the foregoing, may occur in future.

Turnover

We used the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021, including amendments, as well as Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 to identify economic activities that were eligible to qualify as contributing substantially to each of the six environmental objectives. However, based on our analysis of Azerion's economic activities, there are currently no revenue-generating activities that match the EU Taxonomy framework, as the delegated act currently focuses mainly on sectors with high greenhouse gas emissions. We subsequently used the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 to define and calculate the appropriate amounts and percentages in the table at the end of this section.

The total amount of Azerion's turnover in the financial year 2024 is € 551.2 million of which 0% are eligible activities and 100% are non-eligible activities.

The regulation seeks to have companies provide alignment between the three applicable KPIs and the company's financial statements, as presented. In this light, the KPI 'Turnover' includes 'Revenue' included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, refer to Consolidated statement of profit or loss and other comprehensive income, starting on page 63. Please refer to the end of this section for detailed disclosures, as per Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

OpEx

Regulation (EU) 2020/852 of 18 June 2020 requires companies to disclose the proportion of their operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable. Azerion assessed its operating expenditures according to the definition provided in Annex I of the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, which definition is narrower than Azerion's accounting definition. Azerion's in-scope OpEx (i.e. according to the Regulation's definition) is considered not material in relation to its total group OpEx and in relation to its business model. We therefore apply the exemption possibility provided for in article 1.1.3.2 of Annex I of the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 and as a result of this materiality exemption we disclose the numerator as equal to zero.

The total amount of Azerion's EU Taxonomy OpEx for the financial year 2024 is € 2.2 million and we report 0% eligibility and 0% alignment based on our assessment.

The definition of OpEx under the EU Taxonomy regulation is as follows: *"direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets."* This is a narrower definition than Azerion's accounting policies. In-scope operational expenditures for Azerion are limited to its office building repair and maintenance costs and short term leases. This represents an insignificant proportion of total group OpEx. Please refer to the end of this section for detailed disclosures, as per Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

CapEx

Azerion's CapEx that would fall under the scope of the EU Taxonomy regulation consists of additions during the financial year 2024 to the following line items in Azerion's Consolidated Statement of Financial Position:

- note 4: Acquisitions
- note 6: Property, plant and equipment
- note 7: Intangible assets

We screened the asset groups against the economic activities described in the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021, including amendments, as well as Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 to identify eligible activities for the six environmental objectives. Based on our assessment we concluded that Azerion's EU Taxonomy-eligible activities with relation to CapEx are limited to additions related to car leases in line item note 6: Property, plant and equipment. These capital expenditures are associated with the following activities as identified in Annex I to the Regulation (EU) 2021/2139, relating to environmental objective 1. Climate Change Mitigation:

- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles

The total amount of Azerion's reportable taxonomy-eligible CapEx is € 0.5 million. Based on our assessment, we report 1.0% eligibility, but 0% alignment because not all substantial contribution criteria and 'does not significantly harm' criteria for taxonomy-alignment are met, e.g in relation to the car fleet's CO2 emissions per km. Please refer to the end of this section for detailed disclosures, as per Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - 2024 [1]

in millions of €, unless otherwise stated

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Turnover €	Proportion of Turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2023	Category enabling activity	Category transitional activity
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		-	0.0%														0.0%		
Of which enabling		-	0.0%														0.0%	E	
Of which transitional		-	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Turnover of taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		-	0.0%														0.0%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		**-**	**0.0%**														**0.0%**		
B. Taxonomy-non-eligible activities																			
Turnover of taxonomy-non-eligible activities (B)		551.2	100.0%																
Total (A + B)		**551.2**	**100.0%**																

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - 2024 [1]

in millions of €, unless otherwise stated

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	CapEx €	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx, year 2023	Category enabling activity	Category transitional activity
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		-	0.0%														0.0%		
Of which enabling		-	0.0%														0.0%	E	
Of which transitional		-	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.5	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3%		
CapEx of taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		0.5	1.0%	1.0%													1.3%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**0.5**	**1.0%**	1.0%													**1.3%**		
B. Taxonomy-non-eligible activities																			
CapEx of taxonomy-non-eligible activities (B)		44.8	99.0%																
Total (A + B)		**45.3**	**100.0%**																

[1] Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - 2024[1]

in millions of €, unless otherwise stated

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	OpEx €	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx, year 2023	Category enabling activity	Category transitional activity
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		-	0.0%														0.0%		
Of which enabling		-	0.0%														0.0%	E	
Of which transitional		-	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
OpEx of taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		-	0.0%														0.0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		**-**	**0.0%**														**0.0%**		
B. Taxonomy-non-eligible activities																			
OpEx of taxonomy-non-eligible activities (B)		2.2	100.0%																
Total (A + B)		**2.2**	**100.0%**																

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Statement of Management Board's responsibilities

The Management Board is responsible for preparing the Company's Annual Report. The Company's Annual Report comprises the Report of the Management Board, the Company's Financial Statements and other information. The Management Board is responsible for preparing the Annual Report in accordance with applicable law and regulations. The Management Board has prepared the Annual Report in accordance with IFRS Accounting Standards as adopted by the EU and the relevant provisions of the Dutch Civil Code. The Management Board must not approve the Annual Report unless they are satisfied that it gives a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the full year 2024 Annual Report, the Management Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS Accounting Standards as adopted by the EU and the relevant provisions of the Dutch Civil Code have been followed, subject to any material departures disclosed and explained in the Annual Report; and
- prepare the Annual Report on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Management Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the Annual Report complies with applicable law. The Management Board has assessed whether the risk assessment executed showed any material failings in the effectiveness of the Company's internal risk management and control systems. Though such systems are designed to manage and control risks, they can provide reasonable, but not absolute, assurance against material misstatements. Based on this assessment, to the best of our knowledge and belief, no material failings of the effectiveness of the Company's internal risk management and control systems occurred and the internal risk and control systems provides reasonable assurance that the financial statements do not contain any errors of material importance.

With reference to section 5.25c paragraph 2c of the Dutch Act on Financial Supervision, each of the Management Board members, whose names and functions are listed below, confirm that, to the best of their knowledge:

- the Company's financial statements and the consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and the relevant provisions of the Dutch Civil Code, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Report of the Management Board gives a true and fair view on the situation on the balance sheet date, the development and performance of the business and the position of the Company of which the financial information is included in the Report of the Management Board and includes a description of the principal risks and uncertainties that Azerion faces; and
- having taken all matters considered by the Management Board and brought to the attention of the Management Board during the financial year

into account, the Management Board considers that the Annual Report, taken as a whole is fair, balanced and understandable. The Management Board believes that the disclosures set out in the Annual Report provide the information necessary for shareholders to assess Azerion's position, performance, business model and strategy.

After conducting a review of management analysis, the Management Board has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board considers it appropriate to adopt the going-concern basis in preparing the 2024 Annual Report.

Schiphol-Rijk, 24 April 2025

On behalf of the Management Board of Azerion Group N.V.

Umut Akpinar
co-CEO and co-Founder of Azerion

Supervisory Board

This chapter contains and reports the Letter from the Chairman, the Company's Corporate Governance structure and the duties and responsibilities of the various boards and committees performed in 2024. This report further discusses the Company's compliance with the Dutch Corporate Governance Code.

Letter from the Chairman

Azerion has performed strongly across 2024, growing its digital advertising platform to become a European champion and laying the foundation to accelerate growth in 2025. The benefits from the integration and consolidation of past acquisitions have resulted in the development of new products and services, and advancements in technology-enabled by AI for improved sales and operating efficiencies. This allowed the Company to adapt to macro-economic uncertainty, capture investment opportunities and finance additional capital to bring greater volume to its platform, which already materialised during 2024 through the disciplined expansion of the business through the investments in Eniro, Captify and Goldbach.

The smooth transition from Ben Davey to Julie Duong Ferat as CFO of the company has been very successful. Julie brings strong leadership and extensive financial knowledge of the industry whilst providing Ben the opportunity to focus on developing investment opportunities for the Company. This has also been recognised by our long-term credit investors who supported the EUR 50 million placement in July and another EUR 50 million issuance in December last year.

In 2024, the Supervisory Board welcomed Benjamin van de Vrie, as member of the Supervisory Board, strengthening our digital, financial and commercial expertise so that we can continue to constructively advise and challenge management. I would like to also express my gratitude to our departing members Florence von Erb and Chris Figee who have helped guide the Company through its initial stages as a listed company.

The Supervisory Board's focus areas in 2025 will include driving platform growth and operational efficiency across Azerion, strengthening its presence as a European leader, developing local solutions with real outcomes at scale, and strengthening our engagement with external stakeholders. We look forward to the opportunities that lie ahead for Azerion and thank our stakeholders for their continued support.

Wim de Pundert *Chairman of Azerion's Supervisory Board*

Corporate Governance

The Company is a public company with limited liability under the laws of the Netherlands and its shares trade on Euronext Amsterdam. The Company has a two-tier governance structure.

Management Board

The management board of the Company (the "**Management Board**") is, together with the Company's Executive Committee, responsible for the management of the Company's operations, as well as the operations of the Company under the supervision of the Supervisory Board. The Management Board may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those expressly attributed to the general meeting of shareholders of the Company (the "**General Meeting**") or the Supervisory Board as a matter of Dutch law or pursuant to the Company's articles of association (the "**Articles of Association**").

The Executive Committee

The Company has an Executive Committee that supports the members of the Management Board in the day-to-day management of the Company's business. The Executive Committee consists of the Management Board, Julie Duong Ferat – Chief Financial Officer, Gönenç Seçil Tarakcıoğlu – Chief People Officer, Sebastiaan Moesman – Chief Strategy Officer, Joost Merks – Chief M&A and Corporate Development Officer, Ben Davey – Chief Investment

Officer, Jurriaan van Teunenbroek – Chief Publishing Officer and Mickael Ferreira – Chief Business Officer.

Supervisory Board

The Supervisory Board is responsible for the supervision of the policies of the Management Board and the general course of affairs in the Company and the business it operates. The Supervisory Board supports the Management Board with its advice.

The Supervisory Board also supervises the manner in which the Management Board implements the sustainable long-term value creation strategy of the Company.

The Supervisory Board has appointed from among its members an Audit and Risk Committee (the "**Audit Committee**") and a Selection, Appointment and Remuneration Committee (the "**SAR Committee**").

Tasks of the Audit Committee

The responsibilities of the Audit Committee focus on supervising and/or assisting the activities of the Supervisory Board with respect to the integrity and quality of the financial and sustainability reporting and the effectiveness of the internal risk management and control systems, including supervising the enforcement of the relevant legislation and regulation and the effect of codes of conduct. The Audit Committee also supervises the financing of the Company and assesses the external audit process, scope and approach of the external independent auditor. The relationship with the external independent auditor is evaluated annually. Together with the Management Board, the Audit Committee reviews half-year and full year financial statements and quarterly updates.

Tasks of the SAR Committee

The SAR Committee is responsible for proposing the remuneration policy for the Management Board and Supervisory Board and the implementation thereof and assisting the Management Board and Supervisory Board with the establishment and review of the overall compensation strategy of the Company and ensuring that the compensation strategy is competitive. Furthermore, the SAR Committee assesses the performance of the members of the Management Board as well as responsibilities connected thereto.

General Meeting

An Annual General Meeting is held within six months after the close of each financial year. The Management Board may convene an extraordinary General Meeting whenever the Company's interests so require. In addition, a shareholder or group of shareholders representing in aggregate at least 10% of the issued and outstanding share capital may, pursuant to the Dutch Civil Code, Dutch law and the Articles of Association, request that a General Meeting be convened.

The convocation of a General Meeting must be published through an announcement by electronic means. Notice of a General Meeting must be given at least forty-two (42) calendar days in advance. Shareholders holding at least 3% of the Company's issued and outstanding share capital may request that an item be added to the agenda. Such requests must be made in writing, must either be substantiated or include a proposal for a resolution with an explanation and must be received by the Company at least sixty (60) calendar days in advance of the day of the General Meeting.

The Company's capital structure consists of ordinary shares, capital shares and conditional special shares. A complete overview of shares outstanding and the rights attached to these can be found in the note 14: Equity section.

Diversity

The Company values diversity and inclusion and believes that diversity of all kinds, including by way of example only gender, age, nationality, ethnicity and education is essential to its long-term success. In this respect, the Company aims to have a balanced composition of all its corporate bodies in line with Dutch legislation and the Company's Diversity Policy. The Company's approach to diversity is further set out in the Chapter ESG overview, starting on page 36 of this Annual Report.

From the start of 2024 through the Annual General Meeting in June, the Supervisory Board consisted of two women and four men, meeting the gender diversity requirements under the Dutch law on balanced gender representation (Wet inzake Evenwichtiger man-vrouwverhouding). Following the AGM, one female member stepped down, resulting in non-compliance. The Supervisory Board intends to restore compliance during 2025.

Under the quota and target figure law (Wet ingroei quotum), companies must set "appropriate and ambitious" gender diversity targets for the Management Board, Supervisory Board, and senior executives. In response, the Management Board has set specific targets. For 2024, the Supervisory Board aimed for at least 33% male and 33% female representation. This target was not met, as female representation fell to 25% by year-end. The Board remains committed to meeting its target in 2025.

The Management Board has set a target minimum of 33% male and 33% female representation by the end of 2026 for the senior executive level, including Vice Presidents and Executive Committee. Progress toward this goal continued in 2024 compared to 2023, further steps are needed to meet the target within the set timeframe.

No specific diversity target has yet been set for the Management Board, considering its current composition and the indefinite appointments of its members.

The Dutch Corporate Governance code

The Company recognises the importance of good corporate governance, endorses the core principles of the Dutch Corporate Governance Code and is committed to following the Code's best practices. Below, we list the principles and best practice provisions where we deviate from the Code.

Deviations from the Code

- Best Practice Provision 1.1.5 (Stakeholder policy)

In deviation from the Code, the Company has not issued a stakeholder policy yet.

- Best Practice Provision 1.3.1 (Appointment of the senior internal auditor)

In deviation from provision 1.3.1 of the Code, no senior internal auditor has been appointed by the Management Board due to the size of the Company and relatively limited complexity of transactions .

- Best Practice Provision 2.1.9 (Independence chairperson of the supervisory board):

The Company does not comply with this best practice provision, as its current Chair is considered to be non-independent. Nevertheless, given his invaluable experience and expertise, Mr. van de Pundert has proven to deliver substantial added value to the supervision of the Company and has furthermore proven to act in the best interest of the Company and its stakeholders.

- Best Practice Provision 2.2.1 (Appointment and Reappointment Period Management Board Members)

The Company does not comply with best practice provision 2.2.1, which provides that all members of the Management Board are appointed for a maximum period of four years and reappointed for a term of not more than four years at a time. The two co-CEOs of the Company have been appointed for an indefinite period of time, given their position as co-founders of the Azerion business.

- Best Practice Provision 3.1.2 (Remuneration Policy)

The Company does not comply with best practice provision 3.1.2 sub (vi) and (vii), which provide that shares awarded to members of the Management Board should be held for at least five years after they are awarded and that members of the Management Board should not be able to exercise share options awarded to them during the first three years after they are awarded. Under the terms of the Company's Long-term Incentive Plan, performance shares and the restricted shares can be sold upon vesting and share options can be exercised upon vesting. Performance shares vest after three years of granting and restricted shares vest after one year of granting. Share options vest after one year of granting. Although the Company's remuneration policy provides that members of the Management Board are encouraged to comply with best practice provision 3.1.2, there is no strict prohibition to ensure compliance with best practice provision 3.1.2. The Company believes that the terms of the Long-term Incentive Plan enable it to offer an attractive remuneration package which will incentivize the members of the Management Board and the Company's employees.

- Best Practice Provision 3.4.1 (Pay Ratio)

In deviation from provision 3.4.1 of the Code, only the changes in the pay-ratio compared to 2022 and 2023 are disclosed instead of at least five years, as the Code only became applicable to the Company in 2022 and earlier data are not available.

The full text of the Dutch Corporate Governance Code can be found on the website of the Monitoring Commission Corporate Governance Code (https://www.mccg.nl).

Corporate Governance statement

The Corporate Governance Code requires companies to publish a statement regarding their approach to corporate governance and compliance with the Code. This is referred to in Article 2a of the Decree on the contents of management report ('*Besluit inhoud bestuursverslag*'), as last amended on 29 August 2017. The information required to be included in this corporate governance statement as described in the Decree, is included in this Corporate Governance chapter as well as in the Management Board Report.

Supervisory Board report

Composition, diversity and independence

As of the date of this Annual Report 2024, the Supervisory Board of the Company is comprised of the following members:

Members of the Supervisory Board

Name	Position/Committee	Starting date and end date term of office	Sex	Age	Nationality	Independent
Wim de Pundert	Member and Chair of the Supervisory Board Member of the SAR Committee	First term as of 16 November 2023 – AGM 2027	Male	67	Belgian	No
Zafer Karataş	Member of the Supervisory Board Chair of the SAR Committee	First term as of 16 November 2023 – AGM 2027	Male	62	Dutch	Yes
Benjamin van de Vrie	Member of the Supervisory Board Chair of the Audit Committee	First term as of 20 June 2024 – AGM 2028	Male	63	Dutch	Yes
Katrin Brökelmann	Member of the Supervisory Board Member of the Audit Committee	First term as of 1 February 2022 – AGM 2025	Female	55	German	Yes

Mr. Wim de Pundert is an accomplished business leader with significant expertise in formulating and executing impactful business strategies. With a proven track record in investing, divesting, and steering companies toward compelling value propositions, Mr. De Pundert has particular expertise in recognizing value creation potential through buy-and-build and market consolidation strategies. Mr. De Pundert currently serves as CEO of Knaus Tabbert AG, a listed company on the Frankfurt Stock Exchange and Director of HTP Investments B.V..

Mr. Zafer Karataş is a seasoned expert in business management, mergers and acquisitions, reorganizations, and financial audit. Graduating from Uludağ University in 1987 with a degree in Electronic Communications Engineering, Mr. Karataş has since held key positions in prominent organizations, showcasing his extensive industry knowledge and leadership skills. Currently serving as the Chairman of the Board at MeritGrup, a technology company, Mr. Karataş also sits on the Supervisory Boards of DVA Bilisim and Most Teknoloji. His previous roles include CEO of 3-D Bilisim A.S. and management positions at KPN Telecom, Intime Group, and Nortel Networks in the Netherlands from 1991 to 1998.

Mr. Benjamin van de Vrie has been Chairman of the Board of Directors of Azerion's listed subsidiary AdUX S.A. (EURONEXT Growth: ALDUX) since April 2022 until June 2024. He worked for over 25 years at ING Bank N.V., where he managed clients and branches at both national and international levels. Since 2015 he has advised various Mid-Corporate and Medium-sized businesses on strategy, finance and management as Partner at Mondriaan Management & Consultancy.

Mr. Van de Vrie is also a member of the supervisory board of Raben Group N.V.

Ms. Katrin Brökelmann has over 25 years of industry experience as an investment professional in Private Equity and Venture Capital, supporting high-growth technology-based companies, including SMEs, in the Technology, Media, Life Sciences and Business Services. In addition to her role at Azerion, Ms. Brökelmann is co managing partner and COO at Praesidium, an asset management company investing in private markets. Ms. Brökelmann holds a Master in International Management and Diplom-Kffr. from ESCP Europe and a BA from Vienna University of Economics and Business.

Composition, mutation and reappointment schedule

With effect from the General Meeting of Azerion held on 20 June 2024, Mr. Benjamin van de Vrie was appointed as new member of the Supervisory Board. Mrs. Florence von Erb stepped down as member from the Supervisory Board after the Annual General Meeting held in 2024. Mr. Chris Figee stepped down as member of. the Supervisory Board per 30 November 2024.

Diversity and Independence

As stated in the section Corporate Governance, starting on page 52 in this Annual Report 2024 and after the Annual General Meeting 2024, the composition of the Supervisory Board was not in compliance with the gender diversity requirements of Dutch law and remains so as at the date of this Annual Report.

The majority of the members of the Supervisory Board are independent in accordance with provision 2.1.7 to 2.1.9 of the Code.

Supervisory Board meetings and attendance in 2024

Supervisory Board meetings were held regularly to discuss the Company's progress and future plans, the functioning and composition of the Supervisory Board and the performance of the Management Board. During 2024, the Supervisory Board held 8 meetings. Almost all Supervisory Board members were present at all meetings either in person or via conference call. Between meetings, there was regular contact between the Chairpersons of the Supervisory Board, SAR committee and Audit Committee and the Management Board, supported by the Executive Committee.

The members of the Executive Committee are invited for most of the Supervisory Board meetings.

The Company's quarterly results and annual accounts have been discussed along with related documents. In addition, the Supervisory Board mainly discussed the following topics in its meetings: the Company's mid-term and long-term strategy, its cash and funding strategy during and for the year, various M&A projects, the co-operation with Eniro, the financing arrangement with Citibank, the expansion of the Executive Committee, the subsequent bond issuances, the settlement agreement with Llama Group SA regarding disputes on the purchase of Radionomy Group B.V. and investor relations.

All members of the Supervisory Board followed or will follow an induction program upon their appointment, including a strategic deep dive through which the members were introduced or will be introduced to all aspects of the Company's Platform and Premium Games segments. Furthermore, new members were or will be introduced to the financial, social and legal affairs, financial and sustainability reporting and compliance affairs of the Company, including an introduction to the Dutch corporate governance rules.

Sustainable long-term value creation strategy

The Supervisory Board had an extensive session with the members of the Executive team and senior management, discussing the various aspects of the Company's strategy for sustainable long-term value creation, focusing on diverse aspects of the Company's Platform and its Premium Games segments, its plan for future technology development and its sales strategy.

Self-evaluation

A self-assessment has been conducted by the Supervisory Board in 2024. Overall, the Supervisory Board concluded that it operates effectively while identifying areas for improvement, namely succession planning, ESG matters, and meeting efficiency including timely provision of meeting materials to allow for a more in depth discussion. Furthermore, the members of the Board expressed their desire to further diversify their composition.

Committees in 2024

The two committees: the Audit Committee and SAR Committee (the "**Committees**") are responsible to support and assist the Supervisory Board with specific topics. These Committees are regulated by committee charters, available on the Company's website.

Remuneration report

The members of the Management Board and the Supervisory Board are entitled to remuneration in accordance with the Remuneration Policy as adopted by the General Meeting on 31 January 2022. The remuneration report 2023 was approved by shareholders with a total favourable vote of 99.98%, with limited questions on these specific topics during the Annual General Meeting. The Remuneration Policy aims to provide a remuneration structure that will allow the Company to attract, reward and retain highly qualified members of the Management Board and Supervisory Board and provide and motivate them with a balanced and competitive remuneration that is focused on sustainable results and is aligned with the sustainable long-term strategy of the Company. Given the business model and the structure of the Company, the remuneration of the Company is focused on performance-based elements, in particular long-term incentives.

The Supervisory Board, shall upon the initiative of the SAR committee, review the Remuneration Policy on a regular basis. Changes to the Remuneration Policy must be adopted by the General Meeting upon a proposal of the Supervisory Board in accordance with applicable law.

The Remuneration Policy does not meet all the requirements of the Code, as the performance shares and restricted shares awarded to members of the Management Board, under the terms of the Company's Long-term Incentive Plan, can be sold upon vesting and share options can be exercised upon vesting instead of having to be held for at least five or three years:

- Performance shares vest after three years of granting and restricted shares vest annually over three years after granting in equal instalments.
- Share options vest after one year of granting.

Although the Company's Remuneration Policy provides that members of the Management Board are encouraged to comply with best practice provision 3.1.2, in which they hold shares in the Company for at least five years after they are granted, there is no strict prohibition to ensure compliance with best practice provision 3.1.2. The Company believes that the terms of the Long-term Incentive Plan enable it to offer an attractive remuneration package which will incentivize the members of the Management Board and the Company's employees.

Remuneration of the Management Board

The remuneration of each member of the Management Board may consist of a base salary, a variable annual bonus (short-term cash incentive), long-term incentive awards, pension and fringe benefits and severance arrangements. When determining the remuneration for members of the Management Board, the SAR Committee (and Supervisory Board) may consider, among other things, the requirements of the role, the needs of the Company's business, the skills and experience of the individual and the market for talent both domestically and internationally. In the case of internal promotions, commitments made prior to the appointment as member of the Management Board may continue to be honored in addition to any new remuneration arrangements that will apply.

In the years 2024 and 2023, the remuneration structure of the Management Board consisted of fixed base salary payments and other fringe benefits only.

Base salary

The base salary of the members of the Management Board aims to reflect the responsibility and scope of their role, taking into account their level of seniority and experience. The base salary for each member of the Management Board is a fixed cash compensation paid on a monthly basis. In light of the Company's remuneration philosophy to have a remuneration package for the members of the Management Board that is more heavily weighted towards performance-based elements, the base salary is targeted to be at or below the median level of executives with similar roles in comparable companies. The base salary including holiday allowance for the year 2024 is € 540 thousand for Mr. Aytekin (co-CEO), € 540 thousand for Mr. Akpinar (co-CEO).

Variable annual bonus

The objective of the variable annual remuneration is to ensure that the members of the Management Board are well incentivised to achieve annual strategic goals and personal objectives to drive success in the long-term. It provides a focus on the key development areas for the Company, both financial and non-financial. The members of the Management Board are eligible to receive an annual bonus subject to the achievement of certain pre-determined financial, strategic and operational performance measures, supporting the overall focus on sustainable long-term value creation of the Company, which objectives are aligned with the objectives for the variable annual bonus of the members of the Executive Committee and senior management. For the year 2024, the members of the Management Board were not awarded a variable annual bonus.

Long-term incentive awards

The members of the Management Board are eligible for long-term incentive awards as further described in the Remuneration Policy. The current members of the Management Board, Mr. Atilla Aytekin and Mr. Umut Akpinar do not participate in the programme for the long-term incentive awards.

Share-based payment (Azerion Founder Warrants)

In the De-SPAC Transaction in 2022, a total number of 17,992,773 Azerion Founder Warrants were granted to the personal holding companies of the two founding members in the Management Board (of which 8,996,387 Founder Warrants were granted to Umut Akpinar and 8,996,386 Atilla Aytekin respectively). These warrants were granted as part of the De-SPAC transaction to balance out a potential future dilutive share effect of warrants granted to EFIC1 shareholders. The grant date fair value amounted to € 9.9 million, the fair value of warrants as of 31 December 2024 amounted to nil (2023: € 0.2 million). During 2024 no warrants were exercised or traded by either Management Board members, with the total amount of warrants held at the beginning, throughout, and at the end of the year being 8,996,387 for Umut Akpinar and 8,996,386 for Atilla Aytekin.

The Azerion Founder Warrants can be exercised during the exercise period, which ends at the close of trading on Euronext Amsterdam on the first Business Day after the fifth anniversary of the completion date of the De-Spac transaction. During the exercise period, each Azerion Founder Warrant entitles the holder to subscribe for one Ordinary Share for the exercise price of €11.50.

Pension and fringe benefits and severance arrangements

The members of the Management Board may be given the opportunity to participate in a personal pension scheme. Furthermore, the members of the Management Board are entitled to certain customary fringe benefits such as expense allowances, reimbursements of costs, a Company car, a mobile phone and reasonable tax advice and support or allowance in lieu of such benefits. Where appropriate, the Company may meet certain costs relating to relocations of members of the Management Board and, if necessary, expatriate benefits. In 2024, in addition to salaries, both Management Board members received benefits mainly related to Company cars and associated running costs. These payments are included under Short-term employee benefits.

Total remuneration received by the members of the Management Board

The total remuneration received by the Management Board in 2024 amounted to: € 1,183 thousand (2023: € 1,181 thousand). The individual remuneration is set out below.

Internal pay ratio

By determining the Remuneration Policy for the members of the Management Board, the Supervisory Board also takes into account the pay-ratio between the pay of the members of the Management Board and the average employee within the Company. The calculation of the internal pay-ratio is based on the average 2024 remuneration of all employees vis-à-vis the average remuneration of the Management Board.

This resulted in a pay-ratio of 5.9 for 2024 (2023: 6.3, 2022: 48.5), with 2024 being the third year such calculation has been made and 2024 being consistent with 2023. The change in the internal pay-ratio in 2023 compared with 2022 was mainly due to the one-off issuance of Azerion Founder Warrants in 2022. The Supervisory Board will monitor the extent to which this pay-ratio changes over the years and take it into consideration when making remuneration decisions for the Management Board.

The overview below outlines the development in the remuneration of the members of the Management Board as compared to the Company performance:

Comparison of remuneration and company performance

In thousands of €

	2022	2023	2024
Management Board	**12,768**	**1,181**	**1,183**
Annual change		(90.8)%	0.2%
Number of Management Board Members	**3**	**2**	**2**
Revenue ('000)	**452,600**	**515,000**	**551,200**
Annual change		13.8%	7.0%
Average employee remuneration on a full-time equivalent basis			
Average FTEs of the company (excluding management board)	1,240	1,226	997
Annual change		(1.1)%	(18.7)%
Wages and salaries, other than management board ('000)	110,800	114,800	100,417
Annual change		3.6%	(12.5)%
Average remuneration per employee ('000)	89	94	101
Annual change		5.2%	7.6%
Internal pay ratio	48.5	6.3	5.9
Annual change		(87.0)%	(6.3)%

Remuneration received by the members of the Management Board

In thousands of €

	2024		2023		2022		
	Atilla Aytekin	Umut Akpinar	Atilla Aytekin	Umut Akpinar	Atilla Aytekin	Umut Akpinar	Dado Alonso
Short-term employee benefits[1]	552	552	548	548	556	556	285
Post-employment benefits	-	-	-	-	-	-	23
Share-based payment benefits	-	-	-	-	-	-	1,376
Share-based payments (Azerion Founder Warrants)	-	-	-	-	4,948	4,948	-
Other	40	39	33	52	32	44	-
Remuneration of the Management Board	**592**	**591**	**581**	**600**	**5,536**	**5,548**	**1,684**

[1] Short-term employee benefits include base salary plus social security costs.

Remuneration of the members of the Supervisory Board

The remuneration of the members of the Supervisory Board consists of a fixed annual payment. The level of this payment is based on benchmark assessment. Members of the Supervisory Board are also eligible to receive reimbursement of reasonable expenses incurred during their duties, including any applicable taxes. They are not eligible for an annual cash bonus or any other type of variable remuneration linked to the financial results of the Company. For 2024, each member of the Supervisory Board receives a fixed annual fee of € 50 thousand. In addition, the chairperson of the Supervisory Board receives an additional annual fee of € 30 thousand, the chairpersons of the Audit Committee and the SAR Committee receive an additional annual fee of € 10 thousand each, and each committee member receives an additional annual fee of € 5 thousand.

Total remuneration received by the members of the Supervisory Board

The total remuneration received by the Supervisory Board in 2024 amounted to € 318 thousand (2023: € 382 thousand). Supervisory Board members receive a short term employee benefit as remuneration only, therefore no distinction has been made between other forms of remuneration. The individual remuneration is set out below.

No loans, advance payments or guarantees have been granted to or on behalf of the director or supervisory director of the company by the company, its subsidiaries or other companies of which it consolidates financial information.

Report of the Audit Committee

Foreword of the Chair of the Audit Committee

2024 proved to be a year in which Azerion was able to materialize on its consolidation path that it embarked in the course of 2023, leading to strong revenue growth of 7% as well as growth of the adjusted EBITDA amounting to 4.5%. The Company managed to close two subsequent bond issues in July and December, utilising the capacity under the Company's already existing Senior Secured Callable Floating Rate Bond framework, with an additional capacity of EUR 35m remaining.

Benjamin van de Vrie *Chairperson of Azerion's Audit Committee*

Activities of the Audit Committee

During 2024, the Audit Committee comprised of two members: Firstly, untill 30 November 2024, Mr. Chris Figee (Chair) and Mrs. Katrin Bröckelman and currently, Mr. Benjamin van de Vrie (Chair) and Mrs. Katrin Bröckelman. The Audit Committee held 6 formal meetings during 2024 in addition to regular (informal) updates arranged through (video) calls. All Audit Committee members (in office) were present at all meetings either in person or via conference call. The Audit Committee mainly discussed the 2023 audit plan and findings, the 2024 quarterly results, the 2024 (interim) financial statements, the cash and capital strategy of the Company and the composition of the Audit Committee.

The External Independent Auditor was present at two of the Audit Committee meetings. During these meetings, the Audit Committee discussed with the auditor, amongst other things, the auditor's report, its assessment of the internal controls, the audit plan and observations of the audit. Moreover, the Audit Committee had a discussion with the auditor without the Management Board present.

Remuneration received by the members of the Supervisory Board

In thousands of €

		Katrin Brokelmann	Klaas Meertens	Peter Tordoir	Chris Figee	Wim de Pundert	Florence van Erb	Derk Haank	Zafer Karataş	Benjamin de Vrie
2024	Short term employee benefits	55	5	-	65	81	28	-	57	28
2023	Short term employee benefits	55	55	76	71	10	51	57	7	-
2022	Short term employee benefits	50	50	79	65	-	46	59	-	-

External Independent Auditor
As from the 20 June 2024, PricewaterhouseCoopers Accountants N.V. is re-appointed as the Company's external independent auditor (the "**External Independent Auditor**").

