

**FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2021
AND MANAGEMENT REPORT**

**PROSIEBENSAT.1 MEDIA SE
UNTERFÖHRING**

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MANAGEMENT REPORT OF PROSIEBENSAT.1 MEDIA SE FOR FINANCIAL YEAR 2021

PROSIEBENSAT.1 MEDIA SE

ProSiebenSat.1 Media SE, headquartered in Unterföhring (Germany), is a managing holding company with its own operational businesses. In particular, it generates revenue from the intercompany charges of holding services and from the sale of programming assets including ancillary rights. The company is responsible for management functions such as corporate strategy and risk management for the ProSiebenSat.1 Group, management of investments, central financing and other service functions. At ProSiebenSat. 1 Media SE we distinguish between three basic tasks. Firstly, the holding function, which is also shown separately in the consolidated financial statements, in which overarching activities that are not directly attributable to the segments such as general meeting costs, Group controlling and accounting or the Group strategy are located. In addition, there are so-called "Center of Excellence" that are used by all segments and the holding company, charged according to performance and thus cost-efficiently making the establishment of special units in the respective Group companies unnecessary. As third essential area, the development and consistent expansion of our shared service activities was strengthened, in which volume transactions and comprehensive accounting competencies are bundled and efficiently provided for the Group.

ProSiebenSat.1 Media SE controls the significant operational investments it directly holds in Seven.One Entertainment Group GmbH, Unterföhring, NCG-NUCOM GROUP SE, Unterföhring, ParshipMeet Holding GmbH, Hamburg and Red Arrow Studios GmbH, Unterföhring, as well as indirectly those held by these companies. ProSiebenSat.1 Media SE receives investment income from these investments in the form of profit transfers or dividends. The net assets, financial position and results of operations of ProSiebenSat.1 Media SE are strongly influenced by this investment result and thus significantly by the business development of the entire ProSiebenSat.1 Group.

The Management Declaration according to section 289f HGB is publicly available on the Company's website (<https://www.prosiebensat1.de/investor-relations/corporate-governance/erklaerung-zur-unternehmensfuehrung>).



ORGANIZATION AND GROUP STRUCTURE

BUSINESS ACTIVITIES AND SEGMENTS

The economic situation of ProSiebenSat.1 Media SE as the Group's top holding company is largely determined by the Group activities described below.

Corporate Profile and Business Activities

ProSiebenSat.1 Group is an innovative digital group based on three strong segments: Entertainment, Dating & Video, and Commerce & Ventures. In Germany, we are the number one in the audience and TV advertising markets, whereby our live and on-demand offerings complement each other synergistically. As a digital group, we also use this millions-strong reach and expertise in the Entertainment business to establish leading brands in other industries and to tap into digital revenue markets.

Since January 1, 2021, our business has been divided into three mutually reinforcing segments. In the Entertainment segment, we unite linear and digital entertainment platforms with the content, distribution and sales business. Our programming strategy focuses on local content, which we broadcast live and on-demand across all platforms in a targeted way. This strengthens our competitive position and sets us apart from multinational providers. The Dating & Video segment (formerly: Dating), which consists of ParshipMeet Group founded in 2020, offers a wide range of online dating platforms with the portfolio of the Parship Group and the business of The Meet Group. Here, we are concentrating on establishing a synergistic platform ecosystem for social entertainment, dating and online matchmaking and linking it with our existing entertainment portfolio. We bundle ProSiebenSat.1 Group's investment areas in the Commerce & Ventures segment. Here, we use media services and the power of our brands to build digital consumer brands into market leaders. Our three segments are connected by a wide range of tangible synergies, with the media services of ProSiebenSat.1's platforms as the foundation of our strong Group.

ProSiebenSat.1 has around 8,000 employees, who are driving the digital transformation of the entire Group with great commitment. ProSiebenSat.1 Media SE, headquartered in Munich-Unterföhring, is a listed stock corporation.

Segments and Brand Portfolio

The Entertainment segment forms the basis of our Company. At the same time, ProSiebenSat.1 Group relies in particular on the synergistic combination with the two other segments, Dating & Video and Commerce & Ventures:

Entertainment: With our 15 free and pay TV stations in Germany, Austria, and Switzerland, we address various target groups and reach over 60 million people a month in our core market of Germany. In addition, we have almost 11 million unique users on our online channels. In Germany, the station family comprising SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 Gold, ProSieben MAXX, and Kabel Eins Doku leads both the audience and the TV advertising market. At the same time, the Group is boosting the reach of its digital portfolio and is continuing to expand its range of usage options. The aim is to reach various audience groups with video content regardless of time, location or device.



One example of this is the streaming platform Joyn GmbH (“Joyn”): Joyn is a central element of our digital strategy and the digital product for our video offerings – as an app for connected TV, smartphones or other devices. 15 content partners and over 70 stations make their content available here. Joyn offers access to all live TV offerings of the ProSiebenSat.1 station family, a comprehensive media library and exclusive previews and catch-ups of all formats. The Group will also continue to develop the Joyn brand in 2022: Over the course of the spring, all mobile apps and the ProSiebenSat.1 Group’s apps for SmartTVs and streaming devices will be successively removed from the market and replaced by Joyn. At the same time, we are further expanding our content offering: For example, previews of our prime time formats will then also be available exclusively on Joyn. Viewers’ demand for freely available content is great, so the streaming platform with up to 4 million unique users plays a central role in the exploitation of our content.

ProSiebenSat.1’s digital offering also includes the digital media and entertainment company Studio71, which sells and distributes a broad portfolio of content creators on digital platforms such as YouTube, Facebook and Instagram, particularly addressing the young target group between 18 and 25 years. With this digital portfolio for a young audience, and especially thanks to the positioning of the ProSieben entertainment brand, which specifically targets younger viewers between 14 and 39 years, the Group’s Entertainment business distinguishes itself from the competition.

ProSiebenSat.1 benefits from this media mix in both the audience and the advertising market. By addressing viewers via multiple platforms, we offer our advertising customers a cross-media sales portfolio, ensure the relevance of TV content even among young target groups, and boost viewer retention. With its subsidiaries Seven.One Media GmbH (“Seven.One Media”) and Seven.One AdFactory GmbH (“Seven.One AdFactory”), the Group supports advertising customers and agencies from brainstorming to conception and implementation.

ProSiebenSat.1 Group pursues a cross-media strategy and actively promotes digitalization. Being able to offer targeted advertising and broadcast it according to socio-demographic criteria, for example, is another important success factor in the sales business. In this context, ProSiebenSat.1 will continue to invest in fields such as AdTech and data. Seven.One Entertainment Group brings this field together with all station brands and the content, distribution, and sales business under one roof.

ProSiebenSat.1’s international program production and distribution business is pooled under the umbrella brand Red Arrow Studios GmbH (“Red Arrow Studios”). This consists of international production companies, including the German RedSeven Entertainment GmbH (“Redseven Entertainment”), the TV distribution firm Red Arrow Studios International and the digital media and entertainment company Studio71. The particular focus is the German-speaking production business with Redseven Entertainment, for example. In this way, Red Arrow Studios supports the Group’s strategic goal to consistently increase the share of local programming produced in-house on ProSiebenSat.1’s entertainment channels.

Dating & Video: With ParshipMeet Group, we cover a broad spectrum of the online dating market in line with the motto “Meet – Date – Love.” 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 a partner. Video-based social dating and entertainment apps such as MeetMe, Skout, Tagged and GROWLr enable their users to socialize and be entertained worldwide. In this way, ParshipMeet Group can make various customer groups a comprehensive offer for their search for friendships, flirting or love.

The portfolio is characterized by a classic platform business and is easily scalable. At the same time, the strong entertainment aspect provides significant potential for cooperation with our Entertainment segment. The revenue model is diversified and includes long- and short-term subscriptions as well as platform services and revenues from in-app purchases and marketing



services in addition to distribution revenues. In particular, the live video streaming expertise of ParshipMeet Group strengthens our position in the dating business and opens up additional revenue potential. For example, we use our video-Platform-as-a-Service solution ("vPaaS"), which enables streamers to reach a broad audience across platforms, not only for our own offerings, but also make it available to third-party companies. Other applications are continuously reviewed across the Group and could likewise be licensed to third parties.

The Dating & Video segment with ParshipMeet Group emerged from a successful Commerce & Ventures business: The initial investment in the areas of online matchmaking was made via a media-for-revenue participation in Parship in 2012; in the following years, ProSiebenSat.1 acquired a majority stake and further online dating brands. In this context, ProSiebenSat.1 Group acquired The Meet Group in 2020, which synergistically complements the Parship Group portfolio and contributes significantly to the Group's revenue diversification.

Commerce & Ventures: We bundle our various investments in consumer-focused digital companies in the Commerce & Ventures segment. With a wide range of investment formats, we are able to support companies at various stages of growth, from seed financing and media-for-revenue and media-for-equity deals to strategic majority investments. The companies are united by a common foundation: We invest in digital firms that benefit from the reach of our platforms.

At the beginning of our value chain is SevenAccelerator, which belongs to our SevenVentures investment arm. At SevenVentures GmbH ("SevenVentures"), we support companies with our TV and digital reach via media-for-revenue or media-for-equity deals, and thus raise awareness of the consumer brands. In addition to these minority investments, this segment comprises strategic minority and majority investments by our investment vehicle SevenGrowth as well as the portfolio of the NCG - NUCOM GROUP SE ("NuCom Group"). With this focused lineup, ProSiebenSat.1 intends to further promote direct cooperation between shareholders and investees and thus make greater use of the synergy potential within the Group.

PROSIEBENSAT.1 GROUP SEGMENTS IN FINANCIAL YEAR 2021

 <p>ENTERTAINMENT</p> <p>The Entertainment segment comprises the Seven.One Entertainment Group with our station brands and the content, distribution and sales business, as well as the production and distribution business of Red Arrow Studios and Studio71.</p>	 <p>DATING & VIDEO¹</p> <p>In the Dating & Video segment, we cover a broad spectrum from social entertainment to dating and online matchmaking with ParshipMeet Group.</p>	 <p>COMMERCE & VENTURES</p> <p>In this segment, we bundle our investments in digital commerce companies with a strong consumer focus. We support these companies with our investment options at various stages of growth.</p>
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¹ The Dating & Video segment was reported as the Dating segment in the first three quarters of 2021 and renamed Dating & Video in the fourth quarter.



CORPORATE STRUCTURE AND INVESTMENTS

The economic development of ProSiebenSat.1 Group is determined primarily by the subsidiaries, held both directly and indirectly. ProSiebenSat.1 Media SE is the ultimate parent company of the Group. In this function, its tasks include central financing, Group risk management and the ongoing development of the corporate strategy.



STRATEGY AND MANAGEMENT SYSTEM

STRATEGY AND OBJECTIVES

ProSiebenSat.1 is an innovative digital group and the home of popular entertainment and digital consumer brands. Our Group's strategic focus is on a diversified Group portfolio consisting of three strong segments: Entertainment, Dating & Video, and Commerce & Ventures.

Our aim is to grow profitably in all three segments. To this end, we also make consistent use of the synergies between our three business areas based on our reach and media power. Thanks to our diversified revenue and earnings profile, we are becoming increasingly independent of traditional TV advertising revenues and thus strengthening the resilience of our business model. This has been clearly demonstrated during the COVID-19 pandemic.

The megatrend of digitalization is and will remain one of the determining factors for the development of our Company. Digitalization is changing our business areas and offering major opportunities. For example, media usage is becoming increasingly digital: Television content can be accessed regardless of time, device or location. TV sales benefits from modern technologies such as Addressable TV, which for example make it possible to broadcast TV advertising to internet-connected devices in real time and address target groups precisely. The digital transformation also continues to accelerate in the consumer markets in which ProSiebenSat.1 Group operates, driving the usage of online offerings. This also applies to the usage of online and live videos in sectors such as dating, which are growing in importance as a result of increasing digitalization.

The changes in the market environments are resulting in diverse opportunities for ProSiebenSat.1 Group, which are reflected in the Group's strategy.

What Drives Us

Empowering brands and creating moments that matter – this is the core of our Group and what drives us every day. We inform, entertain and connect people around the clock. We offer them products, services, and experiences that enrich their everyday lives. That's how we reach millions of people day to day.

We broadcast entertainment and information on all platforms – live and on-demand. In this way, we also make an important contribution to the formation and diversity of opinion. We use the wide reach of our entertainment offerings to make brands well known and create environments in which they can grow sustainably. This benefits not only our advertising customers' brands, but also our own consumer brands in the Dating & Video and Commerce & Ventures segments. Here, we invest in digital brands and business models as well as international platforms with long-term growth prospects and high synergy potential with our Entertainment segment.

Our investment currency of reach offers us the opportunity to market products efficiently to an audience of millions and to create new growth areas with low entrepreneurial risk. This investment strategy, combined with an attractive Entertainment business, strengthens our ROI (return on investment) as well as our dividend yield.

We want to be one of the leading digital first infotainment and entertainment providers in the German-speaking region (Germany, Austria, Switzerland) and use this strength to establish and



expand global synergistic digital consumer platforms. The source of our synergies is our know-how regarding content, digital business models, platforms and consumer brands. We are thus promoting ProSiebenSat.1 Group's growth and value enhancement.

Entertainment Segment

In the Entertainment segment, we concentrate on the core markets of Germany, Austria and Switzerland. Here, we unite linear and digital entertainment platforms with the content, distribution and sales business.

Our ambition is to remain market leader for video content in the German-speaking region (Germany, Austria, Switzerland). To achieve this, we focus on the production of local, relevant content, which we increasingly produce ourselves and broadcast live and on demand across all platforms in a targeted way. In particular, the streaming platform Joyn and our digital media and entertainment company Studio71 play an important role for our growing digital reach.

With our digital focus, we are increasing our total reach and strengthening our opportunities for monetization. Primarily with modern, digital advertising products, we enable our advertising customers to address users in a targeted manner, which secures us additional revenue potential.

In this way, we create a future-proof, profitable Entertainment business and the foundation for growth in the other two segments.

Dating & Video Segment

ParshipMeet Group offers a broad range of online dating platforms with the portfolio of Parship Group and the business of The Meet Group. We want to establish ParshipMeet Group as one of the leading internationally operating mobile-first players in the dating and social entertainment sectors. To this end, we are building a synergistic platform ecosystem for social entertainment, dating and online matchmaking.

ParshipMeet Group operates in a rapidly growing market environment with a broad-based revenue model, including short- and long-term subscriptions, the sale of virtual goods, marketing services, and distribution revenues. The platforms address a broad target group in a large geographical area. An important element is the live video streaming expertise of ParshipMeet Group, which strengthens our position in the dating business and unlocks new growth potential for the entire Group.

Commerce & Ventures Segment

In the Commerce & Ventures segment, we bundle ProSiebenSat.1 Group's growth businesses, which we are building up and making successful with media services and the power of our brands. Via our various forms of participation, we can support companies at diverse stages of growth. Our goal is to become the leading brand investor in the German-speaking region (Germany, Austria, Switzerland). To this end, we are investing in digital consumer brands with long-term structural growth potential and synergies with our Entertainment business.

At the beginning of our value chain is SevenAccelerator, which concentrates on early-stage digital start-ups. With our investment arm SevenVentures, we use our reach to help young companies grow via media-for-revenue or media-for-equity deals, and thus build up minority investments. This segment also comprises strategic minority and majority investments by our investment vehicle SevenGrowth as well as the portfolio of NuCom Group. The focus here is on the synergy potential with our Entertainment business.



At the heart of our investment strategy is our reach: We finance growth through media, even without high cash investments, according to the principle of "reach meets idea". With this investment strategy, we tap into new market segments, as was recently the case with our investment in the online fitness platform Urban Sports GmbH ("Urban Sports Club"). At the same time, we generate attractive returns and can offer our shareholders an income-oriented dividend pay-out.

The following applies: We continually assess whether ProSiebenSat.1 is still the best owner of the respective company in the next development phase. If a business no longer has a strong link to our Entertainment business or no potential for international platform business, we are willing to sell these well-developed commerce brands to a more suitable owner and realize the value created.

Our Synergies

Our three segments are connected by a wide range of tangible synergies, which have a positive impact on the Group's revenue and earnings performance. The media services of ProSiebenSat.1's platforms are the foundation of our strong Group.

With the reach and sales offers of our platforms, the Entertainment business has the power to further raise awareness of the ParshipMeet brands in the German-speaking markets. This has already significantly boosted the market leading positions of the Parship and ElitePartner services in the German-speaking markets in the past. We also intend to strengthen ties between the Entertainment and Dating & Video segments. We are unlocking new synergy potential by combining ParshipMeet Group's live video streaming expertise with our entertainment know-how.

At the same time, we are using the reach and sales offers of our Entertainment business to build up both our own commerce brands and those of our venture partners into leading consumer brands. By advertising on our platforms, we help the companies to strengthen their brand awareness and increase revenues and enterprise value. This gives rise to long-standing, close customer relationships between the companies and our sales units. In addition, the data we generate through our commerce investments helps us to create addressable advertising offerings that are individually tailored to our users.

Our Objectives

With this strategy, ProSiebenSat.1 Group also intends to be attractive for all stakeholders in the medium- and long-term and to grow profitably in all three segments with a clear focus on earnings and cash flow – also in order to progressively increase the share of business areas outside TV advertising revenues in the German-speaking region (Germany, Austria, Switzerland). The focus is on consistent value creation. Therefore, the Group's medium-term target remains to achieve a P7S1 ROCE (return on capital employed) of over 15%, to pay out a reliable dividend of around 50% of adjusted net income to the shareholders and to generate a leverage ratio between 1.5x and 2.5x.

Moreover, ProSiebenSat.1 Group is clearly committed to its obligations in the fields of society, diversity and inclusion, climate and environment, and governance and compliance, which form the basis of our sustainability strategy. In doing so, the Group aligns its sustainability work with the UN Sustainable Development Goals.

PLANNING AND MANAGEMENT

The control parameter for ProSiebenSat.1 Media SE as the parent company is the balance sheet profit. The implementation of the long-term dividend policy is to be ensured, in particular, through the investment result in the form of profit transfers and distributions from affiliated companies. Therefore, controlling the entire Group is essential for ProSiebenSat.1 Media SE.



The balance sheet profit and the corresponding investment result essentially depend on the economic development of the ProSiebenSat.1 Group. ProSiebenSat.1 Group's management system based on key figures forms the basis for all of the Company's economic and strategic decisions. Company-specific performance indicators are derived from the Group's strategy and cover both financial and non-financial aspects. They are planned and managed centrally by the Executive Board of ProSiebenSat.1 Media SE. The planning and management process is complemented by the monitoring of key figures on the basis of regularly updated data. This also includes the assessment of developments as part of opportunity and risk management.

Intragroup Management System

The performance indicators specific to ProSiebenSat.1 Group are aligned to the interests of the capital providers and cover financial planning as well as aspects of comprehensive revenue and earnings management.

OVERVIEW OF THE MOST IMPORTANT PERFORMANCE INDICATORS AS OF DECEMBER 31, 2021

MOST IMPORTANT NON-FINANCIAL PERFORMANCE INDICATORS

Entertainment segment

- audience shares

MOST IMPORTANT FINANCIAL PERFORMANCE INDICATORS

Group

- revenues
- adjusted EBITDA
- adjusted net income
- adjusted operating free cash flow
- P7S1 ROCE
- leverage ratio

Most important non-financial performance indicators: The development of audience shares is an important criterion in programming and media planning in the advertising-financed TV business. In addition, this data is used as a benchmark for the calculation of advertising time prices: They indicate the number of potential customers a broadcast is able to reach. In this context, audience shares in prime time are increasingly coming into focus, as prime time from 8:15 p.m. to 11:00 p.m. in particular represents the main advertising period.

In Germany, TV usage data is collected by GfK Fernsehforschung on behalf of AGF Videoforschung GmbH ("AGF Videoforschung"). ProSiebenSat.1 Group analyses viewer ratings that have been empirically collected by the institutions on a daily basis. In addition to this data on linear TV consumption, we also analyze digital reach figures and KPIs relating to our databased business models. One example of this is the measured data from HbbTV.

Most important financial performance indicators: Revenues, adjusted EBITDA, adjusted net income, adjusted operating free cash flow, P7S1 ROCE (return on capital employed), and the leverage ratio are the central key figures used to manage profitability. A primary objective is to increase the above earnings figures through continuous, profitable revenue growth in all segments; at the same time, active portfolio management in the Commerce & Ventures segment is contributing to this. The business units operate mainly as profit centers. This means that they act with full responsibility for revenues and earnings. In addition, flexibility is an important prerequisite for our success, as ProSiebenSat.1 Group operates in a very dynamic industry environment. The organizational entities – within a centrally adopted framework – therefore make their operating



decisions independently, based on the competitive environment, and with the clear objective to use synergies to generate added value for our shareholders.

The earnings figure adjusted EBITDA stands for adjusted earnings before interest, taxes, depreciation and amortization. Reconciling items, such as M&A-related expenses, reorganizations and legal claims, are not taken into account, so this figure provides the Executive Board as the chief operating decision maker with the appropriate performance measure to assess the operating profitability of the Group. Adjusted net income is the adjusted net income attributable to shareholders of ProSiebenSat.1 Media SE; it provides a suitable indicator for calculating the dividend. In addition to the adjustments from adjusted EBITDA, effects of purchase price allocations and other reconciling items in particular are adjusted in the calculation.

Reconciling items can influence or even overshadow operating performance and can make a multi-year comparison difficult. Therefore, adjusted earnings figures constitute suitable measures of performance for assessing the sustainable development of the profitability of the Group and its segments. However, the analysis of unadjusted key earnings' figures provides a holistic view of the expense and income structure. At Group level – in addition to revenues, adjusted EBITDA, adjusted net income, adjusted operating free cash flow, P7S1 ROCE and the leverage ratio as the most important financial performance indicators – EBITDA is also relevant in this context as a less significant financial performance indicator. As the effects of taxes and depreciation and amortization and the financing structure are not taken into account, EBITDA also enables simpler comparison with international competitors.

To further focus on the segments' operating cash flow management, the Group introduced adjusted operating free cash flow as the most important financial performance indicator in the financial year 2021. Since 2021, this has replaced the free cash flow before M&A as the relevant cash flow performance indicator for the Group. Adjusted operating free cash flow is defined as operating free cash flow before interest and taxes and is calculated as adjusted EBITDA corrected for cash-neutral expenses and income and less investments (programming and other investments) along with changes in net working capital.

P7S1 ROCE (return on capital employed) is another of the most important financial performance indicators used to manage profitability. It is the ratio of adjusted EBIT (adjusted earnings before interest and taxes) plus pension expenses and the result from investments accounted for using the equity method to average capital employed. Adjusted EBIT is the operating result adjusted for reconciling items. In addition to the reconciling items of adjusted EBITDA, it also adjusts for depreciation, amortization and impairments from purchase price allocations (Group entities and investments accounted for using the equity method) and impairments on goodwill. Capital employed is the difference when other provisions, trade liabilities, liabilities to investments accounted for using the equity method, and other liabilities are deducted from intangible assets (including goodwill and purchase price allocations), property, plant and equipment, investments accounted for using the equity method, media-for-equity investments, programming assets, inventories, trade receivables, current other financial assets (excluding derivatives), and other receivables and assets. The figure relates to the average of the reporting dates of the last five quarters.

The medium-term aim is to generate a return on capital employed, i.e. P7S1 ROCE, of at least 15%. Expansion and new investments will therefore have to be paid back within three years and generate an internal rate of return (IRR) of at least 18%. Strategic projects are usually expected to pay off within five years. The Group therefore manages investments consistently and evaluates each project in the various segments according to the same target parameters.

ProSiebenSat.1 Group is investing in markets with long-term growth opportunities and examining options to expand its portfolio. Part of the investment strategy is the acquisition of entities that complement our portfolio synergistically and sustainably create value for the Group. In this context,



a capital-efficient leverage ratio is a key performance indicator for the Group's financial planning. The leverage ratio indicates the level of net financial debt in relation to LTM adjusted EBITDA – the adjusted EBITDA that ProSiebenSat.1 Group has generated in the last twelve months (LTM = last twelve months). The target is a factor of between 1.5x and 2.5x at the end of the relevant year; the target range may be exceeded for a short period of time as a result of fluctuations during the year if, for example, important strategic investments are required.

Financial and non-financial performance indicators are the foundation for corporate management. It is therefore logical to use them as a basis for determining target-oriented variable compensation. The performance bonus is relevant for employees at senior management levels as well as selected sales functions. It is based on the company's success and on the most important financial performance indicators revenues, adjusted EBITDA and adjusted operating free cash flow.

Adjusted net income, EBITDA, free cash flow before M&A and relative total shareholder return served as a variable basis for determining the Executive Board's compensation in the financial year 2021. On June 1, 2021, the Annual General Meeting approved a new compensation system for the Executive Board, which is applied to new Executive Board employment contracts and to contract extensions. As no new contracts or contract extensions effective in the 2021 financial year have been concluded since June 1, 2021, the Executive Board compensation system in place since January 1, 2018, continues to apply in this financial year. In the new compensation system, the Supervisory Board has defined adjusted EBITDA and adjusted operating free cash flow as relevant financial performance targets for the Executive Board's short-term variable compensation (Short-Term Incentive). The Short-Term Incentive also includes ESG targets. In contrast, the achievement of P7S1 ROCE and the relative total shareholder return are decisive for the Executive Board's long-term variable compensation (Long-Term Incentive).

DEFINITION OF SELECTED NON-IFRS FIGURES

ADJUSTED EBITDA

Adjusted EBITDA stands for adjusted earnings before interest, taxes, depreciation and amortization. It describes the operating result (earnings before interest, taxes, depreciation, amortization and impairments) adjusted for certain influencing factors (reconciling items).

