

Acquisition of the out-standing 50% stake in

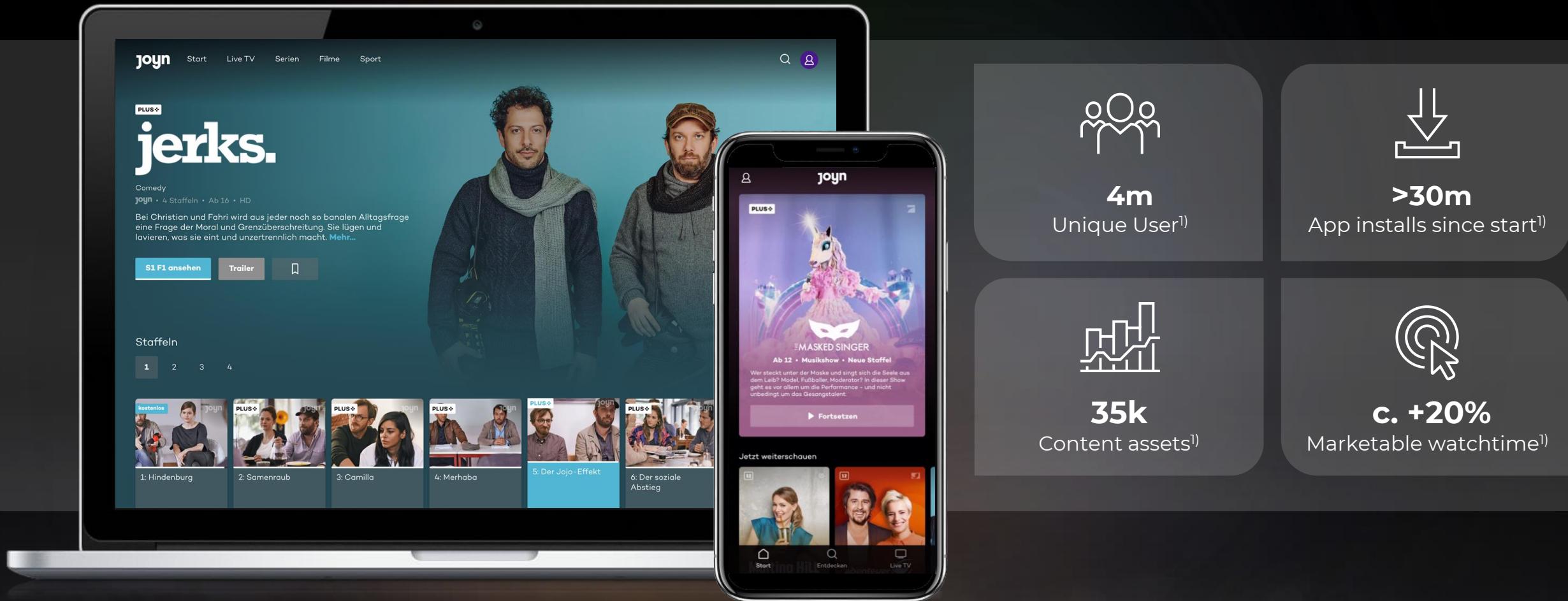
joyn

September 13, 2022



ProSiebenSat.1
Media SE

JOYN HAS ESTABLISHED ITSELF ON THE MARKET AS THE PREMIUM STREAMING SERVICE WITH GERMANY'S LARGEST FREE TV AND ON DEMAND OFFER



joyn Start Live TV Serien Filme Sport

PLUS+ jerks.

Comedy

joyn • 4 Staffeln • Ab 16 • HD

Bei Christian und Fahri wird aus jeder noch so banalen Alltagsfrage eine Frage der Moral und Grenzüberschreitung. Sie lügen und lavieren, was sie eint und unzertrennlich macht. Mehr...

