

**Annual financial statement as of
December 31, 2023**

**Seven.One Entertainment Group GmbH,
Unterföhring**

Seven.One Entertainment Group GmbH, Unterföhring

BALANCE SHEET AS OF DECEMBER 31, 2023

ASSETS

in EUR

	Dec. 31, 2023	Dec. 31, 2022
A. Fixed Assets		
I. Intangible assets		
1. Licenses trademarks and patents as well as licenses to such assets and rights for a consideration	13,711,219.80	1,019,927.00
2. Goodwill	153,868.00	171,287.00
3. Advances paid on intangible assets	0.00	9,900.00
	13,865,087.80	1,201,114.00
II. Tangible assets		
1. Buildings on land owned by others	1.00	0.00
2. Technical equipment and machines	117,386.00	177,595.00
3. Other equipment, fixtures, furniture and equipment	265,954.00	350,560.00
	383,341.00	528,155.00
III. Financial assets		
1. Shares in Group companies	740,413,567.45	729,859,619.63
2. Interests in associated companies	7,323,701.29	7,098,701.29
3. Other loans	48,814.59	48,814.59
	747,786,083.33	737,007,135.51
	762,034,512.13	738,736,404.51
B. Current assets		
I. Program assets		
	761,151,962.20	987,337,243.49
II. Inventories		
1. Raw materials and supplies	19,145.42	21,397.07
2. Finished goods	110,971.87	344,107.80
	130,117.29	365,504.87
III. Receivables and other current assets		
1. Trade accounts receivable	113,928,665.87	98,857,021.96
2. Receivables from Group companies	1,659,228,805.56	1,702,883,195.10
3. Receivables from companies in which participations are held	8,914,242.54	9,285,708.95
4. Other assets	6,780,193.39	6,660,366.76
	1,788,851,907.36	1,817,686,292.77
IV. Cash and deposit at banks	167,582.06	345,427.45
	2,550,301,568.91	2,805,734,468.58
C. Prepaid expenses	2,770,702.84	2,523,912.58
	3,315,106,783.88	3,546,994,785.67

Seven.One Entertainment Group GmbH, Unterföhring

BALANCE SHEET AS OF DECEMBER 31, 2023

EQUITY AND LIABILITIES

in EUR

	Dec. 31, 2023	Dec. 31, 2022
A. Equity		
I. Subscribed capital	6,000,251.00	6,000,251.00
II. Capital reserves	2,809,514,020.44	2,809,514,020.44
	2,815,514,271.44	2,815,514,271.44
B. Provisions		
Other provisions	250,162,067.27	93,691,156.74
	250,162,067.27	93,691,156.74
C. Liabilities		
1. Deposits received	4,540,674.32	4,099,879.00
2. Trade account payables	21,640,441.38	38,096,508.08
3. Liabilities to Group companies	200,805,603.35	561,225,155.80
4. Other liabilities	17,896,967.35	24,382,169.00
--thereof for taxes EUR 4,682,693.85 (previous year: EUR 3,809,528.82)--		
--thereof relating to social security EUR 5,202.52 (previous year: EUR 6,503.84)--		
	244,883,686.40	627,803,711.88
D. Deferred income	4,546,758.77	9,985,645.61
	3,315,106,783.88	3,546,994,785.67

The company is entered in the commercial register of the Munich Local Court under HRB no. 168016 and has its registered office at Medienallee 7 in 85774 Unterföhring, Germany.

Seven.One Entertainment Group GmbH, Unterföhring

INCOME STATEMENT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2023

in EUR

	2023	2022
1. Revenues	1,808,965,902.89	1,935,607,276.69
2. Own work capitalized	3,160,432.77	0.00
3. Other operating income	30,461,978.38	69,624,902.61
--thereof from currency conversion EUR 619,149.30 (previous year: EUR 1,237,028.97)--		
4. Programming and material expenses		
a) Consumption of program assets	1,158,862,991.08	937,652,062.12
b) Cost of licenses, transmission fees and materials	92,804,792.67	85,117,534.31
c) Cost of purchased services	164,742,631.41	173,948,681.85
	1,416,410,415.16	1,196,718,278.28
5. Personnel expenses		
a) Wages and salaries	140,427,359.27	105,265,466.66
b) Social security contributions and other employee benefits	18,861,837.13	17,078,923.67
--thereof for old age pensions EUR 290,142.68 (previous year: EUR 284,404.04)--		
	159,289,196.40	122,344,390.33
6. Amortization and depreciation of tangible assets and intangible assets	2,078,411.61	445,381.18
7. Other operating expenses	298,723,942.82	296,144,488.02
--thereof from currency conversion EUR 706,513.39 (previous year: EUR 2,246,130.46)--		
8. Income from affiliated companies	18,020,747.15	11,897,852.58
--thereof from Group companies EUR 18,020,747.15 (previous year: EUR 11,897,852.58)--		
9. Income from profit transfer agreements	54,327,847.29	61,589,226.17
10. Expenses from loss absorption	69,473,965.17	16,266,305.44
11. Other interest and similar income	44,043,701.10	6,826,863.59
--thereof from Group companies EUR 44,038,445.42 (previous year: EUR 6,678,245.68)--		
12. Write-downs on financial assets and short-term investments	41,481,195.97	21,318,892.85
13. Interests and similar expenses	168,976.88	85,528.86
--thereof to Group companies EUR 139,989.84 (previous year: EUR 85,280.87)--		
14. Income taxes	0.00	+ 18,587.25
15. Loss/profit after taxes	-28,645,494.43	432,241,443.93
16. Profits transferred on the basis of a profit and loss transfer agreement	0.00	-432,241,443.93
17. Losses assumed on the basis of a profit and loss transfer agreement	28,645,494.43	0.00
18. Net income/net loss of the year	0.00	0.00

**Seven.One Entertainment Group GmbH,
(HRB 168016 at Munich Local Court), Unterföhring**

**NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL
YEAR 2023**

General disclosures

These annual financial statements of Seven.One Entertainment Group GmbH (HRB 168016 of the Munich Local Court), Unterföhring (hereinafter also referred to as the company), have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Limited Liability Companies Act (GmbH-Gesetz).

The company is a large corporation in accordance with Section 267 (3) HGB.

The total cost method in accordance with Section 275 (2) HGB has been retained for the income statement.

The structure of the balance sheet has been expanded to include the item program assets, which is reported as a sub-item of current assets.

In the financial year, Seven.One Entertainment Group GmbH decided to change its programming strategy and increase its investment in exclusive local program content. At the same time, the proportion of US licensed content will be further reduced in favor of local formats. As part of this strategic realignment, an impairment of programming assets and a provision for onerous contracts for the acquisition of future programming assets were recognized.

Seven.One Pay TV GmbH, Unterföhring, was merged with Seven.One Entertainment Group GmbH in the financial year with retroactive effect from

January 1, 2023. The merger agreement is dated August 30, 2023 and was entered in the commercial register on August 31, 2023.

If the merger has a material effect on the figures in 2023 compared to 2022, this is explained in the notes.

Due to rounding, it is possible that individual figures in these annual financial statements do not add up exactly to the totals shown and that the percentages shown do not exactly reflect the absolute figures to which they relate.

Accounting policies

The following accounting and valuation methods were essentially applied unchanged for the preparation of the annual financial statements.

Intangible assets and property, plant and equipment

Purchased intangible fixed assets are recognized at cost and, if they are subject to wear and tear, are amortized over their useful life. Impairment losses are recognized if the impairment is expected to be permanent.

Internally generated intangible fixed assets are not recognized.

Purchased goodwill is recognized at cost and amortized over its expected useful life, insofar as this can be reliably estimated.

Property, plant and equipment is recognized at acquisition or production cost, less straight-line depreciation. Impairment losses are recognized if the impairment is expected to be permanent.

Assets with an acquisition cost of up to a net individual value of EUR 250 are recognized in full as an expense in the year of acquisition. For assets with a net individual value of between EUR 250 and EUR 1,000, the collective item method for tax purposes is also applied in the commercial balance sheet for reasons of

simplification. The compound item is depreciated on a straight-line basis over five years.

Technical equipment and machinery are depreciated over 5 years.

Operating and office equipment is depreciated over 5 to a maximum of 13 years, depending on the asset.

Financial assets

In the case of financial assets, shares are recognized at the lower of cost or fair value and loans are generally recognized at nominal value. Write-ups are made up to the acquisition cost if the reasons for impairment no longer apply.

Shares in affiliated companies are generally recognized at the lower of cost or fair value if the impairment is expected to be permanent. Seven.One Entertainment Group GmbH assesses whether a permanent impairment of shares in affiliated companies has occurred primarily on the basis of simplified company valuations and fair values to be applied and checks their plausibility using implicit multiples. The fair values are determined using the discounted cash flow method.

Valuations are carried out in accordance with IDW RS HFA 10 "Application of the principles of IDW S 1 in the valuation of investments for the purposes of annual financial statements under commercial law". Here, the cash flows are based on investment-specific plans, generally over a period of five years, which are extrapolated using investment-specific growth rates. The capitalization interest rate used here is determined by the return on a risk-adequate alternative investment.

In addition, shares in affiliated companies that have been impaired in the past are reviewed annually to determine whether the reasons for the impairment no longer apply. The fair value of the corresponding financial asset is also calculated for these shares on the basis of IDW RS HFA 10.

Program assets

Programming assets include feature films, series, commissioned productions, sports rights and advance payments made. Feature films and series are capitalized at the beginning of the contractual license period. Commissioned productions are capitalized as broadcast-ready programming assets after completion, which is concluded with acceptance.

Scheduled consumption is recognized on a declining-balance basis over the number of contractual or expected broadcasts in accordance with the expected audience reach potential associated with the respective broadcast. Commissioned productions and sports rights intended for one-time broadcasting are recognized in full as an expense when they are broadcast.

Impairment losses are determined in two steps. First, impairments are recognized in the form of impairment losses on programming assets if no further use of the rights is planned. Indications for this may include poorer exploitation opportunities, changed requirements from the advertising environment, adaptation of the programs to the wishes of the target groups, media law restrictions on the usability of films, expiry of the license period before broadcasting or the discontinuation of commissioned productions.

In the second step, the value of the remaining programming assets is assessed at the level of program groups. Due to the significant changes in the market for video content, viewers have adjusted their behavior over time and prefer other free TV offerings than in the past. The Seven.One Entertainment Group takes this change in usage behavior into account in its strategy and program planning. This in turn influences the planning and purchasing behavior of advertising customers and thus the revenue structure. For the program groups, it is determined whether there are any indications of a potential need for impairment. If such indications exist, the amortized carrying amounts are compared with the fair values. The fair value is determined on the basis of the expected program deployment planning and the resulting future revenue potential. If the carrying amount exceeds the revenue potential, an impairment loss is recognized. Program assets that are intended to be passed on internally are valued at the Group's internal resale price.

Impairment losses are reversed to amortized cost if the current revenue expectations for licensing programs or service productions are adjusted upwards and impairment losses were recognized in the past.

Inventories

Raw materials, consumables and supplies as well as merchandise are recognized at the lower of cost or fair value on the reporting date.

Receivables and other assets

Receivables and other assets are recognized at the lower of nominal value, acquisition cost or fair value on the reporting date. In the valuation of receivables, recognizable risks have been considered through individual value adjustments.

Cash and cash equivalents

Bank balances and cash in hand are recognized at nominal value. Short-term foreign currency balances and liabilities are translated at the mean spot exchange rate on the reporting date.

Provisions

Other provisions consider all uncertain liabilities and impending losses from pending transactions. They are recognized in the amount of the probable settlement amount required according to prudent business judgment. Provisions with a remaining term of more than one year are discounted at the average market interest rate for the past seven years with a matching term, as determined and published by the Deutsche Bundesbank.

Provisions for impending losses from pending program asset transactions are formed if the company currently estimates that the forecast proceeds will not cover the costs. A two-stage procedure is used to form provisions for impending losses, as is the case when determining impairment losses. In the first step, the contractually agreed acquisition costs of program titles that are no longer planned to be broadcast are reflected in corresponding provisions. Subsequently, the acquisition costs of the program titles to be broadcast are allocated to the respective program groups and the future revenue potential is compared with the

carrying amounts currently in the program groups. If there is insufficient coverage, the pending transactions are analyzed in detail at individual contract level.

Liabilities

Liabilities are recognized at their settlement amounts on the balance sheet date.

Currency conversion

Assets and liabilities denominated in foreign currencies are generally translated at the mean spot exchange rate on the reporting date. In the case of a residual term of more than one year, the realization principle (Section 252 (1) no. 4 half-sentence 2 HGB) and the acquisition cost principle (Section 253 (1) sentence 1 HGB) are observed.