These reconciling items include:

- M&A-related expenses include consulting expenses and other expenses for ongoing, closed or canceled M&A transactions as well as costs in connection with an IPO or delisting process and integration costs incurred within a year of the economic acquisition.**
- Reorganization expenses include material and personnel expenses for reorganizations and restructurings. They comprise expenses such as severance payments, leave compensation, consulting costs, legal consultancy fees and impairments of at least EUR 0.5 million.**
- Expenses for legal claims include charges, fines, penalties and consulting costs of at least EUR 0.5 million in connection with significant closed, ongoing or expected legal claims.**
- Fair value adjustments of share-based payments include the portion of the changes in the fair value of cash-settled share-based payment plans that affects profit or loss.**
- Results from changes in scope of consolidation include income and expenses in the context of mergers, demergers, acquisitions or disposals of Group entities.**
- Results from other material one-time items include transactions approved by the Group CFO that are not connected to current operating performance. In this context, ProSiebenSat.1 Group considers transactions of at least EUR 0.5 million to be significant.**
- Valuation effects relating to strategic realignments of business units comprise expenses incurred in the context of changes in the underlying business objective or strategy of the unit in question of at least EUR 25 million.**



ADJUSTED NET INCOME

Adjusted net income is the net income attributable to shareholders of ProSiebenSat.1 Media SE, adjusted for reconciling items shown under adjusted EBITDA, as outlined above, and adjusted for additional reconciling items. These additional reconciling items include:

- Depreciation, amortization and impairments from purchase price allocations.
- Impairments on goodwill.
- Valuation effects included in other financial result, impairments and valuation effects of investments, entities accounted for using the equity method and other financial assets recognized in other financial result. The Group can also acquire control over investees previously accounted for using the equity method through multi-stage company acquisitions. Effects from the valuation of such original shares at fair value upon initial consolidation also fall under this category.
- Valuation effects of put-options and earn-out liabilities include valuation, currency and interest effects of put-options and earn-out liabilities.
- Valuation effects from hedging transactions include ineffectiveness and de-designation effects of cash flow hedges recognized in other comprehensive income and effects from hedging transactions for which there is no hedge accounting as defined by IAS 39.
- Results from other material one-time items include transactions not connected to current operating performance. In this context, ProSiebenSat.1 Group considers transactions of at least EUR 0.5 million to be significant.

Moreover, the tax effects resulting from such adjustments and effects on the net result attributable to non-controlling interests are also adjusted.

REPORTING AND USE OF NON-IFRS FIGURES

In addition to the financial information determined in accordance with IFRS, this Annual Report also includes non-IFRS figures. The reconciliation of these non-IFRS figures with the corresponding IFRS figures is shown in the following section:

For its financial, strategic and operating decisions, ProSiebenSat.1 Media SE uses primarily non-IFRS figures as the basis of decision-making. These also provide investors with additional information which allow a multi-year performance comparison, as they are adjusted for specific factors. These figures are not determined on the basis of IFRS and may therefore differ from other entities' non-IFRS figures. Therefore, they do not replace the IFRS figures or are more significant than the IFRS figures, but represent supplementary information. We are convinced that the non-IFRS figures are of particular interest to our investors for the following reasons:

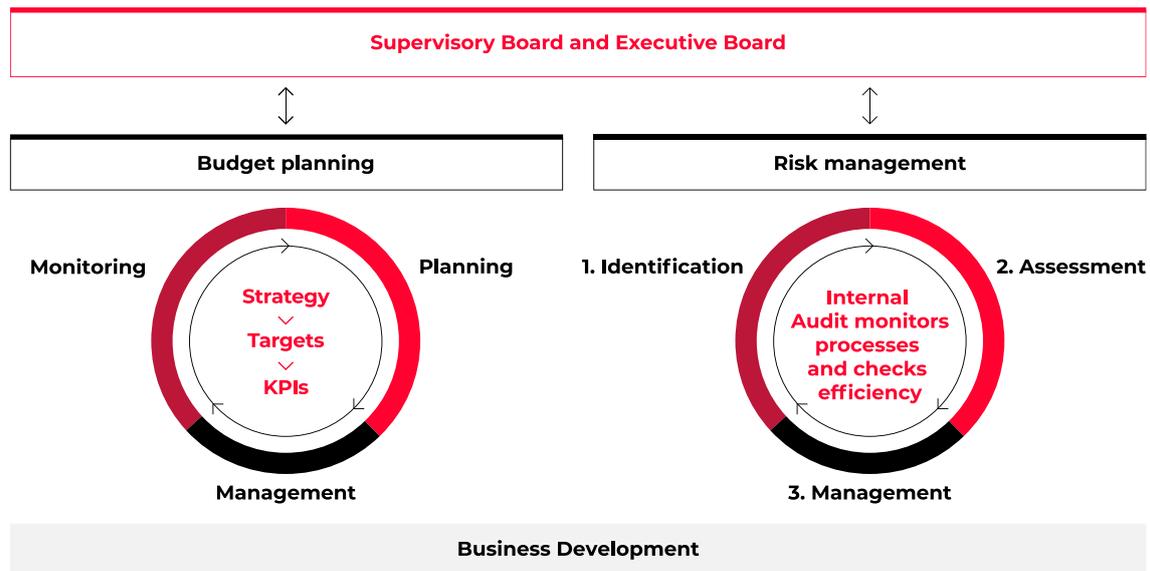
- Reconciling items can influence or even overshadow operating performance; figures adjusted for such items therefore offer supplementary information for the assessment of the Company's operating performance. Adjusted figures thus are more relevant for managing the Company.
- Moreover, adjusted net income is an important factor at ProSiebenSat.1 Media SE for the calculation of the dividend payment, as we want to give our shareholders a share in the Company's operating profitability.
- The Group has implemented a holistic management system. Non-IFRS figures are calculated consistently for the past and the future; they form an important foundation for internal controlling and the management's decision-making processes.



Operational and Strategic Planning

Management and planning are closely intertwined at ProSiebenSat.1 Group. Target figures are defined and determined for various periods within the context of planning, with a focus on the performance indicators outlined above. The different levels in the planning process build on each other and are linked to our risk management. The Supervisory Board is also regularly informed by the Executive Board about all issues relevant to the Company's strategy, planning, business performance, risk situation, risk management, and compliance, both at the Supervisory Board meetings and outside of meetings.

BUDGET PLANNING AND RISK MANAGEMENT AT PROSIEBENSAT.1 GROUP



Corporate planning: Corporate planning comprises the operating annual planning (budget) plus the long-term corporate planning (multi-year planning) and constitutes a detailed quantitative depiction of strategic planning. It is on a monthly basis for the first year and on an annual basis for a further four years. The strategically derived targets for the first planning year are specified for the most important financial and non-financial performance indicators in a top-down/bottom-up process and carried forward to the multi-year planning. The financial figures from the income statement or statement of financial position and statement of cash flows of individual subsidiaries are analyzed and aggregated at segment and Group level.

Monthly reporting and trend projections: Trend projections are an important tool in planning during the year. They allow the Company's expected performance for the year to be calculated on the basis of the targets achieved to date and to be compared with the target figures that were originally budgeted. The aim is to identify potential discrepancies between the target and actual figures immediately and to implement the necessary countermeasures promptly. In 2021, the Executive Board also discussed short-term and long-term targets with the Supervisory Board. In addition to monthly reporting, potential risks are reported to the Group Risk Officer on a quarterly basis. In particular, any changes to the early warning risk indicators during the year and over time are analyzed here. For example, the development of audience shares is an important early warning indicator. Additional opportunities and therefore possible positive deviations from projected targets are analyzed in parallel with risk management; they are taken into account in budget planning if their probability of occurrence is more than 50%.



CONDITIONS AND ENVIRONMENT OF PROSIEBENSAT.1 MEDIA SE

ProSiebenSat.1 Media SE bundles all central administration services for the entire Group. For this reason, the same general conditions apply to the company as to the entire Group. As a result, the further explanations are explained at Group level.

DEVELOPMENT OF ECONOMY AND ADVERTISING MARKET

In 2021, the global economy was decisively shaped by the spread of COVID-19 and its variants for the second year in a row: Although the global economy recovered palpably overall, development in the individual regions and countries was very heterogeneous. It was primarily determined by the effectiveness of vaccination campaigns and protective measures as well as the extent of governmental economic aid. Against this backdrop, national economies such as the USA mainly expanded in the first half of 2021. According to estimates by the International Monetary Fund (IMF), the gross domestic product of the USA – one of the largest economies in the world – is likely to have increased by 5.6% in the full-year. However, the strong upward momentum combined with restricted production capacity and transport chains resulted in supply bottlenecks and considerable price increases for raw materials and intermediate products such as microchips. This has increasingly impaired the development of global industry since the second half of 2021. Against this backdrop, the IMF expects global economic growth of 5.9% over the full-year (previous year: - 3.1%).

Due to the infection rates in Europe, the economic recovery there did not begin until the second quarter of 2021, but it remained stable into the fall. Strong growth stimulus was provided in particular by private consumption, which was previously significantly restricted by lockdown measures. However, the number of COVID-19 cases throughout Europe again increased significantly at the end of the year. The resulting new restrictions and the sharp rise in consumer prices curbed consumption accordingly. Despite the weak closing quarter (+0.3% vs. previous quarter in real terms), the gross domestic product of the eurozone nevertheless grew strongly in the full-year 2021 by 5.2% in real terms according to the European Statistical Office.

Germany's economy recovered more hesitantly than those of its major European neighbors. Between mid-December 2020 and early March 2021, the economy was influenced by the negative progression of the COVID-19 pandemic and an accompanying further severe lockdown. In the first quarter of 2021, private consumer spending therefore fell by 5.3% in real terms compared with the previous period; the savings rate rose to 22.0% (Q1 2019: 14.4%).

In the summer half-year – after the restrictions were eased – a substantial surge in growth followed. Contact-intensive service industries such as restaurants, tourism, culture, and parts of brick-and-mortar retail enjoyed a particularly palpable recovery. With stable labor market and income development as well as additional savings, households had high purchasing power and propensity to buy. In real terms, private consumption in the second and third quarters of 2021 therefore expanded by 3.8% and 6.2%, respectively, compared with the previous period.

In parallel, however, the vaccination campaign launched in the spring faltered, and at the beginning of winter infection rates increased sharply again, due in part to the new Omicron variant. In addition to the corresponding return of restrictions on consumption, the inflation rate rose to

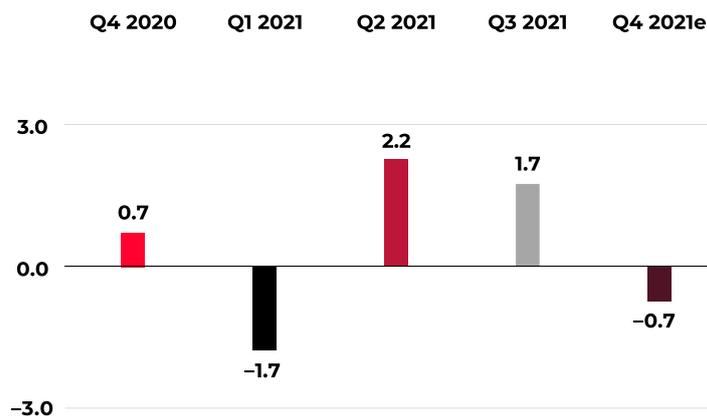


values above 5.0% at the end of the year. This narrowed private households' scope for consumption. Despite all the restrictions, from January to December revenues in German retail increased by 0.7% in real terms and nominally by 2.9% year-on-year. Online retail continued to grow and was, like in 2020, one of the biggest beneficiaries of the pandemic (+12.4% in real terms).

The industry of particular importance for the German economy, i.e. the manufacturing sector not including energy or construction, also came under pressure in the second half of the year. The industry had initially recovered significantly thanks to global demand, but was increasingly hampered by supply shortages and increased raw material prices as the year progressed. As a result, industrial production remained below its potential despite a high order backlog and favorable financing conditions. In turn, this put a damper on export growth. For these reasons, the German economy has declined by 0.7% quarter-on-quarter in the fourth quarter of 2021, according to estimates by the Federal Statistical Office. The new wave of the pandemic with the Omicron variant also means a setback for private consumption, although this will not match the severity of the lockdown in winter 2020.

In the full-year 2021, gross domestic product nevertheless saw solid growth of 2.7% (previous year: -4.6%) in real terms due to the good summer. Despite all the restrictions, private consumption remained at the previous year's level (previous year: -5.9%).

DEVELOPMENT OF GROSS DOMESTIC PRODUCT IN GERMANY IN %, CHANGE VS. PREVIOUS QUARTER



Chained, adjusted for price, seasonal and calendar effects. e: estimate. Source: Federal Statistical Office (Destatis), national accounts as of January 28, 2022.

Economic uncertainty and restrictions on public and social life as a result of the COVID-19 pandemic shaped advertising customers' investment behavior in 2021. After significant restraint in the lockdown hit first quarter (-4.3%), gross TV advertising investment rose sharply in the two summer quarters (Q2 2021: +26.7%; Q3 2021: +22.6%). Although a slight caution was felt in the final quarter in light of rising infection rates, also as a result of the Omicron virus variant, and the associated new restrictions, growth rates nevertheless remained high (Q4 2021: +10.1%). Overall, gross TV advertising investment rose by 12.7% to EUR 18.13 billion for full-year 2021, according to Nielsen Media Research (previous year: EUR 16.10 billion).

ProSiebenSat.1 Group is the market leader in the German TV advertising market. According to Nielsen Media Research, the Group's TV advertising revenues increased about in line with the market in gross terms in 2021, climbing by 11.9% to EUR 6.82 billion (previous year: EUR 6.09 billion). This resulted in a market share of 37.6% (previous year: 37.8%). The Group's TV advertising revenues



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in the key fourth quarter were once again significantly higher than in the previous year, increasing by 8.6% to EUR 2.52 billion (previous year: EUR 2.32 billion). This represents a market share of 38.8% (previous year: 39.4%) for ProSiebenSat.1 Group.

By selling in-stream video ads, which are shown online before, after or during a video stream, ProSiebenSat.1 Group generated gross revenues of EUR 329.5 million in the full-year (previous year: EUR 263.8 million). This is a sharp rise of 24.9% compared with the previous year, which significantly exceeds market growth. The market volume for advertising budgets in in-stream video ads in Germany recorded growth of 15.3% to EUR 976.1 million gross (previous year: EUR 846.7 million). These revenues do not include global platform providers such as Alphabet Inc. ("Alphabet")/Google and Meta Platforms, Inc. ("Meta")/Facebook.

In net terms, the picture is also positive overall. Although the advertising market continues to be affected by the COVID-19 crisis, the market has in total recovered much faster than expected and is now showing clear growth again. According to forecasts by the German Advertising Federation ("Zentralverband der deutschen Werbewirtschaft", "ZAW"), the media's net advertising revenues are expected to have grown by 6.0%. Forecasts for full-year 2021 published by media agencies Magna Global and ZenithOptimedia in December 2021 expected total net advertising spending to record strong growth of 19.7% and 6.6%, respectively. The forecasts also anticipated significant growth in investment in TV advertising of 16.8% and 8.0%, respectively.

ProSiebenSat.1 Group also notes this trend. From the Group's perspective, the TV advertising market benefited in net terms from the economic recovery in the summer months, and enjoyed a strong upwards trend compared with the previous year. The picture for the online advertising market was similar.

TV ADVERTISING MARKETS IN GERMANY, AUSTRIA AND SWITZERLAND ON A GROSS BASIS

in %

	Development of the TV advertising market in Q4 2021 (Change against previous year)	Development of the TV advertising market in 2021 (Change against previous year)
Germany	+10.1	+12.7
Austria	+15.2	+19.7
Switzerland	-2.3	+6.3

	Market shares ProSiebenSat.1 Group Q4 2021	Market shares ProSiebenSat.1 Group Q4 2020	Market shares ProSiebenSat.1 Group 2021	Market shares ProSiebenSat.1 Group 2020
Germany	38.8	39.4	37.6	37.8
Austria	40.8	41.3	40.5	42.4
Switzerland	25.4	25.8	25.1	26.1

Germany: January – December, gross, Nielsen Media.

Austria: January – December, gross, Media Focus.

Switzerland: January – December, the advertising market shares relate to the German-speaking part of Switzerland, gross, Media Focus. Due to technical system adjustments, Media Focus has retroactively adjusted the effective gross output volumes of the TV stations 3 Plus, Kabel Eins, ProSieben, RTL, RTLZWEI, VOX, SAT.1 and SUPER RTL for 2020 and 2021 with data closing in January 2022.



DEVELOPMENT OF PROSIEBENSAT.1 GROUP'S RELEVANT MARKET ENVIRONMENTS

Entertainment

Media usage in Germany is shaped by two fundamental developments. Firstly, the variety of entertainment products and ways to consume media on different end devices is growing as a result of digitalization, which also brings with it increasing fragmentation. Secondly, this diversity is driving up media consumption: People are generally spending more and more time with media. TV remains the most important medium, which underscores its strength.

According to the study "Media Activity Guide 2021" by our advertising time marketer Seven.One Media, daily TV usage among 14- to 69-year-old viewers was the highest in the reporting period 2021 at 238 minutes. Compared with other media, TV therefore accounts for 37% of total daily usage. This includes both live and on-demand content. This wide reach is reflected in the high advertising effectiveness of the medium: According to gross data from Nielsen Media Research, 47.2% of advertising investments in 2021 went on TV advertisement, compared to 44.6% in the previous year. Thus, television has once again strengthened its highest relevance compared with other media.

Advertising on TV is particularly effective as a result of the high reach. Video advertising has a stronger emotional impact on a brand than any other medium. This is important for brand loyalty and ultimately for product sales. Accompanying research also shows that cross-media advertising campaigns reinforce each other in their impact, with online advertising being particularly effective in combination with TV campaigns. This is also one reason why the TV advertising market has developed so positively in 2021 and with significantly more relevance than still forecast in 2019.

The ProSiebenSat.1 station family continues to lead in the German audience market (14- to 49-year-old viewers), although market shares in the full-year were lower than in the previous year, as expected. The main reason was the TV broadcast of the UEFA European Football Championship in June and July 2021 and of the Summer Olympic Games in July and August 2021, which were shown live on the public TV stations. Accordingly, this also characterizes the development of the market shares of the private stations marketed by Ad Alliance (RTL, VOX, n-tv, Super RTL, NITRO, RTLup and VOXup).

In the full-year 2021, the ProSiebenSat.1 stations' audience share amounted to 25.5% (previous year: 27.2%). The stations marketed by Ad Alliance achieved a combined market share of 23.8% (previous year: 25.3%). In the important fourth quarter, ProSiebenSat.1 Group's audience share increased slightly by 0.1 percentage points to 26.5% (previous year: 26.4%), while the figure for the stations marketed by Ad Alliance fell to 23.6% (previous year: 24.3%).

The Austrian ProSiebenSat.1 Puls 4 Group stations achieved a combined market share of 27.4% among viewers aged between 12 and 49 years in 2021 (previous year: 28.4%). ProSiebenSat.1 Puls 4 GmbH ("ProSiebenSat.1 PULS 4") is thus the leading private TV provider in Austria by far. In Switzerland, the ProSiebenSat.1 station's audience share among 15- to 49-year-olds in the full-year was lower than in the previous year at 14.3% (previous year: 15.9%).



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AUDIENCE SHARES OF PROSIEBENSAT.1 STATIONS IN GERMANY, AUSTRIA AND SWITZERLAND

in %

	Audience Shares Q4 2021	Audience Shares Q4 2020	Audience Shares 2021	Audience Shares 2020
Germany	26.5	26.4	25.5	27.2
Austria	27.0	28.5	27.4	28.4
Switzerland	15.6	16.0	14.3	15.9

Germany: A 14–49; ProSiebenSat.1 Group: SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 GOLD, ProSieben MAXX, Kabel Eins Doku/AGF Videoforschung in cooperation with GfK; VIDEOSCOPE 1.4; January 1, 2020–December 31, 2021; market standard: TV.
 Austria: E 12–49; SAT.1 Österreich, ProSieben Austria, Kabel Eins Austria, PULS 4, sixx Austria, ProSieben MAXX Austria, SAT.1 Gold Österreich, Kabel Eins Doku Österreich, ATV + ATV 2, PULS 24; sources: AGTT/GfK TELETEST; Evogenius Reporting; January 1, 2020–December 31, 2021; weighted for number of people; including VOSDAL/time shift; standard.
 Switzerland: Figures are based on 24 hours (Mon–Sun), all platforms, overnight +7. SAT.1 Schweiz, ProSieben Schweiz, Kabel Eins Schweiz, sixx Schweiz, SAT.1 Gold Schweiz, ProSieben MAXX Schweiz, Puls 8; advertising-relevant target group: 15- to 49-year-olds; market shares relate to German-speaking Switzerland D-CH; total signal; source: Mediapulse TV Data.

The development described is also reflected in the German stations' market shares in prime time. In the past financial year, the Group was 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 extended its market leadership by 0.3 percentage points to 27.6%, especially in the important fourth quarter (AdAlliance: -1.4 percentage points). In the full year, however, our prime time market shares also fell short of the previous year, as expected, and were particularly influenced by the broadcast of the European Football Championship and of the Summer Olympic Games on the public stations. In addition, the public broadcasters benefited from viewers' higher demand for information as a result of the ongoing COVID-19 pandemic and the catastrophic flooding in parts of Germany in summer 2021. The special situation of 2021 as an election year also entailed increased provision of information on all TV stations, although innovative ProSiebenSat.1 formats such as "Die ProSieben Bundestagswahl-Show" (averaging 7.4%, 14- to 49-year-old viewers) and "Das TV-Triell" (25.0%, 14- to 49-year-old viewers) also appealed to viewers in this environment.

AUDIENCE SHARES OF PROSIEBENSAT.1 STATIONS IN PRIME TIME IN GERMANY

in %

Target group 14–49 years	Q4 2021	Q4 2020	2021	2020
ProSiebenSat.1 Group	27.6	27.3	25.6	27.4
SAT.1	8.4	8.6	7.4	8.2
ProSieben	10.4	10.5	9.8	10.3
Kabel Eins	4.1	4.1	4.2	4.7
sixx	1.2	1.0	1.1	1.1
SAT.1 Gold	1.2	0.9	1.1	1.1
ProSieben MAXX	1.6	1.5	1.2	1.3
Kabel Eins Doku	0.7	0.7	0.8	0.7

Prime time refers to programs broadcast between 8:15 p.m. and 11:00 p.m. Source: AGF Videoforschung in cooperation with GfK; VIDEOSCOPE 1.4; January 1, 2010 – December 31, 2021, market standard: TV.

ProSiebenSat.1 is relevant in the German media landscape. This goes along with a particular social responsibility – because the Group makes an important contribution to the diversity of media and opinion. We are increasingly responding to the growing need for information and the contextualization of news: Establishing its own newsroom, ProSiebenSat.1 Group will produce news itself from 2023 and better meet the demand for topicality and relevance with new magazine formats.

The Group is increasingly focusing its programming strategy on local, relevant and live content. The aim is to reach audience groups even better and to differentiate ourselves from the competition. In our digital world, this is becoming an increasingly important competitive factor for all participants of the dual system of public and private broadcasting, especially with regard to multinational streaming providers and young target groups. In 2021, the major stations ProSieben and SAT.1



recorded an increase in local program content in prime time alone of 13.5% year-on-year (2020: +11.1% versus 2019). In-house productions such as “Joko & Klaas Live: Wir müssen über Corona reden”, “Zervakis und Opdenhövel. Live.” and the reportage series “ProSieben Spezial,” which handles issues relevant to society in a manner appropriate for the target group, are an important component of this.

In addition to the focus on local and live content, the core of our strategy is to offer programs via as many distribution channels as possible. In this strategic context, ProSiebenSat.1 Group founded the streaming platform Joyn as a joint venture with Discovery Communications Europe Ltd. (“Discovery”) and launched it in June 2019. The streaming service offers viewers livestreams of over 70 channels and an extensive on-demand offering of local series, shows and previews, which are produced in-house. The paid Joyn PLUS+ service with exclusive content, originals, pay TV stations, and content in HD quality was added to the offering in November 2019. According to measurements by AGOF (Arbeitsgemeinschaft Onlineforschung e. V.), the free streaming service Joyn reached 3.85 million unique users in Germany in November 2021 (previous year: 3.75 million). The Group will also continue to develop the Joyn brand in 2022.

We are already reaching 60 million people a month via our free and pay TV stations in Germany. Furthermore, we are reaching almost 11 million unique users via our own online channels. In addition, the digital media and entertainment company Studio71 pools digital-only content offerings and distributes them via digital platforms. In the financial year 2021, Studio71 generated 10.7 billion video views a month on YouTube alone, with 1,235 channels (previous year: 10.5 billion video views¹).

We are successively strengthening our reach and consistently monetizing it beyond traditional advertising financing, for example with data-based business models such as Addressable TV. In this context, we renewed our contractual agreement with Deutsche Telekom AG (“Deutsche Telekom”) in the third quarter of 2021, which allows us to air our Addressable TV campaigns via its MagentaTV streaming service in the future. From now on, ProSiebenSat.1 Group’s entire station portfolio is available live or on-demand in HD and UHD quality via the MagentaTV platform.

The distribution of programs in HD quality is another example of how ProSiebenSat.1 Group generates reach while simultaneously diversifying its revenue profile. Here, ProSiebenSat.1 Group participates in the technical service fees that end customers pay to the respective providers for programs in HD quality. In Germany, ProSiebenSat.1 Group’s HD stations had 11.1 million users in the reporting period, 4.8% more than in the previous year.

Dating & Video

We are continuing to systematically strengthen synergistic cooperation between our businesses. This means, in particular, that we are using the strength of our Entertainment business and our high advertising reach to establish and build on leading consumer-oriented digital platforms. This has led to the creation of ParshipMeet Group, which was previously part of the Commerce & Ventures portfolio and now forms the Dating & Video segment. After establishing a predominantly German-speaking portfolio around the dating business of Parship Group and increasing brand awareness through the use of TV advertising, we made value-enhancing acquisitions with a focus on the USA including The Meet Group in 2020 with a high level of expertise in the area of video.

