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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	
Total comprehensive income	—	—	267	—	-48	-70	-1	20	—	167	-23	144	
Dividends	—	—	—	—	—	—	—	—	—	—	-5	-5	
Other changes	—	0	-1	1	—	—	—	—	107	107	152	259	
December 31, 2020	233	1,045	290	-62	-33	0	-15	4	-129	1,333	354	1,687	

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	
Total comprehensive income	—	—	449	—	55	47	0	-13	—	538	10	548	
Dividends	—	—	-111	—	—	—	—	—	—	-111	-23	-134	
Other changes	—	0	0	1	—	—	—	—	-7	-6	3	-3	
December 31, 2021	233	1,046	629	-62	22	47	-15	-9	-136	1,755	343	2,099	

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
Cash flow from operating activities	1,539	1,511
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
Cash flow from investing activities	-1,249	-1,391
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
Cash flow from financing activities	-940	205
Effect of foreign exchange rate changes on cash and cash equivalents	20	-50
Change in cash and cash equivalents	-630	274
Cash and cash equivalents at beginning of reporting period	1,224	950
Cash and cash equivalents at end of reporting period	594	1,224

in EUR m		12/31/2021	12/31/2020
EQUITY AND LIABILITIES			
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
Equity	[26]	2,099	1,687
Non-current liabilities			
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
Non-current liabilities		3,138	3,417
Current liabilities			
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
Current liabilities		1,350	1,977
Total equity and liabilities		6,587	7,081

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR m		12/31/2021	12/31/2020
ASSETS			
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
Non-current assets		4,982	4,975
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
Current assets		1,605	2,106
Total assets		6,587	7,081

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

CONSOLIDATED INCOME STATEMENT

in EUR m		2021	2020
Revenues	[6]	4,494	4,047
Cost of sales	[7]	-2,746	-2,468
Gross profit		1,748	1,579
Selling expenses	[8]	-712	-646
Administrative expenses	[9]	-501	-538
Other operating expenses	[10]	-11	-12
Other operating income	[11]	30	169
Operating result		553	553
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
Financial result		54	-183
Result before income taxes		607	370
Income taxes	[14]	-165	-118
Net income		442	252
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 FINANCIAL STATEMENTS

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the holders entitled to dividend. This corresponds to an expected total distribution of around EUR 181 million. Payment of the proposed dividend is subject to approval by the Annual General Meeting on May 5, 2022.

→ **Financial Performance of the Group**

DIVIDEND PROPOSAL

Adjusted net income in EUR m	362
Number of shares outstanding ¹	233,000,000
Number of treasury shares ¹	6,694,738
Number of eligible shares ¹	226,305,262
Proposed dividend in EUR	0.80
Distribution in EUR m	181
Pay-out ratio in %	50

¹ As of December 31, 2021.

Predictive Statements

Forecasts are based on current assessments of future developments. In this context, we draw on our budget planning and comprehensive market and competitive analyses. The forecast values are calculated in accordance with the reporting principles used in the Group financial statements and are consistent with the adjustments described in the Group Management Report. However, forecasts naturally entail some uncertainties that could lead to positive or negative deviations from planning. If imponderables occur or if the assumptions on which the predictive statements are made no longer apply, actual results may deviate materially from the statements made or the results implicitly expressed. Developments that could negatively impact this forecast include, for example, lower economic momentum than expected at the time this report was prepared. These and other factors are explained in detail in the Risk and Opportunity Report. There we also report on additional growth potential; opportunities that we have not yet or not fully budgeted for could arise from corporate strategy decisions, for example. Potential risks are accounted for regularly and systematically as part of the Group-wide risk management process.

further portfolio changes, the Group expects that the adjusted net income for the full-year 2022 to be at or slightly above the previous year's level of EUR 362 million.

The **adjusted operating free cash flow** is the Group's relevant cash flow management indicator and is based on the development of adjusted EBITDA. Reaching a midpoint of the adjusted EBITDA target range, ProSiebenSat.1 assumes that the adjusted operating free cash flow for the full-year 2022 – for reasons of comparability adjusted for the change of investments in relation to the construction of the new campus at the premises in Unterföhring – should develop at or slightly above the previous year's figure of EUR 599 million.

ProSiebenSat.1 Group measures the medium-term financial success of the company on the basis of the key figure **P7S1 ROCE** (return on capital employed). In the financial year 2022, the Group expects P7S1 ROCE to be slightly above the level of the previous year of 14.1%.

→ Strategy and Management System

In general, ProSiebenSat.1 aims for a **leverage ratio** (the ratio of the Group's net financial debt to its LTM adjusted EBITDA) in a range between 1.5x and 2.5x. At the end of 2022, the Group anticipates – depending on business performance and excluding any portfolio changes – a leverage ratio at or slightly below the previous year's level (previous year: 2.2x).

The development of **audience shares** is ProSiebenSat.1 Group's most important non-financial performance indicator. For financial year 2022, the Group expects to maintain its leading position with regard to audience shares in the advertising-relevant target group of 14- to 49-year-olds at a high level.

Furthermore, ProSiebenSat.1 Group has set the following **medium- and long-term targets** for the entire Group:

- With its strong strategy based on three complementary segments, ProSiebenSat.1 Group intends to remain attractive for all stakeholders also in the medium- and long-term and to grow profitably in all three segments with a clear focus on earnings.
- In this context, ProSiebenSat.1 has set itself the target of further diversifying revenues and thus continually expanding the share of revenues outside TV advertising in the German-speaking region (Germany, Austria, Switzerland).
- The focus is on consistent value creation. In the medium-term, the Group intends to achieve a return on capital employed, i.e. P7S1 ROCE, of over 15%. Expansion and new investments will therefore pay back within three years and generate a return of at least 18%. Strategic projects are usually expected to pay off within five years.
- ProSiebenSat.1 Group also continues to aim for a leverage ratio in a range between 1.5x and 2.5x in the medium-term.
- All these targets reflect the strategy that ProSiebenSat.1 Group will be one of the leading digital first infotainment and entertainment providers in the German-speaking region (Germany, Austria, Switzerland) and will use this strength to establish and expand global synergistic digital consumer platforms.
- The Group also wants to maintain its dividend policy of distributing around 50% of adjusted net income as dividends in order to allow shareholders to participate in the sustainable success of the corporate strategy on an annual basis.