Valuation units

The company uses derivative financial instruments to hedge against currency risks from its operating business and the resulting financing requirements. If a direct hedging relationship exists, the derivative financial instruments are combined with the corresponding underlying transaction as a valuation unit in accordance with Section 254 HGB using the net hedge presentation method. If there is no sufficient hedging relationship, the hedging transactions are measured on an impairment basis, i.e. provisions are recognized for negative market values and positive market values are not recognized.

Notes to the Balance sheet

Fixed assets

The development of the individual fixed asset items, including depreciation and amortization for the financial year, is shown in the attached statement of changes in fixed assets.

Intangible assets and property, plant and equipment

In the past financial year, impairment losses of EUR 124.8 thousand (previous year: EUR 18.2 thousand) were recognized on intangible assets and property, plant and equipment.

Goodwill acquired for consideration includes goodwill from a transaction in the 2017 financial year and is amortized over 15 years. The useful life is based on an analysis of the market environment and the main contracts.

Financial assets

The company's financial assets are shown in the attached list of shareholdings.

In the 2023 financial year, Seven.One Entertainment Group GmbH paid EUR 62,000.0 thousand (previous year: EUR 36,650.0 thousand) into the capital reserves of Joyn GmbH.

The disposals of assets amounting to EUR 10,076.0 thousand (previous year: EUR 69,222.5 thousand) resulted from the merger of Seven.One Pay TV GmbH, Unterföhring, in the amount of EUR 6,475.0 thousand and the sale of BuzzBird Beteiligungsgesellschaft mbH, Berlin, in the amount of EUR 3,600.9 thousand.

Due to lower fair values, impairment losses of EUR 41,481.2 thousand (previous year: EUR 21,318.9 thousand) were recognized on financial assets in the 2023 financial year.

Due to higher fair values, write-ups of EUR 111.1 thousand (previous year: EUR 41,807.6 thousand) were recognized on financial assets in the 2023 financial year.

Program assets

EUR in thousand	Dec 31, 2023	Dec 31, 2022
Licenses	642,588.6	843,861.4
Commissioned productions	118,563.4	143,475.9
Total	761,152.0	987,337.2

Mainly driven by the decision taken in December 2023 to further expand the exclusive local programming content and thus further reduce the proportion of US licensed content, impairment losses were recognized in the 2023 financial year and provisions for onerous contracts were recognized for programming assets. Impairment losses, including the recognition of provisions for onerous contracts, amounted to a total of EUR 373,487.2 thousand in the reporting year (previous year: EUR 75,973.2 thousand). This is offset by write-ups in the amount of EUR 40.0 thousand (previous year: EUR 115.0 thousand).

Receivables and other assets

EUR in thousand	Dec 31, 2023			Dec 31, 2022		
	Remaining term		Total	Remaining term		Total
	1 year or less	more than 1 year		1 year or less	more than 1 year	
Trade accounts receivable	113,286.7	642.0	113,928.7	98,850.3	6.8	98,857.0
Receivables from Group companies (thereof against shareholder)	1,658,870.7	358.1	1,659,228.8	1,702,771.5	111.7	1,702,883.2
Receivables from companies in which participations are held	(1,532,811.9)	(-)	(1,532,811.9)	(1,586,474.6)	(-)	(1,586,474.6)
Other assets	8,914.2	-	8,914.2	9,285.7	-	9,285.7
Total	1,787,851.8	1,000.1	1,788,851.9	1,817,567.8	118.5	1,817,686.3

As at the balance sheet date, individual value adjustments on receivables amounted to EUR 1,483.3 thousand (previous year: EUR 2,728.0 thousand).

Receivables from affiliated companies include trade receivables in the amount of EUR 83,374.7 thousand (previous year: EUR 65,023.8 thousand) and receivables from profit and loss transfer agreements with subsidiaries in the amount of EUR 54,327.8 thousand (previous year: EUR 61,589.2 thousand).

Receivables from shareholders mainly relate to receivables from cash pooling in the amount of EUR 1,492,880.8 thousand (previous year: EUR 1,576,270.1 thousand) and

receivables from profit transfer in the amount of EUR 28,645.5 thousand (previous year: none).

Receivables from companies in which participations are held result exclusively from trade transactions.

Other assets include, in particular, tax receivables amounting to EUR 3,498.2 thousand (previous year: EUR 5,445.4 thousand).

Equity

As in the previous year, the company's share capital amounts to EUR 6,000.3 thousand. The capital reserve remains unchanged at EUR 2,809,514.0 thousand.

The loss for the 2023 financial year was absorbed by ProSiebenSat.1 Media SE, Unterföhring, as of December 31, 2023 in accordance with the control and profit and loss transfer agreement.

Provisions

Other provisions

EUR in thousand	Dec 31, 2023	Dec 31, 2022
Provisions for onerous contracts	160,896.2	19,082.3
Personnel provisions	35,682.9	10,048.2
Provisions for outstanding incoming invoices	33,263.1	40,706.9
Provisions for legal disputes	11,740.1	11,804.3
Provisions for Gema and GVL	8,559.4	11,990.4
Miscellaneous other provisions	20.3	59.0
Total	250,162.1	93,691.2

Provisions for onerous contracts increased significantly in the reporting year. This increase resulted in particular from the strategic decision to reduce US license content in favour of local formats and is due exclusively to onerous procurement transactions for programming assets. The provisions for onerous contracts with a remaining term of more than one year amount to EUR 34,196.1 thousand.

Personnel provisions mainly include provisions for severance payments, vacation entitlements, leaves of absence and bonus payments. The sharp increase is the result of personnel measures as part of a restructuring program.

The provisions for legal disputes relate in particular to claims for additional remuneration under copyright law from artists and other filmmakers as well as legal costs.

Liabilities

EUR in thousand	Dec 31, 2023						Dec 31, 2022					
	Remaining term						Remaining term					
	over			over			over			over		
	less than 1 year	1 to 5 years	over 5 years		Total		less than 1 year	1 to 5 years	over 5 years		Total	
Deposits received	4,540.7	-	-	4,540.7	4,099.9	-	-	-	-	4,099.9		
Trade account payables	21,640.4	-	-	21,640.4	38,096.5	-	-	-	-	38,096.5		
Liabilities to Group companies (thereof against shareholder)	200,805.6	-	-	200,805.6	561,225.2	-	-	-	-	561,225.2		
	(73,278.9)	(-)	(-)	(73,278.9)	(498,810.8)	(-)	(-)	(-)	(-)	(498,810.8)		
Liabilities to companies in which participations are held	-	-	-	-	-	-	-	-	-	-		
Other liabilities	17,897.0	-	-	17,897.0	24,382.2	-	-	-	-	24,382.2		
Total	244,883.7	-	-	244,883.7	627,803.7	-	-	-	-	627,803.7		

Liabilities to shareholders relate to trade payables in the amount of EUR 73,278.9 thousand (previous year: EUR 66,569.4 thousand) and no liabilities from the profit and loss transfer agreement with ProSiebenSat.1 Media SE (previous year: EUR 432,241.4 thousand).

In addition to liabilities to shareholders, liabilities to affiliated companies include liabilities from profit and loss transfer agreements with subsidiaries in the amount of EUR 69,474.0 thousand (previous year: EUR 13,853.9 thousand), trade payables in the amount of EUR 47,012.7 thousand (previous year: EUR 35,414.5 thousand) and loan liabilities in the amount of EUR 11,040.1 thousand (previous year: EUR 13,145.9 thousand).

The decrease in liabilities to affiliated companies in the reporting year is primarily due to the fact that the company recognized a receivable from loss absorption instead of a liability from profit transfer of its previous year's profit due to its negative result.

Other liabilities

Other liabilities mainly include liabilities from rebates of EUR 12,303.7 thousand (previous year: EUR 16,723.2 thousand), tax liabilities of EUR 4,682.7 thousand (previous year: EUR 3,809.5 thousand) and debtors with credit balances of EUR 526.0 thousand (previous year: EUR 3,446.9 thousand).

Deferred income

Deferred income in the amount of EUR 4,546.8 thousand (previous year: EUR 9,985.6 thousand) mainly comprises media that have not yet been used.

Notes to the Income Statement

Revenues

EUR in thousand	2023	2022
Advertising revenue	1,457,931.0	1,644,375.1
Other revenues	333,987.2	278,750.5
Income from the sale of program assets	17,047.7	12,481.7
Total	1,808,965.9	1,935,607.3

Revenues mainly relate to advertising revenues and are generated almost exclusively in the Federal Republic of Germany. A further breakdown of sales by area of activity and geographical markets is therefore not provided.

The decline in advertising revenues is due to the negative development of the advertising market.

Other operating income

Other operating income includes write-ups of financial assets to the higher fair value after the reasons for previous impairments no longer apply, amounting to EUR 111.1 thousand (previous year: EUR 41,807.6 thousand).

Income relating to other periods

Of the prior-period income totaling EUR 20,132.3 thousand (previous year: EUR 11,194.1 thousand) included in other operating income, EUR 16,918.4 thousand (previous year: EUR 5,738.0 thousand) is attributable to the reversal of provisions and EUR 3,213.9 thousand (previous year: EUR 5,456.1 thousand) to other prior-period income.

Programming and material expenses

The cost of programming and materials increased by EUR 219,692.1 thousand to EUR 1,416,410.4 thousand compared to the previous year. This increase is primarily due to the higher consumption of programming assets in the amount of EUR 1,158,863.0 thousand (previous year: EUR 937,652.1 thousand). Expenses for the impairment of programming assets amounted to EUR 222,339.2 thousand (previous year: EUR 67,747.8 thousand) and additions to provisions for onerous contracts amounted to EUR 151,148.0 thousand (previous year: EUR 8,225.5

thousand). The increase in impairment losses and the addition to the provision for onerous contracts is mainly the result of the strategic decision to reduce US license content in favour of local formats.

Other operating expenses

Other operating expenses increased from EUR 296,144.5 thousand to EUR 298,723.9 thousand. The merger of Seven.One Pay TV GmbH, Unterföhring, into Seven.One Entertainment GmbH resulted in a merger loss of EUR 1,250 thousand.

In the financial year, BuzzBird Beteiligungsgesellschaft mbH, Berlin, was sold to Studio71 GmbH, Berlin, for EUR 1. This sale price was below the market price of the company and was based on strategic considerations. The sale resulted in a loss of EUR 3,600.9 thousand.

As in the previous year, no expenses relating to other periods were incurred in the reporting year.

Result from profit transfers and income from affiliated companies

The income from affiliated companies of EUR 18,020.7 thousand (previous year: EUR 11,897.9 thousand) resulted from a distribution from Seven.One Entertainment Group Schweiz AG, Zurich, Switzerland, in the amount of EUR 14,611.5 thousand (previous year: EUR 11,897.9 thousand) and from SAT.1 Privatrundfunk und Programmgesellschaft m.b.H., Vienna, Austria, in the amount of EUR 3,409.2 thousand (previous year: none).

Income from profit and loss transfer agreements (EUR 54,327.8 thousand, previous year: EUR 61,589.2 thousand) was slightly below the previous year's level. The increase in expenses from loss transfers (EUR 69,474.0 thousand, previous year: EUR 16,266.3 thousand) is mainly due to a newly concluded profit and loss transfer agreement with a subsidiary.

Income taxes

Income taxes are not shown due to the fiscal unity with the parent company ProSiebenSat.1 Media SE, which has existed since 2007. Likewise, no deferred taxes

are recognized at the controlled company. There is no apportionment agreement between the controlled company and the controlling company.

The previous year's tax income of EUR 18.6 thousand resulted from the reversal of a trade tax provision of the merged company eSports.com GSA GmbH.

Seven.One Entertainment Group GmbH is part of the minimum tax group of ProSiebenSat.1 Media SE. The latter has carried out an indicative assessment of the potential burden on the company with regard to minimum taxation for the 2023 financial year for the business units to be included and, on this basis, does not expect the introduction of minimum taxation to result in a significant tax burden.

Other information

Contingent liabilities

There were no contingent liabilities on the balance sheet date.

Other financial obligations

EUR in thousand	due in the following year	due in 2nd to 5th year	due after the 5th year	Total
Program assets	651,943.9	363,971.4	25,728.0	1,041,643.3
(thereof to affiliated companies)	(351,763.7)	(98,388.3)	(9,908.7)	(460,060.7)
Leasing and rental obligations	7,497.2	-	-	7,497.2
(thereof to affiliated companies)	(7,497.2)	(-)	(-)	(7,497.2)
Usage fees	31,000.1	36,516.0	-	67,516.1
(thereof to affiliated companies)	(17,688.4)	(19,339.0)	(-)	(37,027.4)
Other obligations	197,799.8	-	-	197,799.8
(thereof to affiliated companies)	(185,109.3)	(-)	(-)	(185,109.3)
Total	888,240.9	400,487.4	25,728.0	1,314,456.3

The other obligations include obligations from service relationships with affiliated companies. The agreements are concluded for an indefinite period and can be terminated at the end of a year.

