ProSiebenSat.1 Media SE

HALF-YEARLY FINANCIAL REPORT 2022

GROWING TOGETHER

relevant
innovative
value-creating

CONTENT

AT A GLANCE

- **High previous year's level confirmed:** Group revenues grow slightly and adjusted EBITDA in Q2 is stable at previous year's level in a difficult market environment. The same applies to the revenue development in H1.
- **Successful diversification:** Revenue growth of 10% in the Commerce & Ventures segment on a currency and portfolio adjusted basis; at the same time solid development of advertising revenues in view of the macroeconomic environment, and Entertainment revenues 2% above previous year.
- **Effective cash flow management:** Debt reduced through consistent and proactive liquidity management; adjusted operating free cash flow increases.
- **Strong dividend:** With an increased dividend to EUR 0.80 per share, we let our shareholders participate in our growth and reliably pursue our dividend policy.
- **Portfolio even more synergistic:** Further portfolio optimization of the Group through the disposal of the US production business of Red Arrow Studios and thus a clear program focus on local, relevant and live content.

After a good start to the year, ProSiebenSat.1 Group confirmed its strong revenue level also in the second quarter: Group revenues amounted EUR 1,055 million (previous year: EUR 1,048 million), continuing its growth with an increase of 1% in a challenging economic environment. Adjusted EBITDA was stable at EUR 166 million (previous year: EUR 166 million). Revenues in the Commerce & Ventures segment grew significantly by 10% on a currency and portfolio adjusted basis. Against the background of the Russia/Ukraine war, revenues in the advertising market developed solidly (-1%) compared to the high previous-year figure, with revenues in the Entertainment segment increasing by 2% overall. The previous-year period in the Dating & Video segment was characterized by a record revenue figure, with revenues now showing a decline as expected (-6%).

On a half-year basis, Group revenues also grew slightly to EUR 2,009 million (previous year: EUR 1,986 million). Adjusted EBITDA however decreased by EUR 19 million to EUR 289 million. Among other things, this reflects the disposal of the film distribution company Gravitas Ventures in the previous year, which had contributed earnings of EUR 12 million in the previous-year period.

Our current revenue performance proves once again that, thanks to our diversified revenue profile, we are more crisis-proof than many other companies in the media industry. Our cash flow management is effective, with adjusted operating free cash flow showing significant growth. At the same time, we reduced our debt as a result of our proactive liquidity management. At 2.3x[1], the leverage ratio is below the previous year and within the target range of 1.5x to 2.5x, despite higher dividend payments.

Our strategy focuses on synergies and the interplay of reach, monetization, and value creation. We continue to drive this forward consistently: Our entertainment platforms give us very wide reach which we are monetizing in a variety of ways – in the Entertainment segment directly by selling advertising space on our linear channels and via our digital products as well as indirectly via our Commerce & Ventures portfolio. Here, we invest advertising time in young digital companies and in exchange receive shares in the companies themselves or in their revenues. This means that with media as our investment currency, we can break new ground without high cash investments. The

1 Before reclassification of cash and cash equivalents from the companies held for sale at the end of the second quarter from the US production business of Red Arrow Studios. This does not yet reflect the receipt of payment for the transaction. The sale was economically completed as of July 1, 2022.

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.

With our focus on local programming, we gear our content, stations and entertainment platforms toward synergies and the German-speaking region. The aim is to create long-term value for the entire Group. In doing so, we continuously review whether we are the best owner of individual companies in each case. Against this backdrop, we most recently sold the US production business of Red Arrow Studios as of July 1, 2022, thus further optimizing the Group's portfolio.

With its strategy, ProSiebenSat.1 Group is well positioned for the future, but also generates strong returns and offers attractive dividends. In May 2022, the Group let its shareholders participate in the Company's success with a significant dividend increase to EUR 0.80 per share. This reflects the Company's dividend policy of distributing around 50% of adjusted net income.

The good performance in the given circumstances is the combination of attractive advertising products, the focus on high-growth digital markets and a smart investment strategy. ProSiebenSat.1's success is shaped by the employees of the Group. As of June 30, 2022, ProSiebenSat.1 Group had 7,800 employees (previous year: 8,271), calculated on the basis of full-time equivalents. This decline of 471 employees is particularly attributable to Red Arrow Studios and the industry-customary fluctuations in the production business as well as the consolidation-related year-on-year declines as a result of the disposal of the companies Gravitas Ventures, Amorelie, and moebel.de.

KEY FIGURES OF PROSIEBENSAT.1 GROUP

in EUR m

	Q2 2022	Q2 2021	**H1 2022**	H1 2021
Revenues	1,055	1,048	2,009	1,986
Adjusted EBITDA[1]	166	166	289	308
Adjusted net income[2]	68	63	110	100
Adjusted operating free cash flow[3]	109	87	254	169
Audience share (in %)[4]	25.5	24.9	25.2	25.3

	06/30/2022	12/31/2021	06/30/2021
Employees[5]	7,800	7,906	8,271
Programming assets	1,098	1,145	1,154
Cash and cash equivalents	490	594	438
Net financial debt	1.881[7]	1,852	2,156
Leverage ratio[6]	2,3[7]	2.2	2.6

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.
6 Ratio net financial debt to adjusted EBITDA in the last twelve months.
7 Before reclassification of cash and cash equivalents of assets held for sale.

» **INFORMATION**

Due to rounding, figures may not add up exactly to the totals shown.

SIGNIFICANT EVENTS

As a digital group, ProSiebenSat.1 combines leading Entertainment brands with a strong Dating & Video as well as Commerce & Ventures portfolio under one roof. ProSiebenSat.1 Group is continuing its consistent focus on value creation, including a focus on synergies, also in the second quarter.

There were changes in the composition of the Supervisory Board during the reporting period: At the Annual General Meeting on May 5, 2022, Dr. Andreas Wiele was confirmed as a member of the 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 periods in office. Wiele was a member of the Executive Board of Axel Springer SE for 20 years. Since leaving the company in 2020, he has been active as a company founder and, among other things, General Partner at Giano Capital Management S.à r.l.. Bert Habets was elected as a new member of the Supervisory Board. Habets has been CEO of the Greek media company Antenna Group B.V. since 2021. Prof. Dr. Rolf Nonnenmacher's mandate was confirmed. In addition to the election of the Supervisory Board members, the shareholders approved a dividend of EUR 0.80 per dividend-bearing share. 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.
→ ProSiebenSat.1 Media SE Share

Our strategy is based on active portfolio and financial management. In this context, ProSiebenSat.1 Group extended the maturities for its term loan and its revolving credit facility (RCF). Under the existing senior facilities agreement, a term loan of EUR 800 million was extended until April 2027 and a term loan of EUR 400 million was extended until April 2025. The latter can also be extended until April 2027 under certain conditions. The RCF of EUR 500 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 EUR 1,200 million and a RCF with a volume of EUR 750 million. The majority of the credit facilities had a term until April 2024. The transaction took place in May 2022 and continued measures that ProSiebenSat.1 had already taken in 2021: the early repayment of a bond, the issue of new promissory note loans, and the subsequent repayment of a term loan.
→ Borrowings and Financial Structure

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-language production business at Redseven Entertainment and the European 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. In addition, we recently founded two new production companies in Germany, Cheerio Entertainment and Flat White Productions, and we also have held a majority stake in the production company Pyjama Pictures since November 11, 2019.

→ Notes to the Consolidated Financial Statements, note 2 "Assets and liabilities held for sale"

BUSINESS PERFORMANCE OF PROSIEBENSAT.1 GROUP

GROUP ENVIRONMENT

Economic Developments

The prospects for the global economy have clouded over the course of the first half of 2022. Russia's war of aggression against Ukraine and the extreme lockdown in China due to the COVID-19 pandemic led to further tensions in global supply chains and increased inflationary pressure worldwide. In addition, the increasingly tense situation on the energy market is leading to further economic challenges. In April, the International Monetary Fund (IMF) reduced its global growth forecast for 2022 by 0.8 percentage points to plus 3.6% in real terms and by a further 0.4 percentage points in July to plus 3.2%. Back in June, the Organization for Economic Cooperation and Development (OECD) published a further lower forecast of plus 3.0% growth (December 2021: +4.5%).

With their dependence on Russian gas and energy supplies, the eurozone countries are particularly impacted by the current very difficult macroeconomic conditions. Following the strong upward trend in the previous year (+5.3%), the European Commission now expects a growth rate of 2.6% in its summer forecast (May 2022: +2.7%). The US economy also will not be able to continue the strong recovery of the previous year (+5.7%, IMF) at the same pace. The high inflation rate, most recently at 9.1%, prompted the US Federal Reserve (Fed) to abandon its low-interest policy and significantly raise its key interest rate. Following the last increase at the end of July, the key interest rate is now in a range of 2.25 to 2.50. In July, the European Central Bank (ECB) also raised the key interest rate, most recently by a sharp 0.5 percentage points. Against this backdrop, the IMF expects real-term growth of only plus 2.3% for the US in 2022 (June 2022: +2.9%, April 2022: +3.7%).

The weaker global economy, curbed export prospects, existing shortages of materials and supply bottlenecks, high price inflation at all economic levels, and the risk of gas supplies not being delivered are also considerably diminishing the prospects for the German economy. After the economy had grown in the first quarter of 2022 (+0.8% vs. previous quarter, Destatis), the gross domestic product stagnated at 0.0% in the second quarter of 2022 compared to the previous quarter. The lifting of most COVID-19 protective measures is likely to have supported the economy in this regard.

For the local German economic performance, further growth is likely to be closely connected with the development of private consumption. How consumer willingness to spend actually develops will depend to a large extent on the further development of the Russia/Ukraine war and the situation on the energy market. In addition, households' purchasing power is being curbed by high inflation. As a result, consumer prices in July are likely to have been 7.5% higher than a year earlier (June 2022: +7.6%). Although the GfK consumer climate index stabilized at the previous month's level of minus 26.2 points in June (-26.6 points), the index fell again in July to minus 27.7 points. A decline to a new all-time low of minus 30.6 points is forecast for August.

→ Future Business and Industry Environment

Developments in Relevant Market Environments

ENTERTAINMENT

The advertising market is very sensitive to the state of the economy and reacts in an early-cycle way, with private consumption in particular correlating closely with investments in advertising. After a strong start to the year, the advertising market in Germany was characterized by consumer restraint in March in the context of the Russia/Ukraine war. The second quarter at the same time has to compete with a very strong comparative period: In the same period of last year, the advertising market had recovered strongly from the effects of the COVID-19 pandemic, benefiting from considerable catch-up effects in May and June in particular.

ProSiebenSat.1 Group is the leading TV advertising marketer in Germany: Based on gross figures from Nielsen Media Research, our market share rose to 38.0% in the second quarter of 2022 (previous year: 36.4%). ProSiebenSat.1 generated gross TV advertising revenues of EUR1.48 billion (previous year: EUR1.41 billion), representing a year-on-year increase of 5%. Overall, TV advertising investments increased slightly by 1% to EUR3.90 billion (previous year: EUR3.87 billion). In the first half of the year, ProSiebenSat.1 Group generated gross advertising revenues of EUR2.77 billion (previous year: EUR2.65 billion), representing an increase of 5%. This resulted in a market share of 36.5% (previous year: 35.8%). The market volume grew by 3% to EUR7.59 billion gross in this period (previous year: EUR7.39 billion).

» **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 neither discounts and own advertising nor agency commission are taken into account. In addition, the figures include TV spots from media-for-revenue and media-for-equity deals. 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.

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

	Development of the TV advertising market in Q2 2022 (Change against previous year)
Germany	+1.0
Austria	+3.8
Switzerland	–9.7

	Market shares ProSiebenSat.1 Group Q2 2022	Market shares ProSiebenSat.1 Group Q2 2021
Germany	38.0	36.4
Austria	41.5	40.0
Switzerland	24.0	25.5

Germany: April–June, gross, Nielsen Media.
Austria: April–June, gross, Media Focus.
Switzerland: April–June, the advertising market shares relate to the German-speaking part of Switzerland, gross, Media Focus.

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

in %

	Development of the TV advertising market in H1 2022 (Change against previous year)
Germany	+3.0
Austria	+5.8
Switzerland	–3.2

	Market shares ProSiebenSat.1 Group H1 2022	Market shares ProSiebenSat.1 Group H1 2021
Germany	36.5	35.8
Austria	40.4	40.1
Switzerland	24.8	25.2

Germany: January–June, gross, Nielsen Media.
Austria: January–June, gross, Media Focus.
Switzerland: January–June, the advertising market shares relate to the German-speaking part of Switzerland, gross, Media Focus.

We are systematically pursuing our programming strategy with a focus on local, relevant content that is broadcast live and on-demand across all platforms in the German-speaking region. The aim is to reach audience groups even more suitably. In the wake of ongoing digitalization, 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. With the launch of new magazine formats and the establishment of its own newsroom, ProSiebenSat.1 Group will produce news itself from 2023 onwards, specifically also addressing young people.

With this focus, the ProSiebenSat.1 station family is the market leader in Germany among the audience group aged 14 to 49. In the reporting period, we further increased the share of local formats compared to the previous year – although public stations particularly benefited from the increased demand for information at the beginning of the Russia/Ukraine war. Overall, the ProSiebenSat.1 stations' market share among viewers aged 14 to 49 increased to 25.5% in the second quarter of 2022 (previous year: 24.9%). In the six-month period, audience shares totaled 25.2% (previous year: 25.3%).