Dividend Proposal

For financial year 2021, the Executive Board recommends that the Supervisory Board proposes to the Annual General Meeting a dividend pay-out of EUR 0.80 per share (previous year: EUR 0.49) to

COMPANY OUTLOOK

Forecast

ProSiebenSat.1 Group pursues a clear strategy aiming at sustainable and profitable growth. As the macroeconomic development in ProSiebenSat.1 Group's core markets remains uncertain also in financial year 2022 amongst others due to the ongoing COVID-19 pandemic, the Group has decided to provide a midpoint with a plus/minus variance for its revenue and adjusted EBITDA outlook respectively that take this environment into account. The Group has considered in its outlook adverse effects on the business that are foreseeable amongst others as a result of the current course of the COVID-19 pandemic up until the preparation of the 2021 Annual Report on March 1, 2022. Further impacts on ProSiebenSat.1 Group's business beyond that, for example also due to negative effects of the Russia/Ukraine war on the Group's core markets, are not reflected in this forecast⁹.

→ Strategy and Management System → Future Business and Industry Environment

Overall, the Group targets further revenue growth for the full-year 2022 on this basis. Without further portfolio changes, the Group expects **revenues** in 2022 of around EUR 4.600 billion, with a variance of plus/minus EUR 100 million, compared with a previous-year figure adjusted for currency and portfolio effects of EUR 4.413 billion¹⁰. This translates into a Group revenue growth range in financial year 2022 of at least 2% to around 6%.

The range of the revenue target depends particularly on the development of advertising revenues in the German-speaking region (Germany, Austria, Switzerland). For the lower end of the variance, the Group assumes stable advertising revenues in the German-speaking region compared with the previous year as well as growth of 3% for the upper end of the variance.

Based on these revenue assumptions and excluding further portfolio changes, ProSiebenSat.1 expects Group **adjusted EBITDA** for the full-year 2022 – further mainly supported by the Entertainment segment – of around EUR 840 million with a variance of plus/minus EUR 25 million (previous-year figure adjusted for currency and portfolio effects: EUR 825 million¹¹). The Entertainment programming costs will be in total at the previous year's level (previous year: EUR 1.054 billion), with the main part of total programming costs being attributed to local content and with a possibility of being varied in the amount of around EUR 50 million depending on the development of the advertising market. The Group is taking advantage of the success of its local programming strategy to expand its reach across all platforms. In the past financial year, the Group was thus ahead of its main competitor RTL Deutschland's stations marketed by Ad Alliance in prime time in every quarter (market shares target group 14-49 years) and further extended its market leadership, especially in the important fourth quarter.

The **adjusted net income** of the Group is mainly determined by the development of the adjusted EBITDA. Furthermore, this key figure is influenced by the financial result, which includes the at-equity investment in the streaming platform Joyn, and by income taxes. On this basis and without

⁹ For ProSiebenSat.1 Group, the main currency apart from the euro is the US dollar. The Group anticipates a US dollar share in Group revenues for 2022 of approximately 20% and for adjusted EBITDA of approximately 15%. An average strengthening or weakening of the US dollar in relation to the euro by 1 cent over the entire financial year impacts Group revenues by approximately EUR 8 million and adjusted EBITDA by approximately EUR 1 million. For the outlook regarding the following figures, the Group uses a EUR/USD exchange rate of USD 1.15 to the euro in financial year 2022.

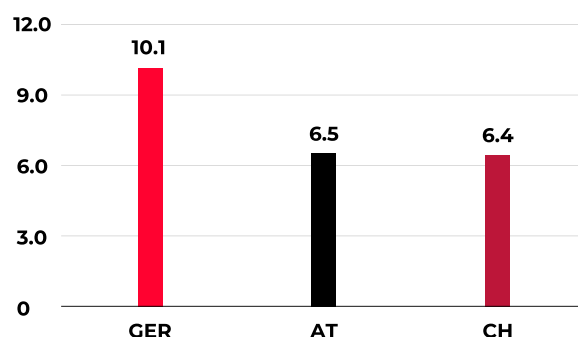
¹⁰ Based on revenues in financial year 2021 translated at the exchange rates used for planning purposes in financial year 2022 less in particular revenues of the companies deconsolidated in 2021, Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC, at in total EUR 101 million.

¹¹ Based on adjusted EBITDA in financial year 2021 translated at the exchange rates used for planning purposes in financial year 2022 less in particular the adjusted EBITDA of the companies deconsolidated in 2021, Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC, at in total EUR 17 million.

mean that there is still a considerable degree of uncertainty when it comes to future consumer spending on entertainment products. This is also true of the advertising industry as a whole.

Media agencies Magna Global and ZenithOptimedia forecast, respectively, that total net advertising spending will increase by 10.1% and 3.7% in 2022. While forecasts in previous years had anticipated a negative trend in the German TV advertising market, the net TV advertising market grew significantly in 2021, and experts anticipate further growth in 2022 (Magna Global: +5.0%; ZenithOptimedia: +3.0%). This underlines the importance of TV as a medium – including when looking into the future. Likewise, on a net basis, in-stream video advertising is expected to continue its dynamic development and to drive growth of the online advertising market. Despite this, forecasting uncertainty is high, particularly as the further sharp rise in nationwide infection rates in Germany since the beginning of 2022, owing to the new Omicron variant of the virus, is not yet reflected in forecasts. It also remains to be seen whether and to what extent inflation affects advertising budgets and investment.

FORECAST FOR NET ADVERTISING MARKETS IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1



2022 e (Estimate).

Source: Magna Global, Global Advertising Forecast December 2021, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

As well as private consumption, online retail is an important indicator of revenue development in the Commerce & Ventures segment. According to IFH Cologne, the German e-commerce market is expected to reach an average volume of EUR 139 billion by 2025. Average annual growth from 2021 to 2025 would thus be 10.4%, and the share of online retail is expected to rise to 18.3% by 2025 (2021: 14.8%). Online retail was one of the biggest beneficiaries of the COVID-19 pandemic in 2020 and 2021.

According to Statista, the volume of the car rental market in Europe is expected to come to USD 14.3 billion in 2022 and will thus still not have returned to the pre-crisis level of USD 16.9 billion reached in 2019. The market volume of online comparison portals in the fields of energy, telecommunications, insurance, and consumer loans in Germany in 2022 is likely to depend heavily on how energy prices develop in particular.

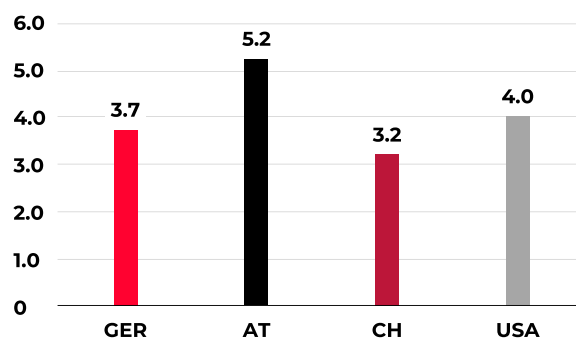
The COVID-19 pandemic has strengthened the use of online services in many consumer markets. Digital channels are now a common means of communication and help to establish or deepen social interactions. This trend is also apparent in the Dating & Video segment. According to a recent study by a consulting firm on behalf of ParshipMeet Group, the total volume of the market that is relevant to our Dating & Video segment could continue to grow each year and develop dynamically, especially in the USA. Lockdowns in 2020 led to a particular rise in the number of people meeting over video call, which has now become a firmly established usage habit.

