

A large graphic of a Christmas tree is positioned on the left side of the page. It is composed of three vertical columns of upward-pointing triangles. The top two columns are made of cyan triangles, and the bottom two columns are made of red triangles. The triangles are stacked on top of each other, creating a sense of height and growth.

GROWING TOGETHER

Relevant
Innovative
Value-Creating

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AT A GLANCE

- **Consumption behavior impacted the German-speaking region:** The Russia/Ukraine war and the macroeconomic indicators influenced by it, such as inflation, energy prices and the development of interest rates, are weighing on consumer willingness to spend in the German-speaking region (Germany, Austria, Switzerland).
- **Revenue decline in the third quarter against the background of market environment and deconsolidation effects:** In an increasingly difficult economic environment, Group revenues decreased by EUR133 million to EUR921 million in the third quarter of 2022, with the previous year's figure including revenues of EUR78 million from companies meanwhile deconsolidated. In the first nine months, Group revenues amounted to EUR2,930 million, almost unchanged from the previous-year period on a portfolio- and currency-adjusted basis.
- **Inflation and energy price concerns impact business performance:** The persistently high inflation and increasing consumer restraint in the German-speaking region are reflected in the decline in revenues in the Entertainment segment (adjusted for portfolio and currency effects: -9%) and the Commerce & Ventures segment (adjusted for portfolio and currency effects: -8%) in the third quarter of 2022.
- **Earnings also reflect macroeconomic impact:** In line with the revenue development, the Group generated adjusted EBITDA of EUR118 million (-27% year-on-year) and adjusted net income of EUR43 million (-26% year-on-year) in the third quarter. In the nine-month period, adjusted EBITDA decreased to EUR407 million (-13% year-on-year), while adjusted net income was only 3% below the previous year's level at EUR153 million.
- **Impairment in the Commerce & Ventures segment:** A one-time non-cash impairment was recognized on assets of EUR312 million, in particular goodwill, at NuCom Group, reported in the Commerce & Ventures segment, in the third quarter. This has no impact on the Group's dividend-relevant adjusted net income.
- **Effective cash flow management:** Leverage ratio clearly within the target range at 2.2x at the end of the third quarter. Debt further reduced through active financial management; net financial debt at EUR1,739 million, significantly lower than in the previous year (EUR -372 million).
- **Major strategic progress made:** After the full acquisition as of October 31, 2022, streaming platform Joyn takes center stage in Group's digital entertainment presence.
- **Full-year outlook as communicated on October 27, 2022:** ProSiebenSat.1 expects Group revenues of around EUR 4.15 billion and adjusted EBITDA of around EUR 650 million for the full-year.

KEY FIGURES OF PROSIEBENSAT.1 GROUP

in EUR m

	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Revenues	921	1,055	2,930	3,041
Adjusted EBITDA ¹	118	162	407	470
Adjusted net income ²	43	58	153	158
Adjusted operating free cash flow ³	38	134	292	303
Audience share (in %) ⁴	25.0	24.7	25.1	25.1

	09/30/2022	12/31/2021	09/30/2021
Employees ⁵	6,996	7,906	8,026
Programming assets	1,076	1,145	1,136
Cash and cash equivalents	704	594	483
Net financial debt	1,739	1,852	2,111
Leverage ratio ⁶	2.2	2.2	2.5

1 EBITDA before reconciling items.

2 Net income attributable to shareholders of ProSiebenSat.1 Media SE before the amortization and impairments from purchase price allocations as well as impairments of goodwill, adjusted for the reconciling items. These include valuation effects recognized in other financial result, valuation effects of put options and earn-out liabilities, valuation effects from interest rate hedging transactions as well as other material one-time items. Moreover, the tax effects resulting from such adjustments are also adjusted. See Annual Report 2021, page 118.

3 For a definition of the adjusted operating free cash flow, please refer to the Annual Report 2021, page 116.

4 ProSiebenSat.1 Group; AGF in cooperation with GfK; market standard: TV; VIDEOSCOPE 1.4; Target group: 14–49.

5 Full-time equivalent positions as of reporting date. The decline of 1,030 employees compared to September 30, 2021 is particularly attributable to the sale of the US production business of Red Arrow Studios as of July 1, 2022 as well as the consolidation-related year-on-year declines as a result of the disposal of companies such as Amorelie and moebel.de.

6 Ratio net financial debt to adjusted EBITDA in the last twelve months.

» INFORMATION

Due to rounding, it is possible that the figures do not exactly add up to the totals shown and that percentage figures given do not exactly reflect the absolute figures to which they relate.

CURRENT INFORMATION ON THE THIRD QUARTER AND THE FIRST NINE MONTHS OF 2022

SIGNIFICANT EVENTS

Resolutions of the Annual General Meeting 2022 and Personnel Changes in the Composition of the Supervisory Board

The Annual General Meeting of ProSiebenSat.1 Media SE was held on May 5, 2022. At this meeting, Dr. Andreas Wiele was confirmed as a member of the Group's Supervisory Board. At the same time, he succeeds Dr. Werner Brandt as Chairman of the Board, who did not stand for re-election again after eight years and two election periods. Bert Habets was elected as a new member of the Supervisory Board. Prof. Dr. Rolf Nonnenmacher's mandate was also confirmed.

→ Events After the Reporting Period

In addition to the election of the Supervisory Board members, the shareholders approved a dividend of EUR 0.80 per dividend-entitled common share at the Annual General Meeting. This corresponds to a year-on-year increase of 63% (previous year: EUR 0.49) and reflects the company's dividend policy of distributing around 50% of the Group's adjusted net income as a dividend. The dividend was paid on May 10, 2022. All other agenda items requiring approval were also approved by a majority of the shareholders.

Portfolio Measures

As a digital group, ProSiebenSat.1 combines leading entertainment brands with a synergistic Dating & Video as well as Commerce & Ventures portfolio under one roof. ProSiebenSat.1 aims to grow sustainably in all segments. This growth strategy also reflects the management of the company with its focus on long-term value enhancement and profitability.

ProSiebenSat.1 Group regularly evaluates its portfolio with regard to its growth opportunities. The aim is to strengthen the profitability of invested capital and increase our return on capital employed (P7S1 ROCE) initially to more than 15% in the medium-term. The portfolio strategy also includes divestments if the further synergy potential of investments is limited.

Against this backdrop, ProSiebenSat.1 sold the US part of Red Arrow Studios' production business to Peter Chernin's The North Road Company. The transaction took economic effect as of July 1, 2022 and thus at the beginning of the third quarter of 2022. This concerns the companies Kinetic Content, Left/Right, 44 Blue Studios, Half Yard Productions, and Dorsey Pictures. The disposal decision reflects the strategic alignment of our Entertainment business to the production of local, relevant content that is broadcasted live or on-demand across all platforms in the core markets of the German-speaking region (Germany, Austria, and Switzerland). For the production of our own content, our German-speaking production business as well as the production companies CPL Productions, Endor Productions, Snowman Productions, and July August play an important role and, in terms of content, make a strong contribution to our strategy. These companies therefore remain in the Group, as well as the distribution business of Red Arrow Studios International. With the foundation of the German production companies Flat White Productions on December 15, 2021 and Cheerio Entertainment on February 2, 2022, ProSiebenSat.1 Group is simultaneously strengthening its German-speaking production activities in the areas of factual entertainment and entertainment, thus complementing Redseven Entertainment and Pyjama Pictures in its German-

speaking portfolio.

→ [Financial Information on Business Performance](#)

At the same time, ProSiebenSat.1 is also further expanding the Group's portfolio: Accordingly, ProSiebenSat.1 Group informed on September 13, 2022 on its acquisition of the outstanding 50% of the shares in the streaming platform Joyn from Discovery Communications Europe Ltd ("Warner Bros. Discovery"). By acquiring all shares in Joyn, the Group continues to drive forward its digital transformation. The transaction took economic effect as of October 31, 2022.