Operating in a profitable and fast-growing market environment, ParshipMeet Group has diversified revenue sources ranging from subscription models to marketing services and virtual products and addresses a broad target group across a large geographical area. The business performance of the Dating & Video segment thus depends on various factors, including macroeconomic and technological developments as well as regulatory decisions. There is also the specific impact of the

¹ The previous year’s figure is adjusted for 376 million views per month for German TV content that since 2021 has fallen in the area of Seven.One Entertainment Group, as well as without Italy.



COVID-19 pandemic – in terms of both private consumption and the implications for social life. Dating and, in particular, interactive live videos have become global megatrends.

With rising numbers of single people – including more and more digital natives – online dating has become an increasingly accepted and popular way to meet people and find a relationship. In ParshipMeet Group's two largest geographical markets, North America and the German-speaking region (Germany, Austria, Switzerland), dating platforms are the most common way to meet someone. 40% of all relationships in the USA and 36% of all relationships in Germany start online. These services are receiving an extra boost from general sector trends such as high levels of smartphone use and increasing willingness to pay, for example for virtual goods.

In North America and the German-speaking region (Germany, Austria, Switzerland), the online dating market, including related live video services, reached a total volume of EUR 2.8 billion in 2021, according to a study by a consulting firm on behalf of ParshipMeet Group, and has grown by 18% per year since 2018 (as of 2021). Live video formats in particular have gained in relevance during the COVID-19 pandemic and the associated restrictions on social contacts since March 2020. Government economic aids in the USA also had a positive effect, stimulating private consumption in 2021 and having a very positive impact on our video offerings in the American area. As social life increasingly returned to normal in the course of 2021 and rigid restrictions on contacts were dropped, video usage stabilized at a high level compared to 2019.

Commerce & Ventures

ProSiebenSat.1 Group bundles its investments in consumer-focused digital commerce companies in the Commerce & Ventures segment. We support these during the various stages of growth with our investment options through NuCom Group, SevenGrowth, SevenVentures and SevenAccelerator. In doing this, our aim is to exploit potential synergies within ProSiebenSat.1 Group and to diversify our overall revenue profile. The most important growth lever is the high reach of the ProSiebenSat.1 station family, through which we reach more than 60 million people each month and can thus significantly strengthen the awareness of consumer brands without major cash investments.

Our portfolio of commerce offerings combines a consumer focus with an affinity for TV as a medium. We are benefiting in particular from the fact that more and more purchasing decisions are being made online. Online shopping is now an integral part of our everyday lives, and services such as consumer advice are also often provided via the internet. However, individual markets vary in terms of their dynamics, the intensity of competition and their dependence on macroeconomic development and in particular the consumer climate described above. This is amplified by the exceptional situation created by the pandemic and the associated restrictions on everyday life.

Against this background, total e-commerce revenues in Germany increased by 19% year-on-year in the reporting period of 2021 (2020: +14.6%), according to the German e-commerce and distance selling association (Bundesverband E-Commerce und Versandhandel, bevh). The strongest growth drivers were fast-moving consumer goods, including food, drugstore products and pet food, as well as the leisure, furnishing and clothing product groups.

In contrast, revenues from online sales of services in Germany, especially travel bookings and event tickets, declined by 12.8% and thus were not yet back to pre-pandemic levels (2020: -52.8%). This shows that people are still more cautious about spending their money on activities than they were before the COVID-19 crisis.

According to the "Energie 2021" survey of distribution channels, comparison portals are the most important source of information and distribution channel in the energy market. In the last financial year, however, and especially in the fourth quarter of 2021, the sharp rise in energy prices had a negative impact on market dynamics for all suppliers. The consumer advice area in the Group's



Commerce & Ventures segment also includes the rental car portal billiger-mietwagen.de, which has been particularly affected by the pandemic. According to Statista, the volume of the car rental market in Europe came to USD 11.9 billion in 2021 (2020: USD 8.1 billion; 2019: USD 16.9 billion).

RESEARCH AND DEVELOPMENT

ProSiebenSat.1 Group does not carry out research and development (R&D) in the conventional sense of an industrial company. Nonetheless, both fields do hold a position of high importance at ProSiebenSat.1 Group.

ProSiebenSat.1 conducts intensive market research in every area relevant to its business activities and in every area in which the Company sees growth potential. In 2021, expenses for Group-wide market research activities amounted to EUR 7 million (previous year: EUR 7 million). The various research units in the Group prepare investigations and analyses on advertising impact, on trends in the advertising market and digital industries as well as on media usage and also assess economic and market projections. Those responsible in the Group use the results of the market analyses for operational and strategic planning. At the same time, market data and analyses are an important basis for successfully advising our advertising clients. With its studies, the Company provides advertisers with valuable knowledge for marketing and advertising planning, which constitutes an important basis for investment decisions. In the program development phase, program research plays a decisive role. An important task is the assessment of international TV trends with regard to their potential for the German television market. In addition, the corresponding research team regularly provides quantitative and qualitative studies and analyses of the ProSiebenSat.1 stations' programming. Among other things, new formats are tested with the aid of survey and audience screenings. Besides, this research team also carries out ad-hoc tests on shows that have already been broadcast. Based on the results, we can adjust formats in the development phase and optimize TV programs that have already been broadcast, thus increasing success rates.

In the area of development, the Group is particularly working on making its advertising products smarter. This means developing intelligent offers to target TV and video advertising to specific target groups. This is for example based on anonymous user data regarding age, gender or household income. In this context, ProSiebenSat.1 is also relying on new technologies, and offers advertising customers the Addressable TV spot in addition to its existing offerings in the area of targeted advertising. This enables the Company's own commercials to be overlaid with addressable spots in all advertising blocks, thus addressing viewers based on their interests. The offer uses an advertising technology that Seven.One Media developed and has applied for a European patent. Since December 2020, the CrossDevice Bridge has also enabled advertising customers to plan and adapt TV and digital advertising campaigns across devices. Customers no longer book the medium via which they wish to broadcast their advertisement, but the quantity and frequency of contacts that 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. 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 GmbH ("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. In addition, we are continuously developing our own digital platforms, for example in the Commerce business.



COMPARISON OF ACTUAL AND PROJECTED BUSINESS PERFORMANCE FOR THE GROUP

In 2021, ProSiebenSat.1 Group achieved all financial targets that it published on November 4, 2021 as part of its Q3 2021 report. The Group thus significantly exceeded all financial targets it set itself at the beginning of the year.

After the first quarter of 2021 was heavily impacted by the effects of the COVID-19 pandemic, the advertising market in the German-speaking region (Germany, Austria, Switzerland) recovered significantly and more strongly than expected from the beginning of the second quarter. In the second quarter in particular, the Group's advertising revenues recorded extremely dynamic growth. Against this background, ProSiebenSat.1 Group raised its Company Outlook for 2021 a total of three times: on May 12, 2021, as part of the reporting on the first quarter of 2021, in an ad-hoc disclosure on July 19, 2021, after revenues and earnings grew strongly in the second quarter of 2021 on the basis of preliminary and as yet unaudited figures, and most recently on November 4, 2021 as part of the reporting on the third quarter of 2021.

For the full-year, the Group achieved record revenues despite the pandemic environment, increasing its revenues by 11%, or EUR 447 million, to EUR 4,494 million. At the same time, adjusted EBITDA grew significantly by 19% or EUR 135 million to EUR 840 million. Most recently, the Group had targeted revenues of EUR 4.5 billion with a variance of plus/minus EUR 50 million and adjusted EBITDA of around EUR 840 million with a variance of plus/minus EUR 10 million for the full-year 2021. In its original forecast for these key financial figures, at the beginning of the year, ProSiebenSat.1 assumed that revenues would rise by between 2% and 7% to between EUR 4,150 million and EUR 4,350 million, and that adjusted EBITDA would increase to between EUR 720 million and EUR 780 million.

As expected, the significant growth in revenues and adjusted EBITDA also had a positive impact on the Group's other most important key financial performance indicators. In its last forecast adjustment, the Group expected adjusted net income to be significantly higher than the previous year's figure of EUR 221 million. For full-year 2021, adjusted net income grew by 64% to EUR 362 million. Adjusted operating free cash flow for the full-year was EUR 599 million, after the Group most recently assumed that it would improve by at least EUR 100 million year-on-year (previous year: EUR 424 million), for reasons of comparability corrected for the change of investments in relation to the construction of the new campus at the premises in Unterföhring. The important key figure P7S1 ROCE (return on capital employed), which ProSiebenSat.1 uses to measure the medium-term financial success of the company, also increased significantly to 14.1% in 2021 and is thus in line with the Group's forecast, which most recently assumed an increase to over 13%. At the same time, the leverage ratio was again clearly in the target range with a factor of 2.2x. At the end of the year, ProSiebenSat.1 Group anticipated this figure to be below the upper end of the medium-term target corridor of 1.5x to 2.5x.

The following table provides an overview of the adjusted outlooks for 2021; the various performance indicators are also evaluated and analyzed in the following sections.

However, it was not only with a view to the key financial figures that the Group achieved important targets in 2021; ProSiebenSat.1 Group also confirmed its strong competitive position in the TV and audience market, with a market share of 25.5% (previous year: 27.2%). The development of audience shares in Germany is the most important non-financial performance indicator, with an increased



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focus on prime time as a result of the high reach for the advertising industry. In prime time, ProSiebenSat.1 recorded an audience market share of 25.6% in 2021 (previous year: 27.4%, viewers aged 14-49, Germany). The Group thus underlined its leading position in the German market in terms of audience market shares in the advertising-relevant target group of 14- to 49-year-olds, despite the broadcasting of major sports events on the public stations.

COMPARISON OF ACTUAL AND PROJECTED BUSINESS PERFORMANCE FOR THE GROUP

	FY 2021 2020 March 4, 2021	First quarter 2021 May 12, 2021	Ad-hoc disclosure July 19, 2021; Second quarter 2021 August 5, 2021	Third quarter 2021 November 4, 2021	2021
Revenues¹ (in EUR m)	4,055 ³ Overall, the Group is targeting revenues of EUR 4.150 billion for full-year 2021 as the lower end of the target range and revenues of EUR 4.350 billion as the upper end. This represents a year-on-year increase between 2% and 7%. ²	Overall, the Group is targeting revenues of EUR 4.250 billion for the target range and revenues of EUR 4.450 billion as the upper end. This represents a year-on-year increase between 5% and 10%. ²	Overall, the Group is targeting revenues of EUR 4.400 billion for the target range and EUR 4.500 billion as the upper end. This represents a year-on-year increase between 9% and 11%. ²	Overall, the Group is targeting revenues of EUR 4.5 billion with a variance of plus/minus EUR 50 million for full-year 2021. This represents a year-on-year increase between 10% and 12%. ²	4,494
Adjusted EBITDA² (in EUR m)	708 ⁴ Based on the revenue assumptions above, for the full-year of 2021 ProSiebenSat.1 anticipates a Group adjusted EBITDA of EUR 720 million at the lower end of the target range and EUR 780 million at the upper end of the target range. ²	Based on the revenue assumptions above, for the full-year of 2021 ProSiebenSat.1 anticipates a Group adjusted EBITDA of EUR 750 million at the lower end of the target range and EUR 800 million at the upper end of the target range. ²	Based on these revenue assumptions, for the full-year of 2021 ProSiebenSat.1 anticipates a Group adjusted EBITDA of around EUR 820 million with a variance of plus/minus EUR 20 million. This corresponds for the mid-point to a year-on-year increase of 16%. ²	Based on these revenue assumptions, for the full-year 2021 ProSiebenSat.1 anticipates a Group adjusted EBITDA of around EUR 840 million with a variance of plus/minus EUR 10 million. On average, this represents a year-on-year increase of 19%. ²	840
Adjusted net income (in EUR m)	221 The Group expects that the adjusted net income for the full-year 2021 should be above the previous year's figure.			The Group expects that the adjusted net income for the full-year 2021 should be significantly above the previous year's figure.	362
Adjusted operating free cash flow⁵ (in EUR m)	424 Reaching a midpoint of the adjusted EBITDA target range, the Group assumes that the adjusted operating free cash flow should develop in a mid-double-digit million euro range around the previous year's figure of EUR 424 million.		Reaching a midpoint of the adjusted EBITDA target range, the Group assumes that the adjusted operating free cash flow should improve in an at least mid-double-digit million euro range compared with the previous year.	Reaching a midpoint of the adjusted EBITDA target range, the Group assumes adjusted operating free cash flow to improve by at least EUR 100 million compared with the previous year.	599
P7S1 ROCE (return on capital employed)	10.5% In financial year 2021, ProSiebenSat.1 Group is targeting a figure of more than 10%. For the Group as a whole, this key figure is expected to exceed 15% in the medium-term.			In financial year 2021, ProSiebenSat.1 Group is targeting a figure of more than 13%. For the Group as a whole, this key figure is expected to exceed 15% in the medium-term.	14.1%
Leverage ratio⁶ (net financial debt/LTM adjusted EBITDA)	2.8 At the end of 2021, the Group anticipates a leverage ratio slightly above or at the upper end of the target corridor between 1.5x and 2.5x.		At the end of 2021, the Group anticipates a leverage ratio at the upper end of the medium-term target corridor of 1.5x to 2.5x.	At the end of 2021, the Group anticipates a leverage ratio below the upper end of its medium-term target corridor of 1.5x to 2.5x.	2.2

ProSiebenSat.1 Group achieved all financial targets in 2021 that it published on November 4, 2021, as part of its reporting for the third quarter of 2021. Accordingly, the hooks in the table above were also set on the basis of this last forecast. The figures for 2021 represent reported figures.

1 Adjusted for currency effects and portfolio changes.

2 Without any further portfolio changes.

3 Based on revenues in financial year 2020 translated at the exchange rates used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22) less revenues of the companies deconsolidated in 2020 – WindStar at EUR 114 million and myLoc at EUR 10 million – plus pro forma revenues for The Meet Group between January and August 2020 of EUR 173 million, also translated at the exchange rate used for planning purposes in financial year 2021.

4 Based on adjusted EBITDA in financial year 2020 translated at the exchange rates used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22) less adjusted EBITDA of the companies deconsolidated in 2020 – WindStar at EUR 23 million and myLoc at EUR 3 million – plus the pro forma adjusted EBITDA contributions for The Meet Group between January and August 2020 of EUR 33 million, also translated at the exchange rate used for planning purposes in financial year 2021.

5 For reasons of comparability corrected for the change of investments in relation to the construction of the new campus at the premises in Unterföhring.

6 Depending on business performance and excluding any portfolio changes.



COMPARISON OF ACTUAL AND PROJECTED BUSINESS PERFORMANCE OF PROSIEBENSAT.1 MEDIA SE

The forecast for the annual result for the 2021 financial year was based on a significantly improved investment result – among other things driven by dividend distributions - compared to the previous year and thus an annual result well above the previous year. Despite the pandemic situation in the 2021 financial year, especially in the first quarter, the forecast of a net profit for the year significantly above previous year (EUR 517 million; previous year: EUR 119 million) was met.



SIGNIFICANT EVENTS IN 2021

ProSiebenSat.1 Group enhanced its segment reporting during the year in order to be even more focused and more synergistic. In this context, Red Arrow Studios' program production and distribution business, as well as the digital media and entertainment company Studio71, were integrated into the Entertainment segment at the beginning of 2021. 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. This takes account of ParshipMeet Group's business areas. The Commerce & Ventures segment includes the entities of NuCom Group as well as the investment arm SevenVentures with SevenAccelerator. The portfolio of the SevenGrowth investment vehicle with brands such as marktguru and wetter.com is also pooled here. As of December 31, 2021, the Group therefore reports in the three segments Entertainment, Dating & Video and Commerce & Ventures.

With this new segmentation, ProSiebenSat.1 is continuing the consistent alignment of the Group to synergy and value creation. Important foundations for the future were also laid in 2021 with regard to the personnel composition of the Executive Board and the Supervisory Board. Thus, on December 6, 2021, the Supervisory Board made a range of decisions regarding the composition of the Supervisory Board and Executive Board of ProSiebenSat.1 Media SE: The Chairman of the Supervisory Board, Dr. Werner Brandt, will not stand for re-election as a Supervisory Board member at the Annual General Meeting on May 5, 2022. The Supervisory Board intends to elect Dr. Andreas Wiele, formerly Executive Board member at Axel Springer SE, Berlin, Germany ("Axel Springer"), as its new Chairman and thus successor to Dr. Brandt after the next Annual General Meeting. Dr. Wiele has already belonged to the Supervisory Board since February 13, 2022, as a court-appointed member. He succeeds Adam Cahan, who resigned his post in November 2021 to take on a new role as CEO of the technology company PAX Labs, Inc., California, USA ("PAX Labs"). The Supervisory Board will propose to the next Annual General Meeting that Dr. Wiele be confirmed as Supervisory Board member. Bert Habets, formerly CEO of RTL Group S.A., Luxembourg ("RTL Group"), will also be nominated as another new Supervisory Board member.

There were also changes at Executive Board level: The Supervisory Board renewed Rainer Beaujean's contract for five years effective July 1, 2022. With this contract extension, he was appointed Group CEO, effective January 1, 2022. In addition, Ralf Peter Gierig, previously Deputy Group CFO, became the new Group CFO of ProSiebenSat.1 Media SE effective January 1, 2022. He was given a three-year contract until December 31, 2024. Since January 1, 2022, ProSiebenSat.1 Media SE's Executive Board team has therefore comprised Group CEO Rainer Beaujean and members Christine Scheffler, Wolfgang Link and Ralf Peter Gierig.

ProSiebenSat.1 aims to grow sustainably in all segments. This strategy also reflects the management of the Company with its focus on long-term increase in value and profitability. The Group can use a broad range of investment opportunities. In the past financial year, the ventures portfolio has been a particular focus: The IPO of ABOUT YOU Holding SE, Hamburg, Germany ("ABOUT YOU") on June 16, 2021, exemplifies how ProSiebenSat.1 Group sustainably develops consumer-oriented, digital growth companies through individually tailored investments in the form of media services. Already in September 2016, SevenVentures invested in the online fashion retailer as its first external investor with a media-for-equity investment. Since then, ProSiebenSat.1 has helped the company to achieve great brand awareness in the German-speaking region (Germany, Austria, Switzerland) with targeted advertising campaigns on ProSiebenSat.1 Group's high-reach platforms. Even after the IPO of ABOUT YOU, ProSiebenSat.1 remained invested via SevenVentures as a shareholder and continued its media partnership.



In accordance with the best-owner principle, ProSiebenSat.1 Group regularly evaluates its investments and performs an open-ended analysis of the growth and synergy potential of its portfolio companies. Against this backdrop, NuCom Group, in which General Atlantic PD GmbH, Munich, Germany ("General Atlantic") holds a 28.4% stake, sold its 97.8% share in Sonoma Internet GmbH ("Amorelie") to a subsidiary of the EQOM Group, Veendam, Netherlands ("EQOM Group") on October 1, 2021. The transaction took economic effect on December 30, 2021, so the deconsolidation also took place as of this date. After ProSiebenSat.1 Group raised awareness of Amorelie, an online shop for sensual lifestyle and erotic products, in the German-speaking region (Germany, Austria, Switzerland) through TV advertising in the past seven years, it is no longer the best owner for the further internationalization and thus the next development stage of the company.

By agreement of November 15, 2021, and effective as of the same date, Red Arrow Studios, ProSiebenSat.1 Group's production and distribution business, also sold its majority stake of 62.5% in the US film distributor Gravitas Ventures LLC, Wilmington, Delaware, USA ("Gravitas"), to Anthem Sports & Entertainment Inc., Toronto, Canada ("Anthem"), a global multi-platform media company. Gravitas distributes in particular independent films and documentaries to international digital platforms. The transaction is based on a purchase price of USD 73 million and an additional component in the form of common shares. This decision reflects the orientation of ProSiebenSat.1 Group's Entertainment segment, which is clearly focused on the German-speaking region (Germany, Austria, Switzerland) as its core market.

ProSiebenSat.1 Group practices active financial management and uses various financing instruments. In this context, the Group already repaid the EUR 600 million note originally maturing in April 2021 ahead of time at nominal value (plus interest accrued up to this repayment date) from cash on January 15, 2021, after the Company exercised its three-month termination right under the terms and conditions of the note in December 2020. In addition, the Group used the currently attractive conditions on the capital market in the past financial year to implement a new refinancing measure: At the beginning of October 2021, ProSiebenSat.1 Media SE successfully concluded new promissory notes totaling EUR 700 million with tenors of four, six, eight, and ten years. The volume-weighted tenor of the new promissory loan offering over the four tenors is around 5.9 years. ProSiebenSat.1 thus further extended and diversified the debt maturity profile of its financing instruments. The proceeds from the promissory notes were used to prepay existing term loans under the senior facilities agreement ahead of schedule on October 8, 2021. The prepayment amount totaled EUR 900 million, reducing the Group's term loans from EUR 2.1 billion to EUR 1.2 billion. Due to the good development of cash flows in 2021, the Group has also been able to position itself solidly in the long term and to sustainably reduce its gross debt.



OVERALL ASSESSMENT OF THE COMPANY'S BUSINESS PERFORMANCE BY THE EXECUTIVE BOARD

ProSiebenSat.1 Media SE closes the 2021 financial year with a net income of EUR 517 million (previous year: EUR 119 million). The investment result (consisting of the balance of income and expenses from profit and loss transfers plus dividend payments) of EUR 747 million (previous year: EUR 271 million) increased in particular due to the positive economic development of the advertising market in the 2021 financial year and significantly lower negative valuation effects on investments in affiliated companies. The income from investments in the financial year also includes a dividend of EUR 147 million (previous year: EUR 0 million) from a direct subsidiary. Taking into account an increase in tax expenses of EUR 117 million, the net income for the year amounted to EUR 517 million (previous year: EUR 119 million). Equity increased by EUR 407 million to EUR 3,489 million. The equity ratio improved significantly compared to the previous year to 40 percent (previous year: 34%).



EARNINGS OF PROSIEBENSAT.1 MEDIA SE

STATEMENT OF INCOME ACCORDING TO GERMAN GAAP (HGB)

EUR m

	2021	2020
Revenues	114	119
Other operating income	73	110
Program and material expenses	50	52
Personnel expenses	56	60
Depreciation	8	12
Other operating expenses	101	147
Operating expenses	215	271
Investment result	747	271
Financial result	-35	-61
Taxes	167	50
Income after taxes	517	119
Other taxes	0	0
Profit of the year	517	119

Revenues of ProSiebenSat.1 Media SE fell by EUR 5 million to EUR 114 million in the 2021 financial year. This development is primarily due to a decrease in proceeds from the sale of programming assets and ancillary rights by EUR 7 million to EUR 25 million. Intra-group revenue from services fell by EUR 4 million to EUR 54 million, while revenue from rental services remained almost stable at EUR 18 million (previous year: EUR 19 million). Other sales with non-group companies increased by 6 million euros to 8 million euros.

Other operating income fell by EUR 37 million year-on-year to EUR 73 million. This was mainly due to lower income from currency translation by EUR 30 million and a EUR 5 million reduction in cost transfers within the Group.

Operating expenses amounted to EUR 215 million (previous year: EUR 271 million). While programming and material expenses remained almost constant, personnel expenses fell by a total of EUR 4 million due to significantly lower expenses for severance payments. Depreciation decreased by EUR 4 million to EUR 8 million. Other operating expenses fell by EUR 46 million to EUR 101 million. This was due to a EUR 42 million reduction in expenses from currency translation and a EUR 5 million fall in legal and consulting expenses. ProSiebenSat.1 Media SE has concluded long-term leases for real estate used at the Unterföhring location, which are classified as operating leases. Rental expenses including ancillary costs amounted to EUR 20 million in the 2021 financial year (previous year: EUR 20 million).

The investment result, the balance of income from profit and loss transfer agreements and investment income less expenses from loss absorption, amounted to EUR 747 million (previous year: EUR 271 million). The income from profit transfers of EUR 611 million (previous year: EUR 291 million) originating almost exclusively from Seven.One Entertainment Group GmbH, the increase of which is due in particular to the positive economic development of the advertising market in the 2021 financial year and significantly lower negative valuation effects on investments in subsidiaries were offset by expenses from loss absorption totaling EUR 12 million (previous year: EUR 20 million) with Seven.One Sports GmbH, Unterföhring, and ProSiebenSat.1 Digital Data



GmbH, Unterföhring. In addition, a dividend of EUR 147 million (previous year: EUR 0 million) was distributed to the company by a direct subsidiary in the financial year.

The financial result as the balance of interest income and interest expenses (including depreciation on financial assets) improved by EUR 26 million to minus EUR 35 million in the 2021 financial year (previous year: EUR -61 million). This was due to higher interest income for taxes, in particular due to the application of favorable case law and the absence of interest expenses for the bond, which was fully repaid prematurely on January 15, 2021.

The developments described result in a net income of EUR 517 million for the 2021 financial year. This corresponds to an increase of EUR 398 million compared to the previous year.



PERFORMANCE, FINANCIAL POSITION AND LIQUIDITY OF PROSIEBENSAT.1 MEDIA SE

BALANCE SHEET IN ACCORDANCE WITH GERMAN GAAP (HGB)

EUR m

	Dec 31, 2021	Dec 31, 2020
Assets		
Intangible assets	2	3
Properties	75	56
Financial assets	7,396	7,911
Non-current assets	7,473	7,970
Receivables and other assets	883	556
Cash and cash equivalents	297	658
Current assets	1,180	1,214
Prepaid expenses	5	1
Excess of plan assets over pension liability	0	0
Total assets	8,658	9,185
Liabilities and equity		
Equity	3,489	3,082
Provisions	218	263
Liabilities	4,950	5,840
Deferred income	0	0
Total liabilities and equity	8,658	9,185

BALANCE SHEET

As of December 31, 2021, total assets of ProSiebenSat.1 Media SE decreased by 6 percent or EUR 527 million to EUR 8,658 million.