The External Independent Auditor reports to the Audit Committee on the actions taken to comply with professional and regulatory requirements and with best practice designed to ensure its independence. The performance of the External Independent Auditor is reviewed by the Audit Committee on an annual basis through a qualitative assessment of the services provided against the agreed audit plan and taking account of feedback received from management. Following this review, the Audit Committee has proposed to the Supervisory Board to submit a proposal to the General Meeting to re-appoint PricewaterhouseCoopers Accountants N.V. as external independent auditor to audit the annual accounts for the financial year 2025.

Report of the SAR Committee
During 2024, the SAR Committee comprised of two members: Firstly, untill 20 June 2024, Ms. Florence von Erb (Chair) and Mr. Zafer Karataş and currently, Mr. Zafer Karataş (Chair) and Mr. Wim de Pundert. The SAR Committee held two formal meetings during 2024 in addition to regular (informal) updates arranged through (video) calls. All SAR Committee members (in office) were present at all meetings, either in person or via conference call. The SAR Committee discussed the remuneration (fixed and variable) of the Management Board and the Executive Committee, expense policies, the remuneration policy, recruitment process for new Supervisory Board members.

Annual General Meeting
The Annual General Meeting took place on 20 June 2024. The meeting discussed, among other things, the annual report 2023 and in particular its corporate governance chapter, the remuneration report 2023 and adoption of the annual accounts 2023. Furthermore, the appointment of Mr. Benjamin van de Vrie as member of the Supervisory Board, the authorization of the Management Board to resolve to issue shares and to restrict or exclude pre-emptive rights (inter alia in connection with any long-term incentive plan(s)) and the authorization of the Management Board to repurchase the Company's shares were presented.

The Annual General Meeting for 2025 is expected to be held on 19 June 2025. The meeting will amongst other things discuss the annual results of the Company for 2024 and the proposal to approve the financial statements for the financial year 2024, as well as the proposal to re-appoint PricewaterhouseCoopers Accountants N.V. as external independent auditor to audit the annual accounts over the financial year 2025.

Financial Statements 2024
For 2024, the Management Board has prepared consolidated financial statements of the Company, which have been audited by PricewaterhouseCoopers Accountants N.V., whose independent auditor's report is included in this report, and were reviewed and discussed on 22 April 2025 by the Supervisory Board members in the presence of the Management Board and the External Independent Auditor.

The Supervisory Board believes the 2024 consolidated financial statements of the Company meet all requirements for correctness and transparency and that there are no special events that should be taken into account for the financial statements. All members of the Supervisory Board and the Management Board have signed the 2024 Financial Statements pursuant to the statuary obligations under Dutch law. The Management Board will present the financial statements for 2024 and its report at the scheduled Annual General Meeting expected to be held on 19 June 2025. The Supervisory Board recommends that the Annual General Meeting adopts the 2024 Financial Statements and discharges the Management Board and the Supervisory Board from liability for their management and supervision in the year under review.

Schiphol-Rijk, 24 April 2025

The Supervisory Board
Wim de Pundert
Zafer Karataş
Benjamin van de Vrie
Katrin Brökelmann

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Consolidated statement of financial position

Consolidated statement of financial position

In millions of €

	Notes	31 December 2024	31 December 2023
Assets			
Non-current assets		**403.0**	**413.6**
Goodwill	8	192.6	187.1
Intangible assets	7	167.0	176.3
Property, plant and equipment	6	24.3	17.0
Non-current financial assets	11	4.8	30.8
Deferred tax asset	25	1.5	2.3
Investment in associates	9	12.8	0.1
Current assets		**276.1**	**238.4**
Trade and other receivables	12	184.6	196.7
Current tax assets		0.9	1.4
Cash and cash equivalents	13	90.6	40.3
Total assets		**679.1**	**652.0**
Equity			
Share capital	14	1.2	1.2
Share premium	14	143.6	140.2
Legal reserve	14	33.2	27.7
Share based payment reserve	15	12.6	12.7
Currency translation reserve	14	(1.0)	(1.9)
Fair value through OCI	14	(0.8)	-
Retained earnings	14	(138.4)	(75.6)
Shareholders' equity		**50.4**	**104.3**
Non-controlling interest	14	6.8	5.3
Total equity		**57.2**	**109.6**
Liabilities			
Non-current liabilities		**305.9**	**220.1**
Borrowings	19	256.0	161.9
Lease liabilities	10	12.7	10.1
Provisions	16	1.6	1.6
Deferred tax liability	25	20.4	30.0
Other non-current liability	17	15.2	16.5
Current liabilities		**316.0**	**322.3**
Borrowings	19	18.2	8.4
Provisions	16	2.2	3.6
Trade payables	18	137.0	142.0
Accrued liabilities	18	97.5	112.7
Current tax liabilities		11.8	13.4
Lease liabilities	10	6.7	4.2
Other current liabilities	17	42.6	38.0
Total liabilities		**621.9**	**542.4**
Total equity and liabilities		**679.1**	**652.0**

Consolidated statement of profit or loss and other comprehensive income

Consolidated statement of profit or loss and other comprehensive income

In millions of €

	Notes	2024	2023
Revenue	20	551.2	515.0
Costs of services and materials	22	(377.4)	(332.3)
Personnel costs	21	(86.2)	(98.5)
Depreciation	6	(9.0)	(8.1)
Amortisation	7	(38.8)	(38.3)
Other gains and losses	23	(23.3)	72.3
Other expenses	22	(40.8)	(37.3)
Operating profit / (loss)		**(24.3)**	**72.8**
Finance income	24	7.0	8.5
Finance costs	24	(46.5)	(37.2)
Net Finance costs		**(39.5)**	**(28.7)**
Share in profit/(loss) of associates		0.5	-
Profit / (loss) before tax		**(63.3)**	**44.1**
Income tax expense	25	7.3	(19.0)
Profit / (loss) for the year		**(56.0)**	**25.1**
Attributable to:			
Owners of the company		(57.9)	23.7
Non-controlling interest		1.9	1.4
Exchange difference on translation of foreign operations		1.0	(0.6)
Fair value changes through OCI		(0.8)	-
Total other comprehensive income/ (loss)		**0.2**	**(0.6)**
Total comprehensive income / (loss)		**(55.8)**	**24.5**
Attributable to:			
Owners of the company		(57.7)	23.1
Non-controlling interest		1.9	1.4
(Loss) / Profit per share for losses attributable to the ordinary equity holders of the company:			
Basic profit/(loss) per share (in €)	32	(0.5)	0.2
Diluted profit/(loss) per share (in €)	32	(0.5)	0.2

Consolidated statement of changes in equity

Consolidated statement of changes in equity

In millions of €

	Note	Share capital	Share premium	Legal reserves	Share Based Payment Reserve	Currency translation reserve	FV through OCI	Other equity instruments	Retained earnings	Attributable to parent	Non-controlling interest	Total equity
Balance as of 1 January 2023		**1.2**	**130.8**	**25.2**	**13.7**	**(1.3)**	**-**	**29.0**	**(104.8)**	**93.8**	**2.4**	**96.2**
Profit for the year		-	-	-	-	-	-	-	23.7	23.7	1.4	25.1
Other comprehensive income		-	-	-	-	(0.6)	-	-	-	(0.6)	-	(0.6)
Total comprehensive income / (loss)		**-**	**-**	**-**	**-**	**(0.6)**	**-**	**-**	**23.7**	**23.1**	**1.4**	**24.5**
Transactions with owners in their capacity as owners:												
Dividends paid to non-controlling interests	14	-	-	-	-	-	-	-	-	-	(0.4)	(0.4)
Share based payments expense	15,14	-	-	-	0.7	-	-	-	-	0.7	-	0.7
Vesting of share based payment	15,14	-	0.5	-	(0.5)	-	-	-	-	-	-	-
Shares issued in new acquisitions	14	-	8.3	-	-	-	-	(8.3)	-	-	-	-
Modification of equity instruments	14	-	-	-	-	-	-	(20.7)	9.3	(11.4)	-	(11.4)
Exercise of call option	14	-	1.2	-	(1.2)	-	-	-	-	-	-	-
Non-controlling interest transaction	14	-	(0.8)	-	-	-	-	-	(1.2)	(2.0)	2.0	-
Allocation of legal reserve	14	-	-	2.5	-	-	-	-	(2.5)	-	-	-
Other movements		-	0.2	-	-	-	-	-	(0.1)	0.1	(0.1)	-
Total other movements		**-**	**9.4**	**2.5**	**(1.0)**	**-**	**-**	**(29.0)**	**5.5**	**(12.6)**	**1.5**	**(11.1)**
Balance as of 31 December 2023		**1.2**	**140.2**	**27.7**	**12.7**	**(1.9)**	**-**	**-**	**(75.6)**	**104.3**	**5.3**	**109.6**
Loss for the year		-	-	-	-	-	-	-	(57.9)	(57.9)	1.9	(56.0)
Other comprehensive income		-	-	-	-	1.0	(0.8)	-	-	0.2	-	0.2
Total comprehensive income / (loss)		**-**	**-**	**-**	**-**	**1.0**	**(0.8)**	**-**	**(57.9)**	**(57.7)**	**1.9**	**(55.8)**
Transactions with owners in their capacity as owners:												
Dividends paid to non-controlling interests	14	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)
Share based payment expense	15,14	-	-	-	0.3	-	-	-	-	0.3	-	0.3
Vesting of share based payment	15,14	-	0.4	-	(0.4)	-	-	-	-	-	-	-
Shares issued in new acquisitions	14	-	3.0	-	-	-	-	-	-	3.0	-	3.0
Allocation of legal reserve	14	-	-	5.5	-	-	-	-	(5.5)	-	-	-
Other movements		-	-	-	-	(0.1)	-	-	0.6	0.5	(0.2)	0.3
Total other movements		**-**	**3.4**	**5.5**	**(0.1)**	**(0.1)**	**-**	**-**	**(4.9)**	**3.8**	**(0.4)**	**3.4**
Balance as of 31 December 2024		**1.2**	**143.6**	**33.2**	**12.6**	**(1.0)**	**(0.8)**	**-**	**(138.4)**	**50.4**	**6.8**	**57.2**

Consolidated statement of cash flows

Consolidated statement of cash flows

In millions of €

	Notes	2024	2023
Operating profit / (loss)		**(24.3)**	**72.8**
Adjustments for operating profit / (loss):			
Depreciation and amortisation & Impairments	6, 7	47.8	46.4
Movements in provisions per profit and loss	16	1.1	8.8
(Gain)/loss on sale of social card game portfolio	5	21.9	(72.6)
Loss on sale of subsidiaries		-	0.1
Share-based payments expense	15	0.4	0.8
Adjustment for acquisitions and disposals presented under investing activities		3.0	-
Other non-cash items		2.7	(2.9)
Changes in working capital items:			
Decrease in trade and other receivables	12	21.3	12.2
(Decrease) / Increase in trade payables and other payables	18	(33.1)	14.8
Utilization of provisions		(3.1)	(9.9)
Interest received		1.1	0.3
Interest paid		(26.8)	(17.2)
Tax paid		(4.2)	(3.7)
Net cash provided by (used for) operating activities		**7.8**	**49.9**
Cash flows from investing activities			
Payments for property, plant and equipment	6	(0.8)	(1.5)
Payments for intangibles	7	(20.0)	(23.3)
Net cash outflow on acquisitions	5, 17	(27.7)	(43.9)
Net cash inflow/(outflow) from sale of business	5	11.2	66.0
Distributions from equity method investees		0.5	-
Net cash outflow on acquisition of securities and equity investments	11	-	(2.6)
Net cash provided by (used for) investing activities		**(36.8)**	**(5.3)**
Cash flows from financing activities			
Proceeds from external borrowings	19, 30	94.2	163.1
Repayment of external borrowings	19, 30	(4.1)	(204.3)
Payment of principal portion of lease liabilities	10, 30	(7.7)	(6.8)
Early cancelation of lease liability		-	(1.5)
Dividends paid to shareholders of non-controlling interests		(0.2)	(0.4)
Costs related to the issuance of new bond		(2.1)	(3.5)
Fees and costs related to the redemption of the old bond		-	(1.5)
Other inflows (outflows) from financing activities		-	(0.5)
Net cash provided by (used for) financing activities		**80.1**	**(55.4)**
Net increase/(decrease) in cash and cash equivalents		**51.1**	**(10.8)**
Effect of changes in exchange rates on cash and cash equivalents		(0.8)	0.2
Cash and cash equivalents at the beginning of the period	13	40.3	50.9
Cash and cash equivalents at the end of the period	**13**	**90.6**	**40.3**

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1 General information

Azerion Group N.V. information

Azerion Group N.V. (the 'Company') is a listed public company incorporated in the Netherlands under Dutch law on 25 January 2021 and registered at Boeing Avenue 30, 1119 PE, Schiphol-Rijk, the Netherlands. The Company's number in the Trade Register at the Chamber of Commerce is 81697244. The Company is a holding company with its main operations situated in the Netherlands and the domicile of the Company is in the Netherlands. The Company is listed on the Euronext stock exchange in Amsterdam.

The Company was originally known as European FinTech IPO Company 1 B.V. (EFIC1 B.V.), a Special Purpose Acquisition Company ('SPAC'). During the extraordinary general meeting of shareholders on 31 January 2022 the shareholders of EFIC1 approved (amongst other things) the proposed De-SPAC transaction ('Transaction') with Azerion Holding B.V. This Transaction was completed on 1 February 2022 and EFIC1 B.V. changed in legal form into a limited company (naamloze vennootschap) on 2 February 2022 and renamed from EFIC1 to Azerion Group N.V.

These consolidated financial statements comprise the Company and its subsidiaries and entities it exercises control over (the 'Group' or 'Azerion').

Business activities

Azerion operates a high-growth digital entertainment and media platform. It is a content-driven technology and data company, serving consumers, advertisers, digital publishers, and game creators globally.

Azerion operates a proprietary digital advertising platform focusing on both gaming and general (non-gaming) content. In recent years Azerion Group has expanded along the user engagement value chain to become a full stack provider of online digital advertising services, connecting advertisers with audiences through digital content (owned and third party) providers globally. The Group is involved in the provision of content-driven technology and data, serving consumers, advertisers, digital publishers, and game creators globally. Our mission is to be the go-to-partner for advertisers for an easy to-use, competitively priced, brand-safe digital environment.

Positioned initially as a digital social and casual gaming company, in recent years Azerion has expanded further along the user engagement value chain into integrated advertising technology. Azerion is engaged in a number of interrelated operating activities including providing technology solutions to automate the purchase and sale of digital advertising inventory for advertisers, publishers and game creators as well as developing, publishing, distributing and operating online social and casual games and digital content.

As audiences continue to transition to digital forms of entertainment, gaming has established itself as one of the most engaging forms of content, attracting advertisers into the ecosystem. Azerion's owned and operated content reaches millions of highly engaged users globally, captures advertising spend across its platform and generates revenues through in-game purchases in its premium games. By leveraging the platform, Azerion also receives a share of revenue generated through the placing of advertisements on the inventory of its digital publisher partners and a share of the advertisement revenue generated by the content of its game creator partners.

During 2024, Azerion worked with more than 400,000 advertisers globally and over 300,000 contracted publisher websites using solutions across all advertising formats, devices and platforms. Through its platform and taking into account all its products, as at December 2024 Azerion's reach extended to an audience of over 550 million unique monthly active users on average. Throughout 2024, Azerion sold on average close to 14 billion digital advertisements per month, published close to 150 new casual games per month and worked with around 1,500 game creators. As at December 2024, Azerion's platform had a portfolio of more than 20,000 game titles and more than 10,000 exclusive publisher websites.

Azerion is a highly diversified business generating revenue from a broad range of jurisdictions and verticals across its two segments, Platform and Premium Games.

The two segments have their own management structures which report into the company management board.

Going concern

Management prepared these consolidated financial statements on the going concern basis.

For the year ended 31 December 2024, the Group delivered a comprehensive loss of € (55.8) million (2023: € 24.5 million profit) of which € 1.9 million profit is attributable to the non-controlling interest (2023: € 1.4 million profit). As of 31 December 2024, the Group had net assets of € 57.2 million (2023: € 109.6 million). Management believes that the application of going concern basis is appropriate as at 24 April 2025.

Overall, the revenue for full year 2024 was € 551.2 million, an increase of 7.0% as compared with the full year 2023 revenue of € 515.0 million. Platform revenue increased by € 59.9 million to € 497.3 million (2023: € 437.4 million), mainly as a result of higher advertising spend across the Platform Segment, particularly in Direct Sales and the integration of past acquisitions, whereas Premium Games revenue decreased by € (23.7) million to € 53.9 million (2023: € 77.6 million), mainly due to sale of the social card games portfolio in August 2023.

Based on the current financial position and results, the Group expects to meet its covenant ratios for subsequent quarterly measurement dates in 2025. The main financial covenant is called the maintenance ratio which represents the ratio of the net interest-bearing debt to EBITDA (as defined under the terms and conditions of the relevant bonds) which should be less than 4.50x. As at 31 December 2024, the Group is in compliance with the maintenance ratio and all other relevant covenants.

The net primary cash proceeds, together with expected future operational cash flows and available debt facilities of the Company have been assessed by the Management Board and are considered to provide sufficient liquidity to the Company for the following 12 months. The liquidity position of the Company is further strengthened by not proposing to pay any dividends for the next 12 months.

On 14 September 2023, Azerion announced that it had successfully placed € 165 million of senior secured floating rate bonds, within a total framework amount of € 300 million to qualified institutional investors internationally (ISIN: NO0013017657). The newly issued bonds have a 3-year tenor, carry a floating rate coupon of 3 months EURIBOR plus 6.75% per annum and were issued at 98.5% of par. The net proceeds of this bond issue in 2023, in combination with cash from Azerion, have been used to fully redeem the bonds issued on 8 April 2021 (ISIN: SE0015837794).

In 2024 Azerion made two additional placements for a total nominal amount of € 100 million under the same € 300 million framework (ISIN: NO0013017657). The Tap Issue in July 2024 of € 50 million was issued at 100.75% of par and the Tap Issue in December 2024 of € 50 million was issued at 100.00% of par (with € 3.6 million acquired by Azerion itself).

2 Preparation basis

Accounting basis

These consolidated financial statements were prepared in accordance with IFRS Accounting Standards as adopted by the EU and in accordance with Title 9, Book 2 of the Dutch Civil Code ("DCC") and the consolidated financial statements have been prepared on the historical cost basis unless otherwise indicated.

The consolidated financial statements were authorized for issue by the Supervisory Board on 22 April 2025.

These consolidated financial statements also include the financial information of the Company, Azerion Group N.V..

Functional and presentation currency

These consolidated financial statements are presented in millions of euros (€), which is the Company's functional currency and rounded to the nearest hundred thousand unless stated otherwise.

Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions, which affect the reported amounts in these consolidated financial statements. Estimates are based on historical experience, where applicable, and other assumptions which management believes are reasonable under the circumstances. The Group evaluates its estimates on an ongoing basis. These estimates are inherently subject to judgement and actual results could differ from those estimates. Revisions to accounting estimates are recognized prospectively.

Information about significant judgements and estimates used are included in the relevant notes to the financial statements.

The areas involving significant estimates and judgements are:

Estimated useful life of intangible assets (note 7: Intangible assets)

The useful lives have to be determined for intangible assets. The useful lives are estimated based upon best practice within the group. The group reviews the remaining useful lives of its non-current assets annually.

Capitalization of development costs (note 7: Intangible assets)

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred.

Estimation of the recoverable amounts of cash generating units for impairment of goodwill (note 8: Goodwill)
The recoverable amount of the cash-generating units is determined based on a value in use calculation which uses cash flow projections based on financial forecasts approved by the directors covering a five-year period and a pre-tax discount rate calculated by the weighted average cost of capital method. Refer to note 8: Goodwill for the key assumptions used by management in setting the financial forecast.

Valuation of Share-Based payments (note 15: Share-based payments)
The grant-date fair value of equity-settled share-based payment awards granted to employees are recognized as an expense with a corresponding increase in equity in share-based payment reserve over the vesting period of the awards. The fair value is based on the share price of the ordinary share of Azerion Group N.V.

Related to the Transaction the Conditional Special Shares, Davey Call Option, the HTP Call Option and the Azerion Founder Warrants are treated as share based payments. The estimates and judgements are as follows.

Special Shares and Conditional Special Shares (note 15: Share-based payments)
In March 2021 EFIC1 issued Special Shares to its Sponsors. The Special Shares were convertible into Ordinary Shares during the De-SPAC transaction. Management has exercised judgement in determining whether these instruments should be treated as financial instruments or as share-based payments and concluded that the instruments are to be qualified as equity-settled share based payments. At grant date a valuation model was applied to calculate the value of these instruments.

The (originally issued) Special Shares fully vested on 31 January 2022, based on the considerations made in 2021 and given the expectation at the end of 2021 that the Transaction would take place. In the Transaction the Special Shares were partly cancelled, partly converted in Ordinary Shares and partly converted into Conditional Special Shares. Management considered that the Conditional Special Shares are to be treated as a modification of the previous instruments and therefore as share based payments. Based on fair value calculations before and after the modification, no amounts were recognized as additional expenses.

Davey Call Option (note 15: Share-based payments)
In March 2021 EFIC1 issued Call Options to Mr. B. Davey. These Call Options are considered a share-based payment for the services provided as a member of EFIC1's leadership team. As the Davey Call Option entitled only rights to Special Shares, which would automatically and mandatorily convert into Ordinary Shares upon the De-SPAC transaction, the share-based payment is equity-settled. In 2021 the Davey Call Option was economically considered as 1,012,560 individual options with an exercise price of € 0.01 to a Special Share as underlying. Although the Davey Call Option has an American feature, a Black-Scholes-Merton option pricing model was used to calculate the value at grant date.

The (originally issued) Davey Call Options fully vested on 31 January 2022, based on the considerations made in 2021. In the Transaction, 270,590 Davey Call Options were cancelled and the remaining 739,790 were split into 628,974 unconditional Call Options (convertible into Ordinary Shares, exercised in 2023) and 110,996 remaining Call Options per 31 December 2024 which will solely become exercisable if the share price of Ordinary Shares equals or exceeds € 12.00 per share for any 20 trading days within any 30 trading-day period within a period of five years after the De-SPAC transaction. Management considered that the reduction of the Davey Call Options should be treated as a modification of the previous instruments. Based on fair value calculations before and after the modification, no amounts were recognised as additional expenses.

HTP Call Option (note 15: Share-based payments)
As a result of the Transaction, and on exactly the same terms as the Davey Call Option, the HTP Sponsor received 145,634 unconditional call options (exercised in 2023) and 25,700 remaining conditional call options per 31 December 2024, which will solely become exercisable if the share price of Ordinary Shares equals or exceeds € 12.00 per share for any 20 trading days within any 30 trading-day period within a period of five years after the De-SPAC Transaction. Management considered that these call options are to be treated as newly issued, fully vested equity-settled share based payments. For the valuation of these unconditional call options the share price on the stock exchange as at 1 February 2022 was used. For the valuation of the conditional call options the share price was amended with a discount reflecting the marketability limitations at the date of issue.

Azerion Founder Warrants (note 15: Share-based payments)
On completion of the De-SPAC Transaction, Azerion Group N.V. issued 17,992,773 Azerion Founder Warrants to the founders of Azerion Holding B.V. For the assessment of the grant date fair value of the Azerion Founder Warrant, as equity-settled Share-Based payments under IFRS 2, Management considered that, after the closing of the Transaction, the terms and conditions of the Azerion Founder Warrants are closely comparable to the Public Warrants and concluded therefore that they should be valued using the listed price of the Public Warrants without any amendment (a Level 2 valuation methodology).

Classification of share appreciation rights issued as part of acquisitions (note 4: Acquisitions)
As part of acquisitions up to 2021 the Company issued share appreciation rights as part of the consideration to the sellers. The considerations are settled by the Company delivering a fixed number of its own equity instruments in exchange for the financial asset, the share appreciation rights are classified as equity. Refer to where the terms and conditions of the share appreciation rights are disclosed.

Public Warrants (note 17: Other liabilities)
The Public Warrants do not qualify as equity as a cashless settlement option exists. As a result, they classify as financial liability instruments. The Public Warrants are valued using the listed price of the Public Warrants (a Level 1 valuation methodology).

Founder Warrants (note 17: Other liabilities)
The Founder Warrants are derivatives and, because of their specific redemption features they classify as financial liability instruments. The holders of the Founder Warrants waived their right to retain the warrants in case of a call by the issuer (now Azerion Group N.V.) against a redemption price of €0.01 per Founder Warrant in the event that the last trading price of the Ordinary Shares equals or exceeds €18.00 per Ordinary Share for any 20 trading days within a 30 consecutive trading day period. Management considered that after the closing of the Transaction, the terms and conditions of the Founder Warrants are closely comparable to the Public Warrants and concluded therefore that they should be valued using the listed price of the Public Warrants without any amendment (a Level 2 valuation methodology).

Business combination and purchase price allocation (note 4: Acquisitions)
While the Group employs experts to determine the acquisition date fair value of acquired intangibles, the fair values of assets acquired and liabilities assumed are based on significant management assumptions and estimates, which are inherently uncertain and highly subjective and as a result, actual results may differ from estimates. If different assumptions were to be used, it could materially impact the purchase price allocation.

For certain entities which were acquired in 2023 and 2024 an earn-out has been included in the purchase consideration. When determining the fair value of the earn-out, several assumptions and judgments were made regarding the estimated future revenue and cash flows of these acquisitions and therefore the future cash-out for the earn-out.

Valuation of deferred tax assets and liabilities (note 25: Income tax)
Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management’s assessment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

3 Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Subsidiaries are entities over which the Group has control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated as soon as control ceases.

All intercompany balances, transactions, income and expenses and profits and losses resulting from transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Transactions with non-controlling shareholders

Non-controlling shareholders are equity participants of the group and transactions with non-controlling shareholders are therefore accounted for in equity and included in the statement of changes in equity, where the transaction does not result in the loss of control of a subsidiary. In transactions with non-controlling shareholders, the excess of the cost/proceeds of the transaction over the group's proportionate share of the net asset value acquired/disposed is allocated to the 'retained earnings' in equity.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred if the costs do not relate to the issuance of debt or equity instruments.

At the acquisition date, the identifiable assets acquired, the liabilities and contingent liabilities assumed are recognized at their fair value at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) and the amount of any non-controlling interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognized and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a business, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in associates

An *associate* is an entity over which the investor has significant influence. If an entity holds, directly or indirectly (eg through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (eg through subsidiaries), less than 20 per cent of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate as well as any dividend received. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate by accounting for its investment in accordance with IFRS 3 Business Combinations and IFRS 10 if the investment becomes a subsidiary.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing rate at the reporting date. Non-monetary items measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognized in profit or loss and presented within other gain and losses.

Foreign operations

The assets and liabilities of foreign operations are translated to Euros at closing rates at the reporting date. The income and expenses of foreign operations are translated into Euros at the year-to-date average exchange rates. Foreign currency differences are recognized in other comprehensive income (OCI) and accumulated in the foreign currency translation reserve in equity. When a foreign operation is disposed of in its entirety or partially, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the financial asset with substantially all the risks and rewards is transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for the trade receivables that are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs where applicable. Financial assets are classified as either:

- amortised cost (including cash and cash equivalents, rent deposits, trade and most of other receivables (including loan to shareholder) fall into this category);
- fair value through profit or loss (FVTPL) (including equity investments). As at 31 December 2024 and 31 December 2023 the Group has recognised financial assets at fair value through profit or loss, being derivatives; or
- fair value through other comprehensive income (FVTOCI) based on irrevocable election made at acquisition date that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies.

The classification of debt instruments is determined by considering both:

- the entity's business model for managing the financial asset;
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs and finance income, except for impairment of trade receivables which is presented within Other expenses (note 22: Cost of services and materials and other expenses).

Fair value adjustments to financial assets in transactions with owners of the Group are recorded directly in equity.

Subsequent measurement of financial assets

Financial assets at amortised cost

After initial recognition, the assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Financial assets through Profit and Loss
Assets in this category are measured at fair value with gains or losses, including any interest and dividend income, recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets through Other Comprehensive Income
Assets in this category are measured at fair value with gains or losses recognized in other comprehensive income, while respective dividend income is recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Recoverability of financial assets
The Group uses the simplified approach in accounting for its financial assets (trade and lease receivables, loans to shareholders (non-current financial assets) and deposits) and records the loss allowance as lifetime expected credit losses ('ECL'). The ECL are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Group makes use of the practical expedient by which they can use a provision matrix as the basis to determine the expected loss for its trade accounts receivable. The expected credit loss is based on the historical observed default rates per trade accounts receivable ageing category over the expected life of the trade account receivables, updated for forward-looking adjustments.

The Group recognizes within other expenses in the statement of profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized. When a financial asset is uncollectable (in severe financial difficulty and there is no realistic prospect of recovery), it is written off against the allowance account.

Classification and measurement of equity instruments
Other equity instruments
Other equity instruments are recognised as equity instruments if, and only if, the instrument includes no contractual obligation to deliver cash or another financial asset, and, for a non-derivative instrument, no contractual obligation to deliver a variable number of its own equity instruments; or for a derivative instrument, it will be settled by the Group through a fixed amount of cash for a fixed number of its own equity instruments.

The subordinated loans were originally classified as equity as they were to be settled through a fixed number of shares. The measurement was at amortised cost value on reclassification. As a result of the simplification and settlement transactions completed on 11 December 2023 and described further in note 11: Non-current financial assets, the subordinated loans were settled in full.

The share appreciation rights and shares to be issued will be settled through a fixed number of shares. The valuation of the shares is derived from the date of the transaction.

Classification and measurement of financial liabilities
Warrants
The Warrants consist of the Public Warrants and the Founder Warrants. The Warrants are derivatives and because of their specific redemption features, a variable number of shares will be issued on exercise, they classify as financial liability instruments, at fair value through profit or loss. Subsequent changes in the fair value of the Warrants are recognised directly in the consolidated statement of profit and loss.

Other
The Group's financial liabilities include debt to related parties and third parties, SARs granted to investors as part of acquisitions up to 2021 as well as accounts payable to suppliers and trade creditors, lease liabilities and contingent consideration and earn-out in business acquisitions. Except for liabilities to SAR holders, financial liabilities are initially measured at fair value and are adjusted for transaction costs where applicable. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method. All interest-related charges are recognized within finance costs in the statement of comprehensive income. In the statement of financial position the liabilities related to SARs holders were classified as 'at fair value through profit and loss' and subsequently measured at fair value.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the consolidated statement of profit and loss. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

As at 31 December 2024 and 31 December 2023, the Group did not have any other financial liabilities designated at fair value through profit or loss (in accordance with IFRS9 paragraphs 4.2.2. or 6.7.1).

Offsetting
Financial assets and financial liabilities are offset with the net amount reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and the Group intends to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Intangible assets

Recognition and measurement

Research and development cost	Expenditure on research activities is recognized in profit or loss within other expenses and personnel costs as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. During the period of development, the asset is tested for impairment annually.
Other intangible assets	Other intangible assets, including Games and Software, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. The cost of a separately acquired intangible asset comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Capitalized development cost is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Amortisation
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

Assets	Years
Games and software	3-10 years
Client lists	5-20 years
Trademark, Patents and Brands	5-10 years
Websites	7-10 years

Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate. The internally generated Intangible assets useful lives are in line with those noted above.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

During the year ended 31 December 2024, and previous years, no borrowing costs have been capitalised resulting in all borrowing costs being recognised in profit or loss.

Provisions

The provision for restructuring mainly relates to the estimated costs of initiated restructurings. When such restructurings require discontinuance and/or re-organization of activities, the anticipated costs are included in restructuring provisions. A liability is recognized for those costs only when the Company has a detailed formal plan for the restructuring and has raised a valid expectation with those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the restructuring.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss within other gains and losses. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be reliably measured.

Depreciation

Depreciation is calculated using the straight-line method over the estimated useful lives of property, plant and equipment.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Estimated useful life of property, plant and equipment

in years

Assets	Years
Right-of-Use Buildings	1 – 5 years
Right-of-Use Vehicles	1 – 5 years
Right-of-Use Equipment	1 - 5 years
Equipment	1 – 10 years
Renovations	1 – 5 years

Other leased assets are depreciated over the shorter of the asset useful life or the lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment of assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Where an impairment indicator has been identified on an individual asset level, the impairment is assessed for that individual asset. Goodwill is reviewed for possible impairment at the end of each reporting period. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Leases

As a lessee

The lease portfolio of the Group consists of real estate, vehicles and leases of office equipment. The Group recognizes a right-of-use asset and a lease liability at the commencement date. The right-of-use assets are presented as part of property, plant and equipment (refer to note 10: Leases). The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the incremental borrowing rate ('IBR'), being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. The Group applies a single IBR to a portfolio of leases with reasonably similar characteristics. The total lease payments include fixed payments, rent-free periods as well as variable lease payments that depend on an index or rate as at the commencement date. The Group determined the lease term of each lease as the non-cancellable period of a lease, together with periods covered by an option to extend and terminate the lease if the lessee is reasonably certain to exercise those options.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Group accounts for lease modifications as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets; and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For modifications that are not accounted for as a separate lease, the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate. The remeasurement is recognised as an adjustment to the right-of-use asset.