→ **Group Environment**

(Halle Institute for Economic Research, IWH) and 4.1% (Deutsche Bundesbank). Private consumption is expected to be even more dynamic with forecast growth of between 6.5% (ifo Institute) and 7.6% (Leibniz Institute for Economic Research, RWI).

Forecasts are intrinsically subject to uncertainty, but they are currently particularly high, so the economic recovery could be slower, but it could also be much more dynamic. This will depend in particular on the further progression and intensity of the pandemic with its virus variants. In addition, the Russia/Ukraine war is causing further uncertainty.

FORECAST FOR GROSS DOMESTIC PRODUCT IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1



2022 e (Estimate).

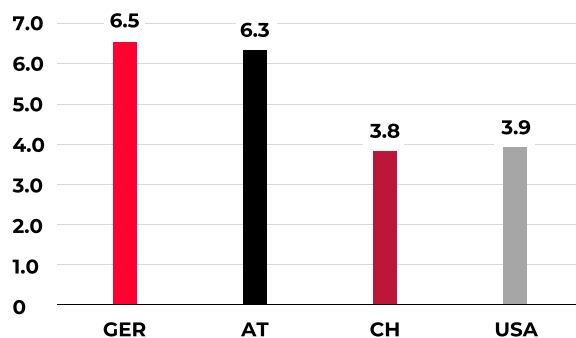
Sources: GER: ifo Economic Forecast, winter 2021 from December 14, 2021.

AT: WIFO, Economic Outlook, December 15, 2021.

CH: SECO, Economic Forecast, December 09, 2021.

USA: IMF, World Economic Outlook, January 2022.

FORECAST FOR PRIVATE CONSUMPTION IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1



2022 e (Estimate).

Sources: GER: ifo Economic Forecast, winter 2021 from December 14, 2021.

AT: WIFO, Economic Outlook, December 15, 2021.

CH: SECO, Economic Forecast, December 09, 2021.

USA: IMF, World Economic Outlook, October 2021.

PricewaterhouseCoopers GmbH ("PricewaterhouseCoopers") expects the entertainment market to have a volume of EUR 40.5 billion overall in 2022, representing growth of 5.9% in consumer spending. Spending on digital entertainment services should then reach EUR 11.3 billion (2021: EUR 10.4 billion), with the streaming sector, among others, enjoying particularly dynamic growth. By 2025, the digital entertainment market looks set to generate annual growth of 6.5%, while the traditional entertainment market – including e.g. print, TV or concerts – will likely see average annual growth of 1.1% in this period. Nonetheless, the COVID-19 pandemic and high inflation rates

OVERALL ASSESSMENT FROM THE MANAGEMENT'S VIEW: FORECAST FOR 2022

ProSiebenSat.1 Group is well positioned for the future. We have a solid financial basis and a clear corporate strategy that reflects the key trends in the various market environments in which we operate. We are focusing in particular on the synergies between our business areas, growth of our digital activities in the Entertainment and Commerce & Ventures businesses and the scalability of our Dating & Video platforms. This consistent alignment of our strategy is paying off. Over the course of 2021, we significantly improved in all of the most important financial performance indicators. Going forward, we will continue to concentrate on profitable growth as well as the medium-term improvement of our P7S1 ROCE (return on capital employed) to over 15%.

FUTURE BUSINESS AND INDUSTRY ENVIRONMENT

The IMF forecasts robust growth of 4.4% for the global economy in 2022. However, there are still considerable uncertainties because, firstly, the further course of the pandemic is unclear and the Omicron variant in particular is currently spreading rapidly. Secondly, shortages of raw materials and supply bottlenecks continue to influence business activity to a high degree. These developments are longer-lasting than most experts had anticipated during 2021.

It is nevertheless expected both that the fight against the pandemic will continue and that production processes will be ever better adapted to the prevailing conditions, at least in the developed economies. If necessary, further government support is likely to be deployed here, such as the US government's USD 550 billion infrastructure and investment program, which provides significant growth stimulus. Against this backdrop, the IMF expects strong growth of 4.0% for the US economy in 2022, despite the negative factors.

The recovery of the German economy largely came to a halt at the turn of 2021/22. As in the previous year, the number of COVID-19 infections rose sharply at the start of winter 2021, and contact-intensive services and brick-and-mortar retail were again restricted by protective measures. Unlike in previous peak phases of the pandemic, however, businesses and service providers were not completely closed, so the slowdown in private consumption ought to be less severe. However, the global supply bottlenecks that are weighing considerably on the German industrial sector – especially the important automotive and mechanical engineering industry – are having a negative impact on the economic situation.

It can therefore be assumed that pandemic restrictions and supply bottlenecks will shape the first quarter of 2022. Based on the institutes' assessment, however, the German economy – like in the previous year – is set to recover strongly at the start of summer. In particular, private consumer spending is likely to increase significantly. This is indicated by persistently favorable general conditions such as the robust labor market, stable incomes and high savings. In addition, the pressure on consumers due to inflation should lift somewhat over the course of the year. In parallel, industrial production is expected to gradually pick up speed again, especially given the high order backlogs. This ought to revive export growth accordingly. Against this backdrop, the economic experts expect an increase in real gross domestic product for the full-year 2022 of between 3.5%

interesting to viewers and advertising customers and thus even more valuable in comparison to other media. After the ECJ decision of February 2021, the Stuttgart Regional Court's ruling of December 23, 2021, now underscores our political demand: Germany needs modern regulation and more equal opportunities in the advertising market – including to support rather than hinder domestic businesses in international competition. Global digital corporations like Google or Facebook, for example, have always been allowed contextual advertising such as the regional tailoring of advertising online. Now, we can also deliver advertising spots to targeted audiences on linear TV in a regionally selective manner. This gives us an opportunity to offer new products to additional customer groups.

Addressable TV spots are another example of targeted, contextual or even personalized adaptation of advertising on TV. ProSiebenSat.1 was the first TV group in Germany to broadcast them and is now promoting them via d-force, our joint venture with RTL Deutschland. In 2021, ProSiebenSat.1 implemented over 1,200 Addressable TV campaigns (around 20% more than in the previous year). ProSiebenSat.1's offerings are based on HbbTV technology, which enables online content to be displayed on Smart-TVs. This results in attractive advertising opportunities, as Addressable TV spots combine the benefits of digital advertising with linear television. The aim is to continually build on our leading position in the Addressable TV environment and meet the dynamically growing demand for innovative advertising technologies with new products.

