

# CONSOLIDATED FINANCIAL STATEMENTS

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# CONSOLIDATED INCOME STATEMENT

| in EUR m  |      | 2021         | 2020         |
|---|------|--------------|--------------|
| Revenues  | [6]  | 4,494        | 4,047        |
| Cost of sales   | [7]  | -2,746       | -2,468       |
| <b>Gross profit</b>   |      | <b>1,748</b> | <b>1,579</b> |
| Selling expenses  | [8]  | -712         | -646         |
| Administrative expenses                                       | [9]  | -501         | -538         |
| Other operating expenses                                      | [10] | -11          | -12          |
| Other operating income  | [11] | 30           | 169          |
| <b>Operating result</b>                                       |      | <b>553</b>   | <b>553</b>   |
| Interest and similar income                                   |      | 16           | 3            |
| Interest and similar expenses                                 |      | -56          | -76          |
| Interest result   | [12] | -40          | -73          |
| Result from investments accounted for using the equity method | [13] | -41          | -77          |
| Other financial result  | [13] | 135          | -32          |
| <b>Financial result</b>                                       |      | <b>54</b>    | <b>-183</b>  |
| <b>Result before income taxes</b>                             |      | <b>607</b>   | <b>370</b>   |
| Income taxes  | [14] | -165         | -118         |
| <b>Net income</b>   |      | <b>442</b>   | <b>252</b>   |
| Attributable to shareholders of ProSiebenSat.1 Media SE       |      | 449          | 267          |
| Attributable to non-controlling interests                     |      | -7           | -15          |
| Earnings per share in EUR                                     |      |              |              |
| Basic earnings per share                                      | [15] | 1.99         | 1.18         |
| Diluted earnings per share                                    | [15] | 1.98         | 1.18         |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| in EUR m  | 2021       | 2020        |
|---|------------|-------------|
| <b>Net income</b>   | <b>442</b> | <b>252</b>  |
| <b>Items that may be reclassified subsequently to profit or loss</b>      |            |             |
| Foreign currency translation adjustment                                   | 72         | -56         |
| Measurement of cash flow hedges   | 47         | -70         |
| Income taxes  | -13        | 20          |
| <b>Items that will not be reclassified subsequently to profit or loss</b> |            |             |
| Remeasurement of defined benefit obligations                              | 0          | -1          |
| <b>Other comprehensive income</b>   | <b>106</b> | <b>-108</b> |
| <b>Total comprehensive income</b>   | <b>548</b> | <b>144</b>  |
| Attributable to shareholders of ProSiebenSat.1 Media SE                   | 538        | 167         |
| Attributable to non-controlling interests                                 | 10         | -23         |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| in EUR m  |      | 12/31/2021   | 12/31/2020   |
|---|------|--------------|--------------|
| <b>ASSETS</b>                                     |      |              |              |
| Goodwill  | [17] | 2,163        | 2,177        |
| Programming assets                                | [18] | 973          | 1,072        |
| Other intangible assets                           | [19] | 867          | 943          |
| Property, plant and equipment                     | [20] | 495          | 443          |
| Investments accounted for using the equity method | [22] | 61           | 14           |
| Other financial assets                            | [23] | 353          | 271          |
| Other receivables and non-current assets          | [24] | 3            | 2            |
| Deferred tax assets                               | [14] | 67           | 54           |
| <b>Non-current assets</b>                         |      | <b>4,982</b> | <b>4,975</b> |
| Programming assets                                | [18] | 172          | 141          |
| Inventories                                       | [6]  | 49           | 44           |
| Other financial assets                            | [23] | 139          | 50           |
| Trade receivables                                 | [23] | 504          | 569          |
| Current tax assets                                |      | 55           | 31           |
| Other receivables and current assets              | [24] | 91           | 47           |
| Cash and cash equivalents                         | [25] | 594          | 1,224        |
| <b>Current assets</b>                             |      | <b>1,605</b> | <b>2,106</b> |
| <b>Total assets</b>                               |      | <b>6,587</b> | <b>7,081</b> |

| in EUR m   |             | 12/31/2021   | 12/31/2020   |
|--|-------------|--------------|--------------|
| <b>EQUITY AND LIABILITIES</b>  |             |              |              |
| Subscribed capital   |             | 233          | 233          |
| Capital reserves   |             | 1,046        | 1,045        |
| Consolidated equity generated  |             | 629          | 290          |
| Treasury shares  |             | -62          | -62          |
| Accumulated other comprehensive income                               |             | 45           | -44          |
| Other equity   |             | -136         | -129         |
| Total equity attributable to shareholders of ProSiebenSat.1 Media SE |             | 1,755        | 1,333        |
| Non-controlling interests  |             | 343          | 354          |
| <b>Equity</b>  | <b>[26]</b> | <b>2,099</b> | <b>1,687</b> |
| <b>Non-current financial liabilities</b>                             |             |              |              |
| Non-current financial debt   | [29]        | 2,395        | 2,591        |
| Other non-current financial liabilities                              | [29]        | 347          | 410          |
| Trade payables   | [29]        | 52           | 74           |
| Other non-current liabilities  | [30]        | 16           | 4            |
| Provisions for pensions  | [27]        | 31           | 32           |
| Other non-current provisions   | [28]        | 51           | 45           |
| Deferred tax liabilities   | [14]        | 248          | 260          |
| <b>Non-current liabilities</b>                                       |             | <b>3,138</b> | <b>3,417</b> |
| <b>Current financial liabilities</b>                                 |             |              |              |
| Current financial debt   | [29]        | 51           | 601          |
| Other current financial liabilities                                  | [29]        | 80           | 109          |
| Trade payables   | [29]        | 555          | 618          |
| Other current liabilities  | [30]        | 397          | 374          |
| Current tax liabilities  |             | 141          | 133          |
| Other current provisions   | [28]        | 126          | 142          |
| <b>Current liabilities</b>   |             | <b>1,350</b> | <b>1,977</b> |
| <b>Total equity and liabilities</b>                                  |             | <b>6,587</b> | <b>7,081</b> |

# CONSOLIDATED CASH FLOW STATEMENT

| in EUR m  | 2021          | 2020          |
|---|---------------|---------------|
| Net income  | 442           | 252           |
| Income taxes  | 165           | 118           |
| Financial result  | -54           | 183           |
| Depreciation, amortization and impairments of other intangible assets and property, plant and equipment         | 251           | 248           |
| Consumption of programming assets incl. change in provisions for onerous contracts                              | 995           | 966           |
| Change in provisions  | 27            | 25            |
| Gain/loss on the sale of assets   | 9             | -143          |
| Other non-cash income/expenses  | -4            | -4            |
| Change in working capital   | -18           | -39           |
| Dividends received  | 5             | 7             |
| Income tax paid   | -221          | -41           |
| Interest paid   | -60           | -67           |
| Interest received   | 1             | 6             |
| <b>Cash flow from operating activities</b>  | <b>1,539</b>  | <b>1,511</b>  |
| Proceeds from disposal of non-current assets  | 74            | 78            |
| Payments for the acquisition of other intangible assets and property, plant and equipment                       | -218          | -234          |
| Payments for investments including investments accounted for using the equity method                            | -83           | -81           |
| Payments for the acquisition of programming assets  | -1,060        | -1,063        |
| Payments for the issuance of loan receivables   | -1            | —             |
| Proceeds from the repayment of loan receivables   | 1             | 1             |
| Payments for obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)  | -25           | -397          |
| Proceeds from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of) | 63            | 305           |
| <b>Cash flow from investing activities</b>  | <b>-1,249</b> | <b>-1,391</b> |
| Dividend paid   | -111          | —             |
| Repayment of financial liabilities  | -1,681        | -386          |
| Proceeds from issuance of financial liabilities   | 956           | 375           |
| Repayment of lease liabilities  | -42           | -39           |
| Payments for transactions with non-controlling interests  | -37           | -1            |
| Proceeds from non-controlling interests   | —             | 261           |
| Payments in connection with refinancing measures  | -1            | —             |
| Dividend payments to non-controlling interests  | -23           | -5            |
| <b>Cash flow from financing activities</b>  | <b>-940</b>   | <b>205</b>    |
| Effect of foreign exchange rate changes on cash and cash equivalents  | 20            | -50           |
| <b>Change in cash and cash equivalents</b>  | <b>-630</b>   | <b>274</b>    |
| Cash and cash equivalents at beginning of reporting period  | 1,224         | 950           |
| <b>Cash and cash equivalents at end of reporting period</b>   | <b>594</b>    | <b>1,224</b>  |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| in EUR m                          | Accumulated other comprehensive income |                  |                               |                 |   |                                 |  |                |              |              | Attributable to shareholders of ProSiebenSat.1 Media SE | Non-controlling interests | Equity |
|-----------------------------------|--|------------------|-------------------------------|-----------------|---|---------------------------------|--|----------------|--------------|--------------|---|---------------------------|--------|
|                                   | Subscribed capital                     | Capital reserves | Consolidated equity generated | Treasury shares | Foreign currency translation adjustment | Measurement of cash flow hedges | Remeasurement of defined benefit obligations | Deferred taxes | Other equity |              |   |                           |        |
| December 31, 2019                 | 233                                    | 1,045            | 25                            | -63             | 15                                      | 70                              | -14  | -16            | -236         | 1,059        | 229   | 1,288                     |        |
| Net income                        | —                                      | —                | 267                           | —               | —                                       | —                               | —  | —              | —            | 267          | -15   | 252                       |        |
| Other comprehensive income        | —                                      | —                | —                             | —               | -48                                     | -70                             | -1   | 20             | —            | -99          | -8  | -108                      |        |
| <b>Total comprehensive income</b> | <b>—</b>                               | <b>—</b>         | <b>267</b>                    | <b>—</b>        | <b>-48</b>                              | <b>-70</b>                      | <b>-1</b>                                    | <b>20</b>      | <b>—</b>     | <b>167</b>   | <b>-23</b>  | <b>144</b>                |        |
| Dividends                         | —                                      | —                | —                             | —               | —                                       | —                               | —  | —              | —            | —            | -5  | -5                        |        |
| Other changes                     | —                                      | 0                | -1                            | 1               | —                                       | —                               | —  | —              | 107          | 107          | 152   | 259                       |        |
| <b>December 31, 2020</b>          | <b>233</b>                             | <b>1,045</b>     | <b>290</b>                    | <b>-62</b>      | <b>-33</b>                              | <b>0</b>                        | <b>-15</b>                                   | <b>4</b>       | <b>-129</b>  | <b>1,333</b> | <b>354</b>  | <b>1,687</b>              |        |

| in EUR m                          | Accumulated other comprehensive income |                  |                               |                 |   |                                 |  |                |              |              | Attributable to shareholders of ProSiebenSat.1 Media SE | Non-controlling interests | Equity |
|-----------------------------------|--|------------------|-------------------------------|-----------------|---|---------------------------------|--|----------------|--------------|--------------|---|---------------------------|--------|
|                                   | Subscribed capital                     | Capital reserves | Consolidated equity generated | Treasury shares | Foreign currency translation adjustment | Measurement of cash flow hedges | Remeasurement of defined benefit obligations | Deferred taxes | Other equity |              |   |                           |        |
| December 31, 2020                 | 233                                    | 1,045            | 290                           | -62             | -33                                     | 0                               | -15  | 4              | -129         | 1,333        | 354   | 1,687                     |        |
| Net income                        | —                                      | —                | 449                           | —               | —                                       | —                               | —  | —              | —            | 449          | -7  | 442                       |        |
| Other comprehensive income        | —                                      | —                | —                             | —               | 55                                      | 47                              | 0  | -13            | —            | 89           | 17  | 106                       |        |
| <b>Total comprehensive income</b> | <b>—</b>                               | <b>—</b>         | <b>449</b>                    | <b>—</b>        | <b>55</b>                               | <b>47</b>                       | <b>0</b>                                     | <b>-13</b>     | <b>—</b>     | <b>538</b>   | <b>10</b>   | <b>548</b>                |        |
| Dividends                         | —                                      | —                | -111                          | —               | —                                       | —                               | —  | —              | —            | -111         | -23   | -134                      |        |
| Other changes                     | —                                      | 0                | 0                             | 1               | —                                       | —                               | —  | —              | -7           | -6           | 3   | -3                        |        |
| <b>December 31, 2021</b>          | <b>233</b>                             | <b>1,046</b>     | <b>629</b>                    | <b>-62</b>      | <b>22</b>                               | <b>47</b>                       | <b>-15</b>                                   | <b>-9</b>      | <b>-136</b>  | <b>1,755</b> | <b>343</b>  | <b>2,099</b>              |        |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## BASIS OF PREPARATION

### 1/ General information

The Consolidated Financial Statements as of December 31, 2021, present the assets, liabilities, financial position, profit or loss and the cash flows of ProSiebenSat.1 Media SE and its subsidiaries (together “the Company”, “the Group” or “ProSiebenSat.1 Group”).

ProSiebenSat.1 Media SE is based in Unterföhring and is a listed stock corporation under European law. It is registered under the name ProSiebenSat.1 Media SE with the Munich District Court in Germany (HRB 219 439). It is the parent company of ProSiebenSat.1 Group and, with its subsidiaries, combines entertainment brands with a Dating & Video and Commerce & Ventures portfolio under one roof as an innovative digital group.

The Consolidated Financial Statements of ProSiebenSat.1 Group for the financial year ending December 31, 2021, were prepared in accordance with the International Financial Reporting Standards (IFRS) in force at the reporting date, as adopted by the European Union, and in accordance with the additional requirements of German commercial law pursuant to section 315e (1) of the German Commercial Code (HGB) and were authorized for issue by the Executive Board on March 1, 2022.

ProSiebenSat.1 Media SE prepares and reports its Consolidated Financial Statements in euro. Due to rounding, figures may not add up exactly to the totals shown.

### 2/ Accounting principles

#### A) ASSUMPTIONS, ESTIMATES AND JUDGMENTS

Preparing the Consolidated Financial Statements requires assumptions, estimates and judgments, which are subject to continuing review and may affect the measurement of assets and liabilities as well as the amounts of expenses and income. They take into account the circumstances at the reporting date, the knowledge acquired before the financial statements are authorized for issue, and expectations regarding the development of the company-specific as well as the global and macroeconomic industry-specific environment. If the actual development deviates from the forecasts, the carrying amounts of assets and liabilities may have to be adjusted and additional expenses and income recognized. ProSiebenSat.1 Group recognizes such changes in estimates directly in profit or loss without adjusting the previous year's figures.

In the financial year 2021, the business and economic environment of ProSiebenSat.1 Group continued to be impacted in part by the effects of the COVID-19 pandemic. As of the reporting date, there are uncertainties about the economic development in the coming financial years, as this is heavily dependent on the further course of the pandemic and its effects on the economy. Significant progress has been made with the availability of various vaccines, increasing vaccination rates, and the development of therapeutic medicines. However, this is offset by the emergence of new virus variants with uncertain consequences for disease outbreaks and courses. Therefore, it remains difficult to predict the medium- or long-term duration and extent of the impact of the pandemic on the Group's assets, liabilities, earnings and cash flows.

In the preparation of the Consolidated Financial Statements as of December 31, 2021, the COVID-19 pandemic and the material associated uncertainties, if relevant, were taken into account in assumptions, estimates and judgments. The assumptions, estimates and judgments are based on the knowledge and information available at the reporting date, taking into account any additional information up to the date the Consolidated Financial Statements were authorized for issue (March 1, 2022).

In the financial year 2021, as in the previous year, the COVID-19 pandemic did not result in material adjustments of the carrying amounts of the reported assets and liabilities. Particularly when making impairment assessments for assets (especially goodwill, other intangible assets, programming assets, other equity instruments and trade receivables) and in measuring put option liabilities, possible effects of the COVID-19 pandemic have been taken into consideration. Additional disclosures on the impact of the COVID-19 pandemic and the accompanying assumptions made by management can be found in the

→ **Group Management Report**

As a digital group, ProSiebenSat.1 Group does not operate in an industry sector with high resource consumption and energy intensity. As a result, the effects of climate change on the Group tend to be indirect; they are felt, for example, in the form of changes in overall economic conditions. Potential effects on assets, liabilities, earnings or cash flows are assessed for materiality and taken into account appropriately in the assumptions, estimates and judgments used in the preparation of the Consolidated Financial Statements. However, as in the previous year, climate-related issues had no impact on the Consolidated Financial Statements in the reporting period.

Material assumptions, estimates and judgments are specifically required for the following accounting issues and are explained in more detail below and in the relevant individual notes:

- Recognition and measurement of assets, particularly goodwill and other intangible assets, as well as liabilities in the context of business combinations,  
→ **note 17 “Goodwill”** → **note 19 “Other intangible assets”** → **note 33 “Notes on financial risk management and financial instruments”**
- Impairment testing of goodwill and other intangible assets with indefinite useful lives, in particular trademarks,  
→ **note 17 “Goodwill”** → **note 19 “Other intangible assets”**
- Assessment of the existence of control of other entities in determining the scope of consolidation,  
→ **note 4 “Scope of consolidation”**
- Revenue recognition,  
→ **note 6 “Revenues”**
- Recognition and measurement of programming assets,  
→ **note 18 “Programming assets”**
- Measurement of financial instruments and lease liabilities,  
→ **note 23 “Receivables and other financial assets”** → **note 29 “Financial liabilities”** → **note 33 “Notes on financial risk management and financial instruments”**
- Recognition and measurement of provisions, including provisions for share- and performance-based payments,  
→ **note 28 “Other provisions”** → **note 35 “Share- and performance-based payment”**
- Assessment of future tax reliefs and uncertain tax positions.  
→ **note 14 “Income taxes”**

## B) GENERAL PRINCIPLES

With the exception of the adjustments described in note 3 “Changes in reporting standards”, the accounting policies applied in the Consolidated Financial Statements for the financial year 2021 are the same as those of the previous year.

The consolidated income statement is prepared using the cost-of-sales method.

ProSiebenSat.1 Group’s consolidated statement of financial position is structured according to the maturity of the recognized assets and liabilities. Assets are generally presented as current if they are realized within one year or within the normal operating cycle. Liabilities are generally presented as current if they fall due within one year or within the normal operating cycle or can fall due as a result of circumstances beyond the Group’s control or the actions of third parties.

Deferred tax assets and liabilities, as well as pension provisions, are always classified as non-current.

The Consolidated Financial Statements are based on the principle of historical cost, with the exception of items that are reported at fair value, in particular certain financial instruments.

## C) FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are translated into the functional currency of the relevant Group entity at the exchange rates in effect at the transaction date or using average exchange rates.

In the case of fully consolidated subsidiaries whose functional currency is not the euro, assets and liabilities are translated at the exchange rates on the reporting date, equity is translated at historical rates, and expenses and income are translated at the annual average rate. Initially, the Group recognizes the resulting differences directly in equity. In the event of a later loss of control, they are reclassified to profit or loss and recognized as part of the gain or loss on disposal.

The following exchange rates were applied in the translation of the most significant currencies into the reporting currency:

### EXCHANGE RATES

| 1 EUR                    | Currency | Spot rate  |            | Average rate |        |
|--------------------------|----------|------------|------------|--------------|--------|
|                          |          | 12/31/2021 | 12/31/2020 | 2021         | 2020   |
| United Kingdom           | GBP      | 0.8400     | 0.8996     | 0.8596       | 0.8895 |
| Switzerland              | CHF      | 1.0333     | 1.0811     | 1.0812       | 1.0704 |
| United States of America | USD      | 1.1320     | 1.2275     | 1.1827       | 1.1418 |

## D) CONSOLIDATION

The Consolidated Financial Statements include ProSiebenSat.1 Media SE and all material subsidiaries it controls. The Group controls an entity if it has existing rights that give it the current ability to direct the relevant activities of that entity, is exposed or has rights to the variable returns from its involvement with the entity and is able to influence the amount of the entity’s returns on the basis of its power over the entity. In individual cases, judgments are required to identify control-related activities at project entities involving third parties in connection with film and series co-productions.

Intragroup balances, expenses and income are eliminated, taking into account deferred taxes where necessary.

Subsidiaries are initially consolidated using the acquisition method, under which the assets acquired and liabilities assumed are recognized at their fair values at the acquisition date. The Group engages external, independent appraisers to determine these fair values. If the sum of

consideration paid, fair value of any shares already held and non-controlling interests exceeds the fair value of the net assets acquired, the difference is recognized as goodwill. Non-controlling interests are measured at the acquisition date at their share in the acquired entity's identifiable net assets.

If the Group grants non-controlling shareholders put options for their remaining shares in the context of a business combination, this is accounted for as an immediate acquisition of these shares (anticipated acquisition method). In this case, no non-controlling interests are recognized within equity. Instead, the present value of the consideration payable for the shares on exercise of the option is recognized as a liability and subsequently remeasured through profit or loss.

The Group recognizes share transactions with non-controlling shareholders that do not result in a loss of control in other comprehensive income as equity transactions.

Investments in entities over whose business policies the Group exercises or is able to exercise no control but only significant influence ("associates") or which are jointly controlled with other investors ("joint ventures") are accounted for using the equity method.

If ProSiebenSat.1 Media SE obtains control over such entities through the acquisition of further shares in associates or joint ventures, they are fully consolidated as subsidiaries from that date. The fair value of shares previously held are treated as part of the consideration paid for the shares in the subsidiary. If the fair value differs from the carrying amount of the investment, the Group recognizes the difference in profit or loss.

The financial year of ProSiebenSat.1 Media SE and all subsidiaries included in the Consolidated Financial Statements corresponds to the calendar year.

## E) RECOGNITION AND MEASUREMENT

### SUMMARY OF SIGNIFICANT MEASUREMENT METHODS

| Item   | Measurement method                                |
|--|---|
| <b>ASSETS</b>  |   |
| Goodwill   | At cost (subsequent measurement: impairment test) |
| Other intangible assets with indefinite useful lives | At cost (subsequent measurement: impairment test) |
| Other intangible assets with finite useful lives     | At (amortized) cost                               |
| Property, plant and equipment                        | At (amortized) cost                               |
| Programming assets                                   | At (amortized) cost                               |
| Investments accounted for using the equity method    | Equity method                                     |
| Financial assets                                     |   |
| Loans and receivables                                | At (amortized) cost                               |
| Securities and other equity investments              | At fair value through profit and loss             |
| Derivatives  | At fair value through profit and loss             |
| Cash and cash equivalents                            | At cost   |
| <b>LIABILITIES AND PROVISIONS</b>                    |   |
| Loans and borrowings                                 | At (amortized) cost                               |
| Provision for pensions                               | Projected unit credit method                      |
| Other provisions                                     | At settlement value (discounted if non-current)   |
| Financial liabilities                                | At (amortized) cost or fair value                 |
| Other liabilities                                    | At settlement value (discounted if non-current)   |

## Revenues

The table below provides information about the main revenue categories or business models of ProSiebenSat.1 Group and about the way revenues are recognized:

### REVENUE RECOGNITION

| Revenue category     | Business model   | Recognition of revenues  |
|----------------------|--|--|
| Advertising revenues | Sale of classic advertising spots, sponsoring, special creations and audience-tailored advertising offerings on free TV as well as the distribution and sale of online advertising (revenues from the sale of advertising time)  | Broadcasting of advertising spot (point in time)   |
|                      | Broadcasting of advertising spots on residual time slots on free TV or placement of online advertising in exchange for fixed consideration plus variable component based on the contract partners' revenues (media-for-revenue)  | Broadcasting of advertising spot; variable component recognized when target achievement documentation is received from customer (point in time)  |
|                      | Broadcasting of advertising spots on residual time slots on free TV or placement of online advertising in exchange for equity or equity-like interests in the contract partners' business (media-for-equity)   | Broadcasting of advertising spot (point in time)   |
|                      | Multi-channel network marketing of web videos and/or social media artists (Studio71)   | Provision of marketing service (point in time)   |
| Distribution         | Distribution of free and pay TV content via cable, satellite, IPTV and DVBT  | Provision of the TV signal (over time)   |
| Content              | Production of programming content such as TV formats and serial programs (production)  | In accordance with stage of completion of the service (over time)  |
|                      | Sale/licensing of programming assets within license territories (global sales and other program sales)   | Start of license and delivery of material ready for broadcast (point in time)  |
| Dating               | Sale of subscription and in-app offers on own dating platforms to end customers (B2C); Sale of in-app marketing services to advertising partners (B2B)   | One-time services when service is performed (point in time), ongoing services (subscriptions/consumption of credits) over the term/period of use (over time)                                     |
| Video                | Monetization of video and live entertainment offerings on owned-and-operated-online platform businesses (B2C) as well as their monetization on third-party platforms via video-Platform-as-a-Service agreements (B2B); sale of in-app marketing services to advertising partners (B2B) | Ongoing services (use of credits) over the term/useful life (over time)  |
| Consumer Advice      | Brokerage of contracts between primary service providers and end customers in household, real estate sales, car rentals, insurance, energy supply, mobile communication and financial services via online portals  | Transmission of customer data or start of service being provided by partner (point in time)  |
| Experiences          | Sale of event vouchers   | Agency commission: On activation and delivery of the voucher (point in time)<br>Payments for vouchers not being redeemed based on historic experience:<br>On sale of the voucher (point in time) |
| Beauty & Lifestyle   | Sale of fashion and interior design products via online portals and stationary trading as well as the operation of ad-financed search engines for those products   | Handover of goods to the end customer taking account of return rights (point in time) and access-based using the "cost-per-click" method (point in time)   |

In the Group's free TV and online business, revenues are generated in particular in the form of advertising revenues, i.e. from the sale of advertising time. Advertising revenues are generated in the form of classic commercials, but also via advertising formats that allow a closer link between advertising and the underlying program, such as sponsorships and special creations (customized advertising campaigns in line with individual customer requirements) as well as target-audience-specific TV advertising tailored to the relevant viewers. Advertising revenues are net revenues after the deduction of discounts, agency commissions and cash rebates, and of value-added tax. The Group recognizes television advertising revenues when the underlying commercials are broadcast by the Group's own stations. Advertising services provided free of charge are treated as separate performance obligations. Their pro-rata share of the total transaction price is recognized as revenues when the performance obligation is satisfied. Moreover, the Group generates online advertising revenues. These comprise revenues from the sale of digital offerings of the Group or external third parties. Online revenues are recognized when the advertising service is rendered, or when the ad impressions are delivered on the digital channels.

If the consideration agreed for advertising services takes the form of a revenue share ("media-for-revenue"), variable consideration components based on the contract partners' achievement or overachievement of contractual revenue or earnings targets are recognized as revenues by the Group if the amount can be reliably estimated and a future reversal of revenues to be recognized is unlikely. This is the case if the required target achievement documentation is received from the contract partner.

If the Group and the contract partners agree the rendering of advertising services in exchange for equity or equity-like interests ("media-for-equity"), the related obligation to broadcast the promised advertising spots is recognized as a liability upon initial recognition of the instruments and recognized as revenues when the contracted advertising spots are broadcast. Online advertising is treated similarly. The financial instruments received constitute financial assets, which are accounted for at fair value through profit or loss. Because media-for-equity transactions are non-cash barter transactions, they do not affect the statement of cash flows.

In addition, advertising revenues also include revenues from the digital media and entertainment company Studio71. Here, online video concepts are developed for content creators and their digital presences are marketed and distributed on platforms such as YouTube, Facebook and Instagram. Revenues are mainly recognized at the point in time the service is rendered.

In the revenue category Distribution, the Group transmits TV signals (free TV and pay TV) to satellite, cable and internet providers, who in turn make them available to their end customers, generally for monthly fees. The Group recognizes related revenues based on the number of end customers reached by the providers in each billing month. As the signals are broadcast to the contract partners who re-transmit them to their customers at the same time, the Group recognizes the revenues over time.

In the Production business model of the Content revenue category, revenues are recognized over time because contractual provisions are such that the content produced over a longer period of time does not have an alternative use to ProSiebenSat.1 Group and the Group has enforceable rights to payment for production services rendered to date. Revenues for commissioned productions are recognized using the percentage-of-completion method if the expected contract revenues and related contract costs can be reliably estimated. The percentage of completion is calculated as the ratio of the contract costs incurred to date to the estimated total contract costs. Revenues to be recognized in the period are determined by applying this ratio to the respective estimated total revenues. If the expected total contract revenues or total costs cannot be reliably estimated, revenues are only recognized in the amount of the contract costs incurred. Contract costs are recognized as expenses in the period in which they are incurred. If it is foreseeable that the total contract costs will exceed the expected revenues, the Group recognizes the expected loss immediately as an expense. In the global sales and other program sales business model of the Content revenue category, program broadcasting rights are sold for specific license territories and periods. Revenues are recognized at a point in time, when the license term commences, and the material is delivered and ready for broadcast.

In the revenue category Dating, performance obligations of a delivery nature (personality assessments and profile reports) in the matchmaking area are recognized at a point in time and performance obligations of a subscription nature (access to the online platform) are recognized over the term of the contract. The total transaction price is allocated to the individual performance obligations on the basis of relative stand-alone selling prices.

In the Video category, the technical infrastructure is made available to users on certain third-party platforms as part of video-Platform-as-a-Service agreements. Revenue recognition is based on the consumption of credits on the respective third-party platform.

In both revenue categories, Dating and Video, customers also have the option of purchasing value units on the company's own online portals. These are so-called "credits," "points," "gold," or

"icebreakers" (generally referred to simply as "credits" below), which can be used to gain access to premium features or to acquire virtual gifts to give away to other users via the platform. In each case revenue recognition is based on the average consumption of purchased credits over time. Furthermore, revenues from in-app marketing services are recognized in both the Dating and the Video category.