The Group has not elected to account for the lease and non-lease components as a single lease component.

The Group has also elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets (€ 5 thousand individually) and short-term leases (with term less than 12 months). The lease payments associated with these leases are recognized as an expense within other expenses on a straight-line basis over the lease term.

As a lessor
When the Group acts as a lessor, it determines at lease inception whether each lease is a finance or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

When the Group enters into the operating sublease, it retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position. During the term of the operating sublease the Group:

- recognizes a depreciation charge for the right-of-use asset and interest on the lease liability; and
- recognises lease income from the sublease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

When the Group enters into a finance sublease, it:

- derecognizes the right-of-use asset relating to the head lease at the sublease commencement date and recognizes a lease receivable with respect to the sublease and evaluates it subsequently for impairment;
- recognizes any difference between the right-of-use asset and the lease receivable from the sublease in profit or loss; and
- retains the lease liability relating to the head lease in its statement of financial position which represents the lease payments owed to the head lessor.

The Group uses the discount rate for the head lease (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the lease if the interest rate implicit in the lease cannot be readily determined.

During the periods presented, the Group did not have any finance leases or finance subleases, and therefore accounts for all subleases as operating subleases.

Prepayments
Prepayments are carried at cost. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down and the corresponding impairment loss is recognized in profit or loss within other expenses.

Cash and cash equivalents
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank and on hand and deposits held at call with financial institutions.

Employee benefit obligations

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Post-employment obligations

A defined-contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined-contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

A defined-benefit plan is a post-employment benefit plan other than a defined contribution plan. Plans for which the company has no legal or constructive obligation to pay further amounts, but to which it does pay non-fixed contributions, are also treated as a defined-benefit plan. The net pension asset or liability recognized in the Consolidated statement of financial position in respect of defined benefit post-employment plans is the fair value of plan assets less the present value of the projected defined-benefit obligation at the balance sheet date. The defined-benefit obligation is calculated annually by qualified actuaries using the projected unit credit method. Recognized assets are limited to the present value of any reductions in future contributions or any future refunds. The net pension liability is presented as a long-term provision; no distinction is made for the short-term portion.

Pension costs in respect of defined-benefit post-employment plans primarily represent the increase of the actuarial present value of the obligation for post-employment benefits based on employee service during the year and the interest on the net recognized asset or liability in respect of employee service in previous years.

Remeasurements of the net defined-benefit asset or liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (excluding interest). The company recognizes all remeasurements in other comprehensive income.

Group's net bonds liabilities pursuant to defined benefit plans are assessed separately for each plan in assessing the amount of future benefits acquired by personnel in exchange for services rendered during the current and previous periods. The benefit is discounted in order to determine the present value of the defined benefit obligation and the current service cost. The fair value of plan assets is then deducted. Calculations are made every year by a qualified actuary, using the projected unit credit method. The Group recognises immediately in other comprehensive income all actuarial gains and losses under defined benefit plans.

Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurements.

The Group recognises remeasurements and service costs within other comprehensive income. Net interest expense or income is recognised within finance costs (see note 24: Net finance costs).

The retirement benefit obligation recognised in the consolidated statement of financial position represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination benefits
The provision for restructuring mainly relates to the estimated costs of initiated restructurings. When such restructurings require discontinuance and/or re-organization of activities, the anticipated costs are included in restructuring provisions. A liability is recognized for those costs only when the Company has a detailed formal plan for the restructuring and has raised a valid expectation with those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the restructuring.

Share-Based payments
The grant-date fair value of equity-settled share-based payment awards granted to employees and the holders of the Azerion Founder Warrants are recognized within personnel cost with a corresponding increase in equity in share-based payment reserve over the vesting period of the awards. This continues until the vesting period has expired. Upon expiration, the Group's best estimate of the number of equity instruments that will ultimately vest is reflected.

Equity

Share capital
Share capital represents the nominal (par) value of issued shares.

Treasury shares
Own shares which have been repurchased and are held in Treasury for the purpose of (i) acquisition transactions (ii) delivery upon exercise of share options, restricted and performance shares, and (iii) capital reduction, are accounted for as a reduction of shareholders' equity. Treasury shares are recorded at cost, representing the market price at the acquisition date.

When issued from treasury, the accounting value of the shares are accounted for in equity on a first-in, first-out (FIFO) basis. That means that the cost price value of the oldest shares (first in) is first applied when new shares are issued.

Share premium
Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Legal reserve
Legal reserve is used to recognize the value of the capitalised development costs. These reserves are non-distributable in accordance with Dutch Law.

Share-Based payment reserve
Share-Based payment reserve is used to recognise the value of equity-settled Share-Based payments provided to employees as part of their remuneration. It also includes grant date fair value of the Azerion Founder Warrants, that were assessed by Management as equity-settled Share-Based Payment transactions.

Currency translation reserve
Currency translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign operations.

Other equity instruments
Relates to loans converted into equity and equity instruments (share appreciation rights) issued as purchase consideration as part of acquisitions. The share appreciation rights issued are deemed equity in accordance with IAS 32 since Azerion Group N.V. intends to settle these SARs through the issuance of a fixed number of equity instruments and the holders of the SARs can't elect how the SARs should be settled.

Retained earnings
Retained earnings includes all current and prior period retained profits.

Non-controlling interest
The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

Revenue recognition

Performance obligations and revenue recognition policies
Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to the customer.

The following table provides information about the nature, timing and satisfaction of performance obligations in contracts with customers for the Group's material revenue streams:

Type of product/service	Nature of performance obligations and significant payment terms	Timing of satisfaction of performance obligations and revenue recognition policies
Platform: Advertising Revenue The Group's advertising revenue is made up of: i) direct sales, which involves a direct engagement between Azerion's commercial teams and advertisers (or their agencies) in the placement of digital advertisements, and ii) automated auction sales (open RTB) in which advertising inventory is purchased through real-time auctions, executed in milliseconds in the open market.	The Platform segment mainly generates revenue by displaying digital advertisements in both game (through its game distribution channel) and non-game content. Automated auction sales involve the sale of ad inventory, while direct sales are mostly comprised of advertising deals for ad impressions, clicks or actions. **Sale of ad inventory:** Each unit of ad inventory sold, and related ad impression provided, represents a separate performance obligation. **Advertising deal – bundle of similar ad impressions, clicks or actions:** Each ad impression, click or action included in the bundle is a distinct service that the Group promises to transfer to the customer and represents a separate performance obligation. **Payment Terms:** Payment terms for advertising revenue (both direct sales and automated auction sales) is generally 30 to 60 days. In certain cases the consideration promised in a contract includes a variable amount. In these cases, accumulated experience is used to estimate the variable component, using the expected value method. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur when the uncertainty associated with the variable consideration is subsequently resolved.	**Sale of ad inventory:** The revenue is recognised at a point in time, at the point when each ad impression is served at an amount equal to the transaction price. **Advertising deal – bundle of similar ad impressions, clicks or actions:** The revenue is recognised at a point in time, at the point when each ad impression, click or action is served. The transaction price of the bundle is allocated to each ad impression, click or action on a relative stand-alone selling price basis.

Type of product/service	Nature of performance obligations and significant payment terms	Timing of satisfaction of performance obligations and revenue recognition policies
Platform: AAA Game Distribution (formerly E-Commerce) Azerion's AAA Game Distribution platforms, Voidu and Genba Digital, enable digital content owners to distribute their games to users and retailers.	**Genba:** The service provided by Genba is the distribution of launch keys, representing access licenses for PC downloadable games, through its B2B platform. Genba does not have a primary obligation for delivery of launch keys. As a result, Genba represents an agent in these arrangements and revenue is recognized on a net basis. Delivery of each individual launch key represents a separate performance obligation. **Voidu:** The service provided by Voidu is the sale and delivery of launch keys, representing access licenses for games, directly to customers. Unlike Genba, Voidu is primarily responsible for fulfilling the promise to provide the game licenses. Voidu also has an element of discretion over the prices which they set. Finally, Voidu carries inventory risk for game licenses that were delivered if the orders are cancelled by end customers. Therefore, Voidu represents a principal in these arrangements and revenue is recognized on a gross basis. In the case of Voidu, there are two types of performance obligations: - Delivery of ordinary launch keys (for existing games) - Delivery of pre-order keys (for upcoming games and software). **Payment Terms:** Payment terms for both Voidu and Genba is generally 30 to 60 days.	**Genba:** Revenue is recognized at a point in time when control is passed to the customer, i.e. at the moment of delivery of launch keys. **Voidu:** Revenue is recognized at a point in time when control is passed to the customer, i.e. at the moment of delivery of launch keys.
Premium Games Up until 28 August 2023, the Premium Games segment comprised social card games, social casino games and metaverse. The sale of the social card games portfolio was completed on 28 August 2023. The segment generates revenue mainly by offering users the ability to make in-game purchases for extra features and virtual goods to enhance their gameplay experience.	There are two main types of in-game purchases that the consumers make in the virtual world of gaming and sale of each represents a separate performance obligation: - Sale of **durables** (for example, virtual furniture, clothing, etc. in metaverse) - Sale of **consumables** (for example, chips, tokens, etc. in social card and social casino games) **Payment Terms:** Payment terms are generally 30 to 60 days.	**Durables:** Even though durables give consumers benefits over a period of time, in practice the consumption period of durables is relatively short. As a result, the revenue is recognized at a point in time (upon delivery of the durables to the consumers) based on the nature of the games and the core principles underlying these games, given the abandonment and fast obsolescence of the purchased durables. **Consumables:** Revenue from the sale of consumables is recognised at a point in time, at the moment of purchase by and delivery to the customer.

Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, income taxes and the share of profit/results of joint ventures.

Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- net interest expense on defined benefit obligation; and
- fair value change to the financial instruments.

Interest income or expense is recognized using the effective interest method.

Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

The Company takes income tax positions that management believes are supportable and are intended to withstand challenge by tax authorities. Some of these positions are inherently uncertain and include the interpretation of income tax laws applied to complex transactions. The Company periodically reassesses its tax positions. Changes to the financial statement recognition, measurement, and disclosure of tax positions is based on management's best judgment given any changes in the facts, circumstances, information available and applicable tax laws. Considering all available information, the Company believes that the ultimate resolution of such matters will not have a material effect on the Company's financial position, statements of operations or cash flows.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Uncertain tax position

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its shares. Basic EPS is calculated by dividing the profit attributable to owners of the company (excluding any costs of servicing equity other than ordinary shares) by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Comparative information

The Group's consolidated financial statements have been prepared consistently with the previous period in order to give accurate trend analysis regarding the financial position and performance. Where necessary, comparative figures have been reclassified to agree to the presentation of the current period consolidated financial statements and significant changes are explained.

During 2024 the Group's fair value gain / (loss) on contingent consideration was reclassified from Other expenses to Other gains and losses to better reflect the reporting by nature. Comparative figures were not updated to reflect this change due to immateriality of mentioned reclassification in 2023. For amounts of fair value gain / (loss) on contingent consideration for years 2024 and 2023 please refer to note 23: Other gains and losses.

New and amended standards adopted

The group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1
- Lease Liability in Sale and Leaseback – Amendments to IFRS 16

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Standards issued but not yet effective

The new and amended standards that are issued but are not yet effective for 31 December 2024 are listed below:

- Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

The Group will adopt the amended standards when they become effective. The amended standards are not expected to have a material impact on the Group's financial statements, except for the following which are being assessed by management:

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.
Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements.

4 Acquisitions

Business combinations completed in 2024

Acquisitions completed in 2024

In millions of €

	Notes	Captify	Goldbach	Produpress	Total
Property, plant and equipment (including right-to-use assets)	6	-	5.3	-	5.3
Intangible assets	7	0.7	1.8	2.6	5.1
Deferred tax assets		-	0.4	0.4	0.8
Non-current financial assets	11	-	0.4	-	0.4
Trade and other receivables		0.8	6.8	1.3	8.9
Cash and cash equivalents		-	0.3	-	0.3
Deferred tax liabilities		(0.2)	(0.4)	(0.6)	(1.2)
Lease liablities	10	-	(1.7)	-	(1.7)
Trade, other payables and accrued liabilities		(0.3)	(6.9)	(2.3)	(9.5)
Total identifiable net assets and liabilities at fair value		**1.0**	**6.0**	**1.4**	**8.4**
Consideration paid at closing		-	5.0	2.8	7.8
Cash and cash equivalents and bank overdrafts at acquired subsidiary		-	(0.3)	-	(0.3)
Outflow of cash and cash equivalents net of cash acquired		**-**	**4.7**	**2.8**	**7.5**
Consideration paid at closing		-	5.0	2.8	7.8
Deferred consideration		2.4	0.8	-	3.2
Contingent consideration		-	0.4	1.2	1.6
Total consideration transferred or to be transferred at closing		**2.4**	**6.2**	**4.0**	**12.6**
Minus: Total identifiable net assets and liabilities at fair value		(1.0)	(6.0)	(1.4)	(8.4)
Goodwill		**1.4**	**0.2**	**2.6**	**4.2**

Acquisition of Captify

On 3 July 2024 Azerion Platform FR SAS and Azerion Italy SRL (hereinafter, "Azerion") entered into an asset purchase agreement with Captify Technologies SARL and Captify Technologies SRL (hereinafter, "Captify"), respectively, leading providers of real-time audiences and search-powered, cookieless solutions. The agreement onboarded the business of Captify's existing operations in France and Italy, including the responsibility for existing customers, to Azerion. Captify's commercial operations and sales teams (employees) in France and Italy moved to Azerion as part of the agreement to support the growth of the business with new and existing client relationships and operational functions.

The fair value of the purchase consideration for the business of Captify was € 2.4 million, which comprised of a deferred consideration of € 2.4 million.

The deferred consideration is to be paid within 4 months (€ 0.8 million), 7 months (€ 0.7 million) and after 19 months (€ 0.9 million) respectively after the acquisition date. The fair value of the deferred consideration of € 2.4 million was estimated by calculating the present value of the future expected cash flows. The estimate is based on a discount rate of 4.2% per annum. Refer to note 17: Other liabilities where the deferred consideration relating to the acquisition of Captify as at 31 December 2024 is included.

The provisional fair value of acquired assets and liabilities of Captify has been determined. This resulted in a provisional fair value of € 1.0 million net assets acquired and € 1.4 million goodwill recognized. The goodwill of € 1.4 million mainly relates to assembled workforce and the expectation of future client relationships.

The fair value of financial assets includes receivables with a fair value of € 0.8 million and the same contractual value. At the acquisition date no receivables are expected to be unrecoverable.

Acquisition of Goldbach

On 8 November 2024 Azerion Tech Holding B.V. (hereinafter, "Azerion") signed an agreement to purchase 100% of the shares in Goldbach Austria GmbH, who owns 100% of Goldbach Media Austria GmbH and Goldbach Audience Austria GmbH, companies incorporated and existing under the laws of Austria (hereinafter, "Goldbach"). On 11 December 2024 the acquisition was approved by the merger-control authority of Austria and the deal closed as the completion actions were satisfied on the 13 December 2024. Goldbach is specialized in the marketing of media and services across TV, Advanced TV, Online, Mobile, and Digital Out-of-Home. Goldbach's core competencies lie in providing consulting and execution expertise with a clear focus on multi-screen networking and efficient target audience engagement.

The fair value of the purchase consideration for 100% of the shares capital of Goldbach was € 6.2 million, which comprised of a cash payment at closing of € 5.0 million, a deferred consideration of € 0.8 million and a contingent consideration of € 0.4 million.

The deferred consideration is to be paid within 12 months (€ 0.9 million) after the acquisition date. The fair value of the deferred consideration of € 0.8 million was estimated by calculating the present value of the future expected cash flows. The estimate is based on a discount rate of 3.0% per annum. Refer to note 17: Other liabilities where the deferred consideration relating to the acquisition of Goldbach as at 31 December 2024 is included.

In the event that certain pre-determined events take place additional contingent consideration may be payable in cash. A contingent consideration with the fair value of € 0.2 million is related to tax benefits that the acquired companies can or would be able to realize by utilizing tax losses carried forward in years 2024, 2025 and 2026. In the event that this does take place the pre-agreed percentage of tax benefits are expected to be payable during the years 2026, 2027 and 2028 respectively. The fair value was estimated by calculating the present value of the future expected cash flows at a discount rate of 10.5% per annum. The remaining € 0.2 million relates to an amount payable in case a certain loan receivable is collected. The loan was collected at the end of 2024 and the contingent consideration paid in early 2025. Refer to note 17: Other liabilities where the contingent consideration relating to the acquisition of Goldbach as at 31 December 2024 is included.

The provisional fair value of acquired assets and liabilities of Goldbach has been determined. This resulted in a provisional fair value of € 6.0 million net assets and € 0.2 million goodwill recognized. The goodwill of € 0.2 million mainly relates to the assembled workforce and the expectation of future clients relationships.

The fair value of financial assets includes receivables with a fair value of € 6.8 million and a gross contractual value of € 6.9 million. The best estimate at the acquisition date of the contractual cash flows not to be collected is € 0.1 million.

Goldbach contributed € 2.8 million to the group revenue in 2024. If the acquisition had been completed on the first day of the financial year, Group revenue would have been € 20.0 million higher in total.

Goldbach contributed a profit of € 0.5 million to the Group's profit and loss. If the acquisition had been completed on the first day of the financial year, net profit for the year would have been € (0.4) million lower.

Acquisition of Produpress

On 10 December 2024 Azerion Belgium SRL (hereinafter, "Azerion") acquired 100% of the shares in PDPH SA, a company incorporated and existing under the laws of Luxemburg, who owns 100% of Produpress SA, a company incorporated and existing under the laws of Belgium (hereinafter, "'Produpress"). Produpress is a publisher and media platform specializing in automotive-focused websites and magazines and operates mainly in Belgium.

The fair value of the purchase consideration for 100% of the share capital of Produpress was € 4.0 million, which comprised of a cash payment at closing of € 2.8 million and a contingent consideration of € 1.2 million.

In the event that certain pre-determined, financial and non-financial targets are achieved additional contingent consideration of up to € 1.3 million may be payable in cash. The first part of the contingent consideration was expected to be payable on 15 March 2025 and the second - between 30 April 2025 and 31 July 2026. The fair value of the contingent consideration of € 1.2 million was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 10.5% per annum. Refer to note 17: Other liabilities where the contingent consideration relating to the acquisition of Produpress as at 31 December 2024 is included.

The provisional fair value of acquired assets and liabilities of Produpress has been determined. This resulted in a € 1.4 million provisional net fair value of the acquired assets and liabilities and € 2.6 million recognized goodwill. The goodwill of € 2.6 million mainly relates to the assembled workforce and the expectation of future client relationships.

The fair value of financial assets includes receivables with a fair value of € 1.3 million with a contractual value of € 1.4 million. The best estimate at the acquisition date of the contractual cash flows not to be collected is € 0.1 million.

Produpress contributed € 1.6 million to the group revenue in 2024. If the acquisition had been completed on the first day of the financial year, Group revenue would have been € 4.4 million higher in total.

Produpress contributed a profit of € 1.0 million to the Group's profit and loss. If the acquisition had been completed on the first day of the financial year, net profit for the year would have been € 0.6 million higher.

Acquisition of Eniro

For details on acquisition of Eniro please refer to note 9: Investment in Associates.

Business combinations completed in 2023

Acquisitions completed in 2023

In millions of €

	Notes	Hawk
Property, plant and equipment (including right-to-use assets)	6	0.1
Intangible assets		13.1
Deferred tax assets		2.8
Non-current financial assets		0.4
Trade and other receivables		11.4
Cash and cash equivalents		4.9
Borrowings	19	(1.8)
Deferred tax liabilities		(3.3)
Trade payables, accrued liabilities, other liabilities and provisions		(32.1)
Total identifiable net assets and liabilities at fair value		**(4.5)**
Consideration paid at closing		7.3
Cash and cash equivalents and bank overdrafts at acquired subsidiary		(4.9)
Outflow of cash and cash equivalents net of cash acquired		**2.4**
Consideration paid at closing		7.3
Contingent consideration		6.3
Total consideration transferred or to be transferred at closing		**13.6**
Minus: Total identifiable net assets and liabilities at fair value		4.5
Goodwill		**18.1**

Acquisition of Hawk

On 13 October 2023, Azerion Holding B.V. ("Azerion") acquired 100% of the share capital of Hawk SAS ("Hawk"). Founded in 2013, Hawk has operated as an independent Demand Side Platform (DSP) with a managed and a self-service offering. Hawk has omni-channel and multi-platform capabilities across mobile, desktop, audio, DOOH, CTV, in-game, and metaverse. Hawk is based in France where it is one of the main independent players, and it has operations in Germany and UK, employing around 92 people worldwide.

The fair value of the purchase consideration for 100% of the share capital of Hawk was € 13.6 million, which comprised of a cash payment at closing of € 7.3 million and contingent consideration of € 6.3 million.

In the event that certain pre-determined, financial (sales and profitability) and non-financial targets are achieved additional contingent consideration of up to € 18.3 million may be payable in cash. Contingent consideration is payable at the end of each of the three Earn-Out Periods (30 July 2024, 30 July 2025 and 30 July 2026). The fair value of the contingent consideration of € 6.3 million was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 15.5% per annum.

The provisional fair value of acquired assets and liabilities of Hawk has been determined. This resulted in a € (4.5) million provisional net fair value of the acquired assets and liabilities and € 18.1 million recognised goodwill. The goodwill of € 18.1 million mainly relates to the assembled workforce and other intangibles such as Azerion specific future synergies.

The fair value of financial assets includes receivables with a fair value of € 15.8 million and a gross contractual value of € 17.5 million. The best estimate at the acquisition date of the contractual cash flows not to be collected is € 1.7 million.

Hawk contributed € 24.4 million to the group revenue in 2023. If the acquisition had been completed on the first day of the financial year, Group revenue would have been € 42.2 million higher in total.

Hawk contributed a profit of € 6.6 million to the group's net profit and loss. If the acquisition had been completed on the first day of the financial year, net profit for the year would be € (9.5) million lower.

5 Sale of social card games portfolio

Azerion completed the sale of its social card games portfolio to Playtika Holding Corp ("Playtika") on 28 August 2023.

The sale was completed for an initial cash consideration of € 81.3 million, subject to customary adjustments, with an earn-out based on the performance of the acquired business that could take the total consideration up to a maximum of € 150.0 million.

The earn-out consideration is based on the Adjusted EBITDA, as defined in the asset purchase agreement, of the social card games portfolio for the period running from 1 October 2023 until 30 September 2024 (the "Earn-out Period").

The earn-out consideration is calculated by multiplying the incremental Adjusted EBITDA of the social card games portfolio above the "Baseline" (as defined below) by a multiple of between 6 and 7 (both inclusive); the specific multiple to be applied is dependent on the revenue growth of the social card games portfolio achieved during the Earn-out Period. The "Baseline" is defined as the last twelve months Adjusted EBITDA on a carve-out basis of approximately € 13.5 million.

On 31 December 2023, the fair value of the earn-out receivable was estimated at € 19.8 million and recognized as a financial instrument classified as at fair value through profit or loss (IFRS 9.4.1.4) using the so-called Level 3 Inputs according to IFRS 13.88 and 89.

Playtika provided their earn-out statement for the Earn-out period to Azerion, which presented a revenue growth however a shortfall compared to the adjusted EBITDA baseline. Thus, based on Playtika's statement, no earn-out consideration was due to Azerion. Currently there is a disagreement between Playtika and Azerion on the amount of contingent consideration to be paid by Playtika to Azerion as certain adjustments should potentially be made to the Adjusted EBITDA. As the continuation of application of the unobservable inputs would not have resulted in financial information meeting the objective of fair value measurement (IFRS 13.89), the Group remeasured the fair value of earn-out receivable to € 0.0 million. As a result, an amount of € 21.9 million was recognized as an unrealized fair value loss in the statement of profit or loss as at 31 December 2024 (difference from the balance at 31 December 2023 representing interest income on unwinding). Depending on the disputed adjustments the range of possible outcomes of the valuation of the earn-out receivable is expected to be between € 0 to 48 million.

As the Group remeasured the fair value of earn-out receivable to € 0.0 at 31 December 2024, except for legal costs, any potential positive outcome in the future from this dispute would impact positively the net result of the Group.

As per the date of issuance of these financial statements no agreement has been reached.

The significant unobservable inputs in the valuation are adjustments to EBITDA to obtain the Adjusted EBITDA for the earn-out consideration and the EBITDA multiple which is dependent on the revenue achieved during the Earn-Out Period.

There were no transfers into or out of Level 3 of the fair value hierarchy. The fair value measurement is sensitive to changes in Adjusted EBITDA as well as the revenue achieved during the Earn-Out Period as they impact the multiple. A sensitivity table has been provided below which explains the impact on the earn-out receivable in case of any increase of the Adjusted EBITDA.

Adjusted EBITDA as calculated for the earn-out statement is sensitive to adjustments included in the calculation on the basis that if certain costs and revenues are included or excluded, the Adjusted EBITDA would decrease or increase.

Sensitivity Analysis [1]

In millions of €

Sensitivity Input		-10%	0%	10%	20%	30%	40%	50%
Adjusted EBITDA "Baseline"		13.5	13.5	13.5	13.5	13.5	13.5	13.5
Adjusted EBITDA including sensitivity		12.2	13.5	14.9	16.3	17.6	19.0	20.3
Incremental Adjusted EBITDA		(1.4)	–	1.4	2.7	4.1	5.4	6.8
Earn-Out Calculation								
Multiplier	6.0	–	–	8.1	16.3	24.4	32.5	40.6
Multiplier	6.5	–	–	8.8	17.6	26.4	35.2	44.0
Multiplier	7.0	–	–	9.5	19.0	28.4	37.9	47.4

[1] Actual sensitivity calculations are based on unrounded numbers, but presented in the table above in millions, rounded to one decimal, which may lead to minor discrepancies.

6 Property, plant and equipment

Property, plant and equipment

In millions of €

	Right-of-Use Buildings	Right-of-Use Vehicles	Right-of-Use Office Equipment	Equipment	Renovations	Total
As at 1 January 2023						
Costs	21.1	3.2	0.8	10.5	1.3	36.9
Accumulated depreciation	(6.3)	(1.7)	(0.4)	(7.1)	(0.9)	(16.4)
Net book amount	**14.8**	**1.5**	**0.4**	**3.4**	**0.4**	**20.5**
Movements for the year ended 31 December 2023						
Acquisitions of subsidiaries and businesses	-	-	-	0.1	-	0.1
Capital expenditures / additions	4.8	0.8	-	1.7	-	7.3
Cancellations / disposals	(1.8)	(0.1)	(0.2)	(0.1)	-	(2.2)
Depreciation	(5.1)	(0.9)	(0.2)	(1.8)	(0.1)	(8.1)
Exchange rate differences	(0.3)	-	-	(0.1)	-	(0.4)
Reclassifications	(0.2)	-	-	-	-	(0.2)
As at 31 December 2023						
Costs	20.8	3.0	-	11.7	1.2	36.7
Accumulated depreciation	(8.6)	(1.7)	-	(8.5)	(0.9)	(19.7)
Net book amount	**12.2**	**1.3**	**-**	**3.2**	**0.3**	**17.0**
Movements for the year ended 31 December 2024						
Acquisitions of subsidiaries and businesses	0.5	0.2	1.0	3.5	0.1	5.3
Capital expenditures / additions	8.4	1.4	0.1	1.0	0.1	11.0
Cancellation / disposals	(0.6)	-	-	(0.1)	-	(0.7)
Depreciation	(6.4)	(0.9)	-	(1.6)	(0.1)	(9.0)
Exchange rate differences	1.0	-	-	-	-	1.0
Reclassifications and other	(0.2)	(0.2)	-	0.2	(0.1)	(0.3)
Balance as of 31 December 2024						
Costs	27.2	3.1	1.1	17.0	1.0	49.4
Accumulated depreciation	(12.3)	(1.3)	-	(10.8)	(0.7)	(25.1)
Net book amount	**14.9**	**1.8**	**1.1**	**6.2**	**0.3**	**24.3**

7 Intangible assets

Intangible assets

In millions of €

	Games, Software and Websites	Client Lists	Trademark, patents and brands	Other	Total
As at 1 January 2023					
Cost	177.7	68.9	13.4	7.3	267.3
Accumulated amortisation and impairment	(68.0)	(7.4)	(4.6)	(1.1)	(81.1)
Net book amount	**109.7**	**61.5**	**8.8**	**6.2**	**186.2**
Movements for the year ended 31 December 2023					
Capitalised internal development	17.5	–	–	–	17.5
Additions	7.6	–	–	1.1	8.7
Acquisitions of subsidiaries and businesses	7.7	3.7	0.3	–	11.7
Disposals	(8.5)	–	–	–	(8.5)
Amortisation	(28.8)	(6.5)	(2.4)	(0.6)	(38.3)
Exchange differences	(0.2)	(0.5)	(0.2)	–	(0.9)
Reclassification and other	0.8	–	–	(0.9)	(0.1)
As at 31 December 2023					
Cost	192.3	73.6	13.8	7.4	287.1
Accumulated amortisation and impairment	(86.5)	(15.4)	(7.3)	(1.6)	(110.8)
Net book amount	**105.8**	**58.2**	**6.5**	**5.8**	**176.3**
Movements for the year ended 31 December 2024					
Capitalised internal development	16.2	–	–	–	16.2
Additions	6.4	–	–	1.3	7.7
Acquisitions of subsidiaries and businesses	0.2	4.0	0.9	–	5.1
Disposals	(0.1)	–	–	(0.1)	(0.2)
Amortisation	(29.7)	(6.6)	(1.9)	(0.6)	(38.8)
Exchange differences	0.3	0.7	–	–	1.0
Reclassification and other	1.2	–	0.1	(1.6)	(0.3)
As at 31 December 2024					
Cost	208.0	78.3	14.8	7.3	308.4
Accumulated amortisation and impairment	(107.7)	(22.0)	(9.2)	(2.5)	(141.4)
Net book amount	**100.3**	**56.3**	**5.6**	**4.8**	**167.0**

Intangible assets mainly consist of games, software, websites, client lists and trademarks. As at 31 December 2024, intangible assets amounted to € 167.0 million (31 December 2023: € 176.3 million). The balance decreased by € 9.3 million, which is mainly due to € (38.8) million of amortisation offset by € 7.7 million of additions, € 16.2 million of capitalized development cost and € 5.1 million increase related to acquisitions.

Capitalised development costs included in Games, Software and Websites represent payroll and other OPEX related internal development costs incurred. Any costs associated with research are expensed as they arise and only identifiable development costs are capitalised. The Group's total research and development costs in 2024 amounted to € 31.0 million (2023: € 34.8 million), out of which development costs of € 16.2 million (2023: € 17.5 million), were capitalised in intangible assets, while the rest was included in the statement of profit or loss and other comprehensive income. Net book value of internally generated intangible assets as at 31 December 2024 amounted to € 42.9 million (31 December 2023: € 42.0 million).

Other intangible asset mainly include products in development, licenses and IP rights, and revenue share agreement. The intangible assets included in the Other intangible assets class have finite useful lives.

For the estimated useful lives of intangible assets, please see respective section of note 3: Significant accounting policies.

8 Goodwill

Goodwill

In millions of €

	Goodwill
As at 1 January 2023	
Cost	184.2
Movements for the year ended 31 December 2023	
Acquisitions of subsidiaries and businesses	19.0
Disposals	(16.0)
Reclassification and other	(0.1)
As at 31 December 2023	
Cost	187.1
Movements for the year ended 31 December 2024	
Acquisitions of subsidiaries and businesses	5.8
Disposals	(0.1)
Exchange differences	(0.2)
As at 31 December 2024	
Cost	192.6

Goodwill as at 31 December 2024 amounted to € 192.6 million (2023: € 187.1 million), an increase of € 5.5 million compared to 31 December 2023. This was mainly due to new acquisitions in 2024 and update of provisional acquisition date balances for acquisitions of 2023, both in the Platform segment, with total amount of € 5.8 million (see note 4: Acquisitions).

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquisition are assigned to those CGUs or groups of CGUs. Goodwill is tested for impairment, annually or more frequently if there are indications that goodwill might be impaired.

The Group identifies two operating segments as its groups of CGUs to which goodwill has been allocated, Platform and Premium Games.