Potential Risks

Based on Section 32a UrhG, authors of particularly successful TV programs can assert claims against Seven.One Entertainment Group GmbH. The company has agreed so-called "Joint Remuneration Rules" (Section 36 UrhG) with five associations (directors, cinematographers, screenwriters, actors and editors), according to which additional remuneration is paid to directors, cinematographers, screenwriters, actors and film editors if TV movies or TV series reach certain viewer ratings. Derived from these Joint Remuneration Rules, the broadcasting group has also concluded Joint Remuneration Rules for the telenovela genre with the Directors' Association. Out-of-court settlements were reached with individual actors who have asserted claims for additional remuneration. A total of EUR 10,502.6 thousand was recognized as a provision for this complex of issues and other related claims as at 31 December 2023 (previous year: EUR 10,466.7 thousand). This amount does not include payments already made in individual cases. The provision amount

reflects the best possible estimate of the additional remuneration that is expected to be paid on the basis of the joint remuneration rules already concluded, the specific models already developed by the broadcasting group for further joint remuneration rules, some of which have already been presented to the associations and specifically negotiated with them, and in individual cases on the basis of settlements. The provision amount also takes into account the risks with regard to the still unresolved VAT treatment of bestseller remuneration. It is also possible that other authors will assert further justified claims pursuant to Section 32a UrhG that are not covered by the existing joint remuneration rules or provisions (for example, also for other program genres). A reliable assessment of the impact on our earnings performance is therefore not possible at present.

Profit and loss transfer agreements

A control and profit and loss transfer agreement has been in place between ProSiebenSat.1 Media SE, Unterföhring, and Seven.One Entertainment Group GmbH, Unterföhring, since May 23, 2007.

The existing profit and loss transfer agreements between Seven.One Entertainment Group GmbH and the subsidiaries can be found in the list of shareholdings.

Events after the reporting date

On February 22, 2024, the Executive Board of ProSiebenSat.1 Media SE resolved on an intra-group reorganization, which aims, among other things, to contribute Seven.One Entertainment Group GmbH to Joyn GmbH, which is currently wholly owned by Seven.One Entertainment Group GmbH, and then to contribute Joyn GmbH to a subsidiary wholly owned by ProSiebenSat.1 Media SE. The reorganization was approved by the Supervisory Board of ProSiebenSat.1 Media SE on March 5, 2024, and will be submitted for approval at the Annual General Meeting of ProSiebenSat.1 Media SE on April 30, 2024. As a result of the intra-group reorganization, the control and profit and loss transfer agreement between ProSiebenSat.1 Media SE and Seven.One Entertainment Group GmbH would be terminated during the financial year 2024 and a new profit and loss transfer agreement would be concluded between Joyn GmbH and Seven.One

Entertainment Group GmbH. With this step, future earnings generated by Seven.One Entertainment Group GmbH after the termination date would initially no longer be transferred to ProSiebenSat.1 Media SE, but to Joyn GmbH.

Professional fees of the independent auditor

The auditor's fees are not disclosed in accordance with Section 285 No. 17 HGB as they are included in the notes to the consolidated financial statements of ProSiebenSat.1 Media SE as of December 31, 2023.

Group relationships

Seven.One Entertainment Group GmbH, Unterföhring, makes use of the exemption from the obligation to prepare consolidated financial statements in accordance with Section 291 (2) No. 3 HGB.

The company's annual financial statements are included in the consolidated financial statements of ProSiebenSat.1 Media SE (HRB 219439 of the Munich Local Court), Unterföhring.

ProSiebenSat.1 Media SE, Unterföhring, prepares the consolidated financial statements for the largest and smallest group of companies.

The consolidated financial statements of ProSiebenSat.1 Media SE are published in the company register.

Employees

The company employed an average of 1,356 employees in the reporting year (591 male and 765 female).

Derivative financial instruments

Seven.One Entertainment Group GmbH is exposed to various financial risks due to its ongoing business activities. The main objectives of financial risk management are to ensure solvency at all times and to manage market price risks in a risk-adequate manner. The derivative financial instruments used to manage market price risks serve exclusively to hedge risks and are not used for speculative purposes.

The market values of currency hedging transactions are derived from forward exchange rates quoted on the market. Deviations may occur if other methods are used.

The nominal and market values of the derivative financial instruments held by the company as at December 31, 2023 are shown in the following overview:

Nominal and market values		Year of maturity	Nominal amount	Market value		
		2024	2025 - 2028	from 2029	Dec 31, 2023	Dec 31, 2023
Currency hedging		m USD	m USD	m USD	m USD	m USD
Forward exchange transactions and currency swaps		2.7	8.9	0.0	11.6	-0.2

As at the reporting date, the amount of the risks hedged with the valuation units from expected disadvantageous or advantageous changes in value and cash flows corresponds to the fair values of the hedging transactions. Due to similar risks, the opposing cash flows from the underlying and hedging transactions are expected to offset each other completely. Proof of prospective and retrospective effectiveness is provided by means of regular effectiveness tests. The prospective effectiveness is determined using the critical terms match method and the retrospective effectiveness is determined using the dollar offset method because the parameters relevant to the valuation of the hedged item and the hedging instrument are the same.

Financial instruments to hedge the foreign currency risk

Seven.One Entertainment Group GmbH concludes license agreements with sports associations in the USA. It generally meets its payment obligations from these program rights purchases in US dollars. For this reason, exchange rate fluctuations between the euro and the US dollar can affect the company's earnings and financial position. The currency risk from receivables and liabilities in other foreign currencies or for other purposes is negligible due to its low volume.

Seven.One Entertainment Group GmbH uses a micro hedge approach to hedge payment obligations from the acquisition of programming rights. Foreign currency

exposure is defined as the total volume of future US dollar payments resulting from existing license agreements. Seven.One Entertainment Group GmbH uses derivative and primary financial instruments to hedge against currency fluctuations. These include forward exchange transactions, currency swaps and currency holdings (spot currency position) in US dollars.

Derivative financial instruments that meet the requirements for hedge accounting are recognized as part of valuation units in accordance with Section 254 HGB. The company's gross foreign currency exposure is combined with the offsetting currency hedging transactions to form a micro valuation unit. For this purpose, the underlying and hedging transactions are each valued at the underlying cash flows.

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

Currency risk analysis

	Dec 31, 2023	Dec 31, 2022
	m USD	m USD
Gross foreign currency exposure	-15.6	-2.3
Currency hedging transactions (in valuation units)	11.6	2.3
Net exposure	-4.0	0.0
Hedge ratio	74%	100%

Executive bodies

Management Board

The following have been appointed as managing directors:

Bert Habets, Managing Director (since 01.11.2023)

Wolfgang Link, Managing Director (until 15.07.2023)

Nicole Agudo Berbel, Managing Director (until 31.10.2023)

Dr. Stefan Endriß, Managing Director

Henrik Pabst, Managing Director

Thomas Wagner, Managing Director (until 31.10.2023)

Total remuneration of the Management Board

The remuneration of the Management Board amounted to EUR 1,214.8 thousand for the reporting year.

List of holdings according to § 285 No. 11 HGB of Seven.One Entertainment Group GmbH as of December 31, 2023

Name of company	Location	Relation-ship	Holding **	Currency ***	Equity* in thousands	Annual result* in thousands	Foot-note
Affiliated companies							
Germany							
AdTech S8 GmbH	Unterföhring	direct	100.00	EUR	56,869	0	
esome advertising technologies GmbH	Hamburg	direct	100.00	EUR	13,278	283	
Fem Media GmbH	Unterföhring	direct	100.00	EUR	52,324	-1,566	
Glomex GmbH	Unterföhring	direct	100.00	EUR	4,905	0	2
Joyn GmbH	München	direct	100.00	EUR	16,258	-59,064	
Kairion GmbH	Frankfurt am Main	direct	100.00	EUR	1,050	1,740	
Masterpiece Gaming GmbH (in Liquidation)	Norderstedt	direct	100.00	EUR	3,159	-36	3
MMP Event GmbH	Köln	direct	100.00	EUR	534	211	
ProSiebenSat.1 Digital Content GmbH	Unterföhring	direct	100.00	EUR	82,612	-8,129	
ProSiebenSat.1 Entertainment Investment GmbH	Unterföhring	direct	100.00	EUR	3,150	0	2
ProSiebenSat.1 Services GmbH	Unterföhring	direct	100.00	EUR	4,478	1,743	
ProSiebenSat.1 Tech Solutions GmbH	Unterföhring	direct	100.00	EUR	91,913	0	2
SAM Sports - Starwatch Artist Management GmbH	Hamburg	direct	100.00	EUR	-888	-55	
Sat.1 Norddeutschland GmbH	Hannover	direct	100.00	EUR	25	0	2
Seven.One AdFactory GmbH	Unterföhring	direct	100.00	EUR	32,671	0	2
Seven.One Media GmbH	Unterföhring	direct	100.00	EUR	5,997	0	2
Seven.One Production GmbH	Unterföhring	direct	100.00	EUR	37,978	0	2
SevenOne Capital (Holding) GmbH	Unterföhring	direct	100.00	EUR	50,024	0	2
SevenPictures Film GmbH	Unterföhring	direct	100.00	EUR	2,268	0	2
SevenVentures GmbH	Unterföhring	direct	100.00	EUR	132,248	0	2
tv weiss-blau Rundfunkprogrammabreiter GmbH	Unterföhring	direct	100.00	EUR	1,027	0	2
Virtual Minds GmbH	Freiburg im Breisgau	direct	100.00	EUR	42,754	-13,703	
wetter.com GmbH	Konstanz	direct	100.00	EUR	6,111	0	2
Austria							
ProSiebenSat.1Puls 4 GmbH	Wien	direct	100.00	EUR	31,654	14,514	
SAT.1 Privatrundfunk und Programmgesellschaft m.b.H	Wien	direct	75,50	EUR	4,112	3,744	
Switzerland							
Seven.One Entertainment Group Schweiz AG	Zürich	direct	100.00	CHF	15,834	14,318	
United States of America							
Seven.One NewsTime Inc.	Wilmington, DE	direct	100.00	USD	- / -	- / -	1
Associates							
Germany							
Corint Media GmbH	Berlin	direct	30,49	EUR	347	0	
Sportivity Germany GmbH	München	direct	40,00	EUR	699	448	4
Joint Ventures							
Germany							
Addressable TV Initiative GmbH	Frankfurt am Main	direct	50,00	EUR	- / -	- / -	1
Other material investments							
Cayman Islands							
Minute Media Inc.	Grand Cayman	direct	2,81	USD	- / -	- / -	1

1 No information available, company was acquired, founded or in liquidation in 2023.

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

3 Financial statements from July 1, 2022 to June 30, 2023

4 Financial statements from January 1, 2021 to December 31, 2021

* Unless otherwise stated, the equity and annual result figures correspond to the most recent available verified financial statements (financial year January 1, 2022 to December 31, 2022) according to local GAAP if published.

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

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

1 Euro corresponds to CHF 0,99 at Dec 31,22. The average rate is CHF 1,00.

1 Euro corresponds to USD 1,07 at Dec 31,22. The average rate is USD 1,05.

Unterföhring, March 15, 2024

sgd. Bert Habets

sgd. Dr. Stefan Endriß

sgd. Henrik Pabst

Development of Non-Current Assets in financial year 2023

Appendix to the Notes

EUR in thousand	Acquisition and production cost Additions from						Amortization, depreciation and write-ups						Carrying amounts	
	Jan 1, 2023	Additions	merger	Disposals	Reclassifications	Dec 31, 2023	Jan 1, 2023	Additions	Disposals	Reclassifications	Write-up	Dec 31, 2023	Dec 31, 2023	Dec 31, 2022
I. Intangible assets														
1. Licenses trademarks and patents as well as licenses to such assets and rights for a consideration	1,979	14,437	0	37	10	16,389	960	1,756	37	0	0	2,678	13,711	1,020
2. Goodwill	200	0	0	0	0	200	29	17	0	0	0	46	154	171
3. Advances paid on intangible assets	10	122	0	122	-10	0	0	122	122	0	0	0	0	10
	2,190	14,559	0	160	0	16,589	989	1,895	160	0	0	2,724	13,865	1,201
II. Tangible assets														
1. Buildings on land owned by others	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Technical equipment and machines	278	7	0	0	0	285	101	67	0	0	0	168	117	178
3. Other equipment, fixtures, furniture and equipment	642	31	0	36	0	637	291	116	36	0	0	371	266	351
	920	38	0	36	0	922	392	183	36	0	0	539	383	528
III. Financial assets														
1. Shares in Group companies	796,949	62,000	0	10,076	0	848,873	67,089	41,481	0	0	111	108,459	740,414	729,860
2. Interests in associated companies	7,099	225	0	0	0	7,324	0	0	0	0	0	0	7,324	7,099
3. Other loans	49	0	0	0	0	49	0	0	0	0	0	0	49	49
	804,096	62,225	0	10,076	0	856,245	67,089	41,481	0	0	111	108,459	747,786	737,007
Total	807,206	76,822	0	10,272	0	873,757	68,470	43,560	196	0	111	111,722	762,035	738,736

MANAGEMENT REPORT OF SEVEN.ONE ENTERTAINMENT GROUP GMBH, UNTERFÖHRING, FOR THE FINANCIAL YEAR 2023



Basics

Legal and organizational structure of the company

Seven.One Entertainment Group GmbH is a wholly owned subsidiary of ProSiebenSat.1 Media SE in which the German advertising financed stations SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 Gold, Kabel Eins Doku and ProSieben MAXX successfully work together under one roof in Unterföhring near Munich. In the 2022 financial year, the former subsidiary Seven.One Sports GmbH, Unterföhring, and its subsidiary eSports.com GSA GmbH, Unterföhring, were merged into Seven.One Entertainment Group GmbH. Furthermore, Seven.One Entertainment Group GmbH acquired all shares in Joyn GmbH held by the then co-shareholder Discovery Communications Europe Ltd. in October 2022 and has been the sole shareholder since then. All central functions of the broadcasting group are bundled in Seven.One Entertainment Group GmbH. These include the following areas: Program development, program planning, editorial offices, audience research, broadcast management, youth protection, marketing, communications & PR, production management, station operations, digital offerings, corporate strategy and finance.