Since December 2020, for example, the CrossDevice Bridge has enabled advertising customers to plan and adapt TV and digital advertising campaigns across devices. Customers no longer book the medium through which they want to broadcast their advertisement, but the quantity and frequency of contacts they want to generate. This makes cross-media advertising planning significantly easier and faster. The various screens can be connected and coordinated, so that certain target groups can be addressed more easily in overarching TV and digital campaigns. Seven.One Media already reaches a total of 38 million households via the CrossDevice Bridge, covering most digital media usage in Germany.

In order to enable the reach generated by combined TV and video campaigns to be measured and evaluated using unified criteria, ProSiebenSat.1 and the licensor Sky Media have jointly developed the CFlight concept for the German market. CFlight includes transparent, cross-media campaign reporting, which guarantees the comparability of TV and video advertising exposures. The results of this currency metric demonstrate once again that high-impact video campaigns work across media. This is the core of our sales strategy. In doing so, we consistently combine the advantages of traditional TV, such as its high reach, with the advantages of digital advertising, such as data-based targeting.

ADDITIONAL OPPORTUNITIES FROM THE DEVELOPMENT OF THE ECONOMIC CONDITIONS

The Group has based its full-year outlook for 2022 on the specific assumptions regarding to future economic conditions. Positive deviations from these key planning assumptions could additionally accelerate the growth of the entire Group. This applies in particular to a more favorable development of the advertising environment than described in the Company Outlook.

→ **Company Outlook**

The potential is high. Over the past 20 years, ParshipMeet Group's offerings have played a key role in promoting the popularity of online dating and driving innovation through proprietary technologies such as vPaaS. Beneficial to continue to align our offerings as closely as possible to the needs of our customers, we have conducted intensive market research in recent weeks and identified six key needs that will guide the further development of our apps in the context of the pandemic: Authenticity, appreciation, commitment, safety, perspective, and fun. Meeting these needs will be essential in order to continue to participate in the growth of the market in the best possible way and to strengthen our high consumer acceptance.

Entry into new, fast-growing business areas and portfolio focusing. Raising brand awareness quickly is a decisive competitive factor, especially for young companies in an early stage of development. We therefore offer start-ups TV advertising as a special form of start-up financing and can acquire companies at attractive valuations.

ProSiebenSat.1 follows various M&A approaches and frequently uses the Group's investment vehicles to first acquire a minority interest or invests in companies via media services. In accordance with the "reach meets business idea" principle, ProSiebenSat.1 can thus acquire knowledge of new market and business models, establish brands and accelerate companies' growth without high business risks. One example of this is the investment in the fitness aggregator Urban Sports Club with the aim to increase the company's brand awareness in the German-speaking region via advertising on the ProSiebenSat.1's TV and online platforms and thus promote its growth. In the previous reporting period, ProSiebenSat.1 Group acquired a 15.6% stake in Urban Sports Club.

This is a key pillar of our M&A strategy and at the same time a central competitive advantage, especially over global platform providers. In the future, there will also be a particular focus on the Commerce & Ventures segment, unlocking additional potential for us.

ProSiebenSat.1 Group regularly evaluates the synergy potential of its portfolio. However, if certain businesses no longer have a sufficient affinity with the Entertainment business or are not a platform business, we sell these well-developed commerce brands to a more suitable owner. In this way, the Group is focusing its portfolio and giving itself financial freedom for future value-creating investments.

Data-based business models and digitalization of TV advertising. Global platform providers such as Alphabet/Google, Meta/Facebook and Netflix Inc. ("Netflix") have great market power thanks to their databased business models. Because of their size, they can influence usage habits. This is particularly true with regard to young people's media usage. However, ProSiebenSat.1 Group began very early to expand its TV offerings and to develop them cross-media. In doing so, our local content strategy sets us apart from the offerings of global platform providers and makes a central contribution to media and opinion diversity. We are successfully asserting ourselves in this competition with our strategy. Our goal is to offer the right service for every form of use and on all screens.

Today, our program is already available online at any time, regardless of device, time or location. With Joyn, for example, we operate a streaming service, through which we also make our TV programs available to our viewers on-demand. In terms of distribution partners, our strong station brands remain our beacons. But we are also breaking new ground in distribution and creating additional reach and offerings in video-on-demand and new marketing opportunities, for example in the areas of data and Addressable TV, through expanded cooperation with distribution platforms. In this way, we are vigorously driving forward the digital transformation of ProSiebenSat.1 Group. Because it is becoming increasingly important to establish and build upon data-based business models for the sales of TV advertising time as well.

A milestone in this context is the clarification in court that regionally tailored advertising may be broadcast on all linear distribution channels in the future. Data-based forms of advertising have high potential for growth. Television advertising will thus take on new dimensions, become more

proximity of the two businesses, as Red Arrow Studios is concentrating in particular on producing more content for the Group's entertainment platforms. The focus on local and live content distinguishes us from multinational streaming providers and is therefore an increasingly important competitive factor.

The Commerce & Ventures segment includes the investment arm SevenVentures, the portfolio of the investment vehicle SevenGrowth, and the companies of NuCom Group. The Group's minority and majority investment areas, which ProSiebenSat.1 establishes with media services and support and which thus contribute to the Group's growth strategy, are bundled in the segment. At the same time, synergies between the Entertainment and Commerce & Ventures segments and the resulting value creation can thus arise and be strengthened in a sustainable manner. For example, products and services from consumer internet areas are particularly suitable for video advertising on TV as well as our digital entertainment platforms. In addition, we can use our consumer-oriented digital platforms to build up extensive knowledge about consumption data and thus offer advertising customers added value.

The core of our strategy is the best possible use of synergies. This objective is also the basis for investment decisions, whereby media is an investment currency of central importance. Thanks to its high TV reach and diversified entertainment portfolio, ProSiebenSat.1 Group can effectively and sustainably strengthen brands that add value to the existing portfolio. In addition, ProSiebenSat.1 can rapidly respond to free advertising space and offer its own portfolio companies. By using media services, ProSiebenSat.1 can therefore exploit potential beyond the cost and revenue synergies typical for the market. Once a company has successfully passed through the initial growth phases that can be followed by the next stages of development, ProSiebenSat.1 Group also makes larger acquisitions.

One example of this is the purchase of The Meet Group. Its portfolio synergizes with Parship Group and makes a significant contribution to the entire Group's revenue diversification. The initial investment in the area of matchmaking was made via a media-for-revenue participation in Parship in 2012. In the subsequent years, ProSiebenSat.1 acquired a majority stake and other online dating brands. ParshipMeet Group, which was created via this buy-and-build strategy, operates in a profitable and rapidly growing market. Thanks to extensive expertise, we aim to further optimize ParshipMeet Group's platforms together and to benefit from the closer integration of the businesses.