Fixed assets declined by 6 percent or EUR 497 million year-on-year to EUR 7,473 million. This decline is primarily due to the release of the capital reserve with a subsequent distribution of EUR 485 million at the subsidiary P7S1 SBS Holding GmbH, Unterföhring.

Current assets fell by 3 percent or EUR 34 million to EUR 1,180 million. On the one hand, bank balances fell by EUR 361 million to EUR 297 million. This development was particularly influenced by the repayment of the bond in the amount of 600 million euros. On the other hand, intragroup receivables increased by EUR 293 million, in particular due to higher receivables from profit transfers. In addition, advance payments for programming assets increased by EUR 19 million to EUR 68 million and tax receivables by EUR 12 million to EUR 15 million. Trade accounts receivable in the amount of EUR 29 million (previous year: EUR 38 million) represent another important item in current assets.

ProSiebenSat.1 Media SE concludes a large part of its license agreements with production studios in the USA. ProSiebenSat.1 Media SE meets its financial obligations from these program rights acquisitions in US dollars. In order to hedge against market-related exchange rate changes, the company uses derivative and original financial instruments in the form of currency forwards,



currency swaps, currency options and currency holdings. As of December 31, 2021, the hedging ratio was 76 percent based on the total volume of all future US dollar payments resulting from existing license agreements and which are due within a period of seven years as part of the implemented hedging strategy (December 31, 2020: 80%).

As of December 31, 2021, equity of ProSiebenSat.1 Media SE increased by 13 percent or EUR 407 million to EUR 3,489 million. The equity ratio was 40 percent (previous year: 34%). In the 2021 financial year, a dividend of EUR 111 million was distributed from the balance sheet profit as of December 31, 2020.

Provisions fell by EUR 45 million to EUR 218 million. The main reason for this was the usage of the provisions for impending losses for the future acquisition of programming assets in the 2021 financial year.

At EUR 4,950 million, liabilities as of December 31, 2021 were EUR 890 million below the previous year's level of EUR 5,840 million. The early repayment of the bond on January 15, 2021 in the amount of EUR 600 million and the further reduction in liabilities to banks by EUR 150 million had a significant impact on this development. In addition, as of December 31, 2021, there were lower liabilities to affiliated companies and lower trade payables for programming assets compared to the prior-year reporting date.

FINANCIAL POSITION AND LIQUIDITY

Cash management for ProSiebenSat.1 Group is performed centrally with Group cash flows predominantly being pooled by an implemented cash pooling system at ProSiebenSat.1 Media SE as the holding company. Therefore the cash flows of ProSiebenSat.1 Group affect the liquidity of ProSiebenSat.1 Media SE to a very large degree. In the past financial year, the balance of cash pool receivables and cash pool liabilities improved by EUR 51 million. The main reasons for this was the decrease in cash pool liabilities due to the release of the capital reserve of a subsidiary with the subsequent distribution to ProSiebenSat.1 Media SE and, with opposite effect, the increase in cash from the operating business of companies in the entertainment segment and the addition of further companies with positive bank balances in the cash pooling during the financial year.

ProSiebenSat.1 SE uses various financing instruments and practices an active financial management. In the reporting period, the company thus took advantage of the currently favorable conditions on the debt capital market to secure attractive interest rates and to further extend and diversify its debt maturity profile.

The durations and volumes of the long-term financing instruments are as follows:

- As of December 31, 2021, ProSiebenSat.1 Media SE has an unsecured syndicated loan agreement comprising a term loan with a nominal volume of EUR 1,200 million and a revolving credit facility (RCF) with an amount of EUR 750 million. The majority of the credit facilities have a term until April 2024. In October 2021, ProSiebenSat.1 Media SE repaid part of the term loan – which originally had a volume of EUR 2,100 million – mainly using proceeds from new promissory note loans.
- At the beginning of October 2021, ProSiebenSat.1 Media SE concluded new promissory note loans totaling EUR 700 million with maturities of four, six, eight and ten years. The proceeds were used to pay back early a term loan under the syndicated agreement in October 2021. The volume-weighted duration for all tranches is approximately 5.9 years. In addition, ProSiebenSat.1 has three promissory notes totaling EUR 500 million in its portfolio, which the company issued in 2016 with durations of seven years (EUR 225 million at a fixed interest rate and EUR 50 million at a variable interest rate) and ten years (EUR 225 million at a fixed interest rate).



- Until January 15, 2021, ProSiebenSat.1 Media SE had a bond with a volume of EUR 600 million. However, in December 2020, ProSiebenSat.1 Group exercised its early termination right and repaid the bond issued in April 2014 at nominal value at the beginning of the year. Until the time of its early prepayment in January 2021, this bond, which was originally to mature in April 2021, was listed on the regulated market of the Luxembourg stock exchange.

The Group's financing instruments are not subject to financial covenants. Interest payable on the syndicated term loan and syndicated revolving credit facility is variable and based on Euribor money market rates plus an additional credit margin, whereby the contract provides for a floor of 0% for the base rate. The Group uses derivative financial instruments in the form of interest rate swaps and interest rate options to hedge against market-related interest rate changes caused by the market. As of December 31, 2021, the proportion of fixed interest was 100% of the entire non-current financing portfolio (December 31, 2020: 95%). As of December 31, 2021, the average interest cap was 0% per annum for the period up to 2024.

The promissory loans placed in October 2021 are split into four fixed rate and three floating rate tranches, with the fixed rate tranches totaling around EUR 403 million (average weighted tenor: around 6.1 years) and the floating rate tranches totaling around EUR 297 million. The volume-weighted tenor across all tranches is 5.9 years. The three floating rate tranches are at Euribor money market rates but floored at 0% plus a volume-weighted spread of around 0.85% per annum.

In addition, ProSiebenSat.1 Media SE took advantage of a short-term financing opportunity in the money market in the fourth quarter of 2021 and took up a negative-interest money market product with a twelve-month maturity, for which ProSiebenSat.1 Media SE is the interest payment recipient.

For Group companies, especially the German TV stations, ProSiebenSat.1 Media SE acts as purchasing agent for programming assets. In financial year 2021, EUR 509 million (previous year: EUR 512 million) was spent on investments in programming assets (including prepayments for programming assets). In financial year 2021, the inflow from the internal transfer of programming assets to Group companies amounted to EUR 373 million (previous year: EUR 482 million). As of December 31, 2021, the total future financial obligations from programming purchase agreements already concluded decreased to EUR 972 million (previous year: EUR 1,351 million).

In the period under review, cash outflows for purchases of tangible fixed assets at ProSiebenSat.1 Media SE amounted to EUR 26 million. This represents a year-on-year increase of EUR 10 million.

A total of EUR 40 million (previous year: EUR 213 million) was spent on contributions to the capital reserve of direct subsidiaries and on company acquisitions in financial year 2021. The receivable from ProSiebenSat.1 Media SE resulting from the release of the capital reserve with subsequent distribution of EUR 485 million at the subsidiary P7S1 SBS Holding GmbH, Unterföhring, was offset against existing clearing liabilities.

In addition, there are intragroup commitments from financing commitments to affiliated companies in the amount of EUR 229 million (previous year: EUR 485 million), however, the amount and timing of which cannot be foreseen.

ProSiebenSat.1 Media SE was and is capable of satisfying its own payment obligations at any time.

For further information on the balance sheet and income statement, refer to the Notes to the Annual Financial Statements of ProSiebenSat.1 Media SE.



PRINCIPLES AND OBJECTIVES OF FINANCIAL MANAGEMENT

The Treasury department based in the Holding centrally controls financial management throughout the Group and pursues the following objectives:

- to secure financial flexibility and stability, i.e. to maintain and optimize the Group's funding ability,
- to ensure that the entire Group remains solvent by managing its liquidity efficiently across the organization,
- to manage financial risks by using derivative financial instruments.

The Group's financial management covers the capital structure management and Group-wide funding, cash and liquidity management, and the management of market price risks, counterparty risks and credit default risks. This includes the following tasks:

– **Capital structure management:** For capital structure management at ProSiebenSat.1 Group, managing the leverage ratio is given particular priority. The Group takes into account factors such as the level of market receptivity, funding terms and conditions, flexibility or restrictions, diversification of the investor base and maturity profiles in its choice of suitable financing instruments. The Group manages its funds on a centralized basis.

– **Cash and liquidity management:** As part of its cash and liquidity management, the Group optimizes and centralizes cash flows and secures liquidity across the Group. Cash pooling is an important tool here, which centralizes a large part of the Group's liquidity at ProSiebenSat.1 Media SE. Using a rolling, Group-wide liquidity planning, ProSiebenSat.1 Group captures and forecasts both operating cash flows and cash flows from non-operating activities, thus deriving liquidity surpluses or requirements. Liquidity requirements are covered either by existing cash positions or the revolving credit facility (RCF).

– **Management of market price risks:** The management of market price risks comprises centrally managed interest rate and currency management. In addition to cash instruments, derivatives in the form of conditional and unconditional forward transactions are deployed. These instruments are used for hedging purposes and serve to limit the effects of interest and currency volatility on net income and cash flow.

– **Management of counterparty and credit default risks:** The management of counterparty and credit default risks centers on trading relationships and creditor exposure to financial institutions. When entering into trading transactions, ProSiebenSat.1 Group pays attention to ensuring that business is widely diversified involving counterparties of sufficiently high credit quality. For this purpose, the Group draws on external ratings supplied by international agencies. The Group's risk with respect to financial institutions arises primarily from its investment of cash and cash equivalents and from its use of derivatives as part of its interest rate and currency management activities.



RISK AND OPPORTUNITY REPORT

OVERALL ASSESSMENT FROM THE MANAGEMENT'S VIEW: RISK AND OPPORTUNITY SITUATION

The digital development opens up new growth markets for all of our segments. Media usage, for example, is becoming more and more diverse, while video is being consumed increasingly independently of time and place. In order to actively shape this transformation and translate it into growth potential, we bundled our entire entertainment portfolio into one segment last year and integrated it even more closely. We can thus take full advantage of our synergies and produce and offer programming across all platforms and develop cross-media advertising concepts. At the same time, we want to differentiate ourselves more clearly from the global streaming providers with a greater focus on local and live programs. The trend toward digitalization will continue in the years to come and has gained momentum in many areas, such as e-commerce or video dating, in the wake of the COVID-19 pandemic. There are also risks here. Therefore, the identification and management of potential opportunities is just as important for our Company as the recognition and controlling of potential risks. However, we estimate that there are currently no identifiable risks that could have a material adverse effect on our business performance. The overall risk has not changed. This also applies to the opportunity situation, which is heavily dependent on further macroeconomic developments.



RISK REPORT

As a holding company, ProSiebenSat.1 Media SE itself and through the operational holdings with a wide range of business activities it directly and indirectly is exposed to a wide variety of risks. Due to the perceived holding function, the risks and opportunities of the Group are essentially congruent with the risks and opportunities of ProSiebenSat.1 Media SE.

PROCESS MANAGEMENT

ProSiebenSat.1 Group has a comprehensive risk management system, which covers all activities, products, processes, departments, investments, and subsidiaries that could have an adverse impact on our Company's business performance. The traditional risk management process is structured into four phases:

1. Identification: The basis is to identify material risks by means of a target/actual comparison. The decentralized risk managers are responsible for this. They use early warning indicators defined for relevant circumstances and key figures. For example, the development of audience shares is an important early warning indicator.

2. Assessment: The relevant consolidated risks are assessed on the basis of a matrix. On the one hand, the circumstances are categorized on a five-level percentage scale in terms of the likelihood of their occurrence. On the other hand, their level of potential financial impact is estimated; the financial equivalents are likewise broken down into five levels. Using the matrix presentation, potential risks are classified as "high", "medium" or "low" depending on their relative significance. In addition to classification, risk assessment also includes analyzing causes and interactions. Measures to counteract or minimize risks are included in the assessment (net assessment). In order to obtain the most precise view of the risk situation possible, however, opportunities are not taken into account.

3. Management: Using appropriate measures, ProSiebenSat.1 Group can reduce the likelihood of occurrence of potential losses and limit or reduce possible damage. In order to handle risks safely, it is therefore very important to take adequate countermeasures as soon as an indicator exceeds a certain tolerance limit.

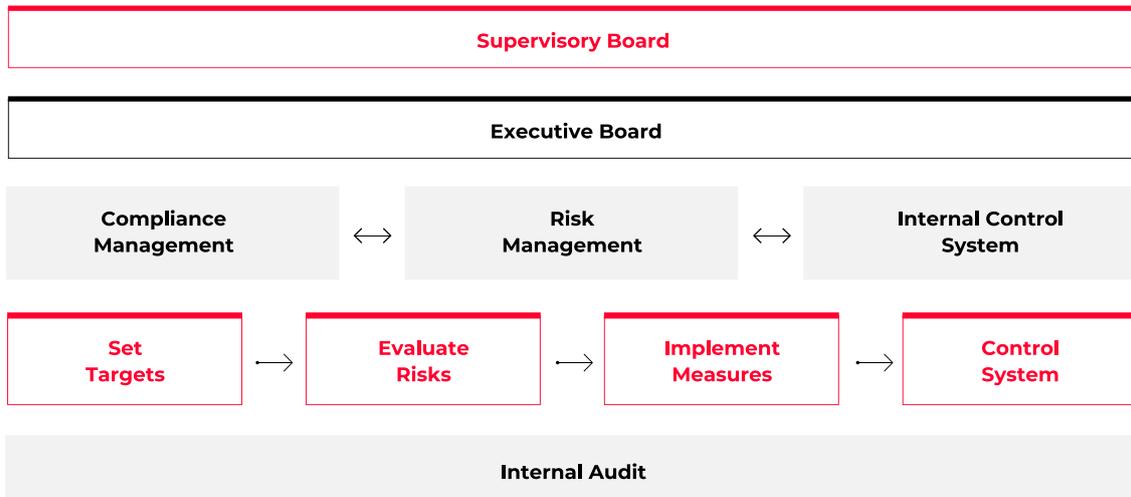
4. Monitoring: Risk monitoring and risk reporting round off the risk management process. The aim is to monitor changes and review the effectiveness of the management measures taken. Monitoring also includes documentation, which ensures that all hierarchy levels relevant to decision-making have adequate information on risks.

» INFORMATION

Risk is defined in this report as a potential future development or event that could significantly influence our business situation and result in a negative deviation from targets or forecasts. The risk indicators that we have already taken into account in our financial planning or in the Consolidated Financial Statements as of December 31, 2021 therefore do not come under this definition and are consequently not explained in this Risk Report.



RISK MANAGEMENT SYSTEM



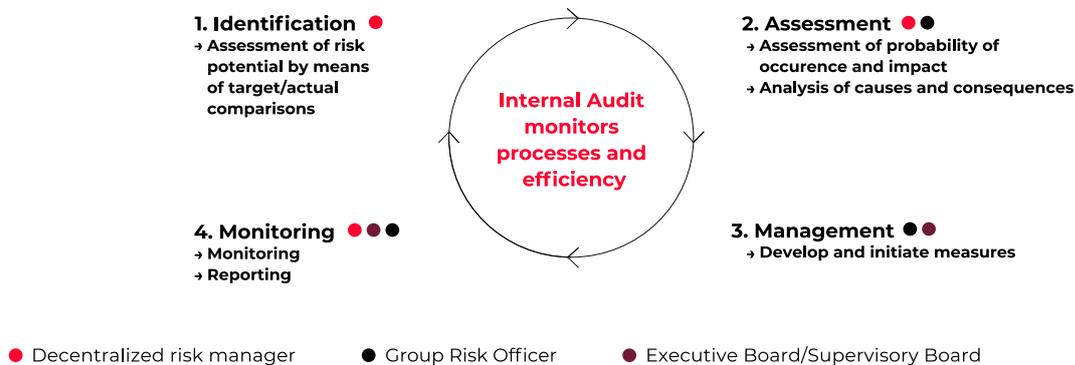
In addition to a structured process, the fundamental requirements for handling risks safely throughout the Group include clear decision-making structures, standardized guidelines, and a methodical approach by the responsible bodies. At the same time, processes and organizational structures must be flexible enough to allow ProSiebenSat.1 Group to respond appropriately to new situations at all times. For this reason, the regular classification of risks takes place on a decentralized basis and thus directly in the different corporate units, as described below:

- **Decentralized risk managers:** The decentralized risk managers identify the risks from their respective area of responsibility according to the standard Group system described. They document their results in an IT database every quarter.
- **Group Risk Officer:** The Group Risk Officer reports the risks identified in the database to the Executive Board and Supervisory Board on a quarterly basis. In addition, relevant risks arising at short notice are reported immediately. In this way, the Executive Board and Supervisory Board receive all analyses and data relevant to decision-making regularly and at an early stage so that they can respond appropriately.
- The **Risk Office** supports the various corporate units in identifying risk at an early stage. It ensures the efficacy and timeliness of the system by training the decentralized risk managers and continually monitoring the scope of risk consolidation. Moreover, the Internal Audit unit regularly reviews the quality and compliance of the risk management system. The results are reported directly to the Group CFO and then discussed in the Executive Board and presented to the Supervisory Board for its information.

The regular review of the risk management system by Internal Audit as well as by external experts generated a positive result. The basis for the audit is the so-called risk management handbook. This handbook summarizes company-specific principles and reflects the internationally recognized frameworks for enterprise risk management and internal control systems of COSO (Committee of Sponsoring Organizations of the Treadway Commission).



RISK MANAGEMENT PROCESS



DEVELOPMENT OF RISKS

ProSiebenSat.1 Group's overall risk situation is unchanged as of December 31, 2021 in comparison to the previous year. Private consumption in Germany particularly benefited from the ongoing normalization of the pandemic situation last year thanks to progress with vaccination and the decline in infection rates in summer 2021. In this context, demand for advertising also increased rapidly and noticeably over the year. Although the emergence and rapid spread of the highly infectious Omicron variant of the virus at the end of the year led to fresh uncertainty with regard to the pandemic, this variant causes less serious illness as far as we currently know and is leading to fewer restrictions in everyday life. At the same time, supply bottlenecks and inflationary trends are affecting the economic environment in Germany. Moreover, it is currently difficult to judge how the Russia/Ukraine war will develop.

We estimate that there are currently no risks that, either individually or in combination with other risks, could have a material or lasting adverse effect on earnings, financial position and performance. The identified risks pose no threat as a going concern, even looking into the future.

» INFORMATION

To assess the overall risk situation, ProSiebenSat.1 Group initially classifies all individual risks as part of the quarterly assessment process (based on an ongoing 12-month view), aggregates them and assigns them to general risks. When assessing the overall risk situation, ProSiebenSat.1 Group weights the risks according to their significance for the Group. The assessment of the overall risk situation is thus the result of an aggregate analysis of the main risk categories of the Group and its three segments Entertainment, Dating & 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 Financial Statements:



PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRUNG
**FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021
 AND MANAGEMENT REPORT**

» **INFORMATION**

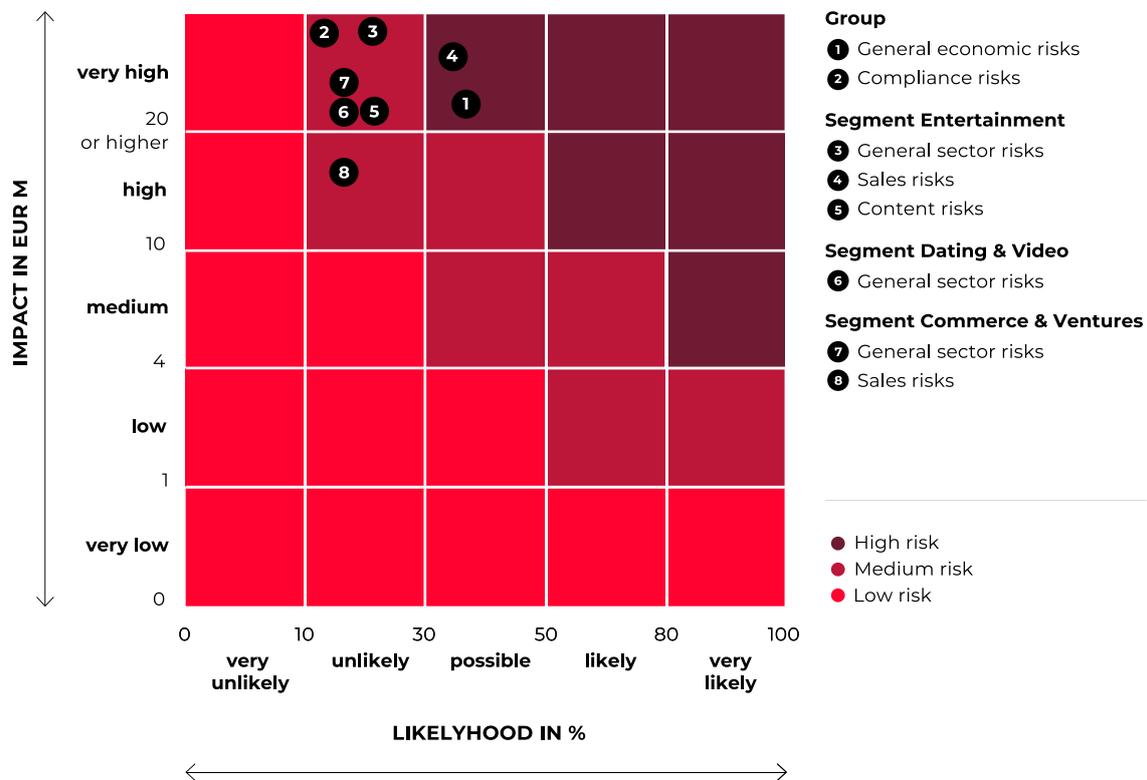
This Annual Report only presents relevant risks with a high or very high potential impact. We do not report on risks with a very low, low or medium potential impact here. We do not report on risks with an overall risk assessment of low here. However, if a risk that currently has a very low, low or medium 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, if 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



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.

RISKS AT LEVEL OF PROSIEBENSAT.1 MEDIA SE

As the holding company of the ProSiebenSat.1 Group, ProSiebenSat.1 Media SE is exposed to a variety of risks due to its extensive business activities. Insofar as the prerequisites for accounting consideration were given, adequate provision was made for all discernible risks.

The following sections describe risks that could affect the ProSiebenSat.1 Group's net assets, financial position and results of operations.

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 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.

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 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 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.

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.

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 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.



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 Individual and 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.



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. HGB and 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 “Corporate Accounting” and “Group Accounting & Reporting” departments are the central points 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.



OPPORTUNITY REPORT

OPPORTUNITY MANAGEMENT

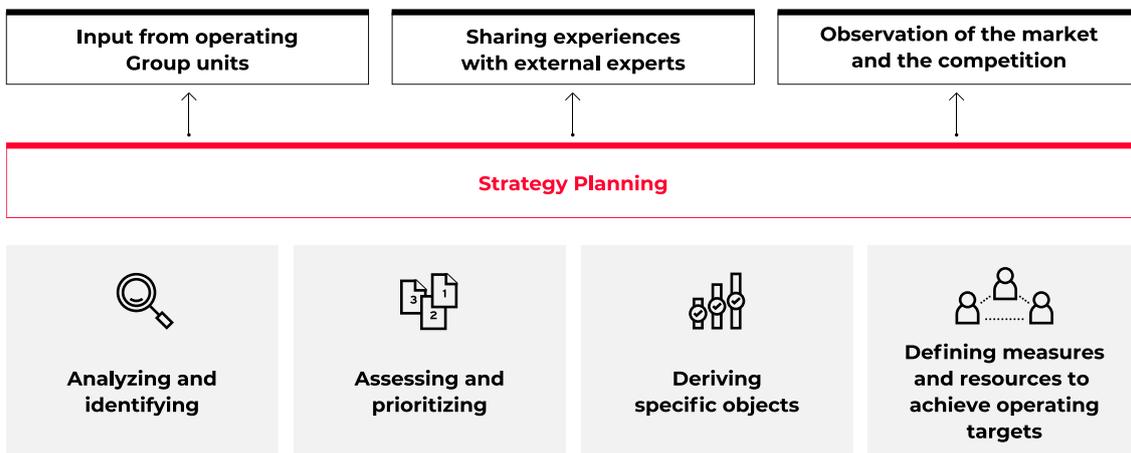
Our aim is to identify and seize opportunities as soon as possible using suitable measures. To this end, ProSiebenSat.1 records the growth opportunities defined as relevant as part of its strategic planning. Individual growth opportunities are prioritized, specific objectives are derived, and measures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

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



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.

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.



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 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.



OUTLOOK

In its further business development, ProSiebenSat.1 Media SE depends largely on the subsidiaries of the Group, because the result of ProSiebenSat.1 Media SE is determined to a large extent by the investment result and thus by the possible distributions from the subsidiaries. The forecast for the Group's economic developments thus serves as an assumption for the forecast of ProSiebenSat.1 Media SE. Therefore, in addition to the future framework conditions, the development of key parameters in the Group is also discussed below.



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%

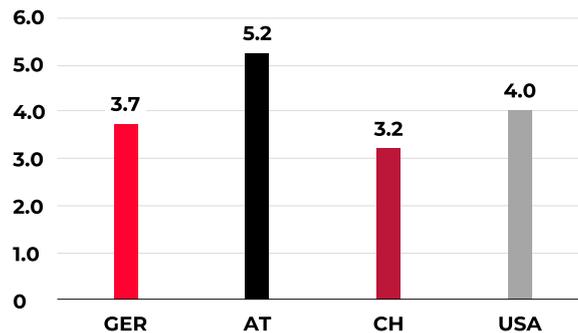


PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRUNG FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021 AND MANAGEMENT REPORT

(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).

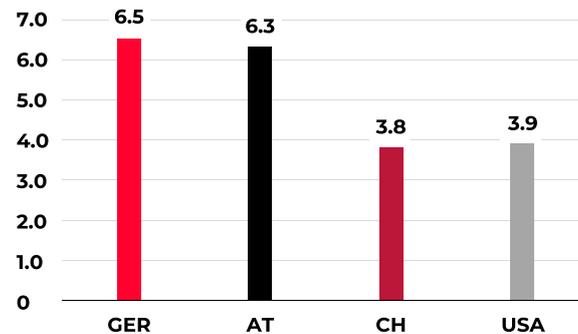
Sources: GER: ifo Economic Forecast, winter 2021 from December 14, 2021.