Revenues in the Consumer Advice category, specifically concerning household goods or services, real estate sales, car rentals, events, insurance, energy supply, mobile communications and financial services, are recognized in the amount of the fee agreed with the contract partners, i.e. the providers of the primary services to the end customers. Cancellation rates are taken into account provided they can be determined reliably. Depending on the contract terms, revenue is recognized when the customer data is transferred to the providers of the primary services, otherwise on receipt of proof of the conclusion of the contract or the start of the provision of services by the contract partners.

As a special feature of the sale of event vouchers (Experiences), the payments received from the end customers include both the agency commission and the event price. The payment received is initially recorded in full as a liability. When the voucher is activated and delivered, revenues are recognized in the amount of the agency commission agreed with the provider. Payments for vouchers that historical experience shows will not be redeemed are recognized as revenues in full. The remaining part of payments from the end customer is passed on to the event provider at the time of the event.

In the Beauty & Lifestyle category, ProSiebenSat.1 Group primarily sells goods via online portals and stationary retailers. The Group recognizes the resulting revenues at the time the goods are handed over to the customers, taking into account return rates if these can be reliably determined. The Group recognizes a refund liability as a reduction of revenues, measured on the basis of historic experience, for the expected refund payments to be made as a result of customers exercising their legal or voluntarily granted return rights. Simultaneously, an asset for the right to receive back the goods returned is recognized in the amount of their previous carrying amounts less any expected loss in value and less the expected cost of returning the goods. The asset is recognized as a reduction to cost of sales and is reported under inventories.

In the business model ad-financed search engines, revenues are recognized access-based at a point in time using the "cost-per-click"-method.

In all revenue categories, the transaction price is derived from the contractually agreed terms. In some cases, variable consideration is agreed in addition to fixed payments. This is recognized as revenues only at an amount that makes a later reversal seem unlikely.

The payment terms of the business models are largely short-term (generally up to 30 days). In the case of the sale of programming rights, Studio71 revenues and in the Dating & Video segment, longer payment terms of up to 90 days are agreed in some cases. In the case of commissioned productions and the licensing of programming rights, payments are generally due shortly after contractually agreed milestones are reached, the number of agreed installments varies depending on the individual contract. In the Dating & Video segment, monthly installments are also agreed. There are no significant financing components as defined by IFRS 15.

### **Operating expenses**

The Group recognizes operating expenses by function. Amortization, depreciation and impairment losses on intangible assets and property, plant and equipment are included in functional costs according to the use of the assets. Impairment losses on trademarks with indefinite useful lives and on goodwill are recognized in other operating expenses.

## Income taxes

Income taxes include the taxes levied in the individual countries on taxable income and changes in deferred taxes. They are recognized based on tax laws enacted or substantively enacted as of the reporting date. Deferred taxes are recognized for deductible or taxable temporary differences between the carrying amounts of assets and liabilities under IFRS and their tax bases. In addition, the Group recognizes deferred tax assets for tax benefits from tax loss carryforwards that are likely to be usable.

Deferred taxes arising from temporary differences are recognized in the nominal amount of the expected tax charge or benefit that will arise when the temporary difference reverses. Deferred tax assets are only recognized to the extent that sufficient taxable income will be available in the future to utilize them.

When assessing the recoverability of deferred tax assets, the effects on earnings of the reversal of taxable temporary differences, the planned results from operations and intended tax structuring measures are taken into account. The planned results are based on internal forecasts regarding the future earnings situation of the respective Group entity, with a planning horizon generally of five years. The Group reviews the assumptions underlying tax deferral on an ongoing basis. Changed assumptions or circumstances may require adjustments that can affect the amount of the deferred tax assets and liabilities as well as deferred tax expenses. Deferred tax assets and liabilities are offset to the extent that they relate to the same tax authority and the right to offset is legally enforceable.

The Group recognizes current and deferred taxes in profit or loss unless the matters triggering the tax effects were recognized outside profit or loss.

Uncertain tax positions are analyzed on an ongoing basis. If it is probable that the fiscal authorities will not accept an uncertain tax treatment, the Group reflects this generally by using either the most likely amount or the expected amount in the financial statements. If the estimates change over time, for example as a result of tax audit findings or current court rulings, such changes may affect the level of risk provisioning considered necessary. Uncertainties arise, inter alia, in connection with matters that are the subject of ongoing tax audits but have not yet led to final findings or are under discussion due to controversial legal positions or new court rulings.

Due to the decision by the Federal Constitutional Court of July 8, 2021 (1 BvR 2237/14, 1 BvR 2422/17), which declared per annum interest of 6% on back taxes and tax refunds to be unconstitutional from 2014 onwards, the Group has measured the corresponding tax provisions for interest periods from 2019 onwards at an appropriate amount below the interest rate previously stipulated by law.

## Earnings per share

Earnings per share correspond to the ratio of net income attributable to the shareholders of ProSiebenSat.1 Media SE and the weighted average number of shares outstanding during the financial year.

For purposes of calculating diluted earnings per share, the average number of shares outstanding is adjusted by the number of all potentially dilutive shares. At ProSiebenSat.1 Group, these dilutive effects result from issues of Performance Share Units under share-based payment plans.

## Goodwill and other intangible assets

Goodwill is recognized at cost less accumulated impairment losses. At the acquisition date, it is allocated to the cash-generating unit or group of cash-generating units that is expected to benefit from the synergies of the business combination, which in each case represents the lowest level at which goodwill is monitored. The ProSiebenSat.1 Group's cash-generating units are structured by business areas.

When disposing cash-generating units or parts thereof or in the event of an internal reorganization, any goodwill existing at the time of sale or transfer is allocated to the disposed and those remaining according to their relative values. Goodwill is reported in the functional currency of the acquired entity.

Intangible assets not acquired in the context of business combinations are initially recognized at cost.

The Group recognizes intangible assets identified in the context of business combinations at their fair values as of the acquisition date. The fair values are mainly measured using the following methods:

#### **FAIR VALUE MEASUREMENTS IN THE CONTEXT OF THE PURCHASE PRICE ALLOCATION**

| Intangible asset                             | Measurement method                                      |
|--|---|
| Trademarks                                   | Relief from royalty method                              |
| Customer and other contractual relationships | Multi-period excess earnings method                     |
| Technologies                                 | Reproduction cost method and relief from royalty method |

For purposes of subsequent measurement, a distinction is made between intangible assets with definite and those with indefinite useful lives. Intangible assets with indefinite useful lives at ProSiebenSat.1 Group exclusively comprise established trademarks that have consistently been market leaders or held similar positions. They are not amortized and are subject to an annual impairment test.

In addition to trademarks, software and customer relationships, intangible assets with finite useful lives primarily include temporarily acquired rights to use advertising licenses for sales of digital offerings of external providers.

After initial recognition, the cost of intangible assets with definite useful lives not acquired in a business combination is adjusted for amortization and any necessary impairment losses.

Furthermore, ProSiebenSat.1 Group holds acquired intangible assets with an essentially indefinite useful life, the use of which is not currently subject to economic or legal restrictions. If their useful life can be reliably determined, they are amortized over the expected useful life as intangible assets with a finite useful life or impaired, if necessary.

Identifiable internally generated intangible assets are capitalized if they are expected to generate future economic benefits and their cost can be measured reliably. In determining the cost of production, a distinction is made between research and development expenses, the former always being recognized as an expense when incurred. Development costs are only capitalized as cost if the product or process is technically and commercially feasible. For this to be the case, the completion of development and subsequent use or sale must be both technically and financially assured and intended. The marketability of the product or process must also be demonstrated.

In the case of program formats developed in-house, this is only the case at a very late stage in the process, when the format can be placed successfully with a buyer. Expenditure on format development therefore generally does not qualify for capitalization.

Amortization reflects the pattern of usage and is recognized on a straight-line basis, predominantly based on the following economic useful lives:

## USEFUL LIVES OF INTANGIBLE ASSETS

|                                     | Years                                |
|-------------------------------------|--------------------------------------|
| Trademarks with finite useful lives | 8-17                                 |
| Customer relationships              | 1-15                                 |
| Software                            | 2-10                                 |
| Licenses and other property rights  | 10 or term of the license agreements |

The useful lives and amortization methods of intangible assets are reviewed annually and adjusted if expectations have changed.

### Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation and impairments. The Group recognizes depreciation using the straight-line method. Depreciation is based on the following expected useful lives:

## USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

|                                | Years |
|--------------------------------|-------|
| Real estate                    | 3-50  |
| Technical facilities           | 2-10  |
| Office furniture and equipment | 3-20  |

The useful lives and depreciation methods of property, plant and equipment are reviewed annually and adjusted if expectations have changed.

### Leases

The Group measures right-of-use assets from leases at cost less depreciation and impairments. Lease liabilities in the amount of the present value of the expected lease payments are recognized at the lease commencement date together with the right-of-use asset and subsequently measured according to the effective interest method and using the incremental borrowing rate.

Expenses for leases with a term of not more than one year or for a leased asset that, when new, is worth not more than EUR 5,000 or the equivalent in foreign currency are recognized as incurred by the Group as current expenses in functional costs. The same applies to sales- or usage-based lease payments.

### Investments accounted for using the equity method

These include investments in associates and joint ventures. Associates are investments in which ProSiebenSat.1 Group has the ability to exercise significant influence over the operating and financial policies of the investee. In joint ventures, the Group exercises joint control together with other investors. Investments accounted for using the equity method are initially recognized at cost, except for investments in subsidiaries that were originally fully consolidated but over which the Group loses control but retains significant influence or joint control. In this case, the investment is recognized at fair value at the date when control is lost. Any goodwill identified on initial recognition is included in the carrying amount of the investment and is neither amortized nor separately tested for impairment.

Under the equity method, the Group recognizes its share of the net profit or loss of the investee in the result from investments accounted for using the equity method after initial recognition of the investment. This includes effects attributable to the Group from the amortization of hidden reserves identified on acquisition of the investment. Earnings components recognized directly in equity by the investee are also recognized directly in equity at the level of ProSiebenSat.1 Group. Earnings effects from the contribution or sale of shares in subsidiaries to existing investments accounted for using the equity method are included in the elimination of intercompany profits or losses.

Losses of an investee accounted for using the equity method that exceed the Group's interest in the investee are recognized only when the Group has a legal or constructive obligation to absorb or fund the losses. Distributions received reduce the carrying amount of the investment without affecting profit or loss.

If relevant indicators exist, the entire carrying amount of the investment is tested for impairment and, if necessary, written down to the lower recoverable amount.

### **Programming assets**

Programming content is recognized at acquisition and production cost, less amortization and impairment losses. Feature films and series are capitalized at the beginning of the contractual license period, while commissioned productions are capitalized upon acceptance. Live content, such as sports rights in particular, as well as news formats and some shows, are included in advance payments until broadcast. They are reported as current programming assets and are immediately expensed as consumption in cost of sales when broadcast.

The Group recognizes amortization using a declining-balance method over the number of contractual or planned broadcasts based on the expected audience reach potential relating to the respective broadcast. Commissioned productions intended for only one run and sports rights are expensed in full on broadcast.

Impairment losses on programming assets are recognized when the carrying amount of the assets is not covered by the expected proceeds from their exploitation. Indications for this can be, among other things, poorer exploitation opportunities, changed requirements from the advertising environment, adaptation of programs to the preferences of the target groups, media law restrictions on the usability of films, expiry of the license period before broadcasting or the discontinuation of commissioned productions. Programming assets that no longer meet the criteria for capitalization are thus fully impaired.

The remaining programming assets are assessed for impairment at the level of program groups. Due to the significantly changed market for video offerings, viewers have adjusted their behavior over time and prefer different offerings on free TV than in the past. The ProSiebenSat.1 Group's stations take the adjusted usage behavior into account in their strategy and program planning. This in turn influences the planning and buying behavior of advertising customers, and thus the revenue structure. To reflect these adjustments, the Group changed the structure of the program groups for impairment testing of programming assets at the end of the reporting year.

### **Impairments of other non-financial assets**

In addition to programming assets, goodwill, other intangible assets, property, plant and equipment, and other non-financial assets are tested for impairment if there are indications that the carrying amount does not at least equal the recoverable amount. The recoverable amount is the higher of value in use and fair value less costs to sell. The value in use is the present value of future cash flows expected to arise from the continuing use of the asset. In addition, intangible assets with an indefinite useful life, other intangible assets that are not yet ready for use or relevant advance payments, and acquired goodwill have to undergo an impairment test at least once a year.

In the event of impairment, the Group recognizes the difference between the carrying amount and the lower recoverable amount in profit or loss. Impairment losses are allocated to the relevant functional costs. In contrast, the Group recognizes impairment losses on goodwill and trademarks with indefinite useful lives in other operating expenses. The recoverable amount is determined for each individual asset, unless an asset generates cash inflows that are not largely independent of those from other assets or cash-generating units. In these cases, the impairment test is performed at the smallest level of the cash-generating unit to which an asset is attributable.

The Group generally determines the recoverable amount using valuation methods based on discounted cash flows. For cash-generating units, ProSiebenSat.1 Group initially determines the

respective recoverable amount as the value in use and compares this with the carrying amount of the measurement object, including any attributable goodwill. ProSiebenSat.1 Group derives the discounted cash flows from the financial budgets approved by management, which have a planning horizon of five years. Cash flows beyond the planning period are extrapolated using individual growth rates, but not exceeding inflation expectations for the respective sector. The main assumptions on which the derivation of the value in use is based relate to future cash flows, estimated growth rates, tax rates and weighted average cost of capital.

If the reasons for impairment no longer apply, the Group recognizes a reversal of the impairment loss for the assets concerned which, however, may not exceed amortized cost. As an exception, impairment losses recognized on goodwill may not be reversed.

### **Financial instruments**

Financial instruments are contracts that give rise to financial assets for one party and financial liabilities or equity instruments for the other party. The Group recognizes regular way purchases and sales of non-derivative financial assets on the settlement date, and derivative transactions on the trade date.

Financial assets are derecognized once the contractual rights to the cash flows from the asset expire or the Group transfers the rights to receipt of the cash flows in a transaction where substantially all the risks and rewards associated with ownership of such financial assets are transferred as well. Any differences arising on derecognition are recognized in profit or loss.

Financial liabilities are derecognized once the obligations specified in the contract are discharged, canceled or expired. When contract terms are changed or when maturities are extended, the Group examines whether these are substantial modifications to the contract terms. If this is the case, the adjustments or maturity extensions result in the original liability being derecognized and a new liability being recognized. Any difference between the carrying amount of the original liability and the fair value of the new liability as well as any processing and other transaction costs are recognized immediately in profit or loss.

If amendments to the terms of the contract do not result in the derecognition of a financial instrument measured at amortized cost (whether a financial asset or financial liability), the new carrying amount is determined as the present value of the renegotiated or modified cash flows discounted at the original effective interest rate, and any difference to the original carrying amount is recognized in profit or loss. Processing or other transaction costs result in an adjustment to the carrying amount and are amortized using the effective interest method.

### **Measurement of financial instruments**

Financial assets are initially recognized at fair value, with the exception of trade receivables and contract assets (hereafter summarized as assets from contracts with customers), which are recognized at the transaction price in accordance with IFRS 15.

ProSiebenSat.1 Group subsequently measures financial assets and liabilities either at fair value through profit or loss or at amortized cost.

Instruments accounted for at fair value through profit or loss after initial recognition mainly include (i) investments in entities over which the Group does not exercise control, joint control or significant influence, (ii) fund investments, (iii) derivative financial instruments that do not qualify for hedge accounting and (iv) contingent considerations arising from business combinations, in particular payment obligations assumed under put option agreements or earn-out clauses.

The fair value corresponds to the market or stock exchange value, provided there is an active market for the respective instrument. Otherwise, the fair value is determined using valuation techniques (for example, by discounting the future cash flows at the market interest rate). On initial recognition, the fair value usually corresponds to the transaction price.

The fair values are determined depending on the type of instrument and on its marketability based on a three-level measurement hierarchy.

→ note 33 “Notes on financial risk management and financial instruments”

### **Loss allowances for loans and receivables**

For financial assets measured at amortized cost, ProSiebenSat.1 Group recognizes loss allowances in the amount of the expected credit losses. This primarily relates to assets from contracts with customers.

The loss allowances for these assets cover the lifetime expected credit losses and are recognized on the basis of historical and forward-looking information using provision matrices (“simplified approach”).

Expected credit losses on assets from contracts with customers are recognized in separate allowance accounts.

For all other financial assets falling within the scope of the impairment requirements for financial assets – i.e. cash and cash equivalents mainly – an impairment loss in the amount of the twelve-month expected credit losses is generally recognized when the assets are initially recognized. Due to the high liquidity and low default probability, however, the expected credit losses for cash and cash equivalents are usually negligible.

If there is a significant deterioration in credit quality after initial recognition, the impairment loss is adjusted and the credit losses expected over the entire contractual term are recognized. To the extent that financial assets exist with counterparties that have an external credit rating in the investment grade range, the Group makes use of the practical expedient of assuming that the credit risk has not increased significantly if the financial asset has a low risk of default at the reporting date.

Otherwise, an increased default risk is assumed if any amount is past due by more than 30 days or if ProSiebenSat.1 Group has any other indications that creditworthiness has declined significantly. This includes information about a significant downgrade of the credit rating or signs of a significant increase in debt or a sharp decline in operating results.

If relevant market prices are currently available for the respective counterparty, maturity-matched credit default swap spreads are used to assess creditworthiness.

If a default event occurs, individual receivables are impaired. ProSiebenSat.1 Group assumes that a default event has occurred if receipt of full payment becomes unlikely due to the contracting party's limited ability to pay, or if a receivable is more than 90 days overdue. The principle of considering a default to have occurred if a receivable is more than 90 days overdue may be deviated from in justified individual cases. In these cases, no individual credit loss is recognized.

The Group recognizes impairment losses in profit or loss and reviews them on a regular basis. If the reasons for impairments no longer apply, credit losses are reversed accordingly. If there are indications of a final non-recoverability, the receivable is derecognized, possibly against previously recognized loss allowances.

### **Derivative financial instruments and hedge accounting**

ProSiebenSat.1 Group uses derivative financial instruments in the form of interest rate swaps and interest rate options, as well as forward exchange transactions, currency swaps and currency options, to hedge against interest rate and currency risks. Derivative financial instruments are recognized as financial assets or financial liabilities in the statement of financial position at their fair values, irrespective of the purpose or intention for which they were entered into. The fair values of interest rate swaps and forward exchange contracts are generally zero on initial recognition, while for interest rate and currency options they correspond to the option premiums paid or to be paid.

The valuation of derivative financial instruments also takes into account counterparty-specific credit risks.

If a hedging relationship meets the relevant criteria, the Group accounts for it using the hedge accounting requirements of IAS 39 "Financial Instruments: Recognition and Measurement".

ProSiebenSat.1 Group currently uses hedging derivatives exclusively as part of cash flow hedges for hedging future cash flows. Accordingly, changes in the fair value of the effective portion of the derivative are initially recognized separately in other comprehensive income in equity and only in profit or loss when the hedged item affects profit or loss. Any ineffective part is recognized immediately in profit or loss.

In the case of hedges of future license payments against currency risks, the gains or losses on the hedging instrument recognized in equity increase or decrease the cost of the license at the commencement of the license, i.e., when the hedged item is capitalized, with a corresponding effect on amortization.

Identified hedged items and hedging transactions are combined and managed in so-called hedge books. The effectiveness of the hedging relationship is measured at regular intervals, and the hedging relationship is adjusted if necessary. If a hedging relationship does not meet or no longer meets the requirements of the standard, hedge accounting is terminated. After termination of a hedging relationship, the amounts still recognized in other comprehensive income or as an adjustment to cost are recognized in profit or loss when the hedged item affects profit or loss. If a hedging relationship is terminated because it is no longer probable that the hedged item will occur, the amounts recognized in other comprehensive income are recognized immediately in profit or loss.

### **Cash and cash equivalents**

Cash and cash equivalents are measured at cost; foreign currency balances are translated at the respective closing rate. These are cash and cash equivalents and short-term, highly liquid financial investments with a remaining term of up to three months at the time of acquisition, provided they are subject to only insignificant risks of fluctuation in value. They are not subject to any restrictions on disposal.

### **Provisions for pensions**

Provisions for pensions are measured using the actuarial projected unit credit method. Deviations between assumptions made and actual developments as well as changes in actuarial assumptions regarding the measurement of defined benefit pension plans must be accounted for via remeasurement of the obligations as of the reporting date. ProSiebenSat.1 Group recognizes actuarial gains and losses resulting from this remeasurement in other comprehensive income. The statement of financial position therefore shows the full extent of the obligations while avoiding fluctuations in profit or loss that may arise in particular from changes in the calculation parameters.

The actuarial gains and losses recognized in the respective reporting period are presented separately in the statement of comprehensive income. In subsequent periods, such amounts are not reclassified to profit or loss.

Assets available to cover pension entitlements that meet the criteria for recognition as plan assets are measured at fair value and offset against the corresponding obligations. Otherwise, they are recognized separately as assets and measured at fair value through profit or loss.

### **Share- and performance-based payments**

The share-based payments of ProSiebenSat.1 Group (primarily rights to shares or to future disbursements based on share values) partly relate to compensation plans which the Group can settle either in shares or cash. The applicable accounting depends on whether the Group has a present legal or constructive obligation to settle in cash. Where plans are settled in shares or do not

contain such a cash settlement obligation, they are measured once at the grant-date fair value. The Group recognizes personnel expenses for these plans in functional costs over the vesting period. The counter-entry is to capital reserves.

In the case of plans with settlement options giving rise to a legal or constructive obligation for the Group to cash-settle, ProSiebenSat.1 Group recognizes such plans under the requirements for cash-settled plans. The corresponding personnel expense is recognized against liabilities, which are remeasured through profit or loss in personnel expenses at each reporting date as well as on the settlement date. In addition, there are compensation plans under which settlement is agreed solely in cash; these are also recognized in accordance with the aforementioned rules for cash-settled plans.

### **Other provisions**

Provisions are recognized if a present legal or constructive obligation to third parties exists as a result of a past event, if outflows of economic resources are expected, and if the amount can be determined reliably. They are recognized at full cost, in the amount of the most probable outcome of the obligation, taking into account experiential values. Non-current provisions are recognized at the present value of expected settlement amounts as of the reporting date, taking estimated increases in prices or costs into account. The discount rates used are regularly adjusted to current market interest rates.

The Company measures net obligations under onerous contracts at the lower of the expected cost of fulfilling the contract and the expected cost of terminating the contract, less any revenue expected from the contract. When recognizing and measuring provisions for onerous procurement transactions of programming assets, contracts are aggregated by program groups.

Recognition and measurement of provisions require estimates of the amount and probability of the future outflow of resources, which are based on experiential values and the circumstances known as of the reporting date. To assess the amount of the provisions, in addition to the evaluation of the facts and of the asserted claims, the results of comparable fact patterns are also considered on a case-by-case basis, as are assumptions regarding probabilities of occurrence and the range of possible utilizations.

### **Statement of cash flows**

The statement of cash flows shows the origin and use of the cash flows. It distinguishes between cash flows from operating activities, from investing activities and from financing activities.

The funds covered by the statement of cash flows correspond to the cash and cash equivalents presented in the statement of financial position.

Cash flows from investing and financing activities are determined on the basis of actual payments. Cash flows from operating activities, on the other hand, are derived indirectly from net income. The changes in balance sheet items taken into account in the indirect derivation are adjusted for the effects of currency translation and changes in the scope of consolidation. As a result, the changes in balance sheet items reported in the statement of cash flows cannot be reconciled with the corresponding figures in the consolidated statement of financial position and the segment indicators.

Interest paid and received, dividends received and all cash flows arising from taxes are reported as cash flows from operating activities.

### **Prior-year information**

On January 1, 2021, the segment structure of the Group was modified. The relevant prior-year disclosures have been adjusted to reflect the current presentation.

### 3/ Changes in reporting standards

The following amendments to existing standards published by the International Accounting Standards Board (“IASB”) and transposed into European law were applicable for the first time in the financial year 2021:

- Amendments to IFRS 16 “COVID-19-Related Rent Concessions”
- Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform – Phase 2”

The first-time application had no material effect on ProSiebenSat.1 Group’s assets, liabilities, financial position and profit or loss.

The IASB also published the following pronouncements as of the reporting date, which are not yet mandatory or have not yet been transposed into European law in some cases, and which have therefore not been applied by the Group:

#### PUBLISHED FINANCIAL REPORTING PRONOUNCEMENTS NOT YET APPLIED

| Standard                       | Pronouncement  | Mandatory application for financial years commencing on | Anticipated effect |
|--------------------------------|--|---|--------------------|
| IFRS 16                        | Covid-19-Related Rent Concessions beyond June 30, 2021                           | April 1, 2021   | immaterial         |
| IAS 16                         | Property, Plant & Equipment: Proceeds before Intended Use                        | January 1, 2022   | immaterial         |
| IAS 37                         | Onerous Contracts – Costs of Fulfilling a Contract                               | January 1, 2022   | immaterial         |
| IFRS 3                         | Reference to the Conceptual Framework  | January 1, 2022   | immaterial         |
| IFRS 1, IFRS 9, IAS 16, IAS 41 | Annual Improvements 2018–2020  | January 1, 2022   | immaterial         |
| IAS 1                          | Disclosure of Accounting Policies  | January 1, 2023   | immaterial         |
| IAS 8                          | Definition of Accounting Estimates   | January 1, 2023   | immaterial         |
| IAS 12                         | Deferred tax related to Assets and Liabilities arising from a Single Transaction | January 1, 2023   | immaterial         |
| IAS 1                          | Classifications of Liabilities as Current or Non-Current                         | January 1, 2023   | immaterial         |
| IFRS 17                        | Insurance Contracts (including amendments)                                       | January 1, 2023   | none               |

### 4/ Scope of consolidation

The number of subsidiaries included in the Consolidated Financial Statements changed as follows in the financial year 2021:

#### SUBSIDIARIES

|   | Germany   | Other countries | Total      |
|---|-----------|-----------------|------------|
| Included as of December 31, 2020        | 91        | 130             | 221        |
| Additions                               | 3         | 5               | 8          |
| Disposals                               | -16       | -8              | -24        |
| <b>Included as of December 31, 2021</b> | <b>78</b> | <b>127</b>      | <b>205</b> |

The additions include only newly established companies. The disposals include 14 mergers, 6 sales and 4 liquidations.

In addition to the controlled entities, 13 (previous year: 14) associates and 4 (previous year: 5) joint ventures accounted for using the equity method are included in the Consolidated Financial Statements.

## 5 / Acquisitions and disposals affecting the scope of consolidation

### A) ACQUISITIONS

In the financial year 2021, ProSiebenSat.1 Group did not acquire any material subsidiaries. The Group obtained significant influence over an entity as part of the following transaction:

#### Acquisition of a 15.6% stake in Urban Sports GmbH

By agreement dated June 25, 2021, and effective as of July 20/23, 2021, ProSiebenSat.1 Group acquired 15.6% of the shares in the sports and fitness platform Urban Sports GmbH, Berlin ("Urban Sports Club") for a purchase price of EUR 53 million. The purchase price was paid in cash in the amount of EUR 30 million, with the remaining portion in the form of advertising services to be provided over the next 2.5 years after acquisition. Urban Sports Club provides members in numerous European cities with a flexible sports and wellness offering including extensive online courses. As ProSiebenSat.1 Group has significant influence over the company through its seat on the Advisory Board, the investment is accounted for as an associate using the equity method. Urban Sports Club is part of the Commerce & Ventures segment.

#### OVERVIEW OF ACQUISITIONS IN 2020

| Company              | Purpose of the company                                  | Voting equity interest acquired | Acquisition of control |
|----------------------|---|---------------------------------|------------------------|
| The Meet Group, Inc. | Provide online dating and social entertainment services | 100.0%                          | 09/04/2020             |

For further information on the acquisition of The Meet Group, please refer to the published Annual Report as of December 31, 2020.

### B) DISPOSALS OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

ProSiebenSat.1 Group concluded the following material disposals of investments in subsidiaries in the financial year 2021:

#### Disposal of Sonoma Internet GmbH ("Amorelie")

By agreement dated October 1, 2021, and effective as of December 30, 2021, ProSiebenSat.1 Group sold its 97.8% stake in Sonoma Internet GmbH, Berlin, which operates an online store for sensual lifestyle and erotic products under the Amorelie brand, to a subsidiary of EQOM Group, Veendam, Netherlands. Part of the purchase price was deferred. As an indirect subsidiary of NCG - NUCOM GROUP SE, Unterföhring ("NuCom", together with its subsidiaries "NuCom Group"), Amorelie was part of the Commerce & Ventures segment.

#### Disposal of Gravitas Ventures LLC

By agreement dated November 15, 2021, and effective as of the same day, ProSiebenSat.1 Group sold its 62.5% share in the film distribution company Gravitas Ventures LLC, Wilmington, Delaware, USA ("Gravitas"), to a subsidiary of Anthem Sports & Entertainment Inc., Toronto, Canada ("Anthem"). At the same time, Gravitas' management transferred its non-controlling interest of 37.5% to Anthem. The non-controlling interests were accounted for as liabilities under put option agreements prior to the closing of the transaction using the anticipated acquisition method. Of the purchase price, 10% were settled in shares in the acquiring company. The shares grant minority rights without the possibility to exercise significant influence and are subject to a put agreement. As a subsidiary of Red Arrow Studios International, Inc., Wilmington, Delaware, USA, Gravitas was part of the Entertainment segment.