→ Segments and brand portfolio

The successful integration of eharmony has already demonstrated the value that operating and technical synergies within ParshipMeet Group can create: After the acquisition in 2018, we migrated the platform available in North America, the United Kingdom, and Australia to a shared technology infrastructure with Parship and ElitePartner. Synergies in the areas of platform development, marketing, and purchasing have helped to significantly improve the economic performance. The Company has since been benefiting from these efficiency measures and the increased attractiveness of its offerings. Today, eharmony is the central growth driver of the matchmaking portfolio. The current focus topics of ParshipMeet Group include the repositioning of the Parship brand, whose groundwork was laid in fiscal year 2021. Meanwhile, the business bundled in the Group's Dating & Video segment is directly benefiting from access to existing systems, such as in purchasing, and can thus efficiently develop its own corporate structures.

In addition, there is potential for further cross-selling initiatives within ProSiebenSat.1 Group. In particular, the live video streaming expertise of ParshipMeetGroup strengthens our position in the Dating business and secures us new potential. The demand for live-streaming is high – creators produce around 200,000 hours of streaming content every day. However, we are not only using the live video streaming expertise for these offerings, we also see potential synergies with the Entertainment portfolio here. The aim is therefore to bring the two segments even closer together in the future. At the same time, we also make our vPaaS solution available to third-party companies and thus generate additional revenue.

OPPORTUNITY REPORT

OPPORTUNITY MANAGEMENT

Our aim is to identify and seize opportunities as soon as possible using suitable measures. To this end, ProSiebenSat.1 records the growth opportunities defined as relevant as part of its strategic planning. Individual growth opportunities are prioritized, specific objectives are derived, and measures and resources for operational target attainment are determined.

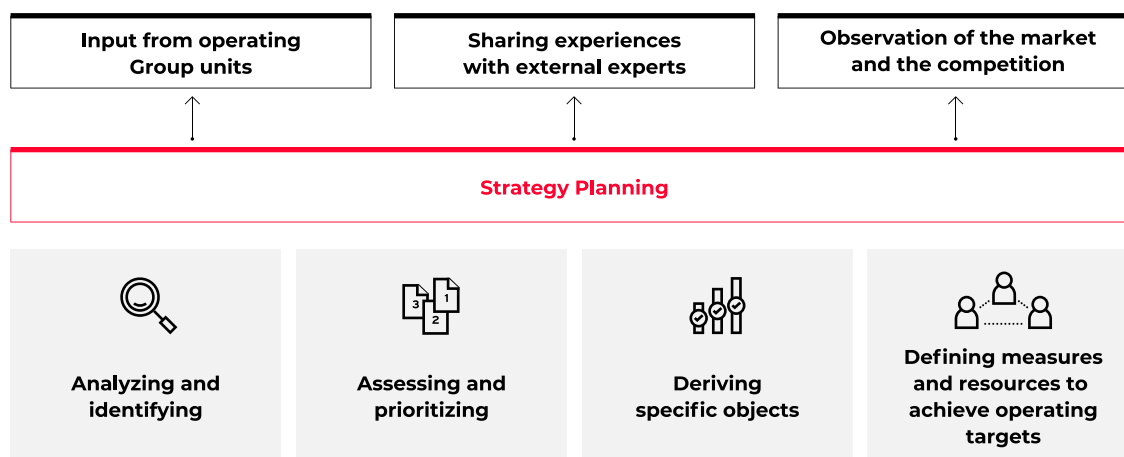
→ **Strategy and Management System**

Our opportunity management is part of the intragroup management system. The management of opportunities is decentrally organized in the business units. This process is supported and coordinated by the Group Strategy department, which is in close contact with the individual operational units and thus gains detailed insights into the business situation. In addition, market and competition analyses in addition to experience exchanges with external experts are important sources to identify growth opportunities for ProSiebenSat.1 Group.

» INFORMATION

We have incorporated opportunities that we consider to be likely in our forecast for 2022 and in our medium-term planning until 2026. We report on these growth opportunities in the Company Outlook. In addition, there is potential that has not yet been or not fully been budgeted for; we describe these possible positive budget variances in the section below if they are material and important for the planning period until 2026.

OPPORTUNITY MANAGEMENT



Synergies from networking business areas. The connecting of our segments and business areas gives rise to diverse and mutual synergies. This is an important competitive advantage. ProSiebenSat.1 Group reports in the three segments Entertainment, Dating & Video (formerly: Dating) and Commerce & Ventures and thus continues its consistent focus on synergy and value creation. In this context, Red Arrow Studios' production and distribution business, as well as the digital media and entertainment company Studio71, was integrated into the Entertainment segment at the beginning of the financial year 2021. ProSiebenSat.1 thus recognizes the strategic

ORGANIZATIONAL STRUCTURE

- The single-entity financial statements that are incorporated into the Consolidated Financial Statements are prepared using standardized software.
- The input data is then consolidated to form the Consolidated Financial Statements using stable market-based standardized software.
- The financial statements of the individual entities are prepared in compliance with local financial reporting standards, the input data in compliance with the accounting and reporting manual based on IFRS, which is made available to all employees involved in the reporting process. The individual entities included in the Consolidated Financial Statements provide their input data to the “Group Accounting & Reporting” department in a pre-specified format.
- The financial systems employed are protected with appropriate access authorizations and controls (authorization concepts).
- For the purposes of the Consolidated Financial Statements, there is a standardized chart of accounts, which must be followed in recording the various relevant transactions.
- Certain matters relevant to reporting (e.g. expert opinions with regard to pension provisions) are determined with the assistance of external experts.
- The principal functions of the reporting process – accounting, taxes, controlling, and treasury – are clearly separated. Areas of responsibility are clearly assigned.
- The departments and other units involved in the reporting process are provided with adequate resources in terms of both quantity and quality. Regular professional training sessions are held to ensure that financial statements are prepared at a consistent and reliable level of quality.
- An appropriate system of guidelines (e.g. IFRS-based accounting and reporting manual, intercompany transfer pricing guideline, purchasing guideline, travel expense guideline, etc.) has been set up and is updated as necessary. The efficiency of the internal control system in regard to processes relevant to financial reporting is reviewed (on a sample basis) by the process-independent Internal Audit unit.

PROCESS ORGANIZATION

- For the planning, monitoring, and optimization of the process of preparing the Consolidated Financial Statements, the Company uses tools that include a detailed calendar and all important activities, milestones, and responsibilities. All activities and milestones are assigned specific deadlines. Compliance with reporting duties and deadlines is monitored centrally by Group Accounting.
- In all accounting-related processes, controls are implemented such as the separation of functions, the dual-control principle, approval and release procedures, and plausibility testing.
- Tasks for the preparation of the Consolidated Financial Statements are clearly assigned (e.g. reconciliation of intragroup balances, capital consolidation, monitoring of reporting deadlines and reporting quality with regard to the data of consolidated companies, etc.). The “Group Accounting & Reporting” department is the central point of contact for specific technical questions and complex accounting issues.
- All material information included in the Consolidated Financial Statements is subjected to extensive systematic validation to ensure the data is complete and reliable.
- Risks that relate to the (Consolidated) reporting process are recorded and monitored continually as part of the risk management process described in the Risk Report.