→ [Events After the Reporting Period](#)

Non-cash impairment of assets in the Commerce & Ventures segment

The Russia/Ukraine war and its consequences have increasingly weighed on the economy in the German-speaking region in the third quarter of 2022 compared with the first half of 2022. The now predicted persistently high inflation, the energy price crisis and the resulting reluctance to consumer are also impacting the growth prospects of the Group's Commerce & Ventures segment, as a large proportion of these businesses are directly dependent on macroeconomic developments due to their focus on end consumers. Against this backdrop, a one-time, non-cash impairment of assets was recognized, in particular of goodwill, of the cash-generating unit NuCom Group, reported in the Commerce & Ventures segment, in an amount of EUR312 million in the third quarter of 2022. This impairment has no impact on the Group's adjusted net income, which is the key indicator for the Group's dividend policy.

→ [Economic Developments](#) → [Financial Information on Business Performance](#) → [Risk Report](#)

ECONOMIC DEVELOPMENTS

The **global economy** continued to cloud over in the first nine months of 2022, particularly as a result of Russia's war of aggression on Ukraine. In this context, the world's two largest economies also performed weaker than expected: While China is still struggling under the strict zero-COVID policy, economic growth in the US has been curbed by the interest rate policy of the US Federal Reserve (Fed). The high inflation rate in the US, most recently at 8.3%, prompted the Fed to abandon its low-interest policy and significantly raise its key interest rate. Following the last increase in September, the key interest rate is now in a range of 3.00% to 3.25%. The European Central Bank (ECB) has also raised the key interest rate for the third time this year as a result of the high inflation, most recently by 0.75 percentage points to 2.0%. In Europe, the high inflation is particularly driven by the very tense situation on the energy market and significantly dampening the business and consumer climate respectively. Against this background, the economic research institutes have reduced their forecasts for key macroeconomic indicators.

For Germany as ProSiebenSat.1 Group's core market, uncertainties have increased significantly since the start of the Russia/Ukraine war in February: After the **German economy** grew in the first quarter of 2022 (+0.8% vs. previous quarter, Destatis), gross domestic product stagnated at 0.0% in the second quarter of 2022 compared to the previous quarter. Contrary to expectations, economic output rose by 0.3% in the third quarter of 2022 compared with the previous quarter (Destatis). However, this result is based on an initial estimate and subject to greater uncertainty than usual due to the overall situation. The further development of consumer willingness to spend, which has already been significantly dampened, will depend to a large extent on the further development of the Russia/Ukraine war and the macroeconomic indicators that are influenced by this, such as inflation, energy prices and the development of interest rates.

In view of high inflation, private consumer spending in particular is likely to be negatively impacted further. Most recently, the GfK Consumer Climate Index continued to deteriorate from minus 30.9 points in August to minus 36.8 points in September. A further decline to minus 42.5 points is forecast for October. In addition, households' purchasing power is being affected by high inflation. Consumer prices in September were 10.0% higher than in the previous year. In October, consumer

prices are expected to rise by a further 0.9% compared with the previous month (Destatis). For 2022 and 2023, the German government's fall projection forecasts inflation at 8.0% and 7.0%, respectively. The still robust labor market and industry, which has a large backlog of orders despite a declining order intake, are currently acting as stabilizing factors.

The updated forecasts are accordingly subdued: The International Monetary Fund (IMF) expects the **global economy** to expand by just 2.7% in 2023, following an anticipated plus of 3.2% in 2022.

For the **German economy**, the federal government's autumn projection still forecasts growth of 1.4% in the full-year 2022. However, in view of the burdens imposed by high energy prices, the German government expects the economy to decline in the winter quarters of 2022/23. For the full-year 2023, the experts currently predict a decline in gross domestic product of 0.4%.

Forecasts are intrinsically subject to uncertainty, but they are currently particularly high: Much will depend on the further development of the Russia/Ukraine war, the situation on the energy markets as well as price inflation. In particular, uncertainties regarding political decisions, e.g. on the configuration of the gas price brake and its impact on private households, may influence consumer behavior and the economic outlook. The course of the COVID-19 pandemic and the potential spread of new virus variants also entails further risks. At the same time, measures currently being taken to ease the burden on consumers are likely to have a positive effect. The economic recovery could therefore be slower, but it could also be much more dynamic. As an early-cycle company, ProSiebenSat.1 Group is one of the first to be affected by economic burdens.

DEVELOPMENTS OF RELEVANT MARKET ENVIRONMENTS

ProSiebenSat.1 Group pursues a clear strategy based on synergies and a focus on reach, monetization, and value creation: With our entertainment platforms, we have a very wide reach which we are continually strengthening and monetizing in a variety of ways. Against this backdrop, ProSiebenSat.1 Group acquired the outstanding shares in Joyn with economic effect as of the end of October and is transferring it to the Entertainment segment as a wholly owned subsidiary. The Group is thus making its streaming platform an integral part of its value chain and placing Joyn at the center of its digital entertainment presence. The aim is to strengthen reach, especially among young viewers, and to distinguish itself from multinational streaming services with a program that has a strong local flavor while financing itself through advertising. In contrast, global platforms are primarily financed via subscriptions.

→ Significant Events

In addition to direct sales of advertising spots in the Entertainment segment, we monetize our reach indirectly via our Commerce & Ventures portfolio. Here, we invest advertising time in young digital companies and in exchange participate in the growth of the companies. Our Commerce & Ventures segment is therefore synergistic with our entertainment business – and we continually review whether we are the best owner for each individual investment. The aim is to create value for the Group in the long-term. The Dating & Video segment was also established in line with this principle and is now an important part of our Group reflecting the success of our diversification.

ProSiebenSat.1 considers itself well positioned with this synergistic strategy and can offer its shareholders attractive dividends. In planning and managing the Company using the most important performance indicators for us, the holistic view of the Group forms the basis for strategic decisions.

→ Significant Events → Annual Report 2021, Chapter "Strategy and Management System"

ENTERTAINMENT

In the Entertainment segment, the main revenue driver is the advertising market. This reacts in a very sensitive and early-cyclical way to the state of the economy, with private consumption in particular correlating closely with investments in advertising. This connection was confirmed again

in the reporting period: After a strong start to the year, the advertising market in Germany in March 2022 was characterized by consumer restraint in the context of the Russia/Ukraine war. At the same time, the second and third quarter of 2022 have to compete with a very strong period in the previous year: During this period last year, the advertising market had recovered strongly from the effects of the COVID-19 pandemic, benefiting particularly in the summer months from significant catch-up effects compared to 2020.

ProSiebenSat.1 Group is the leading TV advertising marketer in Germany with a market share of 37.3% (previous year: 38.7%) in the third quarter of 2022 and 36.8% (previous year: 36.9%) in the first nine months of the year. Based on gross revenue figures from Nielsen Media Research, ProSiebenSat.1 generated TV advertising revenues of EUR1.44 billion (previous year: EUR1.65 billion) in the third quarter of 2022. In terms of the entire TV market, gross advertising investments decreased by 9.6% in this period to EUR3.85 billion (previous year: EUR4.26 billion). In the first nine months of the year, ProSiebenSat.1 Group generated gross advertising revenues of EUR4.21 billion (previous year: EUR4.30 billion). This reflects the general market development. Between January and September 2022, the gross investment volume amounted to EUR11.44 billion (previous year: EUR11.65 billion), and thus saw a slight decrease of 1.8%.