Seven.One Entertainment Group GmbH and its subsidiary are included in the consolidated financial statements of ProSiebenSat.1 Media SE as fully consolidated companies and are therefore part of the ProSiebenSat.1 Group (hereinafter referred to as the "Group").

Significant events in the 2023 financial year

Mainly driven by the decision taken in December 2023 to further expand the exclusive local programming content and thus further reduce the proportion of US licensed content, impairment losses were recognized on existing programming assets in the 2023 financial year and provisions for onerous contracts on purchase obligations for programming assets totaling EUR 373.5 million were recognized.

In addition, ProSiebenSat.1 Group took the next step in its strategic realignment in 2023, focusing in particular on the core Entertainment business with the streaming platform Joyn. At the same time, an efficient structure, a competitive cost base and processes clearly geared towards digital transformation were implemented. As part of these measures, it was necessary to make socially responsible job cuts in the form of a voluntary redundancy program.

In the 2023 financial year, Seven.One Pay TV GmbH was merged with Seven.One Entertainment Group GmbH with retroactive effect from January 1, 2023. The merger agreement is dated August 30, 2023 and was entered in the commercial register on August 31, 2023.

TV activities

ProSiebenSat.1 is the home of popular entertainment. At the same time, our programs make an important contribution to media and opinion diversity and address socially relevant topics, especially in the young target groups. Independent reporting is important in order to meet the growing need for up-to-date information and reliable contextualization of news. Since January 1, 2023, we have therefore been producing news in-house and broadcasting it live from Unterföhring as well as from our capital city studio in the immediate vicinity of German federal politics at Potsdamer Platz in Berlin. This allows us to be flexible in our current affairs reporting and play out content across platforms. All news programs on SAT.1, ProSieben and Kabel Eins as well as the news offerings in the digital area and on Joyn are bundled under the common brand :newstime in order to be able to offer a comprehensive and uniform journalistic offering for different target groups around the clock.

Our claim is: "Viewers and Users First", we tailor our offerings entirely to their needs. This strategic approach is also reflected in our marketing portfolio. By dovetailing TV and digital very closely, we serve different user interests and monetize our reach effectively at the same time. ProSiebenSat.1 relies on new technologies and offers advertising customers various products in the area of advanced TV, both in the TV advertising environment and on Joyn. Addressable TV spots are one example. These

spots enable our target groups to be addressed in a more interest-based and smarter way, i.e. very precisely tailored.

The audience shares of the ProSiebenSat.1 stations were stable overall in 2023 in relation to the German market and the target group of 14 to 49-year-olds. For the year as a whole, the stations recorded a market share of 24.5% (previous year: 24.9%); in the fourth quarter of 2023, the audience share was 24.4% (previous year: 24.3%). In prime time, which is particularly relevant for the advertising market, the ProSiebenSat.1 stations' combined audience share amounted to 25.2% in 2023 (previous year: 24.9%). This reflects the stronger focus in the programming strategy on exclusive, local prime-time content such as "Wer stiehlt mir die Show?" and "Germany's Next Topmodel - by Heidi Klum". In 2023, the formats each achieved ratings of up to 25.2% and 23.5% respectively in prime time (14- to 49-year-old viewers).

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

in percent

	Audience market shares Q4 2023	Audience market shares Q4 2022	Audience market shares 2023	Audience market shares 2022
Germany	24,4	24,3	24,5	24,9
Austria	25,0	26,0	25,9	26,1
Switzerland	16,1	14,0	16,2	15,2

Germany: Target group: 14-49; ProSiebenSat.1 Group: SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 GOLD, ProSieben MAXX, Kabel Eins Doku/AGF Videoforschung in cooperation with GfK; VIDEOSCOPE 1.4; 01.01.2022-31.12.2023; Market standard: TV.

Austria: Target group: 12-49; SAT.1 Austria, ProSieben Austria, Kabel Eins Austria, PULS 4, sixx Austria, SAT.1 Gold Austria, ProSieben MAXX Austria, Kabel Eins Doku Austria, ATV, ATV II, PULS 24; source: AGTT/GfK TELETEST; Evogenius Reporting; 01.01.2022-31.12.2023; person-weighted; including VOSDAL/Timeshift; standard.

Switzerland: Figures refer to 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 15-49 years; market shares refer to German-speaking Switzerland; D-CH; total signal; source: Mediapulse TV Data.

In order to serve the various user interests across all target groups, ProSiebenSat.1 pursues the goal of offering content via as many distribution channels as possible. In addition to the objective of offering content across all platforms, ProSiebenSat.1 is increasingly focusing on local program content in order to strengthen its market share in linear TV.

Digitalization is making media use more diverse, individual and flexible. In addition to the wide range of usage options, the variety of offerings across all media is increasing. The streaming market in particular has benefited greatly from this trend in recent years: although the SVoD market gained more users in 2023, the duration of use has

reached a saturation point: while the reach in the overall target group of 14 to 69-year-olds continues to increase, the duration of use remains at around 34 minutes. In contrast, the duration of use of ad-financed on-demand offerings such as media libraries, YouTube and social media videos is increasing. It now stands at 57 minutes (previous year: 45 minutes).

It is becoming apparent that social media are increasingly developing into video channels: Over 50% of usage time now consists of video content - and the trend is still rising. However, just like YouTube, social media offerings are only used to a small extent on the big screen - unlike media libraries. Market research studies also show that the advertising environment is also crucial in the digital age. By focusing on local content, we are creating an important competitive advantage: a large amount of exclusive content allows us to differentiate ourselves more clearly from multinational streaming providers while at the same time sharpening our brand profile on linear TV. In 2024, we will further reduce the proportion of US licensed content in favor of local formats. US licensed content will remain important in the future, but we will acquire it on a selective basis. This decision consistently builds on the successes of recent months, in which many of ProSiebenSat.1 Group's local programs have achieved above-average reach on TV.

Against the backdrop of demographic change and structural changes in media consumption behavior, ProSiebenSat.1 is adjusting its target group definition at the beginning of 2024 in order to better reflect TV usage: When analyzing audience shares at Group level, ProSiebenSat.1 now uses the advertising-relevant target group of 20- to 59-year-old viewers. In the target group of 20- to 59-year-olds, the audience share across the entire station group for the year as a whole is 21.5% (previous year: 22.2%); in terms of prime time, it is 21.3% (previous year: 21.2%).

Strategy and control system

Strategy and goals

ProSiebenSat.1 is the home of popular entertainment and infotainment and one of the leading entertainment providers in the German-speaking region. We will strengthen this position sustainably by focusing on three strategic priorities: We are investing more in program content, maximizing our reach and diversifying our monetization.

We increase our reach by distributing local and relevant live content across a wide range of entertainment platforms and investing in attractive content. Thanks to this diversity in our portfolio, we have everything we need to reach millions of people every day. In Germany alone, this figure was over 60 million in 2023. Our maxim: "Viewers and users first". This means that we put viewers and users at the center of everything we do. We tailor our offerings to their needs. This allows them to be inspired by our content, use our products and ultimately spend as much time with us as possible.

At the same time, initiatives such as our own news desk, more local programs and closer integration with our creator business are helping to increase the attractiveness of our content and strengthen ProSiebenSat.1's reach across all platforms. Through smart advertising products under the umbrella of Advanced TV, the Group will increasingly monetize its reach and thus increase the share of its digital & smart advertising revenues. In addition, cooperations with various industry partners are an important part of the strategy.

Planning and control

Internal company control system

Seven.One Entertainment Group GmbH is managed centrally by the management. The basis for this is a company-specific management system based on financial and non-financial performance indicators. These key performance indicators (KPIs) are derived from the strategic objectives of the ProSiebenSat.1 Group and broken down to Seven.One Entertainment Group GmbH. With the exception of audience share, all KPIs are directly measurable in financial terms.

- **Key non-financial performance indicators:** The development of audience shares is an important criterion for program and media planning in the advertising-financed TV business. The data also serves as a benchmark for calculating advertising time prices: The market share describes the percentage share of the average viewing share of a program in the viewing share of the entire TV market. The data thus indicates the share of total TV viewers that a program has reached. The focus here is on viewer market shares in prime time, as prime time from 8:15 p.m. to 11:00 p.m. is the main advertising time.

- **Key financial performance indicators:** The key performance indicators for managing profitability are revenue in accordance with IFRS and adjusted EBITDA, which is derived from the IFRS financial information. The key earnings figure adjusted EBITDA represents the adjusted operating result (earnings before interest, taxes, depreciation and amortization). Special effects - such as M&A-related expenses, reorganization expenses and expenses from legal disputes - are not taken into account, meaning that this key figure is used to assess operating profitability.

Special effects can influence or even overshadow operating business development and make a multi-year comparison difficult. Adjusted earnings figures are therefore suitable performance measures with a view to sustainable earnings power. However, looking at unadjusted earnings figures provides a holistic view of the expense and income structure. For this reason, ProSiebenSat.1 Group, and thus also Seven.One Entertainment Group GmbH, uses EBITDA as a less significant financial performance indicator in addition to the most significant financial performance indicators mentioned above. As tax and depreciation and amortization effects and the financing structure are not taken into account, EBITDA - like adjusted EBITDA - also enables a simpler assessment in an international comparison with competitors.

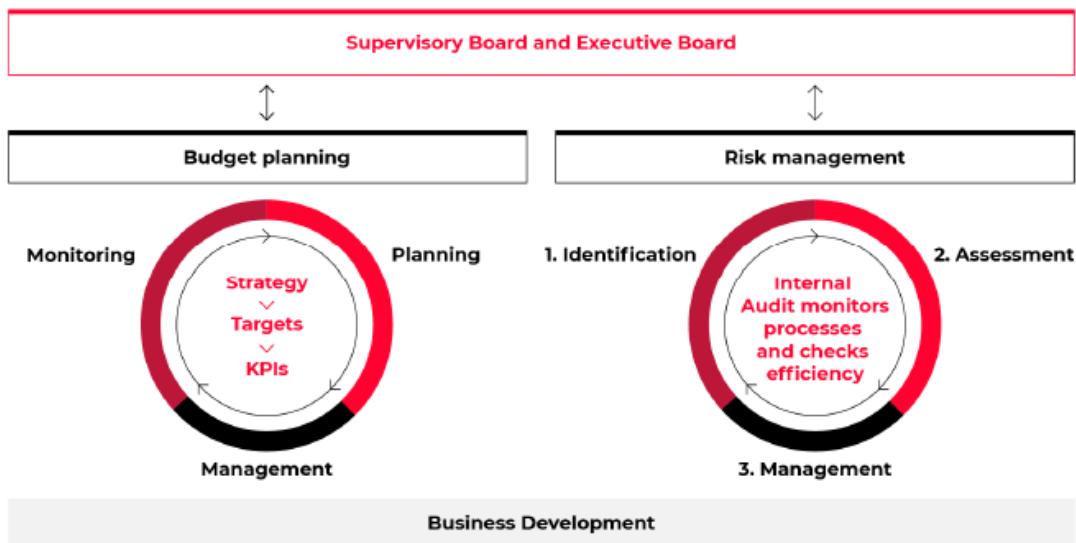
One of the primary objectives is to increase the aforementioned earnings figures through continuous sales growth. Seven.One Entertainment Group GmbH acts as a profit center: This means that they act with full responsibility for sales and earnings. Flexibility is also an important prerequisite for our success, as Seven.One Entertainment Group GmbH operates in a very dynamic industry environment.

Operational and strategic planning

Control and planning are closely interlinked at Seven.One Entertainment Group GmbH. As part of the planning process, target figures are defined and set for various time periods. The focus is on the performance indicators described above. The different levels of the planning process build on each other and are linked to our risk management. The Supervisory Board is also regularly informed by the Management Board - both within and outside of Supervisory Board meetings - about all issues relating to strategy, planning, business development, the risk situation, risk management and compliance that are relevant to the company.