Our Platform segment includes digital advertising (together with casual game distribution) and AAA Game Distribution (formerly E-Commerce) which are fully integrated through our technology. It generates revenue mainly by displaying digital advertisements in both game and non-game content, as well as selling and distributing AAA games through our AAA Game Distribution channels. The Platform segment is also integrated with our Premium Games segment, leveraging inter-segment synergies. Our Premium Games segment includes social games and metaverse. The segment generates revenue mainly by offering users the ability to make in-game purchases for extra features and virtual goods to enhance their gameplay experience. The aim of this segment is to stimulate social interaction among players and build communities.

Within the Premium Games segment the social card games portfolio was disposed in 2023. Goodwill is required to be included in the carrying amount of the disposed operation when determining the gain and loss on disposal thereof. Goodwill associated with the social card games portfolio was measured on the basis of the relative fair values of the portfolio and the portion of the CGU retained as at the date of disposal.

Goodwill at the end of the reporting period is allocated to the respective groups of CGUs as indicated below:

Goodwill allocated to groups of CGUs

In millions of €

	Platform	Premium Games	Total
Carrying value as at 31 December 2024	181.0	11.6	192.6
Carrying value as at 31 December 2023	175.4	11.7	187.1

The impairment test is based on cash flow projections for five years. After the five-year plan period the terminal growth rate is applied. Groups of CGUs are tested for impairment by comparing the carrying amount of each group of CGUs to its recoverable amount.

Premium Games

The recoverable amount of the Premium Games segment as a group of CGUs is determined based on a value in use calculation which uses cash flow projections based on financial forecasts approved by the directors covering a five-year period. The key assumptions used by management in setting the financial forecasts for the initial five-year period were as follows:

Discount Rate

A pre-tax discount rate used was 12.0% per annum (2023: 12.3% per annum) calculated by the weighted average cost of capital method as derived through the Capital Asset Pricing Model.

Forecast sales growth rates

Revenue for the year was € 53.9 million, a decrease of (30.5)% compared to 2023, mainly due to sale of social card game portfolio. In the forecast, based upon experience, research, and industry reports, Azerion applied revenue growth rates of in the range from 4.2% to 5.3%.

Operating profits

Operating profits are forecast based on historical operating margins and future expectations. Azerion applied, based upon past experience, Adjusted EBITDA margins in the range between 23.7% and 26.4%.

Cash flows

Management forecasts cash flows based on historical experience and expected significant capital expenditures for the next five years. Cash flows beyond that five-year period have been extrapolated using a steady 2.0% (2023: 2.0%) per annum growth rate. This growth rate does not exceed the long-term average growth rate for the market.

Platform

The recoverable amount of the Platform segment as a group of CGUs is determined based on a value in use calculation which uses cash flow projections based on financial forecasts approved by the directors covering a five-year period. The key assumptions used by management in setting the financial forecasts for the initial five-year period were as follows:

Discount Rate

A pre-tax discount rate used was 13.2% per annum (2023: 15.6% per annum) calculated by the weighted average cost of capital method as derived through the Capital Asset Pricing Model.

Forecast sales growth rates

Forecast sales growth rates are based on past experience adjusted for a continued strong growth rate as historically seen. Based on industry reports, for the years 2025-2029 the global market for digital advertising and marketing is expected to grow at a CAGR of 5.0% to 10.0%. Next to the indicated global market growth rate Azerion has applied, based upon past experience, a growth rate at the upper end of this range. Azerion's strategy is to further penetrate local markets and acquire more local direct advertiser spend.

Operating profits

Operating profits are forecast based on historical operating margins and future expectations. Adjusted EBITDA margin is expected to grow and be in the range of 12.6% to 16.6%. The improvement in Adjusted EBITDA margin is expected to be primarily driven by gross profit margin optimisation, cost efficiencies and overall benefits of scale as the Azerion platform grows.

Cash flows

Management forecasts cash flows based on historical experience and expected significant capital expenditures for the next five years. Cash flows beyond that five-year period have been extrapolated using a steady 2.0% (2023: 2.0%) per annum growth rate. This growth rate does not exceed the long-term average growth rate for the market.

Sensitivity analysis

The Group conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions (1.0% increase in WACC, 10.0% decrease in Adjusted EBITDA or 30.0% decrease in the sales growth rate) on which the recoverable amount of “Premium Games” and “Platform” is based would not cause the carrying amount of each group of CGUs to exceed respective recoverable amounts.

Based on the impairment analysis no impairment was recognized as at 31 December 2024 or 31 December 2023.

9 Investment in Associates

Investment in associates

In millions of €

	31 December 2024	31 December 2023
Eniro Group AB	12.7	-
Other	0.1	0.1
Total investments in associates	**12.8**	**0.1**

On 26 April 2024, Azerion announced acquisition of 26.1% of the share capital of Eniro Group AB ("Eniro"). The transaction closing date was 15 May 2024, which was assessed to be the acquisition date. Founded in 2000, Eniro operates as a marketing-as-a-service company providing essential digital marketing services tailored to micro, small, and medium-sized businesses across Sweden, Norway, Denmark, and Finland. The company is listed on the Stockholm Stock Exchange (STO: ENRO) and has their headquarters in Solna, Sweden.

The strategic investment is another important step in executing Azerion's strategy to build one of Europe's largest digital advertising platforms, integrating networks of digital audiences, publishing and advertising technology. This partnership, that includes cloud services and technology outsourcing as well as display advertising and monetization, aims to further accelerate Eniro's ongoing digital transformation, improve profitability, and ensure future growth. The initiatives are expected to result in mutually beneficial economies of scale.

The fair value of the purchase consideration for 26.1% of the share capital of Eniro was € 13.0 million, which comprised of a cash payment at closing of € 6.5 million (SEK 73.5 million), equity of € 3.0 million issued and classified in share premium and deferred consideration of € 3.5 million (SEK 40.0 million). The deferred consideration was fully paid in Q4 2024.

Based on the share purchase agreement, Azerion provided 1,799,017 shares at the share price of € 1.67 with a fair value of € 3.0 million. The issued shares are classified in equity, as increase of share capital and share premium, as of 31 December 2024.

Investment in Eniro is treated as investment in associate under IAS 28 Investment in associates and joint ventures and is accounted for using the equity method. There were the following movements on the investment in 2024 since the acquisition:

Movement schedule Eniro

In millions of €

	2024
Investment as per 15 May 2024	13.0
Received dividend	(0.5)
Share in profit of Eniro	0.9
Elimination of downstream transaction	(0.6)
Exchange differences	(0.1)
Carrying amount	**12.7**

After the acquisition, in May 2024, Azerion and Eniro entered into an agreement for the implementation of a cloud solution with total amount of € 3.0 million that was included as revenue in Azerion's profit or loss, while Eniro capitalized the amount in their books as intangible asset which is being amortized over 36 months. Elimination of this downstream transaction with amount of € (0.6) was booked in 2024 against the carrying amount of Azerion's investment in Eniro.

Summarized Financial Information of Eniro Group AB

In millions of €

	31 December 2024 [1]
Total current assets	28.0
Total non-current assets	40.8
Total current liabilities	30.9
Total non-current liabilities	27.2
Net assets	**10.7**
Revenue	82.9
Profit or loss from continuing operations	5.3
Other comprehensive loss	(2.2)
Total comprehensive income	**3.1**
Group's share in %	26.1%
Group's share of Eniro's net assets	2.8
Goodwill	9.9
Carrying amount	**12.7**

[1] Summarised financial information above is presented as at 31 December 2024 and for the full year 2024 and takes into account fair value adjustments made at the time of acquisition.

The market value as per 31 December 2024 of the 26.1% share in Eniro amounts to € 7.4 million. Azerion holds 190 million shares at a market value per share at 31 December 2024 of SEK 0.447.

10 Leases

As a Lessee

Right-of-use asset

The carrying amount of right-of-use assets related to leased buildings, leased vehicles and leased equipment are included in property, plant and equipment (see note 6: Property, plant and equipment).

Lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure the present value of future lease payments. The IBR is determined as the sum of a reference rate, credit risk premium and country risk premium. The calculation of IBR considers the currency of the lease contract, the lease term, the region of the lessee and the credit rating of the lessee. A single IBR is applied to a portfolio of leases, which are similar in nature and in lease term within a region. The weighted average IBR applied in 2024 to lease liabilities was 8.1% (2023: 8.4%).

The carrying amount of lease liabilities and the related movements during the period are as follows:

Lease liabilities

In millions of €

	2024	2023
As at 1 January	**14.3**	**19.2**
Acquisition of subsidiaries and businesses	1.7	-
Additions	9.3	5.4
Repayments of the principal amount	(7.7)	(6.8)
Accrued interest	1.7	1.4
Interest paid	(1.7)	(1.4)
Cancellation	(0.6)	(1.6)
Settlement related to early cancellation	-	(1.5)
Gain on early cancellation (non-cash)	-	(0.3)
Exchange differences	0.1	(0.3)
Reassessments and modifications	2.3	0.2
As at 31 December	**19.4**	**14.3**
Non current liabilities	12.7	10.1
Current liabilities	6.7	4.2

The Lease Liabilities on 31 December 2024 amount to € 19.4 million (2023: € 14.3 million). The balance increased by € 5.1 million, mainly due to € 9.3 million of additions offset by € (7.7) million of principal repayments and € (0.6) of cancellations.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date:

Maturity analysis of lease payments

In millions of €

	31 December 2024	31 December 2023
Less than 1 year	7.9	5.3
1 to 2 years	5.0	4.3
2 to 3 years	3.7	2.6
3 to 4 years	2.4	1.8
4 to 5 years	1.7	1.3
More than 5 years	1.4	2.7
Total undiscounted lease liability	**22.1**	**18.0**
Unpaid finance expense	(2.7)	(3.7)
Total lease liability	**19.4**	**14.3**

11 Non-current financial assets

The Group holds the following financial assets:

Financial assets
In millions of €

	Rent deposits and other receivables	Loans to related parties	Call Option	Total
As at 1 January 2023	**2.1**	**34.7**	**-**	**36.8**
Acquisitions of subsidiaries and businesses	0.4	-	-	0.4
Additions	3.3	-	-	3.3
Reclassification of deposits to cash and cash equivalents	(0.2)	-	-	(0.2)
Accrued interests	-	1.3	-	1.3
Modification of the loan to Principion	-	(4.3)	-	(4.3)
Recognition of the call option	-	(7.8)	7.8	-
Fair value adjustment on Call Option	-	-	(1.0)	(1.0)
Set-offs	-	(5.3)	-	(5.3)
Others	(0.1)	(0.1)	-	(0.2)
As at 31 December 2023	**5.5**	**18.5**	**6.8**	**30.8**
Acquisitions of subsidiaries and businesses	0.4	-	-	0.4
Additions	1.2	-	-	1.2
Decrease	(0.9)	-	-	(0.9)
Fair value changes	(1.3)	-	(2.1)	(3.4)
Accrued interests	-	0.2	-	0.2
Reclassification to Trade and other receivables	-	(18.7)	(4.7)	(23.4)
Others	(0.1)	-	-	(0.1)
As at 31 December 2024	**4.8**	**-**	**-**	**4.8**

Loans to Related Parties

Loan to shareholder Principion Holding B.V. / Call Option

On 17 March 2020, the Group entered into a loan agreement with its shareholder Principion Holding B.V., lending the shareholder a total principal amount of € 24.6 million at 1.0% interest rate, which subsequently increased to 4.0%. The loan was classified as subsequently measured at amortized cost.

At the same time, the Group had subordinated loans payable to Principion Holding B.V. classified as equity instruments in the Group's statement of financial position as at 31 December 2022. The loans included an equity redemption option of outstanding loan balances, in addition to a cash redemption option, and were redeemable by issuing 2,621,147 shares in the issued share capital of Azerion Group N.V. The decision to redeem the loans in equity or cash was with Azerion Group N.V. The loans had a duration until the earlier of (i) the redemption of the Group's senior secured bonds with ISIN SE0015837794 and (ii) 28th April 2024. As a result of the bonds being refinanced, the subordinated loans became payable as from 31 October 2023.

On 11 December 2023, the Group entered into the Loan Settlement, Amendment, Share Pledge and Call Option Agreement with Principion Holding B.V, according to which:

- the parties agreed that the Group would not exercise its equity redemption option, but instead the subordinated loans would be set off against the loan receivable and Principion Holding B.V. would grant the Group a call option and a pledge security as further described below.
- The subordinated loans had a carrying value of € 14.0 million in equity and the Group's equity redemption option was worth € 8.7 million at transaction date. The value of the equity redemption option was reclassified within equity from Other equity instruments to Retained earnings. The remaining carrying value of the subordinated loans (€ (5.3) million) was set off against the loan receivable from Principion Holding B.V. Additionally, the fair value at initial recognition of the call option granted by Principion Holding B.V. (€ 7.8 million), and a modification loss of € 4.3 million was netted against the loan receivable from Principion Holding B.V. in accordance with the agreement. As a result of the set-off, the subordinated loans were extinguished in their entirety and the net balance of loan receivable from Principion Holding B.V. amounted to € 18.5 million.

- Principion Holding B.V. provided Azerion Group N.V. with a pledge security over approximately 10.5 million ordinary shares of the Group (the 'Security Shares') currently owned by Principion Holding B.V. and a call option over the Security Shares (the 'Call Option'). The Call Option grants the Group a right to call the Security Shares in their entirety or in parts at any time from grant and until and no later than 31 March 2025.
- The call option was classified as measured at fair value through profit and loss in accordance with requirements of *IFRS 9 Financial Instruments*. This classification resulted in a reclassification from the loan receivable from Principion Holding B.V. in the amount of € 7.8 million at the transaction date.
- the Group has the right to exercise the Call Option at the lower of the then current share price (defined as the average of the highest quoted price for each ordinary share on the five consecutive trading days immediately preceding exercise) and an exercise price of € 1.85 per share (the 'Exercise Price'). Amounts payable to Principion Holding B.V. in relation to such exercise(s) will be set-off against the then outstanding balance of loan receivable from Principion Holding B.V.
- there is a mandatory requirement for the Group to exercise the Call Option up to the value of the loan receivable or any outstanding balance thereof no later than 31 March 2025. If any residual amount of the loan receivable remains outstanding, this will be settled in cash by Principion Holding B.V. in favour of the Group (unless otherwise agreed).

In 2024 the total balance of the Loan to shareholder and the Call option was reclassified from Non-current financial assets to Other receivables as the maturity date was 31 March 2025 (see note 12: Trade and other receivables). However, the parties since then agreed on prolongation of the Loan Receivable and the Call Option. Please refer to note 33: Subsequent events for more details.

Loss of € 6.8 million on remeasurement of the Call option fair value in 2024 was recorded in note 24: Net finance costs (2023: € 1.0 million). € 2.1 million out of the total amount was recorded as part of the Non-current financial assets movement and the rest in Trade and other receivables. For assumptions used in the measurement of the fair value of the Call option please refer to note 28: Fair value measurement.

Rent Deposits and Other Receivables

The balance of rent deposits and other receivables as at 31 December 2024 in the amount of € 4.8 million (2023: € 5.5 million), is mainly comprised of:

- minority investments classified as equity instruments under IFRS 9 and carried at fair value in amount of € 1.2 million (2023: € 2.6 million),
- earnout receivable on sale of one of the subsidiaries, WoozWorld, in amount of € 0.9 million (2023: nil), and
- other items in amount of € 2.7 million (2023: € 2.9 million), mainly various rent deposits of the Group companies.

12 Trade and other receivables

Trade and other receivables

In millions of €

	31 December 2024	31 December 2023
Trade receivables	108.4	123.9
Loss allowance	(4.8)	(4.8)
Receivables from related parties	-	0.7
Prepayments	7.0	5.8
Value added taxation	27.0	21.6
Receivable for sale of social card games portfolio	-	31.5
Funds in escrow	12.1	-
Loan receivable from Principion Group B.V.	19.3	-
Other receivables	15.6	18.0
Total	**184.6**	**196.7**

The net carrying value of trade and other receivables is considered a reasonable approximation of fair value due to its short-term nature with a maturity of less than 12 months. Trade receivables are non-interest bearing and in principle payable on demand.

In 2024, loan receivable from shareholder, Principion Holding B.V., of € 18.7 million and related call option of € 4.7 million were reclassified from non-current financial assets to trade and other receivables as the maturity date was 31 March 2025. Subsequent to reclassification, interest income of € 0.6 million was accrued on the loan receivable, while the fair value of the call option decreased to nil as at 31 December 2024. The loss on remeasurement of the call option was recognised in profit or loss (please refer to note 24: Net finance costs). In March 2025, the parties agreed on prolongation of the Loan Receivable and the Call Option. Please refer to note 33: Subsequent events for more details.

Funds in escrow of € 12.1 million is mostly related to the additional bonds placed under the existing Senior Secured Callable Floating Rate Bond framework (€ 11.9 million) and is subject to release after fulfilment of financial covenants under the bond agreement.

Receivable for sale of social card game portfolio decreased to nil (2023: € 31.5 million) due to receipt of funds in escrow of € 12.0 million and fair value loss of € 21.9 million on the related contingent consideration, offset by accrued interest income of € 2.4 million. For details of the fair value loss on contingent consideration please refer to note 5: Sale of social card games portfolio.

Movement in loss allowance

In millions of €

	2024	2023
As at 1 January	**(4.8)**	**(4.9)**
Provision for loss allowance	(1.1)	(0.8)
Write-off	0.7	2.7
Exchange rate effect	0.1	(0.1)
Other	0.3	(1.7)
As at 31 December	**(4.8)**	**(4.8)**

Trade receivables are shown net of an allowance for doubtful accounts determined based on insolvency risk and historical experience, adjusted for forward-looking factors specific to the receivables and economic environment performed on an individual receivable basis. Information about the loss allowance and the group's exposure to credit risk can be found in note 29: Financial risk management.

13 Cash and cash equivalents

Cash and cash equivalents

In millions of €

	31 December 2024	31 December 2023
Cash at bank and in hand	89.0	39.8
Cash equivalents	1.6	0.5
Total cash and cash equivalents	**90.6**	**40.3**

The group had no restricted cash as of 31 December 2024 and 31 December 2023.

14 Equity

General

Components of equity

In millions of €

	31 December 2024	31 December 2023
Share capital	1.2	1.2
Share premium	143.6	140.2
Legal reserve	33.2	27.7
Share based payment reserve	12.6	12.7
Currency translation reserve	(1.0)	(1.9)
Fair value through OCI	(0.8)	-
Retained earnings	(138.4)	(75.6)
Non-controlling interest	6.8	5.3
Total equity	**57.2**	**109.6**

The movements of the respective components of equity, as stated in the Consolidated statement of changes in equity, starting on page 64, are disclosed as follows.

Share capital

As at 31 December 2024, the authorized share capital of Azerion Group N.V. comprised 122,870,787 ordinary shares (31 December 2023: 122,870,787 ordinary shares) with a par value of € 0.01 per share and zero preference shares with no par value. As of 31 December 2024, 122,194,098 were placed and paid-up amounting to a total of € 1.2 million share capital (31 December 2023: € 1.2 million).

Share capital

Number of shares

	Ordinary shares		Preference shares		Total	
	Total Shares	Total amount in millions of €	Total Shares	Total amount in millions of €	Total Shares	Total amount in millions of €
31 December 2024	122,870,787	1.2	-	-	122,870,787	1.2
31 December 2023	122,870,787	1.2	-	-	122,870,787	1.2

The following movements took place in the Treasury shares in 2024:

- 1,799,017 shares were transferred from Treasury in relation to considerations for acquisition of Eniro;
- 113,656 shares were transferred in relation to the Executive Annual Incentive Plan;

As a result, the number of Treasury shares decreased to 676,689 shares (2023: 2,589,362 shares).

2023 Movements:

- 1,245,732 shares were transferred from Treasury in relation to considerations for 2022 acquisitions;
- 628,974 shares were transferred in relation to the Davey call options;
- 175,320 shares were transferred in relation to the Executive Annual Incentive Plan;
- 132,736 shares were transferred in relation to Other SARs awards;
- 220,794 shares were received as consideration for the sale of a 49% interest in Admeen B.V. (see below);
- 58,690,961 Treasury shares were cancelled on 23 August 2023, based on the decision at the Annual General Meeting on 15 June 2023.

As a result, the number of Treasury shares decreased to 2,589,362 shares (2022: 63,242,201 shares).

Share premium

As at 31 December 2024, Share premium amounted € 143.6 million (2023: € 140.2 million). The increase in the share premium is a result of:

- € 3.0 million related to the **issuance of share consideration related to the 2024 acquisition of Eniro** (see note 9: Investment in Associates for further details)
- € 0.4 million related to the **vesting of the share awards** (see note 15: Share-based payments for further details)

2023 Movements:

The Share premium increased during the year 2023 with € 9.4 million to € 140.2 million (2022: € 130.8 million)

- € 8.3 million related to the **issuance of share consideration related to 2022 acquisitions**
- € 0.5 million related to the **vesting of the share awards** (see note 15: Share-based payments for further details)
- € 1.2 million, the **exercise of call options (Davey Call Option)** (see note 15: Share-based payments for further details)
- € 0.2 million, related to **other movements**

The increase was offset in part by € (0.8) million shares received for sale of a minority interest. In February 2023, 49% of the shares in Admeen B.V. (owned at 100% as at 31 December 2022) were sold. Purchase consideration was 220,794 shares in Azerion Group N.V. with a fair value of € (0.8) million at transaction date.

Legal reserve

As of 31 December 2024, pursuant to Dutch law, certain limitations exist relating to the distribution of shareholders' equity of € 50.4 million (2023: € 104.3 million). These limitations relate to legal reserves required by Dutch law of € 33.2 million (2023: € 27.7 million).

The legal reserve movement in 2024 comprises of € 5.5 million (2023: € 2.5 million) relating to capitalized development costs for the Group's developed technology and is not freely distributable to shareholders.

Share-Based payment reserve

For details of refer to note 15: Share-based payments.

Currency translation reserve

As at 31 December 2024 the currency translation reserve amounted to € (1.0) million (2023: € (1.9) million). The translation reserve comprises foreign currency differences arising from the translation of the assets and liabilities of foreign operations of Azerion Group N.V. (excluding amounts attributable to non-controlling interests).

Fair value through OCI

As at 31 December 2024 the reserve for fair value changes through OCI amounted to € (0.8) million (2023: € 0.0 million). The movement in 2024 represents the fair value loss on equity investments held by the Group. These investments are not held for trading and are carried at fair value through other comprehensive income, based on an irrevocable election made at initial recognition.

Other equity instruments

During 2024, there were no balances or movements in Other equity Instruments.

2023 Movements:

Shareholder loans
As at 31 December 2022, the Group had € 14.9 million loans from related parties that were subordinated. € 14.0 million was related to loans from Principion Holding B.V., and the remaining € 0.9 million represented loans from Stichting Administratiekantoor Azerion Holding B.V.

Loans payable to Principion Holding B.V.
Subordinated loans payable to Principion Holding B.V. included an equity redemption option of outstanding loan balances, in addition to a cash redemption option, and were redeemable by issuing 2,621,147 shares in the issued share capital of the Group. The discretion to redeem the loans in equity or cash was with the Group. As a result,

the loans were classified as equity instruments in the Group's statement of financial position as at 31 December 2022. The loans had a duration until the earlier of (i) the redemption of the Group's senior secured bonds with ISIN SE0015837794 and (ii) 28th April 2024. As a result of the bonds being refinanced, the subordinated loans became payable as from 31 October 2023. On 11 December 2023, the Group entered into the Loan Settlement, Amendment, Share Pledge and Call Option Agreement with Principion Holding B.V, according to which the balance of loan receivable from Principion Holding B.V. in the amount of € 36.0 million was netted off against the subordinated loans payable to Principion Holding B.V.. This resulted in € 8.7 million reclassification from Other equity instruments to Retained earnings (representing the value of the Group's equity redemption option at the transaction date) and the remaining € 5.3 million being netted off against the loan receivable from Principion Holding B.V. (see note 11: Non-current financial assets).

Loans payable to Stichting Administratiekantoor Azerion Holding B.V.
The Group had subordinated loans from Stichting Administratiekantoor Azerion Holding B.V. (the "STAK"), a foundation. Certificate holders of STAK include the Group's employees, among others. The loans contained an equity redemption option of outstanding loan balances, in addition to a cash redemption option, and wereredeemable by issuing 161,304 shares in the issued share capital of the Group. The discretion to redeem the loans in equity or cash was with the Group. As a result, the loans were classified as equity instruments in the Group's statement of financial position as at 31 December 2022.

The loans had a duration until the earlier of (i) the redemption of the Group's senior secured bonds with ISIN SE0015837794 and (ii) 28th April 2024. As a result of the bonds being refinanced, the subordinated loans became payable as from 31 October 2023. The Group signed memorandums with the different certificate holders, according to which the redemption of outstanding loan balance will be made in cash. This resulted in the following:

- € 0.6 million was reclassified from Other equity instruments to Retained earnings (representing the value of the Group's equity redemption option at the transaction date);
- remaining balance € 0.3 million was reclassified from Other equity instruments to financial liabilities;
- € 0.9 modification loss was recognised on the afore-mentioned financial liabilities in the statement of profit or loss and other comprehensive income;

The parties agreed that the resulting financial liability would be settled in the last quarter of 2023 (€ 0.5 million) and in the first half year of 2024 (€ 0.7 million). The outstanding balance as at 31 December 2023 is included in Other liabilities.

Share considerations for new acquisitions
Share considerations for new acquisitions decreased by € 14.1 million in 2023:

- € (8.3) million of **share considerations** for acquisitions of 2022 were exercised fully in 2023 with resulting decrease in other equity instruments and increase by the same amount in share premium (see above).

- € 5.8 million reclassification relating to the acquisition of the remaining 49% in Sulake during 2020. The Group had the option to settle either in cash or shares, with the Group's intention as of last year being to settle in shares. As a result, the consideration was included in other equity instruments as at 31 December 2022. In 2023, the Group decided to settle the liability in cash, resulting in reclassification from equity to other liabilities.

Movements in retained earnings
As at 31 December 2024 the retained earnings amounted to € (138.4) million (2023: € (75.6) million).

€ (57.9) million movement in 2024 relates to the total comprehensive income for the year. For movement relating to the non-controlling interest transaction see related section below.

€ (5.5) million movement directly in Retained earnings relates to a reclassification from the Legal reserve and € 0.6 million of other movements.

2023 Movements:

€ 23.7 million movement in 2023 relates to the total comprehensive income for the year. For movement relating to the non-controlling interest transaction see related section below.

€ 9.3 million movement directly in Retained earnings relates to a reclassification from Other equity instruments related to the Loans payable to Principion Holding B.V. and Stichting Administratiekantoor Azerion Holding B.V.

Non-controlling interest in Azerion Group N.V.

The non-controlling interest (NCI) relates to minority stakes held by third parties in Azerion Group N.V.'s consolidated subsidiaries. The total NCI as at 31 December 2024 amounted to € 6.8 million (2023: € 5.3 million).

€ 1.9 million relates to the total comprehensive income for the year 2024 attributable to the non-controlling interest. In addition, € (0.2) million dividend was declared and paid to minority shareholders of Admeen B.V. in 2024 and € (0.2) million was related to other movements in the non-controlling interest.

2023 Movements:

In February 2023, 49% of the shares in Admeen B.V. (owned 100% as at 31 December 2022) were sold. The purchase consideration was 220,794 shares of Azerion Group N.V. with a fair value of € (0.8) million at transaction date. The fair value of the minority interest at the moment of the transaction amounted to € 2.0 million (recognized in non-controlling interest) with the resulting loss of € (1.2) million recorded in retained earnings.

15 Share-based payments

In 2023, the Group had the following share-based payment plans:

- Share based payments granted by EFIC1 in 2021 and in the De-SPAC Transaction.
- Management Board Long-Term Incentive Plan (LTIP)
- Executive Annual Incentive Plan

All of these plans were carried forward to 2024. No new plans were created in 2024.

Share Based Payments granted by EFIC1 in 2021 and in the De-SPAC Transaction

As at 31 December 2023 and 31 December 2024, Azerion had the following four categories of instruments under the mentioned plan:

- Conditional Special Shares
- Option to acquire Special Shares (Davey Call Option)
- HTP Call Option, and
- Azerion Founder warrants

For all instruments management evaluated that these instruments are equity settled Share Based Payments in scope of IFRS 2.

EFIC1 issued Special Shares to its Sponsors in 2021, which were convertible into Ordinary Shares in a De-SPAC transaction. In the De-SPAC Transaction the Special Shares were partly cancelled, partly converted in Ordinary Shares and partly converted into Conditional Special Shares. No modification gain or loss was identified. No Conditional Special Shares were converted into ordinary shares in 2023 or 2024.

The Options to Acquire Special Shares were originally issued to Mr. B. Davey for the services provided as a member of EFIC1's leadership team and were subsequently partly cancelled and partly converted to Conditional and Unconditional Options to acquire ordinary shares during the De-SPAC transaction. No modification gain or loss was identified. Unconditional part was fully exercised in 2023, while conditional part is still outstanding as at 31 December 2023 and 31 December 2024 (see below).

In addition a re-allocation took place on 1 February 2022 which, in effect, resulted in a number of Conditional and Unconditional Call Options issued to HTP, one of the sponsors of EFIC1. Unconditional part is fully exercised, while conditional part was still outstanding as at 31 December 2023 and 31 December 2024 (see below).

In the De-SPAC Transaction, Azerion Founder Warrants were issued to balance out potential dilutive effects from possible future exercise of the Public Warrants and the Founder Warrants. Management evaluated that the Azerion Founder Warrants are equity settled Share-Based payments in the scope of IFRS 2.

Management Board LTIP

The members of the Management Board are in principle eligible for long-term incentive awards as further described in the Remuneration Policy and as approved by the shareholders as part of the Transaction. The current members of the Management Board, Mr. Atilla Aytekin and Mr. Umut Akpinar do not participate in the LTIP and no share awards were granted during 2023 or 2024 under the LTIP.

Executive Annual Incentive Plan

The Management Board, in consultation with the Supervisory Board, developed an Executive Annual Incentive Plan for its senior leadership team under which, subject to certain performance targets, and at the discretion of the Management Board, members of the senior leadership team may be awarded shares in Azerion.

On 11 April 2023, 512,886 share appreciation rights were granted under afore-mentioned plan, with one third vesting immediately and remaining to be vested equally in one year and two years after grant date. The settlement of the share based award plan occurs in actual shares with no cash option available to employees as alternative. The fair value at grant date, determined in reference to the Group's market share price, equaled € 1.67.

No shares were granted in 2024 under the Executive Annual Incentive Scheme.

Other

On 3 April 2023, the CFO of the Group was granted 132,736 share appreciation rights which vested immediately. The grant was made outside any of the existing award plans. The settlement of the share based award plan occurred in actual shares, no cash option was available as alternative. The fair value at grant date, determined in reference to the Group's market share price, equaled € 1.84.

Key elements of the various instruments and plans

Share Based Payments granted by EFIC1 in 2021 and in the De-SPAC Transaction

(Conditional) Special Shares

As at 1 January 2023, Azerion had 1,152,886 Conditional Special Shares which are convertible into Ordinary Shares in accordance with the provisions of the Articles of Association and subject to the condition that the closing share price of the Ordinary Shares on Euronext Amsterdam equals or exceeds €12.00 for any 20 trading days within any consecutive 30-trading day period within a period of five years as of the Transaction date, 1 February 2022. Should this condition not been met after five years, these (or such number remaining at that time) Conditional Special Shares will be cancelled as per such date.

The instruments are measured at their grant date fair value of € 1.95, which represents the grant date fair value of the original Special Shares issued by EFIC1 in 2021 determined using the valuation technique to estimate the price on the measurement date in an arm's length transaction between knowledgeable parties, since no market price was readily available.

There has been no movement on Conditional Special Shares in 2023 and 2024. As a result, as per 31 December 2024 the number of remaining Conditional Special Shares amounts to 1,152,886.

Option to acquire Special Shares (Davey Call Option)

As at 1 January 2023, Azerion had 628,974 unconditional Call Options (convertible into Ordinary Shares) and 110,996 Call Options which will solely become exercisable if the share price of Ordinary Shares equals or exceeds € 12.00 per share for any 20 trading days within any 30 trading-day period within a period of five years after the De-SPAC Transaction. The instruments are measured at their grant date fair value of € 1.94, which represents the fair value of the original Options to acquire Special Shares, determined using a valuation technique that factors in effect of market conditions (specifically Black Scholes option pricing model), since no market price was readily available.

On 26 January 2023 and 31 August 2023, 628,974 unconditional Davey Call Options were exercised fully. The fair value at grant date equaled € 1.94.

No options were exercised during the year 2024. As a result, as per 31 December 2024 the number of remaining Davey Call Options amounts to 110,996.