» **INFORMATION**

The data from Nielsen Media Research are important indicators for assessing the development of the advertising market. However, they are gathered on a gross revenue basis, meaning that, among other things, neither discounts nor commission are taken into account. The advertising revenues of major US digital corporations such as Google LLC ("Google") also are not reflected in the Nielsen figures, which therefore do not represent the entire gross advertising market. This also results in differences from the development of the TV advertising market on a net basis.

In Germany, the ProSiebenSat.1 station family remains the market leader among private broadcasters for the audience group aged 14 to 49. Audience shares increased to 25.0% in the third quarter (previous year: 24.7%). Successful prime time shows included the entertainment formats "The Voice of Germany" with a market share of up to 16.4% (viewers aged 14 to 49) and "Wer stiehlt mir die Show" (Stealing the show, average of 21.7%, viewers aged 14 to 49). In the first nine months, the combined audience share of the ProSiebenSat.1 stations was 25.1% and thus on the previous year's level. Prime time from 8:15 p.m. until 11:00 p.m. is particularly relevant for the advertising industry due to its high reach. Here, the Group likewise increased its audience share in both the third quarter and the first nine months of 2022: In the third quarter, the audience share was 25.1% (previous year: 24.1%); for the nine-month period it was 25.2% (previous year: 25.0%).

In addition to entertainment formats with a live and local character, our programming is complemented by reliable information. We aim to address and explain social content in its diversity – and to get especially young people interested in topics such as politics and economics. Formats such as "ProSieben THEMA. Afghanistan im Griff der Taliban" (ProSieben TOPIC. Afghanistan in the Grip of the Taliban) and "Kannste Regieren?" (Do you know how to govern?) are examples of this. For 35 years, audiences have woken up to news and information from "SAT.1 Frühstückfernsehen" (SAT.1 Breakfast Television), which is now the most popular morning show in Germany among viewers aged 14 to 49. As of September 30, 2022, the average annual market share in this target group was 16.7%. With the launch of our own newsroom from 2023, we want to meet the demand for topicality and relevance even more closely and reach young people in a targeted manner.

DATING & VIDEO

Through ParshipMeet Group in the Dating & Video segment, we operate in a profitable and high-growth market environment with a focus on German-speaking countries and North America. ParshipMeet Group combines a wide range of online portals under one roof, including dating

platforms (eharmony, Parship, ElitePartner, and LOVOO) and video-based social dating and entertainment apps (MeetMe, Skout, Tagged, and GROWLr). ParshipMeet Group thus has a diversified revenue model from subscriptions, marketing services and virtual products, and addresses a broad target group. At the same time, our vPaaS (video-Platform-as-a-Service) technology strengthens our position in the dating and social entertainment sector and provides significant growth opportunities for the entire Group.

An IPO of ParshipMeet Group was planned for the first half of the year 2022. However, due to the currently uncertain and difficult capital market environment, the transaction has not yet been realized.

The business performance in the Dating & Video segment is also partly affected by the macroeconomic environment and in particular by the development of private consumption.

→ Economic Developments

COMMERCE & VENTURES

In the Commerce & Ventures segment, we focus on investments in primarily digital consumer brands: We use our high reach as investment currency and can thus market products from both our own brands and our partners efficiently and without large cash investments to an audience of millions. Examples of our majority investments include the online comparison portal Verivox (Consumer Advice), the car rental comparison portal billiger-mietwagen.de (Consumer Advice), the experience and leisure business of Jochen Schweizer mydays (Experiences), and the online beauty provider Flaconi (Beauty & Lifestyle).

Due to their focus on end consumers, a large proportion of this businesses are dependent on the general economic development and the development of consumption. The latter is burdened by the highly inflationary environment. The Russia/Ukraine war is particularly affecting the energy market, where we operate with our comparison portal Verivox. Sharply rising energy prices over large areas are having a corresponding negative impact on the switching behavior of consumers. Contrary to expectations, the most recent proposals made by federal government for a gas price brake will not take effect until next year. Here, it remains to be seen to what extent the burden on private households can be eased and how this will affect the switching dynamics which are important for the business model of Verivox. Overall, the decisive factor for the comparison portal's business situation is not so much the price level per se, but rather functioning competition.

→ Economic Developments

REGULATORY DEVELOPMENTS

The topic of digital consumer protection has recently been in the spotlight in Germany. At the beginning of July 2022, important digital laws were initiated at European level in the form of the Digital Services Act (DSA) and the Digital Markets Act (DMA). These are groundbreaking for all digital companies that compete with major tech corporations, as they remedy shortcomings in competition on a long-term basis and create a level playing field for all market participants in Europe. While the DSA is intended to protect against disinformation, hate speech, piracy, and counterfeiting, the DMA sets standards for fairer business practices by way of competition law measures.

EVENTS AFTER THE REPORTING PERIOD

Changes in the Scope of Consolidation

By agreement dated September 13, 2022, and with economic effect as of October 31, 2022, ProSiebenSat.1 Media SE acquired the outstanding 50% of the shares in Joyn from Warner Bros. Discovery. The Group is thus transferring Joyn as a wholly owned subsidiary to its Entertainment segment and continuing its digital transformation: With Joyn having launched as a pure streaming platform three years ago, we are now developing Joyn into the first point of contact in our digital entertainment ecosystem and thereby benefiting from synergies within the Group. In line with our strategy, we are extending our reach among young target groups in particular and thus creating new opportunities for monetization. The digital ecosystem also includes the single-sign-on registration service 7Pass, so ProSiebenSat.1 can generate valuable data and address users in a targeted manner.

As well as enhancing the streaming activities, ProSiebenSat.1 is placing a stronger focus on interaction with and between users. The Group is therefore integrating Joyn more closely with its influencer business and the brands from the Dating & Video and Commerce & Ventures segments. A new platform here is JoynMe, the social entertainment app launched on October 1, 2022, with a wide variety of ways to interact. For example, the JoynMe app contains options to vote on shows such as "The Masked Singer" and "Promi Big Brother" as well as a go-live function that allows users to start their own livestream.

Personnel Changes

On October 3, 2022, the Supervisory Board of ProSiebenSat.1 Media SE resolved on a change in the chair of the Executive Board of the Company. As of November 1, 2022, Bert Habets took over as a chairperson of the Executive Board (Group CEO) of ProSiebenSat.1 Media SE. He had already been active as a member of the ProSiebenSat.1 Supervisory Board since May 2022. Born in the Netherlands, he has in-depth experience in managing global media companies as well as extensive expertise in launching and expanding video streaming services. Rainer Beaujean, former Group CEO of ProSiebenSat.1, resigned from his office with immediate effect on October 3, 2022 by mutual agreement with the Supervisory Board and left the Company as of October 31, 2022.

The vacant seat on the Supervisory Board due to Bert Habets' transition from the Supervisory Board to the Group's Executive Board is to be filled at the latest in the course of the next Annual General Meeting of ProSiebenSat.1 on May 2, 2023.

Financial Management

Our strategy is based on active portfolio and financial management. In this context, ProSiebenSat.1 Media SE, exercised its termination right in October 2022 for promissory notes totaling EUR275 million, issued in 2016, in order to prepay the notes already on December 1, 2022. They were originally due in December 2023. The prepayment will be made from available cash. Following this, the Group has no repayment obligation or need to refinance financial liabilities before 2025. At the same time, ProSiebenSat.1 Group is thus further reducing its gross financial debt and is solidly positioned for the long-term.