AUDIENCE SHARES OF PROSIEBENSAT.1 GROUP

in %

	Q2 2022	Q2 2021	H1 2022	H1 2021
Germany	25.5	24.9	25.2	25.3
Austria	26.1	28.1	25.7	27.9
Switzerland	16.3	14.1	15.9	14.3

Germany: 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, 2021–June 30, 2022, market standard: TV.
Austria: A 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, 2021–June 30, 2022; 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; D-CH; total signal; source: Mediapulse TV Data.

Because of its high reach among viewers aged 14 to 49, prime time between 8:15 p.m. and 11:00 p.m. is particularly relevant for the advertising industry. Here, the ProSiebenSat.1 station family increased its market share to 25.2% in the second quarter (previous year: 24.5%). In the first half of the year, its prime time audience share also amounted to 25.2% (previous year: 25.3%). Live sport broadcasts of the first and second Soccer Bundesliga particularly contributed to that, achieving market shares of up to 26.4% (on average 20.0%, viewers aged 14 to 49). In addition, the hit format "Germany's Next Topmodel – by Heidi Klum" recorded the highest market shares in prime time in 14 years (on average 21.0%, viewers aged 14 to 49), while shows such as "Wer stiehlt mir die Show" and "Joko & Klaas gegen ProSieben" were a success with prime time shares of up to 24.9% and 19.9% respectively (viewers aged 14 to 49).

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

in %

Target group 14–49 years	**Q2 2022**	Q2 2021	**H1 2022**	H1 2021
ProSiebenSat.1 Group	**25.2**	24.5	**25.2**	25.3
SAT.1	6.8	6.7	6.8	7.0
ProSieben	9.6	9.6	9.9	10.2
Kabel Eins	4.5	4.0	4.4	4.1
sixx	1.1	1.1	1.1	1.1
SAT.1 Gold	1.0	1.0	1.0	1.0
ProSieben MAXX	1.2	1.1	1.2	1.1
Kabel Eins Doku	0.8	0.9	0.8	0.8

Figures are based on prime time from 8:15 p.m. to 11:00 p.m. (Mon–Sun).
Source: AGF Videoforschung in cooperation with GfK; VIDEOSCOPE 1.4, January 1, 2021–June 30, 2022, market standard: TV.

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 platforms 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 diversified revenue sources ranging from subscription models to marketing services and virtual products, and addresses a broad target group. This reflects the strategic alignment of our Group, in which synergies and resilience play an essential role.

An IPO of ParshipMeet Group had been planned for 2022. However, the current uncertain capital market environment makes a value-creating transaction difficult, which is why the analysis and preparations – as communicated in the context of the publication of the Group's full-year figures on March 3, 2022 – are continuing, the right time for a possible IPO however is being awaited.

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

» **INFORMATION**
Further information on the environment in the Dating & Video segment can be found in the
→ 2021 Annual Report from page 126.

COMMERCE & VENTURES

In the Commerce & Ventures segment, we focus on investments in primarily digital consumer brands: We use our high reach as investment currency, enabling us to 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 (part of Consumer Advice), the car rental comparison portal billiger-mietwagen.de (part of Consumer Advice), the experience and leisure business of Jochen Schweizer mydays (part of Experiences), and the online beauty provider Flaconi (part of Beauty & Lifestyle).

Due to their focus on end consumers, a large proportion of this businesses are dependent on the general economic development. This is becoming particularly clear at present: Disruptions to supply chains, the intensifying shortage of raw materials, and particularly the sanctions on Russia are weighing on private consumption. The war in Ukraine is particularly affecting the energy market, where we operate with our comparison portal Verivox. Sharply rising energy prices are having a corresponding negative impact on market dynamics. However, the decisive factor for the comparison portal's business situation is not so much the price level per se, but rather functioning competition.

The growing uncertainty among consumers since the beginning of the Russia/Ukraine war is also affecting the e-commerce market. According to the German e-commerce and distance selling association (Bundesverband E-Commerce und Versandhandel, bevh), Germans are reducing their consumption of non-essential goods and services in view of the rising cost of living and energy costs. This is also clearly noticeable in the revenue development of the online beauty provider Flaconi (part of Beauty & Lifestyle). According to bevh, the market volume in the first half of 2022 was 1.3% lower than the revenue level reached in 2021, but still well above the figure for the first half of 2019 with growth of 32.9%.

Various services in the travel and leisure industry – such as the car rental comparison portal billiger-mietwagen.de (part of Consumer Advice) and the experience and leisure business of Jochen Schweizer mydays (part of Experiences) – are benefiting from the normalization of everyday life following the restrictions on public life due to the COVID-19 pandemic, and have significantly increased their revenues year-on-year.
→ Economic Developments

» **INFORMATION**

Further information on the environment in the Commerce & Ventures segment can be found in the → 2021 Annual Report from page 126.

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.

GROUP EARNINGS

Revenues

In the second quarter, **Group revenues** amounted to EUR1,055 million (previous year: EUR1,048 million). ProSiebenSat.1 Group thus continued its revenue growth, with a slight increase of EUR7 million or 1% compared to the previous year. Adjusted for currency effects and portfolio changes, revenues likewise came at EUR1,055 million (previous year: EUR1,053 million). In view of a strong previous-year quarter, which benefited from catch-up effects in the spring and summer months of the pandemic, and the currently challenging economic environment, this result once again underlines the Group's successful strategy.

ProSiebenSat.1 Group also confirmed the high previous year's level on a half-year basis: From January to June 2022, the Group recorded revenues of EUR2,009 million (previous year: EUR1,986 million) and thus a 1% increase compared to the period of the previous year. Adjusted for currency effects and portfolio changes, the revenue growth amounted to EUR31 million or 2%.
→ Group Environment

» **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 based there, 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 EURm

	Q2 2022	Q2 2021	Absolute change	Change in %
Entertainment	748	736	11	1.5
Dating & Video	130	139	–9	–6.2
Commerce & Ventures	177	172	5	2.6
Revenues	**1,055**	**1,048**	**7**	**0.7**
	H1 2022	H1 2021	Absolute change	Change in %
Entertainment	1,410	1,346	64	4.8
Dating & Video	262	280	–18	–6.4
Commerce & Ventures	337	360	–23	–6.4
Revenues	**2,009**	**1,986**	**23**	**1.2**

External revenues in the **Entertainment** segment amounted to EUR748 million in the second quarter and were 2% higher than the previous year's figure (previous year: EUR736 million). Adjusted for currency effects and portfolio changes, revenues increased by 1%. At the same time, advertising revenues in the Entertainment segment were largely stable (-1% or EUR -7 million) in the second quarter of 2022 compared to the strong previous-year period and were almost at the pre-crisis level of 2019. The dynamics of the advertising market correlate closely with macroeconomic developments: While revenues in the advertising market are currently solid in light of the Russia/Ukraine war, the advertising market in the second quarter of the previous year recorded a very strong recovery from the impact of the COVID-19 pandemic. Distribution revenues in the second quarter of 2022 were at the previous year's level. Revenues from the content business (program production and sales) grew despite the disposal of the film distributor Gravitas Ventures in November 2021 (EUR -11 million) and adjusted for currency effects by 15%, with the increase mainly generated in the European business. Other revenues – which particularly include revenues from events – increased by 12% year-on-year in the second quarter of 2022. The return to live sport events had a positive impact here.

On a half-year basis, the segment's external revenues grew by 5% or EUR 64 million to EUR 1,410 million. The main reason for the revenue increase was a 4% rise in advertising revenues, as the advertising market grew very dynamically before the beginning of the Russia/Ukraine war. In addition, the content business developed positively, although the film distributor Gravitas Ventures had contributed revenues of EUR 22 million in the previous year. Adjusted for currency effects and portfolio changes, the segment's external revenues likewise increased by 5%.

External revenues in the **Dating & Video** segment amounted to EUR 130 million in the second quarter of 2022. This corresponds to a decline of EUR 9 million (-6%) or adjusted for currency effects of EUR 21 million (-14%) compared to the previous year. Here, the macroeconomic uncertainty impacted consumer behavior and primarily revenues in the German-speaking region. The US subsidiary eharmony partially compensated for this development: eharmony recorded a significant revenue growth in the second quarter and is now the largest brand in our dating portfolio. In addition, the previous year's period in the Dating & Video segment was characterized by a record revenue figure: Government economic aid stimulated private consumption in spring 2021 as part of the largest stimulus package in the history of the US. This had a very positive impact on the usage and monetization of our video offerings in the US region.

Against this backdrop, the Dating & Video segment's external revenues decreased to EUR 262 million in the first half of 2022, which equates to a decline of EUR 18 million (-6%) or adjusted for currency effects of EUR 37 million (-12%). The Dating unit contributed EUR 134 million or 51% to the segment's external revenues (previous year: EUR 139 million). The Video unit generated a revenue contribution of EUR 128 million (previous year: EUR 141 million); here, we not only use our live video streaming solution vPaaS (video-Platform-as-a-Service) for our own offerings – we also provide the technology to third parties to generate additional revenues. This partially compensated for the decline due to the previous year's record revenues described above.

Compared to 2019, the comparable period before the outbreak of the pandemic, the segment grew however by an average of 10% per year on a pro forma basis. The Meet Group has been consolidated since September 2020, and has since complemented our portfolio synergistically.

In the **Commerce & Ventures** segment, **external revenues** increased by 3% to EUR 177 million in the second quarter of 2022 (previous year: EUR 172 million). Adjusted for currency effects and portfolio changes, the growth amounted to 10%. The Group pursues an active portfolio management with a focus on synergies and had sold the companies Amorelie (part of Beauty & Lifestyle) and moebel.de (part of Beauty & Lifestyle) at the end of 2021. These companies contributed EUR 11 million to the segment's revenues in the previous year's period.

The assets in the Commerce & Ventures portfolio affected by the pandemic restrictions clearly recovered in the second quarter: The car rental comparison portal billiger-mietwagen.de (part of Consumer Advice) and the experience and leisure business of Jochen Schweizer mydays (part of Experiences) increased their revenues very dynamically. In addition, the investment vehicle SevenGrowth and the media-for-equity and media-for-revenue businesses of SevenVentures recorded substantial growth compared to the previous year. In contrast, revenues in the Beauty & Lifestyle vertical fell short of the previous year, among other things due to the current consumer restraint, which impacted Flaconi, and deconsolidation effects. In addition, the revenue development in the Consumer Advice vertical, which includes the comparison portal Verivox, has been negatively impacted by the current economic situation. This is because the effects of the Russia/Ukraine war are particularly evident in the energy market. In view of sharply rising energy prices, the options for switching electricity and gas providers are currently limited.

In the first six months of the year, segment revenues were 6% below the previous year's level at EUR 337 million (previous year: EUR 360 million) and were particularly influenced by the disposals of

Amorelie and moebel.de described above. Adjusted for currency effects and portfolio changes, the segment's external revenues were EUR 3 million or 1% above the previous year's period.
→ Group Environment

EXTERNAL REVENUES

in EUR m

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	Q2 2022	Q2 2021	**Q2 2022**	Q2 2021	**Q2 2022**	Q2 2021	**Q2 2022**	Q2 2021
Advertising revenues	**535**	**542**	**—**	**—**	**43**	**34**	**578**	**576**
DACH	462	483	—	—	43	34	505	517
Rest of the world	72	59	—	—	—	—	72	59
Distribution	**46**	**46**	**—**	**—**	**—**	**—**	**46**	**46**
Content	**139**	**124**	**—**	**—**	**—**	**—**	**139**	**124**
Europe	62	43	—	—	—	—	62	43
Rest of the world	78	81	—	—	—	—	78	81
Dating & Video	**—**	**—**	**130**	**139**	**—**	**—**	**130**	**139**
Dating	—	—	66	69	—	—	66	69
Video	—	—	64	70	—	—	64	70
Digital Platform & Commerce	**—**	**—**	**—**	**—**	**133**	**138**	**133**	**138**
Consumer Advice	—	—	—	—	44	41	44	41
Experiences	—	—	—	—	18	9	18	9
Beauty & Lifestyle	—	—	—	—	71	88	71	88
Other revenues	**27**	**24**	**—**	**—**	**1**	**1**	**28**	**25**
Total	**748**	**736**	**130**	**139**	**177**	**172**	**1,055**	**1,048**

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	H1 2022	H1 2021	**H1 2022**	H1 2021	**H1 2022**	H1 2021	**H1 2022**	H1 2021
Advertising revenues	**1,018**	**983**	**—**	**—**	**79**	**65**	**1,097**	**1,047**
DACH	889	874	—	—	79	65	968	939
Rest of the world	129	108	—	—	—	—	129	108
Distribution	**90**	**90**	**—**	**—**	**—**	**—**	**90**	**90**
Content	**255**	**227**	**—**	**—**	**—**	**—**	**255**	**227**
Europe	115	78	—	—	—	—	115	78
Rest of the world	141	149	—	—	—	—	141	149
Dating & Video	**—**	**—**	**262**	**280**	**—**	**—**	**262**	**280**
Dating	—	—	134	139	—	—	134	139
Video	—	—	128	141	—	—	128	141
Digital Platform & Commerce	**—**	**—**	**—**	**—**	**256**	**294**	**256**	**294**
Consumer Advice	—	—	—	—	87	92	87	92
Experiences	—	—	—	—	34	20	34	20
Beauty & Lifestyle	—	—	—	—	135	182	135	182
Other revenues	**47**	**47**	**—**	**—**	**2**	**1**	**49**	**48**
Total	**1,410**	**1,346**	**262**	**280**	**337**	**360**	**2,009**	**1,986**

Revenues by Segment

REVENUE SHARE BY SEGMENT

	Q2 2022	Q2 2021	H1 2022	H1 2021
Entertainment				
Advertising revenues DACH	44%	46%	44%	44%
Other Entertainment revenues	27%	24%	26%	24%
Dating & Video	12%	13%	13%	14%
Commerce & Ventures	17%	16%	17%	18%

Adjusted EBITDA

The revenue development resulted in **adjusted EBITDA** of EUR166million for the second quarter of 2022 and thus at the previous year's level. Adjusted for currency effects and portfolio changes, the Group reports slight growth of EUR1million. The portfolio effects primarily comprise last year's earnings contributions from the sold entities Gravitas Ventures, Amorelie, and moebel.de. The currency effects result mainly from the translation of companies in the US dollar region.