HTP Call Option

As a result of the De-SPAC Transaction, and on exactly the same terms as the Davey Call Option, the HTP Sponsor received 145,634 unconditional call options and 25,700 conditional call options which will solely become exercisable if the share price of Ordinary Shares equals or exceeds € 12.00 per share for any 20 trading days within any 30 trading-day period within a period of five years after the De-SPAC Transaction. The unconditional and conditional call options were measured at their grant date fair values of € 9.54 and € 6.42 respectively. After the exercise of the unconditional part in the first half of 2022, only the conditional Call Options remain as at 31 December 2023 and 31 December 2024 (25,700 options in amount of € 0.2 million). There has been no movement on HTP Call Option in 2024.

Azerion Founder Warrants

On completion of the De-SPAC Transaction, Azerion Group N.V. issued 17,992,773 Azerion Founder Warrants to the founders of Azerion. Management considered the characteristics of the award of these instruments and concluded that the instruments are in the scope of IFRS 2 as equity-settled share-based payments. The Azerion Founder Warrants can be exercised during the exercise period, which ends at the close of trading on Euronext Amsterdam on the first Business Day after the fifth anniversary of the Completion Date. During the exercise period each Azerion Founder Warrant entitles the holder to subscribe for one Ordinary Share for the exercise price of €11.50. The Azerion Founder Warrants can only be exercised on a cashless basis. For the assessment of the grant date fair value of the Azerion Founder Warrants Management considered that, after the closing of the De-SPAC Transaction, the terms and conditions of the Azerion Founder Warrants are closely comparable to the Public Warrants and concluded therefore that they should be valued using the listed price of the Public Warrants of € 0.55 without any amendment (a Level 2 valuation methodology). There has been no movement on the Azerion Founder Warrants in 2023 or 2024.

Share based payments reserve

Movement in share based payments reserve

In million of €

	Share-based payment reserve
Balance as of 1 January 2023	**13.7**
Share based payments expense - Executive Annual Incentive Plan	0.5
Share based payments expense - Other	0.2
Exercise of Executive Annual Incentive Plan	(0.3)
Exercise of Davey Call Option	(1.2)
Other movements	(0.2)
Balance as of 31 December 2023	**12.7**
Share based payments expense	0.3
Vesting of share based payment	(0.4)
Balance as of 31 December 2024	**12.6**

As at 31 December 2024 balance of share-based payments reserve amounts to € 12.6 million (2023: € 12.7 million). The movements in the share-based payments reserve are as follows:

Share-based payment movement schedule

In million of €, number of instruments and prices in €

	Share based payments						Other equity instruments	Trade and other receivables	Other liabilities
	Employee Awards	**Conditional Special Shares**	**Davey Call Options**	**HTP Call Options**	**Azerion Founder Warrants**	**Total**	**Investor SARs / shares**	**Acquisition SARs**	**Acquisition SARs**
Balance as of 1 January 2023	**-**	**2.2**	**1.4**	**0.2**	**9.9**	**13.7**	**8.3**	**(0.9)**	**2.2**
Amounts through P&L									
Amounts through P&L	0.7	-	-	-	-	0.7	-	(0.7)	0.7
Exercised through:									
- Share capital	-	-	-	-	-	-	-	-	-
- Share premium	(0.5)	-	(1.2)	-	-	(1.7)	(8.3)	-	-
- Cash	-	-	-	-	-	-	-	-	-
- Non- Cash	-	-	-	-	-	-	-	0.8	(2.1)
Total	(0.5)	-	(1.2)	-	-	(1.7)	(8.3)	0.8	(2.1)
Balance as of 31 December 2023	**0.2**	**2.2**	**0.2**	**0.2**	**9.9**	**12.7**	**-**	**(0.8)**	**0.8**
Amounts through P&L									
Amounts through P&L	0.3	-	-	-	-	0.3	-	-	-
Exercised through:									
- Share capital	-	-	-	-	-	-	-	-	-
- Share premium	(0.4)	-	-	-	-	(0.4)	-	-	-
- Cash	-	-	-	-	-	-	-	-	-
- Non- Cash	-	-	-	-	-	-	-	0.8	(0.8)
Total	(0.4)	-	-	-	-	(0.4)	-	0.8	(0.8)
Balance as of 31 December 2024	**0.1**	**2.2**	**0.2**	**0.2**	**9.9**	**12.6**	**-**	**-**	**-**
Number of instruments									
Balance as per 1 January 2023	**-**	**1,152,886**	**739,970**	**25,700**	**17,992,773**				
Exercise Davey call options	-	-	(628,974)	-	-				
Balance as of 31 December 2023	**-**	**1,152,886**	**110,996**	**25,700**	**17,992,773**				
Other movements	-	-	-	-	-				
Balance as of 31 December 2024	**-**	**1,152,886**	**110,996**	**25,700**	**17,992,773**				
Prices of the instruments					**-**				
Balance as of 1 January 2023		**1.95**	**1.94**	**6.42**	**0.55**				
Exercise Davey Call option		-	1.94	-	-				
Balance as of 31 December 2023		**1.95**	**1.94**	**6.42**	**0.55**				
Other movements		-	-	-	-				
Balance as of 31 December 2024		**1.95**	**1.94**	**6.42**	**0.55**				

16 Provisions

Provisions

In millions of €

	Commercial litigation	Restructuring	Employee benefit obligations	Other	Total
Balance at 1 January 2023	**0.5**	**0.3**	**1.0**	**0.7**	**2.5**
Acquisitions of subsidiaries and businesses	1.0	–	–	1.8	2.8
Additions	2.4	8.9	0.1	1.3	12.7
Utilizations	(2.3)	(7.4)	(0.3)	–	(10.0)
Releases	(0.8)	(1.2)	–	(0.6)	(2.6)
Reclassifications	(0.1)	(0.1)	0.0	–	(0.2)
Balance at 31 December 2023	**0.7**	**0.5**	**0.8**	**3.2**	**5.2**
Additions	0.4	1.3	0.3	0.2	2.2
Utilizations	–	(1.7)	–	(1.3)	(3.0)
Releases	–	(0.1)	–	(1.2)	(1.3)
Exchange differences	0.1	–	–	–	0.1
Reclassifications	0.6	–	–	–	0.6
Balance at 31 December 2024	**1.8**	**–**	**1.1**	**0.9**	**3.8**
Balance at 31 December 2023	**0.7**	**0.5**	**0.8**	**3.2**	**5.2**
Non-current	–	–	0.8	0.8	1.6
Current	0.7	0.5	–	2.4	3.6
Balance at 31 December 2024	**1.8**	**–**	**1.1**	**0.9**	**3.8**
Non-current	–	–	1.1	0.5	1.6
Current	1.8	–	–	0.4	2.2

As at 31 December 2024, provisions (current and non-current) amounted to € 3.8 million (2023: € 5.2 million). The balance decreased by € (1.4) million and is mainly explained by the following:

Commercial litigation provisions

As of 31 December 2024, commercial litigation provisions amounted to € 1.8 million (2023: € 0.7 million). The additions in 2024 in the amount of € 0.4 million are related to employee legal cases related to acquisitions in 2022 and 2023. Further, a balance sheet reclassification of € 0.6 million was made in the first half of 2024, from Trade and other payables to Provisions which is related to a legal claim on a company acquired in 2022.

All commercial litigation provisions are expected to be paid within one year.

Restructuring provisions

As of 31 December 2024, the restructuring provision was fully utilised (2023: € 0.5 million). In 2022, Azerion has initiated a restructuring plan designed to continue the integration of acquired businesses, improving efficiency and focusing on key strategic opportunities. As a result, a restructuring provision in the amount of € 1.3 million was recorded in 2024 (2023: € 8.9 million) consisting primarily of employee contract termination costs. There was a release of excess provision in the amount of € (0.1) million (2023: € (1.2) million). Finally, total provision utilization in 2024 amounted to € (1.7) million (2023: € (7.4) million).

Employee benefit obligations

Employee benefit obligations represent defined benefit pension plans which are in place in Italy, Belgium and France. Furthermore, by Belgian law, the employer is liable for a minimum guaranteed return. The Belgium pension plans are administrated by Baloise Insurance. In France employees are entitled to a lump sum payment at retirement which is administrated by the company.

Other provisions

As of 31 December 2024, other provisions amounted to € 0.9 million (2023: € 3.2 million). The balance decreased by € (2.3) million in the period mainly explained by utilisation of € (1.3) million in January 2024 on a provision related to the establishment of a new commercial relationship and the required technology to facilitate that commercial relationship. The balance further decreased following the release of excess provisions in the amount of € (1.2) million, due to the change in underlying economic conditions, partially offset by additions of € 0.2 million. These movements are booked in the consolidated statement of profit or loss and other comprehensive income in 2024.

€ 0.4 million from total other provisions is expected to be paid within one year and the rest afterwards.

17 Other liabilities

Other liabilities

In millions of €

	31 December 2024	31 December 2023
Contingent consideration	8.3	14.8
Deferred consideration	13.1	3.3
Postponed Government payments	4.6	4.6
Warrants	-	0.1
Acquisition related share appreciation rights	-	0.8
Other liabilities	31.8	30.9
Total	**57.8**	**54.5**
Current	42.6	38.0
Non-current	15.2	16.5

As at 31 December 2024, other liabilities (current and non-current) amounted to € 57.8 million (2023: € 54.5 million) and mainly consisted of deferred consideration, contingent consideration, postponed wage taxes and other liabilities. The latter mainly includes non-recourse factoring liability.

Continuing Involvement

In 2023 the Group entered into new non-recourse factoring agreements, as well as amended terms of previous agreements, which had financial impact as of the beginning of the year. The Group concluded that the terms resulted in the recognition of a continuing involvement asset and a continuing involvement liability. The continuing involvement asset is included in Other receivables, as part of note 12: Trade and other receivables, while the continuing involvement liability is included in the Other liabilities line above.

Continuing Involvement

In millions of €

	31 December 2024	31 December 2023
Carrying amount		
Continuing involvement – asset	5.3	4.7
Continuing involvement – liability	5.3	4.7
Fair value		
Continuing involvement – asset	1.6	1.5
Continuing involvement – liability	1.6	1.5

The continuing involvement, represented by the potential maximum exposure to loss (€5.3 million) (2023: (€4.7 million)), is determined using the Group's best estimate of payment risks. This estimate is based on empirical data and taken into consideration that the late payment period is limited to approximately two thirds of a calendar year.

The Group has no obligation to repurchase factored trade receivables that are overdue or in case of insolvency of the customer.

Contingent consideration

The contingent consideration decrease is mainly related to: a) renegotiation of the contingent consideration terms for the Hawk acquisition, fixing consideration payments to pre-agreed amounts. Since the payments are no longer contingent on achievement of financial and non-financial targets, € 5.9 million was reclassified to deferred consideration, b) payments made in 2024 of € 2.9 million (2023: € 16.1 million), partly offset by c) unwinding of interest in amount of € 0.9 million (2023: € 0.9 million), and d) new acquisitions during the year of € 1.6 million.

Deferred consideration

The deferred consideration increase is mainly related to: a) the reclassification of € 5.9 million from contingent consideration (see above), b) loss on renegotiation of Hawk consideration (see above) amounting to € 2.8 million, c) acquisition of subsidiaries during the year of € 3.2 million; d) acquisition of associate of € 3.5 million, e) unwinding of € 0.5 million (2023: € 0.2 million), partly offset by f) payments made in 2024 of € 6.3 million (2023: € 23.5 million)

Postponed government payments

The postponed government payments consist of an arrangement with the Dutch Tax Authority to postpone the payment of these taxes due to COVID-19. The start date of the payment arrangement is 1 October 2022. The payment arrangement will be spread over 5 years. The arrangement consists of a maximum of 60 equal monthly payments with the last payment in September 2027. This payment arrangement includes all outstanding tax debts for which deferral of payment has been granted. To stimulate the repayment of the outstanding debts, the collection interest will be increased step by step.

18 Trade payables and accrued liabilities

Trade payables

In millions of €

	31 December 2024	31 December 2023
Trade payables	137.0	142.0
Total	**137.0**	**142.0**

Accrued liabilities

In millions of €

	31 December 2024	31 December 2023
Accruals	52.6	71.6
Accrued holiday entitlement	1.5	2.9
Personnel costs	11.0	10.7
Sales related taxes	30.6	25.0
Other	1.8	2.5
Total	**97.5**	**112.7**

The carrying values of trade payables are a reasonable approximation of fair value due to their short-term nature.

The accruals balance of € 52.6 million (2023: € 71.6 million) mainly represents accrued publisher fees of € 27.3 million (2023: € 44.1 million), commission & provider fees of € 15.4 million (2023: € 17.7 million) and professionals fees of € 1.8 million (2023: € 2.8 million).

19 Borrowings

Borrowings
in millions of €

	Senior secured bonds	Debt to credit institutions	Other	Total
Balance as of 1 January 2023	**199.8**	**9.5**	**0.1**	**209.4**
Acquisitions of subsidiaries and businesses	-	1.8	-	1.8
Additions	162.5	-	0.3	162.8
Principal repayments / disposals	(200.0)	(4.4)	(0.1)	(204.5)
Loss on derecognition	1.1	-	-	1.1
Capitalized transaction cost	(3.5)	-	-	(3.5)
Interest accrued	17.9	-	-	17.9
Interest paid	(14.1)	-	(0.1)	(14.2)
Exchange differences	-	-	-	-
Other movements	0.1	(0.4)	(0.2)	(0.5)
Balance as of 31 December 2023	**163.8**	**6.5**	**-**	**170.3**
Additions	96.6	9.7	-	106.3
Principal repayments / disposals	-	(3.4)	-	(3.4)
Loss on derecognition	-	-	-	-
Capitalised transaction cost	(2.2)	-	-	(2.2)
Interest accrued	21.2	0.5	-	21.7
Interest paid	(18.1)	(0.4)	-	(18.5)
Exchange differences	-	-	-	-
Other	-	-	-	-
Balance as of 31 December 2024	**261.3**	**12.9**	**-**	**274.2**
Balance as of 31 December 2023	**163.8**	**6.5**	**-**	**170.3**
of which (duration)				
< 1 year	4.5	3.9	-	8.4
≥ 1 year ≤ 5 years	159.3	2.6	-	161.9
> 5 years	-	-	-	-
Balance as of 31 December 2024	**261.3**	**12.9**	**-**	**274.2**
of which (duration)				
< 1 year	6.6	11.6	-	18.2
≥ 1 year ≤ 5 years	254.7	1.3	-	256.0
> 5 years	-	-	-	-

Senior secured bonds

On 8 April 2021, the Group issued senior secured callable fixed rate bonds with ISIN SE0015837794 for a total of € 200.0 million (the "Old Bonds"), within a total framework amount of € 300.0 million. The maturity date of the Old Bonds was 28 April 2024.

On 31 October 2023, the Group successfully completed the refinancing of above-mentioned bonds. Following a book-building process, the Group successfully placed € 165.0 million of senior secured callable floating rate bonds under a framework of € 300.0 million to qualified institutional investors internationally (the "New Bonds"). The New Bonds have a 3-year tenor, carry a floating rate coupon of 3 months EURIBOR plus 6.75 per cent per annum and were issued at 98.5 per cent of par. The Group applied for listing of the New Bonds with ISIN NO0013017657 on the Corporate Bond List of Nasdaq Stockholm, with the Bonds being admitted to trading on 13 December 2023.

Since the New Bonds were issued at terms that are sufficiently different to that of the Old Bonds, the transaction was treated as an extinguishment of the original financial liability and the recognition of a new financial liability. There was a € 1.1 million loss on derecognition related to remaining unamortized portion of transaction costs on the Old Bonds, included in Finance costs (see note 24: Net finance costs).

At initial recognition, the New Bonds were measured at fair value minus directly attributable transaction costs of € (3.5) million. Subsequently, the New Bonds are measured at amortised cost using the effective interest method, no separation required for embedded derivatives as they are closely related to the host contract. The embedded call option grants the Group the right to redeem all, but not only some, of the outstanding New Bonds in full in accordance with specific terms disclosed in the terms and conditions of the New Bonds.

In 2024, the Group placed additional bonds under the same senior secured callable floating rate bonds framework. In July 2024 an additional € 50 million was issued at 100.75% of par and in December 2024 € 50 million was issued at 100% of par. € 3.6 million from the latter issue was acquired by Azerion itself, for purpose of re-selling them on the market, and is not included as a liability on the Group's statement of financial position. At initial recognition, these additional issues were measured at fair value minus directly attributable transaction costs of € (2.2) million. Subsequently, the New Bonds are measured at amortized cost using the effective interest method.

The security for the bonds is a share pledge in respect of all shares in the group company Azerion Tech Holding B.V., a limited liability company incorporated in the Netherlands, and a pledge over material intra-group loans, as defined in the Terms and Conditions for the New Bonds.

In addition, the following group companies have entered into the Guarantee Agreement to guarantee the performance of obligations of the Issuer: Azerion Technology B.V., a limited liability company incorporated in the Netherlands, Whow Games GmbH, a limited liability company incorporated in Germany, Genba Digital Limited, a limited liability company incorporated in England and Wales, Keygames Network B.V., a limited liability company incorporated in the Netherlands, Voidu B.V., a limited liability company incorporated in the Netherlands, Delta Projects AS, a limited liability company incorporated in Norway, Azerion AG, a limited liability company incorporated in Germany, Azerion UK Limited, a limited liability company incorporated in England and Wales, Azerion Nederland B.V., a limited liability company incorporated in the Netherlands, Azerion US Inc., a limited liability company incorporated in the United States, Azerion Sverige AB, a limited liability company incorporated in Sweden, Azerion Platform FR SAS, a limited liability company incorporated in France, Sublime Skinz Labs SAS, a limited liability company incorporated in France, Vlyby Digital GmbH, a limited liability company incorporated in Germany, Azerion Tech Holding B.V., a limited liability company incorporated in the Netherlands, and Hawk France SAS, a limited liability company incorporated in France.

Debt to credit institutions

Included in this balance as of 31 December 2024 are a super senior revolving credit facility with Citibank of € 9.6 million (2023: nil), recourse factoring agreements amounting to € 0.3 million (2023: € 1.1 million) and other debt to credit institutions amounting to € 3.0 million (2023: € 5.4 million).

In 2024 Azerion entered into a a Super Senior Working Capital Facility Agreement with Citibank, under which the Group was granted a € 15 million super senior revolving credit facility. This facility is contemplated by and permitted under the terms and conditions of the of € 300 million senior secured floating rate bonds framework. The facility is carried at amortized cost and has a base rate of 3 months EURIBOR plus a margin of 6.75% per annum. Funds drawn under the Super Senior Working Capital Facility may be used by the Group for general corporate purposes including working capital and acquisitions. The commercial conditions of the Super Senior Working Capital Facility are in line with market practice.

The trade receivables used as security by third parties as part of recourse factoring are maintained within the Group’s assets as the risks and benefits associated with them are not transferred to such third parties. The factoring companies in particular do not accept the credit risks. The credit risk is the risk of non-recovery of trade receivables. Under contracts signed with the Group’s entities, the credit risk remains within the Group.

Next to the recourse factoring agreements, Azerion acquired entities that had governmental aided loans. The total amount for the 13 governmental aided loans ending 2024 was € 2.9 million (2023: € 5.1 million). The interest rates range from 0.3% to 4.7% and the maturity dates are between 2025 and 2029. The total amount for other commercial loans ending 2024 was € 0.1 million (2023: € 0.3 million). Refer to the table below for further details.

Borrowings terms 2024

In millions of €

	Issue Currency	Principal Amount entered	Date entered [1]	Non-current	Current	Effective interest rate	Year of Maturity
		In millions of issued currency		In millions of €			
Senior Secured Callable Bonds (Initial Issue)	EUR	165.0	October 31, 2023	160.2	4.1	11.4%	2026
Senior Secured Callable Bonds (Tap I)	EUR	50.0	July 05, 2024	49.2	1.1	10.6%	2026
Senior Secured Callable Bonds (Tap II)	EUR	46.4	December 16, 2024	45.5	1.2	11.9%	2026
BNP Paribas (Government aided)	EUR	0.4	June 19, 2020	–	0.1	0.7%	2025
Commerzbank	EUR	0.2	March 31, 2017	0.1	–	3.4%	2032
HSBC Continental Europe (Government aided)	EUR	0.5	April 5, 2022	0.2	0.1	0.3%	2027
BPI France (Government aided)	EUR	0.5	March 31, 2022	0.1	0.1	1.4%	2026
Banque Postale (Government aided)	EUR	0.4	March 12, 2021	0.1	0.1	2.3%	2027
Bankinter (Government aided)	EUR	0.4	April 3, 2020	–	0.1	3.8%	2025
Caixa (Government aided)	EUR	0.5	February 6, 2022	–	0.1	4.7%	2025
CDTI (Government aided)	EUR	0.3	December 31, 2020	0.1	–	2.0%	2029
HSBC (Government aided)	EUR	0.8	July 3, 2021	0.1	0.2	0.3%	2026
CAISSE DÉ PARGNE (Government aided)	EUR	0.8	June 6, 2020	0.1	0.2	0.7%	2026
BPI France (Government aided)	EUR	1.0	December 31, 2018	0.1	0.2	3.2%	2026
BNP Paribas (Government aided)	EUR	1.0	June 5, 2021	0.1	0.3	0.8%	2026
Societe Generale (Government aided)	EUR	1.0	May 18, 2021	0.1	0.3	0.6%	2026
Credit du Nord (Government aided)	EUR	0.3	July 9, 2021	–	0.1	1.4%	2026
Citi RFC	EUR	9.5	April 9, 2024	–	9.6	7.6%	2025
Factoring Contracts	EUR	–		–	0.3		
Total				**256.0**	**18.2**		

[1] Dates in question represent loan agreement start dates.

As at 31 December 2024, the Group is in compliance with all the relevant covenants in relation to its borrowings.

20 Revenue

Revenue streams

The Group generates revenue from the following major streams:

Disaggregation of revenue by major streams

In millions of €

	2024		2023	
	Platform	Premium Games	Platform	Premium Games
Direct Sales	287.2	-	236.8	-
Automated Auction Sales	125.1	-	111.8	-
AAA Game Distribution (formerly E-Commerce)	85.0	-	88.8	-
In-Game Purchases	-	53.9	-	77.6
Total revenue	**497.3**	**53.9**	**437.4**	**77.6**

The Group does not have any significant amount of revenue recognised over time, for details see the revenue section in note 3: Significant accounting policies.

Revenues of approximately € 65.7 million (2023: € 75.6 million) are derived from a single external customer, Google Ireland Ltd. These revenues are attributed to both Platform and Premium Games segments.

Analysis of the Group's revenue by reportable segment

In millions of €

	Premium Games 2024	Platform 2024	Consolidated 2024
External revenue	53.4	497.8	551.2
Inter segment revenue	0.5	(0.5)	-
Total revenue	**53.9**	**497.3**	**551.2**

Analysis of the Group's revenue by reportable segment

In millions of €

	Premium Games 2023	Platform 2023	Consolidated 2023
External revenue	77.2	437.8	515.0
Inter segment revenue	0.4	(0.4)	-
Total revenue	**77.6**	**437.4**	**515.0**

In the following table, revenue is disaggregated by country of origin:

Disaggregation of external revenue by country of origin

In millions of €

	2024			2023		
	Platform	Premium Games	Total	Platform	Premium Games	Total
Germany	68.1	32.0	100.1	50.5	28.5	79.0
France	89.1	1.3	90.4	52.0	1.7	53.7
Ireland	64.9	1.5	66.4	63.3	23.6	86.9
United Kingdom	40.8	0.6	41.4	27.2	1.5	28.7
The Netherlands	22.2	6.7	28.9	22.8	5.2	28.0
Italy	17.3	0.3	17.6	18.0	0.3	18.3
Belgium	12.2	0.1	12.3	9.8	0.1	9.9
Spain	10.2	0.6	10.8	7.8	1.2	9.0
Nordic Countries [1]	37.5	0.3	37.8	36.7	0.3	37.0
Other European Countries	18.8	8.0	26.8	15.7	7.1	22.8
United States	65.3	1.2	66.5	72.7	6.3	79.0
United Arab Emirates	35.1	-	35.1	45.6	-	45.6
Other Countries	16.3	0.8	17.1	15.7	1.4	17.1
Total revenue	**497.8**	**53.4**	**551.2**	**437.8**	**77.2**	**515.0**

[1] The Nordic countries include Denmark, Finland, Iceland, Norway and Sweden.

21 Personnel costs

Personnel costs

in millions of €

	2024	2023
Wages and salaries	(64.7)	(72.8)
Social charges	(12.7)	(13.9)
Pension costs	(2.0)	(2.1)
Share-based payment expense	(0.3)	(0.7)
Incentive compensation expenses	(5.2)	(4.8)
Other costs	(16.7)	(21.7)
Less: Capitalized development cost	15.4	17.5
Total	**(86.2)**	**(98.5)**

Other costs consist of other staff expenses, contractor fees and restructuring expense. The main reason for decrease in 2024 is the lower restructuring expense of € 1.3 million compared to € 7.7 million in 2023.

Share-based payment expenses amounted to € (0.3) million in 2024 (2023: € (0.7) million). For details about share-based payments can be found in note 15: Share-based payments.

Defined contribution pension plans are in place in the Netherlands, Finland and Germany. In the Netherlands each subsidiary has its own pension plan. The pension plans apply to specific employee groups due to mergers and/or acquisitions in the past. The total expense for defined contribution pension plans in 2024 amounted to € (2.0) million (2023: € (2.1) million) and represents the contributions to these plans by the Group at rates specified in the rules of the plans. For description of the Group's defined benefit plans please refer to note 16: Provisions.

The average headcount, representing number of employees per department is presented below:

Number of employees by department

	31 December 2024	31 December 2023
Engineering & Product	494	639
Commercial	305	362
Corporate	237	296
Total	**1,036**	**1,297**

An average total of 213 employees are based in the Netherlands (2023: 279 employees).

22 Cost of services and materials and other expenses

Costs of services and materials

In millions of €

	2024	2023
Website expenses	(104.4)	(120.6)
Publisher fees	(246.0)	(190.2)
Advertising and email routing	(3.0)	(4.3)
Hosting fees	(17.0)	(13.0)
Other direct costs	(6.2)	(4.1)
Gains / (losses) on foreign currency	(0.8)	(0.1)
Total	**(377.4)**	**(332.3)**

Decrease in website expenses is due to: a) the sale of social card games portfolio in August 2023, and b) slight decrease in revenue from AAA game distribution together with increased focus on higher margin revenues in the same business line.

The acquisition of the digital advertising technology platform Hawk in October 2023 resulted in an increase in publisher fees in 2024.

Other direct costs include mainly advertising technology costs, software license fees, campaign research cost and rental of IT equipment.

Other expenses

In millions of €

	2024	2023
Accommodation costs	(2.8)	(2.6)
Travel and representation costs	(3.9)	(4.3)
Accounts receivable loss allowance	(0.8)	(0.5)
Selling expenses	(10.6)	(9.7)
Professional services	(11.3)	(12.3)
Insurance costs	(1.1)	(1.3)
Operating costs	(6.1)	(5.6)
Other costs	(5.0)	(1.0)
Capitalized other expenses	0.8	-
Total	**(40.8)**	**(37.3)**

Professional services include legal, accounting, audit, and other consultancies.

Other costs include bank charges, indirect taxes, and other general and administrative expenses, including business enhancements and subscriptions, software development and data warehouse costs, car rentals, and office maintenance costs. The increase in other costs is mainly due to € 3.0 million one-off settlement of a commercial dispute in 2024.

Independent Auditor’s fee

Other expenses include, among others, independent auditor’s fees. PricewaterhouseCoopers Accountants N.V. served as the independent public accountants for the fiscal years ended 31 December 2024 and 31 December 2023. The following table presents the aggregate fees rendered by PricewaterhouseCoopers Accountants N.V. and other professional firms.

Independent Auditor's fee for the fiscal year ended 31 December 2024

In millions of €

	PricewaterhouseCoopers Accountants N.V.	PricewaterhouseCoopers member firms	Other accounting firms	Total 2024
Audit of the financial statements	1.3	0.4	0.4	2.1
Other non-audit services	–	–	–	–
Other audit procedures	0.1	–	0.1	0.2
Tax services	–	–	–	–
Total	**1.4**	**0.4**	**0.5**	**2.3**

Independent Auditor's fee for the fiscal year ended 31 December 2023

In millions of €

	PricewaterhouseCoopers Accountants N.V.	PricewaterhouseCoopers member firms	Other accounting firms	Total 2023
Audit of the financial statements	1.6	0.3	0.3	2.2
Other non-audit services	–	–	–	–
Other audit procedures	–	–	–	–
Tax services	–	–	–	–
Total	**1.6**	**0.3**	**0.3**	**2.2**

23 Other gains and losses

Other gains and loses

in millions of €

	2024	2023
Profit/(Loss) on the sale of property, plant and equipment	(0.1)	(0.1)
Profit/(Loss) on the disposal of intangible assets	(0.1)	-
(Loss)/Profit from sale of social card games portfolio	(21.9)	72.6
Fair value gain /(loss) on contingent consideration	(1.2)	-
Other losses	-	(0.2)
Total	**(23.3)**	**72.3**

For details of Profit/(Loss) from the sale of social card games portfolio see note 5: Sale of social card games portfolio.

24 Net finance costs

Net finance costs

In millions of €

	2024	2023
Fair value gain on warrants	0.1	4.4
Other finance income	6.9	4.1
Finance income	**7.0**	**8.5**
Interest expenses on third party balances	(31.6)	(26.3)
Interest on leases (IFRS16)	(1.7)	(1.4)
Other finance costs	(6.4)	(8.5)
Fair value loss on the call option	(6.8)	(1.0)
Finance costs	**(46.5)**	**(37.2)**
Net Finance costs	**(39.5)**	**(28.7)**

The fair value of the warrants decreased from € 0.25 at 31 December 2022 to € 0.005 at 31 December 2023 and then further to nil at 31 December 2024, resulting in the Fair value gain on warrants of € 4.4 million in 2023 and € 0.1 million in 2024.

Other finance income includes € 2.4 million (2023: € 0.9 million) related to the unwinding of contingent consideration and escrow amount from the 2023 sale of social card games portfolio.

Higher Interest expenses on third party balances in 2024 is explained by: a) higher interest rate in 2024 and increased amount of the bonds (see note 19: Borrowings); b) increased factoring activity; and c) interest expense on the newly acquired revolving credit facility (see note 19: Borrowings).

Lower Other finance costs in 2024 is mainly due to modification loss related to the transaction with Principion Holding B.V. in 2023 of € 4.3 million. See note 11: Non-current financial assets for more details.

For details on the fair value loss on the call option of € 6.8 million (2023: € 1.0 million) please refer to note 11: Non-current financial assets and note 12: Trade and other receivables.

Included in interest expense on third party balances is interest accrued on contingent consideration of € 0.9 million (2023: € 0.9 million) and interest accrued on deferred consideration of € 0.5 million (2023: € 0.2 million).

Other than fair value gain on warrants and fair value loss on the the call option, interest income and expense is fully related to financial instruments measured at amortized cost.

25 Income tax

Major components of income tax expense are as follows:

Components of income tax expense

In millions of €

	2024	2023
Current tax expense		
Current year	(6.0)	(12.9)
Changes in estimates related to prior year	3.1	1.6
Deferred tax expense		
Origination and reversal of temporary differences	9.0	-
Changes in estimates related to prior year	(0.6)	(2.7)
Recognition of previously unrecognised tax losses	2.4	3.5
De-recognition of recognized losses	-	(1.8)
Recognition of current year losses	-	1.4
Use of recognized tax losses	(0.5)	(8.1)
Other	(0.1)	-
Income tax expense reported in the consolidated statement of profit or loss and other comprehensive income	**7.3**	**(19.0)**

Reconciliation of income tax expenses

Reconciliation of income tax expenses

In millions of €

	2024	2023
Profit / (Loss) before tax	**(63.3)**	**44.1**
Tax using the company's tax rate of 25.8%	16.3	(11.4)
Effect of different income tax rates other countries	0.2	(0.3)
Prior year adjustments	2.4	(1.3)
Non-taxable amounts	4.1	1.1
Non-deductible other amounts	(7.6)	(4.8)
Recognition of non-recognized losses	4.3	3.5
De-recognition of recognized losses	(0.1)	(1.8)
Tax losses not recognized	(6.5)	(5.1)
Utilisation of previously non-recognised losses	4.1	0.9
Other non-recognized tax attributes	(10.8)	0.6
Other	0.9	(0.4)
Income tax expense at effective tax rate	**7.3**	**(19.0)**
Effective tax rate	11.5%	43.1%

The effective tax rate in 2024 was 11.5% (2023: 43.1%). The lower effective tax rate in 2024 is mainly due to: a) non-deductible acquisition expenses; b) non-recognition of deferred tax assets; and c) non-deductible costs of the Goodwill derecognition in relation to the sale of the social card games portfolio in 2023.