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.

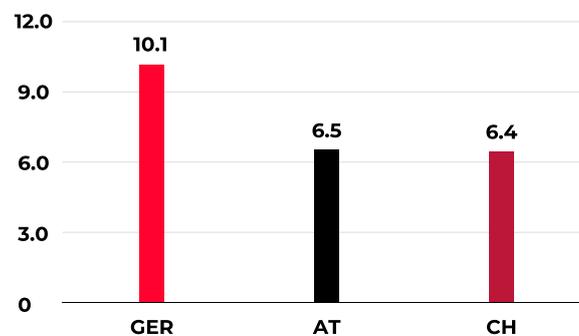
PricewaterhouseCoopers GmbH ("PricewaterhouseCoopers") expects the entertainment market to have a volume of EUR 40.5 billion overall in 2022, representing growth of 5.9% in consumer spending. Spending on digital entertainment services should then reach EUR 11.3 billion (2021: EUR 10.4 billion), with 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 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 in particular develop.

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 numbers of people meeting over video call, which has now become a firmly established usage habit.



COMPANY OUTLOOK

Forecast for ProSiebenSat.1 Media SE

As the Group's parent company, ProSiebenSat.1 Media SE collects the results of the main German subsidiaries via profit and loss transfer agreements and dividends. The economic situation of ProSiebenSat.1 Media SE is characterized in particular by this investment result and thus significantly by the business development of the entire ProSiebenSat.1 Group. Based on the forecast presented for the development of the Group, we are assuming stable to slightly higher income from profit and loss transfers in the 2022 financial year - in which effects from the valuation of investments are not taken into account because they are not foreseeable. Irrespective of this, the investment result will probably decrease overall in the 2022 financial year, since ProSiebenSat.1 Media SE will receive reduced dividend payments or they may even be omitted. The net profit for the financial year 2022 will also decrease as a result. The development of the balance sheet profit will continue to make it possible to maintain the communicated dividend policy (50 percent distribution of the adjusted consolidated net income for the year).

Forecast for the Group

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 forecast².

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 billion³. 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

² 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.

³ 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 Gravitass Ventures LLC, at in total EUR 101 million.



(previous-year figure adjusted for currency and portfolio effects: EUR 825 million⁴). 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 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%.

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.

⁴ 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 Gravititas Ventures LLC, at in total EUR 17 million.



- 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 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.

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.



TAKEOVER-RELATED DISCLOSURES

As a publicly traded company whose voting shares are listed in an organized market as defined by Section 2 (7) of the German Securities Acquisitions and Takeover Act (WpÜG), ProSiebenSat.1 Media SE is obliged to disclose the information stipulated in Section 289a (1) of the German Commercial Code (HGB) in the Management Report. The disclosures are intended to enable a third party interested in taking over a publicly traded company to inform itself about the company, its structure, and any obstacles to the takeover. In addition to these statutory disclosures, the following section also includes the related explanations in accordance with Section 176 (1) Sentence 1 of the German Stock Corporation Act (AktG) in conjunction with Article 9 (1) lit. c) ii) SE Regulation.

COMPOSITION OF THE SUBSCRIBED CAPITAL

As of December 31, 2021, the share capital of ProSiebenSat.1 Media SE amounted to EUR 233,000,000. It is divided into 233,000,000 no-par registered common shares with a pro rata share in the share capital of EUR 1.00 per share. All shares entail the same rights and obligations. Each share in ProSiebenSat.1 Media SE grants one vote at the Annual General Meeting and an identical share in profits.

As of December 31, 2021, the total number of treasury shares held by the Company was 6,694,738; this corresponds to 2.9% of the share capital.

RESTRICTIONS AFFECTING VOTING RIGHTS OR THE TRANSFER OF SHARES, AND SHAREHOLDINGS THAT EXCEED 10% OF THE VOTING RIGHTS

The Executive Board has no information on any restrictions on the exercise of voting rights or the transferability of shares that go beyond general regulatory requirements, especially of the law governing the capital market and competition as well as the media laws of the German federal states.

In accordance with Section 63 Sentence 1 of the German Interstate Media Treaty (MStV), the competent state media authority must be notified in writing of any planned change in participating interests or other influences prior to their implementation. The competent state media authority may confirm that no objections exist to such changes only if a license could still be issued under such changed conditions. If a planned change is implemented to which confirmation pursuant to Section 63 Sentence 3 MStV has not been given, the license necessary for the operation of national TV stations pursuant to Section 52 MStV shall be revoked.

Checks will be made for the impermissible participation of domestic or foreign state institutions, their legal representatives or political parties, as well as compliance with the rules for ensuring diversity of opinion in broadcasting (Sections 53 and 60 et seq. MStV).

For minor changes in participating interests or other influences, the body responsible for the state media authorities in this matter pursuant to Section 105 (3) MStV – the Commission on Concentration in the Media (KEK) – has provided for the following exceptions: Pursuant to Section 2 in conjunction with Section 3 of KEK's Reporting Obligation Directive, changes in participating interests are minor if they are effected by acquisition, disposal, or in any other way with less than 5% of capital or voting rights.



This does not apply if (1) the participating threshold reaches, exceeds or falls below the 25%, 50% or 75% threshold, (2) an increase or decrease in a notified shareholding interest of at least 5% is effected by one or more consecutive transactions, or (3) a shareholding in a listed stock corporation reaches or exceeds 5%, and the exceeding of this threshold has not already been reported within the preceding twelve months (see Section 5 of the Reporting Obligation Directive).

The German federal states intend to reform media concentration legislation. In the states' Broadcasting Commission, there is a working group developing proposals for an amendment of the German Interstate Media Treaty, while amendments are also being made to the states' individual media laws. The aim is to further strengthen the pluralistic media system.

On the basis of the voting rights notifications according to Sections 33 and 34 of the German Securities Trading Act (WpHG) received by the Company by December 31, 2021, the following investments in the Company exceed 10% of the voting rights:

MFE-MEDIAFOREUROPE N.V., Amsterdam, Netherlands ("MFE-MediaForEurope") holds 19.11% of the shares with voting rights, partly directly and partly indirectly via Mediaset España Comunicación, S.A., Madrid, Spain ("Mediaset España Comunicación").

Due to its direct and indirect investments in MFE-MediaForEurope and in Mediaset España Comunicación, Finanziaria d'investimento Fininvest S.p.A., Milan, Italy ("Finanziaria d'investimento Fininvest") is attributed an indirect investment of 19.11% of the shares with voting rights.

Due to his direct and indirect investments in Finanziaria d'investimento Fininvest, in MFE-MediaForEurope, and in Mediaset España Comunicación, Silvio Berlusconi, born September 29, 1936, is in turn attributed an indirect investment within the meaning of Section 34 of the German Securities Trading Act (WpHG) of 19.11% of the shares with voting rights according to the voting rights notification dated December 3, 2021.

In addition, Silvio Berlusconi indirectly holds instruments within the meaning of Section 38 (1) of the German Securities Trading Act (WpHG) amounting to 4.58% of the voting rights via the entities named above.

According to the voting rights notifications received by the Company by February 15, 2022, pursuant to sections 33 and 34 of the German Securities Trading Act (WpHG), the level of the aforementioned shareholdings has changed compared with the reporting date of December 31, 2021; according to these notifications, Silvio Berlusconi holds an indirect shareholding within the meaning of section 34 of the German Securities Trading Act (WpHG) amounting to 21.61% via the aforementioned companies and instruments within the meaning of section 38 (1) of the German Securities Trading Act (WpHG) amounting to 2.29% of the voting rights indirectly also via the aforementioned companies. The attributions of direct and indirect shareholdings correspond to the presentation as of the reporting date December 31, 2021.

SHARES WITH SPECIAL RIGHTS THAT CONFER CONTROLLING POWERS AND VOTING CONTROL IF EMPLOYEES HOLD A CAPITAL SHARE

No shares with special rights that confer controlling powers have been issued.

There is no control over voting rights in the event that employees hold a capital share of ProSiebenSat.1 Media SE and do not exercise their controlling rights directly.



APPOINTMENT AND REMOVAL OF EXECUTIVE BOARD MEMBERS

In accordance with Section 7 (1) Sentence 1 of the Company's articles of incorporation, the Executive Board of ProSiebenSat.1 Media SE comprises one or several people. The exact number is determined by the Supervisory Board in accordance with Section 7 (1) Sentence 2 of the articles of incorporation. Members of the Executive Board are in principle appointed and removed by the Supervisory Board as the supervisory body in accordance with Article 39 (2) SE Regulation. In accordance with Section 7 (2) Sentence 1 of the articles of incorporation in conjunction with Article 46 SE Regulation, Executive Board members are appointed for a maximum period of five years. Reappointments are permitted for a maximum of five years respectively. Executive Board members can be removed by the Supervisory Board prematurely for major cause. The appointment and removal of Executive Board members require a simple majority of the votes cast in the Supervisory Board. In the event of a tie, the vote of the Chairman of the Supervisory Board shall prevail (Article 12 (1) Sentence 3 of the Company's articles of incorporation). In urgent cases, the court shall appoint a member at the request of one of the parties involved if the Executive Board does not have the required number of members (Section 85 (1) Sentence 1 AktG in conjunction with Article 9 (1) lit. c) ii) SE Regulation).

AMENDMENTS OF THE ARTICLES OF INCORPORATION

The Annual General Meeting must generally decide on changes to the articles of incorporation (Article 59 (1) SE Regulation). In the case of ProSiebenSat.1 Media SE, a resolution by the Annual General Meeting to change the articles of incorporation requires the simple majority of the votes cast if at least half of the share capital entitled to vote is represented when the resolution is being passed (Article 59 (2) SE Regulation, Section 51 Sentence 1 of the German SE Implementation Act (SEAG)). Otherwise, this requires a majority of two thirds of the votes cast (Section 59 (1) SE Regulation) unless the articles of incorporation or the law require a greater majority. For example, this is the case for changing the purpose of the Company (Section 179 (2) Sentence 1 AktG in conjunction with Article 59 (1) and (2) SE Regulation and Section 51 Sentence 2 of the German SE Implementation Act) and creating Contingent Capital (Section 193 (1) Sentences 1 and 2 AktG in conjunction with Article 57 SE Regulation, Section 51 Sentence 2 of the German SE Implementation Act) or Authorized Capital (Section 202 (2) Sentences 2 and 3 AktG in conjunction with Article 57 SE Regulation, Section 51 Sentence 2 of the German SE Implementation Act) for which a majority of at least three quarters of the valid votes cast is required respectively. The Supervisory Board is authorized to pass amendments that relate solely to the wording of the articles of incorporation (Section 179 (1) Sentence 2 AktG in conjunction with Article 9 (1) lit. c) ii) SE Regulation and Section 13 of the Company's articles of incorporation).

EXECUTIVE BOARD'S POWERS TO ISSUE OR REPURCHASE SHARES

In accordance with section 71 (1) no. 8 of the German Stock Corporation Act (AktG), the Annual General Meeting of June 12, 2019, authorized the Company, with the approval of the Supervisory Board, to acquire, in accordance with the more detailed conditions of the authorization, its treasury shares on or before June 11, 2024 (inclusive), in the total amount of up to 10.0% of the Company's share capital on the date the authorization was granted or – if this figure is lower – on the date the authorization is exercised, and to use these, also under exclusion of preemptive rights in the cases described in more detail in the authorization. Treasury shares may also be acquired using derivatives up to a total of 5.0% of the share capital on the date the authorization was granted or – if this figure is lower – on the date the authorization is exercised in accordance with the more detailed conditions of the authorization. No treasury shares were acquired in the financial year 2021.

By resolution of the Annual General Meeting of June 1, 2021, the Executive Board was authorized, subject to the consent of the Supervisory Board, to increase the share capital of ProSiebenSat.1



Media SE on one or more occasions on or before May 31, 2026 (inclusive), by not more than EUR 46,600,000.00 in return for contributions in cash and/or in kind by issuing new registered no-par value shares (Authorized Capital 2021). Subject to the consent of the Supervisory Board, the Executive Board is authorized to determine the further content of the share rights and the conditions of the share issue. The dividend rights of the new shares can also be designed in deviation from Section 60 (2) of the German Stock Corporation Act (AktG); in particular, the new shares can also be given dividend rights from the start of the financial year preceding their issue if, on the date the new shares are issued, the Annual General Meeting has not yet passed a resolution on the allocation of profits from this financial year. Shareholders shall generally be granted the statutory preemptive right to the new shares. The preemptive rights can be entirely or partially designed as indirect preemptive rights within the meaning of Section 186 (5) Sentence 1 of the German Stock Corporation Act (AktG). However, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude the shareholders' preemptive rights in accordance with the more detailed conditions of the authorization if the shares issued on the basis of Authorized Capital 2021 excluding the shareholders' preemptive rights do not exceed a total of 10% of the share capital either at the effective date or at the exercise date of the authorization to exclude preemptive rights.

By resolution of the Annual General Meeting of June 30, 2016, the Executive Board was authorized, subject to the consent of the Supervisory Board, to increase the share capital of ProSiebenSat.1 Media SE on one or more occasions on or before June 30, 2021 (inclusive), by not more than EUR 87,518,880 in return for contributions in cash and/or in kind by issuing new registered no-par value shares (Authorized Capital 2016). Following the capital increase in November 2016 resulting from the partial utilization of Authorized Capital in the amount of EUR 14,202,800, Authorized Capital 2016 amounted to EUR 73,316,080. Authorized Capital 2016, if unutilized, was repealed by resolution of the Annual General Meeting of June 1, 2021, with effect from the date the amendment of the articles of incorporation to create Authorized Capital 2021 was registered with the commercial register.

By resolution of the Annual General Meeting of June 1, 2021, the Executive Board was authorized, subject to the consent of the Supervisory Board, to issue bearer and/or registered convertible and/or warrant-linked bonds in the total nominal amount of up to EUR 800,000,000.00 with a limited or unlimited term, on one or more occasions on or before May 31, 2026 (inclusive), and to grant conversion or option rights to the holders or creditors of such bonds in order to acquire up to 23,300,000 new registered no-par value shares in the Company in the pro rata amount of up to EUR 23,300,000.00 of the Company's share capital as specified in more detail in the terms and conditions of the bonds and/or to stipulate the corresponding conversion rights of the Company ("2021 authorization").

By resolution of the Annual General Meeting of June 30, 2016, the Executive Board was also authorized, subject to the consent of the Supervisory Board, to issue bearer and/or registered convertible and/or warrant-linked bonds in the total nominal amount of up to EUR 1.5 billion with a limited or unlimited term, on one or more occasions on or before June 29, 2021 (inclusive), and to grant conversion or option rights to the holders or creditors of such bonds in order to acquire up to 21,879,720 new registered no-par value shares in the Company in the pro rata amount of up to EUR 21,879,720 of the Company's share capital as specified in more detail in the terms and conditions of the bonds and/or to stipulate the corresponding conversion rights of the Company ("2016 authorization"). The 2016 authorization, which the Company did not utilize, was repealed with effect from the effective date of the 2021 authorization.

By resolution of the Annual General Meeting on June 1, 2021, there was a contingent increase in share capital by up to EUR 23,300,000.00 due to the issuance of up to 23,300,000 new registered no-par value shares (Contingent Capital 2021). The Contingent Capital increase serves to grant shares to holders or creditors of convertible bonds in addition to holders of option rights attached to warrant-linked bonds to be issued before May 31, 2026 (inclusive), as a result of the authorization



granted by resolution of the Annual General Meeting of June 1, 2021, by the Company or by a domestic/foreign entity in which the Company either directly or indirectly holds the majority of votes and capital.

By resolution of the Annual General Meeting on June 30, 2016, there was a contingent increase in share capital by up to EUR 21,879,720 due to the issuance of up to 21,879,720 new registered no-par value shares (Contingent Capital 2016). The Contingent Capital increase serves to grant shares to holders or creditors of convertible bonds in addition to holders of option rights attached to warrant-linked bonds to be issued before June 29, 2021 (inclusive), as a result of the authorization granted by resolution of the Annual General Meeting of June 30, 2016, by the Company or by a domestic/foreign entity in which the Company either directly or indirectly holds the majority of votes and capital. Contingent Capital 2016 was likewise repealed by resolution of the Annual General Meeting of June 1, 2021, with effect from the date the 2016 authorization was repealed.

SIGNIFICANT AGREEMENTS OF THE COMPANY SUBJECT TO A CHANGE OF CONTROL, PURSUANT TO SECTION 289A SENTENCE 1 NO. 8 HGB

ProSiebenSat.1 Media SE concluded the following significant agreements that entail regulations for the event of a change of control, which could result from a takeover bid:

- ProSiebenSat.1 Media SE has a syndicated facilities agreement which, as of December 31, 2021, includes a term loan of EUR 1.2 billion (previous year: EUR 2.1 billion) and a revolving credit facility with an amount of EUR 750 million. In the event of a change of control over ProSiebenSat.1 Media SE due to the direct or indirect acquisition of more than 50% of the voting rights in ProSiebenSat.1 Media SE by a third party, the lenders are entitled to terminate their participation in the facility and to demand repayment of outstanding amounts allocable to them within a certain period after the change of control takes place.
- In 2016, ProSiebenSat.1 Media SE issued promissory notes totaling EUR 500 million with maturity ranges of seven years (EUR 225 million at a fixed interest rate and EUR 50 million at a variable interest rate) and ten years (EUR 225 million at a fixed interest rate). In the reporting period, the Company issued another promissory notes totaling EUR 700 million with maturity ranges of four years (EUR 115.5 million at a fixed interest rate and EUR 110.5 million at a variable interest rate), six years (EUR 193 million at a fixed interest rate and EUR 153 million at a variable interest rate), eight years (EUR 46 million at a fixed interest rate and EUR 34 million at a variable interest rate) and ten years (EUR 48 million at a fixed interest rate). In the event of a change of control over ProSiebenSat.1 Media SE due to the direct or indirect acquisition of more than 50% of the voting rights in ProSiebenSat.1 Media SE by a third party, the lenders are entitled to terminate their loan participation and demand repayment.
- In the reporting year, ProSiebenSat.1 Media SE had access to a program on the Luxembourg stock exchange for issuing debt securities with a framework volume of up to EUR 2.5 billion. No bonds have been issued under the program to date. If bonds are issued, they may contain a change of control agreement. Such a change-of-control agreement can give creditors the right to demand repurchase of the bonds in the event of a change in control of ProSiebenSat.1 Media SE of more than 50% of the voting rights by a third party and the occurrence of a negative rating event.
- In addition, some license agreements for films, TV series and other programs that are important for the Company include regulations that, in the event of a change of control, entitle the provider of the program content to terminate the corresponding license agreement prematurely. In addition, individual contracts with distribution platforms also grant the contract partner the right to terminate the respective agreements in the event of a change of control.



The contractual relationships underlying these matters have a total volume of around EUR 1.1 billion.

- There is a framework agreement between ProSiebenSat.1 Media SE and, among others, RTL Deutschland and its indirect Group subsidiary Ad Alliance GmbH (“Ad Alliance”) with regard to the investment in d-force GmbH (“d-force”). Ad Alliance is entitled to extraordinary termination of the framework agreement if a third party directly or indirectly holds more than 50% of the shares and/or voting rights in ProSiebenSat.1 Media SE. Upon the termination taking effect, Ad Alliance shall cease to be a shareholder of d-force as soon as possible.
- ProSiebenSat.1 Media SE is also subject in particular to media concentration law and the relevant media laws of the German federal states, as described in the “Restrictions Affecting Voting Rights or the Transfer of Shares, and Shareholdings That Exceed 10% of the Voting Rights” section, which can result in requirements in the event of a change of control.

COMPANY’S COMPENSATION AGREEMENTS WITH EXECUTIVE BOARD MEMBERS OR EMPLOYEES FOR THE EVENT OF A CHANGE OF CONTROL

The employment contracts of Executive Board members generally contain a change of control clause in the event of a change of control at the Company. In the financial year 2021, in the event of a change of control Executive Board members had the right to terminate their employment contract with three months’ notice at the end of the month and resign from the Executive Board if the change of control would have significantly affected the position of these Executive Board members. This right existed under the Executive Board employment contracts valid in the financial year 2021 up to and including September 30, 2021 and was not utilized in the financial year 2021. If this right of termination had been exercised effectively, the Executive Board member would have received cash compensation, the full amount of which would have been credited against any waiting allowance. The cash compensation would have corresponded to three – in the case of Wolfgang Link and Christine Scheffler two-years’ compensation, but at most to the compensation for the remaining term of the service contract discounted to the termination date. For the purposes of the cash compensation, the annual compensation to be recognized is generally the sum contractually due to the Executive Board member for the last completed fiscal year, comprising the fixed compensation, the performance bonus, the multi-year compensation components and the addition to the pension plan. The new Executive Board compensation system, which was approved by a broad majority of around 96% at the Annual General Meeting on June 1, 2021, will apply to new contracts and contract extensions effective in the financial year 2022. The change of control clause has been amended to the effect that, in the event of the exercise of the special right of termination in the course of a change of control, the Executive Board member will no longer be entitled to payment of a severance package in the future.

Apart from that, the employment contracts of ProSiebenSat.1 Media SE employees only rarely included change of control clauses up to December 31, 2021, but these will cease to apply as of January 1, 2022.



BALANCE SHEET AS OF DECEMBER 31, 2021

in Euro

	Dec 31, 2021		Dec 31, 2020	
ASSETS				
A. Fixed assets				
I. Intangible assets				
1. Licenses, trademarks and patents as well as licenses to such assets and rights for a consideration	1,330,961.16		2,158,336.00	
2. Advances paid on intangible assets	403,487.34	1,734,448.50	534,198.78	2,692,534.78
II. Property, plant and equipment				
1. Buildings on land owned by others	43,928,563.00		43,150,891.13	
2. Other equipment, fixtures, furniture and equipment	3,290,805.48		4,100,785.19	
3. Advances paid on tangible assets under construction	27,672,663.88	74,892,032.36	9,118,931.46	56,370,607.78
III. Financial Assets				
1. Interests in Group companies	7,323,679,823.08		7,769,421,682.21	
2. Loans to Group companies	44,596,994.50		113,174,928.44	
3. Interests in associated companies	6,250.00		6,250.00	
4. Long-term investments	3,896,180.77		4,142,561.35	
5. Other loans	23,918,313.29	7,396,097,561.64	24,744,424.93	7,911,489,846.93
		7,472,724,042.50		7,970,552,989.49
B. Current assets				
I. Receivables and other current assets				
1. Trade accounts receivable	28,781,126.05		37,559,125.12	
2. Receivables from Group companies	750,253,239.87		456,808,492.68	
3. Other assets	103,724,818.31	882,759,184.23	61,862,769.13	556,230,386.93
II. Cash and deposit at banks		297,370,841.15		657,710,861.18
		1,180,130,025.38		1,213,941,248.11
C. Prepaid expenses		4,794,281.89		1,009,199.84
D. Active difference from offsetting		86,291.00		49,511.00
		8,657,734,640.77		9,185,552,948.44



BALANCE SHEET AS OF DECEMBER 31, 2021

in Euro

	Dec 31, 2021	Dec 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY		
A. Equity		
I. Subscribed capital	233,000,000.00	233,000,000.00
/. Nominal amount of treasury shares	-6,694,738.00	-6,771,747.00
Issued share capital	226,305,262.00	226,228,253.00
Contingent capital EUR 23,300,00.00		
II. Capital reserves	1,131,165,817.10	1,130,038,373.95
III. Other profit reserves	1,152,876,897.49	1,152,886,413.49
IV. Distributable profit	979,146,954.71	573,046,477.74
	3,489,494,931.30	3,082,199,518.18
B. Provisions		
1. Pension provisions and similar obligations	4,840,469.00	3,827,398.00
2. Tax provisions	110,242,082.86	116,765,449.00
3. Other provisions	103,280,156.28	142,748,015.29
	218,362,708.14	263,340,862.29
C. Liabilities		
1. Bond	—	600,000,000.00
2. Liabilities to banks		
a. Loan liabilities	2,450,000,000.00	2,600,000,000.00
b. Interest and bank liabilities	4,817,139.97	4,580,694.02
3. Deposits received	863,452.32	1,102,284.00
4. Trade accounts payable	270,919,298.14	339,867,690.54
5. Liabilities to Group companies	2,190,619,205.76	2,245,753,602.11
6. Other liabilities	32,584,395.83	48,434,551.39
--thereof for taxes EUR 30,368,381.19 (previous year: EUR 33,841,052.60)--		
	4,949,803,492.02	5,839,738,822.06
D. Deferred income	73,509.31	273,745.91
	8,657,734,640.77	9,185,552,948.44



INCOME STATEMENT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2021

in Euro

	2021		2020	
1. Revenues	114,139,522.96		119,487,218.26	
2. Other operating income	73,135,335.28		110,477,619.71	
thereof from currency conversion EUR 36.354.339,82 (previous year: EUR 66.101.419,89)				
3. Programming and material expenses				
a. Cost of licenses, transmission fees and materials	31,625,995.54		35,880,358.34	
b. Cost of purchased services	17,920,590.67	49,546,586.21	16,006,019.84	51,886,378.18
4. Personnel expenses				
a. Wages and salaries	48,402,147.22		52,120,024.20	
b. Social security contributions and other employee benefits	7,371,055.65	55,773,202.87	7,636,136.32	59,756,160.52
thereof for old age pensions EUR 2.068.857,00 (previous year: EUR 2.398.623,66)				
5. Amortization and depreciation of tangible assets and intangible assets	8,610,619.36		12,460,062.68	
6. Other operating expenses	101,251,137.08		146,806,508.21	
thereof from currency conversion EUR 37.394.392,10 (previous year: EUR 79.413.625,61)				
7. Income from profit transfer agreements	611,357,283.63		290,973,391.09	
8. Income from investments	147,314,665.93		0.00	
thereof from Group companies EUR 147.314.665,93 (previous year: EUR 0,00)				
9. Other interest and similar income	18,560,697.67		8,199,994.76	
thereof from Group companies EUR 4.385.616,34 (previous year: EUR 5.848.332,01)				
10. Write-down of financial assets	2,179,161.57		20,333.35	
11. Expenses from loss absorption	11,629,267.02		19,922,910.82	
12. Interest and similar expenses	51,226,088.06		69,247,529.81	
thereof from group companies EUR 971.682,54 (previous year: EUR 280.630,09)				
thereof from accumulation EUR 738.782,93 (previous year: EUR 1.022.940,73)				
13. Income taxes	167,266,847.23		50,346,214.36	
14. Income after taxes	517,024,596.07		118,692,125.89	
15. Other taxes	72,275.13		78,857.00	
16. Result of the year	516,952,320.94		118,613,268.89	
17. Profit carried forward from the previous year	462,194,633.77		454,433,208.85	
18. Distributable profit	979,146,954.71		573,046,477.74	



NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021

GENERAL DISCLOSURES

ProSiebenSat.1 Media SE is a publicly traded stock corporation under European law and registered at Munich District Court, Germany, (HRB 219 439) as the parent company of ProSiebenSat.1 Group trading under the name ProSiebenSat.1 Media SE. The registered common share is listed in Germany at the stock exchange in Frankfurt am Main and at the stock exchange in Luxembourg (Bourse de Luxembourg). The Company is headquartered in Unterföhring. Its address is ProSiebenSat.1 Media SE, Medienallee 7, 85774 Unterföhring, Germany.