On a half-year basis, ProSiebenSat.1 Group's adjusted EBITDA amounted to EUR289million. This is a decrease of EUR19million or 6% compared to the previous year. Adjusted for currency effects and portfolio changes, the decline amounts to EUR14million or 4%.

The development of the individual segments is as follows:

ADJUSTED EBITDA BY SEGMENT
in EUR m

	Q2 2022	Q2 2021	Absolute change	Change in %
Entertainment	134	142	−8	−5.8
Dating & Video	25	28	−3	−10.4
Commerce & Ventures	12	2	10	~
Reconciliation (Holding & other)	−5	−7	2	−27.8
Total adjusted EBITDA	**166**	**166**	**0**	**0.2**
	H1 2021	H1 2021	Absolute change	Change in %
Entertainment	225	239	−14	−5.9
Dating & Video	47	61	−14	−22.8
Commerce & Ventures	25	19	6	32.7
Reconciliation (Holding & other)	−9	−11	3	−25.2
Total adjusted EBITDA	**289**	**308**	**−19**	**−6.2**

Adjusted EBITDA of the **Entertainment** segment amounted to EUR134million in the second quarter of 2022 and thus recorded a decline of EUR8million or 6% compared to the previous year. This is particularly attributable to the disposal of the film distributor Gravitas Ventures, which made an earnings contribution of EUR 6 million in the same period of the previous year.

This effect is also evident on a half-year basis, where adjusted EBITDA amounted to EUR225million, and was thus EUR14million or 6% below the previous year. The figure for the first half of 2021 includes Gravitas Ventures with an earnings contribution of EUR12million. In addition to this disposal, the development was impacted by the programming expenses brought forward into the first quarter of 2022. The Group brought forward some of its programming expenses in view of the Soccer World Cup, which will take place in the fourth quarter of 2022.

Adjusted EBITDA of the **Dating & Video** segment amounted to EUR25million in the second quarter of 2022, and was thus EUR 3 million below the previous year's figure (previous year: EUR28million). This development is primarily due to the revenue decline compared to the record previous-year period, which was influenced by the economic stimulus package in the US. In this context, the segment's Video unit recorded strong growth, especially in the first quarter of 2021. Accordingly, the segment's adjusted EBITDA on a half-year basis was EUR 14 million below the previous year's level and amounted to EUR 47 million (previous year: EUR 61 million).

Adjusted EBITDA of the **Commerce & Ventures** segment developed very dynamically in the second quarter of 2022, reaching EUR 12 million – compared to EUR 2 million in the previous year. This is particularly attributable to the higher profitability at SevenVentures and SevenGrowth. In addition, revenue growth at Jochen Schweizer mydays (part of Experiences) and billiger-mietwagen.de (part of Consumer Advice) had a positive impact. However, as expected, high energy prices and the associated reduced savings potential for end customers when switching electricity and gas suppliers had a negative impact on the business of Verivox (part of Consumer Advice). On a half-year basis, the segment's adjusted EBITDA grew by EUR 6 million or 33% to EUR 25 million.

The Group's **EBITDA** was almost stable at EUR 148 million in the second quarter of 2022 (previous year: EUR 151 million). On a half-year basis, EBITDA amounted to EUR 270 million (previous year: EUR 289 million), which particularly reflects the disposal of Gravitas Ventures.

Depreciation, amortization and impairments amounted to EUR 104 million in the second quarter of 2022 (previous year: EUR 68 million). This was mainly driven by the increase in impairments to EUR 51 million (previous year: EUR 8 million), of which EUR 47 million largely results from the adjustment of the net carrying amounts to the selling price in connection with the sale of the US production business of Red Arrow Studios as of July 1, 2022. The loss does not include foreign exchange gains on translation of the financial statements of the divested US companies in the amount of EUR 19 million, which remain in accumulated other comprehensive income in equity as of June 30, 2022 and are only to be recognized in income at the time of disposal in the third quarter of 2022 at the exchange rate then applicable. On a half-year basis, depreciation, amortization and impairments amounted to EUR 157 million (previous year: EUR 126 million). Again, the development was mainly influenced by the disposal of the US production business of Red Arrow Studios as of July 1, 2022.

→ Notes to Consolidated Financial Statements, note 2 “Assets and liabilities held for sale”

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

	Q2 2022	Q2 2021	Absolute change	Change in %
Adjusted EBITDA	**166**	**166**	**0**	**0.2**
Reconciling items	−18	−15	−3	18.9
EBITDA	**148**	**151**	**−2**	**−1.6**
Depreciation, amortization and impairments	−104	−68	−36	53.1
thereof from purchase price allocations	−13	−14	1	−5.6
Operating result (EBIT)	**45**	**83**	**−38**	**−46.2**
Financial result	−38	54	−91	~
Income taxes	−30	−23	−7	32.1
Net income	**−23**	**114**	**−137**	**~**
	H1 2022	H1 2021	Absolute change	Change in %
Adjusted EBITDA	**289**	**308**	**−19**	**−6.2**
Reconciling items	−19	−19	0	−2.1
EBITDA	**270**	**289**	**−19**	**−6.5**
Depreciation, amortization and impairments	−157	−126	−32	25.2
thereof from purchase price allocations	−24	−28	5	−16.2
Operating result (EBIT)	**113**	**163**	**−50**	**−30.9**
Financial result	−56	46	−102	~
Income taxes	−49	−29	−20	68.8
Net income	**8**	**180**	**−173**	**−95.7**

Adjusted expenses in adjusted EBITDA amounted to minus EUR 21 million in the second quarter of 2022 (previous year: EUR -15 million); in the first half of 2022, adjusted expenses were at minus EUR 24 million (previous year: EUR -19 million). Adjusted income amounted to EUR 4 million (previous year: EUR 0 million) in the second quarter and EUR 5 million (previous year: EUR 0 million) in the first half of 2022. Both on a quarterly and a half-year basis, expenses in connection with the disposal of the US production business of Red Arrow Studios were the largest single item within **reconciling items**. The reconciling items which are taken into account when determining adjusted EBITDA are distributed among the following categories:

PRESENTATION OF RECONCILING ITEMS WITHIN ADJUSTED EBITDA

in EUR m

	Q2 2022	Q2 2021	H1 2022	H1 2021
Adjusted EBITDA	**166**	**166**	**289**	**308**
Income from changes in scope of consolidation	3	—	3	—
Income from other one-time items	1	—	2	0
Income adjustments	**4**	**—**	**5**	**0**
M&A-related expenses	−24	−1	−28	−2
Reorganization expenses	0	−4	−2	−4
Fair value adjustments of share-based payments	3	−8	8	−11
Expenses from other one-time items	−1	−1	−1	−1
Valuation effects relating to strategic realignment of business units	0	−1	−1	−1
Expense adjustments	**−21**	**−15**	**−24**	**−19**
Reconciling items	**−18**	**−15**	**−19**	**−19**
EBITDA	**148**	**151**	**270**	**289**

Financial result

The **financial result** declined significantly compared to the previous year and amounted to minus EUR 38 million in the second quarter of 2022 (previous year: EUR 54 million). The development is characterized by offsetting effects: As the Group partially repaid a term loan in October 2021, the **interest result** improved to minus EUR 9 million in the second quarter of 2022 (previous year: EUR -14 million). In addition, the **result from investments accounted for using the equity method**, also recognized in the financial result, improved to minus EUR 8 million in the second quarter of 2022 (previous year: EUR -10 million). This mainly includes the Group's 50% share in the profit or loss of Joyn.

In light of the current market and stock market environment, the **other financial result** declined to minus EUR 20 million in the second quarter of 2022 (previous year: EUR 77 million). On the one hand, this includes the valuation effects from other financial instruments of minus EUR 20 million (previous year: EUR 82 million), which were made up of various individual items. The largest valuation effects results from the shareholding in the online fashion retailer ABOUT YOU (EUR -15 million; previous year: EUR 60 million) and a fund investment (EUR -13 million; previous year: EUR 14 million). On the other hand, the other financial result includes effects from the valuation of put option liabilities of EUR 4 million (previous year: EUR -5 million). The result from currency translation amounted to EUR 1 million (previous year: EUR 3 million).

These developments also characterize the first half of 2022, in which the financial result amounted to minus EUR 56 million after plus EUR 46 million in the previous year. At the same time, the other financial result amounted to minus EUR 24 million (previous year: EUR 92 million). The largest single item is likewise the valuation effect from other financial instruments of minus EUR 26 million (previous year: EUR 105 million), which is primarily attributable to the valuation of the shareholding in ABOUT YOU as of the reporting date (EUR -35 million; previous year: EUR 60 million). Even after the IPO in June 2021, SevenVentures – as the investment arm of ProSiebenSat.1 Group – holds shares of 1.4% in the online fashion retailer and acts as a media partner.

Net Income and Adjusted Net Income

In the second quarter of 2022, expenses from **income taxes** amounted to EUR 30 million (previous year: EUR 23 million). On a half-year basis, expenses from income taxes amounted to EUR 49 million (previous year: EUR 29 million).

→ Notes to Consolidated Financial Statements, note 4 "Income taxes"

INFORMATION

Income tax expenses are mainly influenced by non-tax-deductible valuation effects and the result from investments accounted for using the equity method. In the first half of 2021, income tax expenses were mainly influenced by tax-free valuation effects and by a singular item due to the preferential trade tax treatment of amounts from taxation under the controlled foreign corporation (CFC) rules. The adjusted tax rate, which is mainly adjusted for the valuation effects, was 32.5% for the first half of 2022.

In the second quarter of 2022, **net income** amounted to minus EUR 23 million (previous year: EUR 114 million). The clear decline is primarily based on the negative development of EBIT and the financial result, hereby particularly on non-cash valuation effects. As a result, net income also declined significantly on a half-year basis and amounted to EUR 8 million (previous year: EUR 180 million).

In contrast, **adjusted net income** increased by 8% to EUR 68 million in the second quarter of 2022 (previous year: EUR 63 million); in the first half of the year 2022, it rose by EUR 10 million or 10% to

EUR 110 million. **Adjusted earnings per share** amounted to EUR 0.30 in the second quarter of 2022 (previous year: EUR 0.28) and EUR 0.49 in the first half of 2022 (previous year: EUR 0.44).

RECONCILIATION OF ADJUSTED NET INCOME

in EUR m

	Q2 2022	Q2 2021	Absolute change	Change in %
Net income	**–23**	**114**	**–137**	**~**
Reconciling items within EBITDA	18	15	3	18.9
Depreciation, amortization and impairments from purchase price allocations	14	14	–1	–4.0
Valuation effects in other financial result	21	–83	104	~
Valuation effects of put-options and earn-out liabilities[1]	–3	6	–9	~
Impairments of goodwill	47	—	47	~
Other effects	–2	8	–10	~
Tax effects on adjustments	–4	–11	7	–60.5
Subtotal	**67**	**63**	**3**	**5.2**
Net income attributable to non-controlling interests	–1	9	–10	~
Adjustments attributable to non-controlling interests	2	–10	11	~
Adjusted net income attributable to non-controlling interests	1	–1	2	~
Adjusted net income	**68**	**63**	**5**	**7.8**
Adjusted earnings per share (in EUR)	**0.30**	**0.28**		

1 Including compounding and foreign currency effects of EUR 1 million (previous year: EUR 1 million).

	H1 2022	H1 2021	Absolute change	Change in %
Net income	**8**	**180**	**–173**	**–95.7**
Reconciling items within EBITDA	19	19	0	–2.1
Depreciation, amortization and impairments from purchase price allocations	24	28	–4	–14.6
Valuation effects in other financial result	27	–106	133	~
Valuation effects of put-options and earn-out liabilities[1]	–8	10	–18	~
Impairments of goodwill	47	—	47	~
Other effects	–5	2	–7	~
Tax effects on adjustments	–3	–28	25	–89.1
Subtotal	**109**	**106**	**3**	**2.4**
Net income attributable to non-controlling interests	0	9	–9	–98.4
Adjustments attributable to non-controlling interests	1	–15	16	~
Adjusted net income attributable to non-controlling interests	1	–6	8	~
Adjusted net income	**110**	**100**	**10**	**10.3**
Adjusted earnings per share (in EUR)	**0.49**	**0.44**		

1 Including compounding and foreign currency effects of EUR 1 million (previous year: EUR 2 million).

FINANCIAL PERFORMANCE OF THE GROUP

Total assets amounted to EUR 6,451 million as of June 30, 2022 (December 31, 2021: EUR 6,587 million), thus decreasing by 2% compared to the end of the previous year. Key developments compared to the reporting date on December 31, 2021, are described below:

» **INFORMATION**

"Assets held for sale" and "liabilities associated with assets held for sale" include the corresponding items of the US production business of Red Arrow Studios, which were sold as of July 1, 2022.