DISCLOSURES ON THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM IN RELATION TO THE (CONSOLIDATED) REPORTING PROCESS WITH EXPLANATORY NOTES

The internal control and risk management system in relation to the (Consolidated) reporting process is intended to ensure that transactions are appropriately reflected in the Consolidated Financial Statements of ProSiebenSat.1 Media SE (in accordance with the International Financial Reporting Standards (“IFRS”) effective at the end of the reporting period, as adopted by the European Union, and in accordance with the additional requirements of German commercial law pursuant to Sec. 315e (1) of the German Commercial Code (“HGB”)) and that assets and liabilities are recognized, measured and disclosed appropriately. This presupposes Group compliance with legal and company requirements. The scope and focus of the implemented systems were defined by the Executive Board to meet the specific needs of ProSiebenSat.1 Group. They are regularly reviewed and updated as necessary. Nevertheless, even appropriate and properly functioning systems cannot offer any absolute assurance that all risks will be identified and controlled. The company-specific principles and procedures to ensure that the Group's single-entity and (Consolidated) reporting is effective and correct are described below.

GOALS OF THE RISK MANAGEMENT SYSTEM IN REGARD TO FINANCIAL REPORTING PROCESSES

The Executive Board of ProSiebenSat.1 Media SE views the internal control system with regard to the financial reporting process as a component of the Group-wide risk management system. Controls are implemented in order to provide an adequate assurance that despite the identified risks inherent in recognition, measurement and presentation, the single-entity and (Consolidated) Financial Statements will be in full compliance with regulations. The principal goals of a risk management system in regard to single-entity and (Consolidated) reporting processes:

- To identify risks that might jeopardize the goal of ensuring that the (Consolidated) Financial Statements and the (Group) Management Report comply with regulations.
- To limit risks that are already known by identifying and implementing appropriate countermeasures.
- To analyze known risks as to their potential influence on the (Consolidated) Financial Statements, and to take these risks duly into account.

In addition, our process descriptions and our risk control matrices are subject to an annual review. This ensures that the descriptions are up-to-date and thus also brings about the establishment of continually effective control mechanisms. The results of these reviews and the findings of regular control tests become an integral part of the internal control and risk management system in relation to the (Consolidated) reporting process as part of updates. On the basis of the test results there is an assessment of whether the controls are appropriate and effective. Any identified deficiencies in the controls are eliminated, taking into account their potential impact.

payments, providing video services or compliance with the rules on personalized advertising on mobile devices. Changes in these business relationships, as well as a rise in restrictive regulatory requirements for new and existing technologies, could have a similarly negative impact on revenues or costs.

We are monitoring these developments regularly in order to assess negative changes early on so that we can initiate countermeasures. If signs of regulatory changes emerge, work is done proactively on alternative services to counteract potentially negative impacts if the risks occur. By constantly refining the digital product offering, the Group is also aiming to secure a long-term competitive edge in the market. Against the backdrop of these measures, coupled with the development of the dating and live video market, we rate the general industry risks as a medium risk overall with an unlikely likelihood of occurrence, as in the previous year. If critical changes were to occur, the impact would still be very high.

COMMERCE & VENTURES SEGMENT

Operating Risks

General sector risks: Restraint in consumer demand has become apparent in the Commerce & Ventures segment since the fourth quarter of 2021. We believe that this development is the result of turbulence on international energy markets and a noticeable rise in inflation, as well as the ongoing pandemic.

In particular, the continual uncertainty about the further course of the pandemic and the exact point at which things will return to normal, and thus about when there will be a lasting recovery in the general economic situation, has a potentially negative impact on the economic situation of our business and cooperation partners in the Commerce & Ventures segment. The various sectors relevant to us are developing differently, but we nonetheless consider the general sector risks for the Commerce & Ventures segment to be a medium risk overall, as in the previous year, with a potentially very high impact and an unlikely likelihood of occurrence.

Sales risks: Increased competitor activity could cause selling expenses in connection with customer acquisition in the Commerce & Ventures segment to rise. To contain these risks, companies in this segment are working on even closer communication with customers and are expanding their portfolio, for example with apps or protected portals that offer added value for customers such as personalized additional information. We continue to rate the resulting sales risks as medium overall, with a potentially high impact and an unlikely likelihood of occurrence.

unlikely. As in the previous year, however, we cannot completely rule out a very high financial impact in the event of a fundamental change. We rate this as a medium risk overall.

→ **Group Environment**

Sales risks: Competition with global platform providers is intense. This entails the risk for the ProSiebenSat.1 Group that advertising customers could become less willing to invest or that prices for TV advertising could fall. We cannot rule out a very high impact on our revenue development in the TV advertising market, although we are pursuing a digital and cross-platform entertainment strategy.

We took this development into account in our financial planning compared with the previous year, whereby our overall risk assessment has not changed. Due to ongoing uncertainty about how the economic environment will develop in the context of the COVID-19 pandemic, the probability of occurrence of sales risks remains possible, as in the previous year, while the impact remains very high, so that we continue to rate overall sales risk as high.

→ **Future Business and Industry Environment**

Content risks: The national and international production market recovered strongly in 2021 compared with the previous year and developed positively. We expect demand for high-quality content to remain high in future, resulting in a positive market environment for the production companies of the ProSiebenSat.1 Group.

However, the production business continues to be affected by the COVID-19 pandemic: Many productions have been confronted with obstacles such as the shutdown of filming locations, logistical challenges, extensive hygiene processes and social distancing. The production companies have nevertheless managed to adapt their processes quickly and efficiently to this situation and have thus largely brought production-related COVID-19 risks under control. These established processes put the companies in a good position as the pandemic progresses, although we cannot completely rule out the possibility that the pandemic may have a further impact on production business in 2022. Consequently, our assessment of content risks is unchanged compared with the end of 2020 (compared with the risk: risks of program production (national and international)): We continue to rate this as a medium risk with a potentially very high impact. We still consider the likelihood of occurrence to be unlikely.

» **INFORMATION**

Risks of national and international program production, risks relating to impairments of programming assets and, in general, any risks relating to content have since 2021 been combined under the new risk "content risks" on an ongoing basis.

DATING & VIDEO SEGMENT

Operating Risks

General sector risks: The market for dating and live video formats has achieved a high level of consumer acceptance in just a few years. However, regulatory changes and intervention at national and international level could lead to risks for the Dating & Video segment's established business models. In particular, this could result in restrictions on free product design and pricing, which could negatively influence the development of revenues and earnings on the grounds of liability risks in the medium- to long-term.