Furthermore, ProSiebenSat.1 Group extended the maturities for its term loan and its revolving credit facility (RCF) in May 2022: Under the existing senior facilities agreement, a term loan of EUR800 million was extended until April 2027 and a term loan of EUR400 million was extended until April 2025. The latter can also be extended until April 2027 under certain conditions. The RCF of EUR500 million was extended until April 2027. This reflects the lower financing requirements due to our consistent cash flow management. Previously, ProSiebenSat.1 had a term loan with a total nominal volume of EUR1,200 million and a RCF with a volume of EUR750 million. The majority of the

credit facilities had a term until April 2024. The transaction continues measures that ProSiebenSat.1 had already taken since 2021: the early repayment of a bond, the issue of new promissory notes, and the subsequent repayment of a term loan.

FINANCIAL INFORMATION ON BUSINESS PERFORMANCE IN THE THIRD QUARTER AND FIRST NINE MONTHS OF 2022

In the third quarter of 2022, **Group revenues** amounted to EUR 921 million (previous year: EUR 1,055 million) and were thus 13% below the previous year's figure. Adjusted for currency effects and portfolio changes, revenues amounted to EUR 920 million, representing a 9% or EUR 86 million decrease.

The decline in revenues – besides deconsolidation effects of divested companies totaling EUR 78 million – is attributable among other things to the fact that Group revenues grew strongly in the previous-year period and set a new record. In addition, the third quarter of the current year is influenced by the macroeconomic environment in the German-speaking region, which was characterized by persistently high inflation and increasing consumer restraint. Due to the strong correlation with the overall economic developments, this particularly affected the advertising market. Moreover, the weakening of the overall economic environment in the German-speaking region had an impact on the companies of NuCom Group reported in the Commerce & Ventures segment, with the result that the offers of these companies were used to a lesser extent by end customers in the third quarter. This applies in particular to the comparison portal Verivox, which recorded a significant decline in revenues against the backdrop of the energy price crisis. By contrast, the Dating & Video business showed a stable development, although it benefited from currency effects.

From January to September 2022, ProSiebenSat.1 generated Group revenues of EUR 2,930 million (previous year: EUR 3,041 million), a decline of 4% on the previous-year period. Adjusted for currency effects and portfolio changes, the decline in revenues amounted to 2% – and thus remained almost stable difficult market environment over the course of the year.

→ **Economic Developments** → **Developments of Relevant Market Environments**

» **INFORMATION**

ProSiebenSat.1 Group generates the majority of its revenues in Germany and thus in the Eurozone. The remaining share of revenues is mainly attributable to the US with the production business of Red Arrow Studios, which was deconsolidated as of July 1, 2022, the digital media and entertainment company Studio71, and the Dating & Video business of ParshipMeet Group. Currency effects can therefore influence the business performance. Exchange rate fluctuations in the reporting period resulted primarily from the translation of US dollar into euro.

EXTERNAL REVENUES BY SEGMENT

in EUR m

	Q3 2022	Q3 2021	Absolute change	Change in %
Entertainment	621	728	-107	-14.7
Dating & Video	129	129	1	0.7
Commerce & Ventures	170	198	-27	-13.9
Revenues	921	1,055	-133	-12.7
	Q1-Q3 2022	Q1-Q3 2021	Absolute change	Change in %
Entertainment	2,032	2,075	-43	-2.1
Dating & Video	391	409	-17	-4.2
Commerce & Ventures	507	558	-51	-9.1
Revenues	2,930	3,041	-111	-3.6

External revenues in the **Entertainment** segment amounted to EUR 621 million in the third quarter and were 15% lower than the previous year's figure (previous year: EUR 728 million). Adjusted for currency effects and portfolio changes, revenues decreased by 9% or EUR 58 million. The revenue decline resulted from lower advertising revenues against the backdrop of the difficult macroeconomic environment. As expected, the strong figure for the previous year also had an effect: In the third quarter of 2021, the advertising market had benefited from considerable catch-up effects from the COVID-19 pandemic. Advertising revenues had therefore grown very dynamically, with the Group achieving its highest entertainment advertising revenues in a third quarter. In total, advertising revenues in the Entertainment segment decreased in the third quarter of this year by 5% year-on-year. However, in a multi-year comparison, the segment's advertising revenues exceeded the 2019 and thus pre-pandemic level. The growth in this comparison was driven by the digital entertainment offering with platforms such as Studio71.

Revenues from the content business (program production and sales) decreased in the third quarter of 2022 (-61% year-on-year) as a result of consolidation: In line with its portfolio strategy, the Group sold the US production business of Red Arrow Studios as of July 1, 2022, and already sold the film distributor Gravitas Ventures in November 2021. In the previous year, these businesses contributed revenues of EUR 54 million and EUR 9 million, respectively. In contrast, distribution revenues grew compared to the third quarter of 2021 (+6%). In the third quarter of 2022, other revenues were 18% below the previous year's figure.

→ Significant Events

In contrast, the segment's revenue development in the first nine months of the year was almost stable: The segment's external revenues amounted to EUR 2,032 million (previous year: EUR 2,075 million), down 2% on the previous year's level. While the deconsolidation of the US production business of Red Arrow Studios and the film distributor Gravitas Ventures had a negative effect, advertising revenues increased slightly over the first nine months of the year. Adjusted for currency effects and portfolio changes, the segment's external revenues in the nine-month period were EUR 7 million above the previous year's figure.

External revenues in the **Dating & Video** segment developed steadily at the previous year's level and amounted to EUR 129 million in the third quarter of 2022 (previous year: EUR 129 million). The Dating unit contributed 54%, or EUR 70 million, to the segment's external revenues (previous year: EUR 68 million). Here, the US subsidiary eharmony, which is now the highest-revenue brand in our dating portfolio, continued its growth trajectory. The Video unit generated a revenue contribution of EUR 59 million (previous year: EUR 60 million). Adjusted for currency effects of EUR 15 million, however, segment revenues were 10% below the previous year's figure.

In the first nine months of the year, the segment's external revenues amounted to EUR 391 million (previous year: EUR 409 million), representing a decline of 4%. Adjusted for currency effects of EUR 34 million, the revenue decline was 12%. This development is characterized by a comparison effect: The first quarter of 2021 was the Dating & Video segment's strongest quarter to date, which

was due on the one hand to the positive effects of government stimulus in the US. On the other hand, the COVID-19 pandemic and the related restrictions on public life stimulated the dating industry and especially the use of live video. This had a very positive impact on the usage and monetization of our video offerings in the US region. As a result, the Video unit generated a revenue contribution of EUR187 million in the first nine months of 2022 (previous year: EUR201 million). The Dating unit's revenue contribution decreased to EUR204 million in this period (previous year: EUR207 million) and thus amounted to 52%.

In contrast, the segment has grown compared to the reporting period before the outbreak of the pandemic, in which The Meet Group, representing the Video business, was not yet part of the portfolio: On a pro forma basis, the average growth rate for the nine-month period is 9% per year (Q1-Q3 2019 to Q1-Q3 2022). The Meet Group has been consolidated since September 2020, and has since complemented our portfolio synergistically.

External revenues in the **Commerce & Ventures** segment amounted to EUR170 million in the third quarter of 2022 and were thus down 14% or EUR27 million on the same period of the previous year. Adjusted for currency effects and portfolio changes, revenues decreased by 8% or EUR15 million.

The Group pursues an active portfolio management and had sold the entities Amorelie (Beauty & Lifestyle) and moebel.de (Beauty & Lifestyle) at the end of 2021. These companies contributed EUR12 million to the segment's revenues in the third quarter of the previous year. Moreover, this year's revenues have been adversely affected by the weakening of the macroeconomic environment in the German-speaking region, which is largely characterized by high inflation and increasing consumer restraint. Firstly, this is reflected in the decline in revenues at NuCom Group's companies reported in the Commerce & Ventures segment. The comparison portal Verivox (Consumer Advice) was particularly compromised by the effects, as the options for switching electricity and gas providers are currently limited in view of generally sharply rising energy prices. Secondly, the media-for-equity and media-for-revenue businesses of SevenVentures declined compared to the strong previous-year quarter, reflecting the weakening in the advertising market.