- **Corporate planning:** Corporate planning comprises annual operational planning (budget) and long-term corporate planning (multi-year planning) and represents the detailed, numerical representation of strategic planning. It is carried out on a monthly basis for the first year and on an annual basis for a further four years. The strategically derived targets for the first planning year are specified for the individual key financial and non-financial performance indicators using the counterflow method and extrapolated to the subsequent years. The key financial figures from the income statement, balance sheet and cash flow statement of the individual subsidiaries are analyzed and aggregated at segment and Group level.
- **Monthly reporting and trend forecasts:** Trend forecasts are an important tool for planning during the course of the year: the expected development over the year is calculated on the basis of previous economic performance and compared with the originally budgeted target figures. The aim is to immediately identify potential target/actual deviations and implement the necessary countermeasures in a timely manner. In 2023, the Management Board again explained the short and long-term target achievement to the Supervisory Board. In addition to monthly reporting, potential risks are reported to the Group Risk Officer on a quarterly basis. In particular, this involves analyzing how risk early warning indicators have changed during the year and over time. One important early warning indicator, for example, is the development of audience shares. As soon as the probability of occurrence of risks exceeds 50%, they are included in the planning calculations. Additional opportunities and thus possible positive deviations from forecast targets are analyzed in parallel with risk management; they are included in the planning calculations if their probability of occurrence is more than 50%.

BUDGETING AND RISK MANAGEMENT OF THE PROSIEBENSAT.1 GROUP



Media policy and legal environment

The German media landscape is characterized by a dual system of private and public broadcasters. The German TV market is heavily regulated by the requirements of the Interstate Media Treaty, which means that the possibilities for advertising are restrictive in terms of both quantity and quality. For example, TV advertising in Germany is limited to a certain number of minutes depending on the broadcasting time.

At the same time, the public broadcasters in Germany are financially strong, as they draw part of their budget from broadcasting fees. Private broadcasters have so far been exempt from public funding.

Research and development

Seven.One Entertainment Group GmbH does not conduct research and development (R&D) in the traditional sense of an industrial company. Nevertheless, both areas are of great importance.

The company conducts intensive market research in all areas that are relevant to its business activities or in which the company sees growth potential. The various research departments prepare studies and analyses on advertising impact, trends in the advertising market and digital sectors as well as media usage and also evaluate economic and market forecasts. The results of the market analyses form the basis for our operational and strategic planning. In addition, the ProSiebenSat.1 Group's studies

provide valuable insights for marketing and advertising planning, which in turn form an important basis for our advertising customers' investment decisions.

Program research also plays a decisive role in the program development phase. An important task is the evaluation of international TV trends with regard to their potential for the German television market. In addition, research teams regularly prepare quantitative and qualitative studies and analyses of ProSiebenSat.1 stations' programs. Among other things, TV pilots are tested with the help of surveys and audience screenings. Tests are also carried out on programs that have already been broadcast. Based on the results, we can adapt TV formats in the development phase as well as optimize programs that have already been broadcast.

In the area of development, we worked in particular on making our advertising products "smarter". The aim is to be able to utilize the advantages of digital advertising, such as its data-based playout options on TV. Here, ProSiebenSat.1 is focusing on new technologies and offering advertising customers various products in the area of advanced TV. Addressable TV spots are one example. These spots allow viewers to be addressed based on their interests and thus very precisely to their target group. The offering is based on an advertising technology developed by Seven.One Media and patented throughout Europe. ProSiebenSat.1 has developed the CFlight concept for the German market together with its licensor Sky Media GmbH ("Sky Media") in order to make the reach of combined TV and video campaigns measurable and assessable using standardized criteria despite increasingly fragmented media usage. CFlight includes transparent, cross-media campaign reporting that guarantees the comparability of TV and video advertising contacts. By strengthening TV with premium video, CFlight offers expanded target group potential, particularly in the younger target group segments. With Programmatic TV, we have also developed a new and innovative offering that makes linear television available to customers via digital channels and enables the automated and individualized purchase and sale as well as the targeting of advertising space in real time. This allows us to tap into new customer groups for TV - such as advertisers who previously mainly advertised online.

Economic report

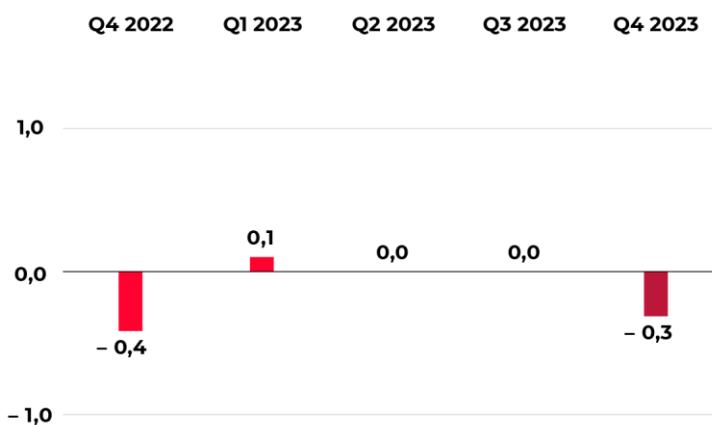
DEVELOPMENT OF THE ECONOMY AND ADVERTISING MARKET

Following restrained expansion in 2022, the global economy again recorded little growth momentum in 2023. The ongoing - albeit less pronounced - effects of the COVID-19 pandemic, the Russia/Ukraine war and high inflation had a negative impact on economic development over the course of the year. In addition, many central banks pursued a restrictive monetary policy, which hampered the pace of global recovery. However, developments varied from region to region: while the US economy proved robust, the Chinese economy did not recover with the momentum that had been expected following the end of the restrictive pandemic restrictions. The economy in Europe also remained weak. According to the International Monetary Fund (IMF), the global economy is likely to have grown by 3.1% in real terms in 2023, compared to 3.5% in the previous year.

The German economy was impacted by low external demand in 2023 and did not gain momentum as originally expected - despite a solid order backlog, significantly eased shortages in supply chains and falling inflation rates. Private consumption in particular fell short of the economic research institutes' expectations. While economic output remained stable in the first three quarters, there was a slight decline in the fourth quarter of 2023 (-0.3% in real terms compared to the previous quarter, Destatis). This was due to lower investment in buildings and equipment.

At the start of 2023, economic research institutes forecast that the German economy would grow slightly in 2023 and benefit from an upturn in private consumption in the second half of the year. However, the growth impetus in private consumer behavior failed to materialize. In 2023 as a whole, gross domestic product fell by 0.3% in real terms compared to the previous year, remaining well below the average for OECD countries (Organization for Economic Cooperation and Development), while private consumption declined by 0.8%.

GROSS DOMESTIC PRODUCT DEVELOPMENT IN GERMANY IN PERCENT, CHANGE COMPARED TO PREVIOUS QUARTER



Interlinked, adjusted for price, seasonal and calendar effects. Source: Federal Statistical Office (Destatis), press release dated January 30, 2024.

The economic ups and downs are reflected in the development of the advertising market, which is very sensitive and closely correlated with private consumer spending. According to Nielsen Media, investments in TV advertising fell by 3.5% to EUR 16.55 billion in 2023 (previous year: EUR 17.15 billion); the impact of the macroeconomic burdens was particularly high in the first half of the year: during this period, advertising expenditure fell by 9.1% to EUR 6.90 billion (previous year: EUR 7.59 billion).

According to Nielsen Media, ProSiebenSat.1's TV advertising revenues developed in line with the overall market over the year, falling by -6.6% to EUR 5.90 billion gross (previous year: EUR 6.31 billion). This corresponds to a market share of 35.6% (previous year: 36.8%). While the Group's TV advertising revenues were down year-on-year in the first three quarters, ProSiebenSat.1 grew faster than the market in the fourth quarter. TV advertising revenues amounted to EUR 2.22 billion (previous year: EUR 2.10 billion). This resulted in a market share of 37.4 % (previous year: 36.9 %).

On a net basis, the trend is identical in an intermedia comparison: according to the latest forecast by the German Advertising Association (ZAW), the total volume of the advertising market is likely to have increased slightly by 1.4% over the year as a whole. However, the disproportionately high increase in investment in digital advertising is the main reason for this growth. This is also reflected in the forecasts published in December by media agencies ZenithOptimedia and Magna Global for 2023: While total advertising expenditure in Germany has risen by 8.0% and 6.8% respectively due to the dynamic growth of investments in online advertising, advertising investments in TV are likely to have decreased by minus 1.0% and minus 9.5% respectively.

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

in percent

	Development of the TV advertising market Q4 2023	Development of the TV advertising market 2023
	(Deviation vs. previous year)	(Deviation vs. previous year)
Germany	+4,1	-3,5
Austria	+7,7	-1,4
Switzerland	-7,3	-8,1

	Market shares ProSiebenSat.1 Group	Market shares ProSiebenSat.1 Group	Market shares ProSiebenSat.1 Group	Market shares ProSiebenSat.1 Group
	Q4 2023	Q4 2022	2023	2022
Germany	37,4	36,9	35,6	36,8
Austria	42,6	41,8	41,4	41,2
Switzerland	25,1	25,8	26,2	25,8

Germany: January-December, gross, Nielsen Media.

Austria: January-December, gross, Media Focus.

Switzerland: January-December, the advertising market shares relate to German-speaking Switzerland, gross, Media Focus.

DEVELOPMENT OF RELEVANT MARKET ENVIRONMENTS

The media landscape is changing rapidly and dynamically. In addition to technological innovations and increasingly digital use, social developments are shaping the industry and the way we deal with media. This is also reflected in the fact that it is becoming increasingly important for people to have a reliable point of contact in view of the diversity of entertainment and information offerings. As a media group and an important partner in the dual broadcasting system, we have a special social responsibility: it is our job to inform people objectively, to reflect the diversity of our society and to classify content independently.

According to the "Media Activity Guide 2023", three key developments are emerging for the German market in terms of media usage behavior, which we have aligned our strategy with: While TV continues to be the medium with the highest reach and usage time, the traditional subscription model (subscription video-on-demand, "SvOD"), is reaching saturation point. Podcasts, on the other hand, can continue their dynamic growth.

With the "Media Activity Guide 2023", Seven.One Media presents a current survey of media use in Germany. It shows that media usage has returned to pre-coronavirus levels and that video usage has reached new heights. People are spending around 12 hours a day with media, with TV, including media libraries, accounting for 203 minutes of daily usage in the overall sample of 14 to 69-year-olds (previous year: 221 minutes). This means that 34%, and therefore the majority of daily media usage, is accounted for by TV, including both live and on-demand content. Digitization opens up additional opportunities to monetize our reach and also the option to diversify our revenue profile. One example of this is the distribution of programs in HD quality: Seven.One

Entertainment Group GmbH participates in the technical activation fees that end customers pay to the respective providers for programs in HD quality. In Germany, the ProSiebenSat.1 Group's HD stations recorded 12.9 million users in the reporting period, 11.3% more than in the previous year.

In addition to a broad range of media offerings, partnerships are an important way of expanding our reach, particularly in the digital environment. One example of this is the distribution partnership with Vodafone Germany, which the Group extended in 2023: In addition to the linear availability of all ProSiebenSat.1 stations, the new distribution agreement focuses on increased cooperation in digital product offerings, particularly in the area of video-on-demand.

Overall statement on business performance from the perspective of the company management

After the market environment was characterized by the close correlation between consumer uncertainty and the cautious approach to advertising budgets, particularly in the first half of the year, the trend stabilized in the second half of the year. In the fourth quarter, which is important for the advertising business, advertising revenue in the DACH region was up slightly on the previous year, reflecting the continuous improvement compared to the previous quarters.

However, we closed 2023 as a whole below the previous year's level in terms of both sales and operating earnings.

The economic environment remains challenging - but we are currently seeing positive trends. At the same time, we are continuing to focus on strengthening profitability, a lean cost structure and the consistent implementation of our local program strategy.

Earnings situation

The company's revenue amounted to EUR 1,809.0 million in the financial year (previous year: EUR 1,935.6 million). The decrease of EUR 126.6 million was due to the declining advertising market in 2023.

Overall, the company's income can be broken down as follows:

➤ External cash advertising revenue	EUR 1,362.7 million	(previous year: EUR 1,527.3 million)
➤ Internal revenues	EUR 205.6 million	(previous year: EUR 177.8 million)
➤ Distribution revenues	EUR 172.6 million	(previous year: EUR 158.9 million)
➤ Other revenues	EUR 68.0 million	(previous year: EUR 71.6 million)

Revenue from affiliated companies amounted to EUR 205.6 million (previous year: EUR 177.8 million) and mainly relates to internal advertising revenue from airtime and revenue shares. The increase is mainly due to higher digital marketing commissions, particularly from Joyn GmbH.