Moreover, competition is very intense. As a result, there is a risk that consumer demand will change very rapidly due to new market players and technologies. Furthermore, the segment's digital business models entail the risk of a dependence on third-party providers, e.g. for processing

indirect business partners. Any breach of the resulting obligations may have significant negative consequences in terms of liability and may lead to legal action and fines.

Various legislative initiatives at European and national level are intended to give consumers more rights. The entry into force of the national transposition of the EU legislative package on digital content and services and the sale of goods on January 1, 2022, strengthens the rights of consumers, particularly in terms of providing remedies regarding digital content, digital services and the purchase of goods. In addition, as part of the “New Deal for Consumers,” the EU Omnibus Directive provides for changes to withdrawal rights, new transparency regulations for online marketplaces and a revision of the Price Indication Regulation (Preisangabenverordnung), among other things. These provisions will come into force at a national level on May 28, 2022. In the event of certain violations, a provider could face fines of up to 4% of its annual revenues. Another component of the “New Deal for Consumers” package is the EU Collective Redress Directive adopted on December 24, 2020, which is to be transposed into national law within two years and will then come into effect six months after that. In the event of certain breaches of EU law, e.g. in the area of general consumer rights or data protection, “qualified entities” will, besides injunctive rights, in future be able to make claims for compensation, repair or contract termination, on behalf of consumers before the national courts. The “Fair Consumer Contracts Act” has also already been adopted, which, among other things, provides for more stringent regulation of long-term contracts, including making it easier for consumers to terminate contracts via an online cancellation button. These regulations will come into force on March 1, 2022, and July 1, 2022, respectively, and will affect parts of the Group’s segments (Commerce & Ventures and Dating & Video).

The dynamics of digital markets mean that adjustments to national and European antitrust law are necessary. Companies that are in a dominant position on the market will face stricter supervision with regard to abuses with the introduction of the German Act against Restraints of Competition (GWB-Digitalisierungsgesetz). An ex ante regulation on digital platforms and centralized implementation of the new regulatory framework have been initiated at European level. These are crucial steps in ensuring equal competitive conditions in digital markets and enabling action to be taken promptly in future against distortions of competition in digital ecosystems.

Finally, the reform of the copyright contract law is also relevant. The new legal regulations contain undefined legal terms and some other vague wording, about which only court rulings and industry practice over the next few years will provide greater legal certainty. We cannot therefore currently foresee the ultimate impact on ProSiebenSat.1 Group.

ENTERTAINMENT SEGMENT

Operating Risks

General sector risks (including consumer trends and reach development): Television remains the most important mass medium, in terms of both reach and media usage time. However, the rising use of the internet has changed media usage behavior on a lasting basis. For a long time now, TV content, for example, has been consumed not only live on TV sets, but also on-demand and on mobile devices such as laptops and smartphones. In general, video services that are available online, such as streaming platforms, show an unbroken high level of acceptance among users. We have aligned our strategy on this basis and are steadily expanding our portfolio.

The Group serves additional media usage interests by disseminating its content through as many channels as possible and offering it in a platform-independent manner. In this way, ProSiebenSat.1 is expanding its digital reach and simultaneously strengthening the brand profile of our classic station portfolio. At the same time, our in-house productions primarily focus on the key advertising period of prime time. In light of this, we feel that the risks of a change in video usage are unchanged compared to the previous year and consider their likelihood of occurrence to be

for 2022. Forecasts are intrinsically subject to uncertainty, but they are currently particularly high, so the economic recovery could be slower, but it could also be much more dynamic. This will depend in particular on the further progression and intensity of the pandemic with its virus variants. In view of this, we consider general economic risks to be unchanged in comparison to the previous year. As in the previous year, we regard the probability of occurrence as possible; in the event of occurrence, a very high financial impact still cannot therefore be completely ruled out. We continue to rate this as a high risk overall.

→ **Development of Economy and Advertising Market** → **Future Business and Industry Environment**

Impairment risks: The risk of impairment of intangible assets has decreased in its assessment at a Group level due, among other things, to the improved pandemic situation during the course of 2021. We henceforth consider the probability of occurrence to be very unlikely (previous year: unlikely) and the impact to be high (previous year: very high). We therefore rate the risk as low overall (previous year: medium). Consequently, it is not discussed in any further detail in this report.