In the first nine months of the year, segment revenues amounted to EUR507 million, down 9% or EUR51 million on the previous year's level. This decline is attributable in particular to the revenue development of Verivox. In addition, revenue performance at Flaconi (Beauty & Lifestyle) is characterized by current consumer restraint. By contrast, the growth of the car rental comparison portal billiger-mietwagen.de (Consumer Advice) had a positive impact. In addition to these offsetting effects, the deconsolidation of Amorelie and moebel.de also characterized the segment's revenues. Adjusted for currency effects and portfolio changes, the segment's external revenues were only 2% or EUR12 million lower than in the previous-year period.

→ **Economic Developments** → **Developments of Relevant Market Environments**

EXTERNAL REVENUES

in EUR m

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Advertising revenues	506	535	—	—	30	39	536	574
DACH	430	479	—	—	30	39	460	518
Rest of the world	77	56	—	—	—	—	77	56
Distribution	47	44	—	—	—	—	47	44
Content	49	125	—	—	—	—	49	125
Europe	43	54	—	—	—	—	43	54
Rest of the world	5	71	—	—	—	—	5	71
Dating & Video	—	—	129	129	—	—	129	129
Dating	—	—	70	68	—	—	70	68
Video	—	—	59	60	—	—	59	60
Digital Platform & Commerce	—	—	—	—	139	158	139	158
Consumer Advice	—	—	—	—	45	48	45	48
Experiences	—	—	—	—	20	20	20	20
Beauty & Lifestyle	—	—	—	—	75	89	75	89
Other revenues	20	24	—	—	1	1	21	25
Total	621	728	129	129	170	198	921	1,055

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Advertising revenues	1,524	1,518	—	—	109	104	1,633	1,622
DACH	1,318	1,353	—	—	109	104	1,427	1,457
Rest of the world	206	164	—	—	—	—	206	164
Distribution	137	134	—	—	—	—	137	134
Content	304	351	—	—	—	—	304	351
Europe	158	132	—	—	—	—	158	132
Rest of the world	146	219	—	—	—	—	146	219
Dating & Video	—	—	391	409	—	—	391	409
Dating	—	—	204	207	—	—	204	207
Video	—	—	187	201	—	—	187	201
Digital Platform & Commerce	—	—	—	—	395	452	395	452
Consumer Advice	—	—	—	—	132	140	132	140
Experiences	—	—	—	—	54	40	54	40
Beauty & Lifestyle	—	—	—	—	210	272	210	272
Other revenues	66	71	—	—	3	2	69	73
Total	2,032	2,075	391	409	507	558	2,930	3,041

In line with revenue development, the Group generated **adjusted EBITDA** of EUR118 million in the third quarter of 2022 (previous year: EUR162 million). This corresponds to a decline of 27%. The high comparative figure in the third quarter of 2021 was characterized by catch-up effects in the Entertainment segment as a result of the COVID-19 pandemic. In the first nine months of 2022, adjusted EBITDA decreased by 13% to EUR407 million (previous year: EUR470 million). Costs affecting adjusted EBITDA fell by 10% to EUR807 million (previous year: EUR898 million), which is particularly due to consolidation. In the third quarter of 2022, the Group also used targeted cost measures to counter the development of the advertising market, so programming expenses decreased year-on-year to EUR241 million (previous year: EUR259 million). In the nine-month period, costs affecting adjusted EBITDA amounted to EUR2,537 million, down 2% on the previous-year figure of EUR2,587 million.

Adjusted for currency effects and portfolio changes, adjusted EBITDA decreased by 30% or EUR50 million in the third quarter of 2022; in the nine-month period, the decline was 13% or EUR63 million. Effects of portfolio changes resulted from last year's earnings contributions from the sold entities such as Gravitas Ventures, Amorelie and moebel.de and the US production business of Red Arrow Studios, which was deconsolidated as of July 1, 2022.

The development of adjusted EBITDA at segment level is as follows:

ADJUSTED EBITDA BY SEGMENT

in EUR m

	Q3 2022	Q3 2021	Absolute change	Change in %
Entertainment	91	128	-37	-28.5
Dating & Video	26	25	0	1.9
Commerce & Ventures	6	14	-8	-55.6
Reconciliation (Holding & other)	-5	-6	0	-7.2
Total adjusted EBITDA	118	162	-44	-26.9
	Q1-Q3 2022	Q1-Q3 2021	Absolute change	Change in %
Entertainment	317	367	-51	-13.8
Dating & Video	73	87	-13	-15.6
Commerce & Ventures	32	33	-2	-4.9
Reconciliation (Holding & other)	-14	-17	3	-19.1
Total adjusted EBITDA	407	470	-63	-13.3

The **Entertainment** segment's **adjusted EBITDA** amounted to EUR91 million in the third quarter, down 29% or EUR37 million year-on-year. The Group made targeted cost adjustments in response to the development of advertising revenues. In addition to the decline in revenues, the deconsolidation of the film distributor Gravitas Ventures, which made a positive earnings contribution of EUR3 million in the previous-year period, also had an impact. In the nine-month period, adjusted EBITDA amounted to EUR317 million, down 14% or EUR51 million on the previous year. In the previous-year period, Gravitas Ventures contributed EUR16 million to earnings.

Adjusted EBITDA of the **Dating & Video** segment developed in line with revenues, amounting to EUR26 million in the third quarter of 2022 and thus 2% higher than the previous year's figure (previous year: EUR25 million). In the first nine months of the year, the segment's adjusted EBITDA amounted to EUR73 million, declining in line with revenues by 16% or EUR13 million compared to the strong previous-year period.

Against the backdrop of the macroeconomic environment, **adjusted EBITDA** of the **Commerce & Ventures** segment decreased significantly in the third quarter of 2022: It amounted to EUR6 million compared to EUR14 million in the previous year. This is primarily characterized by the development of the comparison portal Verivox (Consumer Advice), which is significantly influenced by the strained situation on the energy market. The deteriorating advertising market environment also had a negative effect on the earnings situation of SevenVentures in the third quarter of 2022 compared to the strong previous-year period. In the nine-month period, however, the segment's adjusted EBITDA recorded a comparatively small decline to EUR32 million, which is a drop of 5% or EUR2 million.

The Group's **EBITDA** came to EUR133 million in the third quarter of 2022, down 15% or EUR23 million on the previous year's figure. In the nine-month period, EBITDA amounted to EUR403 million. This is a decline of 9% or EUR42 million.

Depreciation, amortization and impairments amounted to EUR360 million in the third quarter of 2022 (previous year: EUR59 million). The main driver is the increase in non-cash impairments to EUR313 million (previous year: EUR3 million), which is largely attributable to other non-current assets in the Commerce & Ventures segment (EUR45 million) and to goodwill of the cash-

generating unit NuCom Group (EUR266 million), which is also reported in the Commerce & Ventures segment.

These impairments are mainly due to increasing customer restraint in the e-commerce sector as a result of the energy crisis caused primarily by the Russia/Ukraine war and the associated high inflation. This development further intensified in the third quarter of 2022 compared with the first half of 2022. At the same time, this negative development in the current year – compared with the first half of 2022 – and its uncertain duration also result to lower expectations regarding the medium-term earnings and cash flow situation of the cash-generating unit NuCom Group. This has already been taken into account in the Group's current planning process through a significant correction of the initial growth expectations for the years from 2023 onwards. As of September 30, 2022, the cash-generating unit NuCom Group therefore has values in use which are below its carrying amount. The impairments of other non-current assets and goodwill, that have thus become necessary, are recognized in functional costs and other operating expenses respectively. This impairment has no impact on the Group's adjusted net income, which is the key indicator for the Group's dividend policy.