→ Notes to Consolidated Financial Statements, note 2 "Assets and liabilities held for sale"

FINANCIAL PERFORMANCE

in EUR m

	06/30/2022	12/31/2021	Absolute change	Change in %
Assets				
Goodwill	2,045	2,163	−118	-5
Programming assets	959	973	−14	-1
Other intangible assets	856	867	−11	-1
Property, plant and equipment	459	495	−36	-7
Other	439	484	−44	-9
Non-current assets	**4,758**	**4,982**	**−224**	**-4**
Programming assets	140	172	−32	-19
Trade receivables	472	504	−32	-6
Other	282	334	−52	-16
Cash and cash equivalents	490	594	−104	-18
Assets held for sale	310	—	310	~
Current assets	**1,693**	**1,605**	**88**	**6**
Total assets	**6,451**	**6,587**	**−136**	**-2**
Equity and liabilities				
Equity	**1,997**	**2,099**	**−101**	**-5**
Non-current financial debt	2,392	2,395	−3	0
Other	629	743	−114	-15
Non-current liabilities	**3,021**	**3,138**	**−117**	**-4**
Current financial debt	50	51	−1	-2
Other	1,263	1,299	−36	-3
Liabilities associated with assets held for sale	120	—	120	~
Current liabilities	**1,433**	**1,350**	**83**	**6**
Total equity and liabilities	**6,451**	**6,587**	**−136**	**-2**

Goodwill declined by 5% or EUR 118 million to EUR 2,045 million. In connection with the disposal of the US production business of Red Arrow Studios as of July 1, 2022, goodwill was reclassified to assets held for sale. The resulting decline was partially compensated for by foreign currency effects.

→ Notes to Consolidated Financial Statements, note 5 "Goodwill"

Programming assets amounted to EUR 1,098 million (December 31, 2021: EUR 1,145 million) and decreased year-on-year mainly as a result of our programming strategy investing more in local, relevant and live content and differentiating ourselves from streaming providers with their focus on US licensed programming.

» **INFORMATION**

Programming assets include rights to feature films, series, commissioned productions, digital content, and advance payments for these rights and sports rights. They are recognized as a separate item due to their special significance for the Group's assets, liabilities, financial position and profit or loss. Feature films and series are capitalized at the beginning of the contractual license period, while commissioned productions are capitalized upon acceptance. Live content, such as sports rights in particular, as well as news formats and some shows, are included in advance payments until broadcast. They are reported as current programming assets and are immediately expensed as consumption in cost of sales when broadcast. In contrast, in-house formats are primarily produced with a view to broadcasting in the near future. For this reason, they are recognized immediately as an expense in cost of sales.

Programming assets developed as follows:

STATEMENT OF CHANGES IN PROGRAMMING ASSETS

in EUR m

	H1 2022	H1 2021
Carrying amount as of 01/01	**1,145**	**1,213**
Additions	431	426
Disposals	−4	−9
Consumption	−473	−476
Other	−1	—
Carrying amount as of 06/30	**1,098**	**1,154**

EARNINGS EFFECTS OF PROGRAMMING ASSETS

in EUR m

	H1 2022	H1 2021
Consumption	473	476
Change in provision for onerous contracts	−11	−14
Consumption including change in provision for onerous contracts	**462**	**462**

Property, plant and equipment declined by 7% or EUR 36 million to EUR 459 million. This was mainly due to the reclassification of corresponding items of EUR 41 million to assets held for sale.

Other non-current assets decreased by 9% or EUR 44 million and amounted to EUR 439 million. The decline is attributable to the transfer of the investment funds held to cover pension entitlements to a dual contractual trust arrangement (CTA) recognized as plan assets (EUR 23 million). In addition, a reclassification was made to assets held for sale (EUR 17 million).

→ Notes to Consolidated Financial Statements, note 2 "Assets and liabilities held for sale"

Against this backdrop, **other current assets** also declined to EUR 282 million (-16% or EUR 52 million compared to December 31, 2021). In addition to the reclassification to assets held for sale (EUR 12 million), valuation effects from the development of the ABOUT YOU share price in particular led to a decline.

Current trade receivables declined to EUR 472 million (December 31, 2021: EUR 504 million), primarily as a result of the reclassification of EUR 40 million to assets held for sale.

Cash and cash equivalents amounted to EUR 561 million including the cash and cash equivalents reported under assets held for sale in connection with the disposal of the US production business of Red Arrow Studios effective July 1, 2022. Excluding the cash and cash equivalents allocated to the disposal group, these amounted to EUR 490 million (December 31, 2021: EUR 594 million). The decline of 18% or EUR104 million firstly reflects the positive free cash flow, which amounted to EUR140 million in the first half of 2022 (previous year: EUR -36 million). Secondly, the Group is continuing its general dividend policy and distributed EUR181 million as a dividend to its shareholders on May 10, 2022 (previous year: EUR111 million). This is a EUR70 million higher dividend payment than in the previous year. As described, there is also the reclassification to assets held for sale of EUR70 million in connection with the disposal of the US production business of Red Arrow Studios.

Equity decreased by 5% to EUR1,997 million (December 31, 2021: EUR2,099 million). This development is attributable in particular to the higher dividend payment. The currency translation of financial statements of foreign subsidiaries and the value performance of long-term foreign currency hedges in US dollars had a slight offsetting effect. In line with this, the equity ratio decreased to 31.0% (December 31, 2021: 31.9%).

Non-current and current financial debt was almost stable year-on-year and amounted to EUR2,442 million (December 31, 2021: EUR2,446 million).

The decline in **other non-current liabilities** by 15% to EUR 629 million (December 31, 2021: EUR743 million) is mainly attributable to the reclassification of liabilities (EUR 65 million) in connection with assets held for sale. The above-described transfer of pension assets (EUR23 million) also had an effect. **Other current liabilities** decreased slightly to EUR1,263 million (December 31, 2021: EUR1,299 million).

Net working capital

NET WORKING CAPITAL
in EUR m

	06/30/2022	12/31/2021
Inventories	39	49
Receivables	481	517
Trade payables	672	607
Net working capital	**−152**	**−40**

The **net working capital** of ProSiebenSat.1 Group amounted to minus EUR152 million as of June 30, 2022 (December 31, 2021: EUR -40 million). The change in receivables and liabilities compared to December 31, 2021, is due to the reporting date. The increase in liabilities is attributable to higher liabilities from program acquisitions. In addition, the reclassification of receivables to assets held for sale and of the associated liabilities had an effect of minus EUR35 million.

GROUP FINANCIAL POSITION AND LIQUIDITY

Borrowings and Financing Structure

ProSiebenSat.1 Group practices active financial management and uses various financing instruments. As of June 30, 2022, debt accounted for 69% of total equity and liabilities (December 31, 2021: 68%).
→ Financial Performance of the Group

Current and non-current financial debt accounted for the majority of debt at EUR2,442 million or 55% (December 31, 2021: EUR2,446 million or 54%). The terms and volumes of the financing instruments are as follows:

– The unsecured syndicated loan comprises two term loan tranches and a revolving credit facility (RCF). This was extended in May 2022 and financing secured at attractive conditions going forward: A loan tranche of EUR 400 million now matures in April 2025, but can be extended by up to two years under certain conditions. The second tranche of EUR 800 million has a term until April 2027. The RCF with a volume of now EUR 500 million likewise matures in April 2027. The RCF was not utilized in the first half of the current financial year.

– Before the extension, ProSiebenSat.1 had a term loan with a nominal volume of EUR 1,200 million and an RCF with a volume of EUR 750 million.
  → Significant Events

– The described extension of financing instruments follows measures that ProSiebenSat.1 had taken since 2021: 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. 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. All the funds were used for the early repayment of a partial loan amount under the syndicated credit agreement in October 2021. In addition, ProSiebenSat.1 has promissory loans totaling EUR 500 million from 2016 with durations of seven years (EUR 275 million) and ten years (EUR 225 million) in its portfolio.

DEBT FINANCING INSTRUMENTS AND DURATIONS AS OF JUNE 30, 2022

Debt financing instruments	in EUR m	Maturity
Promissory loans '16	275	December 2023
Term loan	400	April 2025
Promissory loans '21	226	October 2025
Promissory loans '16	225	December 2026
Term loan	800	April 2027
Promissory loans '21	346	October 2027
Promissory loans '21	80	October 2029
Promissory loans '21	48	October 2031

Excluding syndicated revolving credit facility (currently undrawn) totaling EUR 500 million (maturing in April 2027) as well as other loans and borrowings.

The Group's financing instruments are not subject to financial covenants. Interest payable on the loan tranches (term loan) and the RCF 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. Parts of the promissory notes also bear interest based on Euribor money market rates. 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. In connection with the extension of the syndicated loan, ProSiebenSat.1 adjusted the hedging portfolio and extended the hedging period until 2027. ProSiebenSat.1 now holds interest rate swaps with a volume of EUR 1 billion and interest rate options with a nominal volume of EUR 700 million. The interest rate swaps have a term until 2023, the interest rate options until 2025 (EUR 50 million) and 2027 (EUR 650 million). As of June 30, 2022, the proportion of fixed interest was 78% of the entire long-term financing portfolio (December 31, 2021: 100%). The average interest rate cap of the interest rate options was 1.5 percent per annum as of June 30, 2022.
→ Financial Performance of the Group

Financing Analysis

The Group's **net financial debt** amounted to EUR 1,881 million[2] as of June 30, 2022 (December 31, 2021: EUR 1,852 million; June 30, 2021: EUR 2,156 million). This figure thus improved by EUR 274 million compared to the end of the previous year's quarter. This reflects the Group's effective cash flow management and its policy of consistent debt reduction. The increase compared to the end of 2021 is particularly to the fourth quarter usually being the quarter of the year with the strongest cash flow for the Group.

NET FINANCIAL DEBT

in EUR m

	06/30/2022	12/31/2021	06/30/2021
Financial debt			
Term loan	1,193	1,197	2,094
Promissory note	1,198	1,198	499
Other loans	50	51	1
Financial debt	**2,442**	**2,446**	**2,594**
Cash and cash equivalents	561[1]	594	438
Net financial debt	**1,881[1]**	**1,852**	**2,156**

1 Before reclassification of cash and cash equivalents of assets held for sale.

The **leverage ratio** also improved compared to June 30, 2021, and at 2.3x is within the target range of 1.5x to 2.5x (December 31, 2021: 2.2x; June 30, 2021: 2.6x). In addition to lower net financial debt, this is due to the positive development of adjusted EBITDA in the last twelve months. The leverage ratio thus improved year-on-year despite the EUR 70 million higher dividend payment than in the previous year. After reclassification of cash and cash equivalents of companies held for sale as of the end of the second quarter from the US production business of Red Arrow Studios, the leverage ratio as of June 30, 2022, was 2.4x[3].

The leverage ratio is the ratio of net financial debt to adjusted EBITDA in the last twelve months (LTM adjusted EBITDA). As of June 30, 2022, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities according to IFRS 16 of EUR 185 million (December 31, 2021: EUR 220 million; June 30, 2021: EUR 228 million) and real estate liabilities of EUR 107 million (December 31, 2021: EUR 97 million; June 30, 2021: EUR 77 million).

2 This includes cash and cash equivalents of EUR 70 million, which were reclassified to "assets held for sale" as of June 30, 2022, in connection with the disposal of the US production business of Red Arrow Studios.
3 The payment received for the transaction is not yet shown. The sale took economic effect as of July 1, 2022.

Analysis of Liquidity and Capital Expenditure

ADJUSTED OPERATING FREE CASH FLOW

in EUR m

	Q2 2022	Q2 2021	H1 2022	H1 2021
Adjusted EBITDA	166	166	289	308
Consumption of programming assets incl. change in provision for onerous contracts	232	249	462	462
Change in provisions	14	23	14	30
Change in working capital	–10	–54	–55	–99
Investments	–285	–297	–459	–551
thereof programming assets	–226	–244	–366	–449
thereof other investments	–58	–53	–94	–102
Other[1]	–8	0	3	19
Adjusted operating free cash flow	**109**	**87**	**254**	**169**

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

In the second quarter of 2022, the **adjusted operating free cash flow** of ProSiebenSat.1 Group increased significantly to EUR 109 million (previous year: EUR 87 million). The large increase correlated primarily with an improvement in working capital compared to the same quarter of the previous year.

In the first half of 2022, adjusted operating free cash flow also grew significantly to EUR 254 million (previous year: EUR 169 million). This positive development is mainly due to lower investments in US licensed programming assets in the first half of the year and reflects our programming strategy of focusing more on local, relevant and live content.