S1 F1 ansehen Trailer

Staffeln 1 2 3 4

1: Hindenburg 2: Samenraub 3: Camilla 4: Merhaba 5: Der Jojo-Effekt 6: Der soziale Abstieg

joyn

PLUS+ THE MASKED SINGER

Ab 12 • Musikshow • Neue Staffel

Wer steckt unter der Maske und singt sich die Seele aus dem Leib? Model, Fullstar, Moderator? In dieser Show geht es nicht um die Performance – und nicht unbedingt um das Gesangstalent.

► Fortsetzen

Jetzt weiterschauen

Start Entdecken Live TV

4m Unique User¹⁾

>30m App installs since start¹⁾

35k Content assets¹⁾

c. +20% Marketable watchtime¹⁾

FULL OWNERSHIP ALLOWS US TO FURTHER ESTABLISH STREAMING BUSINESS AS INTEGRAL PART OF OUR VALUE CHAIN

SHAREHOLDING STRUCTURE POST FULL TAKEOVER

ProSiebenSat.1 Media SE

100%

Seven.One Entertainment Group GmbH

100% (previously 50%)

Joyn GmbH

Position as **LARGEST BVOD**
STREAMING service in
German-speaking area



STRATEGIC RATIONALE

CONTENT:

Increase flexibility in content windowing & orchestration of our existing and new format brands as well as further partnerships

SALES:

Expand marketable reach & monetization via innovative cross-media ad products

TECH:

Implement one tech foundation for all digital platforms to leverage synergies & optimize time-to-market for new video products

DISTRIBUTION:

Significantly increase marketable reach & customer base through suitable B2B streaming offering

PLATFORM ECOSYSTEM:

Clear product positioning enabling active traffic management & seamless user navigation within P7S1 universe

EFFICIENCIES:

Realize efficiencies and revenue synergies in the Group that will have a positive impact on adjusted EBITDA of EUR 35m per year from 2023 onwards