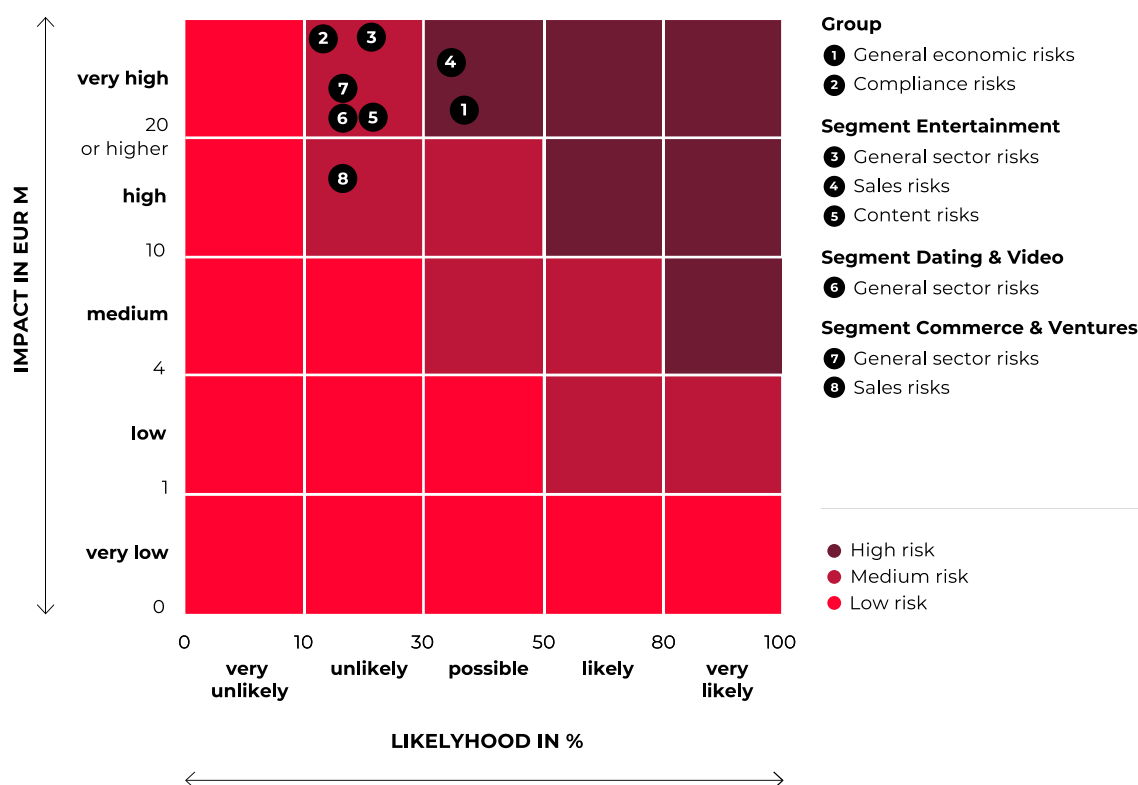
Compliance Risks

General compliance risks (including statutory reporting requirements, antitrust law, legal proceedings): Digital development is confronting legislators with new challenges, and companies are facing increasingly dense regulation, particularly in the areas of consumer and data protection. The resulting overall risk assessment has not changed for us compared to the previous year: We continue to rate compliance risks as a medium risk with a potentially very high impact and an unlikely likelihood of occurrence. To prevent possible legal violations, we closely monitor developments in the law in order to respond to changes appropriately. Together with policymakers and industry, the Group is aiming to promote the opportunities of digitalization in order to strengthen Germany as a location for business and innovation in the long-term. The following issues are currently top priorities:

The General Data Protection Regulation (GDPR) has harmonized the legal requirements for processing personal data in the European Union. However, the resulting rights and obligations in the area of online advertising still cannot be fully assessed yet. This applies in particular to the requirements for data processing for target group-specific online advertising. The online advertising industry has therefore founded a number of initiatives, such as the Transparency & Consent Framework, now in version 2.0 (TCF 2.0), to enable operators to request users' consent as required by data protection law. It has not yet been clarified whether and to what extent the responsible Belgian data protection authority will object to the TCF mechanism and what amendments it may insist on. The TCF's failure could harm ProSiebenSat.1 Group's advertising-financed business model, as it would make it much harder to obtain the permissions required for advertising feeds. We are also anticipating further legislative action on consent requirements for cookies and other online identifiers in Germany; in addition, a draft law on data protection in telecommunications and teleservices could further restrict central user recognition for the online advertising industry. Following the Schrems II judgment, the European Commission has adopted new standard contractual clauses (SCCs) for data transfers to non-secure third countries (particularly the USA); in order to agree to these clauses, the parties must define or implement additional protective measures. If adequate additional protective measures cannot be agreed on, it will be necessary to fall back on a less suitable provider within the European Economic Area. Notwithstanding the above, the respective operator of an online service and third parties that process data integrated into the online service are jointly responsible within the meaning of Article 26 GDPR. That means that the respective operator of the online service must conclude arrangements on joint data processing (joint controller arrangements, JCAs) with a large number of third parties in order to comply with the requirements of the GDPR.

The German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz), which was adopted in June 2021, will come into force on January 1, 2023. This will require ProSiebenSat.1 Group companies to implement certain appropriate measures to protect against specific risks relating to human rights and the environment, both within their own area of business and with respect to their direct and

OVERVIEW OF THE TOP RISKS



Graphic is not to scale. This Annual Report only presents relevant risks with a high or very high potential impact; we do not report on risks with a very low, low or medium potential impact here.

GROUP LEVEL

Operating Risks

General economic risks: The spread of COVID-19 and its variants had a decisive influence on the global economy for the second year in a row in 2021. In total, however, the economy picked up noticeably around the world. The International Monetary Fund (IMF) calculates that the global economy grew by 5.9% in 2021, following a decline of 3.1% in real terms in 2020 owing to the COVID-19 pandemic.

The German economy was able to recover in 2021, but did not yet reach the pre-crisis level of 2019. Owing to its strong industrial sector, the German economy is particularly affected by supply problems and price increases caused by the rapid global economic recovery and resulting high demand for raw materials and intermediate products last year. Private consumption remained at previous year's level. Although it grew strongly in the two summer quarters, following a weak start to the year, a further rise in infection rates and resulting restrictions caused it to slow again in the fourth quarter. The rising inflation rate towards the end of the year also narrowed private households' scope for consumption.

Nevertheless, the German economy is expected to return to growth after winter 2021/22, given that the global economy remains dynamic, order backlogs in industry are still high and the financial situation of private households is solid, meaning that potential for consumption is correspondingly high. The German government currently anticipates overall economic growth of 3.6% in real terms

Video and Commerce & Ventures. To identify existential risks, this assessment is supplemented by the risks evaluated as part of long-term corporate planning. ProSiebenSat.1 Group divides the risks at segment and Group level into the categories of operating risks, finance risks, compliance risks, strategic risks and non-financial risks.

We monitor all risks covered by the risk management process continuously and systematically. These are not necessarily the only risks that the Group faces. However, we are not currently aware of any additional risks that could affect our business activities, or we do not consider them relevant in the context of this report. Risks with an overall risk assessment of low are not reported here; contingent liabilities from possible compliance risks are presented in the Notes to the Consolidated Financial Statements:

→ Notes to Consolidated Financial Statements, note 31 "Contingent liabilities"

» INFORMATION

This Annual Report only presents relevant risks with a high or very high potential impact. We do not report on risks with a very low, low or medium potential impact here. We do not report on risks with an overall risk assessment of low here. However, if a risk that currently has a very low, low or medium potential impact changes into a risk with a high or very high potential impact, we will include this change in our future Risk Reports. Conversely, if risks which are currently rated as having a high or very high impact are downgraded to a very low, low or medium impact, such risks will not be described in detail in this report except for the change compared to the risk situation published in the Annual Report 2020 itself. Similarly, if a risk with an overall low assessment changes to a risk with an overall medium or overall high assessment, such a risk would be included in our future risk reports as soon as the potential impact of the risk is assessed as high or very high. If, on the other hand, a risk with an overall high or medium assessment changes to a risk with an overall low assessment, this risk would not be described in detail, regardless of the potential impact level – with the exception of the change compared with the risk situation itself published in the Annual Report 2020. The evaluation of likelihood of occurrence and risk impact and the general Group thresholds are unchanged compared to the previous period.

OVERVIEW OF THE RELEVANT RISKS

	Category	Risk	Change as of December 31, 2021 over the previous year	Possible Impact	Probability	Overall Risk
Group	Operating risks	General economic risks	Unchanged	Very High	Possible	High
		Impairment risks	Decreased	High	Very unlikely	Low
	Compliance risks	Compliance risks	Unchanged	Very high	Unlikely	Medium
Segment Entertainment	Operating risks	General sector risks	Unchanged	Very high	Unlikely	Medium
		Sales risks	Unchanged	Very high	Possible	High
		Content risks	Unchanged	Very high	Unlikely	Medium
Segment Dating & Video	Operating risks	General sector risks	Unchanged	Very high	Unlikely	Medium
Segment Commerce & Ventures	Operating risks	General sector risks	Unchanged	Very high	Unlikely	Medium
		Sales risks	Unchanged	High	Unlikely	Medium