#### Disposal of moebel.de Einrichten & Wohnen AG

By agreement of October 29, 2021, and effective as of November 30, 2021, ProSiebenSat.1 Group sold its 50.1% investment in moebel.de Einrichten & Wohnen AG, Hamburg ("moebel.de"), an online

portal for furniture and furnishings, to the furniture retail chain BDSK Handels GmbH & Co. KG, Würzburg. As an indirect subsidiary of NuCom, moebel.de was part of the Commerce & Ventures segment.

The table below shows the carrying amounts disposed of including goodwill, the disposal proceeds, the calculation of the gains and losses on disposal and the net cash inflows from the disposals of subsidiaries:

### DISPOSAL OF CARRYING AMOUNTS AND RESULTS ON DISPOSALS OF SUBSIDIARIES IN 2021

in EUR m

|   | Amorelie   | Gravitas   | moebel.de  | Total      |
|---|------------|------------|------------|------------|
| Goodwill  | -11        | -43        | -6         | -60        |
| Other intangible assets   | -17        | -19        | -6         | -43        |
| Property, plant and equipment   | 0          | 0          | 0          | -1         |
| Inventories   | -8         | —          | —          | -8         |
| Trade receivables   | -2         | -21        | -1         | -24        |
| Other receivables and other assets  | -1         | -4         | 0          | -6         |
| Cash and cash equivalents   | -3         | -2         | -3         | -8         |
| Trade payables  | 4          | 4          | 2          | 10         |
| Provisions and other liabilities  | 6          | 40         | 1          | 48         |
| <b>Disposal net assets</b>  | <b>-33</b> | <b>-45</b> | <b>-14</b> | <b>-91</b> |
| Disposal of non-controlling interests and reclassification of foreign currency translation gains and losses to profit or loss | 0          | -1         | 4          | 3          |
| Purchase price  | 33         | 35         | 10         | 79         |
| <b>Gain/loss on disposal</b>  | <b>1</b>   | <b>-10</b> | <b>0</b>   | <b>-9</b>  |
| Cash purchase price   | 26         | 32         | 10         | 68         |
| Net of cash and cash equivalents disposed   | -3         | -2         | -3         | -8         |
| <b>Net cash inflow</b>  | <b>23</b>  | <b>30</b>  | <b>8</b>   | <b>61</b>  |

The gains or losses on disposal were recognized as other operating income or other operating expenses. The disposal costs incurred of EUR 4 million were recognized as part of functional costs.

The following table provides an overview of the investments in subsidiaries and associates disposed of in the previous year:

### OVERVIEW OF DISPOSALS OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES IN 2020

| Company                       | Purpose of the company                  | Voting equity interest sold | Disposal effective date |
|-------------------------------|---|-----------------------------|-------------------------|
| gamigo AG                     | Operation of a game publishing platform | 33.0%                       | 03/05/2020              |
| myLoc managed IT AG ("myLoc") | Provision of hosting services           | 100.0%                      | 09/30/2020              |
| WSM Holding GmbH ("WindStar") | Sale of OTC pharmaceutical products     | 92.0%                       | 12/01/2020              |

For further information on these disposal transactions, please refer to the published Annual Report as of December 31, 2020.

## C) OTHER TRANSACTIONS

### Acquisition of additional shares in Studio71 Group and disposal of French and Italian activities

In February and March 2021, ProSiebenSat.1 Group acquired the non-controlling interests that the French TFI Group and the Italian Mediaset S.p.A. held in the Studio71 Group. ProSiebenSat.1 Group now holds all voting shares in the Studio71 Group. The purchase price payment of EUR 9 million is presented within payments from transactions with non-controlling interests in the cash flow from financing activities. At the same time, the Studio71 Group sold its French entity, which was

accounted for using the equity method, and its fully consolidated Italian subsidiary with economic effect as of March 31, 2021, and July 7, 2021, respectively, as Europe-wide synergies were not realized as originally expected at the time of foundation due to the predominantly local focus. The transactions did not result in any significant cash inflows or disposal gains or losses.

### Acquisition of a 30.3% stake in PEG Management GmbH & Co. KG

By agreement dated September 3, 2021, and effective as of the same day ProSiebenSat.1 Group, through its subsidiary ParshipMeet Holding GmbH, Hamburg ("ParshipMeet Holding"), acquired 30.3% of the partnership interest in PEG Management GmbH & Co. KG ("PEG KG") for a total purchase price of EUR 26.0 million. The partnership interest is subject to a put option agreement accounted for under the anticipated acquisition method. Accordingly, a financial liability was recognized for the put option payment obligation, which decreased following the payment of the purchase price. As ParshipMeet Holding controls the partnership, PEG KG is included, as in the previous year, as a fully consolidated subsidiary in the Group's Consolidated Financial Statements. PEG KG is part of the Dating & Video segment.

## NOTES TO THE CONSOLIDATED INCOME STATEMENT

### 6 / Revenues

in EUR m

|  | Entertainment |              | Dating & Video |            | Commerce & Ventures |            | Total Group  |              |
|--|---------------|--------------|----------------|------------|---------------------|------------|--------------|--------------|
|  | 2021          | 2020         | 2021           | 2020       | 2021                | 2020       | 2021         | 2020         |
| <b>Advertising revenues</b>            | <b>2,323</b>  | <b>2,090</b> | —              | —          | <b>150</b>          | <b>135</b> | <b>2,473</b> | <b>2,225</b> |
| DACH                                   | 2,083         | 1,873        | —              | —          | 150                 | 135        | 2,233        | 2,007        |
| Rest of the world                      | 240           | 217          | —              | —          | —                   | —          | 240          | 217          |
| <b>Distribution</b>                    | <b>179</b>    | <b>169</b>   | —              | —          | —                   | —          | <b>179</b>   | <b>169</b>   |
| <b>Content</b>                         | <b>491</b>    | <b>394</b>   | —              | —          | —                   | —          | <b>491</b>   | <b>394</b>   |
| Europe                                 | 198           | 144          | —              | —          | —                   | —          | 198          | 144          |
| Rest of the world                      | 293           | 250          | —              | —          | —                   | —          | 293          | 250          |
| <b>Dating &amp; Video</b>              | —             | —            | <b>542</b>     | <b>333</b> | —                   | —          | <b>542</b>   | <b>333</b>   |
| Dating                                 | —             | —            | 278            | 249        | —                   | —          | 278          | 249          |
| Video                                  | —             | —            | 263            | 84         | —                   | —          | 263          | 84           |
| <b>Digital Platform &amp; Commerce</b> | —             | —            | —              | —          | <b>701</b>          | <b>807</b> | <b>701</b>   | <b>807</b>   |
| Consumer Advice                        | —             | —            | —              | —          | 192                 | 211        | 192          | 211          |
| Experiences                            | —             | —            | —              | —          | 77                  | 87         | 77           | 87           |
| Beauty & Lifestyle                     | —             | —            | —              | —          | 433                 | 509        | 433          | 509          |
| <b>Other revenues</b>                  | <b>105</b>    | <b>116</b>   | —              | —          | <b>3</b>            | <b>4</b>   | <b>108</b>   | <b>119</b>   |
| <b>Total</b>                           | <b>3,098</b>  | <b>2,768</b> | <b>542</b>     | <b>333</b> | <b>854</b>          | <b>945</b> | <b>4,494</b> | <b>4,047</b> |

The Group's revenues increased by EUR 447 million year-on-year to EUR 4,494 million. The biggest growth driver was the momentum of the advertising business, which recovered significantly from the impact of pandemic restrictions. Revenues from program production and program sales (Content) also recovered from the effects of pandemic restrictions in the financial year 2021 and increased significantly year-on-year. The material increase in Dating & Video revenues reflects the acquisition of The Meet Group in September 2020. The development of Digital Platform & Commerce revenues primarily reflects the disposal of the OTC provider WindStar (Beauty & Lifestyle) in December 2020. For more detailed information, please refer to the

→ "Group Earnings" section in the Group Management Report

The table shows the breakdown of revenues by category in the segment structure valid since January 1, 2021. The prior-year figures have been adjusted to the current presentation. The categories Advertising revenues and Content (until December 31, 2020: Production as well as Global

Sales and Other Program Sales) are presented by geographical regions. The allocation is based on the country of domicile of the subsidiary that recognizes the revenues. The regions presented are either Germany (D), Austria (A) and Switzerland (CH) (together DACH), Europe and Rest of the world.

The DACH Advertising revenues category in the Entertainment segment includes advertising revenues from the sale of advertising time, including the advertising revenues of the German Studio71 entity. The same category in the Commerce & Ventures segment includes revenues from media-for-equity and media-for-revenue transactions amounting to EUR 108 million (previous year: EUR 97 million). The category Advertising revenues Rest of the world mainly includes revenues from the Studio71 entities in the United States (USA).

## CONTRACT ASSETS AND LIABILITIES

in EUR m

|                      | 12/31/2021 | 12/31/2020 |
|----------------------|------------|------------|
| Contract assets      | 34         | 29         |
| Contract liabilities | 131        | 110        |

Contract assets, i.e. positive balances from contracts with customers, primarily relate to claims for consideration resulting from work completed under commissioned productions still to be invoiced as of the reporting date. These contract assets will be reclassified as trade receivables upon invoicing. Furthermore, the contract assets mainly include services already rendered but not yet billable in the Dating & Video segment.

Contract liabilities mainly relate to advance payments received for commissioned productions, the sale of programming rights and media services not yet provided, as well as advance payments from customers in the Dating & Video segment.

Of the contract liabilities existing as of January 1, 2021, EUR 96 million were recognized as revenues in the financial year 2021 (previous year: EUR 113 million).

As permitted under IFRS 15, no disclosures are made for the remaining performance obligations at December 31, 2021, that have an original expected duration of one year or less. Performance obligations with an original expected duration of more than one year only exist to an insignificant extent as of December 31, 2021.

Inventories are recognized in the amount of EUR 49 million (previous year: EUR 44 million). Impairment losses on inventories amounting to EUR 10 million (previous year: EUR 4 million) were recognized in the financial year 2021. The Beauty & Lifestyle revenue category includes revenues from the sale of goods of EUR 354 million (previous year: EUR 440 million).

## KEY ASSUMPTIONS AND ESTIMATES

**The assumptions on which the revenue recognition is based can have a significant impact on the amount and timing of revenues recognized. In particular, the calculation of cancellation and return rates is based on historical rates, which may change over time. The determination of relative stand-alone selling prices is subject to significant judgement.**

## 7 / Cost of sales

in EUR m

|   | 2021         | 2020         |
|---|--------------|--------------|
| Operating expenses  | 1,040        | 876          |
| Consumption of programming assets   | 995          | 966          |
| Personnel expenses  | 394          | 318          |
| Depreciation of property, plant and equipment and amortization of other intangible assets (incl. impairments) | 133          | 127          |
| IT operations   | 73           | 53           |
| Expenses from the disposal of programming assets  | 25           | 17           |
| Other   | 86           | 111          |
| <b>Total</b>  | <b>2,746</b> | <b>2,468</b> |

Operating expenses mainly include production-related third-party services, cost of materials, copyright fees, license expenses and commissions in connection with in-app revenues.

The consumption of programming assets comprises amortization and impairments in the amount of EUR 1,026 million (previous year: EUR 999 million), countered by the change in provisions for onerous contracts in the amount of EUR 31 million (previous year: EUR 33 million). As expected, the consumption of programming assets in the past financial year was above the previous year's level, because ProSiebenSat.1 Group took advantage of the positive advertising market environment to invest more in its local programming, in order to expand its reach across all platforms and thus also to create the conditions for further advertising revenue growth in the future.

Personnel expenses include wages and salaries of employees in production, including performance-based bonus entitlements, severance payments and social security contributions.

Depreciation of property, plant and equipment and amortization of other intangible assets mainly relate to amortization of assets identified in the context of purchase price allocations, internally generated intangible assets, licenses and depreciation of technical equipment.

For further information please refer to the

→ **"Group Earnings" section in the Group Management Report**

## 8 / Selling expenses

in EUR m

|   | 2021       | 2020       |
|---|------------|------------|
| Marketing and marketing-related expenses  | 382        | 345        |
| Personnel expenses  | 153        | 131        |
| Distribution  | 61         | 59         |
| thereof satellite usage fees  | 35         | 36         |
| thereof distribution fees   | 26         | 24         |
| Operating expenses  | 35         | 32         |
| Sales commissions   | 31         | 28         |
| Depreciation of property, plant and equipment and amortization of other intangible assets (incl. impairments) | 21         | 21         |
| IT operations   | 14         | 13         |
| Other   | 14         | 17         |
| <b>Total</b>  | <b>712</b> | <b>646</b> |

Marketing and marketing-related expenses are primarily attributable to costs for advertising, market research and public relations. Personnel expenses include wages and salaries of employees in the sales area, including performance-related bonus entitlements, severance payments, and

social security contributions. Operating expenses mainly include packaging and shipping expenses. Sales commissions largely comprise costs and commissions for marketing services. Depreciation, amortization and impairments relate mainly to other intangible assets in the sales area.

For further information please refer to the

→ **“Group Earnings” section in the Group Management Report**

## 9 / Administrative expenses

in EUR m

|   | 2021       | 2020       |
|---|------------|------------|
| Personnel expenses  | 267        | 268        |
| Depreciation of property, plant and equipment and amortization of other intangible assets (incl. impairments) | 96         | 101        |
| Consultancy fees  | 31         | 41         |
| IT operations   | 26         | 27         |
| Infrastructure expenses   | 20         | 24         |
| Marketing and marketing-related expenses  | 15         | 12         |
| Other   | 46         | 65         |
| <b>Total</b>  | <b>501</b> | <b>538</b> |

Personnel expenses include wages and salaries of employees in administration, including performance-based bonus entitlements, severance payments, and social security contributions.

Depreciation of property, plant and equipment and amortization of other intangible assets, including impairments mainly relate to administrative buildings, operating and office equipment, as well as other intangibles assets in the administrative area. The consulting fees primarily relate to management, legal and M&A consulting services.

For further information please refer to the

→ **“Group Earnings” section in the Group Management Report**

## 10 / Other operating expenses

In the financial year 2021, other operating expenses in the amount of EUR 11 million (previous year: EUR 12 million) mainly include disposal losses of EUR 10 million from the sale of the subsidiary Gravitass.

## 11 / Other operating income

Other operating income amounts to EUR 30 million (previous year: EUR 169 million). This amount includes the gain from the sale of Amorelie of EUR 1 million and multiple other small amounts that are immaterial in themselves. The prior-year figure includes income of EUR 140 million from the sale of WindStar (EUR 106 million) and myLoc (EUR 35 million).

## 12 / Interest result

in EUR m

|  | 2021       | 2020       |
|--|------------|------------|
| Interest and similar income                          | 16         | 3          |
| Interest and similar expenses                        | -56        | -76        |
| thereof from financial liabilities at amortized cost | -40        | -60        |
| thereof from interest rate hedging instruments       | -5         | -5         |
| thereof other interest and similar expenses          | -11        | -10        |
| <b>Interest result</b>                               | <b>-40</b> | <b>-73</b> |

Interest and similar income of EUR 16 million derives from tax-related matters (previous year: EUR 1 million). The increase is mainly due to the implementation of favorable court rulings.

→ section "Income taxes" in note 2 "Accounting principles"

Interest from financial liabilities at amortized cost mainly includes interest on loans drawn. The significant year-on-year decrease is mainly due to the early repayment in January 2021 of a bond issued in 2014. In addition, this item includes EUR 4 million (previous year: EUR 4 million) in interest expense from lease liabilities.

Interest and similar expenses from interest rate hedging instruments relate to expenses for interest rate swaps used as hedging instruments.

→ note 33 "Notes on financial risk management and financial instruments"

The other interest and similar expenses mainly include interest expenses from tax matters and compounding effects for put options and earn-out liabilities.

## 13 / Result from investments accounted for using the equity method and other financial result

in EUR m

|  | 2021       | 2020       |
|--|------------|------------|
| Share of profit or loss of joint ventures  | -45        | -82        |
| Share of profit or loss of associates  | 3          | 4          |
| <b>Result from investments accounted for using the equity method</b>                         | <b>-41</b> | <b>-77</b> |
| Changes in put options and earn-out liabilities  | 15         | -30        |
| Measurement and disposal result from other financial instruments                             | 130        | 12         |
| thereof from financial assets at fair value through profit or loss                           | 133        | 16         |
| thereof from financial assets accounted for using the equity method                          | -3         | -4         |
| thereof from financial assets at amortized cost  | -1         | 0          |
| Foreign currency translation gains/losses  | 1          | -6         |
| thereof from cash and cash equivalents   | 9          | -41        |
| thereof from other financial assets  | 5          | -7         |
| thereof from financial liabilities at amortized cost   | -31        | 38         |
| thereof from financial assets and financial liabilities at fair value through profit or loss | 16         | 4          |
| thereof from other items   | 1          | 0          |
| Financing costs  | -8         | -7         |
| Other  | -3         | -1         |
| <b>Other financial result</b>  | <b>135</b> | <b>-32</b> |

The share of profit or loss of joint ventures contains mainly the Group's share in the result of Joyn GmbH, Munich ("Joyn") in an amount of minus EUR 45 million (previous year: EUR -82 million).

→ note 22 "Investments accounted for using the equity method"

The changes in put options and earn-out liabilities result from measurement adjustments to the put option agreements relating to non-controlling interests in subsidiaries and earn-out agreements relating to variable, usually performance-based deferred purchase price payments concluded in connection with business combinations.

→ note 33 "Notes on financial risk management and financial instruments"

The significant increase in the measurement and disposal result from other financial instruments results in particular from the remeasurement of fund investments and the partial sale of shares in ABOUT YOU Holding SE, Hamburg ("ABOUT YOU") in the course of ABOUT YOU's initial public offering ("IPO") and the remeasurement of the remaining ABOUT YOU shares. SevenVentures GmbH, Unterföhring ("SevenVentures") has been an investor in the online fashion retailer ABOUT YOU since 2016.

The exchange rate effect from financial liabilities at amortized cost mainly relates to the measurement of liabilities for programming assets. As the Group held a lower level of US dollar cash and cash equivalents in the financial year 2021 compared with the previous year, the liabilities for programming assets were hedged using currency derivatives. As a result, the foreign exchange gains on other financial assets and liabilities measured at fair value through profit or loss have increased.

## 14 / Income taxes

### INCOME TAX EXPENSES

in EUR m

|  | 2021       | 2020       |
|--|------------|------------|
| Current income tax expenses – Germany                  | 186        | 77         |
| Current income tax expenses – other countries          | 18         | 6          |
| <b>Current income tax expenses</b>                     | <b>205</b> | <b>83</b>  |
| Deferred tax expenses (+)/income (-) – Germany         | -39        | 31         |
| Deferred tax expenses (+)/income (-) – other countries | -1         | 3          |
| <b>Deferred tax expenses (+)/income (-)</b>            | <b>-40</b> | <b>35</b>  |
| <b>Total income tax expenses</b>                       | <b>165</b> | <b>118</b> |

The income tax rate of the German Group entities is composed of the corporate income tax rate of 15.0% (previous year: 15.0%) plus solidarity surcharge of 5.5% (previous year: 5.5%) and an average trade tax rate of 12.2% (previous year: 12.2%). Overall, this results in a nominal total tax rate relevant for the Group of 28.0% (previous year: 28.0%). The foreign income tax rates are based on the laws and regulations applicable in the individual countries and vary between 15.0% and 35.0% (previous year: 15.0% and 28.3%).

Current income tax expenses include domestic and foreign tax on taxable income for 2021 of EUR 211 million (previous year: EUR 96 million) as well as income tax income for previous years of EUR 6 million (previous year: EUR 13 million). Income tax expenses are reduced by tax losses or temporary differences not recognized in earlier periods of EUR 3 million (previous year: EUR 1 million).

The deferred tax income includes deferred tax income of EUR 29 million (previous year: deferred tax expenses of EUR 31 million) from ongoing changes in temporary differences. It also includes deferred tax expenses of EUR 1 million (previous year: EUR 11 million) relating to previously unrecognized temporary differences of a previous period. In addition, deferred tax income of EUR 10 million (previous year: EUR 8 million) results from the current tax losses in individual entities, and deferred tax income of EUR 1 million (previous year: EUR 0 million) is attributable to loss carryforwards not recognized in earlier periods.

Deferred tax assets in excess of deferred tax liabilities were recognized in an amount of EUR 2 million (previous year: EUR 0 million) for entities that suffered losses in the current or previous financial year. Based on current tax planning, it is probable that these deferred tax assets can be used over the next five years.

Deferred tax assets on loss carryforwards were written down by EUR 2 million (previous year: EUR 2 million). Impairments on deferred tax assets were reversed for unrecognized loss carryforwards of EUR 2 million (previous year: EUR 1 million) and for deferred tax assets on temporary differences of EUR 2 million (previous year: EUR 1 million).

The Group's applicable effective tax rate (recognized tax expenses as a proportion of result before income taxes) amounts to 27.2% (previous year: 31.8%). The tax expenses calculated by applying the nominal total tax rate to the result before income taxes can be reconciled to the tax expenses recognized in the income statement as follows:

### RECONCILIATION OF TAX EXPENSES

in EUR m

|   | 2021       | 2020       |
|---|------------|------------|
| <b>Result before income taxes</b>                           | <b>607</b> | <b>370</b> |
| Applicable group tax rate (in percent)                      | 28         | 28         |
| Expected income tax expense                                 | 170        | 104        |
| <b>Increase (+)/decrease (-) of income taxes caused by:</b> |            |            |
| <b>Tax rate deviations</b>                                  |            |            |
| Effects due to foreign tax rate differences                 | -2         | 1          |
| Effects due to domestic tax rate differences                | -1         | 3          |
| Effects due to changes in statutory tax rates               | —          | 0          |
| <b>Effects from deviation in taxable base</b>               |            |            |
| Non-deductible interest expenses (+)/interest income (-)    | 0          | 3          |
| Other non-deductible operating expenses                     | 21         | 27         |
| Tax-free income   | -54        | -14        |
| Non-taxable disposal effects                                | 3          | -37        |
| Investments accounted for using the equity method           | 12         | 22         |
| <b>Recognition and measurement of deferred tax assets</b>   |            |            |
| Changes and non-recognition of deferred tax assets          | 24         | 11         |
| <b>Other effects</b>  |            |            |
| Taxes from previous years                                   | -6         | -1         |
| <b>Total income tax expenses</b>                            | <b>165</b> | <b>118</b> |
| <b>Effective group tax rate (in percent)</b>                | <b>27</b>  | <b>32</b>  |

As of December 31, 2021, no deferred tax assets were recognized for corporate income tax loss carryforwards of EUR 311 million (previous year: EUR 269 million) or for trade tax loss carryforwards of EUR 192 million (previous year: EUR 149 million). EUR 18 million (previous year: EUR 20 million) of these loss carryforwards arise abroad and will expire within the next one to nine years if they are not used. The remaining loss carryforwards can be used indefinitely.

The deferred tax assets not recognized for corporate income tax loss carryforwards amount to EUR 57 million (previous year: EUR 51 million). The deferred tax assets not recognized for trade tax loss carryforwards amount to EUR 30 million (previous year: EUR 23 million). No deferred tax asset was recognized in the statement of financial position for deductible differences of EUR 2 million (previous year: EUR 6 million).

The deferred tax assets and liabilities are allocated to the following line items in the statement of financial position:

## DEFERRED TAXES

in EUR m

|   | Deferred tax assets | Deferred tax liabilities | Balance net 12/31/2020 | Deferred taxes recognized in profit or loss | Deferred taxes recognized in other comprehensive income arising from cash flow hedges and pension obligations | Deferred taxes recognized in other comprehensive income arising from currency translation of tax positions recognized by foreign entities | Deferred tax effects from changes in scope of consolidation | Balance net 12/31/2021 | Deferred tax assets | Deferred tax liabilities |
|---|---------------------|--------------------------|------------------------|---|---|---|---|------------------------|---------------------|--------------------------|
| Goodwill  | 8                   | -43                      | -35                    | 16  | —   | -1  | 3   | -17                    | 8                   | -24                      |
| Other intangible assets                               | 6                   | -252                     | -245                   | -12   | —   | -1  | 8   | -251                   | 8                   | -259                     |
| Property, plant and equipment                         | 0                   | -89                      | -89                    | -11   | —   | —   | 0   | -100                   | 0                   | -100                     |
| Financial assets                                      | 8                   | -3                       | 5                      | -2  | —   | —   | —   | 3                      | 7                   | -4                       |
| Programming assets                                    | 24                  | 0                        | 24                     | 41  | —   | —   | —   | 65                     | 65                  | 0                        |
| Inventories and other assets                          | 10                  | -12                      | -2                     | 0   | -10   | —   | 0   | -11                    | 10                  | -22                      |
| Pension provisions                                    | 4                   | —                        | 4                      | 0   | 0   | —   | —   | 3                      | 3                   | 0                        |
| Other provisions                                      | 22                  | -5                       | 18                     | 2   | —   | —   | 0   | 20                     | 22                  | -2                       |
| Liabilities   | 112                 | -74                      | 37                     | -4  | -4  | 0   | -6  | 23                     | 99                  | -76                      |
| Tax loss carryforwards                                | 71                  | —                        | 71                     | 13  | —   | —   | -3  | 81                     | 81                  | —                        |
| Tax credits   | 5                   | —                        | 5                      | -2  | —   | —   | —   | 4                      | 4                   | —                        |
| <b>Deferred tax assets/liabilities before netting</b> | <b>270</b>          | <b>-477</b>              | <b>-206</b>            | <b>40</b>                                   | <b>-13</b>  | <b>-2</b>   | <b>2</b>  | <b>-180</b>            | <b>307</b>          | <b>-487</b>              |
| Netting   | -216                | 216                      |                        |   |   |   |   |                        | -240                | 240                      |
| <b>Deferred tax assets/liabilities after netting</b>  | <b>54</b>           | <b>-260</b>              |                        |   |   |   |   |                        | <b>67</b>           | <b>-248</b>              |

For information on netting deferred tax assets and liabilities and the use of assumptions and estimates for uncertain tax positions, please refer to

→ section "Income taxes" in note 2 "Accounting principles"

For more information on deferred taxes that have been recognized in accumulated other comprehensive income, please refer to

→ note 26 "Shareholders' equity"

A deferred tax liability in the amount of EUR 2 million was recognized for planned future distributions from subsidiaries (previous year: EUR 1 million). No deferred tax liabilities were recognized on temporary differences on investments in subsidiaries in the amount of EUR 24 million (previous year: EUR 16 million), because ProSiebenSat.1 Group is able to control the timing of their reversal, and because it is probable that these temporary differences will not reverse in the foreseeable future.

## 15 / Earnings per share

|  | 2021        | 2020        |
|--|-------------|-------------|
| <b>in EUR m</b>  |             |             |
| Net income attributable to the shareholders of ProSiebenSat.1 Media SE (basic)   | 449         | 267         |
| Valuation effects of share-based payments after taxes                            | 1           | 0           |
| Net income attributable to the shareholders of ProSiebenSat.1 Media SE (diluted) | 450         | 267         |
| <b>in shares</b>   |             |             |
| Weighted average number of shares outstanding (basic)                            | 226,234,153 | 226,147,133 |
| Dilution effect from share-based payments  | 956,984     | 863,003     |
| Weighted average number of shares outstanding (diluted)                          | 227,191,138 | 227,010,136 |
| <b>in EUR</b>  |             |             |
| <b>Basic earnings per share</b>  | <b>1.99</b> | <b>1.18</b> |
| <b>Diluted earnings per share</b>  | <b>1.98</b> | <b>1.18</b> |

As of the reporting date, members of the Executive Board and selected executives of ProSiebenSat.1 Group were entitled to 956,984 (previous year: 863,003) virtual shares, so-called Performance Share Units, under the Performance Share Plan. With regard to the method of settlement, the Performance Share Units contain an option for ProSiebenSat.1 Media SE to settle them by shares or cash.

→ note 35 "Share- and performance-based payment"

This plan is treated as if it were settled in common shares of the Company for the calculation of earnings per share due to the resulting potential dilution. In the reporting period, the potential conversion of these Performance Share Units into common shares had a dilution effect of EUR 0.01 per share (previous year: EUR 0.00 per share).

## 16 / Other disclosures

### PERSONNEL EXPENSES AND NUMBER OF EMPLOYEES

Cost of sales, selling and administrative expenses include the following personnel expenses:

#### PERSONNEL EXPENSES

in EUR m

|   | 2021       | 2020       |
|---|------------|------------|
| Wages and salaries  | 718        | 628        |
| Social security contributions and expenses for pensions and other employee benefits | 96         | 89         |
| <b>Total</b>  | <b>814</b> | <b>717</b> |

Social security contributions and expenses for pensions and other employee benefits include employer contributions to defined contribution plans amounting to EUR 37 million (previous year: EUR 34 million).

In the financial year 2021, ProSiebenSat.1 Group had an average of 7,956 employees (previous year: 7,128). In addition to the 7,956 full-time employees (previous year: 7,128), the Group also employed 522 apprentices, trainees, interns and working students (previous year: 551).

## DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

Depreciation, amortization and impairments of other intangible assets and property, plant and equipment that are included in cost of sales, selling expenses and administrative expenses comprise the following:

### DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

in EUR m

|   | 2021       | 2020       |
|---|------------|------------|
| Amortization of other intangible assets             | 155        | 160        |
| Depreciation of property, plant and equipment       | 77         | 80         |
| Impairments of other intangible assets <sup>1</sup> | 17         | 8          |
| Impairments of property, plant and equipment        | 2          | 0          |
| <b>Total</b>  | <b>251</b> | <b>248</b> |

<sup>1</sup> Included therein is an impairment reversal in the amount of EUR 9 million (previous year: EUR 0 million).

Amortization and impairments of programming assets in the amount of EUR 1,026 million (previous year: EUR 999 million) are presented as cost of sales and deducted when calculating adjusted EBITDA.

## NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 17 / Goodwill

#### DEVELOPMENT OF GOODWILL

in EUR m

|  | 2021         | 2020         |
|--|--------------|--------------|
| <b>COST</b>                                  |              |              |
| <b>Balance as of January 1</b>               | <b>2,269</b> | <b>2,201</b> |
| Exchange rate differences                    | 46           | -39          |
| Additions                                    | —            | 239          |
| Disposals                                    | -60          | -131         |
| <b>Balance as of December 31</b>             | <b>2,256</b> | <b>2,269</b> |
| <b>IMPAIRMENTS</b>                           |              |              |
| <b>Balance as of January 1 / December 31</b> | <b>93</b>    | <b>93</b>    |
| <b>Carrying amount as of December 31</b>     | <b>2,163</b> | <b>2,177</b> |

For further information regarding the disposals in the financial year 2021, please refer to

→ [note 5 "Acquisitions and disposals affecting the scope of consolidation"](#)

As a result of the resegmentation as of January 1, 2021, goodwill in the amount of EUR 77 million was reallocated, based on relative values, from the existing cash-generating unit Seven.One Entertainment (previous year: Seven.One Entertainment Group) to the new cash-generating unit SevenVentures/SevenGrowth.

→ [note 34 "Segment reporting"](#)

Due to a reorganization in the Dating & Video segment (previous year: ParshipMeet Group), the goodwill of the cash-generating unit Dating & Video (previous year: ParshipMeet Group) was reallocated in the third quarter of 2021, based on relative values, to the new cash-generating units Dating in the amount of EUR 386 million and Video in the amount of EUR 172 million.

The impairment tests performed as part of the reallocations did not result in any impairment requirement. After the reallocations, the goodwill is allocated to the cash-generating units as follows:

### ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS

in EUR m

| Cash-generating unit                                | Seven.One Entertainment | Red Arrow Studios | Dating | Video | NuCom Group | SevenVentures/SevenGrowth | Total |
|---|-------------------------|-------------------|--------|-------|-------------|---------------------------|-------|
| Carrying amount of goodwill 12/31/2021              | 798                     | 315               | 389    | 180   | 404         | 77                        | 2,163 |
| Carrying amount of goodwill 12/31/2020 <sup>1</sup> | 876                     | 331               | 549    | —     | 421         | —                         | 2,177 |

<sup>1</sup> The disclosures for the previous year are based on the structure of the cash-generating units prior to the reallocations in the financial year 2021. For reasons of clarity, the goodwill allocated to the former cash-generating unit ParshipMeet Group in the previous year was completely allocated to the Dating column in the table above.

As in the previous year, the goodwill impairment tests as of the reporting date confirmed the carrying amounts. The following table provides an overview of the premises applied to the respective goodwill impairment test:

### ASSUMPTIONS FOR GOODWILL IMPAIRMENT TESTING

| Cash-generating unit  | Seven.One Entertainment | Red Arrow Studios | Dating        | Video     | NuCom Group   | SevenVentures/SevenGrowth |
|---|-------------------------|-------------------|---------------|-----------|---------------|---------------------------|
| Revenue growth p.a. after the end of the projection period <sup>1</sup> | 1.0% (1.0%)             | 1.5% (1.5%)       | 1.5% (1.5%)   | 1.5% (—)  | 1.5% (1.5%)   | 1.5% (—)                  |
| Discount rate (pre-tax) <sup>1</sup>                                    | 9.5% (9.2%)             | 9.6% (9.3%)       | 11.1% (11.0%) | 11.7% (—) | 12.1% (12.2%) | 10.0% (—)                 |

<sup>1</sup> Previous year's figures in parentheses. The disclosures for the previous year are based on the structure of the cash-generating units prior to the reallocations in the financial year 2021. For reasons of clarity, the assumptions valid in the previous year for assessing the recoverability of the goodwill of the former cash-generating unit ParshipMeet Group are shown in the Dating column in the table above.

The revenue growth assumptions of the cash-generating units used after the end of the five-year projection period are based on externally published sources. The forecast EBITDA margins of the cash-generating units for the period after the end of the projection period range from 6.4% to 30.4% (previous year: 8.0% to 28.1%). The average annual revenue growth assumptions during the projection period are based on the corporate planning adopted by management as of the impairment test date and range from 2.6% to 15.5% (previous year: 3.3% to 18.6%). The weighted average cost of capital (WACC) used for discounting purposes reflects the risk-adjusted pre-tax interest rate derived from the capital market. The discount rate is based on the maturity-equivalent risk-free interest rate of 0.1% (previous year: -0.2%) and a market risk premium of 7.9% (previous year: 8.0%). Furthermore, a beta factor, the cost of debt and a debt-equity ratio, all derived from the respective peer group, are taken into account individually for each cash-generating unit. In addition, country-specific tax rates and risk premiums are applied depending on the individual composition of the respective cash-generating unit. The recoverable amount is determined in the form of a value in use.

The estimated recoverable amount of the Red Arrow Studios cash-generating unit exceeds its carrying amount by EUR 173 million (previous year: EUR 132 million). If the EBITDA margin of this cash-generating unit declined by 1.8 percentage points (previous year: 1.3 percentage points) after the end of the projection period or the pre-tax discount rate increased by 3.3 percentage points (previous year: 2.0 percentage points), the calculated recoverable amount would equal the carrying amount of the cash-generating unit.

As the recoverable amounts of the other cash-generating units were well above their respective carrying amounts, no sensitivity analyses are provided for these with regard to the key assumptions used to calculate the respective recoverable amount.

## KEY ASSUMPTIONS AND ESTIMATES

The assumptions and the underlying methodology used in impairment testing can have a significant impact on the respective values and ultimately on the amount of any potential impairment on goodwill. In particular, the determination of discounted cash flows is to a large extent subject to planning assumptions, which are particularly sensitive to changes in the macroeconomic market environment and can therefore significantly affect the impairment test results.

## 18 / Programming assets

Programming assets include rights to feature films, series, commissioned productions, digital content, advance payments for such rights and sports rights.

### DEVELOPMENT OF PROGRAMMING ASSETS

in EUR m

|  | Capitalized rights | Advances paid | Total        |
|--|--------------------|---------------|--------------|
| <b>Balance as of January 1, 2020</b>                     | <b>1,084</b>       | <b>121</b>    | <b>1,204</b> |
| Additions  | 951                | 75            | 1,027        |
| Disposals  | -17                | —             | -17          |
| Reclassifications  | 82                 | -82           | —            |
| Amortization   | -866               | —             | -866         |
| Impairments  | -133               | —             | -133         |
| Other  | —                  | -1            | -1           |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>1,100</b>       | <b>113</b>    | <b>1,213</b> |
| thereof non-current programming assets                   |                    |               | 1,072        |
| thereof current programming assets                       |                    |               | 141          |
| Additions  | 906                | 77            | 983          |
| Disposals  | -25                | 0             | -25          |
| Reclassifications  | 74                 | -74           | —            |
| Amortization   | -883               | —             | -883         |
| Impairments  | -143               | —             | -143         |
| Other  | -1                 | 0             | -1           |
| <b>Balance as of December 31, 2021</b>                   | <b>1,029</b>       | <b>116</b>    | <b>1,145</b> |
| thereof non-current programming assets                   |                    |               | 973          |
| thereof current programming assets                       |                    |               | 172          |

## KEY ASSUMPTIONS AND ESTIMATES

Major components of programming assets are acquired from large film studios in the form of film packages. Among other things, the individual licenses of such film packages are initially measured in relation to the expected audience reach of the individual license broadcasts. The Group recognizes amortization of programming assets using a declining-balance method over the number of runs according to a standardized Group-wide matrix which reflects the expected audience reach potential relating to the respective broadcast. Impairments are recognized at the level of cash-generating units (programming groups) in the event that the estimated revenues of the respective cash-generating unit can no longer cover the respective carrying amount. The estimated revenues are subject to a wide range of planning assumptions that are sensitive to change and therefore may have a significant impact on the valuation. Due to the adjustment of programming groups in the reporting period, programming assets were tested for impairment at the level of both the previous and the new programming groups.

## 19 / Other intangible assets

### DEVELOPMENT OF OTHER INTANGIBLE ASSETS

in EUR m

|  | Trademarks | Customer relationships | Internally generated intangible assets | Miscellaneous other | Advances paid | Total        |
|--|------------|------------------------|--|---------------------|---------------|--------------|
| <b>COST</b>  |            |                        |  |                     |               |              |
| <b>Balance as of January 1, 2020</b>                     | <b>491</b> | <b>254</b>             | <b>167</b>                             | <b>531</b>          | <b>51</b>     | <b>1,493</b> |
| Exchange rate differences                                | -9         | -8                     | 0                                      | -7                  | —             | -24          |
| Changes in scope of consolidation                        | 137        | -30                    | —                                      | 10                  | 0             | 117          |
| Additions  | —          | —                      | 37                                     | 58                  | 41            | 136          |
| Reclassifications  | —          | —                      | 12                                     | 17                  | -29           | —            |
| Disposals  | -2         | -14                    | -18                                    | -62                 | -3            | -99          |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>617</b> | <b>203</b>             | <b>197</b>                             | <b>547</b>          | <b>60</b>     | <b>1,623</b> |
| Exchange rate differences                                | 14         | 8                      | 0                                      | 8                   | 0             | 30           |
| Changes in scope of consolidation                        | -28        | -10                    | -11                                    | -81                 | -1            | -130         |
| Additions  | —          | —                      | 35                                     | 42                  | 47            | 124          |
| Reclassifications  | —          | —                      | 45                                     | 11                  | -55           | —            |
| Disposals  | —          | -1                     | -9                                     | -44                 | -7            | -61          |
| <b>Balance as of December 31, 2021</b>                   | <b>603</b> | <b>199</b>             | <b>256</b>                             | <b>483</b>          | <b>44</b>     | <b>1,586</b> |
| <b>AMORTIZATION AND IMPAIRMENTS</b>                      |            |                        |  |                     |               |              |
| <b>Balance as of January 1, 2020</b>                     | <b>49</b>  | <b>132</b>             | <b>85</b>                              | <b>385</b>          | <b>7</b>      | <b>658</b>   |
| Exchange rate differences                                | 0          | -5                     | 0                                      | -5                  | —             | -10          |
| Changes in scope of consolidation                        | -2         | -27                    | —                                      | -8                  | —             | -38          |
| Additions <sup>1</sup>                                   | 10         | 30                     | 36                                     | 91                  | 1             | 168          |
| Disposals  | -2         | -14                    | -20                                    | -61                 | -2            | -98          |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>55</b>  | <b>116</b>             | <b>101</b>                             | <b>403</b>          | <b>5</b>      | <b>680</b>   |
| Exchange rate differences                                | 1          | 5                      | 0                                      | 5                   | —             | 11           |
| Changes in scope of consolidation                        | -11        | -3                     | -5                                     | -67                 | —             | -87          |
| Additions <sup>1</sup>                                   | 7          | 31                     | 52                                     | 78                  | 5             | 173          |
| Disposals  | —          | -1                     | -10                                    | -43                 | -5            | -58          |
| <b>Balance as of December 31, 2021</b>                   | <b>50</b>  | <b>147</b>             | <b>139</b>                             | <b>376</b>          | <b>6</b>      | <b>719</b>   |
| <b>Carrying amount as of December 31, 2020</b>           | <b>563</b> | <b>86</b>              | <b>96</b>                              | <b>143</b>          | <b>55</b>     | <b>943</b>   |
| <b>Carrying amount as of December 31, 2021</b>           | <b>553</b> | <b>52</b>              | <b>117</b>                             | <b>107</b>          | <b>38</b>     | <b>867</b>   |

<sup>1</sup> Additions to amortization and impairments are presented net of reversals of impairments.

Additions to amortization and impairments include impairments of EUR 27 million (previous year: EUR 8 million). These mainly relate to discontinued platforms and their content in the Entertainment segment as well as internally generated technologies no longer used in the Commerce & Ventures segment. In addition, amortization and impairments include a reversal of impairment on a trademark with a finite useful life in the Commerce & Ventures segment in the amount of EUR 9 million (previous year: EUR 0 million).

The category Miscellaneous other mainly includes software, licenses from marketing digital offerings by external providers and industrial property rights.

The trademarks comprise assets with finite and indefinite useful lives. The carrying amount of the trademarks with indefinite useful lives at the reporting date is EUR 358 million (previous year: EUR 370 million).

The following table provides an overview of the allocation of significant trademarks with indefinite useful lives to the cash-generating units for the purposes of the obligatory annual impairment test as well as the assumptions applied to the respective impairment tests:

#### ASSUMPTIONS FOR IMPAIRMENT TESTING OF SIGNIFICANT TRADEMARKS WITH INDEFINITE USEFUL LIVES

| Cash-generating unit   | Verivox          | Parship/ElitePartner |
|--|------------------|----------------------|
| Revenue growth p.a. after the end of the projection period <sup>1</sup>                  | 1.5% (1.5%)      | 1.5% (1.5%)          |
| Discount rate (pre-tax) <sup>1</sup>   | 12.1% (11.6%)    | 11.2% (11.1%)        |
| <b>Carrying amount of trademarks with indefinite useful lives (in EUR m)<sup>1</sup></b> | <b>107 (107)</b> | <b>141 (141)</b>     |

<sup>1</sup> Previous year's figures in parentheses.

As in the previous year, the impairment tests for the trademarks with indefinite useful lives performed as of December 31, 2021, confirmed the carrying amounts.

The average annual revenue growth assumptions for the cash-generating units presented above during the five-year projection period are based on the corporate planning adopted by management as of the impairment test date and range from 3.6% to 9.5% (previous year: 7.7% to 8.8%).

#### KEY ASSUMPTIONS AND ESTIMATES

**The assumptions and the underlying methodology used in impairment testing can have a significant impact on the respective values and ultimately on the amount of any potential impairment on other intangible assets. In particular, the determination of discounted cash flows is subject to planning assumptions to a large extent, which are particularly sensitive to changes in the macroeconomic market environment and can therefore significantly affect the impairment test results.**

## 20 / Property, plant and equipment and rights-of-use to property, plant and equipment

The development of property, plant and equipment and rights-of-use to property, plant and equipment is presented in the following table:

in EUR m

|  | Real estate | Technical facilities | Office furniture and equipment | Advances paid | Total      |
|--|-------------|----------------------|--------------------------------|---------------|------------|
| <b>COST</b>  |             |                      |                                |               |            |
| <b>Balance as of January 1, 2020</b>                     | <b>441</b>  | <b>174</b>           | <b>89</b>                      | <b>45</b>     | <b>749</b> |
| Exchange rate differences                                | -5          | -2                   | 0                              | -1            | -8         |
| Changes in scope of consolidation                        | -1          | -10                  | 0                              | 0             | -10        |
| Additions  | 119         | 14                   | 11                             | 45            | 188        |
| Reclassifications  | 1           | 3                    | —                              | -4            | —          |
| Disposals  | -26         | -5                   | -8                             | -1            | -39        |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>529</b>  | <b>174</b>           | <b>91</b>                      | <b>85</b>     | <b>879</b> |
| Exchange rate differences                                | 5           | 2                    | 1                              | 0             | 8          |
| Changes in scope of consolidation                        | -3          | 0                    | -1                             | —             | -4         |
| Additions  | 28          | 26                   | 11                             | 62            | 128        |
| Reclassifications  | 1           | 10                   | 6                              | -17           | —          |
| Disposals  | -86         | -4                   | -11                            | 2             | -99        |
| <b>Balance as of December 31, 2021</b>                   | <b>475</b>  | <b>209</b>           | <b>97</b>                      | <b>132</b>    | <b>912</b> |
| <b>DEPRECIATION AND IMPAIRMENTS</b>                      |             |                      |                                |               |            |
| <b>Balance as of January 1, 2020</b>                     | <b>199</b>  | <b>138</b>           | <b>62</b>                      | <b>—</b>      | <b>398</b> |
| Exchange rate differences                                | -2          | -1                   | 0                              | —             | -3         |
| Changes in scope of consolidation                        | -1          | -6                   | -1                             | —             | -8         |
| Additions  | 51          | 18                   | 12                             | —             | 81         |
| Disposals  | -18         | -6                   | -7                             | —             | -31        |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>229</b>  | <b>143</b>           | <b>64</b>                      | <b>—</b>      | <b>437</b> |
| Exchange rate differences                                | 2           | 1                    | 0                              | —             | 4          |
| Changes in scope of consolidation                        | -2          | 0                    | -1                             | —             | -4         |
| Additions  | 45          | 20                   | 13                             | 0             | 79         |
| Disposals  | -84         | -3                   | -11                            | —             | -98        |
| <b>Balance as of December 31, 2021</b>                   | <b>191</b>  | <b>161</b>           | <b>65</b>                      | <b>0</b>      | <b>417</b> |
| <b>Carrying amount as of December 31, 2020</b>           | <b>300</b>  | <b>31</b>            | <b>27</b>                      | <b>85</b>     | <b>443</b> |
| <b>Carrying amount as of December 31, 2021</b>           | <b>284</b>  | <b>48</b>            | <b>31</b>                      | <b>131</b>    | <b>495</b> |

Additions to depreciation and impairments include impairments of EUR 2 million (previous year: EUR 0 million) attributable to the Commerce & Ventures segment.

The real estate and advances paid items include land and buildings that belong to the real estate leasing entity with which ProSiebenSat.1 Media SE entered into a lease contract for the construction of a new corporate campus in Unterföhring in the financial year 2018. As ProSiebenSat.1 Group can determine the relevant activities of the real estate leasing entity, that entity is fully consolidated. The real estate leasing entity's liabilities to the financing banks are recognized in other financial liabilities as real estate liabilities. The land and buildings (existing and yet to be erected) are secured by way of a land charge in the amount of the financing already drawn.

→ note 29 "Financial liabilities"

The borrowing costs capitalized in the financial year 2021 amounted to EUR 2 million (previous year: EUR 4 million).

## 21 / Leases

The lease agreements of ProSiebenSat.1 Group relate to the renting of real estate, in particular office and storage space, as well as the lease of other property, plant and equipment, mainly information technology, operating and office equipment, and vehicles for employees.

The following table shows the development of the carrying amounts of right-of-use assets from leases:

in EUR m

|  | Real Estate | Other property, plant and equipment | Total      |
|--|-------------|-------------------------------------|------------|
| <b>Balance as of January 1, 2020</b>                     | <b>171</b>  | <b>8</b>                            | <b>179</b> |
| Exchange rate differences                                | -3          | 0                                   | -3         |
| Changes in scope of consolidation                        | 1           | -1                                  | 0          |
| Additions  | 99          | 5                                   | 104        |
| Disposals  | -3          | 0                                   | -3         |
| Depreciation and impairments <sup>1</sup>                | -34         | -5                                  | -40        |
| <b>Balance as of December 31, 2020 / January 1, 2021</b> | <b>229</b>  | <b>7</b>                            | <b>236</b> |
| Exchange rate differences                                | 3           | 0                                   | 3          |
| Additions  | 22          | 13                                  | 34         |
| Disposals  | -2          | 0                                   | -3         |
| Depreciation and impairments <sup>1</sup>                | -37         | -7                                  | -44        |
| <b>Balance as of December 31, 2021</b>                   | <b>214</b>  | <b>12</b>                           | <b>226</b> |

<sup>1</sup> Including impairments of EUR 2 million (previous year: EUR 0 million) which primarily relate to real estate leases.

The additions to right-of-use assets from real estate leases of EUR 22 million (previous year: EUR 99 million) mainly result from the renting of office and storage space.

The following table contains the amounts recognized in profit or loss attributable to leases in which ProSiebenSat.1 Group acts as lessee:

### LEASING ITEMS IN PROFIT OR LOSS

in EUR m

|   | 2021      | 2020      |
|---|-----------|-----------|
| Depreciation and impairments                | 44        | 40        |
| Interest expenses                           | 4         | 4         |
| Off-balance short-term and low-value leases | 1         | 1         |
| <b>Total expenses for leases</b>            | <b>49</b> | <b>45</b> |

The total cash outflow from leases in which ProSiebenSat.1 Group acts as lessee, including off-balance short-term or low-value leases, amounts to EUR 47 million (previous year: EUR 44 million). In the financial year 2021 EUR 4 million (previous year: EUR 4 million) of this amount relate to interest payments.

## 22 / Investments accounted for using the equity method

As of the reporting date (as in the previous year), ProSiebenSat.1 Group identified the investment in Joyn as the only material investment accounted for using the equity method. As in the previous year, the Group holds a 50% share in Joyn.

The following overview shows summarized financial information as well as a reconciliation to the carrying amount of the Group's share in Joyn:

### FINANCIAL INFORMATION FOR JOYN

in EUR m

|   | 12/31/2021 | 12/31/2020 |
|---|------------|------------|
| Non-current assets  | 57         | 61         |
| Current assets  | 38         | 60         |
| thereof cash and cash equivalents   | 11         | 21         |
| Non-current liabilities   | 7          | 15         |
| thereof financial liabilities excl. trade payables and provisions                                       | 7          | 8          |
| Current liabilities   | 62         | 85         |
| thereof financial liabilities excl. trade payables and provisions                                       | 1          | 1          |
| <b>Net assets (100%)</b>  | <b>26</b>  | <b>20</b>  |
| Group's share in net assets (50%)   | 13         | 10         |
| Elimination of unrealized upstream/downstream transactions  | -1         | —          |
| Proportionate elimination of deconsolidation gain from the sale of maxdome GmbH                         | -10        | -10        |
| Impairment of the investment at Group level   | -2         | 0          |
| <b>Carrying amount of interest in joint venture</b>   | <b>0</b>   | <b>0</b>   |
| Revenue   | 66         | 58         |
| Depreciation, amortization and impairments of property, plant and equipment and other intangible assets | -2         | -40        |
| Net result for the period (100%)  | -89        | -163       |
| <b>Group's share of net result for the period (50%)</b>   | <b>-45</b> | <b>-82</b> |

In the financial year 2021, the depreciation, amortization and impairments of property, plant and equipment and other intangible assets amounting to EUR 2 million (previous year: EUR 40 million) relate entirely to depreciation and amortization. In the previous year, it also included impairments on other intangible assets of EUR 26 million.

The cash outflow of EUR 47 million (previous year: EUR 75 million) resulting from the payments into the capital reserves of Joyn in the financial year 2021 is presented in the cash flow from investing activities under payments for investments including investments accounted for using the equity method.

For information on the financing commitments to Joyn as of the reporting date, please refer to

→ [note 33 "Notes on financial risk management and financial instruments"](#)

As the shares in Joyn are not listed, no market values are available. As in the previous year, ProSiebenSat.1 Group did not receive any dividends from Joyn in the financial year 2021.

ProSiebenSat.1 Group holds other investments in associates and joint ventures apart from Joyn, which are, however, of minor importance to the Group. The carrying amount of these investments at the reporting date is EUR 61 million (previous year: EUR 14 million). The increase primarily reflects the acquisition of the investment in Urban Sports Club, with a carrying amount of EUR 50 million at the reporting date.

→ [note 5 "Acquisitions and disposals affecting the scope of consolidation"](#)

## 23 / Receivables and other financial assets

in EUR m

|  | 12/31/2021 |             |            | 12/31/2020 |             |            |
|--|------------|-------------|------------|------------|-------------|------------|
|  | Current    | Non-current | Total      | Current    | Non-current | Total      |
| Contract assets                                    | 34         | —           | 34         | 29         | —           | 29         |
| Trade receivables                                  | 470        | 13          | 483        | 540        | 19          | 559        |
| <b>Total receivables</b>                           | <b>504</b> | <b>13</b>   | <b>517</b> | <b>569</b> | <b>19</b>   | <b>588</b> |
| Fund investments held to cover pension obligations | —          | 27          | 27         | —          | 28          | 28         |
| Equity investments                                 | 55         | 270         | 325        | —          | 212         | 212        |
| Derivatives  | 30         | 31          | 61         | 12         | 7           | 19         |
| Other financial assets                             | 54         | 11          | 65         | 37         | 5           | 42         |
| <b>Total other financial assets</b>                | <b>139</b> | <b>340</b>  | <b>478</b> | <b>50</b>  | <b>252</b>  | <b>302</b> |
| <b>Total</b>                                       | <b>643</b> | <b>353</b>  | <b>996</b> | <b>619</b> | <b>271</b>  | <b>890</b> |

Trade receivables also include receivables from related parties. .

→ note 36 "Related parties"

Equity investments include in particular fund investments and non-controlling interests acquired by the Group as part of its media-for-equity strategy. The equity instruments classified as current are mainly ABOUT YOU shares. The increase in equity investments compared to the previous year is mainly due to valuation effects.

The derivatives are mainly currency forwards to hedge currency risks.

→ note 33 "Notes on financial risk management and financial instruments"

Other financial assets mainly include refund receivables from suppliers, purchase price receivables from the sale of entities, and receivables from the provision of collateral.

The following table shows the changes in loss allowances for gross trade receivables and for contract assets from contracts with customers:

### CHANGES IN LOSS ALLOWANCES

in EUR m

|                                   | 2021      |  | 2020      |  |
|-----------------------------------|-----------|--|-----------|--|
|                                   |           | Thereof individually credit-impaired receivables |           | Thereof individually credit-impaired receivables |
| <b>Balance as of January 1</b>    | <b>45</b> | <b>35</b>  | <b>44</b> | <b>36</b>  |
| Additions                         | 16        | 16   | 25        | 24   |
| Releases                          | -14       | -10  | -8        | -8   |
| Usage                             | -13       | -11  | -17       | -17  |
| Changes in scope of consolidation | 0         | —  | 1         | 0  |
| <b>Balance as of December 31</b>  | <b>35</b> | <b>29</b>  | <b>45</b> | <b>35</b>  |

For more information on credit loss allowances, please refer to

→ note 33 "Notes on financial risk management and financial instruments"

## 24 / Other receivables and assets

in EUR m

|   | 12/31/2021 |             |           | 12/31/2020 |             |           |
|---|------------|-------------|-----------|------------|-------------|-----------|
|   | Current    | Non-current | Total     | Current    | Non-current | Total     |
| Accrued items                             | 37         | 2           | 39        | 24         | —           | 24        |
| VAT receivables                           | 21         | —           | 21        | 1          | —           | 1         |
| Advance payments                          | 6          | —           | 6         | 9          | —           | 9         |
| Other                                     | 27         | 1           | 28        | 13         | 2           | 15        |
| <b>Total other receivables and assets</b> | <b>91</b>  | <b>3</b>    | <b>94</b> | <b>47</b>  | <b>2</b>    | <b>49</b> |

The item "Other" includes many minor individual items.

## 25 / Cash and cash equivalents

Cash and cash equivalents include the instruments presented in the following table, all of which have maturities of three months or less as of the date of initial recognition.

in EUR m

|  | 12/31/2021 | 12/31/2020   |
|--|------------|--------------|
| Bank balances                          | 550        | 1,028        |
| Term deposits                          | 44         | 196          |
| <b>Total cash and cash equivalents</b> | <b>594</b> | <b>1,224</b> |

The significant decline in cash and cash equivalents mainly results from the early repayment of a bond and of portions of a syndicated loan. In addition, the Group had suspended its dividend payment in the previous year in connection with the pandemic.

The following table shows the cash and non-cash changes in financial liabilities:

### CHANGES IN FINANCIAL LIABILITIES

in EUR m

|                                   | 01/01/2021   | Cash changes | Non-cash changes                  |                       |                 | 12/31/2021   |
|-----------------------------------|--------------|--------------|-----------------------------------|-----------------------|-----------------|--------------|
|                                   |              |              | Changes in scope of consolidation | Exchange rate changes | Additions/Other |              |
| Non-current financial liabilities | 2,591        | -202         | —                                 | —                     | 5               | 2,395        |
| Current financial liabilities     | 608          | -550         | —                                 | 0                     | -7              | 51           |
| Lease liabilities                 | 228          | -42          | -1                                | 4                     | 32              | 220          |
| Real estate liabilities           | 71           | 26           | —                                 | —                     | —               | 97           |
| <b>Total</b>                      | <b>3,498</b> | <b>-769</b>  | <b>-1</b>                         | <b>4</b>              | <b>30</b>       | <b>2,763</b> |

in EUR m

|                                   | 01/01/2020   | Cash changes | Non-cash changes                  |                       |                 | 12/31/2020   |
|-----------------------------------|--------------|--------------|-----------------------------------|-----------------------|-----------------|--------------|
|                                   |              |              | Changes in scope of consolidation | Exchange rate changes | Additions/Other |              |
| Non-current financial liabilities | 3,190        | -2           | —                                 | 0                     | -596            | 2,591        |
| Current financial liabilities     | 12           | -33          | 27                                | 1                     | 600             | 608          |
| Lease liabilities                 | 171          | -39          | 0                                 | -5                    | 101             | 228          |
| Real estate liabilities           | 48           | 24           | —                                 | —                     | —               | 71           |
| <b>Total</b>                      | <b>3,420</b> | <b>-50</b>   | <b>27</b>                         | <b>-4</b>             | <b>105</b>      | <b>3,498</b> |

## 26 / Shareholders' equity

As of December 31, 2021, the subscribed capital of ProSiebenSat.1 Media SE amounted to EUR 233 million (previous year: EUR 233 million), with a nominal value of EUR 1.00 per share. Accordingly, as of December 31, 2021, the number of shares issued amounted to 233,000,000 (previous year: 233,000,000 shares), of which the Company holds 6,694,738 shares (previous year: 6,771,747 shares) as treasury shares.