→ Financial Performance of the Group

CASH FLOW STATEMENT

in EUR m

	Q2 2022	Q2 2021	H1 2022	H1 2021
Cash flow from operating activities	**332**	**269**	**604**	**500**
Cash flow from investing activities	**–295**	**–280**	**–464**	**–536**
Free cash flow	**37**	**–11**	**140**	**–36**
Cash flow from financing activities	**–199**	**–143**	**–199**	**–757**
Effect of foreign exchange rate changes on cash and cash equivalents	17	–2	26	7
Change in cash and cash equivalents	–145	–156	–34	–786
Cash and cash equivalents at beginning of reporting period	706	594	594	1,224
Cash and cash equivalents classified to assets held for sale	–70	—	–70	—
Cash and cash equivalents at end of reporting period	**490**	**438**	**490**	**438**

Cash flow from operating activities amounted to EUR 604 million in the first half of 2022 (previous year: EUR 500 million). Of this, EUR 332 million (previous year: EUR 269 million) was attributable to the second quarter of 2022. The increase is primarily due to lower tax and interest payments in the reporting period.

ProSiebenSat.1 Group reports **cash flow from investing activities** of minus EUR 464 million for the first half of 2022 (previous year: EUR -536 million). Individual cash flows were as follows:

- The cash outflow for the acquisition of programming assets amounted to EUR 366 million (previous year: EUR 449 million). Programming investments are subject to seasonal fluctuations.

– The cash outflow for additions to the scope of consolidation amounted to EUR 4 million (previous year: EUR 25 million) and, as in the previous year, particularly include deferred purchase price payments for companies from the Entertainment segment.

Proceeds from the disposal of non-current assets amounted to EUR 18 million in the first half of 2022, compared to EUR 63 million in the previous year. The cash inflow in the current financial year primarily relate to fund investments. In the previous year, cash inflows resulted primarily from the disposal of shares in ABOUT YOU and FRIDAY Insurance.

The developments described resulted in a **free cash flow** of EUR 140 million in the first half of 2022 (previous year: EUR -36 million).

Cash flow from financing activities amounted to minus EUR 199 million in the first half of 2022 (previous year: EUR -757 million), EUR 181 million of which (previous year: EUR 111 million) relates to the dividend paid. The high figure for the previous year resulted from the repayment of the bond of EUR 600 million.

The Group's liquidity remains good. As of June 30, 2022, the cash flows described above resulted in **cash and cash equivalents** of EUR 561 million including the cash and cash equivalents reported in assets held for sale in connection with the disposal of the US production business of Red Arrow Studios effective July 1, 2022. Excluding the cash and cash equivalents allocated to the disposal group, these amounted to EUR 490 million (December 31, 2021: EUR 594 million; June 30, 2021: EUR 438 million).

→ Notes to Consolidated Financial Statements, note 2 "Assets and liabilities held for sale"

PROSIEBENSAT.1 MEDIA SE SHARE

PROSIEBENSAT.1 MEDIA SE ON THE CAPITAL MARKET

Volatility on the stock markets is currently very high: After a good start to the year, Russia's war of aggression against Ukraine led to sharp price fluctuations worldwide from February 24, 2022. In particular, concerns about an expansion of the war have impacted the stock markets since the beginning of March. Moreover, there were the economic consequences of the war on the energy sector, agriculture, and industry, which drove up energy, raw material, and consumer prices – already rising for months – even further. The production downtime associated with the extreme COVID-19 lockdown in China again, along with the resulting supply bottlenecks, also had a negative impact on the economy and the stock market environment. All this is further compounded by the historically high inflation rates in Europe and the US. In this context, the US Federal Reserve (Fed) abandoned its decades-long low-interest policy and raised its key interest rate by 0.75 percentage points to a range of 1.5% to 1.75% in June, the biggest step since 1994. This was followed in July by a further sharp increase of 0.75 percentage points to a range of 2.25% to 2.50%. The European Central Bank (ECB) also initiated the turnaround in interest rates in July, raising the key interest rate significantly for the first time in eleven years to 0.5%.
→ Economic Developments

In this environment, the DAX closed the first half of 2022 at 12,784 points, almost 20% below the end of 2021 and slightly below the pre-COVID-19 level at the end of 2019. The MDAX, which also includes the ProSiebenSat.1 Media SE share, closed the first half of 2022 at 25,823 points. This corresponds to a decrease of 27% compared to the year-end of 2021. EuroStoxx Media, which includes other media stocks in addition to TV companies, closed the first six months of the year down 18% compared to the end of 2021.

The performance of the ProSiebenSat.1 share reflects the general stock market environment: As an early cyclical company, ProSiebenSat.1 also recorded decreases in its share price, closing the first half of 2022 at EUR 8.81. This corresponds to a decrease of 37% and also reflects the dividend of EUR 0.80 per dividend-bearing share that was distributed on May 10, 2022. Based on the closing price on December 31, 2021, the dividend yield was 5.7%. Based on the closing price on the day of the Annual General Meeting, May 5, 2022, the dividend yield amounts to 7.5%. The company's financial and operational development is in line with expectations and solid in view of the macroeconomic uncertainties. In this context, the publication of the financial figures for the first quarter, in which the outlook for the financial year 2022 was confirmed, supported the share price performance.

The analysts' average price target (median) at the end of the first half of 2022 was EUR 15.00. At the end of the half-year period, 16 brokerage houses and financial institutions actively valued the ProSiebenSat.1 share and published research reports. 63% of analysts recommended the ProSiebenSat.1 share as a buy, while 31% were in favor of holding the share and 6% gave a sell recommendation.

ProSiebenSat.1 Media SE's shares are largely held by institutional investors from Europe and the US. The largest individual shareholders are MFE-MediaForEurope N.V. (formerly Mediaset S.p.A.), with registered office in Amsterdam, Netherlands, and its headquarters in Cologno Monzese, Italy, and Mediaset España Comunicación, Madrid, Spain. Together, they hold 24.26% of the shares with voting rights and 0.74% of the voting rights from instruments within the meaning of Section 38 (1) No. 1 and No. 2 of the German Securities Trading Act (WpHG), according to the voting rights notification dated May 16, 2022. In total, 72.87% of ProSiebenSat.1 shares were held in free float (June 30, 2021: 84.7%), including 28.09% held by private shareholders (June 30, 2021: 21.0%). The remaining 2.87% were held in treasury (June 30, 2021: 2.87%).

ANNUAL GENERAL MEETING FOR FINANCIAL YEAR 2021

The Annual General Meeting of ProSiebenSat.1 Media SE for the past financial year 2021 was held on May 5, 2022. Due to the COVID-19 pandemic, it was held virtually again. The shareholders accordingly had the opportunity to submit comments in the form of video statements and address questions to the Executive Board and the Supervisory Board before the Annual General Meeting. In addition, shareholders were able to ask follow-up questions during the Annual General Meeting.

All proposed resolutions requiring approval were accepted by a majority of the shareholders of ProSiebenSat.1 Media SE. For example, Dr. Andreas Wiele's position on the Supervisory Board was confirmed and Bert Habets was elected as a new Supervisory Board member at the Annual General Meeting. Prof. Dr. Rolf Nonnenmacher, who has been on the Board since 2015, was re-elected.

Dr. Andreas Wiele had already been active as a court-appointed member of the ProSiebenSat.1 Supervisory Board since February 2022. He took over from Adam Cahan, who had resigned from his position in November 2021. Following the Annual General Meeting, the Supervisory Board elected Wiele as its new Chairman. He is thus taking over from Dr. Werner Brandt, who had decided not to stand for re-election again after eight years and two periods in office.

As well as electing the Supervisory Board members, the shareholders of ProSiebenSat.1 Media SE also resolved at the Annual General Meeting to distribute a dividend of EUR 0.80 per dividend-bearing share. This represents a significant year-on-year increase (previous year: EUR 0.49) and a total payout of EUR 181 million. We are thus continuing our long-standing dividend policy: The aim is to let shareholders participate adequately in the success of the company and to distribute around 50% of the Group's adjusted net income as a dividend.

In other agenda items, this year's Annual General Meeting granted discharge to the Executive Board and Supervisory Board for the financial year 2021. The approval of the Executive Board's actions by 99.45% of the capital represented at the Annual General Meeting reflects the shareholders' trust in the company's strategy and management.

RISK AND OPPORTUNITY REPORT

The Russia/Ukraine war and the continuing impact of the COVID-19 pandemic have exacerbated the existing supply shortages and price increases for raw materials and 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. Against this background, ProSiebenSat.1 Group's **overall risk situation** has increased compared to the end of 2021. The likelihood of occurrence of general sector risks in the Entertainment and Dating & Video segments increased in the first half of 2022 compared to the end of 2021. Since the first quarter of 2022, we have rated these two risks as high risks (end of 2021: medium) with a very high impact and possible occurrence (end of 2021: unlikely). This is due to economic developments, i.e. the change in the external environment.

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.

→ Economic Developments → Future Business and Industry Environment

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.

As a result of the Russia/Ukraine war, the associated burdens and the continuing impact of the COVID-19 pandemic, the risk of a possible impairment of intangible assets of the NuCom Group cash-generating unit is assessed to be higher. The occurrence of impairment risks is now considered as a medium risk (previously: low) with a potentially very high impact (previously: high) and an unlikely likelihood of occurrence (previously: very unlikely).

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 Half-Yearly Financial Report on August 11, 2022, as well as the sanctions related to the war and currently foreseeable economic effects for our Group. A possible tightening of sanctions, a gas supply stop or an expansion of the war beyond Ukraine are not reflected here. The opportunity situation has not changed compared to the end of 2021.

→ 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. The risk indicators that we have already taken into account in our financial planning or in the Interim Consolidated Financial Statements as of June 30, 2022, therefore do not come under 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. The Annual Report 2021 was published on March 3, 2022 and is available at → https://www.prosiebensat1.com/en/investor-relations/publications/annual-reports

OUTLOOK

FUTURE BUSINESS AND INDUSTRY ENVIRONMENT

As of the middle of 2022, the global economy is characterized by numerous challenges, including the Russia/Ukraine war along with its economic implications, high inflation, and China's strict COVID-19 policy. In April, the International Monetary Fund (IMF) reduced its global growth forecast for 2022, at the end of July, there was already the third downward revision this year, by 0.4 percentage points to plus 3.2%. For the US, the world's biggest economy, the IMF already reduced its forecast again in mid-July. The main reason for this was the significant interest rate hikes with which the US government is tackling the high inflation. The European Central Bank (ECB) also raised key interest rates in July, the first time in eleven years.

Accordingly, the outlook for the German economy in the full-year 2022 is subdued. The inflation rate has been continuously above 7% since March 2022 (most recently +7.5% in July 2022), which is negatively impacting consumer sentiment and private households' purchasing power. Industry is continuing to suffer from material shortages, supply bottlenecks, and high purchase prices. The heavy dependency on Russian gas supplies is proving particularly problematic.

Nevertheless, private consumption is currently expected to provide growth impetus. This is indicated by the continued robust labor market and the high level of savings accumulated in the previous, COVID-19-impacted years. At least some of this could be used for consumption. In addition, the tax relief packages resolved by the German government should ease the burden on consumers and mitigate the inflationary pressure and the sharply rising energy prices to some extent. For the full-year, Deutsche Bundesbank is forecasting growth in private consumption of plus 3.7%. However, this is subject to the assumption that there will be no major halt in Russian gas supplies in the coming months.
→ Economic Developments

Forecasts are inherently subject to uncertainty, but they are currently particularly high, so the economic recovery could be slower, but it could also be much more dynamic. Much will depend on the further development of the Russia/Ukraine war, the situation on the energy markets, and price inflation. The course of the COVID-19 pandemic and the potential spread of new virus variants also entails uncertainties for consumers.

Against this backdrop, various media agencies have revised their forecasts for advertising spending in 2022 downward, with the online advertising market again expected to be the main driver of future growth. Compared to December 2021, Magna Global and ZenithOptimedia now anticipate an increase of 6.1% (previously: 10.1%) and 2.8% (previously: 3.7%) respectively for the total net advertising market in Germany in 2022. The online advertising market is expected to grow by 8.4% or 5.5%. For the net TV advertising market, Magna Global is forecasting an increase of 3.0% (previously: 5.0%). However, forecasting uncertainty is high here, too: It remains to be seen whether and to what extent the macroeconomic environment will continue to affect the advertising market. The forecasts therefore diverge significantly. In its latest forecast, ZenithOptimedia anticipates a 1.4% decline in TV advertising investments (previously: +3.0%).

ProSiebenSat.1 Group is a broadly diversified company, but the TV advertising market is nevertheless our biggest revenue market at present and an important basis for our planning. At the same time, digitalization has rapidly transformed the media sector. TV content can be accessed regardless of time, location, or device, which means media usage and media consumption are also becoming increasingly digital. Furthermore, the digital transformation is also accelerating in many consumer markets in which ProSiebenSat.1 Group operates and is pushing the usage of online offerings and videos forward. This trend was amplified not least by the COVID-19 pandemic. This also applies to the usage of online videos in sectors such as dating. We have aligned our strategy on this basis and are continuously pursuing ahead with the diversification and digitalization of our portfolio in the future, too.