As at the reporting date, other operating income fell by EUR 39.2 million to EUR 30.5 million (previous year: EUR 69.6 million) and is primarily made up of the reversal of provisions (EUR 16.9 million; previous year: EUR 5.7 million) and income from affiliated companies (EUR 6.7 million; previous year: EUR 6.2 million).

The cost of programs and materials amounted to EUR 1,416.4 million (previous year: EUR 1,196.7 million). The increase of EUR 219.7 million is primarily due to the impairment loss and the addition to the provision for onerous contracts. This is a direct consequence of the strategic decision to reduce US license content in favour of local formats. The consumption of programming assets accounted for EUR 1,158.9 million (previous year: EUR 937.7 million). The remaining costs mainly comprise expenses for external and internal broadcasting and production fees (EUR 60.2 million; previous year: EUR 63.3 million), marketing commissions (EUR 59.3 million; previous year: EUR 73.4 million), internal technical services (EUR 46.8 million; previous year: EUR 43.5 million) and other rights of use (EUR 23.3 million; previous year: EUR 22.9 million).

Personnel expenses amounted to 159.3 million euros in the reporting year (previous year: 122.3 million euros). The increase of EUR 37.0 million is mainly due to additions to provisions for severance payments as part of a voluntary redundancy program.

Other operating expenses of EUR 298.7 million were at the previous year's level (EUR 296.1 million).

In the reporting year, income from affiliated companies and profit transfers fell slightly from EUR 73.5 million to EUR 72.3 million. Expenses from loss transfers amounted to EUR 69.5 million (previous year: EUR 16.3 million). The main reason for the increase is a new control and profit and loss transfer agreement concluded with Joyn GmbH in the 2023 financial year.

Interest income amounted to EUR 44.0 million (previous year: EUR 6.8 million). This increase is due to the rise in interest rates, which led to higher interest on the cash pooling account at ProSiebenSat.1 Media SE.

Earnings after taxes or the loss (previous year: profit) before profit transfer amounted to EUR -28.6 million (previous year: EUR 432.2 million) and was offset (previous year: transferred) by (previous year: to) ProSiebenSat.1 Media SE in accordance with the control and profit and loss transfer agreement.

Financial position and net assets

Central financial management

Seven.One Entertainment Group GmbH is included in the ProSiebenSat.1 Group's financial management. A centralized cash pooling system is used to balance liquidity within the Group. Seven.One Entertainment Group GmbH was able to meet its external payment obligations at all times in the past financial year on the basis of financing from ProSiebenSat.1 Media SE.

Net assets and capital structure

The company's total assets decreased by EUR 231.9 million to EUR 3,315.1 million as at December 31, 2023 (previous year: EUR 3,547.0 million).

Fixed assets increased by EUR 23.3 million to EUR 762.0 million. The increase is due in particular to a rise in intangible assets.

Current assets amounted to EUR 2,550.3 million as at December 31, 2023 (previous year: EUR 2,805.7 million). As a result of the above-mentioned adjustment to the programming strategy, programming assets decreased significantly to EUR 761.2 million (previous year: EUR 987.3 million), particularly as a result of impairment losses in connection with the strategic realignment. Receivables and other assets amounted to EUR 1,788.9 million (previous year: EUR 1,817.7 million). This includes receivables from cash pooling with ProSiebenSat.1 Media SE, which fell from EUR 1,576.3 million to EUR 1,492.9 million. Receivables from profit transfers and distributions from subsidiaries and the parent company amounted to EUR 83.0 million (previous year: EUR 61.6 million).

The share capital remains unchanged from the previous year at EUR 6.0 million. The equity ratio as at the reporting date was 84.9% (previous year: 79.4%).

Other provisions increased significantly compared to the previous year and amounted to EUR 250.2 million (previous year: EUR 93.7 million). The increase is mainly due to the creation of provisions for onerous contracts as part of the realignment of the program strategy. The provisions also relate to outstanding purchase invoices, rights of use and legal disputes.

As of December 31, 2023, liabilities amounted to EUR 244.9 million (previous year: EUR 627.8 million). This corresponds to a decrease of 61.0% and is due in particular to reduced liabilities from profit and loss transfer agreements with ProSiebenSat.1 Media SE (2023: none; previous year: EUR 432.2 million). By contrast, liabilities from profit and loss transfer agreements with subsidiaries increased slightly and amounted to EUR 69.5 million in the reporting year (previous year: EUR 13.9 million).

In the 2023 financial year, the operating cash flow deteriorated in particular due to the decline in cash advertising revenue (2023: EUR 1,422.6 million; previous year: EUR 1,613.4 million). In the 2023 financial year, EUR 819.2 million (previous year: EUR 867.4 million) was used for investments in programming assets. Future financial obligations from programming purchase agreements already concluded decreased to EUR 1,041.6 million as at December 31, 2023 (previous year: EUR 1,295.4 million). These amounts also include foreign currency obligations in US dollars, which are, however, of minor significance from the company's perspective.

Cash outflows for investments in financial assets amounted to EUR 62.2 million (previous year: EUR 40.5 million).

The parent company is obliged by the profit and loss transfer agreement to compensate for any negative results of the company. Any short-term liquidity bottlenecks can be bridged by means of cash pooling.

Comparison of actual and expected business performance

Revenue fell by EUR 126.6 million to EUR 1,809.0 million in the 2023 reporting year. This corresponds to a decrease of 6.5% and is mainly due to the ongoing economic downturn and the associated decline in the advertising market. Seven.One Entertainment Group GmbH's revenue forecast for 2023 (a slight decline in revenue in the mid-single-digit percentage range was expected) was therefore met.

In terms of audience shares, ProSiebenSat.1 Group and its TV stations are leading among the private - i.e. advertising-financed - providers: For the year as a whole, the ProSiebenSat.1 station family achieved a market share of 24.5% among viewers aged 14 to 49 in Germany (previous year: 24.9%). The market shares thus remained slightly

below the previous year, and therefore slightly below our forecast, according to which we planned to maintain the high level in 2023.

A slight increase in the mid-single-digit percentage range was also expected for EBITDA in accordance with IFRS. In fact, EBITDA in 2023 fell sharply by 102.2% to EUR -8.3 million (previous year: EUR 373.3 million), which in turn is mainly attributable to the special effect from the write-down of a significant portion of the programming assets of US content and the recognition of provisions for onerous contracts for purchase obligations for programming assets totaling EUR 325.7 million .

Reconciliation of recurring EBITDA in accordance with IFRS

in m Euro	2023	2022
Earnings before profit transfer (HGB)	-28.6	432.2
Adjustments HGB/IFRS ¹	116.6	-91.1
Earnings before profit transfer (IFRS)	88.0	341.2
Taxes	-67.8	75.0
Interest + other financial result	-46.3	-51.7
Operating result (EBIT)	-26.1	364.5
Depreciation ²	17.9	8.9
EBITDA	-8.3	373.3
Special effects (netted)	360.7	1.4
Adjusted EBITDA	352.5	374.7

¹ mainly caused by the recognition of deferred taxes in accordance with IFRS and differences in the valuation of financial assets and program assets

² Amortization, depreciation and impairment of other intangible assets and property, plant and equipment.

Adjusted EBITDA amounted to EUR 352.5 million in 2023 and fell by EUR 22.2 million or 5.9% compared to the previous year. This is below expectations. A slight increase in adjusted EBITDA was expected for 2023. The effect is mainly due to the declining advertising market in 2023.

Risk report

Seven.One Entertainment Group GmbH is essentially subject to the risks and opportunities relating to the entertainment business of the ProSiebenSat.1 Group.

Identifying and managing potential risks is just as important for a company as recognizing and exploiting opportunities. The ProSiebenSat.1 Group uses effective control systems to manage risks early and consistently. This also applies to opportunity management.

Process control

The company does not have an independent risk management system; rather, Seven.One Entertainment Group GmbH is integrated into the ProSiebenSat.1 Group's risk management system.

The ProSiebenSat.1 Group has a comprehensive risk management system that takes into account all activities, products, processes, departments, investments and subsidiaries that could have a negative impact on our Company's business performance. The classic risk management process is structured in four phases:

1. identification: The basis is the identification of material risks via a target/actual comparison. The decentralized risk managers are responsible for this. They are guided by early warning indicators that have been defined for relevant issues and key figures. One important early warning indicator, for example, is the development of audience shares.

2. assessment: The relevant consolidated risks are assessed on the basis of a matrix. Firstly, the issues are categorized according to their probability of occurrence on a five-level percentage scale. Secondly, the degree of their potential financial impact is assessed; the financial equivalents are also divided into five levels. The matrix presentation is used to classify the potential risks according to their relative importance as "high", "medium" or "low". In addition to the classification, the analysis of causes and interactions is part of the risk assessment. Measures to counteract or minimize risks are included in the assessment (net view). In order to obtain as precise a picture as possible of the risk situation, opportunities are not taken into account.

3. management: The ProSiebenSat.1 Group can take appropriate measures to reduce the probability of potential losses occurring and limit or minimize possible losses. It is therefore of great importance for the safe handling of risks to take adequate countermeasures as soon as an indicator exceeds a certain tolerance limit.

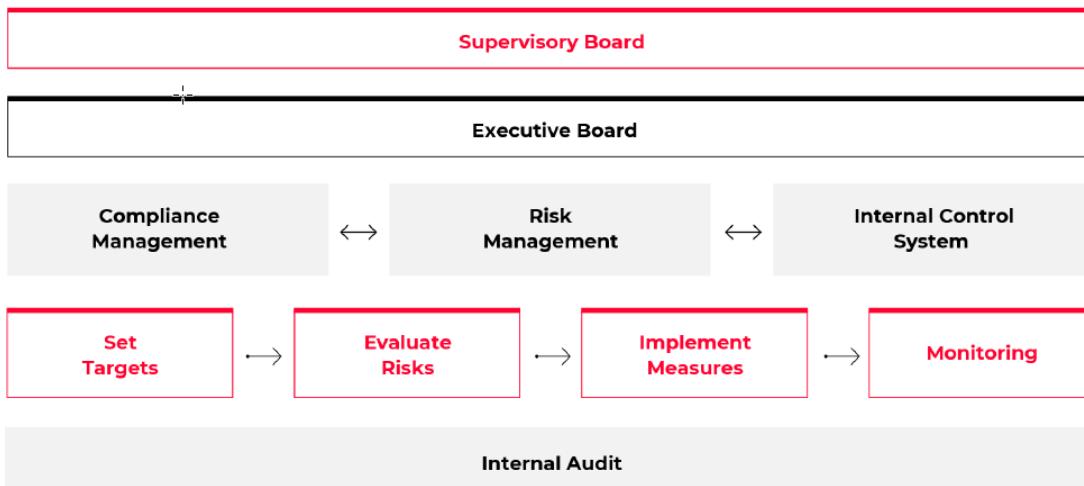
4. monitoring: Risk monitoring and risk reporting complete the risk management process. The aim is to monitor changes and check the effectiveness of the control measures taken. Documentation is also part of monitoring; it ensures that all hierarchical levels relevant to decision-making have adequate risk information.

In this report, risk is defined as a possible future development or possible future event that could have a significant impact on our business situation and lead to a negative deviation from targets or forecasts. This means that the risk characteristics that we have already taken into account in our financial planning and in the consolidated financial statements as at December 31, 2023 do not fall under this definition and are therefore not explained in this risk report.

RISK MANAGEMENT PROCESS



In addition to a structured process, clear decision-making structures, uniform guidelines and a methodical approach by the responsible bodies are basic prerequisites for dealing safely with risks throughout the Group. At the same time, processes and organizational structures must be flexible enough to allow the ProSiebenSat.1 Group to respond appropriately to new situations at any time. For this reason, the regular classification of risks is decentralized and thus carried out directly in the various corporate units, as described below:



- **Decentralized risk managers:** The decentralized risk managers record the risks from their respective areas of responsibility according to the uniform Group-wide system described above. They document their results on a quarterly basis in an IT database.
- **Group Risk Officer:** The Group Risk Officer reports the relevant risks reported in the database to the Management Board and the Supervisory Board on a quarterly basis. Relevant risks that arise at short notice are also reported immediately. In this way, the Executive Board and Supervisory Board receive all analyses and data relevant to decision-making at an early stage and on a regular basis in order to be able to react appropriately.
- **Group Risk Management** supports the various divisions in identifying risks at an early stage. The department ensures that the system is effective and up to date by training the decentralized risk managers and continuously reviewing the risk consolidation group. In addition, the Internal Audit department regularly reviews the quality and compliance of the risk management system. The results are reported directly to the Group's Chief Financial Officer, then discussed by the Group's Executive Board and brought to the attention of the Supervisory Board.

The regular audit of the risk management system by Internal Audit again led to a positive result in the 2023 financial year. The basis for the audit is the Risk Management Framework Guideline. This framework guideline summarizes company-specific principles and reflects the internationally recognized standard for company-wide risk management and internal control systems of the COSO (Committee of Sponsoring Organizations of the Treadway Commission).