→ subsection "Treasury shares"

The capital reserve amounts to EUR 1,046 million (previous year: EUR 1,045 million). It mainly consists of equity supplied by shareholders in excess of the subscribed capital.

The accumulated other comprehensive income of EUR 45 million (previous year: EUR -44 million) in ProSiebenSat.1 Group's equity includes the effects of currency translation of the financial statements of foreign subsidiaries amounting to EUR 22 million (previous year: EUR -33 million), the cash flow hedge reserve after taxes of EUR 34 million (previous year: EUR 0 million), and the effect arising from remeasuring defined benefit plans amounting to minus EUR 11 million after taxes (previous year: EUR -11 million).

The expenses and income recognized in other comprehensive income throughout the financial year 2021 can be broken down as follows:

### OTHER COMPREHENSIVE INCOME

in EUR m

|   | 2021         |              |             | 2020         |              |             |
|---|--------------|--------------|-------------|--------------|--------------|-------------|
|   | Before taxes | Income taxes | After taxes | Before taxes | Income taxes | After taxes |
| Currency translation <sup>1</sup>                   | 72           | —            | 72          | -56          | —            | -56         |
| Cash flow hedges                                    | 47           | -13          | 34          | -70          | 20           | -50         |
| Remeasurement of defined benefit pension plans      | 0            | 0            | 0           | -1           | 0            | -1          |
| <b>Total other comprehensive income<sup>1</sup></b> | <b>120</b>   | <b>-13</b>   | <b>106</b>  | <b>-128</b>  | <b>20</b>    | <b>-108</b> |

1 In the financial year 2021, EUR 17 million (previous year: EUR -8 million) of the pre- and post-tax amounts are attributable to non-controlling interests.

### NON-CONTROLLING INTERESTS

With the exception of General Atlantic PD GmbH, Munich ("General Atlantic"), an indirect subsidiary of General Atlantic Coöperatief U.A., Amsterdam, Netherlands, no other shareholders have significant interests in subsidiaries. General Atlantic holds a non-controlling share and voting interest of 28.4% in NuCom Group and, since September 4, 2020, a non-controlling share and voting interest of 45.0% in ParshipMeet Holding. ParshipMeet Holding and its subsidiaries ("ParshipMeet Group") form the Dating & Video segment.

→ note 34 "Segment reporting"

As ProSiebenSat.1 Group holds a preferred share in each of NuCom Group and ParshipMeet Group, net assets and net result for the period are allocated disproportionately to the respective capital shares. The preferred shares grant a fixed return of 8% per annum on the preferred share amount and a liquidation preference. If the Advisory Board resolves the distribution of a dividend, the preferred return is granted in the form of an advance dividend. Otherwise, the preferred return earned increases the preferred share amount. The net asset share is determined pro rata after deducting the preferred share amount, the share in the net result for the period after deducting the preferred return earned. As of December 31, 2021, the claims from the preferred shares amount to EUR 602 million (previous year: EUR 658 million).

The following table contains financial information for NuCom Group and ParshipMeet Group and a reconciliation between the groups' net assets and General Atlantic's pro rata share as non-controlling shareholder. The presentation is based on figures before intra-group eliminations.

### FINANCIAL INFORMATION FOR NUCOM GROUP AND PARSHIPMEET GROUP

in EUR m

|  | 12/31/2021  |                   | 12/31/2020  |                   |
|--|-------------|-------------------|-------------|-------------------|
|  | NuCom Group | ParshipMeet Group | NuCom Group | ParshipMeet Group |
| Non-current assets   | 817         | 971               | 854         | 956               |
| Current assets   | 245         | 204               | 455         | 153               |
| Non-current liabilities and provisions                                 | 220         | 165               | 222         | 221               |
| Current liabilities and provisions                                     | 228         | 118               | 225         | 110               |
| <b>Net assets</b>  | <b>615</b>  | <b>892</b>        | <b>862</b>  | <b>778</b>        |
| Preferred share  | -214        | -388              | -299        | -359              |
| Net assets attributable to other shareholders (excl. General Atlantic) | -3          | —                 | 2           | —                 |
| Share of General Atlantic  | 28.4%       | 45.0%             | 28.4%       | 45.0%             |
| <b>Net assets attributable to General Atlantic</b>                     | <b>115</b>  | <b>227</b>        | <b>159</b>  | <b>189</b>        |

|  | 2021        |                   | 2020        |                                |
|--|-------------|-------------------|-------------|--------------------------------|
|  | NuCom Group | ParshipMeet Group | NuCom Group | ParshipMeet Group <sup>1</sup> |
| Revenues   | 701         | 542               | 960         | 197                            |
| Result before income taxes   | -79         | 100               | 90          | -14                            |
| <b>Net result for the period</b>   | <b>-80</b>  | <b>78</b>         | <b>88</b>   | <b>-32</b>                     |
| Net result for the period attributable to shareholders of ProSiebenSat.1 Media SE  | -52         | 56                | 85          | -14                            |
| Net result for the period attributable to General Atlantic                         | -28         | 22                | 4           | -19                            |
| Net result for the period attributable to other shareholders                       | 0           | —                 | 0           | —                              |
| <b>Other comprehensive income</b>  | <b>0</b>    | <b>36</b>         | <b>-3</b>   | <b>-17</b>                     |
| <b>Total comprehensive income</b>  | <b>-80</b>  | <b>114</b>        | <b>85</b>   | <b>-49</b>                     |
| Total comprehensive income attributable to shareholders of ProSiebenSat.1 Media SE | -52         | 76                | 81          | -23                            |
| Total comprehensive income attributable to General Atlantic                        | -28         | 38                | 4           | -27                            |
| Total comprehensive income attributable to other shareholders                      | 0           | —                 | 0           | —                              |
| <b>Return on preferred share</b>   | <b>19</b>   | <b>29</b>         | <b>40</b>   | <b>9</b>                       |
| <b>Change in cash and cash equivalents</b>   | <b>-287</b> | <b>41</b>         | <b>239</b>  | <b>66</b>                      |

<sup>1</sup> ParshipMeet Group's results are shown from its establishment in August 2020.

On April 16, 2021, the NuCom Annual General Meeting resolved the distribution of a dividend totaling EUR 60 million from the distributable profits of the short financial year from August 1 to December 31, 2020, to the common shareholders. EUR 17 million of this was attributable to General Atlantic.

General Atlantic, as a non-controlling shareholder, has certain protective rights (e.g. with respect to the sale of major assets) at both NuCom Group and ParshipMeet Group, which may significantly restrict ProSiebenSat.1 Group's ability to gain access to or use assets of its subsidiaries.

An amount of EUR 5 million (previous year: EUR 4 million) in ProSiebenSat.1 Group's net assets and an amount of EUR 0 million (previous year: EUR 0 million) in the net result of the period and total comprehensive income are attributable to several other non-controlling interests.

## OTHER EQUITY

As of December 31, 2021, other equity amounts to minus EUR 136 million (previous year: EUR -129 million).

In the previous year, it was General Atlantic's acquisition of a non-controlling interest in ParshipMeet Group that primarily accounted for the reduction in other equity of EUR 107 million.

## ALLOCATION OF PROFITS

In the past financial year, a dividend of EUR 0.49 (previous year: EUR 0.00) per share was distributed. The dividend payment amounted to EUR 111 million (previous year: EUR 0 million).

For the financial year 2021, the Executive Board recommends that the Supervisory Board proposes to the Annual General Meeting the distribution of a dividend of EUR 0.80 per share to holders entitled to dividends. This corresponds to an expected total payment of around EUR 181 million. Payment of the proposed dividend is subject to approval by the Annual General Meeting on May 5, 2022.

## AUTHORIZED CAPITAL

By resolution of the Annual General Meeting on June 1, 2021, new authorized capital was created (Authorized Capital 2021). According to the resolution, the Executive Board, subject to the consent of the Supervisory Board, is authorized until and including May 31, 2026, to increase the share capital by in total up to EUR 46,600,000 by issuing, on one or more occasions, new registered no-par value shares, in return for contributions in cash and/or in kind. Shareholders' pre-emptive rights may be excluded under certain conditions.

In addition, the Annual General Meeting resolved to cancel the authorized capital in place until that date (Authorized Capital 2016).

## CONTINGENT CAPITAL

By resolution of the Annual General Meeting on June 1, 2021, the Executive Board is authorized, subject to the consent of the Supervisory Board, to issue bearer and/or registered convertible and/or option bonds in the total nominal amount of up to EUR 800 million, against cash and/or contributions in kind, until May 31, 2026, and to grant the holders or creditors of such bonds conversion or option rights to subscribe for in total up to 23,300,000 new registered no-par value shares in the pro rata amount of in total up to EUR 23,300,000 of the Company's registered share capital, and/or to stipulate respective conversion rights of ProSiebenSat.1 Media SE (Authorization 2021). For this purpose, the share capital was contingently increased by in total up to EUR 23,300,000 to be effected through the issuance of up to 23,300,000 new registered no-par value shares (Contingent Capital 2021). The Executive Board is authorized to exclude shareholders' pre-emptive rights under certain conditions.

In addition, the Annual General Meeting resolved to cancel the Executive Board's authorization to issue convertible and/or option bonds (Authorization 2016) in place until that date and the associated contingent capital (Contingent Capital 2016).

## TREASURY SHARES

In accordance with section 71 (1) no. 8 of the German Stock Corporation Act (AktG), the Annual General Meeting by resolution of June 12, 2019, authorized the Company, subject to the consent by the Supervisory Board and in accordance with the more detailed conditions of the authorization, to acquire treasury shares of the Company on or before June 11, 2024, in the total amount of up to 10.0% of the Company's share capital that existed at the time the authorization was granted or – if this value is lower – of up to 10.0% of the Company's share capital existing at the time the

authorization is exercised, and to use these shares, potentially excluding pre-emptive rights, in the cases specified in more detail in the authorization (2019 authorization). Treasury shares may also be acquired using derivatives in an amount of up to 5.0% of the share capital existing at the time the authorization was granted or – if this figure is lower – existing at the time the authorization is exercised in accordance with the more detailed conditions of the authorization.

No treasury shares were acquired in the financial years 2021 and 2020.

The “myShares” employee share program is regularly serviced by issuing treasury shares. In the financial year 2021, 77,009 (previous year: 87,433) treasury shares were issued to employees under the program. In total, the number of treasury shares decreased from 6,771,747 as of December 31, 2020, to 6,694,738 as of December 31, 2021.

## CAPITAL MANAGEMENT INFORMATION

Capital management instruments used at ProSiebenSat.1 Group include equity measures, dividend payments to shareholders, share buy-backs and debt financing measures.

ProSiebenSat.1 Group's capital management is aimed at securing the Group's long-term ability to continue as a going concern and generating appropriate returns for the shareholders. Management takes into account changes in the macroeconomic environment and risks arising from the underlying business activities. It is furthermore important to ProSiebenSat.1 Group to ensure unrestricted capital market access to various debt financing instruments and the servicing of financial liabilities.

Active debt management involves measures that especially focus on the leverage ratio, measured as the ratio of net financial debt to adjusted EBITDA of the last twelve months, on capital and liquidity requirements, and on the timing of refinancing measures. For information on the calculation of adjusted EBITDA, please refer to

→ [note 34 “Segment reporting”](#)

ProSiebenSat.1 Group's capital structure was as follows as of the reporting date:

## CAPITAL STRUCTURE

in EUR m

|   | 12/31/2021   | 12/31/2020   |
|---|--------------|--------------|
| <b>Shareholders' equity</b>                         | <b>2,099</b> | <b>1,687</b> |
| Share of total capital                              | 31.9%        | 23.8%        |
| <b>Financial debt</b>                               | <b>2,446</b> | <b>3,192</b> |
| Share of total capital                              | 37.1%        | 45.1%        |
| <b>Leverage</b>                                     | <b>2.2</b>   | <b>2.8</b>   |
| <b>Total capital (total equity and liabilities)</b> | <b>6,587</b> | <b>7,081</b> |

For further information on the financial management of ProSiebenSat.1 Group please refer to

→ [section “Group Financial Position and Liquidity” in the Group Management Report](#)

## 27 / Provisions for pensions

The provisions for pensions were recognized for defined benefit plan obligations to active and former members of the ProSiebenSat.1 Media SE Executive Board and their surviving dependents. The biometric data is derived from the Heubeck 2018G mortality tables. The pension agreements provide for benefits after the contractual age limit is reached, in the event of permanent incapacity

for work or in the event of the death of the beneficiary. The beneficiaries have a contractual right to choose between a lifelong pension, several annual installments or a one-off payment.

The pension expense recognized in profit or loss comprises the current service cost and accrued interest on the pension obligations. The total change in the present value of the obligations is as follows:

### PRESENT VALUE OF OBLIGATIONS

in EUR m

|  | 2021      | 2020      |
|--|-----------|-----------|
| <b>Present value of obligations as of January 1</b>          | <b>32</b> | <b>31</b> |
| Current service cost   | 1         | 1         |
| Past service cost  | 0         | 1         |
| Interest expense   | 0         | 0         |
| <b>Total amount recognized in profit or loss</b>             | <b>1</b>  | <b>2</b>  |
| Remeasurements:  |           |           |
| Actuarial losses from changes in financial assumptions       | 0         | 1         |
| <b>Total amount recognized in other comprehensive income</b> | <b>0</b>  | <b>1</b>  |
| Pension payments   | -1        | -1        |
| Settlements  | —         | -1        |
| <b>Present value of obligations as of December 31</b>        | <b>32</b> | <b>32</b> |

To cover the pension obligations, ProSiebenSat.1 Group firstly holds shares in investment funds worth EUR 27 million as of the reporting date (previous year: EUR 28 million). These fund units do not qualify as plan assets. They are recognized as financial assets and measured at fair value through profit or loss.

→ note 23 "Receivables and other financial assets"

Secondly, in the financial year 2021 the Group transferred the fund assets for the pension entitlements of the active Executive Board members of EUR 1 million to a dual contractual trust arrangement (CTA) recognized as plan assets. The assets held by the CTA are investment fund units. The CTA's investment strategy reflects the lifecycle of the underlying liability. The plan assets are measured at fair value and offset against the pension obligations. The fair value of the plan assets was EUR 1 million as of the reporting date.

The offsetting of the present value of the obligations and the plan assets created in the financial year therefore results in a net presentation of EUR 31 million as of December 31, 2021.

The following parameters were used for this calculation:

### PENSION OBLIGATIONS MEASUREMENT PARAMETERS

|                     | 2021 | 2020 |
|---------------------|------|------|
| Discount rate       | 1.0% | 0.8% |
| Salary growth rate  | 0.0% | 0.0% |
| Pension growth rate | 1.0% | 1.0% |

The weighted duration of the pension obligation averages 11 years (previous year: 12 years) until retirement age.

The Group expects the following pension payments in the years ahead:

### EXPECTED PENSION PAYMENTS

in EUR m

|                           | 2022 | 2023 | 2024 | 2025 | 2026 |
|---------------------------|------|------|------|------|------|
| Expected pension payments | 1    | 2    | 1    | 3    | 1    |

## 28 / Other provisions

in EUR m

|   | 01/01/2021 | Additions | Usage      | Release    | Foreign exchange and interest effects | Changes in scope of consolidation | 12/31/2021 |
|---|------------|-----------|------------|------------|---------------------------------------|-----------------------------------|------------|
| Provisions for onerous contracts              | 54         | 4         | -38        | 0          | -1                                    | —                                 | 19         |
| thereof current                               | 43         |           |            |            |                                       |                                   | 19         |
| Provisions for risks from business operations | 30         | 24        | -17        | -3         | 0                                     | 0                                 | 34         |
| thereof current                               | 30         |           |            |            |                                       |                                   | 34         |
| Provision for employee benefits               | 34         | 36        | -6         | -2         | 1                                     | —                                 | 63         |
| thereof current                               | 3          |           |            |            |                                       |                                   | 14         |
| Miscellaneous other provisions                | 69         | 18        | -10        | -17        | 0                                     | 0                                 | 61         |
| thereof current                               | 67         |           |            |            |                                       |                                   | 59         |
| <b>Total</b>                                  | <b>188</b> | <b>83</b> | <b>-71</b> | <b>-22</b> | <b>1</b>                              | <b>0</b>                          | <b>177</b> |

Provisions comprise current provisions in the amount of EUR 126 million (previous year: EUR 142 million) and non-current provisions in the amount of EUR 51 million (previous year: EUR 45 million).

ProSiebenSat.1 Group expects the vast majority of the non-current provisions to result in cash outflows within the next five years.

In the amount of EUR 19 million (previous year: EUR 51 million), provisions for onerous contracts relate to programming assets. They are primarily attributable to the strategic realignment of programming assets in the financial year 2018.

The provisions for risks from business operations relate in particular to uncertain reimbursement obligations from contracts with customers and expected payments to broadcasters in connection with video and live entertainment offerings.

The provisions for employee benefits primarily comprise variable compensation owed to individual executives and members of the Executive Board.

→ note 35 "Share- and performance-based payment"

The miscellaneous other provisions comprise the following items:

### MISCELLANEOUS OTHER PROVISIONS

in EUR m

|   | 12/31/2021 | 12/31/2020 |
|---|------------|------------|
| Interest on tax liability                       | 26         | 32         |
| Additional payments to bestseller beneficiaries | 11         | 11         |
| Value added tax                                 | 10         | 9          |
| Legal costs                                     | 3          | 3          |
| Restructuring                                   | 1          | 1          |
| Other   | 10         | 13         |
| <b>Total</b>                                    | <b>61</b>  | <b>69</b>  |

## KEY ASSUMPTIONS AND ESTIMATES

Provisions are recognized and measured on the basis of estimates regarding the amount and probability of future outflows of resources, as well as on the basis of past experience and the circumstances known at the reporting date. In assessing the amount of provisions, all available factual information, in particular claims asserted and experience with comparable transactions, is taken into account and assumptions are made regarding the probability of occurrence and the range of possible claims. The assessment of whether a present obligation exists is generally based on the opinions of internal or external experts. In particular, provisions for onerous contracts are based to a considerable extent on management estimates with regard to their amount and probability of occurrence. Based on more recent information, these estimates may change and the actual charges may differ from the amount of the obligations recognized.

## 29 / Financial liabilities

in EUR m

|   | Current    | Non-current  | Total 12/31/2021 |
|---|------------|--------------|------------------|
| Loans and borrowings                      | 51         | 1,197        | 1,248            |
| Promissory notes                          | —          | 1,198        | 1,198            |
| <b>Financial debt</b>                     | <b>51</b>  | <b>2,395</b> | <b>2,446</b>     |
| <b>Trade payables</b>                     | <b>555</b> | <b>52</b>    | <b>607</b>       |
| Lease liabilities                         | 41         | 179          | 220              |
| Real estate liabilities                   | 2          | 94           | 97               |
| Put options and earn-out liabilities      | 4          | 65           | 68               |
| Accrued media authority liabilities       | 15         | —            | 15               |
| Liabilities from derivatives              | 1          | 7            | 8                |
| Accrued interest                          | 4          | —            | 4                |
| Miscellaneous other financial liabilities | 13         | 2            | 15               |
| <b>Total other financial liabilities</b>  | <b>80</b>  | <b>347</b>   | <b>427</b>       |
| <b>Total financial liabilities</b>        | <b>686</b> | <b>2,793</b> | <b>3,479</b>     |

|   | Current      | Non-current  | Total 12/31/2020 |
|---|--------------|--------------|------------------|
| Loans and borrowings                      | 1            | 2,092        | 2,094            |
| Bonds                                     | 600          | —            | 600              |
| Promissory notes                          | —            | 499          | 499              |
| <b>Financial debt</b>                     | <b>601</b>   | <b>2,591</b> | <b>3,192</b>     |
| <b>Trade payables</b>                     | <b>618</b>   | <b>74</b>    | <b>692</b>       |
| Lease liabilities                         | 38           | 189          | 228              |
| Put options and earn-out liabilities      | 25           | 131          | 156              |
| Real estate liabilities                   | 1            | 70           | 71               |
| Liabilities from derivatives              | 2            | 17           | 19               |
| Accrued interest                          | 16           | —            | 16               |
| Accrued media authority liabilities       | 11           | —            | 11               |
| Miscellaneous other financial liabilities | 16           | 3            | 18               |
| <b>Total other financial liabilities</b>  | <b>109</b>   | <b>410</b>   | <b>520</b>       |
| <b>Total financial liabilities</b>        | <b>1,328</b> | <b>3,076</b> | <b>4,404</b>     |

Non-current loans and borrowings include a term loan with a nominal amount of EUR 1,200 million as of December 31, 2021 (prior year: EUR 2,100 million). In October 2021, the Group issued long-term promissory notes with a nominal amount of EUR 700 million. In addition, loans and borrowings include a money market instrument in the amount of EUR 50 million with a negative interest rate, which was also issued in the fourth quarter of 2021. The early partial repayment of the term loan in the amount of EUR 900 million was mainly financed using the proceeds from the new promissory notes. In addition, the Group has further promissory notes of EUR 500 million outstanding, bringing the total nominal volume of financial liabilities attributable to promissory notes to EUR 1,200 million at the reporting date. The EUR 600 million note reported in the previous year was repaid early by the Group on January 15, 2021.

→ note 33 “Notes on financial risk management and financial instruments”

In the event of a change of control of ProSiebenSat.1 Media SE as a result of the direct or indirect acquisition of more than 50.0% of the voting rights of ProSiebenSat.1 Media SE by third parties, the creditors of all aforementioned instruments are entitled to terminate and demand repayment.

The trade payables also include amounts owed to related parties.

→ note 36 “Related parties”

No liens or similar collateral were provided for the financial liabilities.

## 30 / Other liabilities

in EUR m

|   | 12/31/2021 |             | 12/31/2020 |             |
|---|------------|-------------|------------|-------------|
|   | Current    | Non-current | Current    | Non-current |
| Accrued items and advance payments received | 122        | 1           | 127        | —           |
| Event vouchers                              | 94         | —           | 70         | —           |
| Employee benefits                           | 79         | —           | 68         | —           |
| Value added tax                             | 37         | —           | 42         | —           |
| Other taxes                                 | 15         | —           | 18         | —           |
| Outstanding advertising services            | 13         | 12          | 8          | 0           |
| Miscellaneous other                         | 36         | 2           | 42         | 4           |
| <b>Total</b>                                | <b>397</b> | <b>16</b>   | <b>374</b> | <b>4</b>    |

Accrued items and advance payments received primarily consist of advance payments received as well as accruals for marketing rights and other accruals.

The item Outstanding advertising services contains contractual liabilities for the rendering of advertising services from media-for-equity transactions for which the Group has already received the corresponding company shares.

The item Miscellaneous other includes an amount of EUR 22 million (previous year: EUR 19 million) of contract liabilities from advertising spots to be delivered free of charge from rebate agreements.

In total, other liabilities contain contract liabilities of EUR 131 million (previous year: EUR 110 million).

→ note 6 “Revenues”

## ADDITIONAL NOTES

### 31 / Contingent liabilities

Major legal disputes in which ProSiebenSat.1 Media SE and/or companies controlled by ProSiebenSat.1 Media SE are involved as defendants are shown below:

- **Claims for disclosure and action for damages by RTL 2 Television GmbH & Co. KG and El Cartel Media GmbH & Co. KG against entities of ProSiebenSat.1 Group:** The plaintiffs assert claims for disclosure and damages in connection with the marketing of advertising times by Seven.One Media GmbH. The legal opinion commissioned by decision of the Regional Court on April 13, 2012, has been available to ProSiebenSat.1 Group since 2018. The expert arrived at the conclusion that there are no statistically substantiated indications of a positive probability of damage. We consider this finding to be correct and the action thus ready for dismissal. The plaintiffs have filed a motion to disqualify the expert on grounds of bias and disputed his conclusions. The court-appointed expert died in 2020, without the court questioning him or ruling on the plaintiffs’ motion. There is therefore a possibility that the issue will have to be examined again. The outcome of the proceedings therefore remains unpredictable. Hence, no provision was recognized.
- **Claims for payment of additional remuneration for bestsellers against entities of ProSiebenSat.1 Group:** Authors of highly successful TV shows may assert claims against entities of ProSiebenSat.1 Group under section 32a of the German Copyright Act (“UrhG”). The broadcasting group has agreed on “joint remuneration agreements” (section 36 UrhG) with five associations (directors, camera operators, screenwriters, actors and editors), providing for the payment of additional remuneration to directors, camera operators, screenwriters, actors and actresses and film editors once TV movies or TV series reach certain audience numbers. On the

basis of these joint remuneration agreements, the broadcasting group has also concluded joint remuneration agreements with the directors' association for the telenovela genre. As of December 31, 2021, a total of EUR 11 million (previous year: EUR 11 million) was recognized as a provision for these issues and other related claims. This amount is based on a best estimate of the additional remuneration expected to be payable based on the joint remuneration agreements already concluded and the specific models developed by the broadcasting group for further joint remuneration agreements, some of which were already presented to and negotiated with the associations, as well as based on individual out-of-court settlements. The amount of the provision also takes into account the risks with regard to the VAT treatment of the remuneration for bestsellers that has yet to be finally clarified. It is also possible that more authors will assert additional justified claims under section 32a UrhG, which are not covered by the existing joint remuneration agreements or provisions (e.g. for other program genres as well). Therefore, a reliable estimate of the effects on our earnings development is not possible at this time.

Moreover, ProSiebenSat.1 Media SE and companies controlled by it are defendants or parties in further court and arbitration proceedings as well as regulatory proceedings. Based on the current state of knowledge, these proceedings do not significantly impact the economic situation of ProSiebenSat.1 Group.

### 32 / Other financial obligations

The following table contains the other financial obligations not recognized in the statement of financial position:

in EUR m

|   | 12/31/2021   | 12/31/2020   |
|---|--------------|--------------|
| Purchase commitments for programming assets | 1,630        | 2,023        |
| Distribution                                | 114          | 158          |
| Lease and rental commitments                | 3            | 17           |
| Miscellaneous other                         | 393          | 281          |
| <b>Total</b>                                | <b>2,140</b> | <b>2,479</b> |

The amounts presented are not discounted.

The purchase commitments for programming assets are based on agreements regarding the acquisition of licenses for films and series as well as commissioned productions concluded before December 31, 2021. A large proportion of the contracts are denominated in US dollars.

Distribution includes financial obligations for satellite services, obligations under contracts for terrestrial transmission facilities and cable feed charges. The underlying contracts do not constitute lease arrangements.

The lease and rental commitments mainly contain obligations from leases already concluded for which the use of the underlying leased items has not yet commenced as of the reporting date.

The item Miscellaneous other includes commitments for future funding by the Group to its joint venture Joyn.

→ note 33 "Notes on financial risk management and financial instruments"

### 33 / Notes on financial risk management and financial instruments

ProSiebenSat.1 Group is exposed to various financial risks in connection with its ongoing business activities and its debt financing. Such risks are managed by the central Treasury department, which is responsible for the Group's financial risk management. The Group's financial risk management

objectives mainly include ensuring ongoing solvency and managing market price risks in a risk-adequate manner. The derivative financial instruments used in this context are entered into exclusively with a view to hedging against existing market price risks and are not used for speculative purposes. ProSiebenSat.1 Group largely uses hedge accounting to provide a meaningful and economically appropriate representation of the earnings effects of interest rate and currency hedging measures.

The principles, tasks and responsibilities of financial risk management are set down in ProSiebenSat.1 Group's internal financial guidelines. Risks are reported to the Executive Board on a monthly basis.

The risks explained below have been identified as material and are subject to ongoing evaluation. Taking into account hedging activities, ProSiebenSat.1 Group is not exposed to any material risk concentrations.

### **INTEREST RATE RISKS**

ProSiebenSat.1 Group defines interest rate risk as the risk of rising financing costs due to increases in interest rates. ProSiebenSat.1 Group is exposed to interest rate risk on the one hand through its floating-rate financial liabilities and on the other hand through future financing measures. The floating-rate financial liabilities primarily consist of a syndicated credit agreement for a term loan with a nominal volume of EUR 1,200 million (previous year: EUR 2,100 million) and a revolving credit facility (RCF) of EUR 750 million (previous year: EUR 750 million). In the first quarter of 2021, short-term funds of EUR 180 million were drawn from the RCF (previous year: short-term drawdown of the RCF of EUR 350 million). As of December 31, 2021, the RCF was not utilized (previous year: no utilization). In April 2019, a major portion of the syndicated credit agreement was extended by one year to April 2024, with the remaining portions of the term loan (EUR 87 million) and of the RCF (EUR 74 million) still terminating in April 2023. Both term loan and RCF bear floating-rate interest at Euribor money market rates plus a credit margin.