BASIS AND METHODOLOGY

The Annual Financial Statements of ProSiebenSat.1 Media SE were prepared in compliance with the relevant requirements of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG) in connection with Art. 61 of regulation (EG) No. 2157/2001 (SE-VO).

The cost of production method in accordance with section 275 (2) of the German Commercial Code was applied to the income statement.

ProSiebenSat.1 Media SE prepares and publishes its Annual Financial Statements in EUR. Due to rounding, it is possible that individual figures in these Annual Financial Statements do not add exactly to the totals shown and that the percentage figures given do not reflect exactly the absolute figures they relate to.

ACCOUNTING POLICIES

The following accounting methods applied in the previous year were applied unchanged.

Intangible assets acquired for consideration are capitalized at cost and are amortized on a straight-line basis over the economic life-time but no more than ten years. Unscheduled write-downs are taken if a permanent impairment of value can be expected. Internally generated intangible non-current assets are not recognized.

Tangible fixed assets are valued at cost, less usage-based straight-line depreciation over the economic life-time but no longer than 30 years. Unscheduled write-downs are taken if a permanent impairment of value can be expected. Assets with acquisition costs of up to EUR 250 are recognized in full as expenses in the year of acquisition. Assets with acquisition costs of between EUR 250 and EUR 1,000 are combined into a single item, which is depreciated on a straight-line basis over five years.

Buildings on land not owned by the Company are depreciated over their normal useful life or, if shorter, the term of the lease. Other facilities, as well as office furniture and equipment, are depreciated over a term of three to 20 years, depending on the item in question.



Financial assets are recognized at cost or at their lower fair value if the impairment is expected to be permanent. If the reasons for permanent impairment no longer apply, reversals of impairment up to the acquisition cost are made in compliance with the rules for recovery of value.

Shares in affiliated companies are generally recognized at cost or, if permanent impairment is expected, at their lower fair value. The check to determine whether shares in affiliated companies are impaired takes place inter alia in simplified company valuations, multi-stage procedures and fair values. The fair values are determined using the discounted cash flow method. Valuations are performed in accordance with IDW RS HFA 10 "Application of the principles of IDW S 1 when valuing investments for the purposes of Annual Financial Statements under the German Commercial Code" under which cash flows are based on investment-specific planning over in general a period of five years which is updated using investment-specific growth rates. The capitalization rate applied here is calculated based on the return on a risk-appropriate alternative investment.

In addition, previously impaired shares in affiliated companies are reviewed annually to determine whether the reasons for the impairment have ceased to apply. For these shares, too, the fair value of the corresponding financial asset is calculated based on IDW RS HFA 10.

Receivables and other assets are measured at their nominal amount or, if applicable, at cost or at their lower fair value on the reporting date. In the valuation of receivables and other current assets, adequate allowances have been made to cover known risks through valuation allowances.

Credit balances at banks are shown at their nominal value. Short-term foreign currency balances and liabilities are converted at the exchange rates on the reporting date.

Treasury stock is deducted from equity in accordance with section 272 (1a) of the German Commercial Code. If the costs of acquisition for treasury stock exceed the nominal amount of these stocks, the excess is offset against retained earnings.

The issue of own shares as part of the "myshares" employee share program is recorded in capital reserve in the amount of the issue amount exceeding the nominal value of the shares. In addition, the personnel expenses of the employee share program, which result from so-called "matching shares", are also shown in capital reserve.

Assets that are exclusively for the meeting of pension obligations and inaccessible to all other creditors as of the closing date are measured at fair value which is the market value. These assets are offset by the respective underlying obligation. If there is an excess of obligations, it is recognized as a provision. If the value of the assets exceeds the value of the obligations, it is recognized as active difference resulting from offsetting.

Pension provisions and similar obligations are measured at the amount payable deemed necessary according to prudent business judgment. This amount payable is calculated using actuarial techniques in accordance with the Projected Unit Credit Method. They are calculated on the basis of biometric data from the 2018 G guideline tables prepared by Prof. Dr. Klaus Heubeck and an average market interest rate for the last ten financial years of 1.87% (previous year: 2.30%) for a remaining term of 15 years and a pension trend of 0.0% to 1.0% a year (previous year: 0.0% to 1.0%). Fluctuation and salary increase has been reflected in the calculation in both years with 0.0%. The interest component of pension expenses is reported under interest and similar expenses after netting with interest income from plan assets.

Tax provisions and other provisions are to be measured at the expected amount payable deemed necessary according to prudent business judgment, taking into account price and cost increases. Long-term provisions (remaining term of more than a year) are to be discounted at the average



market interest rate of the past seven years appropriate for the duration, which is calculated and published by Deutsche Bundesbank.

Liabilities are measured at their amount payable as of the balance sheet date.

If there are differences between the valuations of assets, liabilities and prepaid expenses under German commercial law and fiscal law, which are expected to reverse in future financial years, any overall surplus of deferred tax liability which remains after offsetting is recognized on the balance sheet, taking into account the loss and interest carried forward. Deferred tax assets are netted out to the extent that they correspond to the existing deferred tax liabilities as of the closing date. The option to recognize deferred tax assets – provided they exceed the deferred tax liabilities – is not exercised.

Loss and interest carried forward and tax credits are taken into account to the extent that they are expected to be offset or used within the next five years. Temporary differences between the measurement of assets, liabilities and prepaid expenses of consolidated tax group subsidiaries under German commercial law and fiscal law are included if there are expected to be tax burdens and tax relief from reducing the respective temporary differences at the tax group parent, ProSiebenSat.1 Media SE.

Deferred taxes are measured on the basis of the applicable corporate income tax rate and according to the trade tax assessment rates of the income tax consolidation group of ProSiebenSat.1 Media SE. Corporate income tax, the solidarity surcharge and trade tax resulted in a tax rate for deferred taxes of 28% for the last financial year.

Receivables and liabilities in foreign currencies with a remaining term of up to one year are measured at the exchange rate on the closing date. Foreign currency receivables with a remaining term of more than one year are converted at the exchange rate on the booking date or the lower exchange rate on the closing date; foreign currency liabilities with a remaining term of more than a year are converted at the exchange rate on the booking date or the higher exchange rate on the closing date.

ProSiebenSat.1 Media SE uses derivative financial instruments to hedge against risks of changes in interest rates and foreign exchange rates in its operating activities, and in the resulting financing needs. If there is a direct hedging relationship, hedge accounting is applied to the derivative financial instruments together with their underlying transaction in accordance with section 254 of the German Commercial Code. If there is no sufficient hedging relationship, the hedging transactions are measured under the principle of unequal treatment of losses and income; in other words, provisions are formed for negative market values, but positive market values are not recognized.

NOTES TO THE BALANCE SHEET

Fixed assets

Changes in fixed assets can be found in the statement of changes in fixed assets at the end of the Notes.

Financial assets

The ProSiebenSat.1 Media SE overview Group of companies is listed at the end of the Notes.

In financial year 2021, shares in affiliated companies decreased by EUR 446 million to EUR 7,324 million. This decline is primarily due to the release of the capital reserve with a



PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRING FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021 AND MANAGEMENT REPORT

subsequent distribution of EUR 485 million at the subsidiary P7S1 SBS Holding GmbH, Unterföhring.

In financial year 2021, unscheduled depreciation on financial assets in the amount of EUR 2 million (previous year: EUR 0 million) as well as write-ups of EUR 0 million (previous year: EUR 1 million) were carried out.

Loans to affiliated companies of EUR 45 million (previous year: EUR 113 million) involve intragroup loans that are not expected to be repaid within a year.

Other loans in the amount of EUR 24 million (previous year: EUR 25 million) essentially comprise loans to the landlord of the property at Medienallee 7 at the Unterföhring site.

Receivables and other assets

RECEIVABLES AND OTHER ASSETS

EUR m

	Dec 31, 2021			Dec 31, 2020		
	Remaining term		Total	Remaining term		Total
	1 year or less	more than 1 year		1 year or less	more than 1 year	
Trade accounts receivable	28	1	29	34	3	38
Receivables from Group companies	750	—	750	457	—	457
Other assets	104	—	104	62	—	62
Total	882	1	883	553	3	556

Receivables from affiliated companies comprise receivables under profit and loss transfer agreements (EUR 611 million; previous year: EUR 291 million), short-term loan receivables (EUR 19 million; previous year: EUR 7 million), cash pooling receivables (EUR 17 million; previous year: EUR 12 million), and receivables from internal transactions (EUR 103 million; previous year: EUR 147 million).

The other assets primarily comprise advance payments made on licenses of EUR 68 million (previous year: EUR 49 million) and tax receivables of EUR 15 million (previous year: EUR 3 million). As ProSiebenSat.1 Media SE acts as general contractor for the new "Campus" construction, this item also included receivables from the company towards the site owner amounting to EUR 16 million (previous year: EUR 8 million).

Prepaid expenses

As at December 31, 2021, prepaid expenses mainly included prepaid expenses for transponder fee and the effects from the employee share program "myshares".

Deferred taxes

The following overview details the balance sheet items that include deferred tax receivables and deferred tax liabilities for the income tax consolidation group of ProSiebenSat.1 Media SE:



DEVELOPMENT OF DEFERRED TAXES

EUR m

	Dec 31, 2021		Dec 31, 2020	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	—	—	—	—
Fixed assets	1	—	1	—
Financial assets	3	-35	5	-31
Programming assets	27	—	12	—
Receivables and other current assets	1	0	2	—
Active difference resulting from offsetting	—	0	—	—
Provisions	7	-4	15	-4
Liabilities	0	—	0	—
Total	40	-40	36	-36
Netting	-40	40	-36	36
Balance	—	—	—	0

Deferred tax assets and tax liabilities are calculated using a combined tax rate of corporate income tax, the solidarity surcharge, and trade tax of 28%, which is derived from a weighted average of the tax rates of the subsidiaries. Temporary differences to financial assets are measured at an effective tax rate of 1.4%.

Equity

SUBSCRIBED CAPITAL

As of December 31, 2021, the subscribed capital of ProSiebenSat.1 Media SE amounted to EUR 233,000,000 (previous year: EUR 233,000,000), with each share representing a nominal value of EUR 1.00 of the share capital. Thus, as of December 31, 2021, the number of issued common shares was 233,000,000 (previous year: 233,000,000 common shares) of which the Company itself held 6,694,738 common shares in treasury (previous year: 6,771,747 common shares).

DEVELOPMENT OF EQUITY IN 2021

EUR m

	Subscribed capital ¹	Capital reserves	Profit reserves	Balance Sheet profit	Total Equity
December 31, 2020	226	1,130	1,153	573	3,082
Paid dividends	—	—	—	-111	-111
Profit of the year	—	—	—	517	517
Employee share ownership plan	—	1	—	—	1
December 31, 2021	226	1,131	1,153	979	3,489

¹ net of treasury shares

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 not more than in total 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 ProSieben Sat.1 Media SE as issuer (Autohorisation 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, subject to the consent of the Supervisory Board, 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), both to the extent that the Authorization 2016 has not been exercised by that time.

TREASURY SHARES

In accordance with section 71 (1) no. 8 of the German Stock Corporation Act, the Annual General Meeting of June 12, 2019, authorized the Company to acquire its own shares on or before June 11, 2024, in the amount of up to 10% of the Company's share capital on the date the authorization was granted or — if this figure is lower — on the date the authorization is exercised, and to use these, also with the exclusion of preemptive rights in the cases described in more detail in the authorization. Treasury shares may also be acquired using derivatives up to a total of 5% of the share capital on the date the authorization was granted in accordance with the more detailed conditions of the authorization. Together with other own shares owned by or attributable to the Company according to sections 71a et seq. of the German Stock Corporation Act, no more than 10% of the share capital may be attributable to the shares acquired on the basis of this authorization at any time.

The authorization of June 12, 2019 allows the Executive Board, with the Supervisory Board's consent, to exercise its right for any legally permissible purpose.

In financial years 2020 and in 2021 no treasury shares were acquired.

In the financial year 2021, 67,493 treasury shares were ceded at a price of EUR 14.46 as part of the "myshares" employee share program. For the issue of so-called matching shares of the 2018 myshares program, 9,516 free shares were issued in the 2021 financial year after the three-year holding period.

In total, ProSiebenSat.1 Media SE held 6,694,738 (previous year: 6,771,747) of its own common shares as of December 31, 2021. This is equivalent to 2.9% (previous year: 2.9%) of the share capital.

CAPITAL RESERVE

Capital reserves amounted to EUR 1,131 million (previous year: EUR 1,130 million). Capital reserves included premiums from the new stock issuance in financial year 1997 and the capital increases in 2004 and 2016, the cumulative effects on results that arose in connection with the granting of stock options of the former Long Term Incentive Plans (LTIPs), stock awards, and the employee share programs, and the effects from the exercise of stock options. The increase in the past financial year results from the recognition of the effects of the employee share program.



PROFIT RESERVES

Other profit reserves include additions of EUR 800 million from the financial year 2017 and EUR 200 million from the financial years 2018 and 2019 respectively. The costs of acquisition exceeding the nominal amount of the treasury stock amounting to EUR 47 million for the share buyback in 2018 are offset against retained earnings.

As of December 31, 2021, retained earnings of EUR 1 million (previous year: EUR 1 million) were subject to a distribution block. This resulted in the amount of EUR 0 million (previous year: EUR 0 million) from the fair value accounting of the plan assets and in the amount of EUR 2 million (previous year: EUR 2 million) from the fair value calculation of the settlement amount of the pension obligations. In addition, deferred taxes taken into account in this regard led to a calculated surplus of deferred tax assets, which was included in the distribution block in the amount of EUR 1 million (previous year: EUR 1 million).

DISTRIBUTABLE PROFIT

In the past financial year, based on the resolution of the Annual General Meeting on June 1, 2021, a distribution of EUR 111 million was made from ProSiebenSat.1 Media SE's distributable balance sheet profit of EUR 573 million for the 2020 financial year. This corresponded to a dividend payment of EUR 0.49 per dividend-entitled share.

In accordance with the German Stock Corporation Act, the dividend payable to shareholders depends on the distributable profit reported in the Annual Financial Statements of ProSiebenSat.1 Media SE under the German Commercial Code. There are plans to use ProSiebenSat.1 Media SE's distributable profit of EUR 979 million for the financial year 2021 as follows:

PROPOSAL OF PROFIT ALLOCATION

EUR

Distributable balance sheet profit as of December 31, 2020	573,046,477.74
Dividend distribution in 2021	-110,851,843.97
Profit of the year 2021	516,952,320.94
Distributable balance sheet profit as of December 31, 2021	979,146,954.71
Distribution of a dividend of EUR 0.80 per share	-181,044,209.60
Transfer to profit reserves	-400,000,000.00
Balance to be carried forward to the next accounting period	398,102,745.11



Provisions

PROVISIONS

EUR m

	Dec 31, 2021	Dec 31, 2020
Provisions for pension and similar obligations	5	4
Tax provisions	110	116
Other provisions		
Onerous contracts	24	65
Personnel provisions	23	19
Provision for outstanding invoices	17	14
Other miscellaneous provisions	39	45
Subtotal	103	143
Total	218	263

PROVISIONS FOR PENSIONS

Pension provisions were recognized for obligations to provide future benefits for active and former members of the Executive Board of ProSiebenSat.1 Media SE and their survivors.

PENSIONS PROVISIONS BALANCE SHEET PRESENTATION

EUR m

	Dec 31, 2021	Dec 31, 2020
Pension obligations before offsetting	29	27
Fair value of designated assets	24	23
- thereof designated assets exceeding pension obligations	0	0
Pension provisions as per balance sheet	5	4

The acquisition costs of the plan assets amounted to EUR 25 million (previous year: EUR 24 million). In connection with recognizing expenses and income from discounting the obligation and expenses and income from the plan assets, interest expenses of EUR 1 million (previous year: EUR 1 million) and impairment from plan assets amounting to EUR 0 million (previous year: income from reversal of impairments of EUR 0 million) were recognized under impairment from financial assets (previous year: other operating income).

Using the average market interest rate of the last seven financial years projected for the closing date of 1.35% p.a., the pension provision as of December 31, 2021 would be EUR 31 million (including the amount payable contained in the active difference resulting from offsetting). The difference as defined by section 253 (6) sentence 1 of the German Commercial Code was EUR 2 million in the financial year, which is distribution-blocked when deferred taxes are taken into account.

TAX PROVISIONS

The tax provisions were formed primarily for corporate income tax and trade tax. The potential impact of a current tax audit has been taken into account.

OTHER PROVISIONS

As part of strategic measures, a provision was set up in 2018 for impending losses in connection with the future acquisition in programming assets in the amount of EUR 176 million (thereof EUR 168 million from the transaction with Joyn GmbH, Munich). As of December 31, 2021, the provision decreased because of usage to EUR 24 million (previous year: EUR 65 million).



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The personnel provisions include provisions for short-term bonus payments and for multi-year variable incentive systems totaling EUR 20 million (previous year: EUR 15 million).

Other miscellaneous provisions include provisions for interest on arrears and value-added tax of EUR 34 million (previous year: EUR 40 million) as of December 31, 2021.

LIABILITIES

LIABILITIES

EUR m

	Dec 31, 2021				Dec 31, 2020			
	Remaining term				Remaining term			
	less than 1 year	over 1 year	Total	thereof over 5 years	less than 1 year	over 1 year	Total	thereof over 5 years
Bond	—	—	—	—	600	—	600	—
Liabilities to banks								
a) Loan liabilities	50	2,400	2,450	474	—	2,600	2,600	225
b) Interest and bank liabilities	5	—	5	—	5	—	5	—
Deposits received	1	—	1	—	1	—	1	—
Trade accounts payable	218	53	271	—	267	73	340	—
Liabilities to Group companies	2,190	—	2,190	—	2,246	—	2,246	—
Other liabilities	33	—	33	—	48	—	48	—
Total	2,497	2,453	4,950	474	3,167	2,673	5,840	225

ProSiebenSat.1 Media SE exercised its early termination right in December 2020 and paid early in January 2021 a bond issue from April 2014 in the amount of EUR 600 million and maturing in April 2021 at the nominal value, using mainly own funds and a partial short-term drawdown of the revolving credit facility.

As of December 31, 2021, ProSiebenSat.1 Media SE has an unsecured syndicated loan agreement consisting of a term loan with a nominal volume of EUR 1,200 million and a revolving credit facility (RCF) with a volume of EUR 750 million. The syndicated loan agreement was concluded with an international banking group. Most of the credit lines mature in April 2024. As of December 31, 2021, the revolving credit facility had not been utilized. Primarily with proceeds from a promissory note loan issue in October 2021, ProSiebenSat.1 Media SE prematurely repaid the term loan by EUR 900 million from originally EUR 2,100 million to now EUR 1,200 million.

Since 2016, the Group has also had three promissory note loans with a total amount of EUR 500 million and terms of seven years (EUR 225 million with fixed interest and EUR 50 million with variable interest) and ten years (EUR 225 million with fixed interest) in its portfolio. In October 2021, ProSiebenSat.1 Media SE concluded new promissory note loans totaling EUR 700 million with terms of four, six, eight and ten years. The volume-weighted average term across all tranches is around 5.9 years. All proceeds were used to prepay the term loan under the syndicate agreement in October 2021.

Liabilities to affiliated companies include in particular liabilities from cash pooling (EUR 2,109 million, previous year: EUR 2,156 million), liabilities from internal transactions (EUR 21 million, previous year: EUR 23 million), liabilities from profit and loss transfer agreements (EUR 12 million, previous year: EUR 20 million) and liabilities from short-term loans (EUR 48 million; previous year: EUR 47 million).



NOTES TO THE INCOME STATEMENT

Revenues

Revenues (EUR 114 million; previous year: EUR 119 million) mainly include proceeds from the disposal of programming assets and ancillary programming rights and from services relating to activities as a holding company.

Proceeds of EUR 25 million (previous year: EUR 32 million) were made from the disposal of programming assets and ancillary programming rights, the majority was generated abroad.

Proceeds from services due to the holding function relate almost exclusively to apportionment of management fees amounting to EUR 54 million (previous year: EUR 57 million) as well as proceeds from lease of office space and ancillary costs to affiliated companies of EUR 18 million (previous year: EUR 19 million). The proceeds were almost exclusively generated from domestic Group companies.

Other operating income

Other operating income of EUR 73 million (previous year: EUR 110 million) especially includes exchange rate effects as well as cost transfers to other Group companies. The income relating to other periods that is included within other operating income amounting to EUR 6 million (previous year: EUR 9 million) and relates primarily to the reversal of provisions amounting to EUR 5 million (previous year: EUR 7 million).

Programming and material expenses

Expenses for licenses, transmission fees and materials were EUR 32 million (previous year: EUR 36 million). Main component is expenses for transmission costs and satellite rentals in the amount of EUR 27 million (previous year: EUR 27 million), which are passed on to group companies. Expenses for purchased services relate primarily to rental expenses, which are passed on to the Group companies as part of the Group holding activity and reported as revenue.

Personnel expenses

In the financial year 2021, personnel expenses amounted to EUR 56 million (previous year: EUR 60 million). Expenses predominately declined because of lower severance payments.

Other operating expenses

Other operating expenses of EUR 101 million (previous year: EUR 147 million) particularly include currency effects, charges passed on by Group companies, IT costs, legal and consulting costs. This year-on-year decrease is predominately borne by currency effects. Especially consulting costs decreased significantly.

Result from profit transfers and investments

In financial year 2021, the income from profit transfer agreements of EUR 611 million (previous year: EUR 291 million) exclusively included transferred profits of the German station family amounting to EUR 611 million (previous year: EUR 276 million). The increase mainly originated from the positive economic development in 2021 and significantly lower valuation effects in affiliated companies. Furthermore, a dividend was distributed to the company from a direct subsidiary amounting to EUR 147 million (previous year: EUR 0 million). Expenses from loss absorption decreased to EUR 12 million in the financial year 2020 (previous year: EUR 20 million).



Interest and similar expenses

Interest and similar expenses include interest added to pension provisions of EUR 1 million (previous year: EUR 1 million).

Income taxes

In addition to the taxable income generated by the Company itself, ProSiebenSat.1 Media SE has a tax liability for the tax assessment bases attributable to the subsidiaries affiliated with it under profit and loss transfer agreements for tax purposes as the tax group parent.

Taxes on income include income relating to other periods of EUR 4 million (previous year: EUR 8 million).



OTHER INFORMATION

Contingent liabilities

CONTINGENT LIABILITIES

EUR m

	Dec 31, 2021	Dec 31, 2020
Contingent liabilities from guarantees	61	39
(thereof amounts for Group companies)	(61)	(39)

Liabilities from guarantees are predominantly related to credit guarantees for affiliated companies.

On the basis of ongoing risk assessment of the contingent liabilities entered into and considering all knowledge gained up to the preparation of the Annual Financial Statements, ProSiebenSat.1 Media SE expects that the obligations underlying the contingent liabilities can be fulfilled by the relevant principal debtors. Therefore, the risk of utilization of contingent liabilities is estimated to be low.

Other financial obligations

OTHER FINANCIAL OBLIGATIONS

EUR m

	due in following year	due in 2nd to 5th year	due after 5th year	Total Dec 31, 2021	Total Dec 31, 2020
Programming assets	167	733	72	972	1,351
Distribution	25	38	1	64	87
Leasing and rental commitments	22	102	175	299	311
Other obligations	34	9	—	43	32
(thereof amounts due to Group companies)	(10)	—	—	(10)	(11)
Total	248	882	248	1,378	1,781

Purchase commitments from program assets result from contracts for the acquisition of film and series licenses concluded before December 31, 2021, and commissioned programs.

Financial obligations for satellite rental, obligations under contracts for terrestrial transmission facilities and cable feed charges are reported under Distribution.

Leasing and rental commitments particularly include building leases for office and editorial space at the sites in Unterföhring. The terms of the major contracts extend to 2038. In addition, obligations arising from the provision of company cars are also reported here.

Other liabilities essentially comprise obligations for other third-party service agreements, purchase commitments and memberships.

In addition, there are intra-group obligations from financing commitments to affiliated companies in the amount of EUR 229 million (previous year: EUR 485 million), the amount and timing of which, however, cannot be anticipated.

Off-balance sheet transactions

In accordance with the regulations of the German Commercial Code and the principles of proper accounting, there are transactions that are not to be shown on the balance sheet. At ProSiebenSat.1 Media SE, these mainly include leasing contracts regarding real estate. These transactions do not



have a significant financial impact on ProSiebenSat.1 Media SE. No significant risks or rewards from these transactions on ProSiebenSat.1 Media SE's financial position can be identified.