In the first nine months, depreciation, amortization and impairments amounted to EUR517 million (previous year: EUR185 million). In addition to the impairments of other non-current assets and goodwill in the Commerce & Ventures segment in the third quarter of 2022, ProSiebenSat.1 recorded an increase in impairments to EUR51 million in the second quarter of 2022 (previous year: EUR8 million). This is largely attributable, at EUR47 million, to the adjustment of the net carrying amounts to the selling price of the US production business of Red Arrow Studios disposed as of July 1, 2022.

The following table provides a reconciliation of the various earnings figures from adjusted EBITDA to net income, taking account of reconciling items as well as depreciation, amortization and impairments:

RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME

in EUR m

	Q3 2022	Q3 2021	Absolute change	Change in %
Adjusted EBITDA	118	162	-44	-26.9
Reconciling items	15	-6	20	~
EBITDA	133	156	-23	-15.0
Depreciation, amortization and impairments	-360	-59	-301	~
thereof from purchase price allocations	-22	-14	-8	53.5
thereof from goodwill	-267	—	-267	~
Operating result (EBIT)	-227	97	-324	~
Financial result	-7	6	-13	~
Income taxes	-13	-31	18	-58.3
Net income	-247	72	-319	~
	Q1-Q3 2022	Q1-Q3 2021	Absolute change	Change in %
Adjusted EBITDA	407	470	-63	-13.3
Reconciling items	-4	-25	21	-82.3
EBITDA	403	445	-42	-9.4
Depreciation, amortization and impairments	-517	-185	-332	~
thereof from purchase price allocations	-45	-42	-3	6.9
thereof from goodwill	-314	—	-314	~
Operating result (EBIT)	-115	260	-374	~
Financial result	-63	53	-115	~
Income taxes	-62	-60	-2	3.4
Net income	-239	252	-492	~

The **reconciling items** which are taken into account when determining adjusted EBITDA amounted to EUR15million in the third quarter of 2022 (previous year: EUR -6million). The change results primarily from the income from changes in scope of consolidation of EUR18million and is attributable to the sale of the US production business of Red Arrow Studios as of July 1, 2022. In the first nine months of the year, the reconciling items which are taken into account when determining adjusted EBITDA amounted to minus EUR4million (previous year: EUR -25million). The largest single item besides income from changes in the scope of consolidation of EUR21million (previous year: EUR0million) were reconciling items from M&A expenses of EUR27million (previous year: EUR4million), which mainly relate to the sale of the US production business of Red Arrow Studios.

PRESENTATION OF RECONCILING ITEMS WITHIN ADJUSTED EBITDA

in EUR m

	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Adjusted EBITDA	118	162	407	470
Income from changes in scope of consolidation	18	—	21	—
Income from other one-time items	0	0	2	0
Income adjustments	18	0	24	0
M&A-related expenses	1	-2	-27	-4
Reorganization expenses	0	-1	-3	-5
Expenses for legal claims	0	0	-1	0
Fair value adjustments of share-based payments	1	-3	9	-14
Expenses from changes in scope of consolidation	-3	0	-3	0
Expenses from other one-time items	-1	-1	-2	-2
Valuation effects relating to strategic realignment of business units	-1	0	-2	-1
Expense adjustments	-4	-6	-28	-25
Reconciling items	15	-6	-4	-25
EBITDA	133	156	403	445

In the third quarter of 2022, the **financial result** decreased to minus EUR 7 million (previous year: EUR 6 million). In the first nine months of the year, the financial result likewise declined and was at minus EUR63 million (previous year: EUR53 million). This development is characterized by offsetting effects:

As the Group partially repaid an existing loan (term loan) in October 2021, the **interest result** improved to minus EUR 9 million in the third quarter of 2022 (previous year: EUR -10 million). Over the nine months, it amounted to minus EUR21million (previous year: EUR -32million). In addition, the **result from investments accounted for using the equity method**, also recognized in the financial result, improved to minus EUR 5 million in the third quarter of 2022 (previous year: EUR -10 million). In the first nine months of the year, the result was minus EUR24million (previous year: EUR -33million). The result from investments accounted for using the equity method mainly includes the Group's 50% share in the profit or loss of Joyn.

In contrast, the **other financial result** decreased significantly to EUR 7 million in the third quarter of 2022 (previous year: EUR 26 million) in view of the current market and stock market environment. This includes the valuation effects from other financial instruments of minus EUR5million (previous year: EUR 23million), which were made up of various individual items. The largest valuation effects result from fund investments (EUR -18million; previous year: EUR23million) and from the valuation of the shareholding in online fashion retailer ABOUT YOU (EUR -5million; previous year: EUR -2million). Even after the IPO in June 2021, SevenVentures holds shares of 1.4% in the online fashion retailer and acts as a media partner. The result of the valuation of interest rate options (EUR20million; previous year: EUR0million) had an opposite effect on the development of the other financial result. This is primarily due to the increased market interest rates and the associated

increase in the market values of concluded interest caps. The other financial result also includes effects of EUR6 million (previous year: EUR5 million) from the valuation of put-option liabilities. Currency translation result amounted to EUR8 million for the quarter (previous year: EUR -2 million).

The development described had already very significantly influenced the first two quarters of the year. Including developments in the third quarter, the other financial result declined to minus EUR18 million in the months of January to September 2022 (previous year: EUR118 million).

In the third quarter of 2022, expenses from **income taxes** amounted to EUR13 million (previous year: EUR31 million). In the months from January to September 2022, income taxes amounted to EUR62 million (previous year: EUR60 million). Income tax expenses in the current financial year are mainly influenced by non-tax-deductible valuation and disposal effects and the result from investments accounted for using the equity method.

In the third quarter of 2022, **net income** amounted to minus EUR247 million (previous year: EUR72 million). In addition to the revenue development, the significant decrease resulted in particular from the impairment recognized on the cash-generating unit NuCom Group. On a nine-month basis, net income decreased to minus EUR239 million (previous year: EUR252 million). This decline is additionally attributable to the development of the financial result, which is characterized primarily in the first two quarters of 2022 by the non-cash valuation effects described in the other financial result.

Adjusted net income likewise declined by 26% to EUR43 million in the third quarter of 2022 (previous year: EUR58 million); in the first nine months, however, it was EUR153 million, only 3% or EUR5 million below the previous year's level.

RECONCILIATION OF ADJUSTED NET INCOME

in EUR m

	Q3 2022	Q3 2021	Absolute change	Change in %
Net income	-247	72	-319	~
Reconciling items within EBITDA	-15	6	-20	~
Reconciling items under EBITDA	305	-16	321	~
Subtotal	44	62	-18	-29.0
Adjusted net income attributable to noncontrolling interests	-1	-3	3	-77.8
Adjusted net income	43	58	-15	-26.2

	Q1-Q3 2022	Q1-Q3 2021	Absolute change	Change in %
Net income	-239	252	-492	~
Reconciling items within EBITDA	4	25	-21	-82.3
Reconciling items under EBITDA	387	-109	497	~
Subtotal	152	168	-15	-9.1
Adjusted net income attributable to noncontrolling interests	1	-10	10	~
Adjusted net income	153	158	-5	-3.2

In the third quarter of 2022, the reconciling items below EBITDA (EUR305 million, previous year: EUR -16 million) include impairments on other non-current assets of EUR45 million (previous year: EUR3 million) and impairments on goodwill of EUR267 million (previous year: EUR0 million). On a nine-month view, the reconciling items below EBITDA (EUR387 million, previous year: EUR -109 million) also include the goodwill impairment of EUR47 million (previous year: EUR0 million) from the second quarter of 2022 resulting from the adjustment of the net carrying amounts to the selling price of the US production business of Red Arrow Studios disposed as of July 1, 2022.