In the fourth quarter, ProSiebenSat.1 Group borrowed EUR 50 million in the money market with a negative interest rate and a term of one year and issued syndicated promissory notes with a volume of EUR 700 million and terms of 4, 6, 8 and 10 years. EUR 298 million of the total EUR 700 million constitute floating-rate tranches. The proceeds from the promissory notes, in addition to cash already on hand, were used for the early repayment of a term loan tranche totaling EUR 900 million. All in all, ProSiebenSat.1 Group has syndicated promissory notes outstanding in a total amount of EUR 1,200 million, of which tranches totaling EUR 348 million bear floating-rate interest. The floating-rate tranches of all promissory notes bear interest on the basis of Euribor money market rates.

ProSiebenSat.1 Group hedges the interest rate risk arising from floating-rate financial liabilities and future financing measures by way of interest rate swaps and interest rate options. In the case of interest rate swaps, variable interest payments are swapped for fixed interest payments. The uncertain amounts of future variable interest payments on the hedged loans are thus effectively converted into fixed interest payments. The fair value of the interest rate swaps is determined by discounting the expected future cash flows. With interest rate options, ProSiebenSat.1 Group as buyer has the right, but not the obligation to swap future variable interest payments for fixed interest payments or to receive a compensation payment in the amount of the difference between the interest payment agreed in the option contract and that derived from the market rate. The future variable interest payments are therefore also effectively converted into fixed interest payments, but only if this is beneficial for ProSiebenSat.1 Group. An option premium must be paid for the purchased swap right. The fair value of the interest rate options is calculated using a standard option pricing model. Since the interest rate derivatives are used for hedging existing interest rate risk, there is no intention to close them out early.

To the extent that the interest rate swaps can be expected to offset the interest rate-induced changes in cash flows from the floating-rate loans to a sufficiently high degree during their term, they are designated as hedging instruments in a cash flow hedge. Effectiveness is measured using the hypothetical derivative method, under which the changes in the fair value of the hedging instrument are compared with the changes in the fair value of a hypothetical “perfect” derivative, i.e. one that would fully replicate the interest rate-induced cash flows and changes in the underlying transaction. Since the hedging instruments and the hedged interest payments match in terms of nominal amounts, hedged interest rates, maturities and payment dates and since it is assumed for the purpose of measuring hedge effectiveness that the Euribor interest rate benchmark on which the hedged cash flows are based is not altered as a result of the interest rate benchmark reform, hedge ineffectiveness can only arise from changes in the credit default risk of the hedging instruments. If the change in fair value of the hedging instrument (including the change in credit default risk) is greater than the change in fair value of the hypothetical derivative, the excess is immediately recognized in profit or loss as hedge ineffectiveness. The remaining effective portion is transferred to the cash flow hedge reserve in equity and only recognized in profit or loss when the hedged interest payment affects the income statement.

As of December 31, 2021, as in the previous year, ProSiebenSat.1 Group held interest rate swaps with a nominal volume totaling EUR 1,000 million that hedge the Euribor interest rate risk in the period up to 2023 and were designated as hedging instruments in a cash flow hedge. As is the case with the underlying hedged items, these interest rate swaps have an interest rate floor.

In addition, as in the prior year, the Group holds interest rate options of EUR 1,000 million to hedge interest rate risk until 2024, with a volume of EUR 453 million mainly hedging interest rate risk from future financing measures and possible drawings on the existing RCF in the period 2022 to 2023. The interest rate options are accounted for as stand-alone derivatives and not included in hedge accounting.

As of December 31, 2021, the fixed interest portion, expressed as a percentage of the total nominal amount of all financial liabilities managed as part of the interest rate risk management, stood at 100% (previous year: approx. 95%). As of December 31, 2021, as in the previous year, the average fixed interest rate for interest rate swaps was 0.5% per annum. As of December 31, 2021, as in the previous year, the average interest cap for interest rate options was 0.0% per annum. For the reporting period, these transactions resulted in interest expenses of EUR 5 million (previous year: EUR 5 million).

As of December 31, 2021, the fair value of all interest rate swaps held by ProSiebenSat.1 Group amounts to minus EUR 7 million (previous year: EUR -12 million). The fair value of the interest rate options is EUR 2 million (previous year: EUR 0 million).

Interest rate risk defined as the risk of changes in market value is not considered relevant because ProSiebenSat.1 Group's financial debt is not held for trading purposes or for other transfers to third parties.

The interest rate risk position is regularly evaluated based on current market data and existing risks are quantified by way of sensitivity analyses. The table below shows the changes of the interest result – including effects from hedging instruments – arising from an increase (decrease) of the relevant interest rates by one percentage point:

**INTEREST RATE RISKS**

in EUR m

|   | Interest | 12/31/2021   | 12/31/2020    |
|---|----------|--------------|---------------|
| Cash and cash equivalents   | variable | 594          | 1,224         |
| Liabilities to banks  | variable | -1,200       | -2,100        |
| Liabilities to banks  | fix      | -50          | —             |
| Promissory notes  | variable | -348         | -50           |
| Promissory notes  | fix      | -853         | -450          |
| Bonds   | fix      | —            | -600          |
| <b>Gross exposure variable</b>  |          | <b>-953</b>  | <b>-926</b>   |
| <b>Gross exposure fix</b>   |          | <b>-903</b>  | <b>-1,050</b> |
| <b>Interest rate hedges<sup>1</sup></b>   |          | <b>1,548</b> | <b>2,000</b>  |
| Hedge ratio (as a percentage of the nominal amount of the variable-interest financing liabilities)                        |          | 100.0%       | 93.0%         |
| Net exposure variable   |          | 594          | 1,074         |
| Sensitivities of variable net exposure  |          |              |               |
| Annual effect on net interest result of an increase in short-term interest rates by 100 basis points (1 percentage point) |          | 8            | 10            |
| Annual effect on net interest result of a decrease in short-term interest rates by 100 basis points (1 percentage point)  |          | -6           | -12           |

<sup>1</sup> Interest rate options with a notional amount of EUR 453 million (previous year: EUR 0 million) primarily hedge the interest rate risk arising from potential refinancing measures as well as potential drawings under the RCF, and hence are not considered in the hedge ratio, which solely relates to exposures recognized in the statement of financial position.

If interest rates increased by one percentage point, the change in the fair value of the interest rate hedges would improve the financial result by EUR 13 million and the cash flow hedge reserve by EUR 5 million. If interest rates decreased by one percentage point, the effect on the financial result would amount to minus EUR 2 million and the effect on the cash flow hedge reserve would be close to zero. This discrepancy is due to the interest rate floor and negative interest rates. A further decrease in interest rates would have hardly any effect on the fair value of the interest rate hedges due to the interest rate floor.

As of the reporting date, December 31, 2021, ProSiebenSat.1 Group had the following interest rate hedging instruments:

|   | Year of maturity |                         |                       | Nominal amount<br>12/31/2021<br>in EUR m | Average hedged interest rate |                    | Fair value             |                        |
|---|------------------|-------------------------|-----------------------|--|------------------------------|--------------------|------------------------|------------------------|
|   | 2022<br>in EUR m | 2023 - 2026<br>in EUR m | from 2027<br>in EUR m |  | 12/31/2021<br>in %           | 12/31/2020<br>in % | 12/31/2021<br>in EUR m | 12/31/2020<br>in EUR m |
| Interest rate swaps                                 | —                | 1,000                   | —                     | 1,000                                    | 0.535                        | 0.535              | -7                     | -12                    |
| thereof designated as cash flow hedges <sup>1</sup> | —                | 1,000                   | —                     | 1,000                                    | 0.535                        | 0.535              | -7                     | -12                    |
| Interest rate options                               | —                | 1,000                   | —                     | 1,000                                    | 0.000                        | 0.000              | 2                      | 0                      |
| thereof designated as cash flow hedges              | —                | —                       | —                     | —  | n.a.                         | n.a.               | —                      | —                      |

<sup>1</sup> As explained above, the interest rate swaps designated as hedging instruments in a cash flow hedge contain an interest rate floor.

**CURRENCY RISKS**

ProSiebenSat.1 Group defines currency risks as the risk of losses resulting from changes in exchange rates. In the context of currency management, transaction risk is the primary focus. Transaction risk arises from receivables and payables already recognized in the statement of financial position and future contractually fixed or planned foreign currency cash inflows and

outflows. The payments may result from operating activities as well as investing and financing activities. Transaction risk must be distinguished from translation risk, which is described in the next paragraph.

ProSiebenSat.1 Group's reporting currency is the euro. The financial statements of subsidiaries domiciled outside the euro currency zone are translated into euro in the preparation of the Consolidated Financial Statements. Translation risk relates to exchange rate effects that arise when translating results and the financial statement items of foreign subsidiaries whose functional currencies are different from the Group currency. In the context of currency management, investments in these companies are considered long-term engagements. Thus, no translation risk hedging is undertaken.

ProSiebenSat.1 Group concludes a significant portion of its license agreements with production studios in the USA. ProSiebenSat.1 Group usually settles any payment obligations from such programming rights purchases in US dollars. Exchange rate fluctuations between the euro and US dollar may therefore have a negative impact on the earnings and financial position of ProSiebenSat.1 Group. If license rights are granted by production studios whose functional currency is euro or another non-US dollar currency, the US dollar license agreements may under certain circumstances contain embedded currency derivatives that are recognized separately from the license rights at fair value through profit or loss.

The currency risk from amounts due or owed in other foreign currencies or arising from transactions unrelated to programming rights purchases is negligible because of its small volume.

ProSiebenSat.1 Group applies a Group-wide portfolio approach when hedging financial obligations relating to programming rights purchases. Foreign currency exposure is defined as the total volume of all future payments in US dollars resulting from existing license agreements that will fall due within a strategic hedge horizon of 7 years. ProSiebenSat.1 Group applies a range of derivatives and non-derivative financial instruments to hedge against currency fluctuations. Instruments include foreign currency forwards, foreign currency swaps, foreign currency options and foreign currency cash positions in US dollars.

Currency forwards and currency swaps are unconditional, contractual agreements for the exchange of two currencies, the applicable nominal volume, exchange rate and due date being fixed at contract inception. A currency swap is a combination of a spot currency transaction and an opposing currency forward. The spot transaction is naturally executed as soon as the contract is concluded, so ultimately only the forward component of a currency swap is recognized and measured as an asset or liability in the statement of financial position. Henceforth, therefore, no further distinction is made between currency forwards and currency swaps and for simplicity's sake they are grouped under the umbrella term "currency forwards/swaps".

In the case of currency options, the option buyer acquires the right to purchase an agreed amount of currency at a specific time at a price determined at contract inception. As the buyer, ProSiebenSat.1 Group must pay an option premium for the acquired right. Currency options are only occasionally used as hedging instruments.

In the reporting period and in the previous year, only currency forwards/swaps were used as derivative currency instruments. The majority of these transactions were designated as hedging instruments in a cash flow hedge of future license payments in US dollars. The designation was based on forward rates. Hedge effectiveness is determined using the hypothetical derivative method and the changes in the fair value of the hedging instruments are compared with the changes in the fair value of a "perfect" currency forward/swap, which perfectly replicates the changes in the euro equivalent of the future US dollar payment induced by exchange rate changes.

Because the nominal amounts, currencies and maturities involved match, any hedge ineffectiveness can only result from changes in credit default risk. If the change in fair value of the

hedging instrument (including the change in credit default risk) is greater than the change in fair value of the hypothetical derivative, the excess is immediately recognized in profit or loss as hedge ineffectiveness. The remaining effective portion is initially recognized in the cash flow hedge reserve in equity and accounted for as a basis adjustment of the carrying amount of the hedged item when the hedged item is recognized. It is only recognized in profit or loss when the hedged item affects the income statement as a result of the consumption of the corresponding licenses.

With respect to these programming rights, approximately 76% (previous year: approx. 80%) of the total foreign currency risk arising from the future US dollar payment obligations under existing contracts was hedged.

In addition, ProSiebenSat.1 Group occasionally holds currency derivatives that hedge US dollar liabilities from license agreements that have already been recognized in the statement of financial position. Since both the changes in the fair value of the hedging instruments and the currency effects from the remeasurement of liabilities from license agreements are recognized immediately through profit or loss in the financial result, their effects on the income statement largely offset each other in the income statement, even without hedge accounting. ProSiebenSat.1 Group therefore does not formally designate these derivatives as hedging instruments or apply hedge accounting to them.

As of December 31, 2021, ProSiebenSat.1 Group's hedge portfolio includes currency forwards/swaps in a nominal volume of USD 933 million (previous year: USD 1,140 million) that are used to hedge the financial obligations arising from programming rights purchases. The fair values of the currency hedging transactions are based on quoted forward exchange rates as of December 31, 2021. As of December 31, 2021, the US dollar cash position relevant for currency management amounts to USD 52 million (previous year: USD 327 million).

## CURRENCY-RELATED TRANSACTIONS AND BALANCES

|  | Year of maturity |             |           | Nominal amount |            | Average hedged USD/EUR rate |             |            |             | Fair value |            |
|--|------------------|-------------|-----------|----------------|------------|-----------------------------|-------------|------------|-------------|------------|------------|
|  | 2022             | 2023 - 2026 | from 2027 | 12/31/2021     | 12/31/2020 | 12/31/2021                  |             | 12/31/2020 |             | 12/31/2021 | 12/31/2020 |
|  | in USD m         | in USD m    | in USD m  | in USD m       | in USD m   | Current                     | Non-current | Current    | Non-current | in EUR m   | in EUR m   |
| Currency forwards/swaps                | 481              | 452         | —         | 933            | 1,140      | 1.2223                      | 1.2634      | 1.2671     | 1.2601      | 59         | 11         |
| thereof designated as cash flow hedges | 286              | 452         | —         | 738            | 1,115      | 1.2536                      | 1.2634      | 1.2701     | 1.2601      | 53         | 11         |
| Currency holdings                      | 319              | n. a.       | n. a.     | 52             | 327        | n. a.                       | n. a.       | n. a.      | n. a.       | 46         | 267        |

The US dollar risk position is regularly assessed using current market data and existing risks are quantified using sensitivity analyses. The following table shows the effects of a 10% appreciation and depreciation of the US dollar on the euro equivalent of the US dollar payments to be made in future years, taking account of the effect of the currency hedges:

**CURRENCY RISKS**

in USD m

|  | 12/31/2021    | 12/31/2020    |
|--|---------------|---------------|
| <b>Gross foreign currency exposure</b>                                   | <b>-1,290</b> | <b>-1,811</b> |
| Currency hedges  | 985           | 1,442         |
| thereof subject to hedge accounting                                      | 738           | 1,115         |
| thereof not subject to hedge accounting                                  | 195           | —             |
| thereof currency holdings  | 52            | 327           |
| <b>Net exposure</b>  | <b>-305</b>   | <b>-369</b>   |
| Hedge ratio  | 76.3%         | 79.6%         |
| Spot rate USD/EUR  | 1.1320        | 1.2275        |
| US dollar increase by 10%  | 1.0188        | 1.1048        |
| US dollar decrease by 10%  | 1.2452        | 1.3503        |
| in EUR m   |               |               |
| Change in future payments resulting from a 10% increase in the US dollar | -30           | -33           |
| Change in future payments resulting from a 10% decrease in the US dollar | 25            | 27            |

If only the currency effect on the foreign currency transactions accounted for in a hedging relationship is considered, a US dollar devaluation of 10% would result in a loss of EUR 59 million, which would have to be recognized directly in equity in the cash flow hedge reserve. Similarly, a 10% appreciation of the US dollar would result in a cash flow hedge gain in equity of EUR 72 million.

However, the exchange rate effects from license fee liabilities, the offsetting effects of the foreign currency cash position, and the effects from currency derivatives not designated in a cash flow hedge and from embedded currency derivatives are recognized directly as currency gains or losses in the income statement. Devaluation (appreciation) of the US dollar by 10% would have an effect on the currency result of EUR 6 million (EUR -8 million).

**EFFECTS OF HEDGING RELATIONSHIPS ON THE FINANCIAL STATEMENTS**

Since the hedging instruments used by ProSiebenSat.1 Group in hedge accounting are closely tailored to the underlying hedged items, the primary source of potential hedge ineffectiveness is credit default risk. Pursuant to internal risk management guidelines, this risk is largely reduced by limiting the eligible derivative contract partners to those with high credit ratings and by entering into netting and offsetting agreements with them that take immediate effect in the event of a breach of contract.

When measuring fair values and determining ineffectiveness, the credit default risk of the hedging instruments is taken into account in the form of credit value adjustments and debit value adjustments.

The hedging instruments designated in hedging relationships by ProSiebenSat.1 Group have the following effects on the statement of financial position as of December 31, 2021:

**HEDGING INSTRUMENTS 2021**

in EUR m

|                                    | Nominal amount of hedging instruments | Carrying amount of hedging instruments |             | Line item of financial position in which hedging instruments are recognized | Change in fair value used for calculating hedge effectiveness for the reporting period |
|------------------------------------|---------------------------------------|--|-------------|---|--|
|                                    |                                       | Assets                                 | Liabilities |   |  |
| Coverage of interest rate risks    | 1,000                                 | —                                      | 7           | Other financial assets/Other financial liabilities                          | 0  |
| Coverage of foreign exchange risks | 586                                   | 53                                     | —           | Other financial assets/Other financial liabilities                          | 66   |

In the previous year, the designated hedging instruments had the following effects on the statement of financial position:

**HEDGING INSTRUMENTS 2020**

in EUR m

|                                    | Nominal amount of hedging instruments | Carrying amount of hedging instruments |             | Line item of financial position in which hedging instrument is recognized | Change in fair value used for calculating hedge effectiveness for the reporting period |
|------------------------------------|---------------------------------------|--|-------------|---|--|
|                                    |                                       | Assets                                 | Liabilities |   |  |
| Coverage of interest rate risks    | 1,000                                 | —                                      | 12          | Other financial assets/Other financial liabilities                        | -2   |
| Coverage of foreign exchange risks | 883                                   | 18                                     | 7           | Other financial assets/Other financial liabilities                        | -43  |

The hedged items designated in hedging relationships have the following effects on the cash flow hedge reserve in equity as of December 31, 2021:

**CASH FLOW HEDGE RESERVE 2021**

in EUR m

|                                    | Change in the value of hedged items used for calculating hedge effectiveness for the reporting period | Cash flow hedge reserve |
|------------------------------------|---|-------------------------|
| Hedging of interest rate risks     | 0   | -6                      |
| Discontinued hedging relationships | —   | —                       |
| Hedging of foreign exchange risks  | -66   | 53                      |
| Discontinued hedging relationships | —   | —                       |

In the previous year, the designated hedged items affected the cash flow hedge reserve in equity as follows:

**CASH FLOW HEDGE RESERVE 2020**

in EUR m

|                                    | Change in the value of hedged items used for calculating hedge effectiveness for the reporting period | Cash flow hedge reserve |
|------------------------------------|---|-------------------------|
| Hedging of interest rate risks     | 2   | -12                     |
| Discontinued hedging relationships | 0   | —                       |
| Hedging of foreign exchange risks  | 43  | 11                      |
| Discontinued hedging relationships | —   | —                       |

In the financial year 2021, the above hedge transactions have the following effects on profit or loss and other comprehensive income, or on acquisition cost of programming assets:

**HEDGE TRANSACTIONS 2021**

in EUR m

|                                   | Hedging gain or loss recognized in the cash flow hedge reserve | Hedge ineffectiveness recognized in profit or loss | Line item in profit or loss that includes hedge ineffectiveness | Amount reclassified from the cash flow hedge reserve to profit or loss or acquisition cost | Line item affected in profit or loss because of the reclassification |
|-----------------------------------|--|--|---|--|--|
| Hedging of interest rate risks    | 0  | —  | Other financial result  | -5   | Interest result/<br>Other financial result                           |
| Hedging of foreign exchange risks | 66   | —  | Other financial result  | 24   | Cost of sales  |

In the previous year, the hedge transactions had the following effects on profit or loss and other comprehensive income, or on acquisition cost:

**HEDGE TRANSACTIONS 2020**

in EUR m

|                                   | Hedging gain or loss recognized in the cash flow hedge reserve | Hedge ineffectiveness recognized in profit or loss | Line item in profit or loss that includes hedge ineffectiveness | Amount reclassified from the cash flow hedge reserve to profit or loss or acquisition cost | Line item affected in profit or loss because of the reclassification |
|-----------------------------------|--|--|---|--|--|
| Hedging of interest rate risks    | -2   | —  | Other financial result  | -5   | Interest result/<br>Other financial result                           |
| Hedging of foreign exchange risks | -43  | —  | Other financial result  | 31   | Cost of sales  |

The movements in the cash flow hedge reserve have been as follows:

**CASH FLOW HEDGE RESERVE**

in EUR m

|  | Interest rate risks | Foreign exchange risks |
|--|---------------------|------------------------|
| <b>As of January 1, 2020</b>   | <b>-11</b>          | <b>61</b>              |
| Changes due to effective hedging relationship  | -2                  | -43                    |
| Transfer to the acquisition cost of the underlying hedged transaction  | —                   | -31                    |
| Reclassification to profit or loss   | 5                   | —                      |
| Discontinued hedges: amounts reclassified because the hedged item has affected profit or loss                  | 0                   | —                      |
| Discontinued hedges: amounts reclassified because the hedged future cash flows are no longer expected to occur | —                   | —                      |
| Deferred taxes   | -1                  | 21                     |
| <b>As of December 31, 2020 / January 1, 2021</b>   | <b>-8</b>           | <b>8</b>               |
| Changes due to effective hedging relationship  | 0                   | 66                     |
| Transfer to the acquisition cost of the underlying hedged transaction  | —                   | -24                    |
| Reclassification to profit or loss   | 5                   | —                      |
| Discontinued hedges: amounts reclassified because the hedged item has affected profit or loss                  | —                   | —                      |
| Discontinued hedges: amounts reclassified because the hedged future cash flows are no longer expected to occur | —                   | —                      |
| Deferred taxes   | -2                  | -12                    |
| <b>As of December 31, 2021</b>   | <b>-4</b>           | <b>38</b>              |

**CREDIT AND DEFAULT RISKS**

ProSiebenSat.1 Group is exposed to credit default risks resulting primarily from its operating business, and to a lesser extent from derivative financial instruments and financial investment activities.

The maximum default risk – without taking into account any collateral or netting agreements, as exist in particular for derivative transactions – corresponds to the carrying amounts recognized in the financial statements.

In the case of trade receivables – and contract assets from contracts with customers – the carrying amount includes a loss allowance for lifetime expected credit losses; in the case of all other financial assets measured at amortized cost, it includes a loss allowance for expected credit losses resulting from possible default events within the next twelve months after the closing date.

To minimize credit default risks, ProSiebenSat.1 Group endeavors to enter into financial transactions and derivative legal transactions only with counterparties that have an investment grade credit rating. Credit default risks of financial instruments are regularly monitored and analyzed. With a few separately monitored exceptions, the credit default risk for the financial assets held by ProSiebenSat.1 Group (including trade receivables) is considered low. Accordingly, there were no indications of material payment defaults as of the reporting date.

When measuring derivative financial instruments at fair value, the risk of default of the counterparty is taken into account in the form of credit value adjustments and the Group's own default risk in the form of debit value adjustments. Probabilities of default are calculated on the basis of maturity-matched credit default swap spreads of the respective counterparties. The credit risk that is taken into account in the measurement is determined, for each counterparty and maturity, by way of multiplication of the relevant default probability by the discounted expected net cash flows of the derivative financial instruments. There is no significant concentration of default risk with respect to a single business partner or a clearly distinguishable group of business partners. As of the reporting date, there were no material agreements in place limiting the maximum default risk other than netting and offsetting agreements customary in the market for derivative transactions. The fair value of derivative financial instruments, for which ProSiebenSat.1 Group reports a net positive fair value per business partner, totaled EUR 55 million as of December 31, 2021 (previous year: EUR 7 million), excluding credit value adjustments.

With respect to its operating business, i.e. for trade receivables and contract assets from contracts with customers, ProSiebenSat.1 Group recognizes loss allowances for individual customers classified as being at risk of default, taking account of factors such as over-indebtedness, proximity to insolvency, payment difficulties, and deterioration of the relevant business environment or of key performance indicators.

In addition, loss allowances are recognized in the amount of the present value of lifetime expected credit losses. Where the customer base is diverse and such that it may be clustered into homogenous groups with respect to credit risk, the lifetime expected losses are in principle calculated based on historical default rates via a provision matrix which differentiates between customer groups and the aging of the outstanding receivables. Default rates are calculated separately for (i) non-past due receivables and contract assets, (ii) receivables up to 90 days past due and (iii) receivables more than 90 days past due. With respect to business activities in which gathering customers in homogenous groups according to credit risk is not useful or impossible because of the low number of customers or their heterogeneity, an expected loss allowance is measured based on an individual credit risk assessment for each customer, similar to the approach used for customers classified as being at risk of default.

At the reporting date, the default rates used are reviewed taking into account current information and expectations regarding future developments. In particular, the review takes into account the default rates for the current period and premiums and discounts are applied if changes in the market environment or macroeconomic developments indicate a higher or lower probability of default compared with historical experience. As in the previous year, the expected credit losses for trade receivables and contract assets – excluding those individually impaired – calculated as part of the portfolio analysis remained within a narrow corridor of 0.0% to a maximum of 1.5% across all customer groups and age categories.

Due to the generally low default risk for customers assessed based on the portfolio approach, there is hardly any notable difference in default rates between customer groups.

For information on loss allowances on trade receivables including expected losses calculated using the simplified model, please refer to

→ note 23 "Receivables and other financial assets"

## LIQUIDITY RISKS

As part of its liquidity management, ProSiebenSat.1 Group ensures that sufficient liquidity is available at all times, despite the significant seasonal fluctuations in revenues. The term loan (EUR 1,200 million) and the promissory notes (EUR 1,200 million) are key components of the Group's corporate financing. In addition, the RCF (EUR 750 million) and a short-term money market instrument (EUR 50 million) are available. ProSiebenSat.1 Group can use the RCF flexibly for general operating purposes.

As of December 31, 2021, there was no utilization of the RCF (previous year: no utilization), so that as of December 31, 2021, EUR 750 million (previous year: EUR 750 million) was available to be drawn from the RCF. The major portion of the term loan and the RCF matures in April 2024 (the rest in April 2023). The promissory notes mature as follows:

## PROMISSORY NOTES MATURITIES

in EUR m

| Maturity                      | Nominal amount due |
|-------------------------------|--------------------|
| December 2023                 | 275                |
| October 2025                  | 226                |
| December 2026                 | 225                |
| October 2027                  | 346                |
| October 2029                  | 80                 |
| October 2031                  | 48                 |
| <b>Total promissory notes</b> | <b>1,200</b>       |

As of December 31, 2021, ProSiebenSat.1 Group has cash and cash equivalents of EUR 594 million (previous year: EUR 1,224 million) and thus has a total of EUR 1,344 million (previous year: EUR 1,974 million) in cash and cash equivalents and unused RCF.

As part of the disclosure of liquidity risks, a maturity analysis is provided in the table below for non-derivative financial liabilities on the basis of contractual maturities and for derivative financial liabilities based on the expected timing of cash outflows. For each maturity bucket, the undiscounted contractual payments (including interest) are disclosed as of December 31, 2021, and as of the end of the previous year.

**FINANCIAL LIABILITIES BY MATURITY 2021**

in EUR m

|   | 1 year or less | 1 – 5 years  | More than 5 years | Total contractual cash flows<br>12/31/2021 |
|---|----------------|--------------|-------------------|--|
| Loans and borrowings                                | 63             | 1,216        | —                 | 1,279                                      |
| Promissory notes                                    | 13             | 768          | 484               | 1,265                                      |
| Liabilities from real estate financing              | 4              | 19           | 91                | 114  |
| Liabilities from leases                             | 44             | 132          | 58                | 234  |
| Trade payables                                      | 555            | 52           | —                 | 607  |
| <b>Non-derivative financial liabilities</b>         | <b>679</b>     | <b>2,188</b> | <b>632</b>        | <b>3,499</b>                               |
| <b>Derivative financial liabilities<sup>1</sup></b> | <b>11</b>      | <b>70</b>    | <b>—</b>          | <b>81</b>                                  |

1 In principle the derivative financial liabilities include payment obligations in euro under currency forward/swap contracts. As these payment obligations in euro give rise to a concomitant right to receive payments in US dollar, the amounts given in the table only reflect the net payment obligation. As of December 31, 2021, there are no financial liabilities related to currency forward/swap contracts.

**FINANCIAL LIABILITIES BY MATURITY 2020**

in EUR m

|   | 1 year or less | 1 – 5 years  | More than 5 years | Total contractual cash flows<br>12/31/2020 |
|---|----------------|--------------|-------------------|--|
| Notes   | 612            | —            | —                 | 612  |
| Loans and borrowings                                | 33             | 2,174        | —                 | 2,207                                      |
| Promissory notes                                    | 7              | 296          | 229               | 532  |
| Liabilities from real estate financing              | 2              | 58           | 23                | 83   |
| Liabilities from leases                             | 42             | 136          | 67                | 244  |
| Trade payables                                      | 618            | 74           | —                 | 692  |
| <b>Non-derivative financial liabilities</b>         | <b>1,314</b>   | <b>2,738</b> | <b>319</b>        | <b>4,371</b>                               |
| <b>Derivative financial liabilities<sup>1</sup></b> | <b>33</b>      | <b>148</b>   | <b>1</b>          | <b>183</b>                                 |

1 The derivative financial liabilities include payment obligations in euro under foreign currency forward/swap contracts. As these payment obligations in euro give rise to a concomitant right to receive payments in US dollar, the amounts given in the table only reflect the net payment obligation. The corresponding gross payment obligation was EUR 382 million on December 31, 2020, of which EUR 102 million was due within the next 12 months, EUR 272 million within the next 1 to 5 years, and EUR 8 million after 5 years.