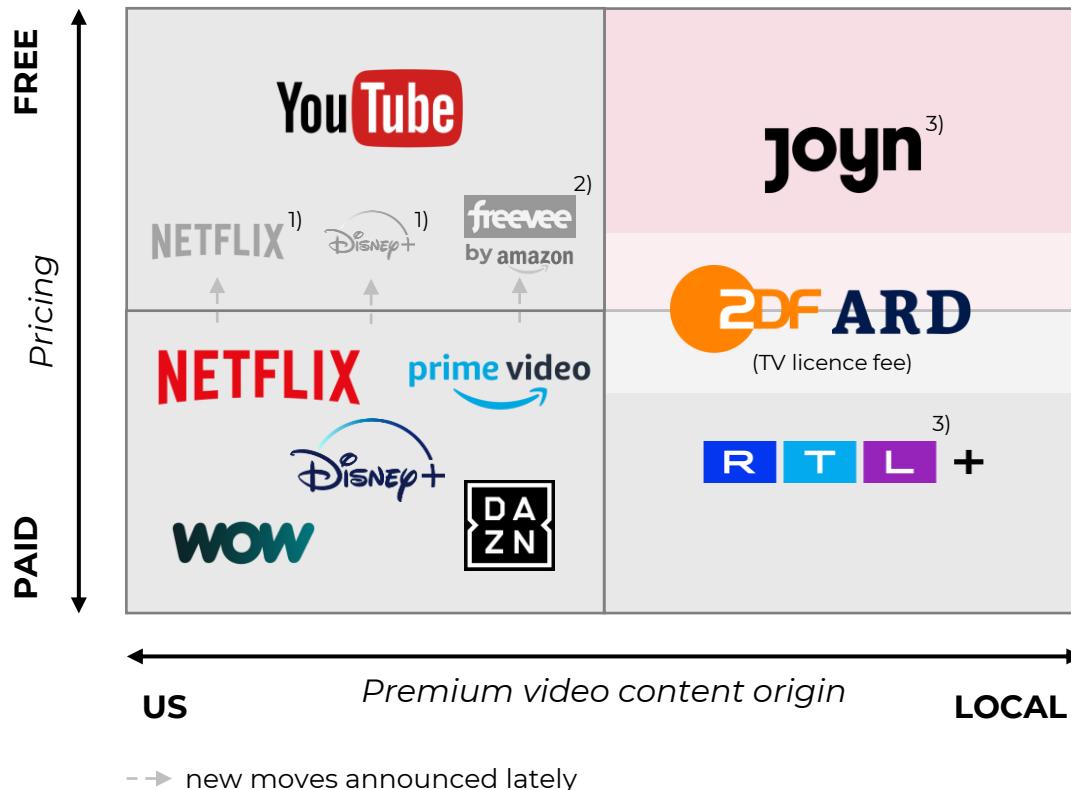


ProSiebenSat.1
Media SE

Note: BVOD = Broadcaster Video-on-demand

WITH OUR UNIQUE COMBINATION OF FREE AND LOCAL CONTENT, WE HAVE THE RIGHT STRATEGY – ALSO IN LIGHT OF LATEST VOD MARKET DEVELOPMENTS

UNIQUE POSITIONING OF JOYN



COMMENTS ON JOYN

- **Unique positioning** of Joyn with free & local content in fast-growing digital video ad market
- In addition to content from ProSiebenSat.1 and other content partners, **Joyn users will continue to have access to Warner Bros. Discovery content** in the free, ad-financed area
- Joyn+ subscribers can also use **discovery+ content free of charge for twelve months**
- In the future, we will **focus more on interaction with and between users** and community management
- Closer **integration with our Influencer Business** and our brands from the **Dating & Video and Commerce & Ventures** segments
- More **targeted addressing of Joyn users** through integration of **single sign-on service 7Pass with 20 million registered users**



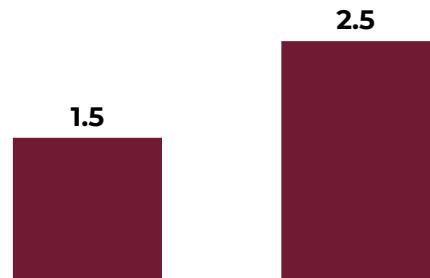
Full-ownership of Joyn – anchor of our digital entertainment offering – achieved