Employees

AVERAGE NUMBER OF EMPLOYEES DURING THE YEAR

	2021	2020
Employees	367	368
Trainees, volunteers and interns	53	53
Total	420	421

The average number of employees in financial year 2021 is split across the three areas of responsibility of ProSiebenSat.1 Media SE as follows: Strategic Holding 121 employees (previous year: 128 employees), Center of Excellence 178 employees (previous year: 177 employees) and Shared Service Center 68 employees (previous year: 63 employees).

Professional fees of the independent auditor

The information required under section 285 no. 17 of the German Commercial Code regarding the total fees charged by our independent auditor, Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, in financial year 2021 is provided in the Consolidated Financial Statements of ProSiebenSat.1 Media SE as of December 31, 2021.

Derivative financial instruments

ProSiebenSat.1 Media SE is exposed to a variety of financial risks through its business operations and financing requirements. These risks are managed by the Group Finance & Treasury central area as part of financial risk management. The goals of financial risk management are to ensure solvency and manage market price risks in a risk-adequate manner. The derivative financial instruments used here serve exclusively to hedge existing risks and are not used for speculation purposes.

The market value of interest rate swaps is calculated by discounting the expected future cash flows. The market values of interest rate caps, interest rate floors, and currency options are calculated based on option price models reflecting the current market situation. The market values of currency forwards are derived from the forward exchange rate set by the market. Other methods may lead to deviations.

The nominal and market values of derivative financial instruments held by ProSiebenSat.1 Media SE as of December 31, 2021, are shown below:

NOMINAL AMOUNTS AND MARKET VALUES

	Year of maturity		Nominal amount		Market value
	2022 USD m	2023 - 2026 USD m	from 2027 USD m	Dec 31, 2021 USD m	Dec 31, 2021 EUR m
Currency hedging					
Currency forwards & currency swaps	486	455	0	941	59
	EUR m	EUR m	EUR m	EUR m	EUR m
Interest hedging					
Interest hedging	—	2,000	—	2,000	—5



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As of the balance sheet date, the level of the risks hedged with the valuation units from expected adverse or advantageous changes in value and cash flows correspond to the fair values of the hedging transactions. Due to the similar risks, the opposing payment flows from the underlying and hedging transactions are expected to be fully balanced. Proof of prospective and retrospective effectiveness is provided by means of regular effectiveness tests. Based on the agreement of the valuation-relevant parameters of the underlying and hedging transaction, the prospective effectiveness is determined using the so-called "Critical Terms Match" method and the retrospective effectiveness is determined using the "dollar offset method". As of December 31, 2021, no ineffectiveness from hedging relationships was recognized in the provisions.

The derivative financial instruments reportable under the German Commercial Code are recognized under the following items on the balance sheet at the indicated carrying amounts. These interest options are used for hedging purposes, but are not part of a valuation unit according to section 254 of German Commercial Code.

PRESENTATION OF DERIVATIVE FINANCIAL INSTRUMENTS

EUR m

	Other assets		Liabilities to banks		Other liabilities	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Interest options	2	0	—	—	2	3
Interest swaps	—	—	1	1	—	—
Total	2	—	1	1	2	3

Valuation units to hedge foreign currency risk

ProSiebenSat.1 Media SE concludes a significant portion of its license agreements with production studios in the USA. ProSiebenSat.1 Media SE generally fulfills its financial obligations for purchasing these program rights in US dollars. Exchange rate fluctuations between the EUR and the US dollar may therefore adversely impact ProSiebenSat.1 Media SE's financial and earnings situation. The low volume of receivables and liabilities in other currencies or for other purposes results in a negligible currency risk.

ProSiebenSat.1 Media SE pursues a Group-wide portfolio approach. The term foreign currency exposure includes the total volume of all future U.S. dollar payments which result from existing license agreements and will be due within a period of seven years. As part of foreign currency management, ProSiebenSat.1 Media SE employs various derivatives and original financial instruments to hedge against currency fluctuations. These include currency forwards, currency swaps, currency options and currency holdings (spot currency positions) in US dollars.

Derivative financial instruments which fulfill the accounting prerequisites of a hedging relationship are reported in valuation units, in accordance with section 254 of the German Commercial Code. ProSiebenSat.1 Media SE's gross foreign currency exposure is combined with the opposing currency hedging transactions into one portfolio macro hedge. The underlying and hedging transactions are each measured using the respective underlying cash flows for this purpose.

The following table shows the Company's net foreign currency exposure:



RISK OF FOREIGN CURRENCY ANALYSIS

USD m

	Dec 31, 2021	Dec 31, 2020
Gross foreign currency exposure	-1,282	-1,798
Hedge accounting (in valuation units)	730	1,115
Hedge accounting (not in valuation units)	195	0
Currency holdings	52	327
	977	1,442
Net-Exposure	-305	-356
Hedge ratio	76%	80%

In addition, the company holds foreign exchange forwards in the amount of EUR 8 million (previous year: foreign currency swaps in the amount of 25 million US dollars), which are held to offset the effects of the foreign exchange forwards passed on to subsidiaries in the amount of 8 million US dollars (previous year: foreign currency swaps in the amount of EUR 25 million) and are accounted for together in a valuation unit.

Financial instruments to hedge interest rate risk

ProSiebenSat.1 Media SE understands interest rate risk as the risk of rising financing costs caused by an increase in the interest rate. ProSiebenSat.1 Media SE is exposed to interest rate risk through its floating interest rate financing loans. Instruments for hedging interest rate risks are interest rate swaps and interest rate options (e.g. interest caps). As of December 31, 2021, all interest rate swaps are designated in valuation units whereas interest rate options are mostly accounted for on a stand-alone basis.

Stand-alone derivatives to hedge interest rate risk

ProSiebenSat.1 Media SE hedges interest rate risk with stand-alone interest rate options. As the buyer of an interest rate option, ProSiebenSat.1 Media SE has the right, but not the obligation, to swap future floating-rate interest payments for fixed-rate interest payments. These are used to compensate for future, floating-rate interest payments on the loans by replacing those payments with fixed-rate interest payments, if the latter are favorable for ProSiebenSat.1 Media SE. However, because the interest derivatives serve exclusively to hedge interest rate risk, there is no intention to close out. As of December 31, 2021, there were interest rate caps of EUR 1,000 million (previous year: EUR 1,000 million). These transactions hedge interest rate risks until 2024 whereby in the period from 2022 to 2023 a volume of EUR 453 million primarily hedges the interest rate risk from potential financing measures and possible drawings from the existing revolving credit facility. The average interest rate ceiling of the interest rate caps as of December 31, 2021 was 0.0% p.a. (previous year: 0.0%) for the time period until 2024.

Valuation units to hedge interest rate risk

In addition to the aforementioned stand-alone derivatives ProSiebenSat.1 Media SE hedges interest rate risks using interest swaps which are designated in valuation units (micro hedge). In the case of interest rate swaps, floating-rate interest payments are exchanged with fixed-rate interest payments. These are used to compensate for future, floating-rate and thus uncertain interest payments on the loans by replacing those payments with fixed-rate interest payments.

As of December 31, 2021, as in the previous year, ProSiebenSat.1 SE held interest rate swaps with a total nominal volume of EUR 1,000 million (previous year: EUR 1,000 million), which hedge the Euribor interest rate risk in the period up to 2023 and were designated as hedging instruments in valuation units. Like the hedged underlying transactions, these interest rate swaps have a lower interest rate limit.



The average fixed rate of the interest rate swaps was 0.5% p.a. as of December 31, 2021 (previous year: 0.5%).

In the case of the financial liabilities managed as part of interest rate risk management, the fixed interest portion based on the nominal amount of the total financial liabilities was 100% as of December 31, 2021 (previous year: approximately 95%).

Executive Board and Supervisory Board

The members of the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE are listed in the “Members of the Executive Board” and “Members of the Supervisory Board” sections of the Notes, together with their memberships on other statutorily required supervisory boards and comparable bodies.

The Company has neither granted loans to nor assumed guaranties or warranties for the members of the Executive Board and the Supervisory Board.

The compensation paid to the members of the Executive Board of ProSiebenSat.1 Media SE amounted to EUR 6 million in the reporting period (previous year: EUR 8 million). This compensation includes variable components (including other compensation) totaling EUR 3 million (previous year: EUR 5 million) and benefits totaling EUR 0 million (previous year: EUR 0 million). In addition, Executive Board members receive a long-term share-based compensation component and a multi-year variable compensation component. The fair value of the share-based compensation component granted in fiscal year 2021 was EUR 3 million (previous year: EUR 3 million) or 220,135 performance share units (previous year: 259,995 performance share units).

Total compensation paid to former Executive Board members amounted to EUR 3 million in financial year 2021 (previous year: EUR 10 million). In addition, pension benefits of EUR 1 million (previous year: EUR 1 million) were paid to former Executive Board members.

ProSiebenSat.1 Media SE recognized pension provisions of EUR 1 million (previous year: EUR 1 million) before netting with plan assets for pension commitments to members of the Executive Board who were in office as of December 31, 2021. Provisions totaling EUR 28 million (previous year: EUR 27 million) before netting with plan assets were set aside at December 31, 2021, for pension obligations to former members of the Executive Board.

With the exception the Performance Share Plan and pension entitlements, payments to the Executive Board are all payable in the short term.

Expenses for the Supervisory Board of ProSiebenSat.1 Media SE came to EUR 2 million in the reporting period (previous year: EUR 2 million).

The compensation of the Supervisory Board is set in the articles of incorporation of the Company.

Members of the Supervisory Board receive fixed annual compensation for each full financial year of their membership of the Supervisory Board. The fixed compensation amounts to EUR 250,000 for the Chairman of the Supervisory Board, EUR 150,000 for the Vice Chairman and EUR 100,000 for all other members of the Supervisory Board. The Chairman of the Supervisory Board committee receives additional fixed annual compensation of EUR 30,000; the additional fixed annual compensation for the Chairman of the Audit and Finance Committee amounts to EUR 50,000. Members of the Supervisory Board also receive fixed annual compensation of EUR 7,500 for membership in a Supervisory Board committee. In addition, members of the Supervisory Board receive a meeting honorarium of EUR 2,000 for each meeting attended in person. For the Chairman of the Supervisory Board, the meeting honorarium amounts to EUR 3,000 for each meeting attended in person. In the event of multiple meetings held on one day, the meeting honorarium is only paid once. No performance-based variable compensation is granted.



Altogether, the current members of the Executive Board and Supervisory Board directly held 336,626 shares (previous year: 233,337 shares) of ProSiebenSat.1 Media SE as of December 31, 2021. This is equivalent to 0.1% of the share capital (previous year: 0.1%).

Pursuant to article 19 of the Market Abuse Regulation (MAR), members of the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE must disclose securities transactions relating to ProSiebenSat.1 shares. In addition, securities transactions of close relatives are also subject to disclosure.

For the financial year 2021, a total of 10 transactions were reported to ProSiebenSat.1 Media SE in which Supervisory Board members purchased 31,478 shares and 7 transactions in which Executive Board members purchased 78,868 shares. In financial year 2020, a total of 9 transactions were reported to ProSiebenSat.1 Media SE in which members of the Supervisory Board purchased a total of 20,974 shares of ProSiebenSat.1 Media SE. ProSiebenSat.1 Media SE disclosed these transactions without delay on its website (www.prosiebensat1.com) pursuant to article 19 MAR.

Group affiliation

ProSiebenSat.1 Media SE, Unterföhring, is the German parent company and prepares consolidated financial statements. The consolidated financial statements of ProSiebenSat.1 Media SE are prepared using the International Financial Reporting Standards (IFRS) as they are to be applied in the EU (Section 315a German Commercial Code). The consolidated financial statements are published in the electronic Federal Gazette.

Declaration of Compliance with the German Corporate Governance Code

In December 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 under section 161 of the German Stock Corporation Act (AktG), and made it permanently available to the public on the ProSiebenSat.1 Media SE website (www.prosiebensat1.com).

Events after the closing date

There have been no events after the balance sheet date with a material impact on the company's asset, financial and earnings position.

Notification of voting rights

According to section 160 (1) no. 8 of the German Stock Corporation Act, disclosures must be made regarding the existence of investments that ProSiebenSat.1 Media SE has been notified of in accordance with section 33 (1) or (2) of the German Securities Trading Act.

The table below shows the reportable investments for which notification was given in financial year 2021. In each case, the information was taken from a reporting entity's most recent notification to the Company. All voting rights notifications were published by ProSiebenSat.1 Media SE in the financial year 2021 in accordance with the German Securities Trading Act and are available on the Company's website (<http://www.prosiebensat1.de/en/investor-relations/publications/voting-rights-notifications>).

Please note that the details regarding the investment as a percentage and number of voting rights may now be out of date.



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Notifying party	Date of reaching, exceeding or falling below the threshold	Date of notification	Reporting threshold	Direct (§ 33 WpHG)	Indirect (§ 34 WpHG)	Shareholding in %	Number of voting rights
BlackRock Inc., Wilmington, Delaware, USA	October 1, 2021	October 6, 2021	Falling below 3%		x	2.998	6,984,884
Morgan Stanley, Wilmington, Delaware, USA	June 8, 2021	June 15, 2021	Falling below 3%		x	2.72	6,338,548
Patrik Tkáč ¹	March 10, 2021	March 17, 2021	Falling below 3%		x	2.97	6,916,073
Daniel Křetínský ¹	March 10, 2021	March 17, 2021	Falling below 3%		x	2.97	6,916,073
Roman Korbačka ¹	January 25, 2021	February 1, 2021	Falling below 3%		x	0.00	0
Silvio Berlusconi ²	December 2, 2021	December 3, 2021	Exceeding 15%		x	19.11	44,530,597
Credit Suisse Group AG, Zurich, Switzerland	October 26, 2021	November 2, 2021	Falling below 3%		x	0.56	1,298,091
KKR Management LLP ³ , Wilmington, Delaware, USA	January 13, 2021	January 15, 2021	Falling below 3%		x	0.28	655,215
KKR SP Limited ³ , George Town, Grand Cayman, Cayman Islands	January 13, 2021	January 15, 2021	Falling below 3%		x	0.28	655,215

1 name of shareholder with less than 3% voting rights: RUBY Equity Investment S.à r.l.

2 name of shareholders with 15% or more voting rights: MFE-MEDIAFOREUROPE N.V., Mediaset España Comunicación, S.A.

3 name of shareholder with less than 3% voting rights: Europe V Opportunistic Investors L. P.

DEVELOPMENT OF NON-CURRENT ASSETS IN FINANCIAL YEAR 2021
EUR in thousand

	Acquisition and production cost				
	Jan 1, 2021	Additions	Disposals	Reclassifications	Dec 31, 2021
I. Intangible assets					
1. Trademarks, patents and similar rights acquired against payment	8,232.8	26.5	1,209.1	384.3	7,434.5
2. Advances paid on intangible assets	542.0	253.6	—	-384.3	411.3
	8,774.8	280.1	1,209.1	—	7,845.8
II. Property, plant and equipment					
1. Buildings on land owned by others	127,493.3	5,714.4	33,515.7	1,294.3	100,986.3
2. Other equipment, fixtures, furniture and equipment	14,799.8	343.5	2,485.0	40.3	12,698.6
3. Advances paid on tangible assets under construction	9,118.9	19,888.4	—	-1,334.6	27,672.7
	151,412.0	25,946.3	36,000.7	—	141,357.6
III. Financial assets					
1. Interests in Group companies	8,028,677.6	39,821.3	729,550.0	—	7,338,948.9
2. Loans to Group companies	113,174.9	—	66,921.0	—	46,253.9
3. Interests in associated companies	6.3	—	—	—	6.3
4. Long-term investments	5,147.9	—	18.1	—	5,129.8
5. Other loans	25,019.9	588.1	1,120.2	—	24,487.8
	8,172,026.6	40,409.4	797,609.3	—	7,414,826.7
Total	8,332,213.4	66,635.8	834,819.1	—	7,564,030.1



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DEVELOPMENT OF NON-CURRENT ASSETS IN FINANCIAL YEAR 2021

	Amortization, depreciation and write-ups				Dec 31, 2021
	Jan 1, 2021	Additions	Disposals	Write-up	
I. Intangible assets					
1. Trademarks, patents and similar rights acquired against payment	6,074.4	1,238.2	1,209.1	—	6,103.5
2. Advances paid on intangible assets	7.8	—	—	—	7.8
	6,082.2	1,238.2	1,209.1	—	6,111.3
II. Property, plant and equipment					
1. Buildings on land owned by others	84,342.4	6,231.0	33,515.6	—	57,057.8
2. Other equipment, fixtures, furniture and equipment	10,699.0	1,141.4	2,432.6	—	9,407.8
3. Advances paid on tangible assets under construction	—	—	—	—	—
	95,041.4	7,372.4	35,948.2	—	66,465.6
III. Financial assets					
1. Interests in Group companies	259,255.9	—	243,986.9	—	15,269.0
2. Loans to Group companies	—	1,656.9	—	—	1,656.9
3. Interests in associated companies	—	—	—	—	—
4. Long-term investments	1,005.3	228.3	—	—	1,233.6
5. Other loans	275.5	294.0	—	—	569.5
	260,536.7	2,179.2	243,986.9	—	18,729.0
Total	361,660.3	10,789.8	281,144.2	—	91,305.9

DEVELOPMENT OF NON-CURRENT ASSETS IN FINANCIAL YEAR 2021

	Carrying amounts	
	Dec 31, 2020	Dec 31, 2021
I. Intangible assets		
1. Trademarks, patents and similar rights acquired against payment	2,158.3	1,331.0
2. Advances paid on intangible assets	534.2	403.5
	2,692.5	1,734.5
II. Property, plant and equipment		
1. Buildings on land owned by others	43,150.9	43,928.6
2. Other equipment, fixtures, furniture and equipment	4,100.8	3,290.8
3. Advances paid on tangible assets under construction	9,118.9	27,672.7
	56,370.6	74,892.0
III. Financial assets		
1. Interests in Group companies	7,769,421.7	7,323,679.8
2. Loans to Group companies	113,174.9	44,597.0
3. Interests in associated companies	6.3	6.3
4. Long-term investments	4,142.6	3,896.2
5. Other loans	24,744.4	23,918.3
	7,911,489.9	7,396,097.5
Total	7,970,553.0	7,472,724.0



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MEMBERS OF THE EXECUTIVE BOARD

Members of the Executive Board of ProSiebenSat.1 Media SE and their mandates in supervisory boards¹

Rainer Beaujean, Chairman of the Executive Board (Group CEO)	Chief Financial Officer (CFO) since July 1, 2019 Chairman of the Executive Board & Chief Financial Officer (CFO) since March 26, 2020 Chairman of the Executive Board (Group CEO) since January 1, 2022	Domestic Mandates: NCG – NUCOM GROUP SE, Unterföhring (Member of the Supervisory Board and Chairman of the Supervisory Board, Virtual Minds GmbH, Freiburg im Breisgau (Member of the Supervisory Board and Chairman of the Supervisory Board until August 26, 2021), Joyn GmbH, Munich (Member of the Advisory Board), ParshipMeet Holding GmbH, Hamburg (Member of the Advisory Board and Chairman of the Advisory Board), Jochen Schweizer mydays Holding GmbH, Munich (Member of the Advisory Board and Chairman of the Advisory Board since September 1, 2021), Rheinische Post Mediengruppe GmbH, Düsseldorf (Member of the Supervisory Board), Rheinische Post Verlagsgesellschaft mbH, Düsseldorf (Member of the Supervisory Board)
Wolfgang Link, Member of the Executive Board (responsible for Entertainment)	Member of the Executive Board	Domestic Mandates: Joyn GmbH, Munich (Member of the Advisory Board) ParshipMeet Holding GmbH, Hamburg (Member of the Advisory Board) Foreign Mandate: ProSiebenSat.1 Puls 8 TV AG, Zurich, Switzerland (Vice Chairman of the Administrative Board until March 31, 2021)
Christine Scheffler, Member of the Executive Board (responsible for HR, Compliance & Sustainability)	Member of the Executive Board	Domestic Mandates: NCG – NUCOM GROUP SE, Unterföhring (Member of the Supervisory Board since July 1, 2021), ParshipMeet Holding GmbH, Hamburg (Member of the Advisory Board since August 13, 2021),
Ralf Peter Gierig, Member of the Executive Board & Chief Financial Officer (Group CFO)	Member of the Executive Board & Chief Financial Officer (Group CFO) since January 1, 2022	Domestic mandate: NCG - NUCOM GROUP SE, Unterföhring (Member of the Supervisory Board and Vice Chairman of the Supervisory Board)

¹ This presentation of mandates describes the memberships in supervisory boards by German law as well as memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.



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MEMBERS OF THE SUPERVISORY BOARD

Members of the Supervisory Board of ProSiebenSat.1 Media SE and their mandates in other supervisory boards ¹

Dr. Werner Brandt, Chairman	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014 / of ProSiebenSat.1 Media SE since May 21, 2015 Chairman of the Supervisory Board of RWE AG	Domestic mandates: RWE AG, Essen Siemens AG, Berlin/Munich
Dr. Marion Helmes, Vice Chairwoman	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014 / of ProSiebenSat.1 Media SE since May 21, 2015 Member in various Supervisory Boards	Domestic mandates: Siemens Healthineers AG, Erlangen Foreign mandates: British American Tobacco p.l.c., London, United Kingdom Heineken N.V., Amsterdam, Netherlands
Lawrence A. Aidem	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014 / of ProSiebenSat.1 Media SE since May 21, 2015 Reverb Advisors (Managing Partner)	Mandates: none
Adam Cahan	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 until November 12, 2021 Pax Labs, Inc. (CEO)	Mandates: PAX Labs Inc., San Francisco, USA
Erik Huggers	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014 / of ProSiebenSat.1 Media SE since May 21, 2015 Independent Entrepreneur	Foreign mandates: WeTransfer B.V., Amsterdam, Netherlands Hexagon AB, Stockholm, Sweden
Marjorie Kaplan	Member of the Supervisory Board of ProSiebenSat.1 Media SE since May 16, 2018 Merryck & Co. (Consultant & Mentor)	Foreign mandate: ArtBnk, LLC, Newmarket New Hampshire, USA
Ketan Mehta	Member of the Supervisory Board of ProSiebenSat.1 Media SE since November 24, 2015 Allen & Company LLC (Managing Director)	Mandates: none
Dr. Antonella Mei-Pochtler	Member of the Supervisory Board of ProSiebenSat.1 Media SE since April 13, 2020 Special Advisor to the Federal Chancellor of Austria and Head of ThinkAustria, the Strategy and Planning Unit of the Austrian Federal Chancellery, Vienna, Austria	Domestic mandate: Westwing Group AG, Munich Foreign mandates: Assicurazioni Generali SpA, Milan, Italy Publicis Groupe S.A., Paris, France SIPRA, Côte d'Ivoire
Prof. Dr. Rolf Nonnenmacher	Member of the Supervisory Board of ProSiebenSat.1 Media SE since May 21, 2015 Member in various Supervisory Boards	Domestic mandates: Continental AG, Hannover Covestro AG, Leverkusen Covestro Deutschland AG, Leverkusen
Dr. Andreas Wiele	Member of the Supervisory Board of ProSiebenSat.1 Media SE since February 13, 2022 (appointed by Court) Founder, Giano Capital (General Partner)	Foreign mandates: Giano Capital S.à r.l., Genova, Switzerland Giano Capital Management S.à r.l., Luxembourg OakTree Power Ltd., London, United Kingdom

¹ The presentation of mandates describes the memberships in supervisory boards required by German law as well as memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.



PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRING
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**LIST OF HOLDINGS ACCORDING TO § 285 NO. 11 HGB OF PROSIEBENSAT.1 MEDIA SE AS OF
 DECEMBER 31, 2021**

Name of company	Location	Relation- ship	Holding **	Currency ***	Equity* in thousands	Annual result* in thousands	Foot- note
Affiliated companies							
Germany							
7Love Holding GmbH	Hamburg	indirect	96.93	EUR	729,119	-358	
Aboalarm GmbH	Munich	indirect	100.00	EUR	2,014	-904	
AdClear GmbH	Berlin	indirect	100.00	EUR	301	-222	
ADDITION technologies AG	Düsseldorf	indirect	100.00	EUR	2,258	0	2
AdTech S8 GmbH	Unterföhring	indirect	100.00	EUR	56,872	10,719	
be Around GmbH	Berlin	indirect	100.00	EUR	-3,978	-3,828	
be Around Holding GmbH	Berlin	indirect	80.00	EUR	121,293	-62	
Blitz 21-956 GmbH	Munich	indirect	100.00	EUR	-/-	-/-	1
esome advertising technologies GmbH	Hamburg	indirect	100.00	EUR	11,479	1,770	
eSports.com GSA GmbH	Unterföhring	indirect	100.00	EUR	-213	-829	
Fem Media GmbH	Unterföhring	indirect	100.00	EUR	53,732	-332	
Flaconi Gesellschaftertreuhand GmbH	Berlin	indirect	100.00	EUR	-/-	-/-	1
Flaconi GmbH	Berlin	indirect	100.00	EUR	21,908	0	2
Flaconi Logistik GmbH & Co. KG	Berlin	indirect	100.00	EUR	-/-	-/-	1
Glomex GmbH	Unterföhring	indirect	100.00	EUR	18,905	0	2
Jochen Schweizer GmbH	Munich	indirect	100.00	EUR	-81,906	-6,731	
Jochen Schweizer mydays Holding GmbH	Munich	indirect	89.90	EUR	152,015	-11,039	
JSMO Event GmbH	Munich	indirect	100.00	EUR	580	-538	
Kairion GmbH	Frankfurt am Main	indirect	100.00	EUR	-673	-1,838	
LOVOO GmbH	Dresden	indirect	100.00	EUR	6,294	1,237	
Marketplace GmbH	Berlin	indirect	100.00	EUR	110,782	-458	
markt guru Deutschland GmbH	Munich	indirect	90.00	EUR	2,352	2,345	
Masterpiece Gaming GmbH	Norderstedt	indirect	100.00	EUR	25	0	4
MMP Event GmbH	Cologne	indirect	100.00	EUR	-538	-980	
mydays GmbH	Munich	indirect	100.00	EUR	-75,648	-21,534	
NCG - NUCOM GROUP SE	Unterföhring	direct	71.59	EUR	1,052,862	443,458	7
NCG Commerce GmbH	Unterföhring	indirect	100.00	EUR	578,395	544	2
P7S1 SBS Holding GmbH	Unterföhring	direct	100.00	EUR	538,960	0	2
PARSHIP ELITE Service GmbH	Hamburg	indirect	100.00	EUR	95	0	2
Parship Group GmbH	Hamburg	indirect	100.00	EUR	611,410	28,285	
ParshipMeet Holding GmbH	Hamburg	direct	55.00	EUR	1,151,027	-94	8
PE Digital GmbH	Hamburg	indirect	100.00	EUR	25,000	0	2
PEG Management GmbH & Co. KG	Unterföhring	indirect	30.30	EUR	15,843	0	3
ProSiebenSat.1 Achte Verwaltungsgesellschaft mbH	Unterföhring	direct	100.00	EUR	26	0	2
ProSiebenSat.1 Digital Content GmbH	Unterföhring	indirect	100.00	EUR	89,432	-97,689	
ProSiebenSat.1 Digital Data GmbH	Unterföhring	direct	100.00	EUR	6,257	0	2
ProSiebenSat.1 Einundzwanzigste Verwaltungsgesellschaft mbH	Unterföhring	direct	100.00	EUR	25	0	2
ProSiebenSat.1 Entertainment Investment GmbH	Unterföhring	indirect	100.00	EUR	3,175	0	2
ProSiebenSat.1 Erste Verwaltungsgesellschaft mbH	Unterföhring	direct	100.00	EUR	25	0	2
ProSiebenSat.1 Fünfzehnte Verwaltungsgesellschaft mbH	Unterföhring	direct	100.00	EUR	25	0	2
ProSiebenSat.1 GP GmbH	Heidelberg	indirect	100.00	EUR	71	-14	
ProSiebenSat.1 GP II GmbH	Unterföhring	indirect	100.00	EUR	116	-13	
ProSiebenSat.1 Services GmbH	Unterföhring	indirect	100.00	EUR	12	-3,134	
ProSiebenSat.1 Tech Solutions GmbH	Unterföhring	indirect	100.00	EUR	91,913	0	2
ProSiebenSat.1 Warehouse GmbH	Unterföhring	indirect	100.00	EUR	8,292	-9	
Pyjama Pictures GmbH	Berlin	indirect	55.00	EUR	-720	-766	
Red Arrow Studios GmbH	Unterföhring	direct	100.00	EUR	279,881	0	2
Red Arrow Studios International GmbH	Unterföhring	indirect	100.00	EUR	125	0	2



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RedSeven Entertainment GmbH	Unterföhring	indirect	100.00	EUR	25	0	2
Regiondo GmbH	Munich	indirect	100.00	EUR	3,454	-1,785	
SAM Sports - Starwatch Artist Management GmbH	Hamburg	indirect	100.00	EUR	-1,088	-1,705	
Sat.1 Norddeutschland GmbH	Hanover	indirect	100.00	EUR	25	0	2
Seven.One AdFactory GmbH	Unterföhring	indirect	100.00	EUR	32,671	0	2
Seven.One Entertainment Group GmbH	Unterföhring	direct	100.00	EUR	2,763,218	0	2
Seven.One Media GmbH	Unterföhring	indirect	100.00	EUR	5,997	0	2
Seven.One Pay TV GmbH	Unterföhring	indirect	100.00	EUR	5,225	0	2
Seven.One Production GmbH	Unterföhring	indirect	100.00	EUR	37,978	0	2
Seven.One Sports GmbH	Unterföhring	indirect	100.00	EUR	40,962	0	2
SevenOne Capital (Holding) GmbH	Unterföhring	indirect	100.00	EUR	50,024	0	2
SevenPictures Film GmbH	Unterföhring	indirect	100.00	EUR	2,268	0	2
SevenVentures GmbH	Unterföhring	indirect	100.00	EUR	132,248	0	2
SilverTours GmbH	Cologne	indirect	100.00	EUR	13,595	0	2
SMARTSTREAM.TV GmbH	Munich	indirect	91.00	EUR	20,344	4,755	
Studio 71 GmbH	Berlin	indirect	100.00	EUR	3,335	403	
Stylight GmbH	Munich	indirect	100.00	EUR	10,505	1,213	
The ADEX GmbH	Berlin	indirect	100.00	EUR	578	-16	
THMMS Holding GmbH	Hamburg	indirect	100.00	EUR	523,535	-7	
TMG Holding Germany GmbH	Berlin	indirect	100.00	EUR	17,018	24	
tv weiss-blau Rundfunkprogrammanbieter GmbH	Unterföhring	indirect	100.00	EUR	1,027	0	2
Verivox Finanzvergleich GmbH	Heidelberg	indirect	100.00	EUR	28	0	2
Verivox GmbH	Heidelberg	indirect	100.00	EUR	35,848	0	2
Verivox Holding GmbH	Unterföhring	indirect	100.00	EUR	221,692	8,905	
Verivox Versicherungsvergleich GmbH	Heidelberg	indirect	100.00	EUR	1,623	0	2
Virtual Minds GmbH	Freiburg im Breisgau	indirect	100.00	EUR	62,327	46,616	
VX Sales Solutions GmbH	Heidelberg	indirect	100.00	EUR	6,969	0	2
wetter.com GmbH	Konstanz	indirect	100.00	EUR	6,111	0	2
yieldlab AG	Hamburg	indirect	100.00	EUR	2,632	378	
Armenia							
Markt guru LLC	Yerevan	indirect	100.00	AMD	27,194	7,999	
Australia							
eHarmony Australia Pty Limited	Sydney	indirect	100.00	AUD	-/-	-/-	1
Denmark							
Snowman Productions ApS	Copenhagen	indirect	100.00	DKK	34,934	10,832	
Israel							
July August Communications and Productions Ltd.	Tel Aviv	indirect	100.00	ILS	6,759	2,717	
The Band 's Visit LP	Tel Aviv	indirect	55.00	ILS	-/-	-/-	1
Malta							
Masterpiece Gaming Limited	Valletta	indirect	100.00	EUR	-/-	-/-	1
Mexico							
Quepasa.com de Mexico, S.A. de C.V.	Hermosillo	indirect	100.00	MXN	-/-	-/-	1
The Netherlands							
P7S1 Broadcasting Holding I B.V.	Amsterdam	indirect	100.00	EUR	50,724	573	
SNDC8 B.V.	Amsterdam	indirect	100.00	EUR	50,790	8,466	
Austria							
ATV Privat TV GmbH	Vienna	indirect	100.00	EUR	27	0	
ATV Privat TV GmbH & Co KG	Vienna	indirect	100.00	EUR	14,882	5,833	
ProSieben Austria GmbH	Vienna	indirect	100.00	EUR	58	8	
ProSiebenSat.1Puls 4 GmbH	Vienna	indirect	100.00	EUR	18,858	7,103	
Puls 4 TV GmbH	Vienna	indirect	100.00	EUR	34	0	
PULS 4 TV GmbH & Co KG	Vienna	indirect	100.00	EUR	588	-3,718	
SAT.1 Privatrundfunk und Programmgesellschaft m.b.H	Vienna	indirect	75.50	EUR	3,099	2,760	
SevenVentures Austria GmbH	Vienna	indirect	100.00	EUR	1,873	634	
Visivo Consulting GmbH	Vienna	indirect	63.78	EUR	486	375	
Romania							



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MyVideo Broadband S.R.L.	Bucharest	indirect	100.00	RON	1,928	-94	
Regiondo Software S.R.L.	Sibiu	indirect	100.00	RON	-765	71	
Sweden							
Snowman Productions AB	Stockholm	indirect	100.00	SEK	9,833	-221	
Snowman Scripted AB	Stockholm	indirect	100.00	SEK	132	-454	
Switzerland							
ADITION Schweiz GmbH in liquidazione	Locarno	indirect	100.00	CHF	328	7	
Jochen Schweizer mydays CH AG in Liquidation	Zurich	indirect	100.00	CHF	290	54	
Seven.One Entertainment Group Schweiz AG	Zurich	indirect	100.00	CHF	13,043	12,773	
SevenVentures (Schweiz) AG	Zurich	indirect	100.00	CHF	8,080	234	
Verivox Schweiz AG in Liquidation	Zurich	indirect	100.00	CHF	-27,581	-211	
Serbia							
esome advertising technologies d.o.o. Beograd	Belgrade	indirect	100.00	RSD	29,427	7,131	
Spain							
SilverTours Technology S.L.	Alicante	indirect	100.00	EUR	364	-8	
Turkey							
Karga Seven Pictures Yapım Anonim Şirketi	Istanbul	indirect	100.00	TRY	-25,015	-6,059	
Ukraine							
Glomex TOV	Kiev	indirect	100.00	UAH	-/-	-/-	1
United Kingdom							
ADITION UK Limited	Cullompton	indirect	74.00	GBP	6	4	
CPL Good Vibrations Limited	London	indirect	100.00	GBP	140	-3	9
CPL Productions Limited	London	indirect	100.00	GBP	1,791	522	
CPL RB Limited	London	indirect	100.00	GBP	-/-	-/-	1
CPL Tiny Beast Limited	London	indirect	100.00	GBP	-/-	-/-	1
eHarmony UK Limited	London	indirect	100.00	GBP	-3,264	-462	
Endor (Vienna 2) Limited	London	indirect	100.00	GBP	-/-	-/-	1
Endor (Vienna) Limited	London	indirect	100.00	GBP	0	0	10
Endor Productions Limited	London	indirect	100.00	GBP	-382,451	-26,261	
Glomex Limited	Birmingham	indirect	100.00	GBP	33	-1	6
LHB Limited	London	indirect	100.00	GBP	458	0	
P7S1 Broadcasting (UK) Limited	London	indirect	100.00	GBP	-/-	-/-	1
ProSiebenSat.1 Digital Content GP Limited	London	indirect	100.00	GBP	44,292	58	
ProSiebenSat.1 Digital Content LP	London	indirect	99.15	GBP	-/-	-/-	1
Red Arrow Studios Limited	London	indirect	100.00	GBP	5,828	-1,391	
Spider Pictures Limited	London	indirect	100.00	GBP	-/-	-/-	1
Studio 71 UK Limited	London	indirect	100.00	GBP	178	-2,133	
United States of America							
44 Blue Productions, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
44 Blue Studios, LLC	Wilmington, DE	indirect	65.00	USD	15,309	-3,098	
8383 Productions, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
95 Ends LLC	New York, NY	indirect	100.00	USD	-/-	-/-	1
ASM Inc.	Castle Rock, CO	indirect	100.00	USD	-/-	-/-	1
Boxcar Studios, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Brady 44, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
By Dint Productions, LLC	New York, NY	indirect	100.00	USD	-/-	-/-	1
Champ 44 Music Publishing, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Code D TV, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Collected Labs LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Collective Digital Studio GP, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Crow Magnon, LLC	Wilmington, DE	indirect	62.40	USD	18,680	-2,527	
Delirium TV, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Digital Air LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Atoms, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Bytes, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Cacophony, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Demand LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1



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Digital Diffusion, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Echo, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Digital Fire LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Dogs Top Ten LLC	Castle Rock, CO	indirect	100.00	USD	-/-	-/-	1
Dorsey Entertainment LLC	Castle Rock, CO	indirect	100.00	USD	-/-	-/-	1
Dorsey Multimedia LLC	Castle Rock, CO	indirect	100.00	USD	-/-	-/-	1
Dorsey Pictures, LLC	Dover, DE	indirect	84.00	USD	23,192	1,620	
Driving Force TV, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
eHarmony, Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Fabrik Entertainment, LLC	Wilmington, DE	indirect	100.00	USD	8,350	3,310	
Fortitude Production Services, LLC	Dover, DE	indirect	100.00	USD	-/-	-/-	1
Fourteenth Hour Productions, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
GTG Production Services LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Half Yard Productions, LLC	Wilmington, DE	indirect	100.00	USD	13,922	-3,779	
HI5 Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Ifwe Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Initech, LLC	Olympia, WA	indirect	100.00	USD	-/-	-/-	1
Jot It Down Productions, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
K OPS TV Louisiana, LLC	Baton Rouge, LA	indirect	100.00	USD	-/-	-/-	1
Karga Seven Pictures, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Keep it Down Music Publishing, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Kenilworth Productions Inc.	Dover, DE	indirect	100.00	USD	-/-	-/-	1
Kinetic Content Publishing LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Kinetic Content, LLC	Wilmington, DE	indirect	100.00	USD	29,984	9,215	
Kinetic Operations LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Kingdom TV Productions, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
KinPro Music Publishing LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Kinpro LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Lacunae Productions LLC	New York, NY	indirect	100.00	USD	-/-	-/-	
Left/Right Holdings, LLC	Dover, DE	indirect	100.00	USD	55,100	6,180	
Left/Right, LLC	Dover, DE	indirect	100.00	USD	-/-	-/-	1
Move Along Music Publishing, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Moving Pieces TV, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Moving TV LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
NAR Pictures, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
New Kinetic, LLC	Wilmington, DE	indirect	48.46	USD	584	-1,216	
New Picture Perfect, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Next of Kin TV, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Node Productions, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Overture, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Pacific View TV, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
ParshipMeet US Holding Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Pave Network, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
PBP, LLC	Baton Rouge, LA	indirect	100.00	USD	-/-	-/-	1
Peripatetic Productions LLC	New York, NY	indirect	100.00	USD	-/-	-/-	1
Prank Film, LLC	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Presidio Post, LLC	Los Angeles, CA	indirect	100.00	USD	-/-	-/-	1
Production Connection LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Ranger Media, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Red Arrow Studios International, Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Skout, LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Studio 71 (Canada), Inc.	Beverly Hills, CA	indirect	100.00	USD	-/-	-/-	1
Studio 71, LP	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
Stylight Inc.	Lewes, DE	indirect	100.00	USD	-/-	-/-	1
The Fred Channel, LLC	Beverly Hills, CA	indirect	70.00	USD	-/-	-/-	1
The Meet Group, Inc.	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
The Weekly, LLC	New York, NY	indirect	100.00	USD	-/-	-/-	1



PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRUNG
**FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021
 AND MANAGEMENT REPORT**

Third Voice Productions, Inc.	Dover, DE	indirect	100.00	USD	-/-	-/-	1
Three Tables Music LLC	Wilmington, DE	indirect	100.00	USD	-/-	-/-	1
WDSP LLC	New York, NY	indirect	100.00	USD	-/-	-/-	1
Associates							
Germany							
AGF Videoforschung GmbH	Frankfurt am Main	direct	16.66	EUR	-/-	-/-	1
BuzzBird Beteiligungsgesellschaft mbH	Berlin	indirect	42.92	EUR	-/-	-/-	1
Corint Media GmbH	Berlin	indirect	30.46	EUR	-/-	-/-	1
koakult GmbH	Berlin	indirect	33.33	EUR	-/-	-/-	1
Sportority Germany GmbH	Munich	indirect	40.00	EUR	-/-	-/-	1
SPREE Interactive GmbH	Nuremberg	indirect	19.55	EUR	-/-	-/-	1
Urban Sports GmbH	Berlin	indirect	16.08	EUR	-/-	-/-	1
Canada							
Mad Rabbit Productions, Inc.	Toronto	indirect	25.00	CAD	-/-	-/-	1
Switzerland							
Goldbach Audience (Switzerland) AG	Kusnacht (ZH)	indirect	24.95	CHF	-/-	-/-	1
Goldbach Media (Switzerland) AG	Kusnacht (ZH)	indirect	22.96	CHF	-/-	-/-	1
Swiss Radioworld AG	Kusnacht (ZH)	indirect	22.96	CHF	-/-	-/-	1
United Kingdom							
Cove Pictures Limited	London	indirect	25.00	GBP	-/-	-/-	1
United States of America							
Remagine Media Ventures, L.P.	Wilmington, DE	indirect	30.50	USD	-/-	-/-	1
Joint Ventures							
Germany							
d-force GmbH	Freiburg im Breisgau	indirect	50.00	EUR	-/-	-/-	1
Joyn GmbH	Munich	indirect	50.00	EUR	-6,023	-150,135	
United Kingdom							
European Broadcaster Exchange (EBX) Limited	London	indirect	25.00	GBP	-/-	-/-	1
Nit Television Limited	London	indirect	50.01	GBP	-/-	-/-	1
Other material investments							
Germany							
tink GmbH	Berlin	indirect	16.23	EUR	495	-8,254	5
Cayman Islands							
Minute Media Inc. (formerly: Sportority Limited)	Grand Cayman	indirect	3.52	USD	-/-	-/-	1
Luxembourg							
FRIDAY Insurance S.A.	Bartringen	indirect	12.59	EUR	82,931	-35,680	

1 No information available, company was acquired, founded or in liquidation in 2021.

2 The company has signed a profit and loss transfer agreement, therefore the result according to German GAAP after profit and loss transfer is presented.

3 A subsidiary of ProSiebenSat.1 Media SE is personally liable partner of this company.

4 Short financial year from November 20, 2020 until December 31, 2020.

5 Financial year from January 1, 2019 until December 31, 2019.

6 Financial year from June 1, 2020 until May 31, 2020.

7 Short financial year from August 1, 2020 until December 31, 2020.

8 Short financial year from June 24, 2020 until December 31, 2020.

9 Financial year from February 1, 2020 until January 31, 2021.

10 Financial year from September 1, 2019 until August 31, 2020.

* Unless otherwise stated, the equity and annual result figures correspond to the most recent available verified financial statements (financial year January 1, 2020 to December 31, 2020) according to local GAAP if published.

** The holding percentage displays the participation of the direct shareholder(s).

*** The following exchange rates were applicable for equity and annual result:



PROSIEBENSAT.1 MEDIA SE, UNTERFÖHRUNG
**FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2021
AND MANAGEMENT REPORT**

1 Euro corresponds to	spot rate Dec 31, 2020	average rate 2020
AMD	641.06	558.45
AUD	1.59	1.65
CAD	1.56	1.53
CHF	1.08	1.07
DKK	7.44	7.45
GBP	0.9	0.89
ILS	3.95	3.93
MXN	24.42	24.35
RON	4.87	4.84
RSD	117.56	117.58
SEK	10.03	10.48
TRY	9.11	8.05
UAH	34.78	30.86
USD	1.23	1.14



Unterföhring, March 1, 2022

Rainer Beaujean

Chairman of the Executive Board (Group CEO)

Ralf Peter Gierig

Member of the Executive Board & Chief Financial Officer (Group CFO)

Wolfgang Link

Member of the Executive Board

Christine Scheffler

Member of the Executive Board



RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of assets and liabilities, financial positions and profit or loss of ProSiebenSat.1 Media SE, and the management report for the Company includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Unterföhring, March 1, 2022

Rainer Beaujean
Chairman of the Executive Board (Group CEO)

Ralf Peter Gierig
Member of the Executive Board & Chief Financial Officer (Group CFO)

Wolfgang Link
Member of the Executive Board

Christine Scheffler
Member of the Executive Board



INDEPENDENT AUDITOR'S REPORT

To ProSiebenSat.1 Media SE

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

OPINIONS

We have audited the annual financial statements of ProSiebenSat.1 Media SE, Unterföhring, which comprise the balance sheet as at 31 December 2021, and the income statement for the fiscal year from 1 January 2021 to 31 December 2021, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of ProSiebenSat.1 Media SE for the fiscal year from 1 January 2021 to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the management declaration (statement on corporate governance) pursuant to Sec. 289f HGB which is published on the website stated in the management report and is part of the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the fiscal year from 1 January 2021 to 31 December 2021 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the management declaration (statement on corporate governance) referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.



Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January 2021 to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matter:

VALUATION OF SHARES IN AFFILIATES

Reasons why the matter was determined to be a key audit matter

The Company tests its shares in affiliates for impairment annually to determine any potential need to recognize impairment losses or reversals of impairment losses. The result of the valuations underlying the impairment test is highly dependent on the executive directors' estimate of future cash flows and the respective discount rates used.

The shares in affiliates constitute a significant portion of the assets in the annual financial statements of ProSiebenSat.1 Media SE. In our view, the performance of the impairment test entails a significant risk of misstatement due to the judgment involved in the abovementioned inputs and estimates regarding the permanent nature of any impairment. The valuation of shares in affiliates was therefore a key audit matter in our audit.

Auditor's response

As part of our procedures, we obtained an understanding of the process implemented by ProSiebenSat.1 Media SE's executive directors for determining the fair values of the shares in affiliates, including the recognition and measurement policies applied, and analyzed the process to identify any risks of material misstatement.

We analyzed the budgets and forecasts underlying the valuation by comparing them with the results actually achieved in the past and the current development of business figures, taking into account potential implications from the COVID-19 pandemic. We also referred to the market development realized in the fiscal year as well as the forecast market development of comparable entities in our analysis. In considering the underlying budgets and forecasts, we discussed the expected business and earnings development with those responsible for planning and compared them with the current business development.

With the aid of our internal valuation specialists, we assessed the valuation model for, among other things, compliance with the professional pronouncements IDW AcP HFA 10 and IDW S 1 and appraised the other significant valuation assumptions such as the discount rate and growth rate on the basis of an analysis of the general market indicators. We evaluated the determination of the discount rate by scrutinizing peer companies, comparing market data with external evidence and checking the arithmetical accuracy.

In order to identify a potential impairment risk, we additionally conducted our own sensitivity analyses on the results of the impairment test to determine which changes in specific valuation inputs would lead to a different assessment about the need to recognize an impairment loss on shares in affiliates.

Our procedures did not lead to any reservations relating to the valuation of shares in affiliates.

Reference to related disclosures

With regard to the recognition and measurement policies applied for financial assets, refer to the disclosures on financial assets in the "Accounting principles" section of the notes to the financial statements. The development of financial assets is presented under "Notes to the balance sheet" in the "Financial assets" section.



Other information

The executive directors are responsible for the other information. The other information comprises the management declaration (statement on corporate governance) in accordance with Sec. 289f HGB referred to above as well as the responsibility statement pursuant to Sec. 289 (1) Sentence 5 HGB.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the Supervisory Board for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the assurance on the electronic rendering of the annual financial statements and the management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the file ProSiebenSat.1 Media_SE_JA+LB_ESEF-2021-12-31.zip (SHA-256-Prüfsumme: fa9482afdf8faf8c1c5a283de43116de44092320c54cde370f56b960ba924314) and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying management report for the fiscal year from 1 January to 31 December 2021 contained in the "Report on the audit of the annual financial statements and of the management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.



Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual General Meeting on 1 June 2021. We were engaged by the Supervisory Board on 31 August 2021. We have been the auditor of ProSiebenSat.1 Media SE since fiscal year 2019.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

We received a fee of EUR 0.2m for our audit of the annual financial statements.

In addition to the financial statement audit, we have provided to the Company or entities controlled by it the following services that are not disclosed in the annual financial statements or in the management report: audit-related services not required by law pertaining to financial information and an assessment of the governance structure.

Other matter – Use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the *Bundesanzeiger* [German Federal Gazette] – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.



German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Nathalie Mielke.

Berlin, 1 March 2022

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Prof. Dr. Hayn

Mielke

Wirtschaftsprüfer
[German Public Auditor]

Wirtschaftsprüferin
[German Public Auditor]



EDITORIAL INFORMATION

PRESS

ProSiebenSat.1 Media SE

Corporate Communications

Medienalle 7

85774 Unterföhring, Germany

Phone: +49 [0]89 95 07 - 11 45

Fax: +49 [0]89 95 07 - 11 59

E-Mail: info@prosiebensat1.com

INVESTOR RELATIONS

ProSiebenSat.1 Media SE

Investor Relations

Medienallee 7

85774 Unterföhring, Germany

Phone: +49 [0]89 95 07 - 15 02

Fax: +49 [0]89 95 07 - 15 21

E-Mail: aktie@prosiebensat1.com

PUBLISHED BY

ProSiebenSat.1 Media SE

Medienallee 7

85774 Unterföhring, Germany

Tel.: +49 [0]89 95 07 - 10

Fax: +49 [0]89 95 07 - 11 21

www.ProSiebenSat1.com

HRB 219 439 AG München

CONTENT & DESIGN

ProSiebenSat.1 Media SE

Corporate Communications

nexxar GmbH, Wien, Österreich

PROSIEBENSAT.1 GROUP ON THE INTERNET

This and other publications are available on the Internet, along with information about ProSiebenSat.1 Group, at

www.ProSiebenSat1.com

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding ProSiebenSat.1 Media SE and ProSiebenSat.1 Group. Such statements may be identified by the use of such terms as "expects", "intends", "plans", "assumes", "pursue the goals" and similar wording. Various factors, many of which are outside the control of ProSiebenSat.1 Media SE, could affect the Company's business activities, success, business strategy and results. Forward-looking statements are not historical facts, and therefore incorporate known and unknown risks, uncertainties and other important factors that might cause actual results to differ from expectations. These forward-looking statements are based on current plans, goals, estimates and projections, and take account of knowledge only up to and including the date of preparation of this report. Given these risks, uncertainties and other important factors, ProSiebenSat.1 Media SE undertakes no obligation, and has no intent, to revise such forward-looking statements or update them to reflect future events and developments. Although every effort has been made to ensure that the provided information and facts are correct, and that the opinions and expectations reflected here are reasonable, ProSiebenSat.1 Media SE assumes no liability and offers no warranty as to the completeness, correctness, adequacy and/or accuracy of any information or opinions contained herein. This report is an English translation; in case of any discrepancies, the German authoritative version of the report shall prevail over the English translation.