» **INFORMATION**

Further information on the industry environment can be found in the → 2021 Annual Report from page 108.

COMPANY OUTLOOK

ProSiebenSat.1 Group presented its outlook for the full-year 2022 on March 3, 2022, forecasting, excluding portfolio changes, **revenues** within a range of EUR 4.6 billion plus/minus EUR 100 million and **adjusted EBITDA** within a range of EUR 840 million plus/minus EUR 25 million. Against the background of the current economic environment – driven by the Russia/Ukraine war, the resulting energy crisis and burdens on the consumer climate, and the ongoing pandemic – the Group now expects, excluding portfolio changes, to achieve results in the lower quartile of this outlook. This also corresponds to the majority of analyst estimates, which according to the Bloomberg consensus as of August 1, 2022, expect – excluding portfolio changes – average revenues of EUR 4.512 billion and average adjusted EBITDA of EUR 816 million for ProSiebenSat.1, also on the basis of the current market environment.

Taking into account the disposal of the US production business of Red Arrow Studios as of July 1, 2022, which would have had a forecast contribution to revenues of around EUR 175 million and around EUR 15 million to adjusted EBITDA in the second half of 2022, the average of the analysts' estimates for revenues would be reduced to EUR 4.337 billion and for adjusted EBITDA to EUR 801 million. ProSiebenSat.1 Group's forecast for the full-year – excluding further portfolio changes – is now **revenues** of around EUR 4.375 billion with a variance of plus/minus EUR 75 million (previous-year figure adjusted for currency and portfolio effects: EUR 4.333 billion[4]) and **adjusted EBITDA** of around EUR 805 million with a variance of plus/minus EUR 25 million (previous-year figure adjusted for currency and portfolio effects: EUR 833 million[5]) – still mainly supported by the Entertainment segment. The main driver of ProSiebenSat.1 Group's revenue and adjusted EBITDA forecast is the development of the advertising market, which is difficult to forecast until the end of the year because of the current market and environment conditions. For the updated revenue and adjusted EBITDA outlook, the Group assumes that its full-year advertising revenues in the German-speaking region (Germany, Austria, Switzerland) will develop at the previous year's level when reaching the midpoint of the updated ranges.

The adjusted operating free cash flow is based on the development of adjusted EBITDA. This means, reaching a midpoint of the updated adjusted EBITDA target range, **adjusted operating free cash flow** – 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 continue to be around the previous year's level of EUR 599 million. On this basis and excluding further portfolio changes, the Group continues to expect **adjusted net income** for the full-year to be at or slightly above the previous year's level of EUR 362 million.

4 The figure is based on the revenues of the financial year 2021 adjusted for portfolio effects and translated at the current exchange rates used for planning purposes (mainly, a EUR/USD exchange rate of USD 1.10 was used for the financial year 2022). In particular, the portfolio effects include the revenues of Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC – deconsolidated in 2021 – totaling EUR 101 million and the second half of 2021 revenues of the US production companies of Red Arrow Studios – deconsolidated as of July 1, 2022 – totaling EUR 113 million.
5 The figure is based on the adjusted EBITDA of the financial year 2021 adjusted for portfolio effects and translated at the current exchange rates used for planning purposes (mainly, a EUR/USD exchange rate of USD 1.10 was used for the financial year 2022). In particular, the portfolio effects include adjusted EBITDA of Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC – deconsolidated in 2021 – totaling EUR 17 million and the second half of 2021 adjusted EBITDA of the US production companies of Red Arrow Studios – deconsolidated as of July 1, 2022 – totaling minus EUR 3 million.

Due to the disposal of the US companies of Red Arrow Studios as of July 1, 2022, ProSiebenSat.1 also assumes that the **leverage ratio** (ratio of net financial debt to the Group's LTM adjusted EBITDA) will improve to around 2.1x at the end of the year (previously: at or slightly below the previous year's level of 2.2x) despite the challenging market environment when reaching the midpoint of the updated ranges. On this basis, the Group continues to expect **P7S1 ROCE** to be slightly higher than the previous year's level of 14.1%.

Further developments triggered by the further course of the Russia/Ukraine war and of the COVID-19 pandemic in the fall and winter months are currently still difficult to assess, forecasts are thus subject to a high level of uncertainty. ProSiebenSat.1 Group's outlook for the full-year 2022 is accordingly based on the pandemic situation and the status of the war prevailing until the publication of this half-yearly financial report on August 11, 2022, as well as the sanctions and currently foreseeable economic effects for our Group in connection with the war. A possible tightening of sanctions, a suspension of gas deliveries, or an expansion of the war beyond Ukraine are not reflected here.

CONSOLIDATED INCOME STATEMENT

in EUR m	**Q2 2022**	Q2 2021	**H1 2022**	H1 2021
Revenues	1,055	1,048	2,009	1,986
Cost of sales	−674	−676	−1,286	−1,260
Gross profit	**381**	**372**	**723**	**726**
Selling expenses	−158	−163	−319	−320
Administrative expenses	−139	−129	−259	−250
Other operating expenses	−47	−2	−47	−4
Other operating income	8	5	15	11
Operating result	**45**	**83**	**113**	**163**
Interest and similar income	1	1	7	7
Interest and similar expenses	−10	−14	−20	−30
Interest result	−9	−14	−12	−23
Result from investments accounted for using the equity method	−8	−10	−19	−23
Other financial result	−20	77	−24	92
Financial result	**−38**	**54**	**−56**	**46**
Result before income taxes	**7**	**137**	**57**	**209**
Income taxes	−30	−23	−49	−29
Net income	**−23**	**114**	**8**	**180**
Attributable to shareholders of ProSiebenSat.1 Media SE	−23	123	8	189
Attributable to non-controlling interests	1	−9	0	−9
Earnings per share in EUR				
Basic earnings per share	−0.10	0.54	0.03	0.84
Diluted earnings per share	−0.11	0.54	0.02	0.84

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR m	Q2 2022	Q2 2021	H1 2022	H1 2021
Net income	**−23**	**114**	**8**	**180**
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation adjustment	31	−13	51	25
Measurement of cash flow hedges	21	−11	23	22
Income taxes	−6	3	−6	−6
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit obligations	6	—	5	—
Income taxes	−2	—	−1	—
Other comprehensive income	**50**	**−21**	**72**	**41**
Total comprehensive income	**28**	**93**	**79**	**221**
Attributable to shareholders of ProSiebenSat.1 Media SE	19	105	66	224
Attributable to non-controlling interests	9	−12	13	−3

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR m	**06/30/2022**	12/31/2021
ASSETS		
Goodwill	2,045	2,163
Programming assets	959	973
Other intangible assets	856	867
Property, plant and equipment	459	495
Investments accounted for using the equity method	52	61
Other financial assets	336	353
Other receivables and non-current assets	2	3
Deferred tax assets	49	67
Non-current assets	**4,758**	**4,982**
Programming assets	140	172
Inventories	39	49
Other financial assets	94	139
Trade receivables	472	504
Current tax assets	58	55
Other receivables and current assets	91	91
Cash and cash equivalents	490	594
Assets held for sale	310	—
Current assets	**1,693**	**1,605**
Total assets	**6,451**	**6,587**

in EUR m	06/30/2022	12/31/2021
EQUITY AND LIABILITIES		
Subscribed capital	233	233
Capital reserves	1,046	1,046
Consolidated equity generated	455	629
Treasury shares	−62	−62
Accumulated other comprehensive income	103	45
Other equity	−136	−136
Total equity attributable to shareholders of ProSiebenSat.1 Media SE	1,640	1,755
Non-controlling interests	357	343
Equity	**1,997**	**2,099**
Non-current financial debt	2,392	2,395
Other non-current financial liabilities	282	347
Trade payables	65	52
Other non-current liabilities	9	16
Provisions for pensions	2	31
Other non-current provisions	20	51
Deferred tax liabilities	251	248
Non-current liabilities	**3,021**	**3,138**
Current financial debt	50	51
Other current financial liabilities	99	80
Trade payables	612	555
Other current liabilities	332	397
Current tax liabilities	120	141
Other current provisions	99	126
Liabilities associated with assets held for sale	120	—
Current liabilities	**1,433**	**1,350**
Total equity and liabilities	**6,451**	**6,587**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

					Accumulated other comprehensive income							
in EUR m	Sub-scribed capital	Capital reserves	Consoli-dated equity generated	Treasury shares	Foreign currency translation adjustment	Measure-ment of cash flow hedges	Remeasure-ment of de-fined benefit obligations	Deferred taxes	Other equity	Attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Equity
December 31, 2020	233	1,045	290	−62	−33	0	−15	4	−129	1,333	354	1,687
Net income	—	—	189	—	—	—	—	—	—	189	−9	180
Other comprehensive income	—	—	—	—	18	22	—	−6	—	34	6	41
Total comprehensive income	**—**	**—**	**189**	**—**	**18**	**22**	**—**	**−6**	**—**	**224**	**−3**	**221**
Dividends	—	—	−111	—	—	—	—	—	—	−111	−22	−133
Other changes	—	0	0	—	—	—	—	—	−6	−7	8	1
June 30, 2021	**233**	**1,046**	**369**	**−62**	**−14**	**22**	**−15**	**−2**	**−136**	**1,440**	**336**	**1,776**

					Accumulated other comprehensive income							
in EUR m	Sub-scribed capital	Capital reserves	Consoli-dated equity generated	Treasury shares	Foreign currency translation adjustment	Measure-ment of cash flow hedges	Remeasure-ment of de-fined benefit obligations	Deferred taxes	Other equity	Attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Equity
December 31, 2021	233	1,046	629	−62	22	47	−15	−9	−136	1,755	343	2,099
Net income	—	—	8	—	—	—	—	—	—	8	0	8
Other comprehensive income	—	—	—	—	38	23	5	−8	—	58	13	72
Total comprehensive income	**—**	**—**	**8**	**—**	**38**	**23**	**5**	**−8**	**—**	**66**	**13**	**79**
Dividends	—	—	−181	—	—	—	—	—	—	−181	—	−181
June 30, 2022	**233**	**1,046**	**455**	**−62**	**60**[1]	**70**	**−10**	**−17**	**−136**	**1,640**	**357**	**1,997**

1 Includes amounts associated with assets and liabilities held for sale from foreign currency translation (19 EUR m).

CONSOLIDATED CASH FLOW STATEMENT

in EUR m	Q2 2022	Q2 2021	H1 2022	H1 2021
Net income	−23	114	8	180
Income taxes	30	23	49	29
Financial result	38	−54	56	−46
Depreciation, amortization and impairments of goodwill, other intangible assets and property, plant and equipment	104	68	157	126
Consumption of programming assets incl. change in provision for onerous contracts	232	249	462	462
Change in provisions	14	23	14	30
Gain/loss on the sale of assets	−3	0	−3	−2
Other non-cash income/expenses	0	−1	0	−3
Change in working capital	−10	−54	−55	−99
Dividends received	6	5	6	5
Income tax paid	−49	−90	−76	−147
Interest paid	−7	−13	−14	−37
Interest received	0	0	1	1
Cash flow from operating activities	**332**	**269**	**604**	**500**
Proceeds from disposal of non-current assets	8	50	18	63
Payments for the acquisition of other intangible assets and property, plant and equipment	−58	−53	−94	−102
Payments for investments including investments accounted for using the equity method	−15	−13	−19	−23
Payments for the acquisition of programming assets	−226	−244	−366	−449
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)	−4	−21	−4	−25
Proceeds from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of)	0	—	−1	—
Cash flow from investing activities	**−295**	**−280**	**−464**	**−536**
Dividend paid	−181	−111	−181	−111
Repayment of financial liabilities	0	0	0	−781
Proceeds from issuance of financial liabilities	—	—	11	187
Repayment of lease liabilities	−11	−10	−22	−21
Payments for transactions with non-controlling interests	0	0	0	−10
Payments in connection with refinancing measures	−6	—	−6	—
Dividend payments to non-controlling interests	—	−21	—	−22
Cash flow from financing activities	**−199**	**−143**	**−199**	**−757**
Effect of foreign exchange rate changes on cash and cash equivalents	17	−2	26	7
Change in cash and cash equivalents	**−145**	**−156**	**−34**	**−786**
Cash and cash equivalents at beginning of reporting period	706	594	594	1,224
Cash and cash equivalents at end of reporting period	**561**	**438**	**561**	**438**
Cash and cash equivalents classified under assets held for sale at end of reporting period	−70	—	−70	—
Cash and cash equivalents at end of reporting period (consolidated statement of financial position)	**490**	**438**	**490**	**438**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 / General information

The interim consolidated financial statements of ProSiebenSat.1 Media SE and its subsidiaries (together “the Group” or “ProSiebenSat.1 Group”) as of June 30, 2022, were prepared in accordance with the IFRS applicable to interim financial reporting as issued by the IASB and applicable in the EU and should be read in conjunction with the consolidated financial statements as of December 31, 2021. The interim consolidated financial statements have been authorized for issue by the Executive Board on August 4, 2022.

The accounting principles applied by the Group to the interim consolidated financial statements as of June 30, 2022, are the same as for the consolidated financial statements for the financial year 2021. An exception to this is the application of revised standards, which are mandatory for the Group since the beginning of the financial year on January 1, 2022. However, their application has no material impact on the Group's assets, liabilities, financial position and profit or loss.