In addition to the financial liabilities presented in the table, the Group has made financing commitments to the joint venture Joyn amounting to up to EUR 114 million in total (previous year: EUR 60 million). The committed funds can be drawn until December 31, 2023.

**INFORMATION ABOUT CARRYING AMOUNTS AND MARKET VALUES OF FINANCIAL INSTRUMENTS**

The following table shows the carrying amounts and the fair values of all categories of financial assets and financial liabilities of ProSiebenSat.1 Group. The fair value hierarchy levels reflect the significance of the input data used for the measurement and are defined as follows:

- Level 1: Fair value is calculated on the basis of quoted, unadjusted prices in active markets for identical assets or liabilities.
- Level 2: Fair value is calculated on the basis of quoted market prices other than quoted market prices included within level 1 or according to measurement methods using inputs that are observable in the market either directly or indirectly.
- Level 3: Fair value is mainly calculated on the basis of inputs for which no observable market data are available.

## CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS

in EUR m

| Presented in the statement of financial position as          |  | 12/31/2021      |              |           |              |                 | 12/31/2020   |              |            |              |            |
|--|--|-----------------|--------------|-----------|--------------|-----------------|--------------|--------------|------------|--------------|------------|
|  |  | Carrying amount | Fair value   |           |              | Carrying amount | Fair value   |              |            |              |            |
|  |  |                 | Fair value   | Level 1   | Level 2      |                 | Level 3      | Fair value   | Level 1    | Level 2      | Level 3    |
| <b>Financial assets</b>                                      |  |                 |              |           |              |                 |              |              |            |              |            |
| <b>Measured at fair value</b>                                |  |                 |              |           |              |                 |              |              |            |              |            |
| Fund units to finance pension obligations                    | Other financial assets                         | 27              | 27           | 27        | —            | —               | 28           | 28           | 28         | —            | —          |
| Equity instruments   | Other financial assets                         | 325             | 325          | 55        | —            | 270             | 212          | 212          | —          | —            | 212        |
| Hedge derivatives  | Other financial assets                         | 53              | 53           | —         | 53           | —               | 18           | 18           | —          | 18           | —          |
| Derivatives for which hedge accounting is not applied        | Other financial assets                         | 8               | 8            | —         | 8            | —               | 1            | 1            | —          | 1            | —          |
| <b>Measured at amortized cost</b>                            |  |                 |              |           |              |                 |              |              |            |              |            |
| Cash and cash equivalents <sup>1</sup>                       | Cash and cash equivalents                      | 594             | 594          |           |              |                 | 1,224        | 1,224        |            |              |            |
| Loans and receivables <sup>1</sup>                           | Trade receivables and other financial assets   | 581             | 581          |           |              |                 | 630          | 630          |            |              |            |
| <b>Total</b>   |  | <b>1,589</b>    | <b>1,589</b> | <b>82</b> | <b>61</b>    | <b>270</b>      | <b>2,114</b> | <b>2,114</b> | <b>28</b>  | <b>19</b>    | <b>212</b> |
| <b>Financial liabilities</b>                                 |  |                 |              |           |              |                 |              |              |            |              |            |
| <b>Measured at fair value</b>                                |  |                 |              |           |              |                 |              |              |            |              |            |
| Liabilities from put options and earn-outs                   | Other financial liabilities                    | 68              | 68           | —         | —            | 68              | 156          | 156          | —          | —            | 156        |
| Hedge derivatives  | Other financial liabilities                    | 7               | 7            | —         | 7            | —               | 19           | 19           | —          | 19           | —          |
| Derivatives for which hedge accounting is not applied        | Other financial liabilities                    | 1               | 1            | —         | 1            | —               | 0            | 0            | —          | 0            | —          |
| <b>Measured at amortized cost</b>                            |  |                 |              |           |              |                 |              |              |            |              |            |
| Term loan and other borrowings                               | Financial debt                                 | 1,248           | 1,268        | —         | 1,268        | —               | 2,094        | 2,180        | —          | 2,180        | —          |
| Bonds  | Financial debt                                 | —               | —            | —         | —            | —               | 600          | 601          | 601        | —            | —          |
| Promissory notes   | Financial debt                                 | 1,198           | 1,203        | —         | 1,203        | —               | 499          | 521          | —          | 521          | —          |
| Real estate financing  | Other financial liabilities                    | 97              | 102          | —         | 102          | —               | 71           | 79           | —          | 79           | —          |
| Other financial liabilities at (amortized) cost <sup>1</sup> | Trade payables and other financial liabilities | 641             | 641          |           |              |                 | 737          | 737          |            |              |            |
| <b>Total</b>   |  | <b>3,260</b>    | <b>3,291</b> | <b>—</b>  | <b>2,581</b> | <b>68</b>       | <b>4,176</b> | <b>4,293</b> | <b>601</b> | <b>2,799</b> | <b>156</b> |

<sup>1</sup> The carrying amount is a reasonable proxy of fair value. Fair value is therefore not calculated separately. Accordingly, the fair value column reflects the carrying amount, and no allocation to one of the levels of the fair value hierarchy is made. Loans and receivables include contract assets from contracts with customers of EUR 34 million (previous year: EUR 29 million).

The equity instruments mainly consist of minority interests in other entities and option or warrant agreements for such minority interests, which ProSiebenSat.1 Group acquires in particular as part of its media-for-equity strategy. In addition, this line item includes fund investments.

These instruments are measured at fair value through profit or loss. The fair values are determined based on present value techniques using risk-adjusted discount rates, or, with respect to the optional components, are derived from binomial models, Monte Carlo simulations or scenario analyses. To the extent that observable market prices from financing rounds or fair values from external valuation reports are available, or net asset values for the fund investments, they are considered as input to the valuation.

Financial derivatives held for hedging purposes with positive fair values are reported as other financial assets, those with negative fair values as other financial liabilities. The measurement relies on present value models based on risk-free discount rates or standard option pricing models (Black model or Black-Scholes model).

The financial liabilities measured at fair value include derivatives with negative fair values and liabilities from put options and earn-out agreements.

→ note 13 "Result from investments accounted for using the equity method and other financial result"

## KEY ASSUMPTIONS AND ESTIMATES

Contingent purchase price components in business combinations in the form of put options on shares held by non-controlling interests are measured at fair value as of the acquisition date and in subsequent periods. Measurement is performed on a transaction-by-transaction basis and largely draws on input data which is not observable on the market. The instruments are therefore classified as level 3 financial instruments. In general, market multiples or DCF methods are used for the measurement. The determination of discounted cash flows is subject to a wide range of planning assumptions that are sensitive to change and therefore may have a significant impact on the valuation. Key inputs that are not observable on the market are the earnings figures underlying the respective instruments and the risk-adjusted debt discount rates applied. A 5% improvement in the underlying earnings figures would increase the (negative) fair value of the put options by EUR 4 million as of the reporting date, whereas a 5% decrease would reduce it by EUR 4 million. In addition, a change in the interest rate by plus or minus one percentage point would result in the fair value of this financial debt falling by EUR 1 million or increasing by EUR 1 million.

The fair values of loans and borrowings, and of notes and promissory notes are determined by discounting the anticipated future cash flows using the interest rates applicable to similar financial debt with a comparable remaining term.

The following table shows the reconciliation of the respective fair values to the end of the reporting period for financial instruments that are regularly measured at fair value and assigned to level 3:

### RECONCILIATION OF LEVEL 3 FAIR VALUES

in EUR m

|   | Equity instruments | Liabilities from put options and earn-outs | Other level 3 instruments and derivatives, for which hedge accounting is not applied |
|---|--------------------|--|--|
| <b>Balance as of January 1, 2020</b>                            | <b>206</b>         | <b>166</b>                                 | <b>6</b>   |
| Gains or losses recognized in the income statement <sup>1</sup> | 19                 | 33   | 0  |
| Additions from acquisitions                                     | 17                 | 2  | —  |
| Disposals/Payments  | -36                | -43  | —  |
| Other changes   | 6                  | -3   | -6   |
| <b>Balance as of December 31, 2020 / January 1, 2021</b>        | <b>212</b>         | <b>156</b>                                 | <b>—</b>   |
| Gains or losses recognized in the income statement <sup>1</sup> | 87                 | -6   | —  |
| Additions from acquisitions                                     | 44                 | —  | —  |
| Disposals/Payments  | -30                | -83  | —  |
| Reclassification into the level 1 category                      | -35                | —  | —  |
| Other changes   | -8                 | 2  | —  |
| <b>Balance as of December 31, 2021</b>                          | <b>270</b>         | <b>68</b>                                  | <b>—</b>   |

<sup>1</sup> This line item includes unrealized gains on other equity instruments of EUR 79 million (previous year: EUR 9 million) and unrealized gains on liabilities from put options and earn-outs of EUR 4 million (previous year: losses of EUR 39 million).

Apart from compounding effects which are presented in interest result, any gains or losses on instruments assigned to level 3 are presented in other financial result.

The gains of EUR 87 million on equity instruments recognized in the reporting period primarily relate to the remeasurement of fund investments. The additions of EUR 44 million predominantly result from investments acquired as part of media-for-equity transactions, whereas the disposals of EUR 30 million mainly reflect sales of fund investments. The reclassification in the amount of EUR 35 million concerns the shares in ABOUT YOU owned by SevenVentures, which are held in the

form of listed shares after the company's IPO in June 2021 and were therefore reclassified from the level 3 category to the level 1 category. In the wake of the IPO, a portion of the shares were placed on the market by the issuing banks as so-called "greenshoe" shares. This placement resulted in a gain of EUR 18 million, which was recognized in other financial result.

The disposals/payments of liabilities from put options and earn-outs of EUR 83 million particularly relate to payments made by ParshipMeet Holding and esome advertising technologies GmbH, Hamburg under such agreements as well as payments for the acquisition of additional shares in Studio71 Group and other entities of the Entertainment segment in connection with previous years' business combinations. In addition, the sale of Gravitass resulted in the disposal of a liability from a put option agreement with the management of Gravitass.

→ note 5 "Acquisitions and disposals affecting the scope of consolidation"

## OFFSETTING OF FINANCIAL INSTRUMENTS

All derivative transactions entered into with banks are subject to the German Master Agreement for Financial Derivatives as is customary for such transactions in the industry. As a result, these derivatives are subject to contractual netting agreements in the event that one of the parties to the contract fails to meet its payment obligations. However, they do not satisfy the offsetting criteria and are therefore presented gross in the statement of financial position. Otherwise, ProSiebenSat.1 Group does not have any contractual arrangements for settling financial assets and liabilities on a net basis.

The following table contains information on the netting of financial instruments and netting agreements. The figures presented are fair values that have been determined without taking into account credit value adjustments:

## OFFSETTING OF FINANCIAL INSTRUMENTS

in EUR m

|   | Financial assets<br>(gross presentation) | Financial liabilities<br>offset in the<br>statement of financial<br>position | Financial assets<br>(net presentation) | Amounts subject to<br>offsetting agreements | Financial assets<br>after offsetting (not<br>reflected in the<br>statement of financial<br>position) |
|---|--|--|--|---|--|
| Derivative financial<br>instruments<br>12/31/2021 | 61                                       | —  | 61                                     | -7  | 55   |
| Derivative financial<br>instruments<br>12/31/2020 | 19                                       | —  | 19                                     | -11   | 7  |

|   | Financial liabilities<br>(gross presentation) | Financial assets<br>offset in the<br>statement of financial<br>position | Financial liabilities<br>(net presentation) | Amounts subject to<br>offsetting agreements | Financial liabilities<br>after offsetting (not<br>reflected in the<br>statement of financial<br>position) |
|---|---|---|---|---|---|
| Derivative financial<br>instruments<br>12/31/2021 | 8   | —   | 8   | -7  | 1   |
| Derivative financial<br>instruments<br>12/31/2020 | 19  | —   | 19  | -11   | 8   |

## 34 / Segment reporting

At the end of last year, ProSiebenSat.1 Group reviewed its Group segment structure and changed the reporting as of January 1, 2021. It now reports in the three segments Entertainment, Dating & Video and Commerce & Ventures.

In this context, Red Arrow Studios' production and distribution business including Studio71 has been integrated into the Entertainment segment (previous year: Seven.One Entertainment Group). The Dating & Video segment corresponds to the former ParshipMeet Group segment and remains unchanged in its composition compared to the end of 2020. The Dating & Video segment was reported as the Dating segment in the first three quarters of the financial year 2021 and renamed Dating & Video in the fourth quarter, taking into account the business units of ParshipMeet Group. The entities of the former NuCom Group segment, the investment arm SevenVentures and the SevenGrowth portfolio have been bundled in the new Commerce & Ventures segment.

The prior-year figures were adjusted to reflect the new segment structure.

As of the end of the financial year, the Group's three reporting segments were therefore as follows:

- The Entertainment segment combines the ProSiebenSat.1 Group's free TV and online video business with the station brands SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 Gold, ProSieben Maxx and Kabel Eins Doku, as well as the stations of our Group subsidiaries in Austria and Switzerland. In addition, the segment combines the sales companies Seven.One Media GmbH and Seven.One AdFactory GmbH, the joint venture Joyn, and various commercial websites. In addition, the production and distribution business of Red Arrow Studios, whose extensive programming portfolio includes entertainment, reality and factual formats as well as TV series, TV films and digital content, and Studio71 have also been integrated in this segment since January 2021. Studio71 is a digital media and entertainment company and offers global digital content and web productions primarily in the areas of branded content, original productions, content distribution, influencer products and creator management. The Entertainment segment generates its revenues from Advertising, Distribution & Other, Production, Global Sales and Studio71.
- The Dating & Video (formerly Dating) segment – comprising ParshipMeet Group, which was founded in 2020 – covers a broad spectrum of the online dating market with the businesses of Parship Group and The Meet Group, from social dating with a strong entertainment component based on live video streaming to serious matchmaking. ParshipMeet Group is also broadly diversified geographically: Dating platforms such as eharmony, Parship, ElitePartner and LOVOO help singles in North America, Europe and Australia to find partners. Video-based social dating and entertainment apps such as MeetMe, Skout, Tagged and GROWLr enable contact and entertainment for their users worldwide. In this way, ParshipMeet Group can make various customer groups a comprehensive offer for their search for friendships, flirting or love. Since September 4, 2020, General Atlantic has held a non-controlling interest of 45.0% in ParshipMeet Group.
- The Commerce & Ventures segment firstly comprises the entities of NuCom Group, which operate in the fields of Consumer Advice, Experiences, and Beauty & Lifestyle. In 2018, NuCom Group agreed to a long-term partnership with General Atlantic. General Atlantic holds a non-controlling interest of 28.4% in NuCom Group. Secondly, the Commerce & Ventures segment includes SevenVentures, the Group's flexible investment model consisting of minority investments and media cooperations, which offers established growth companies individually tailored support for their successful development. In the previous year, SevenVentures was still allocated to the Seven.One Entertainment Group (henceforth: Entertainment) segment. In addition, the Commerce & Ventures segment includes the SevenGrowth investment vehicle with entities including Markt guru and wetter.com. In the previous year, the entities Markt guru and wetter.com were still allocated to the Seven.One Entertainment Group (henceforth: Entertainment) segment.
- The reconciliation column (Holding & other) contains holding functions and other effects. Other effects result from the elimination and consolidation of intra-group transactions between the segments. These business transactions are conducted at arm's length. As in the previous year,

the amounts presented in the financial year 2021 relate to the holding functions, with the exception of internal revenues.

The Executive Board, as the chief operating decision maker, measures the performance of the segments on the basis of a segment performance indicator, which is referred to as "adjusted EBITDA" in internal management and reporting. "Adjusted EBITDA" stands for adjusted earnings before interest, taxes, depreciation and amortization. It describes the operating result (earnings before interest, taxes, depreciation and amortization and impairments) adjusted for certain influencing factors (reconciling items). The segment's revenues are also used as a key performance indicator.

The following table contains the segment information of ProSiebenSat.1 Group:

## SEGMENT INFORMATION 2021

in EUR m

|  | Entertainment | Dating & Video | Commerce & Ventures | Total Segments | Reconciliation (Holding & other) | Total Group |
|--|---------------|----------------|---------------------|----------------|----------------------------------|-------------|
| Revenues                                   | 3,218         | 542            | 857                 | 4,616          | -122                             | 4,494       |
| External revenues                          | 3,098         | 542            | 854                 | 4,494          | —                                | 4,494       |
| Internal revenues                          | 120           | 0              | 3                   | 122            | -122                             | —           |
| Adjusted EBITDA                            | 698           | 119            | 50                  | 867            | -26                              | 840         |
| Reconciling items                          | -19           | -3             | -8                  | -30            | -6                               | -36         |
| Depreciation, amortization and impairments | 135           | 36             | 61                  | 232            | 20                               | 251         |
| Investments                                | 1,156         | 11             | 47                  | 1,215          | 64                               | 1,278       |
| thereof programming assets                 | 1,060         | —              | —                   | 1,060          | —                                | 1,060       |

## SEGMENT INFORMATION 2020

in EUR m

|  | Entertainment | Dating & Video | Commerce & Ventures | Total Segments | Reconciliation (Holding & other) | Total Group |
|--|---------------|----------------|---------------------|----------------|----------------------------------|-------------|
| Revenues                                   | 2,893         | 333            | 963                 | 4,190          | -143                             | 4,047       |
| External revenues                          | 2,768         | 333            | 945                 | 4,047          | —                                | 4,047       |
| Internal revenues                          | 125           | —              | 18                  | 143            | -143                             | —           |
| Adjusted EBITDA                            | 561           | 80             | 84                  | 725            | -19                              | 706         |
| Reconciling items                          | 29            | -11            | 90                  | 107            | -12                              | 95          |
| Depreciation, amortization and impairments | 143           | 18             | 60                  | 221            | 27                               | 248         |
| Investments                                | 1,196         | 4              | 50                  | 1,250          | 47                               | 1,297       |
| thereof programming assets                 | 1,063         | —              | —                   | 1,063          | —                                | 1,063       |

Depreciation, amortization and impairments reported for a segment are attributable to the assets allocated to that segment. This includes impairments of EUR 29 million (previous year: EUR 8 million). The Entertainment segment accounts for EUR 16 million (previous year: EUR 8 million) thereof and the Commerce & Ventures segment for EUR 13 million (previous year: EUR 0 million). In the Commerce & Ventures segment, the impairments are partly offset by a reversal of impairment on a trademark amounting to EUR 9 million (previous year: EUR 0 million). Amortization and impairments of programming assets and impairments of financial investments or current financial assets are not allocated to the individual segments.

Investments comprise additions to other intangible assets, property, plant and equipment and programming assets.

The segments' adjusted EBITDA is reconciled to the Group's net income as follows:

## RECONCILIATION OF SEGMENT INFORMATION

in EUR m

|  | 2021       | 2020       |
|--|------------|------------|
| Adjusted EBITDA of reportable segments     | 867        | 725        |
| Eliminations and other reconciliations     | -26        | -19        |
| <b>Adjusted EBITDA of the Group</b>        | <b>840</b> | <b>706</b> |
| Reconciling items                          | -36        | 95         |
| Financial result                           | 54         | -183       |
| Depreciation, amortization and impairments | -251       | -248       |
| Income taxes                               | -165       | -118       |
| <b>Net income</b>                          | <b>442</b> | <b>252</b> |

The reconciling items which are taken into account when determining adjusted EBITDA are distributed among the following categories:

## PRESENTATION OF THE RECONCILING ITEMS

in EUR m

|  | 2021       | 2020       |
|--|------------|------------|
| Income from changes in scope of consolidation                          | 1          | 140        |
| Income from other one-time items                                       | 6          | 1          |
| <b>Income adjustments</b>  | <b>7</b>   | <b>141</b> |
| M&A related expenses   | -12        | -24        |
| Reorganization expenses  | -7         | -6         |
| Expenses for legal claims  | -1         | -3         |
| Fair value adjustments of share-based payments                         | -4         | -5         |
| Expenses from changes in scope of consolidation                        | -10        | —          |
| Expenses for other one-time items                                      | -8         | -7         |
| Valuation effects relating to strategic realignments of business units | -1         | -1         |
| <b>Expense adjustments</b>   | <b>-43</b> | <b>-46</b> |
| <b>Reconciling items</b>   | <b>-36</b> | <b>95</b>  |

Information about the geographical distribution of ProSiebenSat.1 Group's external revenues and non-current assets is shown below, divided into the geographical regions of Germany, Austria and Switzerland (DACH), the United States of America (USA), and Others.

## INFORMATION ABOUT GEOGRAPHIES

in EUR m

|                    | DACH  |       | USA  |      | Others |      | Total Group |       |
|--------------------|-------|-------|------|------|--------|------|-------------|-------|
|                    | 2021  | 2020  | 2021 | 2020 | 2021   | 2020 | 2021        | 2020  |
| External revenues  | 3,504 | 3,349 | 878  | 620  | 111    | 77   | 4,494       | 4,047 |
| Non-current assets | 3,659 | 3,774 | 804  | 825  | 36     | 35   | 4,498       | 4,634 |

In the DACH region, Germany accounts for external revenues of EUR 3,241 million (previous year: EUR 3,112 million) and non-current assets of EUR 3,606 million (previous year: EUR 3,723 million).

Revenues and non-current assets are attributed to the country in which the subsidiary that recognizes the revenues or holds the non-current assets is located.

Non-current assets reported include goodwill, other intangible assets, property, plant and equipment, and non-current programming assets.

As in the previous year, no single customer accounted for more than 10% of Group revenues in the financial year 2021.

## 35 / Share- and performance-based payment

### PERFORMANCE SHARE PLAN

The Performance Share Plan (PSP) is a long-term compensation instrument, which ProSiebenSat.1 Media SE developed for members of the Executive Board and selected executives of ProSiebenSat.1 Group. The beneficiaries and the number of Performance Share Units (PSUs) granted were determined by the Executive Board of ProSiebenSat.1 Media SE with the approval of the Supervisory Board or – if pertaining to Executive Board members – by the Supervisory Board.

For the first time, the PSP was issued only to members of the Executive Board in the financial year 2021. This is due to the development of a new long-term, KPI-based compensation plan that will successively replace the PSP and other share-based, long-term compensation instruments for selected executives of ProSiebenSat.1 Group. Under this long-term compensation plan, the plan participants are annually measured against two performance parameters, P7S1 ROCE (return on capital employed) and organic revenue growth, for the plan term of three financial years. The (weighted) performance parameters are used to determine the plan participants' annual bonus entitlement. In the financial year 2021, this long-term compensation plan had no material effect on the Group's assets, liabilities, financial position and profit or loss.

The terms of the plan and the key performance indicators of the PSP are explained below. For further information, please refer to

→ [Compensation Report](#)

#### Terms of the plan

The PSP is structured as multi-year variable remuneration in the form of virtual shares. The shares are granted in annual tranches, each with a four-year performance period. Payment is made in cash in year five, the year after the end of the performance period. The Company has the right to choose equity settlement rather than cash settlement and to deliver a corresponding number of own shares for this purpose.

PSUs are measured at fair value which varies with the share price performance of ProSiebenSat.1 Media SE and the achievement of targets based on internal and external company performance. Company performance is measured based on adjusted net income at Group level as well as the relative total shareholder return (TSR – shareholder return for ProSiebenSat.1 Media SE shares compared to shareholder return for companies in STOXX Europe 600 Media), each with a weighting of 50%.

An individual allotment value is specified in the service contract for each member of the Executive Board. With effect from the start of a financial year, a number of PSUs corresponding to the allotment value will be granted on the basis of the volume-weighted average XETRA closing price of the ProSiebenSat.1 Media SE share over the 30 trading days preceding the start of the financial year. At the end of the four-year performance period, the PSUs granted are converted into a final number of PSUs using a conversion factor based on the weighted target achievement of adjusted net income and relative TSR. The payout amount per PSU corresponds to the volume-weighted average XETRA closing price of the ProSiebenSat.1 Media SE share over the 30 trading days preceding the end of the performance period, plus the accumulated dividend payments on the ProSiebenSat.1 Media SE share during the performance period. The payout is limited to a maximum of 200% of the individual allotment value per tranche (cap). In the case of a settlement in own shares, the amount paid out is converted into a corresponding number of own shares of the Company issued to the beneficiaries on the basis of the above average price.

### Adjusted net income at Group level

For each tranche, target achievement with regards to adjusted net income is determined using the average annual target achievement over the four-year performance period. The target value for each financial year of the performance period is determined annually in euro by the Supervisory Board and is derived from the budget planning for the Group. In a first step, if necessary, the actual adjusted net income as reported in the relevant audited and approved Consolidated Financial Statements of ProSiebenSat.1 Media SE is adjusted for effects from significant changes in IFRS accounting and from the effects of M&A transactions (including related financing effects) carried out during the reporting period that are not included in the planning. In a second step, the resulting adjusted net income is then compared with the target adjusted net income for the respective financial year.

If the actual adjusted net income corresponds to the target value, the target achievement is 100%. In the case of a negative deviation of 20% or more from the target adjusted net income, the target achievement is 0%. For the maximum target achievement of 200%, the actual adjusted net income must exceed the target adjusted net income by 20% or more. Intermediate values are interpolated in a straight line. The adjusted net income target achievement curve is symmetrical, which means that any underachievement or overachievement of the target is equally taken into account.

### Relative total shareholder return (TSR)

To determine target achievement, the TSR of the ProSiebenSat.1 Media SE share and the shares of the peer companies are ranked and the relative positioning of ProSiebenSat.1 Media SE is expressed on the basis of the percentile rank achieved. The final target achievement with regards to the relative TSR cannot be calculated until after the end of the final financial year of the respective four-year performance period.

If the relative TSR achieved by ProSiebenSat.1 Media SE corresponds to the median (50th percentile) of the peer group, the target achievement is 100%. When positioned at or below the 25th percentile, the target achievement is 0%. Maximum target achievement of 200% requires that at least the 90th percentile is reached. Intermediate values are interpolated in a straight line for both positive and negative deviations.

The following table shows the main information about the individual tranches of the PSP of ProSiebenSat.1 Group:

### PERFORMANCE SHARE PLAN

| in PSUs                        | PSP 2021        | PSP 2020        | PSP 2019        | PSP 2018       |
|--------------------------------|-----------------|-----------------|-----------------|----------------|
| <b>As of January 1, 2021</b>   | —               | <b>425,088</b>  | <b>366,666</b>  | <b>286,754</b> |
| Granted in 2021                | 220,135         | —               | —               | —              |
| <b>As of December 31, 2021</b> | <b>220,135</b>  | <b>425,088</b>  | <b>366,666</b>  | <b>286,754</b> |
| Grant date                     | January 1, 2021 | January 1, 2020 | January 1, 2019 | June 29, 2018  |
| Vesting period                 | 2021 to 2024    | 2020 to 2023    | 2019 to 2022    | 2018 to 2021   |

The expected obligations from the individual tranches of the PSP are measured at fair value. They are determined using an option pricing model.

The personnel expenses attributable to the financial year 2021 from the issued PSUs amount to EUR 3 million (previous year: EUR 4 million). As of December 31, 2021, the current other provision amounts to EUR 2 million (previous year: EUR 0 million) and the non-current other provision to EUR 10 million (previous year: EUR 8 million).

Each tranche of the PSP is paid out or settled in the year the audited and approved Consolidated Financial Statements for the last financial year of the four-year performance period of the respective tranche are published.

In the financial year 2018, the PSP replaced the Group Share Plan (GSP) as a long-term compensation instrument for members of the Executive Board and selected executives of ProSiebenSat.1 Group. The final payment of the last tranche from the financial year 2017 amounting to EUR 3 million was made in the financial year 2021.

## **OTHER SHARE- AND PERFORMANCE-BASED PAYMENT MODELS**

### **Entertainment segment**

In the Entertainment segment, there are further performance-based, long-term payment plans for selected managing directors of Red Arrow Studios entities.

These are usually settled in cash, with the payout amount depending on financial performance indicators achieved by the relevant entity during the vesting period. The size of the obligation is calculated on the basis of the corporate planning adopted by the management of ProSiebenSat.1 Group. None of these plans in itself has a material effect on the Group's assets, liabilities, financial position and profit or loss. The personnel expenses recognized for the plans in the financial year 2021 amount to EUR 23 million (previous year: EUR 6 million). The obligation amount recognized in non-current other provisions as of the reporting date is EUR 30 million (previous year: EUR 5 million).

### **Dating & Video segment**

In the Dating & Video segment, the Group maintains share-based, long-term compensation instruments for managing directors and certain executives of ParshipMeet Group.

A share-based, long-term compensation instrument grants plan participants a right to shares in the entity with a cash settlement option (ESOP). The plan participants obtain the right to acquire a certain number of shares in ParshipMeet Group for no consideration. In return, the Group has the right to buy back these shares from the respective plan participants at the market price of the shares at the time of the repurchase. The shares are earned until the end of the four-year vesting period on a straight-line basis over the term or, if an exit event occurs before the end of the term, are paid out early and in full. Under certain conditions and at the request of the plan participants, the terms of the plan also provide for the early payout of partial amounts already earned.