Deferred tax assets and liabilities

Movements in deferred tax asset balances 2024

in millions of €

	Balance as of 1 January 2024	Recognized in profit or loss	Recognized directly in equity	Acquired in business combinations	Exchange rate effect	Other	Balance as of 31 December 2024
Property, plant and equipment	0.1	0.1	-	-	-	-	0.2
Intangible assets	1.7	-	-	-	-	-	1.7
Pensions	0.1	-	-	-	-	-	0.1
Tax loss carry forwards	12.4	1.9	-	0.8	-	-	15.1
Other	0.9	(0.6)	-	-	-	-	0.3
Netting DTA/DTL	(12.9)	-	-	-	-	(3.0)	(15.9)
Total deferred tax asset	**2.3**	**1.4**	**-**	**0.8**	**-**	**(3.0)**	**1.5**

Movements in deferred tax liability balances 2024

in millions of €

	Balance as of 1 January 2024	Recognized in profit or loss	Recognized directly in equity	Acquired in business combinations	Exchange rate effect	Other	Balance as of 31 December 2024
Intangible assets	(37.2)	3.7	(0.1)	(1.2)	-	-	(34.8)
Borrowings	-	-	-	-	-	-	-
Other	(5.6)	5.1	-	-	-	(1.0)	(1.5)
Netting DTA/DTL	12.9	-	-	-	-	3.0	15.9
Total deferred tax liability	**(30.0)**	**8.8**	**(0.1)**	**(1.2)**	**-**	**2.1**	**(20.4)**
Net deferred tax asset / (liabilities)	**(27.7)**	**10.2**	**(0.1)**	**(0.4)**	**-**	**(0.9)**	**(18.9)**

Movements in deferred tax asset balances 2023

in millions of €

	Balance as of 1 January 2023	Recognized in profit or loss	Acquired in business combinations	Exchange rate effect	Other	Balance as of 31 December 2023
Property, plant and equipment	0.6	(0.5)	-	-	-	0.1
Intangible assets	2.1	(0.4)	-	-	-	1.7
Pensions	0.1	-	-	-	-	0.1
Tax loss carry forwards	11.6	(5.3)	6.1	-	-	12.4
Other	0.4	0.4	-	0.1	-	0.9
Netting DTA/DTL	(13.3)	-	-	-	0.4	(12.9)
Total deferred tax asset	**1.5**	**(5.8)**	**6.1**	**0.1**	**0.4**	**2.3**

Movements in deferred tax liability balances 2023

in millions of €

	Balance as of 1 January 2023	Recognized in profit or loss	Acquired in business combinations	Exchange rate effect	Other	Balance as of 31 December 2023
Intangible assets	(38.2)	3.5	(2.5)	-	-	(37.2)
Borrowings	-	-	-	-	-	-
Other	(0.4)	(5.3)	-	-	0.1	(5.6)
Netting DTA/DTL	13.3	-	-	-	(0.5)	12.8
Total deferred tax liability	**(25.3)**	**(1.8)**	**(2.5)**	**-**	**(0.4)**	**(30.0)**
Net deferred tax asset / (liabilities)	**(23.8)**	**(7.6)**	**3.6**	**0.1**	**-**	**(27.7)**

A deferred tax asset is recognized to the extent that it is probable that sufficient and suitable future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilized. It is considered whether sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity are available which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Relevant tax law is considered to determine the availability of the losses to offset against the taxable profits in the future. Recognition of deferred tax assets therefore involves judgement regarding the future financial performance of the entities for which the deferred tax asset has been recognized and is therefore inherently uncertain.

At this stage it is only for the French tax group headed by AdUX SA and for Azerion UK Ltd considered probable that taxable profits will be available against which certain unused tax losses can be utilized. For all other Azerion group entities, the Company only recognizes deferred tax assets on tax losses to the extent that taxable temporary differences will reverse, against which these losses can be utilized. The remaining tax losses are not recognised and are disclosed below.

The majority of the Deferred tax asset and approximately € 15.8 million of the Deferred tax liability is expected to reverse after more than 12 months.

The Company has assessed differences between the Company's tax basis in any of its investments and the book basis in its investment (outside basis). Based on this assessment no outside basis differences have been identified that give rise to the recognition of a deferred tax liability.

Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items, as it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

Unrecognized deferred tax assets

In millions of €

	31 December 2024	31 December 2023
Tax losses	276.9	270.2
Unrecognized losses	**216.2**	**220.3**
Expire	8.8	23.6
Never expire	207.4	196.7

In addition to the unrecognized losses above, deferred tax assets of € 21.6 million have not been recognized in relation to other temporary differences.

Expiration year of losses carried forward (2024)

Expiration year of losses carried forward

in millions of €

	2025	2026	2027	2028	2029	Later	Unlimited	Total
Total loss carried forward	-	-	-	-	-	10.2	266.7	276.9
Loss carried forward not recognized in deferred tax assets	-	-	-	-	-	8.8	207.4	216.2
Total recognized	-	-	-	-	-	1.4	59.3	60.7

Expiration year of losses carried forward (2023)

As of 1 January 2022 the Dutch net operating losses can be used for an unlimited time. Note that this applies to net operating losses as of 2013.

Expiration year of losses carried forward

in millions of €

	2024	2025	2026	2027	2028	Later	Unlimited	Total
Total loss carried forward	-	-	-	-	-	25.1	245.1	270.2
Loss carried forward not recognized in deferred tax assets	-	-	-	-	-	23.6	196.7	220.3
Total recognized	-	-	-	-	-	1.5	48.4	49.9

Uncertain tax positions

Azerion takes income tax positions that management believes are supportable and are intended to withstand challenge by tax authorities. Some of these positions are inherently uncertain and include the interpretation of income tax laws applied to complex transactions. The Company periodically reassesses its tax positions. Changes to the financial statement recognition, measurement, and disclosure of tax positions is based on management's best judgment given any changes in the facts, circumstances, information available and applicable tax laws. Considering all available information, the Company believes that the ultimate resolution of such matters will not have a material effect on the Company's financial position, statements of operations or cash flows.

26 Related parties

The related parties of the Company are entities and individuals capable of exercising control, joint control or significant influence over the Company and companies belonging to Azerion Group N.V. In addition, members of the Management Board, executives with strategic responsibilities and their close family members are also considered related parties. The Company carries out transactions with its related parties on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

Key management personnel ('KMP') remuneration

As at 31 December 2024, KMP consists of 2 members of the Management Board (31 December 2023: 2) and 7 members of the Executive Committee (31 December 2023: 3) that form the leadership team and 4 members of the Supervisory Board (31 December 2023: 5).

The total remuneration of key management personnel was as follows:

Key management personnel ('KMP') remuneration

In millions of €

	2024	2023
Short-term employee benefits	3.2	2.8
Share-based payment benefits	0.1	0.3
Remuneration of key management personnel	**3.3**	**3.1**

Transactions with related parties

Loans issued and borrowings

On 17 March 2020, the Group entered into a loan agreement with its shareholder Principion Holding B.V., lending the shareholder a total principal amount of € 24.6 million at 1.0% interest rate, which subsequently increased to 4.0%. The loan was classified as subsequently measured at amortised cost. Further amounts were advanced on the same terms after the initial agreement and after repayments and interest accrual the balance as at 31 December 2022 amounted to € 34.7 million (See note 11: Non-current financial assets).

At the same time, the Group had subordinated loans payable to Principion Holding B.V. classified as equity instruments in the Group's statement of financial position as at 31 December 2022 (see note 14: Equity). The loans included an equity redemption option of outstanding loan balances, in addition to a cash redemption option, and were redeemable by issuing 2,621,147 shares in the issued share capital of Azerion Group N.V. The decision to redeem the loans in equity or cash was with Azerion Group N.V. The loans had a duration until the earlier of (i) the redemption of the Group's senior secured bonds with ISIN SE0015837794 and (ii) 28th April 2024. As a result of the bonds being refinanced, the subordinated loans became payable as from 31 October 2023.

On 11 December 2023, the Group entered into the Loan Settlement, Amendment, Share Pledge and Call Option Agreement with Principion Holding B.V, according to which:

- the parties agreed that the Group would not exercise its equity redemption option, but instead the subordinated loans would be set off against the loan receivable and Principion Holding B.V. would grant the Group a call option and a pledge security as further described below.
- the subordinated loans had a carrying value of € 14.0 million in equity and the Group's equity redemption option was worth € 8.7 million at transaction date. The value of the equity redemption option was reclassified within equity from Other equity instruments to Retained earnings. The remaining carrying value of the subordinated loans (€ 5.3 million) was set off against the loan receivable from Principion Holding B.V. Additionally, the fair value at initial recognition of the call option granted by Principion Holding B.V. (€ 7.8 million), and a modification loss of € 4.3 million was netted against the loan receivable from Principion Holding B.V. in accordance with the agreement. As a result of the set-off, the subordinated loans were extinguished in their entirety and the net balance of loan receivable from Principion Holding B.V. amounted to € 18.5 million.

- Principion Holding B.V. provided Azerion Group N.V. with a pledge security over approximately 10.5 million ordinary shares of the Group (the 'Security Shares') currently owned by Principion Holding B.V. and a call option over the Security Shares (the 'Call Option'). The Call Option grants the Group a right to call the Security Shares in their entirety or in parts at any time from grant and until and no later than 31 March 2025.
- The call option was classified as measured at fair value through profit and loss in accordance with requirements of *IFRS 9 Financial Instruments*. This classification resulted in a reclassification from the loan receivable from Principion Holding B.V. in the amount of € 7.8 million at the transaction date.
- the Group has a right to exercise the Call Option at the lower of the then current share price (defined as the average of the highest quoted price for each ordinary share on the five consecutive trading days immediately preceding exercise) and an exercise price of € 1.85 per share (the 'Exercise Price'). Amounts payable to Principion Holding B.V. in relation to such exercise(s) will be set-off against the then outstanding balance of loan receivable from Principion Holding B.V.
- there is a mandatory requirement for the Group to exercise the Call Option up to the value of the loan receivable or any outstanding balance thereof no later than 31 March 2025. If any residual amount of the loan receivable remains outstanding, this will be settled in cash by Principion Holding B.V. in favour of the Group (unless otherwise agreed).

In 2024 the total balance of the Loan to shareholder and the Call option was reclassified from Non-current financial assets to Other receivables as the maturity date was 31 March 2025 (see note 12: Trade and other receivables). However, the parties since then agreed on prolongation of the Loan Receivable and the Call Option. Please refer to note 33: Subsequent events for more details.

Interest of € 0.8 million was accrued on the loan to Principion Holding B.V. in 2024, recorded note 24: Net finance costs (2023: € 1.3 million).

Loss of € 6.8 million on remeasurement of the Call option fair value in 2024 was recorded in note 24: Net finance costs (2023: € 1.0 million). € 2.1 million out of the total amount was recorded as part of the Non-current financial assets movement and the rest in Trade and other receivables. For assumptions used in the measurement of the fair value of the Call option please refer to note 28: Fair value measurement.

The agreements described above were approved by Azerion's management board and supervisory board. For further details see note 11: Non-current financial assets and note 12: Trade and other receivables.

Guarantee agreements

In the SPA's entered into by Azerion with Genba, Strossle and Admeen a guaranteed value of the shares had been agreed. If the share price dropped, Azerion needed to give the sellers extra shares to make up for the difference which, under an agreement between Azerion Group N.V. and Principion Holding B.V. entered into at the time of the De-SPAC transaction, Principion Holding B.V. agreed to cover. The settlement with the sellers of Strossle and Admeen has been finalized with Principion Holding B.V. during the financial year 2023. Principion Holding B.V. has given 177,727 shares to the sellers of Admeen and 314,365 shares to the sellers of Strossle to cover the drop in the share price.

The settlement with the sellers of Genba has been finalized with Principion Holding B.V. during the financial year 2024. Principion Holding B.V. has given 599,192 shares to the sellers of Genba to cover the drop in the share price. Consequently, as of 31 December 2024 Azerion Group N.V. has no remaining receivable from Principion Holding B.V. to cover the drop in the share price relating to the guaranteed value remaining (2023: € 0.8 million).

Lease agreements

Azerion Holding B.V. (Azerion Holding) had a lease agreement with Cornellia SR1 B.V., for the property located at 182 Beech Avenue, Schiphol-Rijk, The Netherlands. This lease agreement was terminated as at 1st of August 2023 via a settlement agreement. As a result of the lease termination a settlement fee was paid in 2023 of € 1.5 million and an additional gain (non-cash) on the early cancellation was realized of € 0.3 million.

In 2020 Azerion Holding B.V. entered into a lease agreement which came into effect from 1 May 2021 with Cornellia SR2 B.V. for the property located at Boeing Avenue 30 and it will terminate on 30 April 2026. The lease agreement resulted in the following being recognised:

- right-of-use asset of € 1.2 million as at 31 December 2024 (2023: € 2.1 million)
- lease liability of € 1.4 million as at 31 December 2024 (2023: € 2.4 million)
- depreciation on the right-of-use asset € 0.9 million the year ending 31 December 2024 (2023: € 0.9 million)
- interest on lease liability of € 0.1 million for the year ending 31 December 2024 (2023: € 0.2 million)
- lease payments of € 1.1 million for the year ending 31 December 2024 (2023: € 1.0 million)

Cornellia SR1 B.V. and Cornellia SR2 B.V. are companies owned and controlled by shareholders of Principion Holding B.V. therefore Azerion qualified the lease agreements with Cornellia SR1 B.V. and Cornellia SR2 B.V. as related party transactions.

In 2021 Triodor Arastirma Gelistirme Yazlim Ve Bilisim Ticaret Ltd Sti, a wholly owned subsidiary of Azerion Group N.V. entered into lease agreements with Brick Realestate Gayrimenkul Yatirim Ltd. Sti. The lease agreement is due to terminate on 31 December 2025. Azerion considers Brick Real Estate a related party, as it is controlled by Principion Holding B.V.

The lease agreements resulted in the following being recognized:

- right-of-use asset of € 0.3 million as at 31 December 2024 (2023: € 0.2 million)
- lease liability of € 0.4 million as at 31 December 2024 (2023: € 0.3 million)
- depreciation on the right-of-use asset € 0.3 million the year ending 31 December 2024 (2023: € 0.1 million)
- interest on lease liability of € 0.1 million for the year ending 31 December 2024 (2023: € 0.1 million)
- lease payments of € 0.4 million for the year ending 31 December 2024 (2023: € 0.2 million)

The weighted average IBR applied in 2024 to lease liabilities was 8.1% (2023: 8.4%). For further details see note 10: Leases.

The group has rental agreements for two apartments in the Netherlands to use as a temporary accommodation for new Azerion employees who are relocating to the Netherlands. Total amount of rent expense for both apartments was € 43 thousand for the year 2024 (2023: € 41 thousand). One of the landlords of the apartments for which a rental agreement has been signed is a key management member in the group and the other landlord is a family member of a key management member and are therefore considered as related parties.

Lidion Bank plc
Certain subsidiaries of Azerion have entered into a non-recourse factoring agreement with Lidion Bank plc. As a result of such factoring agreement, the total amount of receivables factored and derecognized as at 31 December 2024 is amounting to € 79.7 million (2023: € 70.0 million) and interest expense recognized in profit and loss is amounting to € 8.0 million (2023: € 4.5 million). The total amount of liabilities due to non-recourse factoring is amounting to € 32.0 million as of 31 December 2024 (2023: € 25.6 million).

Azerion considers Lidion Bank plc a related party, since the co-CEOs own, through their personal holding companies, an indirect 72.74% shareholding in Lidion Bank plc.

27 List of subsidiaries

The Group's principal subsidiaries at 31 December 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The registered office is also their principal place of business.

List of subsidiaries

in % of ownership

	Registered office	31 December 2024	31 December 2023
Adexpert SPRL [1]	Oudergem (BE)	-	100
Admeen B.V.	Hattemerbroek (NL)	51	51
AdUX Benelux SPRL	Oudergem (BE)	100	100
AdUX SA	Paris (FR)	54.95	54.95
Artificial Intelligence for Performance SLU	Madrid (ES)	100	100
Azerion AG	Düsseldorf (DE)	100	100
Azerion Belgium SRL	Oudergem (BE)	100	100
Azerion Danmark ApS (former Strossle Denmark ApS)	Copenhagen (DK)	100	100
Azerion Finland OY	Helsinki (FI)	100	100
Azerion France SARL	Paris (FR)	100	100
Azerion Games en Content Holding B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Gaming B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion IP B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Italy Srl	Milan (IT)	100	100
Azerion JGH B.V. (former Youda Games Holding B.V.) [12]	Schiphol-Rijk (NL)	-	100
Azerion Metaverse B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Nederland B.V. [2]	Schiphol-Rijk (NL)	100	100
Azerion Norway AS	Oslo (NO)	100	100
Azerion Platform FR SAS (former Madvertise Media SAS)	Paris (FR)	100	100
Azerion Portugal Lda	Lisbon (PT)	75	75
Azerion Productions Casual B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Productions E-Business B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Productions GD B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Productions PG B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Productions Services B.V. [2]	Schiphol-Rijk (NL)	100	100
Azerion Services B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Spain S.L.	Madrid (ES)	100	100
Azerion Sports B.V. [2]	Schiphol-Rijk (NL)	100	100
Azerion Sverige AB (former Strossle International AB)	Stockholm (SE)	100	100
Azerion Sweden AB [1]	Stockholm (SE)	-	100
Azerion Sweden SB AB [1]	Stockholm (SE)	-	100
Azerion Tech Engineering B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Tech Holding B.V. [2]	Schiphol-Rijk (NL)	100	100
Azerion Tech Productions B.V. [12]	Schiphol-Rijk (NL)	-	100
Azerion Technology B.V. (former Improve Digital Ltd) [2]	Schiphol-Rijk (NL)	100	100
Azerion UK Ltd	London (GB)	100	100
Azerion US Inc.	New Castle, DE (US)	100	100
Collective Europe Ltd [3]	London (GB)	-	100
Delta Projects AB [1]	Stockholm (SE)	-	100
Delta Projects AS	Oslo (NO)	100	100
Delta Projects Denmark ApS [1]	Copenhagen (DK)	-	100
Delta Projects Deutschland GmbH	Düsseldorf (DE)	100	100
Delta Projects Netherlands B.V. [12]	Schiphol-Rijk (NL)	-	100
Funtomic Ltd	Ramat Gan (IL)	100	100
Genba Digital Ltd	London (GB)	100	100
Goldbach Audience Austria GmbH	Vienna (AT)	100	-
Goldbach Austria GmbH	Vienna (AT)	100	-

	Registered office	31 December 2024	31 December 2023
Goldbach Media Austria GmbH	Vienna (AT)	100	-
Hawk Belgium SRL [1]	Uccle (BE)	-	100
Hawk France SAS	Paris (FR)	100	100
Hawk GmbH	Frankfurt (DE)	100	100
Hawk Platform Ltd (Tabmo)	London (GB)	100	100
Hawk SAS [1]	Paris (FR)	-	100
Hi-Media Nederland B.V. [23]	Hilversum (NL)	-	100
Hybrid Theory BCN SL [3]	Barcelona (ES)	-	100
Hybrid Theory Global Ltd	Loughton (GB)	100	100
Hybrid Theory Limited [3]	Hong Kong (HK)	-	100
Hybrid Theory Pte Ltd	Singapore (SG)	100	100
Infinia Brazil Publicidade Digital Ltda	São Paulo (BR)	100	100
Infinia Mobile Chile SPA	Santiago (CL)	100	100
Infinia Mobile Colombia SAS	Bogota (CO)	100	100
Infinia Mobile Peru SRL	Lima (PE)	100	100
Infinia Mobile S.L.	Madrid (ES)	100	100
InSkin Media Asia Limited	Hong Kong (HK)	100	100
InSkin Media Australia Pty Ltd	Epping (AU)	100	100
InSkin Media GmbH	Hamburg (DE)	100	100
InSkin Media Singapore PTE Ltd	Singapore (SG)	100	100
Keygames Network B.V. [2]	Schiphol-Rijk (NL)	100	100
KMobile AB [1]	Stockholm (SE)	-	100
Latinia US Corp [1]	Miami (US)	-	100
Local Media SARL	Paris (FR)	99.99	99.99
Mforma Europe Ltd	London (GB)	100	100
Mmedia B.V. [12]	Schiphol-Rijk (NL)	-	100
Monolith Partners SAS	Paris (FR)	100	100
PDPH SA	Oudergem (BE)	100	-
Playcade Interactive GmbH	Hamburg (DE)	100	100
Plinga GmbH	Berlin (DE)	100	100
Produpress SA	Oudergem (BE)	100	-
Quantum Advertising GmbH	Neuss (DE)	100	100
Quantum Advertising Nederland B.V. [2]	Rotterdam (NL)	100	100
Quantum Belgium SPRL [1]	Oudergem (BE)	-	100
Quantum Native Solutions Italia SRL	Milan (IT)	100	100
Quantum Publicidad S.L.	Madrid (ES)	100	100
Quantum SAS	Paris (FR)	100	100
Radionomy Group B.V. [2]	Schiphol-Rijk (NL)	100	100
Radionomy Inc. [1]	Dover, DE (US)	-	100
Radionomy SA	Oudergem (BE)	100	100
Right Audience SA de CV	Mexico City (MX)	100	100
Rocabee Ltd	London (GB)	100	100
Shoutcast SRL [1]	Oudergem (BE)	-	100
sMeet Communications GmbH	Berlin (DE)	100	100
SPIL GAMES Group B.V. [12]	Schiphol-Rijk (NL)	-	100
Strossle Czech Republic s.r.o. [4]	Prague (CZ)	-	100
Strossle Denmark ApS	Copenhagen (DK)	100	100
Strossle Finland OY	Helsinki (FI)	100	100
Strossle Hungary KFT.	Budapest (HU)	100	100
Strossle Italia Srl	Milan (IT)	100	100
Strossle Norge AS	Oslo (NO)	100	100
Sublime Skinz Asia Private Limited	Singapore (SG)	100	100
Sublime Skinz GmbH [3]	Hamburg (DE)	100	100
Sublime Skinz Labs SAS	Paris (FR)	100	100
Sublime Skinz Limited [3]	London (GB)	-	100
Sublime Skinz SASU [1]	Paris (FR)	-	100

	Registered office	31 December 2024	31 December 2023
Sulake OY	Helsinki (FI)	100	100
Sulake Spain SLU	Madrid (ES)	100	100
Sulake UK Ltd [3]	Berkshire (GB)	–	100
TabMo Inc [1]	New Castle, DE (US)	–	100
TargetSpot Belgium SRL	Oudergem (BE)	100	100
TargetSpot Deutschland GmbH	Cologne (DE)	100	100
TargetSpot Espana SL	Madrid (ES)	100	100
TargetSpot Inc. [1]	New Castle, DE (US)	–	100
TargetSpot UK Ltd	London (GB)	100	100
Titan Gate EAD (Pubgalaxy)	Varna (BG)	100	100
Triodor Arge TR	Istanbul (TR)	100	100
Triodor Holding B.V. [2]	Schiphol-Rijk (NL)	100	100
Veedly S.r.l [1]	Milan (IT)	–	100
View&Buy International S.L [3]	Madrid (ES)	–	100
Vlyby Digital GmbH	Munich (DE)	100	100
Voidu B.V. [2]	Schiphol-Rijk (NL)	100	100
WHOW Games GmbH	Hamburg (DE)	100	100
Whow Marketing GmbH	Hamburg (DE)	100	100
Widespace Bangladesh Ltd.	Dhaka (BD)	100	100
Widespace B.V. (former Azerion Media Sales) [12]	Schiphol-Rijk (NL)	–	100
WoozWorld Inc [4]	Toronto (CA)	–	100
Zoom.in Beijing Co., Ltd.	Beijing (CHN)	100	100
Zoom.in Brasil Ltda.	São Paulo (BR)	100	100
Zoom.in Deutschland GmbH	Berlin (DE)	100	100
Zoom.in Group B.V. [12]	Schiphol-Rijk (NL)	–	100
Zoom.in Italia Sarl [3]	Milan (IT)	–	100
Zoom.in Mexico CV de SA	Mexico (MX)	100	100

[1] Merged with another company from the Group during 2024

[2] Azerion Group N.V. has issued a joint and several liability statement to the provisions of Section 403, Part 9, Book 2 of the Dutch Civil Code with respect to legal entities established in the Netherlands.

[3] The company was liquidated during 2024

[4] The company was sold during 2024

The AdUX group represents a subsidiary with a material non-controlling interest which has a material impact on the results of the group. The AdUX group includes all the subsidiaries of the Group with non-controlling interest, except Admeen B.V. (which is immaterial). Summary financial information relating to the activities of the AdUX group are presented below.

Summary financial performance

In millions of €

	2024	2023
Sales	24.6	22.1
Cost of sales	(14.1)	(11.7)
Gross profit	**10.5**	**10.4**
Purchases	(3.1)	(3.1)
Payroll costs	(3.0)	(3.6)
Depreciation and amortisation	(1.2)	(1.2)
Other income and charges	(0.1)	(0.1)
Operating profit	**3.1**	**2.4**
Cost of indebtedness	(0.3)	(0.2)
Other financial income and charges	–	0.1
Earnings before tax	**2.8**	**2.3**
Income Tax	0.9	(0.1)
Net income	**3.7**	**2.2**
Including Group share	**3.7**	**2.2**

Summary statement of financial position

In millions of €

	2024	2023
Assets		
Net Goodwill	2.5	2.5
Net intangible fixed assets	0.6	0.5
Net tangible fixed assets	–	0.1
Right-of-use assets related to leases	0.9	0.2
Deferred tax assets	1.0	–
Non-current financial assets	0.2	0.2
Non-current assets	**5.2**	**3.5**
Customers and other debtors	26.9	25.9
Other current assets	7.2	9.0
Cash and cash equivalents	2.0	1.9
Current assets	**36.1**	**36.8**
Total assets	**41.3**	**40.3**
Equity and liabilities		
Shareholders' equity	**2.4**	**(1.4)**
Long-term borrowings and financial liabilities	–	0.1
Long-term lease liabilities	0.2	0.1
Non-current Provisions	0.2	0.3
Non-current liabilities	**0.4**	**0.5**
Short-term financial liabilities and bank overdrafts	4.5	3.5
Short-term lease liabilities	0.7	0.2
Current provisions	0.3	0.1
Suppliers and other creditors	26.1	28.2
Other current debts and liabilities	6.9	9.2
Current liabilities	**38.5**	**41.2**
Total equity and liabilities	**41.3**	**40.3**

Summary statement of cash flows

In millions of €

	31 December 2024	31 December 2023
Net cashflow from operating activities	1.3	(0.8)
Net cashflow from investing activities	(0.4)	(0.4)
Net cash flow from financing activities	(0.8)	1.1
Net cash flow for the period	**0.1**	**(0.1)**
Cash and cash equivalents on 1 January	1.9	2.0
Cash and cash equivalents at the end of the period	**2.0**	**1.9**

28 Fair value measurement

IFRS 13 establishes a hierarchy that categorizes into three levels the inputs used to measure fair value by giving the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs). In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement. Levels used in the hierarchy are as follows:

Level 1: fair values are based on quoted prices in active markets.

Level 2: fair values are determined based on valuation techniques which use inputs that are based on observable market data.

Level 3: fair values that are determined based on valuation techniques which use inputs that are not based on observable market data.

Financial instruments at amortised cost
The majority of the Group financial assets and liabilities are carried at amortised cost using the effective interest method. The fair values of these instruments are not materially different from their carrying values since the instruments are either short-term in nature or the interest rates are on market terms.

There were no transfers between fair value hierarchy levels in 2024 and 2023.

Fair value measurement of the equity-settled Share-Based Payments (note 15: Share-based payments)
All equity-settled Share-Based Payments are measured at fair value upon the grant date.

For the fair value measurement of the Conditional Special shares and Davey Call Options, recognised as Share-Based Payments a level 3 valuation method was applied at grant date.

The HTP Call Options are measured applying the stock market closing price of the shares of Azerion Group N.V. at the transaction date, for the Conditional HTP Call Options a discount was taken into account. This is a level 2 valuation; no other inputs were applied.

For the Azerion Founder Warrants, as the terms and conditions are closely comparable to those of the Public Warrants, the market price of the listed Public Warrants at grant date was applied. This is a Level 2 valuation technique. Aside from the market price of the Public Warrants no other inputs are used.

Fair value measurement of Share Appreciation Rights classified as other liabilities (note 17: Other liabilities)
Share appreciation rights are measured based on the price of the listed shares of Azerion Group N.V. at the Amsterdam Stock Exchange. No other inputs were used.

Fair value measurement of Warrants (note 17: Other liabilities)
The liabilities on warrants include Public Warrants and Founder Warrants. The fair value measurement of these instruments is as follows:

- The Public Warrants are listed at the Amsterdam Stock Exchange; the listed warrant price at the end of a reporting period is applied. This is a Level 1 valuation technique.
- The terms and conditions of the Founder Warrants are closely comparable to those of the Public Warrants. The Group applies the market price of the listed Public Warrants at the end of a reporting period to measure the liability regarding the Founder Warrants. This is a Level 2 valuation technique. Aside from the market price of the Public Warrants no other inputs are used.

Fair value measurement of Receivable from Principion Holding B.V. (note 12: Trade and other receivables)
With an objective of simplifying the Groups capital structure, the Group and Principion Holding B.V. restructured their borrowing arrangements on 11 December 2023. Principion granted the Group a right to acquire a maximum of 10,548,229 of Azerion's Shares held by Principion, against a price per share which will be the lower of EUR 1.85 or

the current share price at the moment of exercise (defined as the average of the highest quoted price for each ordinary share on the five consecutive trading days immediately preceding exercise). The exercise price will, upon each exercise, be set off against the corresponding amount outstanding under the remaining amount owed by Principion.

With the introduction of this call option, the receivable is required to be measured at fair value, with gains and losses on remeasurement recognized in profit and loss. For the calculation of the fair value of the call option the Black-Scholes model is used, which is an income approach for valuation purposes. The following assumptions are used in the calculation:

- The share price of the listed Azerion Group N.V. shares;
- The most recent historical volatility of the share price of Azerion Group N.V., matching the tenor of the call option, as traded on Euronext Amsterdam.
- The risk free interest rate: German government bond interest rate over the same period as time to maturity;
- It is assumed that no dividends will be paid during the exercise period;
- The exercise period of the call option: up to the mandatory exercise date of 31 March 2025.

Based on the fact that the inputs for the assumptions are directly or indirectly observable, the Group concludes that the valuation method used was based on Level 2 inputs. There were no changes between the input levels in 2024.

This call option had a fair value of nil as per 31 December 2024 and the fair value loss was fully recognized in profit and loss. The observable inputs used for the calculation as at 31 December 2024 were:

Element	Range or Period
Closing price of the listed shares of Azerion Group N.V.	€ 1.16
Annualised volatility of the price of the Azerion Group N.V. shares	40%
Risk free interest rate	2.49%
Remaining exercise period	1 January 2025 - 31 March 2025
Dividend yield	0%

For movement in relation to the receivable refer to note 11: Non-current financial assets and note 12: Trade and other receivables.

Fair value measurement of the continuing involvement asset and liability (note 17: Other liabilities)
The fair value of the continuing involvement asset and liability is calculated by applying a model in which the best estimate of the period of financing, the amount financed and the interest rate charged are the key factors.

29 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign currency exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Euros (€)	Sensitivity analysis	Part of the daily business management
Credit risk	Cash and cash equivalents, trade and other receivables	Credit ratings	Diversification of bank accounts. Part of the daily business management
Liquidity risk	Lease liabilities, employee benefit obligations, trade payables, accruals and other liabilities	Maturity analysis	Availability of committed credit lines and borrowing facilities
Capital risk	Equity and external debts	Ratio analysis	Part of the daily business management

Susceptibility of the Group to financial risks is monitored as a part of its daily management of the business.

Market risk

Foreign currency exchange

The functional currency of the Group is the Euro. The Group faces currency risks related to the transactions carried out in the currencies other than the functional currency. The objective of the foreign currency risk management is to limit foreign currency exposure, as far as possible, by matching liabilities and cash outflows in foreign currency with respective assets and inflows in foreign currency. Conversion risk remains relatively low and Azerion's business, finance and treasury teams work together to manage evolving foreign exchange risks.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Euro currency units, was as follows:

Exposure to foreign currency risk

In millions of €

	American Dollar	British Pound	Swedish Krona	Other
31 December 2024				
Trade and other receivables	10.4	3.9	(0.3)	1.0
Other non-current assets	-	-	-	-
Cash and cash equivalents	4.5	4.4	0.2	0.4
External borrowings	-	-	-	-
Trade payables, accruals and other liabilities	(46.1)	(15.0)	(0.7)	(0.9)
Exposure	**(31.2)**	**(6.7)**	**(0.8)**	**0.5**

Exposure to foreign currency risk [1]

In millions of €

	American Dollar	British Pound	Swedish Krona	Other
31 December 2023				
Trade and other receivables	7.6	6.8	0.4	1.2
Other non-current assets	-	-	-	-
Cash and cash equivalents	3.8	4.1	0.2	0.2
External borrowings	-	-	-	-
Trade payables, accruals and other liabilities	(44.7)	(11.5)	(1.0)	(1.1)
Exposure	**(33.3)**	**(0.6)**	**(0.4)**	**0.3**

[1] Based on voluntary management decision comparatives for 2023 have been updated. There has been no material effect on the financial statements as a result.