In the first six months of the financial year 2022, the business and economic environment of ProSiebenSat.1 Group was impacted by the effects of the COVID-19 pandemic and the Russia/Ukraine war. As of the reporting date, uncertainties exist about the future development of the economy, as this depends to a large extent on the further course of the pandemic and the war and the resulting economic pressures. In particular, the high inflation rate and the tensions on the energy markets are dampening private consumption. In addition, further uncertainties derive from the increasing volatility of interest rates, share prices and foreign currency exchange rates. Therefore, it remains difficult to predict the medium or long-term duration and extent of the impact of the pandemic or the war on the Group's assets, liabilities, results and cash flows.

In preparing the interim consolidated financial statements as of June 30, 2022, the COVID-19 pandemic and the Russia/Ukraine war with their economic effects as well as the associated material uncertainties were taken into account in the assumptions, estimates and judgements where relevant. The assumptions, estimates and judgements made are based on the knowledge and information available at the reporting date, taking into account any additional information up to the date on which the interim consolidated financial statements are authorized for issue. In particular, possible effects of the COVID-19 pandemic and the Russia/Ukraine war were taken into account when assessing the impairment of assets (especially goodwill, other intangible assets, programming assets, financial instruments accounted for at fair value through profit or loss and trade receivables) and when measuring liabilities from put options. Further information on the effects of the COVID-19 pandemic and the Russia/Ukrainian war can be found in the

→ Interim Group Management Report

In the first six months of the financial year 2022, the effects of the COVID-19 pandemic and the Russia/Ukraine war did not lead to any significant adjustments to the carrying amounts of the reported assets and liabilities, with the exception of measurement adjustments to financial instruments accounted for at fair value through profit or loss, in particular necessitated by the adversely affected stock market environment at the reporting date.

→ note 8 „Financial instruments“

The Group's Entertainment activities are subject to seasonal fluctuations typical to the business. Therefore, the results for the first six months of the financial year 2022 do not necessarily permit predictions as to future business performance.

Due to rounding, figures may not add up exactly to the totals presented.

2 / Assets and liabilities held for sale

By agreement of June 2, 2022, and with economic effect as of July 1, 2022, Red Arrow Studios GmbH, Unterföhring sold its 100% share in Red Arrow Studios International, Inc., Wilmington, Delaware, USA to Jewel Purchaser, Inc., Wilmington, Delaware, USA, a subsidiary of The North Road Company, as part of the Group’s active portfolio management. With the sale of Red Arrow Studios International, ProSiebenSat.1 Group divests itself of the US production business of Red Arrow Studios ("disposal group").

As of June 30, 2022, the assets of the disposal group are reported in the statement of financial position as "assets held for sale" and its liabilities as "liabilities associated with assets held for sale". To the extent that assets and liabilities cannot be allocated individually to the disposal group, they are allocated on the basis of relative values. As of June 30, 2022, the disposal group is composed of the following assets and liabilities:

CARRYING AMOUNTS OF DISPOSAL GROUP

in EUR m

	Carrying amounts
Goodwill	108
Other intangible assets	21
Property, plant and equipment	41
Trade receivables and other assets	70
Cash and cash equivalents	70
Assets held by the disposal group	**310**
Lease liabilities	27
Provisions and other liabilities	94
Liabilities associated with the disposal group	**120**
Net carrying amount of disposal group	**189**

The net carrying amount of the disposal group reflects the euro equivalent of the selling price of USD 200 million. Costs of disposal of EUR 24 million are not included in the net carrying amount as they had already been expensed in functional costs at the time of classification as a disposal group. The adjustment of the net carrying amount to the selling price resulted in an impairment loss of EUR 47 million on the goodwill allocated to the disposal group, which was recognized in other operating expenses. The loss does not include foreign exchange gains on translation of the financial statements of the divested US companies amounting to EUR 19 million, which will remain in accumulated other comprehensive income in equity as of June 30, 2022, and will not be recognized in income until the date of disposal in the third quarter of 2022 at the exchange rate then in effect.

Red Arrow Studios International and its subsidiaries are part of the Entertainment segment.

3 / Revenues

in EUR m

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	Q2 2022	Q2 2021	**Q2 2022**	Q2 2021	**Q2 2022**	Q2 2021	**Q2 2022**	Q2 2021
Advertising revenues	**535**	**542**	**—**	**—**	**43**	**34**	**578**	**576**
DACH	462	483	—	—	43	34	505	517
Rest of the world	72	59	—	—	—	—	72	59
Distribution	**46**	**46**	**—**	**—**	**—**	**—**	**46**	**46**
Content	**139**	**124**	**—**	**—**	**—**	**—**	**139**	**124**
Europe	62	43	—	—	—	—	62	43
Rest of the world	78	81	—	—	—	—	78	81
Dating & Video	**—**	**—**	**130**	**139**	**—**	**—**	**130**	**139**
Dating	—	—	66	69	—	—	66	69
Video	—	—	64	70	—	—	64	70
Digital Platform & Commerce	**—**	**—**	**—**	**—**	**133**	**138**	**133**	**138**
Consumer Advice	—	—	—	—	44	41	44	41
Experiences	—	—	—	—	18	9	18	9
Beauty & Lifestyle	—	—	—	—	71	88	71	88
Other revenues	**27**	**24**	**—**	**—**	**1**	**1**	**28**	**25**
Total	**748**	**736**	**130**	**139**	**177**	**172**	**1,055**	**1,048**

	Entertainment		Dating & Video		Commerce & Ventures		Total Group	
	H1 2022	H1 2021	**H1 2022**	H1 2021	**H1 2022**	H1 2021	**H1 2022**	H1 2021
Advertising revenues	**1,018**	**983**	**—**	**—**	**79**	**65**	**1,097**	**1,047**
DACH	889	874	—	—	79	65	968	939
Rest of the world	129	108	—	—	—	—	129	108
Distribution	**90**	**90**	**—**	**—**	**—**	**—**	**90**	**90**
Content	**255**	**227**	**—**	**—**	**—**	**—**	**255**	**227**
Europe	115	78	—	—	—	—	115	78
Rest of the world	141	149	—	—	—	—	141	149
Dating & Video	**—**	**—**	**262**	**280**	**—**	**—**	**262**	**280**
Dating	—	—	134	139	—	—	134	139
Video	—	—	128	141	—	—	128	141
Digital Platform & Commerce	**—**	**—**	**—**	**—**	**256**	**294**	**256**	**294**
Consumer Advice	—	—	—	—	87	92	87	92
Experiences	—	—	—	—	34	20	34	20
Beauty & Lifestyle	—	—	—	—	135	182	135	182
Other revenues	**47**	**47**	**—**	**—**	**2**	**1**	**49**	**48**
Total	**1,410**	**1,346**	**262**	**280**	**337**	**360**	**2,009**	**1,986**

The tables show the breakdown of revenues by category. The categories Advertising revenues and Content are subdivided into geographical regions. The allocation is based on the country of domicile of the subsidiary that recognizes the revenues. A distinction is made between the regions Germany (D), Austria (A) and Switzerland (CH) (together DACH), Europe and the Rest of the world. The DACH Advertising revenues category in the Entertainment segment includes Advertising revenues from the sale of advertising time, including the Advertising revenues of the German Studio71 entity. The same category in the Commerce & Ventures segment includes revenues from media-for-equity and media-for-revenue transactions of EUR 28 million in the second quarter of 2022 (previous year: EUR 21 million) and of EUR 56 million in the first half of 2022 (previous year: EUR 46 million). The category Advertising revenues Rest of the world mainly includes revenues of the Studio71 companies in the United States (USA). The Beauty & Lifestyle category includes revenues from the sale of goods of EUR 59 million in the second quarter of 2022 (previous year: EUR 69 million) and EUR 112 million in the first half of 2022 (previous year: EUR 144 million).

4 / Income taxes

Income taxes for interim periods are recognized using the estimated weighted average income tax rate anticipated for the full financial year. Tax effects relating to singular events are recognized in full in the relevant interim period.

The income tax expense of EUR 49 million in the first half of 2022 (previous year: EUR 29 million) is mainly due to non-tax-deductible measurement effects and the result from investments accounted for using the equity method. The comparative period was essentially impacted by tax-free measurement effects and a singular item resulting from the favorable trade tax treatment of amounts from taxation under the controlled foreign corporation (CFC) rules.

5 / Goodwill

By agreement dated June 2, 2022, and with economic effect as of July 1, 2022, Red Arrow Studios GmbH, Unterföhring sold its US production business to a subsidiary of The North Road Company. In this context, goodwill was also reallocated to the disposal group.
→ note 2 "Assets and liabilities held for sale"

As of June 30, 2022, the goodwill of the part of the cash-generating unit Red Arrow Studios remaining in the Group after this reallocation amounts to EUR 179 million. The estimated recoverable amount of the remaining part of the cash-generating unit Red Arrow Studios exceeds its carrying amount by EUR 26 million as of June 30, 2022. In determining the recoverable amount, an unchanged forecast EBITDA margin for the period after the end of the projection period was applied compared with the measurement date of December 31, 2021, while the pre-tax discount rate was adjusted to 10.0%. If the EBITDA margin of this remaining part of the cash-generating unit Red Arrow Studios after the end of the projection period declined by 0.4 percentage points or the pre-tax discount rate increased by 0.9 percentage points, the calculated recoverable amount would equal the carrying amount of the remaining part of the cash-generating unit Red Arrow Studios.

The economic effects of the COVID-19 pandemic and the Russia/Ukraine war and the resulting negative impact constitute an indication ("triggering event") for the need for a situation-based impairment test as of June 30, 2022, for the goodwill of the cash-generating unit NuCom Group. This is due in particular to the associated uncertainties and the increased inflation rate, which are negatively impacting private consumption. In addition, the high energy prices and the associated lower savings potential when switching electricity and gas suppliers for end customers had a negative impact on the business of Verivox in the first half of 2022. For the Group's other cash-generating units, no indications for the need for situation-based impairment tests for goodwill were identified as of June 30, 2022.

As part of the impairment test of the cash-generating unit NuCom Group as of June 30, 2022, the recoverable amount of the cash-generating unit was determined as a value in use. Compared with the measurement date of December 31, 2021, the value in use is determined using adjusted cash flows which, taking into account various probability-weighted scenarios, reflect the different developments in cash flows over the five-year projection period. In particular, this takes into account the high uncertainties that continue to exist due to the COVID-19 pandemic and the Russia/Ukraine war and the resulting negative impacts. The applied forecast EBITDA margin for the period after the end of the projection period is 11.2% on a probability-weighted basis. Furthermore, the pre-tax discount rate was adjusted to 12.5% compared with the measurement date of December 31, 2021.

The impairment test as of June 30, 2022, for the goodwill of the cash-generating unit NuCom Group does not result in any need for an impairment. The estimated recoverable amount of this cash-generating unit exceeds its carrying amount by EUR 32 million. If the EBITDA margin of this cash-generating unit after the end of the projection period declined by 0.4 percentage points or the pre-tax discount rate increased by 0.4 percentage points, the calculated recoverable amount would equal the carrying amount of the cash-generating unit.

6 / Shareholders' equity

On May 5, 2022, the Annual General Meeting of ProSiebenSat.1 Media SE resolved to pay a dividend of EUR 181 million (EUR 0.80 per common share bearing dividend rights) for the financial year 2021. The dividend was paid on May 10, 2022.

7 / Other financial obligations

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

in EUR m

	06/30/2022	12/31/2021
Purchase commitments for programming assets	1,531	1,630
Distribution	101	114
Lease and rental commitments	3	3
Miscellaneous other	355	393
Total	**1,990**	**2,140**

The decrease of purchase commitments for programming assets primarily reflects the adjustment of the programming structure in favor of local content and general, seasonal factors.

As of June 30, 2022, miscellaneous other financial obligations contain an amount of EUR 97 million (December 31, 2021: EUR 114 million) relating to commitments for the future funding of the joint venture Joyn GmbH, Munich ("Joyn"), which is accounted for using the equity method. The cash outflow of EUR 17 million resulting from the payments into the capital reserves of Joyn during the first half of 2022 (previous year: EUR 22 million) is presented in the cash flow from investing activities under payments for investments including investments accounted for using the equity method.

8 / Financial instruments

The following table presents the carrying amounts and fair values as well as the fair value hierarchy level of the input factors primarily used in the fair value measurement:

CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS

in EUR m

	Presented in the statement of financial position as	06/30/2022 Carrying amount	Fair value	Fair Value Level 1	Level 2	Level 3	12/31/2021 Carrying amount	Fair value	Fair value Level 1	Level 2	Level 3
Financial assets											
Measured at fair value											
Fund units held to finance pension obligations	Other financial assets	0	0	0	—	—	27	27	27	—	—
Equity instruments	Other financial assets	275	275	18	—	256	325	325	55	—	270
Hedge derivatives	Other financial assets	68	68	—	68	—	53	53	—	53	—
Derivatives for which hedge accounting is not applied	Other financial assets	34	34	—	34	—	8	8	—	8	—
Total		**343**	**343**	**19**	**68**	**256**	**405**	**405**	**82**	**53**	**270**
Financial liabilities											
Measured at fair value											
Liabilities from put options and earn-outs	Other financial liabilities	52	52	—	—	52	68	68	—	—	68
Hedge derivatives	Other financial liabilities	1	1	—	1	—	7	7	—	7	—
Derivatives for which hedge accounting is not applied	Other financial liabilities	3	3	—	3	—	1	1	—	1	—
Measured at amortized cost											
Loans and borrowings	Financial debt	1,243	1,242	—	1,242	—	1,248	1,268	—	1,268	—
Promissory notes	Financial debt	1,198	1,122	—	1,122	—	1,198	1,203	—	1,203	—
Real estate financing	Other financial liabilities	107	109	—	109	—	97	102	—	102	—
Total		**2,605**	**2,530**	**—**	**2,477**	**52**	**2,619**	**2,650**	**—**	**2,581**	**68**

ProSiebenSat.1 Group's statement of financial position includes other financial instruments which are not presented in the table above and measured at amortized cost. Their carrying amounts represent appropriate proxies for their fair values.