Development of risks

The ProSiebenSat.1 Group, and thus also Seven.One Entertainment Group GmbH, divides risks into the categories "Operating Risks", "Financial Risks", "Compliance Risks" and "Strategic Risks". Due to their thematic diversity, the respective "Operational risks" are also divided into the following risk clusters: "External risks", "Sales risks", "Content risks", "Technological risks", "Personnel risks", "Investment risks", "Product risks" and "Other risks". The risk clusters are in turn made up of various risks. These are not necessarily the only risks to which the Group, and therefore also Seven.One Entertainment Group GmbH, is exposed. However, we are not currently aware of any other risks that could influence our business activities or we do not consider them to be relevant in the context of this report.

The risks arising from the development of reach are explained as part of the general industry risks. Due to the close link between media usage behavior and reach development, it is not easy to clearly separate the two risks. We have therefore combined them in this report in order to present a comprehensive and more meaningful overall picture .

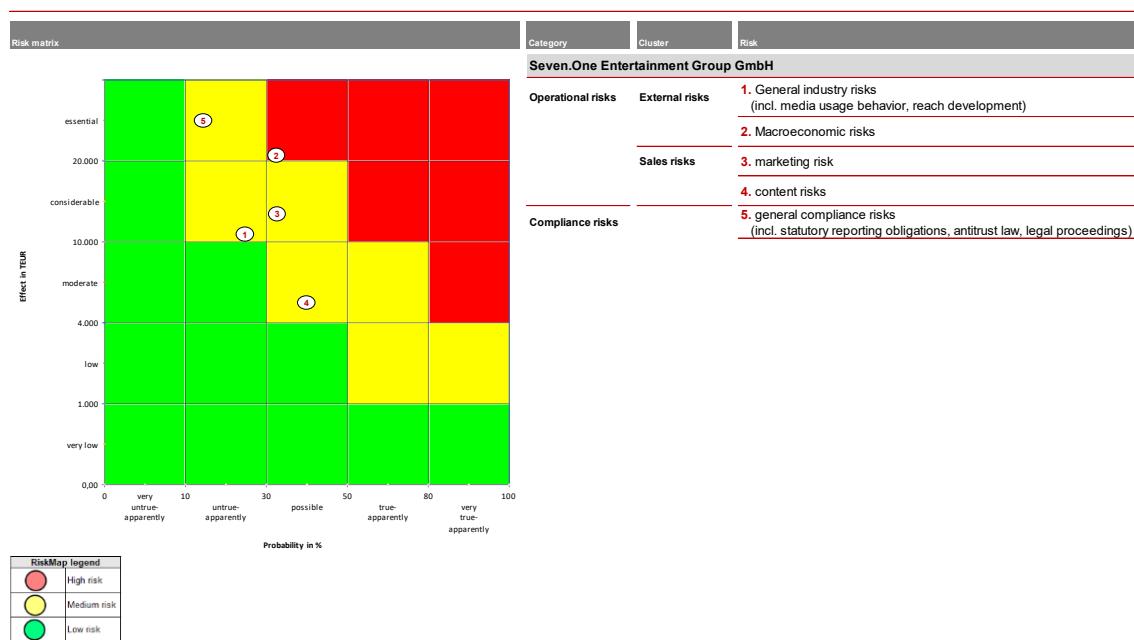
The relevant risks with a potentially significant or material impact are presented in this management report; we do not report here on risks with a potentially very low, low or moderate impact. Risks with an overall low significance are also not reported here. However, if a risk with a currently very low, low or moderate potential impact develops into a risk with a potentially significant or material impact, we will take this change into account in our future risk reports. Conversely, if risks that we currently classify as having a significant or material impact are downgraded to a very low, low or moderate impact, such risks will not be described in detail in this report - with the exception of the change compared to the risk situation itself published in the 2022 management report. Similarly, if a risk with an overall low significance develops into a risk with an overall medium or high significance, such a risk would be taken into account in our future risk reports as soon as we assess the impact of the risk as significant or material. If, on the other hand, a risk with an overall high or medium significance develops into a risk with an overall low significance, this risk would not be described in detail regardless of the degree of impact - with the exception of the change compared to the risk situation itself published in the 2022 Annual Report.

Overall risk situation: The German economy has been facing major challenges for almost four years and visibility is low. Gross domestic product in Germany is expected to grow slightly again in 2024, but growth expectations still diverge significantly, not least due to global economic and geopolitical uncertainties. In our financial planning,

we have taken into account the current assumptions regarding economic development at the time this annual report was prepared. At the same time, the business development of our segments is reflected in our financial planning and therefore also in the risk assessment. Taking this information into account, ProSiebenSat.1 Group's overall risk situation has decreased compared to the previous year 2022.

We take a net view in the risk report: As such, we only report here those risks that are not covered by financial planning and remain after risk mitigation measures. In our financial planning, we have taken into account the assumptions on economic development available at the time of preparing these annual financial statements. Any deterioration, particularly driven by the geopolitical situation, is not reflected here. In our opinion, there are currently no identifiable risks which, either individually or in combination with other risks, could have a significant or lasting adverse effect on the net assets, financial position and results of operations. The identified risks do not jeopardize the continued existence of the company, not even in the future .

Risk matrix



Operational risks: External risks

General industry risks (incl. media usage behavior and reach development): Television is the most important mass medium - this applies both in terms of reach and media usage time. However, advancing digitization has permanently changed media usage behavior in the entire moving image sector and has led to a significant diversification of offerings in terms of both technology and content. For example, TV content

has long been used not only live on stationary TV sets, but also on-demand via apps and on mobile devices such as laptops or smartphones. Additional content offerings such as pay VoD (e.g. Netflix, Amazon Prime) or ad VoD (especially YouTube) reduce the time budget available for traditional linear television.

The use of all media types overall has normalized again to its original level in 2023 - after the high during the COVID-19 pandemic. At around 4.5 hours, the video usage included in this figure is slightly above the pre-pandemic level and is extremely stable to slightly increasing in the long term. However, the shift in video usage from the linear to the digital environment described above is clearly evident: while traditional TV usage is declining, digital offerings are becoming increasingly important. This applies above all to ad-financed offerings, with the duration of use of online videos in particular increasing very dynamically.

The risk for ProSiebenSat.1 in this changing environment is therefore not reaching a sufficient number of viewers and thus reducing the overall reach across all offerings or losing important viewer segments such as the younger population groups.

Several measures have been implemented to counter this risk.

In terms of content, we concentrate on local content with our range of programs and focus on prime time, which is relevant for advertising. We address different target groups, which is reflected in the complementary positioning of our station group: For the younger viewer groups, sixx and ProSieben Maxx have the right offering; for the older viewer groups, these are Sat.1 Gold and kabel eins Doku (each tending to be female and male); Sat.1, ProSieben and kabel eins also cover the broader viewer segments 14-59 years and 14-49 years respectively.

This strategy is rounded off by the close integration of the channel offerings and the Joyn platform, e.g. via previews together with target group-oriented content that can only be used exclusively via Joyn.

In addition to moving images, audio formats such as podcasts complement our range of offerings - with Seven.One Audio and its portfolio of exclusively marketable and self-produced podcasts, we are the leader in Germany and thus reach additional user groups.

Against this backdrop, we consider the risks from a change in general industry risks to be lower compared to the end of the previous year, but still consider their occurrence to be unlikely. Overall, we continue to classify this as a medium risk and the potential financial impact would be considerable.

Macroeconomic risks:

Risks from the economic and geopolitical environment: Advertising expenditure is a business investment and is therefore directly linked to general economic development and, in particular, private consumption. Unfavorable (domestic) economic prospects therefore represent a significant risk for our business. Consequently, we continuously monitor key economic indicators and forecasts and adjust our business expectations accordingly.

Economic forecasts are naturally associated with uncertainties, but these remain very high - particularly in light of geopolitical developments. The German economy has been facing ongoing challenges for almost four years, from the effects of the COVID-19 pandemic to the Russia/Ukraine war. The slump in Russian gas and oil supplies drove energy prices up sharply over the course of 2022. Since then, the highly inflationary environment has severely impacted the purchasing power of private households. This was compounded in 2023 by the interest rate hikes by the European Central Bank (ECB), which dampened borrowing and corporate investment.

Despite the various burdens, the German economy remained almost stable in 2023 at minus 0.3% in real terms (calendar-adjusted -0.1%). It is currently assumed that the German economy will pick up over the course of 2024 - despite continued subdued foreign demand and a heavy burden on companies. The expectation is based on a positive trend in private consumption: falling inflation and higher real incomes should provide more momentum than in 2023. By contrast, no support is expected from government consumption, particularly following the ruling by the Federal Constitutional Court, which provides for austerity measures in the national budget.

In summary, both upward and downward forces will be at work in the winter half-year 2023/2024: while private consumption should gradually regain momentum, the burdens on companies will remain high and the overall economic growth prospects limited.

Against this backdrop, we consider the risks from the economic and geopolitical environment to have decreased compared to the end of the previous year. As at the end of the previous year, we classify their occurrence as possible, while significant financial effects cannot be completely ruled out should they occur. Overall, we continue to classify the risks from the economic and geopolitical environment as high.

Operational risks: Sales risks

The development of sales risks is influenced by various factors. In addition to reach measurements, macroeconomic data and industry-specific trends such as the general development of the advertising market and the distribution of advertising budgets across the various media types (media mix) are relevant. In this context, the shift of budgets to online media and the resulting possible decline in TV's share of the media mix or a downward trend in the sales volume of the net TV advertising market harbors considerable risk potential. The sales risks arising from marketing by the Group's sister company Seven.One Media GmbH are classified here and below as external risks of Seven.One Entertainment Group GmbH.

Marketing risks: Competition with global platform providers is intense. We cannot rule out a significant impact on our revenue development in the TV advertising market, although we are pursuing a digital and cross-platform entertainment strategy. At the same time, we are increasingly focusing on local program content in order to serve different media usage interests and thus differentiate ourselves from the competition. With the clear focus on exclusive local content and the increase in programming expenditure in 2024, ProSiebenSat.1 aims to strengthen its market share in linear TV and the growth of Joyn. However, the visibility of the future macroeconomic development remains limited. We have prepared our financial planning accordingly and continue to consider the remaining commercialization risk as possible. The marketing risk has therefore decreased overall and is now assessed as a medium risk (previous year: high risk).

Content risks: We expect demand for high-quality content and a correspondingly good market environment for the production companies of Seven.One Entertainment Group GmbH to remain strong in the future. Seven.One Entertainment Group GmbH pays attention to an individual, but overall balanced ratio of licensed programs on the one hand and commissioned and in-house productions on the other. The parent company ProSiebenSat.1 Media SE, which acts as a buyer for Seven.One Entertainment Group GmbH, protects its rights against other licensees and forms of program exploitation through exclusive agreements in the form of contractual hold-back clauses. In order to be informed about trends and new productions at an early stage, our purchasing department is also in constant contact with international and national licensors. Compared to the previous year, we continue to classify the risk as medium, with a potentially moderate impact. We consider the occurrence to be possible .

Compliance risks

General compliance risks (incl. statutory reporting obligations, antitrust law, legal proceedings):

Digital developments present legislators with new challenges and confront companies with a high level of regulation, particularly in the areas of consumer and data protection. In order to prevent potential legal infringements, we are closely monitoring legal developments so that we can react appropriately to changes. Together with politicians and industry, the Group aims to promote the opportunities presented by digitalization in order to strengthen Germany as a location for business and innovation in the long term. The focus is currently on the following topics:

The General Data Protection Regulation (GDPR) has harmonized the legal requirements for the processing of personal data in the European Union. The online advertising industry developed the Transparency & Consent Framework (TCF) at an early stage in order to make it possible to obtain consent from users as required by data protection law, to query objections to legitimate processing interests and to provide mandatory information. At the beginning of 2022, the competent Belgian data protection supervisory authority (APD) objected to key aspects of the TCF mechanism and imposed various rectification obligations on the standard-setting organization, the Interactive Advertising Bureau Europe (IAB Europe). In April 2022, IAB Europe submitted an action plan with proposed improvements, which was approved by the supervisory authority in January 2023 and implemented by IAB Europe over the course of the year. In parallel to this process, IAB Europe appealed against the APD's decision in February 2022 and brought the matter before the Belgian Market Court. However, in the fall of 2022, the Court stayed the proceedings and referred questions to the European Court of Justice (ECJ) for a preliminary ruling, which formed the basis for the APD's original administrative decision. Should the ECJ's decision lead to necessary changes to the TCF mechanism, this could affect ProSiebenSat.1 Group's advertising-financed business model and possibly necessitate adjustments to the data protection-compliant consent query.