In addition, the ParshipMeet Group maintains other virtual share-based, long-term participation programs (VESOPs). The plans grant a right to participate in the increase in value of the ParshipMeet Group with cash settlement. They have terms of three to four years and vest early upon the occurrence of an exit event. At the reporting date, the Executive Board assumes that an exit event will occur in the near future. Different exercise prices and individual payment caps apply to these plans.

As of the reporting date, the fair value of the share options is calculated using a Black-Scholes option pricing model and based on the latest corporate planning adopted by the management of ProSiebenSat.1 Group. The most important inputs for the fair value measurement as of December 31, 2021, are the fair value of ParshipMeet Group calculated using a DCF method, a volatility of 51.5% (previous year: 51.0%) and a risk-free interest rate of minus 0.8% (previous year: -0.8%). The volatility was calculated using a standard peer group.

As of December 31, 2021, the current other provisions recognized in connection with these plans amount to EUR 11 million (previous year: EUR 0 million) and the non-current other provisions to EUR 2 million (previous year: EUR 9 million). The personnel expenses recognized amount to EUR 7 million (previous year: EUR 8 million). In the financial year 2021, an amount of EUR 3 million (previous year: EUR 0 million) was paid out from the plans.

### Commerce & Ventures segment

In the Commerce & Ventures segment, there are also share-based, long-term compensation instruments for managing directors and certain executives of Group entities.

These long-term compensation plans are mainly to be settled in cash, the payout varying according to the relevant increase in equity value during the respective vesting period or when an exit event (such as an IPO or sale of the shares) occurs. The fair values of the remuneration entitlements earned are calculated using a Black-Scholes option pricing model and based on the corporate planning adopted by the management of ProSiebenSat.1 Group. None of these plans in itself has a material effect on the Group's assets, liabilities, financial position and profit or loss. As of December 31, 2021, the other non-current provisions recognized in connection with these plans amount to EUR 8 million (previous year: EUR 9 million). In personnel expenses, the adjustment of the provisions resulted in total income of EUR 1 million (previous year: expense of EUR 6 million).

### KEY ASSUMPTIONS AND ESTIMATES

**Cash-settled share- and performance-based compensation plans are to be remeasured at each reporting date. The valuation is based to a considerable extent on the results forecast as part of the corporate planning process, which are subject to significant estimation uncertainties and can fluctuate considerably if the underlying assumptions change. The results actually achieved may therefore differ significantly from the forecasts taken into consideration in the valuation. In addition, the valuation depends on assumptions about the occurrence or timing of certain plan conditions, such as exit events. Changes in assumptions can have a significant impact on the amount of obligations recognized and the course of expense recognition.**

## 36 / Related parties

Related parties of ProSiebenSat.1 Group are persons and companies that control ProSiebenSat.1 Group, exercise significant influence over it, or are controlled or significantly influenced by ProSiebenSat.1 Group.

As of the reporting date, the members of the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE as well as associates and joint ventures of ProSiebenSat.1 Group were defined as related parties.

### EXECUTIVE BOARD AND SUPERVISORY BOARD

The members of the Executive Board and Supervisory Board, including their memberships in other statutory supervisory boards and comparable controlling bodies, are listed in the Annual Report under "Members of the Executive Board" and "Members of the Supervisory Board." The compensation system for the members of the Executive Board and Supervisory Board is explained in more detail in the Compensation Report.

[→ Members of the Executive Board](#) [→ Members of the Supervisory Board](#) [→ Compensation Report](#)

The disclosed Executive Board compensation relates to the compensation of the active Executive Board members in the financial year 2021. In the financial year 2020, the Executive Board compensation includes both the compensation of active Executive Board members and the compensation of Executive Board members who left in the financial year 2020.

In the reporting period, the compensation of active Executive Board members as of the end of the financial year amounts to EUR 8.7 million (previous year: EUR 8.3 million). Such compensation includes variable components in the amount of EUR 5.8 million (previous year: EUR 4.9 million) and fringe benefits in the amount of EUR 0.1 million (previous year: EUR 0.1 million). The variable

compensation includes one-year and multi-year variable compensation payments. In the financial year 2021, the total emoluments of former Executive Board members amount to EUR 2.4 million (previous year: EUR 9.5 million).

At the end of the financial year 2021, the members of the Executive Board hold a total of 482,126 PSUs (previous year: 519,569 PSUs) under the PSP and 0 PSUs (previous year: 30,019 PSUs) under the GSP. The total expenses for share-based payments in the reporting period amount to EUR 2.0 million (previous year: EUR 2.5 million).

As of December 31, 2021, ProSiebenSat.1 Media SE recognized pension provisions of EUR 1.4 million (previous year: EUR 4.4 million) for pension commitments to members of the Executive Board. As of December 31, 2021, pension provisions for former members of the Executive Board amount to EUR 30.4 million (previous year: EUR 27.9 million).

The total entitlement of Executive Board members to pension benefits that have accrued as of December 31, 2021, amounts to EUR 1.5 million (previous year: EUR 5.6 million). As of December 31, 2021, the entitlement of former members of the Executive Board to accrued pension benefits amounts to EUR 11.3 million (previous year: EUR 6.7 million).

Benefits to the Executive Board are due in the short term – except for PSP and pension entitlements.

The total compensation of Supervisory Board members including attendance fees amounted to EUR 1.6 million in the financial year 2021 (previous year: EUR 1.6 million).

As in the previous year, there were no other significant transactions between the Company and members of the Executive Board and Supervisory Board.

## ASSOCIATES AND JOINT VENTURES

ProSiebenSat.1 Group maintains relationships in the ordinary course of business with some of its associates and joint ventures. In doing so, the Company generally buys and sells products and services on market terms.

## VOLUME OF TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

in EUR m

|   | 2021 / December 31, 2021 |                |       | 2020 / December 31, 2020 |                |       |
|---|--------------------------|----------------|-------|--------------------------|----------------|-------|
|   | Associates               | Joint ventures | Total | Associates               | Joint ventures | Total |
| <b>Income statement</b>                             |                          |                |       |                          |                |       |
| Revenues from goods sold and services rendered      | 110                      | 51             | 161   | 104                      | 41             | 145   |
| Expenses from goods purchased and services received | 25                       | 34             | 59    | 27                       | 5              | 32    |
| <b>Statement of financial position</b>              |                          |                |       |                          |                |       |
| Receivables   | 16                       | 12             | 28    | 20                       | 15             | 35    |
| Payables  | 17                       | 7              | 24    | 5                        | 6              | 11    |

## 37 / Professional fees of the independent auditor

The following professional fees for services provided by the auditor Ernst & Young were incurred:

in EUR m

|                            | 2021       | 2020       |
|----------------------------|------------|------------|
| Audit services             | 3.3        | 3.2        |
| Other attestation services | 0.3        | 0.2        |
| <b>Total auditor fees</b>  | <b>3.6</b> | <b>3.4</b> |

These disclosures relate exclusively to the legally independent entity of the appointed auditor, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart.

The fees for audit services primarily comprise the audit of the Consolidated Financial Statements, the audits of the separate financial statements of ProSiebenSat.1 Media SE and its subsidiaries, and reviews of interim financial statements being integrated into the audit. Other attestation services mainly relate to attestation services related to the sustainability reporting and the Compensation Report as well as comfort letters.

### 38 / Corporate governance

On December 15, 2021, the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE jointly issued the annual declaration of compliance with the German Corporate Governance Code as required pursuant to section 161 of the German Stock Corporation Act (AktG) and made it permanently accessible to the public on ProSiebenSat.1 Group's website.

→ [www.prosiebensat1.com/en/investor-relations/corporate-governance/management-declaration](http://www.prosiebensat1.com/en/investor-relations/corporate-governance/management-declaration)

### 39 / List of subsidiaries and associated companies of ProSiebenSat.1 Group pursuant to section 313 (2) of the German Commercial Code (HGB)

(As of December 31, 2021)

| Company  | Footnote | Location          | Equity interest in % |
|--|----------|-------------------|----------------------|
| ProSiebenSat.1 Media SE  |          | Unterföhring      |                      |
| <b>SUBSIDIARIES</b>  |          |                   |                      |
| <b>Germany</b>   |          |                   |                      |
| 7Love Holding GmbH   | [1]      | Hamburg           | 96.93                |
| Aboalarm GmbH  |          | Munich            | 100.00               |
| AdClear GmbH   |          | Berlin            | 100.00               |
| ADDITION technologies GmbH   |          | Düsseldorf        | 100.00               |
| AdTech S8 GmbH   |          | Unterföhring      | 100.00               |
| Alpina Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Unterföhring KG | [2]      | Mainz             | 0,00                 |
| be Around GmbH   |          | Berlin            | 100.00               |
| be Around Holding GmbH   | [3]      | Berlin            | 80.00                |
| Blitz 21-956 GmbH  |          | Munich            | 100.00               |
| esome advertising technologies GmbH  |          | Hamburg           | 100.00               |
| eSports.com GSA GmbH   |          | Unterföhring      | 100.00               |
| Fem Media GmbH   |          | Unterföhring      | 100.00               |
| Flaconi Gesellschaftertreuhand GmbH  |          | Berlin            | 100.00               |
| Flaconi GmbH   |          | Berlin            | 100.00               |
| Flaconi Logistik GmbH & Co. KG   |          | Berlin            | 100.00               |
| Glomex GmbH  | [4]      | Unterföhring      | 100.00               |
| Jochen Schweizer GmbH  |          | Munich            | 100.00               |
| Jochen Schweizer mydays Holding GmbH                                       | [1]      | Munich            | 89.90                |
| JSMD Event GmbH  |          | Munich            | 100.00               |
| Kairion GmbH   |          | Frankfurt am Main | 100.00               |
| LOVOO GmbH   |          | Dresden           | 100.00               |
| Marketplace GmbH   |          | Berlin            | 100.00               |
| markt guru Deutschland GmbH  |          | Munich            | 90.00                |
| Masterpiece Gaming GmbH  | [4]      | Norderstedt       | 100.00               |
| MMP Event GmbH   |          | Cologne           | 100.00               |
| mydays GmbH  |          | Munich            | 100.00               |
| NCG - NUCOM GROUP SE   |          | Unterföhring      | 71.59                |
| NCG Commerce GmbH  |          | Unterföhring      | 100.00               |
| P7S1 SBS Holding GmbH  | [4]      | Unterföhring      | 100.00               |
| PARSHIP ELITE Service GmbH   |          | Hamburg           | 100.00               |

(As of December 31, 2021)

| Company   | Footnote | Location             | Equity interest in % |
|---|----------|----------------------|----------------------|
| Parship Group GmbH  |          | Hamburg              | 100.00               |
| ParshipMeet Holding GmbH                                    |          | Hamburg              | 55.00                |
| PE Digital GmbH   |          | Hamburg              | 100.00               |
| PEG Management GmbH & Co. KG                                | [5]      | Unterföhring         | 30.30                |
| ProSiebenSat.1 Achte Verwaltungsgesellschaft mbH            | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Digital Content GmbH                         |          | Unterföhring         | 100.00               |
| ProSiebenSat.1 Digital Data GmbH                            | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Einundzwanzigste Verwaltungsgesellschaft mbH | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Entertainment Investment GmbH                | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Erste Verwaltungsgesellschaft mbH            | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Fünfzehnte Verwaltungsgesellschaft mbH       | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 GP GmbH                                      |          | Heidelberg           | 100.00               |
| ProSiebenSat.1 GP II GmbH                                   |          | Unterföhring         | 100.00               |
| ProSiebenSat.1 Services GmbH                                |          | Unterföhring         | 100.00               |
| ProSiebenSat.1 Tech Solutions GmbH                          | [4]      | Unterföhring         | 100.00               |
| ProSiebenSat.1 Warehouse GmbH                               |          | Unterföhring         | 100.00               |
| Pyjama Pictures GmbH  |          | Berlin               | 55.00                |
| Red Arrow Studios GmbH                                      | [4]      | Unterföhring         | 100.00               |
| Red Arrow Studios International GmbH                        | [4]      | Unterföhring         | 100.00               |
| RedSeven Entertainment GmbH                                 | [4]      | Unterföhring         | 100.00               |
| Regiondo GmbH   |          | Munich               | 100.00               |
| SAM Sports - Starwatch Artist Management GmbH               |          | Hamburg              | 100.00               |
| Sat.1 Norddeutschland GmbH                                  | [4]      | Hanover              | 100.00               |
| Seven.One AdFactory GmbH                                    | [4]      | Unterföhring         | 100.00               |
| Seven.One Entertainment Group GmbH                          |          | Unterföhring         | 100.00               |
| Seven.One Media GmbH  | [4]      | Unterföhring         | 100.00               |
| Seven.One Pay TV GmbH                                       | [4]      | Unterföhring         | 100.00               |
| Seven.One Production GmbH                                   | [4]      | Unterföhring         | 100.00               |
| Seven.One Sports GmbH                                       |          | Unterföhring         | 100.00               |
| SevenOne Capital (Holding) GmbH                             | [4]      | Unterföhring         | 100.00               |
| SevenPictures Film GmbH                                     | [4]      | Unterföhring         | 100.00               |
| SevenVentures GmbH  | [4]      | Unterföhring         | 100.00               |
| SilverTours GmbH  |          | Cologne              | 100.00               |
| SMARTSTREAM.TV GmbH   |          | Munich               | 91.00                |
| Studio 71 GmbH  |          | Berlin               | 100.00               |
| Stylight GmbH   |          | Munich               | 100.00               |
| The ADEX GmbH   |          | Berlin               | 100.00               |
| THMMS Holding GmbH  |          | Hamburg              | 100.00               |
| TMG Holding Germany GmbH                                    |          | Berlin               | 100.00               |
| tv weiss-blau Rundfunkprogrammanbieter GmbH                 | [4]      | Unterföhring         | 100.00               |
| Verivox Finanzvergleich GmbH                                |          | Heidelberg           | 100.00               |
| Verivox GmbH  |          | Heidelberg           | 100.00               |
| Verivox Holding GmbH  |          | Unterföhring         | 100.00               |
| Verivox Versicherungsvergleich GmbH                         |          | Heidelberg           | 100.00               |
| Virtual Minds GmbH  |          | Freiburg im Breisgau | 100.00               |
| VX Sales Solutions GmbH                                     |          | Heidelberg           | 100.00               |
| wetter.com GmbH   | [4]      | Konstanz             | 100.00               |
| yieldlab GmbH   |          | Hamburg              | 100.00               |
| <b>Armenia</b>  |          |                      |                      |
| Markt guru LLC  |          | Yerevan              | 100.00               |
| <b>Australia</b>  |          |                      |                      |
| eHarmony Australia Pty Limited                              |          | Sydney               | 100.00               |
| <b>Denmark</b>  |          |                      |                      |
| Snowman Productions ApS                                     |          | Copenhagen           | 100.00               |
| <b>Israel</b>   |          |                      |                      |

(As of December 31, 2021)

| Company  | Footnote | Location   | Equity interest in % |
|--|----------|------------|----------------------|
| July August Communications and Productions Ltd.      |          | Tel Aviv   | 100.00               |
| The Band 's Visit LP                                 |          | Tel Aviv   | 55.00                |
| <b>Malta</b>   |          |            |                      |
| Masterpiece Gaming Limited                           |          | Valletta   | 100.00               |
| <b>Mexico</b>  |          |            |                      |
| Quepasa.com de Mexico, S.A. de C.V.                  |          | Hermosillo | 100.00               |
| <b>The Netherlands</b>                               |          |            |                      |
| P7S1 Broadcasting Holding I B.V.                     |          | Amsterdam  | 100.00               |
| SNDC8 B.V.   |          | Amsterdam  | 100.00               |
| <b>Austria</b>                                       |          |            |                      |
| ATV Privat TV GmbH                                   |          | Vienna     | 100.00               |
| ATV Privat TV GmbH & Co KG                           |          | Vienna     | 100.00               |
| ProSieben Austria GmbH                               |          | Vienna     | 100.00               |
| ProSiebenSat.1Puls 4 GmbH                            |          | Vienna     | 100.00               |
| Puls 4 TV GmbH                                       |          | Vienna     | 100.00               |
| PULS 4 TV GmbH & Co KG                               |          | Vienna     | 100.00               |
| SAT.1 Privatrundfunk und Programmgesellschaft m.b.H. |          | Vienna     | 75.50                |
| SevenVentures Austria GmbH                           |          | Vienna     | 100.00               |
| Visivo Consulting GmbH                               |          | Vienna     | 63.78                |
| <b>Romania</b>                                       |          |            |                      |
| MyVideo Broadband S.R.L.                             |          | Bucharest  | 100.00               |
| Regiondo Software S.R.L.                             |          | Sibiu      | 100.00               |
| <b>Sweden</b>  |          |            |                      |
| Snowman Productions AB                               |          | Stockholm  | 100.00               |
| Snowman Scripted AB                                  |          | Stockholm  | 100.00               |
| <b>Switzerland</b>                                   |          |            |                      |
| ADDITION Schweiz GmbH in liquidazione                |          | Locarno    | 100.00               |
| Jochen Schweizer mydays CH AG in Liquidation         |          | Zürich     | 100.00               |
| Seven.One Entertainment Group Schweiz AG             |          | Zürich     | 100.00               |
| SevenVentures (Schweiz) AG                           |          | Zürich     | 100.00               |
| Verivox Schweiz AG in Liquidation                    |          | Zürich     | 100.00               |
| <b>Serbia</b>  |          |            |                      |
| esome advertising technologies d.o.o. Beograd        |          | Belgrade   | 100.00               |
| <b>Spain</b>   |          |            |                      |
| SilverTours Technology S.L.                          |          | Alicante   | 100.00               |
| <b>Turkey</b>  |          |            |                      |
| Karga Seven Pictures Yapım Anonim Şirketi            |          | Istanbul   | 100.00               |
| <b>Ukraine</b>                                       |          |            |                      |
| Glomex TOV   |          | Kiev       | 100.00               |
| <b>United Kingdom</b>                                |          |            |                      |
| ADDITION UK Limited                                  | [1]      | Cullompton | 74.00                |
| CPL Good Vibrations Limited                          |          | London     | 100.00               |
| CPL Productions Limited                              |          | London     | 100.00               |
| CPL RB Limited                                       |          | London     | 100.00               |
| CPL Tiny Beast Limited                               |          | London     | 100.00               |
| eHarmony UK Limited                                  |          | London     | 100.00               |
| Endor (Vienna 2) Limited                             |          | London     | 100.00               |
| Endor (Vienna) Limited                               |          | London     | 100.00               |
| Endor Productions Limited                            |          | London     | 100.00               |
| Glomex Limited                                       |          | Birmingham | 100.00               |
| LHB Limited  |          | London     | 100.00               |
| P7S1 Broadcasting (UK) Limited                       |          | London     | 100.00               |
| ProSiebenSat.1 Digital Content GP Limited            |          | London     | 100.00               |
| ProSiebenSat.1 Digital Content LP                    |          | London     | 99.15                |
| Red Arrow Studios Limited                            |          | London     | 100.00               |

(As of December 31, 2021)

| Company                            | Footnote | Location          | Equity interest in % |
|------------------------------------|----------|-------------------|----------------------|
| Spider Pictures Limited            |          | London            | 100.00               |
| Studio 71 UK Limited               |          | London            | 100.00               |
| <b>United States of America</b>    |          |                   |                      |
| 44 Blue Productions, LLC           |          | Wilmington, DE    | 100.00               |
| 44 Blue Studios, LLC               | [1]      | Wilmington, DE    | 65.00                |
| 8383 Productions, LLC              |          | Beverly Hills, CA | 100.00               |
| 95 Ends LLC                        |          | New York, NY      | 100.00               |
| ASM Inc.                           |          | Castle Rock, CO   | 100.00               |
| Boxcar Studios, LLC                |          | Los Angeles, CA   | 100.00               |
| Brady 44, LLC                      |          | Los Angeles, CA   | 100.00               |
| By Dint Productions, LLC           |          | New York, NY      | 100.00               |
| Champ 44 Music Publishing, LLC     |          | Wilmington, DE    | 100.00               |
| Code D TV, LLC                     |          | Wilmington, DE    | 100.00               |
| Collected Labs LLC                 |          | Wilmington, DE    | 100.00               |
| Collective Digital Studio GP, LLC  |          | Wilmington, DE    | 100.00               |
| Crow Magnon, LLC                   |          | Wilmington, DE    | 62.40                |
| Delirium TV, LLC                   |          | Wilmington, DE    | 100.00               |
| Digital Air LLC                    |          | Beverly Hills, CA | 100.00               |
| Digital Atoms, LLC                 |          | Beverly Hills, CA | 100.00               |
| Digital Bytes, LLC                 |          | Beverly Hills, CA | 100.00               |
| Digital Cacophony, LLC             |          | Beverly Hills, CA | 100.00               |
| Digital Demand LLC                 |          | Wilmington, DE    | 100.00               |
| Digital Diffusion, LLC             |          | Beverly Hills, CA | 100.00               |
| Digital Echo, LLC                  |          | Beverly Hills, CA | 100.00               |
| Digital Fire LLC                   |          | Beverly Hills, CA | 100.00               |
| Dogs Top Ten LLC                   |          | Castle Rock, CO   | 100.00               |
| Dorsey Entertainment LLC           |          | Castle Rock, CO   | 100.00               |
| Dorsey Multimedia LLC              |          | Castle Rock, CO   | 100.00               |
| Dorsey Pictures, LLC               | [1]      | Dover, DE         | 84.00                |
| Driving Force TV, LLC              |          | Wilmington, DE    | 100.00               |
| eHarmony, Inc.                     |          | Wilmington, DE    | 100.00               |
| Fabrik Entertainment, LLC          |          | Wilmington, DE    | 100.00               |
| Fortitude Production Services, LLC |          | Dover, DE         | 100.00               |
| Fourteenth Hour Productions, LLC   |          | Beverly Hills, CA | 100.00               |
| GTG Production Services LLC        |          | Los Angeles, CA   | 100.00               |
| Half Yard Productions, LLC         |          | Wilmington, DE    | 100.00               |
| HI5 Inc.                           |          | Wilmington, DE    | 100.00               |
| Ifwe Inc.                          |          | Wilmington, DE    | 100.00               |
| Initech, LLC                       |          | Olympia, WA       | 100.00               |
| Jot It Down Productions, LLC       |          | Wilmington, DE    | 100.00               |
| K OPS TV Louisiana, LLC            |          | Baton Rouge, LA   | 100.00               |
| Karga Seven Pictures, LLC          |          | Los Angeles, CA   | 100.00               |
| Keep it Down Music Publishing, LLC |          | Los Angeles, CA   | 100.00               |
| Kenilworth Productions Inc.        |          | Dover, DE         | 100.00               |
| Kinetic Content Publishing LLC     |          | Wilmington, DE    | 100.00               |
| Kinetic Content, LLC               |          | Wilmington, DE    | 100.00               |
| Kinetic Operations LLC             |          | Wilmington, DE    | 100.00               |
| Kingdom TV Productions, LLC        |          | Wilmington, DE    | 100.00               |
| Kinpro LLC                         |          | Wilmington, DE    | 100.00               |
| KinPro Music Publishing LLC        |          | Wilmington, DE    | 100.00               |
| Lacunae Productions LLC            |          | New York, NY      | 100.00               |
| Left/Right Holdings, LLC           |          | Dover, DE         | 100.00               |
| Left/Right, LLC                    |          | Dover, DE         | 100.00               |
| Move Along Music Publishing, LLC   |          | Los Angeles, CA   | 100.00               |
| Moving Pieces TV, LLC              |          | Wilmington, DE    | 100.00               |

(As of December 31, 2021)

| Company                                     | Footnote | Location             | Equity interest in % |
|---|----------|----------------------|----------------------|
| Moving TV LLC                               |          | Wilmington, DE       | 100.00               |
| NAR Pictures, LLC                           |          | Los Angeles, CA      | 100.00               |
| New Kinetic, LLC                            | [2]      | Wilmington, DE       | 48.46                |
| New Picture Perfect, LLC                    |          | Wilmington, DE       | 100.00               |
| Next of Kin TV, LLC                         |          | Los Angeles, CA      | 100.00               |
| Node Productions, LLC                       |          | Beverly Hills, CA    | 100.00               |
| Overture, LLC                               |          | Los Angeles, CA      | 100.00               |
| Pacific View TV, LLC                        |          | Wilmington, DE       | 100.00               |
| ParshipMeet US Holding Inc.                 |          | Wilmington, DE       | 100.00               |
| Pave Network, LLC                           |          | Beverly Hills, CA    | 100.00               |
| PBP, LLC                                    |          | Baton Rouge, LA      | 100.00               |
| Peripatetic Productions LLC                 |          | New York, NY         | 100.00               |
| Prank Film, LLC                             |          | Beverly Hills, CA    | 100.00               |
| Presidio Post, LLC                          |          | Los Angeles, CA      | 100.00               |
| Production Connection LLC                   |          | Wilmington, DE       | 100.00               |
| Ranger Media, LLC                           |          | Wilmington, DE       | 100.00               |
| Red Arrow Studios International, Inc.       |          | Wilmington, DE       | 100.00               |
| Skout, LLC                                  |          | Wilmington, DE       | 100.00               |
| Studio 71 (Canada), Inc.                    |          | Beverly Hills, CA    | 100.00               |
| Studio 71, LP                               |          | Wilmington, DE       | 100.00               |
| Stylight Inc.                               |          | Lewes, DE            | 100.00               |
| The Fred Channel, LLC                       |          | Beverly Hills, CA    | 70.00                |
| The Meet Group, Inc.                        |          | Wilmington, DE       | 100.00               |
| The Weekly, LLC                             |          | New York, NY         | 100.00               |
| Third Voice Productions, Inc.               |          | Dover, DE            | 100.00               |
| Three Tables Music LLC                      |          | Wilmington, DE       | 100.00               |
| WDSP LLC                                    |          | New York, NY         | 100.00               |
| <b>ASSOCIATES</b>                           |          |                      |                      |
| <b>Germany</b>                              |          |                      |                      |
| AGF Videoforschung GmbH                     |          | Frankfurt am Main    | 16.66                |
| BuzzBird Beteiligungsgesellschaft mbH       |          | Berlin               | 42.92                |
| Corint Media GmbH                           |          | Berlin               | 30.46                |
| koakult GmbH                                |          | Berlin               | 33.33                |
| Sportority Germany GmbH                     |          | Munich               | 40.00                |
| SPREE Interactive GmbH                      |          | Nuremberg            | 19.55                |
| Urban Sports GmbH                           |          | Berlin               | 16.08                |
| <b>Canada</b>                               |          |                      |                      |
| Mad Rabbit Productions, Inc.                |          | Toronto              | 25.00                |
| <b>Switzerland</b>                          |          |                      |                      |
| Goldbach Audience (Switzerland) AG          |          | Küsnacht (ZH)        | 24.95                |
| Goldbach Media (Switzerland) AG             |          | Küsnacht (ZH)        | 22.96                |
| Swiss Radioworld AG                         |          | Küsnacht (ZH)        | 22.96                |
| <b>United Kingdom</b>                       |          |                      |                      |
| Cove Pictures Limited                       |          | London               | 25.00                |
| <b>United States of America</b>             |          |                      |                      |
| Remagine Media Ventures, L.P.               |          | Wilmington, DE       | 30.50                |
| <b>JOINT VENTURES</b>                       |          |                      |                      |
| <b>Germany</b>                              |          |                      |                      |
| d-force GmbH                                |          | Freiburg im Breisgau | 50.00                |
| Joyn GmbH                                   |          | Munich               | 50.00                |
| <b>United Kingdom</b>                       |          |                      |                      |
| European Broadcaster Exchange (EBX) Limited |          | London               | 25.00                |
| Nit Television Limited                      |          | London               | 50.01                |

| Company  | Footnote | Location     | Equity interest in % | Currency | Equity in thousands | Net income in thousands |
|--|----------|--------------|----------------------|----------|---------------------|-------------------------|
| <b>OTHER MATERIAL INVESTMENTS</b>                |          |              |                      |          |                     |                         |
| <b>Germany</b>                                   |          |              |                      |          |                     |                         |
| tink GmbH  | [6]      | Berlin       | 16.23                | EUR      | 495                 | -8,254                  |
| <b>Cayman Islands</b>                            |          |              |                      |          |                     |                         |
| Minute Media Inc. (formerly: Sportority Limited) | [6]      | Grand Cayman | 3.52                 | USD      | —                   | —                       |
| <b>Luxembourg</b>                                |          |              |                      |          |                     |                         |
| FRIDAY Insurance S.A.                            | [6]      | Bartringen   | 12.59                | EUR      | 82,931              | -35,680                 |

[1] Due to option rights in the reporting year consolidated at 100%.

[2] Control due to contractual agreements to direct the relevant activities.

[3] Due to option rights in the reporting year consolidated at 90%.

[4] Company meets the requirements of Section 264 (3) of the German Commercial Code (HGB) and exercises the option to be exempted from certain requirements on the preparation, auditing and disclosure of the annual financial statements and the management report.

[5] A subsidiary of ProSiebenSat.1 Media SE is the general partner of this company.

[6] Values according to the latest available annual financial statements (according to local accounting standards), if published.