Sensitivity analysis
A possible strengthening (weakening) of the foreign currencies by +/- 10.0% against the local currency of the entities in the group at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

Sensitivity analysis
In millions of €

	American Dollar	British Pound	Swedish Krona	Other
31 December 2024				
Currency strengthening by 10%	(3.1)	(0.7)	(0.1)	0.1
Currency weakening by 10%	3.1	0.7	0.1	(0.1)

Sensitivity analysis [1]
In millions of €

	American Dollar	British Pound	Swedish Krona	Other
31 December 2023				
Currency strengthening by 10%	(3.3)	(0.1)	-	-
Currency weakening by 10%	3.3	0.1	-	-

[1] Based on voluntary management decision comparatives for 2023 have been updated. There has been no material effect on the financial statements as a result.

Warrants
Market risk is the risk that changes in market prices – e.g., interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is mainly subject to changes in the market price of the Public Warrants and Founder Warrants as movements in the fair value of these instruments are directly recognised in profit and loss. As these instruments are directly related to the listed ordinary shares of the Group, movements in the value of the ordinary shares will have an impact on the value of these instruments.

However, given the quite immaterial balance of the Public Warrants and Founder Warrants as at 31 December 2024, a reasonably expected change in market prices (10%) will also have a negligible effect on the financial statements of Azerion.

Credit risk
The objective of credit risk management is to minimize the risk of counterparties defaulting on their repayments that could adversely impact the cash flows and lead to losses.

Credit risk arising from cash at bank is considered to be minimal. Majority of the cash at bank and deposits are held with high credit quality financial institutions with a credit rating of A or higher.

With respect to trade and other receivables, the Group mitigates the credit risk through a number of different methodologies, including where appropriate the use of credit limits, specified payments periods or other specific contract terms. These receivables are relatively short term in nature. The credit quality of the customer, considering its financial performance, liquidity ratios, past experience and other factors (e.g., funding rounds) is used to assess the credit risk relating to the customer. The compliance with credit limits is monitored regularly by management.

The Group relies on a number of third parties to provide payment processing services ('payment service providers') to collect amounts due from end-users. Payment service providers are financial institutions or credit card companies that the Group believes are of high credit quality.

Exposure to credit risk

In millions of €

	31 December 2024	31 December 2023
Trade and other receivables	184.6	196.7
Cash at bank	90.6	40.3
Exposure	**275.2**	**237.0**

The Group's definition of default and write-off policy is based on market practice and the country of operation. The expected credit loss is determined using a combination of approaches, consisting of individual assessment, netting and provision matrix application. Azerion first assesses trade receivables to determine whether individual receivables have facts and circumstances that may cause it to be impaired. These facts (not exhaustive) include historical collectability issues as well as expected future collectability issues due to the nature of the trade receivables or economic conditions experienced. Prior to application of the provision matrix, the non-impaired trade receivables are adjusted for specific trade receivables where a payable position also exists. For these accounts Azerion settles based on the net position thereof (whether receivable or payable). The provision matrix is then applied to non-impaired trade receivables as at the balance sheet date.

When estimating the expected credit losses on AR balances a probability-based provision matrix is typically used based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtor's general economic conditions and an assessment of both the current and the forecast direction of conditions at the reporting date. Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions was used.

Azerion's current process in calculating a loss allowance on their trade receivables, which includes an assessment of the probability of default, is facilitated through robustly applying the following metrics per 3rd party debtor to identify debtors for which a doubtful debt allowance may have to be raised:

- Assess historic payment behaviour to build an expectation about future payment behaviour.
- Assess communication with third party debtors, such as responses sent by the client on debt reminders to identify risks of disputes/non-payment of current balances in the future.
- Assess knowledge within Azerion Group and the local finance teams on whether they have any knowledge of debtors which might have financial difficulties, possibly triggered by macroeconomic events, which may indicate that they may not be able to settle their debts in the future.
- Assess any letters of insolvency received from debtors, indicating that the respective debtors may have to be provided for.
- Assess any payment agreements made with specific customers and whether those customers have a history of honouring those agreements to determine the need of whether to provide for any 3rd party debtors at doubtful based on expected future behaviour.
- Assess the aging of debtors to identify debtors who are past due and who have not responded to reminders for payment, which may indicate that the future settlement of their accounts is doubtful.
- Utilize forward looking indicators, such as macroeconomic developments, where necessary.

Changes in the loss allowances balance are recognized in profit or loss as an impairment gain or loss. The allowance is netted with the outstanding gross amount of the trade receivables as at the balance sheet date.

Accounts receivables ageing

In millions of €

	31 December 2024	31 December 2023
Not due	68.3	67.6
< 30 days	7.7	25.6
30 < 60 days	7.7	10.6
60 < 90 days	4.3	2.3
90 < 120 days	8.2	3.1
120 < 180	1.5	4.7
> 180 days.	10.7	10.0
Gross receivables	**108.4**	**123.9**
Loss allowance	(4.8)	(4.8)
Net receivables	**103.6**	**119.1**

Guarantees

For details please refer to note 27: List of subsidiaries.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The liquidity risk management implies maintaining sufficient cash and committed credit facilities by regularly monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below analyses the Group's financial liabilities by their remaining period to maturity based on the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows (these amounts may not reconcile to the amounts disclosed on the statement of financial position).

The Group assesses the liquidity risk related to the warrants as limited, also evident by the low current market value of the instruments. In addition, on exercising their warrants, the holders of the Public Warrants have to pay the exercise price to the Group. The holders of the Founder Warrants have a cashless exercise option, and the Azerion Founder Warrants can be exercised cashlessly.

Exposure to liquidity risk

In millions of €

	within the next 12 months	Between 1 and 5 years	Beyond 5 years
31 December 2024			
Trade payables	137.0	-	-
Accrued liabilities	97.5	-	-
Lease liabilities	7.9	12.8	1.4
Borrowings	39.2	289.7	-
Other liabilities	42.6	15.2	-
Exposure	**324.2**	**317.7**	**1.4**

Exposure to liquidity risk

In millions of €

	within the next 12 months	Between 1 and 5 years	Beyond 5 years
31 December 2023			
Trade payables	142.0	-	-
Accrued liabilities	112.7	-	-
Lease liabilities	5.3	10.0	2.7
Borrowings	21.7	202.6	-
Other liabilities	38.0	16.5	-
Exposure	**319.7**	**229.1**	**2.7**

Capital risk

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings disclosed in note 10: Leases, note 19: Borrowings and note 26: Related parties after deducting cash and bank balances) and equity of the Group (comprising issued capital, reserves, retained earnings and noncontrolling interests as disclosed in note 14: Equity and the statement of changes in Equity).

The Group's Supervisory Board regularly reviews the capital structure of the Company. As part of this review, the Supervisory Board considers the cost of capital and the risks associated with each class of capital. The net debt to equity ratio at 31 December 2024 is 3.5 (see below):

Exposure to capital risk

In millions of €

	31 December 2024	31 December 2023
Debt	(293.6)	(184.6)
Cash and cash equivalents	90.6	40.3
Net debt	**(203.0)**	**(144.3)**
Equity	(57.2)	(109.6)
Net debt to equity ratio	**3.5**	**1.3**

Concentration of risk

Revenues of approximately € 65.7 million (2023: € 75.6 million) representing 11.9% of the Group's total revenues (2023: 14.7%) are derived from a single external customer, Google Ireland Ltd. However, the risk is largely mitigated by: a) Existence of varied customer base for the majority of the Group's revenues; b) The fact that revenues generated from Google Ireland Ltd represent a proxy for diverse revenue streams and underlying bases of many multiple customers spread across the Group's consumer and advertising businesses; and c) the fact that the advertisers and consumers ultimately direct their own spending, and only use Google Ireland Ltd as a method of accessing our content.

30 Financing activities

Financing activities

In millions of €

	Senior secured floating rate bonds	Debt to credit institutions	Other	Borrowings sub-total	Lease liabilities	Total
As at 1 January 2023	**199.8**	**9.5**	**0.1**	**209.4**	**19.2**	**228.6**
Cash movements:						
New loans	162.5	–	0.3	162.8	–	162.8
Repayments	(200.0)	(4.4)	(0.1)	(204.5)	(6.8)	(211.3)
Interest paid	(14.1)	–	(0.1)	(14.2)	(1.4)	(15.6)
Capitalised transaction cost	(3.5)	–	–	(3.5)	–	(3.5)
Settlement related to early cancellation	–	–	–	–	(1.5)	(1.5)
Non-cash movements:						
Additions due to acquisitions	–	1.8	–	1.8	–	1.8
New lease liabilities recognized	–	–	–	–	5.4	5.4
Loss on derecognition	1.1	–	–	1.1	–	1.1
Interest accrued	17.9	–	–	17.9	1.4	19.3
Gain on early cancellation (non-cash)	–	–	–	–	(0.3)	(0.3)
Exchange differences	–	–	–	–	(0.3)	(0.3)
Cancellation	–	–	–	–	(1.6)	(1.6)
Other movements	0.1	(0.4)	(0.2)	(0.5)	0.2	(0.3)
As at 31 December 2023	**163.8**	**6.5**	**–**	**170.3**	**14.3**	**184.6**
Cash movements:						
New loans	96.6	9.7	–	106.3	–	106.3
Repayments	–	(3.4)	–	(3.4)	(7.7)	(11.1)
Interest paid	(18.1)	(0.4)	–	(18.5)	(1.7)	(20.2)
Capitalised transaction cost	(2.2)	–	–	(2.2)	–	(2.2)
Non-cash movements:						
Additions due to acquisitions	–	–	–	–	1.7	1.7
New lease liabilities recognized	–	–	–	–	9.3	9.3
Interest accrued	21.2	0.5	–	21.7	1.7	23.4
Exchange differences	–	–	–	–	0.1	0.1
Cancellation	–	–	–	–	(0.6)	(0.6)
Reassessments and other	–	–	–	–	2.3	2.3
As at 31 December 2024	**261.3**	**12.9**	**–**	**274.2**	**19.4**	**293.6**

Refer to note 10: Leases and note 19: Borrowings where the nature of the movements within the period is disclosed.

Refer to note 19: Borrowings for details on the recourse factoring agreement.

31 Operating segments

Products and services from which reportable segments derive their revenues

Information reported to the Group's Chief Executive Officers (Chief Operating Decision Makers) for the purposes of resource allocation and assessment of segment performance is focused on the business activities which generates certain classes of revenue and incurs certain classes of expenses. The principal business activities generate revenue through Platform and Premium Games segments.

Management has presented the performance measure Adjusted EBITDA because the Group's Chief Executive Officers monitors this performance measure as it is relevant for the purpose of resource allocation and assessment of segment performance.

The Group's reportable segments in 2024 under IFRS 8 are therefore as follows:

- Platform
- Premium Games

Segment information

An analysis of the Group's revenue by reportable segment in 2024 and 2023 is detailed under note 20: Revenue

For the purposes of monitoring segment performance and allocating resources between segments the Group's Chief Executive Officers monitor the tangible, intangible and financial assets attributable to each segment. Goodwill has been allocated to reportable segments as described in note 8: Goodwill. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments. The unallocated assets relate to current tax assets, deferred tax asset and non-current financial assets.

Analysis of the Group's assets by reportable segment

In millions of €

	31 December 2024	31 December 2023
Platform	593.5	509.8
Premium Games	78.4	107.7
Total segment assets	**671.9**	**617.5**
Unallocated assets	7.2	34.5
Total assets	**679.1**	**652.0**

Geographical information

The Group's revenue from external customers by geographical location is detailed under note 20: Revenue

Information about its non-current tangible and intangible assets by geographical location are detailed below:

Analysis of the Group's non-current tangible and intangible assets by geographical location

In millions of €

	31 December 2024	31 December 2023
The Netherlands	92.1	90.0
Germany	75.3	80.0
Great Britain	49.2	49.9
France	71.7	72.0
Nordic countries [1]	36.4	39.4
Other European countries	56.1	45.4
Non-European countries	3.1	3.8
Total non-current assets	**383.9**	**380.5**

[1] The Nordic countries include Denmark, Finland, Iceland, Norway and Sweden.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3: Significant accounting policies.

Reconciliation of Profit / (loss) for the year to Adjusted EBITDA [1]

In millions of €

	2024				2023			
	Azerion Group	Premium Games	Platform	Other	Azerion Group	Premium Games	Platform	Other
Profit / (loss) for the period	**(56.0)**				**25.1**			
Income Tax expense	(7.3)				19.0			
Profit / (loss) before tax	**(63.3)**				**44.1**			
Net finance costs	39.5				28.7			
Share in profit/(loss) of associates	(0.5)				-			
Operating profit / (loss)	**(24.3)**	**(22.6)**	**(1.7)**	**-**	**72.8**	**74.8**	**(2.0)**	**-**
Depreciation & Amortisation	47.8	11.5	36.3	-	46.4	12.9	33.5	-
Share in profit/(loss) of associates	0.5	-	0.5	-	-	-	-	-
Social card games portfolio	21.9	21.9	-	-	(72.6)	(72.6)	-	-
Other	5.7	1.5	4.2	-	3.2	0.7	2.5	-
Acquisition expenses [2]	22.2	-	22.2	-	14.4	1.1	13.3	-
Restructuring	1.3	0.4	0.9	-	7.7	1.8	5.9	-
Adjusted EBITDA	**75.1**	**12.7**	**62.4**	**-**	**71.9**	**18.7**	**53.2**	**-**

[1] Adjusted EBITDA represents operating Profit / (Loss) excluding depreciation, amortisation, impairment of non-current assets, restructuring and acquisition related expenses and other items at management discretion, principally those assessed as extraordinary items or non-recurring items which are not in line with the ordinary course of business. This is the measure reported to the Group's Chief Executive Officers for the purpose of resource allocation and assessment of segment performance.

[2] In the past, all changes to the fair value of liabilities for contingent considerations were adjusted out of EBITDA on the basis that these impacts were acquisition related. Management has decided to cease these adjustments where the consideration is contingent upon the achievement of financial targets, because these changes in fair value are offsetting opposite movements already included in the operational performance of the acquired entity. This change has been applied prospectively.

Additional notes:

Acquisition expenses include € 7.7 million relating to:

- € 4.8 million in Q2 2024 on one-off settlement of a commercial dispute and contingent consideration fair value loss (non-operational performance target) relating to a previous acquisition
- € 2.9 million in Q3 2024 on renegotiation of contingent consideration terms for one of the acquisitions.

The net finance costs and income tax expense are managed on a consolidated level and therefore are not split on segmental level.

32 Earnings per share

Basic profit/(loss) per share

Basic profit/(loss) per share

in €

	31 December 2024	31 December 2023
From continuing operations attributable to the ordinary equity holders of the company	(0.5)	0.2
Total basic profit/(loss) per share attributable to the ordinary equity holders of the company	(0.5)	0.2

Profit/(loss) used in calculating loss per share

Profit/(loss) attributable to equity holders

in millions of €

	31 December 2024	31 December 2023
Profit/(loss) for the year	(56.0)	25.1
Less: Profits from continuing operations attributable to non-controlling interests	(1.9)	(1.4)
Profit /(loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share:	(57.9)	23.7

Weighted average number of shares used as the denominator

Weighted average number of shares

Number of shares

	31 December 2024	31 December 2023
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	121,393,416	119,777,999

Diluted profit/(loss) per share

Diluted profit/(loss) per share

in €

	31 December 2024	31 December 2023
From continuing operations attributable to the ordinary equity holders of the company	(0.5)	0.2
Total diluted profit/(loss) per share attributable to the ordinary equity holders of the company	(0.5)	0.2

The dilutive potential common shares are not taken into account in the periods for which there is a loss, as the effect would be antidilutive.

Weighted average number of diluted shares

Weighted average number of shares

Number of shares

	31 December 2024	31 December 2023
Weighted average number of diluted shares	121,664,621	123,686,860

Difference between weighted average number of diluted shares and weighted average number of ordinary shares results from the following potentially dilutive shares:

Potentially Dilutive shares 2024

Number of shares

	Number of Potentially Dilutive Shares	Theoretical Start Date	Theoretical End Date	Weighted Average Number of Shares
Conditional special shares [1]	1,152,886	1-Jan-24	31-Dec-24	-
HTP call options [1]	25,700	1-Jan-24	31-Dec-24	-
Davey call options [1]	110,996	1-Jan-24	31-Dec-24	-
Public warrants [1]	12,736,605	1-Jan-24	31-Dec-24	-
Founder warrants [1]	5,256,167	1-Jan-24	31-Dec-24	-
Azerion founder warrants [1]	17,992,773	1-Jan-24	31-Dec-24	-
Employee LTIP - Unvested	214,774	1-Jan-24	31-Dec-24	214,774
Employee LTIP - Vested I	112,835	1-Jan-24	30-Jun-24	55,954
Employee LTIP - Vested II	821	1-Jan-24	30-Jul-24	477
Total	**37,603,557**			**271,205**

[1] Conversion and/or exercise conditions for these instruments were not met during 2024. Therefore, their potential dilutive effect was not taken into account

Potentially Dilutive shares 2023

Number of shares

	Number of Potentially Dilutive Shares	Theoretical Issue Date	Theoretical End Date	Weighted Average Number of Shares
Subordinated loans - Principion	2,621,147	1-Jan-23	11-Dec-23	2,472,212
Subordinated loans - STAK I	96,299	1-Jan-23	31-Dec-23	96,299
Subordinated loans - STAK II	11,572	1-Jan-23	31-Jul-23	6,708
Subordinated loans - STAK III	53,433	1-Jan-23	9-Nov-23	45,800
Conditional special shares [1]	1,152,886	1-Jan-23	31-Dec-23	-
HTP call options [1]	25,700	1-Jan-23	31-Dec-23	-
Davey call options - Conditional [1]	110,996	1-Jan-23	31-Dec-23	-
Davey call options - Unconditional I	314,974	1-Jan-23	13-Feb-23	37,208
Davey call options - Unconditional II	314,000	1-Jan-23	14-Sep-23	220,835
Public warrants [1]	12,736,605	1-Jan-23	31-Dec-23	-
Founder warrants [1]	5,256,167	1-Jan-23	31-Dec-23	-
Azerion founder warrants [1]	17,992,773	1-Jan-23	31-Dec-23	-
Acquisition SARs - Hybrid Theory I	18,551	1-Jan-23	8-Feb-23	1,937
Acquisition SARs - Hybrid Theory II	1,171,236	1-Jan-23	15-Feb-23	144,796
Acquisition SARs - Hybrid Theory III	33	1-Jan-23	23-Jun-23	16
Acquisition SARs - Hybrid Theory IV	9,433	1-Jan-23	26-Jun-23	4,561
Acquisition SARs - Target Spot	38,298	1-Jan-23	27-Jan-23	2,736
Acquisition SARs - Sulake	792,207	1-Jan-23	20-Sep-23	570,215
Employee Share Awards - Unvested	328,430	11-Apr-23	31-Dec-23	238,202
Employee Share Awards - Vested I	132,736	3-Apr-23	28-Jun-23	31,361
Employee Share Awards - Vested II	167,887	11-Apr-23	21-Jun-23	32,747
Employee Share Awards - Vested III	7,343	11-Apr-23	18-Sep-23	3,228
Total	**43,352,706**			**3,908,861**

[1] Conversion and/or exercise conditions for these instruments were not met during 2023. Therefore, their potential dilutive effect was not taken into account.

33 Subsequent events

On 6 January 2025, the Group announced a new partnership with Moneytizer in France. The Moneytizer is a global advertising platform for publishers. The partnership involves a € 3.5 million investment and the goal is to enrich the unique content and audiences that the Group makes available for brands and agencies.

On 14 March 2025, it was announced that the Dutch Authority for the Financial Markets, the Autoriteit Financiële Markten (AFM), has concluded the investigation into irregularities in trading of Azerion shares. The investigation did not lead to any punitive measures against Azerion or its major shareholders.

Azerion Group N.V. and Principion Holding B.V. agreed to extend the term of the Loan and the Call Option (refer to note 11: Non-current financial assets) existing between the parties to 31 March 2026. The Call Option can be exercised with 12 months from 31 March 2025, hence until 31 March 2026, and the Loan is also repayable on 31 March 2026, under the condition that the other terms of the Agreement remain unchanged. This extension is in the interest of both parties thus is concluded to be at arm's length.

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Company statement of financial position

Company statement of financial position before appropriation of profit

In millions of €

	Notes	31 December 2024	31 December 2023
Assets			
Non-current assets		**201.1**	**335.0**
Financial fixed assets	B	200.4	334.3
Deferred tax assets		0.7	0.7
Current assets		**138.7**	**105.1**
Receivables, prepayments and accrued income	C	103.0	97.3
Cash and cash equivalents		35.7	7.8
Current tax assets		–	–
Total assets		**339.8**	**440.1**
Equity	D		
Share capital		1.2	1.2
Share premium		143.6	140.2
Share based payment reserve		12.6	12.7
Other equity instruments		(0.8)	–
Legal reserves		33.2	27.7
Currency translation reserve		(1.0)	(1.9)
Retained earnings		(80.5)	(99.3)
Result for the financial year		(57.9)	23.7
Total equity		**50.4**	**104.3**
Liabilities			
Non-current liabilities		**268.3**	**168.7**
Other non-current liability	E	7.0	4.9
Borrowings	F	261.3	163.8
Current liabilities		**21.1**	**167.1**
Other current liabilities	E	0.4	1.3
Trade, other payables and accrued liabilities	G	5.3	159.7
Borrowings		9.6	–
Current tax liability		5.8	6.1
Total liabilities		**289.4**	**335.8**
Total equity and liabilities		**339.8**	**440.1**

Company statement of profit or loss

Company statement of profit or loss

In millions of €

	Notes	2024	2023
General and administrative expenses		(7.9)	3.3
Personnel costs		(2.1)	(2.0)
Other gains and losses		(0.5)	-
Depreciation and amortisation		(0.2)	(0.1)
Losses on foreign currency		(0.1)	-
Operating profit / (loss)		**(10.8)**	**1.2**
Total finance income		5.0	18.2
Total finance costs	H	(30.8)	(27.6)
Result before tax		**(36.6)**	**(8.2)**
Income taxes		0.1	(6.4)
Result from subsidiaries		**(21.4)**	**38.3**
Result from operations after tax and result from subsidiaries		**(57.9)**	**23.7**
Profit / (loss) for the year		**(57.9)**	**23.7**

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A General information

The Company financial statements were authorized for issue by the Supervisory Board on 22 April 2025.

This annual report includes the Financial Statements regarding the financial year 2024 for Azerion Group N.V. , formerly known as European FinTech IPO Company 1 B.V. (‘EFIC1’). EFIC1 changed in legal form into a limited company (naamloze vennootschap) on 2 February 2022 and renamed from EFIC1 to Azerion Group N.V. as a result of a De-SPAC Transaction between EFIC1 and Azerion Holding B.V. which completed on 1 February 2022 ('De-SPAC Transaction').

Up until 1 February 2022, EFIC1 was a private limited liability company incorporated under Dutch law (besloten vennootschap met beperkte aansprakelijkheid), with its statutory seat in Amsterdam, the Netherlands. EFIC1 was admitted to listing and trading on Euronext Amsterdam on 26 March 2021 pursuant to an initial public offering (by way of a private placement, “IPO”).

Prior to the completion of its De-SPAC Transaction, EFIC1 was a special purpose acquisition company (“SPAC”) formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganisation or similar business combination with or acquisition of an operating business or entity. Azerion Group N.V. is registered in the Netherlands under the Chamber of Commerce registration number 81697244.

Following completion of the business combination, Azerion Group N.V. is a public company incorporated under Dutch law (naamloze vennootschap), with its statutory seat in Schiphol-Rijk, The Netherlands. The first day of trading on Euronext Amsterdam, post completion of the business combination, of the Ordinary Shares and Public Warrants in the Company under the new name of Azerion Group N.V. and the new ticker symbols AZRN and AZRNW respectively, was 2 February 2022.

Following the resignation of the executive and non-executive members of the EFIC1 management board and the appointment of the members of the management and supervisory boards in the Extraordinary General Meeting of Shareholders on 31 January 2022, the Management Board and the Supervisory Board of Azerion Group N.V. are acting as the responsible bodies as of the 1 February 2022 of the Company, as a result of the De-SPAC Transaction between EFIC1 B.V. and Azerion Holding B.V. on that date. They are therefore the responsible bodies for the Company and the financial statements 2023 and 2024.

In the second half of 2022 a legal merger between Azerion Group N.V. and Azerion Holding B.V. was proposed. As no objections were raised, this legal merger became effective as of 1 January 2023. This legal merger, under universal succession of title, took effect such that Azerion Group N.V., being the 100% shareholder of Azerion Holding B.V., absorbed all rights and obligations of Azerion Holding B.V. The two entities were both operating as Holding entities before the legal merger and Azerion Group N.V. continued to operate as a Holding entity after the legal merger took place. As Azerion Group N.V. filed a 403 statement for Azerion Holding B.V. related to the financial year ended 31 December 2022, the only financial statements to be published are those of Azerion Group N.V. There were no activities disposed as a result of the merger. In terms of accounting the balances from Azerion Holding B.V. are transferred to Azerion Group N.V. on the legal effective date of the merger and eliminated where necessary. There is no specific guidance in IFRS Accounting Standards relating to the accounting of legal mergers.

Basis for the preparation

The Company financial statements of Azerion Group N.V. have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

All amounts in the Company financial statements are presented in millions of euros (€), which is the Company’s functional currency and rounded to the nearest hundred thousand unless stated otherwise.

Financial fixed assets
Azerion Group N.V. applies the equity method for the presentation and measurement of the investment in Azerion Tech Holding B.V. as at 31 December 2024. Consolidated subsidiaries are all entities (including intermediate subsidiaries) over which Azerion Group N.V. has control.

Share of result of participating interests
The share in the result of participating interests consists of the share of the Company in the result of these participating interests.

Corporate income tax
The Company is the head of the fiscal unity for corporate income tax purposes. The Company recognizes the portion of corporate income tax that it would owe as an independent taxpayer, taking into account the allocation of the advantages of the fiscal unity. Settlement within the fiscal unity between the Company and its subsidiaries takes place through current account positions.

Cash flow statement
No cash flow statement is included in these company financial statements as the Company's cash flows are included in the consolidated cash flow statement.

B Financial fixed assets

Financial fixed assets

In millions of €

	Participations in Group Companies	Loan to Group Companies	Other Financial Fixed assets	Total
As at 1 January 2023	**88.9**	**-**	**-**	**88.9**
Equity value of investments previously owned by Azerion Holding B.V.	206.2	-	-	206.2
Value of shareholder loan previously owned by Azerion Holding B.V.	-	-	34.7	34.7
Repayments shareholder loan	-	-	(17.5)	(17.5)
Accrued interest on shareholder loan	-	-	1.4	1.4
Recognition call option agreement	-	-	7.8	7.8
Fair value adjustment on call option agreement	-	-	(1.0)	(1.0)
Value of Intercompany loans previously owned by Azerion Holding B.V.	-	126.0	-	126.0
Accrued interest intercompany loans	-	10.9	-	10.9
Elimination investment in Azerion Holding B.V.	(158.8)	-	-	(158.8)
Result from subsidiaries	38.3	-	-	38.3
Translation reserves from participations	(0.6)	-	-	(0.6)
Non-Controlling interest transaction	(2)	-	-	(2.0)
Other movements	0.0	-	-	0.0
As at 31 December 2023	**172.0**	**136.9**	**25.4**	**334.3**
Accrued interest intercompany loan	-	4.1	-	4.1
Capitalization of intercompany loan to equity	131.1	(131.1)	-	-
Capital contributions in Azerion Tech Holding B.V.	27.7	-	-	27.7
Result from subsidiaries	(21.4)	-	-	(21.4)
Translation reserves from participations	1.0	-	-	1.0
Fair value adjustment on call option agreement	-	-	(2.1)	(2.1)
Reclass call option to current assets	-	-	(4.7)	(4.7)
Accrued interest on shareholder loan	-	-	0.2	0.2
Reclass shareholder loan to current assets	-	-	(18.8)	(18.8)
Reclass intercompany loan to current assets	-	(9.9)	-	(9.9)
Intercompany dividend declared	(109.4)	-	-	(109.4)
Other equity instruments coming from Azerion Tech Holding B.V.	(0.8)	-	-	(0.8)
Other movements	0.2	-	-	0.2
As at 31 December 2024	**200.4**	**-**	**-**	**200.4**

The legal merger between Azerion Group N.V. and Azerion Holding B.V., which became effective on 1 January 2023. The equity method as applied by Azerion Holding B.V., is continued in Azerion Group N.V..

The loan between Azerion Group N.V. and Azerion Tech Holding B.V. is capitalized in 2024 where a capital contribution is made and therefore moved from loan to participations.

The other financial fixed assets are relating to a loan to shareholder Principion Holding B.V. and a call option agreement dated 11 December 2023. The loan and call option are reclassed in 2024 to Receivables, prepayments and accrued income since the maturity date for the loan and call option was 31 March 2025. For further information reference is made to note 12: Trade and other receivables

The result from subsidiaries contains the result of the group companies excluding Azerion Group N.V..

C Receivables, prepayments and accrued income

Receivables, prepayments and accrued income

In millions of €

	31 December 2024	31 December 2023
Receivables from group companies	70.1	94.8
Prepayments	0.6	0.8
Taxes and social security premiums	1.0	0.8
Funds in Escrow	11.9	-
Shareholder loan	19.3	-
Other receivables	0.1	0.9
Total	**103.0**	**97.3**

All receivables are unsecured, denominated in euro (€) and non-interest bearing.

The receivables from group companies and other receivables are all due within a period of one year from the balance sheet date.

The receivables from group companies are mainly relating to costs recharges and cash funding by the parent company to the subsidiaries.

The fair value of all receivables approximates the book value.

Funds in escrow of € 11.9 million is related to the additional bonds placed under the existing Senior Secured Callable Floating Rate Bond framework and is subject to release after fulfilment of financial covenants under the bond agreement.

In 2024, loan receivable from shareholder, Principion Holding B.V., of € 18.7 million and related call option of € 4.7 million were reclassified from non-current financial assets to Receivables, prepayments and accrued income as they mature on 31 March 2025. Subsequent to reclassification, interest income of € 0.6 million was accrued on the loan receivable, while the fair value of the call option decreased to nil as at 31 December 2024. The loss of € 4.7 million on remeasurement of the call option was recognised in profit or loss. In March 2025, the parties agreed on prolongation of the Loan Receivable and the Call Option. Please refer to note 33: Subsequent events for more details.

D Equity

Statement of changes in Equity

In millions of €

	Share capital	Share premium	Legal reserves	Share Based Payment Reserve	Currency translation differences	FV through OCI	Other equity instruments	Retained earnings	Total equity
Balance as of 1 January 2023	**1.2**	**130.8**	**25.2**	**13.7**	**(1.3)**	**-**	**29.0**	**(104.8)**	**93.8**
Result for the financial year	-	-	-	-	-	-	-	23.7	23.7
Movements of the period:									
Share based payments expense	-	-	-	0.7	-	-	-	-	0.7
Vesting of share based payment	-	0.5	-	(0.5)	-	-	-	-	-
Shares issued in new acquisitions	-	8.3	-	-	-	-	(8.3)	-	-
Exercise of call option	-	1.2	-	(1.2)	-	-	-	-	-
Non-Controlling interest transaction	-	(0.8)	-	-	-	-	-	(1.2)	(2.0)
Other comprehensive income / (loss)	-	-	-	-	(0.6)	-	-	-	(0.6)
Allocation of legal reserve	-	-	2.5	-	-	-	-	(2.5)	-
Modification of equity instruments	-	-	-	-	-	-	(20.7)	9.3	(11.4)
Other movements	-	0.2	-	-	-	-	-	(0.1)	0.1
Balance as of 31 December 2023	**1.2**	**140.2**	**27.7**	**12.7**	**(1.9)**	**-**	**-**	**(75.6)**	**104.3**
Result for the financial year	-	-	-	-	-	-	-	(57.9)	(57.9)
Movements of the period:									
Shares issued in new acquisitions	-	3.0	-	-	-	-	-	-	3.0
Vesting of share based payment	-	0.4	-	(0.4)	-	-	-	-	-
Allocation of legal reserve	-	-	5.5	-	-	-	-	(5.5)	-
Share based payments expense	-	-	-	0.3	-	-	-	-	0.3
Other comprehensive income / (loss)	-	-	-	-	1.0	(0.8)	-	-	0.2
Other movements	-	-	-	-	(0.1)	-	-	0.6	0.5
Balance as of 31 December 2024	**1.2**	**143.6**	**33.2**	**12.6**	**(1.0)**	**(0.8)**	**-**	**(138.4)**	**50.4**

The movements of the respective equity components are disclosed as follows

Share capital

As at 31 December 2024, the share capital amounted € 1.2 million (2023: € 1.2 million).