Finally, the reform of copyright contract law in 2021 is also relevant in light of digital developments. The new legal regulations, in particular the reporting obligation for contractual partners of authors and ancillary copyright holders (usually the producer), which will apply from June 2022, contain undefined legal terms and some other, still unclear formulations, with regard to which more legal certainty can only be achieved through case law and industry practice in the coming years. The effects on the ProSiebenSat.1 Group are therefore not yet finally foreseeable. Compared to the previous year, we continue to classify the risk as medium and with a potentially significant impact. We consider its occurrence to be unlikely.

Opportunities report

Opportunity management

Our aim is to identify opportunities as early as possible and to exploit them by taking appropriate measures. To this end, ProSiebenSat.1 identifies the growth options defined as relevant as part of strategic planning. This involves prioritizing the individual options, deriving specific targets and defining measures and resources to achieve the operational targets.

Our opportunity management is part of the company's internal management system and is decentralized within the divisions. The process is supported and coordinated by the Group Strategy department: Through close contact with the individual operating units, the department gains a detailed insight into the business situation and is constantly on the lookout for further growth options. In addition, market and competitive analyses and the exchange of experience with external experts serve as important sources for identifying growth opportunities for ProSiebenSat.1 Group.

Explanation of significant opportunities

We have already included opportunities with a high probability of occurrence in our forecast for 2024 and our planning for 2025 to 2028. We report on these growth opportunities in the company outlook for the 2024 financial year. In addition, there is potential that has not yet been budgeted for or not fully budgeted for; we describe these possible positive budget deviations below, insofar as they are relevant and material for the planning period up to 2028.

Opportunities from macroeconomic and regulatory developments

In Germany - our largest sales market - the macroeconomic environment is likely to remain challenging, even if inflation rates are now falling. Private consumption is the most important early warning indicator for our financial planning, as it correlates very closely with the volume of investment in advertising.

Economic forecasts are inherently fraught with uncertainty, but visibility is currently particularly limited. Economic research institutes currently expect private consumption to pick up over the course of 2024 and be supported by both falling inflation rates and rising real wages. If private consumption gains more momentum than currently

expected and this leads to a positive deviation from this planning assumption, additional growth opportunities will arise for the entire Group and, above all, for our core Entertainment business.

Opportunities in relation to the digitization of TV and TV advertising

Advertising is the central lever for increasing brand awareness quickly and effectively. This applies in particular to cross-media forms of advertising. ProSiebenSat.1 Group therefore began early on to combine the advantages of traditional television - such as its high reach - with the advantages of digital advertising, such as data-based targeting, and to offer cross-media forms of advertising. Under the term "Advanced TV", ProSiebenSat.1 is driving forward the digitalization of advertising and creating ever more tailored solutions for customers in the TV advertising environment. Examples of this are our various addressable TV products, which enable targeted, contextual targeting of advertising on TV. The growth prospects for digital TV advertising such as addressable TV are great, as the use of internet-based TV sets is continuously increasing.

ProSiebenSat.1 is also meeting the dynamically growing demand for innovative advertising products with new technologies: With Total Video based on CFlight, we have created a strong differentiating feature in reach measurement, as it translates the high TV quality standards into the digital environment and guarantees the comparability of TV and online video advertising contacts. Despite increasingly fragmented media usage, Total Video based on CFlight gives our customers a holistic and transparent view of their video campaigns. Another area in which we have recently invested heavily is programmatic TV, which allows us to automate the process from booking to playout of linear TV advertising space. Programmatic TV enables us to attract new customers to the medium of TV and further strengthen the relevance of television in an intermedia comparison.

We are thus focusing on digital growth in our core business with the aim of consistently expanding the share of our digital & smart advertising revenue. This also includes the successful expansion of our digital offerings in the area of podcast marketing. All of these innovative products hold great potential for us as a Group: After all, a successful digital transformation is not just about selling advertising products, but about being a brand consultant. ProSiebenSat.1 covers the entire value chain and - unlike a pure TV marketer - can combine content, marketing and technology. This is an important differentiator from traditional media companies - as well as from global technology groups.

Overall statement on the risk and opportunity situation from the perspective of the company management

We assess our opportunity situation as unchanged, although this is largely dependent on further macroeconomic developments. The German economy and private consumption are likely to pick up again in 2024, but growth expectations still diverge significantly, not least due to macroeconomic and geopolitical uncertainties.

Advancing digitalization is opening up new growth markets for the ProSiebenSat.1 Group. For example, media usage is becoming increasingly diverse, moving images are consumed regardless of time, place and device - and the ability to address advertising to specific target groups is becoming increasingly flexible. In order to actively shape this digital transformation and translate it into growth potential, we have consistently focused on our entertainment activities in 2023 and initiated the necessary changes here. Our streaming platform Joyn, which we connect with all our brands and linear channels, is now at the center of our strategy.

At the same time, digitalization also harbours risks. Identifying and managing potential risks is therefore just as important for our company as recognizing and exploiting opportunities. In our assessment, there were no identifiable risks at the end of the financial year that could have a significant negative impact on our business performance. The overall risk has decreased in 2023 compared to the previous year.

Forecast report

As a subsidiary of ProSiebenSat.1 Media SE, the business development of Seven.One Entertainment Group GmbH depends to a large extent on the strategic direction of the development of the Group's TV business.

Future economic and sector-specific framework conditions

Future economic framework conditions

The **global economy** lost further momentum in 2023, and neither the IMF nor the OECD expect a sustained recovery in 2024: high inflation is likely to continue to fall. At the same time, however, monetary policy will remain restrictive for the time being, which will continue to be associated with higher financing costs. Only later in the year

could falling key interest rates in the USA and the eurozone provide relief for the economy. However, it is unclear when and how quickly this will happen and depends heavily on the further development of the economy and inflation.

Against this backdrop, the US economy is likely to slow down somewhat after surprisingly good growth in the previous year. The IMF expects the US economy to grow by 2.1% in real terms, compared to 2.5% in 2023. The Chinese economy is also likely to slow down noticeably in 2024. This is due to fundamental structural problems, including in the real estate sector. The same applies to the global economy as a whole. The IMF therefore expects growth to remain subdued overall at 3.1% in 2024 (previous year: 3.1%).

In contrast, the outlook for the eurozone has improved somewhat. In view of robust labor markets, falling inflation rates and significantly increasing purchasing power, the recovery in private consumption should gain momentum over the course of 2024. The IMF therefore expects real growth of 0.9% for the eurozone, compared to 0.5% in the previous year.

The strongly export-oriented **German economy** should also be able to grow again in 2024. However, growth expectations are once again diverging significantly: according to forecasts, gross domestic product is likely to grow by between 0.5% (IWH, Leibniz Institute for Economic Research Halle) and 0.9% (IfW) in real terms by the end of 2023. The Bundesbank is particularly cautious, expecting growth of 0.3% in real terms. In view of the subdued global environment, positive impetus is expected above all from private consumption.

Forecasts for private consumption range from a real increase of 0.9% (RWI, Leibniz Institute for Economic Research; German Institute for Economic Research, DIW) to 1.7% (IfW). The prerequisite for the upturn in consumption is that inflation continues to fall over the course of 2024 and real wages grow strongly. Estimates for inflation range from an annual average of 2.1% (RWI) to 3.0% (IWH), after 5.9% in 2023. At the same time, there are major uncertainties here: If incomes or inflation develop differently than currently expected, the upturn in consumption could be further delayed. Added to this are the tensions arising from the geopolitical environment and, in particular, the Russia/Ukraine war and the Middle East conflict.

EXPECTED DEVELOPMENT OF KEY ECONOMIC INDICATORS

in percent, 2024p

	Germany
Gross domestic product (real) ¹	0,3-0,9
Private consumption (real) ²	0,9-1,7
Inflation rate ³	2,1-3,0

1 Bundesbank; IfW.

2 RWI, DIW; IfW.

3 RWI; IWH.

Future sector-specific framework conditions

According to the study "German Entertainment & Media Outlook 2023-2027" by PricewaterhouseCoopers GmbH ("PricewaterhouseCoopers"), the entertainment market is expected to reach a total volume of EUR 43.1 billion in 2024 (+1.5% year-on-year), of which EUR 12.5 billion (2023: EUR 11.8 billion) will be spent on digital entertainment offerings. In the forecast period up to 2027, the digital entertainment market is expected to grow by 5.0% annually, with dynamic growth anticipated for the streaming sector, among others.

In addition to structural developments in the course of digitization, macroeconomic indicators will have a strong influence on the further development of spending on entertainment offerings. This also applies to the advertising industry as a whole, meaning that the forecasts for the individual media types vary: For total advertising expenditure in 2024, media agencies Magna Global and ZenithOptimedia forecast net growth of 4.3% and 3.5% respectively. As in 2023, this growth will be driven by developments in the online market. This is expected to grow by between 7.6% (ZenithOptimedia) and 7.8% (Magna Global). At the same time, linear TV is expected to decline again. Here, the forecasts for net advertising expenditure currently range from minus 0.5% (ZenithOptimedia) to minus 3.1% (Magna Global). This high divergence is due to the fact that macroeconomic developments are still subject to uncertainty and therefore the visibility of the particularly cyclically sensitive TV advertising market remains limited.

We have taken these implications into account in our financial planning. We will consistently diversify our sales portfolio and thus respond to changing user interests. For example, we are driving the digital transformation with innovative advertising products under the umbrella of Advanced TV by making our advertising products "smarter". Because the more tailored advertising is, the greater the added value for our advertising customers and our viewers. To this end, we are combining the advantages of the digital world - such as data-based playout options - with our high

reach on TV. This allows us to expand our marketing opportunities - both in the linear environment and on our streaming platform Joyn.

Company outlook¹

Forecasts for the advertising market diverge and we anticipate a slight increase in total advertising expenditure in 2024. At the same time, the advertising market reacts very sensitively to economic developments and in particular to consumer sentiment and propensity to spend. The uncertainty regarding macroeconomic developments will continue in the 2024 financial year. Economists are currently assuming a slight economic recovery in the DACH region in 2024. We have taken these framework conditions and assumptions into account in our financial forecast for the 2024 financial year. We are focusing on profitable growth, while also responding to economic developments with targeted cost measures.

We expect to be able to maintain our position in audience shares in the advertising-relevant target group of 20 to 59-year-olds at a high level, in particular due to our continued focus on local content and local entertainment formats.

In 2024, we will continue to focus on positioning our Entertainment business more locally, digitally and synergistically and growing organically. For Seven.One Entertainment Group GmbH, we are planning a slight increase in revenue in the low single-digit percentage range based on the agency forecasts for the advertising market in 2024 and the forecast economic development. In terms of adjusted EBITDA, we expect a slight decline in the low single-digit percentage range, in particular due to higher expenditure in the programming segment. We are forecasting a significant increase in EBITDA, as 2023 was heavily impacted by one-off effects and the resulting write-downs on programming assets.

Events after the balance sheet date

On February 22, 2024, the Executive Board of ProSiebenSat.1 Media SE resolved on an intra-group reorganization, which aims, among other things, to contribute Seven.One Entertainment Group GmbH to Joyn GmbH, which is currently wholly owned by Seven.One Entertainment Group GmbH, and then to contribute Joyn GmbH to a subsidiary wholly owned by ProSiebenSat.1 Media SE. The reorganization was approved by the Supervisory Board of ProSiebenSat.1 Media SE on March 5, 2024 and will be submitted for approval at the Annual General Meeting of ProSiebenSat.1 Media SE on April 30, 2024. As a result of the intra-group reorganization, the control and profit and

¹ Forecasts regarding financial development are based on IFRS key figures.

loss transfer agreement between ProSiebenSat.1 Media SE and Seven.One Entertainment Group GmbH would be terminated during the financial year 2024 and a new profit and loss transfer agreement would be concluded between Joyn GmbH and Seven.One Entertainment Group GmbH. With this step, future earnings generated by Seven.One Entertainment Group GmbH after the termination date would initially no longer be transferred to ProSiebenSat.1 Media SE, but to Joyn GmbH.

Independent auditor's report

To Seven.One Entertainment Group GmbH

Opinions

We have audited the annual financial statements of Seven.One Entertainment Group GmbH, Unterföhring, which comprise the balance sheet as at 31 December 2023, and the income statement for the fiscal year from 1 January to 31 December 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Seven.One Entertainment Group GmbH for the fiscal year from 1 January to 31 December 2023.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the fiscal year from 1 January to 31 December 2023 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

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

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with

these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and

appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

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

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

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future

events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Berlin, 18 March 2024

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Mielke
Wirtschaftsprüferin
[German Public Auditor]

Klopp
Wirtschaftsprüferin
[German Public Auditor]

Resolution on the adoption of the annual financial statements as of December 31, 2023 of Seven.One Entertainment Group GmbH:

The shareholders of Seven.One Entertainment Group GmbH adopted the annual financial statements as of December 31, 2023 with a balance sheet total of EUR 3,315,106,783.88 by shareholder resolution dated March 18, 2024.