JOYN IS WELL-POSITIONED BASED ON CONSUMER SPENDING HABITS

WILLINGNESS TO SPEND MORE MONEY ON SVOD IS LIMITED

Max. number of SVOD services people are willing to pay for¹⁾

In units, on average

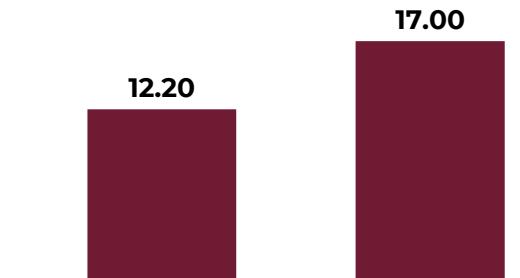


Current subscriptions per subscriber

Max. potential number of SVOD services per subscriber

Max. amount that people are willing to spend on SVOD services¹⁾

In EUR, on average



Current spend on SVOD

Max. potential spend on SVOD

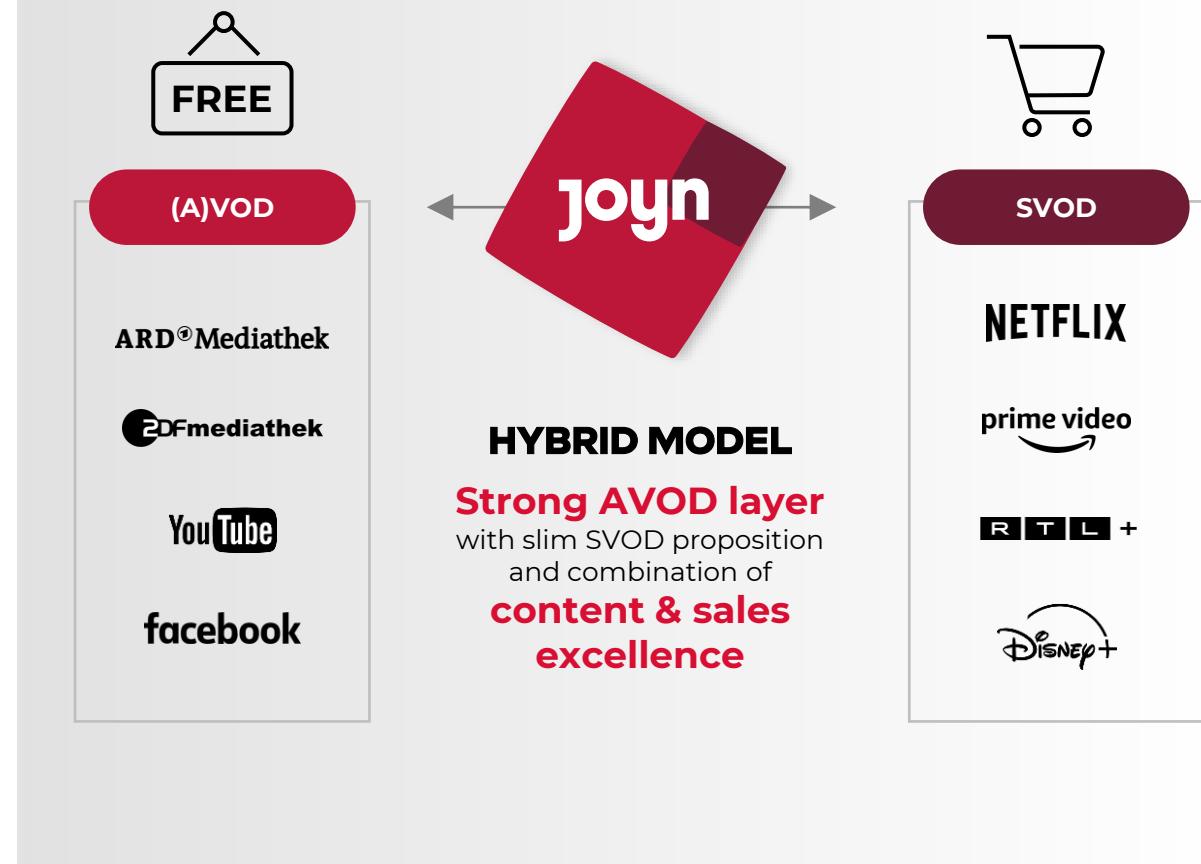
Typical monthly media costs that can theoretically accrue for German households:

Up to EUR 233²⁾

Average monthly net household income in Germany:

EUR 3.6k³⁾

SWEET SPOT BVOD (BROADCASTER VOD) POSITIONING



JOYN IS AN INTEGRAL PART OF OUR ENTERTAINMENT PLATFORM AND WILL BE OFFERED AS B2B AND B2C STREAMING SERVICE TO OUR DISTRIBUTION PARTNERS