58,690,961 Treasury shares were cancelled on 23 August 2023, based on the decision in the Annual General Meeting on 15 June 2023.

Share capital structure as at 31 December 2024

in number of shares, in € for nominal value and millions of € for carrying amount

Instrument	Number	Nominal value	Carrying amount as at 31 December 2024	Carrying amount as at 31 December 2023	Accounting classification
Ordinary shares (placed and paid up)	122,870,787	1,228,708	1.2	1.2	Equity, share capital
Capital Shares	22	220,000	0.2	0.2	Current liabilities
Conditional Special Shares	1,152,886	-	2.2	2.2	Equity, share based payments reserve
Call Options					
- HTP Conditional Call Options	25,700	-	0.2	0.2	Equity, share based payments reserve
- Davey Unconditional Call Options	0	-	0.0	0.0	Equity, share based payments reserve
- Davey Conditional Call Options	110,996	-	0.2	0.2	Equity, share based payments reserve
- Azerion Founder Warrants	17,992,773	-	9.9	9.9	Equity, share based payments reserve
Warrants (derivative instruments)					
- Public Warrants	12,736,605	-	0.0	0.1	Current liabilities
- Founder Warrants	5,256,167	-	0.0	0.0	Current liabilities

Share premium

As at 31 December 2024, Share premium amounted € 143.6 million (2023: € 140.2 million). The increase in the share premium is a result of:

- € 3.0 million related to the **issuance of share consideration related to the 2024 acquisition of Eniro** (see note 9: Investment in Associates in the Consolidated financial Statements for further details)
- € 0.4 million related to the **vesting of the share awards** (see note 15: Share-based payments in the Consolidated financial Statements for further details)

2023 Movements:

The Share premium increased during the year 2023 with € 9.4 million to € 140.2 million

- € 8.3 million related to the **issuance of share consideration related to 2022 acquisitions**
- € 0.5 million related to the **vesting of the share awards** (see note 15: Share-based payments in the Consolidated financial Statements for further details)
- € 1.2 million, the **exercise of call options (Davey Call Option)** (see note 15: Share-based payments in the Consolidated financial Statements for further details)
- € 0.2 million, related to **other movements**

The increase was offset in part by € (0.8) million shares received for sale of a minority interest. In February 2023, 49% of the shares in Admeen B.V. (owned at 100% as at 31 December 2022) were sold. Purchase consideration was 220,794 shares in Azerion Group N.V. with a fair value of € (0.8) million at transaction date.

Legal reserve

As of 31 December 2024, pursuant to Dutch law, certain limitations exist relating to the distribution of shareholders' equity of € 71.7 million (2023: € 104.2 million). Legal reserves are not available for distribution to the Company's shareholders. Of the total equity as per 31 December 2024 of € 71.7 million, an amount of € 33.2 million is non-distributable (2023: € 27.7 million out of the total equity of € 104.2 million)

Share-based payments

The Share based payments reserve includes the amounts related to the Conditional Special Shares, Davey Call Options, the HTP Call Options, the Azerion Founder Warrants and the Executive Annual Incentive Plan. The movements in 2023 and 2024 were as follows:

Share-based payments

In millions of €

	Share-based payments							Other equity instruments	Trade and other receivables
	Employee Awards	Conditional Special Shares	Davey Call Options	HTP Call Options	Azerion Founder Warrants	Total	Investor SARs / shares	Acquisition SARs	Acquisition SARs
Balance as of 1 January 2023	**-**	**2.2**	**1.4**	**0.2**	**9.9**	**13.7**	**8.3**	**(0.9)**	**2.2**
Amounts through P&L	0.7	-	-	-	-	0.7	-	(0.7)	0.7
Exercised through:									
Share capital	-	-	-	-	-	-	-	-	-
Share premium	(0.5)	-	(1.2)	-	-	(1.7)	(8.3)	-	-
Cash	-	-	-	-	-	-	-	-	-
Non- Cash	-	-	-	-	-	-	-	0.8	(2.1)
Total	(0.5)	-	(1.2)	-	-	(1.7)	(8.3)	0.8	(2.1)
Balance as of 31 December 2023	**0.2**	**2.2**	**0.2**	**0.2**	**9.9**	**12.7**	**-**	**(0.8)**	**0.8**
Amounts through P&L	0.4	-	-	-	-	-	-	-	-
Exercised through:									
Share capital	-	-	-	-	-	-	-	-	-
Share premium	(0.4)	-	-	-	-	(0.4)	-	-	-
Cash	-	-	-	-	-	-	-	-	-
Non- Cash	-	-	-	-	-	-	-	0.8	0.8
Total	(0.4)	-	-	-	-	(0.4)	-	0.8	0.8
Balance as of 31 December 2024	**0.1**	**2.2**	**0.2**	**0.2**	**9.9**	**12.6**	**-**	**-**	**-**
Number of instruments									
Balance as of 1 January 2023	**-**	**1,152,886**	**739,970**	**25,700**	**17,992,773**				
Exercise Davey call options	-	-	(628,974)	-	-				
Balance as of 31 December 2023	**-**	**1,152,886**	**110,996**	**25,700**	**17,992,773**				
Balance as of 31 December 2024	**-**	**1,152,886**	**110,996**	**25,700**	**17,992,773**				
Prices of the instruments									
Balance as of 1 January 2023	**-**	**1.95**	**1.94**	**6.42**	**0.55**				
Exercise Davey call options	-	-	1.94	-	-				
Balance as of 31 December 2023	**-**	**1.95**	**1.94**	**6.42**	**0.55**				
Balance as of 31 December 2024	**-**	**1.95**	**1.94**	**6.42**	**0.55**				

Please refer to note 15: Share-based payments in the Consolidated financial Statements for more information

Currency Translation reserve

As at 31 December 2024 the Currency Translation reserve amounted to € (1.0) million (2023: € (1.9) million) which is recognized in the books of Azerion Group N.V.

Fair value through OCI

As at 31 December 2024 the reserve for fair value changes through OCI amounted to € (0.8) million (2023: € - million). The movement in 2024 represents the fair value loss on equity investments held by the Group. These investments are not held for trading and are carried at fair value through other comprehensive income, based on an irrevocable election made at initial recognition.

Retained earnings

As at 31 December 2024 the retained earnings amounted to € (117.1) million (2023: € (75.7) million.

€ (36.7) million movement in 2024 relates to the total comprehensive income for the year.

€ (5.5) million movement directly in Retained earnings relates to a reclassification from the Legal reserve and € 0.6 million of other movements.

E Other liabilities

Other current liabilities

In millions of €

	31 December 2024	31 December 2023
Capital shares	0.2	0.2
Public warrants	-	0.1
Acquisition related share appreciation rights	-	0.8
Other liabilities	0.1	0.2
Total	**0.3**	**1.3**

The current liabilities are all due within a period of one year from the balance sheet date.

Statement of changes in Other non-current liabilities

In millions of €

	Contingent and deferred considerations
Balance as of 1 January 2023	**3.7**
Fair value through P&L	1.2
Balance as of 31 December 2023	**4.9**
Fair value Renegotiation guarantee	1.7
Fair value through P&L	0.3
Balance as of 31 December 2024	**6.9**
of which (duration)	-
>1 year < 5 years	6.9
>5 years	-

The fair value of all payables approximates the carrying amount.

Contingent and deferred considerations

The contingent liability relates to the Radionomy Group guarantee which was originally due on 31 January 2025. This is renegotiated in 2024 which resulted in an extension of the maturity date to 31 January 2026 and in a € 1.6 million loss.

Capital shares

In the establishment of EFIC1 'Capital Shares' were issued to two of its sponsors. Each Capital Share has a nominal value of € 10,000. As at 31 December 2024 and 31 December 2023 a total number of 22 Capital Shares were outstanding, representing a total value of € 0.2 million. In the Transaction the holders of the Capital Shares agreed not to exercise their voting rights and granted a right of pledge on their Capital Shares in favour of Azerion Holding B.V. and transferred all voting rights attached to the Capital Shares to Azerion Holding B.V. (as pledgee), effectively resulting in the situation that the voting rights attached to these Capital Shares cannot be exercised in the general meeting of the Company. As a result of the legal merger the voting rights are held at Azerion Group N.V.. The holders of the Capital Shares are annually entitled to 2% of the nominal value per Capital Share. For accounting purposes this implies that the Capital Shares are presented as 'Other liabilities'.

Warrants

Warrants

Scale

	Public warrants	Founder warrants	Total
Balance as at 1 January 2023	**3.2**	**1.3**	**4.5**
Fair value movements - through profit or loss	(3.1)	(1.3)	(4.4)
Balance as at 31 December 2023	**0.1**	**–**	**0.1**
Fair value movements - through profit or loss	(0.1)	–	(0.1)
Balance as at 31 December 2024	**–**	**–**	**–**
Number of instruments:			
Balance as at 31 December 2023	12,736,605	5,256,167	17,992,772
Balance as at 31 December 2024	12,736,605	5,256,167	17,992,772
Prices			
As at 31 December 2023	0.005	0.005	
As at 31 December 2024	0.005	0.005	

F Borrowings

Borrowings

In millions of €

	Senior secured bonds	Debt to credit institutions	Total
Balance as of 1 January 2023	**199.8**	**-**	**199.8**
Additions	162.5	-	162.5
Principal repayments / disposals	(200.0)	-	(200.0)
Loss on derecognition	1.1	-	1.1
Amortization of capitalized transaction cost	(3.5)	-	(3.5)
Interest accrued	17.9	-	17.9
Interest paid	(14.1)	-	(14.1)
Reclassification to Equity	0.1	-	0.1
Balance as of 31 December 2023	**163.8**	**-**	**163.8**
Additions	96.6	9.5	106.1
Capitalised transaction cost	(2.2)	-	(2.2)
Interest accrued	21.2	0.5	21.7
Interest paid	(18.1)	(0.4)	(18.5)
Other	-	-	-
Balance as of 31 December 2024	**261.3**	**9.6**	**270.9**
Balance as of 31 December 2023	**163.8**	**-**	**163.8**
of which (duration)			
< 1 year	4.5	-	4.5
≥ 1 year ≤ 5 years	159.3	-	159.3
> 5 years	-	-	-
Balance as of 31 December 2024	**261.3**	**9.6**	**270.9**
of which (duration)			
< 1 year	6.6	9.6	16.2
≥ 1 year ≤ 5 years	254.7	-	254.7
> 5 years	-	-	-

Senior secured bonds

On 8 April 2021, the Group issued senior secured callable fixed rate bonds with ISIN SE0015837794 for a total of € 200.0 million (the "Old Bonds"), within a total framework amount of € 300.0 million. The maturity date of the Old Bonds was 28 April 2024.

On 31 October 2023, the Group successfully completed the refinancing of above-mentioned bonds. Following a book-building process, the Group successfully placed € 165.0 million of senior secured callable floating rate bonds under a framework of € 300.0 million to qualified institutional investors internationally (the "New Bonds"). The New Bonds have a 3-year tenor, carry a floating rate coupon of 3 months EURIBOR plus 6.75 per cent per annum and were issued at 98.5 per cent of par. The Group applied for listing of the New Bonds with ISIN NO0013017657 on the Corporate Bond List of Nasdaq Stockholm, with the Bonds being admitted to trading on 13 December 2023.

Since the New Bonds were issued at terms that are sufficiently different to that of the Old Bonds, the transaction was treated as an extinguishment of the original financial liability and the recognition of a new financial liability.

There was a € 1.1 million loss on derecognition related to remaining unamortized portion of transaction costs on the Old Bonds, included in Finance costs (see note 24: Net finance costs in the Consolidated financial Statements for further details).

At initial recognition, the New Bonds were measured at fair value minus directly attributable transaction costs of € (3.5) million. Subsequently, the New Bonds are measured at amortised cost using the effective interest method, no separation required for embedded derivatives as they are closely related to the host contract. The embedded call option grants the Group the right to redeem all, but not only some, of the outstanding New Bonds in full in accordance with specific terms disclosed in the terms and conditions of the New Bonds.

In 2024, the Group placed additional bonds under the same senior secured callable floating rate bonds framework. In July 2024 an additional € 50 million was issued at 100.75% of par and in December 2024 € 50 million was issued at 100% of par. € 3.6 million from the latter issue was acquired by Azerion itself, for purpose of re-selling them on the market, and is not included as a liability on the Group's statement of financial position. At initial recognition, these additional issues were measured at fair value minus directly attributable transaction costs of € (2.2) million. Subsequently, the New Bonds are measured at amortized cost using the effective interest method.

The security for the bonds is a share pledge in respect of all shares in the group company Azerion Tech Holding B.V., a limited liability company incorporated in the Netherlands, and a pledge over material intra-group loans, as defined in the Terms and Conditions for the New Bonds.

In addition, the following group companies have entered into the Guarantee Agreement to guarantee the performance of obligations of the Issuer: Azerion Technology B.V., a limited liability company incorporated in the Netherlands, Whow Games GmbH, a limited liability company incorporated in Germany, Genba Digital Limited, a limited liability company incorporated in England and Wales, Keygames Network B.V., a limited liability company incorporated in the Netherlands, Voidu B.V., a limited liability company incorporated in the Netherlands, Delta Projects AS, a limited liability company incorporated in Norway, Azerion AG, a limited liability company incorporated in Germany, Azerion UK Limited, a limited liability company incorporated in England and Wales, Azerion Nederland B.V., a limited liability company incorporated in the Netherlands, Azerion US Inc., a limited liability company incorporated in Delaware, Azerion Sverige AB, a limited liability company incorporated in Sweden, Azerion Platform FR SAS, a limited liability company incorporated in France, Sublime Skinz Labs SAS, a limited liability company incorporated in France, Vlyby Digital GmbH, a limited liability company incorporated in Germany, Azerion Tech Holding B.V., a limited liability company incorporated in the Netherlands, and Hawk France SAS, a limited liability company incorporated in France.

Debt to credit institutions

In 2024 Azerion entered into a Super Senior Working Capital Facility with Citabank for a € 15 million super senior revolving credit facility. This facility is contemplated by and permitted under the terms and conditions of the of € 300 million bond loan framework. The facility has a base rate of 3 months EURIBOR and a margin of 3.75 per cent annum.

As at 31 December 2024 an amount of € 9.5 million was drawn in April and May 2024.

G Trade, other payables and accrued liabilities

Trade, other payables and accrued liabilities

In million €

	December 31, 2024	December 31, 2023
Payables to group companies	3.4	125.9
Trade payables to group companies	0.6	30.9
Trade and other payables to third parties	1.2	2.8
Social Security	0.1	0.1
Total	**5.3**	**159.7**

Payables to group companies are unsecured, denominated in euro (€).

The payables to group companies and third parties are all due within a period of one year from the balance sheet date.

The decrease in payables to group companies mainly relates to the declared dividend of € 109.4 million in 2024 which is also disclosed in note B: Financial fixed assets.

The fair value of all payables approximates the book value.

H Net finance cost

Net finance cost

In millions of €

	2024	2023
Fair value gain on warrants	0.1	4.4
Finance income on intercompany transactions	3.2	10.9
Other finance income	1.7	2.9
Finance income	**5.0**	**18.2**
Modification loss on equity instruments	–	(5.2)
Interest on debt and borrowings	(21.9)	(19.8)
Fair value loss on Call option	(6.9)	(1.0)
Other finance costs related to debt and borrowings	(1.0)	-
Other finance costs	(1.0)	(1.6)
Finance costs	**(30.8)**	**(27.6)**
Net finance costs	**(25.8)**	**(9.4)**

The fair value gain on warrants consists of the movement in the fair values of the Public Warrants and the Founder Warrants, that were issued in March 2021 at the establishment of EFIC1.

The interest on debt and borrowings relates to the Senior secured bonds(€ 21.2 million), Super Senior Working Capital Facility with Citibank (€ 0.5 million) and other IC loans (€ 0.2 million).

For the movement on the on the Principion Call option reference is made to note B: Financial fixed assets and note C: Receivables, prepayments and accrued income .

I Off balance sheet commitments

Contingent liabilities

Fiscal unity for corporate income tax and value added tax purposes

On 31 December 2024, the Company is part of a fiscal unity for corporate income tax and value added tax purposes.

Under the conditions of the Collection of State Taxes Act 1990 (Invorderingswet 1990) the members of the fiscal unity are jointly and severally liable for the payment of the corporate income tax and value added tax due by any member of the fiscal unity.

Guarantees

Azerion Group N.V. issued a declaration of joint and several liability pursuant to the provisions of Section 403, Part 9, Book 2, of the Dutch Civil Code with respect to the following subsidiaries for 2024:

Entity	CoC number
Azerion Games & Content Holding B.V.	76432874
Azerion Gaming B.V.	76474259
Azerion IP B.V.	62841300
Azerion JGH B.V.	54136369
Azerion Metaverse B.V.	85859729
Azerion Nederland B.V.	34234914
Azerion Productions Casual B.V.	76533611
Azerion Productions E-Business B.V.	76533662
Azerion Productions GD B.V.	76533557
Azerion Productions PG B.V.	34291829
Azerion Services B.V.	76887855
Azerion Productions Services B.V.	76533441
Azerion Sports B.V.	17245693
Azerion Tech Engineering B.V.	76442225
Azerion Tech Holding B.V.	76432572
Azerion Tech Productions B.V.	76450856
Delta Projects Netherlands B.V.	56502133
Hi-Media Nederland B.V.	34125732
Azerion Technology B.V.	20139757
Keygames Network B.V.	14077784
Quantum Advertising Nederland B.V.	72764961
Radionomy B.V	59378670
Spil Games Group B.V.	32081488
Mmedia B.V.	34268383
Triodor Holding B.V.	34297318
Widespace B.V.	56327471
Voidu B.V.	67876153
Zoom.in Group B.V.	58548483

J Employees

During 2024 3 employees were employed by the company (2023: 3). They were all employed in the Netherlands.

K Remuneration of directors

The emoluments (including pensions obligations) which were charged in 2024 amount to € 1,183 thousands (2023: € 1,181 thousands) for the members of the Management Board and € 318 thousands for the members of the Supervisory Board (2023: € 382 thousands). For further information reference is made to the Remuneration report, starting on page 56.

L Other disclosure

Adoption of the financial statements 2024

The consolidated and company financial statements have been prepared by the Management Board and shall be proposed by the Management Board for adoption to the general meeting of shareholders.

Appropriation of the result for 2024

The Management Board proposes to add the full 2024 result to Retained earnings. The general meeting of shareholders will be asked to approve the appropriation of the 2024 result, this appropriation is already recognized in the financial statements.

Schiphol-Rijk, 24 April 2025

On behalf of the Management Board of Azerion Group N.V.

Other information

Provisions of the Articles of Association relating to profit appropriation

Concerning the appropriation of profit, the following has been determined in article 27 of the Articles of Association:

The profits remaining after application of article 27.2 shall be put at the disposal of the General Meeting, provided however that the General Meeting may only resolve on any reservation of the profits or the distribution of any profits pursuant to and in accordance with a proposal thereto of the Management Board, with the prior approval of the Supervisory Board.

Details of special rights of control pursuant to the Articles of Association

The Articles of Association do not provide a special right of control to any person.

Details of shares without profit rights and non-voting shares

Azerion has no ordinary shares without profit rights and no non-voting shares. A complete overview of the shares outstanding, and the rights attached to these shares, can be found in note 14: Equity.

Details of the Company's offices

For an overview of Azerion's offices, please see Azerion at a glance, starting on page 5 in these Annual Accounts.

Independent auditor's report

To: the general meeting and the supervisory board of Azerion Group N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion:

- the consolidated financial statements of Azerion Group N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Azerion Group N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of Azerion Group N.V., Schiphol-Rijk. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for 2024: consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2024;
- the company statement of profit or loss for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Azerion Group N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands.

Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Overview and context

Azerion Group N.V. is a technology company providing digital advertising and entertainment media services headquartered in the Netherlands. Azerion Group N.V. mainly operates throughout Europe and is positioned in the United States and South America. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'.

Azerion Group N.V. is a fast-growing company. This growth is partially realised through acquisitions. As a result, the scale of operations has increased significantly over the past years and is expected to continue to grow. These circumstances require adequate processes, internal control measures and a strong finance function. During the year 2024, these were not at the level required at all locations and therefore our audit is primarily based on substantive audit procedures.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change.

In note 2 of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the impairment assessment of goodwill, we considered this matter as a key audit matter as set out in the section 'Key audit matters' of this report.

Azerion Group N.V. assessed the possible effects of climate change on its financial position, refer to the section 'ESG Overview' in the report of the board. We discussed Azerion Group N.V.'s assessment and governance thereof with the management board and evaluated the potential impact on the financial position including underlying assumptions and estimates. The expected effects of climate change are not considered a key audit matter.

Another area of focus that was not considered as a key audit matter was the fair value of the Playtika earn-out consideration (refer to note 5 'Sale of social card games portfolio' of the consolidated financial statements).

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a technology company providing digital advertising and entertainment media services. We therefore included experts and specialists in the areas of amongst others IT, taxes and valuations in our team.

The outline of our audit approach was as follows:

Materiality	
• Overall materiality: €5,510,000.	
Audit scope	
• We conducted a full scope audit at thirteen components and specific audit procedures at four components to achieve sufficient audit coverage. • For nine components, we used foreign component auditors. Site visits were conducted to seven components. • Audit coverage: 84% of consolidated revenue.	
Key audit matters	
• Impairment assessment of Goodwill.	

Materiality
The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€5,510,000 (2023: €5,150,000).
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1% of revenues.
Rationale for benchmark applied	We used revenues as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that revenues is the most relevant metric for the financial performance of the Company. We did not use profit before tax as a benchmark, as this benchmark is less representative of the scale of operations of the company.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €500,000 and €3,500,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above

€275,000 (2023: €257,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit
Azerion Group N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Azerion Group N.V.

We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole.

In setting the scope of our group audit we determined what audit work needed to be performed at group level or component level and whether involvement of component auditors was necessary. Based on this outcome, we subjected thirteen components to audits of their complete financial information, to achieve sufficient audit coverage, of which three components are considered significant due to risk or size. We further subjected four components to audit procedures to achieve appropriate coverage on financial line items in the consolidated financial statements.

In total, in performing these procedures, we achieved 84% coverage on the financial line item 'revenue'.

None of the remaining components represented more than 5% of total group revenue. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for components Azerion Group N.V., Azerion Technology B.V., Voidu B.V., Azerion Nederland B.V., KeyGames Network B.V., Azerion Tech Holding B.V., Azerion Production Services B.V. and Hawk SaS. For components Whow Games GmbH, Azerion UK Ltd., Genba Digital Ltd., Azerion US Inc., Sulake Oy, AdUX SA, Azerion Sverige AB, Azerion AG, Hawk France SaS, we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the nature, timing and extent of direction and supervision of the component auditors and review of their work. We:

- issued group audit instructions to component auditors to set expectations for the component auditor's work and facilitate our direction and supervision of the component auditor and review of their work;
- participated in discussions with component auditors as part of planning the engagement, including when we as the group auditor assigned tasks or procedures such as the performance of risk assessment procedures or determining the nature, timing and extent of audit responses to identified and assessed risks of material misstatement to component auditors;
- communicated with component auditors throughout the course of the group audit, either virtually by leveraging technology solutions, in-person meetings (e.g., as part of a site visit to the component auditor's territory), or through a combination of these, in order to monitor the progress of the component auditor's work. These ongoing communications included matters affecting the execution, completion and reporting of the group audit;
- reviewed relevant parts of the component auditor's work including the component auditor's communication of matters relevant to our conclusion with regard to the group audit. Our review of the component auditor's work took place throughout the engagement. This included on-site and/or virtual reviews, including of the component auditor's working papers;
- reviewed formal written communications prepared by the component auditor for component management of the component and, that were, based on our judgment, relevant to the group audit; and
- attended certain key client meetings (e.g. the closing meeting) between the component auditor and component management.

The group engagement team performed the audit work on the group consolidation, financial statement disclosures and a number of more complex items and processes controlled and monitored centrally by Azerion Group N.V. These include impairment testing of goodwill, share-based payments, acquisitions, leases and the procedures over the Group and Company tax positions, including the tax charge, current tax and deferred taxes as well as uncertain tax positions.

By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks
We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Azerion Group N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the

supervisory board exercised oversight, as well as the outcomes. We refer to section 'Risk Management' of the report of the board for management's fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct and whistleblower procedures, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board as well as legal affairs, human resources, regional directors and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

On 13 March 2023, Azerion announced that the Authority for the Financial Markets (AFM) started an investigation in relation to compliance with article 15 of the Market Abuse Regulation, which is focused on Azerion Group N.V., Principion Holding B.V. (Azerion's largest shareholder) and the shareholders of Principion Holding B.V., including Azerion's co-chief executive officers. As a consequence of the investigation, one of the co-CEO's temporarily stepped aside as of 12 March 2023.

We refer to paragraph 'Events relating to the investigation by the AFM' as part of the chapter 'Risk Management' in the report of the board, where the management board has elaborated on the events in relation to the investigation of the AFM and the measures that the management board and supervisory board have taken. In prior year, as part of our procedures to address the risk of fraud through management override of controls, we did perform procedures to conclude that the co-CEO who temporarily stepped aside has not been active for Azerion as of 12 March 2023.

On 14 March 2025, it was announced that the AFM has concluded the investigation into irregularities in trading of Azerion shares. The investigation did not lead to any punitive measures against Azerion or its major shareholders. Based on this outcome, we did not perform any additional procedures during our 2024 audit of the financial statements.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	*Our audit work and observations*
Risk of fraud in revenue recognition We addressed the risk of fraud in revenue recognition. This relates to the presumed management incentive to overstate revenue. We evaluated which types of revenue transactions give rise to the risk of fraud in revenue recognition and concluded that the risk is present for all material revenue streams.	Where relevant to our audit, we evaluated the design and implementation of the internal control system in the processes related to revenue recognition. We identified several deficiencies in the internal control system with respect to the documentation and monitoring of controls. Our audit procedures were therefore primarily of a substantive nature. We performed specific substantive audit procedures on a sample of revenue transactions, including determining whether these transactions are based on deliveries that actually took place in the financial year. We tested, on a sample basis, the delivered performance and transaction prices of the revenue transactions based on sales agreements, sales invoices and cash receipts. Additionally, we performed specific audit procedures at the end of the year related to cut-off procedures to identify potential shifts in revenue from products delivered in the next financial year to the revenue reported in the current financial year. In addition, we performed audit procedures to determine whether credit invoices were registered in the next financial year that indicate incorrectly recognised revenue in the current financial year. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition.
Risk of fraud through management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; • estimates; and • significant transactions, if any, outside the normal course of business for the entity.	Where relevant to our audit, we evaluated the design and implementation of internal controls in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We performed journal entry testing by selecting journal entries based on risk criteria such as top side entries, consolidation entries and unusual account combinations. We conducted specific audit procedures for these entries if they had not already been tested during other audit procedures. These procedures include, amongst others, inspection of source documentation. We assessed significant judgements and estimates made by management and paid specific attention to significant transactions outside the normal course of business. We especially paid attention to the impairment analysis of goodwill. We refer to our key audit matter for further details. Our work did not reveal any specific indications of fraud or suspicion of fraud in respect of management override of controls.
Risk of misappropriation of assets due to potential unauthorized changes in vendor master data In the financial system (Netsuite) no review takes place of the changes of vendor master data (including bank accounts). That is why we addressed the risk of fraud in relation to misappropriation of assets due to potential incorrect changes of vendor master data (bank accounts).	We performed substantive procedures on a sample of expense invoices where we agreed the bank account number on the invoice to the bank account number of the outgoing payment. Furthermore, we did perform additional scanning on the logging of Netsuite, the financial administration, to verify if unexpected employees (outside the accounts payable department) did make changes to vendor master data during the year. In addition, we have reconciled bank account details of the employee payroll data to supplier data to verify if employees did misuse the fact that there is no proper segregation of duties by replacing vendor master data bank accounts with their own bank account number. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to this lack of review of vendor master data.

We incorporated an element of unpredictability in our audit. We reviewed correspondence with lawyers and regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern
As disclosed in section 'Going concern' on page 70 of the consolidated financial statements the management board performed their assessment of the entity's ability to continue as a going concern for at least twelve months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks).

Our procedures to evaluate the going concern assessment included, amongst others:

- considering whether the management board's going concern assessment includes all relevant information of which we are aware as a result of our audit and inquiring with the management board regarding the management board's most important assumptions underlying its going-concern assessment;
- evaluating the management board's current budget, including cash flows for at least twelve months from the date of preparation of the financial statements, taking into account current market developments and all relevant information of which we are aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants. During 2024, the successful subsequent bond placement of €50 million in July and a further €50 million placed in December under the existing senior secured floating rate bond framework of €300 million (€265 million drawn) strengthened the financial position; and
- performing inquiries of the management board as to its knowledge of going concern risks beyond the period of the management board's assessment.

Based on our procedures performed, we concluded that the management board's use of the going concern basis of accounting is appropriate and that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

Last year, 'The sale of social card games portfolio' and 'Accounting for the loan settlement, amendment, share pledge and call option agreement with shareholder Principion Holding B.V.' were considered key audit matters, as those transactions were complex and required significant judgments. As these were 2023 transactions, we did not consider those as key audit matters for 2024. As outlined in section 'Overview and context', we consider the 'Impairment assessment of Goodwill' a key audit matter.

Key audit matter	*Our audit work and observations*
Impairment assessment of Goodwill *Refer to note 9 'Goodwill' of the consolidated financial statements.* As of 31 December 2024, the Group's goodwill amounted to €192.6 million in the consolidated financial statements. The value of the goodwill is of significant importance to the Group's financial position and an impairment could have a significant impact thereon. Therefore, combined with the significant judgements applied and inherent uncertainty of future events, we considered the impairment assessment of goodwill a key audit matter. Goodwill is tested for impairment annually together with other assets of the respective cash generating units at the level on which they are monitored. In this case, the aggregated levels of cash generating units on which they are monitored are the operating segment levels, being the Platform and Premium Games segments (hereafter: CGUs). For each CGU, the recoverable amount was determined based on a value-in-use calculation. The calculation involved several key assumptions in determining the inputs to the model, including: • forecast sales growth rates; • operating profits; • discount rates; • long-term growth rates. The impairment testing of goodwill is significantly impacted by these inputs and therefore, this area is subject to higher risk of material misstatement. Based on the calculated value in use for each operating segment, management concluded that these values for each operating segment were higher than the carrying amount of that segment and therefore no impairment charge was recognised for the year 2024.	We performed our audit procedures on the impairment assessment with the support of our auditor's valuation specialists. Our audit procedures included, amongst others: • assessing the control environment in which the impairment reviews are performed. We specifically satisfied ourselves that the final impairment calculations, including the assumptions used, were approved by the appropriate management levels; • assessing the management board's determination of CGUs at the appropriate level that is in line with how management is monitoring the business; • testing the methodical set up of the value in use calculation by comparing the method used to industry best practices; • substantively testing the mathematical accuracy of supporting calculations and corroborated revenue growth rates with external market surveys; • comparing the outcome of the model to the market cap of Azerion Group N.V. as of December 31, 2024; • assessing the composition of future cash flow forecasts by evaluating the current and past performance of the CGU and the consistency with external market and industry data. We performed procedures to understand any deviations from market and industry data; • comparing the inputs to the discount rates to externally obtained data such as the risk-free rates in the market, equity market risk premiums, country risk premiums, debt/equity ratios as well as the betas of comparable companies; • assessing the terminal growth rates used by management per CGU by comparing them to the long-term growth rates most reflective of the underlying operations; • assessing the appropriateness to use a five-year forecasting model based on the business characteristics and comparing this with industry averages; • evaluating the judgements and estimates made by management for indications of possible bias. We challenged management on the judgements and estimates made, performed sensitivity analysis on key assumptions and evaluated the important judgements made by management in the impairment analysis for such indications of bias. We did not note any indication of management bias in this respect; • evaluating whether the disclosures in respect of the impairment assessment were adequate. Our audit procedures outlined above, did not result in significant findings.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were re-appointed as auditors of Azerion Group N.V. on 20 June 2024 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 20 June 2024. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of four years since the listing at the Euronext.

European Single Electronic Format (ESEF)

Azerion Group N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Azerion Group N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package; and
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:

  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 22 to the financial statements. These 'Other audit services' relate to the CSRD review work performed by PwC Netherlands until the decision was made by the management board to not report in accordance with CSRD over 2024.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 24 April 2025
PricewaterhouseCoopers Accountants N.V.

Original has been signed by B.A.A. Verhoeven RA

Appendix to our auditor's report on the financial statements 2024 of Azerion Group N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board;
- concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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