The decrease in fund units held to finance pension obligations results from the transfer of the fund units to a trust arrangement qualifying for offsetting with the obligations.
→ note 10 „Related parties“

The carrying amounts of the equity instruments classified as level 1 mainly changed as a result of the devaluation of the Group's exchange-traded investment in the online fashion retailer ABOUT YOU by EUR 35 million. Changes in the carrying amounts of the level 3 instruments are explained below the level 3 reconciliation tables.

The loans and borrowings of EUR 1,243 million mainly consist of an unsecured syndicated loan with two term loan tranches and a revolving credit facility (RCF). The loan was extended in May 2022. One loan tranche of EUR 400 million will be due in April 2025 but can be extended by up to two years under certain conditions. The second tranche of EUR 800 million will be due in April 2027. The RCF now has a volume of EUR 500 million (previously EUR 750 million) and will also be due in April 2027. It was not utilized in the first half of the current financial year.

In connection with the extension of the syndicated loan, ProSiebenSat.1 Group adjusted the hedging portfolio and extended the hedging period to 2027. The Group now holds interest rate swaps with a volume of EUR 1 billion and interest rate options with a nominal volume of EUR 700 million. The interest rate swaps have a term until 2023, the interest rate options until 2025 (EUR 50 million) and until 2027 (EUR 650 million). The average interest rate cap of the interest rate options was 1.5% per annum as of June 30, 2022.

The following table provides a reconciliation of the financial instruments measured at fair value primarily on the basis of level 3 input factors during the reporting period:

RECONCILIATION OF LEVEL 3 FAIR VALUES - CURRENT YEAR

in EUR m

	Equity instruments	Liabilities from put options and earn-outs
Balance as of January 1, 2022	**270**	**68**
Gains or losses recognized in the income statement during the reporting period[1]	–12	–7
Additions from acquisitions	12	—
Disposals/Payments	–14	–9
Balance as of June 30, 2022	**256**	**52**

1 This line item includes unrealized losses on equity instruments of EUR 11 million, and unrealized gains of EUR 8 million relating to liabilities from put options and earn-outs.

During the first six months of the previous year, the fair values of financial instrument measured at fair value primarily on the basis of level 3 input factors changed as follows:

RECONCILIATION OF LEVEL 3 FAIR VALUES - PREVIOUS YEAR

in EUR m

	Equity instruments	Liabilities from put options and earn-outs
Balance as of January 1, 2021	**212**	**156**
Gains or losses recognized in the income statement during the reporting period[1]	45	15
Additions from acquisitions	19	—
Disposals/Payments	–12	–33
Reclassification to level 1 category	–35	—
Other changes	–7	0
Balance as of June 30, 2021	**222**	**139**

1 This line item includes unrealized gains on equity instruments of EUR 45 million, and unrealized losses of EUR 13 million relating to liabilities from put options and earn-outs.

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

The losses of EUR 12 million recognized for equity instruments in the reporting period essentially relate to the remeasurement of fund investments and media-for-equity investments. The additions of EUR 12 million primarily represent investments acquired under media-for-equity transactions, while the disposals of EUR 14 million mainly relate to sales of fund investments.

The gains of EUR 7 million recognized in the income statement in the reporting period for the liabilities from put options and earn-outs result mainly from the revaluation of put options in the Dating & Video and Commerce & Ventures segments. The disposals of EUR 9 million mainly relate to the reclassification to liabilities in connection with assets held for sale required in the course of the sale of the US production business of Red Arrow Studios and payments for the acquisition of shares in the Entertainment segment. For information on the sale of the US production business of Red Arrow Studios, see

→ note 2 "Assets and liabilities held for sale"

When measuring liabilities from put options, key inputs that are not observable on the market are the earnings figures on which the respective instruments are based and the risk-adjusted debt discount rates applied. A 5.0% improvement in the underlying earnings figures would increase the (negative) fair value of the put options by EUR 4 million as of the reporting date, whereas a 5.0% decrease would reduce it by EUR 4 million. In addition, a change in the discount rate by plus or minus one percentage point respectively would result in the fair value of these financial liabilities being reduced by EUR 1 million or increased by EUR 1 million in total.

9 / Segment reporting

ProSiebenSat.1 Group reports the segments Entertainment, Dating & Video and Commerce & Ventures.

The reconciliation column (Holding & other) contains the holding functions as well as effects of the elimination and consolidation of intra-group transactions between the segments. As in previous periods, the amounts presented in the first half of 2022 relate to the holding functions, except for internal revenues.

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

SEGMENT INFORMATION Q2 2022

in EUR m

	Entertainment	Dating & Video	Commerce & Ventures	Total Segments	Reconciliation (Holding & other)	**Total Group**
Revenues	771	130	178	1,079	–24	1,055
External revenues	748	130	177	1,055	—	1,055
Internal revenues	23	—	1	24	–24	—
Adjusted EBITDA	134	25	12	171	–5	166
Reconciling items	–12	–1	–1	–14	–4	–18
Depreciation, amortization and impairments	73	7	18	99	5	104
Investments	261	3	8	272	13	285
thereof programming assets	226	—	—	226	—	226

SEGMENT INFORMATION Q2 2021

in EUR m

	Entertainment	Dating & Video	Commerce & Ventures	Total Segments	Reconciliation (Holding & other)	Total Group
Revenues	760	139	173	1,072	–25	1,048
External revenues	736	139	172	1,048	—	1,048
Internal revenues	24	—	1	25	–25	—
Adjusted EBITDA	142	28	2	173	–7	166
Reconciling items	–4	–9	–2	–15	0	–15
Depreciation, amortization and impairments	38	9	15	63	5	68
Investments	267	2	15	284	13	297
thereof programming assets	244	—	—	244	—	244

SEGMENT INFORMATION H1 2022

in EUR m

	Entertainment	Dating & Video	Commerce & Ventures	Total Segments	Reconciliation (Holding & other)	**Total Group**
Revenues	1,455	262	338	2,055	–46	2,009
External revenues	1,410	262	337	2,009	—	2,009
Internal revenues	45	—	1	46	–46	—
Adjusted EBITDA	225	47	25	298	–9	289
Reconciling items	–16	3	–2	–15	–4	–19
Depreciation, amortization and impairments	101	15	32	148	10	157
Investments	420	6	14	440	19	459
thereof programming assets	366	—	—	366	—	366

SEGMENT INFORMATION H1 2021

in EUR m

	Entertainment	Dating & Video	Commerce & Ventures	Total Segments	Reconciliation (Holding & other)	Total Group
Revenues	1,394	280	361	2,035	–49	1,986
External revenues	1,346	280	360	1,986	—	1,986
Internal revenues	48	—	1	49	–49	—
Adjusted EBITDA	239	61	19	320	–11	308
Reconciling items	–4	–9	–2	–15	–4	–19
Depreciation, amortization and impairments	69	19	28	116	10	126
Investments	497	6	26	529	22	551
thereof programming assets	449	—	—	449	—	449

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

RECONCILIATION OF SEGMENT RESULT

in EUR m

	Q2 2022	Q2 2021	**H1 2022**	H1 2021
Adjusted EBITDA of reportable segments	171	173	298	320
Eliminations and other reconciliations	–5	–7	–9	–11
Adjusted EBITDA of the Group	**166**	**166**	**289**	**308**
Reconciling items	–18	–15	–19	–19
Financial result	–38	54	–56	46
Depreciation, amortization and impairments	–104	–68	–157	–126
Income taxes	–30	–23	–49	–29
Net income	**–23**	**114**	**8**	**180**

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

PRESENTATION OF THE RECONCILING ITEMS

in EUR m

	Q2 2022	Q2 2021	**H1 2022**	H1 2021
Income from changes in scope of consolidation	3	—	3	—
Income from other one-time items	1	—	2	0
Income adjustments	**4**	**—**	**5**	**0**
M&A related expenses	–24	–1	–28	–2
Reorganization expenses	0	–4	–2	–4
Fair value adjustments of share-based payments	3	–8	8	–11
Expenses for other one-time items	–1	–1	–1	–1
Valuation effects relating to strategic realignments of business units	0	–1	–1	–1
Expense adjustments	**–21**	**–15**	**–24**	**–19**
Reconciling items	**–18**	**–15**	**–19**	**–19**

10 / Related parties

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

As of June 30, 2022, the members of the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE as well as joint ventures and associates of ProSiebenSat.1 Group were defined as related parties.

Effective January 1, 2022, Ralf Peter Gierig, previously Deputy Group CFO, became a new member of the Executive Board & Chief Financial Officer (Group CFO) of ProSiebenSat.1 Media SE. Dr. Andreas Wiele was appointed by court order as a member of the Supervisory Board of ProSiebenSat.1 Media SE effective February 13, 2022, succeeding Adam Cahan, who resigned from office as of November 12, 2021. Dr. Andreas Wiele was confirmed as a member of the Supervisory Board at the Annual General Meeting on May 5, 2022, and elected Chairman at the subsequent constituent meeting of the Supervisory Board. He succeeded Dr. Werner Brandt, who did not stand for re-election after two terms. Bert Habets was newly elected to the Supervisory Board at the Annual General Meeting.

In the financial year 2021, shares in investment funds held to finance the pension entitlements of active and former Executive Board members of ProSiebenSat.1 Media SE in the amount of EUR 1 million, which were recognized separately at fair value through profit or loss, were transferred to a contractual trust arrangement ("CTA") that qualifies as plan assets. In the first half of 2022, the remaining assets held to finance the entitlements were also transferred to the CTA. As of the reporting date, the actuarial present value of the pension obligation is presented net of the fair value of the plan assets and amounts to EUR 2 million (December 31, 2021: EUR 31 million).

As a result of interest rate developments on the financial markets in the first half of 2022, the discount rate used to calculate the actuarial present value of the pension obligation increased as of June 30, 2022. This was partly offset by a decrease in the fair value of plan assets. As a result, the net pension liability decreased by an amount of EUR 5 million. The change was recognized as an actuarial gain in other comprehensive income.

ProSiebenSat.1 Group maintains relationships in the ordinary course of business with some of its joint ventures and associates. In doing so, the relevant Group entities generally buy and sell products and services on market terms. The following table presents the volume of transactions with joint ventures and associates:

VOLUME OF TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES
in EUR m

	H1 2022 and 06/30/2022			H1 2021 and 12/31/2021		
	Associates	**Joint ventures**	**Total**	Associates	Joint ventures	Total
Income statement						
Revenues from goods sold and services rendered	56	17	74	49	19	68
Expenses from goods purchased and services received	10	14	24	11	9	20
Statement of financial position						
Receivables	15	18	33	16	12	28
Payables	12	5	17	17	7	24

11 / Events after the reporting period

With economic effect as of July 1, 2022, Red Arrow Studios GmbH, Unterföhring sold its US production business to a subsidiary of The North Road Company. The foreign exchange gains on translation of the financial statements of the divested US companies included in accumulated other comprehensive income in equity, which amounted to EUR 19 million as of June 30, 2022, will not be recognized in profit or loss until the date of disposal in the third quarter of 2022 at the exchange rate then in effect.

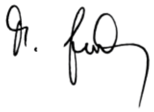
→ note 2 "Assets and liabilities held for sale"

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the Interim Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Unterföhring, August 4, 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 (responsible for Entertainment)

Christine Scheffler
Member of the Executive Board (responsible for HR, Compliance & Sustainability)

REVIEW REPORT

TO PROSIEBENSAT.1 MEDIA SE

We have reviewed the interim condensed consolidated financial statements of ProSiebenSat.1 Media SE, Unterföhring, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated cash flow statement and the consolidated statement of changes in equity as well as selected explanatory notes, and the interim group management report for the period from 1 January to 30 June 2022, which are part of the half-year financial report pursuant to Sec. 115 WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The executive directors of the Company are responsible for the preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and of the interim group management report in compliance with German Generally Accepted Standards for the Review of Financial Statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of the Company's employees and analytical assessments, and therefore does not provide the assurance obtainable from an audit of financial statements. Since, in accordance with our engagement, we have not performed an audit of financial statements, we cannot issue an auditor's report.

Based on our review nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Berlin, 4 August 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Schlebusch
Wirtschaftsprüfer
[German Public Auditor]

Mielke
Wirtschaftsprüferin
[German Public Auditor]

FINANCIAL CALENDAR

Date	Event
11/08/2022	Publication of the Half-Yearly Financial Report of 2022
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

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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,” “pursues the goal,” 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.