Own platforms

Linear TV



Streaming business

joyn

TVC¹⁾ & publishing



Distribution business



Creator network

STUDIO71

3rd party platforms

Publishing aggregator



Digital distribution



Mandates



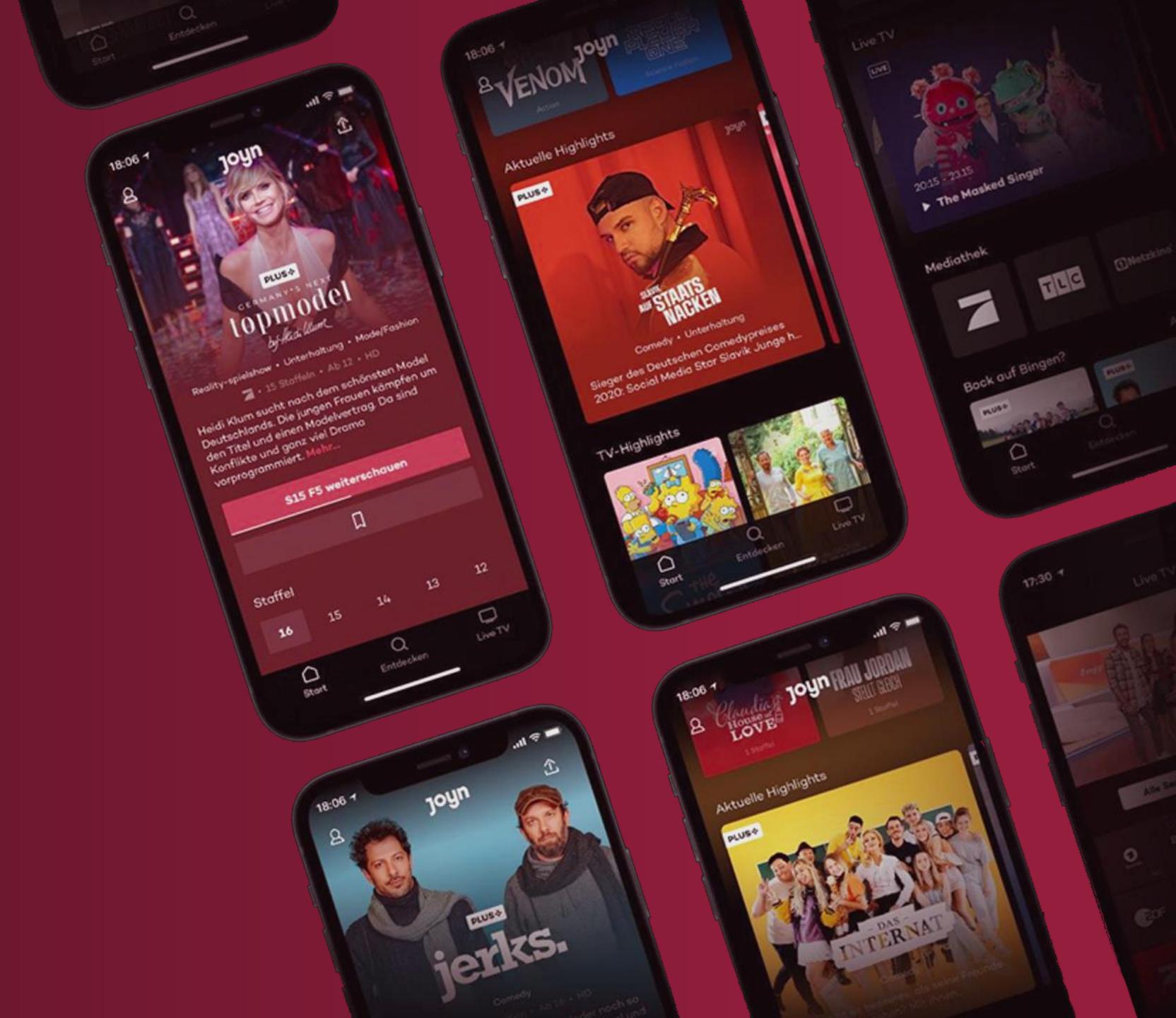
Example channels & platforms

PROSIEBENSAT.1 TAKES FULL CONTROL OF STREAMING SERVICE JOYN – OPPORTUNITY TO UTILIZE SIGNIFICANT TAX LOSS CARRYFORWARDS

- 1 ProSiebenSat.1 takes over outstanding 50 percent stake in Joyn from Warner Bros. Discovery
- 2 Joyn to become the **centerpiece of ProSiebenSat.1's digital entertainment presence**
- 3 Expansion of Joyn to become the **largest freely accessible platform for premium video content in the German-speaking region**
- 4 Group expects **adjusted net income for 2022 at prior-year level** after full consolidation
- 5 Group **does not expect any negative impact on adjusted net income in FY 2023. In FY 2024, a significantly positive contribution** to the Group's adjusted net income is already expected
- 6 **In addition, the Group expects to have the opportunity to utilize income tax loss carryforwards at the level of Joyn GmbH in the amount of well over EUR 400m and to realize an income tax benefit from this of well over EUR 100m** in the coming years which could not have been utilized by us in this amount in the previous joint venture