ADJUSTED OPERATING FREE CASH FLOW

in EUR m

	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Adjusted EBITDA	118	162	407	470
Consumption of programming assets incl. change in provisions for onerous contracts	224	244	686	706
Change in provisions	2	12	15	42
Change in working capital	-50	-28	-104	-127
Investments	-266	-270	-726	-821
thereof programming assets	-210	-216	-576	-664
thereof other investments	-56	-54	-150	-156
Other ¹	10	14	13	32
Adjusted operating free cash flow	38	134	292	303

¹ Mainly includes adjustments from reconciling items within EBITDA and proceeds from the disposal of programming assets.

In the third quarter of 2022, ProSiebenSat.1 Group's **adjusted operating free cash flow** amounted to EUR38 million (previous year: EUR134 million). The decline primarily reflects the development of adjusted EBITDA, lower consumption of programming assets, and changes in working capital.

In the first nine months of the year, adjusted operating free cash flow decreased only slightly and amounted to EUR292 million (previous year: EUR303 million). The decline in adjusted EBITDA and the lower consumption of programming assets were almost entirely compensated for by the lower investments in US licensed programming in the first nine months.

The Group's **net financial debt** amounted to EUR1,739 million as of September 30, 2022 (December 31, 2021: EUR1,852 million; September 30, 2021: EUR2,111 million). This is an improvement of EUR372 million compared to the end of the previous year's quarter or of EUR113 million compared to the end of 2021. Compared to September 30, 2019, i.e. the pre-pandemic level, ProSiebenSat.1 reduced its net financial debt by as much as EUR849 million. This reflects the consistent reduction of the Group's debt and thus the effective cash flow management.

The **leverage ratio** also improved compared to September 30, 2021, and at 2.2x is clearly within the target range of 1.5x to 2.5x (December 31, 2021: 2.2x; September 30, 2021: 2.5x). This development is attributable to the lower net financial debt. The leverage ratio therefore improved year-on-year despite the EUR70 million higher dividend payment than in the previous year.

» INFORMATION

The leverage ratio is the ratio of net financial debt to adjusted EBITDA in the last twelve months (LTM adjusted EBITDA). As of September 30, 2022, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities according to IFRS 16 of EUR177 million (December 31, 2021: EUR220 million; September 30, 2021: EUR221 million) and real estate liabilities of EUR120 million (December 31, 2021: EUR97 million; September 30, 2021: EUR89 million).

RISK AND OPPORTUNITY REPORT

Compared to the end of 2021, ProSiebenSat.1 Group's overall risk situation has increased as a result of the following developments:

Overall, global recession concerns increased noticeably over the course of the year. In Germany, the economic situation also burdened further. The Russia/Ukraine war and the continuing impact of the COVID-19 pandemic in China have exacerbated the existing supply shortages and price increases for raw materials as well as intermediate products and are an ongoing burden on German industry and export momentum. At the same time, private consumption is being dampened in particular by the high inflation rate and the strained energy markets. In September, the inflation rate in Germany was 10.0%, and prices for energy products rose by 43.9%.

In the third quarter of 2022, the burdens associated with the Russia/Ukraine war, which has been ongoing since February 2022, increased further compared with the first half of 2022 – in particular with regard to inflation, the energy crisis and increased uncertainty about the overall economic development. In this context, the probability of occurrence of the general sector risks in the Entertainment segment increased in the third quarter of 2022 compared to the end of 2021. Since the first quarter of 2022, we have rated this risk as a high risk (end of 2021: medium) with a very high impact and possible occurrence (end of 2021: unlikely). This is due to the economic developments described above, i.e. the change in the external conditions.

As a result of these increased burdens, there was an impairment of other non-current assets and goodwill of the cash-generating unit NuCom Group in the Commerce & Ventures segment in the third quarter of 2022. In the event that inflation and the energy price crisis continue to be high and consumer spending remains subdued in consequence, the Group continues to assess the occurrence of impairment risks as medium (at the end of the financial year 2021: low; at the end of the first half of 2022: medium) with a potentially very high impact (at the end of fiscal year 2021: high; at the end of the first half of 2022: very high) and an unlikely probability of occurrence (at the end of fiscal year 2021: very unlikely; at the end of the first half of 2022: unlikely).

→ **Financial Information on Business Performance, Depreciation, amortization and impairments**

However, in terms of their impact and likelihood of occurrence, the Group's macroeconomic risks basically have the same risk assessment as reported in the Group Management Report as of the end of 2021. We continue to rate these as a high risk with a potentially very high impact and possible occurrence.

In contrast, we assess the content risks in the Entertainment segment as decreased compared to the end of 2021. Although we continue to rate them as a medium risk overall with an unchanged, unlikely probability of occurrence, we have downgraded their impact to high (previously: very high). This change is attributable to the disposal of the US production business of Red Arrow Studios, which changed the risk landscape in content production.

All other reported risks are unchanged in terms of both likelihood of occurrence and possible impact compared to the end of 2021. Therefore, we estimate that there are currently no risks that, individually or in combination with other risks, could have a material or lasting adverse effect on the earnings, financial position and performance of the Group. The identified risks pose no threat to the Group as a going concern, even looking into the future. The Risk Report of ProSiebenSat.1 Group is accordingly based on the pandemic situation and war situation existing until the publication of this quarterly statement on November 15, 2022, as well as the sanctions and negative factors related to the war and the currently foreseeable economic effects for our Group. The opportunity situation has

not changed compared to the end of 2021.

→ [Economic Developments](#) → [Company Outlook](#)

» **INFORMATION**

ProSiebenSat.1 Media SE has a comprehensive risk management system to systematically identify, assess, manage and monitor risks. Risks are defined in this report as potential future developments or events that could significantly influence our business situation and result in a negative deviation from targets or forecasts. Therefore, risk indicators that we have already taken into account in our financial planning or in the Interim Consolidated Financial Statements as of September 30, 2022, are not covered by this definition and are consequently not explained in this Risk Report. The relevant risks are described in the Annual Report 2021 from page 150 onwards. The organizational requirements for risk and opportunity management are also explained here.

→ Annual Report 2021, "Risk and Opportunity Report"

COMPANY OUTLOOK

The macroeconomic environment in the German-speaking region has been characterized as a result of the Russia/Ukraine war by persistently high inflation and increasing consumer restraint. Currently, the fourth quarter of 2022 therefore shows signs of a more pronounced weakened macroeconomic environment than initially reflected in the latest full-year outlook of ProSiebenSat.1 Group. Traditionally, the fourth quarter is the most important quarter of the year for ProSiebenSat.1 in terms of full-year revenues and contribution to earnings (Q4 2021: adjusted EBITDA of EUR370 million). Against this backdrop, the Group updated its financial targets for the financial year 2022 on October 27, 2022:

The Group continues to expect **revenues** of around EUR 4.15 billion and **adjusted EBITDA** of around EUR 650 million for the full-year, as already communicated on October 27, 2022. For the Group's adjusted EBITDA, these expectations include negative consolidation effects from the full acquisition of the streaming platform Joyn as well as positive effects from cost measures. At the same time, ProSiebenSat.1 assumes the Group's high-margin advertising revenues in the German-speaking region of Germany, Austria and Switzerland to be presumably down around EUR130million or around 17% year-on-year in the fourth quarter (previous year: EUR776million) and around EUR160million or around 7% down year-on-year for the full-year (previous year: EUR2,233million). This affects the Entertainment and Commerce & Ventures segments. Adjusted net income, adjusted operating free cash flow, P7S1 ROCE and leverage ratio will thus be below the previously communicated targets, following the update of adjusted EBITDA expectations.

Previously, amongst others, ProSiebenSat.1 had expected revenues of around EUR4.375billion with a variance of plus/minus EUR75million and adjusted EBITDA of EUR780million with a variance of plus/minus EUR25million. Here, the Group had assumed its full-year advertising revenues in the region of Germany, Austria and Switzerland to develop at the previous year's level when reaching the midpoint of the ranges. However, the achievement of these financial targets was subject to the development of the overall economic environment and the advertising market in the German-speaking region. A tightening of sanctions, a suspension of gas deliveries, or an expansion of the war beyond Ukraine were not reflected in this forecast.

ProSiebenSat.1 Group thus continues to aim to increase its revenues by an average of 4 to 5% per year in the medium- to long-term, even though the macroeconomic environment is currently affecting this growth expectations. The Group is consistently driving forward its digital transformation and, as an early-cyclical company, is well positioned to be one of the first to benefit from an economic recovery, especially in the advertising market.

CONSOLIDATED INCOME STATEMENT

in EURm	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Revenues	921	1,055	2,930	3,041
Cost of sales	-602	-666	-1,888	-1,926
Gross profit	319	388	1,042	1,115
Selling expenses	-179	-172	-498	-492
Administrative expenses	-113	-124	-372	-374
Other operating expenses	-277	-1	-324	-5
Other operating income	22	5	37	16
Operating result	-227	97	-115	260
Interest and similar income	2	5	9	12
Interest and similar expenses	-10	-15	-30	-44
Interest result	-9	-10	-21	-32
Result from investments accounted for using the equity method	-5	-10	-24	-33
Other financial result	7	26	-18	118
Financial result	-7	6	-63	53
Result before income taxes	-234	103	-177	312
Income taxes	-13	-31	-62	-60
Net income	-247	72	-239	252
Attributable to shareholders of ProSiebenSat.1 Media SE	-158	73	-150	262
Attributable to non-controlling interests	-90	-1	-90	-10
Earnings per share in EUR				
Basic earnings per share	-0.70	0.32	-0.66	1.16
Diluted earnings per share	-0.70	0.32	-0.68	1.16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EURm	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Net income	-247	72	-239	252
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation adjustment	67	18	122	43
Reclassification of foreign currency translation adjustment to profit or loss	-23	0	-26	0
Measurement of cash flow hedges	33	13	56	35
Income taxes	-9	-4	-16	-10
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit obligations	2	—	7	—
Income taxes	0	—	-2	—
Other comprehensive income	69	27	140	68
Total comprehensive income	-178	99	-99	320
Attributable to shareholders of ProSiebenSat.1 Media SE	-111	96	-45	319
Attributable to non-controlling interests	-68	3	-54	1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EURm	09/30/2022	12/31/2021
ASSETS		
Goodwill	1,820	2,163
Programming assets	952	973
Other intangible assets	839	867
Property, plant and equipment	460	495
Investments accounted for using the equity method	51	61
Other financial assets	351	353
Other receivables and non-current assets	2	3
Deferred tax assets	49	67
Non-current assets	4,525	4,982
Programming assets	124	172
Inventories	69	49
Other financial assets	111	139
Trade receivables	489	504
Current tax assets	79	55
Other receivables and current assets	97	91
Cash and cash equivalents	704	594
Current assets	1,672	1,605
Total assets	6,197	6,587

in EUR m	09/30/2022	12/31/2021
EQUITY AND LIABILITIES		
Subscribed capital	233	233
Capital reserves	1,046	1,046
Consolidated equity generated	298	629
Treasury shares	-62	-62
Accumulated other comprehensive income	150	45
Other equity	-135	-136
Total equity attributable to shareholders of ProSiebenSat.1 Media SE	1,530	1,755
Non-controlling interests	289	343
Equity	1,819	2,099
Non-current financial debt	2,392	2,395
Other non-current financial liabilities	274	347
Trade payables	70	52
Other non-current liabilities	5	16
Provisions for pensions	1	31
Other non-current provisions	20	51
Deferred tax liabilities	254	248
Non-current liabilities	3,016	3,138
Current financial debt	50	51
Other current financial liabilities	112	80
Trade payables	639	555
Other current liabilities	330	397
Current tax liabilities	126	141
Other current provisions	104	126
Current liabilities	1,362	1,350
Total equity and liabilities	6,197	6,587

CONSOLIDATED CASH FLOW STATEMENT

in EURm	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021
Net income	-247	72	-239	252
Income taxes	13	31	62	60
Financial result	7	-6	63	-53
Depreciation, amortization and impairments of goodwill, other intangible assets and property, plant and equipment	360	59	517	185
Consumption of programming assets incl. change in provision for onerous contracts	224	244	686	706
Change in provisions	2	12	15	42
Gain/loss on the sale of assets	-15	-1	-18	-3
Other non-cash income/expenses	0	-1	0	-3
Change in working capital	-50	-28	-104	-127
Dividends received	0	0	6	5
Income tax paid	-43	-23	-119	-170
Interest paid	-7	-9	-22	-46
Interest received	6	0	6	1
Cash flow from operating activities	250	349	854	849
Proceeds from disposal of non-current assets	4	18	22	81
Payments for the acquisition of other intangible assets and property, plant and equipment	-56	-54	-150	-156
Payments for investments including investments accounted for using the equity method	-1	-46	-20	-68
Payments for the acquisition of programming assets	-210	-216	-576	-664
Payments for the issuance of loan receivables	—	0	—	-1
Proceeds from the repayment of loan receivables	0	0	1	1
Payments for obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)	—	0	-4	-25
Proceeds from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of)	122	0	121	0
Cash flow from investing activities	-141	-297	-605	-833
Dividend paid	—	—	-181	-111
Repayment of financial liabilities	0	0	-1	-781
Proceeds from issuance of financial liabilities	13	12	24	199
Repayment of lease liabilities	-11	-11	-33	-31
Payments for transactions with non-controlling interests	—	-13	0	-23
Payments in connection with refinancing measures	—	—	-6	—
Dividend payments to non-controlling interests	0	-1	0	-23
Cash flow from financing activities	2	-13	-197	-770
Effect of foreign exchange rate changes on cash and cash equivalents	32	6	57	13
Change in cash and cash equivalents	143	45	109	-741
Cash and cash equivalents at beginning of reporting period	561 ¹	438	594	1,224
Cash and cash equivalents at end of reporting period	704	483	704	483

1. Includes cash and cash equivalents of 70 EURm, relating to the production companies, which were sold as of July 1, 2022.

FINANCIAL CALENDAR

Date	Event
15/11/2022	Publication of the Quarterly Statement for the Third Quarter of 2022
02/03/2023	Publication of the Annual Report 2022 Press Conference/Conference Call with Analysts on Figures 2022
02/05/2023	Annual General Meeting
11/05/2023	Publication of the Quarterly Statement for the First Quarter of 2023
10/08/2023	Publication of the Half-Yearly Financial Report of 2023
14/11/2023	Publication of the Quarterly Statement for the Third Quarter of 2023

EDITORIAL INFORMATION

PRESS

ProSiebenSat.1 Media SE Konzernkommunikation

Medienallee 7
85774 Unterföhring
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
Phone: +49 [0]89 95 07—15 02
Fax: +49 [0]89 95 07—15 21
E-Mail: aktie@prosiebensat1.com

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ProSiebenSat.1 Media SE

Medienallee 7
85774 Unterföhring
Phone: +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 Konzernkommunikation

nexxar GmbH
Vienna, Austria

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→ www.ProSiebenSat1.com

FORWARD-LOOKING STATEMENTS

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