Full consolidation of Joyn to entail **significant positive net present value** for P7S1

Appendix



SUMMARY OF FINANCIAL EFFECTS RESULTING FROM FULL CONSOLIDATION OF JOYN

2022	2023	2024 and beyond
<ul style="list-style-type: none"> ProSiebenSat.1 acquires outstanding 50 percent stake in Joyn from Warner Bros. Discovery The Group expects to have the opportunity to utilize income tax loss carryforwards at the level of Joyn GmbH in the amount of well over EUR 400m and to realize an income tax benefit from this of well over EUR 100m in the coming years which could not have been utilized in this amount in the previous joint venture Group revenue target of EUR 4,375m (plus/minus EUR 75m) for FY 2022 remains unchanged Updated Group adjusted EBITDA target for FY 2022 of EUR 780m (plus/minus EUR 25m) to reflect full consolidation of Joyn (previously EUR 805m plus/minus EUR 25m) One-time expenses of up to EUR 20m will be incurred in FY 2022 due to efficiency measures in the Group's streaming activities (no impact on adjusted EBITDA). These efficiency measures and revenue synergies will lead to adjusted EBITDA improvements of around EUR 35m per year from 2023 onwards With the start of full consolidation, elimination of pro rata losses of the Joyn JV from "at equity" consolidation and corresponding improvement in financial result Group expects adjusted net income for the full year 2022 to be about on previous year's level at mid-point of adjusted EBITDA target range (FY 2021: EUR 362m, Bloomberg FY 2022 consensus¹⁾: EUR 344m) Based on general dividend policy 2022 dividend expected at prior year's level (2021 dividend: EUR 0.80/share, current dividend yield of c. >10% based on c. 50% payout of adjusted net income) 	<ul style="list-style-type: none"> Efficiency measures and revenue synergies will lead to adjusted EBITDA improvements of around EUR 35m per year from FY 2023 onwards As a result of full consolidation, ProSiebenSat.1 expects adjusted EBITDA to be reduced by around EUR 40m in FY 2023 Elimination of pro rata losses from "at equity" consolidation No impact on adjusted net income and dividend resulting from Joyn consolidation 	<ul style="list-style-type: none"> As a result of full consolidation, ProSiebenSat.1 expects adjusted EBITDA to be reduced by around EUR 25m in FY 2024 The Group also expects a positive earnings contribution to adjusted EBITDA by FY 2025 at the latest Elimination of pro rata losses from "at equity" consolidation Significant positive impact on Group's adjusted net income from Joyn consolidation in FY 2024

ILLUSTRATIVE CHANGES IN THE INCOME STATEMENT OF PROSIEBENSAT.1 AFTER FULL CONSOLIDATION OF JOYN

ILLUSTRATIVE P&L PROSIEBENSAT.1

Current situation: Joyn at equity/in joint venture

vs

Going forward: Joyn fully consolidated by ProSiebenSat.1

Shown
above
adjusted
EBITDA

+ AVOD revenues shown in external revenues

+ Distribution revenues shown in external revenues

+ Service revenues shown in external revenues

Adjusted
EBITDA

Joyn result shown "at equity" = 50%

Shown
in EBT

- Joyn result shown in EBT 50%

+ AVOD revenues shown in external revenues

+ SVOD revenues shown in external revenues

- Service revenues discontinued

- Joyn Result included in adjusted EBITDA 100%

Joyn result shown "at equity" = 0

- Joyn result shown in EBT 100%

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